

1 ST. AUGUSTINE - ST. JOHNS COUNTY AIRPORT AUTHORITY

2 Final Public Budget Meeting

3 held at 4796 U.S. 1 North

4 St. Augustine, Florida

5 on Monday, September 27, 2004

6 from 5:01 p.m. to 5:48 p.m.

7 \* \* \* \* \*

8 BOARD MEMBERS PRESENT:

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

12 \* \* \* \* \*

13 ALSO PRESENT:

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

17 \* \* \* \* \*

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1 PROCEEDINGS

2 CHAIRMAN GREEN: Call to order the second  
3 budget meeting for St. Augustine-St. Johns County  
4 airport. We can stand and pledge the flag.

5 (Pledge of Allegiance.)

6 2. - OPENING REMARKS BY CHAIRMAN

7 CHAIRMAN GREEN: We're here for our final  
8 budget meeting and finalizing the budget and our  
9 millage rate. And we had a lot of discussion last  
10 time, and I think we're hopefully here to set it  
11 and go forward.

12 So, Mr. Wuellner, do you have an announcement  
13 for our proposed rate from Staff?

14 2. - ANNOUNCEMENT OF PROPOSED MILLAGE RATE BY AUTHORITY

15 MR. WUELLNER: The proposed millage rate as  
16 adopted last week, or tentatively adopted last  
17 week, is at .2356 mills.

18 MR. GEORGE: Which is the same as it was last  
19 year.

20 CHAIRMAN GREEN: Correct. All right. Then  
21 we have discussion of the millage rate by the

22 board.

23 4. - DISCUSSION OF MILLAGE RATE BY AUTHORITY

24 CHAIRMAN GREEN: Mr. George, I think you had  
25 brought up some interesting ideas last time.

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1 MR. GEORGE: What we did last time is we --  
2 we took a look at the millage rate, you know, the  
3 rollback, and then keeping the millage rate where  
4 it was before. And now I'd like to look at  
5 another option just for consideration.

6 MR. WUELLNER: I'll get it up here in just a  
7 second here.

8 MR. GEORGE: Is this supposed to be a repeat  
9 of the last meeting?

10 CHAIRMAN GREEN: Basically, we're going to --  
11 well, that was a tentative setting, so this is a  
12 final setting.

13 MR. GEORGE: Okay. This was just to give us  
14 some alternatives. Basically, on the first  
15 line -- Jack, on the first line, this shows last  
16 year's assessment, and on a hundred thousand  
17 dollar piece of property at the millage rate then,  
18 that says we would have paid \$23.56.

19 The second line is the alternative that we  
20 could look at, and that says that the -- that the

21 homesteaded property went up 1.9 percent this  
22 year, the value, assessed value of it. So, that  
23 means that that \$100,000 property last year was --  
24 is \$101,900 now. And if we attempted to keep the  
25 taxes that people paid the same, \$23.56, then that

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1 would be our resulting millage, which would be the  
2 23 -- .2312.

3 Option 3 was what we had looked at  
4 beforehand, and that would be to take the  
5 rollback, which would give us the same amount of  
6 money, you know, and that's how they get the  
7 rollback, because the assessed value went up.

8 The last line item says -- all of this talks  
9 basically about homesteaded property, so it means  
10 that the St. Johns County property owner that is  
11 homesteaded is keeping the same -- no, wait -- or  
12 the same dollars that they're spending.

13 But, there's \$7.2 million in nonhomesteaded  
14 property that's out there, so that if we went with  
15 that .2312 as opposed to the .2177, that would  
16 generate \$97,000 more in taxable revenue coming  
17 in, not counting the difference in what the --  
18 line 2 there, for the -- for the homesteaded

19 property.  
20 We got into a big discussion of it, you know,  
21 last week, and Joe brought up an interesting point  
22 about you're talking 50 cents, 27 cents and this,  
23 that, and the other, and if our objective is to  
24 get off the tax rolls and we -- we have a forecast  
25 of when we can get off, that why not just leave it

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1 the same rate that it is last year, and that will  
2 help -- that will bring more revenue in this year,  
3 and therefore, hopefully give us a better shot at  
4 getting off the tax rolls even sooner.

5 So, that was discussed, and I think it was  
6 approved last week, and that's where we stand.

7 CHAIRMAN GREEN: I think our tentative  
8 approval last week was the -- as Staff announced,  
9 was the same as last year, the .2356. That was  
10 our tentative approval.

11 MR. GEORGE: So, we kept the same millage as  
12 last year, but it means that the dollars will go  
13 up.

14 MR. GORMAN: That's --

15 CHAIRMAN GREEN: Mr. Gorman?

16 MR. GORMAN: There's two concepts I probably  
17 disagree with. One is having a large reserve

18 amount. If we're really going to run this as a  
19 business, I can't imagine a business that actually  
20 has a large reserve amount, unless they're running  
21 into a large profit area. I mean, I just don't --  
22 that's just one concept I don't quite agree with.

23 The other one is if you're actually going to  
24 get off the tax rolls, if you keep it the same,  
25 then what reduction will you have the next year?

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1 To me, if you're going to get off in seven years,  
2 that requires a fourteen-and-a-quarter percent  
3 reduction in the millage every year for seven  
4 years, the seventh year being zero. If it was  
5 five years, it would require a twenty percent  
6 reduction. If you're going to really get off the  
7 tax rolls, to me, you must just do it.

8 CHAIRMAN GREEN: Go ahead.

9 MR. GEORGE: If you -- if you forecast an  
10 annuity that's going to bring you a certain amount  
11 of money in retirement, you don't reduce your  
12 deposits every year. The deposits are flat.

13 The whole financial model did not model  
14 coming down 14 percent or 20 percent per year,  
15 because if you come down and don't give us the

16 working money to put into this infrastructure back  
17 here on a matching grant, then we can't make this  
18 happen.

19 It's like we'd like to get off the tax rolls  
20 in seven; let's reduce it 20 percent, you know,  
21 per year and get off in five.

22 No, we're talking about an investment we've  
23 got to make back here before we can bring more  
24 revenue in that we can stay off.

25 And the point you made about the -- the

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1 reserve, we had a reserve of one and a half  
2 million for projects that come up that we -- you  
3 know, that we need to react to quickly type of  
4 thing.

5 The additional reserve was put there. One  
6 reason for that additional reserve was maintenance  
7 on the building. We just got through spending a  
8 lot of money on one of the hangars over here to  
9 put a film on the outside just to refurbish it.

10 All of these buildings, you know, that we're  
11 putting up now, they're saying had a useful life  
12 of 40 years. That's not 40 years and then we --  
13 where's the money to replace them? You've got to  
14 have something for maintenance to do ongoing



15 maintenance. And hopefully, you can take those  
16 40-year buildings and increase their useful life  
17 to 60, you know, or 70.

18 But it takes money to put in it. So, that's  
19 what that reserve was for, so that we would have  
20 that money to do the maintenance and everything on  
21 the hangars.

22 Once we get -- I think the financial model,  
23 and correct me, Ed, if I'm wrong, once we get the  
24 infrastructure built back here and we start, you  
25 know, the income coming in where it's paying, you

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1 know, day-to-day bills, that if we get a -- you  
2 know, a big building project that we need, be it  
3 across the road or whatever, we'll have enough of  
4 a base here that we could go out for a bond issue.  
5 We don't have to go back to the taxpayers and say  
6 "Okay, we want to expand again, so now we have to  
7 go back into your pockets."

8 In other words, we'll have enough of a base  
9 there that I think we can do it without having to  
10 do that.

11 CHAIRMAN GREEN: Mr. Cox, any comments?

12 MR. GORMAN: All based on projections.

13 MR. GEORGE: Oh, absolutely.

14 MR. COX: There's just two points, is  
15 either -- basically, as I see it, even if we went  
16 with Buzz's suggestion as an option, it's still a,  
17 quote, unquote, tax increase above the --

18 MR. GEORGE: Rollback.

19 MR. COX: -- rollback rate. So, as I see it,  
20 we either take the rollback rate or we go with the  
21 .2356. And I agree with what we had agreed with  
22 last week, which is to go with .2356 and -- and  
23 stay at the same assessment.

24 CHAIRMAN GREEN: Joe, any comment?

25 MR. CIRIELLO: Yeah. While we're sitting

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1 here talking about getting off the tax rolls, I  
2 would assume -- nobody make the joke what "assume"  
3 means -- that the average citizen out there  
4 thought like I did a few weeks ago when I -- till  
5 I talked to Mr. Ed and found out I was wrong.

6 But when you're talking about getting off the  
7 tax rolls and you have a five-year plan or a  
8 seven-year plan, the people think that you're  
9 immediately going to start cutting so much every  
10 year so that by the time you get to that seventh  
11 year, or fifth year, you're off. And that's even

12 what I thought.

13 But then after talking to Mr. Ed, I find out  
14 that, oh, no, no, we're still going to be paying  
15 ad valorem taxes, but what we're doing is we're  
16 building up this reserve so that at the end of the  
17 five years, we can cut it off and we're off the  
18 tax rolls, right then and there.

19 So, if a person is thinking, well, you guys  
20 out there say we're going to get off the tax  
21 rolls, we have a plan every year to cut the  
22 budget, we're not doing it, they're confused. But  
23 I say -- I understand what you're talking about, a  
24 reserve. But I don't think now the reserve is  
25 going to be big enough.

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1 Now, you're talking about getting a bond  
2 issue. Well, then you go -- you have to go to the  
3 taxpayers, if I'm not mistaken, for that. But  
4 somebody's going to have to pay the interest or  
5 pay the money for the bond issue, whether it's ad  
6 valorem tax or not.

7 But if you have this say \$10- or \$15 million  
8 slush fund at the end of the seven years, and then  
9 get off the tax rolls, you think you're sitting

10 pretty, and you take care of this area in here  
11 (indicating), that might be sufficient.

12 But then, like you say, when you go over here  
13 (indicating) and start building, just to buy the  
14 property and fix it up so it can be buildable and  
15 everything like that, you're talking of \$60-, \$70  
16 million, and the slush fund isn't even going to  
17 start to touch that.

18 So, you're either going to go back to the tax  
19 or the -- the bond. I would say that, you know,  
20 any way you look at it, we're not going to be  
21 self-sufficient, whether you're paying interest on  
22 a bond or you're collecting self -- you know, ad  
23 valorem taxes. You're not self-sufficient.

24 So, I -- I don't ever seeing us getting  
25 self-sufficient and -- and being -- away from

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1 being subsidized.

2 So, I -- I'd like to do, well, like Jack  
3 said, more or less, go year by year. Not  
4 necessarily cutting anything off the budget 20  
5 percent or so to get off the tax rolls, but  
6 keeping things within perspective.

7 And the first two years on this board, I  
8 wanted to go with the rollback rate and got it.

9 Last year, I wanted to and didn't get it. This  
10 year, it sounds like we either possibly could stay  
11 with the same figure as last year or go with the  
12 rolled-back rate.

13 Well, I'm again going to want to go with the  
14 rollback rate, because even though it's only a  
15 matter of pennies, we can say we held the tax  
16 rate; or, if you want to say we -- we lowered it.  
17 Even if it's only a few pennies and we're going to  
18 get the same amount of money, we still lowered the  
19 rate. So, I'm going to go with the rolled-back  
20 rate, no matter what's said.

21 CHAIRMAN GREEN: I'm just going --

22 MR. GEORGE: Can I make another point?

23 CHAIRMAN GREEN: Okay. Go ahead.

24 MR. GEORGE: Over the next seven years,  
25 hopefully I've got my operating expenses on this

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1 lower line (indicating). But my income from the  
2 investments that we're making in the southern  
3 expansion area or the south 37 1/2, whatever we're  
4 calling it, and the investment we would make if  
5 Homeland Security came and wanted to take that --  
6 the 70 acres over behind Grumman over there, all

7 of that stuff's got to pay its own way.  
8 So, a bond issue would be much like the City  
9 is trying to do with the -- with the parking  
10 garage down there. You want to go out with a bond  
11 issue? Where's the revenue coming to pay the  
12 interest and the bond back? It's got to come from  
13 revenue from those -- from whatever you're  
14 investing the money in.

15 So, that was my assumption. And I think that  
16 that's the way most of them, you know, work, is  
17 that future investments have got to stand on their  
18 own feet. We need that cushion to be able to get  
19 those investments in the ground, built and get it  
20 on the revenue-producing roll.

21 This is the -- this coming year is the first  
22 year that we will be taking any cash and turning  
23 it back into the capital budget. In other words,  
24 the revenue that we're going to receive this year  
25 is \$42 -- \$45,000 more than the operating

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1 expenses. That's \$45,000 that goes into it.  
2 If I cut the taxes by 14 percent next year,  
3 then that -- that cuts right out of that \$45,000.  
4 But if I leave it flat until we can get that  
5 reserve built, then hopefully this cushion in here

6 is not \$45-; it's \$150-. And that's another  
7 investment we can make without having to, you  
8 know --

9 MR. CIRIELLO: Let me ask you --

10 MR. GEORGE: I'm sorry.

11 MR. CIRIELLO: Let me ask you a question. I  
12 don't know. Let's say you build a bunch of  
13 corporate hangars, like we do now. I don't know  
14 what figure or how Ed figures out how much to  
15 charge rent for the total cost of building that  
16 corporate hangar, you know, from whatever, so much  
17 a square foot.

18 So, let's say you went out and we did that,  
19 but we did it with a bond issue. Now, considering  
20 all the interest and everything you have to pay  
21 back on that bond issue, would that corporate  
22 hangar or the properties be able to be rented out  
23 at the same cost if we did it with ad valorem tax,  
24 or would the rate -- or would we have to charge  
25 more rent because of the payback on the bond?

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1 MR. GEORGE: I'll let Ed -- Ed answer that,  
2 but I would think it would be market rate; you  
3 would charge the same thing, whether you do it

4 with a bond issue or --

5 MR. WUELLNER: What happens is your ROI gets  
6 squeezed. Your return on investment gets squeezed  
7 because you now have another component to your --

8 MR. GEORGE: You've got another interest to  
9 add on top of it. If you take a 10 percent return  
10 on investment, what that's saying is you invested  
11 \$200,000. Ten percent per year is \$20,000 coming  
12 back to you. So, in ten years, I will have paid  
13 back all -- all of my investment. In the eleventh  
14 year, that \$20,000 goes to my -- you know, my  
15 bottom line, if you will. And that's the gravy  
16 that I was talking about.

17 But if it costs you \$200,000 and \$50,000 in  
18 interest, now you're going to have to go another  
19 two and a half years, you know, like twelve and a  
20 half before you get the whole \$250- paid back.

21 MR. CIRIELLO: So, what are --

22 MR. GEORGE: But we're talking a 40 --

23 MR. CIRIELLO: -- you saying?

24 MR. GEORGE: We're talking a 40-year  
25 building. So, if I go 12 1/2, say 13 years to get

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1 the investment and the interest paid back, 13 to  
2 40, that's another 27 years of \$20,000 a year plus



3 cost of living or increases.

4 MR. WUELLNER: CPI.

5 MR. GEORGE: CPI increase. That's just --

6 that's, to me, it's a no-brainer.

7 MR. CIRIELLO: Oh, I see what you're saying.

8 Because of the payback is a longer period of time,

9 you're going to break even at a certain period, no

10 matter what, and you're going to get in the black

11 longer than your --

12 MR. GEORGE: Right.

13 MR. CIRIELLO: Okay.

14 CHAIRMAN GREEN: Which is what I wanted to

15 point out. One of the big things, this rental

16 house expense on our budget, I mean, that was an

17 investment we had. We had rental homes. We have

18 a rental home expense for let's say a hundred

19 thousand dollars for last year. But our -- but

20 our income from it was \$130-. We're barely making

21 money on it. It's costing us more than it's

22 worth.

23 And what we're trying to do and what I'd like

24 to see, you know, this board to do is to set the

25 millage rate so that we can get these corporate

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1 hangars and these income-producing capital  
2 projects so they will be self-sustaining and not  
3 costing us money like these rental homes are.

4 And I think that's why I'd like to see us  
5 probably like -- I'd like to keep it where we are  
6 so that we get these capital projects and we don't  
7 have to tap that loan if we don't have to. I  
8 mean, we've got this huge loan out there, this  
9 credit line that we haven't gone to yet.

10 MR. CIRIELLO: Well, we ought to stop telling  
11 people we're getting off the tax rolls and make  
12 them think it's starting right now.

13 MR. GEORGE: We probably do need to clarify  
14 that when we say "We're off the tax rolls in  
15 seven" -- I think the last article said five  
16 years -- that that is a target that we're shooting  
17 at for an abrupt end, not a gradual, you know,  
18 decline on it.

19 MR. CIRIELLO: But as far as this building  
20 stuff goes --

21 MR. GEORGE: As long as I have the floor.

22 MR. CIRIELLO: -- 17 years ago, this airport  
23 hardly owned any hangars at all, practically none.  
24 So, in 17 years -- how many hangars do we have  
25 now?

1 MR. WUELLNER: Well, I don't go back 17  
2 years, but you've -- you've added 7 corporate  
3 hangars and you've added 42 equivalent T-hangars.

4 MR. CIRIELLO: Is that all? I thought we had  
5 over a hundred.

6 MR. GEORGE: Oh, he's saying what we've  
7 added. The newest --

8 MR. CIRIELLO: No, no. What -- what we built  
9 in the last 17 -- because back then, when I first  
10 came here, I don't know if the Authority ever --  
11 owned maybe a couple of hangars on this side of  
12 the field.

13 MR. WUELLNER: Right.

14 MR. CIRIELLO: The hangars that were over  
15 here were owned by the people who had them, and  
16 all they were doing was paying for the land so  
17 much, you know, a pittance for the land.

18 Now, whether the hangars got dilapidated or  
19 somebody wanted to sell them or whatever, the  
20 Authority got ahold of them. But that was only a  
21 few of them. Then the Authority started building  
22 them in -- in sections.

23 (Whereupon, Mr. Burnett enters the room.)

24 MR. CIRIELLO: So, what I'm getting at is all  
25 of these hangars that the Authority's built and

1 getting income from over all these years didn't  
2 get us off the tax rolls.

3 So, saying that we're going to come in here  
4 and develop Araquay Park and put in a gang of  
5 hangars and get us off the tax rolls, on paper you  
6 can say that --

7 MR. GEORGE: One of the things --

8 MR. CIRIELLO: -- but in reality, it don't  
9 work.

10 MR. GEORGE: One of the things that you've  
11 been harping on that I know of for the -- for two  
12 years is that the tax dollars, we need the tax  
13 dollars just to pay the day-to-day operating  
14 expenses.

15 This coming year, we're going to give you  
16 \$40,000 back. So, this is -- this is a milestone,  
17 you know. And I think it's because of investments  
18 that have been made in the past.

19 There's one -- two other points I wanted to  
20 make. We made the decision earlier to go ahead  
21 and borrow the money to buy the southern  
22 expansion, you know, real estate that we needed  
23 here. And we have not used that credit line at  
24 all. So, we have not incurred that interest

25 expense.

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1 If we go with the -- the millage rate the  
2 same as it was, there's more money to help us not  
3 have to go borrow that. And if you look at the  
4 construction that we've got to put in for  
5 infrastructure over the next two years back here,  
6 even with Uncle Sam's, you know, matching 50 cents  
7 on the dollar, that's a lot of money that we need  
8 to spend. Just to get the in -- because, Joe, you  
9 made the point that every dollar we spend in  
10 construction doesn't have a dollar being returned  
11 to us because we need the roads to go in and  
12 the -- and the concrete and all of that sort of  
13 stuff.

14 MR. CIRIELLO: Well, I'd like to --

15 MR. GEORGE: I just think it's smart to go  
16 ahead and, you know, as long as we're not hurting  
17 the public, to go ahead and get that cushion so  
18 that we can get off their back.

19 CHAIRMAN GREEN: Any other board discussion?

20 (No further board discussion.)

21 CHAIRMAN GREEN: Public discussion?

22 Mr. Hickox?

23 5. - PUBLIC COMMENT ON MILLAGE RATE

24 MR. HICKOX: Wayne Hickox, 881 Queen Road.

25 When Mr. George first made his proposal to

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1 get the Authority off the tax rolls in five or  
2 seven years, whatever, I had the opportunity to  
3 speak on the air about it. And as far as I was  
4 concerned, it was the most forward-looking plan I  
5 had seen in a long time at this airport. And I  
6 think that your -- your administration has done a  
7 good job in implementing it.

8 I understand Joe and I understand  
9 Mr. Gorman's feelings about taxation. I think we  
10 all feel that way. But, you've got to remember,  
11 anything you spend now because of the devaluation  
12 of the money, you're spending today's dollars and  
13 you're building a cushion which will be worth even  
14 more. Because every investment you make in  
15 infrastructure is going to be worth that much more  
16 ten years from now.

17 MR. GEORGE: I didn't think about that.

18 That's right.

19 MR. COX: Good point.

20 MR. HICKOX: And so, you're making money  
21 there. And that's not even figured in -- in your

22 books right now because you can't tell what that's  
23 going to be.

24 MR. GEORGE: Right.

25 MR. HICKOX: Joe, it makes sense.

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1 If you remember when your kids were young,  
2 you told them to save money. Well, you're doing  
3 that. In essence, what you're doing is you're  
4 paying yourself. And I'll be honest with you, the  
5 tax burden we're talking about for the average  
6 property owner is really very small. And I think  
7 it makes sense for you to go ahead with the plan.

8 And I think it's very, very easy -- if you  
9 tell the public exactly what you're doing and why,  
10 and you do it as a board, I think most of the  
11 people will understand it. There will be  
12 naysayers. There always are. But I think it's  
13 worth the chance. Thank you.

14 CHAIRMAN GREEN: Thank you.

15 MR. COX: Thank you.

16 CHAIRMAN GREEN: Any other public comment?

17 (No further public comment.)

18 CHAIRMAN GREEN: Seeing none, we have to now  
19 discuss -- not discuss, but adopt our millage  
20 rate.

21 6. - ADOPTION OF MILLAGE RATE - RESOLUTION 2004-02

22 MR. GEORGE: I make a motion we use the same  
23 millage rate as last year, the .2356.

24 CHAIRMAN GREEN: .2356?

25 MR. GEORGE: Yes.

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1 MR. COX: I'll second that.

2 CHAIRMAN GREEN: Any further board  
3 discussion?

4 MR. CIRIELLO: I'll amend the motion to go  
5 with the rolled-back rate, .2177 or whatever.

6 CHAIRMAN GREEN: Well, I don't know if that's  
7 an amendment. I think we have the motion on the  
8 floor to see whether it's going to pass or not.

9 MR. CIRIELLO: No, it's an amendment, and  
10 it's legal.

11 CHAIRMAN GREEN: It's not an amendment,  
12 Mr. Ciriello, because you have to change a portion  
13 or add to. You're changing the -- the total  
14 motion, the total amount.

15 So, there's a motion for the millage rate  
16 which has been seconded. We can discuss it. Then  
17 we have to put it up for a vote. If it doesn't  
18 pass, then you can make your motion for the



19 rollback rate.

20 MR. CIRIELLO: Well, if it's related, it's an  
21 amendment.

22 CHAIRMAN GREEN: No, sir. You said yes to  
23 no. You have changed, I want it built, I want it  
24 not built. I want it .2356; no I want it .2177.  
25 It's not an amendment.

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1 MR. WUELLNER: I think she's right on this  
2 one.

3 MR. CIRIELLO: Not the way I read the rules.  
4 I used to work with parliamentary rules and  
5 Roberts Rules of Order a lot.

6 MR. WUELLNER: You're changing it --

7 MR. CIRIELLO: I might have forgot, but  
8 amendments were always -- were always okay as long  
9 as it pertained to the subject. And the subject  
10 is the millage rate, what one we want.

11 MR. GORMAN: Joe, I think we just have to  
12 vote that amount, yea or nay.

13 MR. CIRIELLO: Oh, go ahead and vote then.

14 CHAIRMAN GREEN: An amendment, as I  
15 understand from Roberts Rules of Order -- and this  
16 is not a legal question I think for legal counsel.  
17 If you had I want the millage rate but not to

18 start for five years, that would be an amendment.

19 Or not to start for five months or something like

20 that.

21 You are proposing an amendment that actually

22 changes the motion of what the millage rate is.

23 So, is there any other further discussion on

24 the motion?

25 (No further discussion.)

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1 CHAIRMAN GREEN: There's a motion to floor.

2 It's been first and seconded. All in favor of the

3 motion, which is to adopt the millage rate, which

4 is the same as last year, .2356, say aye.

5 MR. COX: Aye.

6 CHAIRMAN GREEN: Aye.

7 MR. GEORGE: Aye.

8 CHAIRMAN GREEN: All opposed?

9 MR. CIRIELLO: No.

10 MR. GORMAN: No.

11 CHAIRMAN GREEN: Out -- okay. We have two

12 opposed, Mr. Gorman Mr. Ciriello, and three in

13 favor. The motion passes.

14 MR. WUELLNER: In support of that, you will

15 need to consider adoption of Resolution 2004-02.

16 And I will read the resolution into -- into the --  
17 into the minutes, and this is forms one of two  
18 resolutions that ultimately solidify the  
19 tax-related or ad valorem tax-related action that  
20 the Authority is doing today relative to the ad  
21 valorem rate, as well as budget later.

22 Resolution 2004-02 is: "A resolution of the  
23 St. Augustine-St. Johns County Airport Authority  
24 of St. Johns County, Florida, adopting the final  
25 levy of ad valorem taxes for St. Johns County for

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1 fiscal year 2004-2005; stating the percentage by  
2 which the millage to be levied exceeds the  
3 rolled-back rate, and providing for an effective  
4 date.

5 "WHEREAS, a special meeting of the  
6 St. Augustine-St. Johns County Airport Authority  
7 was held in St. Augustine, St. Johns County,  
8 Florida, on September 27, 2004, at 5:01 p.m. at  
9 which time a majority of the members of the  
10 St. Augustine-St. Johns County Airport Authority  
11 were present, and

12 "WHEREAS, the St. Augustine-St. Johns County  
13 (sic) Authority held a public hearing on the  
14 millage rate as required by Florida Statute

15 200.065; and

16 "WHEREAS, the St. Augustine-St. Johns County

17 Airport Authority proposed a millage rate of

18 0.2356 mills;

19 "WHEREAS, the proposed millage rate of 0.2356

20 exceeds the rolled-back rate by 8.22 percent;

21 "NOW, THEREFORE, BE IT RESOLVED that the

22 St. Augustine-St. Johns County Airport Authority

23 does hereby approve for Fiscal Year 2004-2005, a

24 millage rate of 0.2356, which exceeds the

25 rolled-back rate of 0.2177 mills by 8.22 percent.

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1 "THIS RESOLUTION will (sic) take effect

2 immediately upon its adoption."

3 And it would be duly adopted this date, 27th

4 of September, 2004, and it would require that you

5 adopt the resolution and authorize the Chairman

6 and the Secretary/Treasurer's signatures to that

7 resolution.

8 CHAIRMAN GREEN: Mr. George?

9 MR. GEORGE: I'm going to make a suggestion

10 for a change to the resolution. And I don't know

11 if it's legal to do this. But it's also a change

12 that I would have liked to have seen in the

13 advertisement. You know, what we talked about in  
14 the advertisement, the 8.2 percent increase in  
15 dollars, nowhere did it mention that we are  
16 keeping the millage rate the same as last year.

17 MR. WUELLNER: I --

18 MR. GEORGE: So, what I'm proposing is that  
19 in addition to what you put in there, is that  
20 we're resolving to keep the millage rate the same  
21 as last year of .2356. I think that's important,  
22 what we're doing. We're not raising the taxes 8  
23 percent. We're keeping the millage -- I'm sorry.  
24 You know what I'm saying.

25 MR. WUELLNER: You -- correct. However, for

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1 the purposes of Florida Statutes, you are raising  
2 the taxes, because for purposes of statute,  
3 they're concerned with the total ad valorem  
4 dollars collected by the entity, not its net  
5 effect on the individual citizen in the county.  
6 And as a result, it is an 8.22 percent increase in  
7 ad valorem taxing.

8 CHAIRMAN GREEN: I understand that. And I  
9 kind of agree with Mr. George. I mean, can we not  
10 add -- it is an 8. whatever percent increase;  
11 however, it is also at the same millage rate as --

12 MR. WUELLNER: I don't know that it's a  
13 problem in the resolution, but I can tell you it  
14 would be a problem in the advertisements in the  
15 future unless you were to purchase separate  
16 advertising.

17 But the advertising itself is -- is not  
18 only -- the specific wording, layout, type size,  
19 everything, the format is specifically spelled out  
20 in Florida Statutes for our purposes and given to  
21 us by the State.

22 MR. BURNETT: Yeah, that second part given  
23 to -- given to the Airport by the State, they  
24 actually have a guide book of -- from the  
25 Department of Revenue that Donna and your staff

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1 goes by.

2 MR. WUELLNER: And they will look at that ad  
3 before they'll certify our ability to collect ad  
4 valorem.

5 MS. GLASSER: As well as the resolution.

6 MR. WUELLNER: Now, I don't -- as well as the  
7 resolution language itself, too. I don't know  
8 that it's a problem inserting additional language.  
9 I know that the resolution has to contain this

10 language and structure --

11 MR. GEORGE: I had always --

12 MR. WUELLNER: -- in order to be compliant.

13 MR. GEORGE: I had always heard, and with

14 rules and regulations, that you can add to, but

15 never take away from.

16 MR. WUELLNER: And you -- you could very well

17 be correct. I'm not --

18 MR. GEORGE: So, we're adding a reference,

19 you know, to it. We're not --

20 MR. WUELLNER: I've got to defer to him

21 relative to whether the resolution, by adding

22 anything to it, would in any way invalidate its

23 legitimacy relative to --

24 MR. COX: So, it's statutory language.

25 MR. WUELLNER: I don't know. The statute

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1 does not specify the language of the resolution.

2 It specifies the content of the resolution.

3 MR. GEORGE: But it doesn't limit the content

4 to that.

5 MR. WUELLNER: I don't -- I don't know. I'm

6 going to ask her to grab the book real quick and

7 see if there is something that can do that. I

8 know the advertisement is very, very, very

9 regulated.

10 CHAIRMAN GREEN: Mr. Cox?

11 MR. COX: Assuming we can do that, I agree.

12 I strongly agree with it. I'm not sure I agree --

13 you know, agree or disagree is not a point, but I

14 wish we could somehow say that the money coming

15 into the airport is a tax raise in funds to the

16 airport, but not to the individual. Basically,

17 that's what it is. So...

18 CHAIRMAN GREEN: Can we give -- obviously, we

19 have to have a motion to pass the resolution. Can

20 we give -- Doug, can we give a motion -- Doug?

21 MR. BURNETT: Yes.

22 CHAIRMAN GREEN: Can we give a motion that we

23 say, all right, we'll pass the resolution, but if

24 we can put that additional language in there and

25 still stay in compliance --

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1 MR. GEORGE: Yeah.

2 CHAIRMAN GREEN: -- that's what we would

3 prefer for direction for Staff. Obviously, we

4 have to defer to legal. I'm -- I'm not sure they

5 can answer it.

6 MR. COX: Oh, really?



7 MR. GEORGE: While they're looking at that,  
8 did you make that motion? Did anybody make the  
9 motion?

10 MR. COX: I was going to.

11 MR. GEORGE: Go ahead.

12 MR. COX: Will you accept a motion?

13 CHAIRMAN GREEN: Yes. Accept a motion. It's  
14 dealing with Resolution 2004-02.

15 MR. COX: Do we need -- do we need any  
16 comment from the public on that?

17 CHAIRMAN GREEN: No, because we've already  
18 adopted the rate.

19 MR. COX: Motion to accept Resolution  
20 2004-02, authorizing Chairman and Secretary  
21 signatures for that resolution and also with an  
22 addendum to be able to accept Mr. George's  
23 language concerning that issue of -- and you want  
24 to repeat that for --

25 MR. GEORGE: The millage rate is -- remains

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1 constant, the same -- the millage rate for this  
2 coming tax year remains the same as the millage  
3 rate for the previous year.

4 MR. WUELLNER: I don't know why the phrase  
5 couldn't be inserted in the "Whereas" language.

6 MR. BURNETT: Yeah, I'm look -- and just so  
7 you know, Section 2 or -- Chapter 200 spells  
8 out -- of the Florida Statutes, spells out the  
9 process that we're to go by, and it details what  
10 needs to be contained within the resolution or  
11 ordinance that you pass.

12 I don't see why that language can't be added  
13 in there, sort of as Mr. George said, no -- they  
14 always want the minimum requirements. There's not  
15 necessarily something that you can't add.

16 MR. GEORGE: Right.

17 MR. BURNETT: And it does have the minimum  
18 requirements in the statute. And the guide that  
19 your staff has, I don't see where we can't add  
20 that in there. I would just be sensitive to the  
21 language, that we not have the language conflict,  
22 because it --

23 MR. GEORGE: Don't use any four-letter words.

24 MR. BURNETT: It -- it is a -- technically a  
25 tax increase. So, because of that, we need to be

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1 sensitive to that language.

2 CHAIRMAN GREEN: We want to leave that --  
3 that language in there, but just say the millage

4 rate is the same as last fiscal year.

5 MR. GEORGE: Well, technically, it is a  
6 property valuation increase.

7 CHAIRMAN GREEN: There's a motion on the  
8 floor. Is there a second?

9 MR. GEORGE: I second.

10 CHAIRMAN GREEN: Any further board discussion  
11 as far as leaving Staff direction if we can put  
12 that language in or not?

13 Hearing no discussion -- I'm sorry.

14 MR. GEORGE: I have a discussion point.  
15 Somebody just brought up the point about, you  
16 know, we need to get the message across to the  
17 public, you know, and this is one way of trying to  
18 get the message across.

19 And -- and I would like for us to strongly  
20 consider having either the staff generate, you  
21 know, or our chairman generate a letter to the  
22 editor to explain what we are trying to  
23 accomplish.

24 I think that the -- by putting together a  
25 financial forecast and a plan, you know, that's --

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1 as Mr. Hickox said, that's probably never been  
2 heard of here, and I think that they need to know

3 what we're trying to do out there.

4 MR. HICKOX: Send copies to the news  
5 directors involved in the electronic media.

6 MR. CIRIELLO: If you want to do that, then  
7 you wouldn't have to add any specific language in  
8 the tax notice, that it's --

9 MR. GEORGE: Well, the tax notice is going to  
10 go to one set of people that's going to read it.  
11 And then, you know, she's going to, you know,  
12 approach another one.

13 CHAIRMAN GREEN: Trying to disseminate as  
14 much information as possible to as many people as  
15 possible.

16 MR. GEORGE: Anyway, that was not to water  
17 down your --

18 MR. CIRIELLO: Can we put it on our web site,  
19 also?

20 MR. COX: Sure.

21 CHAIRMAN GREEN: I don't see why not.

22 MR. GEORGE: Oh, that would be a great idea,  
23 yeah.

24 CHAIRMAN GREEN: Okay. Further discussion on  
25 the motion and as seconded?

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1 (No further discussion.)

2 CHAIRMAN GREEN: All in favor of passing the  
3 resolution and then with direction to Staff, if  
4 they can insert the language, that it be inserted?

5 MR. GEORGE: Aye.

6 CHAIRMAN GREEN: Aye.

7 MR. COX: Aye.

8 CHAIRMAN GREEN: All opposed?

9 MR. GORMAN: Nay.

10 MR. CIRIELLO: (Indicates.)

11 CHAIRMAN GREEN: There's two opposed.

12 Mr. Ciriello and Mr. Gorman were nays. Then the  
13 resolution will pass. And we'll have Staff  
14 prepare it from whatever you find.

15 MR. WUELLNER: I actually do -- I have the  
16 language I'd like to read to you as a suggestion,  
17 if that's acceptable. That way, we can get it  
18 reprinted so that we don't lose either of you for  
19 signature purposes, since we have to get it  
20 submitted in the next two days.

21 Under the "WHEREAS" statement, "the  
22 St. Augustine-St. Johns County Airport Authority  
23 proposed a millage rate of 0.2356, which is  
24 consistent with the adopted rate for the prior  
25 Fiscal Year, 2003-04."

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1 And then it moves on to the next "WHEREAS"  
2 statement.

3 MR. GEORGE: I would not use the word  
4 "consistent." I would say, "which is identical."

5 MR. WUELLNER: That's fine.

6 MR. GEORGE: More people would understand the  
7 word "identical," you know, than they would  
8 "consistent."

9 Consistent could mean there's five decimal  
10 points.

11 MR. WUELLNER: Okay. Insert the word  
12 "identical" in lieu of "consistent." Is that  
13 acceptable?

14 CHAIRMAN GREEN: Sure. That's fine.

15 MR. COX: That will work.

16 CHAIRMAN GREEN: Okay. Next we have the  
17 presentation of the budget.

18 7. - PRESENTATION OF PROPOSED BUDGET

19 MR. WUELLNER: Okay. We -- we gave you  
20 copies of the revised -- revised budget, based on  
21 previous week's -- last week's discussion relative  
22 to the millage of .2356. The package you have in  
23 front of you reflects the adjustments made in  
24 order to deal with the difference in the ad  
25 valorem rate being proposed.

1       As such, let me walk through the balance of  
2       the numbers. I'll basically just do the budget  
3       summary sheet, and if there are detail questions  
4       you need answered, we'll -- we'll deal with that.

5       Operating revenues proposed for this year  
6       would be \$1,473,298. Nonoperating revenues  
7       proposed for this year would be \$14,642,927,  
8       bringing a total revenue projection of  
9       \$16,116,225, of which the projected ad valorem,  
10      just for purposes of record, would be \$3,360,094,  
11      which, over the -- just give you an idea of  
12      scope -- is \$405,637 more than last year by  
13      holding the millage with the increase in the tax  
14      base. So, that 8.22 percent that we spoke of nets  
15      or generates approximately \$405,000 additional  
16      dollars.

17      On the expenditure side, personnel is revised  
18      to \$624,385. And by "revision," I mean under  
19      "benefits," we have received the adjustments for  
20      health care insurance this year. It showed up  
21      since our last time. And I'm pleased to announce  
22      that that rate actually was down below what we  
23      were projecting originally, and that line under  
24      "benefits" has been reduced by \$21,065.

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1 operating expenses has been adjusted to \$827,138.

2 That reflects a \$45,000 increase, and the increase

3 is directly attributable to the line of property

4 and liability insurance increase.

5 MR. GEORGE: Wait. Where is the \$45,000

6 increase?

7 MR. WUELLNER: It is specifically under

8 "insurance," if you go to the operating budget,

9 but it's under "operating all items."

10 MR. GEORGE: Oh, you meant this \$827- is \$45-

11 higher than it was the last --

12 MR. WUELLNER: Previously.

13 MR. GEORGE: Previous. Okay.

14 MR. WUELLNER: Previously. It's not -- you

15 don't need to add \$45- more.

16 MR. GEORGE: Okay.

17 MR. WUELLNER: Reserves line item on the

18 summary has been adjusted to reflect the balance,

19 the net balance then of those two other line

20 adjustments, and is now \$200 -- excuse me,

21 \$2,481,702.

22 Specifically in the reserve, the adjustment

23 was made to building -- building repair -- or



24 excuse me. Building repair and replacement is the  
25 specific location within the reserve account

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1 declarations, which is in the nonoperating  
2 expenditure sheet, if you want the detail.

3 The nonoperating -- excuse me. Yeah, the  
4 nonoperating subtotal then is \$14,664,702, which  
5 brings a net expenditure budget at this point of  
6 \$16,116,225, which matches the revenue projection  
7 as made.

8 And it would be -- at this point, you would  
9 enter into any substantive discussions relative to  
10 the budget, if you have specific questions for me  
11 relative to this or other sheets --

12 MR. GEORGE: Ed.

13 CHAIRMAN GREEN: I'll just open it then to  
14 discussion of budget by the Authority.

15 Mr. George?

16 8. - DISCUSSION OF BUDGET BY AUTHORITY

17 MR. GEORGE: Ed, this capital, the \$11,425-  
18 for construction, that's our piece.

19 MR. WUELLNER: Yes.

20 MR. GEORGE: Okay.

21 MR. WUELLNER: Well, no --

22 MR. GEORGE: That would typically be matched  
23 with federal funds?

24 MR. WUELLNER: No. No. I'm leading you  
25 wrong there. \$11,425,000 is the entirety of the

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1 capital budget. It is matched in the revenue up  
2 at the top by -- under the nonoperating  
3 classification of grants.

4 MR. GEORGE: I gotcha. Okay.

5 MR. WUELLNER: Our share directly of all of  
6 the capital is \$5,144,167.

7 MR. GEORGE: Okay.

8 CHAIRMAN GREEN: Any other board comment?

9 (No further board comment.)

10 CHAIRMAN GREEN: No board comment, then?

11 9. - PUBLIC COMMENT ON BUDGET

12 CHAIRMAN GREEN: How about public comment?

13 (No public comment.)

14 CHAIRMAN GREEN: No public comment on the  
15 budget? All right.

16 Next, we have the adoption of another  
17 resolution, then?

18 10. - ADOPTION OF FY 04/05 BUDGET - RESOLUTION 2004-03

19 MR. WUELLNER: Yes, ma'am. Budget is  
20 required as a second resolution to the budget

21 process or the public hearing process here. It's  
22 Resolution 2004-03, for your consideration.  
23 It is, "A resolution of the St. Augustine-St.  
24 Johns County Airport Authority of St. Johns  
25 County, Florida, adopting the final budget for

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1 fiscal year 2004-2005; and providing for an  
2 effective date.

3 "WHEREAS, a special meeting of the  
4 St. Augustine-St. Johns County Airport Authority  
5 was held in St. Augustine, Florida on the 27th day  
6 of September, 2004, at 5:01 p.m. at which time a  
7 majority of the members of the St. Augustine-St.  
8 Johns County Airport Authority were present, and

9 "WHEREAS, the St. Augustine-St. Johns County  
10 Airport Authority has prepared a budget for fiscal  
11 year 2004-2005; and

12 "WHEREAS, the St. Augustine-St. Johns County  
13 Airport Authority held a public hearing on the  
14 proposed annual budget as required by Florida  
15 Statute 200.065; and

16 "WHEREAS, the St. Augustine-St. Johns County  
17 Airport Authority adopted the final millage rate  
18 prior to adopting this Resolution.

19 "NOW, THEREFORE, BE IT RESOLVED by the  
20 St. Augustine-St. Johns County Airport Authority  
21 of St. Johns County, Florida that:  
22 1. The annual budget estimates of revenues  
23 and expenditures of the St. Augustine-St. Johns  
24 County Airport Authority for fiscal year  
25 2004-2005, as considered and acted upon by the

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1 St. Augustine-St. Johns County Airport Authority,  
2 under and by authority of the Laws of Florida, are  
3 hereby ratified, approved and adopted by the  
4 St. Augustine-St. Johns County Airport Authority,  
5 and the amounts of money set forth therein are  
6 hereby appropriated.

7 "2. The annual budget of revenues and  
8 expenditures adopted for the ensuing fiscal year  
9 2004-2005, shall be attached to the minutes of  
10 this meeting.

11 "THIS RESOLUTION shall take effect  
12 immediately upon its adoption."

13 It would be duly adopted this 27th day of  
14 September, 2004, should you be enacted, and again,  
15 I would suggest that we authorize the Chairman and  
16 the Secretary/Treasurer's signatures to that  
17 resolution.

18 For clarification purposes, the budget amount

19 as approved would be \$16,116,225.

20 CHAIRMAN GREEN: Which is 1.5 less than last

21 fiscal year.

22 MR. WUELLNER: Correct.

23 CHAIRMAN GREEN: Mr. Cox?

24 MR. COX: Motion to adopt Resolution 2004-03,

25 with authorization to the Chairman and the

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1 Secretary for signature of the amount \$16,116,225.

2 CHAIRMAN GREEN: Is there a second?

3 MR. GEORGE: Second.

4 CHAIRMAN GREEN: Any further board discussion

5 on adopting the resolution?

6 (No further discussion.)

7 CHAIRMAN GREEN: Hearing no further board

8 discussion, all in favor of adopting the budget

9 say aye.

10 MR. GEORGE: Aye.

11 CHAIRMAN GREEN: Aye.

12 MR. COX: Aye.

13 CHAIRMAN GREEN: All opposed?

14 MR. GORMAN: (Indicates.)

15 MR. CIRIELLO: (Indicates.)

16 CHAIRMAN GREEN: Need to hear it.

17 MR. GORMAN: No.

18 MR. CIRIELLO: No.

19 CHAIRMAN GREEN: Two nos. And three  
20 adoptions, the budget will pass.

21 11. - FINAL COMMENTS

22 CHAIRMAN GREEN: Next, we have just final  
23 comments, if any board member wants to make any  
24 final comment with regards to the budget meeting.

25 MR. CIRIELLO: Well, I thought we was going

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1 to go through this thing page by page and ask  
2 questions, and I guess now it's too late. Right?

3 MR. WUELLNER: Well, you can sure ask  
4 questions, but you've already adopted a budget. I  
5 mean --

6 MR. CIRIELLO: So, if I wanted to get  
7 something taken out, I couldn't do it.

8 MR. WUELLNER: Not at this point, not unless  
9 everyone agreed to it.

10 MR. GORMAN: Well, at least you voted against  
11 it.

12 MR. CIRIELLO: Because that's -- that's not  
13 what I thought we was going to do. I thought we  
14 was going to look at it so we could make comments

15 of things we seen.

16 MR. WUELLNER: You can still make comments if  
17 you --

18 MR. CIRIELLO: Huh?

19 MR. WUELLNER: You can still make comments.

20 MR. CIRIELLO: Well, what's the sense making  
21 a comment if it -- if it means nothing?

22 CHAIRMAN GREEN: Mr. George?

23 MR. GEORGE: We've had some -- some  
24 differences on this board about how do we get down  
25 the road and -- and investments and the like. And

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1 I feel kind of privileged, you know, as the  
2 Secretary/Treasurer to have gone through, you  
3 know, for the last year and a half, the operations  
4 and checks and -- and asking a lot of questions.

5 I would be most happy to step down and let  
6 someone else fill that role, because it's a great  
7 educational thing. And you can get a better feel  
8 for it, if anyone would like.

9 MR. CIRIELLO: I don't think anybody thinks  
10 you're not doing a great job or know what you're  
11 doing or anything else. I think you people might  
12 misunderstand me a little bit when I get negative

13 and say no and things, you know.  
14 But it's a principle of the thing with me.  
15 I'm the only guy that I know of that doesn't tell  
16 people we're going to get off the tax rolls. And  
17 I have no objections to the budget. I don't care  
18 if you raise the taxes or anything. But I can't  
19 go out and tell people we're not going to get off  
20 the tax roll and then turn around and vote for  
21 every increase that comes by. It's a matter of  
22 principle.  
23 So, I'm not -- I don't want you guys to think  
24 that, no, I don't like the budget, I don't want  
25 the figures, I don't want this, I don't want that,

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1 that I'm not going along with it, because it's  
2 just not the case.  
3 But it's a good budget and everything, but I  
4 think there's some things that can be done with  
5 it. But I think maybe some of you guys might  
6 think of the way I say and do things sometimes,  
7 that I'm a hundred percent against you guys and  
8 the airport and everything else, and that's not  
9 the case. Not the case at all.  
10 CHAIRMAN GREEN: I just want to commend Staff  
11 and -- and this board for -- because we spent many



12 hours going through this budget line by line by  
13 line over past meetings and our past two budget  
14 hearings. And I think it's a good step.

15 Having Mr. George as our treasurer has given  
16 us a good insight as to now seeing, I think it was  
17 \$11,000 last year; next year proposed \$45,000  
18 coming back into the airport's hand. We are  
19 headed in the right direction. We're expending  
20 some money for these capital projects to get our  
21 return on investment in a shorter period of time  
22 than I've ever seen on this board.

23 And I think that's what we owe these  
24 taxpayers, is to make smart investment moves with  
25 whatever taxes we're using to get our return on

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1 investment, as a good business operation would do.

2 So, I thank Staff and this board for going in  
3 that direction.

4 Mr. Gorman? Do you have anything?

5 Anybody --

6 MR. GORMAN: I do have something.

7 CHAIRMAN GREEN: Okay.

8 MR. GORMAN: It's very short. I think it's a  
9 very competent budget. It's -- it certainly is.

10 My only comment is we need to clean house. It's  
11 not a budget that is as lean and mean as I would  
12 like to see it. It's just as simple as that. If  
13 you don't spend the money, you don't have to tax  
14 people. And then you don't have to go through the  
15 whole cycle.

16 I just think that this place needs to be --  
17 house needs to be cleaned. Rental houses,  
18 acquisition costs, litigation costs. I just don't  
19 see we're going the right path, and I think some  
20 of the paths that we take are too expensive. But  
21 it's a competent budget. There's nothing  
22 incompetent about it.

23 MR. GEORGE: There is money in the budget for  
24 an operational audit that we had discussed --

25 MR. GORMAN: And that needs to be done.

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1 MR. GEORGE: Well, that's done. It would --  
2 and we just, I guess at the next board meeting, we  
3 have to decide how we're going to do that and set  
4 parameters. And I welcome your ideas, you know,  
5 of what can be done so we can --

6 MR. GORMAN: When that operational audit is  
7 done, then with a completely objective viewpoint  
8 of where the money's gone, where the money should

9 go, then we can really accurately and incisively  
10 discuss a budget and how our budget may be for  
11 next year, a really clean, really well, really  
12 well-engineered with more than one opinion. I  
13 don't mean to --

14 MR. GEORGE: Yeah, that's fine. Right.

15 Yeah.

16 MR. GORMAN: -- decry you opinion, you know,  
17 or Mr. Wuellner's, but a very accurate opinion.

18 Thank you.

19 CHAIRMAN GREEN: Mr. Cox?

20 MR. COX: Just -- just as a comment, though.

21 What if the operational analysis comes up and says  
22 we need to spend more money in certain places?

23 Then are you guys going to be on board with that?

24 MR. GEORGE: Or do you want another analysis?

25 I'm sorry.

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1 MR. GORMAN: I mean, it's -- I would just  
2 like another opinion. And, yes, if -- in other  
3 words, if it says that we're just doing the most  
4 stellar job on earth, it will certainly --

5 MR. COX: Because, it may -- I mean, you  
6 know --

7 MR. GORMAN: My comments will certainly  
8 change.

9 MR. COX: That's all.

10 MR. GORMAN: Simple.

11 MR. WUELLNER: I would just -- if we're going  
12 to try and deal with this at next meeting, which I  
13 certainly have no objection to, but I would  
14 certainly spend some time in the next month trying  
15 to come up with specific items that you -- you  
16 want addressed in that so that --

17 MR. GEORGE: The scope.

18 MR. WUELLNER: Because at some point, a  
19 scope's got to be developed in order to -- to put  
20 this out and get -- get some help there.

21 MR. GORMAN: That's a good point. Good  
22 point.

23 MR. WUELLNER: And rather than do nothing for  
24 a month and then waste another month developing  
25 it, you could be doing that now.

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1 12. - ADJOURNMENT

2 CHAIRMAN GREEN: Okay. Hearing no more final  
3 comments, the meeting's adjourned.

4 (Whereupon, the budget meeting adjourned at 5:48 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, certify

7 that I was authorized to and did stenographically

8 report the foregoing proceedings and that the

9 transcript is a true record of my stenographic

10 notes.

11

12 Dated this 4th day of October, 2004.

13

14

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

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