

MINUTES OF THE MEETING

**FINANCE COMMITTEE
BOARD OF PILOT COMMISSIONERS
Wyndham Reach Resort
1435 Simonton Street
Key West, FL 33040
September 29, 2005 1:00 p.m.**

CALL TO ORDER

Commissioner Buffington, Chair of the Committee, called the meeting to order at 1:02 p.m.

Members Present

Commissioner Buffington, Chair
Commissioner Sweeney, Vice-Chair
Commissioner Fernandez
Commissioner Phipps
Commissioner Robas

Members Not Present

Commissioner Hiers

Others Present

Robyn Barineau, Executive Director
Elise Rice, Government Analyst
Galen Dunton, Board Consultant
Drew Winters, Prosecuting Attorney
Mary Ellen Clark, Board Counsel
Eric Bryson, Board Member
Rivers Buford, Board Member
Donald Molitor, Board Member
Richard Frudaker, Board Member
Michael McGraw, Key West Pilots
Jorge Viso, FSPA
David de la Parte, FSPA
Allen Thompson, Tampa Bay Pilots
Jimmy Frudaker, Florida Docking Masters
Gretchen Rayborn, FSPA

APPROVAL OF THE MINUTES OF THE MEETING

July 14, 2005

MOTION: Commissioner Robas made a motion that the Committee approve the July 14, 2005 minutes as submitted.

SECOND: Commissioner Phipps seconded the motion.

During discussion it was noted that on page 6 of the minutes, the correct gross pilotage should be changed from .006% to .06%.

Commissioner Buffington called for further discussion. There being none the motion passed unanimously.

REVIEW OF YEAR END RESULTS

Commissioner Buffington reported that the 4th Quarter ended as anticipated and as discussed in the last meeting. He reported that expenses were projected to remain below budget with the revenues staying within budget. Commissioner Buffington reported that the 4th quarter showed a cash flow of \$78,755. The net assets increased from \$79,918 to \$137,864.

Commissioner Buffington stated that the revenues were slightly lower than projected which could be attributed to traffic changes in certain ports. He reported that the remaining revenues were in line with the projections.

Commissioner Buffington informed the Committee that the expenses for Central Intake and Information Technology were close to projections. The General Counsel was 31% below budget which could be due to the fact that several cases that were anticipated to go to DOAH, were settled or in the process of being settled.

Commissioner Buffington reported that there were no costs related to Consumer Complaints, Investigations or DOAH. DOAH was originally projected to be approximately 11% of the total expenses which was a significant reason for the positive cash flow for the year. He stated that the Attorney General expense was about 20% over budget, which was expected.

Commissioner Buffington reported that Testing was 20% below budget which was a surprise. Commander Dunton informed the Committee that the costs for the Ft. Pierce exam were not very high and that all of the experts were not available during the review process. Commissioner Buffington reported that the Service Charge was in line with projections and the Board Administrative Office was 9% below budget.

Commissioner Buffington informed the Committee that another area of significant cost savings was related to the Rate Review Board as there were no costs for Administration or the Attorney General. He also stated that the Administrative Costs were 32% below budget.

REVIEW OF CURRENT GROSS PILOTAGE ASSESSMENT RATE

Commissioner Buffington informed the Committee that the 5 year budget was adjusted to reflect the actual net assets for the beginning of the year. He stated that based on the current projections, the current level of assessment appears to meet the Board's objective of maintaining a zero balance.

Following discussion, the following action was taken.

MOTION: Commissioner Fernandez made a motion that the Finance Committee recommend that the Gross Pilotage Assessment be changed to .25% effective January 1, 2006.

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 1:45 p.m.