

1 ST. AUGUSTINE - ST. JOHNS COUNTY AIRPORT AUTHORITY

2 Budget Meeting

3 held at 4796 U.S. 1 North

4 St. Augustine, Florida

5 on Monday, September 8, 2003

6 from 5:01 p.m. to 5:51 p.m.

7 \* \* \* \* \*

8 BOARD MEMBERS PRESENT:

- 9 SUZANNE GREEN, Chairman
- WAYNE "BUZZ" GEORGE, Secretary-Treasurer
- 10 JOSEPH CIRIELLO
- BOB COX

11 BOARD MEMBERS ABSENT:

- 12 JOHN "JACK" GORMAN

13 \* \* \* \* \*

14 ALSO PRESENT:

- 15 DOUG BURNETT, Esquire, Rogers, Towers, Bailey,
- 16 Jones & Gay, P.A., 170 Malaga Street, St. Augustine,
- FL, 32084, Attorney for Airport Authority.
- 17 EDWARD WUELLNER, A.A.E., Executive Director.
- 18 BRYAN COOPER, Assistant Airport Director.

19 \* \* \* \* \*

20

21

22 St. Augustine Court Reporters  
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 23 St. Augustine, FL 32084  
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1 PROCEEDINGS

2 CHAIRMAN GREEN: Stand for the -- call to  
3 order for the budget meeting for the St.  
4 Augustine-St. Johns County Airport Authority.  
5 Pledge the flag, please.

6 (Pledge of Allegiance.)

7 3. - PRESENTATION OF REVISED STAFF BUDGET

8 CHAIRMAN GREEN: This is the published  
9 budget for the fiscal year 2003 and '04. We have  
10 now the presentation of revised Staff budget by  
11 Mr. Wuellner.

12 MR. WUELLNER: Yes, ma'am. I'll review the  
13 budget without undue detail, and if you have  
14 questions about specific items, because we've  
15 done this a few times, we'll -- obviously we'll  
16 come back with the questions.

17 CHAIRMAN GREEN: Just to clarify, the  
18 questions will come after public comment?

19 MR. WUELLNER: Or questions could come at  
20 any time. I don't --

21 CHAIRMAN GREEN: Okay.

22 MR. WUELLNER: Personally have no  
23 preference, but...

24 CHAIRMAN GREEN: Statutorily, we follow that  
25 if public comment needs to --

4

1 MR. WUELLNER: Yeah. That part's fine.  
2 It's just the order of -- order of services, so  
3 to speak, needs to be the same.

4 If you -- I put some divider pages this time  
5 to help speed it along. And again, if you'll  
6 excuse the notations on the bottom right corner,  
7 actually appears in various places on various  
8 sheets where it refers to it being adopted, and  
9 it has a date in there.

10 We use the same form year to year, and the  
11 dates get modified after we approve a budget  
12 after next meeting, and we'll correct the dates  
13 at that time for actual publication. So, pay no  
14 attention to those dates and don't get caught up  
15 in that.

16 As presented here and as previously  
17 discussed, there are 12 Airport Authority Staff  
18 positions that equate to a \$586,111 payroll.  
19 Operating expenses are currently proposed at  
20 \$914,500, with a capital outlay budget this year,  
21 which I believe will be the single-largest  
22 capital outlay budget ever proposed by the

23 Airport Authority, would come in at \$14,386,667.

24 A proposed debt service and reserves number  
25 of \$1,863,326. And I would point out that while

5

1 we can look at it in detail later, the majority  
2 of that is a reserve number, versus an  
3 expenditure -- a true expenditure number.  
4 Bringing your total expenditure proposed by this  
5 budget at \$17,750,604. And against \$14,796,147  
6 in actual revenue, generating an ad valorem  
7 requirement as presented here of \$2,954,457,  
8 which equates to the millage of .2356 mills.

9 Moving on to revenue, the -- the pie chart  
10 again depicts the key areas of the revenue  
11 budget. Loan proceeds, as discussed and  
12 incorporated in the budget, equate to about 28.2  
13 percent of the revenue picture. Lease revenues  
14 equate to about 7.4 percent at \$1,300,000 and  
15 change.

16 Ad valorem, as we discussed a minute ago, is  
17 \$2.9 million, representing about 16 percent, a  
18 little over 16 1/2 percent. Cash forward  
19 equating to about 11.3 percent or right at \$2  
20 million. And interest income of about a third of  
21 a percent, or \$57,000. Grants totaling

22 \$6,418,000 are proposed, representing about 36  
23 percent of the total income.

24 You can see the revenue on the next page is  
25 broken down by, in some cases individual tenant,

6

1 and in some cases groups of tenants. In the  
2 cases of like T-hangars and home rentals,  
3 they're -- they're lumped together to show a  
4 total. Most of our corporate and commercial-type  
5 facilities are individualized so you have some  
6 feel for what -- what we generate on an annual --  
7 analyzed amount there. Again, the revenue totals  
8 are projected at \$17,750,000.

9 Moving on to the Expenditure Budget, I would  
10 want to point out -- I'm sorry. Let me go back  
11 to revenue for a second.

12 We did make an adjustment based on our  
13 discussion at the last meeting. We did increase  
14 the self-fuel revenues in total, approximately --  
15 I believe it was -- trouble with the glasses  
16 here. I want to say it was about \$40,000 in  
17 total --

18 MR. GEORGE: Yeah.

19 MR. WUELLNER: -- which was attributable to  
20 the proposal on the table relative to self-fuel

21 jet. If the Authority elects to do that, there's  
22 a revenue provision for it. If you don't, then  
23 it again goes back to reserves.

24 Moving on to Expenditures Summary, debt  
25 service and reserves, as we indicated earlier,

7

1 equates to 10 1/2 percent of the total  
2 expenditure budget, or \$1,863,000. Personnel  
3 services is about 3 percent of the total budget,  
4 equating to about \$586,000.

5 The operating expenditures equating to 5.2  
6 percent of the total budget at \$914,000.

7 Together, that equals about 18, just under 19  
8 percent of the total budget as being noncapital.

9 So, obviously 81 percent of the budget at this  
10 point is clearly related to capital development  
11 on the airport. Significant -- significant  
12 portion of the budget is capital.

13 And moving on to the capital, the two-page  
14 capital budget summary, compares a couple of  
15 previous years to current year proposals, details  
16 by line, to some extent, the operating budgets of  
17 personnel services, operating expenditures,  
18 capital outlay and debt service and reserves, are  
19 all broken down to a greater extent on these

20 sheets. Again, the total expenditure budget  
21 proposed is \$17,750,604.

22 Some additional sheets are provided just for  
23 other backup. One covers the salaries, wages and  
24 benefits calculation, goes -- works through that  
25 exercise. A total salaries, how benefits play

8

1 into that, and the Authority's share of certain  
2 payroll-related taxes, and benefits paid to  
3 employees.

4 Capital Equipment Request is the next sheet.  
5 Details the couple of items that we have there.  
6 Significant among them is a \$150,000 kind of  
7 generic item in here that's -- and should remain  
8 generic at this point for security-related  
9 equipment improvements on the airport. And we'll  
10 discuss the details of that project at a -- at a  
11 later meeting when we have more details, but it's  
12 kind of a placeholder and we do expect it will be  
13 a number similar to that.

14 We have -- the next item is the Debt Service  
15 Requirements. This represents the debt service  
16 annualized for next year based on a \$5 million  
17 borrow to be accomplished, hopefully early in the  
18 fiscal year. This would be the debt service



19 against that borrow, as if borrowed for a 10-year  
20 period, or assuming a 10-year return on that --  
21 on that borrow. You've got an amount there for  
22 interest and an amount there for principal,  
23 equating to about \$600,000.

24 Next and -- and probably the most discussed  
25 portion of the budget as always is the Capital

9

1 Projects and Grant sheet. This details the  
2 projects that are currently proposed and  
3 currently included in the \$14 million capital  
4 program for the year.

5 Some color coating has been done on this  
6 sheet, for those of you that have original  
7 copies, just to assist in kind of -- kind of  
8 following the bouncing ball, if you will. But  
9 these are -- some of these projects are projects  
10 that are carry-forward projects which represent  
11 some of what we use the cash-forward total in  
12 revenues to go against.

13 So, it's money that was budgeted in this  
14 current fiscal year and the previous fiscal year.  
15 And the projects are still either waiting to  
16 begin or waiting to complete in some cases, and  
17 straddle multiple fiscal years. Others are

18 projects that are truly new projects going into  
19 the new fiscal year and have new money associated  
20 with it versus carry-over money.

21 Last section that we put information on was  
22 the Florida's DR-420 Form, which is literally our  
23 representation of the form that's used by the  
24 County Property Appraiser's Office and Tax  
25 Collector's Office that's required by the State

10

1 that gives a breakdown of ad valorem-related  
2 proceeds, provides the basis for calculating the  
3 rollback rate, and provides a way of declaring  
4 what the proposed ad valorem millage will be for  
5 the -- the next fiscal year. All that  
6 information is in -- in the DR-420 Form.

7 Two key items are the current proposed  
8 aggregate millage as presented in the budget  
9 again as .2356, which is the same millage rate as  
10 last year. It does generate additional ad  
11 valorem revenues because the tax base is larger.  
12 But it's the same rate to the average homeowner.

13 The other important note is that that  
14 represents a 9.89 percent increase in the actual  
15 ad valorem proceeds, the actual dollars. It  
16 represents a 9.89 percent increase in that.

17 We included a couple of tables that are just  
18 more for you to get a handle on what that  
19 represents to the average taxpayer, so when you  
20 plug that millage in, you get an idea of how much  
21 revenue it generates on the first table, or other  
22 millage rates, should -- should the Authority at  
23 some point decide to select a different millage  
24 rate. You get some idea, based on this -- the  
25 current tax base, how much revenue that would

11

1 generate.

2 And then the last -- the last sheet I have  
3 here is the Tax Computation sheet, which gives  
4 you an idea that after -- after a deduction for  
5 homestead exemption, that the -- the residual  
6 value of your -- your assessment would require an  
7 ad valorem -- it would generate an ad valorem tax  
8 bill, if you will, at a couple of different  
9 millage rates here.

10 Gives you what was the original rolled-back  
11 rate and also gives you what is the current  
12 proposed millage rate of .2356. Gives you an  
13 idea of how much an individual homeowner's  
14 exposure is in ad valorem directly related to the  
15 airport.

16 That's my summary of the budget. We'd  
17 certainly be happy to entertain specific  
18 questions related to that.

19 CHAIRMAN GREEN: Mr. -- we'll go ahead with  
20 board discussion now since it's fresh in our  
21 minds. Mr. Ciriello?

22 MR. CIRIELLO: No, I just have one real  
23 quick question. Ed, would you happen to have the  
24 exact millage ad valorem rate to come out the  
25 same as last year?

12

1 MR. WUELLNER: Yes.

2 MR. CIRIELLO: It would be .2-, maybe 100,  
3 or .2 --

4 MR. WUELLNER: Just had it right there for  
5 you. The last sheet you were looking at --  
6 actually, I'm sorry. It's on your DR-420.

7 MR. CIRIELLO: It would be between the .21  
8 and .20, wouldn't it?

9 MR. WUELLNER: It's .2144, is the exact same  
10 ad valorem generation as last year.

11 MR. CIRIELLO: Well, see, I don't understand  
12 that, because when you -- when you run the  
13 figures from last year's amount of taxes to this  
14 year, if we go with the rollback rate of .2144,

15 that's still going to bring in \$111,000 more than  
16 last year.

17 MR. WUELLNER: What --

18 MR. CIRIELLO: So, to be exactly the same  
19 amount as last year, it would have to be less  
20 than .2144.

21 MR. WUELLNER: Well --

22 MR. CIRIELLO: That's what I'm asking.

23 MR. WUELLNER: Yeah. There -- there's a  
24 slight modification in how they -- they actually  
25 do that.

13

1 And it's done during what they call the  
2 Value Adjustment Board hearings that occurs once  
3 a year in the county, wherein while the Property  
4 Appraiser may make an assertion that your  
5 property's worth \$100,000 for some reason, you  
6 have the ability to petition in a proper form to  
7 the -- to the Property Appraiser's Office and  
8 have them specifically review that value.

9 And if somewhere during that adjustment  
10 board they make a decision it's worth \$110- or  
11 \$90-, your -- the total -- they're estimating the  
12 tax base here when they do the 420. The reality  
13 is it's not official until actually after

14 September. They have that hearing and --

15 MR. CIRIELLO: Well, yeah, I know. When I  
16 got my tax thing, my property has been appraised  
17 just about \$10,000 more than last year, which  
18 means I'm going to pay a couple of pennies more.  
19 Really not much.

20 So, I was wondering to be specific -- now,  
21 no matter which way you look at it, if we take  
22 the .2356 or the .2144, it's a tax increase on  
23 the -- on the citizen because we're paying --  
24 we're getting more than last year.

25 MR. WUELLNER: Okay. If you want to look at

14

1 it in aggregate value, it -- it appears to be.  
2 It was not -- it's -- I don't know how to  
3 describe it. It's not an intentional increase in  
4 tax. It's an increase that comes because of the  
5 order in which -- of how taxes are assessed  
6 within the state. The Value Adjustment Board  
7 hearings do not occur until after each entity,  
8 each governmental entity has set their taxes.

9 So, while the Tax Appraiser has given us a  
10 value of all the taxable properties in the county  
11 in which we use to budget, the reality is, the  
12 final actual number doesn't occur until after

13 that budgeting cycle is done.

14 MR. CIRIELLO: Okay. So, you're telling me,  
15 if say per se we go and get the rollback rate of  
16 .2144, and I'm saying the way the figures come  
17 out, it's \$111,000 more than last year, after  
18 everybody's done and the final figures are in,  
19 you're saying they could be less than that.

20 MR. WUELLNER: Oh, absolutely.

21 MR. CIRIELLO: But could it be more?

22 MR. WUELLNER: Sure, it could. I don't  
23 think they -- you probably have a quicker answer  
24 to this. I don't know that they can assess at a  
25 Value Adjustment Board hearing more than what

15

1 they originally assessed you in your tax notice.  
2 But I know they can make an adjustment downward.

3 MR. BURNETT: Yeah. Two things on there of  
4 note. The deadline for petitioning to the Value  
5 Adjustment Board was September the 2nd. And it's  
6 a \$15 fee for anyone -- for those of the public  
7 who are listening, it's a \$15 fee to petition to  
8 the Value Adjustment Board.

9 Those hearings are set with a special master  
10 in October. A person can appeal yet from the  
11 special master to the Value Adjustment Board

12 those hearings. They haven't set the dates in  
13 October -- the last I checked, which was a couple  
14 of days ago, they hadn't set the dates yet. But  
15 it will be in October, the Value Adjustment  
16 Board, with the end of October, early November,  
17 which is well beyond the dates that we've got to  
18 accomplish this purpose.

19 The thing that Ed's getting -- alluding to  
20 there is folks who petition to challenge their  
21 assessment, for lack of a better word, they can  
22 get their assessments reduced. I don't believe  
23 the Property Appraiser has the ability to  
24 increase their assessment based on the hearings  
25 at the Value Adjustment Board. However, the next

16

1 year, the Property Appraiser very well may raise  
2 the value even further because of information  
3 that it learns at those Value Adjustment Board  
4 hearings.

5 Oftentimes, they learn that, for example, a  
6 garage is in a better condition than they  
7 originally -- when they took a first look,  
8 because they didn't look as detailed as they  
9 would when someone petitions.

10 MR. CIRIELLO: Yeah. I -- I -- I hear what



11 you're saying, but it just making it simple for  
12 me, that if I -- as a group, we made, say \$2  
13 million last year from ad valorem tax, and  
14 irregardless of how they decide or how they  
15 figure it out or anything like that, if we  
16 paid -- or collected \$2,200,000 this coming  
17 fiscal year, any way you look at it, to me, that  
18 was a tax increase. I don't care what wording  
19 they use to say, "Oh, no, it's not really a tax  
20 increase." As long as I'm paying a penny more  
21 than I did last year, you know --

22 MR. WUELLNER: Well --

23 MR. CIRIELLO: -- as a taxpayer, I -- it is  
24 an increase.

25 MR. WUELLNER: To you -- to you as an

17

1 individual, it's not a tax increase, because the  
2 millage rate that is applying to your specific  
3 home doesn't change. The Authority is not  
4 change -- wouldn't be changing the rate at which  
5 you're charged. The total proceeds to the  
6 Authority indeed does increase in those cases,  
7 because the overall value of the community's  
8 taxable property has increased.

9 Typically, that's done in -- from two ways.

10 One, the Property Appraiser has reassessed  
11 existing property and has increased the value of  
12 that property. The other is, the more common way  
13 in a growing community like ours, is it comes  
14 from the addition of new homes to the tax rolls,  
15 and new businesses and new developments. All of  
16 those generate new tax dollars that expand the  
17 amount of total dollars coming to a governmental  
18 entity or taxing authority, but hasn't affected  
19 the rate at which an individual is paying.

20 MR. CIRIELLO: It hasn't affected the rate,  
21 but it does bring more money --

22 MR. WUELLNER: It does.

23 MR. CIRIELLO: -- and if it brings more  
24 money, it's an increase. It's just as simple as  
25 that.

18

1 MR. WUELLNER: And the legislature agrees  
2 with you.

3 MR. CIRIELLO: Okay.

4 MR. WUELLNER: I think it's still deceiving  
5 to the individual, but...

6 MR. CIRIELLO: All right. Okay.

7 CHAIRMAN GREEN: Yes, Mr. George?

8 MR. GEORGE: Mr. Wuellner, the Capital

9 Projects and Grants, these do not include capital  
10 projects and grants that were approved last year,  
11 for which funds were received but they have not  
12 been -- the project hadn't been completed. This  
13 is all new stuff that would be initiated in the  
14 new year; is that correct?

15 MR. WUELLNER: Actually, there are  
16 combinations of both. The majority of these  
17 projects are new projects, projects that would be  
18 begun in this fiscal year and ideally completed  
19 within the fiscal year. That -- that rarely  
20 happens.

21 But you do have some projects here which are  
22 carry-forward projects, projects that were  
23 delayed for one reason, either didn't start, but  
24 money was appropriated in a previous year. So,  
25 that money is coming forward from a revenue side

19

1 into cash forward.

2 It's a cash forward. That's where the  
3 money's coming from. And then it's just simply  
4 carried forward as an expenditure item listed  
5 here in capital projects. Examples of that are  
6 the rehabilitation of the FBO apron. That was a  
7 last year's project. We have delayed that

8 project waiting completion of the terminal. So,  
9 it's -- while it was a project last year, it's a  
10 project this year, it was intentionally delayed  
11 in this case.

12 There are some that aren't intentional, but  
13 by virtue of the speed at which funds were  
14 received or development costs or time lines to  
15 develop the project, it may be that it got a late  
16 start, and some money's expended.

17 Trying to think of others that are -- are  
18 like that. Northeast development area is  
19 significantly less than what it was originally.

20 MR. GEORGE: Okay. Yeah, I see back on your  
21 Expenditure Budget where the -- the cash reserves  
22 and everything are being brought forward for the  
23 stuff for last year. That was --

24 MR. WUELLNER: It's approximately a \$2  
25 million number there.

20

1 MR. GEORGE: Yeah.

2 MR. WUELLNER: But keep in mind that \$2  
3 million number also includes reserves.

4 MR. GEORGE: Right.

5 MR. WUELLNER: So, there's not a  
6 significant -- it's not a significant amount of

7 capital dollars moving forward. It's -- most of  
8 it's reserve money.

9 If I don't carry it forward, in theory, you  
10 lost if you don't. But, I mean, for budget  
11 purposes, you carry the money forward into your  
12 new year, then you -- then we create an  
13 expenditure item to match it so that we don't  
14 lose it.

15 MR. GEORGE: Yeah.

16 MR. WUELLNER: That's -- the previous  
17 authorities have made that mistake in not putting  
18 an expenditure with it, budgeted it as cash, and  
19 then all of the sudden, at the end of the year,  
20 you have no reserve because you spent it all, in  
21 a sense, in day-to-day operations. Not  
22 intentionally, but it's happened.

23 MR. GEORGE: Okay. Well, I was just looking  
24 at the local budget of \$7.7 million. If I took  
25 \$5 million out for the loan, that's \$2.7. And

21

1 we're getting roughly, so --

2 MR. WUELLNER: Yeah.

3 MR. GEORGE: That stuff is staying in  
4 reserves, then.

5 MR. WUELLNER: Some of that --

6 MR. GEORGE: Yeah.

7 MR. WUELLNER: A couple hundred thousand was

8 probably reserves. The balance of it is -- is,

9 quote, unquote, ad valorem.

10 MR. GEORGE: Right. Okay.

11 MR. COX: Are we under discussion right now

12 of the budget?

13 CHAIRMAN GREEN: Uh-huh.

14 MR. COX: Are we going to public comment

15 after that or --

16 CHAIRMAN GREEN: Yes, sir.

17 MR. COX: And then back for discussion?

18 CHAIRMAN GREEN: That's why I asked the

19 board if they wanted to do the public discussion

20 first, and Staff said it didn't matter. Either

21 way.

22 MR. COX: All right.

23 MR. WUELLNER: Well, you need to have that

24 before we talk about adopting anything.

25 CHAIRMAN GREEN: Yes, right. Sure.

22

1 Mr. Cox?

2 MR. COX: Two items. The Capital Projects

3 and Grants under corporate hangars, got \$2.2

4 million. What -- what -- is that for

5 improvements -- what corporate hangars are you  
6 talking about?

7 MR. WUELLNER: It's the balance of funding  
8 on the northeast area.

9 MR. COX: Northeast area, okay. And also,  
10 under the Capital Equipment Request for \$150- for  
11 security equipment, you said you were going to  
12 hold that aside. Is that just --

13 MR. WUELLNER: Well, we're kind of --

14 MR. COX: And I know it's not a hard number,  
15 but that's just --

16 MR. WUELLNER: Exactly.

17 MR. COX: -- an estimate right now?

18 MR. WUELLNER: Yes. That -- that's all  
19 we're doing, is providing you an estimate based  
20 on what we think we'd like to do. That will form  
21 into a project that's ultimately going to be run  
22 by you guys, anyway.

23 MR. COX: Is that going to be a --

24 MR. WUELLNER: It's more of a placeholder.  
25 I don't know how else to describe it.

23

1 MR. COX: Is that going to be enough?

2 MR. WUELLNER: I -- I think it will be. For  
3 what -- for what we're looking at doing this

4 year.

5 MR. COX: Yeah. All right.

6 MR. WUELLNER: It may be an ongoing  
7 expenditure. I mean, I think there's not -- not  
8 annual, but I think as we elect to make  
9 improvements, we'll -- over the years, it's  
10 something we keep addressing annually. You know,  
11 as we add new gates, new development locations,  
12 things of that nature, you're going to obviously  
13 add items --

14 MR. COX: Are we going to add new gates this  
15 year because of the northeast hangar area?

16 MR. WUELLNER: Actually, we add three new  
17 gates in there, but those are --

18 MR. COX: Those are what you're planning --

19 MR. WUELLNER: Yes. We add three new gate  
20 locations, automated gate locations, but those  
21 are included in the capital project.

22 MR. COX: All right.

23 MR. WUELLNER: It's not a -- we're looking  
24 to tying them together information-wise versus  
25 hard capital.

24

1 CHAIRMAN GREEN: I just have one  
2 clarification. Is it fair to say that the \$5



3 million proposed project that we're looking at,  
4 that's the majority of where our capital outlay's  
5 coming from, and our purpose of doing that,  
6 obviously, is to build income-generating  
7 buildings.

8 MR. WUELLNER: Yes, that -- it is fair to  
9 say that that is the lion's share, probably  
10 five-sevenths, if you will, of the Authority's  
11 capital budget. It's not the majority of the  
12 total capital budget, but it is the majority of  
13 the Authority's capital budget.

14 CHAIRMAN GREEN: And what's the time  
15 frame -- I know we don't really know -- as far as  
16 building the hangars? In other words, when can  
17 we start servicing this debt through the rents  
18 that we'll be receiving?

19 MR. WUELLNER: Well, we're -- we're putting  
20 some of that together now --

21 CHAIRMAN GREEN: Right.

22 MR. WUELLNER: -- to -- to bring forward to  
23 you, but we're hoping that by late spring, that  
24 the majority of acquisitions have been completed  
25 and that we can be in a position to move some of

25

1 the capital aspects forward.

2       You've still then got significant, you know,  
3 time lines in developing the capital and  
4 occupying the -- my best guess, I mean, we're  
5 hoping to have, an example, apron available by  
6 the end of January of next year. Not this coming  
7 year, but the following, 2005. That's -- that's  
8 a pretty tight time line. I know that -- that  
9 seems like it's a way out there, but it's a  
10 fairly tight time line when you consider you  
11 don't own all the property yet.

12       CHAIRMAN GREEN: I'm just trying to run this  
13 because I know there's capital outlays going out  
14 there, which seems -- but we need it right now in  
15 order to keep building and then --

16       MR. WUELLNER: When we begin --

17       CHAIRMAN GREEN: -- we can get  
18 income-generating buildings.

19       MR. WUELLNER: Yeah. Well, you also -- keep  
20 in mind that half of that \$5 million figure is --  
21 well, is to be returned, or nearly half of it, in  
22 FDOT funds --

23       CHAIRMAN GREEN: Right.

24       MR. WUELLNER: -- over the course of four  
25 years. So, it's -- it retire -- we're thinking

1 it actually retires in about between five to six  
2 years, worst case, from the Authority side. It  
3 could retire much quicker than that.

4 CHAIRMAN GREEN: And that will also take out  
5 some of our overhead expenditures as far as  
6 maintenance on those properties.

7 MR. WUELLNER: Oh, yeah.

8 CHAIRMAN GREEN: Any other board discussion?

9 (No further board discussion.)

10 4. - PUBLIC COMMENT

11 CHAIRMAN GREEN: Public comment?

12 Mr. Slingsluff?

13 MR. SLINGLUFF: I've just -- I've got three  
14 areas of concern on the budget that was presented  
15 to the board here.

16 The first, as I understand -- and I -- with  
17 government, revenue is -- the definition of  
18 revenue is a little bit different than what it is  
19 in business. And -- and I understand that.

20 I do have a question, though, that we're  
21 carrying \$2 million as money being carried over  
22 from the previous year, and you have that listed  
23 as revenue. That's really already cash in hand.

24 MR. WUELLNER: Correct.

25 MR. SLINGLUFF: Okay. Thus -- I mean --

1 MR. WUELLNER: It's actually cash forward.

2 It's not a true revenue --

3 MR. SLINGLUFF: It's cash forward, but it's

4 cash that the airport owns. Plus, it's -- it's

5 an asset.

6 MR. WUELLNER: Correct.

7 MR. SLINGLUFF: Okay. And then, also, you

8 have state and federal grants listed as revenue.

9 MR. WUELLNER: Right.

10 MR. SLINGLUFF: But they're going forward

11 and they depend on performance over a

12 multiyear --

13 MR. WUELLNER: Exactly.

14 MR. SLINGLUFF: -- time line.

15 MR. WUELLNER: Or -- or it can be single

16 year, depending on --

17 MR. SLINGLUFF: Or single year.

18 MR. WUELLNER: Right.

19 MR. SLINGLUFF: But they're -- they're --

20 per to the penny, there's an allocation there for

21 a project.

22 MR. WUELLNER: Yes. Yes.

23 MR. SLINGLUFF: Okay.

24 MR. WUELLNER: And as -- as you pointed out,

25 it's -- it's performance based --

1 MR. SLINGLUFF: Yeah.

2 MR. WUELLNER: -- in that we don't -- we  
3 don't have this money in the bank.

4 MR. SLINGLUFF: It's not found money.

5 MR. WUELLNER: Yeah. It's not money that's  
6 in the bank either.

7 MR. SLINGLUFF: Correct. And we can't spend  
8 it on something else.

9 MR. WUELLNER: It's reimbursable, if you  
10 want to call it --

11 MR. SLINGLUFF: Exactly. Exactly. So, if  
12 we take the \$2 million out and we take out the --  
13 the state grants and the federal grants, the \$17  
14 million really comes down to \$9,332,000.

15 In the Expenditure Budget, then, moving on  
16 to my -- my second point -- and I just bring this  
17 up because in going through this and analyzing  
18 what I -- what I do in a general ledger, it's  
19 very different. And -- and I'm not being  
20 adversarial here at all. I just want to look at  
21 it in a way that might be clear for all of us.

22 So, if we look at Expenditure Budget, what  
23 is presented is physical (sic) year '01 and '02,  
24 and physical year '02-'03, as approved by the  
25 previous boards --

1 MR. WUELLNER: Correct.

2 MR. SLINGLUFF: -- and physical year '03-'04  
3 recommendation to the board. But what I find  
4 missing here is the actual expenditures in  
5 contrast to the previous recommended  
6 expenditures.

7 In other words, there's no metric there  
8 to -- to measure what was budgeted and what the  
9 performance was. And -- and so, you know, is --  
10 is moving forward from physical year '02 to '04,  
11 are -- are we just using a mathematical equation  
12 there to advance, you know, to -- for growth?

13 MR. WUELLNER: Uh-huh. No, that -- yeah,  
14 that's not the case. We don't, you know, just  
15 arbitrarily do that. They're compared.

16 These -- these individual lines, in  
17 particular on the Expenditure Budget, correlate  
18 directly to the financial statements of the  
19 Authority's, which are independently done by the  
20 CPA, and then, of course, audited annually also.

21 So, they -- while these are a little more  
22 vanilla, if you will, than the actual  
23 expenditures in terms of the totals, they  
24 reconcile annually through the audit process.

25 MR. SLINGLUFF: Okay. So, are you all

30

1 reviewing the audit while you're reviewing the  
2 budget proposal in making that -- that analysis?

3 CHAIRMAN GREEN: I don't want to speak  
4 for --

5 MR. GEORGE: Absolutely.

6 CHAIRMAN GREEN: -- all the board members,  
7 but we have been given all that information, yes.

8 MR. SLINGLUFF: Okay. Fiscal '02-'03 total  
9 operating expenses were \$913,000. It's estimated  
10 this year to be \$914,000 -- a thousand dollar  
11 increase. Yet we have many millions of dollars  
12 of new assets at the airport.

13 It begs the question of how we're  
14 maintaining those assets, how the preventive  
15 maintenance programs are being budgeted for those  
16 increases. And again, we're then seeking  
17 another, is it \$5 million, or is it \$14 million  
18 total in -- in new programs to the airport?

19 MR. WUELLNER: I'm not sure I understand  
20 what you're --

21 MR. SLINGLUFF: Well, in -- in this -- this  
22 year, we're going to -- the capital outlay for  
23 this year is, the total?

24 MR. WUELLNER: Fourteen million.

25 MR. SLINGLUFF: Fourteen million. Yet we

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1 have an increase of a thousand dollars in the  
2 operating expenses. If you look at the line  
3 items, we actually decrease expenditures on  
4 repair and maintenance of buildings, repair and  
5 maintenance of equipment, repair and maintenance  
6 of grounds.

7 MR. WUELLNER: Uh-huh.

8 MR. SLINGLUFF: As items get older, they  
9 tend to demand more money to be spent on them, or  
10 they need to be recapitalized. You know, you  
11 have depreciation. You have to roll the  
12 depreciation back in. But that does cost money  
13 to be recapitalized.

14 So, I'm just -- I'm questioning how that's  
15 being done. I'd like to have something that  
16 doesn't cost me more and more to -- to keep it  
17 maintained.

18 MR. WUELLNER: Well, majority of our  
19 operating expenditures related to capital,  
20 especially those that are -- particularly those  
21 that are leased properties, we transfer  
22 maintenance obligations to the tenants in nearly



23 all new leases --

24 MR. SLINGLUFF: Absolutely.

25 MR. WUELLNER: -- so that we don't have that

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1 obligation anymore, unlike previous authorities,  
2 where we continued that maintenance obligation  
3 beyond -- or as a part of the lease agreement.

4 So, we -- we don't have -- we've also, over  
5 the previous, gosh, actually probably five years,  
6 have overbudgeted in those particular maintenance  
7 areas in an effort to catch back up many of the  
8 facilities that did have asset aging and --  
9 related problems, as we -- as an example, gate  
10 operators and -- and hard equipment on the  
11 airport that, when we -- when I first got here,  
12 were -- we were making business decisions to buy  
13 whatever was the lowest -- lowest-priced product,  
14 necessarily, and sacrificing long-term  
15 maintenance or -- and/or having to redundantly  
16 stock parts for five different operators.

17 And we now don't do those things in -- in  
18 specifying single -- as an example, on the gates,  
19 we -- we have the same -- same gate operator on  
20 all locations. So, we can stockpile a reasonable  
21 amount of parts, and everybody's -- you know,

22 it's basically our -- our advantages have been in  
23 efficiencies of doing maintenance the way we've  
24 been doing them over the last few years compared  
25 to the way we used to do it.

33

1 So -- and we look at these each time we go  
2 into the budget cycle and compare to our exact --  
3 our -- our actual expenditures each year, and  
4 look at also for the anomalies that have occurred  
5 there. So, when we have individual line items  
6 that are exceeded annually, we go back and want  
7 to know why those have been exceeded and is that  
8 a recurring problem? Was it something that just  
9 cropped up out of the blue so to speak, and make  
10 budget adjustments based on that. So, that's why  
11 you see some of these go up, some of them go  
12 down.

13 The net across here this year, most of our  
14 changes came from an increase in insurance, was  
15 our single probably one line item that went up  
16 because it's -- as you well know, since 9/11, you  
17 know, are in -- you know, overall in liability  
18 and property insurance has gone through the roof.

19 But you probably will see here that legal  
20 expenditures and the like have begun to work

21 their way downward, because we had a two-year  
22 anomaly, that kind of sided with the Bosanko  
23 matter, that literally required an infusion of  
24 money into that line item to preserve and protect  
25 the Airport Authority's charter in that action.

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1 So we're -- you know, we -- again, we look  
2 at those and go, all right, well, we don't see  
3 that exposure on the legal side for the next 12  
4 months that wouldn't be recouped. So again, we  
5 look -- we look at them individually and we also  
6 look at them and go look, we budgeted \$3,000, as  
7 an example, in books and subscriptions and didn't  
8 spend it, didn't spend anywhere near that number.

9 So, why do we keep holding \$3,000 on there?  
10 Let's put it down into something closer to what  
11 we would likely expect to use and made the  
12 adjustments based on that instead of wholesale  
13 applying the rate of inflation, around 3 percent,  
14 and increase everything 3 percent. And --

15 MR. SLINGLUFF: And I understand there's  
16 a -- you know, some years, there'll be higher  
17 expenses on -- on some budget items, and -- and  
18 other years, you may not spend as much on legal  
19 fees or in -- in professional services and things

20 like that.

21 But when you're talking about capital assets  
22 that the airport owns, to see a decrease in the  
23 budget line item for those capital assets, even  
24 though some of them, the responsibility of that  
25 maintenance may be transferring to the tenant,

35

1 the overall responsibility of the asset is to  
2 maintain it in -- in -- in proper fashion.

3 If we look at the Capital Projects and  
4 Grants in -- in the one sheet there, I went  
5 through and I just looked at it as to, okay, what  
6 do we currently have and what is -- what is  
7 expansion?

8 Well, if you look at like rehabilitating the  
9 FBO apron -- sorry, I'm partial to that one --  
10 site development for the northeast hangar area,  
11 those -- I would say those are current assets  
12 that we're -- we're spending some more money on.

13 But out of that, if I look at what's new and  
14 what's -- what's pending to be -- or what's  
15 already in place, what's already in place is only  
16 \$1.8 million, and you have for new expansion, \$12  
17 million. Yet the maintenance of that is going to  
18 be done for \$914,000, as you bring those on line?

19 MR. WUELLNER: Well, some of these items --

20 MR. SLINGLUFF: The math doesn't work.

21 MR. WUELLNER: -- won't require maintenance,

22 because there'll be lucky to be completed in

23 the -- in the next fiscal year. They won't even

24 transfer to a maintenance obligation until at

25 least a year beyond that.

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1 As an example, large products, the taxiway

2 project, I know once that's completed and

3 actually in operation, there's virtually no

4 maintenance other than -- than lightbulb

5 maintenance on it on a recurring basis for

6 probably three to five years when it gets

7 restriped, which is still a minor expenditure.

8 Going out further, when you get out to the

9 point where pavement is to a point where you

10 actually consider a project, we'd likely be

11 looking at improvements in the wearing surface

12 itself, which becomes a grant-eligible project,

13 and -- and we would be able to approach it from a

14 grant standpoint and get at least 80 percent of

15 it funded by -- by someplace else.

16 MR. SLINGLUFF: Eventually.

17 MR. WUELLNER: Yeah. But there's no --

18 there's no ongoing maintenance obligation with  
19 blacktop, as an example, in day-in and day-out  
20 maintenance obligation. And fortunately, we  
21 have, you know, an entity like Grumman that runs  
22 around and vacuums it all for us every day. So,  
23 it doesn't become an Authority investment; it --  
24 it's actually, again, another tenant that's  
25 more --

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1 MR. SLINGLUFF: But you're taking the same  
2 12 employees and spreading them thinner and  
3 thinner and thinner over a vaster -- you know, an  
4 airport that has increased its basis quite a bit.

5 MR. WUELLNER: Well, you know, when I look  
6 at it and go, well, you know, actually, we -- we  
7 operated, you know -- and I rarely admit this,  
8 but we operated this year with five employees  
9 instead of six in the maintenance field. Next  
10 year, we'll operate with the full six. We  
11 actually got -- got more done this year with the  
12 five we had than the previous year with six.

13 MR. SLINGLUFF: And are all projects up to  
14 date, current?

15 MR. WUELLNER: To my knowledge, we're --  
16 we're in good shape.

17 MR. SLINGLUFF: Okay.

18 MR. WUELLNER: We have a list of -- you  
19 know, our Authority staff, thankfully, on a  
20 maintenance side, has been able to save literally  
21 hundreds and hundreds of thousands of dollars in  
22 category --

23 MR. SLINGLUFF: I think they -- yeah, they  
24 work very hard, and they're very diligent out  
25 there. And that's why I -- I raise this

38

1 question: How -- how can we keep adding to the  
2 pie and yet we have a thousand dollar increase?

3 MR. WUELLNER: Well, you know, in fairness,  
4 in the seven and a half years I've been here, I  
5 mean, we've increased airport maintenance staff  
6 from two people to -- to a total of seven, you  
7 know. So, we've not been unsensitive to the fact  
8 it does -- when you add facilities, we've got  
9 maintenance obligations to take care of.  
10 Unfortunately, when I got here, we weren't doing  
11 any of them.

12 MR. SLINGLUFF: Okay. Thank you.

13 CHAIRMAN GREEN: Further public comment?

14 (No further public comment.)

15 CHAIRMAN GREEN: Close public comment. Any

16 further board discussion of the budget?

17 Mr. Ciriello?

18 5. - DISCUSSION OF BUDGET

19 MR. CIRIELLO: Yeah. Talking about capital  
20 projects, I would actually -- like I've stated  
21 already before, I'd like to see the Araquay Park  
22 apron project taken out, the self-fuel facility  
23 taken out, and that \$5 million for getting the  
24 rest of Araquay Park property, because I don't  
25 agree with the buying all that property up, never

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1 did.

2 And as far as this self-fuel thing and the  
3 Araquay Park apron, to my perspective -- I don't  
4 know about the rest of y'uns, but to my  
5 perspective, it came out of the clear blue sky  
6 and was on the -- on the budget, was never put on  
7 the table to be discussed, say for a couple of  
8 meetings, so you could get a better handle on it,  
9 and then it's almost like it's the last minute,  
10 you have to make a decision.

11 Because there's -- as far as that park apron  
12 thing goes, there's a lot of questions in my mind  
13 about that. You know, it's not just going out  
14 there and paving up an area and say, Okay, all



15 you guys coming to the Super Bowl, here's a place  
16 to park. There's going to be a lot of questions  
17 that has to be answered. And things like that  
18 should have been discussed before it even got on  
19 this budget.

20 And now we don't have that, that time. It's  
21 just either give me the money or forget it. And  
22 until we have discussions on it, I would like to  
23 see it taken out of the budget.

24 Same way with that self-fuel thing. That  
25 was a last-second addition, you know. Nobody

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1 even thought about it. I don't know if any of  
2 you guys did or not, but I certainly never did,  
3 or didn't even think about it.

4 And, of course, that acquisition money for  
5 Araquay Park, I don't like it. So, I'd just like  
6 to see those three budgets -- or items taken out.

7 CHAIRMAN GREEN: Further discussion?

8 MR. GEORGE: Ed, the T-hangars, I think that  
9 this year for all T-hangars, we were getting  
10 about \$300,000 in revenue from them, something  
11 like that?

12 MR. WUELLNER: Uh-huh.

13 MR. GEORGE: Looking at the first phase of

14 T-hangars for the new area back in here, maybe --  
15 you know, I think we -- the talk had been at 48,  
16 something like that? What kind of revenue does  
17 that 48 hangars bring in?

18 MR. WUELLNER: Well, it's approximately --  
19 for each 12-unit T-hangar, the new hangars, like  
20 K, L, and M, approximately \$31,000 a unit per  
21 year is revenue.

22 MR. GEORGE: \$31,000 per 12 units?

23 MR. WUELLNER: At -- at today's rental rate.

24 MR. GEORGE: So, if we did 48 of them, that  
25 would be 4, 12 units.

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1 MR. WUELLNER: \$120,000.

2 MR. GEORGE: That's \$120,000.

3 MR. WUELLNER: Just under \$125-.

4 MR. GEORGE: Well, it -- it's my opinion  
5 that we -- we need increased capital investments  
6 to bring in the revenue so that it will pay the  
7 bills on a day-to-day basis. We've made some  
8 good investments this past year with the terminal  
9 building. I understand that the people are in.  
10 That's good. The shade hangar will be bringing  
11 in additional revenue, and then the northeast.

12 I think if we can give ourselves the ability

13 to grow, because right now we're constrained; we  
14 don't have anyplace to grow, to make -- give us  
15 the ability to grow, to give us -- to make some  
16 of these other investments, we can develop a  
17 fairly strong plan for eliminating ad valorem  
18 taxes all together.

19 MR. CIRIELLO: Why don't you look at it on  
20 the other side of the issue? You were just  
21 mentioning how much revenue these 48 units are  
22 going to bring, as though that's really nice.

23 Well, what about the other side of it? How  
24 much is it going to cost to build these 48 before  
25 you even get any revenue? And then the 48 that

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1 you're going to build, how many families are you  
2 disrupting and kicking out of their homes just so  
3 you can have a place to put your  
4 hundred-thousand-dollar airplane in?

5 I think that's important. I don't think  
6 disrupting people's lives for -- and I don't want  
7 to make you guys mad, but for a selfish little  
8 reason of personal issue -- because I've had  
9 three airplanes and I'd like to have them in  
10 hangars, too, whenever I had them.

11 But there's -- there's that side, too.

12 What's these 48 units going to cost to build?  
13 You know, you've got to pay that before you get  
14 the revenue. You're going to get a hundred and  
15 some thousand dollars a year out of 48 units, but  
16 what's that 48 units going to cost you before you  
17 get that?

18 MR. WUELLNER: Somewhere between \$1.6 and \$2  
19 million, is my best guess on it, which is about a  
20 13-year total payback, if you were paying the  
21 entirety of the nut. The reality is you'll share  
22 it with DOT and probably repay, if you applied  
23 all revenues, in seven years. So, everything  
24 after seven years is entire revenue.

25 MR. GEORGE: I've never seen --

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1 MR. WUELLNER: Except for maintenance.

2 MR. GEORGE: I've never seen a business that  
3 doesn't have to make investments to stay up with  
4 demand. And this county's growing. The list of  
5 110 people on the waiting list for hangars now is  
6 a -- is an ideal example of that.

7 The type of houses that are going in at  
8 Palencia and Nocatee, those are people that have  
9 airplanes, and they're willing to pay us money  
10 that we can in turn get off the tax rolls, which

11 I thought was your objective.

12 MR. CIRIELLO: No, no, no.

13 MR. GEORGE: But to sit back and put our  
14 head in the sand like an ostrich and say, no, it  
15 will go away, you're just perpetuating the ad  
16 valorem tax.

17 MR. CIRIELLO: No. You misunderstand. I  
18 have never ever stood up and told anybody -- in  
19 all the years I've ran for this Authority, in  
20 public speaking or anything, has ever said this  
21 airport will ever pay for itself.

22 I -- I'm the only one I know of that's told  
23 people it will never pay for itself, not because  
24 of any misrep -- mis -- you know, mishandling.  
25 It's because there is a circle out there.

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1 Whenever you build something, capital plan,  
2 you spend money. Then you get your revenue, and  
3 then in on that circle, you have your maintenance  
4 and your upkeep and everything, and the circle  
5 comes closed. But then when that comes closed,  
6 you've got another circle starting. You're  
7 constantly building.

8 Look at your ideas of your master plan down  
9 the road. We're talking about another runway

10 across the air -- road. I even brought up the  
11 idea of building another airport south of us to  
12 alleviate traffic.

13 But there's -- you know, we're talking about  
14 a single-purpose entity here that doesn't  
15 benefit -- of course, it benefits everybody; I  
16 understand that. But basically it's -- you're  
17 saying about the hangar and everything, you're --  
18 you're leaving the people out of the equation.

19 So, I don't care how many rich people --  
20 whoops -- move in up at Palencia and have  
21 airplanes and are willing to pay for hangars.  
22 I'm concerned about the people we're displacing  
23 to give them that privilege.

24 I don't know. I don't see where just  
25 because somebody has a big expensive airplane,

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1 that he thinks he has a right to disrupt people's  
2 lives just so he can hangar the darn thing.

3 I -- you know, there's nothing in law that  
4 says if an airport gets filled to capacity, that  
5 you have to keep expanding no matter who you hurt  
6 to -- to alleviate --

7 MR. GEORGE: Grumman brings in economic  
8 impact, what, \$90 million a year around here?

9 MR. WUELLNER: At least.

10 MR. GEORGE: Huh?

11 MR. WUELLNER: At least.

12 MR. GEORGE: Other people coming in is going  
13 to have an economic impact on the community --

14 MR. CIRIELLO: Grumman hasn't kicked anybody  
15 out of their homes. They own most of what they  
16 have over there, except for the North 40. All  
17 this stuff on this side of U.S. 1 is theirs. But  
18 they haven't kicked anybody out of their homes.

19 MR. WUELLNER: Well, you know, in fairness,  
20 you drove here today on property that you kicked  
21 somebody off of.

22 MR. GEORGE: U.S. 1.

23 MR. WUELLNER: I mean, every public road was  
24 owned by somebody.

25 MR. CIRIELLO: Well, I wasn't here then to

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1 voice my displeasure about that, but I'm here

2 now.

3 MR. GEORGE: So, you don't think that U.S. 1  
4 should have been built.

5 MR. CIRIELLO: I don't know.

6 CHAIRMAN GREEN: Okay. Do we have any more  
7 further discussion with regards to the budget,

8 our first meeting?

9 Hearing no further discussion, we have to --  
10 is it a motion we need to entertain for adoption  
11 of the millage rate?

12 6. - ADOPTION OF MILLAGE RATE

13 MR. WUELLNER: Yes. You need to adopt the  
14 tentative millage rate. And it's important to  
15 use the word "tentative," because it will not  
16 become finally adopted until next week. You  
17 adopt the tentative millage rate, which would  
18 be -- is currently shown at .2356 mills. That  
19 would require just a motion from the Authority.

20 MR. GEORGE: I make a motion we accept the  
21 .2356 millage rate as a tentative millage rate.

22 MR. COX: I'll second that.

23 CHAIRMAN GREEN: Any further discussion?

24 MR. CIRIELLO: Well, I'm speaking to that  
25 wall over there, but I want to amend it to go to

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1 the .2144, the rollback rate.

2 CHAIRMAN GREEN: Well, we have a motion --

3 MR. GEORGE: I don't agree.

4 CHAIRMAN GREEN: -- and a second, so...

5 MR. GEORGE: Let's turn this one down; then  
6 you can do yours.



7 CHAIRMAN GREEN: Right.

8 MR. CIRIELLO: Huh?

9 MR. GEORGE: Turn this motion, which has  
10 been seconded down, or you could --

11 MR. CIRIELLO: Well, you could always make  
12 an amendment to the motion as long as it's the  
13 same -- the same thought. So, I didn't get a  
14 second, so there's no -- there's no reason to  
15 even bring it up after you voted on this. You  
16 can always amend a motion as long it's the same  
17 thought.

18 CHAIRMAN GREEN: Any further discussion or a  
19 second on the amendment?

20 (No further discussion or second.)

21 CHAIRMAN GREEN: There's a motion on the  
22 floor that's been seconded to accept as our  
23 tentative rollback rate -- or a tentative millage  
24 rate .2356. All in favor?

25 MR. GEORGE: Aye.

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1 CHAIRMAN GREEN: Aye.

2 MR. COX: Aye.

3 CHAIRMAN GREEN: All opposed?

4 MR. CIRIELLO: No.

5 CHAIRMAN GREEN: So, tentatively, we've set

6 that.

7 7. - ADOPTION OF TENTATIVE FY 2003-04 BUDGET

8 CHAIRMAN GREEN: Then next we need a motion  
9 to accept tentatively our proposed budget for our  
10 fiscal year 2003-04.

11 MR. GEORGE: I don't understand.

12 CHAIRMAN GREEN: Well, once we have the  
13 millage rate, then the proposed budget, tentative  
14 proposed budget, we need to vote on that.

15 MR. CIRIELLO: In other words, we're voting  
16 on for the total of --

17 MR. WUELLNER: Seventeen --

18 MR. CIRIELLO: Seventeen point -- or  
19 \$17,750-.

20 MR. WUELLNER: \$17,750,604.

21 MR. CIRIELLO: Yeah.

22 MR. WUELLNER: Tentative adoption of the  
23 budget.

24 MR. COX: I'll move that we adopt the  
25 tentative fiscal year 2003-04 budget --

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1 MR. GEORGE: I second that.

2 MR. COX: -- as proposed.

3 MR. GEORGE: I second that.

4 CHAIRMAN GREEN: Further discussion?

5 (No discussion.)

6 CHAIRMAN GREEN: All in favor?

7 MR. GEORGE: Aye.

8 CHAIRMAN GREEN: Aye.

9 MR. COX: Aye.

10 CHAIRMAN GREEN: All opposed?

11 MR. CIRIELLO: No.

12 8. - ANNOUNCEMENT OF PERCENTAGE THAT PROPOSED

13 MILLAGE EXCEEDS ROLLED-BACK RATE

14 CHAIRMAN GREEN: Mr. Wuellner, you have an

15 announcement of --

16 MR. WUELLNER: Yes, ma'am. At this point,

17 it's appropriate we announce the tentative

18 percentage that the proposed millage rate exceeds

19 the rollback rate, and that percent is 9.89

20 percent.

21 9. - SETTING OF DATE FOR FINAL BUDGET HEARING

22 MR. WUELLNER: The next item would be to set

23 your final budget hearing. And we'll advertise

24 appropriately and consistent with Florida

25 Statutes in advance of that meeting. Our

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1 suggestion is at 5:01 the 15th, which is next

2 Monday, interrupting the regular agenda as

3 necessary to do the public hearing at 5:01.

4 MR. GEORGE: Okay.

5 MR. WUELLNER: Is that agreeable?

6 CHAIRMAN GREEN: That's fine. Accept the  
7 budget.

8 MR. WUELLNER: With that --

9 10. - ADJOURNMENT OF PUBLIC HEARING

10 CHAIRMAN GREEN: That being all for the  
11 first budget meeting, the meeting's adjourned.

12 (Whereupon, the meeting adjourned at 5:51 p.m.)

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1 REPORTER'S CERTIFICATE

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3 STATE OF FLORIDA )

4 COUNTY OF ST. JOHNS )

5

6 I, JANET M. BEASON, RPR-CP, RMR, CRR, certify that I

7 was authorized to and did stenographically report the

8 foregoing proceedings and that the transcript is a true

9 record of my stenographic notes.

10

11 Dated this 14th day of September, 2003.

12

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\_\_\_\_\_  
JANET M. BEASON, RPR-CP, RMR, CRR  
Notary Public - State of Florida  
My Commission No.: DD102224  
Expires: April 30, 2006

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