



MINUTES

SPECIAL CITY COMMISSION MEETING
MONDAY, SEPTEMBER 11, 2023, AT 5:01 P.M.

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

I. CALL TO ORDER

Mayor Samora called the meeting to order at 5:01 p.m.

II. PLEDGE OF ALLEGIANCE

The Commission recited the Pledge of Allegiance.

III. ROLL CALL

Present: Mayor Donald Samora, Vice Mayor Dylan Rumrell, and Commissioners Undine C. George, Beth Sweeny, 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, Engineering Director Jason Sparks, and IT Director Anthony Johns.

IV. REVIEW OF FISCAL YEAR 2024 BUDGET

- A. Discussion of Proposed Budget, Millage, and First Reading of Ordinance 23-06 to Adopt Operating and Debt Millage (Presenters: Max Royle, City Manager; Patricia Douylliez, Finance Director)

City Manager Royle reminded the Commission that the purpose of the meeting was to review the proposed budget, vote on the millage and budget ordinances, and set the date and time for the final budget meeting, which is usually the last Monday of September.

Finance Director Douylliez presented a PowerPoint on the fiscal year 2024 budget [Exhibit A]. She noted that there were several changes from the previously presented budget draft (listed on pages 1-3 of the agenda book), which mostly balanced out. She stated that this proposed budget is based on a millage of 2.5324, which is the highest we can go, that the roll back millage is 2.2386, and our current millage is 2.45. She explained that due to the \$7 million dollar cap on collection for our debt service millage, that is proposed to be lowered to 0.30 mills, lowered again next year for the final collection, and end for fiscal year 2026. The proposed total millage is 2.8324, which is lower than the current total millage of 2.95.

She remarked that the capital forecast for the next five years [Exhibit A-5] shows increasing percentages of project costs that must be covered solely by the City as opposed to grant or state appropriations. She commented that several projects have already been pushed to future fiscal years due to a lack of current funding, which is one reason we are looking at a stormwater utility fee. She stated that the costs of projects are escalating and implementing a stormwater utility fee will be key to maintaining and improving the City's drainage system. She explained that cash flow for projects is also a concern, since grants and state appropriations are typically reimbursed

quarterly so the City must pay costs up front and wait to be reimbursed, which sometimes leads to uncertainty with "borrowing" funds from other City accounts to pay normal operating expenditures. She stated that this budget removed \$321,200 out of reserves to balance. She is setting aside about \$59,000 for emergencies and contingencies, which will help to make changes within the budget year for unexpected situations, such as an air conditioner failing. She commented that when she was revising the budget, every time she found a possible reduction, she would also find a necessary increase. She noted that a section of the ceiling behind the Commissioners has a leak that must be repaired, and the first estimate is \$16,000; there is also a leak in the IT building above a main server, which at \$100,000 we cannot risk losing, so that must be repaired as well. She explained that appears to be condensation from the AC unit, but the exact cause is not known right now, so we cannot know the cost until the problem is found.

Commissioner Sweeny asked what the total difference was between the previous budget and the current. Finance Director Douylliez replied that she did not have the number at hand, but that it was mostly a wash, just a matter of moving amounts.

Commissioner Morgan asked where the \$321,200 removed from reserves was shown in the proposed budget. Finance Director Douylliez replied that it was a line item under Reserves at the bottom of page 10, "Transfer from Undesignated/Unreserved Fund Balance".

Commissioner Sweeny asked where that leaves the City's total reserve fund. Finance Director Douylliez replied that that would be based on the final millage and was summarized on page 6.

Commissioner George noted that funding was there for SEPAC (Sustainability & Environmental Planning Advisory Committee), but asked how the year-end funding would work for their projects. Finance Director Douylliez explained that if the City has been billed for services, the balance would go into reserves, and she would need to present a budget resolution for the difference in the new fiscal year to pull it into the budget. The balance wouldn't go into reserves until the budget is officially closed on November 30, so bills could still be paid, but the services must have been rendered before September 30th.

Vice Mayor Rumrell commented that he is still having a hard time with the 2.5324 and still thinks the \$50,000 for the police body cams could be removed. He thinks it is a 'want' and not a 'need' at this point. He noted that the federal government offers some grants for body cameras and perhaps the City should pursue that option first. Chief Carswell agreed with the Vice Mayor's comments and noted that they are a great tool that the Department could use, but does not need. He commented that there are very few complaints against our officers, only three this year, which is the primary use for body cameras. He agrees that that money could be used in much more needed places in the City. Vice Mayor Rumrell asked if a new employee would need to be hired to monitor the cameras and maintain the records produced. Chief Carswell replied that eventually that would likely be necessary; the Department currently receives about 7-10 record requests per week and the records need to be reviewed and redacted per law before being released. Vice Mayor Rumrell noted that the St. Johns County Sheriff's Office and the St. Augustine Police Department already have body cameras and those agencies respond to major incidents alongside our officers.

Mayor Samora asked for the exact figure. Finance Director Douylliez stated that it was \$52,443. Commissioner Sweeny asked what the impact on the millage would be. Finance Director Douylliez replied that if the budget is reduced by \$59,799, the millage could be at 2.50. In that case, she would suggest removing the body camera line item and reducing emergencies and contingencies by the difference. Commissioner George agreed that she did not see a need at this point. Vice Mayor Rumrell noted that that reduction would lower the total millage to 2.80, which would be a big drop for the residents from 2.95. Commissioner George noted that future costs would be

astronomical with staffing, records requests, software costs, and equipment replacements. Vice Mayor Rumrell agreed and noted that a new server might even be necessary to handle the new volume. Finance Director Douylliez stated that the \$52,000 was just the contract cost and then another \$30,000 a year for the next four years, plus any staffing and IT needs. Chief Carswell commented that the cameras would need to be docked at the end of each day to upload the data and doing that all at once could strain the City's network. IT Manager Johns noted that the data upload speed was a concern, since the City is on an asymmetrical connection with faster download speed than upload, and we would likely have to increase our data plan to handle those uploads in addition to the regular overnight backups.

Vice Mayor Rumrell commented that the \$25,000 for Ocean Hammock Park was still in the budget, but he was under the impression that Assistant Public Works Director Adams was working on grants from the St. Augustine Port, Waterway, and Beach District. Finance Director Douylliez replied that that was left because any grant request will require a detailed analysis to know what we need to request and there are some minor repairs that need to be done right away. Vice Mayor Rumrell suggested asking for reimbursement for that \$25,000, if possible, in any grant requests.

Mayor Samora commented that budget season is a time of give and take and we can't have everything we want. He stated his opinion on body cameras is that it will just be a matter of time and is reluctant to put it off, but perhaps not this year. Commissioner Morgan agreed with the Mayor and commented that the longer it is put off, the more expensive it may become, and the City will have to make a decision on it.

Mayor Samora opened Public Comment.

Nick Binder, 232 Big Magnolia Court, St. Augustine Beach, FL, congratulated Vice Mayor Rumrell for being appointed to the Florida League of Cities' Legislative Policy Committee and hopes that will help get grants; glad to hear his comments on Ocean Hammock Park; it is key to manage the safety issues with splinter from the rails; would like the City to evaluate safe surface alternatives for Splash Park; noted there is no increase in the solid waste non-ad valorem this year; suggested basing that rate on building square footage.

Ken Champagne, 17 Sandpiper Drive, St. Augustine Beach, FL, stated that he was concerned that the proposed millage rate would increase his taxes by 7% and non-homesteaded properties by 13%, so he thanked the Commission for trying to get the millage rate down; he objected to attitude on body cameras, he would agree with proposed millage to pay for cameras; has heard same argument on needing to hire new employees to manage FOIA requests since Robert Hardwick was chief.

Dave Curley, 1005 Windward Way, St. Augustine, FL, asked if there was a line item adjustment for the 11th Street project.

City Manager Royle clarified that was referring to the fence on the canal adjacent to Commodore's Club. Finance Director Douylliez confirmed that it was, \$120,000 for a security fence for the 11th Street Canal.

Mayor Samora closed Public Comment.

Mayor Samora stated that the TRIM (Truth in Millage) notices have a lot of information on proposed rates, but that the City's total millage is going down about 4% at the proposed 2.5324 rate and about 5% at the 2.50 rate. Vice Mayor Rumrell noted that the rate appears higher because the County's highest proposed millage rate is also on the TRIM notice.

Mayor Samora asked for any further discussion on the budget. He stated that it's a tough year and the biggest question is whether to include body cameras or not.

Commissioner Sweeny stated that she still thinks body cameras should be included, but won't argue against Chief Carswell if he doesn't feel they are necessary. She appreciated that the overall millage was being reduced. Chief Carswell commented that he and his officers have no issue wearing body cameras, and some of our officers came from jurisdictions that already had them, but the City has other budgetary needs, and they would be more than happy to wear them if the funding comes through. Mayor Samora agreed with looking to see if federal or other funding could be found first, since it is something that will not be able to be moved much further down the road.

Mayor Samora asked Finance Director Douylliez for the procedure. Finance Director Douylliez stated that the first step is to approve Ordinance 23-06 for the millage, then Ordinance 23-07 to approve the budget.

Mayor Samora asked for a motion on the millage.

Motion: To approve Ordinance 23-06 at a millage rate of 2.50 and a debt millage rate of 0.30.
Moved by Commissioner George, **Seconded by** Commissioner Morgan.

City Attorney Blocker read Ordinance 23-06 with the 2.50 and 0.30 millages above in full.

Commissioner Sweeny	Yes
Commissioner Morgan	Yes
Commissioner George	Yes
Vice Mayor Rumrell	Yes
Mayor Samora	Yes

Motion passed unanimously at 5:47 p.m.

Mayor Samora closed Item IV.A.

- B. Ordinance 23-07, First Reading, to Adopt FY 2024 Budget (Presenter: Patricia Douylliez, Finance Director)

Mayor Samora asked for a motion on the budget.

Motion: To approve Ordinance 23-07. **Moved by** Commissioner George, **Seconded by** Vice Mayor Rumrell.

City Attorney Blocker read Ordinance 23-07 in full.

Commissioner George	Yes
Vice Mayor Rumrell	Yes
Mayor Samora	Yes
Commissioner Sweeny	Yes
Commissioner Morgan	Yes

Motion passed unanimously at 5:50 p.m.

Mayor Samora closed Item IV.B.

- C. Confirmation of Date and Time for Second Public Hearing and Final Reading of Millage and Budget Ordinances for FY 24 on Monday, September 25, 2023, at 5:01 p.m. (Presenter: Max Royle, City Manager)

There was consensus to hold the second public hearing on Monday, September 25, 2023, at 5:01 p.m.

Finance Director Douylliez thanked the City employees who came to the meeting to support the budget and noted there were employees from every department in the audience.

V. ADJOURNMENT

Mayor Samora asked for a motion to adjourn.

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

Mayor Samora adjourned the meeting at 5:52 p.m.



Donald Samora, Mayor

ATTEST:


Dariana Fitzgerald, City Clerk

FY24 BUDGET

City of St Augustine Beach

September 11, 2023

5:01PM



Exhibit A-1
Date 9-17-2023
Budget

FY24 Millage Options



Roll Back Millage – 2.2386

Current Millage – 2.4500

Proposed Millage – 2.5324

Each Tenth of Mill = \$194,281

Exhibit A-2
Date 9-11-2023
Budget



FY24 Millage Recap

TOTAL MILLAGE CALCULATION		FY24	FY23
Operating Millage		2.5324	2.4500
<u>Debt Service Millage</u>		<u>0.3000</u>	<u>0.5000</u>
Total Millage		2.8324	2.9500
** SAVINGS OF .1176 MILS**			

Exhibit A-3
Date 9-11-2023
Budget

FY24 Debt Service

Debt Service Funding from Residents Caps Out at \$7Million

Balance remaining \$945,964

Current Budget Collection \$553,701

Balance to be collected in FY25 \$392,263

Debt Service Collection Ends FY26!



Exhibit A-4

Date 9-11-2023
Budget



FY24 Capital Forecast

- **FY 24 - \$2,781,129 38% City Funded**
- **FY 25 - \$6,712,000 69.5% City Funded**
- **FY 26 - \$5,072,000 66% City Funded**
- **FY 27 - \$3,085,750 98.4% City Funded**
- **FY 28 - \$2,430,288 100% City Funded**

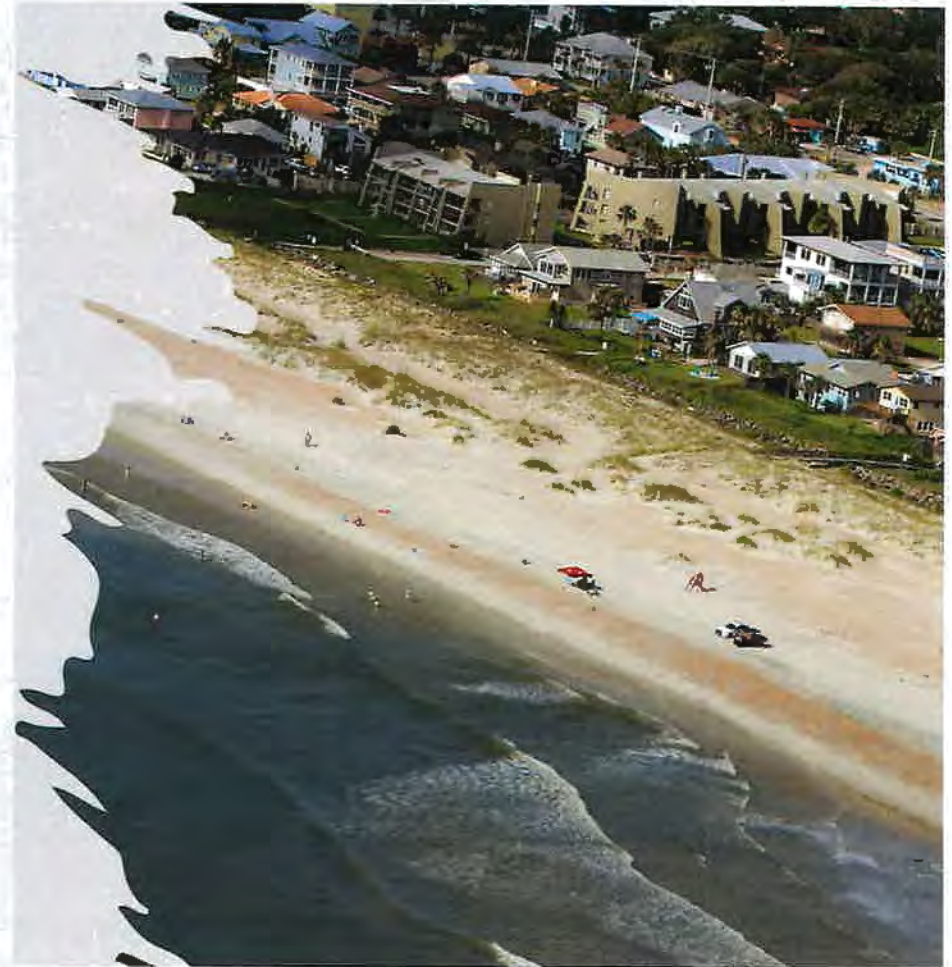


Exhibit A-5

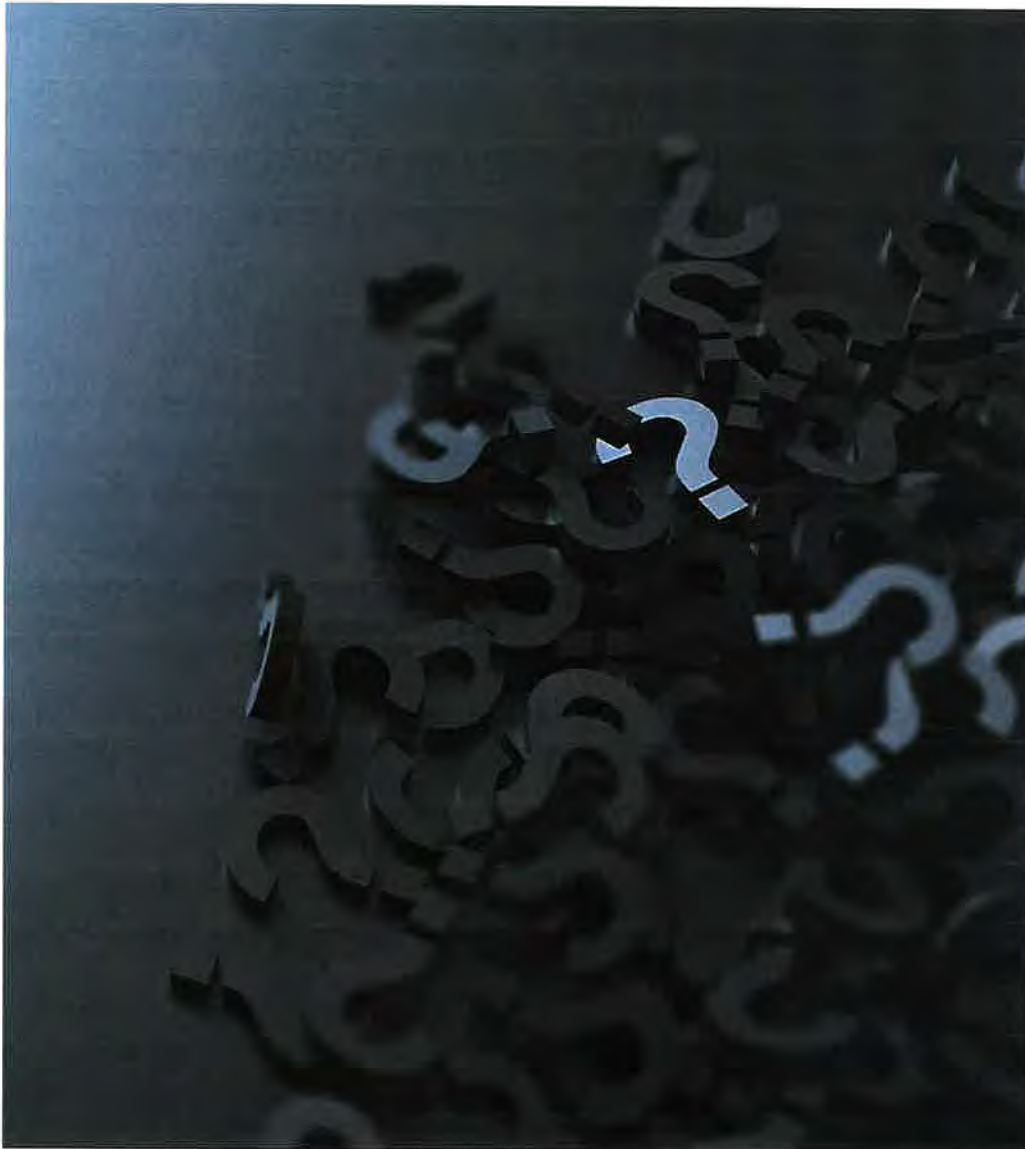
Date 9-11-2023
Budget



FY24 Future Concerns

- Funding for future capital
- Implementing Storm Water Utility Fee
- Cash Flow for capital projects
- Upcoming Grants not currently in the budget
- Emergencies

Exhibit A-6
Date 9-11-2023
Budget



QUESTIONS??

Exhibit A-7
Date 9-11-2023
Budget