



AGENDA

REGULAR CITY COMMISSION MEETING
MONDAY, APRIL 1, 2024, AT 6:00 P.M.

CITY OF ST. AUGUSTINE BEACH, 2200 A1A South, St. Augustine Beach, FL 32080

NOTICE TO THE PUBLIC

THE CITY COMMISSION HAS ADOPTED THE FOLLOWING PROCEDURE: PERSONS WISHING TO SPEAK ABOUT TOPICS THAT ARE ON THE AGENDA MUST FILL OUT A SPEAKER CARD IN ADVANCE AND GIVE IT TO THE RECORDING SECRETARY. THE CARDS ARE AVAILABLE AT THE BACK OF THE MEETING ROOM. THIS PROCEDURE DOES NOT APPLY TO PERSONS WHO WANT TO SPEAK TO THE COMMISSION UNDER "PUBLIC COMMENTS."

RULES OF CIVILITY FOR PUBLIC PARTICIPATION

1. The goal of Commission meetings is to accomplish the public's business in an environment that encourages fair discussion and exchange of ideas without fear of personal attacks.
2. Anger, rudeness, ridicule, impatience, and lack of respect for others is unacceptable behavior. Demonstrations to support or oppose a speaker or idea, such as clapping, cheering, booing, hissing, or the use of intimidating body language are not permitted.
3. When persons refuse to abide by reasonable rules of civility and decorum or ignore repeated requests by the Mayor to finish their remarks within the time limit adopted by the City Commission, and/or who make threats of physical violence shall be removed from the meeting room by law enforcement officers, either at the Mayor's request or by an affirmative vote of a majority of the sitting Commissioners.

"Politeness costs so little." – ABRAHAM LINCOLN

- I. CALL TO ORDER
- II. PLEDGE OF ALLEGIANCE
- III. ROLL CALL
- IV. APPROVAL OF MINUTES OF THE COMMISSION MEETING ON MARCH 4, 2024
- V. ADDITIONS OR DELETIONS OF THE AGENDA
- VI. CHANGES TO THE ORDER OF TOPICS ON THE AGENDA
- VII. PRESENTATIONS
 - A. Resolution 24-02, to Sunset the City Charter Review Committee (Presenter: Max Royle, City Manager)
 - B. Proclamation: To Proclaim April 2024 as Sexual Assault Awareness Month (Presenters: Representatives of the Betty Griffin Center)

- C. Fiscal Year 2023 Audit Report (Presenters: Representatives of City’s Auditing Firm, James Moore and Associates)

VIII. PUBLIC COMMENTS

IX. COMMISSIONER COMMENTS

X. PUBLIC HEARINGS

XI. CONSENT

(Note: Consent items can be approved by one motion and vote unless a Commissioner wants to remove an item for discussion and a separate vote)

- 1. Code Enforcement Board: Re-Appointment of Two Regular Members, Ms. Trish Gilpin, and Mr. Marshall Schneider, to a Three-Year Term
- 2. Resolution 24-03, to Adopt Agreement with the Florida Department of Transportation for City to Maintain Landscaping Along State Road A1A
- 3. Budget Resolution 24-03, to Transfer \$7,000 from Tree Fund to Purchase Palm Tree for City Hall Parking Lot and for City Hall Landscaping Project.

XII. OLD BUSINESS

XIII. NEW BUSINESS

- 4. Proclamations: Consideration of Policy Concerning Their Presentation (Presenter: Mayor Rumrell)

XIV. STAFF COMMENTS

XV. ADJOURNMENT

NOTICES TO THE PUBLIC

- 1. **SPECIAL CITY COMMISSION MEETING.** It will be held on Monday, April 8, 2024, starting at 5:30 p.m. at City Hall. The purpose is to review amendments to the City Charter proposed by the Charter Review Committee.
- 2. **SUSTAINABILITY AND ENVIRONMENTAL PLANNING ADVISORY COMMITTEE.** It will hold its meeting on Thursday, April 11, 2024, at 6:00 p.m. in the Commission meeting room.
- 3. **COMPREHENSIVE PLANNING AND ZONING BOARD.** The Board will not meet in April because there are no requests for it to consider.
- 4. **ARBOR DAY.** The City will hold its family-friendly Arbor Day celebration on Friday, April 26, 2024, from 5:30 p.m. to 7:00 p.m. in the south City Hall parking lot. Details about the event are available at www.staubch.com.

NOTE:

The agenda material containing background information for this meeting is available on the City’s website in pdf format or on a CD, for a \$5 fee, upon request at the City Manager’s office.

NOTICES: In accordance with Florida Statute 286.0105: “If any person decides to appeal any decision made by the City

Commission with respect to any matter considered at this scheduled meeting or hearing, the person will need a record of the proceedings, and for such purpose the person may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans with Disabilities act, persons needing a special accommodation to participate in this proceeding should contact the City Manager's Office not later than seven days prior to the proceeding at the address provided, or telephone 904-471-2122, or email sabadmin@cityofsab.org.



MINUTES

REGULAR CITY COMMISSION MEETING MONDAY, MARCH 4, 2024, AT 6:00 P.M.

CITY OF ST. AUGUSTINE BEACH, 2200 A1A South, St. Augustine Beach, FL 32080

I. CALL TO ORDER

Mayor Rumrell called the meeting to order at 6:00 p.m.

II. PLEDGE OF ALLEGIANCE

The Commission recited the Pledge of Allegiance.

III. ROLL CALL

Present: Mayor Dylan Rumrell, Vice Mayor Beth Sweeny, and Commissioners Undine C. George, Donald Samora, and Virginia Morgan.

Also present were City Manager Max Royle, City Attorney Jeremiah Blocker, Police Chief Daniel Carswell, City Clerk Dariana Fitzgerald, Finance Director Patty Douylliez, Building Official Brian Law, Public Works Director Ken Gatchell, and Engineering Director Jason Sparks.

IV. APPROVAL OF MINUTES OF THE COMMISSION MEETING ON FEBRUARY 5, 2024

Motion: To approve the minutes of the regular Commission meeting on February 5, 2024. **Moved by** Commissioner George, **Seconded by** Commissioner Samora. Motion passed unanimously.

V. ADDITIONS OR DELETIONS OF THE AGENDA

City Manager Royle stated that Item X.2, Ordinance 24-02, would be removed for now and he asked to add a proclamation to declare April 2024 as Water Conservation Month as Item VII.B.

VI. CHANGES TO THE ORDER OF TOPICS ON THE AGENDA

There were none.

VII. PRESENTATIONS

A. Interview of Mr. Zach Esposito for Position of Junior Alternate on Code Enforcement Board

Mr. Esposito stated that he came to St. Augustine to attend Flagler College in 2011, decided to stay after graduation, and now owns a home in St. Augustine Beach. He noted that his home and job were all in a three-mile radius and wants to give back to the community as much as possible.

Motion: to appoint Zach Esposito to the position of Junior Alternate on the Code Enforcement Board. **Moved by** Commissioner George, **Seconded by** Vice Mayor Sweeny. Motion passed unanimously.

B. Proclamation to declare April 2024 as Water Conservation Month

Mr. Doug Conkey, St. Johns River Water Management District, presented a proclamation [Exhibit A] and handout [Exhibit B]. He thanked the Commission for the last minute addition and St. Johns County Commissioner Henry Dean, who was in attendance, for the work he had done as County commissioner and during his time with the Water Management District.

He stated that the theme this year is outdoor irrigation efficiency, which is 50% of water use, so it plays a big part in the ability to save water in Florida, which is important since water conservation can delay the need for expensive alternative water supply projects and protect natural resources impacted from increased withdrawals. He noted that, residentially, smart controllers are now an option to help conserve water and potentially lower your monthly water and electric bills. These can be controlled by an app and help prevent unnecessary watering.

He reported that on alternative water supply front, stormwater harvesting, where they have the stormwater ponds that are large enough, or a master plan community like Nocatee that now can help water common areas using stormwater and we're not using potable water. To date, there have been 237 projects totaling \$38 million, producing 23.5 million gallons a day in savings. Also, the artesian well program that started in the fall of 2021, 365 abandoned wells have been plugged, equaling 45.6 million gallons of water a day in savings. After the hurricanes, they actually found some artesian wells that had emerged up out of the beach, a little bit to our south, so you find them everywhere.

He stated that on the St. Johns River Water Management District website, if you go to Menu, then Water Conservation, you'll find plenty of resources on water conservation that will help residents, businesses, and government.

Motion: to approve the Proclamation to declare April 2024 as Water Conservation Month. **Moved by** Commissioner George, **Seconded by** Commissioner Samora. Motion passed unanimously.

C. Beach Hotel/Former City Hall: Report of Renovations to Building by Ms. Christina Parrish Stone, Executive Director of the St. Johns Cultural Council

Ms. Parrish Stone gave a PowerPoint presentation [Exhibit C]. She noted that the first photo is what they expect the building to look like at the end of May and the item circled in red on slide two is the only area where they are running behind schedule, due to the columns needing to be replaced. Window framing and the balcony are complete, and some windows have been installed for the first time in 25 years. She noted that the fish-shaped railing on the balcony are reproductions of what was in the original plans for the building back in the 1930s. Before Memorial Day, the awnings will be up, and the columns will be done.

She commented that they were going to apply for another grant from the National Park Service for \$750,000, which was submitted, and they expect to hear something about that by April 1st. That money would allow them to complete the entrance lobby, the elevator up to the second floor, and to at least begin the work on the artist studios on the second floor of the building.

Commissioner Samora asked about the informational panels around the columns. Ms. Parrish Stone replied that June will be the 60th anniversary of the civil rights demonstrations that happened in St. Augustine and the County is planning a lot of activities beginning in early June, running all the way through July 2nd, which is the actual anniversary date of the Civil Rights Act. They will have an event out at the beach during June to show that the panels will be reinstalled and unveiled sometime during that period, there are still details to be worked out with all the organizations involved.

VIII. PUBLIC COMMENTS

Mayor Rumrell opened Public Comments.

Maya Young, 108 11th Street, St. Augustine Beach, FL, stated that she is having trouble getting neighbors to agree to vacate the alleyway between 11th and 12th Streets and wanted to know what other options there may be.

Building Official Law stated that vacating an alleyway requires agreement from 70% of the adjacent homeowners, but she could try to apply for a variance to that and put the decision in the hands of the Planning & Zoning Board.

Lisa Chase, 11 Sea Oaks Drive, St. Augustine Beach, FL, stated that the property behind her and her neighbors, 807 Mickler Boulevard, put up a wall at the rear of their property that has essentially become a retaining wall and is causing flooding and drainage issues for other properties. She noted that 807's owner has habitually disregarded rules, needing several after-the-fact permits and even directing contractors to trim trees on her property without permission. She provided documentation and photos [Exhibit D].

David Duncan, 11 Sea Oaks Drive, St. Augustine Beach, FL, continued Ms. Chase's discussion. He stated that 807 Mickler Boulevard built the wall without permits or engineering plans and asserts that it violates City Code on fence height and interfering with drainage patterns and that additional projects on the property have increased its impervious surface ratio to within 1% of the limit, which increased the drainage issues since the water has nowhere to go on that property. He provided documentation and photos [Exhibit E].

Jim LeClare, 115 Whispering Oaks Circle, St. Augustine Beach, FL, stated that recently there was someone camping in Ocean Hammock Park, and he suggested placing signage there with contact information for the local shelters.

Mayor Rumrell closed Public Comments and moved to the next Item.

IX. COMMISSIONER COMMENTS

Commissioner Samora reported he attended the VCB (Visitors and Convention Bureau) meeting, and learned that tourism is down across the state, but the Bureau is working to help improve it in our area. He noted that they are particularly trying to get ahead of the beach renourishment project that will be going on this spring and summer to make sure people know that the beaches will still be open, just with a bit of construction in certain areas.

Commissioner Morgan commented that with the upcoming elections, parking can be an issue here at City Hall and suggested that staff park City vehicles to maximize available space for voters.

Vice Mayor Sweeny reported that the State legislative session will wrap up soon and there is almost \$9 million earmarked in the state budget for projects in St. Augustine Beach, which would maybe help with some of the drainage issues in the City. She commented that she had looked at Ms. Chase and Mr. Duncan's property and saw videos of the flooding there. She asked staff to meet with them to see what can be done.

Mayor Rumrell noted that the Governor could still veto the budget items and asked everyone to keep their fingers crossed. He reported that he attended his first meeting at the TDC (Tourist Development Council).

Mayor Rumrell moved to the next Item.

X. PUBLIC HEARINGS

1. Ordinance 24-01, Final Reading, to Amend Section 3.02.05 of the Land Development Regulations Pertaining to Parking Regulations for Special Events for Business/Promotional/Sales Permits on Privately-Owned Property in a Commercial Land Use District (Presenter: Jennifer Thompson, City Planner)

Planner Thompson summarized the change that had been made since the prior reading to state that the minimum 50% of the parking required is inclusive of the required accessible parking.

City Attorney Blocker read the preamble of Ordinance 24-01.

Motion: to approve Ordinance 24-01. **Moved by** Commissioner George, **Seconded by** Commissioner Samora. Motion passed unanimously.

Mayor Rumrell moved to the next Item.

2. Ordinance 24-02, Second Reading, to Amend Article II (Definitions) of the Land Development Regulations, to Add a Definition for Driveway

This Item was removed from the agenda.

XI. CONSENT

(Note: Consent items can be approved by one motion and vote unless a Commissioner wants to remove an item for discussion and a separate vote)

This item was not discussed.

XII. OLD BUSINESS

3. Stormwater Utility Fee: Report on Developing a Rate Structure (Presenters: Jason Sparks, City Engineer; and Representatives of Consulting Firm, Jones Edmunds)

Engineering Director Sparks reported that he held a meeting with the City's consultant on this project, Jones Edmunds, on January 24th and staff held internal meetings as well. He stated that staff determined what will be defined as an Equivalent Residential Unit (ERU), how many square feet of impervious surface area on a parcel, as well as a single-family residential tiering analysis.

Mr. Mark Nelson, PE, Senior Consultant, Jones Edmunds, presented a PowerPoint [Exhibit F]. He stated that there are ten tasks for their scope of work, and they are currently working on tasks two to six. He noted that the primary goal is to provide a stable, dedicated funding source for the City's stormwater program and make it equitable for the City's taxpayers, basing it on impervious surface area via an annual non-ad valorem assessment with exemptions and credits available. He stated that stormwater programs have a lot of challenges, with operating costs, essential maintenance, regulatory requirements, several unfunded mandates from the State, and issues related to sea level rise and intense rainfall will only continue.

He discussed the process of digitizing property data to obtain the median impervious surface area. He commented that they will still need to determine any potential mitigation credits and potential full or partial exemptions that could be available to property owners. Finally, the Commission will need to determine what the final rate will be based on the operational, maintenance, and capital costs of the stormwater program.

The Commissioners discussed the project schedule and wanting to have workshops with the community. Finance Director Douylliez stated that official notices will need to be sent to each affected property owner at least thirty days prior to the public hearing and those must be customized to each property. She will need to have a finalized tax roll ready to send to the Tax Collector by September 15th.

Mayor Rumrell stated that he disliked adding more to taxes, but when he goes to Tallahassee to ask the State for funding, the most often asked question is how the City will pay to maintain these projects or match the initial funding and right now the City cannot guarantee that. He commented that the infrastructure is failing across the City, and it may be time to start making hard decisions.

Mayor Rumrell opened public comment. Being none, he moved to the next item.

4. Ocean Walk Subdivision Drainage Improvements, Phase 1: Request for Commission to Approve Recommendations 1-7 in City Engineer's Memo (Presenter: Jason Sparks, City Engineer)

Engineering Director Sparks presented a PowerPoint [Exhibit G] and noted that he held a town hall meeting on February 13th, which was well attended and provided a lot of good discussion.

He summarized the history of the project and noted that the original appropriations were short by about \$200,000, and when he was hired he reviewed the project and tried to update and 'value engineer' to accomplish it within budget and with the most significant results. Upon review, he determined that a pump station, as originally proposed, would not be a good fit in this location and doesn't suggest spending money on something that would not show positive results.

He proposed the seven items in his report and commented that these improvements would help for now and will work even with further improvements to the area later on. He noted that the Vulnerability Assessment that is currently underway would provide more information to help engineering a more effective solution since it will include a StormWise (previously ICPR4) computer model that can show the performance of our system during 25-year events, 10-year events, 100-year events, and 500-year storm events.

He reported that there is a ditch on the south end that stays dry most of the time and is not adversely affected by what's going on downstream in the Mickler Boulevard ditch. He also proposed to modify the roadway on the south end and will coordinate with St. John's County Utility Department and propose an inverted crown roadway where the drainage structure and pipe is in the middle of the roadway, so we don't get off into landscaping. He asked that the driveway trench drain and ditch work be paused until we get the downstream system opened and flowing. He noted that those ditches do need some attention, since it's been years since they have been maintained or dug out.

He stated that he has reached out to the State grant managers to work with them to modify the grant agreements to make the required adjustments happen.

Commissioner George clarified that the proposed improvements would be justified even prior to obtaining the final Vulnerability Assessment. Engineering Director Sparks agreed and stated that the outfall will be built in such a way that it will be at an elevation that will work even after the model identifies any downstream improvements.

Vice Mayor Sweeny thanked Engineering Director Sparks for speaking with her on this subject earlier in the week, taking another look at the project, and doing what's best for the city fiscally while still trying to take care of the neighbors. Commissioner Morgan agreed.

Commissioner Samora clarified that this proposed plan would need to be approved by the grant administrator to move forward. Engineering Director Sparks replied that a modification and new scope of work would be needed, but it's a hurdle that we can overcome.

Mayor Rumrell thanked Engineering Director Sparks for taking over the project midway and his hard work and diligence on making this come to fruition.

Mayor Rumrell opened public comment.

Karen Kempler, 30 Lee Drive, St. Augustine Beach, FL, thanked Engineering Director Sparks for holding the town hall meeting and explaining the situation to the residents. She encouraged the Commission to approve the proposal and stated that while she would like to see more done, she understands the need to wait under the circumstances.

Mayor Rumrell closed public comment.

Motion: to approve the recommended path forward on items 1 through 7. **Moved by** Commissioner George, **Seconded by** Commissioner Morgan. Motion passed unanimously.

Mayor Rumrell moved to the next Item.

XIII. NEW BUSINESS

5. Property in County North of City's Mizell Road Retention Pond: Discussion of Proposed Anastasia Storage Center Boat and Recreation Recreational Vehicle Planned Unit Development (Presenter: Max Royle, City Manager)

City Manager Royle clarified that the property in question is not within the City limits, and so the Commission does not have the authority to make decisions related to it. St. Johns County regulations govern this property, and the County Commission will be the entity to approve or deny it. However, as there has been a lot of public interest, this is the only setting where the City Commissioners can speak on it in the Sunshine.

Mayor Rumrell stated that he had spoken with the Florida Land Trust about potentially buying the land for conservation and with the County Administrator, Joy Andrews. He commented that, ideally, he would like to see it put into conservation and perhaps used to expand the Mizell pond, which would add more drainage runoff for the City as well as the County neighborhoods that drain to it.

The Commissioner agreed that sounded like a good idea and Mayor Rumrell commented that it would just need the property owner to be willing to sell.

Commissioner George commented that she would support sending a letter to the County Planning and Zoning Board and the County Commission expressing the interest and that we would rather them not approve a project in the meantime while negotiations could be pursued.

Henry Dean, St. Johns County Commissioner, stated that the discussion will be before the County's Planning and Zoning Board on March 7 at 1:30 p.m. and that it would then come before the County Commission in April. He noted that the Planning and Zoning Board would offer their advice and it would be up to the County Commission to accept or not.

Mayor Rumrell opened public comment.

Elizabeth Smith, Fish Island Community Alliance, 955 Fish Island Place, St. Augustine, FL, commented that the land is important to the ARK volunteers and their wildlife rehabilitation work. She is also concerned about the preservation of the wetlands, and the impact to the local wildlife, trees, and native plants that are existing on the property now.

Mary Foulks, The Ark Wildlife Rescue and Rehabilitation, 171 Green Turtle Lane, St. Augustine, FL, noted that the ARK is against the development due to the impact it would have on the animals they work with, it's the only location they have in eight counties. Any development there would cause disruption, noise, lights, which would all affect the wildlife and any possible runoff or overflow from the property could make its way into the pond, detergents, oil, and things like that affect the feather quality of the birds.

John Brinson, 340 Fiddler's Point Drive, St. Augustine, FL, commented that the proposed project plans to mow down 10 acres of trees, park 180 RVs and boats, and erect a 35-foot tall building; a big commercial operation right down in the middle of residential communities. He noted that there is plenty of land in commercial districts for businesses like that.

Ed Kierce, 356 Fiddler's Point Drive, St. Augustine, FL, noted that he has sent several letters about his disapproval of the project. He stated that the roads are only 12-feet wide, and you'd have large RVs trying to make the turn at that narrow intersection, which the Sheriff's Office already monitors. He expressed concern for pedestrians and bicyclists who use that road, especially children.

Mayor Rumrell closed public comments.

The Commission agreed to have Mayor Rumrell draft a letter of opposition to send to the St. Johns County Planning and Zoning Board.

Mayor Rumrell moved to the next item.

6. Scheduling Special Meetings in April:

A. To Review Charter Committee Recommendations for Changes to the City Charter (Presenter: Max Royle, City Manager)

City Manager Royle reported that the Charter Review Committee's last meeting will be on March 6 and there is a deadline of June 3rd to have any amendments ready for the ballot. He noted that the Commission will need to decide which amendments, if any, to approve, which ones should be on the August Primary or November General election ballots, and that they will then need to be put into ordinance form and translated into Spanish. He stated that this only happens every ten years, so it should have your full attention for discussion.

The Commission decided to hold special meetings on April 8, 2024, at 5:30 p.m. to discuss the proposed amendments and on May 13, 2024, at 5:30 p.m. to hold the final public hearing.

B. To Provide Guidance to Staff for Preparation of the Fiscal Year 2025 and Future Budgets (Presenter: Patricia Douylliez, Finance Director)

Finance Director Douylliez stated that the Commission indicated that they would like to meet to discuss the budget earlier to provide guidance and what they would like to focus on.

The Commission decided to hold a workshop meeting on May 13, 2024, at 6:00 p.m.

Mayor Rumrell moved to the next item.

XIV. STAFF COMMENTS

City Manager Royle reported that the beach restoration is moving forward. Vice Mayor Sweeny commented that some people were concerned with the type and quality of sand being used for other restoration projects in the area and wondered what our sand would look like. City Manager Royle noted that it will be dredged from about 10 miles offshore, but he will reach out to his Corps of Engineers contact.

Engineering Director Sparks reported that the drainage improvements for 7th Street will be moving forward. He noted that the grant was originally for 7th, 8th, and 9th Streets, but will only be adequate enough to fund the improvements on 7th Street.

Public Works Director Gatchell reported that the contractor evaluating the pipe on 11th Street is reporting that it is in bad shape, and they are working up an estimate to get it grouted and lined.

He also reported that the new pump station at the Weir broke, luckily it is still under warranty and is being repaired.

Engineering Director Sparks commented that the electric bill for the new pump was significantly higher than the previous one, so those costs will need to be evaluated for the budget.

Chief Carswell thanked Commissioner Morgan and Vice Mayor Sweeny for attending their accreditation recertification.

City Clerk Fitzgerald noted that a new assistant had been hired for the Clerk's office, Angela, who has been learning quickly.

XV. ADJOURNMENT

Mayor Rumrell asked for a motion to adjourn.

Motion: to adjourn. **Moved by** Commissioner George, **Seconded by** Vice Mayor Sweeny. Motion passed unanimously.

Mayor Rumrell adjourned the meeting at 8:01 p.m.

Dylan Rumrell, Mayor

ATTEST:

Dariana Fitzgerald, City Clerk

MEMORANDUM

TO: Mayor Rumrell
Vice Mayor Sweeny
Commissioner Morgan
Commissioner George
Commissioner Samora

FROM: Max Royle, City Manager 

DATE: March 22, 2024

SUBJECT: Presentations

- A. Resolution 24-02, to Sunset the City Charter Review Committee
- B. Proclamation: To Proclaim April 2024 as Sexual Assault Awareness Month
- C. Fiscal Year 2023 Audit Report

ITEM A. RESOLUTION 24-02

As the Charter Review Committee has completed its work, Resolution 24-02 recognizes this and formally sunsets the Committee so that communication among its members about matters related to the Charter no longer is restricted by the Sunshine Law. The Resolution also conveys the Commission's thanks for the members' service to the City.

ITEM B. PROCLAMATION

It is attached. Representatives from the Betty Griffin Center may be at your meeting to speak to you about the Proclamation.

ITEM C. AUDIT REPORT

Attached for your review in three parts.

- Part A is a letter to you from the audit firm, James Moore and Company, about the scope of work and other matters concerning the audit.
- Part B, pages 1-48, the audit of FY 23 budget.
- Part C, the responses by the City's Finance Director and City Manager about their responsibilities concerning the audit.

MEMORANDUM

Concerning Part B, please note in particular the following:

- Page 13, which provides an overview of revenues, expenditures and changes in the fund balance for FY 23.
- Pages 24-26, in which the City's long-term debt is described.
- Pages 36-37, which provides an overview of the amounts the City budgeted for FY 23 and the amounts it actually received.

Action Requested

If the audit report meets with your approval, it is that you by motion and vote accept it.

The auditor's representative will attend the meeting by Zoom at 6:30 p.m.

RESOLUTION 24-02

CITY OF ST. AUGUSTINE BEACH

**RE: TO SUNSET THE CITY'S CHARTER REVIEW
COMMITTEE**

ST. JOHNS COUNTY

FLORIDA

The City Commission of the City of St. Augustine Beach, St. Johns County, Florida, in regular meeting duly assembled on Monday, April 1, 2024, resolves as follows:

WHEREAS, the City is mandated by a provision in its Charter to have a review of the Charter done every ten years; and

WHEREAS, as the last City Charter review was done in 2014 a new review was mandated to be done in 2024; and

WHEREAS, the City Commission at its October 2, 2023, meeting approved Resolution 23-07, which established the Charter Review Committee composed of seven City residents as regular members and two residents as alternates to the Committee; and

WHEREAS, the City Commission in June 2013 appointed the seven regular members and the two alternates; and

WHEREAS, the Charter Review Committee completed its review of the Charter in March 2024 and proposed 21 changes to the City Charter.

NOW, THEREFORE, BE IT RESOLVED, that the City Commission of the City of St. Augustine Beach, hereby sunsets the Charter Review Committee established by Resolution 23-07, and forwards to the Committee's members, regular and alternate, the thanks and gratitude of the City for their service to the community: Kevin Cavanaugh, Marc Craddock, Margaret England, Edward George, Jeremiah Mulligan, Heather Neville, Scott Patrou, Doug Wiles, and Margaret Van Ormer.

RESOLVED AND DONE, this 1st day of April, 2024, by the City Commission of the City of St. Augustine Beach, St. Johns County, Florida.

Dylan Rumrell, Mayor

ATTEST:

Max Royle, City Manager

P R O C L A M A T I O N

Whereas, Sexual Assault Awareness Month calls attention to the fact that sexual violence is widespread and impacts every person nationwide, but also in the St. Johns County community. Rape, sexual assault, and sexual harassment harm our community, and statistics show that every 68 seconds a person in the United States is sexually assaulted and one in 6 women and one in 33 men will be raped at some point in their lives (RAINN, 2023): and

Whereas, child sexual abuse prevention must be a priority to confront the reality that one in 20 boys and one in 9 girls will experience sexual assault before the age of 18 (RAINN 2023). On campus, one in 5 women and one in 16 men are sexually assaulted during their time in college (Krebs, Lindquist, Warner, Fisher, & Martin, 2007): and

Whereas, LGBTQ+ abuse prevention also needs to be a priority due to bisexual men and women are at a higher risk of sexual assault than that of heterosexual and homosexual men and women. Furthermore, transgender students are at 21% higher risk overall for sexual violence (RAINN 2018): and

Whereas, sexual violence in the military often goes unreported or underreported. In 2022, per Department of Defense, 8,942 military members reported experiencing sexual assault during their service in the military.

Whereas, we must work together and educate St. Johns County about sexual violence, supporting and believing survivors, speaking out against harmful attitudes and actions impeding victims from seeking services, and bring perpetrators to justice: and

Whereas, Sexual Assault Awareness Month is about creating awareness as a community by promoting sexual assault education, safety, consent, respect, equality and creating safe spaces online. Your participation within this community is powerful and necessary to end this epidemic of sexual assault that has plagued us for so long.

NOW, THEREFORE, the City Commission of the City of St. Augustine Beach does hereby recognize April as Sexual Assault Awareness Month and will join advocates and communities across the state and our country in taking action to prevent sexual violence and to create change now and in the future.

IN WITNESS WHEREOF I have hereunto set my hand and caused to be affixed the official seal of the City of St. Augustine Beach, Florida, this 1st day of April 2024.

Mayor Dylan Rumrell

ATTEST:

City Manager Max Royle



March 21, 2024

To the Honorable Mayor and City Commission Members,
City of St. Augustine Beach, Florida:

We have audited the financial statements of the City of St. Augustine Beach, Florida (the City) as of and for the year ended September 30, 2023, and have issued our report thereon dated March 21, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 9, 2023, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting and other matters noted during our audit in a separate letter to you dated March 21, 2024.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

To the Honorable Mayor and City Commission Members,
City of St. Augustine Beach, Florida
March 21, 2024
Page 2

We have applied safeguards related to our preparation of the City's financial statements, including, but not limited to, an assessment of management's skills, knowledge, and experience, and by obtaining a completed financial statement disclosure checklist from management.

Significant Risks Identified

Professional standards require that we, as auditors, identify significant risks that impact the audit based upon the nature of the organization and design our audit procedures to adequately address those risks. As part of the audit process, we have identified the following significant risks, which are being communicated solely to comply with auditing standards and do not represent any specific finding and/or concerns related to the audit:

- Management override of internal controls – There is a risk that fraud could occur if management can direct employees to record adjustments and nonstandard journal entries outside of the normal accounting process or routine operations.
- Improper revenue recognition – There is a risk that fraud could occur resulting in overstated revenue to falsely inflate operations results.

Our audit was designed to adequately address the above risks and no issues were noted that impacted our ability to render an opinion on the financial statements.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of useful lives for depreciation was based on past history within each capital asset class. We evaluated the key factors and assumptions used to develop the useful lives in determining that it is reasonable in relation to the financial statements taken as a whole and in relation to the applicable opinion units.

To the Honorable Mayor and City Commission Members,
City of St. Augustine Beach, Florida
March 21, 2024
Page 3

Management's estimates of the net pension liability and total OPEB liability were based on actuarial factors and were calculated by actuaries independent of the City. We evaluated the key factors and assumptions used to develop the net pension liability and total OPEB liability in determining that it is reasonable in relation to the financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City's financial statements relate to:

The Cash Deposits and Investments Note summarizes the City's deposits and investments, including any risks or concentrations in investments held.

The Leases and Long-Term Debt Notes to the financial statements summarizes the City's long-term debt obligations, including future debt service payments.

The Employees' Retirement Plans and Other-Postemployment Benefits Note to the financial statements summarizes the basic information regarding the City's pension plans, the net pension liability, and the total OPEB liability.

The Recent Accounting Pronouncements Note to the financial statements summarizes recently issued Governmental Accounting Standards Board pronouncements and any anticipated effect on the City's financial statements.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. We identified no significant unusual transactions as a result of our audit procedures.

Identified or Suspected Fraud

We have not identified or obtained information that indicates that fraud may have occurred.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. The below list summarizes uncorrected financial statement misstatements, if any, whose

To the Honorable Mayor and City Commission Members,
City of St. Augustine Beach, Florida
March 21, 2024
Page 4

effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. There were no such uncorrected misstatements in the current year.

In addition, professional standards require us to communicate to you all significant, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management:

- Approximately \$54,000 adjustment to recognize interest income in the ARPA fund that was improperly deferred.
- Approximately \$257,000 reduction in revenues and related receivables in the Weir Project Fund for amounts recognized in the year ended September 30, 2022, received in the current year, and incorrectly recognized again in the current year.
- Approximately \$45,000 adjustment to correct impact fees liability and impact fee revenue for the amount collected and remitted to St Johns County but incorrectly recorded as a debit to impact fee revenue when paid.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditors' report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditors' Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditors' report. We identified no circumstances that affect the form and content of the auditors' report as a result of our audit procedures.

Representations Requested from Management

We have requested certain representations from management that are included in the management representation letter dated March 21, 2024.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

To the Honorable Mayor and City Commission Members,
City of St. Augustine Beach, Florida
March 21, 2024
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Other Significant Matters, Findings, or Issues

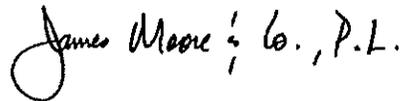
In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditors.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This report is intended solely for the information and use of the City Commission and management of the City of St. Augustine Beach, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large, looped initial "J".

JAMES MOORE & CO., P.L.

CITY OF ST. AUGUSTINE BEACH, FLORIDA

FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

**CITY OF ST. AUGUSTINE BEACH, FLORIDA
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SEPTEMBER 30, 2023**

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, City Commission, and City Manager,
City of St. Augustine Beach, Florida:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of St. Augustine Beach, Florida (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

James Moore & Co., P.L.

Daytona Beach, Florida
March 21, 2024

**CITY OF ST. AUGUSTINE BEACH
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

As management of the City of St. Augustine Beach (the City), we offer readers of the City of St. Augustine Beach's financial statements this narrative overview and analysis of the finance activities of the City of St. Augustine Beach for the fiscal year ended September 30, 2023.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$33,980,410 (net position). The governments' total net position increased by \$2,558,682.
- As of the close of the current fiscal year, the City of St. Augustine Beach's governmental funds reported a combined ending fund balance of \$12,608,067, an increase of \$39,895. The unassigned General Fund balance available for spending at the City's discretion is \$4,475,141.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of St. Augustine Beach's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets, deferred outflows, liabilities, and deferred inflows, with the balance reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position has changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes, licenses and permits, and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, physical environment (solid waste), human services, transportation, and culture recreation. The City currently does not have any functions that would be classified as business-type activities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of St. Augustine Beach, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**CITY OF ST. AUGUSTINE BEACH
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating at City's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between government funds and governmental activities.

The City maintains six major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, road and bridge fund, debt service fund, Weir Project fund, ARPA fund, and impact fee fund.

The City of St. Augustine Beach adopts annual appropriated budgets for all funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with these budgets.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of St. Augustine Beach, assets and deferred outflows exceeded liabilities and deferred inflows by \$33,980,410 or an 8.14% increase at the close of the most recent fiscal year. The following table reflects the condensed statement of net position for the current and prior years. For a more detail see the Statement of Net Position on page 9.

Net Position

	<u>2023</u>	<u>2022</u>
Current and Other Assets	\$ 12,971,761	\$ 13,345,325
Capital Assets	34,784,810	31,938,656
Total Assets	<u>47,756,571</u>	<u>45,283,981</u>
Deferred Outflows of Resources	1,762,623	1,593,885
Long-term Liabilities Outstanding	14,842,042	14,270,613
Other Liabilities	442,928	866,997
Total Liabilities	<u>15,284,970</u>	<u>15,137,610</u>
Deferred Inflows of Resources	<u>253,814</u>	<u>318,528</u>
Net Position:		
Net Investment in Capital Assets	28,379,232	24,860,334
Restricted	2,695,585	2,822,197
Unrestricted	2,905,593	3,739,197
Total Net Position	<u>\$ 33,980,410</u>	<u>\$ 31,421,728</u>

**CITY OF ST. AUGUSTINE BEACH
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

At the end of the current fiscal year, the government's liabilities increased by \$147,360 or less than 1%. At the end of the current fiscal year, the government's assets increased by \$2,472,590 or 5.4% which can be attributed to an increase in Capital Assets of \$2,846,154, a significant portion of which is attributed to the completion of the weir project for a total cost of \$3,135,707.

Eighty-four percent (84%) of the City's net position reflect its investment in capital assets (e.g. land, buildings, improvements, infrastructure, and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of St. Augustine Beach's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of St. Augustine Beach's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of Net Position is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

The government's net position increased by \$2,558,682 in the current fiscal year. The following table reflects the condensed Statement of Activities for the current and prior years. See page 10 for more detail. Revenue from grants decreased from prior year due to the completion of the Mizell Pond-Weir project. This project spanned several years with the largest portion of grant reimbursement being received in the prior year. Operating expenses increased over prior year, both in General Government and Public Safety. Public Safety increases were due to Law Enforcement being fully staffed over prior year and the addition of one code enforcement officer, building repairs to roof and air condition failures in the police and building departments, investment in new radios for the police department, and improvements to the building department to include bathroom repairs/renovations, meeting room renovations for better training and to conduct meetings with contractors and other visitors. General Government also increased over prior year due to overall inflation increases in fuel and other operating expenses. This fiscal year also includes the full year of wage increases that were initially funded from ARPA, as well as a 5% COLA for employees, and the ability to fully staff departments which were understaffed due to labor shortages.

**CITY OF ST. AUGUSTINE BEACH
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

Statement of Activities

	2023	2022
Revenues:		
Program Revenues:		
Charges for Services	\$ 2,033,084	\$ 1,782,828
Operating Grants and Contributions	722,465	3,858,370
Capital Grants and Contributions	715,321	2,253,032
General Revenues:		
Property Taxes	4,926,426	4,355,314
Other Taxes	3,083,034	2,915,035
Other	426,692	90,314
Total Revenues	11,907,022	15,254,893
Expenses:		
General Government	2,531,012	1,771,684
Public Safety	3,895,261	2,621,404
Physical Environment	1,426,687	1,143,432
Transportation	954,839	684,468
Culture and Recreation	344,044	251,459
Interest on Long-term Debt	196,497	213,675
Total Expenses	9,348,340	6,686,122
Change in Net Position	2,558,682	8,568,771
Net Position - October 1	31,421,728	22,852,957
Net Position - September 30	\$ 33,980,410	\$ 31,421,728

Financial Analysis of the Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assess the City of St. Augustine Beach's financing requirements. Unassigned fund balance may serve as a useful measure of a City's net resources available for spending at the end of the fiscal year. As of September 30, 2023, fund balances were \$12,608,067, an increase of \$39,895 in comparison with the prior year. This includes \$4,475,141 in Unassigned Fund Balance for the General Fund which would be available for spending at the City's discretion.

The General Fund's fund balance increased by \$864,115, from \$4,542,406 to \$5,406,521. The increase in fund balance is a result of excess revenues over expenditures due to projects not completed or delayed due to the availability and cost of materials.

The Road and Bridge fund balance increased by \$219,129, from \$222,437 to \$441,566. The increase is fund balance is a result of excess revenues from Local Option gas taxes not utilized in the current year.

The Debt Service fund has a fund balance of \$4,149,230. This is an increase of \$618,721 in comparison with the prior year. The revenues are generated from voted debt millage of 0.5 mills and transfers from General Fund per the requirement to budget and appropriate funds for the 2016A, 2016B, and 2016D revenue bonds. The voted debt millage is set to sunset in 2028, at which time a portion of the fund balance will satisfy the remaining debt service payments for the 2009 and 2016C revenue bonds.

The Weir Project fund has a fund deficit of \$132,872. The project is complete and the balance will be resolved in the next fiscal year.

**CITY OF ST. AUGUSTINE BEACH
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

The ARPA fund was established in 2022 to account for funds received under the ARPA grant program. Fund balance for this year reflects \$1,378,537.

The Impact Fee fund's fund balance decreased by \$135,436, from \$1,500,521 to \$1,365,085. This is due to less impact fees collected and use of funds for 2nd Street road opening.

Budgetary Highlights

The City continues monitoring the status of intergovernmental revenues during the first quarter of the fiscal year. As is typical, the budget is reevaluated at the six-month mark and adjusted where necessary.

General Fund

A comparison of the budget versus actual for the General Fund can be found on page 36. As of September 30, 2023, the City received less than the overall budgeted amount for revenues and spent less than the budgeted amounts for expenditures.

Road and Bridge Fund

A comparison of the budget versus actual for the Road and Bridge Fund can be found on page 37. This comparison reflects a \$3,464 variance between actual and budget.

Capital Assets

The City's investment in capital assets as of September 30, 2023, amounts to \$34,784,810 (net of accumulated depreciation). See Note 6 for details. Capital assets include land, buildings and improvements, machinery and equipment, and infrastructure. The total increase in the City's investment in capital assets net of depreciation for the current fiscal year was 8.9%. The increase is due to completion of the Mizell Pond-Weir project and Ocean Hammock Park, repairs to city buildings such as roof replacements and air conditioner that failed during the year, as well as building renovations to the building department and city hall meeting room. The City also utilized ARPA funds for the purchase of vehicles, garbage trucks and equipment in Public Works, and to add five additional dune walkovers for public use within the city.

Debt Administration

The City decreased its notes and bonds payable during the current fiscal year by \$511,351, due to its normally scheduled debt service payments, which is a decrease of 7.7% percent. Leases payable decreased by \$161,393 due to normal lease payments made during the year and the City did not enter into any new leases. See Notes 7 and 8 for details.

Economic Factors

The City continues to monitor the impacts on the local economy, as well as state revenues. The City recognizes the increase in the cost of living impacts to the community and its employees and will continue to monitor the situation for future developments.

Request for Information

This financial report is designed to provide a general overview of the City's finances for all of those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Finance Director, 2200 A1A South, St. Augustine Beach, Florida 32080.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 9,728,918
Investments	2,452,053
Receivables, net	271,018
Due from other governments	425,565
Inventories	3,216
Prepays	90,991
Capital assets:	
Non-depreciable capital assets	15,492,393
Other capital assets, net of depreciation	19,292,417
Total assets	47,756,571
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	1,762,623
Total deferred outflows of resources	1,762,623
 LIABILITIES	
Accounts payable	199,742
Accrued payroll and employee benefits	138,542
Customer deposits	1,500
Unearned revenue	2,927
Due to other governments	20,983
Accrued interest payable	79,234
Noncurrent liabilities:	
Due within one year:	
Bonds and notes payable	587,857
Leases	143,085
Compensated absences	70,307
Due in more than one year:	
Bonds and notes payable	5,530,324
Leases	144,312
Compensated absences	398,409
Total OPEB liability	792,479
Net pension liability	7,175,269
Total liabilities	15,284,970
 DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	253,814
Total deferred inflows of resources	253,814
 NET POSITION	
Net investment in capital assets	28,379,232
Restricted for:	
Capital expansion	1,365,085
Transportation	441,566
Law enforcement - forfeiture and seizure	54,797
Building code enforcement	461,176
Debt service	372,961
Unrestricted	2,905,593
Total net position	\$ 33,980,410

The accompanying notes to financial statements
are an integral part of this statement.

**CITY OF ST. AUGUSTINE BEACH, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental activities:					
General government	\$ 2,531,012	\$ 16,381	\$ 296,333	\$ 25,661	\$ (2,192,637)
Public safety	3,895,261	740,313	14,893	7,458	(3,132,597)
Physical environment	1,426,687	1,212,286	185,569	-	(28,832)
Transportation	954,839	57,713	73,335	672,708	(151,083)
Culture and recreation	344,044	6,391	152,335	9,494	(175,824)
Interest on long-term debt	196,497	-	-	-	(196,497)
Total governmental activities	\$ 9,348,340	\$ 2,033,084	\$ 722,465	\$ 715,321	(5,877,470)
General revenues:					
Property taxes					4,926,426
Sales and use taxes					1,217,254
Franchise and utility taxes					654,993
Public service taxes					823,662
Other taxes and fees					387,125
Investment earnings (loss)					286,145
Miscellaneous revenues					83,896
Gain on sale of capital asset					56,651
Total general revenues					<u>8,436,152</u>
Change in net position					2,558,682
Net position - beginning					<u>31,421,728</u>
Net position - ending					<u>\$ 33,980,410</u>

The accompanying notes to financial statements
are an integral part of this statement.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	General Fund	Road and Bridge	Debt Service	Weir Project	ARPA	Impact Fee	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 1,419,552	\$ 338,700	\$ 3,762,750	\$ -	\$ 1,901,520	\$ 1,854,201	\$ 9,276,723
Cash with fiscal agent	-	-	452,195	-	-	-	452,195
Investments	2,443,988	8,065	-	-	-	-	2,452,053
Receivables, net	271,018	-	-	-	-	-	271,018
Due from other governments	425,211	-	354	-	-	-	425,565
Due from other funds	1,967,744	94,801	-	797,773	-	200,527	3,060,845
Inventories	3,216	-	-	-	-	-	3,216
Prepaid items	90,991	-	-	-	-	-	90,991
Total assets	\$ 6,621,720	\$ 441,566	\$ 4,215,299	\$ 797,773	\$ 1,901,520	\$ 2,054,728	\$ 16,032,606
LIABILITIES							
Accounts payable	\$ 108,078	\$ -	\$ -	\$ -	\$ -	\$ 91,664	\$ 199,742
Accrued liabilities	138,542	-	-	-	-	-	138,542
Unearned revenue	2,927	-	-	-	-	-	2,927
Due to other governments	2,383	-	-	-	-	18,600	20,983
Due to other funds	961,769	-	66,069	930,645	522,983	579,379	3,060,845
Customer deposits	1,500	-	-	-	-	-	1,500
Total liabilities	1,215,199	-	66,069	930,645	522,983	689,643	3,424,539
FUND BALANCES							
Nonspendable:							
Inventories	3,216	-	-	-	-	-	3,216
Prepaid items	90,991	-	-	-	-	-	90,991
Restricted for:							
Capital expansion	-	-	-	-	-	1,365,085	1,365,085
Transportation	-	441,566	-	-	-	-	441,566
Law enforcement - forfeiture and seizure	54,797	-	-	-	-	-	54,797
Building code enforcement	461,176	-	-	-	-	-	461,176
Debt service	-	-	452,195	-	-	-	452,195
Assigned to:							
Subsequent year's budget	321,200	-	-	-	-	-	321,200
Capital projects	-	-	-	-	1,378,537	-	1,378,537
Debt service	-	-	3,697,035	-	-	-	3,697,035
Unassigned	4,475,141	-	-	(132,872)	-	-	4,342,269
Total fund balances (deficits)	5,406,521	441,566	4,149,230	(132,872)	1,378,537	1,365,085	12,608,067
Total liabilities and fund balances (deficits)	\$ 6,621,720	\$ 441,566	\$ 4,215,299	\$ 797,773	\$ 1,901,520	\$ 2,054,728	\$ 16,032,606

The accompanying notes to financial statements
are an integral part of this statement.

**CITY OF ST. AUGUSTINE BEACH, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

Fund balances - total governmental funds **\$ 12,608,067**

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds

Total governmental capital assets	44,741,000	
Less: accumulated depreciation	<u>(9,956,190)</u>	34,784,810

On the governmental fund statements, a net pension liability is not recorded until an amount is legally due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the City's net pension liability of the defined benefit pension plans is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to pensions are also reported.

Net pension liability	(7,175,269)	
Deferred outflows related to pensions	1,762,623	
Deferred inflows related to pensions	<u>(253,814)</u>	(5,666,460)

On the governmental fund statements, a total OPEB liability is not recorded unless an amount is due and payable (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the City's total OPEB liability is reported as a noncurrent liability.

Total OPEB liability		(792,479)
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Long-term liabilities, including bonds payable, notes payable, and leases are not due and payable in the current period and, therefore, are not reported in the funds.

These liabilities and other long-term liabilities consist of the following:

Bonds and notes payable	(6,118,181)	
Leases payable	(287,397)	
Accrued interest payable	(79,234)	
Compensated absences	<u>(468,716)</u>	(6,953,528)

Net position of governmental activities **\$ 33,980,410**

The accompanying notes to financial statements
are an integral part of this statement.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General	Road and Bridge	Debt Service	Weir Project	ARPA	Impact Fee	Total Governmental Funds
Revenues							
Taxes	\$ 5,337,145	\$ 218,749	\$ 834,986	\$ -	\$ -	\$ -	\$ 6,390,880
Licenses and permits	963,557	-	-	-	-	217,614	1,181,171
Intergovernmental	1,197,076	167,366	-	540,640	214,275	106,500	2,225,857
Charges for services	1,663,588	-	-	-	-	-	1,663,588
Fines and forfeitures	42,706	-	-	-	-	-	42,706
Interest revenues (losses)	231,241	380	-	-	53,611	913	286,145
Miscellaneous	45,024	-	-	-	-	-	45,024
Total revenues	9,480,337	386,495	834,986	540,640	267,886	325,027	11,835,371
Expenditures							
Current:							
General government	2,054,086	-	-	-	9,925	-	2,064,011
Public safety	3,123,790	-	-	-	-	-	3,123,790
Physical environment	861,851	-	-	-	-	-	861,851
Transportation	879,141	-	-	-	1,876	-	881,017
Culture and recreation	280,815	-	-	-	192	-	281,007
Capital outlay	976,970	-	-	316,110	2,007,057	460,463	3,760,600
Debt service							
Principal	183,626	128,004	410,681	-	-	-	722,311
Interest and fiscal charges	18,633	39,362	160,003	-	-	-	217,998
Total expenditures	8,378,912	167,366	570,684	316,110	2,019,050	460,463	11,912,585
Excess (deficiency) of revenues over expenditures	1,101,425	219,129	264,302	224,530	(1,751,164)	(135,436)	(77,214)
Other financing sources (uses)							
Transfers in	-	-	354,419	-	-	-	354,419
Transfers out	(354,419)	-	-	-	-	-	(354,419)
Leases and notes issued	60,458	-	-	-	-	-	60,458
Sale of capital assets	56,651	-	-	-	-	-	56,651
Total other financing sources (uses)	(237,310)	-	354,419	-	-	-	117,109
Net change in fund balances (deficits)	864,115	219,129	618,721	224,530	(1,751,164)	(135,436)	39,895
Fund balances (deficits), beginning of year	4,542,406	222,437	3,530,509	(357,402)	3,129,701	1,500,521	12,568,172
Fund balances (deficits), end of year	\$ 5,406,521	\$ 441,566	\$ 4,149,230	\$ (132,872)	\$ 1,378,537	\$ 1,365,085	\$ 12,608,067

The accompanying notes to financial statements
are an integral part of this statement.

**CITY OF ST. AUGUSTINE BEACH, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Net change in fund balances - total governmental funds **\$ 39,895**

Differences in amounts reported for governmental activities in the statement of activities are:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.

Capital outlay expenditures	3,760,600	
Depreciation expense	(929,446)	
Contributed capital assets	15,000	2,846,154

Bond and loan proceeds are reported as financing sources in the governmental funds. However, the issuance of debt is reported as long-term debt payable in the statement of net position. Repayment of bond, note, and lease principal is an expenditure in the governmental funds, but the repayment of debt principal reduces long-term liabilities in the statement of net position. These amounts are as follows:

Principal repayment of general long-term debt	722,311	
Amortization of debt premium	10,891	
Issuance of governmental long-term debt	(60,458)	672,744

Governmental funds report contributions to defined benefit pension plans as expenditures. However, in the Statement of Activities, the amount contributed to defined benefit pension plans reduces future net pension liability. Also included in pension expense in the Statement of Activities are amounts required to be amortized.

Changes in net pension liability and deferred inflows/outflows related to pensions	(1,039,776)
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Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available.

These adjustments are as follows:

Change in accrued interest on long-term debt	10,610
Changes in total OPEB liability	82,774
Change in compensated absences liability	(53,719)

Change in net position of governmental activities	\$ 2,558,682
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The accompanying notes to financial statements
are an integral part of this statement.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies:

The financial statements of the City of St. Augustine Beach, Florida (the City), have been prepared in accordance with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted body for promulgating governmental accounting and financial reporting principles. The following is a summary of the City's significant accounting policies:

(a) **Reporting entity**—The City was constituted a municipality on June 20, 1959, under the provisions of Chapter 59-1790, Laws of Florida, Acts of 1959. The City operates under a commission/manager form of government and provides the following services as authorized by its charter: law enforcement, planning and zoning, code enforcement, building inspection, solid waste collections, road and right-of-way maintenance, maintenance of City buildings, drainage and storm water management, and street lighting.

The accompanying financial statements present the financial position, results of operations, and cash flows of the applicable funds governed by the City Commission of the City, the reporting entity of government for which the City Commission is considered to be financially accountable. In evaluating the City as a reporting entity, management has addressed all potential component units that may or may not fall within the City's oversight and control, and thus, be included in the City's financial statements. No such entities or component units have been identified.

(b) **Government-wide and fund financial statements**—The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type. In the government-wide statement of net position, the governmental activities are presented on a consolidated basis and are reflected on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. The City has no business-type activities.

The government-wide statement of activities reflects both the gross and net costs per functional category (e.g., public safety, physical environment, etc.), which are otherwise being supported by general government revenues (e.g., property, sales taxes, certain intergovernmental revenues, etc.). The statement of activities reduces gross expenses (including depreciation) by the related program revenues, operating and capital grants. The program revenues must be directly associated with the function or a business-type activity. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net cost (by function) is normally covered by general revenue (e.g., property, sales taxes, intergovernmental revenues, interest income, etc.). This government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The fund financial statements emphasize the major funds of the City.

The governmental funds' major fund statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to demonstrate legal compliance and demonstrate how the City's actual experience conforms to the budgeted fiscal plan.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statement, a reconciliation is presented on the page following the Balance Sheet – Governmental Funds and the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds, which briefly explains the adjustments necessary to transform the fund-based financial statements into the government-wide presentation. As a general rule, the effect of interfund City activities has been eliminated from the government-wide financial statements.

(c) **Measurement focus and basis of accounting**—The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using *the current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Taxes, intergovernmental revenue, licenses and permits, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and pensions, are recorded only when payment is due. Capital asset acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under leases are reported in other financing sources.

(d) **Financial statement presentation**—The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The GASB Codification sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of all funds combined) for the determination of major funds.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

The City reports the following major governmental funds:

The *General Fund* accounts for all financial transactions not accounted for in other funds. The majority of current operating expenditures of the City are financed through revenues received by the General Fund.

The *Road and Bridge Fund* is a special revenue fund used to account for and report activities of the Road and Bridge Department. Resources are primarily provided by gas taxes and intergovernmental revenue.

The *Debt Service Fund* is used to account for the accumulation of resources for, and payment of, general long-term debt principal, interest, and related costs. This fund type is used to provide for the debt service requirements of the City's governmental long-term debt.

The *Weir Project Fund* is a capital project fund used to account for and report activities related to the construction of the Mizell Road Retention Pond Weir Project. Resources are primarily provided by revenues received by the General Fund.

The *American Rescue Plan Act (ARPA) Fund* is a capital project fund used to account for the receipt and expenditure of ARPA funding to support the City's recovery from the COVID-19 pandemic.

The *Impact Fee Fund* is a capital project fund used to account for accumulation of resources provided by impact fees, and the uses of those resources.

(e) **Budgets and budgetary accounting**—Annual budgets for all governmental funds were adopted in compliance with Florida law. The basis on which the budgets are prepared is consistent with the basis of accounting utilized by the various fund types. The governmental funds' budgets are prepared on the modified accrual basis of accounting. The City uses the following procedures in establishing the budgetary data reflected in the accompanying financial statements:

- i. Prior to September 1st, the City Manager submits a preliminary budget to the City Commission for the ensuing fiscal year.
- ii. Budget workshop sessions are scheduled by the City Commission, as needed.
- iii. A general summary of the budget and notice of public hearing is published in a local newspaper.
- iv. Prior to October 1st, the budget is legally enacted through passage of an ordinance.
- v. The City Commission, by resolution, may make supplemental appropriations in excess of those estimated for the year up to the amount of available revenue. Prior to the end of the fiscal year, supplemental appropriations are made for unanticipated spending requirements by the Commission.
- vi. The City Manager may make transfers within a department as long as the total budget for the department is not increased, and the legal level of control is \$15,000. Transfers of appropriations between departments require the approval of the Commission. The City's Ordinance establishes the level at which expenditures may not exceed appropriations at the department level.
- vii. Every appropriation lapses at the close of the fiscal year.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

The budgets for governmental funds that were either adopted or amended during the year by the City Commission were prepared using the modified accrual basis of accounting in accordance with generally accepted accounting principles. Each of the City's governmental funds have legally adopted budgets.

For the year ended September 30, 2023, expenditures exceeded appropriations as approved by the City Commission within one General Fund department. Debt service expenditures exceeded the budgeted amount by \$14,982.

(f) **Use of estimates**—Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates assumed in preparing the financial statements.

(g) **Cash deposits and investments**—The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are recorded at fair value. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. The City's investments in external investment pools are reported at amortized cost.

(h) **Receivables and payables**—Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

All trade and property tax receivables are reported net of an allowance for uncollectible accounts, which is based upon management's analysis of historical trends. All unpaid property taxes receivable at year end are at least 180 days past due, at which time the applicable property is subject to lien, and penalties and interest are assessed; therefore, these amounts are fully allowed for and no provision for taxes receivable has been made on the City's financial statements.

(i) **Capital assets**—Capital assets include property, plant, equipment and infrastructure assets. Capital assets are defined by the City as assets with an initial individual cost of \$5,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost, if purchased or constructed. Contributed assets, including donations and easements or other intangible rights of use, are recorded at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are only capitalized if they meet the dollar threshold above for capitalization. Maintenance and repairs of capital assets are charged to operating expenses.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

Depreciation is reported for the primary government using the straight-line method calculated on a service-life basis to amortize the cost of the asset over their estimated economic useful lives, which are as follows:

Assets	Years
Buildings and Improvements	10 - 40 years
Machinery Equipment	5 - 40 years
Infrastructure	40 - 90 years

(j) **Compensated absences**—Since the liability for employees' leave time will not be liquidated with expendable available financial resources, the liability has not been reported in the governmental funds. A liability for compensated absences is accrued when incurred in the government-wide financial statements.

(k) **Long-term obligations**—In the government-wide financial statements, long-term debt obligations are reported as liabilities, net of any outstanding premiums or discounts. Debt issuance costs are expensed when paid.

(l) **Leases**—The City leases certain vehicles and determines if an arrangement is a lease at inception. The City recognizes intangible right-to-use (RTU) assets and corresponding lease liabilities for all leases that are not considered short-term. Leases where the maximum possible lease term(s) is non-cancelable by both lessee and lessor and is more than 12 months will not be considered short-term. RTU assets represent the City's right to use an underlying asset for the lease term and lease liabilities represent the City's obligation to make lease payments arising from the lease. RTU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The City's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

(m) **Inventory and prepaids**—Inventory is valued at cost under the first-in, first-out method and is accounted for using the consumption method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

(n) **Deferred outflows/inflows of resources**—In addition to assets, the statement of financial position will, if required, report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the only item in this category consisted of deferred amounts related to pensions as discussed further in Note (10).

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the only items in this category consisted of deferred amounts related to pensions, as discussed further in Note (10).

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

(o) **Fund balance**—In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Those classifications are as follows:

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash such as inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, as well as property held for sale unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation (i.e., when the government assesses, levies, charges, or otherwise mandates payment of resources from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

Committed – Fund balance amounts that can only be used for specific purposes pursuant to constraints imposed by ordinance of the City Commission are reported as committed fund balance. Those committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

Assigned – Fund balance amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as assigned fund balance, except for stabilization arrangements. Assignments can be made by the City Commission or the City Manager.

Unassigned – Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

For spendable resources, is the City's policy to use its resources in the following order as needed to fund expenses: restricted, committed, assigned, unassigned. Additional, any deficit fund balance within the other governmental fund types is reported as unassigned.

(p) **Net position flow assumption**—Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to determine amounts reported as restricted and unrestricted net position, it is the City's policy to consider restricted net position to have been used before unrestricted net position is applied.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(2) **Reconciliation of Government-Wide and Fund Financial Statement:**

(a) **Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**—Following the governmental fund balance sheet is a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. A detailed explanation of these differences is provided in this reconciliation.

(b) **Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**—Following the governmental fund statement of revenues, expenditures, and changes in fund balances, there is a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. A detailed explanation of these differences is provided in this reconciliation.

(3) **Property Tax Calendar:**

Under Florida law, the assessment of all properties and collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser. State laws regulating tax assessment are designed to ensure a consistent property valuation method statewide and to permit municipalities to levy property taxes at a rate of up to 10 mills. For the fiscal year ended September 30, 2023, the millage rate assessed by the City was 2.45 per \$1,000.

The City tax calendar is as follows:

Lien Date:	January 1
Levy Date:	October 1
Discount Period	November-February
Delinquent Date	April 1

(4) **Cash Deposits and Investments:**

The City maintains cash and investment accounts for various other purposes or to segregate cash balances for amounts which are restricted or held on behalf of others. The City's investment policy authorizes the City to invest excess funds in time deposits, mutual funds, obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States Government, repurchase agreements, intergovernmental investment pools, and/or the State Board of Administration (SBA) Local-Government Surplus Trust Fund Investment Pool (Florida PRIME).

As of September 30, 2023, all City cash deposits were held in qualified public depositories pursuant to Chapter 280, Florida Statutes, the *Florida Security for Public Deposits Act* (the Act), and, accordingly, are entirely insured by Federal Depository Insurance Corporation (FDIC) insurance or collateralized pursuant to the Act. The Act established guidelines for qualification and participation by banks and savings associations, procedures for administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to 125%, may be required if deemed necessary. Obligations pledged to secure deposits must be delivered to the State Treasurer or, with the approval of the State Treasurer, to a bank, savings association, or trust company provided a power of attorney. Under the Act, the City is authorized to deposit funds only in qualified public depositories.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(4) Cash Deposits and Investments: (Continued)

The City invests temporarily idle resources in the Florida Prime Investment Pool (Florida PRIME), Florida Local Government Investment Trust (FLGIT) and Florida Safe Investment Pool (FLSAFE). Florida PRIME is administered by the Florida State Board of Administration (SBA), who provides regulatory oversight. Florida PRIME, FLGIT and FLSAFE are similar to money market funds in which units are owned in the fund rather than the underlying investments. These investments are reported at amortized cost and meet the requirements of GASB Codification Section 150, which establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. There is no limitation or restrictions on withdrawals from Florida PRIME, FLGIT, or FLSAFE; although in the occurrence of an event that has a material impact on liquidity or operations of the trust fund, the funds' executive director may limit contributions to or withdrawals from the trust fund for a period of 48 hours.

As of September 30, 2023, the Florida PRIME, FLGIT and FLSAFE had weighted average maturities of 75 days, 38 days, and 67 days, respectively. The City held no assets or investments carried at fair value at September 30, 2023.

As of September 30, 2023, the City's governmental investment portfolio is composed of the following investments:

<u>Investment</u>	<u>Credit Quality Rating</u>	<u>Carrying Value</u>
Florida PRIME	AAAm (S&P)	\$ 1,877,064
FLGIT Day to Day	AAAmmf (Fitch)	\$ 56,215
FLSAFE	AAAm (S&P)	\$ 518,774

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. To limits its exposure to fair value losses arising from increases in interest rates, the City prohibits direct investment in U.S. government securities or repurchase agreements maturing more than seven years from the date of purchase and in time deposits maturing more than one year from the date of purchase There were no investments in the City's portfolio that exceeded this maximum maturity at September 30, 2023.

Credit Risk: Credit risk is the risk that a debt issuer or other counter-party to an investment will not fulfill its obligations. The City's investment policy utilizes portfolio diversification in order to limit investments to governmental funds and securities backed by state and federal governments, and mutual funds with a minimum credit rating of AAAM by Standard & Poor's (S&P) or an equivalent. The City's portfolio is held entirely with public depositories and is invested in SBA, FLGIT and FLSAFE funds, as described above.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The City's adopted investment policy follows the investment policies set forth in Florida Statutes, Chapter 218.

In addition to describing the credit risk of investments in the portfolio, governmental entities will need to disclose the concentration of credit risk with a single issuer, if 5 or more percent of the total assets of the portfolio are invested with one issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools and other pooled investments are excluded from the concentration of credit risk disclosure requirements.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(4) Cash Deposits and Investments: (Continued)

Custodial Credit Risk: All demand deposits are held with qualified public depositories, as defined above. In the case of investments, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of September 30, 2023, the City's investment of \$1,877,064 in Florida PRIME funds, \$56,215 in FLGIT funds, and \$518,774 in FLSAFE funds are backed by the full faith and credit of the State of Florida, or explicitly guaranteed by the State of Florida.

(5) Accounts Receivable:

The City's receivables consist of \$271,018 at September 30, 2023, all of which was included in the general fund and governmental activities. There was no allowance for doubtful accounts at September 30, 2023.

(6) Capital Assets:

Capital asset activity for the fiscal year ended September 30, 2023, is as follows:

	<u>Beginning Balance, as restated</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated –				
Land	\$ 14,339,580	\$ -	\$ -	\$ 14,339,580
Construction in progress	3,558,453	754,527	(3,160,167)	1,152,813
Total capital assets, not being depreciated	<u>17,898,033</u>	<u>754,527</u>	<u>(3,160,167)</u>	<u>15,492,393</u>
Capital assets, being depreciated –				
Machinery and equipment	4,043,321	1,115,277	(241,557)	4,917,041
Buildings and improvements	4,948,812	1,411,433	-	6,360,245
Infrastructure	13,666,391	3,654,530	-	17,320,921
Right-to-use leased equipment	650,400	-	-	650,400
Total capital assets, being depreciated	23,308,924	6,181,240	(241,557)	29,248,607
Less: accumulated depreciation	(9,268,301)	(929,446)	241,557	(9,956,190)
Total capital assets, being depreciated, net	<u>14,040,623</u>	<u>5,251,794</u>	<u>-</u>	<u>19,292,417</u>
Governmental activities capital assets, net	<u>\$ 31,938,656</u>	<u>\$ 6,006,321</u>	<u>\$ (3,160,167)</u>	<u>\$ 34,784,810</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General governmental	\$ 188,131
Public safety	176,569
Physical environment	517,611
Transportation	4,173
Culture and recreation	42,962
Total depreciation expense - governmental activities	<u>\$ 929,446</u>

**CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

(7) Leases:

The City has entered into certain lease agreements as a lessee for various vehicles as follows: three police vehicles in the 2017 fiscal year, one garbage truck in the 2019 fiscal year, three police vehicles in the 2021 fiscal year, and one recycle truck and two police vehicles in the 2022 fiscal year. The lease agreements qualify as leases under GASB Codification Section L20, *Leases*, and have been recorded at the present value of their future minimum lease payments as of the inception date. The assets acquired through leases are reported as right-to-use assets as follows:

Leased assets being amortized:		
Leased vehicles	\$	650,400
Accumulated amortization		<u>(187,686)</u>
Total leased assets, net of accumulated amortization	\$	<u>462,714</u>

The City made \$161,393 of fixed payments on a quarterly or annual basis during the year ended September 30, 2023. Interest rates are as stated in the respective lease agreements and range from 1.46% to 7.74%. The principal and interest requirements to maturity for the lease liability as of September 30, 2023, are as follows:

Year Ending September 30	Principal	Interest	Total
2024	\$ 143,085	\$ 8,047	\$ 151,132
2025	65,225	2,753	67,978
2026	39,257	1,155	40,412
2027	39,830	582	40,412
Total	<u>\$ 287,397</u>	<u>\$ 12,537</u>	<u>\$ 299,934</u>

(8) Long-Term Debt:

Notes and bonds payable at September 30, 2023, are comprised of the following:

\$61,160 financed purchase of tasers for the City Police Department at a 0.00% interest rate. Principal payments are due annually on November 1 each year until final maturity on November 1, 2025. The financing is payable from ad valorem revenues. During 2023, \$4,926,426 in ad valorem revenues were recognized and \$10,560 were paid for debt service.	\$ 31,680
\$60,458 financed purchase of phones for the City at a 6.00% interest rate. Principal and interest payments are due monthly until final maturity on September 30, 2028. The financing is payable from ad valorem revenues. During 2023, \$4,926,426 in ad valorem revenues were recognized and \$14,983 were paid for debt service.	48,785
\$2,508,562 Department of Environmental Protection note payable, used to connect approximately 620 residential units to the St. Johns County Utility System, at an interest rate of 2.92%. Principal and interest payments of \$83,683 are payable semiannually on January 15 and July 15 through July 15, 2032. Repayment of the loan balance is secured by revenue received from St. Johns County equal to the semiannual debt service payment to the City as each payment becomes due. See Note (13) for further discussion of this activity.	1,251,775

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(8) Long-Term Debt: (Continued)

<p>\$5,350,000 Series 2009 Florida Municipal Loan Council Revenue Bonds, issued to purchase land at a fixed rate of interest of 5.37%. Interest payments are payable semiannually on January 1 and July 1. Principal payments are due annually on July 1 each year until final maturity on July 1, 2029. The bond issue is payable from and secured by certain ad valorem revenues and the approximate amount of the pledge is equal to the remaining principal and interest of \$395,283. During 2023, \$834,986 in ad valorem revenues were recognized and \$65,880 were paid for debt service.</p>	\$ 330,469
<p>\$1,460,000 Series 2016A Florida Municipal Loan Council Refunding and Improvement Bonds, issued for the purchase of land and capital improvements at interest rates ranging from 2.00% to 5.00%. Interest payments are payable semiannually on April 1 and October 1. Principal payments are due annually on October 1 each year until final maturity on October 1, 2046. The bond issue is payable from and secured by non-ad valorem revenues and the approximate amount of the pledge is equal to the remaining principal and interest of \$1,817,938. During 2023, \$6,923,945 in non-ad valorem revenues were recognized and \$75,550 were paid for debt service.</p>	1,265,000
<p>\$1,610,000 Series 2016B Florida Municipal Loan Council Refunding and Improvement Bonds, issued for the purchase of land and capital improvements at interest rates ranging from 2.00% to 4.00%. Interest payments are payable semiannually on April 1 and October 1. Principal payments are due annually on October 1 each year until final maturity on October 1, 2028. The bond issue is payable from and secured by certain ad valorem revenues and the approximate amount of the pledge is equal to the remaining principal and interest of \$942,625. During 2023, \$834,986 in ad valorem revenues were recognized and \$153,125 were paid for debt service.</p>	875,000
<p>\$1,920,000 Series 2016C Florida Municipal Loan Council Refunding and Improvement Bonds, issued for a current refunding of Series 2004A Florida Municipal Loan Council Revenue Bonds, at interest rates ranging from 2.00% to 5.00%. Interest payments are payable semiannually on April 1 and October 1. Principal payments are due annually on October 1 each year until final maturity on October 1, 2034. The bond issue is payable from and secured by non-ad valorem revenues and the approximate amount of the pledge is equal to the remaining principal and interest of \$1,677,675. During 2023, \$6,923,945 in non-ad valorem revenues were recognized and \$139,125 were paid for debt service.</p>	1,390,000
<p>\$1,430,000 Series 2016D Florida Municipal Loan Council Refunding and Improvement Bonds, issued for a current refunding of Series 2010AA Florida Municipal Loan Council Revenue Bonds, at interest rates ranging from 2.00% to 5.00%. Interest payments are payable semiannually on April 1 and October 1. Principal payments are due annually on October 1 each year until final maturity on October 1, 2029. The bond issue is payable from and secured by non-ad valorem revenues and the approximate amount of the pledge is equal to the remaining principal and interest of \$920,456. During 2023, \$6,923,945 in non-ad valorem revenues were recognized and \$129,863 were paid for debt service.</p>	825,000
Notes and bonds payable at September 30, 2023	6,017,709
Add: unamortized bond premiums	100,472
Less: current portion of bonds and notes payable	(587,857)
Total long-term debt, governmental activities	<u>\$ 5,530,324</u>

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(8) **Long-Term Debt:** (Continued)

The City was in compliance with all applicable debt covenants as of and for the year ended September 30, 2023.

Annual debt service requirements to maturity for the City's notes and bonds payable are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 587,857	\$ 177,446	\$ 765,303
2025	610,082	162,371	772,453
2026	615,923	146,471	762,394
2027	617,789	129,876	747,665
2028	630,519	112,347	742,866
2029-2033	1,840,539	302,647	2,143,186
2034-2038	525,000	124,950	649,950
2039-2043	310,000	71,175	381,175
2044-2048	280,000	18,688	298,688
Total	\$ 6,017,709	\$ 1,245,971	\$ 7,263,680

For the fiscal year ended September 30, 2023, a summary of the long-term liability transactions for the City is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Notes and bonds payable	\$ 6,518,169	\$ 60,458	\$ (560,918)	\$ 6,017,709	\$ 587,857
Plus: Original issue premium	111,363	-	(10,891)	100,472	-
Total notes and bonds payable	6,629,532	60,458	(571,809)	6,118,181	587,857
Leases	448,790	-	(161,393)	287,397	143,085
Compensated absences	414,997	200,040	(146,321)	468,716	70,307
Governmental activities – Total long-term liabilities	\$ 7,493,319	\$ 260,498	\$ (879,523)	\$ 6,874,294	\$ 801,249

(9) **Interfund Loans, Advances, Fees and Transfers:**

The outstanding balances between funds are short-term loans to cover short-term cash flow needs and expected to be repaid in full over the course of the next fiscal year. Individual fund interfund receivables and payables for the primary government at September 30, 2023, are comprised of the following:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
Governmental Activities:		
General Fund	\$ 1,967,744	\$ 961,769
Road and Bridge Fund	94,801	-
Impact Fee Fund	200,527	579,379
Debt Service	-	66,069
Weir Project Fund	797,773	930,645
ARPA Fund	-	522,983
Total – All Funds	\$ 3,060,845	\$ 3,060,845

**CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

(9) Interfund Loans, Advances, Fees and Transfers: (Continued)

For the year ended September 30, 2023, interfund transfers consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Activities:		
General Fund	\$ -	\$ 354,419
Debt Service Fund	354,419	-
Total – All Funds	\$ 354,419	\$ 354,419

The transfer from the general fund to the debt service fund represents the requirements for debt service payments.

(10) Employees’ Retirement Plans and Other-Postemployment Benefits:

A. Florida Retirement System

Plan Description and Administration

The City participates in the Florida Retirement System (FRS), a multiple-employer, cost sharing defined public employee retirement system which covers all of the City’s full-time employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$7.50. The minimum payment is \$45 and the maximum payment is \$225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided and Employees Covered

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Members of both Plans may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(10) **Employees' Retirement Plans and Other-Postemployment Benefits:** (Continued)

The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Employees may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. The Investment Plan is funded by employer and employee contributions that are based on salary and membership class (Regular, DROP, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Employees in the Investment Plan vest at one year of service.

Financial Statements

Financial statements and other supplementary information of the FRS are included in the State's Comprehensive Annual Financial Report, which is available from the Florida Department of Financial Services, Bureau of Financial Reporting Statewide Financial Reporting Section by mail at 200 E. Gaines Street, Tallahassee, Florida 32399-0364; by telephone at (850) 413-5511; or at the Department's Web site (www.myfloridacfo.com). An annual report on the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from:

Florida Department of Management Services
Division of Retirement
P.O. Box 9000
Tallahassee, FL 32315-9000
850-488-5706 or toll free at 877-377-1737

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(10) **Employees' Retirement Plans and Other-Postemployment Benefits:** (Continued)

Contributions

The City participates in certain classes of FRS membership. Each class had descriptions and contribution rates in effect during the year ended September 30, 2023, as follows (contribution rates are in agreement with the actuarially determined rates):

<u>FRS Membership Plan & Class</u>	<u>Through June 30, 2023</u>	<u>After June 30, 2023</u>
Regular Class	11.91%	13.57%
Senior Management (SMSC)	31.57%	34.52%
Special Risk	27.83%	32.67%
Elected Official Class	57.00%	58.68%
DROP from FRS	18.60%	21.13%

Current-year employer HIS contributions were made at a rate of 1.66% of covered payroll through June 30, 2023, and 2.00% thereafter, which are included in the above rates.

For the plan year ended June 30, 2023, actual contributions made for employees participating in FRS and HIS were as follows:

City Contributions – FRS	\$ 686,370
City Contributions – HIS	61,718
Employee Contributions – FRS	111,539

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At September 30, 2023, the City reported a net pension liability related to FRS and HIS as follows:

FRS	\$ 5,685,239
HIS	1,490,030
Total	<u>\$ 7,175,269</u>

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, as actuarially determined. At June 30, 2023 and 2022, the City's proportionate share of the FRS and HIS net pension liabilities were as follows:

<u>Plan</u>	<u>2023</u>	<u>2022</u>
FRS	0.014267729%	0.013362636%
HIS	0.009382273%	0.008781182%

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(10) **Employees' Retirement Plans and Other-Postemployment Benefits:** (Continued)

For the year ended June 30, 2023, pension expense was recognized related to the FRS and HIS plans as follows:

FRS	\$ 1,215,168
HIS	<u>582,867</u>
Total	<u>\$ 1,798,035</u>

Deferred outflows/inflows related to pensions:

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions were recorded from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 533,795	\$ -	\$ 21,813	\$ (3,497)
Changes of assumptions	370,611	-	39,172	(129,116)
Net difference between projected and actual investment earnings	237,431	-	769	-
Change in proportionate share	274,650	(109,583)	90,601	(11,618)
Contributions subsequent to measurement date	176,449	-	17,332	-
Total	<u>\$ 1,592,936</u>	<u>\$ (109,583)</u>	<u>\$ 169,687</u>	<u>\$ (144,231)</u>

The above amounts for deferred outflows of resources for contributions related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions being amortized for a period of greater than one year will be recognized in pension expense in succeeding years as follows:

	FRS	HIS	Total
2024	\$ 190,630	\$ 3,831	\$ 194,461
2025	(29,080)	6,789	(22,291)
2026	963,632	2,092	965,724
2027	141,777	(7,487)	134,290
2028	39,945	664	40,609
Thereafter	-	2,235	2,235
	<u>\$ 1,306,904</u>	<u>\$ 8,124</u>	<u>\$ 1,315,028</u>

Actuarial assumptions:

The actuarial assumptions for both defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS was completed in 2019 for the period July 1, 2013, through June 30, 2018. Because HIS is funded on a pay-as-you-go basis, no experience study has been completed.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(10) Employees' Retirement Plans and Other-Postemployment Benefits: (Continued)

The total pension liability for each of the defined benefit plans was determined by an actuarial valuation, using the entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS investments is 6.70%. This rate is consistent with the prior year rate of 6.70%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. Because HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.65% was used to determine the total pension for the program. This rate increased from the prior year rate, which was 3.54%. Mortality assumptions for both plans were based on the PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018.

Long-term expected rate of return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in October 2023, the FRS Actuarial Assumptions conference reviewed long-term assumptions developed by both Milliman's capital market assumptions team and by a capital market assumptions team from Aon Hewitt Investment Consulting, which consults to the Florida State Board of Administration. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Long-Term Arithmetic Expected Rate of Return
Cash	1.0%	2.9%
Fixed income	19.8%	4.4%
Global equities	54.0%	8.7%
Real estate	10.3%	7.6%
Private equity	11.1%	11.9%
Strategic investments	3.8%	6.3%
Total	100.0%	

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the proportionate shares of the FRS and HIS net pension liability (asset) of the City calculated using the current discount rates, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

Plan	Current Discount Rate	NPL with 1% Decrease	NPL at Current Discount Rate	NPL with 1% Increase
FRS	6.70%	\$ 9,711,545	\$ 5,685,239	\$ 2,316,751
HIS	3.65%	1,699,892	1,490,030	1,316,069

**CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

(10) Employees' Retirement Plans and Other-Postemployment Benefits: (Continued)

B. Other Post-Employment Benefits (OPEB):

Plan Description

The City of St. Augustine Beach, Florida Post-Retirement Benefits Plan (the Plan) is a single-employer healthcare plan administered by the City. Pursuant to Section 112.0801, Florida Statutes, the City is required to permit participation in the Plan to retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Eligible individuals include all regular employees who retire from active service. Under certain conditions, eligible individuals also include spouses and dependent children. The Plan does not issue a publicly available financial report.

Funding Policy

The contribution requirements of plan members are established by state statutes and may be amended by the state legislature. The required contribution is based on projected pay-as-you-go financing requirements and is subject to constant revision. The City has opted to not fund the total OPEB obligation or the resulting unfunded actuarial accrued liability on an annual basis. The City utilizes the general fund and road and bridge fund to liquidate the liability for the OPEB obligation from previous years.

Benefits Provided

The Other Post-Employment Benefits Plan is a single-employer benefit healthcare plan administered by the City. Retirees are charged whatever the insurance company charges for the type of coverage elected, however, the premiums charged by the insurance company are based on a blending of the experience among younger active employees and older retired employees. The older retirees actually have a higher cost which means the City is actually subsidizing the cost of the retiree coverage because it pays all or a significant portion of the premium on behalf of the active employee, known as the "implicit rate subsidy."

Plan Membership

At September 30, 2021, the date of the latest actuarial valuation, plan participation consisted of 64 covered individuals, including two inactive employees and beneficiaries and 62 active employees. Plan participation does not include any inactive employees entitled to but not yet receiving benefits.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the September 30, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Discount rate	4.77%
Inflation	2.50%
Salary increases	3.00%
Healthcare cost trend rate	7.25% in fiscal 2023, grading down to the ultimate trend rate of 4.00% in fiscal 2075.
Disability Rates	Wyatt 1985 Disability Study; Class 1 for General employees and Class 4 for Special Risk employees.
Retirees' share of benefit-related costs	100.00%

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(10) Employees' Retirement Plans and Other-Postemployment Benefits: (Continued)

The City does not have a dedicated Trust to pay retiree healthcare benefits. The discount rate was based on the S&P Municipal Bond 20-Year High Grade Rate Index as of September 30, 2022.

Mortality rates were based on the PUB-2010 Mortality Table (without income adjustment) for general and public safety employees, with full generational improvements in mortality using Scale MP-2021.

Total OPEB Liability

The City's total OPEB liability of \$792,479 was measured as of September 30, 2022, and was determined by an actuarial valuation as of September 30, 2022, utilizing the Alternative Measurement Method for small plans. Therefore, no deferred inflows or deferred outflows are recorded. For the year ended September 30, 2023, the City recognized OPEB expense of (\$50,336).

Changes in the OPEB liability for the fiscal year ended September 30, 2023, were as follows:

	Total OPEB Liability
Balance at September 30, 2022	\$ 875,253
Changes for a year:	
Service cost	145,758
Interest	24,468
Changes of assumptions	(224,562)
Benefit payments – implicit rate subsidy	(28,438)
Net changes	(82,774)
Balance at September 30, 2023	\$ 792,479

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the City calculated using the discount rate of 4.77%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.77%) or 1% higher (5.77%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 880,373	\$ 792,479	\$ 715,134

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate:

The following presents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (6.25%, graded down to 3.00%) or 1% higher (8.25%, graded down to 5.00%) than the current healthcare cost trend rates (7.25%, graded down to 4.00%):

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability	\$ 684,458	\$ 792,479	\$ 923,888

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(11) Risk Management:

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. During 2023, there were no significant reductions in insurance coverage from the previous year or any settlements in excess of insurance coverage in the current year or the prior three years.

The City is engaged in routine litigation incidental to the conduct of its municipal affairs. In the opinion of the City's legal counsel, no legal proceedings are pending which would have a material adverse effect on the financial position or results of operations of the City.

(12) Commitments and Contingencies:

The City is engaged in various liability claims incidental to the conduct of its general government operations at September 30, 2023. The outcomes of established claims are included in these financial statements. In the opinion of the City's legal counsel, no legal proceedings are pending or threatened against the City which are not covered by applicable insurance which would inhibit its ability to perform its operations or materially affect its financial condition.

(13) Interlocal Agreement:

Through the Department of Environmental Protection's State Revolving Loan Program, the City obtained funding in September 2009 to connect approximately 620 residential units in seven neighborhoods to the St. Johns County Utility System.

The City contracted with St. Johns County to extend their current utility system into these neighborhoods. The new lines are in place and will be both operated and maintained by St. Johns County. The City is the owner of the new utility lines until such time as the debt instrument that has been used to finance the project has been retired, upon which the ownership shall vest solely with St. Johns County. St. Johns County will share the revenues generated from the new utility connections with the City in an amount equal to the debt service on the City's loans not forgiven, as it becomes due and payable.

(14) Recent Accounting Pronouncements:

The Governmental Accounting Standards Board ("GASB") has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the City's financial statements:

GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, in May 2020. GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The provisions in GASB 96 are effective for periods beginning after June 15, 2022. The City had no arrangements subject to GASB 96 as of September 30, 2023.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(14) **Recent Accounting Pronouncements:** (Continued)

GASB issued Statement No. 101, *Compensated Absences*, in June 2022. GASB Statement No. 101 amends various provisions regarding the calculation methodology and required disclosures related to the liability for compensated absences. The provisions for GASB 101 are effective for fiscal years beginning after December 15, 2023.

GASB issued Statement No. 102, *Certain Risk Disclosures*, in December 2023. GASB Statement No. 102 requires governments to disclose essential information about risks related to vulnerabilities due to certain concentrations or constraints. The provisions for GASB 102 are effective for fiscal years beginning after June 15, 2024.

(15) **Fund Deficit:**

The Weir Project fund has a fund deficit of \$132,872, a \$224,530 decrease in the deficit from the prior year. This balance will be resolved in the next fiscal year when reimbursements are received and balance transfers from General Fund are recognized.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget - Over (Under)
REVENUES				
Taxes	\$ 5,196,090	\$ 5,196,090	\$ 5,337,145	\$ 141,055
Licenses and permits	824,739	824,739	963,557	138,818
Intergovernmental	1,917,270	1,917,270	1,197,076	(720,194)
Charges for services	1,460,767	1,536,767	1,663,588	126,821
Fines and forfeitures	27,501	27,501	42,706	15,205
Interest revenues	36,527	118,095	231,241	113,146
Miscellaneous	12,566	12,566	45,024	32,458
Total revenues	<u>9,475,460</u>	<u>9,633,028</u>	<u>9,480,337</u>	<u>(152,691)</u>
Expenditures				
Current:				
General government:				
Legislative	102,975	114,038	103,336	10,702
Executive	205,937	205,937	202,237	3,700
Finance	1,059,994	1,067,994	968,623	99,371
Comp planning	250,861	260,361	244,664	15,697
Other general government	621,799	621,800	589,174	32,626
Public safety:				
Police	2,854,061	3,197,787	2,891,835	305,952
Protective inspection	482,467	728,467	645,101	83,366
Code enforcement	114,143	170,243	165,967	4,276
Physical environment	1,012,157	979,157	861,851	117,306
Transportation	1,913,171	1,974,171	1,223,050	751,121
Economic environment	250	250	-	250
Culture and recreation	400,669	400,669	280,815	119,854
Debt service:				
Principal	166,036	171,954	183,626	(11,672)
Interest and fiscal charges	11,338	15,323	18,633	(3,310)
Total expenditures	<u>9,195,858</u>	<u>9,908,151</u>	<u>8,378,912</u>	<u>1,529,239</u>
Excess (deficiency) of revenues over expenditures	<u>279,602</u>	<u>(275,123)</u>	<u>1,101,425</u>	<u>1,376,548</u>
Other financing sources (uses)				
Transfers out	(409,175)	(672,596)	(354,419)	318,177
Sale of capital assets	5,150	5,150	56,651	51,501
Leases and notes issued	-	-	60,458	60,458
Total other financing sources (uses)	<u>(404,025)</u>	<u>(667,446)</u>	<u>(237,310)</u>	<u>430,136</u>
Net change in fund balances	<u>(124,423)</u>	<u>(942,569)</u>	<u>864,115</u>	<u>1,806,684</u>
Fund balances, beginning of year	4,542,406	4,542,406	4,542,406	-
Fund balances, end of year	<u>\$ 4,417,983</u>	<u>\$ 3,599,837</u>	<u>\$ 5,406,521</u>	<u>\$ 1,806,684</u>

The accompanying notes to the required supplemental information are an integral part of this schedule.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ROAD AND BRIDGE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 222,578	\$ 222,578	\$ 218,749	\$ (3,829)
Intergovernmental	167,366	167,366	167,366	-
Interest revenues	15	15	380	365
Total revenues	<u>389,959</u>	<u>389,959</u>	<u>386,495</u>	<u>(3,464)</u>
Expenditures				
Debt service:				
Principal	128,004	126,189	128,004	(1,815)
Interest and fiscal charges	39,362	41,177	39,362	1,815
Total expenditures	<u>167,366</u>	<u>167,366</u>	<u>167,366</u>	<u>-</u>
Net change in fund balances	<u>222,593</u>	<u>222,593</u>	<u>219,129</u>	<u>(3,464)</u>
Fund balances (deficits), beginning of year	222,437	222,437	222,437	-
Fund balances (deficits), end of year	<u>\$ 445,030</u>	<u>\$ 445,030</u>	<u>\$ 441,566</u>	<u>\$ (3,464)</u>

The accompanying notes to the required supplemental
information are an integral part of this schedule.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST 10 FISCAL YEARS
(UNAUDITED)

	As of the Plan Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Florida Retirement System (FRS)										
Proportion of the net pension liability	0.014267729%	0.013362636%	0.013179315%	0.013903464%	0.013585849%	0.013403952%	0.013616542%	0.012974748%	0.011402375%	0.010951725%
Proportionate share of the net pension liability	\$ 5,685,239	\$ 4,971,974	\$ 995,547	\$ 6,025,966	\$ 4,678,777	\$ 4,037,340	\$ 4,029,064	\$ 3,276,134	\$ 1,472,770	\$ 668,216
Covered payroll	3,717,967	3,200,816	2,968,751	2,933,675	2,872,805	2,817,583	2,733,987	2,494,066	1,694,975	1,475,719
Proportionate share of the net pension liability as a percentage of covered payroll	152.91%	155.33%	33.53%	205.41%	162.86%	143.29%	147.37%	131.36%	86.89%	45.28%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%
Measurement date	06/30/2023	06/30/2022	06/30/2021	06/30/2020	06/30/2019	06/30/2018	06/30/2017	06/30/2016	06/30/2015	06/30/2014
Actuarial valuation date	07/01/2023	07/01/2022	07/01/2021	07/01/2020	07/01/2019	07/01/2018	07/01/2017	07/01/2016	07/01/2015	07/01/2014
Discount rate:	6.70%	6.70%	6.80%	6.80%	6.90%	7.00%	7.10%	7.60%	7.65%	7.65%
Health Insurance Subsidy Program (HIS)										
Proportion of the net pension liability	0.009382273%	0.008781182%	0.008384007%	0.008450946%	0.008588042%	0.008624684%	0.008575529%	0.008077334%	0.007360546%	0.007151006%
Proportionate share of the net pension liability	\$ 1,490,030	\$ 930,067	\$ 1,028,424	\$ 1,031,847	\$ 960,916	\$ 912,846	\$ 916,935	\$ 941,380	\$ 750,660	\$ 668,637
Covered payroll	3,717,967	3,200,816	2,968,751	2,933,675	2,872,805	2,817,583	2,733,987	2,494,066	1,694,975	1,475,719
Proportionate share of the net pension liability as a percentage of covered payroll	40.08%	29.06%	34.64%	35.17%	33.45%	32.40%	33.54%	37.74%	44.29%	45.31%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%
Measurement date	06/30/2023	06/30/2022	06/30/2021	06/30/2020	06/30/2019	06/30/2018	06/30/2017	06/30/2016	06/30/2015	06/30/2014
Actuarial valuation date	07/01/2023	07/01/2022	07/01/2020	07/01/2020	07/01/2018	07/01/2018	07/01/2016	07/01/2016	07/01/2014	07/01/2014
Discount rate:	3.65%	3.54%	2.16%	2.21%	3.50%	3.87%	3.58%	2.85%	3.80%	4.29%

CITY OF ST. AUGUSTINE BEACH, FLORIDA
SCHEDULE OF CONTRIBUTIONS
LAST 10 FISCAL YEARS
(UNAUDITED)

	As of the Year Ended September 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Florida Retirement System (FRS)										
Contractually required contribution	\$ 694,232	\$ 594,175	\$ 511,828	\$ 461,951	\$ 421,259	\$ 382,002	\$ 354,472	\$ 316,410	\$ 278,000	\$ 239,889
Contributions in relation to the contractually required contribution	694,232	594,175	511,828	461,951	421,259	382,002	354,472	316,410	278,000	239,889
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 3,679,613	\$ 3,315,006	\$ 2,955,010	\$ 2,933,675	\$ 2,872,805	\$ 2,817,583	\$ 2,733,987	\$ 2,494,066	\$ 1,694,975	\$ 1,475,719
Contributions as a percentage of covered payroll	18.87%	17.92%	17.32%	15.75%	14.66%	13.56%	12.97%	12.69%	16.40%	16.26%
Health Insurance Subsidy Program (HIS)										
Contractually required contribution	\$ 64,028	\$ 55,029	\$ 49,053	\$ 48,699	\$ 47,689	\$ 46,772	\$ 45,384	\$ 41,401	\$ 28,137	\$ 24,497
Contributions in relation to the contractually required contribution	64,028	55,029	49,053	48,699	47,689	46,772	45,384	41,401	28,137	24,497
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 3,679,613	\$ 3,315,006	\$ 2,955,010	\$ 2,933,675	\$ 2,872,805	\$ 2,817,583	\$ 2,733,987	\$ 2,494,066	\$ 1,694,975	\$ 1,475,719
Contributions as a percentage of covered payroll	1.74%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%

CITY OF ST. AUGUSTINE BEACH, FLORIDA
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS
(UNAUDITED)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability						
Service cost	\$ 145,758	\$ 258,162	\$ 250,643	\$ 73,190	\$ 79,706	\$ 78,300
Interest	24,468	46,745	20,044	27,019	26,938	21,426
Changes of assumptions	(224,562)	(206,457)	1,146,301	(56,943)	15,982	-
Benefit payments – implicit rate subsidy	(28,438)	(44,046)	(2,119)	(742)	(674)	(637)
Demographic experience	-	(1,127,212)	(153,872)	(37,351)	(100,753)	-
Net change in total OPEB liability	(82,774)	(1,072,808)	1,260,997	5,173	21,199	99,089
Total OPEB liability – beginning	875,253	1,948,061	687,064	681,891	660,692	561,603
Total OPEB liability – ending	<u>\$ 792,479</u>	<u>\$ 875,253</u>	<u>\$ 1,948,061</u>	<u>\$ 687,064</u>	<u>\$ 681,891</u>	<u>\$ 660,692</u>
Covered-employee payroll	\$ 3,358,343	\$ 3,260,527	\$ 2,648,108	\$ 2,735,142	\$ 2,656,223	\$ 2,823,671
Total OPEB liability as a percentage of covered-employee payroll	23.60%	26.84%	73.56%	25.12%	25.67%	23.40%
Measurement date	09/30/2022	09/30/2021	09/30/2020	09/30/2019	09/30/2018	09/30/2017
Actuarial valuation date	09/30/2021	09/30/2021	10/01/2019	10/01/2018	10/01/2017	10/01/2016
Discount rate:	4.77%	2.43%	2.14%	3.58%	3.64%	3.35%

Benefit Payments. The Plan sponsor did not provide actual net benefits paid by the Plan for each fiscal year shown above. Expected net benefits payments produced by the valuation model for the same periods are shown in the table above.

* GASB 75 requires information for 10 years. However, until a full 10-year trend is compiled, information is presented for only those years for which information is available.

CITY OF ST. AUGUSTINE BEACH, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2023

(1) Budgetary Information:

Annual budgets for all governmental funds were adopted in compliance with Florida law. The basis on which the budgets are prepared is consistent with the basis of accounting utilized by the various fund types. The governmental funds' budgets are prepared on the modified accrual basis of accounting. The City uses the following procedures in establishing the budgetary data reflected in the accompanying financial statements:

- i. Prior to September 1st, the City Manager submits a preliminary budget to the City Commission for the ensuing fiscal year.
- ii. Budget workshop sessions are scheduled by the City Commission, as needed.
- iii. A general summary of the budget and notice of public hearing is published in a local newspaper.
- iv. Prior to October 1st, the budget is legally enacted through passage of an ordinance.
- v. The City Commission, by resolution, may make supplemental appropriations in excess of those estimated for the year up to the amount of available revenue. Prior to the end of the fiscal year, supplemental appropriations are made for unanticipated spending requirements by the Commission.
- vi. The City Manager may make transfers within a department as long as the total budget for the department is not increased, and the legal level of control is \$15,000. Transfers of appropriations between departments require the approval of the Commission. The City's Ordinance establishes the level at which expenditures may not exceed appropriations at the department level.
- vii. Every appropriation lapses at the close of the fiscal year.

The budgets for governmental funds that were either adopted or amended during the year by the City Commission were prepared using the modified accrual basis of accounting in accordance with generally accepted accounting principles. Each of the City's governmental funds have legally adopted budgets.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Mayor, City Commission, and City Manager,
City of St. Augustine Beach, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of St. Augustine Beach, Florida (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 21, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described below, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described below to be a material weakness.

2023-001 Reconciliation of General Ledger Account Balances (Repeat Comment, Modified)

During our audit we noted multiple general ledger balances including unearned revenue, revenue, receivables, capital assets and expenses that required audit adjustments to be in compliance with generally accepted accounting principles in the United States of America. All balances should be reconciled to supporting documentation and reconciled with the general ledger. There would have been material misstatements of the various account balances at year-end if the audit adjustments had not been proposed. We recommend the City review significant transactions monthly to ensure completeness and accuracy, as well as all account balances at year-end to ensure proper cutoff and accrual-based reconciliations agree to the general ledger.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described below to be a significant deficiency.

2023-002 Preparation of the Schedule of Expenditures of Federal Awards and State Financial Assistance

Errors were found in the City's preparation of the schedule of expenditures of federal awards and state financial assistance (SEFA) provided for the audit. In addition to grants being identified with the incorrect assistance listing or CSFA number, the amounts reported as grant expenditures and the related revenues were not correctly reported as eligible and/or obligated for the respective contracts. Part 2 CFR 200 *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and the Florida Single Audit Act describe the criteria and requirements for preparing the SEFA and determining awards expended. Preparation of an incomplete and/or inaccurate SEFA can result in errors in identifying the scope of audit procedures under the Uniform Guidance and the Florida Single Audit Act, including but not limited to the incorrect identification of major programs or projects for audit. There were ineffective controls related to the review of the SEFA. City staff with responsibility for preparing the SEFA should familiarize themselves with the Uniform Guidance and Florida State Single Audit Act cited above. We recommend the City include a secondary review of the SEFA prior to providing the schedule to the auditors. We also suggest that preparation of the SEFA include the review of contracts to ensure that awards have been correctly identified.

Report on Compliance and Other Matters

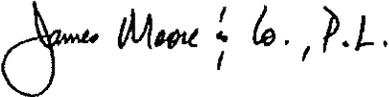
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our engagement and described in the accompanying management's response to findings on page 48. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Daytona Beach, Florida
March 21, 2024



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA OFFICE OF
THE AUDITOR GENERAL**

To the Honorable Mayor, City Commission, and City Manager,
City of St. Augustine Beach, Florida:

Report on the Financial Statements

We have audited the financial statements of the City of St. Augustine Beach, Florida, as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 21, 2024.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 21, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. The following summarizes the status of prior year findings and recommendations:

2022-001 Reconciliation of General Ledger Account Balances – Modified repeat item previously reported as item 2021-003 in the second preceding audit report. Corrective action not fully taken, see modified item 2023-001.

2022-002 Approval of Salaried Employees' Time – Corrective action taken.

2022-003 Budgetary Noncompliance – Corrective action not fully taken, see modified item 2023-003.

2022-004 Unexpended Balance – Building Permits – Repeat item previously reported as item 2021-005 in the second preceding audit report. Corrective action taken.

2022-005 Review of Compensated Absences Liability – Corrective action not fully taken, see modified item 2023-004.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority for the primary government of the reporting entity is disclosed in Note (1)(a) of the basic financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we noted the following recommendations:

2023-003 – Budgetary Noncompliance (Repeat Comment, Modified)

We noted the expenditures in the General Fund debt service exceeded their budgeted amount as approved by the City Commission, resulting in the City not being within legal budgetary compliance. While various operating transactions were approved, no respective budget amendments were made to adjust for the additional budgetary authority. To avoid such instances in the future, we recommend the City actively monitor budget-to-actual comparisons of expenditures throughout the year and ensure that any necessary budget amendments are brought to the City Commissioners on a timely basis.

2023-004 – Review of Compensated Absences Liability (Repeat Comment, Modified)

During testing of compensated absences, we noted one employee with a total sick leave time greater than the City's maximum leave policy and six employees with incorrect liabilities due to Sick Leave Incentive Max Hours policy not being followed. We recommend the City utilize the timekeeping accrual software's maximum time allowed function to prevent employees from accruing more than the maximum hours allowed by the City's policy. We also recommend performing a reconciliation at year-end to ensure balances are appropriately rolled forward each year to ensure the correct calculation of compensated absences liability at year end.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units; therefore, we did not note any such component units that failed to provide the necessary information, nor is any specific special district information required to be reported in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

City of St. Augustine Beach, Florida's Response to Findings

The City's responses to the findings identified in our audit are described starting on page 48. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and State granting agencies, the City Commission, management, and others within the City, and is not intended to be and should not be used by anyone other than these specified parties.

James Moore & Co., P.L.

Daytona Beach, Florida
March 21, 2024



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

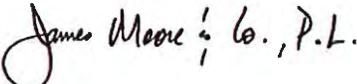
To the Honorable Mayor, City Commission, and City Manager,
City of St. Augustine Beach, Florida

We have examined the City of St. Augustine Beach, Florida's (the City) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2023. The City's management is responsible for the City's compliance with those requirements. Our responsibility is to obtain reasonable assurance by measuring (or evaluating) the City's compliance with those requirements and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our measurement (or evaluation) based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by measuring (or evaluating) whether the City complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2023, and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our measurement or evaluation of the City's compliance during the year ended September 30, 2023. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance with those requirements, in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent of the City of St. Augustine Beach, Florida, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our examination engagement.

In our opinion, the City of St. Augustine Beach, Florida complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.


James Moore & Co., P.L.

Daytona Beach, Florida
March 21, 2024



City of St. Augustine Beach

2200 A1A South
St. Augustine Beach, FL 32080
www.staugbch.com

City Mgr. (904) 471-2122
Fax (904) 471-4108

Bldg. & Zoning (904) 471-8758
Fax (904) 471-4470

Management's Response to the Auditor's Comments

2023-001 – Reconciliation of General Ledger Account Balances

The Finance Director is implementing a quarterly review for the City Manager and Commission to ensure that balances are corrected in a timely manner.

2023-002 – Preparation of the Schedule of Expenditures of Federal Awards and State Financial Assistance

The City recognizes the importance of this process and going forward will have staff review and familiarize themselves with the Uniform Guidance and Florida State Single Audit Act to better prepare the SEFA.

2022-003 – Budgetary Noncompliance

The Finance Department will be more proactive in reviewing the budget amendments needed throughout the year, as well as at year-end, to ensure the City is in compliance. The City will also adopt a policy change enabling the City Manager to approve budget transfers between departments within a fund, provided the adjustment does not change the total fund budget approved by the Commission.

2022-004 – Review of Compensated Absences

The City recognizes that there were some errors in the calculation of the Compensated Absences and has made the appropriate corrections. The City currently utilizes the automated timekeeping system to track the available time for all employees, unfortunately there was one employee without the correct maximum number of hours entered. This has been corrected and all other employees have been reviewed to ensure compliance. Regarding the six employees with incorrect liability calculations, this was due to a formula error in the spreadsheet, and it too has been corrected. A more thorough review of this data will be conducted at year end.

* * * Communication Result Report (Mar. 21. 2024 3:15PM) * * *

1)
2)

Date/Time: Mar. 21. 2024 2:58PM

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Reason for error

- E. 1) Hang up or line fail
- E. 2) Busy
- E. 3) No answer
- E. 4) No facsimile connection
- E. 5) Exceeded max. E-mail size
- E. 6) Destination does not support IP-Fax
- E. 7) FAX Line is not connected

ST. AUGUSTINE BEACH POLICE DEPARTMENT
 2300 ALA SOUTH
 ST. AUGUSTINE BEACH, FL 32080
 (904) 471-3600 (904) 471-0137 FAX

FAX COVER SHEET

TO: Gerry Barrett/ Advanced and Specialized training coordinator

FAX: 850-201-7013

FROM: St. Augustine Beach Police Department

FAX: 904-471-0737

PHONE: 904-471-3600

DATE: 3/21/24

SUBJECT: Florida Public Safety Institute - Of. Johnson Training Authorization Form for Speed Measurement

ATTN: Gerry Barrett

NUMBER OF PAGES: 1



City of St. Augustine Beach

2200 A1A SOUTH
ST. AUGUSTINE BEACH, FLORIDA 32080
WWW.STAUGBCH.COM

CITY MGR. (904) 471-2122
FAX (904) 471-4108

BLDG. & ZONING (904) 471-8758
FAX (904) 471-4470

March 21, 2024

James Moore & Co., P.L.
121 Executive Circle
Daytona Beach, FL 32114

This representation letter is provided in connection with your audit of the basic financial statements of the City of St. Augustine Beach, Florida (the City) as of September 30, 2023, and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position and results of operations of the various opinion units of the City in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of March 21, 2024:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated May 9, 2023, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
2. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4. We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
5. We have reviewed, approved, and taken responsibility for the financial statements and related notes.
6. We have a process to track the status of audit findings and recommendations.

7. We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
8. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
9. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
10. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
11. We have reviewed and approved the various adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statements.
12. The effects of uncorrected misstatements summarized below, if any, and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole. There were no such uncorrected misstatements noted during the current year.
13. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
14. All funds and activities are properly classified.
15. All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements— and Management’s Discussion and Analysis—for State and Local Governments*, and GASB Statement No. 37, *Basic Financial Statements— and Management’s Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
16. All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
17. Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
18. All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
19. All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
20. All interfund and intra-entity transactions and balances have been properly classified and reported.
21. Special items and extraordinary items have been properly classified and reported.
22. Deposit and investment risks have been properly and fully disclosed.
23. Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
24. All required supplementary information is measured and presented within the prescribed guidelines.

25. With regard to investments and other instruments reported at fair value:
- a. The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - c. The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
 - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
26. With respect to the preparation of the financial statements, we have performed the following:
- a. Made all management decisions and performed all management functions;
 - b. Assigned a competent individual to oversee the services;
 - c. Evaluated the adequacy of the services performed;
 - d. Evaluated and accepted responsibility for the result of the service performed; and
 - e. Established and maintained internal controls, including monitoring ongoing activities.

Information Provided

27. We have provided you with:
- a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. A written acknowledgement of all the documents that we expect to issue that will be included in the annual report and the planned timing and method of issuance of that annual report;
 - e. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
28. The financial statements and any other information included in the annual report are consistent with one another, and the other information does not contain any material misstatements.
29. All transactions have been recorded in the accounting records and are reflected in the financial statements.
30. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
31. We have provided to you our analysis of the entity's ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management's plans, and our ability to achieve those plans.

32. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others where the fraud could have a material effect on the financial statements.
33. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
34. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
35. We have disclosed to you the identity of all the entity's related parties and the nature of all the related party relationships and transactions of which we are aware.
36. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
37. The City has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
38. We have disclosed to you all guarantees, whether written or oral, under which The City is contingently liable.
39. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
40. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
41. There are no:
 - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.
 - d. Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
42. The City has satisfactory title to all owned assets (not right-to-use assets that are leased), and there are no liens or encumbrances on such capital assets, nor has the entity pledged any capital assets as collateral, except as disclosed to you.

43. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

Other Representations

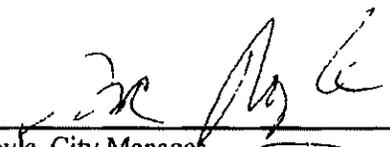
44. With respect to the required supplementary information accompanying the financial statements, as described in the table of contents:
- a. We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP.
 - b. We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with U.S. GAAP.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.
 - d. We believe significant assumptions or interpretations underlying the measurement or presentation of the required supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.
45. With respect to the supplementary information accompanying the financial statements:
- a. We acknowledge our responsibility for the presentation of the supplementary information in accordance with U.S. GAAP.
 - b. We believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.
 - d. We believe the significant assumptions or interpretations underlying the measurement or presentation of the supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.
 - e. When the supplementary information is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the supplementary information.
 - f. We acknowledge our responsibility to include the auditors' report on the supplementary information in any document containing the supplementary information and that indicates the auditors reported on such supplementary information.
 - g. We acknowledge our responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditors' report thereon.
46. We agree with the findings of specialists in evaluating the total OPEB and net pension liabilities and have adequately considered the qualifications of the specialists in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.

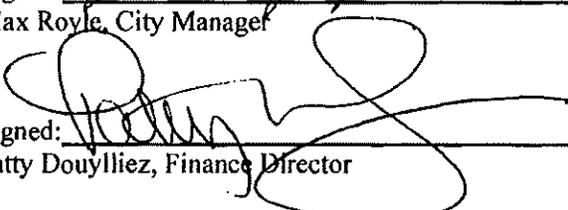
47. We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefit liabilities and costs for financial accounting purposes are appropriate in the circumstances.
48. We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
49. We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that you have reported to us.
50. We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
51. We have provided views on your reported audit findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
52. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances, line of credit, or similar arrangements have been properly disclosed.
53. Provisions for uncollectible receivables have been properly identified and recorded.
54. We have reviewed, approved, and taken responsibility for the financial statements, related notes, and the annual financial report and an acknowledgment of the auditor's role in the preparation of this information.
55. There have been no cybersecurity breaches or other cyber events whose effects should be considered for disclosure in the financial statements, as a basis for recording a loss contingency, or otherwise considered when preparing the financial statements.

Section 218.415, Florida Statutes, Local Government Investment Policies

56. We confirm, to the best of our knowledge and belief, the following representations made to you during your examination engagement:
 - a. All relevant matters are reflected in the measurement or evaluation of the City's compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*.
 - b. All known matters contradicting the measurement or evaluation of the City's compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, and any communication from regulatory agencies or others affecting the City's compliance have been disclosed to you, including communications received between the end of the period addressed by the practitioners' report and the date of the practitioners' report.
 - c. We are responsible for complying with Section 218.415, Florida Statutes, *Local Government Investment Policies*.
 - d. We are responsible for selecting the criteria and have selected the following: Section 218.415, Florida Statutes, *Local Government Investment Policies*.
 - e. We are responsible for determining that such criteria are suitable, will be available to the intended users, and are appropriate for the purpose of the engagement.
 - f. Any known events occurring subsequent to the period (or point in time) of the City's compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, that would have a material effect on compliance have been disclosed to you.

- g. We have provided you with all relevant information and access as agreed upon in the terms of the engagement.
- h. We have responded fully to all inquiries made to us by you during the examination.
- i. We believe that the effects of uncorrected misstatements are immaterial, individually and in the aggregate, to the City's compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*.
- j. We believe the significant assumptions used in making any material estimates are reasonable.
- k. We have disclosed to you all deficiencies in internal control relevant to the engagement of which we are aware.
- l. We have disclosed to you our knowledge of any actual, suspected, or alleged fraud affecting the City's compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*.
- m. We have disclosed to you our knowledge of any actual, suspected, or alleged noncompliance with laws or regulations affecting the City's compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*.
- n. We understand that your examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and was designed for the purpose of expressing an opinion on the City's compliance in accordance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, based on your examination, and that your procedures were limited to those that you consider necessary for that purpose.

Signed: 
Max Royle, City Manager

Signed: 
Patty Douylliez, Finance Director

MEMORANDUM

Agenda Item # 1

Meeting Date 4-1-24

TO: Mayor Rumrell
Vice Mayor Sweeny
Commissioner Morgan
Commissioner George
Commissioner Samora

FROM: Max Royle, City Manager mk

DATE: March 18, 2024

SUBJECT: Code Enforcement Board: Re-Appointment of Ms. Trish Gilpin and Ms. Marshall Schneider to a Three-Year Term

The term of Ms. Gilpin and Mr. Schneider as regular members of the Code Enforcement Board end in April 2024. Each has said they would like to be re-appointed.

There are no other applicants.

MEMORANDUM

Agenda Item # 2

Meeting Date 4-1-24

TO: Mayor Rumrell
Vice Mayor Sweeny
Commissioner Morgan
Commissioner George
Commissioner Samora

FROM: Max Royle, City Manager  mk

DATE: March 22, 2024

SUBJECT: Resolution 24-03, to Adopt Agreement with the Florida Department of Transportation for City to Maintain Landscaping Along State Road A1A

Because we have not received the proposed agreement from FDOT, we ask that this topic be postponed to your May 6th meeting.

M E M O R A N D U M

TO: MAX ROYLE, CITY MANAGER
FROM: PATTY DOUYLLIEZ, FINANCE DIRECTOR
SUBJECT: BUDGET RESOLUTION 24-03
DATE: 3/19/2024

The above-referenced budget resolution is requested to transfer funds from the Tree & Landscape Fund. These funds are specifically designated funds created for the following use:

1. City construction and capital improvements limited to tree and landscaping costs including equipment, installation, and irrigation.
2. Beautification limited to the cost of trees, landscaping requirement and installation of the beautification project. Where funds are used to plant trees in the plazas or city road right-of-way, funds may also be used to fund design by a registered landscape architect.
3. Conservation or natural preserve protection.
4. The construction and maintenance of structures and landscaping in city-owned parks.

Attached is a description of the planned use of these funds by Public Works.

If there are any questions, please let me know.



City of St. Augustine Beach Public Works Department

TO: Patty Douylliez

FROM: Russell Adams

SUBJECT: City Tree and Landscape Fund Request Transfer

DATE: 03-11-2024

Ms. Douylliez,

The Public Works Department is requesting a budget transfer of \$7,000.00 from the City Tree and Landscape fund (Sec. 5.01.03 (B)) to purchase a large palm tree and landscape the newly constructed A street parking lot.

The Mule Palm will replace the Live Oak that was removed in the south parking lot of City Hall. The cost of replacement is \$2,000.00.

A street landscaping will require the purchase of sod, mulch, plants, and a vinyl fence along the south end of the parking lot. The estimated cost for these improvements are \$5,000.00.

Russell Adams
City of St. Augustine Beach
Assistant Public Works Director

BUDGET RESOLUTION 24-03

**CITY OF ST. AUGUSTINE BEACH
ST. JOHNS COUNTY**

**RE: TO AMEND THE FY2024
GENERAL FUND BUDGET**

The City Commission does hereby approve the transfer and appropriation from within the Fiscal Year 2023-2024 General Fund Budget as follows:

INCREASE: Account 001-4100-541-6320 (R&B-Parking Areas) in the amount of \$5,000 which will increase the appropriation in this account to \$5,053.00.

INCREASE: Account 001-1900-519-4610 (Other Govt Svc-Facility Maint.) in the amount of \$2,000 which will increase the appropriation in this account to \$70,350.

INCREASE: Account 001-381-990 (Transfer from Unassigned/Fund Balance.) in the amount of \$7,000 which will increase the appropriation in this account to \$7,000.

RESOLVED AND DONE, this 1st day of April 2024 by the City Commission of the City of St Augustine Beach, St. Johns County, Florida.

Mayor – Commissioner

ATTEST:

City Manager

MEMORANDUM

Agenda Item # 4

Meeting Date 4-1-24

TO: Mayor Rumrell
Vice Mayor Sweeny
Commissioner Morgan
Commissioner George
Commissioner Samora

FROM: Max Royle, City Manager 

DATE: March 19, 2024

SUBJECT: Proclamations: Consideration of Policy Concerning Their Presentation

At this time, requests for proclamations are received by the City Manager along with a draft of the proposed proclamation. The City Clerk then puts the proclamation in the City's format and the proclamation is scheduled for approval by you at a regularly scheduled meeting. Representatives from the organization requesting the proclamation sometimes are at your meeting, to speak to you about it.

Mayor Rumrell wants to propose to you that you adopt the County's method of presenting proclamation, which is that an organization asks a member of the County Commission to add the proclamation to the agenda. If the County Commissioner agrees, he or she then asks County staff to put it on the agenda.

Proclamations for the County Commission are scheduled at the start of the regular meeting, which is the system also used by our City.

**BOARD AND DEPARTMENTAL REPORT FOR CITY COMMISSION MEETING
APRIL 1, 2024**

CODE ENFORCEMENT/BUILDING/ZONING

Please see pages 1-4.

COMPREHENSIVE PLANNING AND ZONING BOARD

The minutes of the Board's February 20, 2024, meeting are attached as pages 5-24.

SUSTAINABILITY AND ENVIRONMENTAL PLANNING ADVISORY COMMITTEE

The minutes of the Committee's January 11, 2024, meeting are attached as pages 25-28. A letter to the Commission from SEPAC's Vice Chair, Ms. Lena Bandy, is attached as pages XXXX.

CHARTER REVIEW COMMITTEE

The Committee's final meeting was held on Wednesday, March 6th. After it, the consultant, Dr. Georgette Dumont, provided a summary of the Committee's recommended changes, which was forwarded to the City Commissioners and the City Attorney. The Commission will hold a special meeting at 5:30 p.m. on Monday, April 8th, to review the Committee's recommendations and decide which ones should be adopted by ordinance to be on the ballot for the August 2024 primary election or the November 2024 general election.

POLICE DEPARTMENT

Please see page 29.

PUBLIC WORKS/ENGINEERING DEPARTMENT

Please see pages 30-35.

FINANCE DEPARTMENT

Please see page 36.

CITY MANAGER

1. Complaints

A. Noise Caused by Breaking Glass Being Dumped in Recycling Dumpster

A resident asked if the recycling dumpster could be moved to Ron Parker Park or Mizell Road because of the noise caused by glass containers being dumped in it. However, upon review by Public Works staff of other locations owned by the City, the current one is the safest for the public to access.

B. Flooding of Yard

A resident of Oceanside Circle north of Versaggi Drive said that stormwater from the street was flooding his property. RUSSELL

C. Feeding of Feral Cats

A Sea Grove resident asked if the City has any regulations concerning the feeding of feral cats. The answer was no. The resident was told they could get a trap from the Humane Society, which would then sterilize trapped cats before releasing them.

D. Business Operating in Residential Neighborhood

The report was that a charter fishing company was operating out of house on Sandpiper Boulevard in the City. However, an investigation found that that the company's address is in a neighborhood of St. Augustine on Anastasia Island.

E. Non-Functioning Streetlight

A resident's report of the light at 4th Street and 2nd Avenue was forwarded to Florida Power and Light.

2. Major Projects

A. Road/Sidewalk Improvements

1) Opening 2nd Street West of 2nd Avenue

The project is complete. This topic will no longer be included in this Report.

2) Opening 4th Street between A1A Beach Boulevard and 2nd Avenue

No action to report.

3) Paving 13th Lane

No action to report.

4) Construction/paving of 9th Lane

The Lane between 9th and 10th Streets, east of A1A Beach Boulevard. A lot on the north side of the Lane is inaccessible because the Lane hasn't been cleared and paved. A meeting was held on January 24th with City staff and an engineering firm hired by the lot owner. The firm will develop a proposal for paving the Lane with paver bricks at the lot owner's cost, who will also be responsible for maintaining the bricks. The proposal is still under staff review.

5) Paving West End of 7th Street

Residents have requested this project. It will be done to alleviate flood and reduce the potential for flood-related losses. The project will ensure adequate drainage from the streets to the City's drainage system that is located at the west end of the streets. The project will consist of the construction of improvements,

such as structures, piping, swales, curbs and gutters and the paving of any dirt sections. The residents of the 200 block of each street have been notified of the next phase, which is soil exploration and testing at two locations on each street. The City Engineer will schedule a meeting with the adjacent property owners.

B. Beach Matters

1) Off-Beach Parking

At this time, the only parking project is improvements to the two parkettes on the west side of A1A Beach Boulevard between A and 1st Streets. Engineering and permitting work was done and bids for construction were advertised and opened on November 28th. Only one bid was received for a price of \$487,716 for the lowest cost option (asphalt surface). For a concrete or brick surface, the bid price was \$516,763. Both costs were well above the \$187,000 in the budget. At its December 4th meeting, the Commission tabled making a decision concerning the project to allow staff time to find reductions in the costs. Reductions were found and the Commission at its January 8, 2024, meeting approved the proposal from G&H Underground Construction of St. Augustine to construct the parking lot for a cost of \$280,758. Construction started in late January 2024 and was finished by the end of March 2024.

There is no discussion at this time for having paid parking anywhere in the City.

2) Beach Restoration

Approximately 2.5 million cubic yards of sand will be put on the beach from the middle of Anastasia State Park to A Street for a cost of nearly \$33 million. The project was started in early March and is scheduled to be finished by August 2024.

C. Parks

1) Ocean Hammock Park

This Park is located on the east side of A1A Beach Boulevard between the Bermuda Run and Sea Colony subdivisions. It was originally part of an 18-acre vacant tract. Two acres were given to the City by the original owners for conservation purposes and where the boardwalk to the beach is now located. Over 10 years, the City received a state grant and money from a bond issue to purchase the remaining 16 acres. Then the City obtained other grants to construct the boardwalk, have prefabricated restrooms brought to the Park and other improvements made.

The City Commission at its June 5, 2023, meeting directed the City Manager to ask the Florida Communities Trust, the agency that provided the original grants to purchase the property, whether it would approve deleting all or some of projects required by the park management plan. These include an observation deck, central trail, picnic pavilion, children's playscape, signage and secondary trails. In response to the Manager's letter, the Florida Communities Trust has indicated it would consider having the Park's focus changed from recreation to conservation, pending review of information that it requested the City send to it. The City has yet to receive official confirmation that the Trust has approved the request.

ON A RELATED MATTER: It concerns repairs to the beach access boardwalk. The Commission has appropriated \$25,000 for this project. The Assistant Public Works Director and the City Manager asked

the St. Augustine Port, Waterway and Beach Commission at its December 19th meeting to re-allocate for the repairs some of the remaining \$80,000 it had provided to construct new boardwalks. The Port Commission agreed to provide a \$25,000 match for repairs only. The City will pay an engineering firm to do a structural evaluation of the boardwalk. Two quotes for the structural evaluation have been provided to the Public Works Department.

2) Hammock Dunes Park

This 6.1-acre park is on the west side of A1A Beach Boulevard between the shopping plaza and the Whispering Oaks subdivision. At this time, there are no plans for improvements to the Park because of other demands on the City's budget.

3. Finance and Budget

A. Fiscal Year 2023

Fiscal Year 2023 began on October 1, 2022, and ended on September 30, 2023. The City's auditing, James Moore and Associates, has begun work on preparing the audit. The audit report will be presented to the Commission at their April 1st meeting.

B. Alternative Revenue Sources

In response to the City Commission's request that the administration suggest potential sources of revenue to fund City operations, the Public Works Director has proposed a stormwater utility fee. The Commission discussed this proposal at two meetings in 2021 and decided not to authorize the staff to proceed to the next step in the process to adopt the fee in the future. However, at its October 3, 2022, meeting, the Commission decided to hold a public hearing on November 14, 2022, concerning the fee, and at that meeting approved a resolution stating the City's intent to adopt a non-ad valorem assessment for a stormwater fee. The next step will be to adopt a range for the fee. The Public Works Director presented an ordinance to the Commission at its February 6th. The Commission passed the ordinance on final reading at their March 6th meeting but did not approve a budget resolution to appropriate \$13,790 for a civil engineering consultant to digitize impervious surfaces of residences and businesses in the City for determining an equivalent residential charge. The Commission asked that City staff work on preparing the information for a residential charge. Money was appropriated in the FY 24 budget for a consultant to develop a range of fees. The City advertised a Request for Qualifications to find a consultant to do the study. Only one firm, Jones Edmunds, responded by the deadline. Once City staff negotiates costs, a proposal will be presented to the City Commission. A final contract was executed with Jones Edmunds and a kickoff meeting was held on January 24th. Jones Edmunds is to do the initial analysis and a proposed rate structure. The City Engineer provided a progress report at the Commission's March 4th meeting.

C. Fiscal Year 2024

It began on October 1, 2023, and will end on September 30, 2024. February 29, 2024, marked the end of the fifth month of FY 24. As of that date, the City had received \$6,674,316 and spent \$3,785,577. The excess of revenues over expenditures was \$2,888,739. The excess shows that the City is still receiving major amounts from its most significant revenue source, property taxes. By the end of February, the year-to-date total received was \$4,131,025 or 90% of the total amount projected to be received for the entire fiscal year. Other major revenue sources were solid waste service charges (\$963,546), building permits

(\$140,854), electric utility tax (\$277,451) and income from the state's half-cent sales tax (\$179,859). The City's total General Fund budget for FY 24 is \$11,366,843.

4. Miscellaneous

A. Permits for Upcoming Events

In late February and in March, the City Manager approved the following permits: a) the Fat Tire Single Fin Hoe Down on April 20, 2024; b) Beach Worship and Baptism on May 5, 2024; c) Turtletown Beach Cleanup on May 11th; d) Civic Association's Music and Art by the Sea Concert Series from May 22nd through October 2, 2024; e) Bridge of Life Worship on Beach, June 2, 2024; f) Stoked to Surf surf camps on various dates May-August, 2024; XXXXX

B. Vision Plan

On November 13th, the Commission held a workshop and a consultant, Mr. Clayton Levins, Executive Director of Smart North Florida, provided an overview of the Smart City concept. The Commission discussed applying the concept to improvements for getting around the City by walking and bicycling, stormwater management and beach access parking.

ON A RELATED MATTER:

C. Renovations of the Former City Hall/Hotel Property

At the City Commission's March 4, 2024, meeting, Ms. Christina Parrish Stone, Executive Director of the St. Johns Cultural Council, provided an update on the progress of the renovations: a) finished are the balcony on building's east side is finished, the second story windows on the building's south side and framing the second story windows on the north side; b) still to be done are the exterior ground floor columns along the building's north side.

The Cultural Council has applied for a \$750,000 state grant to do the entrance lobby, an elevator to the second floor, and to start renovating some of the second floor artists' studios. The Council may know in April whether it has received the grant.

COSAB NEW SFR CONSTRUCTION LIST

Application Id	Property Location	Permit No	Work Type	Issue Date	Description	User Code 1
3897	15 SABOR DE SAL RD	P2200622	SFR-D	3/7/2022	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
4665	171 RIDGEWAY RD	P2200670	SFR-D	3/10/2022	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
5018	507 F ST	P2201176	SFR-D	6/15/2022	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
5269	6 15TH ST		SFR-D		NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
5370	9 11TH ST.	P2300307	SFR-D	12/15/2022	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
5587	14 6TH ST	P2300483	SFR-D	2/2/2023	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
5851	12 2ND ST	P2300674	SFR-D	3/1/2023	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
5889	2 C ST	P2300588	SFR-D	2/13/2023	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
6548	16 LINDA MAR DR	P2300883	SFR-D	4/11/2023	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
6585	9 10TH ST	P2301090	SFR-D	5/25/2023	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
6816	372 RIDGEWAY RD	P2300781	SFR-D	3/22/2023	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
7032	31 SEAFOAM WAY	P2400234	SFR-D	11/22/2023	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
7091	413 C ST	P2301106	SFR-D	5/26/2023	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
7129	131 15TH ST	P2301109	SFR-D	5/26/2023	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
7354	619 OLD BEACH RD	P2301329	SFR-D	7/26/2023	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
7408	6 2ND ST		SFR-D		NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
7674	115 D ST	P2301511	SFR-D	8/29/2023	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
7781	494 PYRUS ST	P2400283	SFR-D	12/8/2023	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
8010	2576 A1A S	P2400471	SFR-D	2/7/2024	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
8012	106 RIDGEWAY RD	P2400315	SFR-D	12/18/2023	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
8117	4 A-B 11TH ST		SFR-D		NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
8180	410 D ST	P2400343	SFR-D	1/8/2024	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
8210	224 BIG MAGNOLIA CT	P2400381	SFR-D	1/10/2024	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
8212	371 OCEAN FOREST DR	P2400402	SFR-D	1/17/2024	NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
8224	322 RIDGEWAY RD		SFR-D		NEW SINGLE FAMILY RESIDENCE-BUILDING	RES
8388	210 F ST		SFR-D		NEW SINGLE FAMILY RESIDENCE-BUILDING	RES

Application Id Range: First to Last

Issue Date Range: First to 03/20/24

Application Date Range: First to 03/20/24

Building Code Range: First to Last

Work Type Range: SFR-A to SFR-D

Expiration Date Range: First to 09/19/25

Use Type Range: First to Last

Contractor Range: First to Last

User Code Range: RES to RES

Void: N

Applied For: Y Open: Y

Hold: N

Completed: N

Denied: N

Customer Range: First to Last

Inc Permits With Permit No: Yes

Inc Permits With Certificate: Yes

Waived Fee Status to Include: None: Y

All: Y

User Selected: Y

COSAB COMMERCIAL CONSTRUCTION LIST

Application Id	Property Location	Permit No	Work Type	Issue Date	Description	User Code 1
6695	3570 A1A S	P2300551	COM REMODEL	2/10/2023	COMMERCIAL BUILDING ALT. -- RENOVATION PERMIT	COM
8207	1033 A1A BEACH BLVD		COMMERCIAL NEW		NEW COMMERCIAL BUILDING -- PHASED SITE	COM
8225	621 A1A BEACH BLVD		COMMERCIAL NEW		NEW COMMERCIAL BUILDING	COM
8299	530 A1A BEACH BLVD	P2400489	COM REMODEL	2/6/2024	COMMERCIAL BUILDING ALT. -- REMOVE 21 GUEST ROOM SPA TUBS TURN INTO SEATING SPACE.	COM

Application Id Range: First to Last

Issue Date Range: First to 03/20/24 Expiration Date Range: First to 09/19/25 Applied For: Y Open: Y

Application Date Range: First to 03/20/24 Use Type Range: First to Last Hold: N

Building Code Range: First to Last Contractor Range: First to Last Completed: N

Work Type Range: COM ADDITION to COMMERCIAL NEW User Code Range: COM to COM Denied: N

Void: N

Customer Range: First to Last Inc Permits With Permit No: Yes Inc Permits With Certificate: Yes

Waived Fee Status to Include: None: Y All: Y User Selected: Y

FY'24 COSAB TREE REMOVAL

Application Id	Property Location	Permit No	Work Type	Issue Date	Description
8002	702 16TH ST	P2400143	TREE REMOVAL	11/8/2023	RESIDENTIAL-TREE REMOVAL INSPECTION
8004	215 10TH ST	P2400144	TREE REMOVAL	11/8/2023	RESIDENTIAL-TREE REMOVAL INSPECTION
8065	501 E ST	P2400199	TREE REMOVAL	11/20/2023	RESIDENTIAL-TREE REMOVAL INSPECTION
8098	16 SEA OAKS DR	P2400238	TREE REMOVAL	11/28/2023	RESIDENTIAL-TREE REMOVAL INSPECTION
8185	685 POPE RD	P2400319	TREE REMOVAL	12/19/2023	RESIDENTIAL-TREE REMOVAL INSPECTION
8236	2888 A1A S	P2400356	TREE REMOVAL	1/19/2024	RESIDENTIAL-TREE REMOVAL INSPECTION
8270	965 SALTWATER CIR	P2400393	TREE REMOVAL	1/12/2024	RESIDENTIAL-TREE REMOVAL INSPECTION
8328	211 C ST	P2400448	TREE REMOVAL	1/25/2024	RESIDENTIAL-TREE REMOVAL INSPECTION
8406	1133 OVERDALE RD	P2400518	TREE REMOVAL	2/13/2024	RESIDENTIAL-TREE REMOVAL INSPECTION

Application Id Range: First to Last

Issue Date Range: 10/01/23 to 03/20/24

Expiration Date Range: First to 09/19/25

Applied For: Y Open: Y

Application Date Range: First to 03/20/24

Use Type Range: First to Last

Hold: N

Building Code Range: TREE to TREE

Contractor Range: First to Last

Completed: Y

Work Type Range: First to Last

User Code Range: First to Last

Denied: N

Void: N

Customer Range: First to Last

Inc Permits With Permit No: Yes

Inc Permits With Certificate: Yes

Waived Fee Status to Include: None: Y

All: Y

User Selected: Y



MINUTES

PLANNING AND ZONING BOARD REGULAR MONTHLY MEETING

TUESDAY, FEBRUARY 20, 2024, 6:00 P.M.

CITY OF ST. AUGUSTINE BEACH, 2200 A1A SOUTH, ST. AUGUSTINE BEACH, FL 32080

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

BOARD MEMBERS PRESENT: Chairperson Kevin Kincaid, Vice-Chairperson Conner Dowling, Hulseley Bray, Hester Longstreet, Victor Sarris, Gary Smith, Senior Alternate Rhys Slaughter, Junior Alternate Sarah Ryan.

BOARD MEMBERS ABSENT: Larry Einheuser.

STAFF PRESENT: Building Official Brian Law, City Attorney Jeremiah Blocker, Planner Jennifer Thompson, Recording Secretary Bonnie Miller.

IV. APPROVAL OF MINUTES OF REGULAR PLANNING AND ZONING BOARD MEETING OF JANUARY 16, 2024

Motion: to approve the minutes of the Board's meeting of January 16, 2024. Moved by Victor Sarris, seconded by Conner Dowling, passed 7-0 by unanimous voice-vote.

V. PUBLIC COMMENT

Kevin Kincaid: Before we go into public comment, I want to take a second to say, as I wasn't here for the last meeting, that I understand Chris Pranis has stepped down from the Board. I'd like to publicly thank him for all the work he has done for the City during the years he was on this Board. I also want to welcome Ms. Sarah Ryan as the Board's new alternate. Do we have any public comment on anything that is not on tonight's agenda? Hearing none, we will now move on to new business, following a presentation by Building Official Brian Law, pertaining to the procedure, consideration, evaluation of, and limitations on granting variances. We have a lot of new Board members who probably haven't seen this presentation, which has been given to the Board in the past.

VI. NEW BUSINESS

Brian Law: Some of the older Board members may remember the slide show presentation I created years ago, on the limitations and considerations that are supposed to be

weighed by the Board in the granting of variances. This comes straight out of Section 10.02.00 of the City's Land Development Regulations (LDRs). These are the items the Board should be looking for and considering when hearing variance applications. I'll put each slide up and ask the Board members to read them at their own speed, and then if there is any discussion, we can answer any questions anyone may have. *[Recording Secretary's Note: During the approximate 5-minute slide show, there was silence while the Board members read the information presented on the overhead screens.]*

Kevin Kincaid: Anyone have any questions for Mr. Law about the Board's role in the evaluation and granting of variances? Hearing none, thank you, Mr. Law.

A. Tree Removal Application for removal of a 30-inch diameter-at-breast-height (DBH) oak tree, a 34-inch DBH oak tree, and a 38-inch DBH oak tree in and/or near the proposed building and auxiliary structure footprints of a new single-family residence in a low density residential land use district on Lot 40, Ridge at St. Augustine Beach Subdivision, at 322 Ridgeway Road, St. Augustine Beach, Florida, 32080, Scott Patrou, Ginn Patrou Attorneys, Agent for John and Eric Ginn, Applicants

Jennifer Thompson: This is an application to remove three trees greater than or equal to 30 inches DBH on a lot at 322 Ridgeway Road. The three trees are in the way of the proposed new construction of a single-family home. The site plan shows a 30-inch DBH live oak tree in the front, almost on the front property line, and a 32-inch DBH live oak tree on the west side property line, both of which will be protected and preserved during this new construction. At last month's meeting, the Board approved a tree removal application for removal of a tree greater than or equal to 30 inches DBH on a lot that also had other large trees that were to be protected and preserved during construction.

Scott Patrou, Ginn Patrou Attorneys, 460 A1A Beach Boulevard, St. Augustine Beach, Florida, 32080, Agent for Applicants: There has been a slight modification made to this application, as it was found that the location of one of the trees requested to be removed was mismarked on the original survey. The footprint of the house has been flipped to preserve the 38-inch live oak in the rear, so the modified request will be to just remove the 34-inch DBH live oak in the front and the 30-inch DBH live oak on the east side of the lot. These trees fall just within the front and side footprint of the proposed new home. There is another 30-inch DBH live oak in the front, a 32-inch DBH live oak on the west side, and the 38-inch live oak in the rear, which will be protected and preserved.

Hester Longstreet: That's fantastic. That's exactly what I was going to ask, if there was any way this large oak tree in the back could be saved.

Conner Dowling: For the record, are there any other changes as to which trees will be removed and which trees will be preserved?

Scott Patrou: No, those are the only two trees of substance, the 34-inch DBH live oak in the front and the 30-inch DBH live oak on the east side, that will have to be removed. The 38-inch DBH live oak will be preserved, and it will be a really cool feature in the backyard.

Kevin Kincaid: Do we have any public comment? Hearing none, do we have a motion?

Motion: to approve the tree removal application for the removal of two trees, a 34-inch DBH live oak tree in the front and a 30-inch DBH live oak tree on the east side, both of which fall just in and/or near the proposed building footprint of a new single-family residence at 322 Ridgeway Road, St. Augustine Beach, Florida, 32080. **Moved** by Victor Sarris, seconded by Hester Longstreet, **passed 7-0** by unanimous voice-vote.

Scott Patrou: I'm also the agent for the applicants for agenda item C. I don't know if you are able to move this item up so it can be heard next on the agenda or if you want me to wait until after item B is heard. It doesn't matter to me, but I thought I would ask.

Jeremiah Blocker: Mr. Chair, you can do that, if it's in the interest of economy.

Kevin Kincaid: I don't have a problem moving agenda item C ahead of agenda item B. Does anybody have an issue with switching these agenda items around? Hearing no opposition, we will switch the order of agenda items B and C and next hear the variance application for which Mr. Patrou is the representative.

B. Land Use Variance File No. VAR 2024-02, for reduction of the rear yard setback requirement of 20 feet, per Section 6.01.03 of the City's LDRs, to 7.5 feet, for proposed new construction of an attached garage with a second-story addition to an existing single-family residence in a medium density residential land use district on Lot B, Block 38, Coquina Gables Subdivision, at 2-B F Street, St. Augustine Beach, Florida, 32080, Scott Patrou, Ginn Patrou Attorneys, Agent for Caneel Capital Group LLC, Tyler and Sasha Averdick, Applicants

Jennifer Thompson: This variance application may look familiar to some of the Board members, as the Board heard the same application two years ago, in 2022. This original variance application was granted but it expired as of May 9, 2023. This new application again requests a reduction of the rear yard setback from 20 feet to 7.5 feet for a new attached garage with a second-story addition, which will be a living area, above it, at 2-B F Street. Added to your meeting packets are three letters received this afternoon from neighboring residents who are in opposition to the granting of this variance [EXHIBIT A].

Scott Patrou, Ginn Patrou Attorneys, 460 A1A Beach Boulevard, St. Augustine Beach, Florida, 32080, Agent for Applicants: As Jennifer said, this one previously came before the Board, presented by me, and I think it was just about the same Board except for Rhys, who I don't think was an alternate yet, and Chris Pranis, who was still on the Board at that time. Basically, what's happened is the applicants are working to put in a pool at the same time they build the attached garage and addition above it. Given the location of this property in relation to the Coastal Construction Control Line (CCCL), Department of Environmental Protection (DEP) approvals are required for the pilings for the pool and the new garage construction. The existing garage was built outside the parameters of the variance the previous owner had gotten for it back in 1998. This garage was in place when my clients purchased the property, and they have agreed to tear it down and rebuild it in

line with the variance granted in 1998. In the variance granted to my clients two years ago, the design of the new garage, which has not been changed in this new variance application, keeps the roofline of the second-story addition below the roofline of the existing house, and there is only one window on that side. I believe all the letters submitted to the City objecting to the proposed variance are from the same neighbors who wrote letters in opposition to the variance granted two years ago. This variance, which has allegedly expired, is being applied for again, as this is purely a matter of dealing with, and trying to get approvals from, three different jurisdictional agencies, and running out of time in doing so. The variance request in the application before the Board today specifically does not change anything that was submitted and granted by the variance approved in 2022. It is asking for the same approval basically because of timing issues.

Hester Longstreet: When was this application submitted to the DEP?

Scott Patrou: I don't have that information, the contractor would have that, as the one dealing with the DEP. I think this is partly what is in question, and why it is taking so long.

Hester Longstreet: Okay. To be able to grant anything, I think we would need to know when and if there was an application submitted to the DEP, and what is holding things up.

Scott Patrou: A major part of this has to do with the pool construction. A separate group was retained to handle the DEP approvals. There was also quite a bit of back and forth discussion with the Building Department as to where the setback lines were and how they applied. We had to go to the St. Johns County Property Appraiser's Office with an original signed and sealed survey to get a determination on whether my clients' property actually deeds out to the waterline, which is atypical, though there are several properties along the beach that are deeded that way. All of this is stuff they have been working through.

Hester Longstreet: I thought the pool was being built separately from the garage.

Scott Patrou: Due to the pilings required for the pool as well as the garage and addition above it, there was an agreement between the contractor and the third party that handles the DEP filings that they would bundle everything up together for the DEP submittal. They were trying to get all the engineering done for the pool, and they wanted to submit this in conjunction with the engineering for the garage and second-story addition. That was the timing delay, getting all of the engineering reports back, and also there was an issue with the Building Department as to where the setback lines were. It was just a series of red tape, frankly, that they just had to keep pushing through to progress. Things would get kicked back, and they'd have to resubmit more information, such as the determination from the Property Appraiser's Office on the deeding of the property out to the waterline. We've had many phone calls and meetings with staff and the City Attorney.

Hester Longstreet: What happens when you have to come back again because the DEP still hasn't approved anything, or the application wasn't submitted to begin with? That's why we need to know what's happening with the DEP before we give you another six months or a year. We just can't keep granting variances for an open application.

Scott Patrou: Certainly. Thankfully, we're a lot further along now. The other big piece of this is that the construction industry and all of the elements that have to do with it are not the same world as they were a couple of years ago. I think anybody who is in this industry can testify to that. I've had conversations with the Building Department saying 12 months for the validity of a variance that has anything to do with CCCL construction is not long enough. A year sounds like a long time, but it's just not for all that is required from engineers in the permitting process. This is not to say the DEP is the sole party at fault here. It is literally all of the time involved in working through all of the various pieces at play in a project that has the hands of many jurisdictions and agencies involved in it.

Kevin Kincaid: I've got a different question. I looked back and read the minutes of the April 2022 meeting, as I was not at this meeting. Is what we're looking at today basically a new variance, and not an extension of the variance approved by the Board in April 2022?

Scott Patrou: Yes, this is a new variance, as there is no mechanism to apply for an extension to an existing variance or to extend a variance that has expired. I am here on behalf of my clients to apply for a new variance, which is exactly the same variance requested by my clients and approved by the Board in April 2022.

Kevin Kincaid: I'm struggling to find a hardship here, as I don't get it. That's part of what we were just looking at in Mr. Law's presentation of the requirements for a variance, and there are a number of things in this presentation that would argue against the granting of this variance, whether or not it was granted two years ago. First off, I'm struggling to find a hardship, where there is no economic inability to appropriately use the property.

Scott Patrou: I would argue the opposite, which, go figure, is what I'm here for. The hardship is multi-faceted, one thing being, this same variance was already granted, and if this isn't considered as creating a precedent, it is a strong motivation that a hardship was already established by this Board. The fact that it was previously granted means a hardship was previously found to be legitimate by this Board. I realize you said you weren't here for this meeting, so we can dive back into what happened if the Board wants.

Kevin Kincaid: I went back through everything, and the hardship that was found was that the lot configuration created a hardship. I can't make the bridge in my mind from a hardship of lot configuration to why the applicants need a second story on a garage, especially when there are clearly neighbors, who are also part of this consideration, who are not in favor of this variance. If the neighborhood is not for it, this should be a consideration against the granting of the variance. On the other hand, one of the considerations, absolutely, is that the Board approved this same variance two years ago. I understand that, but in trying to evaluate what the Board looked at in order to find a hardship, the minutes don't really say anything, other than some references to the lot configuration. If you remember this meeting, Conner, in the minutes you said this is not unique to this section of F Street. There are places all up and down the beach that have similar lot configurations. Again, to go from this generic, vague, lot configuration hardship to, "We need a second story with an extra bedroom on the garage so we can have reasonable, economic use of our property" is a leap I just haven't been able to make.

Even before we get to whether it's the DEP, the construction industry, the engineering industry, or whatever, that is causing the delays, I need to go back through the different elements of the process for granting a variance, and look at them, as I think it is important to evaluate and consider that there are three direct neighbors opposed to this variance.

Scott Patrou: One of the things talked about, if I recall correctly, at the meeting two years ago had to do with the economic use of the property. The current owners were trying to take an approach to basically maximum use of the property without entirely scrapping the existing structure and building a new, three-story, 35-foot high residence that maxes out every limit there is. It's a two-bedroom house right now, which on the beach at these price points is a pretty big hit to the economical viability of the property. The fact that two prior variances were approved for this property gives two examples of prior Boards saying there is a hardship. That ruling was made not once, but twice. Lot configuration is a big piece of this, given the location of this lot in relation to the neighboring properties, and how it is accessed. I know other lots like this exist, but this is certainly not standard, and the lot configuration creates a very difficult place to work in. There is no room to do anything without tearing down what's existing and rebuilding. What's been proposed and previously approved is a testament to my clients' efforts to work with the surrounding neighbors, as opposed to coming in and tearing everything down and rebuilding to 35 feet high so the neighbors will see nothing. In fact, I remember Conner speaking specifically at the meeting two years ago that he appreciated the design elements and all the effort that went into this to have the smallest impact as possible on the surrounding neighbors.

Kevin Kincaid: I wasn't here for the variance granted in 1998, but the second one, if I'm not mistaken, was granted to basically make the building conforming, so if there was some disaster it could be rebuilt on its current footprint.

Brian Law: You can't make a nonconforming building conforming. A variance can be approved to allow the non-conformity, and then if the building suffers a casualty, a calamity, a terrorist act, or something like that, it could be rebuilt on the existing footprint per the current Florida Building Code (FBC). The existing structure at 2-B F Street is nonconforming to the current FBC, and that's okay, as the proposed new garage and second-story addition would actually be structurally independent of the main structure. It would be connected internally, very similar to hotel additions, which are not structurally bound, but do function as one. In this case, in the event of a casualty to the main structure, the new addition, which would be supported on a deep pile foundation, should, in theory, withstand the damage. So, there are two different conformities we're talking about, but under no circumstances does the granting of a variance make a nonconforming building a conforming building. It just makes it a building that has a variance.

Scott Patrou: There have been two variances approved for this property, the original one granted in 1998, and the one granted two years ago in 2022, which included the approval for the second-story addition over the garage, with the height restrictions and all that.

Conner Dowling: Just to confirm, Scott, that what you're asking for in the variance before us today is the same variance with the same conceptual drawings that are in our packets.

Scott Patrou: Yes, I pulled everything from the prior variance approved in 2022. We are not asking for anything different. We are just trying to keep this moving to get it done.

Kevin Kincaid: Do we have any public comment?

Betty Carvellas, 4 F Street, St. Augustine Beach, Florida, 32080: I live right behind 2-B F Street, on the immediately adjacent property. I've got a few photos that I will pass around [EXHIBIT B], and I emailed a letter this morning, which I assume was copied to the Board.

Conner Dowling: Yes, we have your letter, which is one of the three letters we received from neighboring property owners [EXHIBIT A].

Betty Carvellas: My concern is the existing proximity of the garage as it stands. The variance granted in 1998 was for a 7.5-foot setback for the garage, which was actually built with only a 4.2-foot setback off the rear lot line. The garage is very close to our property, and the additional height of the addition proposed over the new garage will really loom over our back yard. We have a bungalow that we rent, and people sit in chairs out back and have dogs that run around. Our back porch is out there, and our master bedroom is on that side of the house. The construction next door has been going on for a considerable amount of time, and we hope you might consider, if this variance is again granted, that the garage be moved back a little bit further. It is really close at only 4.2 feet off the rear line, and it will still be close even with a 7.5-foot setback off this lot line.

Scott Patrou: The existing garage is 4.2 feet off the rear property line. My clients are tearing this down and building a new garage further back off the lot line. The submitted drawings show that the roofline of the new structure is below the roofline of the existing house, in an effort to mitigate loss of views to adjacent neighbors. There is actually only one small window facing towards the direction of the neighbors behind them. This is not a rental house, it is a personal property, so I just wanted to address those issues.

Hester Longstreet: So, your clients are living there, and this is their personal home?

Scott Patrou: They are not living there right now, as it is under construction. But yes, it is not intended to be a rental house, it is for personal use.

Kevin Kincaid: They don't have a short-term rental license on it anyway.

Scott Patrou: That's correct.

Hulsey Bray: So, how far will the new garage addition be from the property line?

Scott Patrou: It will be 7.5 feet off the property line, approximately, per the variance request before the Board. The neighbor asked if the garage could be pushed back any further off the rear lot line, but doing this would put it flush up against the existing house. It has been moved back as far as possible to have it where two cars can still fit into it.

Victor Sarris: The variance request is basically the same thing that we approved two years ago for this same property, in regard to this two-story garage structure. Everything is the same, the variance is just being applied for again as the applicants have run out of time due to the fact of what they are going through with the DEP and other governing agencies.

Scott Patrou: Yes. I went through all my emails and printed out all the documents for this, so everything in the new variance application is identical to the previous variance application. I just changed the dates on the original documents for this new application.

Rhys Slaughter: To your point about hardship, and maybe I'm being too loose in my interpretation of it, but I went back and listened to the video of the meeting two years ago, and I do think that giving the applicants previous variance approval, which allowed them to move forward on this project, in a number of different ways with all the different pieces involved and the financial obligation that goes along with everything, should be a consideration. To now say no, sorry, you can't build what was previously approved, seems like a hardship induced by the Board, and I'm not sure I would feel good about that.

Victor Sarris: That's a good point. In looking at the minutes of the meeting two years ago, I can see where we did a considerable and thorough evaluation of what was proposed, and at that time, we did approve it. They haven't altered or changed anything since that time, so I understand the point that was made, and I am in alignment with that.

Conner Dowling: I remember thinking if this lot was not oceanfront, 7.5 feet would be a standard side yard setback for a 50-foot-by-100-foot lot. I completely sympathize with the adjacent neighbors, but I personally feel it's a better change as opposed to leaving the existing garage there for the long term. If there was a fire, there is a big difference between a 4.2-foot and a 7.5-foot setback. I also appreciate the fact that the applicants are only requesting a short pop-up for the second-story addition, as it could be much higher. The existing home could be leveled and rebuilt to the maximum height and size, so I appreciate that this is a thoughtful addition in comparison to what could be built.

Brian Law: The house could also potentially be moved to the east. As stated, this is a very unique lot, because it is platted all the way to the high waterline of the ocean. This was confirmed by the Property Appraiser's Office, which said to go by the signed and sealed survey. There are a few lots like this in the City, and this was thoroughly vetted. Obviously, the DEP would not allow construction to the water's edge, as there are still protected areas, but the extra square footage to the high waterline still counts as part of the total lot square footage and could be used for setbacks and lot and ISR coverage.

Hester Longstreet: Which goes back to the DEP application. If it's taken more than a year or if an application hasn't even been submitted to the DEP yet, we don't want you back here in a year, again asking for more time.

Scott Patrou: Absolutely. I would love to petition at some point to extend the standard time for a variance's expiration to 24 months, as opposed to the current 12 month expiration. I just think that given what you have to deal with, 12 months is not the best

timeline. I'd love to ask for 18 months or 24 months. My client's goal is to get this done, and as you've heard, they have been working on other parts of the remodel construction.

Kevin Kincaid: I'm not sure what our argument would be if you come back 12 months from now and say your clients haven't gotten everything done yet and still need more time, if we again grant this variance on the basis of having granted it before.

Hester Longstreet: My thinking, then, is that if this is the case, that they need more time, then it's because the DEP is not going to allow this to happen, so why are we doing this?

Brian Law: I know what you are saying, Ms. Longstreet, but I would ask that we not put words in the DEP's mouth, as they have a very complicated process. Once the correspondence with the DEP begins, fees are submitted, and the review process begins. If the DEP needs additional information, the applicants have to provide this, but once this process begins, this counts as commencing the work granted by the variance.

Victor Sarris: So, in regard to DEP timelines and the expiration date of the variance, it's possible that you could get the DEP permit next week or at least within the next year.

Scott Patrou: Certainly, absolutely. We're not trying to change anything. All of the pool and other issues have been resolved, so everything should be ready to go to the DEP.

Kevin Kincaid: I'm still caught in a very difficult position with the fairness of saying the hardship is that as the Board granted the variance in 2022, a hardship was demonstrated. I mean, your clients bought a two-bedroom house on the beach and to now claim they can't make economic use of it is, to me, maybe buyer's remorse, or something else. We have letters from three neighbors opposed to this, so I'm having a hard time finding a lot of sympathy for the applicants saying they can't make economic use of the property, as they knew what the size of the house was when they bought it. My problem is not just with this variance request, but the fact that in the future there will be hundreds of others coming after this looking for variances, and while the Board doesn't need to provide a hardship, we need to certify that there is a hardship. I still cannot find the hardship, other than maybe what Rhys suggested earlier, that because of the previously granted variance, the applicants have moved forward with going down this path and investing time and money in this project. Now, however, after doing all that, the timing hasn't worked out and the variance has expired. Maybe that is a hardship, but I'm still struggling with it. I wasn't at the meeting when the variance was approved two years ago, and though I've gone back and read the minutes, I'm not sure the hardship found then was really defined.

Scott Patrou: As far as certifying the hardship, like I said, the two prior variances that were granted in 1998 and 2022 serve in that capacity. Secondly, I would say the hardship doesn't necessarily need to bring the economic value down to zero. We're not saying that because the house doesn't have three bedrooms, it has no value and can't be used for anything. We're just stating what was previously affirmed by the granting of the two prior variances, that a hardship was found as a basis for the granting of these variances.

Kevin Kincaid: The wording in the LDRs for the required considerations for the granting of a variance asks whether the nature of the hardship is the result of an inability to make "reasonable" economic use of the property. This may be where our differences are. Any other discussion or questions for the applicant? Hearing none, do we have a motion?

Victor Sarris: I'll make a motion to approve this variance as noted.

Conner Dowling: I'll second the motion.

Kevin Kincaid: Okay, we have a motion and a second, so we can open this up for discussion. Can I suggest that we tighten up this motion so in the event that it passes, it replicates exactly what the motion to approve the variance two years ago was? This would include adhering to the setbacks and the height limitations of the proposed new garage and second-story addition, and Hester, I would imagine that you would like to put a timeline in there again, or we can just leave the expiration date of the new variance at 12 months, which is the default time for the expiration date of an approved variance.

Hester Longstreet: Yes. Unless anyone disagrees with me, I believe the variance expiration date should stay at 12 months.

Kevin Kincaid: I just want to make sure that our motion captures everything and that we don't just say okay, we approve this variance without specifying any conditions.

Conner Dowling: I would agree, just like the original motion from two years ago, that we should specify that the variance is approved per the existing design drawings and documents, including the height of the second-story addition above the garage and the fact that the applicants are proposing a single bedroom in this second-story addition and will comply with the number and placement of windows as shown on the submitted application documents. Specifically, the variance is approved subject to compliance with the drawings and documents provided in the variance application package submittal.

Brian Law: I just want to draw attention to page 20 of the minutes of the Board's April 19, 2022 meeting, which have been included in the Board members' packets. This page contains the motion, which I will read aloud, made by the Board to approve the variance. "Motion: to approve Land Use Variance File No. VAR 2022-04 for a rear yard setback reduction from 20 feet to 7.5 feet for proposed new construction of a two-story addition consisting of a garage on the first floor and conditioned living area on the second floor based on the illustrated structural documents submitted in the application."

Kevin Kincaid: Okay, so that covers what we all just said?

Brian Law: Yes. There is no reason to mention a time frame for the variance, as 12 months is the standard expiration date for a variance per the LDRs.

Kevin Kincaid: Okay, so we have a motion and a second. Any other discussion on the motion? Hearing none, may we call for a vote, please?

Motion: to approve Land Use Variance File No. VAR 2024-02, for reduction of the rear yard setback requirement from 20 feet to 7.5 feet, for proposed new construction of a two-story addition consisting of a garage on the first floor and conditioned living area on the second floor, at 2-B F Street, St. Augustine Beach, Florida, 32080, subject to compliance with the structural documents and drawings submitted in the application. **Moved** by Victor Sarris, **seconded** by Conner Dowling, **passed 6-1** by voice-vote, with Victor Sarris, Conner Dowling, Gary Smith, Rhys Slaughter, Hulsey Bray, and Hester Longstreet assenting, and Kevin Kincaid dissenting.

- C. Land Use Variance File No. VAR 2024-01, continued from the Board's January 16, 2024 regular monthly meeting, for variances to exceed the maximum 18-foot width allowed for residential driveways in City rights-of-way, per Section 6.02.03.D of the City's Land Development Regulations (LDRs), to allow an additional 12-foot-wide paver driveway, and to exceed the 40% maximum impervious surface ratio (ISR) coverage allowed in a low density residential land use district, per Section 6.01.02 of the City's LDRs, to allow 40.7% ISR coverage for the additional 12-foot-wide paver driveway, on Lot 27, Block E, Woodland Estates Subdivision, at 56 Willow Drive, St. Augustine Beach, Florida, 32080, James G. Whitehouse, Esquire, St. Johns Law Group, Agent for Karren J. Pitts, Applicant

Jennifer Thompson: This variance application is continued from last month's meeting. This application originally requested an increase in ISR coverage from 40 percent maximum allowed in low density residential to 45.7 percent. The applicant's agent has now amended the variance to request an increase in ISR to 40.7 percent, instead of 45.7 percent, and the variance is also for the additional 12-foot-wide driveway on the north side of the property. Together, the new driveway's width and the existing 21-foot-wide driveway on the south side exceed the maximum 18-foot width allowed for driveways in City rights-of-way. Per the LDRs, residential driveways in City rights-of-way are limited to a maximum width of 18 feet with maximum 5-foot-by-5-foot apron flares on either side.

Kevin Kincaid: Okay, so what is existing does not meet City Code right now.

Jennifer Thompson: Correct.

Conner Dowling: And the new driveway was not permitted.

Kevin Kincaid: Again, I wasn't here at last month's meeting, so I'm going to be catching up. Okay, if we could we hear from the applicant, please.

James Whitehouse, Esquire, St. Johns Law Group, 104 Sea Grove Main Street, St. Augustine Beach, Florida, 32080, Agent for Karren J. Pitts, Applicant: Good evening, Board members. I am here on behalf of the applicant, who is the property owner of 56 Willow Drive. Just to give a quick recap, the original variance application was for a bunch of variances. The owner and other residents in the home, who are all elderly people and very sickly, which is why they are not able to be here, had hired contractors who did a lot of stuff before they even talked to me. I provided the medical information to staff, as

well as the City Attorney, which included the handicap proof the Board discussed at last month's meeting. I'm not going to present it because then it becomes public record, obviously, and it is private information, but I can tell you that staff and the City Attorney have seen it. In any case, the contractors that were hired put up a carport and this other paver driveway, which was 16 feet wide originally, and built for handicap access, as the lot is on an incline, and the residents needed this flat area on the side to park their handicap-accessible van to be able to get in and out of the van. There is no real ability to do this over on the other side where the existing driveway that accesses the garage is. Also, the handicap-accessible van doesn't fit in the garage. They received some violations for some of the work their contractors did, and then contracted me. I think there were probably four or five variances that would have been required based on the violations, but we got this down to two, one to exceed the maximum ISR coverage, and the other for the additional driveway width in the City right-of-way. Initially, the variance request was to exceed the maximum ISR by 5.7 percent, but we have now gotten it down to 0.7 percent by removing about 500 square feet of pavers in the back yard. This brought the ISR coverage down to 40.7 percent, and if necessary, there is a fire pit in a back corner that could probably be removed as well, or some non-permeable pavers could be changed out to a permeable paver system, to get the ISR coverage down to 40 percent, and then a variance wouldn't even be necessary for the ISR. The original 16-foot-wide driveway that was installed has been reduced to a width of 12 feet, which is the minimum width required to get that handicap-accessible van up the incline to the flat area on the north side of the house. Reducing the width of the new driveway to 12 feet also moved it further away from the adjacent property line on the north side. Included in the amended variance application is an email from the applicant stating she and the other residents have a lot of medical issues, and she herself had a procedure yesterday, which is why she could not be here. In any case, the new driveway is needed for handicap-accessibility.

Kevin Kincaid: Could you just specifically describe the hardship?

James Whitehouse: The hardship is the property itself, as it's on an incline and there is no real way to establish a flat surface on the original driveway so the residents can get in and out of the house and in and out of the handicap-accessible van. There is proof of a handicap-accessibility issue, and I think that is also kind of the hardship based on the characteristics of the property itself. This is not a self-created hardship, obviously, and the original driveway can't really be taken out because it is attached to the garage.

Kevin Kincaid: So, if the ISR is now in compliance, the only other part that is not in compliance is the width of the original driveway and the width of the new driveway, which together exceed the maximum driveway width allowed for residential driveways.

James Whitehouse: Right. The code doesn't prohibit having more than one driveway, but it does limit the total width of residential driveways to 18 feet per property, per the staff interpretation of this code. So, that is really what the variance is about now, the fact that there are two driveways, the original one, which is now 21 feet wide, and the new 12-foot-wide driveway that has been added for handicap-accessibility.

Kevin Kincaid: If we approve this variance, it will not just go with the current residents, it will run with the property. The current residents might move out or something could happen to them, but the new driveway allowed per the variance could go on forever. I think the problem is that everyone is allowed to have 18 feet of driveway width and this property owner has 33 feet of driveway width in the right-of-way. Together, the two driveways far exceed the maximum 18-foot width allowed for residential driveways.

James Whitehouse: Back before 2018, when the maximum driveway width for residential driveways was added to the code, you could have driveways with widths wider than 18 feet. My understanding is that when the code was updated in 2018, this was more because of stormwater issues caused by permeability issues. That's why I think it came up at last month's meeting that the ISR coverage needed to be reduced to get closer to the 40 percent maximum allowed. This has now been done, so that there is no increase in stormwater run-off or other drainage issues due to added impervious surfaces.

Victor Sarris: So, the applicants are now basically complying with the ISR coverage, but not with the maximum driveway width allowed. A circular driveway would be two 9-foot-wide driveway lanes totaling 18 feet in width at the right-of-way. The two non-circular driveways on this property have a combined total of 33 feet in width. Are other circular driveways in the neighborhood in compliance with the 18-foot driveway width?

James Whitehouse: They are not, but they were also probably built prior to the 2018 code change restricting residential driveways to 18 feet in width. I included photos in the variance application packet showing several driveways on Willow Drive and Oak Road that exceed the maximum 18-foot width put in place by the updated code passed in 2018.

Kevin Kincaid: Nobody would have brought the current applicants before the Board to apply for a variance if the new 12-foot-wide driveway hadn't been put in. They are not here to grandfather-in an older driveway that is too big. They are here because the new and older driveways exceed the maximum driveway width and ISR coverage on this lot.

James Whitehouse: Yes, sir, that's right, that's why we are here today.

Conner Dowling: Last month, the Board asked if your clients could come and talk to us, to help answer some of the questions the folks from the neighborhood asked. The Board thought having the applicants here would help everyone understand their perspective.

James Whitehouse: Yes, sure. I have talked to my clients at length about this, but the main owner couldn't come, as she just had surgery yesterday. She and another resident, who is in Bayview right now, are the two handicapped individuals, and the third resident is not one of the owners, so he can't really come and speak on behalf of the other two residents' accessibility needs. I don't think there is now any question as to the handicap nature of this, I think it is more the case of whether this is enough to show that they do have a hardship, as they need this minimal 12-foot-wide driveway access with a flat area. The majority of the work done by the contractors they hired has been removed or corrected. The ISR coverage before both driveways were reduced in width and a large

number of pavers were removed was over 50 percent. Landscaping is being put back in the areas where all the pavers were, which I think may help concerning the neighbors.

Kevin Kincaid: I have a problem with getting into medical issues as a basis for a hardship, as the Board is not qualified to evaluate medical issues and can only take somebody's word for it. I think this opens up a whole can of worms for this Board in the future. I certainly understand your clients' desire to age in place, and we are not trying to run old people out of the beach. However, just to let you know, my thoughts on this are that this whole hardship is based on something that I don't think this Board is qualified to evaluate. On the other hand, I also don't know that ignoring it is our purview either.

Rhys Slaughter: Just so I am clear on the variance, the ISR is now only 0.7 percent away from being in compliance, but the total widths of the two driveways, the original 21-foot-wide driveway and the new 12-foot-wide driveway, total 33 feet. Would a variance be needed if the 21-foot-wide driveway was reduced so that it was only six feet wide?

Kevin Kincaid. No, they would not need a variance if this was done.

Rhys Slaughter: So, they could technically keep the new driveway and no longer need a variance if the driveway on the other side was cut back to a width of six feet.

Kevin Kincaid: Yes, and if this was done, they could still have their flat spot at the top of the new 12-foot-wide driveway.

Jennifer Thompson: If I could just verify, the right-of-way is the only place that is restricted to the 18-foot driveway width. The code allows a maximum driveway width of 18 feet with 5-foot-by-5-foot apron flares on each side. Going back onto their own property, they would be allowed to expand the width of the other driveway. We have seen people get creative with this. We had one contractor who did two-foot-wide ribbon strips, then two-foot-wide strips of grass. Only the concrete strips were counted as part of the 18-foot width in the right-of-way, as we didn't count the grass strips in between.

Kevin Kincaid: If they discontinued use of the larger driveway, because it's not the important driveway anymore, would they be required to replace the curbing on the road?

Brian Law: This is a City-owned road, so the curbs would be the City's property and responsibility. If you are hypothetically asking if the applicant would be required to replace the curb if the existing driveway serving the garage is removed, the answer is no.

Kevin Kincaid: All they would have to do, then, is remove a few feet of the paved area next to the road, so there isn't a second driveway at the right-of-way, and they would not be required to replace the curb, correct? I'm just trying to find out if there would be an additional cost to the applicants if this was a solution that we decided to explore.

Brian Law: My concern would be that if access to a driveway that serves an existing garage is removed, more likely than not, this driveway would still be used by trucks or delivery

vehicles or whatever, and without the hardscaping there, we risk damage to the edges of the street. This is the whole purpose of the 5-foot-by-5-foot apron flares allowed on either side of a driveway, so when vehicles turn, they are not coming off the road a little and then eroding away the edge of the asphalt down to the base. Once this happens, the erosion just continues moving in, which is the whole point of the apron flares.

Victor Sarris: If you take the approach with ribbon strips of solid concrete placed where the tires of vehicles technically travel to get in and out, and then put in grass strips or any type of pervious material in between, could you achieve compliance with the 18-foot width and also address the concerns the neighbors have about drainage?

Jennifer Thompson: As long the total of all concrete strips does not exceed a total of 18 feet in width at the right-of-way, yes. There are people who have put in two 9-foot-wide driveways so they could have a circular driveway or just two different driveway accesses.

James Whitehouse: I actually talked yesterday to Jim Wilson, who was the City Attorney back in 2018 when this 18-foot maximum driveway width was added to the code, to try to find out what the intent was when this was done. I think it is a two-fold issue, number one is ISR, stormwater runoff and drainage, and number two is the impact on City roads and rights-of-way. Jim Wilson's recollection was that it was more for new construction, because when a new access is put in a right-of-way, a right-of-way permit is required. This is really where all of this comes from, because my clients didn't get a right-of-way permit when the contractor they hired put in the new driveway. That is how it got flagged and this is why they have applied for this variance, as the City won't approve a right-of-way permit for driveway widths exceeding a total of 18 feet. I will tell you now, I have several more applications coming before you, because I have people who have cracked-up driveways and they just want to replace them with pavers, but they can't because their driveways exceed 18 feet in width. We're not talking about 30-foot to 40-foot-wide driveways, but 20-foot-wide driveways that people just want to replace. This is probably appropriate because the curb is already there, and I think that is also a consideration when you are talking about this because replacing an existing driveway will not cause any additional impact on curbs or rights-of-way. This particular application is not the case of somebody just wanting another driveway. My clients actually have a reason for needing the other driveway. Also, the variance has been pushed back from this big expansive request to one that is not out of character with the neighborhood. I think this is one that probably meets the spirit or intent of the code, based on the facts that are in evidence.

Kevin Kincaid: Okay, thank-you. Do we have any public comment?

Devon Schweidel, 55 Willow Drive, St. Augustine Beach, Florida, 32080: I am directly across the street. My husband was here at the last meeting and brought pictures of the flooding on our street. I'm really happy to hear they have removed stuff to help alleviate that, but I kind of feel like I have to address the lie. When they put that second driveway in, they told us it was for his truck. He put a gate in front of it, as he wanted a secure place to put his pick-up truck. There is no handicapped person living in that house. His son bought a house around the corner, and he is out there lifting wood and throwing it in

the back of his pick-up truck on a regular basis. She drives an adorable little convertible. I don't know who the third person is. I work from home, and work in the yard all day. I've never seen a third person come or go from that house. She did have surgery on her foot. She was out gardening the other day, and was quite mobile, quite fine. My only concern was the flooding, but it kind of sounds like a crock, and I figured I'd call it out. Aside from that, there are six circular driveways in the neighborhood, that's it, and they are all old. We wanted a circular driveway, but we're not getting one, because of the 18-foot maximum driveway width. I feel it is a slippery slope to start saying people can put in multiple driveways. We had an issue with the same homeowner that we didn't bring up when she tore down oak trees. They are just those neighbors; rules don't apply to them.

Jeanine Maleno, 58 Willow Drive, St. Augustine Beach, Florida, 32080: I recall Alex, the applicant's partner, telling me that he wanted a second driveway so he could work on some old vehicle or truck or something, and he did park his truck there for a period of time until this whole thing started. What is very upsetting to me is that somebody can come here and use the so-called handicapped pass as a hardship. I really appreciate the chairperson's acknowledging the fact that none of us are professionals here in making that decision. We do have a problem with run-off, and when it rains heavily, we've had three feet of rain up our driveway. They did take some pavers away, but regarding this whole thing with handicapped people, I work in the garden constantly, and I am an outdoor person. I have photos of the homeowner with her gardener, and driving in her car, so I just don't understand this whole push about being handicapped. I asked her about this, and she accused me of reporting her. When I told her I never did this and asked who told her this, she first said the City told her I reported her, and then she said her lawyer told her I reported her. I went to City Hall for more information and as it turns out, it was the code enforcement officer who knocked on her door to let her know there was an issue with the carport, as it was easily seen from the road. As I said at last month's meeting, there has just been this pattern of non-compliance. We all live here in this beautiful neighborhood with gorgeous oak trees, and we all do our best to maintain it. We don't want to live in a concrete jungle, this is why we moved to this neighborhood. I just find it very disturbing that people could fabricate a story to have a second driveway.

Robert Allen, 58 Willow Drive, St. Augustine Beach, Florida, 32080: I live next door, and there was a handicap vehicle, the first one I've seen, at the house next door when we came here today. It didn't appear to have any problem going up the driveway to the garage. It wasn't slanted very much, and there was plenty of room between it and the garage. Our neighbor across the street, who is in a wheelchair, has a very steep driveway, and he comes and goes to get to therapy. I don't know who this third person is, or that there are multiple handicapped people in the house. I've only seen two people, a couple.

Hulsey Bray: I agree that venturing into the medical thing is probably something the Board shouldn't do.

Kevin Kincaid: Yes, unfortunately, I think that could become a hardship on any variance, anytime, for every single variance request. And once we fall into that hole, there is no coming back. Mr. Whitehouse, would you like to respond to the public comments?

James Whitehouse: Yes, I was just going to add that I've heard a little bit of concern about somebody else coming in after with the same type of variance request. Obviously, as you know with any variance, it doesn't have to run with the applicant or the property owner. This variance approval could just be restricted to the current homeowner/applicant. I think you can kind of restrict things where somebody has a hardship that is something like this. It's hard to make a decision on this because of somebody else who might apply for something similar in the future, but maybe it would be okay to give it to this applicant.

Kevin Kincaid: Based on the comments we just heard from three public speakers who are interested parties who live in the neighborhood, it sounds like this is actually being used as an additional driveway right now. This is exactly what we are here to prevent.

James Whitehouse: Yes, but I don't know that this is the intent of the 18-foot maximum driveway width. Again, that is why I said the spirit and intent of the code is to not have an effect on the right-of-way and not have an increase in stormwater runoff, which causes flooding. I think you heard from the public speakers that they appreciate the fact that the coverage on the property will be cut back to comply with the maximum ISR coverage allowed, because this was one of the biggest concerns expressed by members of the public as well as the Board at last month's meeting. Those are the two big things that are the main spirit and intent of the 18-foot driveway width code, and whether or not somebody else ever parks in that driveway, the applicants are not asking for this variance because they are trying to have more cars. The State of Florida has deemed it appropriate to grant two of them handicap-accessible passes, and there is no argument that they have problems. Some of the issues seem to be problems between neighbors, but the fact of the matter is, I think they are meeting the spirit and intent of the code by what they are asking for, and maybe the Board could just restrict this variance to the current applicants.

Rhys Slaughter: We sort of have an avenue here, if this second driveway is the end-all, be-all to their ability to be able to get in and out of the handicap-accessible van. If that is the whole deal here, then we have already come up with a couple of ideas that wouldn't even need a variance. I don't see why the variance is needed if there is some other way to solve the problem and keep the second driveway. I don't like that the second driveway is already there, and they are applying for this variance after the fact. It seems like both variance requests, for the ISR and the driveway width, are not really needed. They could get the ISR into compliance with permeable pavers and figure out a way to reconfigure the driveway for the time period they are there and need access to this second driveway.

Kevin Kincaid: I also appreciate the fact that they've made the effort and dropped the ISR down to 40.7 percent, but I would like to caution the Board to be careful with evaluating the intent and spirit of the code. We don't write the code. We can advise on it, but the City Commissioners write the code, so I am a little uncomfortable with the Board second-guessing the intent of the code, because that could also lead us down some pretty dark paths. I am also still uncomfortable with granting a variance based on a medical thing that we are not qualified to look at or evaluate. We certainly don't want to put ourselves in the position of doing this in the future. I don't know that future problems coming our way regarding driveways or whatever being replaced is necessarily a reason to do

something different on this specific variance request, and I don't believe we can create a variance that says only handicap vehicles can be parked in the second driveway. I suggest we ask the applicants to reconfigure and reconstruct what they need to do to come into compliance with the current regulations and rules in the current code. If they have a problem with the spirit or the intent of the code, they can go back to the Commission and ask the Commission to overrule the Board's decision or redo the code to make the spirit and intent clearer. For the Board's ruling on this variance, I think we should be sticking to what the actual code states regarding current ISR and driveway regulations.

Gary Smith: Also, as Mr. Whitehouse said, there are going to be more applications coming before us, so whatever we do, we are setting some sort of precedent. If we approve this, there will be a precedent written down in the future, so I think we need to be careful with that. I agree with Victor and Rhys that there are modifications that can be made to make the driveways and ISR fall within the rules of the code, so I would suggest doing that.

Kevin Kincaid: Okay. Is there any other discussion? Hearing none, I'll make the motion that we deny the variance.

Conner Dowling: I second the motion.

Kevin Kincaid: We have a motion and a second. Any discussion on the motion? Hearing none, may we call for a vote, please?

Motion: to deny Land Use Variance File No. VAR 2024-01, denying the variance requests to exceed the maximum ISR coverage and add a 12-foot-wide paver driveway to the property at 56 Willow Drive, St. Augustine Beach, Florida, 32080 **Moved** by Kevin Kincaid, **seconded** by Conner Dowling, **motion to deny passed 7-0** by unanimous voice-vote.

D. First reading of Ordinance No. 24-XX, to amend Article II, Definitions, Section 2.00.00 of the City of St. Augustine Beach Land Development Regulations (LDRs), to add a definition for "driveway"

Jennifer Thompson: Currently, there is no definition for driveway in the City's LDRs. The Public Works Department and Planning and Zoning Division believe a definition for driveway is needed, because driveways are mentioned several times in the LDRs. The Public Works Department came up with this proposed definition of driveway: "A pervious or impervious surface that is used for vehicular ingress or egress from a private dwelling or structure to a right-of-way." This is the first reading of this ordinance.

Kevin Kincaid: Okay, thank-you. Any comments? Sounds like a driveway to me.

Conner Dowling: One question that pops up in my mind, if you have a gate on the side of your house that you use once a year to get some trees trimmed or something, and someone drives a truck back to that gate, that could be a pervious or impervious surface used for vehicular ingress or egress from a private dwelling or structure to a right-of-way.

Jennifer Thompson: Well, imagine having a Christmas party, with people parking all over your lawn and yard. Maybe we could change the wording to “regular” ingress or egress.

Brian Law: What’s regular?

Kevin Kincaid: How about saying “primary” instead of “regular?”

Brian Law: Primary is a better-suited term for this.

Kevin Kincaid: That would take out your access to a fence or gate.

Conner Dowling: Yes, that’s right.

Victor Sarris: We could say it is a primary access for vehicular traffic to go from the street to the residence.

Brian Law: Actually, could we have a minute on this one? I want to discuss this with staff. *[Recording Secretary’s Note: After a brief discussion between staff and the City Attorney, discussion on this agenda item with the Board members resumed.]*

Brian Law: It just dawned on me, several years ago, we actually passed an ordinance that talks about using a non-driveway for access on a temporary basis with approval from the Public Works Director. So, there is a mechanism for residents to apply for temporary access to cross City rights-of-way if they have a unique situation where they need it. The intent of the code is the average normal operation, not the exception. Pool contractors typically need temporary access to cross City rights-of-way to get pool equipment into backyards, and they often take down fences if needed to get equipment into backyards.

Kevin Kincaid: And this will have no effect on the variance we just considered?

Brian Law: No, not at all. I would say the new driveway requested by the applicants in the previous variance application is not for temporary use.

Kevin Kincaid: Conner, does what Brian just explained answer the question you asked earlier?

Conner Dowling: Yes, it does.

Kevin Kincaid: Okay, any questions or further discussion? Any public comment? Hearing none, do we have a motion?

Brian Law: Before the Board votes on this, the City Attorney has to actually read the ordinance title aloud.

Jeremiah Blocker: This will constitute the first reading of this ordinance. “An ordinance of the City of St. Augustine Beach, Florida, relating to Land Development Regulations and

review; amending the Land Development Regulations of the City of St. Augustine Beach, Article II, Section 2.00.00 for definition of driveway; and providing an effective date.”

Motion: to approve and pass on first reading Ordinance No. 24-XX, to amend Article II, Definitions, Section 2.00.00 of the City’s LDRs, as drafted, to add a definition for “driveway.” **Moved** by Hester Longstreet, **seconded** by Hulsey Bray, **passed 7-0** by unanimous voice-vote.

VII. OLD BUSINESS

There was no old business.

VII. BOARD COMMENT

Hester Longstreet: Do we know when work on the new Publix will start?

Brian Law: I just spoke with Publix today, at the end of the workday, and they are getting really close to a full permit submittal. We have a partial submittal, with the civil plans here. Dates were thrown out that they expect to be issued a full permit in April or May.

Kevin Kincaid: Their initial estimate was that sometime during the second quarter of 2024, the current Publix would be closing. Is this estimate still close?

Brian Law: We didn’t discuss that, but this will most likely be a multi-pronged permit, consisting of the parking lot reconfiguration, the main structure replacing the existing Publix, and then façade construction on the other buildings in Anastasia Plaza later.

Kevin Kincaid: Thank you. Any other Board comment or questions?

Jennifer Thompson: I just want to remind everyone that because of voting for the presidential preference primary in the City’s meeting room, the March Planning and Zoning Board meeting has been moved to Tuesday, March 26, 2024, at 6:00 p.m., so it will be a week later than the normal meeting date.

X. ADJOURNMENT

The meeting was adjourned at 7:47 p.m.

Kevin Kincaid, Chairperson

Bonnie Miller, Recording Secretary

(THIS MEETING HAS BEEN RECORDED IN ITS ENTIRETY. THE RECORDING WILL BE KEPT ON FILE FOR THE REQUIRED RETENTION PERIOD. COMPLETE AUDIO/VIDEO CAN BE OBTAINED BY CONTACTING THE CITY MANAGER’S OFFICE AT 904-471-2122.)



MINUTES

SUSTAINABILITY & ENVIRONMENTAL PLANNING ADVISORY COMMITTEE MEETING
THURSDAY, JANUARY 11, 2024, AT 6:00 P.M.
CITY OF ST. AUGUSTINE BEACH, 2200 A1A South, St. Augustine Beach, FL 32080

I. CALL TO ORDER

Chair Krempasky called the meeting to order at 6:00 p.m.

II. PLEDGE OF ALLEGIANCE

The Committee recited the Pledge of Allegiance.

III. ROLL CALL

Present: Chair Sandra Krempasky, Vice Chair Lana Bandy, and Member Karen Candler

Members Craig Thomson and George O'Brien were absent.

Also present: City Clerk Dariana Fitzgerald and Grounds Foreman Tom Large.

IV. APPROVAL OF MINUTES OF DECEMBER 14, 2023, REGULAR MEETING

Motion: to approve the minutes of December 14, 2023. **Moved by:** Member Candler. **Seconded by:** Vice Chair Bandy. Motion passed unanimously.

V. PRESENTATION OF REPORTS:

1. Selection of Chair and Vice Chair for 2024

Chair Krempasky nominated Lana Bandy as Chair and Member Candler as Vice Chair.

Motion: to appoint Lana Bandy as Chair and Karen Candler as Vice Chair. **Moved by:** Chair Krempasky. **Seconded by:** Member Candler. Motion passed unanimously.

2. Reforestation and Landscaping Projects

a. Mickler Boulevard

Foreman Large reported that he'd been speaking with Shayan Khatibi of Ruah Gardens to see if they could work out a maintenance schedule that would keep the costs lower than his original proposal of \$1400 per year. He stated that he is just waiting for spring to see what grows this year and will make a plan for any work that might need to be done after that.

Member Krempasky noted that projects in this area of Mickler Boulevard seem to be hard to maintain because of all the activity in the area and people disturbing the plantings. She

suggested watching and getting more of a handle on this project before moving forward with any others on Mickler.

b. Parkette Planning/Green Infrastructure

Foreman Large reported that the pine straw put in the 8th Street Eco Garden by Southern Horticulture wasn't really thick enough, so he used the funds the Committee approved to buy fifteen bundles for about \$90 and plans to put it in on Monday. He also noted that he had the sign and post and plans to install that soon as well.

Member Krempasky reported that she had spoken with Engineering Director Jason Sparks about some educational flyers or brochures and incorporating information about the Eco Garden. She suggested having them available at Arbor Day or placing a 'Take One' box at the Eco Garden.

c. Urban Forestry

Foreman Large reported that the water truck is up and running and that they still have a few trees and several plants remaining from Lowe's donation last year. He asked the Committee to think about possible spots and he can see if Public Works can work planting them into the upcoming schedule.

He stated that the holly tree planted near 18 Mickler Boulevard had died, but the palm trees around it were doing well, so they planted a palm in its spot and the nearby homeowner agreed to water it.

d. Environmental Planning Projects

This item was not discussed.

3. Educational Programs

a. Environmentally Friendly Landscaping Recognition

City Clerk Fitzgerald noted that no new applications had been received.

Member Krempasky stated that she would reach out the Commissioner George about applying.

Chair Bandy stated that it had been in the City's Newsletter this month, so maybe that would help.

b. Environmental Speaker and Film Series

Chair Bandy reported that attendance was decreasing, that when the program started there would be about 40-50 people, but now it's more like 10. She stated that the Library is eager to continue, though. She noted that she didn't want to end the program, but asked the Committee if the effort they had been putting in was seeing results.

Member Krempasky suggested maybe reducing effort a bit, perhaps foregoing speakers if it becomes too difficult to find someone, for example. She also suggested possibly partnering up with the ECO Cinema group that meets at the Yacht Club or possibly experiments or other hand-on demonstrations.

Chair Bandy noted that the next scheduled dates were February 22nd, June 27th, and October 24th.

Member Krempasky stated that the City of St. Augustine is doing Earth Day workshops, which they're calling Earth Month, but it's all during the day since their staff is not allowed to work after hours. She wasn't sure if we could borrow some of those programs, maybe see if St. Augustine staff would be willing to volunteer for us to help.

Chair Bandy mentioned that the Library contact, Leslie, would like to do something with rain barrels. She noted that the Library would likely have to charge about \$40 per person for materials for people to make their own to take home. Vice Chair Candler suggested speaking with the Boy Scouts, maybe they could earn a badge for it and help spread the word.

c. Newsletter Topics

Chair Bandy stated that she could include February's film and asked for any other suggestions. Member Krempasky suggested photos of the Eco Garden maybe with the flyer. Foreman Large mentioned the glass recycling dumpster. He mentioned that last he saw, the dumpster was three-quarters full and that was just glass, no trash, so it's being used appropriately.

Chair Bandy asked how recycling was going in general. Foreman Large replied that it was going well for a while, but as time goes by people are slipping and starting to include more non-recyclable material again. Chair Bandy suggested doing an educational video, maybe see if Island Prep would like to be involved, but that might be better for March's newsletter to have more time to prepare.

d. Environmental Education Materials

Member Krempasky suggested having the brochures at the library for people to take during the film presentations, as well as at Arbor Day. Chair Bandy agreed and stated that Member Thomson's idea of providing compiled information may be better suited to the Library as well, maybe a little reading area there since that's already a place people go to hang out and learn. Vice Chair Candler also suggested placing a pollinator box there with information on how it works and maybe photos of the ones on Mickler Boulevard.

VI. OTHER COMMITTEE MATTERS

Chair Bandy noted that on January 19th at the Library, the Master Gardeners will be handing out trees from 10:00 a.m. to noon.

Member Krempasky reported that they have about \$4,000 for the plaza project with \$1,600 or \$1,800 to pay Ruah Gardens for maintenance. She noted that the Eco Garden only cost \$2,800, so that leaves a surplus of \$1,200 that could be used to buy trees and maybe another project if they could plan something out and work with Public Works on a schedule.

Foreman Large noted that there would be a beach cleanup on January 19 from 1:00-4:00 p.m. from the Pier down to 10th Street.

City Clerk Fitzgerald stated that Events Coordinator Conlon and City staff are trying to do an Arbor Day event this year like we did in the past. Coordinator Conlon is trying to get in contact with past

vendors to see if they would return. Foreman Large encouraged the members to get in contact with Coordinator Conlon if they had any suggestions, would like to help, or could get in contact with people who may want to have a booth. City Clerk Fitzgerald noted that they are planning on a family-friendly event with activities for kids, as well as information for adults.

Vice Chair Candler suggested SEPAC having a table to provide information, like the brochures, along with photos of their projects. Member Krempasky asked about budget and noted that she used to pick up a cake for it. City Clerk Fitzgerald replied that any food was donated, and they have a minimal budget for this event, mostly we are hoping for donations and volunteers. Member Krempasky suggested something interactive, like a tree raffle or photo opportunity. Foreman Large mentioned that Smokey Bear had come in past years and people liked taking photos with him.

Foreman Large stated that he had contacted Ornamental Trees and Plants about trees and provided a list of their available options right now [Exhibit A]. He clarified that "cp" stands for "cubicle pack" and indicates how many are sold together, 40 or 60. He noted that last year we bought 160 Florida privet, 150 persimmon, and 160 red cedars. He suggested switching it up, so it's not the same options every year, and that in past years we've given away Shumard oaks, Southern magnolias, gum trees, cedar elms, and winged elms.

Foreman Large stated that Member Thomson noted some Public Works and other landscape companies weed eating too close to the trees and asked him to look around for options. He reported that he found these rubber mulch rings [Exhibit B] that could be placed around the base of the trees to prevent growth that would need to be trimmed. Member Krempasky stated that she might contact Finance Director Douylliez to see if the Landscape Fund could be used for something like this.

VII. ADJOURNMENT

Motion: to Adjourn. **Moved** by Member Krempasky. **Seconded** by Vice Chair Candler. Motion passed unanimously.

Chair Bandy adjourned the meeting at 7:16 p.m.

Lana Bandy, Chair

ATTEST

Dariana Fitzgerald, City Clerk

COMMISSION REPORT

March 2024

TO: MAYOR/COMMISSIONERS

FROM: DANIEL P. CARSWELL, CHIEF OF POLICE

DEPARTMENT STATISTICS February 15th, 2024 – March 15th, 2024

CALLS FOR SERVICE – 1,499

OFFENSE REPORTS - 51

CITATIONS ISSUED - 95

LOCAL ORDINANCE CITATIONS - 32

DUI – 1

TRAFFIC WARNINGS- 288

TRESSPASS WARNINGS- 9

ANIMAL COMPLAINTS - 36

ARRESTS - 23

- **ANIMAL CONTROL:**
- St. Johns County Animal Control handled **36** complaints in St. Augustine Beach area.

MONTHLY ACTIVITIES –

Blood Drive – March 5th

St. Augustine Beach Public Works/Engineering Monthly Project Report 03/19/2024

Grant Project	Grant Type	Grant Amount	Grant Expiration Date	Project Stage	Status
Ocean Walk Drainage Impvmts	Leg. Appr.: LPA0222	\$694,000	3/31/2025	Phase I Pre-Bid	03/21: Mtg with Matthews DCCM on final design. 03/18: Need to revise grant agreement, obtain letters from Senator and Representative. 03/04: City Commission Agenda Item Recommended Action: approved to move forward with inverted crown roadway and two outfalls design/construction.
Ocean Walk Drainage Impvmts	SJRWMD (25% Cost Share)	\$354,087	09/30/2025	Phase I Pre-Bid	03/21: Meeting with consultant Matthews DCCM on final design. 03/04: SJRWMD requests updated calculated benefit. 03/04: City Commission Agenda Item Recommended Action: approved to move forward with inverted crown roadway and two outfalls design/construction.
Sea Oats	FDEP (Matching Funds): 19SJ3	\$25,000	9/30/2024	Preconstruction	02/28: ALamb to be leaving beginning 03/05. New POC is John Irving: john.irving@FloridaDEP.gov (850) 245-8355. 01/04 ALamb acknowledgement email of receipt of qtrly report. 11/30: Amendment 19SJ3_A4 signed and sent by City. Amendment is for requesting an additional time extension to 06/30/2026 due to conflict with beach renourishment/Sea Turtle Nesting Season.
C.R. A1A/Pope Road Storm Surge Protection	FEMA/ FDEM: 4468-017-R	\$52,500	10/18/2024	FDEM Phase II Review	02/14: City & FDEM Mgmt. team meeting held to discuss path forward. Once next steps are identified, FDEM will reach out with proper guidance. 01/24: Reimbursement received for \$30,426.00.
Magnolia Dunes/ Atlantic Oaks Circle Drainage Impvmts	Leg. Appr. : LPA0387	\$1,200,000	12/31/2026	Design Proposal Phase	02/08: James Edmunds Design/Permitting Phase Scope of Work received. 02/08: ECT received final review received and approved. Sent email to James Edmunds re: JBPro Survey. IE proposal received and Action Items, FDEP coordination to revise LPA0387 with reallocated funding.
7th 8th and 9th Street Drainage	Leg. Appr. : LPA0386	\$90,000	12/31/2024	Design/ Permitting	03/14: RFR#1 disbursement received (\$19,659.50). 03/08: PO issued for Contractor, JBPro Services During Construction proposal received. 03/06: Executed Amendment 1 Received from JNoval, email sent to residents that attended Town Hall meeting. 03/05:

St. Augustine Beach Public Works/Engineering Monthly Project Report 03/19/2024

					Complete review of Contractor quote and issued POReq. 03/04: Amended grant agmt funding reallocation signed by Max sent to JNoval. 03/04: Await amended grant agmt revised funding allocation. Plan to construct 7th St Impvmts this FY; 8th& 9th in future years. 2/28: Meeting with JBPro; received bid doc; discussed additional proposal for construction services.
Vulnerability Assessment Update	FDEP: 23PLN30	\$50,000	06/30/2026	Kick-Off Mtg/ Background Data Acquisition	03/04: 23PLN30 agmt funding allocation revised and sent to MOvadek. 03/01: MOvadek preparing revision
Vulnerability Assessment Expansion of Funding	FDEP: 24PLN	\$151,549	TBD	FDEP Drafting Grant Agreement	03/16: JSparks email to JE to provide reasonable completion dates. 03/11: Per KCarter, grant work plan needs anticipated completion dates that are staggered and end no later than the current listed dates.

St. Augustine Beach Public Works/Engineering Monthly Project Report 03/19/2024

Non-Grant Project	Contract Expiration Date	Project Stage	Completion	Status
2nd St Widening and Extension	01/16/24	Construction	TBD	03/14: Per NFielder, he will need the 24 x 36 printed as-builts as well as CAD & PDF files. 03/01: SJCUD comments on As-Builts. Sent to DBCivil and CMT for revision. Request for final payment prepared and ready for review - now pending due to as-built issue. 02/23 Pay app #15R2 prepared and ready for review and signature; 24x36 as-builts ready to be taken to SJCUD
A Street to 1st Street West Parking Lot	G&H SJC 22-112 (2027)	Construction	05/17/24	03/19: Pavers installation in progress. 03/14: Final section and apron area poured at 1st Street. Area at south end of project area cleaned up by G&H. City Public Works will be out to begin landscaping. 03/01: All curbing completed, 4" UG retention system installed. Pour concrete over next two weeks, then pavers ~ 03/18. Check Pavers at GHU yard. Notify PW ref landscaping. 02/22: First invoice received; Driveway and sidewalk sections poured; begin prep for curbing.
Citywide Pavement Management	02/2024	In Progress	2nd Qtr FY2024	03/18: Streetscan pavement inventory received. 02/28: Met with PaveTech ref future work plan.
11th Street Drainage & Roadway	TBD	Pre-Design/ Permitting	FY24	03/01: Hinterland clean and camera completed. Follow up with lining install. 12/29: Clean/camera/line pipe this year, budget funds for roadway design in FY25 then roadway construction in FY26.
Stormwater Utility Rate Structure Determination	TBD	Contract Negotiations	FY24-25	03/18: City Website Stormwater Utility FAQ's in progress. Scheduled two Town Hall meetings, April 10 th & 25 th .
RFQ 23-06 Continuing Contracts for Professional Services	5 yrs	Contract Issuance	2nd Qtr FY2024	03/07: All contracts executed.
Enterprise Asset Management/Smart N FL	TBD	Ongoing	TBD	03/01: Requested FY25 budget funding. 01/18 Clayton followed up in December; City still unsure of a well-defined scope of work.

St. Augustine Beach Public Works/Engineering Monthly Project Report 03/19/2024

Proposed Appropriations Projects	Funding	Estimated Amount	Scope
Mizell Stormwater Treatment Facility Improvements (Pond Berm, Weir and Discharge Canal)	24-25 Appropriations	\$2,000,000	02/16: Good chance City will receive funding. Need discussion with Commission about bankrolling over next 5 years. 12/20: Attestation forms signed by MRoyle and sent to H-Rep. Stevenson office. 11/06: DRAFT Senate/House Forms. Evaluate increasing weir and pond berm height to provide additional storm surge protection at the Mizell Weir. Evaluate downstream and upstream impacts. Benefits majority of the City's drainage service area, as well as County and FDOT facilities. Note that had Hurricane Ian's storm surge been a few inches higher, the weir would have overtopped, resulting in inundation of the city's drainage system. Combined with intense rainfall, this could be severely damaging to properties. (estimated benefit 5,000 people). Armor canal, renew S side bulkhead W of Fiddlers' Point Drive
Mickler Blvd Ditch Erosion Mitigation 16th Street to 11th Street; A Street to 11th Street.	24-25 Appropriations	\$4,100,000	02/16: Good chance City will receive funding. Need discussion with Commission about bankrolling over next 5 years. 12/20: Attestation forms signed by MRoyle and sent to H-Rep. Stevenson office. 11/07: DRAFT Senate/House Forms Regrade ditch at 11th Street, south of 16th Street. Armor ditch throughout project limits with semi-permeable product to mitigate erosion/stabilize ditch bank and increase ease of maintenance. Culvert improvements beneath 16th Street, 11th Street and at 3 independent driveway locations north of A Street will reduce system head loss and promote positive drainage. Mag Dunes/Atlantic Oaks project may absorb this project to armor ditch.
Oceanside Circle Roadway and Drainage Improvements	24-25 Appropriations	\$2,000,000	02/16: Good chance City will receive funding. Need discussion with Commission about bankrolling over next 5 years. 12/20: Attestation forms signed by MRoyle and sent to H-Rep. Stevenson office. 11/07: DRAFT Senate/House Forms Oceanside Circle is ~915 linear feet dead end road connected to, and north of, Versaggi Dr. in SAB. Prior to 2011, the road was shell/dirt. In late 2011, for cost reasons (30% less), the City paved the road with a double chip seal instead of a typical road build (stabilized subbase, limerock base, and asphaltic concrete surface). The average life span of a chip seal is 7 years, versus up to 25 years for a typical constructed traditional asphaltic concrete road. The chip seal surface on Oceanside Circle is now deteriorating and in need of replacement. Oceanside Circle also has no drainage system and runoff causes localized flooding in low areas prior to eventual ground percolation. Flooding is worsening due to increasing impervious surface areas associated with new residential development on the roadway. Roadway flooding significantly reduces the life of a roadway, leading to base failure and potholes. Construction of a drainage system is essential prior to reconstruction of the roadway.
FDOT Ditch 500/400 Capacity Expansion	24-25 Appropriations	\$3,000,000	02/16: Good chance City will receive funding. Need discussion with Commission about bankrolling over next 5 years. 12/20: Attestation forms signed by MRoyle and sent to H-Rep. Stevenson office. 11/08: DRAFT Senate/House Forms. Expand storage capacity for COSA floodwater mitigation projects. FDOT retains O&M Authority.

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Future FY Projects	Project Year(s)	Status
Parking Improvements - 4th Street East Parallel Parking, 5th Street Parking, 8th Street Lot SW	FY25-26 ARPA & City Paid	\$370K (\$215K + \$155k) & \$305K
Citywide Parking Improvements	FY25-26 City Paid	Pushed to FY25-26
CRA1A / Pope Road	FY25-26 Federal Grant	\$750k each year
Citywide Pavement Management Program	FY25-28 City Paid	~\$300k/year
Ocean Walk Drainage Improvements	FY25 State Grant	\$305,086.00 (FDEP) and \$177,043 (SJRWMD)
Magnolia Dunes / Atlantic Oaks Circle Drainage Improvements	FY25 State Grant	\$499,000.00
11th Street Roadway and Drainage improvements	FY25-26 City Paid	\$200k/yr
Sea Oats	FY25 City Paid	\$25k (grant reimbursement)
Oceanside Circle	FY25-26 City Paid	\$750k/yr (Legislative Appropriations?)
Replace Storm Drainage pipes on Mickler Blvd	FY26-27 City Paid	\$50k & \$200k
Sandpiper and Linda Mar LSs Rehab	FY25-26	
FY24-25 LAP projects (previous table)	TBD	
Vulnerability Assessment Adaptation Plan	FY25	

Site Plan reviews/Bldg Dept projects	Status
Publix Drainage	01/30: Plans in hand per BLaw.
A1A and F St	Initial review complete.

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Misc Projects	Status
Sea Oaks ponds	03/18: Consultant preparing report and cost estimate. 02/27&20: Field meet with Consultant.
OTR/Sabor Del Sal	01/29: Meeting held with City attorney; JB will send email to MRoyle.
Oceanside Circle	01/10: Consider rehab/upgrade to Linda Mar LS in conjunction with this project. 11/21: Unofficial peer review comments align with current design. Alternative suggestion to acquire property and build pond at end of Circle or analyze for smaller pump station at end of Circle pumping to Linda Mar station. Legislative Appropriations
Mizell Canal/Marsh Creek	03/06: City will not participate in Rau paver repair. 02/23: TCE recorded for Mr. Rau property ingress/egress. 02/22: Mr. Rau requested City assist in cost of paver repair.
NPDES StH2O Insp memo	02/16: Propose implementing fees for site plan review (commercial, stormwater erosion and sed ctrl, lot grading/lot grading final, waste control, IDDE inspections, etc.) to comply with NPDES permit requirements. Address during Stormwater Utility Rate Determination.
Stormwater Code Revision	Address during Stormwater Utility Rate Determination
NPDES Erosion and Sedimentation Control Ordinance 05-08	Ordinance review for addition of monetary penalty amount and verbiage regarding project size. Address during Stormwater Utility Rate Determination
Contractor Continuing Svcs Bid	02/16: Not started, SJC piggyback currently utilized.
9th Lane Opening (Developer Project)	03/19: Transmitted response to GDG's inquiry. 01/30: Meeting minutes provided. Consultant and owner's attorney to review with SJUD, SJCFD/EMS, etc. 01/24: Met with GDG and Attorney. City requests developer to fund independent engineering review and CEI services during construction.
Sandpiper and Linda Mar LSs	02/16: Program design/permitting and construction over next 5 year window.
Ocean Hammock Park Management Plan Revision	02/16: MOrozco, FDEP review of revised Park Mgmt plan is in progress.

M E M O R A N D U M

TO: MAX ROYLE, CITY MANAGER
FROM: PATTY DOUYLLIEZ, FINANCE DIRECTOR
SUBJECT: MONTHLY REPORT
DATE: 3/20/2024

Finance

Revenues and expenditures for FY24 seem to be on track. A review of the capital requests indicates projects are moving forward and the purchase of capital assets as requested in the budget has been made. Five months into the budget year we have received 58.7% of budgeted revenues and spent 35% of budget expenses. Work has started on the FY25 budget, beginning with a ten-year capital request list. Work will begin on the operating budget in April, once March financials can be uploaded into the system.

Communications and Events

<https://www.staugbch.com/events>

Melinda is currently working on the Arbor Day event, scheduled for April 26th here in the City Hall parking lot. We will be having our tree give away and other vendors in attendance at this event. Hope to see everyone there!

PENDING ACTIVITIES AND PROJECTS

1, LAND DEVELOPMENT REGULATIONS CHANGES. At its September 19th meeting, the Planning Board reviewed changes to the parking regulations for special events for business promotional/sales permits and approved it. The Board reviewed it at its January 16, 2024, meeting and recommended to the Commission that the ordinance be approved. The ordinance was passed on second reading at the Commission's February 5th meeting and had its third and final reading at the Commission's March 4th meeting.

At their May 6th meeting, the City Commission will consider amending Article II, Definitions, of the Land Development Regulars, to add a definition for "driveway".

2. VISION PLAN. After discussion and making changes to it, the Commission adopted the Plan at its March 6, 2023, meeting. On November 13, 2023, the Commission held a workshop concerning incorporating Smart City concepts on the Vision Plan with Mr. Clayton Levins, Executive Director of Smart North Florida. He explained how Smart North Florida could help the City. The outcome was that the Commission determined the priorities for utilizing Smart City concepts were obtaining data for pedestrian/bicycle improvements, stormwater management and parking for beach access.

ON A RELATED MATTER: It concerns a Smart City concept to assess the condition of the City's streets. A company, Street Logic, using advanced technology, reviewed every City street and will provide a report on pavement management. The report will help City staff to plan and budget for repairs.

3. PARKING IMPROVEMENTS. At its January 8, 2024, meeting, the City Commission approved the contract with G&H Underground Construction of St. Augustine for \$281,000. Construction of the parking area began in late January. Except for landscaping, the project was completed in March 2024. This topic no longer will be included in this Report.

There are no plans at this time for the Commission to consider paid parking.

4. JOINT MEETINGS:

a. With the County Commission: At the City Commission's October 2nd meeting, Commission Morgan asked about having a joint meeting. As the County Commission has hired new Administrator, the City Manager will meet with the new Administrator, Ms. Joy Andrews, to discuss matters of mutual concern, such as the maintenance of pier park, the County's plans to relocate the fire station and what the County's plans are for a new fishing pier.

b. With the Comprehensive Planning and Zoning Board and the Sustainability and Environmental Planning Advisory Committee (SEPAC): No date has been proposed for a meeting.

5. UPDATING PERSONNEL MANUAL. City staff has begun reviewing the Manual section by section. When the review is done, a labor attorney will be asked to review the Manual to make certain it complies with current regulations and laws. Then a draft will be prepared for the Commission to review.

6. GRANTS. The City has received grants from the following agencies:

a. Coastal Partnership Initiative: The City received a Partnership grant for \$60,000 which along with \$110,000 from American Rescue Plan Act funds was used to construct a nature trail XXXXXX in Ocean Hammock Park. The deadline for bids was May 23rd. One bid FOR \$826,210 was received. As this was well above the \$170,000 appropriated for this project, the Commission at its June 5, 2023, meeting rejected the bid and decided to ask the Florida Communities Trust (FCT), which provided grants to help purchase the Park, to allow the City to stop construction of any more facilities, such as the scenic overlook, in the Park. This will change the focus of the park from active recreation to passive recreation/conservation. The Florida Communities Trust responded favorably to this request and asked that the City provide documentation to what improvements have been made to the Park to date, which the City provided. The City informed the state that it wouldn't use the Coastal Partnership Initiative grant. The State has requested a revised management plan that would make the park more passive than active. To date, the state has not replied yet as to whether the Park can be converted to passive recreation/conservation.

b. Vulnerability Assessment. The City received a \$50,000 grant from the Florida Department of Environmental Protection's Resilient Florida Program. The grant will help pay the costs to create the City's vulnerability study to ensure that it complies with recent changes to state law. The state sent a draft work plan for the City to review and comment, which the City provided. The grant agreement has been executed. In July 2023, the City applied for an additional \$151,549, which was approved, to complete the study. A purchase order has been issued; the City Engineer has met with the consultant and the consultant has begun performing the tasks, such as data acquisition and exposure analysis. The original grant agreement has been revised and an amendment was approved. A new grant agreement for the additional funding is in the process of being executed.

7. FLOODING COMPLAINTS. Citizens have expressed concerns about the following areas:

a. Ocean Walk Subdivision. The subdivision is located on the east side of Mickler Boulevard between Pope Road and 16th Street. Earlier in 2020, the ditch that borders the subdivision's west side was piped. Ocean Walk residents complained that the piping of the ditch caused flooding along the subdivision's west side. To improve the flow of water, the Public Works Director had debris cleared from the Mickler and 11th Street ditches. The Commission approved the hiring of a civil engineering consultant, the Matthew Design Group. It provided a plan for swales, a pump station and other improvements. Also, in 2022, the City received a state appropriation of \$694,000 for the project. The St. Johns River Water Management District will provide up to an additional \$354,087 for the project. In October, the City Manager signed the agreement with the District for the money. As the estimated cost for the project is \$1.4 million, the project will be done in stages, which the Florida Department of Environmental Protection has approved. Additional funding will be sought for the later stages. The City has received an easement from one subdivision resident. The City Engineer provided an update report at the City Commission's March 4th meeting.

b. Oceanside Circle. This street is located in the Overby-Gargan unrecorded subdivision, which is north of Versaggi Drive. Three bids were received for a new, paved road and drainage improvements. As all the bids were well above the \$500,000 estimate provided by the City's civil engineering consultant, the City Commission at its February 6, 2023, meeting, approved the Public Works Director's recommendation to reject the bids. This project has been postponed. It could be funded in the future by one or more of the following means: a stormwater utility fee, assessing the owners of the properties

adjacent to the street, grants or an appropriation by the Florida Legislature. The City has applied for legislative funding in the state's Fiscal Year 2024-25 budget.

c. St. Augustine Beach and Tennis Complex and the Sabor de Sal subdivision. During periods of intense rainfall, two retention ponds can become full, which threatens adjacent residential properties. Because the ponds and adjacent road to one of them are privately owned and public money cannot be spent for private property the City cannot develop a solution that will require the spending of public funds. The St. Johns River Water Management District determined that the areas were developed in the 1970s and early '80s, before permits were required. On June 22, 2023, the City Engineer and the City Manager held a meeting with concerned residents about the need for them to organize themselves to hire a civil engineering consultant to advise them about possible solutions. Since then, Water Management District staff has provided the City with an analysis of two private ponds. City staff met with concerned residents on August 17, 2023, to discuss possible solutions that they will have to develop and pay for. Afterwards, the Commission at its September 11th meeting approved the City pumping excess water from the Sabor de Sal and Atlantic Beach and Tennis Club ponds, if needed, during the current hurricane season, but not in the future.

On October 18th, the Public Works Director and City Manager met with two representatives from the St. Augustine Beach and Tennis Condos. Their large parking lot was flooded for several days from a storm on October 12th. A possible solution is for the condos to have an underground pipe from the parking lot to the City's Linda Mar drainage system, which is connected to the Florida Department of Transportation system under State Road A1A. However, at a meeting with Florida DOT, the City Engineer and the Assistant Public Works Director learned that the DOT won't accept additional water into its system under State Road A1A. The next step will be another meeting with the condo representatives, Sabor de Sal homeowners and Mr. Bill Brothers, owner of the Atlantic Beach Tennis Club, about developing a solution to their drainage problems. The City has informed Mr. Bill Brothers that he no longer can pump water from his pond to the Linda Mar system.

In a meeting with City staff of November 20, 2023, Ms. Janice Lauroesch of Sabor de Sal suggested the City obtain an easement over a short bridge at the pond's east end for a pumping system. The questions are where is the pond water to be pumped and who is to pay the pumping costs?

In December, the Palm Coast City Attorney advised the City Council that public resources, including money, cannot be used to benefit private property owners. Our City Attorney agrees with this advice.

d. County Road A1A and Pope Road Surge Control. Application for \$557,702, 75% of which will come from the Hazard Mitigation Grant Program. The contract with the Florida Division of Emergency Management has been executed. The Public Works Director prepared a Request for Qualifications for a design consultant. The responses were reviewed and ranked by a City staff committee and the Commission at its September 12, 2022, meeting authorized the City Manager to negotiate with the firm ranked first, the Matthews DCCM. The contract was executed in October 2022 and the design has been completed. The City has submitted the design and bid documents to the Florida Division of Emergency Management for evaluation and approval of construction funding. Florida DEM requested additional engineering information leading to the realization that the City would be obligated to maintain County roadway and drainage assets. Therefore, the City requested FDEM to either cancel the project or transfer it to the County. The FDEM is still considering this request.

e. Magnolia Dunes/Atlantic Oaks Subdivisions. Thanks to the efforts of Vice Mayor Rumrell, state representative Cyndi Stevenson and state senator Travis Hutson, \$1,200,000 was put in the state's Fiscal Year 2023, which went into effect on July 1, 2022. The appropriation survived the Governor's veto pen. The Florida Department of Environmental Protection prepared a grant agreement, which was signed in late October 2022. The next step is for the City to advertise a Request for Qualifications for a design consultant to do design and permitting work. At its February 6th meeting, the City Commission approved the staff negotiating a fee for services with Environmental Consulting and Technology of Jackson. Negotiations are under way. The consultant has been hired and the pre-design study is currently being done. The state has extended the grant agreement for an additional year. It will expire on June 30, 2026. At the Commission's September meeting, City staff asked that discussion of plans for the drainage improvements be postponed so that the staff could research more options. The City Engineer presented the options at the Commission's October 2nd meeting. The Commission decided the staff should explore using the Florida Department of Transportation retention pond on State Road A1A.

On October 26th, the City Engineer, Assistant Public Works Director and City Manager held a town hall meeting with residents of the two subdivisions. The final pre-design study was received on November 2, 2023. The City has requested a design phase scope/proposal from a consultant. It is being reviewed by the City Engineer.

f. West end of 7th, 8th and 9th Streets. The Legislature in its 2023 budget approved an appropriation of \$90,000 for this project. The City has signed a grant agreement with the Florida Department of Environmental Protection (FDEP). Design and permitting work began in July 2023 and will be completed by November 2023. The City has asked FDEP to approve this schedule. The City has issued a purchase order for a consultant to do the design phase of the project. The deadline for the consultant to complete the design is November 30, 2023. A town hall meeting to review the design was held on November 2nd. Final plans and bid package have been prepared. However, as the City lacks sufficient grant funds to do all three streets, only 7th Street will be done in 2024.

g. Maintenance of Ponds in Sea Oaks Subdivision

In 2009, the City signed an easement and maintenance agreement with the Sea Oaks Homeowners' Association for the City to maintain two ponds in the subdivision as part of the City's responsibility to management of the Sea Oaks' stormwater system. At its December 4, 2023, meeting, the Commission approved a budget resolution to appropriate \$24,275 for surveying and civil engineering services. The services are needed to restore the ponds so that they will function as designed. Surveying has been done. It will be sent to Jones Edmonds, an engineering firm retained by the City. It will do an analysis of what must be done to bring the ponds into compliance with St. Johns River Water Management District regulations. Jones Edmonds is now doing the analysis and preparing a report.

8. STORMWATER UTILITY FEE. The Commission decided at its October 4, 2021, meeting that the time to levy the fee wasn't right in light of the recent increase in the non-ad valorem fee for the collection of household waste and recyclables and the increase in property taxes due to the rise of property values in the City. The Commission discussed the fee at its October 3, 2022, meeting and approved having a public hearing on November 14th meeting. At that meeting, the Commission approved a resolution stating the City's intent to adopt the non-ad valorem assessment. At its March 6, 2023, meeting, the Commission adopted an ordinance that will allow the Commission to levy a stormwater utility fee in 2024. At that meeting, the Commission did not approve a budget resolution to appropriate \$13,000 for a civil

engineering consultant to research the data needed for the City to propose a range of fees for the utility but as the fees cannot be recommended by the June or July deadline for submission of the range to the Tax Collector. Money has been appropriated in the FY 24 budget to pay a consultant to develop a fee schedule for Fiscal Year 2025. In the meantime, the City staff prepared a Request for Qualifications from consulting firms. The deadline for responses was September 11th. A contract was executed with Jones Edmunds, the only company that responded. A progress report was provided by the City Engineer, Mr. Jason Sparks, and a consultant at the City Commission's March 4th meeting. The next step will be town hall meetings in April.

9. RENOVATING THE FORMER CITY HALL AND CIVIL RIGHTS MONUMENT. On March 23, 2022, the City Commission held a workshop, the purpose of which was to discuss with citizens the renovation of the second floor of the former city hall at pier park, future uses of the building and a civil rights monument. Ms. Christina Parrish Stone, Executive Director of the St. Johns Cultural Council, made a PowerPoint presentation that described the building's history and the \$500,000 historic grant that can be spent on renovating certain features of the building, such as the upstairs windows and exterior awnings, and a smaller \$25,000 grant that can be spent on interpretative signage for the building. Ms. Stone highlighted that the building's designation as historic by the federal government enhanced its eligibility for the \$500,000 grant. The outcome of the workshop is that the building is to be used as a cultural arts center with the second floor possibly having artists' studios and a small museum. Artwork outside the building, such as a new civil rights monument to replace the old one that commemorates the 1964 civil rights struggle to integrate the adjacent beach, would be created. City staff will work with Ms. Stone and the Cultural Council on such matters as the building's structural strength, building code requirements to renovate the second floor, accessibility to the second floor for the public, fund raising and seeking citizens to serve as volunteers on a citizen advisory committee. The money from the \$500,000 grant must be spent by June 2024.

On July 12th, Ms. Christina Parrish Stone and Ms. Brenda Swan of the Cultural Council met with the Public Works Director and the City Manager and reported that the Council was advertising for proposals from architectural firms for the civil rights monument. Also discussed was where the monument would be located. One possible site is on the concrete walkway next to seawall and the stairs to the beach, so that the monument will be positioned where visitors can see it and the beach where the civil rights wade-in occurred in 1964.

At the Commission's March 2, 2023, meeting Ms. Parrish Stone showed illustrations of the proposed civil rights memorial to commemorate the "wade in" of the City's beach in front of the former city hall in 1964. She and a local architect, Mr. Connor Dowling, also showed illustrations of the new, second floor windows and some interior renovations. The memorial and other work will be paid by state grant funds. One delay is the columns along the building's north side to which the memorial panels will be attached may have to be replaced.

At the City Commission's March 4, 2024, meeting, Ms. Parrish Stone provided an update report on the renovations to the building: a) the upstairs balcony on the building's east side and new second story windows on the building's south side have been rebuilt; b) the framing of new second story windows on the north side has been done; c) remaining to be completed are new columns.

Ms. Parrish Stone also reported that the Cultural Council has applied for a \$750,000 state grant to do the entrance lobby and the elevator to the second floor, and to begin work on new second floor artists' studios. Whether the grant has been awarded will be known in early April.

10. BEACH RESTORATION. According to the U.S. Army Corps of Engineers, 2.5 million cubic yards of sand will be put on the beach from the middle of Anastasia State Park southwards to south of A Street. The federal government will pay the entire \$33 million cost. The project was started in early March and will be finished by the end of June 2024.

11. INTERGOVERNMENTAL PROJECTS. When the Commission discussed the strategic plan at its February 1, 2021, meeting, more involvement with the County and St. Augustine was mentioned as desirable. Below is a summary of the City's current involvement with various area governmental entities.

a. Mobility: No formation to report.

b. River-to-Sea Loop: This is a Florida Department of Transportation, St. Johns County, St. Augustine and St. Augustine Beach project to construct 26 miles of a paved bike/pedestrian trail as part of the 260-mile trail from the St. Johns River in Putnam County to the ocean in St. Johns County. The Loop will then go south through Flagler and Volusia counties to Brevard County. This is a long-term, multi-year project. It's proposed that the Loop will enter St. Augustine along King Street, go across the Bridge of Lions, south along State Road A1A to the State Park, through the Park or along State Road A1A to A1A Beach Boulevard. Though possibly not feasible in all locations, the goal is to have a wide, perhaps 10-foot, bike/pedestrian trail separate from the adjacent road.

The Loop's proposed route through the City is along the west side of A1A Beach Boulevard from Pope Road to A Street, then transition to the east side of the Boulevard from A Street to the where the Boulevard merges with State Road A1A. The Loop will then go south along SR-A1A into Flagler County and has been funded by the Florida Department of Transportation.

c. Transportation Development Plan: The development of the plan involves several agencies, such as the County, St. Augustine, our City, the North Florida Transportation Organization and the Sunshine Bus System. On February 25, 2021, the City Manager attended by telephone a stakeholders' meeting for an update on the development of the plan's vision, mission goals and objectives. Most of the presentation was data, such as population density, percentage of residents without vehicles, senior citizens and low income and minority residents in the County and the areas served by the Sunshine Bus. The next stakeholders' meeting has yet to be announced. The agenda will include transit strategies and alternatives and a 10-year implementation plan.

d. Recycling Glass Containers. St. Augustine Beach has joined St. Augustine's program. St. Augustine has put a dumpster in the south city hall parking lot for glass containers, the City's Communications Coordinator, Ms. Melinda Conlon, has informed the public of this new service and to date the dumpster has been well-used.

12. BEACH ACCESS WALKOVERS. The Assistant Public Works Director and City Manager asked the St. Augustine Port, Waterway and Beach Commission at its July 18th meeting to appropriate money in its Fiscal Year 2024 budget for walkovers. The Port Commission at its July 18, 2023, meeting appropriated \$190,025 for walkovers. The City matched this amount to construct walkovers at 10th and 6th Streets in Fiscal Year 2024. These two were completed in November. Money for two more walkovers, C and E

Streets, will be requested for the Fiscal Year 2025 budget. At a November 17, 2023, meeting of the County's Transportation Advisory Group, an agreement for the County to maintain the walkovers was discussed. No action has been done to date by the County.

13. HAMMOCK DUNES PARK. This Park is located on the west side of A1A Beach Boulevard between the shopping center and the Whispering Oaks subdivision. At this time, it has no amenities, such as walking trails, and the City has no money for them because of significant drainage and other projects.

14. UNDERGROUNDING OF ELECTRIC WIRES ALONG A1A Beach Boulevard. Because of the estimated cost of \$1 million per mile and the City's current focus is on drainage improvements, there is no current action to report. However, in accordance with Commission policy, the undergrounding of the lines will be done on new residential streets, such as 2nd Street west of 2nd Avenue.

15. TRAFFIC SIGNAL ON STATE ROAD A1A AT MADRID STREET AND THE ENTRANCE TO MARSH CREEK SUBDIVISION. This has been requested by City residents. The signal would benefit the residents of two private, gated subdivisions, Whispering Oaks and Marsh Creek, and one ungated subdivision, Sevilla Gardens, with public streets. In response to emails from the City Manager, the Florida Department of Transportation responded that there aren't enough residents in Sevilla Gardens to justify the signal and the two gated subdivisions would be responsible for having a traffic study done, and, if the study showed the signal was justified, paying for the signal. The City Manager forwarded this information to a Whispering Oaks resident, who said he would contact Marsh Creek. At the Commission's December 5, 2022, meeting, Commissioner George said she would contact the Marsh Creek Homeowners Association about the traffic signal proposal. She reported at the Commission's April 3, 2023, meeting that the cost of the signal system, according to the Florida Department of Transportation, would be \$1 million. At the Commission's August 7th meeting, she reported that she met with the board members of the Marsh Creek Homeowners Association and that some of the members were not in favor of the signal. She said she would follow up with the board again to see if they wanted more information or if they would take a formal position concerning the signal.

16. NEW STREETLIGHTS ON 11TH STREET

The City has asked Florida Power and Light to put two new lights on the north side of 11th Street between Mickler Boulevard and the entrance to the Ocean Ridge subdivision. Florida Power and Light says it will have the lights in place in March or April.

17. NEW STREETS. There are two projects: 2nd Street west of 2nd Avenue and 4th Street between A1A Beach Boulevard and 2nd Avenue. The 2nd Street project also included rebuilding the existing street between the Boulevard and 2nd Avenue. Both sections of 2nd Street were paved in October. Release of liens by the contractor and submission of certain documents to the County's Utility Department remain to be done.

Fourth Street is a platted street, most of which between the Boulevard and 2nd Avenue is unpaved. The City's policy is that the cost to open and pave such streets is paid by the owners of the lots adjacent to them and the City. The owners are charged an assessment. At its November 14, 2022, meeting, the City Commission approved the City Manager notifying the owners of the City's intent to open the street and charge them an assessment. In early December, the Manager sent the notification letters to the four owners. In late February, one property owner in response to his inquiry was told the cost to construct

the street would be between \$460,000 and \$500,000, though the City Engineer considers this estimate to be low. The other property owners did not respond. An Engineer will get a revised estimate and the City staff will schedule a meeting with the owners to discuss a special assessment.

18. CLEANING OF STATUES IN LAKESIDE PARK. Some of the statues are showing wear and their age. The City Manager wrote to Ms. Marianne Lerbs, the wife of sculptor Thomas Glover, who is now deceased, for guidance to clean the statues.

19. HOLIDAY LIGHTING DECORATIONS. For years, the City put up nautically-themed holiday lights on streetlight poles along A1A Beach Boulevard. The poles are owned by Florida Power and Light. In 2020, FP&L prohibited the use of its poles for the lights. However, in 2023, FP&L announced decorations would be allowed on poles that had no transformers and other electrical hardware on them. The City Manager has sent an agreement to FP&L, which is now reviewing the poles on which the City wants to put its decorations for the 2024 Christmas holiday season. In the meantime, the Public Works staff is discussing additional lighting in the plazas at 3rd and D Streets.