

ST. AUGUSTINE - ST. JOHNS COUNTY AIRPORT AUTHORITY

Final Budget Meeting

held at 4796 U.S. 1 North

St. Augustine, Florida

on Monday, September 30, 2013

from 5:01 p.m. to 5:17 p.m.

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BOARD MEMBERS PRESENT:

- CARL YOUMAN, Chairman
- ROBERT COX, Secretary-Treasurer
- KELLY BARRERA
- JOSEPH CIRIELLO
- MATTHEW MERCER

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ALSO PRESENT:

DOUGLAS N. BURNETT, Esquire, St. Johns Law Group, 509 Anastasia Boulevard, St. Augustine, FL, 32080, Attorney for Airport Authority.

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

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## 1           P R O C E E D I N G S

2           CHAIRMAN YOUMAN: The final public hearing for  
3 the year 2013-2014 budget on September 30th, 2013  
4 for the Northeast Florida Regional Airport by the  
5 St. Augustine-St. Johns Airport Authority is now in  
6 session. Mr. Wuellner, would you like to make the  
7 opening remarks?

## 8           O P E N I N G   R E M A R K S

9           MR. WUELLNER: Sure. Be happy to. Just a  
10 couple. One is procedural.

11          Just a reminder that the order of discussions  
12 for today's meeting is governed by Florida  
13 Statutes, and those statutes require that you  
14 discuss millage as the first order of business and  
15 the budget can be followed thereafter.

16          I do want to make note just for the record  
17 that on the 26th of this month, which was last  
18 Thursday, the budget -- tentative approved budget  
19 as well as the notice of this public hearing, final  
20 public hearing were published in accordance again  
21 also with Florida Statutes. So to the extent  
22 possible, it is our understanding that we are in  
23 compliance with Florida Statute at this point to  
24 hold this meeting.

25 As a result, our first order of business needs

4

1 to be the approval of millage rate, and it would  
2 be -- as our discussions have led us to this point,  
3 it is our belief that the Authority's budget  
4 expectations for this year as well as the previous  
5 three years can be met with zero ad valorem, and it  
6 is our recommendation to the -- to the Authority  
7 here that a millage rate of no ad valorem tax be  
8 adopted by the Airport Authority.

9 A reminder that the adoption of millage rate  
10 as well as budget are done by resolution in a  
11 formal sense and as a result, Resolution 2013-05  
12 contains our recommendation for zero mills.

13 DISCUSSION OF MILLAGE RATE BY AUTHORITY

14 CHAIRMAN YOUMAN: Any board discussion  
15 concerning the millage rate?

16 (None.)

17 CHAIRMAN YOUMAN: I have just one comment. I  
18 just think it's fantastic that we're holding it to  
19 zero and look forward that it's going to stay this  
20 way for the years ahead.

21 PUBLIC COMMENT

22 CHAIRMAN YOUMAN: Any public comment?

23 (None.)

24 FINAL ADOPTION - RESOLUTION 2013-05

25 CHAIRMAN YOUMAN: May I ask for a motion for a

5

1 final adoption of Resolution 2013-05 to adopt the  
2 zero millage rate? Mr. Mercer?

3 MR. MERCER: I'll make a motion that the board  
4 adopt Resolution 2013-05 as worded.

5 CHAIRMAN YOUMAN: May I have a second, please?

6 MS. BARRERA: I'll second.

7 MR. BURNETT: With that, Mr. Chairman, may I  
8 read it into the record?

9 CHAIRMAN YOUMAN: Yes, please.

10 MR. BURNETT: Would be Resolution 2013-05.

11 A Resolution of the St. Augustine-St. Johns  
12 County Airport Authority of St. Johns County,  
13 Florida, adopting the final levying of ad valorem  
14 taxes for Fiscal Year 2013-2014; providing for an  
15 effective date.

16 Whereas, the St. Augustine-St. Johns County  
17 Airport Authority of St. Johns County, Florida, on  
18 September 30th, 2013, adopted for Fiscal Year  
19 2013-2014 a Final Millage Rate following a public  
20 hearing as required by Florida Statute 200.065; and

21 Whereas, the St. Augustine-St. Johns County  
22 Airport Authority proposed a millage rate of 0.0000  
23 and said rate does not exceed the rolled back rate.

24 Now, therefore, be it resolved by the

1 St. Johns County, Florida, that the Fiscal Year  
2 2013-2014 operating millage rate is 0.0000 mills  
3 which does not exceed the rolled back rate.

4 This resolution shall take effect immediately  
5 upon its adoption.

6 Duly adopted at a public hearing this 30th day  
7 of September, 2013. That would be the resolution.

8 CHAIRMAN YOUMAN: Any further discussion?

9 (None.)

10 CHAIRMAN YOUMAN: May I ask for all approving?

11 MR. CIRIELLO: Aye.

12 MR. COX: Aye.

13 MR. MERCER: Aye.

14 MS. BARRERA: Aye.

15 CHAIRMAN YOUMAN: Aye. Unanimous. None  
16 opposed. Let us move on to the next item. Budget.

17 PROPOSED BUDGET - STAFF

18 MR. WUELLNER: Thank you, Mr. Chairman. The  
19 next item of course is budget, and the proposed  
20 budget as has made it so far is the -- reflects the  
21 2013-14 estimates of revenue to include fuel  
22 revenues at \$124,104; leases in aggregate,  
23 \$3,220,386; operating agreements will total another  
24 \$49,505, for a total operating revenue at 100

25 percent of \$3,393,995.

7

1 As is our custom and reflects statute, we  
2 reduce that operating revenue estimate by 5  
3 percent, leaving the 95 percent estimate at \$9 --  
4 excuse me, \$3,224,295, reserves forward equating to  
5 \$4,389,680, grants projected for next year at  
6 \$1,930,000, for a total nonoperating revenue of  
7 \$6,319,680. Bringing the total revenue estimate  
8 for Fiscal Year 13-14 to \$9,543,975.

9 On the expense side, personnel expenses  
10 estimated at \$895,795, all operating expenses at  
11 \$1,179,905. Bringing the total operating and  
12 personnel expenses to \$2,075,700.

13 Nonoperating expenses, there's zero debt  
14 service. Reserves at the end of next year  
15 estimated at \$5,108,275, capital expenditures  
16 estimated for the year at \$2,360,000, for a total  
17 nonoperating expense of \$7,468,275. Bringing the  
18 total expense budget estimate at \$9,543,975.

19 It is my pleasure to recommend the balanced  
20 revenue and expense budget of \$9,543,975 for your  
21 consideration and adoption. Be happy to address  
22 any questions relative to the detail of the budget  
23 as you deem appropriate.

24 CHAIRMAN YOUMAN: Any questions from -- for

25 Mr. Wuellner from the board?

8

1 (None.)

2 DISCUSSION

3 CHAIRMAN YOUMAN: Any board discussion?

4 MR. MERCER: Mr. Chairman, I would just

5 raise -- for the record, I would refer to my

6 comments and concerns expressed at our last budget

7 meeting, which are part of the minutes of that

8 meeting, and incorporate them by reference. And

9 those would be the same concerns that I would have

10 to date with the budget. Nothing further to add.

11 CHAIRMAN YOUMAN: Very good. Thank you.

12 MS. BARRERA: Mr. Chairman? Could I have

13 Mr. Wuellner read into the record where the -- the

14 tax funding that we received comes from?

15 CHAIRMAN YOUMAN: Yes.

16 MR. WUELLNER: The tax dollars we receive as a

17 part of this budget?

18 MS. BARRERA: Uh-huh.

19 MR. WUELLNER: They're exclusively limited to

20 two -- well, three sources at this point.

21 One is the Federal Aviation Administration as

22 it relates to Airport Improvement Program funding.

23 These are monies collected from aviation ticket

24 taxes and aviation fuel taxes. And that equates to

25 a \$1,260,000 estimate this year.

9

1 Florida DOT, again Florida -- these are funds  
2 largely derived from aviation fuel taxes again  
3 collected in the state at \$545,000.

4 The last is the FIND district grant money,  
5 which is \$125,000 for this year. And I believe  
6 those are also -- those are collected by the state  
7 through -- I believe they're property tax  
8 assessments, I'm not entirely sure of the source.

9 And there may be some other federal funds in there,  
10 but I'm not again too familiar with FIND district  
11 sources. For a total of two -- excuse me,  
12 \$1,930,000.

13 MS. BARRERA: Thank you.

14 CHAIRMAN YOUMAN: Just one comment. The FAA  
15 and FDOT funds, are they similar to like the  
16 Highway Trust Fund, which is a user fee basis for  
17 maintaining highways and constructing highways?

18 MR. WUELLNER: That's correct.

19 CHAIRMAN YOUMAN: Thank you. May I ask -- did  
20 I ask for public comment?

21 MR. COX: Not yet.

22 PUBLIC COMMENT

23 CHAIRMAN YOUMAN: Public comment?

24 MS. LUDLOW: No comment.

1 CHAIRMAN YOUMAN: May I ask for a motion for  
2 final adoption of Resolution 2013-06?

3 MR. COX: Move to adopt 2013-06 as stated.

4 CHAIRMAN YOUMAN: May I have a second?

5 MR. CIRIELLO: I'll second.

6 CHAIRMAN YOUMAN: Mr. Burnett, would you read  
7 it, please?

8 MR. BURNETT: Thank you, Mr. Chair.

9 Resolution 2013-06. A resolution of the  
10 St. Augustine-St. Johns County Airport Authority of  
11 St. Johns County, Florida, adopting the Final  
12 Budget for Fiscal Year 2013-2014 providing for an  
13 effective date.

14 Whereas, the St. Augustine-St. Johns County  
15 Airport Authority of St. Johns County, Florida, on  
16 September 30th, 2013, adopted for Fiscal Year  
17 2013-2014 a Final Budget following a public hearing  
18 as required by Florida Statute 200.065; and

19 Whereas, the St. Augustine-St. Johns County  
20 Airport Authority has prepared a budget for the  
21 Fiscal Year 2013-2014; and

22 Whereas, the St. Augustine-St. Johns County  
23 Airport Authority adopted the final millage rate  
24 prior to adopting this Resolution.

25 Now, therefore, be it resolved by the

11

1 St. Augustine-St. Johns County Airport Authority of

2 St. Johns County, Florida, that:

3 1. The annual budget estimates of revenues

4 and expenditures of the St. Augustine-St. Johns

5 County Airport Authority for the Fiscal Year

6 2013-2014, as considered and acted upon, under and

7 by the authority of the Laws of Florida, are hereby

8 ratified, approved and adopted, and the amounts of

9 money set forth thereby therein are hereby

10 appropriated.

11 2. The annual budget of revenues and

12 expenditures adopted for the ensuing fiscal year

13 2013-2014, shall be attached to the minutes of this

14 meeting.

15 This resolution shall take effect immediately

16 been its adoption.

17 Duly adopted at a public hearing this 30th day

18 of September, 2013. That would be the resolution,

19 sir.

20 CHAIRMAN YOUMAN: Any further discussion?

21 (None.)

22 CHAIRMAN YOUMAN: May I have a vote? All in

23 favor?

24 MR. CIRIELLO: Aye.

25 MR. COX: Aye.

12

1 MS. BARRERA: Aye.

2 CHAIRMAN YOUMAN: Aye.

3 MR. MERCER: Nay.

4 CHAIRMAN YOUMAN: Four in favor, one nay. The

5 final -- the Resolution 2013-06 is adopted per

6 board vote.

7 COMMENTS

8 CHAIRMAN YOUMAN: The only comment I have is

9 the administration, you've done an excellent job

10 putting this budget together and also keeping us on

11 track for zero millage, and I commend you on your

12 aggressiveness in pursuing whatever is necessary to

13 keep this airport up to date and safe.

14 MR. WUELLNER: Thank you.

15 CHAIRMAN YOUMAN: Thank you.

16 MR. WUELLNER: If you wouldn't mind, I'd like

17 to just bring everybody up to speed on where we

18 think we are with the looming shutdown of the

19 federal government relative to air traffic control,

20 just so you'll have the latest we know as of today.

21 Last blush is that there is -- there's no --

22 there's been no agreement between the House and

23 Senate at this point relative to a continuing

24 resolution or adoption of final budgets for -- for

1 What we have been told is that if the shutdown  
2 occurs tonight or even continues for a period of  
3 time, they expect that at least for the first 30  
4 days, that air traffic control services, whether  
5 contract or otherwise, would likely not be affected  
6 at this point. However, that is subject to change  
7 based on how and -- how sequestration moves  
8 forward.

9 We are -- we have been told at this point both  
10 House and Senate versions of the next year's budget  
11 contain specific line item appropriations related  
12 to contract tower funding. Meaning if and when  
13 both houses adopt or accept a transportation  
14 budget, that it looks like those funds would be  
15 finally separated from general FAA budgets, meaning  
16 they would for the most part remain untouched at  
17 least for the fiscal year 13-14.

18 That could all change. It could certainly  
19 change again relative to sequestration as they move  
20 forward. But at this point, assuming a budget can  
21 be adopted and those provisions still stand,  
22 funding should be intact for the -- for the next --  
23 for the next -- upcoming fiscal year starting  
24 tomorrow.

25 The short term is what's got everybody a

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1 little antsy in that any -- really right now  
2 continuing resolution language is not clear.  
3 Basically nothing's really out there on -- on a  
4 continuing resolution that specifically addresses  
5 air traffic control services provided as contract  
6 services.

7 So nobody's really too sure what to expect  
8 should the government continue to fund itself  
9 through the continuing resolution process versus  
10 the actual budget adoption process. So we're still  
11 watching it very very closely.

12 Should there be a need to bring this board  
13 together to deal with the short-term contract issue  
14 of tower services, we'll do that. Otherwise, it  
15 looks at least right now we wouldn't need to meet  
16 until our normal October meeting, and hopefully  
17 these next three weeks will ferret out some more  
18 details and we'll be able to provide you with a  
19 stronger sense of direction on what we need to do.

20 But at this point, I think we're okay for the  
21 next several weeks anyway, at least until someone  
22 decides they don't want to fund any, which could  
23 happen, too.

24 CHAIRMAN YOUMAN: Any last comments from the

1 MR. BURNETT: Mr. Chairman, one quick  
2 announcement and one comment. And that is I've  
3 added a sixth lawyer to the firm, his name's Trevor  
4 Hudson. And the more important comment that I have  
5 is as you know, from time to time the Airport  
6 Authority acquires property. The acquisitions are  
7 by willing sellers and over time the Airport  
8 accumulates properties.

9 As the Airport does that, we have, and my law  
10 firm specifically, I have taken and gotten them  
11 rezoned or gotten the comp plan amendments  
12 accomplished so that they get the Airport District  
13 designation in the comp plan and get the Airport  
14 District designation on the zoning.

15 We just in the last month filed eight rezoning  
16 applications for properties that are already --  
17 already have the comp plan designation of Airport  
18 District that have been acquired by the Airport  
19 over the last year, and we are seeking now the  
20 rezoning application for those.

21 One thing that came up in a staff comment and  
22 I just wanted to quickly address it here is whether  
23 or not I have the authority to move forward with  
24 the zoning applications.

25 So I'd ask you, with the understanding that

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1 the properties are already acquired by the Airport,  
2 they're under the comprehensive plan as Airport  
3 District, they're in the south area, and the  
4 Airport's acquired them for Airport District, the  
5 property around them's Airport District, can I have  
6 your authority to move forward with the zoning that  
7 I've already filed? And that's --

8 MR. WUELLNER: I don't think you can do that.

9 MR. COX: You can't.

10 MR. BURNETT: It's -- it's direction from you.

11 I can -- I can get the direction from you. I -- I  
12 have to come back if I need to bring it to you for  
13 official action. I just want to make sure that  
14 y'all are all okay with me moving forward.

15 CHAIRMAN YOUMAN: That makes sense. I mean,  
16 that's in the best interest of the airport, isn't  
17 it?

18 MR. BURNETT: Yes. It gets the zoning  
19 consistent with the airport property in general.

20 So --

21 MR. COX: Sounds good to me.

22 MR. BURNETT: Thank you.

23 MR. MERCER: I would also just add that we are  
24 really lucky to have Doug Burnett as the board

25 attorney. I've known Doug for many years and he's

17

1 got a top top reputation as a top litigator in our  
2 county and top land use attorney in our county. So  
3 I think it's a real blessing that the airport  
4 continues to enjoy his firm's services.

5 CHAIRMAN YOUMAN: Thank you.

6 MR. BURNETT: Thank you. All right. That's  
7 all I have.

8 CHAIRMAN YOUMAN: What time is it?

9 MR. WUELLNER: 17.

10 CHAIRMAN YOUMAN: Budget hearing closed at  
11 5:17 p.m.

12 (Hearing concluded at 5:17 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 that

7 I was authorized to and did stenographically report the

8 foregoing proceedings and that the transcript is a true

9 record of my stenographic notes.

10 Dated this 7th day of October, 2013.

11

12

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

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