

## **MINUTES OF THE MEETING**

### **FINANCE COMMITTEE BOARD OF PILOT COMMISSIONERS**

**Radisson Resort at the Port  
5701 Astronaut Boulevard  
Cape Canaveral, FL 32920  
April 15, 2004 1:00 p.m.**

#### **CALL TO ORDER**

Commissioner Buffington called the meeting to order at 1:05 p.m. and then recessed the meeting. The meeting reconvened at 2:20 p.m.

#### **Members Present**

Commissioner Buffington, Chair  
Commissioner Sweeney, Vice-Chair  
Commissioner Hiers  
Commissioner Leech  
Commissioner Phipps  
Commissioner Robas

#### **Others Present**

Anthony Spivey, Executive Director  
Elise Rice, Government Analyst  
Ed Tellechea, Board Counsel  
Drew Winters, Prosecuting Attorney  
Galen Dunton, Consultant  
Rivers Buford, Board Member  
Richard Frudaker, Board Member  
Earl McMillin, Board Member  
Donald Molitor, Board Member  
Bob Swindell, Rate Review Board Member  
Michael Hugins, Rate Review Board Member  
Clarence Johnson, Rate Review Board Member  
Stephen Reynolds, Rate Review Board Member  
Tanya Robinson, Rate Review Board Member  
Captain Weston Stow, Rate Review Board Member  
Gretchen Rayborn, FSPA  
Jorge Viso, FSPA

#### **APPROVAL OF THE MINUTES OF THE MEETING**

**January 8, 2004**

**MOTION:** Commissioner Hiers made a motion that the minutes be approved as submitted.

**SECOND:** Commissioner Robas seconded the motion and it passed unanimously.

## **REVIEW OF 2ND QUARTER RESULTS WITH TRANSFER TO WORKING CAPITAL TRUST FUND**

Commissioner Buffington reported the 2<sup>nd</sup> quarter figures were off and was told that the actual cash received was closer to \$87,000. The error was caused by an adjustment to the amount received. The money was then accounted for and not sure why it took place and has been told that it will not happen again and he did not want to dwell on it.

Commissioner Buffington informed the Committee that there had been a change of policy in the Department and they are now saying all boards should try and keep a zero cash balance. Commissioner Buffington stated that he did not think the Board was going to have a large cash balance at the end of the fiscal year. He informed the Board that they had been provided a summary of the amount taken from all the boards and almost all the boards were swept down to a zero cash balance and those that were not was because they would not have any income this year, there would be just enough to carry them through to the next renewal cycle.

Mr. Spivey informed the Committee that there were some boards that had cash balances that by statute their money could not be touched. Commissioner Buffington stated that when the Legislature passed this sweep it was up to the Department to determine where to get the money. Commissioner Buffington stated there was no formula used, if there was cash, they took it. He stated that by the time the Legislature passed the bill, the Board could not do anything as there would not have been time to reduce the cash they had.

Commissioner Robas stated that the Board would be penalized if they went into a deficit mode and the Department had to cover. Commissioner Phipps stated that the Board would be charged interest also.

Commissioner Sweeney questioned why the cost for general counsel/legal was so high. Mr. Tunnicliff, of the General Counsel's Office, explained they were currently involved in litigation, they are supporting two (2) prosecutors during transition. He stated that he could not assure that the figures were accurate however he would provide an answer to Mr. Spivey for next meeting. Commissioner Buffington stated that he did not think the figures were out of line considering the current case workload.

Commissioner Buffington informed the Committee that the 5 year budget provided had an adjusted cash balance toward zero and the projected assessment is to keep the cash balance on the positive side. He stated that based on a deficit at the end of the year they will need to increase the rate to 0.9% July 1, 2004 based on the current figures. Commissioner Buffington asked if there was a motion to do the adjustment.

Commissioner Sweeney recommended the Committee leave the rate as is. Commissioner Molitor suggested adjusting the rate quarterly.

Commissioner Hiers asked what was the worse case scenario to run in a deficit. Mr. Spivey stated they would not have the expenses to fund the Board, but as stated in an earlier

meeting to purposely put the Board in the red is not a good thing. Commissioner Phipps stated that the Department would give the Board money however they would be charged interest. Commissioner Buffington stated that the Board would have a year to get out of the red and if they did not then the Department could take action within the statutory limits. Mr. Spivey commented if the Board did not have the money they might not be able to travel to meetings.

Commissioner Buffington informed the Committee that at one time the Board did go into a deficit due to a case however the Department had sufficient funds to loan them the money. He commented that there is no cash reserve now since the cash sweep.

Following discussion, the following action was taken.

**MOTION:** Commissioner Phipps made a motion that the Committee recommend to the Board that the Board authorize Mr. Tellechea to notice rule development at each meeting in the event there is a need to increase the gross pilotage assessment.

**SECOND:** Commissioner Sweeney seconded the motion and it passed unanimously.

#### **ADJOURNMENT**

There being no further business to come before the Committee, the meeting was adjourned at 3:00 p.m.