

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 14, 2009

6 from 5:01 p.m. to 5:59 p.m.

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8 BOARD MEMBERS PRESENT:

- 9 WAYNE GEORGE
- JOHN "JACK" GORMAN
- 10 KELLY BARRERA, Chairman
- CARL YOUMAN, Secretary-Treasurer
- 11 JAMES WERTER

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13 ALSO PRESENT:

- 14 DOUGLAS N. BURNETT, Esquire, St. Johns Law Group, 1301
- Plantation Island Drive South, Suite 302-B, St.
- 15 Augustine, FL, 32080, Attorney for Airport Authority.
- 16 EDWARD WUELLNER, A.A.E., Executive Director.
- 17 BRYAN COOPER, Assistant Airport Director.

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- 22 JANET M. BEASON, RPR, RMR, CRR, FPR
- St. Augustine Court Reporters
- 23 1510 N. Ponce de Leon Boulevard
- St. Augustine, FL 32084
- 24 (904) 825-0570



## 1           P R O C E E D I N G S

2           CHAIRMAN BARRERA: It's now 5:01, and we are  
3 ready to look at our agenda item on the first  
4 public hearing. This is something that I think  
5 all of the board members have spent a considerable  
6 amount of time looking at and trying to go over  
7 and over.

## 8           OPENING REMARKS BY CHAIRMAN

9           MR. WUELLNER: Okay. First we'd like to  
10 review the current budget proposal that staff  
11 prepared and we reviewed with you back in July.  
12 And I'm not going to get into a whole lot of  
13 detail, unless you particularly want to discuss  
14 the details as we go, and we'll be happy to do  
15 that. But just in the interest of moving it  
16 along, we -- we'll hit the high points and we'll  
17 go from there.

18          Proposed for 2009-2009 -- excuse me,  
19 2009-2010 fiscal year, we have revenues proposed,  
20 home leases of \$15,390, T-hangars of \$419,372,  
21 conventional hangar leases amounting to \$490,645,  
22 commercial leases amounting to \$762,484, other  
23 lease revenues at \$202,532. That includes items  
24 such as the cell tower. Grumman ground-related

25 leases and the like make up that number. Fees,

4

1 which are anything from fuel-related fees, rental  
2 car fees, any other types of fees collected amount  
3 to \$347,214 this year -- excuse me, for next  
4 fiscal year, reaching an operating revenue of  
5 2.2 -- that's \$2,237,637 proposed.

6 Nonoperating revenues including \$991,000 and  
7 change cash forward. A reserve forward number of  
8 \$2.3 million. Interest revenues projected at  
9 \$35,000. We're projecting 1.7 -- a little over  
10 \$1.7 million in state revenues. Let me see if I  
11 can bring this up here, because I -- we had this  
12 as a -- I apologize for this.

13 MR. GEORGE: This hasn't changed since the  
14 one you and I went over, right?

15 MR. WUELLNER: No.

16 MR. GEORGE: Okay.

17 MR. WUELLNER: Okay. This will catch you up.  
18 My apologies. Federal grant es -- federal grant  
19 revenues this fis -- current -- or next fiscal  
20 year estimated at about \$3.4 million.

21 Ad valorem proceeds based on a recommend --  
22 staff-recommended millage rate of .16 mills would  
23 generate approximately \$3,250,000. That -- that  
24 represents approximately an 18.4 percent reduction

25 in ad valorem rate this year as compared to last

5

1 year.

2 MR. GORMAN: Of a rate, not the actual --

3 MR. WUELLNER: The millage rate.

4 MR. GORMAN: Rate. Not the actual income.

5 MR. WUELLNER: The actual income is re -- it

6 would be approximately \$750,000 less this year

7 than previous year.

8 MR. GORMAN: Just want to get that clear.

9 Thank you.

10 MR. WUELLNER: So it's a net reduction in

11 both the rate and the actual tax receipts.

12 MR. GORMAN: Thank you.

13 MR. WUELLNER: For a total revenue budget of

14 \$13,976,288.

15 MR. GEORGE: It changed.

16 MR. WUELLNER: It did slightly. I apologize.

17 There were a couple --

18 MR. GEORGE: Yeah. That's all right. No

19 problem.

20 MR. WUELLNER: I realized I answered you too

21 quick. Personnel expenditures, salaries, taxes,

22 statutory obligations, benefits, insurances, all

23 of that at \$841,617.

24 An operating expenditure, this would be the

25 day-to-day expenditure, class types of

6

1 expenditures, amounting to \$1,154,671.  
2 Nonoperating expenditures, the Airport Authority  
3 has zero debt service. The Airport Authority  
4 would be expecting to have a total -- total number  
5 in reserves of \$5 million at the conclusion of  
6 next fiscal year. Zero in PFC revenues projected  
7 at this point.

8 We would have capital commitment expenditures  
9 of approximately \$60,000 next year, and  
10 construction-related activity of \$6.9 million  
11 approximately. Leaving a total expenditure budget  
12 of \$13,976,288, which represents -- it represents  
13 about an 18 percent increase in the total budget.

14 And the vast majority of that, if you look at  
15 it, is between two items. One is our reserves,  
16 total reserves, is a higher -- represents a higher  
17 percentage of the total. And the other is of  
18 course the capital budget, which routinely  
19 accounts for about 80 percent of the total budget.

20 **DISCUSSION OF BUDGET BY AUTHORITY**

21 **MR. GEORGE:** You see no reason why this  
22 budget will cause us not to get off the tax rolls  
23 next year?

24 **MR. WUELLNER:** No, sir.

1 dollars less in reserves than what the original  
2 plan called for?

3 MR. WUELLNER: I'm not sure which original  
4 plan. This is the same -- I mean, this is the one  
5 we've been talking about for the last couple of  
6 years.

7 CHAIRMAN BARRERA: I thought it was supposed  
8 to have \$6 million reserve.

9 MR. WUELLNER: I think some of the earliest  
10 versions did.

11 MR. GEORGE: The one of July the 20th --

12 MR. WUELLNER: It's been five for this budget  
13 cycle, anyway. I might want to -- if you indulge  
14 me a minute, maybe walk through the capital  
15 budget, just so everybody's -- I'll pick it up at  
16 just the construction and planning items.

17 Essentially it's completion of the  
18 environmental assessment for Taxiway B, at  
19 approximately \$250,000 remaining project. ARFF  
20 station construction at \$1 million, is what the  
21 budget is for that. That will be the entitlement  
22 funds for the current year. That will be a FAA  
23 project at 95 percent funding from FAA dollars.  
24 Includes widening Taxiway B to the north as I

25 reported earlier.

8

1 This item is about \$2 million. That will  
2 wrap up very early into the new fiscal year. In  
3 fact, I would be surprised if it's not completely  
4 closed by November. This is the ARRA, the  
5 stimulus grant, which is at a hundred percent  
6 funding.

7 The multipurpose building and hangar at \$2.8  
8 million. Park construction, we have a budget  
9 number of \$85,000. I -- I'm optimistic we can do  
10 that on less and it's going to be basically  
11 materials cost at this point. There may be some  
12 equipment rental, but between in-house staff and  
13 using volunteer labor, I'm hoping we can bring  
14 that number down even lower than that.

15 MR. GEORGE: Any other grant potential?

16 MR. WUELLNER: Yeah. We will make  
17 application, as we -- as we promise with the FIND,  
18 Florida Inland Navigational District, for  
19 development of some of the dock or viewing  
20 deck-related structures. That grant process  
21 doesn't even close until March or April of next  
22 year. We won't get notification. It will be a  
23 next state fiscal year funded project if it -- if  
24 it gets through that and is approved.

25 MR. GEORGE: Okay.

9

1 MR. WUELLNER: No guarantees, but we'll make  
2 the application on it and see where it goes.

3 We had proposed at the last -- made mention  
4 about doing a -- essentially the general aviation  
5 terminal complex as well as this building need to  
6 be re -- recoated, and we made the recommendation  
7 at the first budget hearing that we do that with  
8 the same synthetic stucco material that was  
9 done -- we did the tower, vault, U.S. Customs  
10 building.

11 Basically it's a low- to no-maintenance  
12 product that doesn't require routine repainting.  
13 And it would -- this figure would do the entirety  
14 of the general aviation terminal area and this  
15 building.

16 It would not have grant funds. It would be  
17 entirely an Airport Authority expenditure to do  
18 that. It could be postured -- in fact we'll make  
19 the inquiries. It may be able to be done at the  
20 same time the texture's applied to the  
21 multipurpose building over here and the lower  
22 piece of the aircraft maintenance hangar.

23 We may be able to take advantage of doing  
24 that as a change order on that -- onto that job

25 and use the contractor that would be on-site. In

10

1 the event that doesn't work out, we can always bid  
2 that project and do it that way. But that's our  
3 best estimate based on the cost per square foot  
4 we're seeing to do that material. And that would  
5 really -- you know, it's in dire need of doing  
6 something, and it will cover all those old stucco  
7 stress cracks and the like.

8 MR. GEORGE: Just so we don't lose visibility  
9 of it, would you change the description to --  
10 after GA terminal area to add Authority building?

11 MR. WUELLNER: Okay. Absolutely. And the  
12 next is a new project that we're actually going to  
13 discuss a little bit further in the agenda item.  
14 I want to -- I'll bring you up to speed, but  
15 we've -- Bryan has -- working with one of our  
16 consultants and some other folks, have essentially  
17 they've gotten FAA to fund a grant. It's one of  
18 only two being done in entire the United States.

19 One will be done at a large commercial  
20 service airport and the other one would be done  
21 here to conduct a sustainability project program,  
22 management plan. That would be funded by FAA at  
23 95 percent.

24 And I'll -- again, I'll detail it, but it's

25 approximately a \$235,000 total project of which

11

1 FAA would -- would pay \$223,250. That's the  
2 budget number. You'll see when I get into the  
3 agenda item in the regular that it's actually come  
4 down a little bit. It's not dramatic, but it's  
5 about \$6,000 total project less than what it was.

6 MR. GEORGE: What does the study do again?

7 MR. WUELLNER: It essentially looks at the  
8 long-term environmental sustainability of the  
9 airport. It reviews everything from energy use to  
10 sustainability of existing resources on the  
11 property. It's a real kind of hot button issue.

12 MR. GORMAN: It's a green initiative.

13 MR. GEORGE: Okay.

14 MR. WUELLNER: It's essentially -- yes. And  
15 it will present a plan and a program for continued  
16 evaluation of it. And we can make business  
17 decisions from that point forward as to what makes  
18 sense for the airport.

19 MR. GORMAN: Does that study -- in other  
20 words, if -- how is that fund -- how is that study  
21 going to be funded again?

22 MR. GEORGE: It's 95 percent.

23 MR. WUELLNER: It's funded by FAA.

24 MR. GORMAN: And does the study produce --

25 I'm just doing this for the record, then. Does

12

1 the study then produce, if in fact we do have an  
2 assessment in -- you know, in the total idea of  
3 the green initiative, let's just keep using  
4 that -- that, doesn't that help our grant ability?

5 MR. WUELLNER: Potentially. I can't tell  
6 you -- it certainly will not hurt it.

7 MR. GEORGE: It's got to.

8 MR. WUELLNER: I see down the road that  
9 you're going to -- it may open the door for  
10 additional FAA participation in other things  
11 because you have that plan in place.

12 MR. GORMAN: That's why I went through that.

13 MR. WUELLNER: But because there are only two  
14 prototype plans, I can't stand here today and tell  
15 you I will absolutely guarantee.

16 MR. GORMAN: So this is part of the  
17 stimulus --

18 MR. WUELLNER: No. Actually this is regular  
19 airport improvement. So this is ticket tax and  
20 aviation fuel tax money.

21 MR. GORMAN: That's where the funding comes  
22 from.

23 MR. WUELLNER: Yes, sir.

24 MR. GORMAN: All right.

1 MR. YOUMAN: How did we become so fortunate  
2 to be one of two?

3 MR. WUELLNER: We have a --

4 MR. GEORGE: Bryan.

5 MR. WUELLNER: You know, in Bryan, you have a  
6 very very active staff member who attends, been on  
7 the state committees related to environmental and  
8 noise and those issues for a lot of years, and  
9 through his contacts has found a fairly well  
10 connected firm who was lobbying FAA to do some of  
11 these prototype projects. And in his inimitable  
12 style has managed to talk them into selecting our  
13 airport as one of those locations.

14 Came as a surprise to me personally. I knew  
15 that they were having the discussions, but didn't  
16 really expect money to actually fall out.  
17 Especially in this current fiscal year.

18 It was also a surprise to FAA in Orlando that  
19 this popped up on their radar screen out of  
20 Washington and they were told they were going to  
21 fund it. So one of those gift horses in the  
22 mouth, and Bryan was directly responsible for  
23 making that happen for us.

24 MR. YOUMAN: So, in effect, we're way way

25 ahead of the curve in this type of initiative --

14

1 MR. WUELLNER: Yes.

2 MR. YOUMAN: -- is what you're telling me.

3 MR. WUELLNER: Yes.

4 CHAIRMAN BARRERA: Especially for airports.

5 MR. YOUMAN: Way to go, Bryan. Thank you.

6 CHAIRMAN BARRERA: Bryan is -- I've sat in a  
7 couple of meetings with Bryan. He is extremely  
8 highly regarded in sustainability and in  
9 environmental initiatives by his peers.

10 MR. WUELLNER: And your consultant on this,  
11 when we get to the agenda item, LPA is taking the  
12 lead on this project.

13 MR. GEORGE: Again?

14 MR. YOUMAN: Fantastic.

15 MR. WUELLNER: And that's essentially the  
16 capital development program proposed for next  
17 year.

18 MR. GEORGE: What kind of time line do you  
19 see for this ARFF station? That's been on our  
20 horizon for five years.

21 MR. WUELLNER: Unfortunately, the actual  
22 start -- the design is nearly complete. I would  
23 tell you it's at 90 percent at this point. And  
24 there -- and be in a position to bid the project

25 the second week of October.

15

1 MR. GEORGE: Okay. Good.

2 MR. WUELLNER: So it will be ready. The --  
3 the caveat to the schedule is it actually depends  
4 on when Congress releases the AIP funding for that  
5 fiscal year. It can be as early as October 1. It  
6 rarely is. In fact, I'm not aware of it ever  
7 being ready October 1.

8 My best guess is somewhere between December  
9 and February will -- the actual grant will come  
10 out and we'll be able to begin construction upon  
11 that. We will have it bid. We will have bids  
12 held and ready to go so that as soon as the  
13 funding frees up, we'll be able to get the grant  
14 written and go with it. So we're -- we'll be  
15 ready to go when they are.

16 MR. GEORGE: Yeah. Well, that's a nice chunk  
17 of change to the county.

18 MR. WUELLNER: Yes, it is.

19 MR. GORMAN: Will the ARFF construction, the  
20 bidding and everything else, have any impact in  
21 this -- the rest of our construction situation?  
22 This won't block anything --

23 MR. WUELLNER: No, no. In fact, this  
24 facility --

25 MR. GORMAN: Because I know you're trying to

16

1 get --

2 MR. WUELLNER: We'll have some minor

3 accommodation across --

4 MR. GORMAN: -- trying to cascade these

5 things properly --

6 MR. WUELLNER: Yeah. We'll have some minor

7 accommodation of traffic I'm sure across foxtrot,

8 taxiway foxtrot in the vicinity of U.S. Customs.

9 Most of that will be able to be brought down the

10 edge of taxiway foxtrot. But it is across the

11 taxiway in terms -- it's in the area of the big

12 pond across from U.S. Customs. It sort of sits on

13 that corner of that apex that's formed. That's

14 the physical location of it.

15 MR. GEORGE: So you don't see --

16 MR. WUELLNER: I don't see any -- you know,

17 other than being normal, you know, barricading and

18 somebody having to watch traffic crossing, but it

19 shouldn't be that big a deal.

20 With that, the next order of business related

21 to the budget would be a discussion of the millage

22 rate -- or actually, I guess solicit any comments

23 you might have from the public related to the

24 budget itself.

1 CHAIRMAN BARRERA: I'd like to open it up for  
2 public comment in relation to the budget. I  
3 didn't receive any comment cards.

4 MR. MARTINELLI: I didn't put a comment card  
5 on this agenda.

6 CHAIRMAN BARRERA: Okay.

7 MR. MARTINELLI: Was I supposed to? I'm  
8 sorry.

9 CHAIRMAN BARRERA: That's all right. Do we  
10 have anybody else who would like to speak about  
11 the discussion of the budget? Okay. Vic?

12 MR. MARTINELLI: Okay. I always look at  
13 the -- the ad valorem tax revenues as an  
14 investment on the part of the public and to this  
15 airport. And in reviewing this, out of about  
16 \$6,920,000 worth of capital, which is the  
17 investment, the Airport Authority is funding  
18 \$1,758,000. And the ad valorem tax revenue that  
19 is anticipated is \$3,250,000.

20 So, I say, well, subtract the 1 million 7  
21 from 320, and that balance then is not being  
22 invested in projects; it's being used other  
23 places. And there are two places that come to  
24 mind. One is reserves, and the other is operating

25 expense.

18

1 To the extent that the Authority can  
2 demonstrate that the operating expense portion is  
3 minimal and the reserve really is the lion's share  
4 of it, then I think it's easy to calculate the  
5 return on the investment that the taxpayers are  
6 making, and I would suggest that somewhere in the  
7 presentation that that be a figure that's  
8 highlighted. Because when you look at the  
9 operations of the airport, to the extent that  
10 whatever that residue is after contributing to the  
11 reserve increase, that's a minimal part of the  
12 contribution to operating expenses. And the rest  
13 of it of course is an investment with a return, a  
14 substantial return to the taxpayer. And I would  
15 suggest that you make that presentation with those  
16 highlights.

17 MR. WUELLNER: The -- just to clarify the  
18 point, the -- I would call your -- did I turn that  
19 off? I would call your attention to the total --  
20 as you properly state, the ad valorem millage  
21 generates approximately \$3.25 million of which you  
22 are essentially in this budget, if approved,  
23 allocating 2.7 of which. So all but about  
24 \$750,000 is being allocated to reserves.

25 The balance of the Authority's projects come

19

1 from surplus revenues, surplus operating revenues

2 being generated on the profit -- on the property.

3 So essentially, the net profit on operations is

4 going toward capital improvements.

5 MR. MARTINELLI: Right.

6 MR. WUELLNER: So all but about \$750,000 of

7 the ad valorem is going into reserves in the

8 current year. Come a long way, folks. I guess if

9 we're finished with public comment on the budget

10 open it up for authority comment.

11 DISCUSSION OF MILLAGE RATE BY AUTHORITY

12 CHAIRMAN BARRERA: Okay. Board members?

13 Jack?

14 MR. GORMAN: Oh, boy. You're really going to

15 let me comment?

16 CHAIRMAN BARRERA: Of course.

17 MR. GORMAN: Okay. I'm going to do an

18 indulgence, just a real short little bit of a

19 roast for Mr. Wuellner, because I won't wax too

20 long. But let me be acidic for a second.

21 I'm just drinking a very expensive cup of

22 coffee, okay? We don't send out for blueprints.

23 We have a \$15,000 blueprint machine. Most

24 employees in the maintenance drive their own

25 trucks. Nobody shares an office around here. In

20

1 short, the airport does spend a bit of money.

2 Despite these largesses, the airport can and  
3 will get off the tax rolls this year. This time  
4 next year, we're going to be off the tax rolls. I  
5 mean, this place is not real lean, but because of  
6 its location and because of its -- fortunate in  
7 its ability to produce, it is going to be a  
8 spectacular entity in the fact that as a bit of  
9 the transportation infrastructure of the country,  
10 it's going to be able to sustain itself without  
11 taxes.

12 So, thinking of my previous roast, any budget  
13 line item can be cut by 10 percent and still  
14 operate. I mean, you could do that to this  
15 budget. But why do that?

16 I'm going to take faith in Mr. Wuellner's  
17 budget. I would recommend that the rest of the  
18 board do that. And let it -- this budget carry us  
19 through to the point where we're going to be off  
20 the tax rolls.

21 The only sum of all my fears is the fact that  
22 there will be a real or contrived crisis at the  
23 end that will not allow us to knock these ad  
24 valorem taxes down to nothing. That is as blunt

25 and as calm as I can be. But I think he can do it

21

1 because of a number of different reasons. This is  
2 just a well located airport.

3 So, I think the millage rate should probably  
4 be as staff recommends so that we can have the  
5 reserves that Mr. Wuellner wants going into his  
6 project, so that then he can then sustain it  
7 through to the end so this time next year, ad  
8 valorem is zero.

9 CHAIRMAN BARRERA: Thank you, Jack. Any  
10 other board member comment? Buzz?

11 MR. GEORGE: Oh, yeah. We keep talking about  
12 next year, you know, and it looks like it's going  
13 to happen. By taking the millage from the  
14 rollback of .165 -- 95 or something like that.

15 MR. WUELLNER: 97.

16 MR. GEORGE: Hmm?

17 MR. WUELLNER: 1697.

18 MR. GEORGE: Taking it back to 16, realizing  
19 that all the, you know, values of homes and  
20 everything have come down, which people would be  
21 getting a reduction, how much money does -- if we  
22 left it at the rollback, how much additional ad  
23 valorem revenue does that bring in?

24 MR. WUELLNER: It --

25 CHAIRMAN BARRERA: The extra is \$750,000?

22

1 MR. WUELLNER: No. It's -- from the  
2 rolled-back rate, it's approximately \$250,000.

3 MR. GEORGE: Yeah. And the reason it's not  
4 the \$750-, because the value of the houses and  
5 everything came down.

6 CHAIRMAN BARRERA: Right.

7 MR. GEORGE: So if we -- if we did go with  
8 the roll-back rate of the -- not .16970, we'd have  
9 a \$500,000 reduction, but we would be getting  
10 another \$250,000. That's kind of a -- not a  
11 hedge, but another pad to make sure we get off the  
12 tax rolls next year. Is that a correct statement?

13 MR. WUELLNER: Yeah. I would think that  
14 it -- you know, if that were your desire, you'd be  
15 dropping that also into reserves. Rather than  
16 identifying expenditures, that would be the  
17 only --

18 MR. GEORGE: Yeah.

19 MR. GORMAN: I'm a little bit lost. You want  
20 to have the millage higher than the staff  
21 recommendation or which?

22 MR. GEORGE: Yeah.

23 MR. YOUMAN: That's what he's saying.

24 MR. GORMAN: For a little more pad on the

25 reserves.

23

1 MR. GEORGE: Right.

2 MR. GORMAN: Okay.

3 CHAIRMAN BARRERA: Okay.

4 MR. GEORGE: I think -- I think it's a  
5 prudent thing. The taxpayer is getting a \$500,000  
6 reduction, you know, and we're taking, you know,  
7 other than the \$500,000, but we're getting that  
8 extra pad. So it's a win-win. We're getting a  
9 little bit more.

10 I just hate to see us come into next year and  
11 one of these 14 automobiles that are 14, 15 years  
12 old is, you know, now all of a sudden -- it sure  
13 would be nice to have \$250,000, because those  
14 capital expenditures, we fund all of that.

15 CHAIRMAN BARRERA: Any other board member  
16 comment? Carl?

17 MR. YOUMAN: I understand what Wayne's  
18 saying, but in these times and in a political  
19 situation, I guess you would say, I think we're  
20 better off showing a reduction.

21 And it's not -- we're not talking -- \$250,000  
22 is a good hunk of money, but it's not going to  
23 make or break us at the end of the next year. And  
24 I believe with what has been going on over the

25 last few years, that we're better off holding to

24

1 this recommended millage of 1.16 (sic) and not go  
2 higher.

3 CHAIRMAN BARRERA: Jim?

4 MR. WERTER: Pass.

5 MR. GEORGE: Rebuttal?

6 CHAIRMAN BARRERA: I am -- my thoughts on  
7 this are to stick with the budget as it's  
8 proposed. We have to be as lean as we possibly  
9 can. Everybody is squeezing. Everybody is  
10 stretching a dollar as far as they can. And we  
11 have to continue to do that.

12 If our staff thinks that it's possible to  
13 operate at a .16 millage -- and this is something  
14 that we've all been over so many times. If they  
15 think they can do it, I think we have to do it.  
16 We have that obligation to stretch those dollars  
17 as far as we can and still get off the tax rolls.

18 MR. GEORGE: Then why not drop it to .15 and  
19 not have as much in reserve?

20 CHAIRMAN BARRERA: Because our --

21 MR. GEORGE: I just want to know where your  
22 pain threshold is, guys.

23 MR. YOUMAN: It's back to eight and one half  
24 dozen of the other. You can play this game of

1 MR. GEORGE: We can.

2 MR. YOUMAN: -- however, as the chairman has  
3 said, the staff made a recommendation of .16.  
4 That is their best judgment, and I -- I agree with  
5 what the staff says. And we could arbitrarily  
6 drop it to .15, but what is that going to do to  
7 the situation at the end of the year?

8 MR. GEORGE: Means you have 4 million in  
9 reserve as opposed to 5.

10 MR. YOUMAN: Right. And their planning shows  
11 that 5 million is much better, and yours says --

12 MR. GEORGE: Mine says --

13 MR. YOUMAN: -- much much better.

14 MR. GEORGE: -- \$5,250,000 is better and the  
15 taxpayer still gets a reduction.

16 MR. YOUMAN: However political --

17 MR. GEORGE: But if you want to be the  
18 political and worry about the politics of it --

19 MR. YOUMAN: I do.

20 MR. GEORGE: -- you know, then you should  
21 consider that.

22 MR. YOUMAN: I do. Just as a representation  
23 that we're working towards getting lower in this  
24 time of need.

25 MR. WUELLNER: I would point out, just so

26

1 that everybody is -- we hit it at a little bit in  
2 July, but the -- it's a very peculiar economic  
3 time relative to taxation, and -- and frankly, the  
4 rolled-back rate, for the first time since I've  
5 been here, and I think for a lot of years -- you  
6 technically, I don't want to use the word entitled  
7 in the context it's typically used, but in order  
8 to maintain the same level of ad valorem tax  
9 revenues as last year, which is approximately the  
10 \$4 million number --

11 MR. GEORGE: Right.

12 MR. WUELLNER: -- which is what makes up the  
13 rolled-back rate by definition, is actually a tax  
14 increase this year in terms of rate.

15 It is not a tax increase in definition by  
16 Florida Statutes, because it's the same amount of  
17 money, but it does result in everyone paying more  
18 because of the decrease in overall home values or  
19 the tax base. And that would be .196 mills. So  
20 in order to sustain the millage, you would need to  
21 increase taxes by three-hundredths of a mill.

22 MR. GORMAN: That's why I was talking about  
23 rate versus --

24 MR. WUELLNER: Not recommendation, by the

25 way.

27

1 MR. YOUMAN: If I may -- if I may add. A few  
2 years back, Jack was on the board and I still  
3 remember the chairman flippantly saying, when Jack  
4 was saying something about lowering the millage  
5 rate, we don't really need all the money at that  
6 time. The chairman at that time said, we'll just  
7 stick it in reserve. Just get the highest number  
8 we can and just stick it -- and that made me angry  
9 at that time.

10 Not understanding of the whole process, but  
11 as a citizen, it made me angry. And that's one of  
12 the reasons I had the incentive to run for this  
13 board. So, based on that and my philosophy, I'm  
14 very adamant about the .16 and not going higher.

15 MR. GEORGE: Okay.

16 MR. YOUMAN: That's one of the reasons.

17 MR. WERTER: If I may.

18 CHAIRMAN BARRERA: Jim?

19 MR. WERTER: You also have to keep in mind  
20 the capital base that's available now. With the  
21 appraisal, property appraisal being down this year  
22 and over the past couple of years, your revenue  
23 return might not be what you expect because, you  
24 know, even if you maintain the same millage rate,

25 property values are down, therefore your bottom

28

1 line's going to be down.

2 MR. GEORGE: That's what we're talking about.

3 MR. WERTER: I wasn't quite getting it in  
4 clear, concise --

5 MR. GEORGE: Okay. What I was saying was --

6 MR. WERTER: You were talking about reducing  
7 the millage rate.

8 MR. YOUMAN: No.

9 MR. GORMAN: He was talking about increasing  
10 it.

11 MR. GEORGE: There's two things. We're  
12 talking about a reduction in the millage rate and  
13 we're talking about a reduction of the ad valorem  
14 tax revenue to the air -- to the airport.

15 MR. WERTER: Uh-huh.

16 MR. GEORGE: The way it is proposed, we get  
17 3.3 -- 3.25 million in revenue from ad valorem  
18 taxes. If we took it back to the roll-back rate,  
19 we would be getting 3.5. Last year, we got 4.3.  
20 So we're -- rough numbers, okay?

21 MR. WUELLNER: 4.0.

22 MR. GEORGE: 4.0. Okay. So we're looking at  
23 a reduction in the revenue that we are getting  
24 from ad valorem taxes.

25 MR. WERTER: Okay.

29

1 MR. GEORGE: I was not saying take it back to  
2 a millage rate that will give us the same 4  
3 million. I was just saying that I realize 250 is  
4 not -- is not much in the overall --

5 MR. WUELLNER: That ship sailed.

6 MR. GEORGE: -- scheme of things. I don't  
7 know, watching the capital budget for the last two  
8 years, I wasn't planning on spending \$150,000 to  
9 recoat the buildings.

10 The original discussion on the reserve -- and  
11 I'll shut up, Jack. The original discussion on  
12 the reserve was for maintenance. We've got  
13 buildings out here that are 40 years old, 30 years  
14 old. We had one on the other side that we had to  
15 put a special coating on just to squeeze another  
16 few years out of it. That was the reason for it.  
17 250 would do some of that.

18 MR. YOUMAN: I understand what you're saying  
19 completely.

20 MR. GEORGE: Thank you, Madam Chairman.

21 CHAIRMAN BARRERA: Jack?

22 MR. GORMAN: The gauntlet's been dropped.  
23 It's in Ed's lap. He's taken the challenge up.  
24 He says he's going to get us off the tax rolls.

25 This is his recommendation.

30

1 So I am -- you know, I mean, I've been very  
2 critical of Mr. Wuellner before, but this time I'm  
3 being very -- if this is his best guess as to the  
4 reserves, the minimum reserves he needs, let's  
5 just do it and then go from there.

6 I agree -- I mean, understand that -- what  
7 Buzz is saying, but it's almost at a point of  
8 argument rather than a point of necessity. And if  
9 it's not a necessity and we've -- Mr. Wuellner  
10 believes that's his best guess, let's just go with  
11 that. Because it's his responsibility to go zero  
12 this time next year. And that's all. I'm done.

13 CHAIRMAN BARRERA: Do we have any further  
14 board comment before we move to public comment?

15 (No further board comment.)

16 PUBLIC COMMENT ON MILLAGE RATE

17 CHAIRMAN BARRERA: We'll close the board  
18 comment and open it up to public comment. I have  
19 no public comment cards. Do we have someone from  
20 the public?

21 MR. COOPER: We don't have any public  
22 comment, but can I make a comment?

23 MR. WUELLNER: It depends.

24 MR. GEORGE: You don't live in St. Johns

1 MR. COOPER: I live where I am. I've had the  
2 opportunity in the last week to attend budget  
3 hearings in a couple of other counties and in four  
4 cities, and something came out that I wasn't aware  
5 of.

6 These estimates that we've got of the 3 --  
7 3.5 million or whatever we're going to get from ad  
8 valorem taxation is based on people paying their  
9 taxes. And it came out in some discussions that  
10 this year, they expect there's going to be a lot  
11 of people that's not going to pay their taxes or a  
12 larger number that's going to take the maximum  
13 discount that they can, instead of putting it off.

14 So where you're estimating taxes that's based  
15 on the way it's always been, but it's not unusual  
16 to see -- this year won't be unusual to see a 10  
17 to 15 percent reduction in that estimate. Because  
18 there's going to be a lot of people that's just  
19 not going to pay their taxes this year. Now that  
20 don't mean the county's not going to get it  
21 eventually, but we won't.

22 MR. GORMAN: 15 percent?

23 MR. COOPER: That's the numbers I'm hearing  
24 from tax collectors --

25 MR. GORMAN: Default?

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1 MR. COOPER: -- is that much lower than what  
2 is estimated.

3 MR. WERTER: In -- in the uptick in  
4 bankruptcy, where someone returns their home,  
5 their real estate to the bank in a Chapter 7 or a  
6 13 and there's outstanding real estate taxes, they  
7 attach to the property, not the person, and what  
8 becomes responsible is the bank becomes  
9 responsible to the -- to the tax lien. But  
10 they're not getting paid because people are not  
11 paying them in their -- in their bankruptcies or  
12 foreclosures.

13 MR. GORMAN: So --

14 MR. COOPER: The one other thing that also  
15 came out is the value adjustment boards are seeing  
16 a phenomenal increase this year of people coming  
17 in and negotiating their tax -- the value of their  
18 property down or their taxes down, which also is  
19 not included in that estimate of what taxes you  
20 think you're going to get. It's going to be much  
21 lower.

22 MR. GEORGE: Do we know what percentage we  
23 actually received this year from what was -- what  
24 could have been a hundred percent? I know we take

25 it at what 85 percent, Ed, for your budgeting

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1 purposes?

2 MR. WUELLNER: 95.

3 MR. GEORGE: 95?

4 MR. WUELLNER: Yes. It was -- it was only

5 off by about \$33,000 on 4 million.

6 MR. GEORGE: Okay.

7 MR. GORMAN: That's a small percentage.

8 MR. GEORGE: Yeah.

9 MR. WUELLNER: You know, and if Doug doesn't

10 jump in here and explain it, I'm going to, but the

11 other mechanism that's in place -- I mean, I

12 appreciate Bryan's comments, but the other

13 mechanism in place is that what happens if you

14 ultimately don't pay your tax bill is that that --

15 that tax bill essentially can be purchased by

16 someone else, and usually is. It's a thriving

17 business off to the side for many people. But

18 ultimately the tax bill does get paid.

19 Now, I think the big variable in the mix is

20 very likely in the value adjustment part. It's

21 how they -- we don't get that information. They

22 don't go through that process until after the tax

23 rates have been set by all your governmental

24 entities.

25 So we don't really get that -- that

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1 final-final number of what the tax base is going  
2 to be till well after the fact, which is why we  
3 don't budget it at a hundred percent. That's the  
4 primary reason to cover that.

5 CHAIRMAN BARRERA: Doug, did you have any  
6 further comments?

7 MR. BURNETT: I was just going to say that  
8 the only thing that comes into play, Ed's right,  
9 but the one sort of thing that Bryan is correct  
10 about, and I know Mr. Werter knows all too well,  
11 is when folks don't pay their taxes, the -- there  
12 will be a tax deed sale eventually, but it may --  
13 it may be something where that revenue comes in a  
14 year or two later, rather than present value  
15 today.

16 The other thing that we're seeing, people who  
17 deal with foreclosures regularly are seeing, is  
18 the banks aren't finishing the foreclosures.  
19 They're sort of sitting there on them. Because as  
20 soon as they finish the foreclosures, they've got  
21 to start paying the homeowners association dues or  
22 the condominium association dues. They've got to  
23 start paying the real estate taxes. And so they  
24 sit on them sometimes before they finish the

25 foreclosure in the legal proceeding.

35

1 So there is those kinds of anomalies that are  
2 going to -- we're going to face as a state and as  
3 a community this year and next year certainly.

4 MR. GEORGE: Are foreclosures up in the  
5 county? Are they -- every month, are they about  
6 the same, are they going up, going down?

7 MR. BURNETT: They -- they had been -- I  
8 haven't checked it in the last couple of months.  
9 They had been significantly higher this year than  
10 last year.

11 MR. GEORGE: Okay.

12 MR. YOUMAN: Aren't commercial foreclosures  
13 just coming to the forefront now, too?

14 MR. WERTER: There are more, yeah.

15 MR. BURNETT: Yes. That's a --

16 MR. WERTER: I don't see them in my practice,  
17 but, you know, there -- there's something  
18 innately -- you know, innately wrong with the bank  
19 may sit on the foreclosure, but if it's in the  
20 midst of a bankruptcy proceeding, those have  
21 already been discharged off the debtor, but the  
22 debt on the property -- because homeowners, the  
23 homeowners associations and condo associations,  
24 they put the liens on the property.

25 So even if they delay their -- their

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1 finishing the case, it just means there's an  
2 accumulating debt on the property itself which  
3 they have to satisfy at the end of the case. So  
4 it doesn't make sense, but if they're doing that,  
5 they're doing that, you know.

6 MR. BURNETT: Yeah. And I guess the only  
7 implication for the Airport Authority is it may be  
8 that we see a reduction in revenue.

9 MR. WERTER: Yeah, and a delay.

10 MR. BURNETT: But it's a delay.

11 MR. WERTER: Yeah.

12 MR. BURNETT: Ultimately comes -- comes back  
13 in.

14 MR. GEORGE: But every one of our -- every  
15 one of our budgets are a snapshot in time.

16 MR. BURNETT: That's correct.

17 MR. GEORGE: And this is the revenue we're  
18 planning on to accomplish that.

19 I can understand where you and the other  
20 members of the board are saying, you know,  
21 \$250,000 in the overall \$13 million for the whole  
22 scheme of things is not a big number. I basically  
23 brought it up to get a discussion going, to see  
24 how you guys felt about it, because I'm usually

25 not one to say "I told you so," but next year, if

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1 I have to, I'll say "I told you so."

2 MR. WERTER: Well, it's a -- if I may. When  
3 you were talking about that before, in my  
4 mediation work, it becomes where -- at what point  
5 does it become nitpicking? And I think that's a  
6 subjective line --

7 MR. GEORGE: Uh-huh.

8 MR. WERTER: -- to each person.

9 MR. WUELLNER: And it's really about -- the  
10 difference at this point is whether you're  
11 reducing the taxes locally as a rate by 13.4  
12 percent or reducing it by 18.4 percent.

13 MR. GEORGE: Yeah.

14 MR. WUELLNER: In any case, it's going to be  
15 reduced. The ship of keeping a \$4 million ad  
16 valorem rate sailed back in July with setting the  
17 TRIM notice.

18 CHAIRMAN BARRERA: The one thing I would add  
19 is that the fortunate thing is that St. Johns  
20 County, unlike Duval County, is able to still be  
21 at a sustaining point, where Duval County is  
22 actually shrinking in its population.

23 MR. WUELLNER: And values.

24 CHAIRMAN BARRERA: Yeah. They're all coming

25 over here.

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1 MR. WUELLNER: Okay. If that's it on board  
2 comment, then your -- you will need to consider  
3 the adoption, tentative adoption -- I guess next.  
4 We've talked about the rate as well as the budget.  
5 Is there any -- I guess --

6 MR. BURNETT: We didn't have -- if I might  
7 comment. I don't believe we took public comment  
8 on the millage. I think we took public comment on  
9 the budget earlier. So we need -- for public  
10 comment on the actual millage rate.

11 CHAIRMAN BARRERA: We did actually open it up  
12 for the public comment on the millage. That's  
13 when Bryan got up because we didn't have any  
14 other --

15 MR. BURNETT: I apologize.

16 CHAIRMAN BARRERA: But with that being said,  
17 is there anybody else from the public that would  
18 like to speak?

19 MR. WUELLNER: You may have one of them.

20 MR. MEYER: I really don't need that.

21 CHAIRMAN BARRERA: You have to.

22 MR. MEYER: I really appreciate the  
23 discussion, I really do.

24 MR. BURNETT: Sir, you need to use the

25 microphone because we're recording it.

39

1 MR. WUELLNER: That's the only reason.

2 CHAIRMAN BARRERA: Everything we do is  
3 completely recorded for the public.

4 MR. MEYER: I've only been a Floridian since  
5 the change of '90 to '91, and this one has been a  
6 thorn in my side, because I see -- I see really a  
7 pretty wonderful airport for which I get very  
8 little benefit for myself personally, only to eat  
9 at the cafe there, which is not very good food.

10 So I really appreciate the -- the concern that you  
11 all have shown me. It gave me a lot of  
12 confidence.

13 CHAIRMAN BARRERA: Thank you, very much.

14 MR. WERTER: However, can I make comment on  
15 that? Because that is one of the things that I'm  
16 always hammering down and I wish public relations  
17 would get to. Sir, you didn't announce your name  
18 at the --

19 MR. MEYER: I'm sorry. I didn't think that  
20 was important. I'm Bill Meyer.

21 MR. WERTER: Sir, every citizen in this  
22 county is important. This is something I  
23 always -- I really feel very strongly about and  
24 things some people don't realize about this

1 This airport next to the county itself is the  
2 number one employer in the county. And again,  
3 numbers come back again. We are responsible for  
4 over \$500 million worth of commerce that comes  
5 into this county. Without that money, I guess  
6 Mr. Sanchez is not here to address it, we don't  
7 know how much more you would be paying in the  
8 millage rate as far as the county commission goes.

9 So when you look at this airport, you know  
10 some people think it's, you know, the rich man's  
11 playground. We have very -- our general aviation  
12 population is way down.

13 What's important about this airport is  
14 Grumman, the commercial -- the commercial  
15 businesses that are on this airport, and the  
16 commercial activity that this airport spawns for  
17 this county. So, you have to look more into that  
18 and see what we're really about and how we really  
19 benefit you into the deep pocket. Don't -- don't  
20 sell us short, is what I'm saying.

21 MR. MEYER: I never have. I -- my own  
22 personal feeling had been why not lay more of that  
23 burden on those users, because I spent all my  
24 career in NASA, so I knew Grumman very well. I

25 worked on the -- on the large space telescope

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1 before the Hubble. So I know what the aerospace  
2 industry does for the country as well as here.

3 I do appreciate this airport. And I don't  
4 wish to use it. I just didn't wish to pay -- to  
5 keep that tax rate the same. I thought it should  
6 have been moving down. That's why I appreciate  
7 the discussion.

8 CHAIRMAN BARRERA: Okay. You'll be pleased  
9 to know that our airport, unlike most airports our  
10 size, is one of the few that can be  
11 self-sustaining, especially in this tough economic  
12 time. And that's something that we've all looked  
13 into and we've all -- when we're looking at the  
14 budget and we're pulling out the pencils.

15 And this is our second pass at this budget,  
16 and then we'll have a final pass at this budget  
17 before it's formally adopted. That's something  
18 that we've all looked at and something that you  
19 can be proud of with management here. Vic?

20 MR. MARTINELLI: Yeah. Very quickly, just as  
21 a matter of record, Jim, I just want to embellish  
22 one thing you've said.

23 The county is the number one employer, but  
24 the county pays their salaries with our taxes.

25 This airport is the number two employer, but we

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1 pay 98 percent of the salaries that the businesses  
2 on this airport pay, not with your taxes and my  
3 taxes. Public revenue is generated by those  
4 businesses, and that's a very very important point  
5 and I would like to make that a matter of record.

6 MR. WERTER: I always kind of put it this  
7 way. The minimal taxes, you know, when you look  
8 at the actual amounts that you pay in taxes from  
9 this airport -- for this airport, you are buying  
10 yourself a major discount with the county on the  
11 county level, and that's how I look at it.

12 MR. MARTINELLI: That's another way to look  
13 at it. Good.

14 TENTATIVE ADOPTION OF MILLAGE RATE

15 CHAIRMAN BARRERA: Okay. Seeing no further  
16 public comment, we're now ready to move to the  
17 tentative adoption of the millage rate, Resolution  
18 2009-4. Do we have a motion?

19 MR. YOUMAN: I make a motion we adopt the  
20 millage rate as proposed.

21 MR. WERTER: I second.

22 CHAIRMAN BARRERA: At .16?

23 MR. YOUMAN: At .16.

24 MR. WUELLNER: With that, you need to adopt

25 Resolution 2009-04, which is a resolution of the

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1 St. Augustine-St. Johns County Airport Authority,  
2 adopting the tentative levying of ad valorem taxes  
3 for fiscal year 2009-2010 and providing for an  
4 effective date.

5 Whereas, the St. Augustine-St. Johns County  
6 Airport Authority, on September 14th, 2009,  
7 adopted Fiscal Year 2009-2010 a Tentative Millage  
8 Rate following a public hearing as required by  
9 Florida Statute 200.065; and

10 Whereas, the St. Augustine-St. Johns County  
11 Airport Authority of St. Johns County, Florida  
12 held a public hearing as required by that same  
13 statute; and

14 Whereas, the St. Augustine Airport Authority  
15 proposed a tentative millage rate of .1600 mills;  
16 and

17 Whereas, that proposed rate of .1600 does not  
18 exceed the rolled-back rate.

19 Now, therefore, be it resolved by the  
20 St. Augustine-St. Johns County Airport Authority  
21 of St. Johns County, Florida, that the Fiscal Year  
22 2009-2010 tentative operating millage rate is set  
23 at .1600 mills, which does not exceed the  
24 rolled-back rate.

25 This Resolution would take effect immediately

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1 upon adoption and would be adopted at your motion

2 on -- the 14th day of September, 2009.

3 CHAIRMAN BARRERA: Thank you. We have -- do

4 we want to put that to a vote?

5 MR. YOUMAN: I make a motion we accept the

6 resolution at presented --

7 CHAIRMAN BARRERA: Okay.

8 MR. YOUMAN: -- by Ed Wuellner.

9 MR. WUELLNER: That's Resolution 2009-04.

10 MR. YOUMAN: 2009-04.

11 CHAIRMAN BARRERA: Do we have a second, Jack?

12 MR. GORMAN: I'll second it. Let's get this

13 budget done.

14 CHAIRMAN BARRERA: All right. All in favor,

15 aye?

16 MR. GEORGE: No, I've got board discussion.

17 CHAIRMAN BARRERA: Excuse me. I apologize.

18 Buzz?

19 MR. GEORGE: We have two budget hearings.

20 MR. WUELLNER: That's correct.

21 MR. GEORGE: What is the purpose of this

22 tentative adoption now if at the second one, it

23 will give us the opportunity -- to look at it

24 more?

25 MR. WUELLNER: Yes.

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1 MR. GEORGE: It will give us the opportunity  
2 to listen to more people from the public?

3 MR. WUELLNER: Yes.

4 MR. GEORGE: So --

5 MR. WUELLNER: You are required to complete  
6 two public hearings related to your --

7 MR. GEORGE: But at each public hearing, do I  
8 have to make a decision?

9 MR. WUELLNER: Technically, yes.

10 MR. BURNETT: Yes. It's following Chapter  
11 200 and we're -- we do it --

12 MR. GEORGE: Or Chapter 537. The point is  
13 you still have to do that?

14 MR. BURNETT: Yes. In fact, everything down  
15 to the way this schedule is, the order of things  
16 today is spelled out in the statute.

17 MR. GEORGE: Okay.

18 MR. BURNETT: So we wind up adopting a  
19 tentative millage and a tentative budget, and then  
20 we adopt the final millage and the final budget.  
21 So it's a little --

22 MR. GEORGE: We --

23 MR. BURNETT: It's a little odd, but that's  
24 the way the statute spells out the process.

25 MR. GEORGE: I understand that. Okay. I've

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1 got a question. The first time we went over the  
2 budget, we voted on keeping the millage not to  
3 exceed .1695. What was that?

4 MR. WUELLNER: TRIM. TRIM notification.  
5 That's the not-to-exceed millage you could assess.

6 MR. GEORGE: So by us -- by us voting on this  
7 tentative adoption now, does that limit us on the  
8 September 28th meeting to .1600?

9 MR. WUELLNER: No, it does not.

10 MR. GEORGE: Okay. Fine.

11 MR. BURNETT: You just will not be able to  
12 exceed the .1697.

13 MR. GEORGE: Yeah.

14 MR. WUELLNER: That's the new -- the not to  
15 exceed doesn't change.

16 MR. GEORGE: That's the TRIM notice that we  
17 voted on before. Fine.

18 MR. WUELLNER: Okay.

19 CHAIRMAN BARRERA: Any further board  
20 discussion?

21 (No further board discussion.)

22 CHAIRMAN BARRERA: Okay. All in favor of  
23 accepting the resolution as proposed?

24 MR. GORMAN: Aye.

25 MR. YOUMAN: Aye.

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1 MR. WERTER: Aye.

2 CHAIRMAN BARRERA: Aye. All opposed?

3 MR. GEORGE: Aye.

4 CHAIRMAN BARRERA: Motion passes. Do we need

5 a separate vote for the budget?

6 MR. WUELLNER: Yes.

7 MR. BURNETT: We do.

8 MR. WUELLNER: You'll have a separate

9 resolution. I'm going to let Doug read it because

10 I'm --

11 TENTATIVE ADOPTION OF BUDGET

12 MR. BURNETT: Yeah, you work on the next

13 item. This is Resolution 2009-05.

14 A resolution of the St. Augustine-St. Johns

15 County Airport Authority of St. Johns County,

16 Florida, adopting the tentative budget for Fiscal

17 Year 2009-10; providing for an effective date.

18 Whereas, a special meeting of the

19 St. Augustine-St. Johns County Airport Authority

20 meeting was held in St. Augustine Florida on the

21 14th day of September, 2009, at 5:01 p.m. at which

22 time a majority of the members of the

23 St. Augustine-St. Johns County Airport Authority

24 were present; and

25           Whereas, the St. Augustine-St. Johns County

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1       Airport Authority has prepared a tentative budget  
2       for Fiscal Year 2009-2010; and

3           Whereas, the St. Augustine-St. Johns County  
4       Airport Authority held a public hearing on the  
5       proposed annual budget as required by Florida  
6       Statute 200.065; and

7           Whereas, the St. Augustine-St. Johns County  
8       Airport Authority adopted the tentative millage  
9       rate prior to adopting this Resolution.

10       Now, therefore, be it resolved by the  
11       St. Augustine-St. Johns County Airport Authority  
12       of St. Johns County, Florida, that:

13       The tentative annual budget estimates of  
14       revenues and expenditures of the St. Augustine-St.  
15       Johns County Airport Authority for Fiscal Year  
16       2009-2010, as considered and acted upon by the  
17       St. Augustine-St. Johns County Airport Authority,  
18       under and by the authority of the Laws of Florida,  
19       are hereby ratified, approved and adopted by the  
20       St. Augustine-St. Johns County Airport Authority,  
21       and the amounts of money set forth therein are  
22       hereby appropriated.

23       The tentative annual budget of revenues and  
24       expenditures adopted for the ensuing Fiscal Year

25 2009-2010 shall be attached to the minutes of this

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1 meeting.

2 This resolution shall take effect immediately

3 upon its adoption. Duly adopted at a public

4 hearing this 14th day of September, 2009. That

5 would be the resolution.

6 CHAIRMAN BARRERA: Okay. We had a motion on

7 the resolution already and a second. Do we have

8 any board discussion?

9 (No further board discussion.)

10 CHAIRMAN BARRERA: Hearing no further board

11 discussion, we'll put it to a vote. All in favor?

12 MR. GEORGE: Aye.

13 CHAIRMAN BARRERA: Aye.

14 MR. GORMAN: Aye.

15 MR. YOUMAN: Aye.

16 MR. WERTER: Aye.

17 CHAIRMAN BARRERA: All opposed?

18 (No opposition.)

19 CHAIRMAN BARRERA: Motion passes. Do we have

20 any final comments from the board? Jack first and

21 then Buzz.

22 FINAL COMMENTS

23 MR. GORMAN: This will be real short. I

24 asked as an agenda item, but this is way too busy

25 to venue, that we have a short discussion as to

50

1 the policy of changing these board meetings. And

2 so let's do that next time when we're not so busy.

3 CHAIRMAN BARRERA: Okay. On the 28th?

4 MR. GORMAN: Yes. If -- when we don't have a

5 busy --

6 MR. WUELLNER: Actually, at this -- yeah, you

7 did. And I absolutely forgot. It -- that's part

8 of the regular agenda. We're wrapping up --

9 MR. GORMAN: That's right. We're wrapping

10 up. That was a comment --

11 CHAIRMAN BARRERA: We have to keep it on the

12 budget.

13 MR. GORMAN: Oh, I see. These are budget.

14 My apologies.

15 MR. WUELLNER: She'll close that meeting in a

16 second and you can introduce it.

17 MR. GORMAN: My apologies.

18 CHAIRMAN BARRERA: Do we have any other final

19 comments, Buzz, on the budget?

20 MR. GEORGE: Yes. I think that our objective

21 politically is to reduce the millage and to reduce

22 the ad valorem revenue coming to the airport from

23 the prior year. And I think that both of the

24 millage rates we discussed do that, meet that

25 objective.

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1 By the next meeting, I will bring to you a  
2 chart that shows for the last five years,  
3 excluding this year, it shows that our budgeted  
4 revenue and the expenses was here and the actual  
5 exceeded it by 10, 15, 20 percent. And then I'm  
6 hoping that we'll readdress this subject of, you  
7 know, what we want to do about it.

8 CHAIRMAN BARRERA: Any further board comment?  
9 Carl?

10 MR. YOUMAN: I think that's great. Thank  
11 you.

12 MR. GEORGE: Uh-huh.

13 FINAL BUDGET HEARING - SEPTEMBER 28 AT 5:01 P.M.

14 CHAIRMAN BARRERA: All right. If that's all  
15 our final comments, then we will remind everybody  
16 that our final budget hearing is going to be on  
17 September 28th. It will convene at 5:01. And  
18 with that, we will adjourn this meeting, take a  
19 five-minute break, and restart our  
20 regularly-scheduled Airport Authority meeting.

21 (Meeting adjourned at 5:59 p.m.)

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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 21st day of September, 2009.

13

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

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