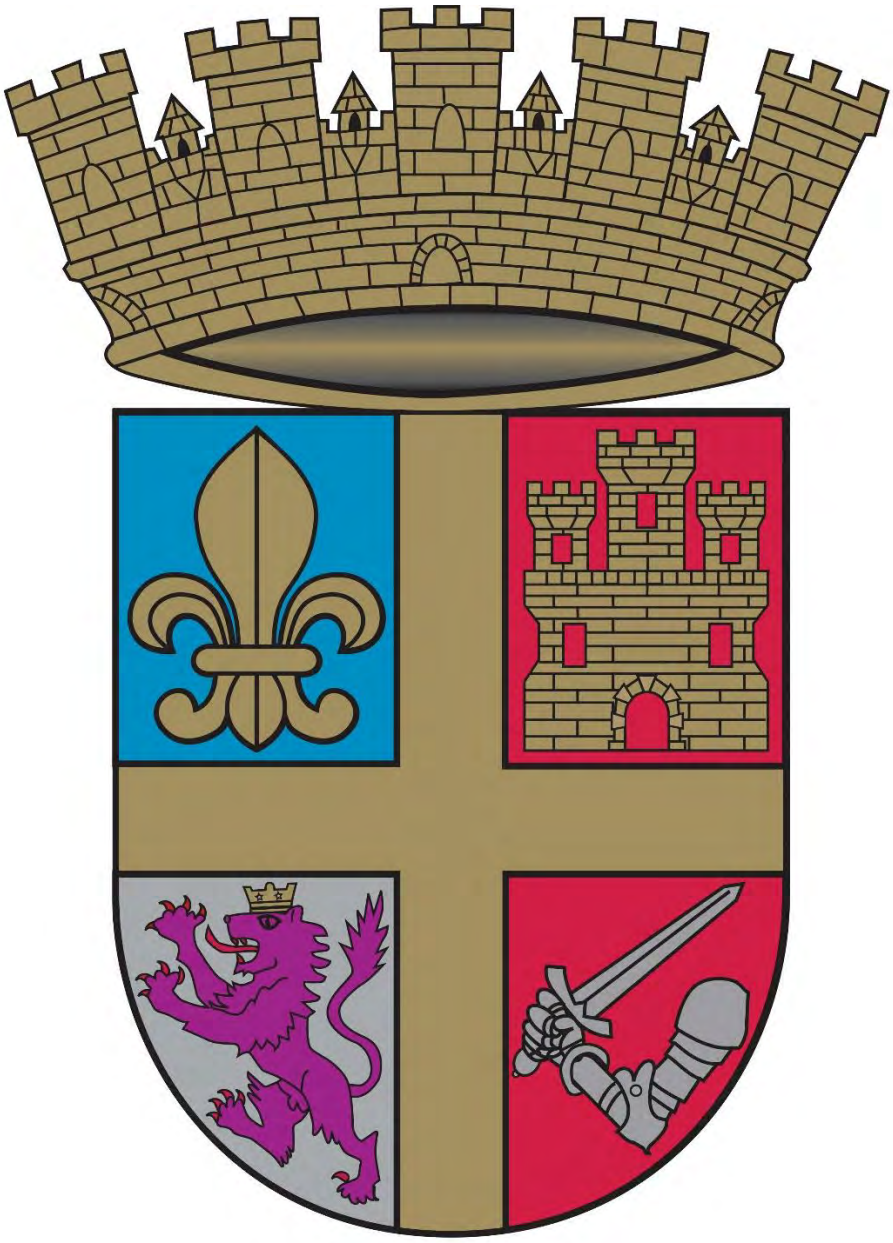
City of St. Augustine, Florida

Annual Comprehensive Financial Report
Fiscal Year Ended September 30, 2023

Prepared By:

City of St. Augustine Finance Department

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CITY OF ST. AUGUSTINE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Year Ended September 30, 2023

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Letter of Transmittal

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May 6, 2024

Honorable Mayor and Commissioners
City of St. Augustine, Florida

Mayor, Commissioners and Residents:

The Annual Comprehensive Financial Report of the City of St. Augustine, Florida, for the fiscal year ended September 30, 2023, is submitted herewith, pursuant to Florida Statutes Chapter 166.241 (4) and Chapter 10.550 of the Rules of the Auditor General of the State of Florida. This Annual Comprehensive Financial Report was prepared by the staff of the City's Financial Services Department; therefore, responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. The City believes the data, as presented, is accurate in all material aspects, is presented in a manner designed to fairly set forth the financial position and results of activity of its various funds, and all disclosures necessary to enable the readers to gain maximum understanding of the City's financial activity have been included.

The City is responsible for establishing and maintaining internal controls to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition. The Financial Services Department ensures the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits. The evaluation of this relationship is the responsibility of City management. The City believes these controls adequately safeguard City assets and provide reasonable assurance for properly recording transactions.

The independent accounting firm of Masters, Smith & Wisby, P.A., whose report is included herein, has audited the City’s financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by City management, and evaluating the overall financial statement presentation.

Based upon the audit, Masters, Smith & Wisby, P.A. concluded there is a reasonable basis for rendering an unmodified opinion that the City's financial statements are fairly presented in conformity with accounting principles generally accepted in the United States.

GOVERNMENT PROFILE

Often called the City of the Centuries because of its antiquity, St. Augustine was founded by Spain in 1565 and is the oldest continuously occupied settlement of European origin in what is now the

United States. The City was founded 42 years before the arrival of British colonists in Jamestown, five years before the Pilgrims landed at Plymouth Rock, and was already two centuries old at the time of the American Revolution.

Flags that have flown over St. Augustine include Spanish, British, Confederate and American. For nearly two centuries (1565-1763), St. Augustine was a Spanish possession. This 200-year period is referred to as the First Spanish Period. Britain obtained possession of Florida and St. Augustine in 1763 and maintained it for 20 years (1763-1783). This period included the American Revolution and is known as the British Period. Spain regained possession of St. Augustine and the rest of Florida in 1784 and maintained it until Florida became a possession of the United States in 1821; this is known as the second Spanish Period.

With St. Augustine as the capital of East Florida, Florida maintained its territorial status until 1845 when it was admitted to the United States as the 27th state. St. Augustine was briefly under the Confederate Flag when Florida seceded from the Union in 1861, but the City was captured by Union forces early during the War Between the States and was occupied during most of the hostilities.

During its earliest years, St. Augustine was a collection of palm thatch huts, and these gave way to board-sided houses with thatched roofs in the 17th century. After the town was burned in 1702 during an attack by Carolinians, the populace erected temporary straw or thatch shelters until they could build with more permanent materials such as tabby, the colonial equivalent of modern concrete, or coquina, a native shell stone quarried on Anastasia Island across the Matanzas River.

Many of the City's colonial structures have been carefully preserved and restored, and there is a continuing program to restore and reconstruct other buildings on their original foundations. Historic sites, buildings, and St. Augustine's old-world charm are found throughout the colonial City. Several private and governmental groups have and continue to pursue active roles in the restoration, preservation, and interpretation of St. Augustine's history.

Today, the City of St. Augustine is a full-service municipality located within the boundaries of St. Johns County and was recently voted the South’s Best Small Town by Southern Living magazine. The City derives its government authority from a charter granted by the legislature of the State of Florida. The City operates under a Commission Manager form of government. Five commission members, including the mayor, are elected at-large on a non-partisan basis. Four seats are staggered four-year terms, with the mayor’s seat elected every two years. The City Commission appoints the City Manager, who directs the business of the City and its various departments. The City Commission determines policy, adopts legislation, approves the budget, sets taxes, and appoints the City Attorney, the City Clerk, and members of various boards and committees.

The City budget process runs from March through September with two public hearings. The budgets are prepared by each department and submitted to the budget committee. The budgets are balanced and approved by the legal governing body. The General Fund, Special Revenue Funds and all Proprietary Funds have legally adopted annual budgets. The legal level of budgetary control is at the fund level without the governing body’s approval. Actual spending, however, can exceed the appropriated amount of the fund to the extent revenues exceed the fund’s budget.

ECONOMIC CONDITIONS AND OUTLOOK

The City of St. Augustine is located within St. Johns County on the northeast coast of Florida. The City's limited economy is concentrated in tourism, although major employers provide some diversification and security. Flagler College, a four-year liberal arts college, the State Headquarters of the Florida National Guard, and the Florida State School for the Deaf and the Blind contribute significantly to a stable economy.

Founded by the Spanish 459 years ago, the rich history, authentic attractions, unique restaurants and diverse overnight accommodations of historic St. Augustine make the City one of the primary tourism hubs in St. Johns County. The City welcomes approximately 650,000 individuals at the downtown visitor center each year and provides visitors with roughly one million room nights. Tourism is responsible for approximately one third of the annual economic activity in St. Johns County, generating nearly $3.8 billion in annual economic impact and more than 32,000 local jobs county-wide. In recent years, one of the primary focuses of tourism promotional efforts funded with Tourist Development Tax has been to promote the destination to high-spend, multi-night visitors to maximize the economic impact from tourism while minimizing the effects of tourism on infrastructure. City activities and events which receive Tourist Development Tax funding include programs such as the lighting and shuttles for Nights of Lights, the Fourth of July fireworks event, the downtown Visitor Information Center, and the Department of Transportation Circulator Shuttle.

As predicted, the City's ad valorem tax revenues increased in fiscal year 2023. The growth has been due to the increase in value of real estate as well as new construction and renovation activity. For 2023 the City's total taxable value increased to approximately $2,501,000,000. This represents the total taxable value for the 2023 budget year, resulting in ad valorem revenue of approximately $18,185,000.

CHALLENGES AND MAJOR INITIATIVES

OBJECTIVE 1: Infrastructure Planning and Construction

1. Continued West Augustine Sewer Expansion with Phase 2 of West 5th Street and West 3rd Street
2. Arricola Ave. force main improvements
3. Continue City paving management program city-wide
4. Inflow and Infiltration inspections and rehabilitation of the City sewer system
5. Wastewater Treatment Plant Motor Control & Communications Center completed

OBJECTIVE 2: Mobility Planning and Construction

1. Implemented a mobility fee based on the mobility plan.
2. Promoted bicycle mobility.
3. Completed construction of Spanish Street improvements.
4. Continued a public circulator program with FDOT grant.
5. Design has begun for King Street and Cathedral Place.

OBJECTIVE 3: Zoning & Building Code

1. Ongoing Short-Term Rental (STR) legislation, registrations and enforcement, defense of home rule
2. Drafted update to the city's existing parking code to be consistent with the adopted Mobility Plan. Worked with the Planning and Zoning Board through several Special Meetings to obtain the Boards final recommendations to the City Commission. Will start working with the City Commission and other neighborhood organizations to adopt an ordinance amending the parking code.
3. Continue to update the land development code based on the updated Comprehensive Plan
4. Continue working with consultants (WSP) to draft a Resilient Shoreline Ordinance and update Chapter 11 Conservation Overlay Zone section of the city's land development code.
5. Conversation regarding Historic Preservation in National Register District neighborhoods. Adopted code changes related to partial demolition and continue to move forward to update the Architectural Guidelines for Historic Preservation (AGHP).
6. Continue to improve electronic customer service. Setup City Works software with data, online permit portal, and online inspection request system.

OBJECTIVE 4: Resiliency

1. Maintained Class 5 rating in the National Flood Insurance Program Community Rating System
2. Initiated the Back Bay Coastal Storm Risk Management Study with the United States Army Corps of Engineers.
3. Initiated an update to the City's previous Vulnerability Assessment.
4. Continued to work with the Flood Mitigation Assistance Program offered through FEMA so that property owners can apply through the City to elevate their flood prone structure(s) to reduce their flood risk, one (1) property has been approved, working to establish program protocols, submitted applications related to 62 additional properties.
5. Maintained and continually updated the resilience webpage to house all current projects, programs, policies, studies, and other resources related to resilience.
6. Created a Resiliency Newsletter to keep the community informed of ongoing resilience efforts.

OBJECTIVE 5: Sustainability

1. Maintained and promoted the Tree Canopy Enhancement Program to provide free trees to residents to expand and sustain the City's urban forest
2. Continued compost bin program.
3. Completed sustainability workshop with information about sustainability within the City, water conservation from SJRWMD, and composting basics during Earth Month.
4. Collection Events – The ECD schedules 2 to 3 collection events throughout the year for residents and businesses. The events allow city residents to drop off documents for shredding, used electronics, and cooking oil.
5. Mayors' Monarch Initiative 2023- The City took the Mayors' Monarch pledge for the third year. As part of the pledge, the City planted native milkweed in the courtyard of City Hall for public viewing, posted on social media about butterfly gardens and native plants, and conducted outreach at recycle events and sustainability workshop.

OBJECTIVE 5: Arts, Education and Community

1. Co-sponsored the second annual Fort Mose Jazz Festival with St. Johns County
2. Continued sustainability efforts to include Arbor Day tree sapling distribution, tree canopy program, compost bin distribution, and recycling events.
3. Co-sponsored the second annual St. Augustine History Festival.
4. Continued public awareness campaigns including Archaeology month, Historic Preservation month, Environmental Awareness week, Public Works Week, and Hurricane Preparedness.

OBJECTIVE 6: Enhance our Community Partnerships to Affect Change in Affordable Housing and Homelessness

1. Homeless outreach services as reported by the Police Chief.
2. Continued contractual relationship with St. Francis House for standby bed capacity to enforce the no camping ordinance.
3. Continued support for Home Again St. Johns
4. Dedicated Community Outreach Officer to focus on homeless community issues. This position was added to the Planning and Building Department to address longer term issues related to homelessness and help develop a city initiative for a potential day time drop-in center on city owned property.
5. Lincolnville Community Redevelopment Area administers grants up to $50,000 for housing repairs to income qualified homeowners within the area
6. Received HUD Technical Assistance Grant to produce Homelessness Strategic Plan. The Strategic Plan is being drafted.

OBJECTIVE 7: Proactive Planning to Preserve our Downtown Character

1. Creation of Nightlife Liaison & Permit Tech position within the Police Department.
2. Update the Sound Ordinance.

OBJECTIVE 8: Event, Planning and Management

1. Concerts in the Plaza
2. Nights of Lights
3. Fourth of July Fireworks
4. Commitment to improve nightlife by increasing City presence, increasing solid waste receptacles, keeping restrooms open later, completing a lighting study, reviewing the franchise and driver for hire ordinances and reviewing the noise ordinance.

OBJECTIVE 9: Diversity in the Workforce

1. Continued implementation of HR software that allows broader outreach to potential employees when job openings are available.

OBJECTIVE 10: Historic Preservation & Archaeology

1. Archaeology team, including a growing team of volunteers, had field excavations within the National Historic Landmark Colonial-Walled City in response to several large commercial developments and at the Fountain of Youth Archaeological Park listed on the National Register of Historic Places.
2. Improvements to the Dr. Sue A. Middleton Archaeology Center were made to help ensure the long-term preservation of the community's cultural heritage.
3. Outreach efforts included reaching over 40,000 individuals via social media, as well as staff interviews and stories presented on local and national media outlets.
4. The partial demolition ordinance was adopted that will allow more flexibility for administrative approvals.
5. Comprehensive planning projects continue to be updated, including the Architectural Guidelines for Historic Preservation (AGHP), three National Register Historic Districts, and a National Historic Landmark area.
6. The Division worked to help successfully advocate against proposed legislation at the State level that would strip our local Historic Architectural Review Board's authority to review proposed demolitions that met certain thresholds.
7. A well-received window restoration workshop and tour of the rehabilitated historic Waterworks were held at the second annual St. Augustine History Festival. All efforts further the priorities identified in the 2018 Historic Preservation Master Plan.

Strategic Planning

The City continues integrating its strategic planning initiative at every organizational level to guide and implement planning and resource allocation that is engrained in community engagement, broad transparency, and measured results. The Commission developed a strategic action plan that reflected the community's priorities to be incorporated into the City's budget process and business plan. The strategic plan is updated annually.

Fiscal Management

The City continues to conduct financial and internal control reviews and update policies to modernize business and accounting practices. The City's current bond ratings are favorable, and the City's current S&P ratings range from AA to A+. The City's Moody's rating is Aa3 for it's Capital Improvement and Revenue Bonds. Fitch ratings currently ranks the City's bonds as AA. These excellent credit ratings have been achieved by a hard fought, long-term commitment to fiscal prudence, refinancing in low interest rate environments, and sound planning. This was made possible by a commitment from elected officials, management, and all departments.

Police Department

The Communications Center merged with the St. Johns County Sheriff's Office E911 Emergency Communications Center in December of 2021. The E911 center is the central nervous system for law enforcement, fire, and medical emergency communications. This building is constructed at a Category-5 Structural Rating, with clean and redundant power systems, among other critical infrastructure and will ensure the ultimate safety of all personnel inside during critical incidents.

Fire Department

The City of St Augustine Fire Department responded to over 5,000 calls for service. The department continues to search for a long-term solution to replace the Island Fire Station. The existing station was built in 1959 and has reached its end of life. In the future, consideration should be given to exploring the feasibility of an expansion to a third station in the north part of the city in the next five years

Year	Calls	Building Fires	Total Fires
FY 20/21	5,295	76	163
FY 21/22	5,391	92	112
FY 22/23	5,025	60	123

Communications

The Communications Department strives to be the single most reliable source of information when it comes to notifying the public about events, programs and initiatives, and all things relating to the City of St. Augustine. The mission is to provide reliable, relevant, and timely information while simultaneously encouraging public engagement and participation.

The City communicates via multiple forms of outreach, including traditional distribution of press releases, social media posts, television, radio, electronic newsletter, and print media. The department also supports communications efforts of the Municipal Marina, Fire Department, Police Department, Archaeology program and the St. Augustine WeatherSTEM. Social media distribution includes Facebook, Twitter, Instagram, and Nextdoor, using standard posts, boosted posts, videos, surveys, podcasts, and graphics. Calendar events are created on Facebook and as appropriate on Nextdoor.

The electronic newsletter, *News & Notes*, is distributed to 3,000 subscribers every Friday morning with news briefs, meeting notices, a link to the City's weekly podcast, outreach campaign blurbs, and more. The radio broadcast of *The Break Room* is a 15-minute interview on Flagler College Radio addressing current issues with key staff which airs four times weekly. This broadcast is also distributed as a podcast on nine different podcasting apps.

General Services

Salt Run Navigation Channel Maintenance Dredging

The City, in conjunction with the St. Augustine Port, Waterway & Beach District (SAPWBD) and the Florida Inland Navigation District (FIND), have been working on a multiple-phase maintenance dredging project in the Salt Run Navigation Channel. The project area begins in the Atlantic Intracoastal Waterway at the St. Augustine Inlet, continues 1.8 miles south, and ends at the Lighthouse Park Boat Ramp. The City has secured three grant awards from FIND totaling $450,000 and has entered into interlocal agreements with the SAPWBD for matching funds of

$150,000 for continued operation and maintenance dredging. This project allows for the removal of an additional 10,000 cubic yards of spoil within the permitted area.

Municipal Marina

The Municipal Marina has benefitted from the expansive growth of St Johns County and an increase in the popularity of boating, posting all-time high for mooring revenues of $426,517.00 and fuel sales dispensing 154,877 gallons of Ethanol free gasoline.

Fleet and Warehouse Operations

The Fleet and Warehouse Operations Division replaced and installed new innovative refueling system for 310 city vehicles. The project consisted of replacing aging and obsolete fuel dispensers and pumping equipment. Updating the above ground storage tank safety monitoring equipment to maintain compliance with Florda Department of Environmental Protection standards. This project also incorporated a cloud-based fuel management system that allows for optimization of fleets refueling strategies, transaction reporting, annual departmental budgeting, and theft deterrence.

OTHER CITY PROJECTS

Utility Capital Improvements

Lift station maintenance continues to be a high priority. Performing point repairs as well as slip-lining aging sewers to significantly extend the system's lifespan.

Improvements to the City's water and wastewater infrastructure and completing stormwater and flood projects remain top priorities in the City's Strategic Plan and Capital Improvement Plan. These system improvements increase reliability, resiliency, and customer service. Projects completed this year include the rehabilitation of the wastewater treatment plant's headworks and a complete rebuild of the water treatment plant high service pump motor control center.

The City continues to manage smaller projects that help improve the maintenance and operability of the system. Projects include hydrant maintenance and flushing, valve assessment and exercising, and unidirectional flushing. These projects will enhance the system's reliability and keep it flushed thus reducing occurrences of sediment or discoloration in the distribution system.

Significant efforts continue to reduce the amount of inflow and infiltration into the sanitary sewer system. Sewer cleaning, inspection, sewer and manhole lining, and general sewer maintenance continue to be a high priority as well as upgrading the sewer pumping stations (lift stations).

Stormwater

The stormwater system remains at the forefront of major infrastructure issues for the City. The Stormwater division faced staffing challenges but still managed to perform all the necessary maintenance and cleaning of the stormwater system. Since 2017, the City has successfully leveraged state and federal dollars to complete several flood mitigation and stormwater related projects reported

on previously. In fiscal year 2020, the City was awarded a grant from the Florida Department of Environmental Protection through its Florida Resilient Coastlines Program to install 10 additional tide check valves, bringing the total number of installed tide check valves Citywide to 43. The remaining 60+ stormwater outfalls will be prioritized for retrofitting as part of the Stormwater Outfall Resiliency Retrofit Master Plan. The City received a grant for $461,282.00 in 2022 to install additional tide check valves from the Florida Department of Environmental Protection's (FDEP's) Resilient Florida Program, and this project will be completed by June 2026.

The City still has federal funding available from FEMA through its Hazard Mitigation Grant Program (HMGP) for the South Whitney West King Street Flood Mitigation and Drainage Improvements. Phase 1 design for South Whitney and West King Street is complete. FEMA has approved this project for Phase 2 (construction) and has allocated 75% of the estimated construction cost for the federal share, where the City would be responsible for the remaining construction costs.

The design for the Lake Maria Sanchez project is still underway; however, the project is behind schedule due to private property easements required to finish the permitting and design. The City is working through the issues and expects to resolve them in FY2024. The City received State Legislative Appropriation funds for the project for design and construction costs. Additionally, for construction, the City has received federal funding (American Rescue Plan) through FDEP's Resilient Florida program to help with the anticipated construction costs for the project.

The City also has received FEMA HMGP funding for the Avenida Menendez Flood Barrier project. This project will rehabilitate and reinforce the existing seawall to support the final section of seawall that needs to be elevated to match the existing north and south portions of the recently completed Bayfront Park project and the newer completed section of the Avenida Menendez Seawall. Phase 1 design for the project has been completed. The project has undergone State review and has been submitted to FEMA for approval for construction (Phase 2). The City is expecting a response from FEMA in FY2024 in order to commence construction for the project. Additionally, the City received Florida Inland Navigation District (FIND) funding in FY22 to go towards the anticipated construction costs for this project.

The City also received funding for several projects through FDEP's Resilient Florida Program which were competitively procured for professional design services with contracts being awarded for the following projects: Court Theophelia Neighborhood Drainage project (currently at 30% design); South Davis Shores Flood Mitigation project; Groundwater Monitoring Network project; and the Inlet Drive Shoreline Resiliency project. The City also received funding to update the previous Vulnerability Assessment to meet State Statute requirements. This study is underway and this will be completed in 2024. FDEP has also recently awarded the City funding to continue the efforts of the Vulnerability Assessment by funding an Adaptation Plan, which will start immediately after the Vulnerability Assessment report is completed.

The City had an official signing ceremony in FY 22 to start the Back Bay Coastal Storm Risk Management Study in partnership with the United States Army Corps of Engineers (USACE). The study is a comprehensive evaluation of a variety of flood risks and will identify strategies to mitigate those risks. The strategies identified in the study will be eligible for future cost share with the USACE to implement. Due to the comprehensive nature of the study (the entire City limits is

being evaluated), it will take approximately 6 years to complete. The total study cost is a little over $7,000,000, which will be cost-shared 50:50 between the City and USACE. The study is expected to be completed in 2028.

The City has participated in numerous workshops and training sessions related to sea level rise and is positioning for planning initiatives and technical understanding of these challenges to help guide future decision-making on these issues.

Planning and Building

	Building Permits Issued	Total Valuation
FY 20/21	1910	$ 82,238,548
FY 21/22	1993	$ 113,768,056
FY 22/23	1835	$ 158,694,943

ECONOMIC DEVELOPMENT

Marriott Tribute Hotel - 5 Prawn Street

A new Marriott Tribute Hotel is still under construction. This is a 51-room luxury boutique hotel on the San Sebastian River, adjacent to King Street and Prawn Street, on an entry corridor to the downtown Historic Districts.

Comfort Suites Hotel - US 1 North

This new Comfort Suites Hotel was finished in 2023 and open for business. This is an 86-room hotel with easy access to Highway US 1 and downtown.

Lincolnville Development Activity

The Lincolnville Community Redevelopment Area (LCRA) and the St. Augustine Community Redevelopment Agency (CRA) have funded various community redevelopment aspects for this fiscal year. This includes the popular "fix-it-up" program, a partnership with the St. Johns Housing Partnership, to rehabilitate distressed homes for qualified individuals in the Lincolnville neighborhood. A new program to rehabilitate distressed historic institutional properties has also been funded.

Property values are increasing in Lincolnville with the construction of new homes and the renovation of older ones. This neighborhood is experiencing dynamic positive change as properties are refurbished and transformed.

A trolley stop has been added down Dr. Martin Luther King Avenue to stop at the Lincolnville Museum.

King Street

The city created and passed a new Mobility Oriented land use category for the comprehensive plan and a compatible zoning district. These relate to the potential mobility-oriented development of

the "Broudy" property at the corner of West King Street and Ponce de Leon Boulevard, designed to include a peripheral parking facility as outlined in the City's Mobility Plan.

A development Agreement was approved related to the construction of a joint use parking garage on this property. The property owners are moving forward with design, permitting and construction.

Antigua at St. Augustine

The Antigua at St. Augustine development includes a high-end apartment development with 200 units, and a townhouse and single-family home development with 165 units. Docks and viewing platforms have been constructed along the north side of the development for residential access to the water and a public access walkway is in place near the apartment site. These developments will continue into 2022, several building permits have been issued and completed for single family homes east of the apartments and townhouses. In 2023 the project is nearly built out.

Plantation Island Drive North

This commercial corridor on Anastasia Island is anticipated to develop with mixed office, retail services, banking and construction is underway on a restaurant and other commercial.

Plantation Island Drive South

This commercial corridor on Anastasia Island continues to develop with mixed office space and retail services such as a pharmacy, banking, medical offices, and a carwash.

The Landing

The Landing is a multifamily development of 585 apartments, located on the west side of U.S.1 North. The first and second phases have been completed and the final phase north of San Sebastian View is expected to begin construction in the near future. Along with a gas station on the corner of San Sebastian View and US 1 North, currently under construction.

Flagler Crossing

Flagler Crossing is a multifamily development with 330 units, located west of The Landing. It includes an agreement to provide defined affordable housing. Several buildings have been permitted and are under construction or nearing completion.

Madeira

Madeira is a fully entitled 750-unit residential development with companion commercial development and a future 11-acre public park along the east side of U.S. 1 North. This project is currently under construction and developers continue to move forward to plat phases and construct the approved infrastructure. Close to 300 homes have been permitted and completed with additional units currently under construction.

Plans for the commercial development toward the front of the property along US 1 North are beginning to move forward.

Transportation and Mobility Planning

One of the City's top strategic planning priorities is to address transportation initiatives that improve mobility. The City's commitment is evident by the long-term trend of increased expenditures on transportation projects and programs, and its effort to update the parking code.

Mobility Planning

The City hosts millions of visitors a year, and the success of tourism has strained the transportation and parking systems. The number one strategic initiative resulting from the "Visioning 2014 and Beyond" study was to improve mobility. To ease congestion and parking stress, the City has embarked on a phased master plan that included the completion of a Mobility Framework in 2016, a pedestrian and bicycle safety assessment in 2017, a parking study in 2017 and a street network analysis in 2018.

This past year the city completed a Complete Street Master Plan for King Street and a statutorily compliant mobility plan that is incorporated in the City's Comprehensive Plan Update. The adoption of the mobility plan in the Comprehensive Plan provides long range guiding principles for the development of the City's mobility initiatives. With the adoption of the mobility plan the city began the steps necessary to implement a mobility fee.

The mobility fee ordinance was adopted, and the city has been collecting a fee on all applicable projects.

Smart Parking and Freight Loading Zone Management Study

Maintaining commerce in a congested, historic City presents challenges in keeping businesses and restaurants well provisioned with goods and supplies. Handling and managing the number of deliveries is a challenge.

In 2015, a Truck Parking Management Plan was prepared by the North Florida Transportation Planning Organization, and the City is continuing to implement its recommendations. Initiatives include modifications to City parking lots, such as the Tolomato Lot, to construct additional freight delivery parking.

All Loading zones throughout the City have been inventoried and are being improved as budget and time allows. Truck routes have been developed and are being improved. The City has selected parking vendors and launched a smart parking system for the City's on-street and off-street parking lots. New services have been deployed such as a mobile pay application to pay for parking and a new parking management platform that creates a real-time parking enforcement environment and allows for parking citations to be paid online. Due to Covid-19 the city had to postpone overhauling the parking garage's access management system and integrating it into the on-street and off-street

parking system to create a fully integrated parking system. The city anticipates making these improvements in 2023/2024. The City completed a digital permit system that can be managed via the newly deployed parking management system.

The smart parking initiative has been well received by the FDOT and as a result the state submitted for a federal RAISE grant and won it changing the project from $7.5 million to a total of $15,391,882. There is zero cost by the city as the grant is composed of state and federal dollars only.

MANAGEMENT DISCUSSION AND ANALYSIS

The Financial Section of this Annual Comprehensive Financial Report includes Management Discussion and Analysis. This section provides a broad overview and analysis of the City's activities and should be used in conjunction with the Letter of Transmittal.

Reporting Achievement

To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City believes that its current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and is submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The presentation of this report was accomplished with the efficient and dedicated service of the City of St. Augustine's Financial Services Department, and the CPA firm of Masters, Smith & Wisby, P.A.

The City would like to express its sincere appreciation to all members of the department and management who assisted and contributed to its preparation. It would also like to thank the Mayor and the members of the City Commission for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

David Birchim, AICP
City Manager

Meredith Breidenstein, CPA
Assistant City Manager

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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of St. Augustine Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022



Executive Director/CEO

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Principal City Officials

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City of St. Augustine

Annual Comprehensive Financial Report
For the Year Ended September 30th, 2023

Principal City Officials

City Commission

Mayor-Commissioner……..…….……...Nancy Sikes- Kline
Vice Mayor-Commissioner……..……...Roxanne Horvath
Commissioner……..…….Barbara Blonder
Commissioner……..…...……Cynthia Garris
Commissioner……...……James Springfield

City Staff

City Manager……..…...…….…….David Birchim
City Attorney…….....Isabelle Lopez
City Clerk……..……...…….Darlene Galambos
Assistant City Manager……...……Meredith Breidenstein
Assistant City Manager…….…...Reuben Franklin
Director, Financial Services…….……...Mark Simpson
Police Chief…….Jennifer Michaux
Fire Chief…….……..Carlos Aviles
Director, General Services…….……..…...…..Corey Sakryd
Director, Human Resources……...Donna Hayes
Director, Planning & Building……..……Amy Skinner
Director, Communications…….....Melissa Wissel
Director, Public Works…..……..…….……Todd Grant
Director, Utilities……...…Stephen Slaughter
Director, IT…….Brandon Miller

City Boards & Committees

Civil Service Board
Code Enforcement, Adjustments & Appeals Board
Firefighters' Retirement Board of Trustees
General Employees' Retirement Board
Historic Architectural Review Board (HARB)
Lincolnville Community Redevelopment Area Steering Committee
Planning & Zoning Board (PZB)
Police Officers' Retirement Board
Street Tree Advisory Committee (STAC)
Audit Committee

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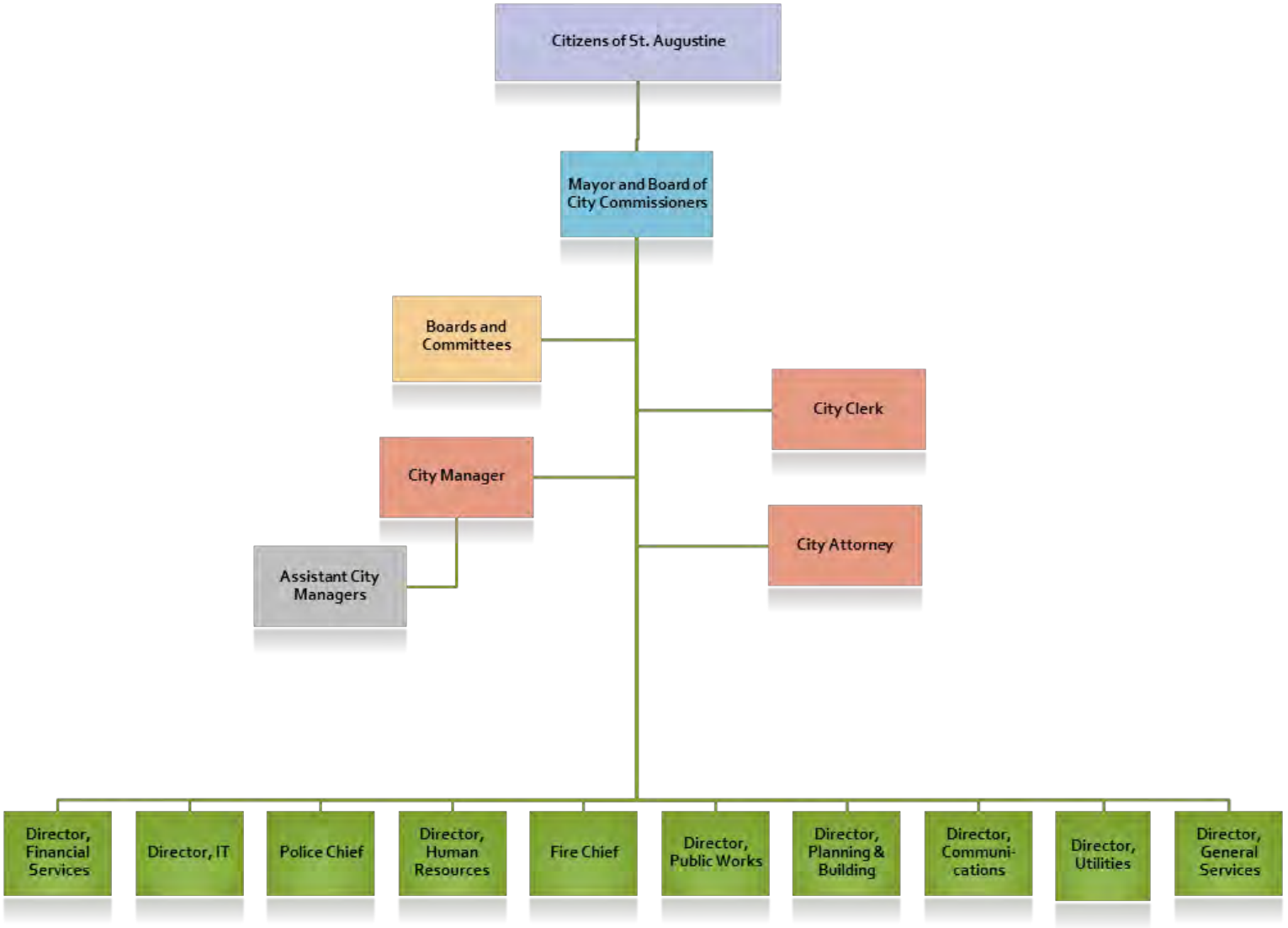
Organizational Chart

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City of St. Augustine

Annual Comprehensive Financial Report
For the Year Ended September 30th, 2023

City Government Organizational Chart



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FINANCIAL SECTION

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FINANCIAL SECTION

This Section Contains the Following:

Independent Auditors' Report

Management Discussion and Analysis (MD&A)

Basic Financial Statements

Required Supplementary Information Other than MD&A

Combining Statements

Schedule of Expenditures of Federal Awards and State Financial Assistance

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Independent Auditor's Report

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MASTERS, SMITH & WISBY, P.A.
ACCOUNTANTS & BUSINESS ADVISORS

STEVEN D. RAWLINS, CPA
GARY M. HUGGETT, CPA
DAVID W. HOWIE, CPA

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of St. Augustine , 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, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and special revenue funds (the Lincolnville Community Redevelopment Agency fund and the Historic Area Community Redelopment Agency fund) for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Fire Pension Trust Fund, which represent 16%, 16% and 17% respectively, of the assets, net position and additions to the pension trust ficuciary fund. Those statemens were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the Fire Pension Trust Fund, is based soley on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Auditor's 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 the 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

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 statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's 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 auditor's 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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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 ane Required Supplemntary Information (other than MD&A) 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 informationand 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information as listed in the table of contents and schedule of expenditures of federal awards and state assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Section 215.97(10)(b), Florida Statutes; Section 10.557(3)(e)2 Rules of the Auditor General, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 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 effectiveness of the City's 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.

Mauldin, Smith & Wisby, P.A.
Certified Public Accountants
Jacksonville, Florida

May 15, 2024

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Management Discussion & Analysis

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Management Discussion and Analysis

The City of St. Augustine's Management Discussion and Analysis (MD&A) is designed to provide an objective and easy to read analysis of the City of St. Augustine's financial activities based on currently known facts, decisions and conditions. It is intended to provide a broad overview and short-term and long-term analysis of the City's activities based on information presented in the financial statements. Specifically, this information is designed to assist the reader in focusing on significant financial issues, provide an overview of the City's financial activity, identify changes in the City's financial position, distinguish material deviations from the approved budget, and recognize any individual fund concerns.

The information contained within this MD&A is designed to focus on the current year's activities, resulting changes and currently known facts and is only a component of the entire financial statement report. We encourage readers to consider the information in this discussion in conjunction with additional information in our transmittal letter beginning on page one in the front of this report, and the City's audited financial statements.

Financial Highlights

- The City's total assets and deferred outflow of resources exceeded its total liabilities and deferred inflow of resources on September 30, 2023 by $199,72,735. Of this, $26,182,501 can be used to meet the government's ongoing obligations to citizens and creditors. The City's net position increased during the fiscal year by $19,655,158 (11%).

- Governmental net position increased by $5,016,693 for the current fiscal year and increased governmental unrestricted net assets to $8,845,901 (21%) of total net position. The General Fund is the largest of the governmental funds. Revenues in the General Fund came in higher than expected due to higher than budgeted permit fees, franchise fees and investment income. Expenditures for the General Fund came in less than expected due to delays in some capital spending because of supply chain issues and grant funded projects that are just beginning to get underway.

- Business-type net position increased by $14,638,465 for the current fiscal year and business-type unrestricted net assets were equal to $17,336,600 (11%) of total net position.

- The governmental activities program revenues decreased by $4,477,981 compared to FY22 due to ARPA funds received in FY22 that were not received in FY23. The current year's activities produced an increase in net assets of $5,016,693 compared to the previous year's increase of $11,319,412, again this difference is due to the ARPA funds received in FY22.

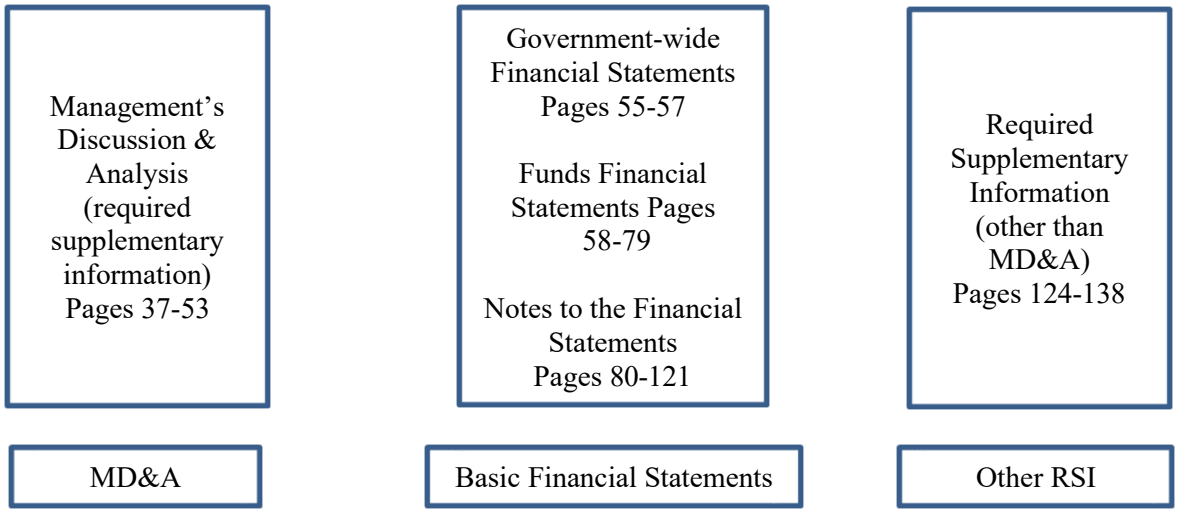
- The business-type activities program revenue increased by $899,804 compared to FY22. Business-type activities reported $7,324.195 in Capital Grants and Contributions in the prior fiscal year. This year, those revenues made up $5,926,326 of business-type activities which represents a $1,397,869 decrease. Charges for Services increased by $2,297,673 over the prior fiscal year.

- The City's total debt associated with bond and note obligations decreased by a net $3,710,976 during the fiscal year. This decrease is primarily due to the principal paid in fiscal year 2023.

Overview of the Financial Statements

Using the Annual Report

The following chart is provided for your review to better understand this report's layout.



The City's basic financial statements are comprised of three components: Government-wide Financial Statements, Fund Financial Statements, and Notes to the Financial Statements. The report also includes Required Supplementary Information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements found on pages 55-57, report on the City as a whole. The statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. There are two government-wide statements. Both 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 statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or weakening. However, other factors should be considered, such as the condition of the City's capital assets to assess the overall health of the City.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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.

Fund Financial Statements

The fund financial statements found on pages 58-79, are more familiar to the traditional users of governmental 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, like other state and local governments, uses fund accounting to ensure and demonstrate legal compliance with finance-related legal requirements. The City chose to

include the required budget-to-actual comparisons in the fund financial statements of its financial report. The City has three fund categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds report basic services, which focus on near-term inflows and outflows of available resources and their balances at year-end. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Governmental fund information helps the reader determine if more or fewer financial resources can be spent in the near future to finance the City's programs. The differences are reconciled between government-wide activities (reported in the statement of net position and the statement of activities) and governmental funds on separate schedules following the respective governmental funds.

The fund financial statements provide detailed information about the most significant funds, not the City as a whole. The City opted to report all funds as major funds which include the following: General Fund, Debt Service Fund, Special Revenue Funds, and Permanent Fund.

The City of St. Augustine adopts an annual appropriated budget for its General Fund and Special Revenue Funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with their budget. Proprietary funds are used to account for revenues and expenses from services provided on a user-charge basis to the public. Proprietary fund activities are reported on the same accounting basis and measurement focus as the statement of activities, which is similar to that found in the private sector and provides a periodic measurement of net income. The City's proprietary activities are accounted for in enterprise funds. The City opted to report all funds as major funds which include the following: Utility Fund, Stormwater Fund, Solid Waste Fund, Municipal Marina Fund, and Visitor Information Center Fund.

Fiduciary funds report information about financial arrangements in which the City acts solely as an agent or trustee for others. The City is responsible for ensuring these resources are used for their intended purposes. Since the funds are not resources of the City, but are held for the benefit of others, we exclude these activities from the government-wide statements. The City's fiduciary funds include the following: General Pension Fund, Police Pension Fund, and Fire Pension Fund.

Notes to the Financial Statements & Other Information

The notes to the financial statements begin on page 80 and provide additional information essential for a full understanding of the data provided in the government-wide and fund financial statements. The required supplementary information includes the schedules of funding progress and contributions for the fiduciary funds. The combining statements include the fiduciary funds combined. Additional statistical information is presented to give users of the report a historical perspective and to assist in determining the City's current financial trends.

Financial Analysis

City as a whole

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's assets exceeded its liabilities by $199,072,735 as of September 30, 2023. A portion of the City's net position of $129,676,328 (65%) reflects the net investments in capital assets. The City uses capital assets to provide services to citizens; therefore, these assets are not available for future spending.

Restricted net position of the City in the amount of $43,213,906 is reported in both governmental and business-type activities. This restricted net position has limits on its use that are externally imposed.

Unrestricted net position of the City in the amount of $26,182,501 can be used to meet the City's ongoing obligations to citizens and creditors. The terms restricted and unrestricted are governed by generally accepted accounting principles and do not fully consider City management decisions regarding spending limitations. Accounting principles may not restrict some amounts that have been earmarked for future uses governed by policy decisions and plans. Despite large increases in net position, unrestricted net position decreased by $8,366,399 due to the increase in Net Investment in Capital Assets, and to the restriction of certain Utility Fund Revenues that have been internally restricted for future plan expansion.

Fiscal year 2023 continued to see a large appetite for travel, and revenues remained high with a busy Fourth of July fireworks show and large crowds on spring break and summer vacations. The City set records for on-street parking revenue, parking garage revenue and gift shop revenue.

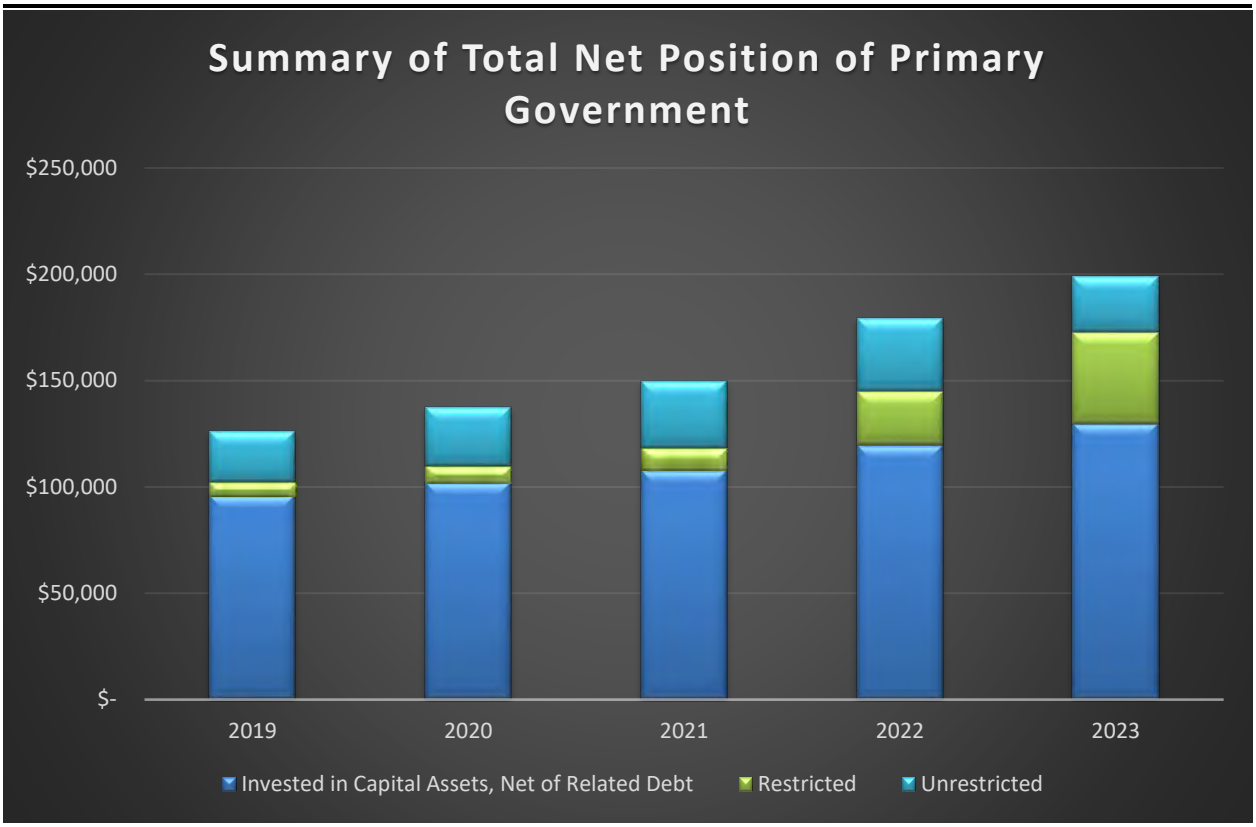
Property tax revenue from new construction and rehabilitation continues to grow annually. The State of Florida remains a popular place to relocate and large increases in population are occurring in St. Johns County. With no state income tax and a warm climate, many former visitors have now made St. Augustine their permanent home.

The tourism economy and revenue associated with this industry, including parking fees, sales tax, and tourist development taxes continued to directly reflect the market today. The city's streets, hotels, and tour trains are full of visitors year-round.

As noted earlier, the statement of activities presents information showing how the government's net position changed during the most recent fiscal year.

CITY OF ST. AUGUSTINE, FLORIDA
Summary of Net Position as of September 30, 2023, with comparative data for 2022
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
Current and Other Assets	41,016	39,763	60,988	54,703	102,005	94,466
Capital Assets	37,592	33,900	141,869	134,539	179,461	168,439
Total Assets	$ 78,609	$ 73,663	$ 202,858	$ 189,242	$ 281,466	$ 262,905
Contributions to Pension Plans	8,553	11,805	1,953	2,932	10,505	14,737
OPEB Plan	122	139	54	61	176	200
Unamortized Loss on Refunding	1,707	1,800	536	588	2,243	2,388
Total Deferred Outflow of Resources	$ 10,381	$ 13,744	$ 2,544	$ 3,581	$ 12,925	$ 17,325
Current and Other Liabilities	3,820	3,181	8,531	8,531	12,351	11,712
Long-Term Debt Outstanding	38,153	40,099	42,002	42,002	80,155	82,101
Total Liabilities	$ 41,973	$ 43,280	$ 50,533	$ 50,533	$ 92,506	$ 93,813
Pension Deferrals	250	504	-	-	250	504
Lease Deferrals	3,950	6,224	-	-	3,950	6,224
OPEB Deferrals	589	189	262	83	852	272
Total Deferred Inflow of Resources	$ 4,789	$ 6,917	$ 262	$ 83	$ 5,052	$ 7,000
Net Position:						
Invested in Capital Assets, Net of Related Debt	18,742	12,841	108,049	106,914	126,790	119,755
Restricted	14,640	9,689	30,288	15,424	44,929	25,113
Unrestricted	8,846	14,681	18,508	19,868	27,354	34,549
Total Net Position	$ 42,228	$ 37,211	$ 156,845	$ 142,206	$ 199,073	$ 179,417


Summary of Total Net Position of Primary Government
$250,000
$200,000
$150,000
$100,000
$50,000
$-
2019
2020
2021
2022
2023
Invested in Capital Assets, Net of Related Debt
Restricted
Unrestricted

CITY OF ST. AUGUSTINE, FLORIDA
Statement of Activities for Year Ended September 30, 2023, with comparative data for 2022
(In thousands)

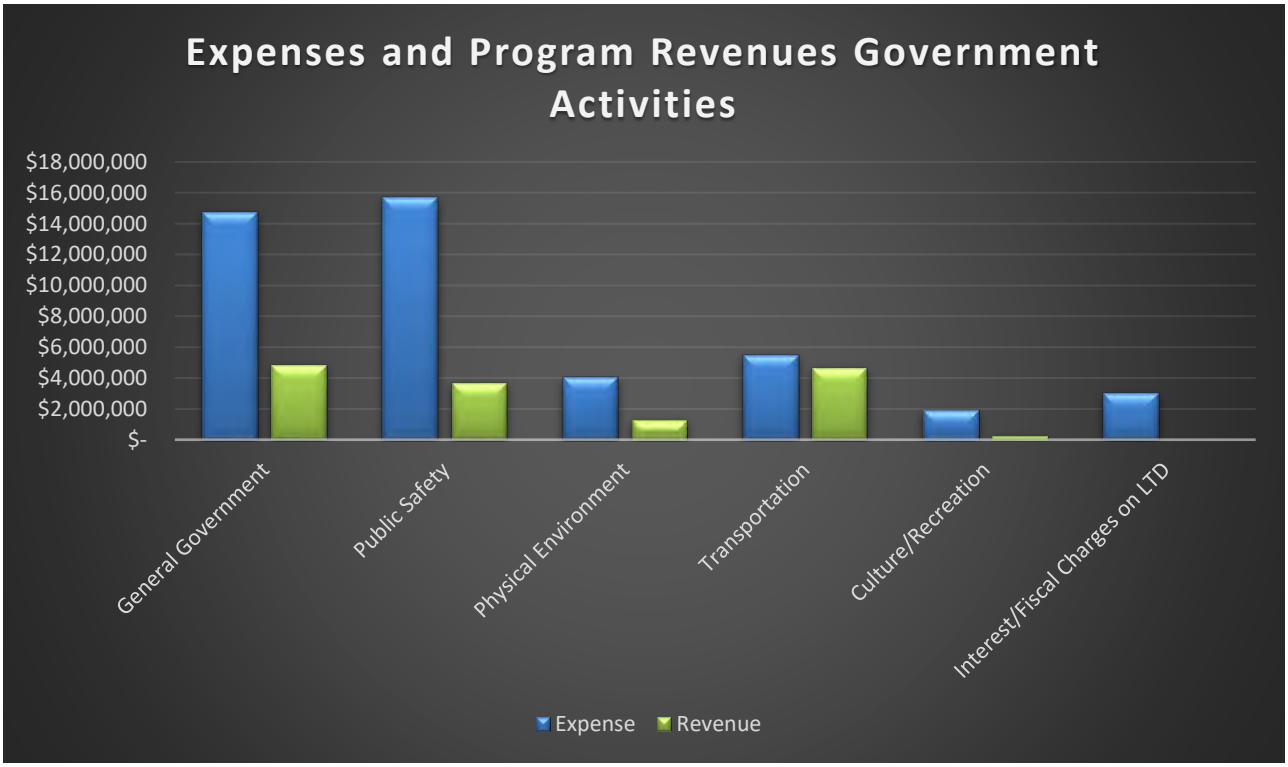
	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
Revenues						
Program Revenues						
Charges for Services	$ 13,525	$ 11,037	$ 44,949	$ 42,651	$ 58,474	$ 53,688
Operating Grants and Contributions	698	51	-	-	698	51
Capital Grants and Contributions	427	8,040	5,926	7,324	6,353	15,364
General Revenues						
Taxes	25,347	22,163	-	-	25,347	22,163
Fees	2,560	2,368	-	-	2,560	2,368
Revenue Sharing	1,494	801	-	-	1,494	801
Investment Income	1,989	250	2,289	324	4,278	574
Miscellaneous	2,788	2,115	485	693	3,273	2,808
Total Revenues	48,828	46,825	53,649	50,992	102,477	97,817
Program Expenses Including Indirect Expenses						
General Administration	14,737	11,642	-	-	14,737	11,642
Public Safety	15,694	14,508	-	-	15,694	14,508
Physical Environment	4,025	4,062	-	-	4,025	4,062
Transportation	5,478	4,258	-	-	5,478	4,258
Culture Recreation	1,872	1,470	-	-	1,872	1,470
Interest Fiscal Charges on Long-term Debt	3,011	961	-	-	3,011	961
Utilities	-	-	20,608	17,516	20,608	17,516
Stormwater	-	-	1,824	1,730	1,824	1,730
Solid Waste	-	-	6,004	5,217	6,004	5,217
Municipal Marina	-	-	4,943	4,775	4,943	4,775
Visitors Information Center	-	-	4,625	4,103	4,625	4,103
Total Expenses	44,817	36,901	38,004	33,341	82,821	70,242
Increase in Net Position Before Transfers	4,011	9,924	15,645	17,651	19,656	27,575
Transfers	1,006	1,395	(1,006)	(1,395)	-	-
Increase (Decrease) in Net Position	5,017	11,319	14,639	16,256	19,656	27,575
Net Position - Beginning	37,211	25,892	142,206	125,950	179,417	151,842
Net Position - Ending	$ 42,228	$ 37,211	$ 156,845	$ 142,206	$ 199,073	$ 179,417

Governmental Activities

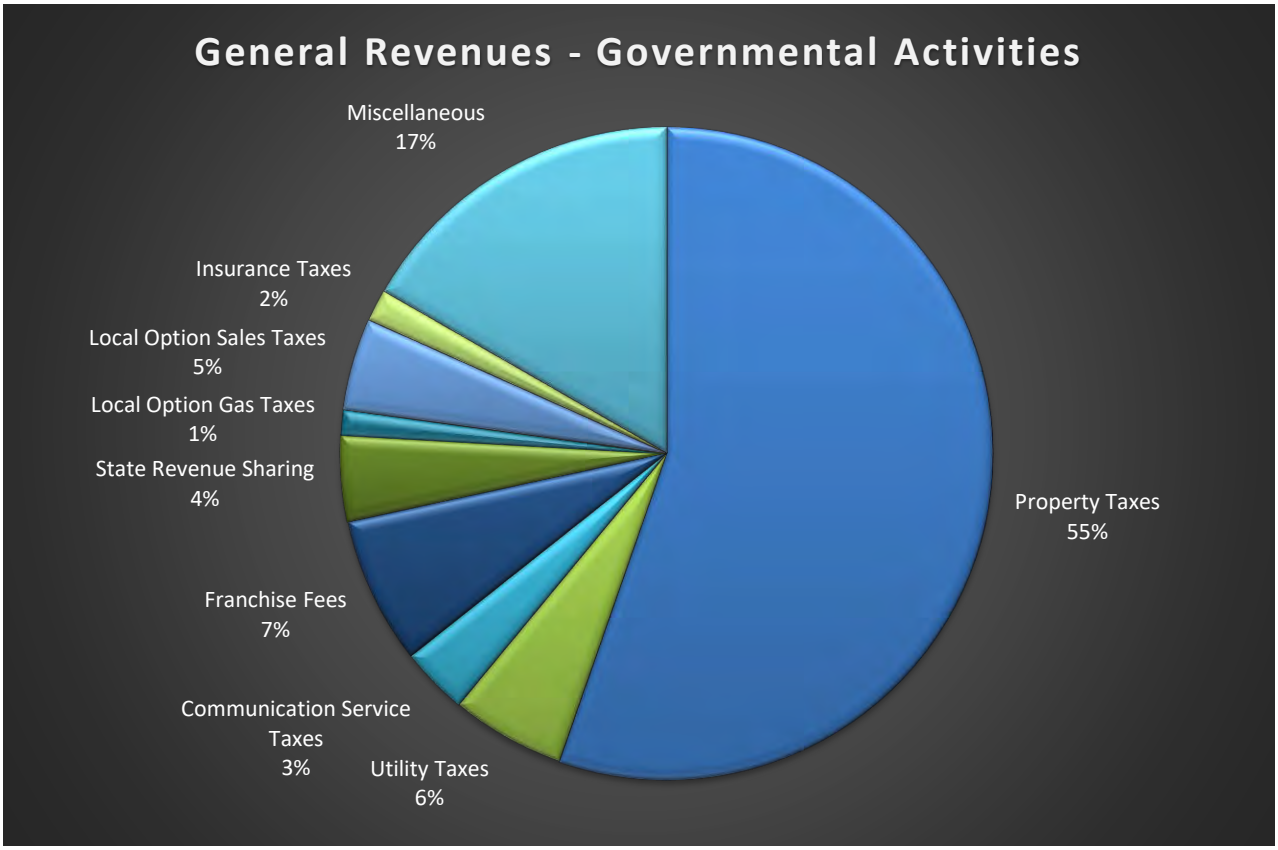
Governmental activities resulted in an increase in the City's net position of $5,016,693.

The fiscal year 2023 budget was created and adopted in the summer of 2022 with anticipated pre-pandemic revenues. A conservative approach was used, and management relied on the State of Florida for several of its revenue estimates which were also conservative. Actual results reflected a continued uptick in the economy of the State of Florida especially in tourism destinations. An examination of the budget to actual on page 63 reflects revenues came in higher than expected due to higher than budgeted permit fees, franchise fees and investment income. Expenditures for the General Fund came in less than expected due to delays in some capital spending because of supply chain issues and grant funded projects that are just beginning to get underway.

Program revenues are revenues that can be assigned or are attributable to a specific program. These revenues account for $14,650,543 (29%) of total governmental activities revenue. The chart below shows governmental activities by program with their respective expenses and revenues.



General revenues are revenues that fail to meet the criteria of program specific revenues. General revenues account for $35,183,200 (71%) of total governmental activities revenue. The chart below shows total general revenues by category.



Business-type Activities

Business-type activities increased the City's net position by $14,638,465. Key elements of this increase are as follows:

- The Utility fund had operating income of $6,349,329 and capital grants and contributions of $4,954,377.

- The Stormwater fund sustained an operating loss of $398,587 but depreciation accounted for $757,637. Further small rate increases were implemented in fiscal year 2023. Capital grants of $399,515 resulted in a decrease in net position of only $118,068. The fund still holds a favorable net position of $14,551,519.

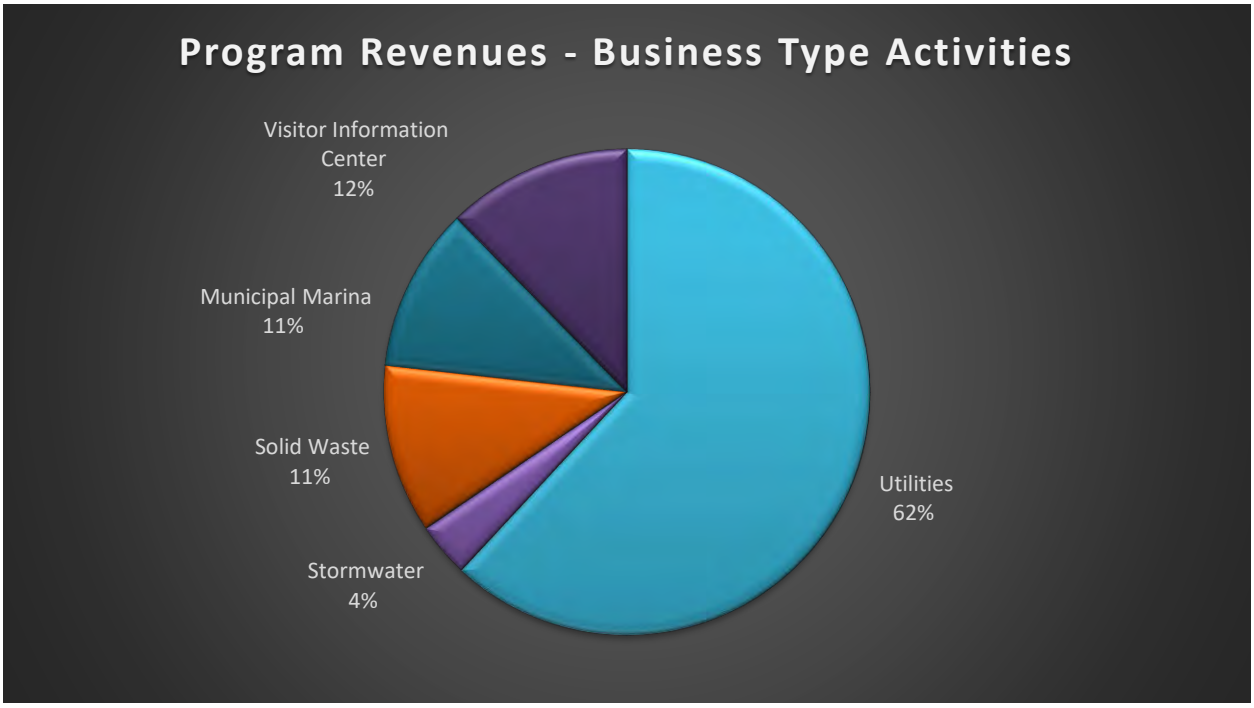
- The Solid Waste Fund sustained an operating loss of $481,808 but depreciation accounted for $354,242. The decrease in net position was $9,650 and the fund still holds a favorable net position of $883,053.

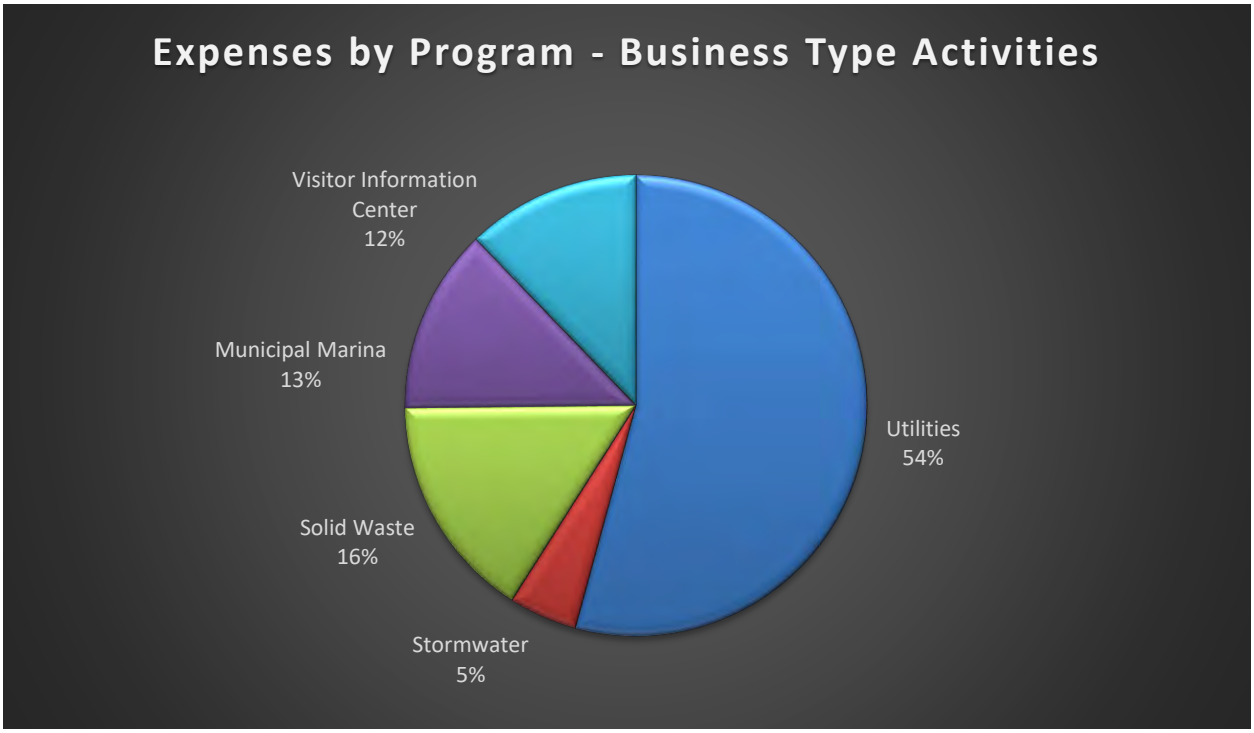
- The Municipal Marina fund had positive results with operating income of $254,018. Capital grants and investment income helped to increase the fund's net position by $624,424.

- The Visitor Information Center (VIC) fund had operating income of $2,626,597 and is continuing to build a positive net position. Net position is now $2,235,846.

Program revenues are revenues that can be assigned or are attributable to a specific program. These revenues account for $50,875,445 of total business-type activities revenue.

The charts below show business-type activities by program with their respective expenses and revenues.





Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. This information is useful in assessing the City's financing requirements. Unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $34,070,215 an increase of $2,920,499 (9%) from the previous fiscal year. A $2.79 million increase in ad valorem tax collections combined with larger than budgeted other revenues such as permit fees, utility taxes, and investment income were the reasons for this increase in General Fund reserves.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was $2,769,806, while the total fund balance was $31,066,963. The total fund balance shows an increase of $2,031,943 (7%) from the previous fiscal year and the unassigned fund balance of the General Fund shows a decrease of $973,301 compared to the previous year, mostly due to the increase in Restricted Funds and Assigned Funds.

As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and the total fund balance to the general fund expenditures. It should be noted that four months of the previous year's operating revenues totaling $11,487,366 are committed due to the City's reserve policy. This combined with unassigned fund balance of $2,769,806 leaves the City with reserves to cover operations should there be a temporary reduction in revenues due to a hurricane or other natural disaster.

The Debt Service Fund is the fund used to set aside resources to meet current debt service requirements on general long-term debt. It is important to note that this fund does not have an adopted budget, however the debt service requirements are contained in a transfer from the General Fund.

The Special Revenue Funds maintain certain revenue to be used for a specific purpose. The City's Special Revenue Funds report the Historic Area Community Redevelopment Area and the Lincolnville Community Redevelopment Area. The Historic Area Community Redevelopment fund transfers nearly its entire fund balance to the Visitor Information Center fund to help pay the debt service on its parking structure. The Community Redevelopment Plan is being amended to address the extension of the operational timeframe and expound upon language related to parking and mobility efforts within the CRA boundaries.

The Lincolnville Community Redevelopment Area adopted an amendment in June of 2017, and it is the guiding principle for determining budget allocations and financial expenditures. The Plan Amendment defines three main components of the Lincolnville Community Redevelopment Area. The plan thoroughly captures the importance of prioritizing the integrity of Lincolnville's history and heritage, as well as maintaining the community's character through the redevelopment process.

The preservation of African American Heritage and the retention of long-term residents is accomplished with funding allocations for the Fix-It-Up Grant Program. To preserve the historic character of Lincolnville the Institutional Rehabilitation Grant Program was established. The rehabilitation program focuses on revitalizing blighted, historic structures. Neighborhood improvements and beautification is the third component outlined in the Lincolnville Community Redevelopment Plan Amendment. This component focuses on the overall presentation of the community. Funds are allocated to developing concepts, redesigning streets, reimagining main corridors, resurfacing, and installing sidewalks, developing, and enhancing pocket parks, as well as the development of an urban forestry program.

The Permanent Fund is used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used to support the City's programs.

Proprietary Funds

The City's proprietary funds provide the same type of information provided in the government-wide statements, but in more detail. The table below lists the net position summaries for the various enterprise funds.

CITY OF ST. AUGUSTINE, FLORIDA
Summary of Changes in Net Position - Proprietary Funds
For the Year Ended September 30, 2023

	Utility	Stormwater Drainage	Solid Waste	Municipal Marina	Visitors Information Center	Total Proprietary
Net Position - Beginning	$ 117,631,694	$ 14,669,587	$ 892,703	$ 8,894,464	$ 117,917	$ 142,206,365
Changes in Net Position	12,023,830	(118,068)	(9,650)	624,424	2,117,929	14,638,465
Net Position	$ 129,655,524	$ 14,551,519	$ 883,053	$ 9,518,888	$ 2,235,846	$ 156,844,830

Net Position as of September 30,2023

	Utility	Stormwater Drainage	Solid Waste	Municipal Marina	Visitors Information Center	Total Proprietary
Net Investment in Capital Assets	$ 95,550,215	$ 13,270,877	$ 1,601,671	$ 5,482,824	$ (4,970,875)	$ 110,934,712
Restricted	28,573,518	-	-	-	-	28,573,518
Unrestricted	5,531,791	1,280,642	(718,618)	4,036,064	7,206,721	17,336,600
Total Net Position	$ 129,655,524	$ 14,551,519	$ 883,053	$ 9,518,888	$ 2,235,846	$ 156,844,830

Cumulatively, the proprietary funds had a $14,638,465 increase in net position Key factors pertaining to this increase are as follows:

- The Utility Fund had operating income of $6,349,329 and capital grants and other capital contributions of $4,954,377.
- The Stormwater Fund incurred an operating loss of $398,587. Net transfers out of $159,816 and capital grants revenue of $399,515 resulted in a decrease in net position of $118,068. The non-cash depreciation of $757,637 is the primary reason for the annual deficit.
- The Solid Waste Fund had an operating loss of $481,808. Capital grants, investment income and a gain on the sale of equipment lead to an overall decrease in net position of only $9,650.
- The Municipal Marina Fund had an operating income of $254,018. Investment Income and Capital Grants helped the fund to finish the year with an increase in net position of $624,424.

- The Visitor Information Center Fund had operating income of $2,626,597. This combined with Interest expense of $996,125 resulted in an increase in net position of $2,117,929 for this fund.

- The operating income of each fund is structured so that it meets or exceeds operating expenses. Operating income that exceeds operating expense is used to meet non-operating needs such as interest expense and transfers out to other funds, however depreciation is not taken into consideration during the budget process. The budgets are developed with a cash basis in mind taking into account the purchase of capital assets rather than their annual depreciation.

General Fund Budgetary Highlights

The final amended budget for revenues and expenditures in the General Fund changed substantially during the course of fiscal year 2023. A total of $3.5 million was added to the general fund budget for various grants and other higher than anticipated revenues. The expenditure budget was increased by $12.7M million to account for prior year purchase orders and appropriations relating to grants. All budgetary policies and controls were adhered to throughout the year. A cursory review of the actual revenue compared to budgets will inform the reader that the City experienced positive results in fiscal year 2023. Local Option Gas Tax and Fines & Forfeitures were only slightly below budget. On the expenditure side, all funds stayed at or below their budgets. (See budget to actual comparison on page 65).

Capital Asset and Long-term Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2023, amounts to $179,461,394 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment and infrastructure.

	Governmental Activities		Business-type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Land	$ 7,973,866	$ 6,824,622	$ 1,401,829	$ 1,401,829	$ 9,375,695	$ 8,226,451
Buildings	7,893,355	8,228,105	24,551,215	24,534,544	32,444,570	32,762,649
Infrastructure	14,456,920	13,646,951	109,618,846	101,423,923	124,075,766	115,070,874
Machinery	5,765,299	3,338,449	3,198,816	2,969,252	8,964,115	6,307,701
Total	36,089,440	32,038,127	138,770,706	130,329,548	174,860,146	162,367,675
Work in Progress	1,502,795	1,861,822	3,098,453	4,208,935	4,601,248	6,070,757
Total	$ 37,592,235	$ 33,899,949	$ 141,869,159	$ 134,538,483	$ 179,461,394	$ 168,438,432

The following reconciliation summarizes the change in capital assets, which is presented in detail on pages 94-96 of the Notes to the Financial Statements.

	Governmental Activities	Business-Type Activities	Total
Beginning Balance	$ 33,899,949	$ 134,538,483	$ 168,438,432
Additions	7,485,450	18,302,018	25,787,468
Retirement	(1,436,517)	(2,886,595)	(4,323,112)
Depreciation	(2,356,647)	(8,084,747)	(10,441,394)
Ending Balance	$ 37,592,235	$ 141,869,159	$ 179,461,394

Governmental Activities:

Construction in progress is composed of the following at September 30, 2023:

Martin Luther King Streetscape	$ 115,966
Brick Street Refurbishment	569,675
Eddie Vickers Park Improvements	43,168
Weeden Park Improvements	21,111
King Street Complete Street	427,311
Boat Motor Improvements	24,292
Mobility and Parking Improvements	301,272
Total	$ 1,502,795

Business Type Activities:

Construction in progress is composed of the following at September 30, 2023:

Brick Street Refurbishment	$ 340,233
Coquina Ave Stormwater Project	33,931
High Service Pumps Overhaul	363,751
King Street Drainage Improvements	182,076
King Street Water Main	29,970
Lake Maria Sanchez Drainage	131,636
Lift Station Rehabilitation	323,908
Marina Storm Damage Repair	21,874
May Street Intersection (Phase II)	396,342
Pearl Street Improvements	117,400
RO Conentrate Pipeline	10,344
Sevilla Street Rebuild and Rebrick	98,282
South Dixie Highway Improvements	227
South Whitney & West King	185,563
St. Francis Sewer Replacement	33,600
West Augustine Septic to Sewer	829,316
Total	$ 3,098,453

Long-Term Debt

At the end of fiscal year 2023, the City had total debt outstanding (excluding compensated absences and other post-employment benefits) of $58,929,972**.** All of this debt is secured solely by specified revenue sources.

More detail on the long-term debt is presented on pages 98-102 of the Notes to the Financial Statements.

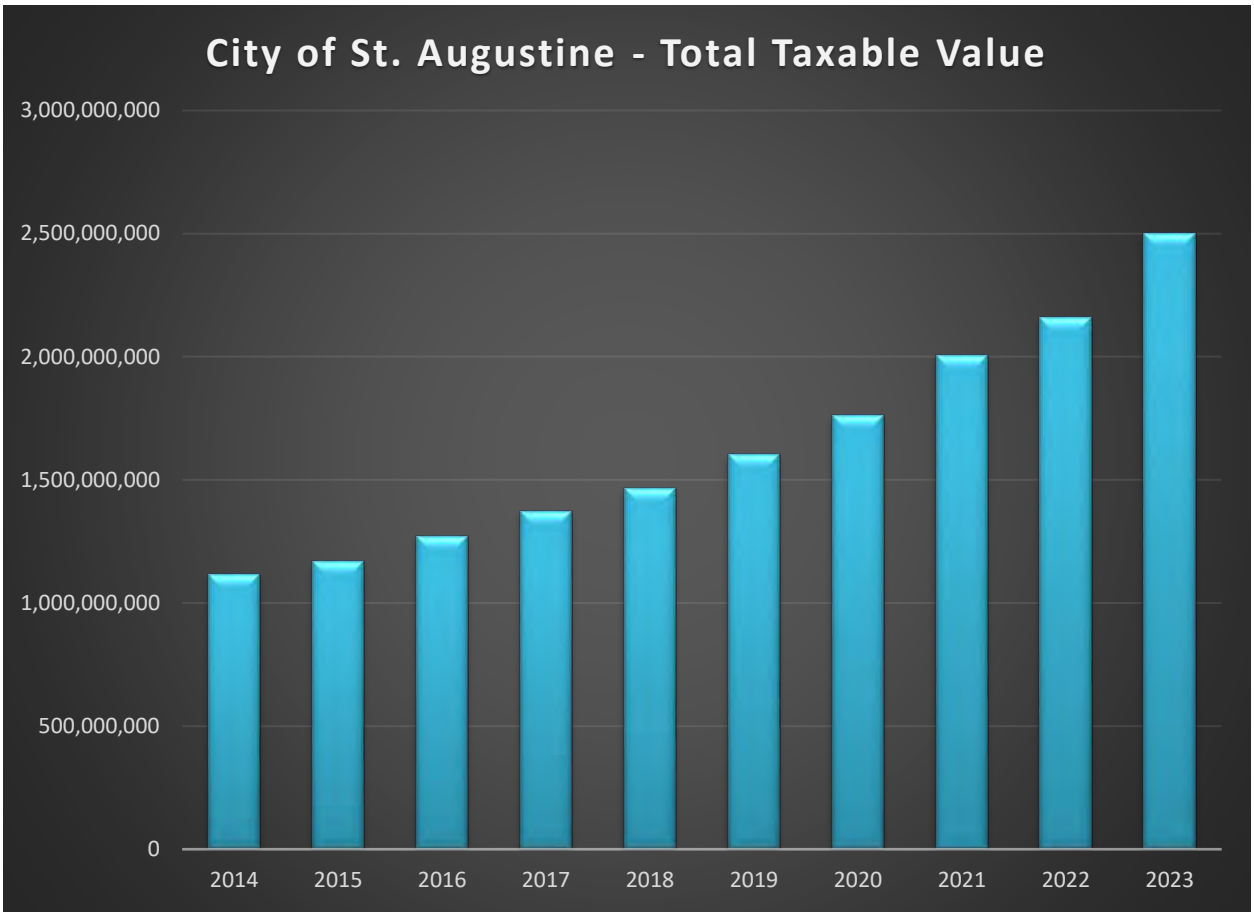
Outstanding Debt at Year End

	2023	2022
General Long-Term Debt & Obligations		
Capital Improvement and Refunding Revenue Bonds	$ 16,406,918	$ 18,117,621
Capital Improvement Refunding Revenue Note	2,843,069	3,226,960
Unamortized (Premium) Discount	1,990,030	1,829,896
Total General Long-Term Obligations	$ 21,240,017	$ 23,174,477
Proprietary Fund Long-Term Obligations		
Capital Improvement and Refunding Revenue Bonds	$ 14,343,083	$ 15,332,380
Capital Improvement Refunding Revenue Note	1,407,931	1,598,040
Water and Sewer Revenue Bonds	-	1,890,000
Water and Sewer Revenue Note	12,935,000	12,935,000
Revolving Fund Loan DW 550410	6,158,402	6,611,323
Unamortized (Premium) Discount	2,826,675	1,080,864
Total Proprietary Long-Term Obligations	$ 37,671,091	$ 39,447,607
Total Long-Term Debt & Obligations	$ 58,911,108	$ 62,622,084

Economic Factors

The City primarily relies on property and a limited array of permitted or other taxes and fees for governmental activities. There are a number of state-shared revenues and recurring and non-recurring grants from both the state and federal governments. In addition to new construction and renovations, the tax values of existing properties have seen high rates of increase. This trend is expected to continue in the 2023-2024 fiscal year.

The City regularly competes with the County for growth and expansion of services in an attempt to offset cost and lower customer fees. The level of taxes, fees and charges for services will have a bearing on the City's specific competitive ability to annex additional land into its corporate limits and encourage development to locate within its jurisdiction.



The City's financial statements are designed to present users (citizens, taxpayers, customers, investors and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about the report or need additional financial information, contact the Finance Department office located at the Financial Services Center, 50 Bridge Street, St. Augustine, Florida 32084, (904) 825-1030.

Basic Financial Statements

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CITY OF ST. AUGUSTINE, FLORIDA
Statement of Net Position
September 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 24,018,147	$ 53,559,042	$ 77,577,189
Receivables (Net)	1,146,239	4,633,120	5,779,359
Leases Receivable	3,949,937	-	3,949,937
Due from Other Governments	1,433,127	1,280,309	2,713,436
Inventories	1,281,889	429,120	1,711,009
Prepaid Items	380,196	238,468	618,664
Restricted Assets:			
Cash and Cash Equivalents	8,806,876	848,396	9,655,272
Capital Assets:			
Non-Depreciable	9,476,661	4,500,282	13,976,943
Depreciable (Net):			-
Buildings	7,893,355	24,551,215	32,444,570
Infrastructure	14,456,920	109,618,846	124,075,766
Machinary & Equipment	5,765,299	3,198,816	8,964,115
Total Assets	**78,608,646**	**202,857,614**	**281,466,260**
Deferred Outflows of Resources:			
Pension Related	8,552,571	1,952,713	10,505,284
OPEB Plan	122,111	54,340	176,451
Unamortized Loss on Refunding	1,706,509	536,495	2,243,004
Total Deferred Outflows of Resources	**10,381,191**	**2,543,548**	**12,924,739**
LIABILITIES			
Accounts Payable and Accrued Expenses	2,787,441	3,255,141	6,042,582
Deposits	-	927,508	927,508
Unearned Revenue	208,818	-	208,818
Non-Current Liabilities:			
Due Within One Year:			
Compensated Absences	140,753	50,449	191,202
Revenue Bonds Payable, Current Portion	292,979	1,204,436	1,497,415
Revenue Note Payable, Current Portion	389,910	1,737,194	2,127,104
Due in More Than One Year			
Retiree Healthcare Related	1,147,036	510,432	1,657,468
Pension Related	12,881,648	4,946,808	17,828,456
Compensated Absences	3,566,988	932,465	4,499,453
Notes Payable, Less Current Portion	2,453,159	18,764,140	21,217,299
Bonds Payable, Less Current Portion	18,103,969	15,965,320	34,069,289
Total Liabilities	**41,972,701**	**48,293,893**	**90,266,594**
Deferred Inflows of Resources:			
Pension Related	249,816	-	249,816
Lease Related	3,949,937	-	3,949,937
Retiree Healthcare Related	589,478	262,438	851,916
Total Deferred Inflows of Resources	**4,789,231**	**262,438**	**5,051,669**
NET POSITION			
Net Investment in Capital Assets	18,741,616	110,934,712	129,676,327
Restricted for:			
Expendable Activities:			
Community Redevelopment Agencies	2,658,957	-	2,658,957
Capital Projects	9,676,194	6,200,149	15,876,343
Renewal and Replacement	-	3,230,226	3,230,226
Non-expendable:			
Permanent Fund	344,295	-	344,295
Other	1,960,942	19,143,143	21,104,085
Unrestricted	8,845,901	17,336,601	26,182,502
Total Net Position	**$ 42,227,905**	**$ 156,844,830**	**$ 199,072,735**

See accompanying notes to basic financial statements

CITY OF ST. AUGUSTINE, FLORIDA
Statement of Activities
For Year Ended September 30, 2023

FUNCTION/PROGRAM ACTIVITIES	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental Activities:				
General Government	$ 14,736,824	4,566,203	$ 258,583	$ -
Public Safety	15,693,757	3,683,969	4,996	-
Physical Environment	4,024,650	1,263,643	-	-
Transportation	5,478,566	3,793,888	434,251	427,311
Culture/Recreation	1,871,975	217,699	-	-
Interest/Fiscal Charges on Long-term Debt	3,011,278	-	-	-
Total Governmental Activities	**44,817,050**	**13,525,402**	**697,830**	**427,311**
Business-type Activities:				
Utilities	20,607,924	26,548,030	-	4,954,377
Stormwater	1,823,843	1,425,256	-	399,515
Solid Waste	6,004,057	5,522,249	-	198,585
Municipal Marina	4,943,865	5,197,883	-	373,849
Visitor Information Center	4,625,229	6,255,701	-	-
Total Business-type Activities	**38,004,918**	**44,949,119**	**-**	**5,926,326**
Total Primary Government	**$ 82,821,968**	**$ 58,474,521**	**$ 697,830**	**$ 6,353,637**
		General Revenues:		
		Property Taxes		
		Utility Taxes		
		Communication Service Taxes		
		Franchise Fees		
		State Revenue Sharing, Unrestricted		
		Local Option Gas Taxes		
		Local Option Sales Taxes		
		Insurance Premium Taxes		
		Other Taxes		
		Miscellaneous		
		Investment Income		
		Transfers		
		Total General Revenues and Transfers		
		Change in Net Position		
	Net Position - Beginning of Year			
	Net Position - End of Year			

See accompanying notes to basic financial statements

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	**Business-type Activities**	**Total**
$ (9,912,038)	$ -	$ (9,912,038)
(12,004,792)	-	(12,004,792)
(2,761,007)	-	(2,761,007)
(823,116)	-	(823,116)
(1,654,276)	-	(1,654,276)
(3,011,278)	-	(3,011,278)
(30,166,507)	**-**	**(30,166,507)**
-	10,894,483	10,894,483
-	928	928
-	(283,223)	(283,223)
-	627,867	627,867
	1,630,472	1,630,472
-	**12,870,527**	**12,870,527**
(30,166,507)	**12,870,527**	**(17,295,980)**
19,468,958	-	19,468,958
1,993,609	-	1,993,609
1,178,918	-	1,178,918
2,559,814	-	2,559,814
1,494,383	-	1,494,383
438,711	-	438,711
1,605,805	-	1,605,805
558,799	-	558,799
102,685	-	102,685
2,786,893	484,165	3,271,058
1,988,911	2,289,487	4,278,398
1,005,714	(1,005,714)	-
35,183,200	**1,767,938**	**36,951,138**
5,016,693	**14,638,465**	**19,655,158**
37,211,212	**142,206,365**	**179,417,577**
$ 42,227,905	**$ 156,844,830**	**$ 199,072,735**

CITY OF ST. AUGUSTINE, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2023

	General	Debt Service	Special Revenue HACRA
ASSETS			
Cash and Cash Equivalents	$ 24,018,147	$ -	$ -
Receivables (Net of Allowance for Uncollectibles)	1,146,239	-	-
Due from Other Funds	-	-	-
Due from Other Governments	1,433,127	-	-
Inventories, At Cost	1,281,889	-	-
Prepaid Expenditures	380,196	-	-
Restricted Assets:			
Cash and Cash Equivalents	5,551,498	-	4,400
Total Assets	**$ 33,811,096**	**$ -**	**$ 4,400**
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	$ 1,900,401	$ -	$ 4,400
Unearned Revenue	42,146	-	-
Accrued Expenditures	801,586	-	-
Due to Other Funds	-	-	-
Total Liabilities	**$ 2,744,133**	**-**	**4,400**
Fund Balances:			
Nonspendable:			
Inventories	1,281,889	-	-
Prepaid Expenditures	380,196	-	-
Restricted for:			
Education/Confiscation/Donations/Other	1,960,942	-	-
Trust	-	-	-
Capital Projects	7,017,237	-	-
Committed	11,487,366	-	-
Assigned, Commission Authorized Projects	6,169,527	-	-
Unassigned	2,769,806	-	-
Total Fund Balances	**31,066,963**	**-**	**-**
Total Liabilities and Fund Balances	**$ 33,811,096**	**$ -**	**$ -**

See accompanying notes to basic financial statements

Special Revenue LCRA	Permanent	Total Governmental
$ -	$ -	$ 24,018,147
-	-	1,146,239
-	-	-
-	-	1,433,127
-	-	1,281,889
-	-	380,196
2,906,683	344,295	8,806,876
$ 2,906,683	**$ 344,295**	**$ 37,066,474**
$ 79,220	$ -	$ 1,984,021
166,672	-	208,818
1,834	-	803,420
-	-	-
247,726	**-**	**2,996,259**
-	-	1,281,889
-	-	380,196
-	-	1,960,942
-	344,295	344,295
2,658,957	-	9,676,194
-	-	11,487,366
-	-	6,169,527
-	-	2,769,806
2,658,957	**344,295**	**34,070,215**
$ 2,906,683	**$ 344,295**	**$ 37,066,474**

CITY OF ST. AUGUSTINE, FLORIDA
Reconciliation of Governmental Funds Balance Sheet
to the Statement of Net Position
September 30, 2023

Total Governmental Fund Balances		$ 34,070,215
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	74,959,067	
Less accumulated depreciation	(37,366,832)	37,592,234
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds. Long-term liabilities (net of discounts/premiums and deferred amounts on refunding) at year-end consist of:		
Governmental bonds and capital lease payable	(21,240,017)	
Compensated absences	(3,707,741)	
Net pension asset	(12,881,648)	
Net retiree healthcare obligation	(1,147,036)	(38,976,442)
Deferred outflows of resources related to pension experience and assumptions are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		8,552,571
Deferred outflows of resources related to retiree healthcare are not recognized in the government funds; however, they are recorded in the statement of net position under full accrual accounting.		122,111
Deferred outflows of resources on the loss on refunding of debt are not recognized in the government funds; however, they are recorded in the statement of net position under full accrual accounting.		1,706,509
Deferred inflows of resources related to pensions earnings, experience and assumptions are not recognized in the government funds; however, they are recorded in the statement of net position under full accrual accounting.		(249,816)
Deferred inflows of resources related to retiree healthcare are not recognized in the government funds; however, they are recorded in the statement of net position under full accrual accounting.		(589,478)
Net Position of Governmental Activities		**$ 42,227,905**

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CITY OF ST. AUGUSTINE, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended September 30, 2023

	General	Debt Service	Special Revenue HACRA
REVENUES			
Ad Valorem Taxes	18,184,620	$ -	$ 662,050
Insurance Premium Tax	558,799	-	-
Local Option Gas & Fuel Tax	438,711	-	-
Utility and Communications Service Taxes	3,172,527	-	-
Grants	1,068,830	-	-
Intergovernmental	3,100,188	-	-
Franchise Fees	2,559,814	-	-
Licenses, Permits and Other Fees	6,655,496	-	-
Fines and Forfeitures	246,648	-	-
Rental Income	1,768,230	-	-
Special Assements	102,685	-	-
Administrative Overhead Charges	4,861,760	-	-
Investment Income	1,860,860	-	18,941
Miscellaneous	2,722,160	-	-
Total Revenues	**47,301,328**	**-**	**680,991**
EXPENDITURES			
Current Operating:			
General Government	12,446,705	-	45,685
Public Safety	14,968,235	-	-
Physical Environment	3,798,720	-	-
Transportation	3,667,933	-	-
Culture/Recreation	1,871,975	-	-
Capital Outlay	6,126,164	-	-
Debt Service:			
Principal Payment to Bond Escrow Agent	1,525,703	-	-
Principal Retirement	-	568,891	-
Interest and Other	-	916,684	-
Total Expenditures	**44,405,435**	**1,485,575**	**45,685**
Excess (Deficiency) of Revenues Over (Under) Expenditures	**2,895,893**	**(1,485,575)**	**635,306**
OTHER FINANCING SOURCES (USES)			
Transfers In	3,744,155	1,485,575	1,072,324
Transfers (Out)	(4,608,105)	-	(1,707,630)
Total Other Financing Sources (Uses)	**(863,950)**	**1,485,575**	**(635,306)**
Net Change in Fund Balances	2,031,943	-	-
Fund Balances - Beginning	29,035,020	-	-
FUND BALANCES - ENDING	**$ 31,066,963**	**$ -**	**$ -**

See accompanying notes to basic financial statements

Special Revenue LCRA	Permanent	Total Governmental
$ 622,288	$ -	$ 19,468,958
-	-	558,799
-	-	438,711
-	-	3,172,527
56,311	-	1,125,141
-	-	3,100,188
-	-	2,559,814
-	-	6,655,496
-	-	246,648
-	-	1,768,230
-	-	102,685
-	-	4,861,760
93,258	15,852	1,988,911
56,001	-	2,778,161
827,858	**15,852**	**48,826,029**
849,904	-	13,342,294
-	-	14,968,235
-	-	3,798,720
-	-	3,667,933
-	-	1,871,975
124,645	-	6,250,809
-	-	1,525,703
-	-	568,891
-	-	916,684
974,549	**-**	**46,911,244**
(146,691)	**15,852**	**1,914,785**
1,019,395	-	7,321,449
-	-	(6,315,735)
1,019,395	**-**	**1,005,714**
872,704	15,852	2,920,499
1,786,253	328,443	31,149,716
$ 2,658,957	**$ 344,295**	**$ 34,070,215**

CITY OF ST. AUGUSTINE, 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		$ 2,920,499
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of capital and related assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.		
Expenditures for capital assets	6,250,809	
Book value of disposed assets	(201,876)	
Less: current year depreciation and amortization	(2,356,647)	3,692,286
The issuance of debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction , however, has any effect on net position. Also, governmental funds report the effect of bond insurance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statemetn of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal debt payments - governmental funds	2,094,594	
Amorization of Discount and Premium	(160,134)	
Amortization of gain and loss on bond refunding	(93,508)	1,840,952
Change in pension liabilities and deferred inflows and outflows related to pensions		(3,102,361)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Change in long-term compensated absences	(269,162)	
Net retiree healthcare asset (obligation)	(65,521)	(334,683)
Change in Net Position of Governmental Activities		**$ 5,016,693**

CITY OF ST. AUGUSTINE, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
General Fund
For the Fiscal Year Ended September 30, 2023

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Ad Valorem Taxes	$ 17,826,488	$ 17,826,488	$ 18,184,620	$ 358,132
Insurance Premium Tax	520,093	520,093	558,799	38,706
Local Option Gas & Fuel Tax	496,978	496,978	438,711	(58,267)
Utility and Communications Service Taxes	2,440,000	2,440,000	3,172,527	732,527
Grants	10,000	2,355,776	1,068,830	(1,286,946)
Intergovernmental	2,100,167	2,264,963	3,100,188	835,225
Franchise Fees	1,811,000	1,811,000	2,559,814	748,814
Licenses, Permits and Other Fees	5,405,789	5,845,577	6,655,496	809,919
Fines and Forfeitures	260,500	260,500	246,648	(13,852)
Rental Income	1,481,831	1,481,831	1,768,230	286,399
Special Assements	50,000	50,000	102,685	52,685
Administrative Overhead Charges	4,861,760	4,861,760	4,861,760	-
Investment Income	324,325	830,443	1,860,860	1,030,417
Miscellaneous	1,734,927	1,867,268	2,722,160	854,892
Total Revenues	**39,323,858**	**42,912,677**	**47,301,328**	**4,388,651**
EXPENDITURES				
Current Operating:				
General Government	10,855,319	15,667,689	12,446,705	3,220,984
Public Safety	14,490,588	15,012,285	14,968,235	44,050
Physical Environment	3,950,585	4,335,846	3,798,720	537,126
Transportation	5,288,161	4,672,617	3,667,933	1,004,684
Culture/Recreation	1,938,703	2,194,870	1,871,975	322,895
Capital Outlay	2,198,062	9,511,435	6,126,164	3,385,271
Principal Payment to Bond Escrow Agent	-	-	1,525,703	(1,525,703)
Total Expenditures	**38,721,418**	**51,394,742**	**44,405,435**	**6,989,307**
Excess of Revenues Over Expenditures	**602,440**	**(8,482,065)**	**2,895,893**	**11,377,958**
OTHER FINANCING SOURCES (USES)				
Transfers In	4,037,204	10,629,957	3,744,155	(6,885,802)
Transfers (Out)	(4,639,645)	(4,644,645)	(4,608,105)	36,540
Total Other Financing Sources (Uses)	**(602,441)**	**5,985,312**	**(863,950)**	**(6,849,262)**
Net Change in Fund Balances	**-**	**(2,496,753)**	**2,031,943**	**4,528,696**
Fund Balances - Beginning	**29,035,020**	**29,035,020**	**29,035,020**	**-**
FUND BALANCES - ENDING	**$ 29,035,020**	**$ 26,538,267**	**$ 31,066,963**	**$ 4,528,696**

See accompanying notes to basic financial statements

CITY OF ST. AUGUSTINE, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Special Revenue Fund - Historic Area Community Redevelopment Agency
For the Fiscal Year Ended September 30, 2023

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	632,101	649,921	$ 662,050	$ 12,129
Investment Income	-	-	18,941	18,941
Total Revenues	**632,101**	**649,921**	**680,991**	**31,070**
EXPENDITURES				
Current Operating:				
General Government	-	29,820	45,685	(15,865)
Capital Outlay	-	-	-	-
Total Expenditures	**-**	**29,820**	**45,685**	**(15,865)**
Excess of Revenues Over Expenditures	**632,101**	**620,101**	**635,306**	**15,205**
OTHER FINANCING SOURCES (USES)				
Transfers In	$ 1,072,324	$ 1,072,324	$ 1,072,324	$ -
Transfers (Out)	(1,704,425)	(1,692,425)	(1,707,630)	(15,205)
Total Other Financing Sources (Uses)	**(632,101)**	**(620,101)**	**(635,306)**	**(15,205)**
Net Change in Fund Balances	**-**	**-**	**-**	**-**
Fund Balances - Beginning	**-**	**-**	**-**	**-**
FUND BALANCES - ENDING	**$ -**	**$ -**	**$ -**	**$ -**

See accompanying notes to basic financial statements

CITY OF ST. AUGUSTINE, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Special Revenue Fund - Lincolnville Community Redevelopment Agency
For the Fiscal Year Ended September 30, 2023

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 626,721	$ 626,721	$ 622,288	$ (4,433)
Grants	-	282,983	56,311	(226,672)
Miscellaneous	-	38,000	56,000	18,000
Investment Income	8,938	8,938	93,258	84,320
Total Revenues	**635,659**	**956,642**	**827,857**	**(128,785)**
EXPENDITURES				
Current Operating:				
General Government	807,047	2,855,089	801,896	2,053,193
Capital Outlay	800,000	1,416,491	124,645	1,291,846
Total Expenditures	**1,607,047**	**4,271,580**	**926,541**	**3,345,039**
Excess of Revenues Over Expenditures	**(971,388)**	**(3,314,938)**	**(98,684)**	**3,216,254**
OTHER FINANCING SOURCES (USES)				
Transfers In	1,019,395	2,849,096	1,019,395	(1,829,701)
Transfers (Out)	(48,007)	(48,007)	(48,007)	-
Total Other Financing Sources (Uses)	**971,388**	**2,801,089**	**971,388**	**(1,829,701)**
Net Change in Fund Balances	**-**	**(513,849)**	**872,704**	**1,386,553**
Fund Balances - Beginning	**1,786,253**	**1,786,253**	**1,786,253**	**-**
FUND BALANCES - ENDING	**$ 1,786,253**	**$ 1,272,404**	**$ 2,658,957**	**$ 1,386,553**

See accompanying notes to basic financial statements

CITY OF ST. AUGUSTINE, FLORIDA
Statement of Net Position
Proprietary Funds
September 30, 2023

	Utility	Stormwater Drainage	Solid Waste
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 39,336,645	$ 1,280,946	$ 1,302,059
Accounts Receivable (Net)	3,906,800	127,324	598,996
Due from Other Funds	1,440,000	-	-
Due from Other Governmental Units	718,731	187,729	-
Prepaid Expenditures	-	-	238,468
Inventories, at Cost	93,499	-	-
Total Current Assets	45,495,675	1,595,999	2,139,523
Non-Current Assets:			
Restricted: Cash and cash equivalents	848,396	-	-
Property, Plant and Equipment:			
Land and Improvements	1,145,803	256,026	-
Buildings and Structures	31,431,165	270,961	333,163
Infrastructure	156,822,798	18,461,455	51,164
Machinery and Equipment	4,735,890	561,740	3,630,646
Construction in Progress	2,829,713	246,866	-
Accumulated Depreciation	(88,521,900)	(6,526,171)	(2,413,302)
Net Property, Plant and Equipment:	108,443,469	13,270,877	1,601,671
Total Non-Current Assets	109,291,865	13,270,877	1,601,671
Total Assets	**154,787,540**	**14,866,876**	**3,741,194**
DEFERRED OUTFLOW OF RESOURCES			
Contributions to Pension Plan	1,206,724	81,120	329,749
OPEB Plan	32,987	2,475	9,179
Unamortized Loss on Refunding	-	-	-
Total Deferred Outflow of Resources	**1,239,711**	**83,595**	**338,928**
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Expenses	$ 2,226,699	$ 151,310	$ 583,345
Customer Deposits	927,508	-	-
Revenue Bonds Payable, Current Portion	-	-	-
Revenue Notes Payable, Current Portion	1,544,104	-	-
Due to Other Funds	-	-	1,440,000
Compensated Absences, Current Portion	23,520	736	12,545
Total Current Liabilities	4,721,831	152,046	2,035,890

(Continued)

See accompanying notes to basic financial statements

Municipal Marina	Visitor Information Center	Total Proprietary
$ 4,118,251	$ 7,521,141	$ 53,559,042
-	-	4,633,120
-	-	1,440,000
373,849	-	1,280,309
-	-	238,468
94,082	241,539	429,120
4,586,182	7,762,680	61,580,059
-	-	848,396
-	-	1,401,829
2,921,408	26,646,238	61,602,935
7,613,438	1,321,424	184,270,279
206,782	394,549	9,529,607
21,874	-	3,098,453
(5,280,678)	(15,291,893)	(118,033,944)
5,482,824	13,070,318	141,869,159
5,482,824	13,070,318	142,717,555
10,069,006	**20,832,998**	**204,297,614**
172,495	162,625	1,952,713
4,657	5,042	54,340
-	536,495	536,495
177,152	**704,162**	**2,543,548**
$ 150,727	143,060	3,255,141
-	-	927,508
-	1,204,436	1,204,436
-	193,090	1,737,194
-	-	1,440,000
3,356	10,292	50,449
154,083	1,550,878	8,614,728

CITY OF ST. AUGUSTINE, FLORIDA
Statement of Net Position
Proprietary Funds
September 30, 2023
(Continued)

	Utility	Stormwater Drainage	Solid Waste
LIABILITIES			
Non-Current Liabilities:			
Net Pension Liability	$ 3,056,984	$ 199,790	$ 863,515
Net OPEB Liability	309,856	23,249	86,220
Notes Payable, Less Current Portion	17,549,299	-	-
Revenue Bonds Payable, Less Current Portion	-	-	-
Compensated Absences, Less Current Portion	574,445	11,914	167,114
Total Non-Current Liabilities	21,490,584	234,953	1,116,849
Total Liabilities	**26,212,415**	**386,999**	**3,152,739**
DEFERRED INFLOW OF RESOURCES:			
OPEB Plan	159,312	11,953	44,330
Total Deferred Inflow of Resources	**159,312**	**11,953**	**44,330**
NET POSITION			
Net Investment in Capital Assets	95,550,214	13,270,877	1,601,671
Restricted			
Renewal and Replacement	3,230,226	-	-
Future Plant Expansion	19,143,143	-	-
Bond Projects	6,200,149	-	-
Unrestricted	5,531,792	1,280,642	(718,618)
Total Net Position	**$ 129,655,524**	**$ 14,551,519**	**$ 883,053**

See accompanying notes to basic financial statements

Municipal Marina	Visitor Information Center	Total Proprietary
$ 429,183	$ 397,336	$ 4,946,808
43,744	47,363	510,432
-	1,214,841	18,764,140
-	15,965,320	15,965,320
77,769	101,223	932,465
550,696	17,726,083	41,119,165
704,779	**19,276,961**	**49,733,893**
22,491	24,352	262,438
22,491	**24,352**	**262,438**
5,482,824	(4,970,875)	110,934,712
-	-	3,230,226
		19,143,143
-	-	6,200,149
4,036,064	7,206,721	17,336,601
$ 9,518,888	**$ 2,235,846**	**$ 156,844,830**

CITY OF ST. AUGUSTINE, FLORIDA
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended September 30, 2023

	Utility	Stormwater Drainage	Solid Waste
OPERATING REVENUES			
User Charges	$ 21,684,373	$ 1,425,256	$ 5,366,355
Fees	4,773,364	-	55,137
Rental	-	-	-
Other	90,293	-	100,757
Total Operating Revenues	**26,548,030**	**1,425,256**	**5,522,249**
OPERATING EXPENSES			
Salaries, Wages and Employee Benefits	6,514,266	464,514	2,055,788
Utilities	1,011,370	1,440	14,606
Supplies and Materials	842,970	13,742	356,831
Contractual Services	984,251	105,932	2,320,616
Repairs and Maintenance	1,524,732	33,489	354,255
Cost of Goods Sold	-	-	-
Other	216,739	3,594	12,997
Administrative Overhead Charges	3,051,654	443,495	534,722
Depreciation and Amortization	6,052,719	757,637	354,242
Total Operating Expenses	**20,198,701**	**1,823,843**	**6,004,057**
Operating Income (Loss)	**6,349,329**	**(398,587)**	**(481,808)**
NON-OPERATING REVENUES (EXPENSES)			
Investment Income	1,839,488	40,820	72,796
Interest Expense and Fiscal Charges	(409,223)	-	-
Bond Issuance Costs	-	-	-
Gain (Loss) on Sale of Capital Assets	-	-	74,193
Other	411,008	-	-
Total Non-Operating Revenues (Expenses)	**1,841,273**	**40,820**	**146,989**
Income Before Contributions and Transfers	**8,190,602**	**(357,767)**	**(334,819)**
Capital Grants and Contributions	4,954,377	399,515	198,585
Transfers In	659,014	95,492	485,426
Transfers (Out)	(1,780,163)	(255,308)	(358,842)
Change in Net Position	**12,023,830**	**(118,068)**	**(9,650)**
Net Position - Beginning	**117,631,694**	**14,669,587**	**892,703**
Net Position - Ending	**$ 129,655,524**	**$ 14,551,519**	**$ 883,053**

See accompanying notes to basic financial statements

Municipal Marina	Visitor Information Center	Total Proprietary
$ 5,107,146	$ 695,980	$ 34,279,110
-	5,202,315	10,030,816
60,541	78,770	139,311
30,196	278,636	499,882
5,197,883	**6,255,701**	**44,949,119**
862,585	1,326,641	11,223,794
117,409	152,404	1,297,229
79,881	71,526	1,364,950
522,379	222,570	4,155,748
259,680	389,801	2,561,957
2,210,411	325,945	2,536,356
218,245	121,450	573,025
329,383	442,510	4,801,764
343,892	576,257	8,084,747
4,943,865	**3,629,104**	**36,599,570**
254,018	**2,626,597**	**8,349,549**
130,559	205,824	2,289,487
-	(806,413)	(1,215,636)
-	(189,712)	(189,712)
(1,036)	-	73,157
-	-	411,008
129,523	**(790,301)**	**1,368,304**
383,541	**1,836,296**	**9,717,853**
373,849	-	5,926,326
20,019	1,698,272	2,958,223
(152,985)	(1,416,639)	(3,963,937)
624,424	**2,117,929**	**14,638,465**
8,894,464	**117,917**	**142,206,365**
$ 9,518,888	**$ 2,235,846**	**$ 156,844,830**

CITY OF ST. AUGUSTINE, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2023

	Utility	Stormwater Drainage	Solid Waste
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS			
Cash Flows from Operating Activities:			
Received from Customers	$ 28,279,785	$ 1,241,035	$ 5,509,451
Payment to Suppliers for Goods and Services	(7,466,892)	(404,609)	(3,558,709)
Paid to Employees	(6,514,266)	(464,514)	(2,055,788)
Other Revenues (Expenses)	411,008	-	-
Net Cash Flows from Operating Activities	**14,709,635**	**371,912**	**(105,046)**
Cash Flows from Capital and Related Financing Activities:			
Principal Paid on Outstanding Bond Issues	(2,342,921)	-	-
Interest Paid on Outstanding Bond Issues	(442,169)	-	-
Acquisition and Construction of Capital Assets	(13,743,677)	(334,781)	(1,134,347)
Proceeds from Bond Refunding	-	-	-
Bond Costs	(2,929)	-	-
Proceeds from or loss on Retirement of Capital Assets	-	-	217,700
Capital Contributions and Grants	4,954,377	399,515	198,585
Net Cash Flows from Capital and Related Financing Activities	**(11,577,319)**	**64,734**	**(718,062)**
Cash Flows from Investing Activities:			
Investment Income	1,839,488	40,820	72,796
Net Cash Flows from Investing Activities	**1,839,488**	**40,820**	**72,796**
Cash Flows from Non-Capital Financing Activities:			
Borrowings (Payments) Under Interfund Loan Agreements	437,033	(77,033)	(360,000)
Transfers from Other Funds	659,014	95,492	485,426
Transfers (to) Other Funds	(1,780,163)	(255,308)	(358,842)
Net Cash Flows from Non-Capital Financing Activities	**(684,116)**	**(236,849)**	**(233,416)**
Net Change in Cash and Cash Equivalents	**4,287,688**	**240,617**	**(983,728)**
Cash and Cash Equivalents at Beginning of Year	**35,897,353**	**1,040,329**	**2,285,787**
Cash and Cash Equivalents at End of Year	**$ 40,185,041**	**$ 1,280,946**	**$ 1,302,059**

(Continued)

See accompanying notes to basic financial statements

Municipal Marina	Visitor Information Center	Total Proprietary
$ 4,824,034	$ 6,255,701	46,110,006
(3,596,568)	(1,922,045)	(16,948,823)
(862,585)	(1,326,641)	(11,223,794)
-	-	411,008
364,881	**3,007,015**	**18,348,397**
-	(1,179,406)	(3,522,327)
-	(859,027)	(1,301,196)
(33,060)	(314,101)	(15,559,966)
-	1,885,395	1,885,395
	(189,712)	(192,641)
-	-	217,700
373,849	-	5,926,326
340,789	**(656,851)**	**(12,546,709)**
130,559	205,824	2,289,487
130,559	**205,824**	**2,289,487**
-	-	-
20,019	1,698,272	2,958,223
(152,985)	(1,416,639)	(3,963,937)
(132,966)	**281,633**	**(1,005,714)**
703,263	**2,837,621**	**7,085,461**
3,414,988	**4,683,520**	**47,321,977**
$ 4,118,251	**$ 7,521,141**	**$ 54,407,438**

CITY OF ST. AUGUSTINE, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2023
(Continued)

	Utility	Stormwater Drainage	Solid Waste
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Net Operating Income (Loss)	**$ 6,349,329**	**$ (398,587)**	**$ (481,808)**
Adjustments to Reconcile Net Operating Income to Net Cash Flows from Operating Activities:			
Depreciation and Amortization	6,052,719	757,637	354,242
Other Revenues (Expenses)	411,008	-	-
Changes in Operating Assets and Liabilities:			
Accounts Receivable	1,652,643	(184,221)	(12,798)
Inventories	(18,865)	-	-
Prepaids	-	-	(238,468)
Deferred Outflow of Resources	580,472	54,805	191,521
Accounts Payable and Compensated Absences	(716,963)	121,247	1,716
Net Pension Liability	279,156	20,220	82,775
Net OPEB liability	(70,279)	(7,286)	(31,667)
Deferred Inflow of Resources	111,303	8,097	29,441
Deposits Payable	79,112	-	-
Total Adjustments	**8,360,306**	**770,499**	**376,762**
Net Cash Flows from Operating Activities	**$ 14,709,635**	**$ 371,912**	**$ (105,046)**

Non-Cash Transactions (transactions/amounts not included in the Statement of Cash Flows):

Amortization of unamortized bond refunding gain to interest expense of $88,489

Bond borrowings and payments direct to escrow agent $13,450,000

See accompanying notes to basic financial statements

Municipal Marina	Visitor Information Center	Total Proprietary
$ 254,018	**$ 2,626,597**	**$ 8,349,549**
343,892	576,257	8,084,747
-	-	411,008
(373,849)	-	1,081,775
(5,270)	(24,131)	(48,266)
5,030	-	(233,438)
63,848	88,684	979,330
38,125	(298,136)	(854,011)
35,525	38,297	455,973
(17,759)	(16,801)	(143,792)
21,321	16,248	186,410
-	-	79,112
110,863	**380,418**	**9,998,848**
$ 364,881	**$ 3,007,015**	**$ 18,348,397**

CITY OF ST. AUGUSTINE, FLORIDA
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2023

	Employee Retirement Funds
ASSETS	
Cash and Short-Term Investments	$ 4,724,627
Receivables:	
Contributions	241,926
Interest and Dividends	25,293
Total Receivables	267,219
Investments, at Fair Value:	
Fixed income securities	12,870,549
Equity securities	60,907,745
Alternative strategies	3,998,240
Real Estate Fund	15,780,913
Total Investments	93,557,447
Total Assets	**98,549,293**
LIABILITIES	
Refund Due to Members	9,004
Expenses Payable	80,778
Total Liabilities	**89,782**
NET POSITION, Restricted For Pensions	**$ 98,459,511**

See accompanying notes to basic financial statements

CITY OF ST. AUGUSTINE, FLORIDA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2023

	Employee Retirement Funds
ADDITIONS	
Contributions:	
Members	$ 941,498
City	4,350,988
State Insurance Premium Tax from General Fund	558,046
Total Contributions	5,850,532
Other Income:	
Other Income	197
Total Other Income	197
Investment Income:	
Net Increase in Fair Value of Investments	6,577,259
Interest and Dividends on Investments	2,558,001
Total Investment Income	9,135,260
Less Investment Expenses	164,163
Net Income from Investing Activities	8,971,097
Total Additions	**14,821,826**
DEDUCTIONS	
Benefit Payments	5,957,386
Termination Payments	327,284
Administrative Expenses	189,991
Total Deductions	**6,474,661**
Change in Net Position	**8,347,165**
Net Position - Beginning (restated, see page 134)	**90,112,346**
NET POSITION - ENDING	**$ 98,459,511**

See accompanying notes to basic financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The City of St. Augustine, Florida (the City), was established in 1925, by Special Legislative Act 11148 of the Florida Legislature. The City operates under a commission-manager form of government and provides the following services authorized by its charter: General Government, Public Safety, Public Works, Public Utilities, Culture, Recreation, and Community Development.

The accounting and reporting policies of the City relating to the funds included in the Basic Financial Statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principals prescribed by the Government Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governments,* and by the Financial Accounting Standards Board (when applicable).

A. Financial Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City of St. Augustine, Florida, and its fiduciary funds. The fiduciary funds discussed here are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

The City currently has separate and distinct defined benefit pension plans for the City's general employees, police officers, and firefighters. These plans are legally separate from the City and are governed by board members who are both elected by their peers and appointed by the City Commission. For financial reporting purposes, these plans are reported as if they were part of the City's operations, as the sole purpose of the plans are to provide retirement benefits for the City's employees. These plans have separately issued financial statements that can be obtained through the City Clerk's office.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely significantly on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect costs are included in the program expense reported for individual functions and activities. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and grants and contributions that are restricted to meeting the operational and capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major proprietary funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

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 City considers revenues to be available if they are collected within 60 days of the end of the fiscal period. Expenditures are generally recorded when the liability is incurred, under accrual accounting. However, debt service expenditures, and expenditures related to claims and judgments, are recorded only when payment is due.

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

Since the fund level statements for governmental activities are presented using a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented on the page following governmental fund level statements. The reconciliation briefly explains the adjustments necessary to convert the fund level statements into the government-wide governmental column presentations.

The City reports the following funds:

Major Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The General Fund and Special Revenue Funds have legally adopted annual budgets. The following are the City's major governmental funds:

a. General Fund
The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. Resources are generated primarily from local property and utility services taxes, franchises, licenses, permits and fees, intergovernmental revenues, and charges for services. Expenditures are incurred to provide public safety, general government, public works, parks, and recreation services.

b. Debt Service Fund
The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest of the governmental funds.

c. Special Revenue Funds
The Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes. The Special Revenue Funds are as follows; The St. Augustine Community Redevelopment Agency fund was established by ordinance in 2000 to assist the City in redeveloping the Historic Area Community Redevelopment Area (HACRA), a blighted transportation and parking geographical area principally located in the historic downtown area. The Lincolnville Community Redevelopment Area (LCRA) was established in 2013. The primary focus of the LCRA is maintaining Lincolnville's residential character. The St. Augustine Community Redevelopment Agencies (CRA) are funded by "increment," or the difference between appraised property values from an established base year in each of the two redevelopment areas, to the current year in the area. The CRA funds receive this amount of money from each taxing entity yearly.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

d. Permanent Fund
The Permanent fund reports resources available to support the City's programs, which are legally restricted so that only earnings (and not principal) may be used. The Permanent Fund includes the Anderson Trust Fund, Woodman Trust Fund, and Sanchez House Trust Fund and accounts for assets held by the City as a trustee for individuals.

Major Proprietary Funds

Proprietary Funds are used to account for activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and payments relating to the government's business activities are accounted for through proprietary funds. Proprietary funds used by the City are:

a. Utility Fund
The Utility Fund accounts for the operation, maintenance, and construction of the City-owned water and sewer system.

b. Stormwater Drainage Fund
The Stormwater Drainage Fund accounts for the operation, maintenance, and construction of the City-owned stormwater drainage system.

c. Solid Waste Fund
The Solid Waste Fund accounts for the operation, maintenance, and construction of the City-owned solid waste pick-up and disposal service.

d. Municipal Marina Fund
The Marina Fund accounts for the operation, maintenance, and construction of the City-owned Municipal Marina facilities.

e. Visitor Information Center Fund
The Visitor Information Center Fund accounts for the operation, maintenance, and construction of the City-owned Visitor Information Center and Historic Downtown Parking Facility.

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the City as a trustee or agent. Fiduciary Funds used by the City are:

a. General Employees' Pension Plan
The General Employees' Pension Plan accounts for the contributions of the general employees and the City, along with the benefits paid to the retired participants of the plan.

b. Police Officers' Pension Plan
The Police Officers' Pension Plan accounts for the contributions of the police officer employees, the City and the State of Florida, along with the benefits paid to the retired participants of the plan.

c. Firefighters' Pension Plan
The Firefighters' Pension Plan accounts for the contributions of the firefighter employees, the City and the State of Florida, along with benefits paid to the retired participants of the plan.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are administrative overhead charges between the general fund and the funds benefited. Elimination of these charges would distort the direct costs for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for goods and services. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

The budget is prepared on a GAAP basis. The legal level of control for budget variations is at the fund level. However, actual spending can exceed the appropriated amount of the fund to the extent that revenues exceed the fund's adopted budget.

D. Cash

The City pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested with the State Board of Administration (SBA) Pool and one fully collateralized investment account with a qualified public depository. These investments are considered cash equivalents due to their liquidity and similarity to cash. The City issued a bank loan in fiscal year 2022 when interest rates were at a historic low of .1%. Therefore, the proceeds were deposited into an investment account with FL PALM, a short-term portfolio rated AAAm by S&P. The term portfolio allows the City to earn additional interest income by investing in various terms to meet cash flow needs.

E. Investments

Investments within the Pension Trust Funds are made through financial brokers and are held by trustees. These assets are stated at fair value as determined in an active market.

F. Fair Value Measurement and Application

GASB 72 addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement provides guidance for determining a fair value measurement for financial reporting purposes. This statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

Fair value is described as an exit price. Fair value measurements assume a transaction takes place in a government's principal market, or a government's most advantageous market in the absence of a principal market. Fair value also should be measured assuming that general market participants would act in their economic best interest. Fair value should not be adjusted for transaction costs.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

G. Receivables and Allowance for Uncollectible Accounts

All receivables are reported at gross value and, where appropriate, are reduced by the portion that is expected to be uncollectible. Estimated unbilled revenues from the Utility, Stormwater and Solid Waste Funds are recognized at the end of each fiscal year on a pro rata basis. The estimated amount is based on billings during the month following the close of the year. Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are classified as "due to/due from other funds".

H. Inventories

Inventories held by the General Fund are valued at cost using the first-in/first-out (FIFO) method. Because the consumption method is used, the inventory items are recorded as expenditures at the time they are withdrawn from central stores. The inventory value has been recorded as an asset, offset by a reserve in an equal amount. Inventories in the Proprietary Funds are valued at the lower of cost (using FIFO method) or net realizable value. Inventories of these funds are expensed as used.

I. Prepaid Items

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. The consumption method is used for these items.

J. Restricted Assets

These assets consist of cash restricted for debt service, construction, renewal and replacement, and customer deposits (See Note 2).

K. Capital Assets

Capital outlays are recorded as expenditures in the Governmental Fund Financial Statements, and as assets in the Government-wide Financial Statements to the extent the City's capitalization threshold of $5,000 is met. In accordance with GASB Statement No. 34, infrastructure has been capitalized. Infrastructure consists primarily of streets, curbs, and sidewalks. Depreciation is recorded on general capital assets (except for land and construction in progress) on a government-wide basis using the straight-line method over the following estimated useful lives:

Buildings	30 years
Furniture and Other Equipment	3-20 years
Infrastructure	20-50 years

To the extent the City's capitalization threshold of $5,000 is met, capital outlays of the Proprietary Funds are recorded as capital assets and depreciated over their estimated useful lives on a straight-line basis on both the fund basis and the government-wide basis using the following estimated useful lives:

Buildings	10-50 years
Furniture and Other Equipment	2-10 years
Infrastructure & Improvements	10-40 years

All capital assets were valued at historical cost or estimated historical cost if actual cost was not available. Donated capital assets are valued at their acquisition value on the date donated. The City does not capitalize historical treasures or works of art. The City maintains many items and buildings of historical significance. The City does not require the proceeds from the sale of historical treasures or works of art to be used to acquire other items for the collection. Capital assets received in a service concession arrangement are valued at acquisition value.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenses that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations in the government-wide financial statements.

L. Deferred Inflows/Outflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future periods. Deferred outflows have a positive effect on net position. Deferred inflows of resources represent an acquisition of net assets that applies to future periods. Deferred inflows have a negative effect on net position, similar to liabilities.

M. Compensated Absences

Annual vacation leave is accumulated in the following manner:

General, Municipal & Police Employees:	80 hours per year with 5 years or less, 88 hours with 6 years, 96 hours with 7 years, 104 hours with 8 years, 112 hours with 9 years, 120 hours with 10 years, 128 hours with 11 years, 136 hours with 13 years, 144 hours with 15 years, 152 hours with 17 years, 160 hours with 18 years, and maximum per employee is 168 hours with 19 or more years of service.
Fire Department Employees:	120 hours per year with 5 years of less, 156 hours with 6 years, 165 hours with 7 years, 174 hours with 8 years, 183 hours with 9 years, 192 hours with 10 years, 204 hours with 11 years, 216 hours with 13 years, 228 hours with 15 years, 240 with 17 years of service, 252 with 18 years of service and maximum per employee is 264 hours with 19 or more years of service.

Sick leave is available to be paid at termination, retirement, or resignation as follows:

General and Municipal Employees:	80.6 hours per year, no maximum
Police Department Employees:	80.6 hours per year, no maximum
Fire Department Employees:	112.06 hours per year, no maximum

The City has accrued for sick and vacation leave earned but unused at year end. This accrual was based on unused sick and vacation hours available to employees as maintained by the City's payroll system and as multiplied by each eligible employees individual hourly pay rate. Liquidation of the accrued sick and vacation leave has historically come from the general fund.

N. Other Post-Employment Benefits (OPEB)

Pursuant to Section 112.0801, Florida Statutes, the City is mandated to permit participation in the health insurance program by 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. The rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the Plan on average than those of active employees. The City currently provides these benefits in accordance with the vesting and retirement requirements for its employees.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

The City is financing the post employee benefits on a pay-as-you-go basis. As determined by an actuarial evaluation, the City records a net OPEB liability in its government-wide financial statements related to the implicit and explicit subsidy. See Note 12 for further information.

O. Long-Term Obligations

In the government-wide financial statements, governmental long-term debt and other governmental long-term obligations are reported as liabilities in the governmental activities column of the Statement of Net Assets. Long-term debt and other long-term obligations of the proprietary funds are reported as liabilities in the business-type activities column of the Statement of Net Assets and the appropriate proprietary fund in the fund level statements.

P. Unearned Revenue

Governmental funds and business-type funds also defer revenue recognition in connection with resources that have been received, but have yet to be earned.

Q. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's three pension plans and additions to/deductions from pension plan net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

R. Fund Balance Classifications

In fiscal year 2011, the City Commission implemented GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* by adopting a fund balance policy. GASB No. 54 provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on government fund balances more transparent. The policy was adopted by resolution No. 2013-09; therefore, any modifications to the policy would require a subsequent resolution and majority vote by the Commission. This policy establishes the Commission as the body authorized to assign amounts to these categories. The following classifications describe the relative strength of the spending constraints.

Non-Spendable Fund balance - is established to report items that are not expected to be converted to cash such as inventory and prepaid items; items not currently in cash form such as the long-term amount of loans and notes receivable as well as property acquired for resale; and, items legally or contractually required to be maintained intact.

Restricted Fund Balance - amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. A number of items that would otherwise qualify as restricted fund balances of the General Fund may be reported in special revenue funds or capital project funds as appropriate.

The following Restricted Fund Balance classifications are examples of those that may be used in reporting the City's financial position:

Unspent Bond Proceeds – The Unspent Bond Proceeds Reserve reflects those amounts relating to debt issued by the City for specific purposes and which are thereby restricted to be used for those purposes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Grants Earned But Not Spent – The Grants Earned But Not Spent Reserve reflect those amounts relating to legally obligated proceeds issued to the City by another authority.

Committed Fund Balance – amounts constrained to specific purposes by the City itself by Commission approval. Commitment of fund balance may be made from time-to-time by ordinance by the City Commission. Commitments may be changed or lifted only by the City Commission taking the same formal action that imposed the constraint originally. The use (appropriation) of committed fund balances will be considered in conjunction with the annual budget adoption process or by budget amendment approved by the City Commission during the fiscal year.

Assigned Fund Balance – assignment of fund balance may be (a) made for a specific purpose that is narrower than the general purposes of the government itself; and/or (b) used to reflect the appropriation of a portion of existing unassigned fund balance to eliminate a projected deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues.

Assigned fund balance shall reflect management's intended use of resources as established by either (1) the annual budget process (and any amendments thereto) or (2) by agreement of the City's administration prior to the end of each fiscal year. Assigned fund balance may or may not be appropriated for expenditure in the subsequent year depending on the timing of the project/reserve for which it was assigned.

The following Assigned Fund Balance classification is an example of one that may be used in reporting the City's financial position:

Designated Carry Forward – The Designated Carry Forward Fund Balance Reserve is assigned by the City as set forth in the annual budget and any amendments there to provide funds for open encumbrances.

Unassigned Fund Balance – amounts that are available for any purpose.

Spending of Fund Balance - The General Fund is the only governmental fund that can report a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, if necessary, other governmental funds must report a negative unassigned fund balance when appropriate.

When both restricted and unrestricted resources are available for use, it is the City's practice to use restricted resources first, then unrestricted resources as needed. When unrestricted resources (committed, assigned and unassigned) are available for use in any governmental fund, it is the City's practice to used committed resources first, then assigned, and then unassigned as needed.

In 2013, the City Commission adopted a Resolution establishing a stabilization arrangement. This Resolution is in compliance with the Governmental Accounting Standards Board's issued Statement No. 54, Fund Balance Report and Governmental Fund Type Definitions. It establishes a minimum Committed Fund Balance in the General Fund Reserve in an amount equal to no less than 33.33% percent (four months) of the City's budgeted general operating revenues as the emergency reserve level.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

S. Unamortized Bond Premium (Discount)

Unamortized bond premium (discount) represents the amount received above or below par on various bond issues. These costs are being amortized over the life of the respective bond issues using the straight-line method, which is comparable to the effective interest method. Unamortized costs at September 30, 2023 are as follows:

	Original Cost	Accumulated Amortization	Unamortized Costs
Beginning of year	$ 6,187,780	$ (3,277,020)	$ 2,910,760
Current year additions	1,885,395	20,551	1,905,946
End of year	$ 8,073,175	$ (3,256,469)	$ 4,816,706

T. Revenue Recognition – Property Taxes

Property tax revenue is recognized when it becomes available and measurable. Property taxes, under Florida law, are levied on November 1 by the County Tax Appraiser and collected by the County Tax Collector and become a lien on the property on November 1.

The law allows a four percent discount if paid in November, a three percent discount if paid in December, a two percent discount if paid in January, and a one percent discount if paid in February. Taxes become delinquent on April 1 of each year. Delinquent real estate taxes are advertised during the month of May. Tax certificates are sold on May 30, at a public sale, against property on which the current taxes have not been paid. If not redeemed within two years, the property will be subject to an application for tax deed.

In accordance with the National Council on Governmental Accounting (NCGA) Interpretation 3, property taxes that are measurable but not available are reported as deferred revenue. The deferred revenues are recognized in the fiscal year in which they become available. The City had no taxes subject to this deferral at year-end.

U. Community Redevelopment Area

The City established the HACRA and the LCRA Community Redevelopment special revenue funds to account for revenues and expenditures related to the community redevelopment areas. The financial results of the areas are presented as blended component units through the use of a special revenue funds.

For fiscal year ended September 30, 2023, the funds received $1,284,338 in property tax revenue, $56,311 in grants, $112,199 in interest earnings and a $2,147,719 transfer from the general fund. The City transfer included the City's portion of the tax increment.

V. Expenditures

Expenditures are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased. The General Fund applies an administrative charge to Proprietary Funds for administrative services and overhead costs, which is included in direct expenses.

W. New accounting pronouncements

GASB Statement No. 87, *Leases* establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessor is required to recognize a lease receivable and a deferred inflow of resources. The City has implemented this Statement and its various provisions effective September 30, 2022.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Leases

The City leases real property and submerged land to various lessees. The City recognizes a long-term lease asset receivable and corresponding deferred inflows for all leases that are not considered short-term.

Basis of lease classification – Leases that meet the following requirements will not be considered short term: (1) the maximum possible lease term(s) is non-cancelable by both the lessee and lessor and is more than 12 months, and (2) the present value of the lease payments for the lease is less than $5,000.

Discount Rate – Unless explicitly stated in the lease agreement, known by the City, or the City is able to determine the rate implicit within the lease, the discount rate used to calculate lease right-to-use assets and liabilities will be the City's short-term rate of return on investments. The City's rate of return was calculated at 5.59% on September 30, 2023, and was the discount rate utilized for applicable leases as of September 30, 2023.

The City's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Deferred Compensation Plans

Statement No. 97, "certain Component Unit Criteria, and accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32." The requirements of this Statement took effect for the financial statements starting with the fiscal year that begins after June 15, 2022. This pronouncement had no implication on the Cities financial reporting requirements.

X. Future Accounting Pronouncements

a. Statement No. 97, "certain Component Unit Criteria, and accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred compensation Plans – an amendment of GASB Statements No. 14 a No. 84, and a supersession of GASB Statement No. 32." The requirements of this Statement will take effect for the financial statements starting with the fiscal year that begins after June 15, 2022.
b. Statement No. 99, "Omnibus 2022." The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement will take effect for the financial statements starting with the fiscal year that begins after June 15, 2023.
c. Statement No. 100**, "**Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62." The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement will take effect for the financial statements starting with the fiscal year that begins after June 15, 2023.
d. Statement No. 101 **"**Compensated Absences." The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.
e. Statement No. 102 "Certain Risk Disclosures". The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.

NOTE 2. DEPOSITS AND INVESTMENTS:

A. Cash and Cash Equivalents

The City maintains a cash and investment pool is designed for use by all funds. For the purposes of cash flows, the City considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents. In addition, investments are separately held and accounted for by several of the City's funds where contractual agreements and bond covenants provide for and require such arrangements.

On September 30, 2023, the carrying amount of cash on hand was $981,167 and the related bank balance was $2,326,948. Monies, which are placed on deposit with financial institutions in the form of demand deposit accounts, are defined as Public Deposits and, as such, are secured as provided for in Chapter 280, Florida Statutes. Financial institutions, which meet the requirements for this chapter, can be designated as qualified public depositories eligible to receive Public Deposits. This chapter also created the Public Deposit Security Trust Fund to facilitate the recovery of administrative penalties resulting from the default or insolvency of any qualified Public Depository and the subsequent payment of any losses to Public Depositors. When Public Deposits are made in accordance with this statute, no Public Depositor shall be liable for any loss thereof. Thus, all deposits at year-end are insured or collateralized with securities pursuant to Chapter 280, Florida Statutes.

State Statutes govern the City's investment policies. The basic allowable investment instruments include the Local Government Surplus Funds Trust Fund (State Board); Securities and Exchange Commission (SEC) registered money market funds with the highest credit quality rating; interest-bearing time deposits or savings accounts in qualified public depositories; direct obligations of the United States Treasury; Federal agencies and instrumentalities; other investments authorized by law or ordinance for a county or municipality.

The State Board consists of the Local Government Surplus Trust Fund (Florida PRIME). The Florida PRIME is currently considered a SEC 2a7-like fund; thus, the account balance should also be considered the fair value of the investment. Florida PRIME is rated by Standard & Poor's and currently has a rating of AAAm. The City's Florida PRIME account held a balance of $76,369,229 as of September 30, 2023. In 2022 The City established an investment account for loan proceeds when interest rates were at historic lows. The funds are held with FL PALM, a short-term portfolio rated AAAm by S&P, and have maturities of 90 days or less. The balance as of September 30th, 2023 is $9,838,330.

B. Investment Measurement at Fair Value

Fair Value Hierarchy

The accounting standards break down the fair value hierarchy into three levels based on how observable the inputs are that make up the valuation. The most observable inputs are classified as Level 1 where the unobservable inputs are classified as Level 3.

Level 1 Inputs -to the Valuation Methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

As a general rule, any asset that has a daily closing price and is actively traded will be classified as a Level 1 input.

Level 2 Inputs -are inputs (other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly. Inputs to the valuation methodology include: (1) quoted market prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in active markets, (3) inputs other than quoted prices that are observable for the asset or liability, and (4) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

NOTE 2. DEPOSITS AND INVESTMENTS: (continued)

As a general rule, if an asset or liability does not fall into the requirements of a Level 1 or Level 3 input, it would default to Level 2. With Level 2 inputs, there is usually data that can be easily obtained to support the valuation, even though it is not as easily obtained as a Level 1 input would be.

Level 3 Inputs -to the valuation methodology are unobservable and significant to the fair value measurement.

As a general rule, Level 3 inputs are those that are difficult to obtain on a regular basis and require verification from an outside party, such as an auditor or an appraisal, to validate the valuation.

Net asset value (NAV) is a common measurement of fair value for Level 1, Level 2, and Level 3 investments. A fund's NAV is simply its assets less its liabilities, and is often reported as a per share amount for fair value measurement purposes. The Plan would multiply the NAV per share owned to arrive at fair value. Level 1 investment in funds such as mutual funds report at a daily NAV per share and are actively traded. NAV also comes in to play for Level 2 and 3 investments. As a matter of convenience (or referred to in accounting literature as a "practical expedient"), a Plan can use the NAV per share for investments in a nongovernmental entity that does not have a readily determined fair value, such as an alternative investment. Investments measured at NAV as a practical expedient would be excluded from the fair value hierarchy because the valuation is not based on actual market inputs but rather is quantified using the fund's reported NAV as a matter of convenience.

	September 30, 2023	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
General Pension Plan				
Fixed Income Security	$ 4,942,743	$ -	$ 4,942,743	$ -
Equity Securities	34,436,282	-	34,436,282	-
Alternative Strategies	3,998,240	-	3,998,240	-
Real Estate Funds	10,603,383	-	-	10,603,383
Investment at Fair Value	$ 53,980,648	$ -	$ 43,377,265	$ 10,603,383
Police Pension Plan				
Fixed Income Security	$ 3,402,505	$ 281,876	$ 3,120,629	$ -
Equity Securities	15,641,324	5,264,513	10,376,811	-
Alternative Strategies	-	-	-	-
Real Estate Funds	5,177,530			5,177,530
Investment at Fair Value	$ 24,221,359	$ 5,546,389	$ 13,497,440	$ 5,177,530
Fire Pension Plan				
Fixed Income Security	$ 4,525,301	$ -	$ 4,525,301	$ -
Equity Securities	10,830,139	9,358,855	1,471,284	-
Alternative Strategies	-	-	-	-
Real Estate Funds	-	-	-	-
Investment at Fair Value	$ 15,355,440	$ 9,358,855	$ 5,996,585	$ -
Total Investment at Fair Value	$ 93,557,447	$ 14,905,244	$ 62,871,290	$ 15,780,913

NOTE 2. DEPOSITS AND INVESTMENTS: (continued)

C. Investments – General Pension Plan

Interest Rate Risk
The General Pension Plan Investment Policy limits interest rate risk by limiting the fixed-income portfolio duration to less than 135% of the market index duration, including investments in government issues, corporate bonds with an average rating of A or higher and/or Government National Mortgage Association pooled obligations. There may be exceptional circumstances indicating the use of longer maturities, but these exceptions should be few. As of September 30, 2023, the General Employee's Pension Plan had the following fixed income investments and maturities at PAR value:

		Investment Maturities (in Years)			
Investment Type	PAR Value	Less Than 1	Between 1 and 5	Between 6 and 10	More Than 10
Fixed	$ 5,250,329	$ 1,158	$ 1,312,576	$ 2,185,231	$ 1,751,364

Credit Risk and Concentration of Credit Risk
Excessive concentration of assets will be avoided. Excessive Concentration is defined as having more than five percent on a cost basis of the equity portfolio in any single common stock or having more than five percent on a cost basis of the portfolio in fixed-income securities of one specific issue, with the exception of the securities of the U.S. Government and its agencies and high quality market funds, as stated in the plan's investment policy.

Foreign Currency
Investment in Foreign Securities is allowed under the investment plan; however, not more than twenty-five percent of the total fund market value may be invested in foreign securities.

D. Investments – Police Pension Plan

Interest Rate Risk
The Police Pension Plan Investment Policy limits fixed income securities to 135% of the duration of the market index, including investments in government issues, corporate bonds having an average quality rating of A or higher and/or securities issued by a corporation organized under the laws of the United States, any state or organized territory of the United States, or the District of Columbia. There may be exceptional circumstances indicating the use of longer maturities, but these exceptions should be few. As of September 30, 2023, the Police Officer's Pension Plan had the following investments and maturities:

Investment Type	% of Fund	Fair Value	Rating	Effective Duration
Carillon Core Plus	45.69%	$ 1,554,468	AAA-BB	6.60
T. Rowe Price Spectrum	46.03%	1,566,161	AAA-below B	5.26
I Shares Treasury BD ETF	8.28%	280,980	NA	NA
	100.00%	$ 3,402,505		

Credit Risk and Concentration of Credit Risk
Excessive concentration of assets will be avoided. Excessive Concentration is defined as having more than five percent on a cost basis of the equity portfolio in any single common stock or having more than five percent on a cost basis of the portfolio in fixed-income securities of one specific issue, with the exception of the securities of the U.S. Government and its agencies and high-quality market funds, as stated in the plan's investment policy. Credit risk is the risk that a debt issuer will not fulfill its obligations. Consistent with state law the Plan's investment guidelines limit its fixed income investments to a quality of "A" or equivalent as rated by Moody's or by Standard & Poor's board rating services at the time of purchase. Fixed income investments which are downgraded below the minimum rating must be liquidated at the earliest beneficial opportunity.

NOTE 2. DEPOSITS AND INVESTMENTS: (continued)

Foreign Currency
Investment in foreign securities is allowed under the investment plan; however, not more than twenty-five percent of the total fund market value may be invested in foreign securities.

E. Investments – Firefighter Pension Plan

Interest Rate Risk
The Firefighter Pension Plan Investment Policy limits all investments in corporate fixed income securities to those that hold a rating of investment grade or higher. There is no limit imposed on investment in fixed income securities issued directly by the U.S. Government. The Plan limits the effective duration of its investment portfolio through the adoption of the Merrill Lynch Government/Corporate Bond Index bench mark. It is expected that the average duration of the total fixed income portfolio will not exceed 150% of the duration of the Index. As of September 30, 2023, the Firefighter Pension Plan held the following fixed income investments:

Investment Type	% of Fund	Fair Value	Rating	Effective Duration
US Government Securities & Agencies	52.2%	$ 2,364,501	AA+-NR	5.23
Corporate Bonds	32.1%	1,451,123	A – BBB-	3.78
International fixed income investment	15.7%	709,677	A+ - BBB	4.16
	100%	$ 4,525,301		

Credit Risk and Concentration of Credit Risk
Excessive concentration of assets will be avoided. Excessive Concentration is defined as having more than five percent on a cost basis of the equity portfolio in any single common stock or having more than five percent on a cost basis of the portfolio in fixed-income securities of one specific issue, with the exception of the securities of the U.S. Government and its agencies and high quality market funds, as stated in the plan's investment policy.

Credit risk is the risk that a debt issuer will not fulfill its obligations. Consistent with state law the Plan's investment guidelines limit its fixed income investments to a quality of "A" or equivalent as rated by Moody's or by Standard & Poor's board rating services at the time of purchase. Fixed income investments which are downgraded below the minimum rating must be liquidated at the earliest beneficial opportunity.

Foreign Currency Risk
Investment in foreign securities is allowed under the plan; however, no more than twenty-five percent of the plan's total assets may be invested in foreign securities.

NOTE 3. ACCOUNTS RECEIVABLE:

Receivables at September 30, 2023, consist of the following:

	Governmental Activities	Business-Type Activities	Total
Accounts	$1,146,239	$ 4,633,120	$ 5,779,359
Intergovernmental	1,433,127	1,280,309	2,713,436
Gross Receivables	$ 2,579,366	$ 5,913,429	$ 8,492,795

NOTE 4. CAPITAL ASSETS:

The following is a summary of the changes in capital assets for the fiscal year ended September 30, 2023:

Governmental Activities	Balance 9/30/2022	Increases	Decreases	Balance 9/30/2023
Capital Assets Not Being Depreciated:				
Land and Improvements	$ 6,824,622	$ 1,149,244	$ -	$ 7,973,866
Construction in Progress	1,861,822	1,072,716	(1,431,743)	1,502,795
Total Capital Assets Not Being Depreciated	8,686,444	2,221,960	(1,431,743)	9,476,661
Other Capital Assets:				
Buildings	22,779,325	-	-	22,779,325
Infrastructure	25,906,225	1,687,015	-	27,593,240
Furniture and Other Equipment	11,924,665	3,576,475	(391,299)	15,109,841
Total Other	60,610,215	5,263,490	(391,299)	65,482,406
Less Accumulated Depreciation For:				
Buildings	(14,551,220)	(334,750)	-	(14,885,970)
Infrastructure	(12,259,274)	(877,046)	-	(13,136,320)
Furniture and Other Equipment	(8,586,216)	(1,144,851)	386,525	(9,344,542)
Total Accumulated Depreciation	(35,396,710)	(2,356,647)	386,525	(37,366,832)
Other Capital Assets, Net	25,213,505	2,906,843	(4,774)	28,115,574
TOTAL	$ 33,899,949	$ 5,128,803	$ (1,436,517)	$ 37,592,235

NOTE 4. CAPITAL ASSETS: (continued)

Depreciation was allocated to Governmental Activities as follows:

General Government	$ 1,642,519
Public Safety	357,468
Physical Environment	277,025
Transportation	78,749
Culture & Recreation	886
Total	$ 2,356,647

Construction in progress is composed of the following at September 30, 2023

Martin Luther King Streetscape	$ 115,966
Brick Street Refurbishment	569,675
Eddie Vickers Park Improvements	43,168
Weeden Park Improvements	21,111
King Street Complete Street	427,311
Boat Motor Improvements	24,292
Mobility and Parking Improvements	301,272
Total	$ 1,502,795

NOTE 4. CAPITAL ASSETS: (continued)

Business-Type Activities

	Balance 9/30/2022	Increases	Decreases	Balance 9/30/2022
Capital Assets Not Being Depreciated:				
Land and Improvements	$ 1,401,829	$ -	$ -	$ 1,401,829
Construction in Progress	4,208,935	1,631,572	(2,742,054)	3,098,453
Total Capital Assets Not Being Depreciated	5,610,764	1,631,572	(2,742,054)	4,500,282
Other Capital Assets:				
Buildings	60,656,885	946,050	-	61,602,935
Infrastructure	169,894,227	14,376,052	-	184,270,279
Furniture and Other Equipment	9,216,887	1,348,344	(1,035,624)	9,529,607
Total Other	239,767,999	16,670,446	(1,035,624)	255,402,821
Less Accumulated Depreciation For:				
Buildings	(36,122,341)	(929,379)	-	(37,051,720)
Infrastructure	(68,470,304)	(6,181,129)	-	(74,651,433)
Furniture and Other Equipment	(6,247,635)	(974,239)	891,083	(6,330,791)
Total Accumulated Depreciation	(110,840,280)	(8,084,747)	891,083	(118,033,944)
Other Capital Assets, Net	128,927,719	8,585,699	(144,541)	137,368,877
TOTAL	$ 134,538,483	$ 10,217,271	$ (2,886,595)	$ 141,869,159

Depreciation was allocated to Business-Type Activities as follows:

Utiliy Fund	$ 6,052,719
Stormwater Drainage Fund	757,637
Solid Waste Fund	354,242
Municipal Marina Fund	343,892
Visitor Information Center	576,257
Total	$ 8,084,747

NOTE 4. CAPITAL ASSETS: (continued)

Construction in progress is composed of the following at September 30, 2023:

Brick Street Refurbishment	$	340,233
Coquina Ave Stormwater Project		33,931
High Service Pumps Overhaul		363,751
King Street Drainage Improvements		182,076
King Street Water Main		29,970
Lake Maria Sanchez Drainage		131,636
Lift Station Rehabilitation		323,908
Marina Storm Damage Repair		21,874
May Street Intersection (Phase II)		396,342
Pearl Street Improvements		117,400
RO Conentrate Pipeline		10,344
Sevilla Street Rebuild and Rebrick		98,282
South Dixie Highway Improvements		227
South Whitney & West King Improvements		185,563
St. Francis Sewer Replacement		33,600
West Augustine Septic to Sewer		829,316
Total	$	3,098,453

NOTE 5. RISK MANAGEMENT, LITIGATION AND COMMITMENTS:

The City is exposed to various risks of losses related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. A small portion of the risk is covered by commercial insurance. The majority of this risk (Workers Compensation, Property and Liability) is covered through the Florida Municipal Insurance Trust (the "Trust"). The City pays an annual premium to the Trust for its coverage. The premiums are designed to fund the liability risk assumed by the Trust and are based on certain actual exposures and appropriate classifications of each member. The coverage provided for Workers Compensation is $1,000,000 for each occurrence. Coverage provided Property and Liability is $200,000 for each person and $300,000 for each occurrence. These specific limits of liability are increased to $3,000,000 for General Liability (combined single limit) per occurrence, solely for any liability resulting from entry of a claims bill pursuant to Section 768.28 (5) Florida Statutes. The City also has Specific Excess Coverage of $1,000,000 through the Trust. There were no claims paid that exceeded coverage in the past three fiscal years. Employee medical benefits are covered by commercial insurance.

The City Attorney estimates that the amount of any actual or potential claims against the City as of September 30, 2023, will not materially affect the financial condition of the City. Therefore, the financial statements contain no provision for estimated claims.

At September 30, 2023, the City had outstanding commitments of approximately $14,947,356 relating to construction contracts.

NOTE 6. LONG-TERM DEBT:

Governmental Funds

Capital Improvement and Refunding Revenue Bonds, Series 2017:

On December 14, 2017, the City issued Capital Improvement and Refunding Revenue Bonds totaling $18,395,000 to advance refund the remaining outstanding principal amount of the City's Capital Improvement and Refunding Revenue Bonds, Series 2004 maturing on October 1, 2030 and all of the Series 2011 Bonds maturing on October 1, 2041; and to finance the costs of the design, installation, acquisition, construction reconstruction and equipping of various capital projects of the City including without limitation, capital improvements to the City's parking and access management system; and to pay the costs of issuing the Series 2017 Bonds. This issuance savings results in a $2,709,447 difference in cash flow requirements with a present value economic gain of $1,913,284.

Principal payments are due annually on October 1, and interest payments (2.0% to 5.0%) are due semi-annually on April 1 and October 1. The annual requirement to amortize long-term bonded debt outstanding as of September 30, 2023, is as follows:

	Capital Improvement Revenue Bonds Series 2017		
Year Ended September 30,	Principal	Interest	Total
2024	183,936	819,032	1,002,968
2025	-	811,674	811,674
2026	-	811,674	811,674
2027	-	811,674	811,674
2028	9,433	811,674	821,107
2029-2033	1,075,315	3,899,904	4,975,219
2034-2038	8,027,134	3,207,081	11,234,215
2039-2041	7,111,100	723,715	7,834,815
	$ 16,406,918	$ 11,896,428	$ 28,303,346

Capital Improvement Refunding Revenue Note, Series 2021:

On July 9, 2021, the City issued a Capital Improvement Refunding Revenue Note totaling $5,541,000. The Note was issued for the purpose of (i) currently refunding all of the City's outstanding Public Service Tax and Guaranteed Entitlement Revenue Refunding and Improvement Bonds, Series 2011B, and (ii) paying certain costs of issuance incurred with respect thereto. The proceeds of the Refunded Bonds were used to finance (i) the current refunding of the City's outstanding Public Service Tax and Guaranteed Entitlement Revenue Refunding and Improvement Bonds, Series 1992, (ii) the acquisition, relocation, construction and/or equipping of a parking garage, a fire station and related facilities on different sites of the City and other capital projects of the City, (iii) the capitalization of interest on a portion of the Refunding Bonds, (iv) the cost of issuance with respect to the Refunded Bonds. This issuance results in an $752,451 difference in cash flow requirements with a present value economic gain of $705,305.

Principal payments are due annually on October 1, and interest payments of 1.318% are due semi-annually on April 1 and October 1. The annual requirement to amortize long-term bonded debt outstanding as of September 30, 2023, is on the following page:

NOTE 6: LONG TERM DEBT (continued):

Year Ended September 30,	Capital Improvement Revenue Note Series 2021 Principal	Interest	Total
2024	389,910	37,472	427,382
2025	393,923	32,333	426,256
2026	400,611	27,141	427,752
2027	406,631	21,861	428,492
2028	411,981	16,501	428,482
2029-2030	840,013	16,668	856,681
	$ 2,843,069	$ 151,976	$ 2,995,045

Enterprise Funds

Capital Improvement and Refunding Revenue Bonds, Series 2017:

On December 14, 2017, the City issued Capital Improvement and Refunding Revenue Bonds totaling $18,395,000 to advance refund the remaining outstanding principal amount of the City's Capital Improvement and Refunding Revenue Bonds, Series 2004 maturing on October 1, 2030 and all of the Series 2011 Bonds maturing on October 1, 2041; and to finance the costs of the design, installation, acquisition, construction reconstruction and equipping of various capital projects of the City including without limitation, capital improvements to the City's parking and access management system; and to pay the costs of issuing the Series 2017 Bonds. This issuance savings results in a $2,709,447 difference in cash flow requirements with a present value economic gain of $1,913,284.

Principal payments are due annually on October 1, and interest payments (2.0% to 5.0%) are due semi-annually on April 1 and October 1. The annual requirement to amortize long-term bonded debt outstanding as of September 30, 2023 is on the following page:

Year Ended September 30,	Capital Improvement Revenue Bonds Series 2017 Principal	Interest	Total
2024	11,064	49,268	60,332
2025	-	48,826	48,826
2026	-	48,826	48,826
2027	-	48,826	48,826
2028	567	48,826	49,393
2029-2033	64,685	234,596	299,281
2034-2038	482,866	192,919	675,785
2039-2041	438,900	43,535	482,435
	$ 998,082	$ 715,622	$ 1,713,704

NOTE 6. LONG-TERM DEBT: (continued)

Capital Improvement Refunding Revenue Note, Series 2021:

On July 9, 2021, the City issued a Capital Improvement Refunding Revenue Note totaling $5,541,000. The note was issued for the purpose of (i) currently refunding all of the City's outstanding Public Service Tax and Guaranteed Entitlement Revenue Refunding and Improvement Bonds, Series 2011B, and (ii) paying certain costs of issuance incurred with respect thereto. The proceeds of the Refunded Bonds were used to finance (i) the current refunding of the City's outstanding Public Service Tax and Guaranteed Entitlement Revenue Refunding and Improvement Bonds, Series 1992, (ii) the acquisition, relocation, construction and/or equipping of a parking garage, a fire station and related facilities on different sites of the City and other capital projects of the City, (iii) the capitalization of interest on a portion of the Refunding Bonds, (iv) the purchase of a surety bond to fund the Reserve Account relating to the Refunded Bonds, and (v) the cost of issuance with respect to the Refunded Bonds. This issuance results in an $752,451 difference in cash flow requirements with a present value economic gain of $705,305.

Principal payments are due annually on October 1, and interest payments of 1.318% are due semi-annually on April 1 and October 1. The annual requirement to amortize long-term bonded debt outstanding as of September 30, 2023, is as follows:

	Capital Improvement Revenue Note Series 2021		
Year Ended September 30,	Principal	Interest	Total
2024	193,090	18,557	211,647
2025	195,076	16,012	211,088
2026	198,388	13,441	211,829
2027	201,370	10,826	212,196
2028	204,019	8,171	212,190
2029-2030	415,988	8,254	424,242
	$ 1,407,931	$ 75,261	$ 1,483,192

Water and Sewer Revenue Note, Series 2022:

On March 4, 2022, the City issued a Water and Sewer Revenue Note totaling $12,935,000. The note was issued for the purpose of (i) acquiring, constructing, and equipping various capital improvements to the City's Water and Sewer System, and (ii) paying certain costs of issuance incurred with respect thereto.

Principal payments are due annually on October 1, and interest payments of 2.01% are due semi-annually on April 1 and October 1. The annual requirement to amortize long-term bonded debt outstanding as of September 30, 2023, is as follows:

	Water and Sewer Revenue Note Series 2022		
Year Ended September 30,	Principal	Interest	Total
2024	$ 1,070,000	$ 251,586	$ 1,321,586
2025	1,090,000	230,774	1,320,774
2026	1,110,000	209,573	1,319,573
2027	1,135,000	187,984	1,322,984
2028	1,150,000	165,909	1,315,909
2029-2033	6,090,000	485,180	6,575,180
2034	1,290,000	25,091	1,315,091
	$ 12,935,000	$ 1,556,096	$ 14,491,096

NOTE 6. LONG-TERM DEBT: (continued)

Capital Improvement Refunding Revenue Bond, Series 2023:

On July 13, 2023, the City issued a Capital Improvement Refunding Revenue Bond totaling $13,450,000. The note was issued for the purpose of (i) refunding all of the City's outstanding capital improvement refunding revenue bonds, series 2013 and (ii) paying certain costs of issuance incurred with respect thereto.

Principal payments are due annually on October 1, and interest payments of 5.0% are due semi-annually on April 1 and October 1. The annual requirement to amortize long-term bonded debt outstanding as of September 30, 2023, is as follows:

	Capital Improvement Revenue Bond Series 2023		
Year Ended September 30,	Principal	Interest	Total
2024	$ 795,000	$ 642,300	$ 1,437,300
2025	835,000	610,500	1,445,500
2026	865,000	577,100	1,442,100
2027	900,000	542,500	1,442,500
2028	945,000	497,500	1,442,500
2029-2033	6,860,000	1,766,500	8,626,500
2024	2,145,000	107,250	2,252,250
	$ 13,345,000	$ 4,743,650	$ 18,088,650

State Revolving Fund Loan – DW 550410:

On May 9th, 2017, the State of Florida Department of Environmental Protection, State Revolving Fund Loan was obtained for the purpose of providing financing for the planning, design, and construction of various public water systems projects. The loan is payable from and secured by pledged gross revenues of the water and/or sewer system. Principal and interest paid for the current fiscal year was $549,004 and pledged revenues were $8,135,146. At September 30, 2021, principal and interest to maturity in 2035 to be paid from pledged future revenues totaled $7,731,635. As of September 30, 2022, outstanding principal, including capitalized interest, was $6,611,323. The loan bears interest at 1.24%. The City must fix, establish, maintain, and collect water and/or sewer system revenues which will at least equal 115% of the debt service requirements each fiscal year plus 100% of all additional debt service requirements.

Principal and interest payments are due semi-annually on June 15th and December 15th. Estimated annual debt service requirements to maturity based on the outstanding balance of the loan as of September 30, 2023 are as follows:

	State Revolving Fund Loan DW 550410 Series 2017		
Year Ended September 30,	Principal	Interest	Total
2024	474,104	74,899	549,003
2025	480,002	69,002	549,004
2026	485,972	63,031	549,003
2027	492,017	56,987	549,004
2028	498,136	50,867	549,003
2029-2033	2,585,183	159,837	2,745,020
2034-2036	1,142,988	18,750	1,161,738
	$ 6,158,402	$ 493,373	$ 6,651,775

NOTE 7. CHANGES IN LONG-TERM DEBT:

	Balance 9/30/2022	Increases	Decreases	Balance 9/30/2023	Current Portion
General Long-Term Debt & Obligations					
Capital Improvement and Refunding Revenue Bonds	$ 18,117,621	$ -	$ (1,710,703)	$ 16,406,918	$ 183,936
Capital Improvement Refunding Revenue Note	3,226,960	-	(383,891)	2,843,069	389,910
Unamortized Premium (Discount)	1,829,896	160,134	-	1,990,030	109,043
Total Notes and Bonds	23,174,477	160,134	(2,094,594)	21,240,017	682,889
Accrued Compensated Absences	3,438,579	1,924,539	(1,655,377)	3,707,741	140,753
Net Pension Liability (Asset):	12,778,303	103,345	-	12,881,648	-
Net OPEB Obligation	1,498,904		(351,868)	1,147,036	-
Total General Long-Term Obligatons	$ 40,890,263	$ 2,188,018	$ (4,101,839)	$ 38,976,442	$ 823,642
Proprietary Fund Long-Term Obligations					
Capital Improvement and Refunding Revenue Bonds	$ 15,332,380	$ 13,450,000	$ (14,439,297)	$ 14,343,083	$ 806,064
Capital Improvement Refunding Revenue Note	1,598,040		(190,109)	1,407,931	193,090
Water and Sewer Revenue Bonds	1,890,000		(1,890,000)	-	-
Water and Sewer Revenue Note	12,935,000	-	-	12,935,000	1,070,000
Revolving Fund Loan DW 550410	6,611,323	-	(452,921)	6,158,402	474,104
	38,366,743	13,450,000	(16,972,327)	34,844,416	2,543,258
Unamortized (Premium) Discount	1,080,864	1,787,078	(41,267)	2,826,675	245,367
	39,447,607	15,237,078	(17,013,594)	37,671,091	2,788,625
Accrued Compensated Absences	837,396	760,725	(615,207)	982,914	50,449
Net Pension Liability	4,490,835	455,973	-	4,946,808	-
Net OPEB Obligation	654,224	-	(143,792)	510,432	-
Total Proprietary Long-Term Obligations	$ 45,430,062	$ 16,453,776	$ (17,772,593)	$ 44,111,245	$ 2,839,074
Total Long-Term Debt & Obligations	$ 86,320,325	$ 18,641,794	$ (21,874,432)	$ 83,087,687	$ 3,662,716

The City has direct placement debt from the Florida Department of Environmental Protection Drinking Water State Revolving Fund Loan Program. The total loan amount is $9,403,394 and the City currently has $6,158,402 and has opted out of future borrowings. This loan is secured by the City's utility revenues.

NOTE 8. INTERFUND RECEIVABLES, PAYMENTS, AND TRANSFERS:

A. As of September 30, 2023, interfund payments and transfers are as follows:

Fund Type/Fund	Transfer-in	Transfers-out
GOVERNMENTAL FUNDS		
General Fund	$ 3,744,155	$ 4,608,105
Debt Service Fund	1,485,575	-
Special Revenue Fund-HACRA	1,072,324	1,707,630
Special Revenue Fund-LCRA	1,019,395	-
Permanent Fund	-	-
PROPRIETARY FUNDS		
Utility Fund	659,014	1,780,163
Stormwater Fund	95,492	255,308
Solid Waste Fund	485,426	358,842
Municipal Marina Fund	20,019	152,985
Visitor Information Center	1,698,272	1,416,639
	$ 10,279,672	$ 10,279,672

Transfers are used to move unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations, and to segregate money for anticipated capital projects.`

Fund Type/Fund	Adminstrative Overhead Charges	Adminstrative Overhead Expenses
GOVERNMENTAL FUNDS		
General Fund	$ 4,861,760	$ -
Special Revenue Fund--HACRA		11,003
Special Revenue Fund--LCRA		48,993
PROPRIETARY FUNDS		
Utility Fund		3,051,654
Stormwater Fund		443,495
Solid Waste Fund		534,722
Municipal Marina Fund		329,383
Visitor Information Center		442,510
	$ 4,861,760	$ 4,861,760

Administrative overhead charges are primarily used to move funds from proprietary funds to the General Fund for an allocated amount of overhead. These charges are not eliminated in the financial statements as such elimination would not accurately report the activities of the funds benefited.

NOTE 8. INTERFUND RECEIVABLES, PAYMENTS, AND TRANSFERS: (continued)

B. As of September 30, 2023, interfund receivables are as follows:

Fund Type/Fund	Due to	Due from
GOVERNMENTAL FUNDS		
General Fund	$ -	$ -
Debt Service Fund	-	-
Special Revenue Fund-HACRA	-	-
Special Revenue Fund-LCRA	-	.
Capital Projects Fund	-	-
Permanent Fund	-	-
PROPRIETARY FUNDS		
Utility Fund	1,440,000	-
Stormwater Fund	-	-
Solid Waste Fund	-	1,440,000
Municipal Marina Fund	-	-
Visitor Information Center	-	-
Total	$ 1,440,000	$ 1,440,000

Interfund balances represent amounts loaned to or borrowed from other funds to assist in financing the operations of the borrowing fund.

NOTE 9. LEASES and SBITAs:

Lease Receivable – City as Lessor

The City has 60 lease-related revenues for land & buildings it leases to various tenants. The City recognized lease-related revenue during the year ended September 30, 2023 of $1,899,541.

Future minimum rents under non-cancelable operating leases to be received as of September 30, 2023, are as follows:

As of September 30,	Principal	Interest	Total
2024	$ 1,125,340	$ 95,137	1,220,477
2025	937,151	66,536	1,003,687
2026	549,523	45,179	594,702
2027	362,713	32,813	395,525
2028	99,902	27,060	126,962
2029-2033	206,125	112,204	318,329
2034-2038	237,162	82,060	319,222
2039-2043	241,763	44,626	286,389
2044-2048	41,104	26,247	67,351
Thereafter	149,153	34,082	183,235
	$ 3,949,937	$ 565,943	$ 4,515,880

Amounts reported above to not include interest receivable of $1,678.

Lease Payable – City as Lessee

The City leases office equipment, which agreements are recognized under GASB 87, but only totaled $16,463, with accumulated amortization of $3,293, for the year ended September 30, 2023. Because of this value, the City deemed that the addition of a right-to-use asset to the City's capital asset records for the assets was not necessary.

Subscription-Based Information Technology Arrangements (SBITAs)

The City has subscription arrangements for three software systems that are recognized under GASB 96. As of September 30, 2023, the subscription assets are valued at $171,635 with accumulated depreciation of $24,063. The City did not recognize this on its financial statements as this amount was deemed immaterial.

NOTE 10. RETIREMENT SYSTEMS:

The City of St. Augustine has established three pension trust funds: General Employees' Retirement System (GERS), Police Officers' Retirement System (PORS) and Fire Fighters' Retirement System (FFRS). All full-time employees are covered under one of these three separate single-employer defined benefit plans. Each plan is a governmental benefit plan and is tax exempt under the IRS Code. Each plan is administered by a Board of Trustees in which City administration and members of the plans are represented. Each plan presents separate financial statements and are included as part (reporting as pension trust funds) of the City's financial reporting entity since they are not "legally separate". The plans issue publicly available financial reports that include financial statements and required supplementary information. These reports may be obtained through the City Clerk's office. The General Fund would be used to liquidate any of the obligatio63ns for these pension funds or any other post-employment benefit.

NOTE 10. RETIREMENT SYSTEMS: (continued)

A. Membership

As of September 30, 2023, employee membership data related to the pension plans were:

	GERS	PORS	FFRS	Total
Active Participants	245	53	35	333
Inactive Members or Beneficiaries Receiving Benefits	192	36	21	249
Drop Retirees	-	5	2	7
Disabled Members	-	3	2	5
Vested Terminated	11	3	4	18
Inactive or Limited Participants	35	2	3	40
Total Participants	**483**	**102**	**67**	**652**

Total Covered Payroll	$12,734,115	$4,015,631	$2,711,049	$19,460,795

B. Plan Descriptions – General

1. General Employees' Retirement System (GERS)

The City of St. Augustine General Employees' Retirement System (GERS) was authorized in its original form by City Ordinance 88-54, amending Chapter 20, Article IV of the Code of the City of St. Augustine, effective September 26, 1988. The Ordinance, along with five additional amendments, is used to govern the plan.

As stipulated by City Ordinance 88-54, authority to establish and amend benefit provisions of the GERS rest with the City Commission, along with the authority to provide for cost-of-living adjustments. Benefits are calculated using the average of the highest five years of earnings within ten years of retirement or termination. For each year of credited service to a maximum of 35 years, monthly benefits shall be earned at the rate of two and a half percent of the member's average final salary. A supplemental annuity benefit is available to senior managers and directors that are pay grade 32 and above who retire after March 31, 2002, with ten or more years of credited service earned after March 31, 2002. The annuity amount is .5 percent of the final average compensation times credited service up to 35 years for service in pay grades 32 through 35 and 1 percent of final average compensation times credited service up to 35 years for pay grades 36 and higher. Benefits are paid for the life of the participant, with 60 percent continued to a surviving eligible spouse, unless optional forms of payments are elected. Eligibility for normal retirement is the earlier of age 65 and 5 years of service, age 60 and 10 years of service, or age 55 and 25 years of service. No benefits will be paid to a member upon termination if the termination occurs prior to the completion of ten years of service. The member, however, will receive his or her contribution to the plan, along with 3 percent interest.

NOTE 10. RETIREMENT SYSTEMS: (continued)

If a member of the GERS dies a non-duty death or becomes disabled prior to five years of service, the member or beneficiary will receive a refund of the member's contribution to the fund. If a member dies in the line of duty or has 5 years of service, the eligible spouse will receive 60 percent of the projected benefits (with service credit extended to age 60) and eligible children will receive 10 percent of the projected benefits to a maximum of 20 percent.

Duty related disability with five or more years of service provides benefits under the group disability insurance contract. Upon termination of insurance, the pension benefit is computed as a normal retirement with additional service credit granted.

Members with ten or more years of service who have attained age and service conditions for normal retirement but are within five years of the earliest normal retirement date may elect to have their terminated benefits calculated as if the member had retired at an eligible normal retirement date up to five years earlier on or after February 13, 2006. Benefits that would have been payable are accumulated at interest to date of termination and paid or rolled over in a single sum, and payments are made directly to the member thereafter.

In the event the Plan terminates, the assets of the GERS shall be apportioned and distributed in accordance with the established provisions of Section 20-135 of the City of St. Augustine Code, which provides for the distribution of assets in the following order:

- **a.** To provide for all expenses of the Plan including any cost of liquidation; then
- **b.** To provide for the payment of each participant and non-retired former participant an amount equal to his or her accumulated participant contributions; then
- **c.** To provide for the continuance of retirement allowances to retirees and beneficiaries; then
- **d.** To provide for the potential rights of participants and former participants entitled to a vested termination retirement allowance; then
- **e.** To revert back to the City if any excess exists after satisfying subsections a through d above.

2. Police Officers' Retirement System (PORS)

The St. Augustine Police Officers' Retirement System (PORS) was created June 1, 1957, by the City of St. Augustine, Article X of the St. Augustine Code, under the provisions of general law pertaining to Municipal Police Officers' Retirement Trust Fund (Chapter 185, Florida Statutes).

As stipulated by City Ordinance 88-75, authority to establish and amend benefit provisions of the retirement system rests with the City Commission, along with the authority to provide cost of living adjustments. Benefits are calculated using the average of the highest five years of earnings within ten years of retirement or termination. For each year of creditable service, monthly benefits shall be earned at the rate of 2.5 percent to 3.0 percent of the member's average final salary. Benefits are paid for life with 120 monthly payments guaranteed. Eligibility for normal retirement is the earlier of age 55 and 10 years of service or 25 years of service regardless of age. No benefits will be paid to a member upon termination if termination occurs prior to the completion of 10 years of service.

The Deferred Retirement Option Program (DROP) allows participants eligible for regular retirement to continue employment for a maximum of five years and receive retirement benefits during this period. Employee contributions to the plan are discontinued, and the retirement benefits are transferred to the DROP reserve monthly, payable in full upon retirement. As of September 30, 2023, the balance of the Police Officers' Retirement System DROP plan is $326,938.

NOTE 10. RETIREMENT SYSTEMS: (continued)

If a retirement system member dies before becoming eligible for any retirement benefits, the beneficiary will receive a refund, not including interest, of the deceased's member contributions to the fund. If ten years of creditable service had been attained, then the accrued benefit of the member is due to the surviving spouse, payable in 120 monthly payments. Disability benefits are based on the accrued benefit and are due to the member as of the disability retirement date. Minimum benefit is 42 percent of the average monthly earnings if the disability occurred in the line of duty, otherwise, the minimum benefit would be 25 percent of the average monthly benefits.

In the event the plan terminates, or upon written notice to the Board of Trustees that contributions they are under are being permanently discontinued, the assets of the retirement system shall be apportioned and distributed in accordance with the established provisions of Section 185.37, Florida Statutes. The amount of benefits which at the time of termination has accrued to the member or beneficiary shall not be affected, except to the extent that the assets of the retirement system may be determined to be inadequate.

3. Fire Fighters' Retirement System (FFRS)

The City of St. Augustine Firefighters' Retirement System (FFRS) was authorized in its present form by City Ordinance 87-60, amending Chapter 20, Article V of the Code of the City of St. Augustine, effective December 4, 1987.

As stipulated by City Ordinance 87-60, authority to establish and amend benefit provisions of the Fund rests with the City Commission, along with the authority to provide for cost of living adjustments. Benefits are calculated using the average of the highest five years of earnings within ten years of retirement or termination. For each year of credited service to a maximum of 35 years, monthly benefits shall be earned at the rate of 3.0 percent of the member's average final compensation. Benefits are paid for the life of the participant with ten years certain. Eligibility for normal retirement is the earlier of age 55 and 10 years of credited service or 25 years of credited service, regardless of age. No benefits will be paid to a participant if termination occurs prior to the completion of ten years of service. Such participants, however, will receive their contributions to the plan along with three percent interest.

The Deferred Retirement Option Program (DROP) allows participants eligible for regular retirement to continue employment for a maximum of five years and receive retirement benefits during this period. Employee contributions to the plan are discontinued, and the retirement benefits are transferred to the DROP reserve monthly, payable in full upon retirement. As of September 30, 2023, the balance of the Fire Fighters' Retirement System DROP plan is $50,137.

If a member of the Fund dies a non-duty death prior to five years of service, the beneficiary will receive the member's contribution with three percent interest. If a member dies in the line of duty or has five years of credited service, the beneficiary will receive the value of accrued benefits based on the member's average final compensation (AFC) and credited service. Disability benefits, as determined by the Board of Trustees, are the member's accrued benefits, but not less than 42 percent of AFC for service incurred and 25 percent for non-service incurred disabilities. Benefits are paid in the form of a ten-year certain and life annuity.

In the event the plan terminates, the assets of the retirement system shall be apportioned and distributed in accordance with the established provisions of Section 20-210 of the Code of the City of St. Augustine. The amount of benefits, which at the time of termination has accrued to the member or beneficiary shall not be affected except to the extent that the assets of the retirement system may be determined to be inadequate.

NOTE 10. RETIREMENT SYSTEMS: (continued)

A. Actuarial Assumptions

The total pension liability was determined by actuarial valuations as of October 01, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

	GERB	PORS	FFRS
Inflation	2.75%	2.75%	2.50%
Salary Increases	Service based	Service based	5.0%
Investment Rate of return, including inflation	7.15%	7.15%	7.15%
Mortality	Table 1	Table 1	Table 1

Mortality Table 1:

Mortality Rate Healthy Active Lives:
Female: PubS.H-2010 (Below Median) for Employees, set forward one year.
Male: PubS.H-2010 (Below Median) for Employees, set forward one year.

Mortality Rate Healthy Retiree Lives:
Female: PubS.H-2010 for Health Retirees, set forward one year.
Male: Pubs.H-2010 (Below Median) for Healthy Retirees, set forward one year.

Mortality Rate Beneficiary Lives:
Female: PubG.H-2010 (Below Median) for Healthy Retirees
Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year

Mortality Rate Disabled Lives:
80% PubG.H-2010 dor Disables Retirees / 20% Pubs.H-2010 for Disabled Retirees

NOTE 10. RETIREMENT SYSTEMS: (continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table:

Development of Long Term Discount Rate – General Employee Retirement System

	Inflation	Policy Allocation	Long Term Expected Real Rate of Return
Domestic Equity	2.75%	55.0%	9.0%
Foreign Equity	2.75%	9.0%	10.0%
Bonds	2.75%	9.0%	5.0%
Real Estate	2.75%	25.0%	7.0%
Treasuries & Other Gov't Obligations	2.75%	2.0%	5.0%
Cash	2.75%	0.0%	1.8%

Development of Long Term Discount Rate – Police Officer Retirement System

	Inflation	Policy Allocation	Long Term Expected Real Rate of Return
Domestic Equity	2.75%	50.0%	9.0%
Foreign Equity	2.75%	10.0%	10.0%
Corporate Bonds	2.75%	10.0%	5.0%
Real Estate	2.75%	25.0%	7.0%
U. S. Treasuries & Other Gov't Agencies	2.75%	5.0%	4.5%
Cash	2.75%	0.0%	4.5%

Development of Long Term Discount Rate – Fire Fighters Retirement System

	Inflation	Policy Allocation	Long Term Expected Real Rate of Return
Domestic Equity	2.50%	50.0%	7.50%
Foreign Equity	2.50%	15.0%	8.50%
Fixed Income	2.50%	35.0%	2.50%
Alternative	2.50%	5.0%	3.50%

NOTE 10. RETIREMENT SYSTEMS: (continued)

Discount Rate: The discount rate used to measure the total pension liability was 7.15% for the GERS, PORS and for the FFRS. The projection of cash flows used to determine the discount rate assumed that City contributions will continue to be made at actuarially determined contribution rates based on the funding requirements of Florida Statutes, taking into account the applicable member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was used as the discount rate and applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the City, calculated using the discount rate, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

City's net pension liability (asset)	1% Decrease	Current	1% Increase
GERS (current rate of 7.15%)	$ 19,966,156	$ 12,020,127	$ 5,967,645
PORS (current rate of 7.15%)	$ 6,610,590	$ 3,098,476	$ 186,322
FFRS (current rate of 7.15%)	$ 4,958,869	$ 2,709,853	$ 827,532

NOTE 10. RETIREMENT SYSTEMS: (continued)

Statement of Fiduciary Net Position (FNP)

	GERS	PORS	FFRS	Total
Assets				
Cash & Cash Equivalents	$ 2,681,979	$ 1,683,503	$ 359,145	$ 4,724,627
Receivables	157,013	31,478	78,728	267,219
Fixed Income	4,942,743	3,402,505	4,525,301	12,870,549
Equities	34,436,282	15,641,324	10,830,139	60,907,745
Real Estate	10,603,383	5,177,530	-	15,780,913
Alternative Strategies	3,998,240	-	-	3,998,240
Total Assets	56,819,640	25,936,340	15,793,313	98,549,293
Liabilities				
Refund Due to Members	-	-	9,004	9,004
Expenses Payable	16,506	7,920	56,352	80,778
Total Liabilities	16,506	7,920	65,356	89,782
Net Position Held In Trust				
For Pension Benefits – (a)	$ 56,803,134	$ 25,928,420	$ 15,727,957	$ 98,459,511

Statement of Changes in Total Pension Liability

	GERS	PORS	FFRS	Total
Service cost at 10/01/22	$ 1,260,975	$ 521,562	$ 460,149	$ 2,242,686
Interest	4,487,708	2,030,762	1,213,470	7,731,940
Change in Excess State Money	-		-	-
Share Plan Allocation	-	-	50,769	50,769
Changes in Benefit Terms	2,469,935	-	-	2,469,935
Differences between Expected and				-
Actual Experience	1,318,676	592,353	340,015	2,251,044
Changes to Assumptions	355,160	166,387	-	521,547
Benefit Payments, including Refunds				-
Of Employee Contributions	(4,274,999)	(1,308,202)	(708,441)	(6,291,642)
Net Change in Total Pension Liability	5,617,455	2,002,862	1,355,962	8,976,279
Total Pension Liability at 10/01/22	63,205,806	27,024,034	17,081,848	107,311,688
Total Pension Liability at 09/30/23 (b)	68,823,261	29,026,896	18,437,810	116,287,967
Net Pension Liability (a) – (b)	$ (12,020,127)	$ (3,098,476)	$ (2,709,853)	$ (17,828,456)

NOTE 10. RETIREMENT SYSTEMS: (continued)

B. Funding Policy, Contributions, Status and Progress:

1. General Employees' Retirement System (GERS)

The City of St. Augustine General Employees' Retirement System is funded under the provisions of Chapter 20, Article IV, St. Augustine Code and Chapter 112, Florida Statutes. Funding arrangements include contributions by retirement system members, the City of St. Augustine, and investment income from retirement system assets. Administrative costs of the System are financed through investment earnings.

Effective November 8, 1988, contributions by retirement system members are based on four percent of compensation, while the City of St. Augustine contributes one percent of compensation on behalf of the employees. Previously, retirement system members contributed five percent of compensation.

The System's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due. For the year ended September 30, 2023, the City made an actuarial contribution of 27.63 percent in addition to the required one percent contributed on behalf of the employees.

2. Police Officers' Retirement System (PORS)

The St. Augustine Police Officers' Retirement System is funded under the provisions of Article X, Section 10.03, St. Augustine Code and Chapter 185.07, Florida Statutes. Funding arrangements include contributions by retirement system members, the City of St. Augustine, percentage of casualty insurance premiums collected on property located within the corporate limits of the City of St. Augustine, accretions to the fund by way of interest on bank deposits or otherwise, and any other source of income authorized by law to increase the retirement fund. At September 30, 2023, contributions by retirement system members are based on 5.5 percent of compensation while the City of St. Augustine contributes a minimum of 2.5 percent of compensation. Previously, retirement system members contributed four percent of fixed monthly compensation. The Board of Trustees for the Plan anticipates the above funding methods will result in all members' benefits being fully provided for by the time of their retirement. Effective October 1, 1993, the member contributions were changed from post-tax compensation to pre-tax compensation.

Administrative costs are funded by City and member contributions.

The Plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due. The City made an actuarial contribution of 11.81 percent during the fiscal year ended September 30, 2023, in addition to the ordinance-required 2.5 percent.

3. Fire Fighters' Retirement System (FFRS)

The City of St. Augustine Firefighters' Retirement System plan was created in 1987 under City Ordinance 87-60 amending Section 20, Article V of the Code of the City of St. Augustine, Florida. The Plan was substantively amended in 1993, 1995, 2000, 2001 and 2005. In addition, the Plan is a local law plan subject to provisions of Chapter 175 of the State of Florida Statutes. Funding arrangements include contributions by retirement system members, the City of St. Augustine, 1.85 percent premium tax for property insurance and investment income from the retirement system assets. Administrative costs of the fund are financed through investment earnings. For the current fiscal year the state premium tax revenue was $263,950.

Effective September 22, 2008, contributions by retirement system members are based on 5 percent of compensation while the City of St. Augustine contributes one percent of compensation on behalf of members. Previously, retirement system members contributed four percent.

NOTE 10. RETIREMENT SYSTEMS: (continued)

The Plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due. The City was required to make an actuarial contribution of 15.51 percent during the fiscal year ended September 30, 2023, in addition to the ordinance-required contribution of 3.5 percent.

NOTE 11. PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOW OF RESOURCES RELATED TO PENSIONS:

For the year September 30, 2023, the City recognized (credited) pension expense as follows:

General Employees' Pension Plan	$ 6,421,512
Police Officers' Pension Plan	1,313,294
Fire Fighters' Pension Plan	1,153,975
Total	$ 8,888,781

At September 30, 2023 the City reported deferred outflow of resources and deferred inflow of resources related to pensions from the following sources:

Deferred Outflow of Resources:

	GERS	PORS	FFRS	Total
Differences between expected and actual experience	$ 1,928,776	$ 940,472	$ 456,662	$ 3,325,910
Changes in Assumption	910,045	773,676	384,088	2,067,809
Net difference between projected and actual earnings on investments	2,625,559	1,049,199	1,436,807	5,111,565
	$ 5,464,380	$ 2,763,347	$ 2,277,557	$ 10,505,284

Deferred Inflow of Resources:

	GERS	PORS	FFRS	Total
Differences between expected and actual experience	$ -	$ (118,266)	$ (99,944)	$ (218,210)
Changes in Assumption	-	(31,606)	-	(31,606)
Net difference between projected and actual earnings on investments	-	-	-	-
	$ -	$ (149,872)	$ (99,944)	$ (249,816)
Net	$ 5,464,380	$ 2,613,475	$ 2,177,613	$ 10,255,468

NOTE 11. PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOW OF RESOURCES RELATED TO PENSIONS: (continued)

Amounts reported as deferred outflows of resources and deferred inflow of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30,	GERS	PORS	FFRS	Total
2024	$ 1,825,749	$ 794,133	$ 615,810	$ 3,235,692
2025	1,370,826	653,071	718,126	2,742,023
2026	2,470,369	1,157,382	958,054	4,585,805
2027	(202,564)	8,889	(114,377)	(308,052)
Thereafter	-	-	-	-
	$ 5,464,380	$ 2,613,475	$ 2,177,613	$ 10,255,468

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (OPEB):

Pursuant to Section 112.0801 of the Florida Statutes, the City is required to permit participation in the single-employer defined benefit health insurance plan (the "Plan") by 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.

Based on Governmental Accounting Standards Board (GASB) approval of Statement Nos. 74 and 75 which set forth the guidelines for reporting and disclosure of Other Post-Employment Benefits (OPEB), the City had an actuary calculate future funding requirements using an appropriate actuarial cost method. The valuation was performed as of September 30, 2023 and covers subsidies for medical insurance benefits. The City has implemented the provisions of GASB Statement No. 75 prospectively. The City's annual OPEB cost for the Plan is calculated based on the annual required contribution of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The individual entry age actuarial cost method is specially identified in GASB Statement 75 as the only appropriate method for determining a plan's Total OPEB Liability (TOL), which is the portion of the present value of benefits attributable to past service.

1. Plan Description:

The City provides optional post-employment benefits to all eligible individuals including lifetime medical, prescription, dental, and certain life insurance coverage. Eligible individuals include all employees of the City of St. Augustine who retire from active service under one of the pension plans sponsored by the City.

Under certain conditions, eligible individuals also include spouses and dependent children. As of September 30, 2023, there were 336 future retirees, 20 retired and disabled participants receiving benefits, no spouses receiving benefits, and no other dependents receiving benefits for a total of 356 included in the valuation. The Plan does not issue a publicly available financial report.

2. Funding Policy:

The City Commission is authorized to establish benefit levels and approve the actuarial assumptions used in the determination of contributions levels. The City Commission establishes the contributions requirements of plan members and the City. These contributions are neither mandated nor guaranteed. The retiree contributes the premium cost each month. Spouses and other dependents are also eligible for coverage, although the retiree pays the premium cost. Retirees must pay a monthly premium as determined by the insurance carrier. The premium varies depending on whether the retiree elects single, single plus spouse, single plus dependents, or family coverage. Currently, the City's subsidy to OPEB benefits is unfunded. There are no separate Trust Funds or equivalent arrangements into which the City makes contributions to advance-fund the OPEB liabilities, as it does for its retiree pension plans. The City's cost

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (OPEB): (continued)

of the OPEB benefits, funded on a pay-as-you-go basis, was $423,148 for the year ended September 30, 2023. The ultimate implicit and explicit subsidies which are provided over time are financed directly by general assets of the City, which are invested in short-term fixed income instruments according to its current investment policy. Under GASB Statement 75, the City's expected discount rate of 3.75% reflects the 20-year tax-exempt municipal bond yield or index rate which is based on the assumption that the plan will not be funded. This is consistent with GASB Statement No. 75 guidance.

A. Actuarial Assumptions

Significant Actuarial Assumptions and methods used to estimate the OPEB liability are as follows:

Valuation date..... December 20223

Actuarial cost method.....Individual Entry Age

Medical Inflation rate…….……...5%

Discount rate…….....3.75% per annum

Aging Factor……	Under 65	65-85
	3.00%	1.50%

Plan Expenses……Assumed payable outside of plan

Payroll Growth Rate……..4.00%

Projected Salary Increases…….N/A

Healthcare Trend Rates.....5.0%

Ad hoc post-employment benefit changes.....None

Retirement Rates Based Service and Age

	General Employee		
	Years of Service		
Age	5-9	10-24	25+
54 and under	0%	0%	0%
55-59	5%	5%	5%
60-61	5%	15%	15%
62-63	5%	25%	25%
64-65	25%	40%	75%
66	25%	40%	40%
67-68	50%	40%	40%
69	50%	100%	100%
70 and over	100%	100%	100%

	Police				
	20% immediate at retirement, 80% 5-year DROP				
	Years of Service				
Age	10-24	25	26-28	29	30+
45 and under	0%	0%	0%	0%	0%
46-51	0%	10%	10%	10%	10%
52-54	0%	20%	20%	20%	20%
55-56	25%	50%	50%	50%	50%
57-59	50%	50%	50%	50%	50%
60 and over	100%	100%	100%	100%	100%

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (OPEB): (continued)

Retirement Rates Based Service and Age (continued)

Fire	
20% immediate at retirement, 80% 5-year DROP	
#Years After 1st Eligibility for Normal Retirement	Rate
0	33%
1	33%
2+	100%

Termination Rates Based on Age:

	General Employee						
	Years of Service - Male						
Age	0	0-1	1-2	2-3	3-4	4-5	5+
Under 30	35.4%	24.6%	17.5%	18.2%	14.3%	17.6%	8.0%
30-54	35.4%	24.6%	17.5%	18.2%	14.3%	17.6%	4.5%
55+	35.4%	24.6%	17.5%	18.2%	14.3%	17.6%	7.1%
	Years of Service - Female						
Age	0	0-1	1-2	2-3	3-4	4-5	5+
Under 30	33.3%	34.5%	5.0%	19.0%	7.1%	5.0%	3.0%
30-54	33.3%	34.5%	5.0%	19.0%	7.1%	5.0%	8.3%
55+	33.3%	34.5%	5.0%	19.0%	7.1%	5.0%	10.9%

	Police		
	Years of Service - Male		
Age	0-3	3-5	5+
Under 40	20.0%	20.0%	3.0%
40+	5.0%	5.0%	5.0%
	Years of Service - Female		
Age	0-3	3-5	5+
Under 35	33.0%	2.0%	2.0%
35-39	33.0%	2.0%	10.0%
40-44	15.0%	2.0%	2.0%
45-49	15.0%	2.0%	10.0%
50-54	15.0%	2.0%	2.0%
55+	15.0%	2.0%	0.0%

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (OPEB): (continued)

Disability Incidence Rates:

	General	Police		Fire
	All	Male	Female	All
Age	Rate	Rate	Rate	Rate
25	0.01%	0.07%	0.04%	0.08%
35	0.01%	0.15%	0.12%	0.12%
45	0.04%	0.36%	0.28%	0.33%
55	0.16%	1.18%	0.83%.	0.50%

Medical Plan Retiree Election Rates

Retirement	Single	With Dependent
Under 65	15.00%	15% elect single; 5% of 85% elect dependent coverage
Continue at 65	25% of 15%	4%
Over 65	4%	4%
It is assumed that retirees do not reenroll after they drop coverage.		

Mortality Rates…….General Police & Fire

Table 1 Table 2

Mortality Table 1:
Mortality Rate Healthy Lives: Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB. Male: RP2000 Generational, 50% Annuitant White Collar/50% Annuitant Blue Collar, Scale BB.

Mortality Table 2:
Mortality Rate Healthy Lives: Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB. Male: RP2000 Generational, 10% Annuitant White Collar/90% Annuitant Blue Collar, Scale BB.

Discount Rate: The discount rate used to measure total OPEB liability was 3.75%. There was no change in the discount rate from the previous year. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the City are neither mandated nor guaranteed. Based on those assumptions, the OPEB plan's fiduciary net position was projected not to be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (OPEB): (continued)

Sensitivity of the net OPEB liability to changes in the discount rate: The following presents the net OPEB liability of the City, calculated using the discount rate, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1.0% Decrease in Discount Rate	Current Single Discount Rate	1.0% Increase in Discount Rate
Discount Rate	2.75%	3.75%	4.75%
Total OPEB Liability (TOL)	$1,418,203	$1,657,468	$1,961,798
Plan Net Fiduciary Position	-	-	-
Net OPEB Liability	$1,418,203	$1,657,468	$1,961,798
Plan Net Fiduciary Position as a Percentage of Total OPEB Liability	0.00%	0.00%	0.00%
Annual Covered Payroll	20,381,747	20,381,747	20,381,747
Net OPEB Liability as a Percentage of Covered Employee Payroll	6.96%	8.13%	9.63%

Sensitivity of the net OPEB liability to changes in the Healthcare Cost Trend Rates: The following presents the net OPEB liability of the City, calculated using the healthcare cost trend rate, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1.0% Decrease in Discount Rate	Current Single Discount Rate	1.0% Increase in Discount Rate
Healthcare Cost Trend	4.00%	5.00%	6.00%
Total OPEB Liability (TOL)	$ 1,404,481	$ 1,657,468	$ 1,982,797
Plan Net Fiduciary Position	-	-	-
Net OPEB Liability	1,404,481	1,657,468	1,982,797
Plan Net Fiduciary Position as a Percentage of Total OPEB Liability	0%	0%	0%
Annual Covered Payroll	$ 20,381,747	$ 20,381,747	$ 20,381,747
Net OPEB Liability as a Percentage of Covered Employee Payroll	6.89%	8.13%	9.73%

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (OPEB): (continued)

3. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs:

The City's total OPEB liability of $1,657,467 was measured as of September 30th, 2023.

Changes in the Total OPEB Liability

Total OPEB Liability, 10/1/2022	$	2,153,126
Service Cost		51,516
Interest on Total OPEB Liability		60,818
Differences between Expected and Actual Experience		(209,469)
Changes in Assumptions and Other Inputs		(79,227)
Benefit Payments		(319,296)
Net Change in OPEB Liability		(495,658)
Total OPEB Liability, End of Year	$	1,657,468

At September 30, 2023, the City reported its proportionate share of the City's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

Deferred Outflow of Resources:

		OPEB
Differences between expected and actual experience	$	102,748
Changes in Assumption		73,703
Net difference between projected and actual earnings on investments		-
	$	176,451

Deferred Inflow of Resources:

Differences between expected and actual experience	$	(775,858)
Changes in Assumption		(76,058)
Net difference between projected and actual earnings on investments		-
	$	(851,916)

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (OPEB): (continued)

Amounts reported as deferred outflows of resources and deferred inflow of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended September 30,	Expense
2024	(195,088)
2025	(123,593)
2026	(178,528)
2027	(178,256)
Total	$ (675,465)

NOTE 13. 457 TAX-DEFERRED COMPENSATION PLAN:

The City offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code, Section 457. On August 20, 1996, Section 457 of the Code was amended with the passage of the Small Jobs Protection Act of 1996. The Code now requires employers to maintain the plan assets in a trust, custodial account or annuity for each individual member as of January 1, 1999. Since the inception of its plan on October 1, 1993, the City has deposited all funds in a custodial account with The Variable Annuity Life Insurance Company.

In October 1997, the GASB issued Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. This statement allows the employer to not report the assets and liabilities in their financial statements if the employer has met the new criteria of the Internal Revenue Code, Section 457 and does not retain fiduciary accountability for the plan assets. In fiscal year 1998, the City amended its deferred compensation plan to reflect the changes in the Internal Revenue Code and, in the opinion of management, does not retain fiduciary accountability for plan assets. Accordingly, the City has implemented GASB No. 32 and is no longer including the assets and liabilities of the deferred compensation plan in its financial statements. There is no effect on the City's overall fund balance as the plan was an agency fund in which plan assets equal liabilities.

NOTE 14. SUBSEQUENT EVENTS

The City is currently working with FEMA on extending the contract and project award amount for the thirteen lift stations that were damaged, and had to be rebuilt, after Hurricane Matthew in 2016. The project is nearing completion and the City continues to work with FEMA to meet all requirements. In February 2024, the City was able to request a grant extension and anticipates approval for this grant extension and award amount totaling approximately $7,000,000. Once approved, the City will recognize this grant revenue in the Utility Fund.

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Required Supplementary Information Other than Management Discussion & Analysis (MD&A)

CITY OF ST. AUGUSTINE, FLORIDA

General Employees' Retirement Systems

Schedule of Changes in Net Pension Liability and Related Ratios

Last 10- Fiscal Years

	2023	2022	2021	2020	2019
Total Pension Liability					
Service Cost	$ 1,260,975	$ 1,128,957	$ 1,083,642	$ 1,161,167	$ 1,212,444
Interest	4,487,708	4,321,201	4,094,536	3,972,631	3,899,091
Differences Between Expected and Actual Experience	1,318,676	939,098	1,880,879	816,742	(690,749)
Changes of Assumptions	2,825,095	662,535	1,249,629	99,193	279,597
Contributions - Buy Back	-	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(4,274,999)	(3,823,120)	(3,683,439)	(3,616,283)	(3,076,009)
Net Change in Total Pension Liability	5,617,455	3,228,671	4,625,247	2,433,450	1,624,374
Total Pension Liability - Beginning	63,205,806	59,977,135	55,351,888	52,918,438	51,294,064
Total Pension Liability - Ending	68,823,261	63,205,806	59,977,135	55,351,888	52,918,438
Plan Fiduciary Net Position					
Contributions - Employer	3,529,837	3,040,396	3,010,252	2,935,788	3,054,301
Contributions - Employee	567,622	505,122	527,391	551,940	464,544
Net Investment Income and other income	4,768,372	(6,929,100)	11,146,101	4,986,042	849,095
Benefit Payments, Including Refunds of Employee Contibutions	(4,268,027)	(3,823,120)	(3,683,439)	(3,616,283)	(3,076,009)
Administrative Expenses	(75,164)	(80,334)	(80,636)	(68,950)	(68,479)
Net Change in Plan Fiduciary Net Position	4,522,640	(7,287,036)	10,919,669	4,788,537	1,223,452
Plan fiduciary net postion - beginning	52,280,494	59,567,530	48,647,861	43,859,324	42,635,872
Plan fiduciary net postion - ending	56,803,134	52,280,494	59,567,530	48,647,861	43,859,324
Net Pension Liability	$ 12,020,127	$ 10,925,312	$ 409,605	$ 6,704,027	$ 9,059,114
Plan Fiduciary Net Position as a Percentage of the Total Liability	82.53%	82.71%	99.32%	87.89%	82.88%
Actuarial determined contributions	$ 3,071,313	$ 3,021,181	$ 2,635,638	$ 2,837,841	$ 2,725,709
Contributions in relation to the actuarially determined contributions	3,656,911	3,151,370	3,123,136	3,048,816	3,171,892
Contribution (excess) deficiency	$ (585,598)	$ (130,189)	$ (487,498)	$ (210,975)	$ (446,183)
Covered Payroll	12,734,155	11,657,347	11,777,347	10,751,684	11,360,507
Contribution as a percent of covered employee payr	28.72%	27.03%	26.52%	28.36%	27.92%
Net Pension Liability as a Percentage of Covered Payroll	94.39%	93.72%	3.48%	62.35%	79.74%

Notes to Schedule:

Valuation Date: - January 2023

Acturial Cost Method - Individual Entry Age, Level Percent of Pay

Amortization Method - Level Perecentage, Closed

Remaining Amortization Period - 4 to 15 years based on year established

Asset Valuation Method - Actuarial Value, based on 5-year recognition of returns greater or less than assumed investment return

Inflation - 2.75%

Salary Increases - 3.5% to 7.0%

Investment Rate of Return - 7.2%

Retirement Age - Schedule of probabilities based on age and service, increasing as age and service increase

Mortality - FRS Mortality

2018	2017	2016	2015	2014
$ 1,070,512	$ 934,169	$ 877,693	$ 803,520	$ 773,148
3,662,089	3,354,032	3,199,137	2,974,850	2,922,230
1,205,174	-	292,529	957,468	524,737
270,413	2,259,593	293,019	64,099	-
-	-	-	-	-
(2,806,416)	(2,560,373)	(2,318,001)	(2,445,651)	(1,946,951)
3,401,772	3,987,421	2,344,377	2,354,286	2,273,164
47,892,292	43,904,875	41,560,498	39,206,212	36,933,048
51,294,064	47,892,296	43,904,875	41,560,498	39,206,212
2,720,877	2,199,188	1,981,476	1,890,973	1,818,974
440,965	417,923	403,094	388,933	299,058
2,977,936	4,487,841	2,936,911	712,816	3,220,400
(2,806,415)	(2,560,372)	(2,318,001)	(2,445,651)	(1,946,951)
(65,056)	(59,340)	(57,582)	(39,139)	(88,525)
3,268,307	4,485,240	2,945,898	507,932	3,302,956
39,367,565	34,882,325	31,936,427	31,428,495	28,125,539
42,635,872	39,367,565	34,882,325	31,936,427	31,428,495
$ 8,658,192	$ 8,524,731	$ 9,022,550	$ 9,624,071	$ 7,777,717
83.12%	82.20%	79.45%	76.84%	80.16%
$ 2,514,305	$ 2,065,477	$ 1,907,612	1,791,789	1,749,201
2,825,631	2,283,857	2,058,258	1,964,248	1,893,589
$ (311,326)	$ (218,380)	$ (150,646)	$ (172,459)	$ (144,388)
10,272,429	9,681,447	9,396,015	9,168,707	8,704,913
27.51%	23.59%	21.91%	21.42%	21.75%
84.29%	88.05%	96.03%	104.97%	89.35%

CITY OF ST. AUGUSTINE, FLORIDA

Police Employees' Retirement Systems

Schedule of Changes in Net Pension Liability and Related Ratios

Last 9 Fiscal Years

	2023	2022	2021	2020	2019
Total Pension Liability					
Service Cost	$ 521,562	$ 521,022	$ 469,468	$ 591,972	$ 548,320
Interest	1,936,188	1,831,491	1,737,632	1,680,879	1,619,097
Differences Between Expected and Actual Experience	592,353	294,183	382,522	126,193	(413,933)
Changes of Assumptions	166,387	562,826	578,688	(158,030)	212,449
Contributions - Buy Back					-
Benefit Payments, Including Refunds of Employee Contributions	(1,308,202)	(1,506,760)	(1,078,010)	(1,069,800)	(1,045,032)
Net Change in Total Pension Liability	1,908,288	1,702,762	2,090,300	1,171,214	920,901
Total Pension Liability - Beginning	27,024,034	25,321,272	23,230,972	22,059,758	21,138,857
Total Pension Liability - Ending	28,932,322	27,024,034	25,321,272	23,230,972	22,059,758
Plan Fiduciary Net Position					
Contributions - Employer	460,547	480,737	332,367	454,562	575,062
Contributions - Employee	238,324	207,415	208,383	190,186	184,388
Contributions - State	294,096	233,585	283,222	261,106	261,770
Premium Tax not Counted					-
Net Investment Income (Loss)	* 2,409,264	(2,912,739)	5,016,380	1,518,627	832,584
Benefit Payments, Including Refunds of Employee Contibutions	(1,308,202)	(1,506,760)	(1,078,010)	(1,069,800)	(1,045,032)
Administrative Expenses	(68,430)	(20,362)	(81,237)	(86,799)	(75,736)
Net Change in Plan Fiduciary Net Position	* 2,025,599	(3,518,124)	4,681,105	1,267,882	733,036
Plan fiduciary net postion - beginning	* 23,819,376	27,337,500	22,656,395	21,388,513	20,655,477
Plan fiduciary net postion - ending	* 25,844,975	23,819,376	27,337,500	22,656,395	21,388,513
Net Pension Liability	$ 3,087,347	$ 3,204,658	$ (2,016,228)	$ 574,577	$ 671,245
Plan Fiduciary Net Position as a Percentage of the Total Liability	89.33%	88.14%	107.96%	97.53%	96.96%
Actuarial determined contributions	$ 772,303	$ 739,250	$ 590,285	$ 702,783	$ 828,511
Contributions in relation to the actuarially determined contributions	768,224	740,395	638,675	742,863	868,841
	$ 4,079	$ (1,145)	$ (48,390)	$ (40,080)	$ (40,330)
Covered Payroll	4,015,631	4,026,795	3,901,486	3,571,718	3,428,854
Contribution as a percent of covered employee payroll	19.13%	18.39%	16.37%	20.80%	25.34%
Net Pension Liability as a Percentage of Covered Payroll	76.88%	79.58%	-51.68%	16.09%	19.58%

***** - Amount differs from statement of fiduciary net position and statement of changes in fiduciary net position due to differences in financial reporting and actuarial reporting.

Notes to Schedule:

Valuation Date: - December 2022

Acturial Cost Method - Individual Entry Age, Level Percent of Pay

Amortization Method - Level Dollar, Closed

Remaining Amortization Period - 5 to 15 years based on year established

Asset Valuation Method - Actuarial Value, based on 5-year recognition of returns greater or less than assumed investment return

Inflation - 2.75%

Salary Increases - 3.5% to 7.0%

Investment Rate of Return - 7.3%

Retirement Age - Schedule of probabilities based on age and service, increasing as age and service increase

Morality - FRS Mortality

2018	2017	2016	2015	2014
$ 675,379	$ 540,900	$ 535,582	$ 514,463	$ 461,946
1,483,635	1,381,385	1,667,171	1,218,700	1,208,257
782,820	-	(19,092)	(234,101)	(109,454)
114,054	501,237	93,784	19,821	-
-	-	-	-	-
(1,019,276)	(1,440,875)	(799,841)	(689,626)	(876,479)
2,036,612	982,647	1,477,604	829,257	684,270
19,102,245	18,119,598	16,641,994	15,812,737	15,128,467
21,138,857	19,102,245	18,119,598	16,641,994	15,812,737
541,133	478,581	399,211	411,658	387,688
170,931	178,168	153,529	164,848	140,007
246,831	194,937	175,835	181,087	167,880
-	-	-	-	-
1,766,632	2,159,405	1,654,228	123,357	1,619,894
(1,019,276)	(1,440,875)	(799,841)	(689,626)	(876,479)
(60,925)	(50,802)	(59,938)	(40,273)	(47,946)
1,645,326	1,519,414	1,523,024	151,051	1,391,044
19,010,151	17,490,737	15,967,713	15,816,662	14,425,618
20,655,477	19,010,151	17,490,737	15,967,713	15,816,662
$ 483,380	$ 92,094	$ 628,861	$ 674,281	$ (3,925)
97.71%	99.52%	96.53%	95.95%	100.02%
$ 704,412	$ 613,512	$ 606,441	$ 578,501	$ 538,160
818,301	699,448	597,329	610,097	571,885
$ (113,889)	$ (85,936)	$ 9,112	$ (31,596)	$ (33,725)
3,615,909	2,943,236	2,646,904	2,867,573	2,812,632
22.63%	23.76%	22.57%	21.28%	20.33%
13.37%	3.13%	23.76%	23.51%	-0.14%

CITY OF ST. AUGUSTINE, FLORIDA

Fire Employees' Retirement Systems

Schedule of Changes in Net Pension Liability and Related Ratios

Last 10 Fiscal Years

	2023	2022	2021	2020	2019
Total Pension Liability					
Service Cost	$ 460,149	$ 451,826	$ 359,621	$ 336,036	$ 325,027
Interest	1,228,924	1,174,436	1,060,736	1,032,003	980,843
Changes in excess state money					-
Share plan allocation	50,769	19,365	17,203	30,460	11,011
Differences Between Expected and Actual Experience	340,015	(149,914)	311,459	44,590	84,337
Changes of Assumptions	-	-	693,753	111,627	(2,745)
Contributions - Buy Back					-
Benefit Payments, Including Refunds of Employee Contributions	(708,441)	(775,421)	(704,867)	(710,129)	(750,061)
Net Change in Total Pension Liability	1,371,416	720,292	1,737,905	844,587	648,412
Total Pension Liability - Beginning *restated	17,081,848	16,361,556	14,623,651	13,779,064	13,130,652
Total Pension Liability - Ending	18,453,264	17,081,848	16,361,556	14,623,651	13,779,064
Plan Fiduciary Net Position					
Contributions - Employer	360,604	316,980	288,559	269,544	359,136
Contributions - State	263,950	201,143	196,819	194,690	184,434
Contributions - Employee	135,552	122,262	115,361	106,077	102,020
Contributions - Buy Back					-
Net Investment Income (Loss)	* 1,784,336	(3,285,537)	2,422,591	1,604,756	516,332
Benefit Payments, Including Refunds of Employee Contibutions	(708,441)	(775,421)	(704,867)	(710,129)	(746,299)
Administrative Expenses	(46,397)	(41,934)	(53,682)	(43,908)	(47,443)
Net Change in Plan Fiduciary Net Position	* 1,789,604	(3,462,507)	2,264,781	1,421,030	368,180
Plan fiduciary net postion - beginning	* 13,953,807	17,416,314	15,151,533	13,730,503	13,362,323
Plan fiduciary net postion - ending	* 15,743,411	13,953,807	17,416,314	15,151,533	13,730,503
Net Pension Liability	$ 2,709,853	$ 3,128,041	(1,054,758)	(527,882)	48,561
Plan Fiduciary Net Position as a Percentage of the Total Liability	85.32%	81.69%	106.45%	103.61%	99.65%
Actuarial determined contributions	$ 575,827	$ 500,051	$ 470,674	$ 442,767	$ 437,053
Contributions in relation to the actuarially determined contributions	573,785	498,758	482,496	433,774	532,559
Contribution (excess) deficiency	$ 2,042	$ 1,293	$ (11,822)	$ 8,993	$ (95,506)
Covered Payroll	2,711,049	2,445,235	2,307,226	2,121,547	2,040,395
Contribution as a percent of covered employee payroll	21.16%	20.40%	20.91%	20.45%	26.10%
Net Pension Liability as a Percentage of Covered Payroll	99.96%	127.92%	-45.72%	-24.88%	2.38%

***** - Amount differs from statement of fiduciary net position and statement of changes in fiduciary net position due to differences in financial reporting and actuarial reporting.

Notes to Schedule:

Valuation Date - November 2022

Salary Increases - Flat 5%

Normal Retirement rates - Modified based on age and years of Credited Services.

Investment Return - 7.15

Withdrawal - 5% for first 14 years followed by 0% after

Mortality - Incorporation of rates pursuant ot Chapter 2015-157, Laws of Florida

Acturial Cost Method - Entry Age Normal Actuarial Cost Method.

Changes to Unfunded Actuarial Accrued Liability will be amortized as alevel dollar according to the type of base as follows:

Gains/Losses - 15 years

Method/Assumption changes - 15 years

Benefit Changes - 15 years

Furthermore the inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

2018	2017	2016	2015	2014
$ 311,731	$ 275,743	$ 234,355	$ 230,062	$ 209,592
893,103	740,339	787,330	721,743	753,466
(389,245)	88,941	(295,791)	90,698	9,746
116,195	-	378,685	165,171	29,234
316,244	160,964	124,845	-	-
3,672	(32,498)	393,462	-	-
-	-	924	13,864	3,178
(753,841)	(767,735)	(700,051)	(643,641)	(765,357)
497,859	465,754	923,759	577,897	239,859
12,632,793	12,167,039	11,243,280	10,665,383	10,425,524
13,130,652	12,632,793	12,167,039	11,243,280	10,665,383
349,974	225,053	196,389	243,834	270,792
176,271	163,451	157,404	180,080	186,295
97,030	92,832	81,793	80,812	78,484
-	-	924	13,864	3,178
1,063,931	1,158,206	1,082,244	(138,907)	1,107,564
(753,841)	(767,735)	(700,051)	(643,641)	(765,357)
(41,140)	(47,428)	(47,394)	(37,717)	(24,882)
892,225	824,379	771,309	(301,675)	856,074
12,470,098	11,645,719	10,874,410	11,176,085	10,320,011
13,362,323	12,470,098	11,645,719	10,874,410	11,176,085
(235,343)	$ 162,695	$ 521,320	$ 368,870	$ (510,702)
101.79%	98.71%	95.71%	96.70%	104.79%
$ 438,963	$ 334,010	$ 303,615	350,237	381,591
688,965	301,274	336,351	350,237	381,591
$ (250,002)	$ 32,736	$ (32,736)	$ -	$ -
1,940,595	1,856,640	1,635,855	1,645,062	1,569,689
35.50%	16.23%	20.56%	21.29%	24.31
-12.12%	8.77%	31.87%	22.42%	-32.54%

CITY OF ST. AUGUSTINE, FLORIDA

Required Supplementary Information
Schedule of Changes in the City's Net OPEB Liability and Related Ratios
Last 5 Fiscal Years*

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service Cost	$ 124,151	$ 41,297	$ 46,198	$ 53,053	$ 154,075	$ 81,206
Interest	195,497	77,834	75,556	63,426	170,941	76,692
Differences Between Expected and Actual Experience	(672,696)	-	197,462	(70,086)	(286,270)	-
Changes of Assumptions	61,445	-	77,213	(95,017)	(281,500)	123,660
Contributions - Buy Back					-	
Benefit Payments, Including Refunds of Employee Contributions	(204,058)	(83,176)	(58,711)	(56,750)	(132,808)	(58,167)
Net Change in Total OPEB Liability	(495,661)	35,955	337,718	59,729	(375,562)	223,391
Total OPEB Liability - Beginning	2,153,128	2,117,173	1,779,455	1,719,726	2,095,288	1,871,897
Total OPEB Liability - Ending	1,657,467	2,153,128	2,117,173	1,779,455	1,719,726	2,095,288
Plan Fiduciary Net Position						
Contributions - Employer	-	-	-	-	-	-
Contributions - Employee	-	-	-	-	-	-
Contributions - Buy Back	-	-	-	-	-	-
Net Investment Income (loss)	-	-	-	-	-	-
Benefit Payments, Including Refunds of Employee Contibutions	-	-	-	-	-	-
Administrative Expenses	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	-	-	-	-	-	-
Plan fiduciary net postion - beginning	-	-	-	-	-	-
Plan fiduciary net postion - ending	-	-	-	-	-	-
Net OPEB Liability	$ 1,657,467	$ 2,153,128	$ 2,117,173	$ 1,779,455	$ 1,719,726	$ 2,095,288
Plan Fiduciary Net Position as a Percentage of the Total Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Actuarial determined contributions	$ 423,148	$ 516,693	$ 515,086	$ 440,696	$ 438,632	$ 415,625
Contributions in relation to the actuarially determined contributions	66,866	83,176	77,347	56,750	52,743	62,316
	$ 356,282	$ 433,517	$ 437,739	$ 383,946	$ 385,889	$ 353,309
Covered Payroll	20,381,747	19,049,880	18,317,192	14,573,762	14,013,232	16,374,771
Contribution as a percent of covered employee payroll	0.33%	0.44%	0.42%	0.39%	0.38%	0.38%
Net OPEB Liability as a Percentage of Covered Payroll	8.13%	11.30%	11.56%	12.21%	12.27%	12.80%

Notes to Schedule:
Valuation Date: - November 2023
Acturial Cost Method - Individual Entry Age
Amortization Method - Level Dollar, Closed
Remaining Amortization Period - 5 years
Asset Valuation Method - N/A
Medical Inflation - 5.0%
Salary Increases - 3.5% to 7.0%
Investment Rate of Return - 3.75%
Retirement Age - 100% at Normal Retirement System Mortality Table
Morality - Florida Retirement System Mortality Table

*Schedule is indended to show information for ten years. Additional years will be displayed as they become available

Combining Statements

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CITY OF ST. AUGUSTINE, FLORIDA

Combining Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2023

	General Employees' Pension Fund	Police Officers' Pension Fund	Firefighters' Pension Fund	Total Employee Retirement Funds
ASSETS				
Cash and Short-term Investments	$ 2,681,979	$ 1,683,503	$ 359,145	$ 4,724,627
Receivables:				
Contributions	157,013	31,478	53,435	241,926
Interest and Dividends	-	-	25,293	25,293
Total Receivables	157,013	31,478	78,728	267,219
Investments, at Fair Value:				
Fixed income securities	4,942,743	3,402,505	4,525,301	12,870,549
Equity securities	34,436,282	15,641,324	10,830,139	60,907,745
Alternative strategies	3,998,240	-	-	3,998,240
Real estate fund	10,603,383	5,177,530	-	15,780,913
Total Investments	53,980,648	24,221,359	15,355,440	93,557,447
Total Assets	**56,819,640**	**25,936,340**	**15,793,313**	**98,549,293**
LIABILITIES				
Refund due to members	-	-	9,004	9,004
Expenses Payable	16,506	7,920	56,352	80,778
Total Liabilities	**16,506**	**7,920**	**65,356**	**89,782**
NET POSITION, Restriced For Pensions	**$ 56,803,134**	**$ 25,928,420**	**$ 15,727,957**	**$ 98,459,511**

CITY OF ST. AUGUSTINE, FLORIDA

Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2023

	General Employees' Pension Fund	Police Officers' Pension Fund	Firefighters' Pension Fund	Total Employee Retirement Funds
ADDITIONS				
Contributions				
Members	$ 567,622	$ 238,324	$ 135,552	$ 941,498
City	3,529,837	460,547	360,604	4,350,988
State Insurance Premium Tax, from General Fund	-	294,096	263,950	558,046
Total Contributions	4,097,459	992,967	760,106	5,850,532
Other Income				
Other Income	197	-	-	197
Total Other Income	197	-	-	197
Investment Income				
Net Increase in Fair Value of Investments	3,404,073	1,778,044	1,395,142	6,577,259
Interest and Dividends on Investments	1,421,633	701,230	435,138	2,558,001
Total Investment Income	4,825,706	2,479,274	1,830,280	9,135,260
Less Investment Expenses	57,531	64,777	41,855	164,163
Net Investment Income	4,768,175	2,414,497	1,788,425	8,971,097
Total Additions	**8,865,831**	**3,407,464**	**2,548,531**	**14,821,826**
DEDUCTIONS				
Benefit Payments	3,984,082	1,264,863	708,441	5,957,386
Termination Payments	283,945	43,339	-	327,284
Administrative Expenses	75,164	68,430	46,397	189,991
Total Deductions	**4,343,191**	**1,376,632**	**754,838**	**6,474,661**
Change in Net Position	**4,522,640**	**2,030,832**	**1,793,693**	**8,347,165**
Net Position - Beginning (see Note below)	**52,280,494**	**23,897,588**	**13,934,264**	**90,112,346**
NET POSITION - ENDING	**$ 56,803,134**	**$ 25,928,420**	**$ 15,727,957**	**$ 98,459,511**

Note: *Firefighters' Pension Fund's beginnig net position was restated and reduced by $15,621 due to administrative expenses not properly accrued for and expensed in 2022.*

Schedule of Expenditures of Federal Awards and State Financial Assistance

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CITY OF ST. AUGUSTINE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS and STATE ASSISTANCE
For the Fiscal Year Ended September 30, 2023

Federal Grantor/Program Title	Assistance Listing Number	Contract/Grant Number	Expenditures
U.S Department of the Treasury			
Passed through Florida Division of Emergency Management			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Y5298-FL0275	$ 2,770,818
Passed through Florida Department of Environmental Protection			
Coronavirus State and Local Fiscal Recovery Funds	21.027	22FRP112	69,131
Passed through Florida Department of State			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds:	21.027	23.s.aa.900.112	56,311
Total U.S Department of the Treasury			2,896,260
U.S. Department of Homeland Security/ FEMA			
Passed through Florida Division of Emergency Management			
Disaster Grants - Public Assistance - Matthew	97.036	PA-04-FL-4283	5,473
Disaster Grants - Public Assistance - Nicole	97.036	DR-4680 Z3641	398,251
Disaster Grants - Public Assistance - Ian	97.036	DR-4673 Z3054	254,180
Hazard Mitigation Grant Program - Seawall Reconstruction	97.039	4337-382-R	17,511
COVID-19 Coronavirus Aid, Relief and Economic Security Act (CARES Act)	97.036	PA-00-04-65-01-498	23,383
Total U.S. Department of Homeland Security/ FEMA			698,798
U.S. Department of Justice			
Passed through Florida Department of Law Enforcement			
Bulletproof Vest Partnership	16.607	N/A	1,346
St. Augustine Police Dept. Pursuit Reduction	16.738	JAGD-STJO -1-4B-015	4,996
Total U.S. Department of Justice			6,342
Total Expenditures of Federal Awards			**$ 3,601,400**

State Grantor/Program Title	State CSFA No.	Contract/Grant Number	Expenditures
Florida Department of Environmental Protection			
Resilient Florida Program - City of St. Augustine Vulnerability Assessment	37.098	22PLN20	$ 101,087
Statewide Surface Water Restoration and Wastewater Projects			
West St. Augustine Septic-to-Sewer Program	37.039	LPA0223, LPA0388	718,731
Total Florida Department of Environmental Protection			819,819
Florida Department of State			
Acquisition, Restoration of Historic Properties			
Historic St. Augustine Buildings Rehabilitation	45.032	24.h.sc.900.121	92,072
Florida Department of Transportation			
Transit Corridor Development Program - Downtown Circulator	55.013	216453-3-84-01	171,015
Total Expenditures of State Assistance			**$ 1,082,905**

CITY OF ST. AUGUSTINE, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE ASSISTANCE
Year Ended September 30, 2023

A. Basis of Presentation:

The Schedule of Expenditures of Federal Awards and State Assistance is presented on page 135 (the Schedule) includes the federal and state grant activity of the City of St. Augustine for the fiscal year ended September 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award*s (Uniform Guidance) therefore, some of the amounts presented in these schedules may differ from amounts presented in, or used in the preparation of the basic financial statements. Expenditures reported on the Schedule are reported on the accrual basis of accounting.

B. Indirect Cost Rate

The City has elected not to use the 10% de minimums cost rate under the Uniform Guidance, all costs charged to federal grants are direct costs.

C. Disaster Grants - Public Assistance

The City of St. Augustine has been impacted by hurricanes Matthew, Nicole and Ian. The City has requested and/or has been reimbursed for expenditures for Hurricane Matthew for the fiscal years ending September 30, 2017-2023; and for Hurricane Nicole and Hurricane Ian for the fiscal year ending September 30, 2023. These expenditures have been reported on the Schedule in accordance with Compliance Supplement(2 CFR Part 200, Appendix XI) dated April 2017 for Department of Homeland Security, CFDA 97.036-DISASTER GRANTS - PUBLIC ASSSISTANCE (Presidentially Declared Disasters, section: IV. OTHER INFORMATION, Recording Expenditures on the Schedule of Expenditures of Federal Awards.

D. Drinking Water State Revolving Fund

On May 9, 2017 the City of St. Augustine entered into a loan agreement with the Florida Department of Environmental Protection to fund various water projects in the City funded by the U.S Department of Environmental Protection's Capitalization Grants for State Revolving Funds. The total funding amount available per agreement is $9,403,394 of which $8,208,099 has been expended. There were no reportable expenditures for this grant for the fiscal year ended September 30, 2023.

E. American Rescue Plan Act

On September 24, 2021 the City of St. Augustine entered into a grant agreement with the Florida Division of Emergency Management under the Coronavirus State and Local Fiscal Recovery Funds provisions of the American Rescue Plan Act. The City was granted funding of $7,720,659 of which $2,770,818 and $541,203 were expended during the fiscal years ending September 30, 2023 and 2022, respectively. Funds may be used to cover costs related to; (1) Public Health and Economic Impacts, (2) Premium Pay for Essential workers, (3) Revenue Loss and (4) Investments in infrastructure. Funds may only be used to cover these expenses incurred by December 31, 2024.

STATISTICAL SECTION

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Statistical Section

This section of the City of St. Augustine, Florida's annual comprehensive financial report presents detailed information as a context for understanding the information in the financial statements, note disclosures, and required supplementary information about the City's overall financial health.

Contents: **Page**

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. 142-149

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property taxes. 150-153

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. 154-162

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments. 163-171

Operating Information

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs. 172-176

CITY OF ST. AUGUSTINE, FLORIDA

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	2013/14	2014/15	2015/16	2016/17
Governmental Activities				
Invested in Capital Assets, net of related debt	$ 2,977,346	$ 6,987,074	$ 8,168,623	$ 10,018,643
Restricted	2,212,379	1,150,905	596,974	712,728
Unrestricted	8,064,965	1,005,259	3,039,161	1,674,662
Total governmental activities net position	$ 13,254,690	$ 9,143,238	$ 11,804,758	$ 12,406,033
Business-type activities				
Invested in Capital Assets, net of related debt	$ 61,798,072	$ 67,005,168	$ 69,601,163	$ 78,978,209
Restricted	3,872,255	5,279,739	6,293,059	560,168
Unrestricted	17,383,273	10,953,364	9,907,553	14,044,492
Total business-type activities net position	$ 83,053,600	$ 83,238,271	$ 85,801,775	$ 93,582,869
Primary Government				
Net Investment in Capital Assets	$ 64,775,418	$ 73,992,242	$ 77,769,786	$ 88,996,852
Restricted	6,084,634	6,430,644	6,890,033	1,272,896
Unrestricted	25,448,238	11,958,623	12,946,714	15,719,154
Total primary government net position	$ 96,308,290	$ 92,381,509	$ 97,606,533	$ 105,988,902

2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
$ 11,227,466	$ 9,650,381	$ 10,276,539	$ 10,974,724	$ 12,840,951	$ 18,741,616
398,551	2,009,797	1,843,746	2,401,917	9,689,173	14,640,388
3,464,098	5,048,152	6,881,874	12,515,159	14,681,088	8,845,901
$ 15,090,115	$ 16,708,330	$ 19,002,159	$ 25,891,800	$ 37,211,212	$ 42,227,905
$ 78,892,021	$ 86,160,080	$ 91,760,995	$ 99,545,897	$ 106,913,873	$ 110,934,712
612,664	4,487,846	5,906,586	6,258,567	15,424,680	28,573,518
18,766,230	18,819,984	20,722,869	20,145,301	19,867,812	17,336,601
$ 98,270,915	$ 109,467,910	$ 118,390,450	$ 125,949,765	$ 142,206,365	$ 156,844,830
$ 90,119,487	$ 95,810,461	$ 102,037,534	$ 110,520,621	$ 119,754,824	$ 129,676,327
1,011,215	6,497,643	7,750,332	8,660,484	25,113,853	43,213,906
22,230,328	23,868,136	27,604,743	32,660,460	34,548,900	26,182,502
$ 113,361,030	$ 126,176,240	$ 137,392,609	$ 151,841,565	$ 179,417,577	$ 199,072,735

CITY OF ST. AUGUSTINE, FLORIDA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(In Thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
EXPENSES										
Governmental Activities:										
General Government	$ 9,150	$ 9,064	$ 8,786	$ 10,633	$ 8,265	$ 8,860	$ 11,082	$ 10,169	$ 11,641	$ 14,737
Public Safety	8,849	9,327	9,406	9,474	9,048	12,079	11,269	12,561	14,508	15,694
Physical Environment	3,982	2,572	2,707	2,643	2,509	3,144	3,535	3,230	4,062	4,025
Transportation	229		2,980	2,731	3,156	3,923	3,711	3,854	4,258	5,479
Culture & Recreation	471	1,456	425	1,438	1,245	1,561	1,465	1,328	1,470	1,872
Interest and Fiscal Charges	1,224	1,227	1,213	1,515	1,263	1,106	1,091	1,115	961	3,011
Total Governmental Activities Expenses	$ 23,904	$ 25,599	$ 26,518	$ 28,433	$ 25,487	$ 30,673	$ 32,153	$ 32,258	$ 36,900	$ 44,817
Business-type Activities:										
Utility	$ 12,058	$ 12,425	$ 13,137	$ 13,793	$ 14,019	$ 15,597	$ 14,960	$ 16,674	$ 17,517	$ 20,608
Stormwater Drainage	741	904	1,258	1,264	1,250	1,444	1,462	1,650	1,730	1,824
Solid Waste	3,120	3,569	3,945	5,727	4,621	4,055	4,143	4,350	5,216	6,004
Municipal Marina	2,347	2,238	2,138	2,423	3,561	3,056	2,953	3,342	4,775	4,944
Visitor Information Center	3,522	3,331	3,688	3,683	3,772	4,184	3,807	4,146	4,103	4,625
Total Business-type Activities Expenses	$ 21,789	$ 22,468	$ 24,165	$ 26,890	$ 27,223	$ 28,335	$ 27,325	$ 30,162	$ 33,341	$ 38,005
Total Primary Government Expenses	$ 45,693	$ 48,067	$ 50,683	$ 55,324	$ 52,710	$ 59,008	$ 59,478	$ 62,420	$ 70,241	$ 82,822
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services										
General Government	$ 5,242	$ 2,724	$ 2,841	$ 2,474	$ 1,816	$ 2,916	$ 3,481	$ 4,669	$ 5,239	$ 4,566
Public Safety	1,276	2,100	2,481	2,633	1,587	3,329	1,715	1,779	1,819	3,684
Physical Environment	399	373	505	335	-	400	1,151	692	1,035	1,264
Transportation	22	2,643	2,718	2,107	2,486	2,733	1,766	2,425	2,945	3,794
Culture/Recreation	77	190	256	190	-	199	181	-	-	218
Operating Grants and Contributions	76	30	43	1,000	45	103	111	1,638	51	698
Capital Grants and Contributions	1,803	1,481	284	20	775	166	665	1,119	8,040	427
Total Governmental Activities Program Revenues	$ 8,896	$ 9,540	$ 9,128	$ 8,758	$ 6,709	$ 9,845	$ 9,070	$ 12,323	$ 19,129	$ 14,651
Business-type activities (a):										
Charges for Services										
Utility	$ 13,221	13,888	$ 15,689	$ 18,182	$ 18,569	$ 19,863	$ 22,326	$ 21,040	$ 24,873	$ 26,548
Stormwater Drainage	875	$ 944	926	920	950	978	1,129	1,135	1,271	1,425
Solid Waste	3,427	3,420	3,669	3,653	3,827	3,955	4,078	4,167	4,834	5,522
Municipal Marina	2,508	2,533	2,363	2,632	2,262	3,464	3,116	4,029	5,585	5,198
Visitor Information Center	3,066	3,871	4,084	3,847	4,609	4,755	3,150	5,292	6,089	6,256
Operating Grants and Contributions	-	8	-	-	-	-	-	-	-	-
Capital Grants and Contributions	1,312	3,190	1,444	4,484	2,586	7,267	3,835	2,748	7,324	5,926
Total Business-type Activities Program Revenues	$ 24,409	$ 27,853	$ 28,174	$ 33,718	$ 32,803	$ 40,282	$ 37,632	$ 38,411	$ 49,976	$ 50,875
Total Primary Government Revenues	$ 33,305	$ 37,393	$ 37,302	$ 42,476	$ 39,512	$ 50,128	$ 46,702	$ 50,734	$ 69,104	$ 65,526

(continued)

NOTES:

(a) Business-type expenses do not include Debt Service, Capital Outlay, or Transfers.

CITY OF ST. AUGUSTINE, FLORIDA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(In Thousands)

(continued)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (Expense)/Revenue										
Governmental Activities	$ (15,008)	$ (16,059)	$ (17,390)	$ (19,675)	$ (18,778)	$ (20,828)	$ (23,083)	$ (19,935)	$ (17,772)	$ (30,167)
Business-type Activities	2,620	5,385	4,009	6,827	5,580	11,948	10,307	8,249	16,634	12,871
Total primary government net expense	$ (12,388)	$ (10,674)	$ (13,381)	$ (12,848)	$ (13,198)	$ (8,880)	$ (12,776)	$ (11,686)	$ (1,138)	$ (17,296)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	$ 8,354	$ 8,767	$ 9,699	$ 10,509	$ 11,235	$ 12,377	$ 13,662	$ 15,512	$ 16,682	$ 19,469
Utility Taxes	1,207	1,213	1,341	1,496	1,577	1,608	1,550	1,648	1,785	1,994
Communication Service Taxes	818	919	902	1,484	916	812	799	900	952	1,179
Franchise Fees	1,450	1,588	1,642	1,602	1,738	1,759	1,603	1,731	2,368	2,560
State Revenue Sharing, Unrestricted	554	563	565	570	577	767	576	742	801	1,494
Local Option Gas Taxes	502	525	554	527	514	505	424	485	526	439
Local Option Sales Taxes	1,005	1,077	1,138	1,166	1,225	1,247	1,181	1,452	1,683	1,606
Insurance Premium Taxes	354	361	333	358	423	446	474	520	434	559
Other Taxes	142	149	162	160	178	-	292	105	102	103
Miscellaneous	1,133	1,088	2,131	2,162	1,742	539	2,437	2,485	2,115	2,787
Investment Income	52	50	67	119	223	373	197	46	250	1,989
Interfund Trans of Assets (net)	-	-	-	-	-	-	-	-	-	-
Transfers	1,181	2,139	1,516	121	1,551	2,013	2,181	1,198	1,395	1,006
Total Governmental Activities	$ 16,752	$ 18,439	$ 20,051	$ 20,276	$ 21,899	$ 22,446	$ 25,377	$ 26,824	$ 29,091	$ 35,183
Business-type activities (a):										
Unrestricted Invest Earnings	$ 36	$ 95	$ 71	$ 146	$ 332	$ 560	$ 317	$ 54	$ 325	$ 2,289
Interfund Trans of Assets (net)	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	929	1,098	702	480	454	692	484
Transfers	(1,181)	(2,139)	(1,516)	(121)	(1,551)	(2,013)	(2,181)	(1,198)	(1,395)	-(1,006)
Total Business-type Activities	$ (1,145)	$ (2,044)	$ (1,445)	$ 954	$ (121)	$ (751)	$ (1,384)	$ (690)	$ (378)	$ 1,768
Total Primary Government	$ 15,607	$ 16,395	$ 18,606	$ 21,230	$ 21,778	$ 21,695	$ 23,992	$ 26,134	$ 28,713	$ 36,951
Change in Net Position										
Governmental Activities	$ 1,744	$ 2,380	$ 2,662	$601	$ 3,121	$ 1,618	$ 2,294	$ 6,890	$ 11,319	$ 5,017
Business-type Activities	1,475	3,341	2,563	7,781	5,459	11,197	8,923	7,559	16,257	14,638
Total Primary Government	$ 3,219	$ 5,721	$ 5,225	$8,382	$ 8,580	$ 12,815	$ 11,216	$ 14,449	$ 27,576	$ 19,655

NOTES:

(a) Business-type expenses do not include Debt Service, Capital Outlay, or Transfers.

CITY OF ST. AUGUSTINE, FLORIDA

FUND BALANCES GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018
General Fund					
Nonspendable	$ 634,204	$ 636,991	$ 783,289	$ 893,538	$ 1,331,857
Restricted	70,933	64,333	70,806	77,301	785,120
Committed	7,871,887	7,305,641	-	7,483,630	7,920,294
Assigned	555,497	555,541	1,047,221	509,887	976,224
Unassigned	798,893	10,646	220,916	88,440	313,234
Total General Fund	9,931,414	8,573,152	10,661,056	9,052,796	11,326,729
All Other Governmental Funds					
Nonspendable	$ 312,977	$ 314,256	$ -	$ -	$ 313,790
Restricted	1,194,265	135,325	324,556	308,351	-
Committed	363,094	500,761	371,115	365,823	471,068
Assigned	-	-	-	-	-
Unassigned reported in:					
Capital Projects Fund	-	-	-	-	-
Debt Service	(430)	-	-	-	-
Total All Other Governmental Funds	$ 1,869,906	$ 950,342	$ 695,671	$ 674,174	$ 784,858
Total Governmental Funds	$ 11,801,320	$ 9,523,494	$ 11,356,727	$ 9,726,970	$ 12,111,587

2019	2020	2021	2022	2023
$ 1,217,640	$ 1,461,855	$ 1,203,382	$ 1,289,339	$ 1,662,085
874,152	61,804	610,478	6,822,149	8,978,179
8,508,568	9,173,314	9,768,666	15,338,822	11,487,366
1,566,801	2,020,986	1,230,847	1,841,603	6,169,527
1,430,654	1,238,244	5,468,410	3,743,107	2,769,806
13,597,815	13,956,203	18,281,783	29,035,020	31,066,963
$ -	$ -	$ -	$ -	$ -
1,081,414	1,781,942	1,635,526	2,114,696	3,003,252
-	-	-	-	-
36,286	-	-	-	-
			-	
-	-	-	-	-
-	-	-	-	-
$ 1,117,700	$ 1,781,942	$ 1,635,526	$ 2,114,696	$ 3,003,252
$ 14,715,515	$ 15,738,145	$ 19,917,309	$ 31,149,716	$ 34,070,215

CITY OF ST. AUGUSTINE, FLORIDA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018
REVENUES					
Ad Valorem Taxes	$ 8,353,876	$ 8,767,045	$ 9,698,505	$ 10,509,003	$ 11,234,749
Sales and Use Taxes	856,593	885,819	886,755	527,151	423,187
Utility Excise Taxes	2,025,371	2,131,711	2,243,500	2,979,244	2,492,867
Licenses, Permits & Fees	3,311,962	3,698,959	3,655,864	3,483,221	819,746
Intergovernmental	1,730,263	1,788,627	-	2,255,292	2,360,183
Fines & Forfeitures	282,512	466,019	621,657	360,707	384,656
Interest Earnings	51,680	50,300	67,261	119,451	223,499
Administrative Service Charges	2,134,031	2,532,364	3,536,037	3,423,132	3,545,795
Other	5,720,966	5,519,453	5,087,729	5,285,986	9,118,720
Total Revenues	24,467,254	25,840,297	27,663,114	28,943,187	30,603,402
EXPENDITURES					
Current:					
General Government	$ 8,064,638	$ 8,063,056	$ 7,251,493	$ 9,322,157	$ 7,826,693
Public Safety	8,858,310	9,263,984	9,784,975	9,600,675	10,395,600
Physical Environment	3,883,309	2,459,077	2,602,746	2,578,357	2,769,827
Transportation	223,122	1,949,930	2,979,462	2,772,239	3,802,800
Culture & Recreation	471,297	1,452,229	1,424,595	1,459,825	1,436,229
Capital Outlay	3,475,857	5,398,703	1,634,176	3,416,681	3,303,643
Debt Service:					
Principal Payment to Bond Escrow Agent	-	-	-	-	-
Principal Retirement	396,186	442,785	454,974	342,952	469,631
Interest and Fiscal Charges	1,223,670	1,226,945	1,213,391	1,201,548	1,262,847
Issuance Cost	-	-	-	-	-
Total Expenditures	26,596,389	30,256,709	27,345,812	30,694,434	31,267,270
Excess (deficiency) of revenues over (under) expenditures	(2,129,135)	(4,416,412)	317,302	(1,751,247)	(663,868)
Other Financing Sources (Uses)					
Borrowing from Capitalized Lease	$ 215,000	$ -	$ -	$ -	$ -
Transfers In	5,387,354	7,931,816	5,602,834	5,102,468	5,805,825
Transfers (Out)	(4,206,628)	(5,793,230)	(4,086,903)	(4,980,978)	(4,255,189)
Sale of Capital Assets	-	-	-	-	-
Long-term Debt Issued	-	-	-	-	-
Retirement to Escrow Agent	-	-	-	-	-
Bonds Refunded	-	-	-	-	-
Bond Proceeds	-	-	-	-	19,968,267
Payments to Defeased Bonds	-	-	-	-	(18,470,418)
Bond Issuance Costs	-	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-
Discount on Long-Term Debt Issued	-	-	-	-	-
Premium on Long-Term Debt Issued	-	-	-	-	-
Total Other Financing Sources (Uses)	1,395,726	2,138,586	1,515,931	121,490	3,048,485
Net Change in Fund Balances	$ (733,409)	$ (2,277,826)	$ 1,833,233	$ (1,629,757)	$ 2,384,617
Debt Service as a percentage of noncapital expenditures	7.53%	7.20%	6.94%	6.00%	6.60%

2019	2020	2021	2022	2023
$ 12,376,972	$ 13,662,240	$ 15,511,727	$ 16,681,699	$ 19,468,958
951,484	897,604	1,005,500	959,743	997,510
2,419,967	2,349,425	2,176,225	2,736,566	3,172,527
7,284,367	4,378,179	5,594,666	8,984,379	9,215,310
2,650,062	2,723,710	5,083,025	10,611,916	4,225,329
317,319	240,746	483,747	323,946	246,648
373,488	196,613	46,797	249,566	1,988,911
3,733,288	3,916,089	3,973,148	4,112,881	4,861,760
1,660,536	3,664,380	4,074,801	2,312,185	4,649,076
31,767,483	32,028,986	37,949,636	46,972,881	48,826,029
$ 8,953,185	$ 9,364,583	$ 9,431,627	$ 9,715,053	$ 13,342,294
11,198,645	11,653,469	12,787,083	13,488,358	14,968,235
2,914,985	3,348,736	3,208,200	3,621,424	3,798,720
2,685,795	3,669,491	3,917,631	4,108,178	3,667,933
1,447,614	1,441,076	1,589,235	1,631,595	1,871,975
2,489,834	2,376,735	2,442,720	3,050,628	6,250,809
-	-	-	-	1,525,703
515,592	477,584	443,644	559,049	568,891
1,106,835	1,092,332	1,114,642	961,483	916,684
-	-	-	-	-
31,312,485	33,424,006	34,934,782	37,135,768	46,911,244
454,998	(1,395,020)	3,014,854	9,837,113	1,914,785
$ -	$ -	$ -	$ -	$ -
6,693,259	7,030,537	6,430,144	6,550,420	7,321,449
(4,680,469)	(4,849,397)	(5,232,177)	(5,155,126)	(6,315,735)
136,140	236,510	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	3,705,820	-	-
-	-	-	-	-
-	-	-	-	-
-	-	(33,657)	-	-
-	-	(3,705,820)	-	-
-	-	-	-	-
-	-	-	-	-
2,148,930	2,417,650	1,164,310	1,395,294	1,005,714
2,603,928	1,022,630	4,179,164	11,232,407	2,920,499
5.96%	5.33%	5.04%	4.67%	3.95%

CITY OF ST. AUGUSTINE, FLORIDA

TOTAL ASSESSED VALUATIONS AND TOTAL EXEMPTIONS
LAST TEN FISCAL YEARS

(C)	2014	2015	2016	2017	2018
Real Property	$ 1,550,025,682	$ 1,600,223,236	$ 1,718,302,003	$ 1,829,080,525	$ 1,917,447,480
Personal Property	99,441,437	101,527,054	103,628,284	103,885,128	114,084,278
Railroad & Telegraph	2,558,367	2,928,245	3,369,083	3,695,243	3,872,697
Total Assessed Valuations	1,652,025,486	1,704,678,535	1,825,299,370	1,936,660,896	2,035,404,455
Homestead Exempt Property (a)	$ 141,569,199	$ 145,786,764	$ 150,699,482	$ 155,237,830	$ 160,319,086
Other Exemptions	394,162,661	389,557,411	402,135,455	407,304,069	409,105,684
Total Exempt Property	535,731,860	535,344,175	552,834,937	562,541,899	569,424,770
Total Taxable Value	$ 1,116,293,626	$ 1,169,334,360	$ 1,272,464,433	$ 1,374,118,997	$ 1,465,979,685
Direct Rate	7.500	7.500	7.500	7.500	7.500

NOTES:

(a) Real property is assessed at 100 percent of fair market value. Tangible Personal Property: Equipment is assessed at current depreciated value. Centrally Assessed Property: (1) State of Florida makes annual assessments of all operating property of railroad and railroad terminal companies in the State. Such assessment is apportioned to each county, based upon actual situs, and, in the case of property not having situs in a particular county, is apportioned based upon track miles. (2) All private car and freight line and equipment companies operating rolling stock in Florida other than in (1) above shall return for taxation the average number of their cars which are habitually present within Florida and shall state the fair market value thereof. Property is assessed as of January 1st. Tax bills are mailed November 1st. Four percent discount, if paid in November, three percent if paid in December, two percent if paid in January, one percent discount if paid in February, full amount due in March, delinquent April 1st.

Source: St. Johns County Property Appraiser, St. Johns County Tax Collector, Department of Revenue, State of Florida

(b) Figures are from the PRELIMINARY tax rolls.
These could change once the final tax rolls are received.

(C) Fiscal Years are one year behind Tax Years when comparing figures to the Property Appraiser DR-403V.

2019	2020	2021	2022	2023
$ 2,065,250,505	$ 2,258,662,327	$ 2,541,614,732	$ 2,724,970,196	$ 3,092,410,685
124,468,101	126,260,505	144,460,685	155,942,325	168,507,999
3,900,865	3,917,574	3,874,570	3,697,466	4,254,026
2,193,619,471	2,388,840,406	2,689,949,987	2,884,609,987	3,265,172,710
$ 164,471,795	$ 167,642,609	$ 171,359,015	$ 186,916,766	$ 184,212,620
425,129,343	459,904,126	511,850,847	536,878,869	579,903,083
589,601,138	627,546,735	683,209,862	723,795,635	764,115,703
$ 1,604,018,333	$ 1,761,293,671	$ 2,006,740,125	$ 2,160,814,352	2,501,057,007
7.500	7.500	7.500	7.500	7.500

CITY OF ST. AUGUSTINE, FLORIDA

PROPERTY TAX RATES AND TAX LEVIEES
DIRECT AND OVERLAPPING GOVERNMENTS
September 30, 2023

	Direct	Overlapping				
Fiscal Year Ended	St. Augustine	St. Johns County	School District	Management District	Other	Total
2014	7.500	5.937	7.342	0.316	0.343	21.439
2015	7.500	5.875	7.228	0.302	0.273	21.178
2016	7.500	5.867	6.928	0.289	0.311	20.894
2017	7.500	5.867	6.543	0.272	1.717	21.900
2018	7.500	5.867	6.278	0.256	1.722	21.623
2019	7.500	5.867	6.136	0.241	1.680	21.425
2020	7.500	5.514	5.953	0.229	0.297	19.493
2021	7.500	5.514	5.812	0.219	1.581	20.626
2022	7.500	5.514	5.483	0.197	1.571	20.265
2023	7.500	5.514	5.410	0.179	1.561	20.164

NOTES:

Millage rates are per $1,000 of assessed valuation.

Source: St. Johns County Tax Collector

CITY OF ST. AUGUSTINE, FLORIDA

PRINCIPAL TAX PAYERS
September 30, 2023

Taxpayer	2022/2023 Taxable Assessed Value	Rank	Percent of Total Assessment	2013/2014 Taxable Assessed Value	Rank	Percent of Total Assessment
THE LANDING TWO LLC	51,908,996	1	1.77%			
THE LANDING ONE LLC	45,355,148	2	1.54%			
WEST SHORE ANTIGUA LLC	41,427,375	3	1.41%			
FLAGLER MULTIFAMILY LLC	38,610,900	4	1.31%			
116 SAN MARCO STA LLC	23,106,900	5	0.79%			
SEBASTIAN LODGING LLLP	18,688,575	6	0.64%			
SAN MARCO HOTEL INC	18,660,489	7	0.64%			
PATRIS REAL ESTATE LLC	16,096,782	8	0.55%			
THE FLAGLER RESORT LTD	13,774,253	9	0.47%	12,468,411	2	1.17%
PONCE HOTEL INC	12,294,035	10	0.42%			
PATRIS REAL ESTATE LLC				13,401,403	1	1.25%
SHP IV HARBOUR ISLAND LLC				7,125,028	3	0.67%
TARGET CORPORATION				6,538,100	4	0.61%
SEA WALL MOTOR LODGE, INC				5,037,960	5	0.47%
HOME DEPOT USA, INC				4,152,400	7	0.39%
PATEL, KANTIBHAI M.				4,461,008	6	0.42%
ORTHOPEDIC ASSOCIATES PARTNERS				3,916,123	8	0.37%
VIRTU CATHEDRAL ASSOCIATES				2,915,657	9	0.27%
W.J. DEVELOPMENT CORP.				2,833,391	10	0.26%
Principal Tax Payers Total Assessment	$ 279,923,453		9.53%	62,849,481		5.88%
Total Assessment for the City of St. Augustine	$ 2,938,625,109		100.00%	$ 1,069,501,257		100.00%

Source: St. Johns County Property Appraiser's Office

CITY OF ST. AUGUSTINE, FLORIDA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended	Total Tax Levy	Current Tax Collection	Percent (a) of Levy Collected	Assessed Taxable Value	Estimated Actual Value (Thousands)	Estimated % of Fair Market Value
2014	8,366,909	8,136,439	97.25%	1,652,025,486	1,652,025	100%
2015	8,775,490	8,509,409	96.97%	1,704,678,535	1,704,679	100%
2016	9,502,422	9,338,782	98.28%	1,825,299,370	1,825,299	100%
2017	10,305,607	10,040,296	97.43%	1,936,660,896	1,936,661	100%
2018	11,011,503	10,691,751	97.10%	2,035,404,455	2,035,404	100%
2019	12,030,147	11,721,413	97.43%	2,193,619,471	2,193,619	100%
2020	13,214,068	12,834,877	97.13%	2,388,840,406	2,388,840	100%
2021	15,050,560	14,596,242	96.98%	2,689,949,987	2,689,950	100%
2022	16,227,062	15,698,432	96.74%	2,884,609,987	2,884,610	100%
2023	18,757,937	18,184,619	96.94%	3,265,172,710	3,265,173	100%

NOTES:

(a) Florida Statutes provide for a discount of up to four percent for early payment of Ad Valorem Taxes.

CITY OF ST. AUGUSTINE, FLORIDA

RATIO OF GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
September 30, 2023

Fiscal Year	Population (a)	Assessed Value (In Thousands) (b)	Gross Bonded Debt	Debt Service Monies Available	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2014	13,414	1,652,025	-	-	-	-	-
2015	13,590	1,704,679	-	-	-	-	-
2016	13,747	1,825,299	-	-	-	-	-
2017	13,862	1,936,661	-	-	-	-	-
2018	14,021	2,035,404	-	-	-	-	-
2019	14,031	2,193,619	-	-	-	-	-
2020	15,306	2,388,840	-	-	-	-	-
2021	15,650	2,689,950	-	-	-	-	-
2022	15,346	2,884,610	-	-	-	-	-
2023	15,307	3,265,173	-	-	-	-	-

NOTES:

(a) City of St. Augustine, Planning & Building Department and/or http://edr.state.fl.us/content/population-demographics/data/

(b) Previous year's preliminary tax role is adjusted to final role in current year.

CITY OF ST. AUGUSTINE, FLORIDA

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES
September 30, 2023

Fiscal Year	Principal	Interest	Total Debt Service	Total General Expenditures	Ratio of Debt Service to Total General Expenditures
2014	396,186	1,223,670	1,619,856	21,858,437	7.41
2015	442,785	1,226,945	1,669,730	24,456,114	6.83
2016	454,974	1,213,391	1,668,365	24,289,220	6.87
2017	342,952	1,201,548	1,544,500	29,013,360	5.32
2018	469,631	1,262,847	1,732,478	29,434,497	5.89
2019	515,592	1,106,835	1,622,427	29,361,956	5.53
2020	477,584	1,087,433	1,565,017	30,418,808	5.14
2021	443,644	1,114,642	1,558,286	32,223,819	4.84
2022	177,832	908,592	1,086,424	34,822,782	3.12
2023	185,000	826,012	1,011,012	44,405,435	2.28

CITY OF ST. AUGUSTINE, FLORIDA

UTILITY REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS
September 30, 2023

Fiscal Year Ended	Gross Revenue (a)	Operating Expenses (b)	Net Revenue (c)	Debt Service Requirements (d)	Debt Service Coverage
2014	12,864,764	8,264,157	4,600,607	2,833,938	1.62
2015	13,275,185	8,561,023	4,714,162	2,837,388	1.66
2016	15,230,758	8,907,224	6,323,535	3,828,544	1.65
2017	18,182,456	9,509,919	8,672,537	4,406,936	1.97
2018	18,429,492	9,919,482	8,510,010	3,041,968	2.80
2019	19,787,256	10,519,220	9,268,036	3,966,008	2.34
2020	20,914,684	10,420,529	10,494,155	3,447,702	3.04
2021	20,546,790	10,810,113	9,736,677	4,254,622	2.29
2022	24,838,923	11,612,601	13,226,322	2,683,416	4.93
2023	27,677,377	14,145,982	13,531,395	2,805,707	4.82

NOTES:

(a) Gross Revenue = Operating Revenue + Net Transfers In (Out) + Interest Revenue + Miscellaneous Revenue

(b) Operating Expenses = Total Operating Expenses - Depreciation and Amortization

(c) Net Revenue = Gross Revenue - Operating Expenses - Extraordinary Revenues + Extraordinary Expenses

(d) Includes interest on zero-coupon bonds

CITY OF ST. AUGUSTINE, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
September 30, 2023

Fiscal Year	General Obligation Bonds Governmental Activities	Percentage of Taxable Value of Property (a)	Per Capita (b)	Percentage of Personal Income [c]
2014	23,710,792	2.03%	1,768	0.21%
2015	21,951,282	1.73%	1,597	0.17%
2016	22,895,020	1.67%	1,665	0.17%
2017	22,594,470	1.54%	1,610	0.16%
2018	25,548,314	1.74%	1,821	0.18%
2019	22,824,854	1.30%	1,627	0.13%
2020	22,347,272	1.11%	1,460	0.11%
2021	21,934,494	0.85%	1,169	0.09%
2022	21,344,581	0.74%	1,391	0.01%
2023	19,268,850	0.59%	1,259	0.00%

Fiscal Year	General Obligation Bonds Business-Type Activities	Percentage of Taxable Value of Property (a)	Per Capita (b)	Percentage of Personal Income [c]
2014	23,114,207	1.98%	1,723	0.20%
2015	23,908,718	1.88%	1,739	0.19%
2016	21,954,980	1.60%	1,597	0.16%
2017	21,225,530	1.45%	1,513	0.15%
2018	22,717,214	1.55%	1,619	0.16%
2019	19,620,144	1.11%	1,398	0.11%
2020	20,403,687	0.93%	1,225	0.10%
2021	24,311,727	0.74%	1,028	0.08%
2022	23,541,743	0.82%	1,534	0.01%
2023	21,909,416	0.67%	1,431	0.01%

Fiscal Year	Water Revenue Bonds	Total Primary Government (d)	Per Capita (b)	Percentage of Personal Income [c]
2014	19,815,000	65,675,000	4,968	0.17%
2015	17,750,000	63,610,000	4,627	0.14%
2016	15,650,000	60,500,000	4,401	0.11%
2017	13,365,000	57,185,000	4,392	0.09%
2018	11,050,000	59,315,528	3,813	0.08%
2019	8,690,000	51,134,998	3,666	0.05%
2020	6,235,000	48,985,959	3,092	0.03%
2021	3,695,000	49,941,221	2,433	0.02%
2022	14,825,000	59,711,324	3,891	0.02%
2023	12,935,000	54,113,266	3,535	0.01%

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(a) Schedule for taxable property value data.

(b) Schedule for population data.

[c] See Schedule for total personal income data.

(d) Includes governmental activities debt and business-type activities debt.

CITY OF ST. AUGUSTINE, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
September 30, 2023

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
St. Johns County Commission Capital Improvement Revenue Bonds	14,395,000	6.12%	$ 881,584
St. Johns County Commission Sales Tax Revenue Refunding Bonds	41,820,000	6.12%	2,561,157
St. Johns County Commission Transportation Improvement Revenue Bonds	20,595,000	6.12%	1,261,287
Other Debt			
St. Johns County Commission Other Debt	73,255,000	6.12%	4,486,311
St. Johns County School Board Certificates of Participation	394,703,441	6.12%	24,172,582
St. Johns County School Board General Obligation Bonds	1,384,000	6.12%	84,759
St. Johns County School Board Sales Tax Revenue Bonds	17,043,544	6.12%	1,043,787
Subtotal Overlapping Debt			**34,491,467**
City Direct Debt			
Capital Improvement and Refunding Revenue Bonds	16,417,415		
Capital Improvement Refundign Revnenue Notes	2,843,069	100.00%	19,260,484
Subtotal Direct Debt			**19,260,484**
Total Direct and Overlapping Debt			**$ 53,751,951**

Sources: Assessed value data used to estimate applicable percentages provided by St. Johns County Property Appraiser. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, within the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of St. Augustine. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

(a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental units' taxable value that is withing the City's boundaries and dividing it by each unit's total taxable assessed value. This same formula is used for other overlapping debt.

CITY OF ST. AUGUSTINE, FLORIDA

DIRECT AND OVERLAPPING RATIOS
September 30, 2023

Direct and Overlapping General Obligation Debt	**$**	**53,751,951**
Per Capita		**3,511.59**
As a Percentage of Taxable Assessed Valuation		**1.65%**
As a Percentage of Total Just Valuation		**1.84%**

CITY OF ST. AUGUSTINE, FLORIDA

COMPUTATION OF LEGAL DEBT MARGIN
September 30, 2023

The Constitution of the State of Florida, Florida Statutes 200.131, and the City of St. Augustine Charter set no legal debt margin.

CITY OF ST. AUGUSTINE, FLORIDA

SUMMARY OF PLEDGED FUNDS
Public Service Tax/Guaranteed Entitlement Bonds

Revenue Source	2018/19	2019/20	2020/21	2021/22	2022/23
Public Service Tax					
Electric	$ 1,559,461	$ 1,506,962	$ 1,607,257	$ 1,741,517	$ 1,952,372
Communication	811,896	799,042	900,226	951,938	1,178,918
Gas	48,609	43,420	40,856	43,111	41,237
Fuel Oil	-	-	-	-	-
Total	$ 2,419,966	$ 2,349,424	$ 2,548,339	$ 2,736,566	$ 3,172,527
Florida Revenue Sharing					
Revenue Sharing	$ 581,797	$ 576,197	$ 590,618	$ 653,501	$ 657,802
Guaranteed Entitlements					
Local Option Gas Tax	$ 505,278	$ 423,885	$ 485,407	$ 525,769	$ 438,711
Total	$ 505,278	$ 423,885	$ 485,407	$ 525,769	$ 438,711
Total Pledged Funds	$ 3,507,041	$ 3,349,506	$ 3,624,364	$ 3,915,836	$ 4,269,040

CITY OF ST. AUGUSTINE, FLORIDA

DEMOGRAPHIC STATISTICS
September 30, 2023

Year	Population: City of St. Augustine	Population: St. Johns County	Per Capita Personal Income	Total Personal (In Millions)	Unemployment Rate
2014	13,414	207,443 (est.)	$ 59,102	$ 12,886,864	4.9%
2015	13,590	226,640	$ 60,441	$ 13,698,259	4.0%
2016	13,747	235,078	$ 60,441	$ 13,698,259	4.3%
2017	13,862	229,715 (est.)	$ 61,423	$ 14,439,811	3.7%
2018	14,021(est.)	238,742 (est.)	$ 64,177	$ 15,647,080	3.3%
2019	14,031	254,412 (est.)	$ 64,177	$ 17,327,679	2.9%
2020	15,306	261,900 (est.)	$ 71,273	$ 19,685,194	3.6%
2021	15,650	285,533 (est)	$ 73,944	$ 20,609,326	3.4%
2022	15,346	296,919 (est)	$ 80,062	$ 23,415,535	2.1%
2023	15,307	315,317 (est)	$ 72,806	$ 27,121,048	3.6%

Year	Population Projection: City of St. Augustine	Population Projection: St. Johns County
2023	15,307	315,317
2030	20,069	371,733
Avg Household Size	2.24	2.49

Sources: City of St. Augustine, Planning & Building Department
St. Johns County Chamber of Commerce
Office of Economic and Demographic Research

CITY OF ST. AUGUSTINE, FLORIDA

MAJOR EMPLOYERS IN ST. AUGUSTINE AREA

Employer	Sector	2023		2014	
		Approximate Employees	% of Total County Employment	Approximate Employees	% of Total County Employment
St. Johns County School District	Education	6,438	4.41%	4,046	3.18%
Flagler Health+	Health Care	1,564	1.07%	1,887	1.48%
St. Johns County	Public Administration	1,527	1.05%	1,333	1.05%
Northrop Grumman	Manufacturing	1,110	0.76%	1,100	0.87%
Florida NationalGuard Headquarters Office	Military	900	0.62%	936	0.74%
PGA TOUR, Inc.	Event Management	964	0.66%		
St. Johns County Sheriff's Office	Public Safety	816	0.56%	580	0.46%
Florida School for the Deaf & Blind	Education	689	0.47%	684	0.54%
Carlisle Interconnect Technologies	Manufacturing	650	0.45%	530	0.42%
Ring Power	Heavy Equipment Sales	560	0.38%	500	0.39%
Community Hospice of NE Florida	Health Care			959	0.75%
Flagler College	Education	556	0.38%	546	0.43%

Source: http://www.sjcfl.us/EconomicDevelopment/Employers.aspx#.VseFcPkrJD8

CITY OF ST. AUGUSTINE, FLORIDA

SUMMARY OF TEN LARGEST WATER CUSTOMERS
September 30, 2023

Customer	Usage for Fiscal Year Ended September 30, 2023 (in thousands of gallons)
Flagler Hospital	335,958
Flagler College	164,655
Landing I, LLC	109,904
SJC Board Of County Commissioners	104,317
Dream Finders Homes, LLC	103,778
St Johns County School Board	101,535
The Landing At St. Augustine	100,617
D & B School	87,514
The Lofts At Sebastian Cove Condominium	84,934
Flagler Resort LTD	68,747

Source: City of St. Augustine Customer Service Department

CITY OF ST. AUGUSTINE, FLORIDA

HISTORICAL UTILITY CUSTOMERS AND SALES OF THE SYSTEM
LAST TEN FISCAL YEARS
(In Thousands)

	Water Customers			Sewer Customers		
Fiscal Year Ended	Inside City	Outside City	Total	Inside City	Outside City	Total
2014	6,842	4,585	11,427	6,717	2,485	9,202
2015	6,771	4,714	11,485	6,624	2,534	9,158
2016	7,695	5,700	13,395	6,950	3,044	9,994
2017	7,623	5,790	13,413	6,862	3,174	10,036
2018	7,907	6,263	14,170	7,109	3,522	10,631
2019	8,040	6,424	14,464	7,172	3,673	10,845
2020	8,606	7,003	15,609	7,643	4,196	11,839
2021	9,158	7,344	16,502	7,751	4,155	11,906
2022	9,153	7,459	16,612	8,068	4,362	12,430
2023	7,265	6,031	13,296	6,348	3,501	9,849

Source: City of St. Augustine Customer Service Department

Water Sales (Thousands of Gallons)		
Inside City	**Outside City**	**Total**
595,408	391,182	986,590
540,026	368,309	908,335
563,563	404,526	968,089
587,371	425,859	1,013,230
548,945	411,312	960,257
557,225	421,331	978,556
585,057	443,263	1,028,320
601,624	427,695	1,029,319
603,824	470,224	1,073,448
652,263	495,127	1,147,390

CITY OF ST. AUGUSTINE, FLORIDA

WATER AND WASTE WATER TREATMENT PLANTS
SUMMARY OF HISTORICAL DAILY FLOWS
(In Millions)
"UNAUDITED"

	Water Treatment Plant (a)		Wastewater Treatment Plant	
Fiscal Year Ended	Annual Average Daily Flow (Millions of Gallons Per Day)	Maximum Monthly Average Daily Flow (Millions of Gallons Per Day)	Annual Average Daily Flow (Millions of Gallons Per Day)	Maximum Monthly Average Daily Flow (Millions of Gallons Per Day)
2014	2.959	3.178	3.678	4.614
2015	3.110	3.443	3.828	7.915
2016	3.320	3.702	3.213	4.429
2017	3.304	3.690	3.516	5.553
2018	3.225	3.382	3.955	6.417
2019	3.223	3.629	3.453	5.177
2020	3.404	3.619	3.552	5.437
2021	3.348	3.749	4.075	6.014
2022	3.588	3.952	2.496	3.696
2023	3.688	4.009	2.740	3.520

Source: City of St. Augustine Engineering Department

CITY OF ST. AUGUSTINE, FLORIDA

WATER AND SEWER UTILITIES
HISTORICAL RATE STRUCTURES
(In Thousands)

Effective October 1,	Service Area	Minimum Charge Flow Rate Gal./Month	Water		Sewer	
			Minimum Charge	Additional Charge Per 1,000 Gal.	Minimum Charge	Additional Charge Per 1,000 Gal.
2014	Inside City	3,000	17.30	4.82	23.40	6.06
	Outside City	3,000	21.61	6.03	29.22	7.56
2015 **(a)**	Inside City	0	11.53	2.50-10.62	11.77	5.56
	Outside City	0	14.30	3.10-13.17	14.59	6.89
2016	Inside City	0	11.53	2.50-10.62	11.77	5.56
	Outside City	0	14.30	3.10-13.17	14.59	6.89
2017	Inside City	0	12.19	2.64-11.26	12.45	6.14
	Outside City	0	14.99	3.25-13.85	15.31	7.55
2018	Inside City	0	12.89	2.79-11.66	13.17	6.47
	Outside City	0	15.73	3.40-14.23	16.07	7.89
2019	Inside City	0	14.26	2.85 - 12.74	14.67	6.69
	Outside City	0	17.25	3.45 - 15.42	17.75	8.09
2020	Inside City	0	14.69	2.94 - 13.12	15.11	6.89
	Outside City	0	17.63	3.53 - 15.74	18.13	8.09
2021	Inside City	0	14.69	2.94 - 13.12	15.11	6.89
	Outside City	0	17.63	3.53 - 15.74	18.13	8.09
2022	Inside City	0	15.28	3.21 - 15.01	16.63	7.58
	Outside City	0	18.18	3.82 - 17.86	19.79	9.02
2023	Inside City	0	15.95	3.35-15.67	17.36	7.92
	Outside City	0	18.82	3.96-18.49	20.49	9.34

(a) In 2015, the City changed to a conservation rate structure. There is no longer a minimum bill of 3,000 gallons of usage.

CITY OF ST. AUGUSTINE, FLORIDA

BUILDING PERMIT ACTIVITY
LAST TEN FISCAL YEARS
(In Thousands)
September 30, 2023

Fiscal Year	Single Family Units	Multi-Family Units	New Residential Valuation	New Non-Residential Valuations	Residential & Non-Residential Additions/ Alterations	Public Valuation	Total Valuation
2014	67	-	12,135	9,069	65	8,153	29,422
2015	89	-	17,335	13,730	129	9,256	40,450
2016	61	-	11,523	25,918	84	9,256	46,781
2017	58	-	15,390	9,093	370	20,660	45,143
2018	71	524	56,812	15,815	135	12,538	85,168
2019	232	314	87,583	23,343	114	12,818	123,744
2020	79	4	23,504	13,331	109	10,916	47,751
2021	117	1	36,556	14,755	125	5,131	56,442
2022	167	300	45,134	22,875	557	34,004	68,009
2023	79	276	25,199	59,840	1,597	1,132	85,039

Source: City of St. Augustine Planning & Building Department

CITY OF ST. AUGUSTINE, FLORIDA

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSIT
(In Millions of Dollars)
"UNAUDITED"

	Commercial Construction (a)		Residential Construction (a)		
Fiscal Year	Number of Units	Value	Number of Units	Value	Bank Deposits (b)
2014	33	15,779	104	13,578	3,100,391
2015	60	23,882	164	20,531	3,500,629
2016	16	25,918	61	11,523	3,879,785
2017	14	9,093	58	15,390	4,125,350
2018	15	15,815	595	56,812	4,267,208
2019	10	23,343	546	87,583	4,939,299
2020	8	13,331	83	23,504	5,588,837
2021	7	14,755	118	36,556	5,966,278
2022	2	714,960	413	52,490	7,134,382
2023	12	19,145	355	85,039	7,041,598

NOTES:

(a) Planning and Building Division
(b) Deposits for St. Johns County ($000)
Source: www.FDIC.gov

CITY OF ST. AUGUSTINE, FLORIDA

MISCELLANEOUS STATISTICAL DATA
September 30, 2023

Date of Incorporation	May 30, 1925
Form of Government	Commission - Manager
Area:	
Square Miles	13.89 Miles
Paved Streets	66.61
Unpaved Streets	10.5
Altitude	7 Feet Above Sea Level
Education:	
Elementary	3
Secondary	1
Post-Secondary	2
Fire Protection:	
Number of Fire Stations	2
Number of Firefighters	37
Police Protection:	
Number of Police Stations	1
Number of Police Officers	61
Utility Customers:	
Water	16,316
Sewer	12,345
Solid Waste	8,219
Tourism Facts (St. Johns County):	
Visitors Spend (Per Year)	$2.5 Billion
Airports	1
Attractions/Points of Interest	50 +
Camp Sites	1241
Condominium Units (Rentals)	4000
Hotel/Motel Units	5600
Marinas	14
Parks and Playgrounds	44
Public Golf Courses	19
Public Tennis Courts	28
Restaurants	200 +
Sightseeing Services	7
State Parks	3

(continued)

CITY OF ST. AUGUSTINE, FLORIDA

MISCELLANEOUS STATISTICAL DATA
September 30, 2023
(continued)

Climate:

Average Temperature and Precipitation in St. Johns County			
Quarter	**Average Daily Max. Temperature**	**Average Daily Min. Temperature**	**Total Rainfall**
October - December	78.3	58.6	10.5
January - March	86.6	55.3	7.1
April - June	89.3	72.3	13.5
July - September	95	83.6	13.7

Source: Weather Underground

CITY OF ST. AUGUSTINE, FLORIDA

FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION
LAST FIVE FISCAL YEARS

FUNCTION	2019	2020	2021	2022	2023
Governmental Activities:					
General Government	57.5	59	59	61	58
Public Safety	103.5	109.5	108	106.5	110.5
Physical Environment	36	36.5	36.5	39	40
Transportation	18	17	15	14	16
Culture/Recreation	12	14	13	11	12
Business-Type Activities:					
Utilities	61	62	58	61	66.5
Stormwater	5	4	4	5	4
Solid Waste	19	18	18	24	24
Municipal Marina	12	12.5	12	12	10.5
Visitor Information Center	22.5	22	10.5	22	25

Source: City of St. Augustine Human Resources Department

CITY OF ST. AUGUSTINE, FLORIDA

OPERATING INDICATORS BY FUNCTION
LAST FIVE FISCAL YEARS

FUNCTION	2019	2020	2021	2022	2023
Police					
Physical Arrests	1,222	682	616	1,088	1,053
Traffic Violations	1,968	1,443	2,018	1,629	2,058
Calls for Service	47,262	41,716	27,578	42,849	46,650
Parking Violations (includes those issued by Parking Enforcement)	14,229	6,755	9,170	6,056	9,777
Fire					
Number of calls answered	4,199	4,038	4,923	5,228	4,931
Inspections	420	590	634	796	1,105
Pre-fire tours	475	325	385	486	496
Hydrants Flow Tested	18	642	642	642	74
Highways and Streets					
New Street Pavings (miles)	0.48	-	0.12	0.43	0.38
Streets Resurfaced (miles)	5.03	7.48	4.17	1.52	2.52
Sanitation					
Refuse Collected (tons/day)	66.3	75.1	93.9	83.5	77.7
Recyclables Collected (tons/day)	18.9	24.4	27.1	22.8	27.3
Culture and Recreation					
Field Permits Issued	24	9	12	12	11
Lightner Museum Courtyard Permits Issued	304	310	348	363	323
Plaza Permits Issued	52	22	20	26	30
Other Event Permits Issued	75	43	48	69	69
Water and Sewer					
New Water Connections	701	408	306	476	546
New Sewer Connections					
Average Daily Consumption (thousands of gallons)	3,223	3,404	3,348	3,588	3,688
Wastewater					
Average Daily Usage (thousands of gallons)	3,453	3,552	4,075	2,496	2,740

Source: Various City Departments

CITY OF ST. AUGUSTINE, FLORIDA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST FIVE FISCAL YEARS

FUNCTION	2019	2020	2021	2022	2023
Police					
Stations	1	1	1	1	1
Boats	1	1	1	1	1
Fire					
Stations	2	2	2	2	2
Vehicles	10	10	10	11	12
Boats	2	2	1	1	1
Sanitation					
Collection Trucks	13	13	13	13	15
Water					
New Feet of Water Main Added	16,958	9,912	8,677	5,931	14,970
Total Fire hydrants	1,173	1,197	1,216	1,255	1,273
Maximum Monthly Average Daily Flow (thousands of gallons)	3,629	3,619	3,749	4,399	4,009
Wastewater					
New Feet of Sanitary Sewer Added	3,217	20,485	11,159	5,465	11,549
Maximum Monthly Average Daily Flow (thousands of gallons)	5,177	5,437	6,014	3,696	4,009
Stormwater					
New Feet of Storm Sewer Added	270	1,296	0	156	734

Compliance Section

This Section Contains the Following:

Independent Auditor's 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*

Independent Accountant's Report on Compliance With Section 218.415, Florida Statutes

Independent Auditor's Report On Compliance For Each Major Federal Program; Report On Internal Control Over Compliance; And Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Schedule of Findings and Questioned Costs

Management Letter

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MSW
MASTERS, SMITH & WISBY, P.A.
ACCOUNTANTS & BUSINESS ADVISORS

STEVEN D. RAWLINS, CPA
GARY M. HUGGETT, CPA
DAVID W. HOWIE, CPA

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the City of St. Augustine, 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 May 15, 2024. Our report includes a reference to other auditors who audited the City's Firefighters Pension Trust Fund. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on seperately by those auditorts. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

Report on Internal Control over Financial Reporting:

In planning and performing our audit, we considered the City's internal control over financial reporting (internal control) to determine the 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.

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 misstatements on a timely basis. A *material weakness* is a deficiency, or 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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiency's may exist that have not been identified.

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Report on Compliance and Other Matters:

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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 determination of financial statement amounts. 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 that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City in a seperate letter dated May 15, 2024.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mosteller, Smith & Wisely, P.A.
Certified Public Accountants
Jacksonville, Florida

May 15, 2024

MSW
MASTERS, SMITH & WISBY, P.A.
ACCOUNTANTS & BUSINESS ADVISORS

STEVEN D. RAWLINS, CPA
GARY M. HUGGETT, CPA
DAVID W. HOWIE, CPA

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

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

We have examined the City of St. Augustine, Florida's (the City's) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, as of and for the year ended September 30, 2023, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specific requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material non-compliance, 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 and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination of the City's compliance with specified requirements.

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

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, The Florida Auditor General, Federal and other granting agencies and pass through entities, The Mayor and City Council members, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Masters, Smith & Wisby, P.A.
Certified Public Accountants
Jacksonville, Florida

May 15, 2024

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MSW
MASTERS, SMITH & WISBY, P.A.
ACCOUNTANTS & BUSINESS ADVISORS

STEVEN D. RAWLINS, CPA
GARY M. HUGGETT, CPA
DAVID W. HOWIE, CPA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE FLORIDA AUDITOR GENERAL

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

Report on Compliance for Each Major Federal Program and State Project

We have audited the City of St. Augustine, Florida's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of the City's major Federal programs and State projects for the fiscal year ended September 30, 2023. The City's major Federal programs and State projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its awards applicable to Federal programs and State projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major Federal programs and State projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Florida Auditor General. Those standards, the Uniform Guidance and Chapter 10.550 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program or State project occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program and State projects. However, our audit does not provide a legal determination of the City's compliance.

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MEMBERS OF THE AMERICAN AND FLORIDA INSTITUTES OF CERTIFIED PUBLIC ACCOUNTANTS

Opinion on Each Major Federal Program and State Project

In our opinion the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs and State projects for the year ended September 30, 2023.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program and State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and State project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program or State project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program or State project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program or State project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the the Uniform Guidance and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

Hooten, Smith & Wisely, P.A.
Certified Public Accountants
Jacksonville, Florida

May 15, 2024

CITY OF ST. AUGUSTINE, FLORIDA
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended September 30, 2023

Financial Statements

Type of Auditors' Report	Unmodified
Internal Control Over Financial Reporting:	
Material weakness(es) identified?	No
Significant deficiency (ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Programs and State Projects:

Internal Control Over Major Programs or State projects:	
Material weaknesses identified?	No
Significant deficiency (ies) identified?	None reported
Type of auditors' report issued on compliance for major programs or State projects:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a), or Chapter 10.550, Rules of the Auditor General?	No

Identification of major programs:

Federal Programs	**CFDA No.**
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027
State Projects	
Statewide Surface Water Restoration and Wastewater Projects	37.039

	Federal	**State**
Dollar threshold used to distinguish Type A and Type B programs	$ 750,000	$ 324,872
Auditee qualified as low-risk auditee pursuant to Uniform Guidance	Yes	

(continued)

(continued)

Financial Statement Findings:

No matters required to be reported.

Major Federal Programs and State Projects Findings and Questioned Costs:

No matters required to be reported.

Other Issues

A corrective Action Plan is not required because there were no findings required to be reported under the Federal or Florida Single Audit Acts.

MASTERS, SMITH & WISBY, P.A.
ACCOUNTANTS & BUSINESS ADVISORS

STEVEN D. RAWLINS, CPA
GARY M. HUGGETT, CPA
DAVID W. HOWIE, CPA

MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the City of St. Augustine, Florida (the City) as of and for the fiscal year ended September 30, 2023 and have issued our report thereon dated May 15, 2024. Our report also includes a reference to other auditors, who audited the financial statements of the City's Firefighters Pension Trust Fund as described in our report on the City's financial statements.

Auditor's 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and the Audit Requirements for Federal Rewards* (Uniform Guidance and Chapter 10.550, *Rules of the Florida 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 Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance and Independent Accountants' Report on an examination conducted in accordance with the *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with with Chapter 10.550, *Rules of the Auditor General.* Disclosures in those reports, which are dated May 15, 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 report. We determined corrective actions have been taken for all the prior year findings.

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 the management letter, unless disclosed in the notes to the financial statements. This information is disclosed in the notes to the financial statements.

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Financial Condition and Management

Pursuant to Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require that we apply appropriate procedures and report 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 identification of the specific conditions met. In connection with our audit, we determined 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.c and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures. 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 the 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 had the following findings and recommendation.

Finding and Recommendation 2023-1: Utility Revenue Testing:

In testing 20 customer utility bills for the month of July 2023, it was noted that 3 of them were commercial customers inside City limits (ICL). The sewer rates to be shown for this usage were correct in the City's Munis system but water rate charge was different. The Munis system was calculating the commercial ICL at the prior year (2021-2022) rate of $6.94 as opposed to the current year (2022-2023) rate of $7.22 per gallon used, divided by 1,000. We noted the minimum usage fee was calculated correctly.. The rate was corrected by the City for the new 2023-2024 year. We recommend the City periodically review its utility rates and subsequent billing to ensure the system is correctly calculating the charges.

Response:

Management acknowledges the incorrect use of the ICL 2022-2023 water rates and has corrected them for the 2023-2024 year.

Finding and Recommendation 2023-2: State Revenue Recognition

In reviewing the City' revenues from the State of Florida for 12 monthly payments, it was discovered the local option gas tax revenue was understated by $42,154 as only 11 monthly payments were reported on the City's GL. This resulted in an audit entry and reduction of income for the same amount. We recommend prior to closing its annual books, the City review its monthly revenue payments from the State of Florida to ensure 12 payments are reflected on the City's books and income is properly reported.

Response:

The City acknowledges the money received by the State of Florida for its September 2023 local option gas tax was recognized in October 2023 instead of being correctly recognized in September 2023. The City will review its monthly posting of state revenue in the future before closing its books to ensure all state revenue is recorded and accounted for properly.

Finding and recommendation 2023-3: Capital Asset Accounting

The City reconciles its capital asset activity to the GL after year end which delays the closing of the City's books. We recommend the City reconcile its capital assets more timely to ensure more accurate reporting of these assets and provide for a more timely closing of the City's year end books.

Response:

The City acknowledges the above finding and will work towards reconciling its capital assets activity to the G.L on a quarterly basis so as to not delay its year end closing of the books beyond a reasonable period.

Finding and recommendation 2023-4: Employee health insurance payable

The City employees generally pay for health insurance one month prior to being put on the City's insurance plan upon employment. The City has a health insurance payable account which should account for these employees withholding. When payments are made for the employees' health insurance by the City the liability should be reduced. As of September 30, 2023 the liability in this account was $449,211 which is much higher than one months worth of employee withholdings. This liability balance increased by $52,124 from the prior year. We recommend the City review this account to determine the accuracy of its accruals in relation to its subsequent payment of the employees' health insurance cost to ensure they are offsetting and determine what, if any, adjustment need to be made to the account to more accurately reflect its true balance.

Response:

The City acknowledges the above finding and has since identified the misstated amount and has corrected it.

Finding and recommendation 2023-5: CRA capital assets

The City's General Fund currently transfers money into its CRA's who subsequently fund capital projects with the money. At current, there is no recognition of these capital assets on the City's books either in the General Fund or CRA Funds. Although activity has been limited in the past, activity and capital projects are expected to increase in the future. We recommend the City capture all capital outlays on its books and depreciate them accordingly.

Response:

The City acknowledges the above and will make the necessary changes to ensure all capital assets of the City are properly reflected on the City's books.

Special District Component Units:

Section 10.554(1)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 that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes. Information for the Historic Area Redevelopment Agency and the Lincolnville Community Redevelopment Agency (collectively the CRA) are included in the separately issued financial statements of the CRA.

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 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.

Purpose of this Letter

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

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Mauldin, Smith & Wisby, P.A.
Certified Public Accountants
Jacksonville, Florida

May 15, 2024