

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 28, 2009

6 from 5:01 p.m. to 5:37 p.m.

7 \* \* \* \* \*

8 BOARD MEMBERS PRESENT:

- 9 WAYNE GEORGE
- 10 KELLY BARRERA, Chairman
- 11 CARL YOUMAN, Secretary-Treasurer
- 12 JAMES WERTER

11 BOARD MEMBERS PRESENT:

12 JOHN "JACK" GORMAN

13 \* \* \* \* \*

14 ALSO PRESENT:

15 DOUGLAS N. BURNETT, Esquire, St. Johns Law Group, 1301  
 16 Plantation Island Drive South, Suite 302-B, St.  
 Augustine, FL, 32080, Attorney for Airport Authority.

17 EDWARD WUELLNER, A.A.E., Executive Director.

18 BRYAN COOPER, Assistant Airport Director.

19 \* \* \* \* \*

20

21 JANET M. BEASON, RPR, RMR, CRR, FPR  
 22 St. Augustine Court Reporters  
 1510 N. Ponce de Leon Boulevard  
 23 St. Augustine, FL 32084  
 (904) 825-0570

24

1	I N D E X	
2	PAGE	
3	2. CALL TO ORDER	3
4	3. PLEDGE OF ALLEGIANCE	3
5	4. OPENING REMARKS BY CHAIRMAN	3
6	5. ANNOUNCEMENT OF PROPOSED MILLAGE - STAFF	3
7	6. DISCUSSION OF MILLAGE RATE BY AUTHORITY	6
8	7. PUBLIC COMMENT ON MILLAGE RATE	13
9	8. ADOPTION OF MILLAGE RATE RESOLUTION 2009-06	14
10	9. PRESENTATION OF PROPOSED BUDGET - STAFF	17
11	10. DISCUSSION OF BUDGET BY AUTHORITY	19
12	11. PUBLIC COMMENT OF BUDGET	25
13	12. ADOPTION OF FY 09/10 BUDGET RESOLUTION 2009-07	27
14	13. FINAL COMMENTS	30
15	14. ADJOURNMENT	31
16		
17		
18		
19		
20		
21		
22		
23		
24		

## 1           P R O C E E D I N G S

2           CHAIRMAN BARRERA: I'd like to call this  
3 meeting of the St. Augustine-St. Johns County  
4 Airport Authority into session. If we could all  
5 stand for the Pledge of Allegiance.

6           (Pledge of Allegiance.)

## 7           O P E N I N G   R E M A R K S   B Y   C H A I R M A N

8           CHAIRMAN BARRERA: Okay. We're now down to  
9 our final discussion of this year's proposed  
10 millage rate. After we discuss the millage rate,  
11 we'll go into the budget. I know we've all  
12 discussed this and we've had -- this is our third  
13 and final meeting on the millage rate. We've all  
14 been through these numbers many times and with  
15 that, I'd like to open up the meeting with Ed.

## 16          A N N O U N C E M E N T   O F   P R O P O S E D   M I L L A G E   R A T E   -   S T A F F

17          MR. WUELLNER: Well, the proposed millage  
18 rate as tentatively adopted at the first public  
19 hearing represents .1600 mills, which as a -- as  
20 an order of magnitude, exceeds the -- exceeds the  
21 rolled-back rate -- I should say does not exceed  
22 it by 18.37 percent. In other words, we're under  
23 what the rolled-back rate would be. So it's one  
24 of the rare occasions where you actually see a

25 negative rolled-back rate. And that's -- was

4

1 tentatively adopted.

2 I do have to clarify that at the last  
3 meeting, as a result really of a fundamental  
4 misunderstanding on my part, we -- we got to a  
5 point where I was asked directly by Mr. George  
6 relative to the ability to reopen and/or discuss  
7 the millage rate being -- not increased, but being  
8 kept at the current rate, which is the .1697 rate,  
9 and I was asked if we could bring that back up and  
10 discuss it at this meeting and I answered in the  
11 affirmative that we could.

12 It wasn't until very late last week following  
13 the county's budget proceedings, that I -- as a  
14 result of hearing -- or not hearing, but seeing in  
15 the article in the newspaper where someone made  
16 mention of the fact that by adopting the tentative  
17 millage, you effectively reduced the amount of ad  
18 valorem that could be collected by adopting that  
19 lower rate. So, in effect, it cut off any  
20 consideration from this point forward of the .1697  
21 millage rate.

22 So, it is -- the maximum rate at this point  
23 you can assess is .16, because that's what was  
24 tentatively adopted. I apologize. I've

25 apologized personally to Mr. George because we --

5

1 it was not our intent to mislead you, we just  
2 simply didn't understand.

3 It's not happened here before where we've had  
4 a tentatively adopted budget and millage rate  
5 wherein we were going to discuss in detail perhaps  
6 the next meeting the possibility of bringing it  
7 back up to the -- the last year's millage rate.

8 And as a result, we just didn't understand -- I  
9 didn't understand that it has a net effect of  
10 serving as sort of a secondary TRIM notification,  
11 if you will.

12 You -- you've de facto reduced the millage  
13 rate to that level. So, I guess you could still  
14 talk about it, but at the end of the day, you  
15 can't -- you can't adopt that without major  
16 repercussions.

17 MR. BURNETT: And let me weigh in. I  
18 appreciate the fact that Ed's fallen -- fallen on  
19 the sword, but I take responsibility for it as  
20 well when you brought the issue up at the last  
21 meeting.

22 And I will tell you that I also went so far  
23 as -- I researched the issue very thoroughly  
24 today, and also went so far as to call the

25 Department of Revenue, actually speak to the

6

1 person who will review the forms that the Airport  
2 Authority fills out and sends over to the  
3 Department of Revenue, spoke to her and her boss  
4 related to the issue to make sure there wasn't any  
5 way that we could get around it, if that were the  
6 case, what the Authority wanted to do today, so  
7 that I could run it into the ground as thoroughly  
8 as possible. And it is something that they won't  
9 let pass. So, it's -- from their interpretation  
10 of the statute, it can't be done. So that's where  
11 we're at.

12 DISCUSSION OF MILLAGE RATE BY AUTHORITY

13 MR. GEORGE: May I say something?

14 CHAIRMAN BARRERA: Certainly.

15 MR. GEORGE: Naturally, I'm disappointed, but  
16 that's the way things work. It's kind of like a 4  
17 to 1 vote, you know, that's the way it goes, and  
18 we go forward from there. There were two points  
19 that I would have made today, and that for the  
20 education of the rest of the board members, I  
21 would like an opportunity to make those two  
22 points.

23 CHAIRMAN BARRERA: Certainly.

24 MR. GEORGE: I can do it now or I can do it

25 later.

7

1 CHAIRMAN BARRERA: No. I think this is the  
2 perfect time.

3 MR. GEORGE: I had mentioned to you, Carl,  
4 about the -- having the additional \$225,000  
5 estimated would be, you know, there as a pad  
6 against any unforeseen things that might come up.  
7 Plus the 225 percent on a 75 percent reimbursed,  
8 you know, project, you know, that gives us a  
9 million dollar project.

10 Here's the numbers that I was talking to you  
11 about. Unfortunately, I have not had a chance to  
12 add 2008 actuals or the 2009. But this -- what  
13 this chart shows is our actual operating expenses  
14 compared to our budgeted expenses. That gets back  
15 to the old, you know, definition of is the budget  
16 a stop sign or is it a come back to the board for,  
17 you know, further, you know, clarification.

18 But the blue line or the black line, the top  
19 one, shows what our actual expenses were 2001 to  
20 2007. And the red line shows what we approved as  
21 a budget. So this was the reason that I was  
22 asking for the other \$225- to be put in just in  
23 case we had something similar to this. That's  
24 fine, Ed.

25           There are a couple of things that -- I spent

8

1     some time this morning down at the taxation office  
2     talking to Dotty Acosta. We had also talked  
3     about, you know, in this political climate. I  
4     just want to get in the record what this political  
5     climate is. I want to give you the county first.

6           Last year, the county had \$117 million and  
7     change that they received from ad valorem taxes.  
8     This year, because of the value going down, they  
9     brought their millage up. They've actually taken  
10    their millage up 10 percent, 10.1 percent. Now,  
11    that's still giving them a reduction of 3 percent  
12    in their revenue that they're receiving. They're  
13    going from \$117 million to \$113 million. But by  
14    raising the millage up, they were able to keep it  
15    that way. But they actually had a 10 percent  
16    increase in their millage rate.

17           If you look at the City of St. Augustine,  
18    they had an \$11 million in 2008, and they're  
19    forecasting a \$10 million this year. They took  
20    their millage up from 6.8 to 7.5. That's a 9.9  
21    percent increase. And they did that because the  
22    values are coming down. And we at the airport  
23    reduced our revenue 17 percent from 3.973 to 3.2,  
24    with a -- with the .16. And then we took our



25 millage down 5.7 percent.

9

1 So while the other entities that I have just  
2 mentioned there are increasing theirs to cope with  
3 it, my concern was that we might have the need for  
4 that, you know, and we're still giving a reduction  
5 if we had gone back, you know, to the .169. That  
6 is not the -- the possibility now.

7 I've talked to Ed about what it would take to  
8 get that reversed, and I don't think the 225 is  
9 worth going after all that expense to get it. So  
10 I'm -- I'm -- I'm backing off. But I wanted you  
11 to know what those numbers were.

12 You know, we really only started making an  
13 operating profit last year. We had for years been  
14 going down. So as Ed comes back for more money to  
15 do this or this, you know, went up, we need to  
16 take a careful look at it because we could get in  
17 trouble. Thank you, Madam Chairman.

18 CHAIRMAN BARRERA: I appreciate those  
19 comments, Buzz, and I appreciate you going and  
20 getting those figures for us. I think that having  
21 those figures is always very insightful when we're  
22 looking at the budget.

23 MR. WERTER: If I may.

24 CHAIRMAN BARRERA: Jim?

25 MR. WERTER: I think, I -- Buzz, I have a

10

1 tendency to agree with you, a strong tendency to  
2 agree with you about the millage rate staying  
3 somewhat up. I think we're all -- we were all  
4 trapped or pressured into the public view of  
5 getting off the tax rolls.

6 MR. GEORGE: Absolutely.

7 MR. WERTER: And I think really that stung  
8 us. I mean, I tell everybody what they're buying  
9 what they're -- the taxes we charge is a discount  
10 on --

11 MR. GEORGE: Right.

12 MR. WERTER: -- the county taxes because of  
13 the commerce we bring in, but I think still is  
14 that, you know, the minority chest thumping about  
15 get us off the tax rolls. I say -- I mean the  
16 public minority, you know, the small amount of the  
17 public --

18 MR. GEORGE: Right.

19 MR. WERTER: -- that's saying. But we, you  
20 know, maybe buckled a little bit too much to that.

21 MR. GEORGE: Well, it's -- it's one of those  
22 that's water over the dam and, you know, we can  
23 act on it as we go forward.

24 CHAIRMAN BARRERA: Carl?

25 MR. YOUMAN: Two things. One is about the

11

1 operating expenses versus the budget. Using a  
2 railroad as a -- as a simile, they adhered to the  
3 policy that budget was made, that the expenses  
4 were controlled no matter what within the budget.  
5 And that's what we'll have to do.

6 MR. GEORGE: Well, that's what we've done  
7 this year. Ed's done a real good job of that.

8 MR. YOUMAN: And then the other side of the  
9 coin, I brought this up I think once before.  
10 Though I'm one of the advocates for no taxation  
11 for the airport, it's still there.

12 I mean, it doesn't -- it doesn't say that in  
13 following years, five years from now, if the  
14 necessity, you know, mandates itself that it may  
15 be political incorrect or whatever. But it still  
16 can be done and you can reinstate the millage.

17 MR. GEORGE: Yeah. Well, one of the options  
18 we looked at this year, just for the public's  
19 information, we looked -- Ed looked at the  
20 possibility of going to zero this year, doing it a  
21 year early, and we -- we couldn't do what we  
22 wanted to get accomplished this year and still  
23 wind up with the -- with the reserve that we  
24 wanted. But at least we looked at it.

1 has been a long time in the making. I think going  
2 off the tax rolls has been a long time in the  
3 making. And I -- from my viewpoint, while .16 may  
4 not be ideal, it's what's necessary for this point  
5 in time in the economy.

6 And while I can agree with you, having that  
7 extra \$250,000 and trying to make the budget work  
8 is desirable, I think that as most people out  
9 there are looking for every way to pinch their  
10 pennies and save, we also have to do the same  
11 thing.

12 And if our staff feels like they can make it  
13 at .16 mills, then we have the obligation to -- to  
14 operate without going into reserves at that, and I  
15 would expect, Ed, that you would keep us updated  
16 as you go through the budget and -- and let us  
17 know where you're able to -- to save.

18 I know that you're looking at different  
19 partnerships and a lot of what you're trying to  
20 get accomplished to save money and I would  
21 encourage you to continue to do so.

22 MR. GEORGE: And I would hope that we would  
23 get some good PR about our reductions compared to  
24 everybody else's.

25 MR. WUELLNER: We will draft a media release

13

1 to that effect.

2 PUBLIC COMMENT ON MILLAGE RATE

3 CHAIRMAN BARRERA: Okay. I'd like to open it  
4 up for public comment on the millage rate. Do we  
5 have any public comment?

6 MR. BRUNSON: I didn't fill out a card,  
7 but --

8 CHAIRMAN BARRERA: We didn't offer them.

9 MR. BRUNSON: My name is Randy Brunson, and  
10 I'm not prepared to say anything, but I commend  
11 you for taking the avenue that you're taking now.

12 In an article just released, the Mosquito  
13 Control was bragging about they were the only  
14 entity that had not raised taxes, millage, or in  
15 actual dollars, and boy, I tell you what, when --  
16 I lose track of time, but looking the operating  
17 expenses over the last couple of years,  
18 Mr. George, wow, we had some added expenses that  
19 are in that figure because of Skybus and different  
20 things, but it's going to work out. So you have  
21 to look at apples and apples.

22 But wow, this sends a good message, in my  
23 opinion. And I commend all of you, past boards  
24 and present board, for staying true to your

25 desires. And, Ed, congratulations on -- on making

14

1 this thing unreal. So, just continue the good

2 work, and that's all I have to say.

3 CHAIRMAN BARRERA: Thank you, Randy. Do we

4 have any other further public comment on the

5 millage rate?

6 MR. BRUNSON: The other thing, too, is that

7 this money that -- that Buzz was -- and I felt the

8 same way, that okay, if I -- with a little flick

9 of the pen, I can get you half a million dollars,

10 doing the rate, as you and I did it last time.

11 And we decided to put that into reserves. And

12 that was a good call. But I think it's time now

13 that we go ahead. That's all I have.

14 MS. LUDLOW: Are you sure? Are you sure?

15 CHAIRMAN BARRERA: Seeing no further comment

16 on the millage rate, do we have any motions to

17 adopt the millage rate as it's proposed?

18 MR. YOUMAN: I make the motion to adopt the

19 millage rate as proposed, .16.

20 MR. WERTER: I guess I'll second the motion.

21 CHAIRMAN BARRERA: Doug, do you need to read

22 a resolution before we vote on it?

23 ADOPTION OF MILLAGE RATE - RESOLUTION 2009-06

24 MR. BURNETT: Yes. And I was getting there.

1 A resolution of the St. Augustine-St. Johns  
2 County Airport Authority of St. Johns County,  
3 Florida, adopting the final levying of ad valorem  
4 taxes for Fiscal Year 2009-2010; providing for an  
5 effective date.

6 Whereas, the St. Augustine-Johns County  
7 Airport Authority of St. Johns County, Florida, on  
8 September 28, 2009, adopted for Fiscal Year  
9 2009-2010 a final millage rate following a public  
10 hearing as required by Florida Statute 200.065;  
11 and

12 Whereas, the St. Augustine-St. Johns County  
13 Airport Authority of St. Johns County, Florida,  
14 held a public hearing as provided by Florida  
15 Statute 200.065; and

16 Whereas, the St. Augustine-St. Johns County  
17 Airport Authority proposed a millage rate of  
18 0.1600;

19 Whereas, the proposed millage rate of 0.1600  
20 does not exceed the rolled back rate.

21 Now, therefore, be it resolved by the  
22 St. Augustine-St. Johns County Airport Authority  
23 of St. Johns County, Florida, that the Fiscal Year  
24 2009-2010 operating millage rate is 0.1600 mills,

25 which does not exceed the rolled back rate.

16

1 This resolution shall take effect immediately  
2 upon its adoption.

3 Duly adopted at a public hearing this 28th  
4 day of September, 2009. St. Augustine-St. Johns  
5 County Airport Authority, by Kelly Barrera  
6 Chairman. That would be the resolution that you  
7 would be passing with your motion.

8 MR. YOUMAN: I'd like to make the motion that  
9 we pass Resolution 2009-06.

10 MR. BURNETT: Yes, sir.

11 MR. YOUMAN: Concerning the millage rate.

12 MR. WERTER: Again, I second it.

13 CHAIRMAN BARRERA: Is there any further board  
14 discussion?

15 (No further discussion.)

16 CHAIRMAN BARRERA: Okay. All in favor, say  
17 aye.

18 MR. GEORGE: Aye.

19 CHAIRMAN BARRERA: Aye.

20 MR. YOUMAN: Aye.

21 MR. WERTER: Aye.

22 CHAIRMAN BARRERA: All opposed?

23 (No opposition.)

24 CHAIRMAN BARRERA: Motion passes. Resolution



25 passes. Now we're ready for the presentation of

17

1 the budget.

2 PRESENTATION OF PROPOSED BUDGET - STAFF

3 MR. WUELLNER: Yes, ma'am. As -- first the  
4 budget has not changed or proposed budget has not  
5 changed from the first public hearing.

6 We are proposing this year revenues of --  
7 operating revenues of \$2,237,637, which includes  
8 income from homes, T-hangars, conventional  
9 hangars, commercial leases, other lease revenues,  
10 as well as fees, fees primarily being made up of  
11 fuel flowage and rental car commission or  
12 concession-type fees.

13 We're proposing a cash forward balance of  
14 \$991,651, forwarding reserves in the amount of  
15 \$2,300,000 from previous year, interest income  
16 projected at \$35,000 for the year, grants from the  
17 State of Florida relative to capital development  
18 of \$1,751,250, federal government grants, again,  
19 for capital development only of \$3,410,750. We're  
20 proposing at a 98 percent rate ad valorem proceeds  
21 of \$3,250,000, which is based on an ad valorem  
22 millage as just adopted at .16 mills.

23 I would like to point out that that is the --  
24 the rate change is about 5.7 percent reduction in

25 the actual ad valorem rate being charged. When

18

1 you factor that in with the reductions in tax  
2 base, we come down to about 18 -- I believe the  
3 number was 18.37 percent reduction from the  
4 rolled-back rate.

5 So those are significant percentages of  
6 reduction that the Authority has taken action on  
7 earlier in the meeting. Bringing the total  
8 proposed budget revenues at \$13,976,288.

9 On the expense side of the budget, we're  
10 proposing personnel-related services to include  
11 salaries, taxes, statutory things such as FICA and  
12 Medicare and the like, as well as benefits,  
13 retirement, medical, those types of items under  
14 the personnel at \$841,617. Operating budget  
15 include all other noncapital items at \$1,154,671.  
16 Making a total nonoperating budget -- or excuse  
17 me, an operating budget total of \$1,996,288,  
18 despite the way that's lining up on the  
19 spreadsheet here. At the conclusion of next year,  
20 we would expect that the total in reserves would  
21 equal \$5 million, at the conclusion of next year.

22 We're proposing capital expenditures of  
23 \$60,000 relative to equipment and a total of  
24 \$6,920,000 in construction-related value.

25 Totaling again, an expense budget of \$13,976,288.

19

1 We'd be happy to detail any other pieces or  
2 parts of it. We've sort of beat it up in  
3 workshops as well as the last public hearing, so  
4 if there's questions particular to your discussion  
5 you'd like to get details to, we can certainly do  
6 that. But our recommendation would be the  
7 adoption of a budget of \$13,976,288.

8 DISCUSSION OF BUDGET BY AUTHORITY

9 MR. YOUMAN: Can I make a comment?

10 CHAIRMAN BARRERA: We'll open it up to board  
11 authority comment. Carl?

12 MR. YOUMAN: I just want to make a comment  
13 about the debt service being zero. And a little  
14 thing that says hooray next to it. And I think  
15 this is a testament to past boards, that they  
16 didn't go overboard even though they were -- had a  
17 good millage and everything else, but they kept  
18 the debt service to make the zero and that makes  
19 it easier on everybody else in the future.

20 CHAIRMAN BARRERA: Absolutely.

21 MR. WUELLNER: It certainly has made it a lot  
22 easier to get off the ad valorem tax rolls if  
23 you're not carrying significant amount of debts  
24 that are nonproductive after the first year.

25 MR. YOUMAN: Right.

20

1 MR. GEORGE: I think the utilization of those  
2 assets are going to be paramount in us  
3 accomplishing what we want to do over the next  
4 couple of years.

5 MR. YOUMAN: You're absolutely right.

6 MR. WUELLNER: And the proper use of debt may  
7 enter into it, you know, moving forward. That may  
8 be an actual that will make sense to look at  
9 versus reintroducing ad valorem.

10 CHAIRMAN BARRERA: Jim?

11 MR. WERTER: The reserves, that's your  
12 stand-by money?

13 CHAIRMAN BARRERA: Uh-huh.

14 MR. WERTER: And it went -- it doubled since  
15 the last period?

16 CHAIRMAN BARRERA: Uh-huh.

17 MR. WUELLNER: Correct. It's proposed to  
18 double.

19 MR. WERTER: And -- how do I word this? How  
20 does it result that we're able to double our  
21 reserve? Is it just on income or is it on grants  
22 or a combination of all of the above?

23 MR. WUELLNER: It -- it only comes from two  
24 places. One is you have surplus operating revenue

25 projected, which can be added to reserves or it

21

1 can be used to fund, which is more appropriate to  
2 offset portions of the capital budget.

3 The balance of the money going into reserves  
4 is what you're assessing in ad valorem. You're  
5 assessing \$3.2 million of which about 2 point -- I  
6 guess it's about 2.7, 2.6 million of which is  
7 going directly into reserves.

8 MR. WERTER: Looking at that figure, you  
9 know, some of my concerns about the millage rate  
10 is kind of assuaged by the ability to double your  
11 reserves. I feel very good about that in  
12 actuality now.

13 MR. WUELLNER: It is a one-time sort of shot  
14 in the arm, if you will, into reserves. You did a  
15 similar thing last year, as a -- as a bit of an  
16 FYI.

17 CHAIRMAN BARRERA: But prior to that, we  
18 didn't have reserves.

19 MR. WUELLNER: Prior to two years ago, there  
20 really were no reserves. The Authority had to use  
21 the reserves in lieu of borrowing money.

22 CHAIRMAN BARRERA: And that -- that element  
23 of having reserves is crucial as a part of the  
24 plan that previous boards have put together in

25 order for us to get off the tax rolls and stay

22

1 off.

2 MR. WUELLNER: Well, just strictly from  
3 liquidity as well as the ability to borrow money  
4 in the future, having adequate collateral, cash  
5 collateral.

6 CHAIRMAN BARRERA: Which is why we had those  
7 bond presentations.

8 MR. GEORGE: Over the last few years, the  
9 decision was, let's get new construction out of  
10 the ground, because that brings in monthly  
11 revenue. So -- and then so as to build a reserve  
12 during the last year that we get off.

13 MR. WERTER: Well, if I may, kudos to Ed and  
14 the board prior, the board or boards prior, you  
15 know, for being able to double from 2.3 to 2.5 and  
16 whatever it was before that, you know, for the  
17 past, you know, four years prior to my being here.  
18 It's pretty darn -- pretty darn good.

19 MR. GEORGE: It goes back to a lot of the  
20 boards. You know, back in Bill Rose's days and  
21 Bill Young's days, it was how are we going to get  
22 off the tax rolls? We've got to increase our rent  
23 revenues.

24 MR. WERTER: Don't sell yourself short.

25 You've been on the board long enough. You deserve

23

1 the kudos. You know, you guys that have been on  
2 the board the past four years to bring it up to \$5  
3 million reserve is pretty darn good.

4 MR. WUELLNER: Well, I think the more -- not  
5 to get too deep into it, but I think one of the  
6 items you've really got to be proud of as a board  
7 over the last 12, 13 years is, in '96, which is  
8 the time I got here, the Airport Authority's total  
9 revenue was \$165,000 in round numbers. I mean,  
10 that's total income to the airport that was  
11 nongrant related.

12 That's a -- and a similar goal by the  
13 Authority to get off the tax rolls in which case  
14 they would just literally take the -- the  
15 rolled-back rate every year, further crippling the  
16 action. Over that time, you've collectively as a  
17 board been able to take revenues to just under \$3  
18 million. I mean, that's a serious change in  
19 business strategy in the last 13 years.

20 MR. WERTER: Well, Ed, when you do your press  
21 release, I think you really should give a little  
22 history, maybe not too much in the numbers because  
23 people go numb with numbers, but describe this  
24 airport's progress over the past 10, 13 years.

1 especially in our public speaking where you have  
2 more of a captive audience, we do that  
3 comparative. But it's a very important number.

4 It's -- the expense side has not in any way  
5 increased the same way as the revenue side has  
6 been able to do. But that's the commitment  
7 from -- the Authority made.

8 It was a few years into my tenure here when  
9 the Authority took the huge step -- of course it  
10 was probably a little politically easier to do in  
11 that day -- of literally doubling the ad valorem  
12 rate up from .13 to 28 -- .28, and that literally  
13 set the stage for the Airport Authority to match  
14 anything that FDOT and FAA could come up with and  
15 do it on a cash basis, eliminating the need for  
16 debt service, allowing those projects that  
17 generate consistent long-term revenue to the  
18 airport to get constructed and get occupied on the  
19 airport. Huge steps and a huge commitment the  
20 Authority made back about eleven years ago.

21 MR. YOUMAN: I do know one thing. Boards  
22 previous must have done something right, because I  
23 came here to a meeting four or five years ago and  
24 this room was packed and there was a lot of anger



25 and everything else, and look at the room today.

25

1 It's empty.

2 MR. GEORGE: That's the Valium we give them  
3 before they get here.

4 CHAIRMAN BARRERA: I do think that the  
5 previous boards have to be commended, because --

6 MR. YOUMAN: By comparison.

7 CHAIRMAN BARRERA: -- because these -- this  
8 plan for the capital improvement, the  
9 infrastructure, revenues-producing projects taking  
10 priority has been created. And it's not something  
11 that you can do in just a couple of years' time.  
12 It's something that you have to work on. And you  
13 have -- and every board afterwards has to be  
14 tedious in ensuring that those priorities are kept  
15 in order for it to be accomplished.

16 PUBLIC COMMENT OF BUDGET

17 CHAIRMAN BARRERA: Do we want to open up to  
18 public comment of the budget? Are all of  
19 Authority members finished with their comments?

20 MR. BRUNSON: I want to ask.

21 CHAIRMAN BARRERA: Open it up for public  
22 comment on the budget.

23 MR. BRUNSON: Randy Brunson. I don't have a  
24 comment, but in this budget, with the newly -- the

25 AMTRAK project that's on the horizon, does any of

26

1 this -- is any expenses -- will the airport incur

2 any in the year 2010?

3 MR. WUELLNER: We don't expect any operating  
4 or capital expenditures in the current year.

5 MR. BRUNSON: Or no grants?

6 MR. WUELLNER: From what we understand, if  
7 the grant is successful, which we won't know

8 till --

9 MR. BRUNSON: Right.

10 MR. WUELLNER: -- nearly the first of the  
11 year as I understand, the capital side of it, they  
12 have two or three years in which to facilitate the  
13 reestablishment of service. At this point, the  
14 facility would be capitalized at a hundred  
15 percent, I assume federal dollars in this case.

16 Any commitment to operating would be, if  
17 it -- depending on site specific here, but if it  
18 were the airport's -- airport site or multimodal  
19 site, the Authority would be expected to absorb  
20 operating costs relative to operating that.

21 That's probably at least one if not --

22 MR. BRUNSON: So it's not going as fast as I  
23 personally thought it might.

24 MR. WUELLNER: It goes about as fast as a

25 train does.

27

1 MR. BRUNSON: I'll ask Carl more about it.  
2 He's at the TPO meetings and -- but there's a lot  
3 of talk about that in the city, of pushing this  
4 fast --

5 MR. WUELLNER: Well, we're certainly not  
6 opposed to getting it done as soon as possible,  
7 but I think the grant conditions, that's all I'm  
8 trying to express, are --

9 MR. BRUNSON: Okay. That's the only question  
10 I have. Hope to talk to you tomorrow about that.

11 MR. WUELLNER: Yeah.

12 CHAIRMAN BARRERA: Do we have any further  
13 public comment on the budget?

14 (No further public comment.)

15 CHAIRMAN BARRERA: Okay. We'll -- if there's  
16 no further public comment, are we ready to have  
17 the resolution read, Doug?

18 ADOPTION OF FY 09/10 BUDGET - RESOLUTION 2009-07

19 MR. BURNETT: Yes. This would be Resolution  
20 2009-07.

21 A resolution of the St. Augustine-St. Johns  
22 County Airport Authority of St. Johns County,  
23 Florida, adopting the final budget for Fiscal Year  
24 2009-2010; providing for an effective date.

25           Whereas, a special meeting of the

28

1     St. Augustine-St. Johns County Airport Authority  
2     was held in St. Augustine, Florida on the 28th day  
3     of September, 2009, at 5:01 p.m. at which time a  
4     majority of the members of the St. Augustine-St.  
5     Johns County Airport Authority were present, and

6           Whereas, the St. Augustine-St. Johns County  
7     Airport Authority has prepared a budget for Fiscal  
8     Year 2009-2010; and

9           Whereas, the St. Augustine-St. Johns County  
10    Airport Authority held a public hearing on the  
11    proposed annual budget as required by Florida  
12    Statute 200.065; and

13          Whereas, the St. Augustine-St. Johns County  
14    Airport Authority adopted the final millage rate  
15    prior to adopting this Resolution.

16          Now, therefore, be it resolved by the  
17    St. Augustine-St. Johns County Airport Authority  
18    of St. Johns County, Florida, that:

19          1. The annual budget estimates of revenues  
20    and expenditures of the St. Augustine-St. Johns  
21    County Airport Authority for the fiscal year  
22    2009-2010, as considered and acted upon by the  
23    St. Augustine-St. Johns County Airport Authority.

24    Under and by the authority of the Laws of Florida,

25 are hereby ratified, approved and adopted by the

29

1 St. Augustine-St. Johns County Airport Authority,  
2 and the amounts of money set forth therein are  
3 hereby appropriated.

4 2. The annual budget of revenues of  
5 expenditures adopted for the ensuing fiscal year  
6 2009-2010 shall be attached to the minutes of this  
7 meeting.

8 This resolution shall take effect immediately  
9 upon its adoption.

10 Dual adopted at a public hearing this 28th  
11 day of September, 2009. St. Augustine, St. Johns  
12 County Airport Authority by Kelly Barrera,  
13 Chairman.

14 CHAIRMAN BARRERA: Do we have a motion to  
15 accept the Resolution 2009-07 as read?

16 MR. WERTER: I move that we adopt Resolution  
17 2009-07 regarding the operating budget for  
18 2009-2010, be adopted.

19 CHAIRMAN BARRERA: Do we have a second?

20 MR. GEORGE: I second.

21 CHAIRMAN BARRERA: All in favor?

22 MR. GEORGE: Aye.

23 CHAIRMAN BARRERA: Aye.

24 MR. YOUMAN: Aye.

25 MR. WERTER: Aye.

30

1 CHAIRMAN BARRERA: All opposed?

2 (No opposition.)

3 CHAIRMAN BARRERA: Motion passes.

4 FINAL COMMENTS

5 CHAIRMAN BARRERA: We open it up for final  
6 board member comments. Do we have -- Carl?

7 MR. YOUMAN: I have one. The other side of  
8 the coin is the administration should be  
9 complimented on their part of the teamwork of  
10 putting this all together over the years, because  
11 without them putting forth some of the projects to  
12 be approved, et cetera, et cetera, we wouldn't be  
13 where we are, either.

14 CHAIRMAN BARRERA: Good point. Do we have  
15 any further board comment?

16 MR. WERTER: Well, just to fluff that out a  
17 little bit. Let's be honest, we review their  
18 work. They do all that work. That's like I would  
19 think 90 percent of this whole chore of getting to  
20 this point of adopting the budget falls in the lap  
21 of Ed and his staff. So, it's a major achievement  
22 by them and a major compliment to them.

23 CHAIRMAN BARRERA: Buzz?

24 MR. GEORGE: I think if you tie those

25 comments back with the fact that we have been

31

1 getting clean audited financial statements, you  
2 know, for the last seven or eight years, that says  
3 that we're not only putting the numbers together,  
4 we're putting, you know, the actuals together  
5 correctly also.

6 I -- I still have a problem with going over  
7 the budget after we approve the -- the millage  
8 rate, but we'll worry about that next year.

9 CHAIRMAN BARRERA: Ed, you and your staff  
10 have your work cut out for you. We've got a tight  
11 budget, and economic downturn may have to make it  
12 even tighter. But make it happen. Thank you.

13 Meeting adjourned.

14 (Meeting adjourned at 5:37 p.m.)

15

16

17

18

19

20

21

22

23

24

1 REPORTER'S CERTIFICATE

2

3 STATE OF FLORIDA )

4 COUNTY OF ST. JOHNS )

5

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

7 certify that I was authorized to and did

8 stenographically report the foregoing proceedings

9 and that the transcript is a true record of my

10 stenographic notes.

11

12 Dated this 29th day of September, 2009.

13

14

\_\_\_\_\_  
JANET M. BEASON, RPR-CP, RMR, CRR, FPR

15

16

17

18

19

20

21

22

23

24



