



CITY OF
ST AUGUSTINE
EST. 1565

Fiscal Year Ended September 30, 2024

ANNUAL COMPREHENSIVE FINANCIAL REPORT



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CITY OF ST. AUGUSTINE, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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Introductory Section

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May 27, 2025

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, (the “City”) for the fiscal year ended September 30, 2024, 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, and 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 Mauldin & Jenkins, 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, Mauldin & Jenkins 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 460 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 2024. The growth has been due to the increase in value of real estate as well as new construction and renovation activity. For 2024, the City's total taxable value increased to approximately \$2,927,984,943. This represents the total taxable value for the 2024 budget year, resulting in ad valorem revenue of approximately \$22,865,163.

CHALLENGES AND MAJOR INITIATIVES

OBJECTIVE 1: Infrastructure Planning and Construction

1. Continued West Augustine Sewer Expansion.
2. Continue City paving management program City-wide.
3. Inflow and Infiltration inspections and rehabilitation of the City sewer system.

OBJECTIVE 2: Mobility Planning and Construction

1. Promoted bicycle mobility.
2. Continued the downtown circulator program with FDOT grant and TDC.
3. Design is continuing for King Street Complete Street.
4. Design has begun for SMART St. Augustine.
5. Continued satellite parking operations, partially funded by the TDC and events.

OBJECTIVE 3: Zoning and Building Code

1. Ongoing Short-Term Rental (STR) legislation, registrations and enforcement, defense of home rule.
2. Continue to update the land development code based on the updated Comprehensive Plan.
3. 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.
4. Initiated land development code language related to limits of fill and building techniques for flood prevention.
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. This now includes payments online and adding additional permits and application types to the system.

OBJECTIVE 4: Resiliency

1. Maintained Class 5 rating in the National Flood Insurance Program Community Rating System.
2. Continuing 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.
5. Maintained and continually updated the resilience webpage to house all current projects, programs, policies, studies, and other resources related to resilience.

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 two to three 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. Continued purchases of conservation land.

OBJECTIVE 6: Arts, Education and Community

1. Co-sponsored the third 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 third 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 7: 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 the Family Reunification Program.
4. Continued support for Home Again St. Johns.
5. Dedicated fulltime Homeless Outreach employee to focus on homeless community issues.
6. Design and construction of Phase 1 of the Homeless Drop-In Center is nearing completion.

OBJECTIVE 8: Proactive Planning to Preserve our Downtown Character

1. Nightlife Liaison & Permit Tech position within the Police Department is working in the community.
2. Continued discussion regarding updates to the Sound Ordinance.
3. Continue review of projects for consistency with the Architectural Guidelines and the Entry Corridor Design Standards.
4. Completed the update to the city's 2014 Vision Statement.

OBJECTIVE 9: 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 10: Diversity in the Workforce

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

OBJECTIVE 11: Historic Preservation and Archaeology

1. Improvements to the existing Dr. Sue A. Middleton Archaeology Center were made and design of the new Dr. Sue A. Middleton Archaeology Center has begun to help ensure the long-term preservation of the community's cultural heritage.
2. 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.
3. 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.
4. A well-received window restoration workshop and tour of the rehabilitated historic Waterworks were held at the third annual St. Augustine History Festival. All efforts further the priorities identified in the 2018 Historic Preservation Master Plan.
5. Plans are moving forward to design a new Archeology Center on West King Street including community space with displays and curation/storage areas for artifacts.

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 its 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.

<u>Year</u>	<u>Calls</u>	<u>Building Fires</u>	<u>Total Fires</u>
FY 21/22	5,391	92	112
FY 22/23	5,025	60	123
FY 23/24	4,583	99	189

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), continues to work 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.

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. 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 ten additional tide check valves, bringing the total number of installed tide check valves City-wide to 43. The remaining 60+ stormwater outfalls will be prioritized for retrofitting as part of the Stormwater Outfall Resiliency Retrofit Master Plan.

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 fiscal year 2025. 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 continues to work on 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 City also continues to work on other projects that received funding through FDEP's Resilient Florida Program. These include Court Theophilia Neighborhood Drainage and the Inlet Drive Shoreline Resiliency Program.

The City had an official signing ceremony in fiscal year 2022 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 six years to complete. The total study cost is a little over \$7,000,000, of which the City used ARPA funds of \$1,500,000 for its share. The USACE will cover the remaining costs. 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 positioned for planning initiatives and technical understanding of these challenges to help guide future decision-making on these issues.

Planning and Building

<u>Building Permits Issued</u>		<u>Total Valuation</u>
FY 21/22	1993	\$ 113,768,056
FY 22/23	1835	\$ 158,694,943
FY 23/24	1,643	\$ 56,510,000

ECONOMIC DEVELOPMENT

Marriott Tribute Hotel - 5 Prawn Street

A new Marriott Tribute Hotel is open for business. 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.

Lincolnvile Development Activity

The Lincolnvile 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 Lincolnvile neighborhood. A new program to rehabilitate distressed historic institutional properties has also been funded.

Property values are increasing in Lincolnvile 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 Lincolnvile Museum. The City is also in the process of developing another CRA area in the West City area, west of U.S. Highway 1. This includes West King Street, Oyster Creed and Ravenswood areas of the City.

24 Cathedral Place

This project is a large project including the rehabilitation and conversion of the old Atlantic Bank building at 24 Cathedral Place to an upscale hotel, and the redevelopment of the parking area between Charlotte and Treasury Streets to hotel rooms with an internal parking garage. The approximate 100-room hotel will also include accessory uses and the continued use as an event venue.

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.

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.

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. This project was completed in 2025.

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 U.S. 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 City has 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 in 2024 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. The City has overhauled the parking garage's access management system and integrated it into the on-street and off-street parking system to create a fully integrated parking system. 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 Mauldin & Jenkins.

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



Melissa Burns, CGFO
Finance Director

CITY OF ST. AUGUSTINE, FLORIDA

LIST OF PRINCIPAL OFFICIALS SEPTEMBER 30, 2024

CITY COMMISSION

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

CITY STAFF

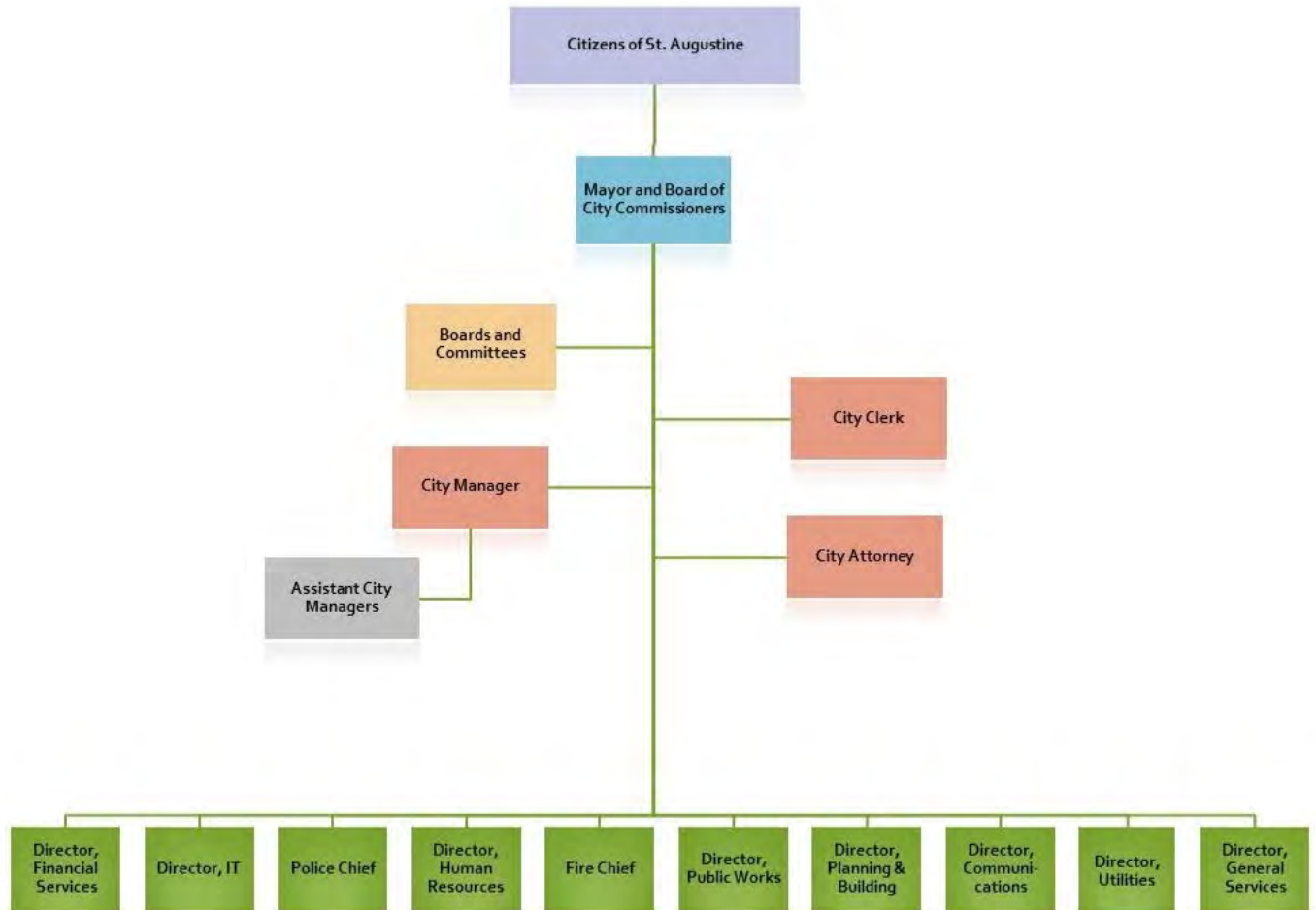
City Manager David Birchim
City Attorney Isabelle Lopez
City Clerk Darlene Galambos
Assistant City Manager Meredith Breidenstein
Assistant City Manager Reuben Franklin
Director, Financial Services Melissa Burns
Police Chief Jennifer Michaux
Fire Chief Carlos Aviles
Director, General Services Corey Sakryd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

CITY BOARDS AND COMMITTEES

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

CITY OF ST. AUGUSTINE, FLORIDA

ORGANIZATIONAL CHART SEPTEMBER 30, 2024





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, 2023

Christopher P. Morill

Executive Director/CEO

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Financial Section

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of
the City Commission,
City of 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, 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, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit 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 of St. Augustine, Florida 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 on pages 4 through 15, schedules of net pension liability and related ratios, schedules of contributions, schedule of pension investment returns, and schedule of the City's total OPEB liability and related ratios on pages 64 through 71 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 combining and individual nonmajor fund statements and schedules and the schedule of expenditures of federal awards and state financial 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 Chapter 10.550, Rules of the Auditor General of the State of Florida, 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 statements and schedules and the schedule of expenditures of federal awards and state financial assistance 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 27, 2025, 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 solely 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 City's internal control over financial reporting and compliance.



Bradenton, Florida
May 27, 2025

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**MANAGEMENT'S DISCUSSION AND ANALYSIS
CITY OF ST. AUGUSTINE, FLORIDA
SEPTEMBER 30, 2024**

The City of St. Augustine's (the "City") 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.

HIGHLIGHTS

Financial Highlights

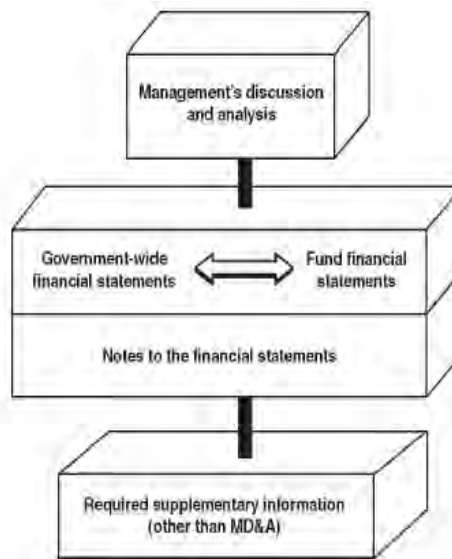
- The City's total assets and deferred outflow of resources exceeded its total liabilities and deferred inflow of resources on September 30, 2024, by \$231,451,294. Of this, \$49,577,973 can be used to meet the government's ongoing obligations to citizens and creditors. The City's net position increased during the fiscal year by \$36,787,197 (19%).
- Governmental net position increased by \$11,758,650 for the current fiscal year and increased governmental unrestricted net assets to \$21,698,754 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 \$25,028,547 for the current fiscal year and business-type unrestricted net assets were equal to \$27,879,219 of total net position.
- The governmental activities program revenues increased by \$4,525,187 compared to fiscal year 2023 due to an increase in charges for services and grant revenues. The current year's activities produced an increase in net assets of \$11,758,650 compared to the previous year's increase of \$5,016,693.
- The business-type activities program revenue increased by \$10,699,024 compared to fiscal year 2023. Business-type activities reported \$5,926,326 in Capital Grants and Contributions in the prior fiscal year. This year, those revenues made up \$8,908,538 of business-type activities which represents a \$2,982,212 increase. Charges for Services increased by \$7,716,812 over the prior fiscal year.
- The City's total debt associated with bond and note obligations decreased by a net \$3,411,227 during the fiscal year. This decrease is primarily due to the principal paid in fiscal year 2024.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
CITY OF ST. AUGUSTINE, FLORIDA
SEPTEMBER 30, 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. As illustrated in the chart below, the financial section has three components: (1) management's discussion and analysis (this section); (2) the basic financial statements; and (3) required supplementary information. The report also contains other supplementary information in addition to the basic financial statements themselves.

Components of the Financial Section



Government-Wide Financial Statements

The government-wide statements are designed to provide readers with a broad overview of the City's finances, using accounting methods similar to those used by a private sector business. These statements also provide both long-term and short-term information about the City's overall financial status. The government-wide financial statements include the first two statements that follow this analysis, the statement of net position and the statement of activities.

The statement of net position presents information on all of the City's assets and liabilities, and deferred inflows/outflows of resources, with the difference 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 deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. It provides a breakdown of revenues and expenses by function. 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 (e.g., uncollected taxes and earned but unused vacation leave).

MANAGEMENT'S DISCUSSION AND ANALYSIS
CITY OF ST. AUGUSTINE, FLORIDA
SEPTEMBER 30, 2024

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and inter-governmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Governmental Activities reflects the City's basic services, including general government, police, fire, protective inspections, public works, cultural and recreation. The Business-type Activities reflect private sector-type operations, including water, wastewater, solid waste management, marina, and visitor information center. Fees are charged to customers to recover all or most of the cost of providing these services.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City has three types of funds: Governmental, Proprietary, and Fiduciary.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are reported in governmental funds (general, special revenue, debt service and permanent fund). These funds use the modified accrual method of accounting which measures cash and other financial assets that may be readily converted to cash. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental fund financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, Community Redevelopment Agency Fund, and Permanent Fund.

The City adopts an annual budget for its General Fund and Community Redevelopment Agency Fund. A budgetary comparison statement has been provided for these funds to demonstrate compliance with this budget.

MANAGEMENT'S DISCUSSION AND ANALYSIS
CITY OF ST. AUGUSTINE, FLORIDA
SEPTEMBER 30, 2024

Proprietary Funds

Services for which the City charges customers a fee are generally reported in proprietary funds. Enterprise funds are the same as business-type activities, but the fund financial statements provide more detail and additional information, such as cash flows. The City uses enterprise funds to account for its utility, stormwater, solid waste, marina and visitor center operations.

Proprietary fund reporting provides the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the utility, stormwater, solid waste, marina and visitor center operations, all of which are considered to be major funds of the City.

Fiduciary Funds

The City is the trustee, or fiduciary, for its employees' pension plans. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and a separate Statement of Changes in Fiduciary Net Position. The City excludes these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations. The accounting for fiduciary funds is similar to accounting used for proprietary funds. Data from the three pension trust funds is combined into a single aggregated presentation. Individual fund data is provided in the form of combining statements elsewhere in this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 through 59 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budget compliance, pension and OPEB liability reporting.

MANAGEMENT'S DISCUSSION AND ANALYSIS
CITY OF ST. AUGUSTINE, FLORIDA
SEPTEMBER 30, 2024

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Summary of Net position

The following table presents the condensed *Summary* of Net Position for fiscal year 2024 and fiscal year 2023:

Statement of Net Position						
As of September 30, 2024						
	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 44,432,641	\$ 41,016,411	\$ 73,610,062	\$ 60,988,455	\$ 118,042,703	\$ 102,004,866
Capital assets	45,689,366	37,592,235	148,477,031	141,869,159	194,166,397	179,461,394
Total assets	<u>90,122,007</u>	<u>78,608,646</u>	<u>222,087,093</u>	<u>202,857,614</u>	<u>312,209,100</u>	<u>281,466,260</u>
Deferred Outflows	6,623,773	10,381,191	1,373,499	2,543,548	7,997,272	12,924,739
Other liabilities	3,536,514	2,996,259	5,281,235	4,182,649	8,817,749	7,178,908
Long-term liabilities	28,602,735	38,976,442	38,042,375	44,111,244	66,645,110	83,087,686
Total liabilities	<u>32,139,249</u>	<u>41,972,701</u>	<u>43,323,610</u>	<u>48,293,893</u>	<u>75,462,859</u>	<u>90,266,594</u>
Deferred Inflows	10,619,976	4,789,231	2,672,243	262,438	13,292,219	5,051,669
Net position:						
Net investment in capital assets	26,875,086	18,741,616	112,536,493	110,934,712	139,411,579	129,676,328
Restricted	5,412,715	14,640,388	37,049,027	28,573,518	42,461,742	43,213,906
Unrestricted	<u>21,698,754</u>	<u>8,845,901</u>	<u>27,879,219</u>	<u>17,336,601</u>	<u>49,577,973</u>	<u>26,182,502</u>
Total net position	<u>\$ 53,986,555</u>	<u>\$ 42,227,905</u>	<u>\$ 177,464,739</u>	<u>\$ 156,844,831</u>	<u>\$ 231,451,294</u>	<u>\$ 199,072,736</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of September 30, 2024, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$231,451,294.

The majority of the City's net position (60.2%) reflects its investment in capital assets, less any outstanding related debt and deferred outflow/inflows used to acquire those assets. The City uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (18.3%) represents resources that are subject to external restrictions on how they may be used, such as debt or capital projects (restricted assets). The remaining balance of unrestricted net position (21.4%) may be used to meet the City's ongoing obligations to its citizens.

At the end of the current fiscal year, the City can report a positive balance in all three categories on net position for both the business-type activities and for the governmental activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS
CITY OF ST. AUGUSTINE, FLORIDA
SEPTEMBER 30, 2024

There was an overall increase in net position of \$36,787,197 for the current fiscal year. The increase of \$11,758,650 in governmental activities and \$25,028,547 in business activities is primarily due to an increase in Charges for Services and General Revenues. Expenses were flat for both governmental activities and business activities.

Summary of Activities

The following table presents the condensed Summary of Activities for fiscal year 2024 and fiscal year 2023:

Statement of Activities As of September 30, 2024						
	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 16,104,524	\$ 13,525,402	\$ 52,665,931	\$ 44,949,119	\$ 68,770,455	\$ 58,474,521
Operating grants and contributions	1,186,275	697,830	-	-	1,186,275	697,830
Capital grants and contributions	1,884,931	427,311	8,908,538	5,926,326	10,793,469	6,353,637
General revenues:						
Property taxes	22,865,163	19,468,958	-	-	22,865,163	19,468,958
Franchise and utility taxes	2,078,439	4,553,423	-	-	2,078,439	4,553,423
Sales and use taxes	5,245,157	3,223,434	-	-	5,245,157	3,223,434
Other taxes (insurance premiums)	1,609,440	558,799	-	-	1,609,440	558,799
State revenue sharing	640,921	1,494,383	-	-	640,921	1,494,383
Investment earnings	2,423,376	1,988,911	2,953,125	2,289,487	5,376,501	4,278,398
Other	966,285	2,889,578	140,993	484,165	1,107,278	3,373,743
Total revenues	<u>55,004,511</u>	<u>48,828,029</u>	<u>64,668,587</u>	<u>53,649,097</u>	<u>119,673,098</u>	<u>102,477,126</u>
Operating Expenses:						
General government	15,758,409	14,736,824	-	-	15,758,409	14,736,824
Public safety	17,296,083	15,693,757	-	-	17,296,083	15,693,757
Physical environment	3,824,700	4,024,650	-	-	3,824,700	4,024,650
Transportation	5,072,361	5,478,566	-	-	5,072,361	5,478,566
Culture and recreation	2,010,915	1,871,975	-	-	2,010,915	1,871,975
Interest	702,583	3,011,278	-	-	702,583	3,011,278
Utilities	-	-	21,486,463	20,607,924	21,486,463	20,607,924
Stormwater	-	-	1,924,246	1,823,843	1,924,246	1,823,843
Solid Waste	-	-	5,797,885	6,004,057	5,797,885	6,004,057
Municipal marina	-	-	4,483,442	4,943,865	4,483,442	4,943,865
Visitor information center	-	-	4,528,814	4,625,229	4,528,814	4,625,229
Total operating expenses	<u>44,665,051</u>	<u>44,817,050</u>	<u>38,220,850</u>	<u>38,004,918</u>	<u>82,885,901</u>	<u>82,821,968</u>
Increase in net position before transfers	10,339,460	4,010,979	26,447,737	15,644,179	36,787,197	19,655,158
Transfers	1,419,190	1,005,714	(1,419,190)	(1,005,714)	-	-
Change in net position	11,758,650	5,016,693	25,028,547	14,638,465	36,787,197	19,655,158
Net position, beginning	42,227,905	37,211,212	156,844,830	142,206,365	199,072,735	179,417,577
Prior period adjustment	-	-	(4,408,638)	-	(4,408,638)	-
Net position, ending	<u>\$ 53,986,555</u>	<u>\$ 42,227,905</u>	<u>\$ 177,464,739</u>	<u>\$ 156,844,830</u>	<u>\$ 231,451,294</u>	<u>\$ 199,072,735</u>

**MANAGEMENT'S DISCUSSION AND ANALYSIS
CITY OF ST. AUGUSTINE, FLORIDA
SEPTEMBER 30, 2024**

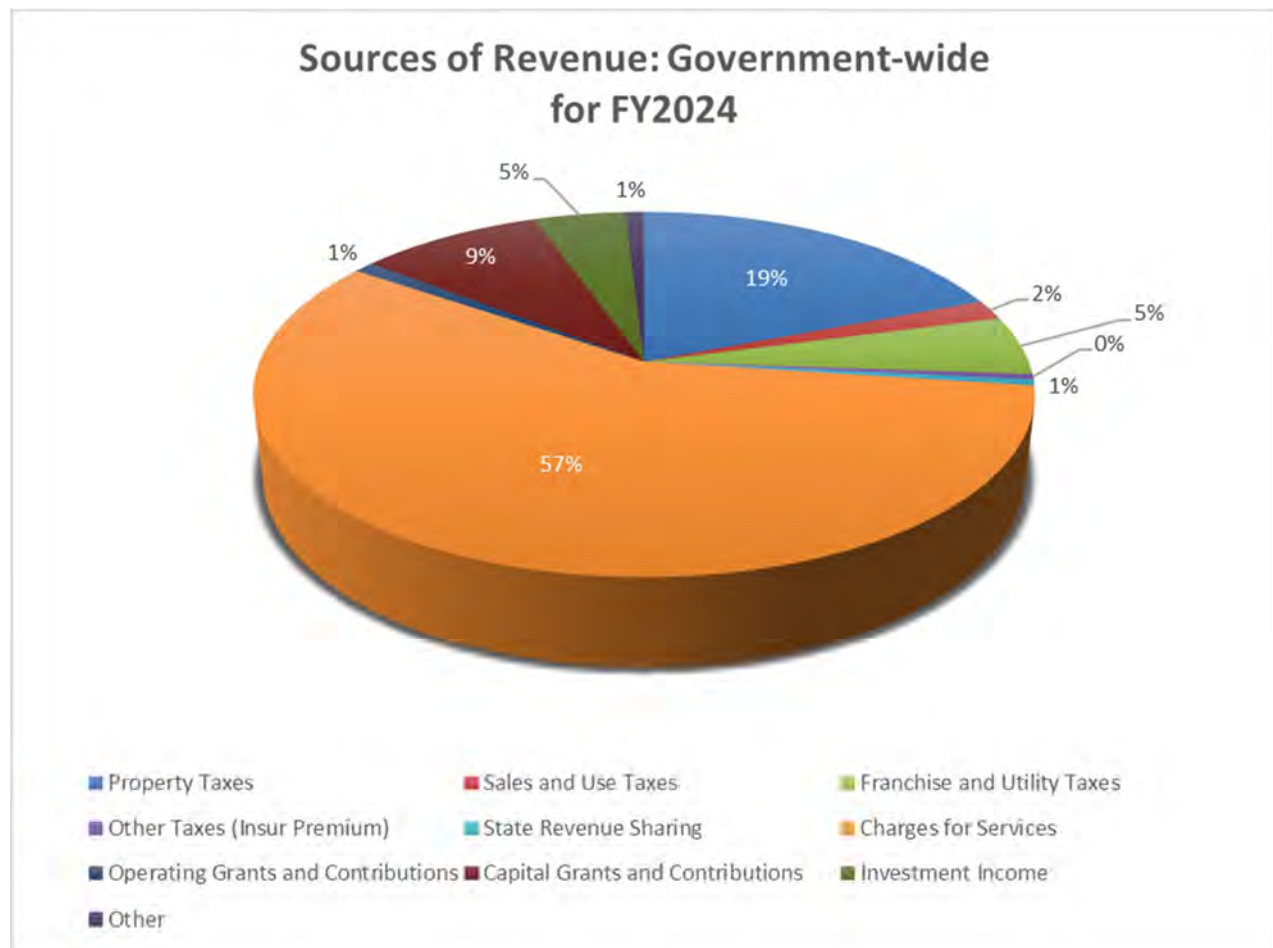
Revenues

For the fiscal year ended September 30, 2024, revenues from governmental activities totaled \$55,004,511.

The City's property tax revenue was \$22,865,163, an increase of \$3,396,205 or 17.4% compared to the previous fiscal year. In the current year, the City maintained the millage rate of 7.5000 mils, which generated increased revenue. The taxable value increased \$427.1 million or 17.1% on a comparable basis.

Operating grants and contributions increased by \$488,445 from the prior year. This was due to a grant funds received to fund the downtown shuttle circulator.

Revenue from capital grants and contributions increased by \$1,457,620 from fiscal year 2023, primarily due to contributions received from FEMA for damage caused by Hurricane Ian and Hurricane Nicole in 2022.

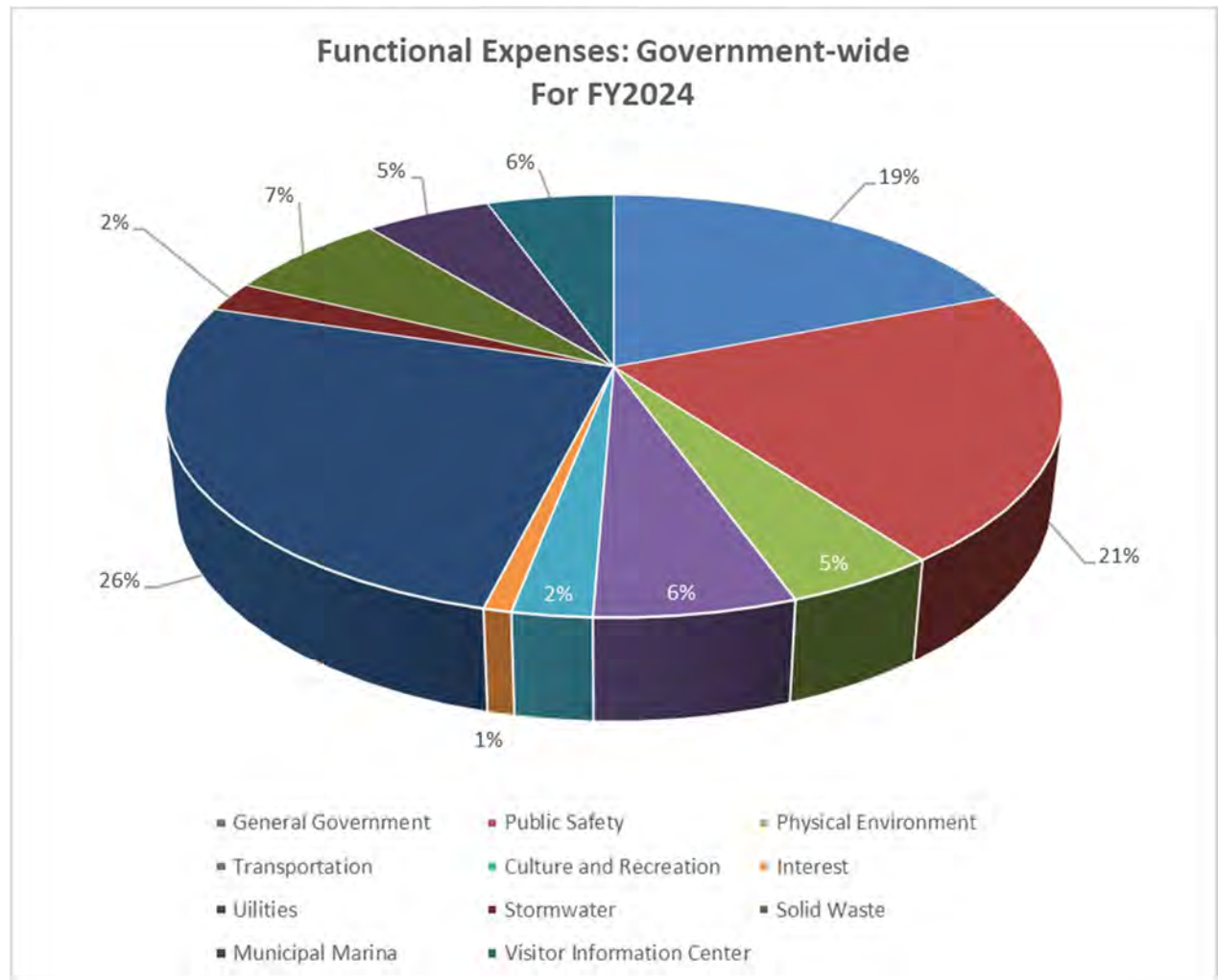


**MANAGEMENT'S DISCUSSION AND ANALYSIS
CITY OF ST. AUGUSTINE, FLORIDA
SEPTEMBER 30, 2024**

Expenses

For the fiscal year ended September 30, 2024, expenses for governmental activities totaled \$44,665,051, a decrease of \$151,999 from the prior fiscal year. The decrease in expenses is due to slightly lower personnel costs due to some vacancies and other items coming in at a lower cost than expected.

Expenses for the City's business-type activities, which provide utility, stormwater, solid waste services, marina operations, and visitor center operations, totaled \$38,220,850. This is an increase of \$215,932 primarily due to inflationary price increases.



**MANAGEMENT'S DISCUSSION AND ANALYSIS
CITY OF ST. AUGUSTINE, FLORIDA
SEPTEMBER 30, 2024**

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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 \$231,451,294 as of September 30, 2024. A portion of the City's net position of \$139,411,579 (60%) 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 \$42,461,742 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 \$49,577,973 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. Unrestricted net position increased by \$23,395,471 due to the increase in net position for the year.

Fiscal year 2024 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.

GENERAL FUND BUDGETARY HIGHLIGHTS

The final amended budget for revenues and expenditures in the General Fund changed substantially during the course of fiscal year 2024. A total of \$1.9 million was added to the General Fund budget for various grants and other higher than anticipated revenues. The expenditure budget was increased by \$16.4 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 2024. The same positive results were experienced on the expenditure side as well. (See budget to actual comparison on pages 60 and 61).

MANAGEMENT'S DISCUSSION AND ANALYSIS
CITY OF ST. AUGUSTINE, FLORIDA
SEPTEMBER 30, 2024

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2024, amounts to \$194,166,397 (net of accumulated depreciation). Approximately 23.5% or \$45,689,366 is related to governmental activities and includes land, construction in progress, building and improvements, furniture and equipment and infrastructure. Capital assets held by the City at the end of the current fiscal year are summarized as follows:

Capital Assets (Net of accumulated depreciation)						
As of September 30, 2024						
	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Land	\$ 10,557,390	\$ 7,973,866	\$ 1,401,829	\$ 1,401,829	\$ 11,959,219	\$ 9,375,695
Construction in progress	3,601,465	1,502,795	7,867,328	3,098,453	11,468,793	4,601,248
Building and improvements	7,745,358	7,893,355	23,677,856	24,551,215	31,423,214	32,444,570
Furniture and other equipment	6,462,020	5,765,299	3,508,999	3,198,816	9,971,019	8,964,115
Infrastructure	17,323,133	14,456,920	112,021,019	109,618,846	129,344,152	124,075,766
Total debt	\$ 45,689,366	\$ 37,592,235	\$ 148,477,031	\$ 141,869,159	\$ 194,166,397	\$ 179,461,394

The following reconciliation summarizes the change in capital assets, which is presented in detail in Note 6 of the Notes to the Financial Statements.

	Governmental Activities	Business-Type Activities	Total
Beginning Balance	\$ 37,592,235	\$ 141,869,159	\$ 179,461,394
Additions & Transfers	11,863,080	16,427,175	28,290,255
Retirement & Transfers	(1,320,178)	(1,679,583)	(2,999,761)
Depreciation	(2,445,771)	(8,139,720)	(10,585,491)
Ending Balance	\$ 45,689,366	\$ 148,477,031	\$ 194,166,397

LONG-TERM DEBT

At the end of the fiscal year, the City had a total long-term debt outstanding of \$55,499,881. All of this debt is secured solely by specified revenue sources.

More detailed information about the City's long-term debt is presented in Note 8 to the financial statements.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
CITY OF ST. AUGUSTINE, FLORIDA
SEPTEMBER 30, 2024**

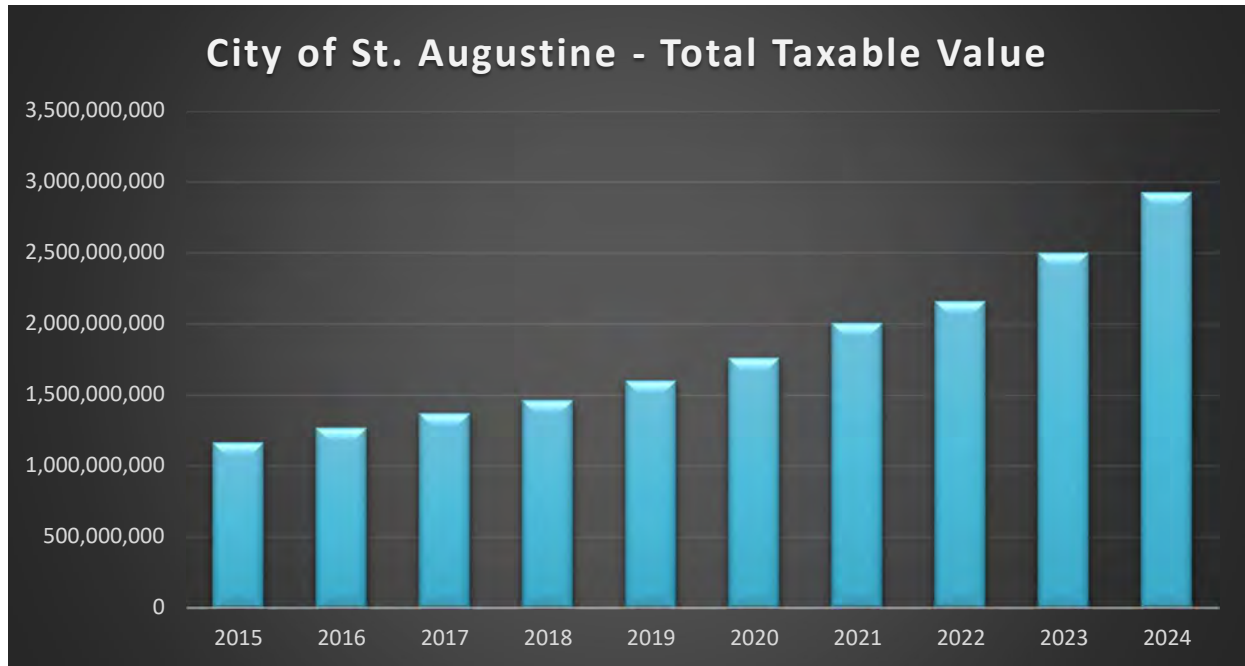
Outstanding Debt at Year-End			
	2024	2023	
General Long-Term Debt and Obligations			
Capital Improvement and Refunding Revenue Bonds	\$ 16,233,479	\$ 16,406,918	
Capital Improvement Refunding Revenue Note	2,453,159	2,843,069	
Unamortized (Premium) Discount	1,728,384	1,990,030	
Total General Long-Term Obligations	\$ 20,415,022	\$ 21,240,017	
Proprietary Fund Long-Term Obligations			
Capital Improvement and Refunding Revenue Bonds	\$ 13,526,522	\$ 14,343,083	
Capital Improvement Refunding Revenue Note	1,214,841	1,407,931	
Water and Sewer Revenue Bonds	-	-	
Water and Sewer Revenue Note	11,865,000	12,935,000	
Revolving Fund Loan DW 550410	6,895,143	6,158,402	
Unamortized (Premium) Discount	1,583,353	2,826,675	
Total Proprietary Long-Term Obligations	\$ 35,084,859	\$ 37,671,091	
Total Long-Term Debt and Obligations	\$ 55,499,881	\$ 58,911,108	

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 2024-2025 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.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
CITY OF ST. AUGUSTINE, FLORIDA
SEPTEMBER 30, 2024**



REQUEST FOR INFORMATION

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 any 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, 2024**

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 29,900,986	\$ 60,172,422	\$ 90,073,408
Accounts receivables, net	1,708,861	4,994,706	6,703,567
Due from other governments	1,369,311	6,930,484	8,299,795
Leases receivable	3,903,719	111,086	4,014,805
Prepaid items	482,326	-	482,326
Inventory	1,628,547	372,136	2,000,683
Restricted cash and investments	5,438,891	1,029,228	6,468,119
Capital assets			
Non-depreciable	14,158,855	9,269,157	23,428,012
Depreciable, net	31,530,511	139,207,874	170,738,385
Total assets	90,122,007	222,087,093	312,209,100
Deferred outflows of resources			
Deferred loss on refunding	1,600,742	-	1,600,742
Deferred outflows - pensions	4,959,626	1,345,284	6,304,910
Deferred outflows - OPEB	63,405	28,215	91,620
Total deferred outflows of resources	6,623,773	1,373,499	7,997,272
Liabilities			
Accounts payable	1,773,390	2,249,243	4,022,633
Accrued interest payable	789,081	-	789,081
Customer deposits payable	-	1,030,477	1,030,477
Unearned revenue	974,043	2,001,515	2,975,558
Noncurrent liabilities			
Due within one year	572,519	2,632,339	3,204,858
Due in more than one year	28,030,216	35,410,036	63,440,252
Total liabilities	32,139,249	43,323,610	75,462,859
Deferred inflows of resources			
Deferred inflows - leases	3,851,315	103,366	3,954,681
Deferred gain on refunding	-	414,337	414,337
Deferred inflows - pensions	6,372,627	1,978,305	8,350,932
Deferred inflows - OPEB	396,034	176,235	572,269
Total deferred inflows of resources	10,619,976	2,672,243	13,292,219
Net position			
Net investment in capital assets	26,875,086	112,536,493	139,411,579
Restricted for			
Expendable activities:			
Education/confiscation/donations/other	1,422,544	-	1,422,544
Renewal and replacement	-	5,839,249	5,839,249
Community redevelopment	3,626,625	-	3,626,625
Capital projects	-	31,209,778	31,209,778
Non-expendable:			
Permanent Fund	363,546	-	363,546
Unrestricted	21,698,754	27,879,219	49,577,973
Total net position	\$ 53,986,555	\$ 177,464,739	\$ 231,451,294

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

CITY OF ST. AUGUSTINE, FLORIDA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Functions/programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities							
General government	\$ 15,758,409	\$ 7,659,626	\$ -	\$ 33,653	\$ (8,065,130)	\$ -	\$ (8,065,130)
Public safety	17,296,083	4,158,548	20,460	1,214,828	(11,902,247)	-	(11,902,247)
Physical environment	3,824,700	-	-	-	(3,824,700)	-	(3,824,700)
Transportation	5,072,361	3,382,423	1,165,815	636,450	112,327	-	112,327
Culture and recreation	2,010,915	903,927	-	-	(1,106,988)	-	(1,106,988)
Interest on long-term debt	702,583	-	-	-	(702,583)	-	(702,583)
Total governmental activities	<u>44,665,051</u>	<u>16,104,524</u>	<u>1,186,275</u>	<u>1,884,931</u>	<u>(25,489,321)</u>	<u>-</u>	<u>(25,489,321)</u>
Business-type activities							
Utilities	21,486,463	34,057,980	-	4,041,605	-	16,613,122	16,613,122
Stormwater	1,924,246	1,526,086	-	619,333	-	221,173	221,173
Solid Waste	5,797,885	5,933,760	-	65,014	-	200,889	200,889
Marina	4,483,442	4,998,390	-	3,932,586	-	4,447,534	4,447,534
Visitor Information Center	4,528,814	6,149,715	-	250,000	-	1,870,901	1,870,901
Total business-type activities	<u>38,220,850</u>	<u>52,665,931</u>	<u>-</u>	<u>8,908,538</u>	<u>-</u>	<u>23,353,619</u>	<u>23,353,619</u>
Total primary government	<u>\$ 82,885,901</u>	<u>\$ 68,770,455</u>	<u>\$ 1,186,275</u>	<u>\$ 10,793,469</u>	<u>(25,489,321)</u>	<u>23,353,619</u>	<u>(2,135,702)</u>
General revenues							
Property taxes					22,865,163	-	22,865,163
Utility taxes					2,078,439	-	2,078,439
Communication service taxes					1,475,207	-	1,475,207
Franchise fees					2,699,685	-	2,699,685
State revenue sharing, unrestricted					640,921	-	640,921
Local option gas taxes					509,368	-	509,368
Local option sales taxes					1,609,440	-	1,609,440
Insurance premium taxes					560,897	-	560,897
Miscellaneous					806,948	-	806,948
Investment income					2,423,376	2,953,125	5,376,501
Gain on sale of capital assets					159,337	140,993	300,330
Transfers					1,419,190	(1,419,190)	-
Total general revenues and transfers					<u>37,247,971</u>	<u>1,674,928</u>	<u>38,922,899</u>
Change in net position					<u>11,758,650</u>	<u>25,028,547</u>	<u>36,787,197</u>
Net position, beginning of year as restated					<u>42,227,905</u>	<u>152,436,192</u>	<u>194,664,097</u>
Net position, end of year					<u>\$ 53,986,555</u>	<u>\$ 177,464,739</u>	<u>\$ 231,451,294</u>

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

CITY OF ST. AUGUSTINE, FLORIDA

**BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

	General Fund	Debt Service Fund	Community Redevelopment Agency Fund	Permanent Fund	Total Governmental Funds
Assets					
Cash and investments	\$ 29,537,440	\$ -	\$ -	\$ 363,546	\$ 29,900,986
Accounts receivable, net	1,708,861	-	-	-	1,708,861
Due from other governments	1,335,658	-	33,653	-	1,369,311
Lease receivable	3,903,719	-	-	-	3,903,719
Inventory	1,628,547	-	-	-	1,628,547
Prepaid items	482,326	-	-	-	482,326
Restricted cash and cash equivalents	1,422,544	-	4,016,347	-	5,438,891
Total assets	<u>\$ 40,019,095</u>	<u>\$ -</u>	<u>\$ 4,050,000</u>	<u>\$ 363,546</u>	<u>\$ 44,432,641</u>
Liabilities, deferred inflows of resources, and fund balances					
Liabilities					
Accounts payable and accrued liabilities	\$ 1,516,687	\$ -	\$ 256,703	\$ -	\$ 1,773,390
Accrued liabilities	789,081	-	-	-	789,081
Unearned revenue	807,371	-	166,672	-	974,043
Total liabilities	<u>3,113,139</u>	<u>-</u>	<u>423,375</u>	<u>-</u>	<u>3,536,514</u>
Deferred inflows of resources					
Lease related	3,851,315	-	-	-	3,851,315
Total deferred inflows of resources	<u>3,851,315</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,851,315</u>
Fund balances					
Nonspendable					
Inventory	1,628,547	-	-	-	1,628,547
Prepays	482,326	-	-	-	482,326
Restricted for:					
Education/confiscation/donations/other	1,422,544	-	-	-	1,422,544
Trust	-	-	-	363,546	363,546
Community development	-	-	3,626,625	-	3,626,625
Committed for:					
Emergencies	15,170,268	-	-	-	15,170,268
Assigned for:					
Capital projects	5,885,214	-	-	-	5,885,214
Subsequent year's budget	2,893,556	-	-	-	2,893,556
Unassigned	5,572,186	-	-	-	5,572,186
Total fund balances	<u>33,054,641</u>	<u>-</u>	<u>3,626,625</u>	<u>363,546</u>	<u>37,044,812</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 40,019,095</u>	<u>\$ -</u>	<u>\$ 4,050,000</u>	<u>\$ 363,546</u>	<u>\$ 44,432,641</u>

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

CITY OF ST. AUGUSTINE, FLORIDA

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

Total fund balances for governmental funds	\$ 37,044,812
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Amounts reported for governmental activities in the statement of net position are different because:

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

Governmental capital assets	\$ 85,501,969	
Accumulated depreciation	<u>(39,812,603)</u>	45,689,366

Deferred outflows and deferred inflows are not expected to be liquidated with expendable available financial resources and, therefore are not reported in the funds.

Deferred outflows - OPEB	63,405	
Deferred inflows - OPEB	(396,034)	
Deferred outflows - pensions	4,959,626	
Deferred inflows - pensions	<u>(6,372,627)</u>	(1,745,630)

Certain liabilities are not due and payable in the current period and are therefore not reported in the funds.

Compensated absences	(4,683,938)	
Net pension liability	(2,328,397)	
Total OPEB liability	(1,175,378)	
Deferred loss on debt refunding	1,600,742	
Bonds and notes payable	<u>(20,415,022)</u>	<u>(27,001,993)</u>

Net position of governmental activities	\$ <u>53,986,555</u>
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The accompanying notes to financial statements are an integral part of this statement.

CITY OF ST. AUGUSTINE, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	General Fund	Debt Service Fund	Community Redevelopment Agency Fund	Permanent Fund	Total Governmental Funds
Revenues					
Property taxes	\$ 21,438,323	\$ -	\$ 1,426,840	\$ -	\$ 22,865,163
Other taxes	4,623,911	-	-	-	4,623,911
Licenses and permits	1,620,498	-	-	-	1,620,498
Intergovernmental revenues	3,436,636	-	-	-	3,436,636
Charges for services	8,174,092	-	-	-	8,174,092
Administrative overhead charges	5,670,717	-	-	-	5,670,717
Franchise fees	2,699,685	-	-	-	2,699,685
Fines and forfeitures	639,217	-	-	-	639,217
Grant revenues	1,851,278	-	33,653	-	1,884,931
Investment earnings	2,282,933	-	121,192	19,251	2,423,376
Miscellaneous revenues	595,510	-	211,438	-	806,948
Total revenues	<u>53,032,800</u>	<u>-</u>	<u>1,793,123</u>	<u>19,251</u>	<u>54,845,174</u>
Expenditures					
Current					
General government	13,578,859	-	640,196	-	14,219,055
Public safety	16,716,908	-	-	-	16,716,908
Physical environment	3,464,685	-	-	-	3,464,685
Transportation	4,872,266	-	-	-	4,872,266
Culture and recreation	1,957,066	-	-	-	1,957,066
Debt service					
Principal retirement	-	563,349	-	-	563,349
Interest	-	858,462	-	-	858,462
Capital outlay	9,447,156	-	1,420,165	-	10,867,321
Total expenditures	<u>50,036,940</u>	<u>1,421,811</u>	<u>2,060,361</u>	<u>-</u>	<u>53,519,112</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,995,860</u>	<u>(1,421,811)</u>	<u>(267,238)</u>	<u>19,251</u>	<u>1,326,062</u>
Other financing sources (uses)					
Proceeds from the sale of capital assets	229,345	-	-	-	229,345
Transfers in	4,043,010	1,538,772	2,560,072	-	8,141,854
Transfers out	(5,280,537)	(116,961)	(1,325,166)	-	(6,722,664)
Total other financing sources (uses)	<u>(1,008,182)</u>	<u>1,421,811</u>	<u>1,234,906</u>	<u>-</u>	<u>1,648,535</u>
Change in fund balances	<u>1,987,678</u>	<u>-</u>	<u>967,668</u>	<u>19,251</u>	<u>2,974,597</u>
Fund balances, beginning of year	<u>31,066,963</u>	<u>-</u>	<u>2,658,957</u>	<u>344,295</u>	<u>34,070,215</u>
Fund balances, end of year	<u>\$ 33,054,641</u>	<u>\$ -</u>	<u>\$ 3,626,625</u>	<u>\$ 363,546</u>	<u>\$ 37,044,812</u>

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

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, 2024**

Net change in fund balances – total governmental funds	\$ 2,974,597
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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 these assets is depreciated over their estimated useful lives.

Capital outlay	\$ 10,861,043	
Less current year depreciation and amortization	<u>(2,693,904)</u>	8,167,139

The net effect of various miscellaneous transactions involving capital assets (i.e., sales) is to decrease net position.	(70,008)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of those differences in the treatment of long-term debt and related items.

Repayment of principal of long-term debt	563,349
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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:

Pension expense	837,495	
Change in total OPEB liability and deferred items	106,396	
Amortization of premium	261,646	
Amortization of deferred loss on refunding	(105,767)	
Change in compensated absences	<u>(976,197)</u>	<u>123,573</u>

Change in net position of governmental activities	<u>\$ 11,758,650</u>
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The accompanying notes to financial statements are an integral part of this statement.

CITY OF ST. AUGUSTINE, FLORIDA

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 SEPTEMBER 30, 2024

	Utility Fund	Stormwater Drainage Fund	Solid Waste Fund	Marina Fund	Visitor Information Center Fund	Total
Assets						
Current assets						
Cash and investments	\$ 48,501,948	\$ 1,052,125	\$ 1,594,443	\$ 138,069	\$ 8,885,837	\$ 60,172,422
Accounts receivable, net	4,126,911	144,792	723,003	-	-	4,994,706
Due from other governments	1,816,987	807,062	-	4,306,435	-	6,930,484
Due from other funds	1,780,986	-	-	-	-	1,780,986
Leases receivable	-	-	-	111,086	-	111,086
Inventory	131,913	-	-	46,278	193,945	372,136
Total current assets	56,358,745	2,003,979	2,317,446	4,601,868	9,079,782	74,361,820
Noncurrent assets						
Restricted cash and investments	1,029,228	-	-	-	-	1,029,228
Capital assets, non-depreciable	8,687,133	579,493	-	-	2,531	9,269,157
Capital assets, net	102,665,597	12,270,182	1,763,679	9,860,811	12,647,605	139,207,874
Total noncurrent assets	112,381,958	12,849,675	1,763,679	9,860,811	12,650,136	149,506,259
Total assets	168,740,703	14,853,654	4,081,125	14,462,679	21,729,918	223,868,079
Deferred outflows of resources						
Deferred outflows - pensions	833,768	33,003	254,027	112,543	111,943	1,345,284
Deferred outflows - OPEB	17,128	1,285	4,766	2,418	2,618	28,215
Total deferred outflows of resources	850,896	34,288	258,793	114,961	114,561	1,373,499

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

CITY OF ST. AUGUSTINE, FLORIDA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2024**

	Utility Fund	Stormwater Drainage Fund	Solid Waste Fund	Marina Fund	Visitor Information Center Fund	Total
Liabilities						
Current liabilities						
Accounts payable and accrued liabilities	\$ 1,664,777	\$ 99,723	\$ 217,057	\$ 82,755	\$ 184,931	\$ 2,249,243
Revenue bonds and notes payable	1,540,209	-	-	-	1,030,077	2,570,286
Customer deposits payable	1,030,468	-	-	-	9	1,030,477
Due to other funds	-	-	1,780,986	-	-	1,780,986
Unearned revenue	2,001,515	-	-	-	-	2,001,515
Compensated absences	28,707	951	13,143	4,320	14,932	62,053
Total current liabilities	<u>6,265,676</u>	<u>100,674</u>	<u>2,011,186</u>	<u>87,075</u>	<u>1,229,949</u>	<u>9,694,560</u>
Noncurrent liabilities						
Compensated absences	700,988	15,846	171,172	99,540	166,310	1,153,856
Revenue bonds and notes payable, net of current portion	17,219,934	-	-	-	15,294,639	32,514,573
Net pension liability	755,231	29,894	230,099	101,942	101,398	1,218,564
Total OPEB liability	<u>317,512</u>	<u>23,823</u>	<u>88,350</u>	<u>44,825</u>	<u>48,533</u>	<u>523,043</u>
Total noncurrent liabilities	<u>18,993,665</u>	<u>69,563</u>	<u>489,621</u>	<u>246,307</u>	<u>15,610,880</u>	<u>35,410,036</u>
Total liabilities	<u>25,259,341</u>	<u>170,237</u>	<u>2,500,807</u>	<u>333,382</u>	<u>16,840,829</u>	<u>45,104,596</u>
Deferred inflows of resources						
Deferred inflows - leases	-	-	-	103,366	-	103,366
Deferred gain on refunding	-	-	-	-	414,337	414,337
Deferred inflows - pension	1,226,096	48,533	373,559	165,500	164,617	1,978,305
Deferred inflows - OPEB	<u>106,983</u>	<u>8,027</u>	<u>29,769</u>	<u>15,103</u>	<u>16,353</u>	<u>176,235</u>
Total deferred inflows of resources	<u>1,333,079</u>	<u>56,560</u>	<u>403,328</u>	<u>283,969</u>	<u>595,307</u>	<u>2,672,243</u>
Net position						
Net investment in capital assets	92,151,245	12,849,675	1,763,679	9,860,811	(4,088,917)	112,536,493
Restricted for						
Renewal and replacement	5,839,249	-	-	-	-	5,839,249
Future plant expansion	26,904,077	-	-	-	-	26,904,077
Capital projects	4,305,701	-	-	-	-	4,305,701
Unrestricted	<u>13,798,907</u>	<u>1,811,470</u>	<u>(327,896)</u>	<u>4,099,478</u>	<u>8,497,260</u>	<u>27,879,219</u>
Total net position	<u>\$ 142,999,179</u>	<u>\$ 14,661,145</u>	<u>\$ 1,435,783</u>	<u>\$ 13,960,289</u>	<u>\$ 4,408,343</u>	<u>\$ 177,464,739</u>

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

CITY OF ST. AUGUSTINE, FLORIDA

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Utility Fund	Stormwater Drainage Fund	Solid Waste Fund	Marina Fund	Visitor Information Center Fund	Total
Operating revenues						
Charges for services	\$ 33,334,519	\$ 1,526,086	\$ 5,891,631	\$ 4,994,929	\$ 6,133,491	\$ 51,880,656
Fees, rentals and miscellaneous	723,461	-	42,129	3,461	16,224	785,275
Total operating revenues	<u>34,057,980</u>	<u>1,526,086</u>	<u>5,933,760</u>	<u>4,998,390</u>	<u>6,149,715</u>	<u>52,665,931</u>
Operating expenses						
Personnel services and benefits	5,387,201	174,948	1,811,884	750,986	1,222,205	9,347,224
Materials, supplies and other	9,149,086	957,991	3,562,975	3,371,596	2,346,282	19,387,930
Depreciation	6,605,859	791,307	423,026	360,860	543,367	8,724,419
Total operating expenses	<u>21,142,146</u>	<u>1,924,246</u>	<u>5,797,885</u>	<u>4,483,442</u>	<u>4,111,854</u>	<u>37,459,573</u>
Operating income (loss)	<u>12,915,834</u>	<u>(398,160)</u>	<u>135,875</u>	<u>514,948</u>	<u>2,037,861</u>	<u>15,206,358</u>
Nonoperating revenues (expenses)						
Investment earnings	2,356,244	47,204	72,789	72,174	404,714	2,953,125
Gain on disposal of capital assets	12,058	-	93,636	33,659	1,640	140,993
Interest expense	(344,317)	-	-	-	(416,960)	(761,277)
Total nonoperating revenues, net	<u>2,023,985</u>	<u>47,204</u>	<u>166,425</u>	<u>105,833</u>	<u>(10,606)</u>	<u>2,332,841</u>
Income (loss) before capital grants, contributions and transfers	14,939,819	(350,956)	302,300	620,781	2,027,255	17,539,199
Capital grants and contributions	4,041,605	619,333	65,014	3,932,586	250,000	8,908,538
Transfers						
Transfers in	671,206	98,117	490,767	20,019	1,442,127	2,722,236
Transfers out	(1,900,337)	(256,868)	(305,351)	(131,985)	(1,546,885)	(4,141,426)
Total transfers	<u>(1,229,131)</u>	<u>(158,751)</u>	<u>185,416</u>	<u>(111,966)</u>	<u>(104,758)</u>	<u>(1,419,190)</u>
Change in net position	17,752,293	109,626	552,730	4,441,401	2,172,497	25,028,547
Total net position, beginning of year	129,655,524	14,551,519	883,053	9,518,888	2,235,846	156,844,830
Prior Period Adjustment	(4,408,638)	-	-	-	-	(4,408,638)
Total net position, beginning of year as restated	<u>125,246,886</u>	<u>14,551,519</u>	<u>883,053</u>	<u>9,518,888</u>	<u>2,235,846</u>	<u>152,436,192</u>
Total net position, end of year	<u>\$ 142,999,179</u>	<u>\$ 14,661,145</u>	<u>\$ 1,435,783</u>	<u>\$ 13,960,289</u>	<u>\$ 4,408,343</u>	<u>\$ 177,464,739</u>

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

CITY OF ST. AUGUSTINE, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Utility Fund	Stormwater Drainage Fund	Solid Waste Fund	Marina Fund	Visitor Information Center Fund	Total
Cash flows from operating activities						
Cash received from customers	\$ 30,435,450	\$ 1,508,618	\$ 5,809,753	\$ 4,990,670	\$ 6,149,724	\$ 48,894,215
Cash paid to suppliers for goods and services	(9,749,422)	(1,009,578)	(3,690,795)	(3,391,764)	(2,256,818)	(20,098,377)
Cash paid to employees for services and benefits	(5,986,986)	(246,209)	(1,999,381)	(834,108)	(1,237,522)	(10,304,206)
Net cash provided by operating activities	<u>14,699,042</u>	<u>252,831</u>	<u>119,577</u>	<u>764,798</u>	<u>2,655,384</u>	<u>18,491,632</u>
Cash flows from noncapital financing activities						
Transfer to other funds	(1,900,337)	(256,868)	(305,351)	(131,985)	(1,546,885)	(4,141,426)
Transfer from other funds	330,220	98,117	831,753	20,019	1,442,127	2,722,236
Net cash provided by (used in) noncapital financing activities	<u>(1,570,117)</u>	<u>(158,751)</u>	<u>526,402</u>	<u>(111,966)</u>	<u>(104,758)</u>	<u>(1,419,190)</u>
Cash flows from capital and related financing activities						
Acquisition and construction of capital assets	(9,515,944)	(370,105)	(585,034)	(4,738,847)	(123,657)	(15,333,587)
Cash received from sale of capital assets	12,882	-	93,636	33,659	2,112	142,289
Principal paid on bonds and notes payable	(333,260)	-	-	-	(1,009,651)	(1,342,911)
Interest paid	(344,317)	-	-	-	(709,448)	(1,053,765)
Capital contributions	4,041,605	-	65,014	-	250,000	4,356,619
Net cash used in capital and related financing activities	<u>(6,139,034)</u>	<u>(370,105)</u>	<u>(426,384)</u>	<u>(4,705,188)</u>	<u>(1,590,644)</u>	<u>(13,231,355)</u>
Cash flows from investing activities						
Interest received	2,356,244	47,204	72,789	72,174	404,714	2,953,125
Net cash provided by investing activities	<u>2,356,244</u>	<u>47,204</u>	<u>72,789</u>	<u>72,174</u>	<u>404,714</u>	<u>2,953,125</u>
Net change	9,346,135	(228,821)	292,384	(3,980,182)	1,364,696	6,794,212
Cash and investments, beginning of year	40,185,041	1,280,946	1,302,059	4,118,251	7,521,141	54,407,438
Cash and investments, end of year	<u>\$ 49,531,176</u>	<u>\$ 1,052,125</u>	<u>\$ 1,594,443</u>	<u>\$ 138,069</u>	<u>\$ 8,885,837</u>	<u>\$ 61,201,650</u>
Cash and cash equivalents classified as						
Cash and investments	\$ 48,501,948	\$ 1,052,125	\$ 1,594,443	\$ 138,069	\$ 8,885,837	\$ 60,172,422
Restricted cash and investments	1,029,228	-	-	-	-	1,029,228
Total cash and investments	<u>\$ 49,531,176</u>	<u>\$ 1,052,125</u>	<u>\$ 1,594,443</u>	<u>\$ 138,069</u>	<u>\$ 8,885,837</u>	<u>\$ 61,201,650</u>

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

CITY OF ST. AUGUSTINE, FLORIDA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Utility Fund	Stormwater Drainage Fund	Solid Waste Fund	Marina Fund	Visitor Information Center Fund	Total
Reconciliation of operating income (loss) to net cash provided by operating activities						
Operating income (loss)	\$ 12,915,834	\$ (398,160)	\$ 135,875	\$ 514,948	\$ 2,037,861	\$ 15,206,358
Adjustment to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation	6,605,859	791,307	423,026	360,860	543,367	8,724,419
Change in operating assets and liabilities:						
(Increase) decrease in assets:						
Accounts receivable	(220,111)	(17,468)	(124,007)	-	-	(361,586)
Leases receivable	-	-	-	(111,086)	-	(111,086)
Due from other governments	(1,098,256)	-	-	-	-	(1,098,256)
Prepays	-	-	238,468	-	-	238,468
Inventory	(38,414)	-	-	47,804	47,594	56,984
Deferred outflows - pension	372,956	48,117	75,722	59,952	50,682	607,429
Deferred outflows - OPEB	15,859	1,190	4,413	2,239	2,424	26,125
Increase (decrease) in liabilities:						
Accounts payable	(561,922)	(51,587)	(366,288)	(67,972)	41,870	(1,005,899)
Unearned revenue	(2,407,123)	-	-	-	-	(2,407,123)
Compensated absences payable	131,730	4,147	4,656	22,735	69,727	232,995
Customer deposits	102,960	-	-	-	9	102,969
Deferred inflows - leases	-	-	-	103,366	-	103,366
Deferred inflows - pension	1,226,096	48,533	373,559	165,500	164,617	1,978,305
Deferred inflows - OPEB	(52,329)	(3,926)	(14,561)	(7,388)	(7,999)	(86,203)
Net pension liability	(2,301,753)	(169,896)	(633,416)	(327,241)	(295,938)	(3,728,244)
Total OPEB liability	7,656	574	2,130	1,081	1,170	12,611
Net cash provided by operating activities	<u>\$ 14,699,042</u>	<u>\$ 252,831</u>	<u>\$ 119,577</u>	<u>\$ 764,798</u>	<u>\$ 2,655,384</u>	<u>\$ 18,491,632</u>

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

CITY OF ST. AUGUSTINE, FLORIDA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2024**

	Pension Trust Funds
Assets	
Cash and cash equivalents	\$ 3,141,111
Contributions receivable	45,551
Interest receivable	99,363
Total receivables	<u>144,914</u>
Investments, at fair value	
Fixed income	13,250,458
International fixed income investment fund	818,808
International equity investment fund	2,791,615
Domestic equity investment fund	79,517,054
Real estate funds	14,036,595
Alternative strategies	4,565,298
Temporary investments	522,806
Total investments	<u>115,502,634</u>
Total assets	<u><u>\$ 118,788,659</u></u>
Liabilities	
Accounts payable	\$ 43,518
Total liabilities	<u>43,518</u>
Net position	
Restricted for pension benefits - active and retired members' benefits	<u>118,745,141</u>
Total liabilities and net position	<u><u>\$ 118,788,659</u></u>

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

CITY OF ST. AUGUSTINE, FLORIDA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Pension Trust Funds
Additions	
Contributions	
City	\$ 5,067,993
Employees	1,015,860
State of Florida	560,897
Total contributions	<u>6,644,750</u>
Investment income	
Interest and dividends	3,100,116
Net appreciation in the fair value of investments	17,417,957
Less: investment expense	<u>(175,414)</u>
Net investment income	<u>20,342,659</u>
Total additions	<u>26,987,409</u>
Deductions	
Pension benefits	6,332,449
Lump sum distributions	190,599
Administrative expenses	178,731
Total deductions	<u>6,701,779</u>
Change in net position	20,285,630
Net position, restricted for pension benefits	
Beginning of year	<u>98,459,511</u>
End of year	<u><u>\$ 118,745,141</u></u>

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

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CITY OF ST. AUGUSTINE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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 policies of the City conform to generally accepted accounting principles for governmental entities. The following is a summary of significant accounting policies:

A. Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City (the primary government) and its component units. The City has one blended component unit, the St. Augustine Community Redevelopment Agency (CRA). The CRA was created on December 28, 2000 by City Ordinance 2000-45, pursuant to Florida Statute 163.387, to account for the receipt and expenditure of property tax revenues from the tax increment financing district to support redevelopment in the designated community redevelopment area. The City Commission serves as the Governing Board of the CRA. In addition, the City has operational responsibility for the CRA. Therefore, it was determined that the CRA should be treated as a blended component unit and included as part of the primary government for financial reporting purposes. The CRA is presented in the financial statements of the City as a special revenue fund.

The City also has three single-employer defined benefit pension plans. The General Employees’ Pension Plan is administered by a Board of Trustees established by City Ordinance. The Board of Trustees is comprised of two Commission appointees, two members elected by the membership, and a fifth member elected by the other four members. The Firefighters’ Pension Plan is administered by a Board of Trustees established by City Ordinance. The Board consists of five trustees, two of which are appointed by the City Commission, two must be elected by a majority of the City Fire Department, and one who is appointed by the other four members. The Police Officers’ Pension Plan is administered by a Board of Trustees established by City Ordinance. The Board consists of five trustees, two of which are appointed by the City Commission, two must be elected by a majority of the City Police Department, and one who is appointed by the other four members. The Plans are reported as fiduciary component units in accordance with Governmental Accounting Standards Board Statement Number 84. 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 primary government. For the most part, the effect of interfund 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 to a significant extent on fees and charges for support.

CITY OF ST. AUGUSTINE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses 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. *Program revenues* include: (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among 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 individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

- The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Debt Service Fund* accounts for the accumulation of resources for and the payment of long-term debt principal and interest of the governmental funds.
- The *Community Redevelopment Agency Fund* accounts for various redevelopment projects that are funded by the Community Redevelopment Agency. Financial resources come from the City of St. Augustine and from St. Johns County, Florida.
- 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.

The City reports the following major proprietary funds:

- The *Utility Fund* accounts for the operation, maintenance, and construction of the City's water and sewer system.
- The *Stormwater Drainage Fund* accounts for the operation, maintenance, and construction of the City's stormwater drainage system.
- The *Solid Waste Fund* accounts for the operation, maintenance, and construction of the City's solid waste pick-up and disposal service.
- The *Marina Fund* accounts for the operation, maintenance, and construction of the City's marina facilities.
- The *Visitor Information Center Fund* was accounts for the operation, maintenance, and construction of the City's Visitor Information Center and Historic Downtown Parking Facility.

Additionally, the City reports the following fund types:

- The *pension trust funds* account for the activities of the General Employees' Pension, the Firefighters' Pension, and the Police Officers' Pension Plans, which accumulate resources for defined benefit payments to qualified employees.

CITY OF ST. AUGUSTINE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to the general rule are for interfund services provided and used between functions.

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 as soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt services expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

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 government's enterprise funds and of the government's internal service funds are charges to customers for sales and services. The government also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service 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.

CITY OF ST. AUGUSTINE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows/Outflows of Resources, and Net Position/Fund Balance

Cash and Investments

The City maintains an accounting system in which substantially all cash and investments are recorded and are reflected as pooled cash and investments, except for the pension trust fund investments, and certain other investments purchased under the requirements of bond covenants. For purposes of the statement of cash flows for the proprietary fund types, cash and cash equivalents include demand deposits, certificates of deposit, petty cash, state pooled investments, and equity in pooled cash and investments. Equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and have an original maturity of three months or less.

Receivables and Payables

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. Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “interfund receivables/payables” (i.e., the current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. The cost of inventories is recorded as expenditures/expenses when consumed rather than when purchased. 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 cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Restricted Assets

These assets consist of cash restricted for construction, renewal and replacement, customer deposits and various other items.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. For financial reporting purposes, capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical costs or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

CITY OF ST. AUGUSTINE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows/Outflows of Resources, and Net Position/Fund Balance (Continued)

Capital Assets (Continued)

Property, plant, equipment, and infrastructure assets of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	10 - 50
Furniture and other equipment	2 - 20
Infrastructure	10 - 50

Leases

Lessor – The City is a lessor for noncancellable leases of real property and submerged land. The City recognizes a lease receivable and deferred inflow of resources in the fund level and government-wide financial statements. The City recognizes lease receivables with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease receivable at the present value of the payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the commencement. Subsequently, the deferred inflow of resources is amortized on a straight-line basis and recognized as revenue over the lease term.

Key estimates and judgments related to leases include how the City determines: (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The City uses the interest rate stated in the agreement as the discount rate. When the interest rate charged is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for the leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments and purchase option prices that the lease vendor is reasonably certain to exercise.

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation pay and sick pay benefits. All vacation pay and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

CITY OF ST. AUGUSTINE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows/Outflows of Resources, and Net Position/Fund Balance (Continued)

Compensated Absences (Continued)

Annual vacation leave is accumulated as follows:

General, Municipal and 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

Long-Term Liabilities

Long-term debt and other liabilities are reported in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Inflows/Outflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources until that future time. Deferred inflows of resources represent the acquisition of net assets that applies to future periods and, therefore, will not be recognized as an inflow of resources until that future time. Deferred outflows have a positive effect on net position, similar to assets, while deferred inflows have a negative effect on net position, similar to liabilities.

CITY OF ST. AUGUSTINE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows/Outflows of Resources, and Net Position/Fund Balance (Continued)

Deferred Inflows/Outflows of Resources (Continued)

The City reports the following deferred inflows and outflows of resources:

Deferred Loss on Refunding – the difference between the net reacquisition cost of new debt and the net carrying amount of old debt. This refunding loss is amortized to expense over the remaining term of the new debt using the straight-line method.

Pension and OPEB Related – the differences between expected and actual earnings on plan investments and expected and actual experience with regard to economic or demographic factors in the measurement of total pension and OPEB liability are reported as deferred inflows or outflows of resources, to be recognized in expense as disclosed in Note 9 and Note 10. Employer contributions made between the net pension or total OPEB liability measurement date and the employer's fiscal year-end are recognized as deferred outflows of resources, to be recognized as a reduction of the net pension or total OPEB liability in the subsequent fiscal year.

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 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.

Net Position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components:

- **Net Investment in Capital Assets** – consists of capital assets, net of accumulated depreciations and amortization, and reduced by the outstanding balances of any long-term borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- **Restricted** – consists of non-capital assets that must be used for a particular purpose as specified by creditors, contributors, grantors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted** – consists of assets that do not meet the definition of net investment in capital assets or restricted net position.

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

CITY OF ST. AUGUSTINE, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows/Outflows of Resources, and Net Position/Fund Balance (Continued)

Fund Balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called fund balance. The City's governmental funds report the following, based on the nature of any limitations requiring the use of resources for specific purposes:

- **Non-Spendable** – This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash, or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.
- **Restricted** – This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments), or (b) by law through constitutional provisions or enabling legislation.
- **Committed** – This component includes amounts that can only be used for the specific purposes determined by a formal action of the City's highest level of decision-making authority. Formal actions include ordinances (for more permanent regulations) and resolutions (for shorter term actions) approved by the City Commission. Ordinances require two readings for approval, and therefore, are technically considered the most binding. This formal action must occur prior to the end of the reporting period, but the amount of the commitment may be determined in the subsequent period.
- **Assigned** – This component of fund balance consists of amounts that are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. 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.
- **Unassigned** – This classification is used for: (a) deficit unrestricted fund balances in any governmental fund, or (b) fund balances within the General Fund that are not restricted, committed, or assigned.

The City passed a resolution in 2013 which formally established a fund balance policy. As part of this policy, the City committed a portion of fund balance for unanticipated events or emergencies. An amount of fund balance in the General Fund at the end of each fiscal year is to be committed equal to no less than 33.33% of the City's budgeted general operating revenues. This committed amount can only be used for the purpose of ensuring the maintenance of services to the public during emergency or disaster situations, or for a major unanticipated event that was not budgeted for in the approved budget.

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

CITY OF ST. AUGUSTINE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows/Outflows of Resources, and Net Position/Fund Balance (Continued)

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.

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

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.

NOTE 2 – PROPERTY TAX CALENDAR

Property taxes are billed and collected for the City by the County Tax Collector according to Florida Statute, under the following calendar:

Valuation Date:	January 1
Levy Date:	November 1
Due Date:	November 1 through March of the Following Year
Delinquency Date:	April 1, of the Following Year

NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

On or before September 1 each year, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing October 1. A public hearing is conducted at City Hall to obtain taxpayer comments. Prior to October 1, the budget is legally enacted through passage of an ordinance.

Annual budgets are adopted for the General Fund, Special Revenue Fund, and the Debt Service Fund on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at the end of each fiscal year for these funds.

Budgetary control is maintained at the department level. Department Heads are permitted to transfer appropriations between line items within their department, with the approval of the City Manager. All other types of budget transfers or amendments must be approved by the City Commission. Expenditures may not legally exceed budgeted appropriations at the department level.

CITY OF ST. AUGUSTINE, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2024

NOTE 4 – CASH AND INVESTMENTS

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.

At year-end, the carrying amount of the City's cash deposits was \$1,101,946 and the bank balance was \$3,421,033. The bank balance was covered by federal depository insurance or by collateral held by the City's custodial bank which is pledged to a state trust fund that provides security for amounts held in excess of Federal Deposit Insurance Corporation (FDIC) coverage in accordance with the *Florida Security for Public Deposits Act*, Chapter 280, Florida Statutes. The *Florida Security for Public Deposits Act* established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral.

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 total cash and investment balances of the City at September 30, 2024 are comprised of the following items:

Cash	Fair Value	Credit Rating	Investment Maturity
Petty cash	\$ 43,810	N/A	N/A
Public depository accounts			
Checking	1,101,946	N/A	N/A
Total cash and cash equivalents	1,145,756		
Investments			
Investment with State Board of Administration:			
Florida PRIME (S&P Rating)	95,395,771	AAAm	Less than 1 year
Total investments	95,395,771		
Total cash and investments	\$ 96,541,527		
Amounts as presented on the entity wide statement of net position:			
Cash and investments	\$ 90,073,408		
Restricted cash and investments	6,468,119		
Total cash and investments	\$ 96,541,527		

Governmental entities are required to record investments at fair value, unless an exception applies, and disclose the fair value measurement and hierarchy. Investments in non-participating interest-earning investment contracts (certificates of deposit) are recorded at cost and are excluded from fair value measurement.

CITY OF ST. AUGUSTINE, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

The City's investment with the State Board of Administration (Florida PRIME) qualifies under the provisions of GASB Statement No. 79, to be measured at amortized cost for financial reporting purposes. The Florida PRIME generally has no limitations or restrictions on participant withdrawals including redemption notices and maximum transaction amounts. With regard to redemption gates, the SBA may, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, limit contributions to or withdrawals from the trust fund for up to 17 days.

Restricted Cash

Restricted cash and cash equivalents at September 30, 2024 are as follows:

Fund	Education/ Confiscation/ Donations	Customer Deposits	Capital Improvements	Total
General Fund	\$ 1,422,544	\$ -	\$ -	\$ 1,422,544
Community Redevelopment	-	-	4,016,347	4,016,347
Utility	-	1,029,228	-	1,029,228
Total	<u>\$ 1,422,544</u>	<u>\$ 1,029,228</u>	<u>\$ 4,016,347</u>	<u>\$ 6,468,119</u>

Risk Disclosure

The City's investments conform to the provisions of Florida Statutes, Section 218.415. The following items discuss the City and pension plans' exposure to various risks:

Interest Rate Risk – The City has fixed rate investments that would be subject to interest rate risk. The City's investment policy states that investment maturities will be structured to match known cash needs and anticipated cash flow requirements. Currently, all of the City's investments have maturities of less than one year. The pension plans' investment policies do not have any restrictions as to the maturity or duration of fixed income securities.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City and the pension plans generally utilize third party custodians to help manage custodial credit risk.

Concentration of Credit Risk – The pension plans' investment policies and practices require investments to be diversified to the extent practicable to control the risk of loss resulting from an overconcentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which financial instruments are purchased and sold. No more than 5% of the plans' assets shall be invested in the common stock or capital stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of the company. The value of bonds issued by any one single corporation shall not exceed 10% of the total fund. The value of bonds denominated in U.S. dollars that are issued by a foreign bank or corporation shall not exceed 15% of the total fund. Investments in corporate common stock and convertible bonds shall not exceed 75% of plan assets at fair value. Foreign securities (including equity and fixed income securities) shall not exceed 25% of plan assets at fair value.

CITY OF ST. AUGUSTINE, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2024

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

Risk Disclosure (Continued)

Credit Quality Risk – Credit quality risk is the risk that investments in debt securities will default. The City's investment policy authorizes investment in SEC registered securities with the highest credit quality ratings (AAA/AA) from nationally recognized rating agencies. The pension plans' investment policy requires that fixed income securities have a minimum rating of investment grade or higher as reported by a major credit rating service. Any money market funds must have a minimum rating of Standard & Poor's A1 or Moody's P1.

The credit quality distribution for the City's pension trust fund investments is as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>S&P Rating</u>	<u>Average Effective Duration (Years)</u>
Fixed income	\$ 2,913,460	AA	4.21
Fixed income	1,073,100	AA	5.28
Fixed income	1,397,255	BBB	4.64
Fixed income	37,176	Unrated	4.17
Total	<u>\$ 5,420,991</u>		

<u>Investment Type</u>	<u>Fair Value</u>	<u>S&P Rating</u>	<u>Average Effective Duration (Years)</u>
Fixed income	\$ 1,750,440	BBB	6.20
Fixed income	1,868,210	BB	4.82
Total	<u>\$ 3,618,650</u>		

<u>Investment Type</u>	<u>Fair Value</u>	<u>S&P Rating</u>	<u>Average Effective Duration (Years)</u>
U.S. government securities and agencies	\$ 2,647,004	AAA - NR	4.89
Corporate bonds	1,563,813	AA+ - BB+	4.11
International fixed income investment fund	818,808	A+ - BBB-	4.76
Temporary investment funds	522,806	NR	Daily
Total	<u>\$ 5,552,431</u>		

Fair Value Measurements

The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

- **Level 1 Inputs** – are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- **Level 2 Inputs** – are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- **Level 3 Inputs** – are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

CITY OF ST. AUGUSTINE, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued)

The fair value measurements for the City's pension trust fund investments are as follows at September 30, 2024:

General Employees Retirement System

Investment	Fair Value Hierarchy			
	Fair Value	Level 1	Level 2	Level 3
Fixed income	\$ 5,420,991	\$ -	\$ 5,420,991	\$ -
Mutual fund equities	46,835,679	-	46,835,679	-
Alternative strategies	4,565,298	-	4,565,298	-
Real estate funds	8,584,140	-	-	8,584,140
Total investments at fair value level	<u>\$ 65,406,108</u>	<u>\$ -</u>	<u>\$ 56,821,968</u>	<u>\$ 8,584,140</u>

Police Officers Retirement System

Investment	Fair Value Hierarchy			
	Fair Value	Level 1	Level 2	Level 3
Equity securities	\$ 20,981,115	\$ 6,943,692	\$ 14,037,423	\$ -
Fixed income	3,618,650	99,713	3,518,937	-
Real estate funds	5,452,455	-	-	5,452,455
Total investments at fair value level	<u>\$ 30,052,220</u>	<u>\$ 7,043,405</u>	<u>\$ 17,556,360</u>	<u>\$ 5,452,455</u>

Firefighters Retirement System

Investment	Fair Value Hierarchy			
	Fair Value	Level 1	Level 2	Level 3
U.S. government securities	\$ 2,647,004	\$ -	\$ 2,647,004	\$ -
Corporate bonds	1,563,813	-	1,563,813	-
International fixed income	818,808	-	818,808	-
International equity	1,839,731	-	1,839,731	-
Domestic equity	12,652,144	12,652,144	-	-
Temporary investments	522,806	522,806	-	-
Total investments at fair value level	<u>\$ 20,044,306</u>	<u>\$ 13,174,950</u>	<u>\$ 6,869,356</u>	<u>\$ -</u>

U.S. Government Obligations are valued based on prices quoted in active markets and are categorized as Level 1 in the fair value hierarchy. Federal Agency Securities and Mortgages are categorized as Level 1 or Level 2, depending on whether the individual securities are quoted in active markets, otherwise they are valued using matrix pricing techniques that value securities based on their relationship to benchmark quoted prices. Corporate bonds, corporate ABSs, and municipal bonds are valued using quoted prices for similar securities in active markets and are categorized as Level 2 in the fair value hierarchy. Real Estate funds are valued at Net Asset Value (NAV) which is determined using certified annual appraisals of investment properties held by the fund.

CITY OF ST. AUGUSTINE, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 5 – RECEIVABLES

Receivables as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Accounts Receivable</u>	<u>Unbilled Receivable</u>	<u>Due from Other Governments</u>	<u>Leases Receivable</u>	<u>Allowance</u>	<u>Net Total Receivables</u>
Governmental Activities						
General	\$1,708,861	\$ -	\$ 1,335,658	\$ 3,903,719	\$ -	\$ 6,948,238
Community Redevelopment	-	-	33,653	-	-	33,653
	<u>\$1,708,861</u>	<u>\$ -</u>	<u>\$ 1,369,311</u>	<u>\$ 3,903,719</u>	<u>\$ -</u>	<u>\$ 6,981,891</u>
	<u>Accounts Receivable</u>	<u>Unbilled Receivable</u>	<u>Due from Other Governments</u>	<u>Leases Receivable</u>	<u>Allowance</u>	<u>Net Total Receivables</u>
Business-Type Activities						
Utility	\$3,543,589	\$1,241,063	\$ 1,816,987	\$ -	\$ (657,741)	\$ 5,943,898
Stormwater Drainage	134,991	80,459	807,062	-	(70,658)	951,854
Solid Waste	515,456	292,764	-	-	(85,217)	723,003
Marina	-	-	4,306,435	111,086	-	4,417,521
	<u>\$4,194,036</u>	<u>\$1,614,286</u>	<u>\$ 6,930,484</u>	<u>\$ 111,086</u>	<u>\$ (813,616)</u>	<u>\$12,036,276</u>

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024 was as follows:

	<u>Balance October 1</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Balance September 30</u>
Governmental Activities					
Capital assets, not being depreciated					
Land	\$ 7,973,866	\$ 2,583,524	\$ -	\$ -	\$ 10,557,390
Construction in progress	1,502,795	2,993,910	-	(895,240)	3,601,465
Total capital assets, not being depreciated	<u>9,476,661</u>	<u>5,577,434</u>	<u>-</u>	<u>(895,240)</u>	<u>14,158,855</u>
Capital assets, being depreciated					
Buildings and improvements	22,779,325	188,196	-	-	22,967,521
Infrastructure	27,593,240	2,979,314	-	870,948	31,443,502
Furniture and other equipment	15,109,841	2,116,099	(424,938)	131,089	16,932,091
Total capital assets, being depreciated	<u>65,482,406</u>	<u>5,283,609</u>	<u>(424,938)</u>	<u>1,002,037</u>	<u>71,343,114</u>
Less accumulated depreciation for					
Buildings and improvements	(14,885,970)	(336,193)	-	-	(15,222,163)
Infrastructure	(13,136,320)	(984,049)	-	-	(14,120,369)
Furniture and other equipment	(9,344,542)	(1,373,662)	306,408	(58,275)	(10,470,071)
Total accumulated depreciation	<u>(37,366,832)</u>	<u>(2,693,904)</u>	<u>306,408</u>	<u>(58,275)</u>	<u>(39,812,603)</u>
Total capital assets, being depreciated, net	<u>28,115,574</u>	<u>2,589,705</u>	<u>(118,530)</u>	<u>943,762</u>	<u>31,530,511</u>
Governmental activities capital assets, net	<u>\$ 37,592,235</u>	<u>\$ 8,167,139</u>	<u>\$ (118,530)</u>	<u>\$ 48,522</u>	<u>\$ 45,689,366</u>

CITY OF ST. AUGUSTINE, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 6 – CAPITAL ASSETS (CONTINUED)

	Balance October 1	Increases	Decreases	Transfers	Balance September 30
Business-Type Activities					
Capital assets, not being depreciated					
Land	\$ 1,401,829	\$ -	\$ -	\$ -	\$ 1,401,829
Construction in progress	3,098,453	5,902,194	-	(1,133,319)	7,867,328
Total capital assets, not being depreciated	<u>4,500,282</u>	<u>5,902,194</u>	<u>-</u>	<u>(1,133,319)</u>	<u>9,269,157</u>
Capital assets, being depreciated					
Buildings and improvements	60,414,313	-	-	-	60,414,313
Infrastructure	184,270,279	8,120,272	-	1,058,870	193,449,421
Furniture and other equipment	9,529,607	1,311,121	(546,264)	34,718	10,329,182
Total capital assets, being depreciated	<u>254,214,199</u>	<u>9,431,393</u>	<u>(546,264)</u>	<u>1,093,588</u>	<u>264,192,916</u>
Less accumulated depreciation for					
Buildings and improvements	(35,863,097)	(873,360)	-	-	(36,736,457)
Infrastructure	(74,651,433)	(6,776,969)	-	-	(81,428,402)
Furniture and other equipment	(6,330,792)	(1,074,090)	544,968	39,731	(6,820,183)
Total accumulated depreciation	<u>(116,845,322)</u>	<u>(8,724,419)</u>	<u>544,968</u>	<u>39,731</u>	<u>(124,985,042)</u>
Total capital assets, being depreciated, net	<u>137,368,877</u>	<u>706,974</u>	<u>(1,296)</u>	<u>1,133,319</u>	<u>139,207,874</u>
Business-type activities capital assets, net	<u><u>\$ 141,869,159</u></u>	<u><u>\$ 6,609,168</u></u>	<u><u>\$ (1,296)</u></u>	<u><u>\$ -</u></u>	<u><u>\$148,477,031</u></u>

Depreciation expense was charged to the functions of the government as follows:

Governmental Activities

General government	\$ 1,524,035
Public safety	562,561
Physical environment	356,491
Transportation	198,231
Culture and recreation	52,586
Total depreciation and amortization expense, governmental activities	<u><u>\$ 2,693,904</u></u>

Business-Type Activities

Utility Fund	\$ 6,605,859
Stormwater Drainage Fund	791,307
Solid Waste Fund	423,026
Marina Fund	360,860
Visitor Information Center Fund	543,367
Total depreciation expense, business-type activities	<u><u>\$ 8,724,419</u></u>

CITY OF ST. AUGUSTINE, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of September 30, 2024 is as follows:

	Due From	
	Solid Waste	Total
Due To		
Utility	\$ 1,780,986	\$ 1,780,986
Total	<u>\$ 1,780,986</u>	<u>\$ 1,780,986</u>

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

Interfund Transfers:

	Transfers In							
	General	Debt Service	Community Redevelopment	Utility	Stormwater Drainage	Solid Waste	Marina	Visitor Information Center
Transfers Out								
General	\$ -	\$ 1,538,772	\$ 2,560,072	\$ 670,907	\$ -	\$ 490,767	\$ 20,019	\$ -
Debt service	-	-	-	-	-	-	-	116,961
Community Redevelopme	-	-	-	-	-	-	-	1,325,166
Utility	1,802,220	-	-	-	98,117	-	-	-
Stormwater Drainage	256,569	-	-	299	-	-	-	-
Solid Waste	305,351	-	-	-	-	-	-	-
Marina	131,985	-	-	-	-	-	-	-
Visitor Information Center	1,546,885	-	-	-	-	-	-	-
Total	<u>\$ 4,043,010</u>	<u>\$ 1,538,772</u>	<u>\$ 2,560,072</u>	<u>\$ 671,206</u>	<u>\$ 98,117</u>	<u>\$ 490,767</u>	<u>\$ 20,019</u>	<u>\$ 1,442,127</u>

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.

Revenue Bonds and Notes

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. These bonds were split between governmental and business-type activities.

CITY OF ST. AUGUSTINE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8 – LONG-TERM DEBT (CONTINUED)

Revenue Bonds and Notes (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, and (iv) the cost of issuance with respect to the Refunded Bonds. This issuance results in a \$752,451 difference in cash flow requirements with a present value economic gain of \$705,305. These bonds were split between governmental and business-type activities.

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.

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 the City's outstanding capital improvement refunding revenue bonds, series 2013, and (ii) paying certain costs of issuance incurred with respect thereto.

Notes Payable from Direct Borrowings

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.

As of September 30, 2024, outstanding principal was \$6,895,143. 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.

CITY OF ST. AUGUSTINE, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 8 – LONG-TERM DEBT (CONTINUED)

Notes Payable from Direct Borrowings (Continued)

Revenue bonds and notes payable from direct borrowings debt service requirements to maturity are as follows:

Fiscal Year	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 393,923	\$ 844,007	\$ 1,237,930	\$ 2,570,286	\$ 1,008,516	\$ 3,578,802
2026	400,611	838,815	1,239,426	2,589,592	985,350	3,574,942
2027	406,630	833,535	1,240,165	2,661,574	917,545	3,579,119
2028	421,414	828,175	1,249,589	2,733,986	838,619	3,572,605
2029	424,758	822,274	1,247,032	2,820,037	756,889	3,576,926
2030-2034	1,509,435	3,851,735	5,361,170	16,857,725	2,420,270	19,277,995
2035-2039	10,267,374	2,805,724	13,073,098	2,975,762	297,399	3,273,161
2040-2041	4,862,493	367,635	5,230,128	292,544	22,115	314,659
	<u>\$ 18,686,638</u>	<u>\$ 11,191,900</u>	<u>\$ 29,878,538</u>	<u>\$ 33,501,506</u>	<u>\$ 7,246,703</u>	<u>\$ 40,748,209</u>

Changes in Long-Term Liabilities

The following is a summary of long-term debt transactions of the City for the year ended September 30, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Capital improvement and refunding revenue bonds	\$ 16,406,918	\$ -	\$ (173,439)	\$ 16,233,479	\$ -
Capital improvement refunding revenue note	2,843,069	-	(389,910)	2,453,159	393,923
Bond premiums	1,990,030	-	(261,646)	1,728,384	-
Total bonds and notes	21,240,017	-	(824,995)	20,415,022	393,923
Compensated absences	3,707,741	2,681,235	(1,705,038)	4,683,938	178,596
Total OPEB liability	1,147,036	77,734	(49,392)	1,175,378	-
Net pension liability	12,881,648	11,882,315	(22,435,566)	2,328,397	-
Total governmental activities	<u>\$ 38,976,442</u>	<u>\$ 14,641,284</u>	<u>\$ (25,014,991)</u>	<u>\$ 28,602,735</u>	<u>\$ 572,519</u>
Business-type activities					
Capital improvement and refunding revenue bonds	\$ 14,343,083	\$ -	\$ (816,561)	\$ 13,526,522	\$ 835,000
Capital improvement refunding revenue note	1,407,931	-	(193,090)	1,214,841	195,077
Water and Sewer revenue note	12,935,000	-	(1,070,000)	11,865,000	1,090,000
Revolving fund loan	6,158,402	1,195,295	(458,554)	6,895,143	450,209
Bond premiums	2,826,675	-	(1,243,322)	1,583,353	-
Total revenue bonds	37,671,091	1,195,295	(3,781,527)	35,084,859	2,570,286
Compensated absences	982,914	866,658	(633,663)	1,215,909	62,053
Total OPEB liability	510,432	34,599	(21,988)	523,043	-
Net pension liability	4,946,808	3,623,757	(7,352,001)	1,218,564	-
Total business-type activities	<u>\$ 44,111,245</u>	<u>\$ 5,720,309</u>	<u>\$ (11,789,179)</u>	<u>\$ 38,042,375</u>	<u>\$ 2,632,339</u>

Compensated absences, the total OPEB liability, and the net pension liability are liquidated by the fund which pays the corresponding employee's payroll expenses, retirement contribution, and health insurance expenses. For governmental activities, this is primarily paid by the General Fund.

CITY OF ST. AUGUSTINE, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9 – RETIREMENT SYSTEMS

General Employees' Retirement System (GERS Plan)

Plan Description – All regular full-time City employees who are not classified as full-time sworn police officers or firefighters are eligible to participate in the GERS Plan, a single-employer, defined benefit pension plan.

Plan Administration – The GERS Plan is governed by a five-member pension board. Two members are elected by the general employees, two by the City Commission and one by the other four members. The City and the Plan participants are obligated to fund all Plan costs based on actuarial valuations. The City establishes plan benefit levels and the Board of Trustees approves the actuarial assumptions used in the determination of contribution levels.

Plan Membership – GERS Plan membership consisted of the following as of September 30:

	2024	2023
Number of participants:		
Active	267	245
Inactive members or beneficiaries		
currently receiving benefits	198	192
Vested terminated	14	11
Inactive or limited participants	31	35
Total	510	483

Benefits Provided – 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 one-half percent of the member's average final salary. A supplemental annuity benefit is available to senior managers and directors pay grade 32 or above, and the police and fire chief who retire after March 31, 2002, with ten or more years of credited service earned after March 31, 2002. The annuity amount is .5% of final average compensation times credited service up to 35 years for service in pay grades 32 through 35 or for service as police or fire chief plus 1% of final average compensation times credited service up to 35 years for pay grades 36 or higher. Benefits are paid for the life of the participant with 60% continued to a surviving eligible spouse or domestic partner, unless optional forms of payment are elected. Eligibility for normal retirement is the earlier of age 65 and five years of service, age 60 and ten 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 contributions to the plan, along with interest. 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 retirement benefits calculated as if the member had retired at an eligible normal retirement date up to five years earlier on or after February 23, 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.

CITY OF ST. AUGUSTINE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

General Employees' Retirement System (GERS Plan) (Continued)

Funding Policy – The funding policy is established by City Ordinance. The City's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due.

Police Officers' Retirement System (PORS Plan)

Plan Description – Any police officer who is a regular member of the police department of the City is a member of this retirement system, a single-employer, defined benefit pension plan. The PORS Plan provides retirement, disability, and death benefits to Plan members.

Plan Administration – The PORS Plan is governed by a five-member pension board. Two members are elected by participants, two by the City Commission and one by the other four members. The City establishes the Plan's benefit levels and the Plan's Board of Trustees approves the actuarial assumptions used in the determination of contribution levels.

Plan Membership – FPOP Plan membership as of September 30, consisted of the following:

	2024	2023
Number of participants:		
Active	56	53
Inactive members or beneficiaries		
currently receiving benefits	35	36
Drop retirees	6	5
Disabled members	3	3
Vested terminated	4	3
Inactive or limited participants	1	2
Total	<u>105</u>	<u>102</u>

Benefits Provided – The plan provides retirement, termination, disability, and death benefits. 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% to 3.0% 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 ten 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 ten 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, 2024, the balance of the Police Officers' Retirement System DROP plan is \$680,681.

CITY OF ST. AUGUSTINE, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

Police Officers' Retirement System (PORS Plan) (Continued)

Funding Policy – Contributions by retirement system members are based on five and one-half percent (5.5%) of compensation, while the City continues (since December 1988) to contribute one percent (1%) of compensation for members. 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. 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 rate contributed by the City as of September 30, 2024 was 21.15%.

Firefighters' Retirement System (FFRS Plan)

Plan Description – All full-time firefighters and volunteers carried in the active membership rolls of the Fire Department of the City. Participation in the Plan is required as a condition of employment.

Plan Administration – The FFRS Plan is governed by a five-member pension board. Two firefighters, two City residents and a fifth member elected by the other four members.

Plan Membership – FFRS Plan membership as of September 30, 2024 and 2023, consisted of the following:

	2024	2023
Number of participants:		
Active	35	35
Inactive members or beneficiaries		
currently receiving benefits	21	21
Drop retirees	4	2
Disabled members	2	2
Vested terminated	4	4
Inactive or limited participants	1	3
Total	67	67

Benefits Provided – The plan provides retirement, death and disability benefits. 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% of the members' average final compensation. Benefits are paid for life of the participant with ten years certain. Eligibility for normal retirement is the earlier of age 55 and ten 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 3% 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, 2024, the balance of the Firefighters' Retirement System DROP plan is \$219,035.

CITY OF ST. AUGUSTINE, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

Firefighters' Retirement System (FFRS Plan) (Continued)

Funding Policy – Contributions by retirement system members is five percent (5.0%) of compensation. Prior to October 1, 1993, contributions to the Plan were made on an after-tax basis. Subsequent to this date, contributions are made on a pre-tax basis pursuant to an amendment to the Plan. These contributions are designated as employer contributions under Section 414(h)(2) of the Internal Revenue Code.

Additional Disclosures

Net Pension Liability:

The components of the net pension liability for each plan on September 30, 2024 were as follows:

General Employees Retirement System	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balances at September 30, 2023	\$ 68,823,261	\$ 56,803,134	\$ 12,020,127
Changes for the year:			
Service cost	1,354,964	-	1,354,964
Interest on total pension liability	4,854,770	-	4,854,770
Changes of benefit terms	-	-	-
Differences between expected and actual experience	2,896,712	-	2,896,712
Change in assumptions	(2,705,921)	-	(2,705,921)
Benefit payments, including refunds of contributions	(4,558,697)	(4,558,697)	-
Contributions - employer	-	3,909,307	(3,909,307)
Contributions - employee	-	625,976	(625,976)
Net investment income	-	10,875,314	(10,875,314)
Administrative expenses	-	(78,611)	78,611
Net change	<u>1,841,828</u>	<u>10,773,289</u>	<u>(8,931,461)</u>
Balances at September 30, 2024	<u>\$ 70,665,089</u>	<u>\$ 67,576,423</u>	<u>\$ 3,088,666</u>

Police Officers Retirement System	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balances at September 30, 2023	\$ 28,932,322	\$ 25,928,420	\$ 3,003,902
Changes for the year:			
Service cost	583,322	-	583,322
Interest on total pension liability	2,073,537	-	2,073,537
Share plan allocation	-	-	-
Changes of benefit terms	-	-	-
Differences between expected and actual experience	776,357	-	776,357
Change in assumptions	186,093	-	186,093
Benefit payments, including refunds of contributions	(1,293,287)	(1,293,287)	-
Contributions - employer and state	-	952,296	(952,296)
Contributions - employee	-	256,141	(256,141)
Net investment income	-	5,292,528	(5,292,528)
Administrative expenses	-	(72,127)	72,127
Net change	<u>2,326,022</u>	<u>5,135,551</u>	<u>(2,809,529)</u>
Balances at September 30, 2024	<u>\$ 31,258,344</u>	<u>\$ 31,063,971</u>	<u>\$ 194,373</u>

CITY OF ST. AUGUSTINE, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

Net Pension Liability (Continued):

Firefighters Pension	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balances at September 30, 2023	\$ 18,453,266	\$ 15,743,411	\$ 2,709,855
Changes for the year:			
Service cost	537,021	-	537,021
Interest on total pension liability	1,333,815	-	1,333,815
Share plan allocation	65,077	-	65,077
Changes of benefit terms	-	-	-
Differences between expected and actual experience	650,554	-	650,554
Change in assumptions	-	-	-
Benefit payments, including refunds of contributions	(671,064)	(671,064)	-
Contributions - employer and state	-	767,287	(767,287)
Contributions - employee	-	133,743	(133,743)
Net investment income	-	4,174,482	(4,174,482)
Administrative expenses	-	(43,112)	43,112
Net change	<u>1,915,403</u>	<u>4,361,336</u>	<u>(2,445,933)</u>
Balances at September 30, 2024	<u><u>\$ 20,368,669</u></u>	<u><u>\$ 20,104,747</u></u>	<u><u>\$ 263,922</u></u>

The components of the City's net pension liability measured as of September 30, 2024 are as follows:

	General Employees	Police Officers	Firefighters	Total
Total pension liability	\$ 70,665,089	\$ 31,258,344	\$ 20,368,669	\$ 122,292,102
Plan fiduciary net position	(67,576,423)	(31,063,971)	(20,104,747)	(118,745,141)
City's net pension liability	<u>\$ 3,088,666</u>	<u>\$ 194,373</u>	<u>\$ 263,922</u>	<u>\$ 3,546,961</u>
Plan fiduciary net position as a percentage of the net pension liability	95.63%	99.38%	98.70%	97.10%

Differences between plan fiduciary net position presented above and the amounts presented in the financial statements are due to certain accruals which are the result of timing differences. These differences are not considered to be significant.

For the year ended September 30, 2024, the City recognized total pension expense of as follows:

	General Employees	Police Officers	Firefighters	Total
Total pension expense	\$ 2,046,732	\$ 1,153,694	\$ 828,754	\$ 4,029,180

The City reported deferred outflows of resources and deferred inflows of resources to pensions from the following sources:

Deferred Outflows of Resources	General Employees	Police Officers	Firefighters	Total
Changes of assumptions	\$ 343,214	\$ 617,126	\$ 249,857	\$ 1,210,197
Differences between expected and actual experience	3,066,647	1,170,675	857,391	5,094,713
	<u>\$ 3,409,861</u>	<u>\$ 1,787,801</u>	<u>\$ 1,107,248</u>	<u>\$ 6,304,910</u>

CITY OF ST. AUGUSTINE, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

	General Employees	Police Officers	Firefighters	Total
Deferred Inflows of Resources				
Changes of assumptions	\$ 2,029,441	\$ -	\$ -	\$ 2,029,441
Differences between expected and actual experience	-	59,133	74,958	134,091
Net difference between projected and actual earnings on investments	2,984,924	1,840,399	1,362,077	6,187,400
	<u>\$ 5,014,365</u>	<u>\$ 1,899,532</u>	<u>\$ 1,437,035</u>	<u>\$ 8,350,932</u>

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent reporting period. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30,	General Employees	Police Officers	Firefighters	Total
2025	\$ 71,966	\$ 170,303	\$ 218,122	\$ 460,391
2026	1,171,510	674,615	458,050	2,304,175
2027	(1,501,423)	(473,881)	(614,381)	(2,589,685)
2028	(1,346,557)	(482,768)	(500,004)	(2,329,329)
2029	-	-	108,426	108,426
	<u>\$ (1,604,504)</u>	<u>\$ (111,731)</u>	<u>\$ (329,787)</u>	<u>\$ (2,046,022)</u>

Actuarial Assumptions:

The total pension liability was determined as of October 1, 2023 and projected to September 2024, using the following actuarial assumptions applied to all periods included in the measurement:

	GERS	PORS	FFRS
Inflation	2.75%	2.75%	2.50%
Salary increases	3.5% to 7%	3.5% to 7%	5.00%
Discount rate	7.05%	7.05%	7.15%
Investment rate of return	7.05%	7.05%	7.15%

Mortality Rate Healthy Active Lives:

Female: PubS.H.-2010 (Below Median) for Employees, set forward one year.

Male: PubH-2010 (Below Median) for Employees, set forward one year.

Mortality Rate Healthy Retiree Lives:

Female: PubS.H.-2010 for Healthy 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 for Disabled Retirees/20% PubS.H- 2010 for Disabled Retirees

All rates are projected generationally with Mortality Improvement Scale MP-2018.

CITY OF ST. AUGUSTINE, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

The above-described mortality assumption rates were mandated by Chapter 2015-157, *Laws of Florida*. The law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for special risk employees, with appropriate risk and collar adjustments made based on plan demographics. The actuary feels this assumption sufficiently accommodates future mortality.

The most recent actuarial experience study used to review the other significant assumptions was dated August 10, 2021.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges 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 ranges 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 allocations of September 30, 2024 are summarized in the following tables:

General Employee Retirement System:

Target Allocation	Asset Class	Long-Term Expected Rate of Return
55%	Domestic equity	9.00%
10%	Foreign equity	10.00%
15%	Fixed income	5.00%
15%	Real estate	7.00%
5%	Alternative strategies	5.00%
0%	Cash	1.80%

Police Officers' Retirement System:

Target Allocation	Asset Class	Long-Term Expected Rate of Return
10%	Corporate bonds	5.00%
50%	Domestic equity	9.00%
10%	Foreign equity	10.00%
5%	U.S. Treasuries and government agencies	4.50%
25%	Real estate	7.00%

CITY OF ST. AUGUSTINE, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

Firefighters' Retirement System:

Target Allocation	Asset Class	Long-Term Expected Rate of Return
50%	Domestic equity	7.50%
10%	International equity	8.50%
35%	Fixed income	2.50%
5%	GTAA	3.50%

Discount Rate:

The discount rate used to measure the total pension liability was 7.05% for both the GERS and the PORS and 7.15% for the FFRS. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at current contribution rate and that City contributions will be made at rates equal to the difference between actuarial determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Position Liability to Changes in the Discount Rate:

As of September 30, 2024:

	1% Decrease 6.05%	Current Rate 7.05%	1% Increase 8.05%
GERS Plan Net Pension Liability	\$ 11,218,009	\$ 3,088,666	\$ (3,067,023)
	1% Decrease 6.05%	Current Rate 7.05%	1% Increase 8.05%
PORS Plan Net Pension Liability	\$ 4,184,384	\$ 194,373	\$ (2,792,828)
	1% Decrease 6.15%	Current Rate 7.15%	1% Increase 8.15%
FFRS Plan Net Pension Liability	\$ 2,750,888	\$ 263,922	\$ (1,813,236)

CITY OF ST. AUGUSTINE, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

Statements of fiduciary net position and statements of changes in fiduciary net position for the City's defined benefit retirement system plans are as follows, as of and for the year ended September 30, 2024:

STATEMENTS OF FIDUCIARY NET POSITION

	General Employees' Pension Plan	Police Officers' Pension Plan	Firefighters' Pension Plan	Total
ASSETS				
Cash and cash equivalents	\$ 2,136,986	\$ 1,004,125	\$ -	\$ 3,141,111
Contributions receivable	-	-	45,551	45,551
Interest receivable	51,595	18,166	29,602	99,363
Investments, at fair value				
Fixed income	5,420,991	3,618,650	4,210,817	13,250,458
International fixed income investment fund	-	-	818,808	818,808
International equity investment fund	-	951,884	1,839,731	2,791,615
Domestic equity investment fund	46,835,679	20,029,231	12,652,144	79,517,054
Real estate funds	8,584,140	5,452,455	-	14,036,595
Alternative strategies	4,565,298	-	-	4,565,298
Temporary investments	-	-	522,806	522,806
Total investments	<u>65,406,108</u>	<u>30,052,220</u>	<u>20,044,306</u>	<u>115,502,634</u>
 Total assets	 <u>\$ 67,594,689</u>	 <u>\$ 31,074,511</u>	 <u>\$ 20,119,459</u>	 <u>\$ 118,788,659</u>
LIABILITIES				
Accounts payable	\$ 18,266	\$ 10,540	\$ 14,712	\$ 43,518
Total liabilities	<u>18,266</u>	<u>10,540</u>	<u>14,712</u>	<u>43,518</u>
NET POSITION				
Restricted for pension benefits	67,576,423	31,063,971	20,104,747	118,745,141
Total liabilities and net position	<u>\$ 67,594,689</u>	<u>\$ 31,074,511</u>	<u>\$ 20,119,459</u>	<u>\$ 118,788,659</u>

CITY OF ST. AUGUSTINE, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION

	General Employees' Pension Plan	Police Officers' Pension Plan	Firefighters' Pension Plan	Total
ADDITIONS				
Contributions				
City	\$ 3,909,307	\$ 683,965	\$ 474,721	\$ 5,067,993
Employees	625,976	256,141	133,743	1,015,860
State of Florida	-	268,331	292,566	560,897
Total contributions	<u>4,535,283</u>	<u>1,208,437</u>	<u>901,030</u>	<u>6,644,750</u>
Investment income				
Interest and dividends	1,572,105	826,286	701,725	3,100,116
Net appreciation in the fair value of investments	9,365,667	4,542,192	3,510,098	17,417,957
Investment expense	(62,458)	(75,950)	(37,006)	(175,414)
Net investment income	<u>10,875,314</u>	<u>5,292,528</u>	<u>4,174,817</u>	<u>20,342,659</u>
Total additions	<u>15,410,597</u>	<u>6,500,965</u>	<u>5,075,847</u>	<u>26,987,409</u>
DEDUCTIONS				
Pension benefits	4,379,093	1,282,292	671,064	6,332,449
Termination payments	179,604	10,995	-	190,599
Administrative expenses	78,611	72,127	27,993	178,731
Total deductions	<u>4,637,308</u>	<u>1,365,414</u>	<u>699,057</u>	<u>6,701,779</u>
Net change in plan net position	10,773,289	5,135,551	4,376,790	20,285,630
Plan net position, restricted for pension benefits:				
Beginning of year	56,803,134	25,928,420	15,727,957	98,459,511
End of year	<u>\$ 67,576,423</u>	<u>\$ 31,063,971</u>	<u>\$ 20,104,747</u>	<u>\$ 118,745,141</u>

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

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 who retire from active service under one of the pension plans sponsored by the City.

As of September 30, 2024, 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.

CITY OF ST. AUGUSTINE, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Funding Policy

Currently the City's OPEB benefits are unfunded. That is, there is no separate trust fund or equivalent arrangement into which the City would make contributions to advance-fund the obligation, as it does for its pension plans. Therefore, the ultimate subsidies which are provided over time are financed directly by the general assets of the City, which are invested in very short-term fixed income instruments. Although an actuarial valuation for OPEB was completed to measure current year's subsidies and project future subsidies, the City Council has determined that a separate trust fund or equivalent arrangement will not be established.

Total OPEB Liability

The total OPEB liability was based on an actuarial valuation dated September 30, 2024. The total OPEB liability of \$1,698,421 was measured as of September 30, 2024.

Changes in the Total OPEB Liability

Balances at September 30, 2023	\$ 1,657,467
Changes for the year:	
Service cost	51,516
Interest	60,817
Benefit payments	<u>(71,379)</u>
Net changes	<u>40,954</u>
Balances at September 30, 2024	<u><u>\$ 1,698,421</u></u>

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.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following table presents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease <u>(2.75%)</u>	Current Discount Rate <u>(3.75%)</u>	1% Increase <u>(4.75%)</u>
Total OPEB liability	\$ 1,427,008	\$ 1,698,421	\$ 2,051,654

CITY OF ST. AUGUSTINE, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following table presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease (4.0%)	Healthcare Cost Trend Rates (5.0%)	1% Increase (6.0%)
Total OPEB liability	\$ 1,424,395	\$ 1,698,421	\$ 2,051,951

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended September 30, 2024, the City recognized OPEB expense of (\$82,755). At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 51,374	\$ 572,269
Change of assumptions and other inputs	40,246	-
City contributions subsequent to the measurement date	-	-
	<u>\$ 91,620</u>	<u>\$ 572,269</u>

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the subsequent reporting period. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount
2025	\$ (123,593)
2026	(178,528)
2027	(178,528)
2028	-
Total	<u>\$ (480,649)</u>

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of the valuation and the historical pattern of sharing benefit costs between the employer and plan members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

CITY OF ST. AUGUSTINE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Actuarial Methods and Assumptions (Continued)

Actuarial methods and assumptions include the following:

Actuarial Valuation Date:	September 30, 2024
Measurement Date:	September 30, 2023
Reporting Date:	September 30, 2024
Actuarial Cost Method:	Entry Age Normal Cost.
Inflation Rate:	5%
Discount Rate:	3.75% per annum
Projected Salary Increases:	4.0%
Healthcare Cost Trend Rate:	The trend rate selected was based on historical medical CPI information.

NOTE 11 – OTHER DISCLOSURES

Commitments and Contingencies

Grant Programs:

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects amounts, if any, to be immaterial.

Litigation:

The City is currently involved in various forms of litigation. These cases are either in the early stages of litigation or are not expected to have a material effect on the financial position or results of operations of the City.

Risk Management:

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance.

Deferred Compensation Plan:

The City maintains a deferred compensation plan created in accordance with Internal Revenue Code, Section 457. 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.

CITY OF ST. AUGUSTINE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 11 – OTHER DISCLOSURES (CONTINUED)

Commitments and Contingencies (Continued)

Construction Contract Commitments:

The following is a summary of construction contract commitments remaining at fiscal year-end:

<u>Project</u>	<u>Contract Amount</u>	<u>Expended To-Date</u>	<u>Contract Balance</u>
Various projects	\$ 29,809,323	\$ 8,462,607	\$ 21,346,716

NOTE 12 – PRIOR PERIOD RESTATEMENT

During the current year, management determined a restatement of prior year fund balance in the Utility Fund and net position in the Business-Type Activities, was required. In the prior years, grant amounts were received from the American Rescue Plan Act and were recorded as revenue prior to all revenue recognition criteria being met. Details of the restatement are as follows:

Net position, Business-Type Activities, previously reported	\$ 156,844,830
Movement of ARPA funds to unearned revenues	(4,408,638)
Beginning net position, Business-Type Activities, as restated	<u>\$ 152,436,192</u>
 Net position, Utility Fund, previously reported	 \$ 129,655,524
Movement of ARPA funds to unearned revenues	(4,408,638)
Beginning fund balance, Utility Fund, as restated	<u>\$ 125,246,886</u>

NOTE 13 – SUBSEQUENT EVENT

The City has evaluated subsequent events through May 27, 2025 the date the financial statements were available to be issued.

Required Supplementary Information

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CITY OF ST. AUGUSTINE, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	\$ 23,495,481	\$ 23,495,481	\$ 21,438,323	\$ (2,057,158)
Other taxes	4,218,119	4,218,119	4,623,911	405,792
Licenses and permits	1,404,200	1,404,200	1,620,498	216,298
Intergovernmental revenues	2,417,740	2,417,740	3,436,636	1,018,896
Charges for services	7,140,390	7,154,830	8,174,092	1,019,262
Administrative overhead charges	6,349,434	6,349,434	5,670,717	(678,717)
Franchise fees	2,275,000	2,275,000	2,699,685	424,685
Fines and forfeitures	352,500	352,500	639,217	286,717
Grant revenues	760,000	2,638,174	1,851,278	(786,896)
Investment earnings	1,600,000	1,600,000	2,282,933	682,933
Miscellaneous revenues	698,000	698,000	595,510	(102,490)
Total revenues	50,710,864	52,603,478	53,032,800	429,322
Expenditures:				
Current				
General government				
City Commission	234,433	278,026	236,080	41,946
City Clerk	541,138	547,576	517,432	30,144
City Manager	1,705,315	1,780,966	1,458,857	322,109
Finance	1,104,083	1,116,560	886,645	229,915
Customer service	845,259	845,259	766,750	78,509
Information technology	1,187,162	1,195,455	1,047,148	148,307
Human resources	910,542	910,577	544,736	365,841
Purchasing	452,793	467,935	378,205	89,730
Legal	647,864	647,864	540,730	107,134
Planning	1,124,494	1,268,367	848,972	419,395
Other governmental	4,672,760	4,921,046	4,295,567	625,479
Facilities management	993,347	1,156,540	1,166,790	(10,250)
Other contractual services	-	1,818,199	890,947	927,252
Total general government	14,419,190	16,954,370	13,578,859	3,375,511
Public safety:				
Police	11,145,626	11,270,344	10,024,184	1,246,160
Fire	5,650,440	5,689,295	5,532,215	157,080
Building and code enforcement	1,579,919	1,635,546	1,160,509	475,037
Total public safety	18,375,985	18,595,185	16,716,908	1,878,277
Physical environment				
Public works	4,094,495	4,455,616	3,464,685	990,931
Transportation:				
Streets	5,731,810	6,165,079	4,872,266	1,292,813
Culture and recreation:				
Recreation	2,601,060	2,843,507	1,957,066	886,441
Capital outlay	4,135,531	16,735,713	9,447,156	7,288,557
Total expenditures	49,358,071	65,749,470	50,036,940	15,712,530

(Continued)

CITY OF ST. AUGUSTINE, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,352,793</u>	<u>\$ (13,145,992)</u>	<u>\$ 2,995,860</u>	<u>\$ (16,141,852)</u>
Other financing sources (uses)				
Proceeds from the sale of capital assets	25,000	48,928	229,345	180,417
Transfers in	3,691,139	9,496,604	4,043,010	(5,453,594)
Transfers out	<u>(5,068,447)</u>	<u>(5,432,286)</u>	<u>(5,280,537)</u>	<u>151,749</u>
Total other financing sources (uses)	<u>(1,352,308)</u>	<u>4,113,246</u>	<u>(1,008,182)</u>	<u>(5,121,428)</u>
Net change in fund balance	<u>485</u>	<u>(9,032,746)</u>	<u>1,987,678</u>	<u>11,020,424</u>
Fund balances, beginning of year	<u>31,066,963</u>	<u>31,066,963</u>	<u>31,066,963</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ 31,067,448</u></u>	<u><u>\$ 22,034,217</u></u>	<u><u>\$ 33,054,641</u></u>	<u><u>\$ 11,020,424</u></u>

CITY OF ST. AUGUSTINE, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – COMMUNITY REDEVELOPMENT AGENCY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	\$ 1,786,495	\$ 1,786,495	\$ 1,426,840	\$ (359,655)
Grant revenues	671,300	671,300	33,653	(637,647)
Interest income	140,000	140,000	121,192	(18,808)
Other revenues	-	-	211,438	211,438
Total revenues	<u>2,597,795</u>	<u>2,597,795</u>	<u>1,793,123</u>	<u>(804,672)</u>
Expenditures				
Current				
General government	2,806,448	5,909,796	640,196	5,909,796
Capital outlay	1,225,000	2,244,993	1,420,165	2,244,993
Total expenditures	<u>4,031,448</u>	<u>8,154,789</u>	<u>2,060,361</u>	<u>8,154,789</u>
Deficiency of revenues under expenditures	<u>(1,433,653)</u>	<u>(5,556,994)</u>	<u>(267,238)</u>	<u>7,350,117</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,879,153	5,105,662	2,560,072	5,105,662
Transfers out	<u>(1,445,500)</u>	<u>(1,445,500)</u>	<u>(1,325,166)</u>	<u>(1,445,500)</u>
Total other financing sources, net	<u>1,433,653</u>	<u>3,660,162</u>	<u>1,234,906</u>	<u>3,660,162</u>
Change in fund balances	-	(1,896,832)	967,668	11,010,279
Fund balances, beginning	<u>2,658,957</u>	<u>2,658,957</u>	<u>2,658,957</u>	<u>-</u>
Fund balances, ending	<u>\$ 2,658,957</u>	<u>\$ 762,125</u>	<u>\$ 3,626,625</u>	<u>\$ 11,010,279</u>

CITY OF ST. AUGUSTINE, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Expenditures				
Debt service				
Principal retirement	\$ 393,923	\$ 393,923	\$ 563,349	\$ (169,426)
Interest	844,007	844,007	858,462	(14,455)
Total expenditures	<u>1,237,930</u>	<u>1,237,930</u>	<u>1,421,811</u>	<u>(183,881)</u>
Deficiency of revenues under expenditures	<u>(1,237,930)</u>	<u>(1,237,930)</u>	<u>(1,421,811)</u>	<u>(183,881)</u>
Other financing uses				
Transfers in	1,237,930	1,237,930	1,538,772	300,842
Transfers out	-	-	(116,961)	(116,961)
Total other financing uses	<u>1,237,930</u>	<u>1,237,930</u>	<u>1,421,811</u>	<u>183,881</u>
Change in fund balance	-	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF ST. AUGUSTINE, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS – GENERAL EMPLOYEES' PENSION PLAN**

Reporting period ending measurement date	9/30/2024 9/30/2023	9/30/2023 9/30/2022	9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016	9/30/2016 9/30/2015	9/30/2015 9/30/2014
Total pension liability										
Service cost	\$ 1,354,964	\$ 1,260,975	\$ 1,128,957	\$ 1,083,642	\$ 1,161,167	\$ 1,212,444	\$ 1,070,512	\$ 934,169	\$ 877,693	\$ 803,520
Interest on total pension liability	4,854,770	4,487,708	4,321,201	4,094,536	3,972,631	3,899,091	3,662,089	3,354,032	3,199,137	2,974,850
Differences between expected and actual experience	2,896,712	1,318,676	939,098	1,880,879	816,742	(690,749)	1,205,174	-	292,529	957,468
Change of assumptions	(2,705,921)	2,825,095	662,535	1,249,629	99,193	279,597	270,408	2,259,593	293,019	64,099
Contributions - buy back	-	-	-	-	-	-	-	-	-	-
Benefit payments	(4,558,697)	(4,274,999)	(3,823,120)	(3,683,439)	(3,616,283)	(3,076,009)	(2,806,415)	(2,560,373)	(2,318,001)	(2,445,651)
Net change in total pension liability	1,841,828	5,617,455	3,228,671	4,625,247	2,433,450	1,624,374	3,401,768	3,987,421	2,344,377	2,354,286
Total pension liability - beginning	68,823,261	63,205,806	59,977,135	55,351,888	52,918,438	51,294,064	47,892,296	43,904,875	41,560,498	39,206,212
Total pension liability - ending (a)	\$ 70,665,089	\$ 68,823,261	\$ 63,205,806	\$ 59,977,135	\$ 55,351,888	\$ 52,918,438	\$ 51,294,064	\$ 47,892,296	\$ 43,904,875	\$ 41,560,498
Plan fiduciary net position										
Contributions - employer	\$ 3,909,307	\$ 3,529,837	\$ 3,040,396	\$ 3,010,252	\$ 2,935,788	\$ 3,054,301	\$ 2,720,877	\$ 2,199,188	\$ 1,981,476	\$ 1,890,973
Contributions - employee	625,976	567,622	505,122	527,391	551,940	464,544	440,965	417,923	403,094	388,933
Net investment income	10,875,314	4,768,372	(6,929,100)	11,146,101	4,986,042	849,095	2,977,936	4,487,841	2,936,911	712,816
Benefit payments	(4,558,697)	(4,268,027)	(3,823,120)	(3,683,439)	(3,616,283)	(3,076,009)	(2,806,415)	(2,560,372)	(2,318,001)	(2,445,651)
Administrative expenses	(78,611)	(75,164)	(80,334)	(80,636)	(68,950)	(68,479)	(65,056)	(59,340)	(57,582)	(39,139)
Net change in plan fiduciary net position	10,773,289	4,522,640	(7,287,036)	10,919,669	4,788,537	1,223,452	3,268,307	4,485,240	2,945,898	507,932
Plan fiduciary net position - beginning	56,803,134	52,280,494	59,567,530	48,647,861	43,859,324	42,635,872	39,367,565	34,882,325	31,936,427	31,428,495
Plan fiduciary net position - ending (b)	\$ 67,576,423	\$ 56,803,134	\$ 52,280,494	\$ 59,567,530	\$ 48,647,861	\$ 43,859,324	\$ 42,635,872	\$ 39,367,565	\$ 34,882,325	\$ 31,936,427
City's net pension liability - ending (a) - (b)	\$ 3,088,666	\$ 12,020,127	\$ 10,925,312	\$ 409,605	\$ 6,704,027	\$ 9,059,114	\$ 8,658,192	\$ 8,524,731	\$ 9,022,550	\$ 9,624,071
Plan fiduciary net position as a percentage of the total pension liability	95.63%	82.53%	82.71%	99.32%	87.89%	82.88%	83.12%	82.20%	79.45%	76.84%
Covered payroll	\$ 13,885,412	\$ 12,734,155	\$ 11,657,347	\$ 11,777,347	\$ 10,751,684	\$ 11,360,507	\$ 10,272,429	\$ 9,681,447	\$ 9,396,015	\$ 9,168,707
City's net pension liability as a percentage of covered payroll	22.24%	94.39%	93.72%	3.48%	62.35%	79.74%	84.29%	88.05%	96.03%	104.97%

CITY OF ST. AUGUSTINE, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS – FIREFIGHTERS' PENSION PLAN**

Reporting period ending Measurement date	9/30/2024 9/30/2023	9/30/2023 9/30/2022	9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016	9/30/2016 9/30/2015	9/30/2015 9/30/2014
Total pension liability										
Service cost	\$ 537,021	\$ 460,149	\$ 451,826	\$ 359,621	\$ 336,036	\$ 325,027	\$ 311,731	\$ 275,743	\$ 234,355	\$ 230,062
Interest	1,333,945	1,228,926	1,174,436	1,057,354	1,046,101	964,117	893,103	740,339	787,330	721,743
Changes in excess state money	-	-	-	-	-	-	(389,245)	88,941	(295,791)	90,698
Share plan allocation	65,077	50,769	19,365	17,203	30,460	11,011	116,195	-	378,685	165,171
Differences between expected and actual experience	650,554	340,015	(149,914)	311,459	44,590	84,337	316,244	160,964	124,845	-
Changes in assumptions	-	-	-	693,753	111,627	-	-	(32,498)	393,462	-
Contributions - buy back	-	-	-	-	-	-	-	-	924	13,864
Benefit payments	(671,064)	(708,441)	(775,421)	(704,866)	(710,129)	(743,255)	(753,841)	(767,735)	(700,051)	(643,641)
Net change in total pension liability	1,915,533	1,371,418	720,292	1,734,524	858,685	641,237	494,187	465,754	923,759	577,897
Total pension liability - beginning	18,453,136	17,081,718	16,361,426	14,626,902	13,768,217	13,126,980	12,632,793	12,167,039	11,243,280	10,665,383
Total pension liability - ending (a)	\$ 20,368,669	\$ 18,453,136	\$ 17,081,718	\$ 16,361,426	\$ 14,626,902	\$ 13,768,217	\$ 13,126,980	\$ 12,632,793	\$ 12,167,039	\$ 11,243,280
Plan fiduciary net position										
Contributions - employer	\$ 474,721	\$ 360,604	\$ 316,980	\$ 278,301	\$ 269,544	\$ 359,136	\$ 349,974	\$ 225,053	\$ 196,389	\$ 243,834
Contributions - employee	133,743	135,552	122,262	111,265	106,077	102,020	97,030	92,832	81,793	80,812
Contributions - state	292,566	263,950	201,143	196,819	194,675	184,434	176,271	163,451	157,404	180,080
Contributions - buy back	-	-	-	-	-	-	-	-	924	13,864
Net investment income	4,174,817	1,788,425	(3,289,329)	2,434,343	1,617,023	509,441	1,063,931	1,158,206	1,082,244	(138,907)
Benefit payments	(671,064)	(708,441)	(775,421)	(704,866)	(710,129)	(743,255)	(753,841)	(767,735)	(700,051)	(643,641)
Administrative expenses	(27,993)	(46,397)	(57,555)	(54,462)	(42,062)	(54,443)	(41,140)	(47,428)	(47,394)	(37,717)
Net change in plan fiduciary net position	4,376,790	1,793,693	(3,481,920)	2,261,400	1,435,128	357,333	892,225	824,379	771,309	(301,675)
Plan fiduciary net position - beginning	15,727,957	13,934,264	17,416,184	15,154,784	13,719,656	13,362,323	12,470,098	11,645,719	10,874,410	11,176,085
Plan fiduciary net position - ending (b)	\$ 20,104,747	\$ 15,727,957	\$ 13,934,264	\$ 17,416,184	\$ 15,154,784	\$ 13,719,656	\$ 13,362,323	\$ 12,470,098	\$ 11,645,719	\$ 10,874,410
City's net pension liability - ending (a) - (b)	\$ 263,922	\$ 2,725,179	\$ 3,147,454	\$ (1,054,758)	\$ (527,882)	\$ 48,561	\$ (235,343)	\$ 162,695	\$ 521,320	\$ 368,870
Plan fiduciary net position as a percentage of the total pension liability	98.70%	85.23%	81.57%	106.45%	103.61%	99.65%	101.79%	98.71%	95.72%	96.72%
Covered payroll	\$ 2,674,859	\$ 2,711,049	\$ 2,445,235	\$ 2,307,226	\$ 2,121,547	\$ 2,040,395	\$ 1,940,595	\$ 1,856,640	\$ 1,635,855	\$ 1,645,062
City's net pension liability as a percentage of covered payroll	9.87%	100.52%	128.72%	-45.72%	-24.88%	2.38%	-12.13%	8.76%	31.87%	22.42%

CITY OF ST. AUGUSTINE, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS – POLICE OFFICERS' PENSION PLAN**

Reporting period ending Measurement date	9/30/2024 9/30/2023	9/30/2023 9/30/2022	9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016	9/30/2016 9/30/2015	9/30/2015 9/30/2014
Total pension liability										
Service cost	\$ 583,322	\$ 521,562	\$ 521,022	\$ 469,468	\$ 591,972	\$ 548,320	\$ 675,379	\$ 540,900	\$ 535,582	\$ 514,463
Interest	2,073,537	1,936,188	1,831,491	1,737,632	1,680,879	1,619,097	1,483,635	1,381,385	1,667,171	1,218,700
Differences between expected and actual experience	776,357	592,353	294,183	382,522	126,193	(413,933)	782,820	-	(19,092)	(234,101)
Changes in assumptions	186,093	166,387	562,826	578,688	(158,030)	212,449	114,054	501,237	93,784	19,821
Benefit payments	(1,293,287)	(1,308,202)	(1,506,760)	(1,078,010)	(1,069,800)	(1,045,032)	(1,019,276)	(1,440,875)	(799,841)	(689,626)
Net change in total pension liability	<u>2,326,022</u>	<u>1,908,288</u>	<u>1,702,762</u>	<u>2,090,300</u>	<u>1,171,214</u>	<u>920,901</u>	<u>2,036,612</u>	<u>982,647</u>	<u>1,477,604</u>	<u>829,257</u>
Total pension liability - beginning	<u>28,932,322</u>	<u>27,024,034</u>	<u>25,321,272</u>	<u>23,230,972</u>	<u>22,059,758</u>	<u>21,138,857</u>	<u>19,102,245</u>	<u>18,119,598</u>	<u>16,641,994</u>	<u>15,812,737</u>
Total pension liability - ending (a)	<u>\$ 31,258,344</u>	<u>\$ 28,932,322</u>	<u>\$ 27,024,034</u>	<u>\$ 25,321,272</u>	<u>\$ 23,230,972</u>	<u>\$ 22,059,758</u>	<u>\$ 21,138,857</u>	<u>\$ 19,102,245</u>	<u>\$ 18,119,598</u>	<u>\$ 16,641,994</u>
Plan fiduciary net position										
Contributions - employer	\$ 683,965	\$ 460,547	\$ 493,085	\$ 332,367	\$ 454,571	\$ 575,062	\$ 541,133	\$ 478,581	\$ 399,211	\$ 411,658
Contributions - employee	256,141	238,324	219,683	208,383	190,177	184,388	170,931	178,168	153,529	164,848
Contributions - state	268,331	383,437	213,357	283,222	250,176	261,770	246,831	194,937	175,835	181,087
Net investment income	5,292,528	2,414,497	(2,879,629)	5,016,380	1,491,372	832,584	1,766,632	2,159,405	1,654,228	123,357
Benefit payments	(1,293,287)	(1,308,202)	(1,496,966)	(1,078,010)	(1,069,800)	(1,045,032)	(1,019,276)	(1,440,875)	(799,841)	(689,626)
Administrative expenses	(72,127)	(68,430)	(67,654)	(81,237)	(59,743)	(75,736)	(60,925)	(50,802)	(59,938)	(40,273)
Net change in plan fiduciary net position	<u>5,135,551</u>	<u>2,120,173</u>	<u>(3,518,124)</u>	<u>4,681,105</u>	<u>1,256,753</u>	<u>733,036</u>	<u>1,645,326</u>	<u>1,519,414</u>	<u>1,523,024</u>	<u>151,051</u>
Plan fiduciary net position - beginning	<u>25,928,420</u>	<u>23,808,247</u>	<u>27,326,371</u>	<u>22,645,266</u>	<u>21,388,513</u>	<u>20,655,477</u>	<u>19,010,151</u>	<u>17,490,737</u>	<u>15,967,713</u>	<u>15,816,662</u>
Plan fiduciary net position - ending (b)	<u>\$ 31,063,971</u>	<u>\$ 25,928,420</u>	<u>\$ 23,808,247</u>	<u>\$ 27,326,371</u>	<u>\$ 22,645,266</u>	<u>\$ 21,388,513</u>	<u>\$ 20,655,477</u>	<u>\$ 19,010,151</u>	<u>\$ 17,490,737</u>	<u>\$ 15,967,713</u>
City's net pension liability - ending (a) - (b)	<u>\$ 194,373</u>	<u>\$ 3,003,902</u>	<u>\$ 3,215,787</u>	<u>\$ (2,005,099)</u>	<u>\$ 585,706</u>	<u>\$ 671,245</u>	<u>\$ 483,380</u>	<u>\$ 92,094</u>	<u>\$ 628,861</u>	<u>\$ 674,281</u>
Plan fiduciary net position as a percentage of the total pension liability	99.38%	89.62%	88.10%	107.92%	97.48%	96.96%	97.71%	99.52%	96.53%	95.95%
Covered payroll	\$ 4,502,949	\$ 4,015,631	\$ 4,026,795	\$ 3,901,486	\$ 3,571,718	\$ 3,428,854	\$ 3,615,909	\$ 2,943,236	\$ 2,646,904	\$ 2,867,573
City's net pension liability as a percentage of covered payroll	4.32%	74.81%	79.86%	-51.39%	16.40%	19.58%	13.37%	3.13%	23.76%	23.51%

CITY OF ST. AUGUSTINE, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
GENERAL EMPLOYEES' PENSION PLAN**

	<u>9/30/2024</u>	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>
Reporting period ending										
Actuarially determined contribution	\$ 3,797,134	\$ 3,071,313	\$ 3,021,181	\$ 2,635,638	\$ 2,837,841	\$ 2,725,709	\$ 2,514,305	\$ 2,065,477	\$ 1,907,612	\$ 1,791,789
Contributions in relation to the actuarially determined contribution	3,909,307	3,529,837	3,151,370	3,123,136	3,048,816	3,171,892	2,825,631	2,283,857	2,058,258	1,964,248
Contribution deficiency (excess)	<u>\$ (112,173)</u>	<u>\$ (458,524)</u>	<u>\$ (130,189)</u>	<u>\$ (487,498)</u>	<u>\$ (210,975)</u>	<u>\$ (446,183)</u>	<u>\$ (311,326)</u>	<u>\$ (218,380)</u>	<u>\$ (150,646)</u>	<u>\$ (172,459)</u>
Covered payroll	\$ 13,885,412	\$ 12,734,155	\$ 11,657,347	\$ 11,777,347	\$ 10,751,684	\$ 11,360,507	\$ 10,272,429	\$ 9,681,447	\$ 9,396,015	\$ 9,168,707
Contributions as a percentage of covered payroll	28.15%	27.72%	27.03%	26.52%	28.36%	27.92%	27.51%	23.59%	21.91%	21.42%

Notes to the Schedule:

Valuation date:

October 1, 2022

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding method:

Entry age normal actuarial cost method.

Amortization method:

Level percentage, closed.

Remaining amortization period:

3 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%

Future rate of growth in valuation of payroll:

1.45%

Salary increases:

3.5% to 7%

Investment rate of return:

7.15%

Retirement rates:

Schedule of probabilities based on age and service, increasing as age and service increase.

Mortality:

FRS Mortality Tables

CITY OF ST. AUGUSTINE, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
FIREFIGHTERS' PENSION PLAN**

	<u>9/30/2024</u>	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>
Reporting period ending										
Actuarially determined contribution	\$ 686,636	\$ 575,827	\$ 500,051	\$ 470,674	\$ 442,767	\$ 437,053	\$ 438,963	\$ 334,010	\$ 303,615	\$ 350,237
Contributions in relation to the actuarially determined contribution	702,210	573,785	498,758	482,496	433,774	532,559	688,965	301,274	336,351	350,237
Contribution deficiency (excess)	<u>\$ (15,574)</u>	<u>\$ 2,042</u>	<u>\$ 1,293</u>	<u>\$ (11,822)</u>	<u>\$ 8,993</u>	<u>\$ (95,506)</u>	<u>\$ (250,002)</u>	<u>\$ 32,736</u>	<u>\$ (32,736)</u>	<u>\$ -</u>
Covered payroll	\$ 2,674,859	\$ 2,711,049	\$ 2,445,235	\$ 2,307,226	\$ 2,121,547	\$ 2,040,395	\$ 1,940,595	\$ 1,856,640	\$ 1,635,855	\$ 1,645,062
Contributions as a percentage of covered payroll	26.25%	21.16%	20.40%	20.91%	20.45%	26.10%	35.50%	16.23%	20.56%	21.29%

Notes to the Schedule:

Valuation date: October 1, 2022
Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding method: Entry age normal actuarial cost method.
Funding Method: Frozen Entry Age Actuarial Cost Method.
Mortality Rate Healthy Active Lives: Female: PubS.H.-2010 (Below Median) for Employees, set forward one year.
Male: PubH-2010 (Below Median) for Employees, set forward one year.
Mortality Rate Healthy Retiree Lives: Female: PubS.H-2010 for Healthy 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 for Disabled Retirees/20% PubS.H-2010 for Disabled Retirees.

All rates are projected generationally with Mortality Improvements Scale MP-2018.

The above assumption rates were mandated by Chapter 2015-157, *Laws of Florida*. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement system (FRS). The above rates are those outlined in Milliman's FRS valuation report for special risk participants.

Interest Rate: 7.15% per year compounded annually, net of investment related expenses. This assumption is supported by the Plan's investment policy and long-term expected returns by asset class.

CITY OF ST. AUGUSTINE, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
POLICE OFFICERS' PENSION PLAN**

	<u>9/30/2024</u>	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>
Reporting period ending										
Actuarially determined contribution	\$ 854,968	\$ 772,303	\$ 739,250	\$ 590,285	\$ 702,783	\$ 828,511	\$ 704,412	\$ 613,512	\$ 606,441	\$ 578,501
Contributions in relation to the actuarially determined contribution	952,296	754,643	740,395	638,675	742,863	868,841	818,301	699,448	597,329	610,097
Contribution deficiency (excess)	<u>\$ (97,328)</u>	<u>\$ 17,660</u>	<u>\$ (1,145)</u>	<u>\$ (48,390)</u>	<u>\$ (40,080)</u>	<u>\$ (40,330)</u>	<u>\$ (113,889)</u>	<u>\$ (85,936)</u>	<u>\$ 9,112</u>	<u>\$ (31,596)</u>
Covered payroll	\$ 4,502,949	\$ 4,015,631	\$ 4,026,795	\$ 3,901,486	\$ 3,571,718	\$ 3,428,854	\$ 3,615,909	\$ 2,943,236	\$ 2,646,904	\$ 2,867,573
Contributions as a percentage of covered payroll	21.15%	18.79%	18.39%	16.37%	20.80%	25.34%	22.63%	23.76%	22.57%	21.28%

Notes to the Schedule:

Valuation date: October 1, 2022
Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding method: Entry age normal actuarial cost method.

Amortization method:

Level percentage, closed.

Remaining amortization period:

2 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%

Investment rate of return:

7.15%

Retirement rates:

Schedule of probabilities based on age and service, increasing as age and service increase.

Mortality:

FRS Mortality Tables

CITY OF ST. AUGUSTINE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PENSION INVESTMENT RETURNS

Measurement date	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
General Employees: Annual money-weighted rate of return, net of investment expenses	9.80%	5.95%	-11.67%	23.00%	11.40%	1.90%	7.50%	9.93%	10.30%	2.60%
Police Officers' Pension Plan: Annual money-weighted rate of return, net of investment expenses	9.11%	5.62%	-9.65%	22.50%	7.10%	4.20%	9.40%	12.30%	11.20%	1.70%
Firefighters' Pension Plan: Annual money-weighted rate of return, net of investment expenses	26.58%	12.90%	-19.05%	16.15%	11.83%	3.91%	8.83%	11.42%	9.77%	-1.26%

Combining and Individual Fund Statements and Schedules

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Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity for individuals, private organizations or other governments.

General Employees' Pension Plan – To account for the City's single employer defined benefit pension plan which provides pension benefits for full-time general employees.

Police Officers' Pension Plan – To account for the City's single employer defined benefit pension plan which provides pension benefits for full-time police officers.

Firefighters' Pension Plan – To account for the City's single employer defined benefit pension plan which provides pension benefits for full-time firefighters.

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CITY OF ST. AUGUSTINE, FLORIDA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
SEPTEMBER 30, 2024**

	General Employees' Pension Plan	Police Officers' Pension Plan	Firefighters' Pension Plan	Total
ASSETS				
Cash and cash equivalents	\$ 2,136,986	\$ 1,004,125	\$ -	\$ 3,141,111
Contributions receivable	-	-	45,551	45,551
Interest receivable	51,595	18,166	29,602	99,363
Investments, at fair value				
Fixed income	5,420,991	3,618,650	4,210,817	13,250,458
International fixed income investment fund	-	-	818,808	818,808
International equity investment fund	-	951,884	1,839,731	2,791,615
Domestic equity investment fund	46,835,679	20,029,231	12,652,144	79,517,054
Real estate funds	8,584,140	5,452,455	-	14,036,595
Alternative strategies	4,565,298	-	-	4,565,298
Temporary investments	-	-	522,806	522,806
Total investments	<u>65,406,108</u>	<u>30,052,220</u>	<u>20,044,306</u>	<u>115,502,634</u>
Total assets	<u>\$ 67,594,689</u>	<u>\$ 31,074,511</u>	<u>\$ 20,119,459</u>	<u>\$ 118,788,659</u>
LIABILITIES				
Accounts payable	\$ 18,266	\$ 10,540	\$ 14,712	\$ 43,518
Total liabilities	<u>18,266</u>	<u>10,540</u>	<u>14,712</u>	<u>43,518</u>
NET POSITION				
Restricted for pension benefits	<u>67,576,423</u>	<u>31,063,971</u>	<u>20,104,747</u>	<u>118,745,141</u>
Total liabilities and net position	<u>\$ 67,594,689</u>	<u>\$ 31,074,511</u>	<u>\$ 20,119,459</u>	<u>\$ 118,788,659</u>

CITY OF ST. AUGUSTINE, FLORIDA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	General Employees' Pension Plan	Police Officers' Pension Plan	Firefighters' Pension Plan	Total
ADDITIONS				
Contributions				
City	\$ 3,909,307	\$ 683,965	\$ 474,721	\$ 5,067,993
Employees	625,976	256,141	133,743	1,015,860
State of Florida	-	268,331	292,566	560,897
Total contributions	<u>4,535,283</u>	<u>1,208,437</u>	<u>901,030</u>	<u>6,644,750</u>
Investment income				
Interest and dividends	1,572,105	826,286	701,725	3,100,116
Net appreciation in the fair value of investments	9,365,667	4,542,192	3,510,098	17,417,957
Investment expense	(62,458)	(75,950)	(37,006)	(175,414)
Net investment income	<u>10,875,314</u>	<u>5,292,528</u>	<u>4,174,817</u>	<u>20,342,659</u>
Total additions	<u>15,410,597</u>	<u>6,500,965</u>	<u>5,075,847</u>	<u>26,987,409</u>
DEDUCTIONS				
Pension benefits	4,379,093	1,282,292	671,064	6,332,449
Termination payments	179,604	10,995	-	190,599
Administrative expenses	78,611	72,127	27,993	178,731
Total deductions	<u>4,637,308</u>	<u>1,365,414</u>	<u>699,057</u>	<u>6,701,779</u>
Net change in plan net position	10,773,289	5,135,551	4,376,790	20,285,630
Plan net position, restricted for pension benefits:				
Beginning of year	56,803,134	25,928,420	15,727,957	98,459,511
End of year	<u>\$ 67,576,423</u>	<u>\$ 31,063,971</u>	<u>\$ 20,104,747</u>	<u>\$ 118,745,141</u>

Statistical Section

This part of the City of St. Augustine's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends (Pages 74 – 78) (Tables 1 – 4)

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

Revenue Capacity (Pages 79 – 82) (Tables 5 – 8)

These schedules contain information to help the reader assess the City's most significant sources of revenue.

Debt Capacity (Pages 83 – 87) (Tables 9 – 13)

These schedules contain information to help the reader assess the affordability of the City's current level of debt and the City's ability to issue debt in the future.

Demographics and Economic Information (Pages 88 and 89) (Tables 14 and 15)

These schedules offer demographics and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information (Pages 91 – 100) (Tables 16 – 25)

These schedules contain information regarding the number of employees, the operating indicators, and the capital assets used in the various functions and programs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report for the relevant year.

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CITY OF ST. AUGUSTINE, FLORIDA

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Schedule 1)**

	FISCAL YEAR									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities:										
Net Investment in Capital Assets	\$ 6,987,074	\$ 8,168,623	\$ 10,018,643	\$ 11,227,466	\$ 9,650,381	\$ 10,276,539	\$ 10,974,724	\$ 12,840,951	\$ 18,741,616	\$ 26,875,086
Restricted	1,150,905	596,974	712,728	398,551	2,009,797	1,843,746	2,401,917	9,689,173	14,640,388	5,412,715
Unrestricted	1,005,259	3,039,161	1,674,662	3,464,098	5,048,152	6,881,874	12,515,159	14,681,088	8,845,901	21,698,754
Total Governmental Activities Net Position	<u>\$ 9,143,238</u>	<u>\$ 11,804,758</u>	<u>\$ 12,406,033</u>	<u>\$ 15,090,115</u>	<u>\$ 16,708,330</u>	<u>\$ 19,002,159</u>	<u>\$ 25,891,800</u>	<u>\$ 37,211,212</u>	<u>\$ 42,227,905</u>	<u>\$ 53,986,555</u>
Business-Type Activities:										
Net Investment in Capital Assets	\$ 67,005,168	\$ 69,601,163	\$ 78,978,209	\$ 78,892,021	\$ 86,160,080	\$ 91,760,995	\$ 99,545,897	\$ 106,913,873	\$ 110,934,712	\$ 112,536,493
Restricted	5,279,739	6,293,059	560,168	612,664	4,487,846	5,906,586	6,258,567	15,424,680	28,573,517	37,049,027
Unrestricted	10,953,364	9,907,553	14,044,492	18,766,230	18,819,984	20,722,869	20,145,301	19,867,812	17,336,601	27,879,219
Total Business-Type Activities Net Position	<u>\$ 83,238,271</u>	<u>\$ 85,801,775</u>	<u>\$ 93,582,869</u>	<u>\$ 98,270,915</u>	<u>\$ 109,467,910</u>	<u>\$ 118,390,450</u>	<u>\$ 125,949,765</u>	<u>\$ 142,206,365</u>	<u>\$ 156,844,830</u>	<u>\$ 177,464,739</u>
Total:										
Net Investment in Capital Assets	\$ 73,992,242	\$ 77,769,786	\$ 88,996,852	\$ 90,119,487	\$ 95,810,461	\$ 102,037,534	\$ 110,520,621	\$ 119,754,824	\$ 129,676,328	\$ 139,411,579
Restricted	6,430,644	6,890,033	1,272,896	1,011,215	6,497,643	7,750,332	8,660,484	25,113,853	43,213,905	42,461,742
Unrestricted	11,958,623	12,946,714	15,719,154	22,230,328	23,868,136	27,604,743	32,660,460	34,548,900	26,182,502	49,577,973
Total Net Position	<u>\$ 92,381,509</u>	<u>\$ 97,606,533</u>	<u>\$ 105,988,902</u>	<u>\$ 113,361,030</u>	<u>\$ 126,176,240</u>	<u>\$ 137,392,609</u>	<u>\$ 151,841,565</u>	<u>\$ 179,417,577</u>	<u>\$ 199,072,735</u>	<u>\$ 231,451,294</u>

CITY OF ST. AUGUSTINE, FLORIDA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Schedule 2)

	FISCAL YEAR									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
EXPENSES										
Governmental Activities:										
General Government	\$ 9,064,000	\$ 9,786,000	\$ 10,633,000	\$ 8,265,000	\$ 8,860,000	\$ 11,082,000	\$ 10,169,000	\$ 11,641,000	\$ 14,736,824	\$ 15,758,409
Public Safety	9,327,000	9,406,000	9,474,000	9,048,000	12,079,000	11,269,000	12,561,000	14,508,000	15,693,757	17,296,083
Physical Environment	2,572,000	2,707,000	2,643,000	2,509,000	3,144,000	3,535,000	3,230,000	4,062,000	4,024,650	3,824,700
Transportation	1,953,000	2,980,000	2,731,000	3,156,000	3,923,000	3,711,000	3,854,000	4,258,000	5,478,566	5,072,361
Culture and Recreation	1,456,000	425,000	1,438,000	1,245,000	1,561,000	1,465,000	1,328,000	1,470,000	1,871,975	2,010,915
Interest on Long-Term Debt	1,227,000	1,213,000	1,514,000	1,264,000	1,106,000	1,091,000	1,116,000	961,000	3,011,278	702,583
Total Governmental Activities Expenses	25,599,000	26,517,000	28,433,000	25,487,000	30,673,000	32,153,000	32,258,000	36,900,000	44,817,050	44,665,051
Business-Type Activities:										
Utility	12,426,000	13,137,000	13,793,000	14,019,000	15,596,000	14,960,000	16,674,000	17,517,000	20,607,924	21,486,463
Stormwater	904,000	1,258,000	1,264,000	1,250,000	1,444,000	1,462,000	1,650,000	1,730,000	1,823,843	1,924,246
Solid Waste	3,569,000	3,945,000	5,727,000	4,621,000	4,055,000	4,143,000	4,350,000	5,216,000	6,004,057	5,797,885
Marina	2,238,000	2,138,000	2,423,000	3,561,000	3,056,000	2,953,000	3,342,000	4,775,000	4,943,865	4,528,814
Visitor Information Center	3,331,000	3,688,000	3,683,000	3,772,000	4,184,000	3,807,000	4,146,000	4,103,000	4,625,229	4,483,442
Total Business-Type Activities Expenses	22,468,000	24,166,000	26,890,000	27,223,000	28,335,000	27,325,000	30,162,000	33,341,000	38,004,918	38,220,850
Total Expenses	\$ 48,067,000	\$ 50,683,000	\$ 55,323,000	\$ 52,710,000	\$ 59,008,000	\$ 59,478,000	\$ 62,420,000	\$ 70,241,000	\$ 82,821,968	\$ 82,885,901
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	\$ 2,724,000	\$ 2,841,000	\$ 2,474,000	\$ 1,816,000	\$ 2,916,000	\$ 3,481,000	\$ 4,669,000	\$ 5,239,000	\$ 4,566,203	\$ 7,659,626
Public Safety	2,100,000	2,481,000	2,633,000	1,587,000	3,329,000	1,715,000	1,779,000	1,819,000	3,683,969	4,158,548
Physical Environment	373,000	505,000	335,000	-	400,000	1,151,000	692,000	1,035,000	1,263,643	-
Transportation	2,643,000	2,718,000	2,106,000	2,486,000	2,733,000	1,766,000	2,425,000	2,945,000	3,793,888	3,382,423
Culture and Recreation	190,000	256,000	190,000	-	199,000	181,000	-	-	217,699	903,927
Operating Grants and Contributions	30,000	43,000	1,000,000	45,000	103,000	111,000	1,638,000	51,000	697,830	1,186,275
Capital Grants and Contributions	1,480,000	284,000	20,000	775,000	165,000	665,000	1,119,000	8,040,000	427,311	1,884,931
Total Governmental Activities Program Revenues	9,540,000	9,128,000	8,758,000	6,709,000	9,845,000	9,070,000	12,322,000	19,129,000	14,650,543	19,175,730
Business-Type Activities:										
Charges for Services:										
Utility	13,887,000	15,689,000	18,182,000	18,569,000	19,863,000	22,326,000	21,040,000	24,873,000	26,548,030	34,057,980
Stormwater	944,000	926,000	920,000	950,000	978,000	1,129,000	1,135,000	1,271,000	1,425,256	1,526,086
Solid Waste	3,420,000	3,669,000	3,653,000	3,827,000	3,955,000	4,078,000	4,167,000	4,834,000	5,522,249	5,933,760
Marina	2,533,000	2,363,000	2,632,000	2,262,000	3,464,000	3,116,000	4,029,000	5,585,000	5,197,883	6,149,715
Visitor Information Center	3,871,000	4,084,000	3,847,000	4,609,000	4,755,000	3,150,000	5,292,000	6,089,000	6,255,701	4,998,390
Operating Grants and Contributions	8,000	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	3,190,000	1,444,000	4,484,000	2,586,000	7,267,000	3,835,000	2,748,000	7,324,000	5,926,326	8,908,538
Total Business-Type Activities Program Revenues	27,853,000	28,175,000	33,718,000	32,803,000	40,282,000	37,634,000	38,411,000	49,976,000	50,875,445	61,574,469
Total Program Revenue	\$ 37,393,000	\$ 37,303,000	\$ 42,476,000	\$ 39,512,000	\$ 50,127,000	\$ 46,704,000	\$ 50,733,000	\$ 69,105,000	\$ 65,525,988	\$ 80,750,199
NET (EXPENSE)/REVENUE										
Governmental Activities	\$ (16,059,000)	\$ (17,389,000)	\$ (19,675,000)	\$ (18,778,000)	\$ (20,828,000)	\$ (23,083,000)	\$ (19,936,000)	\$ (17,771,000)	\$ (30,166,507)	\$ (25,489,321)
Business-Type Activities	5,385,000	4,009,000	6,828,000	5,580,000	11,947,000	10,309,000	8,249,000	16,635,000	12,870,527	23,353,619
Total (Expense)/Revenue	\$ (10,674,000)	\$ (13,380,000)	\$ (12,847,000)	\$ (13,198,000)	\$ (8,881,000)	\$ (12,774,000)	\$ (11,687,000)	\$ (1,136,000)	\$ (17,295,980)	\$ (2,135,702)

CITY OF ST. AUGUSTINE, FLORIDA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Schedule 2)

	FISCAL YEAR									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Property Taxes	\$ 8,767,000	\$ 9,699,000	\$ 10,509,000	\$ 11,235,000	\$ 12,377,000	\$ 13,662,000	\$ 15,512,000	\$ 16,682,000	\$ 19,468,958	\$ 22,865,163
Utility Taxes	1,213,000	1,341,000	1,496,000	1,577,000	1,608,000	1,550,000	1,648,000	1,785,000	1,993,609	2,078,439
Communication Service Taxes	919,000	902,000	1,484,000	916,000	812,000	799,000	900,000	952,000	1,178,918	1,475,207
Franchise Fees	1,588,000	1,642,000	1,602,000	1,738,000	1,759,000	1,603,000	1,731,000	2,368,000	2,559,814	2,699,685
State Revenue Sharing, Unrestricted	563,000	565,000	570,000	577,000	767,000	576,000	742,000	801,000	1,494,383	640,921
Local Option Gas Taxes	525,000	554,000	527,000	514,000	505,000	424,000	485,000	526,000	438,711	509,368
Local Option Sales Taxes	1,077,000	1,138,000	1,166,000	1,225,000	1,247,000	1,181,000	1,452,000	1,683,000	1,605,805	1,609,440
Insurance Premium Taxes	361,000	333,000	358,000	423,000	446,000	474,000	520,000	434,000	558,799	560,897
Other Taxes	149,000	162,000	160,000	178,000	-	292,000	105,000	102,000	102,685	-
Miscellaneous	1,088,000	2,131,000	2,163,000	1,742,000	539,000	2,437,000	2,487,000	2,112,000	2,786,893	806,948
Investment Income	50,000	67,000	119,000	223,000	373,000	197,000	46,000	250,000	1,988,911	2,423,376
Gain on Disposal of Capital Assets	-	-	-	-	-	-	-	-	-	159,337
Transfers	2,139,000	1,516,000	121,000	1,551,000	2,013,000	2,181,000	1,198,000	1,395,000	1,005,714	1,419,190
Total Governmental Activities	<u>18,439,000</u>	<u>20,050,000</u>	<u>20,275,000</u>	<u>21,899,000</u>	<u>22,446,000</u>	<u>25,376,000</u>	<u>26,826,000</u>	<u>29,090,000</u>	<u>35,183,200</u>	<u>37,247,971</u>
Business-Type Activities:										
Other Miscellaneous	-	-	929,000	1,098,000	703,000	478,000	454,000	692,000	484,165	-
Investment Earnings	95,000	71,000	146,000	332,000	560,000	317,000	54,000	325,000	2,289,487	2,953,125
Gain on Disposal of Capital Assets	-	-	-	-	-	-	-	-	-	140,993
Transfers	(2,139,000)	(1,516,000)	(121,000)	(1,551,000)	(2,013,000)	(2,181,000)	(1,198,000)	(1,395,000)	(1,005,714)	(1,419,190)
Total Business-Type Activities	<u>(2,044,000)</u>	<u>(1,445,000)</u>	<u>954,000</u>	<u>(121,000)</u>	<u>(750,000)</u>	<u>(1,386,000)</u>	<u>(690,000)</u>	<u>(378,000)</u>	<u>1,767,938</u>	<u>1,674,928</u>
Total	<u>\$ 16,395,000</u>	<u>\$ 18,605,000</u>	<u>\$ 21,229,000</u>	<u>\$ 21,778,000</u>	<u>\$ 21,696,000</u>	<u>\$ 23,990,000</u>	<u>\$ 26,136,000</u>	<u>\$ 28,712,000</u>	<u>\$ 36,951,138</u>	<u>\$ 38,922,899</u>
CHANGE IN NET POSITION										
Governmental Activities	\$ 2,380,000	\$ 2,661,000	\$ 600,000	\$ 3,121,000	\$ 1,618,000	\$ 2,293,000	\$ 6,890,000	\$ 11,319,000	\$ 5,016,693	\$ 11,758,650
Business-Type Activities	3,341,000	2,564,000	7,782,000	5,459,000	11,197,000	8,923,000	7,559,000	16,257,000	14,638,465	25,028,547
Total	<u>\$ 5,721,000</u>	<u>\$ 5,225,000</u>	<u>\$ 8,382,000</u>	<u>\$ 8,580,000</u>	<u>\$ 12,815,000</u>	<u>\$ 11,216,000</u>	<u>\$ 14,449,000</u>	<u>\$ 27,576,000</u>	<u>\$ 19,655,158</u>	<u>\$ 36,787,197</u>

CITY OF ST. AUGUSTINE, FLORIDA

**FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(Schedule 3)**

	FISCAL YEAR									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable	\$ 636,991	\$ 783,289	\$ 893,538	\$ 1,331,857	\$ 1,217,640	\$ 1,461,855	\$ 1,203,382	\$ 1,289,339	\$ 1,662,085	\$ 2,110,873
Restricted	64,333	70,806	77,301	785,120	874,152	61,804	610,478	6,822,149	8,978,179	1,422,544
Committed	7,305,641	8,538,824	7,483,630	7,920,294	8,508,568	9,173,314	9,768,666	15,338,822	11,487,366	15,170,268
Assigned	555,541	1,047,221	509,887	976,224	1,566,801	2,020,986	1,230,847	1,841,603	6,169,527	8,778,770
Unassigned	10,646	220,916	88,440	313,234	1,430,654	1,238,244	5,468,410	3,743,107	2,769,806	5,572,186
Total General Fund	<u>\$ 8,573,152</u>	<u>\$ 10,661,056</u>	<u>\$ 9,052,796</u>	<u>\$ 11,326,729</u>	<u>\$ 13,597,815</u>	<u>\$ 13,956,203</u>	<u>\$ 18,281,783</u>	<u>\$ 29,035,020</u>	<u>\$ 31,066,963</u>	<u>\$ 33,054,641</u>
All Other Governmental Funds										
Nonspendable	\$ 314,256	\$ -	\$ -	\$ 313,790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	135,325	324,556	308,351	-	1,081,414	1,781,942	1,635,526	2,114,696	3,003,252	3,990,171
Committed	500,761	371,115	365,823	471,068	-	-	-	-	-	-
Assigned	-	-	-	-	36,286	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 950,342</u>	<u>\$ 695,671</u>	<u>\$ 674,174</u>	<u>\$ 784,858</u>	<u>\$ 1,117,700</u>	<u>\$ 1,781,942</u>	<u>\$ 1,635,526</u>	<u>\$ 2,114,696</u>	<u>\$ 3,003,252</u>	<u>\$ 3,990,171</u>

CITY OF ST. AUGUSTINE, FLORIDA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(Schedule 4)

	FISCAL YEAR									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Property Taxes	\$ 8,767,045	\$ 9,698,505	\$ 10,509,003	\$ 11,234,749	\$ 12,376,972	\$ 13,662,240	\$ 15,511,727	\$ 16,681,699	\$ 19,468,958	\$ 22,865,163
Sales and Use Taxes	885,819	886,755	527,151	423,187	951,484	897,604	1,005,500	959,743	997,510	1,070,265
Utility Excise Taxes	2,131,711	2,243,500	2,979,244	2,492,867	2,419,967	2,349,425	2,176,225	2,736,566	3,172,527	3,553,646
Licenses, Permits and Fees	3,698,959	3,655,864	3,483,221	819,746	7,284,367	4,378,179	5,594,666	8,984,379	9,215,310	9,794,590
Intergovernmental	1,788,627	1,865,806	2,255,292	2,360,183	2,650,062	2,723,710	5,083,025	10,611,916	4,225,329	5,321,567
Fines and Forfeitures	466,019	621,657	360,707	384,656	317,319	240,746	483,747	323,946	246,648	639,217
Interest Earnings	50,300	67,261	119,451	223,499	373,488	196,613	46,797	249,566	1,988,911	2,423,376
Administrative Service Charges	2,532,364	3,536,037	3,423,132	3,545,795	3,733,288	3,916,089	3,973,148	4,112,881	4,861,760	5,670,717
Other	5,519,453	5,087,729	5,285,986	9,118,720	1,660,536	3,664,380	4,074,801	2,312,185	4,649,076	3,506,633
Total Revenues	25,840,297	27,663,114	28,943,187	30,603,402	31,767,483	32,028,986	37,949,636	46,972,881	48,826,029	54,845,174
Expenditures										
General Government	8,063,056	7,251,493	9,322,157	7,826,693	8,953,185	9,364,583	9,431,627	9,715,053	13,342,294	14,219,055
Public Safety	9,263,984	9,784,975	9,600,675	10,395,600	11,198,645	11,653,469	12,787,083	13,488,358	14,968,235	16,716,908
Physical Environment	2,459,077	2,602,746	2,578,357	2,769,827	2,914,985	3,348,736	3,208,200	3,621,424	3,798,720	3,464,685
Transportation	1,949,930	2,979,462	2,772,239	3,802,800	2,685,795	3,669,491	3,917,631	4,108,178	3,667,933	4,872,266
Culture and Recreation	1,452,229	1,424,595	1,459,825	1,436,229	1,447,614	1,441,076	1,589,235	1,631,595	1,871,975	1,957,066
Debt Service:										
Principal	442,785	454,974	342,952	469,631	515,592	477,584	443,644	559,049	2,094,594	563,349
Interest	1,226,945	1,213,391	1,201,548	1,262,847	1,106,835	1,092,332	1,114,642	961,483	916,684	858,462
Capital Outlay	5,398,703	1,634,176	3,416,681	3,303,643	2,489,834	2,376,735	2,442,720	3,050,628	6,250,809	10,867,321
Total Expenditures	30,256,709	27,345,812	30,694,434	31,267,270	31,312,485	33,424,006	34,934,782	37,135,768	46,911,244	53,519,112
Excess (Deficiency) of Revenues Over (Under) Expenditure	(4,416,412)	317,302	(1,751,247)	(663,868)	454,998	(1,395,020)	3,014,854	9,837,113	1,914,785	1,326,062
Other Financing Sources (Uses)										
Proceeds from Sale of Capital Assets	-	-	-	-	136,140	236,510	-	-	-	229,345
Proceeds from Bonds Payable	-	-	-	19,968,267	-	-	3,705,820	-	-	-
Payment on Bond Refunding	-	-	-	(18,470,418)	-	-	(3,739,477)	-	-	-
Transfers In	7,931,816	5,602,834	5,102,468	5,805,825	6,693,259	7,030,537	6,430,144	6,550,420	7,321,449	8,141,854
Transfers Out	(5,793,230)	(4,086,903)	(4,980,978)	(4,255,189)	(4,680,469)	(4,849,397)	(5,232,177)	(5,155,126)	(6,315,735)	(6,722,664)
Total Other Financing Sources (Uses)	2,138,586	1,515,931	121,490	3,048,485	2,148,930	2,417,650	1,164,310	1,395,294	1,005,714	1,648,535
Net Change in Fund Balance	\$ (2,277,826)	\$ 1,833,233	\$ (1,629,757)	\$ 2,384,617	\$ 2,603,928	\$ 1,022,630	\$ 4,179,164	\$ 11,232,407	\$ 2,920,499	\$ 2,974,597
Debt Service as a Percentage of Non Capital Expenditures	7.20%	6.94%	6.00%	6.60%	5.96%	5.33%	5.04%	4.67%	3.95%	3.33%

CITY OF ST. AUGUSTINE, FLORIDA

**ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)
(Schedule 5)**

	FISCAL YEAR									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Real Property	\$ 1,600,223,236	\$ 1,718,302,003	\$ 1,829,080,525	\$ 1,917,447,480	\$ 2,065,250,505	\$ 2,258,662,327	\$ 2,541,614,732	\$ 2,724,970,196	\$ 3,092,410,685	\$ 3,983,683,824
Personal Property	101,527,054	103,628,284	103,885,128	114,084,278	124,468,101	126,260,505	144,460,685	155,942,325	168,507,999	207,075,953
Railroad and Telegraph	2,928,245	3,369,083	3,695,243	3,872,697	3,900,865	3,917,574	3,874,570	3,697,466	4,254,026	3,795,130
Total Assessed Valuations	1,704,678,535	1,825,299,370	1,936,660,896	2,035,404,455	2,193,619,471	2,388,840,406	2,689,949,987	2,884,609,987	3,265,172,710	4,194,554,907
Less Exemptions:										
Homestead	145,786,764	150,699,482	155,237,830	160,319,086	164,471,795	167,642,609	171,359,015	186,916,766	184,212,620	866,008,183
Other	389,557,411	402,135,455	407,304,069	409,105,684	425,129,343	459,904,126	511,850,847	536,878,869	579,903,083	40,736,082
Total Exempt Property	535,344,175	552,834,937	562,541,899	569,424,770	589,601,138	627,546,735	683,209,862	723,795,635	764,115,703	906,744,265
Total Taxable Value	<u>\$ 1,169,334,360</u>	<u>\$ 1,272,464,433</u>	<u>\$ 1,374,118,997</u>	<u>\$ 1,465,979,685</u>	<u>\$ 1,604,018,333</u>	<u>\$ 1,761,293,671</u>	<u>\$ 2,006,740,125</u>	<u>\$ 2,160,814,352</u>	<u>\$ 2,501,057,007</u>	<u>\$ 3,287,810,642</u>
Direct Rate	7.500	7.500	7.500	7.500	7.500	7.500	7.500	7.500	7.500	7.500

Real property is assessed at 100% 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, 3% if paid in December, 2% if paid in January, 1% 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

CITY OF ST. AUGUSTINE, FLORIDA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

(rate per \$1,000 of assessed value)

(Schedule 6)

Fiscal Year	Tax Roll Year	City Operating Millage	OVERLAPPING RATES				Total
			St. Johns County	St. Johns County Schools	Management District	Other	
2015	2014	7.500	5.875	7.228	0.302	0.273	21.178
2016	2015	7.500	5.875	6.867	0.289	0.311	20.842
2017	2016	7.500	5.867	6.543	0.272	0.311	20.493
2018	2017	7.500	5.867	6.278	0.256	0.315	20.216
2019	2018	7.500	5.867	6.136	0.241	0.305	20.049
2020	2019	7.500	5.514	5.953	0.229	0.297	19.493
2021	2020	7.500	5.514	5.812	0.219	0.291	19.336
2022	2021	7.500	5.514	5.483	0.197	0.281	18.975
2023	2022	7.500	5.514	5.410	0.179	0.269	18.872
2024	2023	7.500	5.514	5.278	0.179	0.249	18.720

NOTE: Millage rates are per \$1,000 of assess valuation.

Source: St. Johns County Property Appraiser.

CITY OF ST. AUGUSTINE, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(Schedule 7)

TAXPAYER	2023/2024			2014/2015		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
FLAGLER MULTIFAMILY LLC	\$ 38,357,888	1	1.31%			
THE LANDING TWO LLC	38,059,600	2	1.30%			
WEST SHORE ANTIGUA LLC	36,788,775	3	1.26%			
THE LANDING ONE LLC	33,278,575	4	1.14%			
SAN MARCO HOTEL INC	20,779,121	5	0.71%	\$ 4,865,789	6	0.40%
116 SAN MARCO STA LLC	19,881,900	6	0.68%			
PATRIS REAL ESTATE LLC	18,580,405	7	0.63%			
SEBASTIAN LODGING LLLP	17,855,600	8	0.61%	14,230,358	1	1.18%
THE FLAGLER RESORT LTD	15,472,699	9	0.53%	12,479,026	2	1.03%
SAMC PARTNERS, LLC	13,097,481	10	0.45%			
SHP IV HARBOUR ISLAND LLC				7,211,273	3	0.60%
TARGET CORPORATION				5,592,900	4	0.46%
SEA WALL MOTOR LODGE, INC				5,150,193	5	0.43%
HOME DEPOT USA, INC				4,726,300	7	0.39%
PATEL, KANTIBHAI M.				4,563,446	8	0.38%
SA MARINA HOLDINGS LLC				4,098,383	9	0.34%
ORTHOPEDIC ASSOCIATES PARTNERS				4,012,581	10	0.33%
Totals	<u>252,152,044</u>		<u>8.61%</u>	<u>66,930,249</u>		<u>5.54%</u>
Total Assessment for the City	<u>\$ 2,927,984,943</u>		<u>100.00%</u>	<u>\$ 1,207,393,943</u>		<u>100.00%</u>

Source: St. Johns County Property Appraiser's Office

CITY OF ST. AUGUSTINE, FLORIDA

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS
(Schedule 8)**

Fiscal Year	Tax Roll Year	Taxes Levied For the Fiscal Year	Collected Within The Fiscal Year Of the Levy		Assessed Taxable Value	Estimated Actual Value (Thousands)	Estimated % of Fair Market Value
			Amount	Percentage of Levy			
2015	2014	\$ 8,775,490	\$ 8,509,409	96.97%	\$ 1,704,678,535	\$ 1,704,679	100.00%
2016	2015	9,502,422	9,338,782	98.28%	1,825,299,370	1,825,299	100.00%
2017	2016	10,305,607	10,040,296	97.43%	1,936,660,896	1,936,661	100.00%
2018	2017	11,011,503	10,691,751	97.10%	2,035,404,455	2,035,404	100.00%
2019	2018	12,030,147	11,721,413	97.43%	2,193,619,471	2,193,619	100.00%
2020	2019	13,214,068	12,834,877	97.13%	2,388,840,406	2,388,840	100.00%
2021	2020	15,050,560	14,596,242	96.98%	2,689,949,987	2,689,950	100.00%
2022	2021	16,227,062	15,698,432	96.74%	2,884,609,987	2,884,610	100.00%
2023	2022	18,757,937	18,184,619	96.94%	3,265,172,710	3,265,173	100.00%
2024	2023	21,959,887	21,244,453	96.74%	3,772,235,915	3,772,236	100.00%

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
(Schedule 9)**

Fiscal Year	Population ^(a)	Assessed Value (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
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	-	-	-	-	-
2024	15,684	3,772,236	-	-	-	-	-

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
(Schedule 10)**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures</u>	<u>Ratio of Debt Service to Total General Expenditures</u>
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
2024	664,929	872,843	1,537,772	53,519,112	2.87

CITY OF ST. AUGUSTINE, FLORIDA

**UTILITY REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS
(Schedule 11)**

Fiscal Year Ended	Gross Revenue ^(a)	Operating Expenses ^(b)	Net Revenue ^(c)	Debt Service Requirements ^(d)	Debt Service Coverage
2015	\$ 13,275,185	\$ 8,561,023	\$4,714,162	\$ 2,837,388	1.66
2016	15,230,758	8,907,224	6,323,534	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
2024	35,197,151	14,536,287	20,660,864	2,683,416	7.70

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
(Schedule 12)**

Fiscal Year	General Obligation Bonds Governmental Activities	Percentage of Taxable Value of Property ^(a)	Per Capita ^(b)	Percentage of Personal Income ^(c)
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	0.01%
2024	18,686,638	0.57%	1,191	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)
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%
2024	21,636,506	0.66%	1,380	0.01%

Fiscal Year	Water Revenue Bonds	Total Primary Government ^(d)	Per Capita ^(b)	Percentage of Personal Income ^(c)
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	0.02%
2024	11,865,000	52,188,144	3,327	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, 2024
(Schedule 13)**

Governmental Unit	Outstanding Debt	Estimated Percentage Applicable ^(a)	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
St. Johns County Commission Capital Improvement Revenue Bonds	\$ 9,520,000	6.15%	\$ 585,567
St. Johns County Commission Sales Tax Revenue Refunding Bonds	37,790,000	6.15%	2,324,429
St. Johns County Commission Transportation Improvement Revenue Bonds	18,935,000	6.15%	1,164,675
Other Debt			
St. Johns County Commission Other Debt	69,925,000	6.15%	4,301,024
St. Johns County School Board Certificates of Participation	375,850,000	6.15%	23,118,194
St. Johns County School Board General Obligation Bonds	1,101,000	6.15%	67,722
St. Johns County School Board Sales Tax Revenue Bonds	11,356,772	6.15%	698,545
Subtotal Overlapping Debt			<u>32,260,154</u>
City Direct Debt			
Capital Improvement and Refunding Revenue Bonds	16,233,479	100.00%	16,233,479
Capital Improvement Refunding Revenue Notes	2,453,159	100.00%	2,453,159
Subtotal Direct Debt			<u>18,686,638</u>
Total Direct and Overlapping Debt			<u>\$ 50,946,792</u>
Total Direct and Overlapping Debt Per Capita			3,248
Total Direct and Overlapping Debt as a Percentage of Taxable Assessed Value			1.35%
Total Direct and Overlapping Debt as a Percentage of Total Just Value			1.75%

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 within 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

SUMMARY OF PLEDGED FUNDS

**Public Service Tax / Guaranteed Entitlement Bonds Last Five Years
(Schedule 14)**

Revenue Source	2020	2021	2022	2023	2024
Public Service Tax					
Electric	\$ 1,506,962	\$ 1,607,257	\$ 1,741,517	\$ 1,952,372	\$ 2,044,099
Communication	799,042	900,226	951,938	1,178,918	1,475,207
Gas	43,420	40,856	43,111	41,237	34,340
Total	2,349,424	2,548,339	2,736,566	3,172,527	3,553,646
Florida Revenue Sharing					
Revenue Sharing	576,197	590,618	653,501	657,802	640,921
Guaranteed Entitlements					
Local Option Gas Tax	423,885	485,407	525,769	438,711	509,368
Total Pledged Funds	\$ 3,349,506	\$ 3,624,364	\$ 3,915,836	\$ 4,269,040	\$ 4,703,935

CITY OF ST. AUGUSTINE, FLORIDA

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Schedule 15)**

Fiscal Year	Population		Personal Income (Amounts in Millions)	Per Capita Personal Income	Unemployment Rate
	City	St. Johns County			
2015	13,590	226,640	\$ 13,698,259	60,441	4.0%
2016	13,747	235,078	13,698,259	58,271	4.3%
2017	13,862	229,715	14,439,811	62,860	3.7%
2018	14,021	238,742	15,647,080	65,540	3.3%
2019	14,031	254,412	17,327,679	68,109	2.9%
2020	15,306	261,900	19,685,194	75,163	3.6%
2021	15,350	285,533	20,609,326	72,178	3.4%
2022	15,346	296,919	23,415,535	78,862	2.1%
2023	15,307	315,317	27,121,048	86,012	3.6%
2024	15,596	331,479	28,600,894	86,283	3.3%

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

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Schedule 16)**

Employer	Sector	2024			2015		
		Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
St. Johns County School District	Education	6,438	1	4.41%	4,046	1	3.18%
UF Health St. Johns	Health Care	1,564	2	1.07%	1,887	2	1.48%
St. Johns County	Public Administration	1,527	3	1.05%	1,333	3	1.05%
Northrop Grumman	Manufacturing	1,110	4	0.76%	1,100	4	0.87%
PGA TOUR, Inc.	Event Management	964	5	0.66%			
Florida National Guard Headquarters Office	Military	900	6	0.62%	936	5	0.74%
St. Johns County Sheriff's Office	Public Safety	816	7	0.56%	580	7	0.46%
Florida School for the Deaf & Blind	Education	689	8	0.47%	684	6	0.54%
Carlisle Interconnect Technologies	Manufacturing	650	9	0.45%	530	8	0.42%
Ring Power	Heavy Equipment Sales	560	10	0.38%	500	10	0.39%
Flagler College	Education				546	9	0.43%
Total		<u>15,218</u>		<u>10.43%</u>	<u>11,596</u>		<u>9.12%</u>

Source: <https://www.sjcfi.us/county-profile/>

CITY OF ST. AUGUSTINE, FLORIDA

SUMMARY OF TEN LARGEST WATER CUSTOMERS
(In Millions)
(Schedule 17)

Customer	Usage for Fiscal Year Ended September 30, 2024 (in thousands of gallons)
Flagler Hospital	394,565
Flagler College	304,800
Dream Finders Homes, LLC	241,270
American Homes 4 Rent	191,416
D & B School	159,808
Northrop Gromman Systems Corp	124,824
BFC Property Holdings Inc.	102,735
Landing I, LLC	101,117
Richmond American Homes of Florida LP	100,940
The Lofts At Sebastian Cove Condominium	84,934

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)
(Schedule 18)**

Fiscal Year Ended	Water Customers			Sewer Customers			Water Sales (Thousands of Gallons)		
	Inside City	Outside City	Total	Inside City	Outside City	Total	Inside City	Outside City	Total
2015	6,771	4,714	11,485	6,624	2,534	9,158	540,026	368,309	908,335
2016	7,695	5,700	13,395	6,950	3,044	9,994	563,563	404,526	968,089
2017	7,623	5,790	13,413	6,862	3,174	10,036	587,371	425,859	1,013,230
2018	7,907	6,263	14,170	7,109	3,522	10,631	548,945	411,312	960,257
2019	8,040	6,424	14,464	7,172	3,673	10,845	557,225	421,331	978,556
2020	8,606	7,003	15,609	7,643	4,196	11,839	585,057	443,263	1,028,320
2021	9,158	7,344	16,502	7,751	4,155	11,906	601,624	427,695	1,029,319
2022	9,153	7,459	16,612	8,068	4,362	12,430	603,824	470,224	1,074,048
2023	7,265	6,031	13,296	6,348	3,501	9,849	652,263	495,127	1,147,390
2024	7,143	6,155	13,298	6,369	3,731	10,100	687,540	546,459	1,233,999

Source: City of St. Augustine Customer Service Department

CITY OF ST. AUGUSTINE, FLORIDA

**WATER AND WASTE WATER TREATMENT PLANTS
SUMMARY OF HISTORICAL DAILY FLOWS**

(In Millions)
(Schedule 19)

Fiscal Year Ended	Water Treatment Plant		Wastewater Treatment Plant	
	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)
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
2024	4.065	4.716	3.776	5.365

Source: City of St. Augustine Engineering Department

CITY OF ST. AUGUSTINE, FLORIDA

**WATER AND SEWER UTILITIES
HISTORICAL RATE STRUCTURES
(In Thousands)
(Schedule 20)**

Effective October 1,	Service Area	Water		Sewer	
		Minimum Charge	Additional Charge Per 1,000 Gal.	Minimum Charge	Additional Charge Per 1,000 Gal.
2015	Inside City	11.53	2.50 - 10.62	11.77	5.56
	Outside City	14.30	3.10 - 13.17	14.59	6.89
2016	Inside City	11.53	2.50 - 10.62	11.77	5.56
	Outside City	14.30	3.10 - 13.17	14.59	6.89
2017	Inside City	12.19	2.64 - 11.26	12.45	6.14
	Outside City	14.99	3.25 - 13.85	15.31	7.55
2018	Inside City	12.89	2.79 - 11.66	13.17	6.47
	Outside City	15.73	3.40 - 14.23	16.07	7.89
2019	Inside City	14.26	2.85 - 12.74	14.67	6.69
	Outside City	17.25	3.45 - 15.42	17.75	8.09
2020	Inside City	14.69	2.94 - 13.12	15.11	6.89
	Outside City	17.63	3.53 - 15.74	18.13	8.09
2021	Inside City	14.69	2.94 - 13.12	15.11	6.89
	Outside City	17.63	3.53 - 15.74	18.13	8.09
2022	Inside City	15.28	3.21 - 15.01	16.63	7.58
	Outside City	18.18	3.82 - 17.86	19.79	9.02
2023	Inside City	15.95	3.35 - 15.67	17.36	7.92
	Outside City	18.82	3.96 - 18.49	20.49	9.34
2024	Inside City	15.95	3.35 - 15.67	17.36	7.92
	Outside City	18.82	3.96 - 18.49	20.49	9.34

CITY OF ST. AUGUSTINE, FLORIDA

**BUILDING PERMIT ACTIVITY
LAST TEN FISCAL YEARS
(In Thousands)
(Schedule 21)**

Fiscal Year	Single Family Units	Multi-Family Units	New Residential Valuation	New Non-Residential Valuations	Residential and Non-Residential Additions/Alterations	Public Valuation	Total Valuation
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	45,513
2018	71	524	56,812	15,815	135	12,538	85,300
2019	232	314	87,583	23,343	114	12,818	123,858
2020	79	4	23,504	13,331	109	10,916	47,860
2021	117	1	36,556	14,755	125	5,131	56,567
2022	167	300	45,134	22,875	557	34,004	102,570
2023	79	276	25,199	59,840	1,597	1,132	87,768
2024	62	2	24,557	30,570	1,579	1,383	58,089

Source: City of St. Augustine Planning & Building Department

CITY OF ST. AUGUSTINE, FLORIDA

**PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSIT
(In Millions of Dollars)
(Schedule 22)**

Fiscal Year	Commercial Construction ^(a)		Residential Construction ^(a)		Bank Deposits ^(b)
	Number of Units	Value	Number of Units	Value	
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	524,490	7,134,382
2023	12	19,145	355	85,039	7,041,598
2024	33	49,709	62	55,127	7,347,637

NOTES:

^(a) **Planning and Building Division**

^(b) **Deposits for St. Johns County (\$000)**

Source: www.FDIC.gov

Source: St. Johns County Property Appraiser

CITY OF ST. AUGUSTINE, FLORIDA

**MISCELLANEOUS STATISTICAL DATA
(Schedule 23)**

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)	\$2.4 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

Climate:

Average Temperature and Precipitation in St. Johns County

Quarter	Average Daily	Average Daily	Total Rainfall
	Max. Temperature	Min. Temperature	
October - December	75.6	52.0	10.37
January - March	72.0	48.2	0.45
April - June	80.4	69.8	0.43
July - September	84.2	73.8	7.26

Source: Weather Underground

CITY OF ST. AUGUSTINE, FLORIDA

**FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST FIVE FISCAL YEARS
(Schedule 24)**

FUNCTION	Fiscal Year				
	2020	2021	2022	2023	2024
Governmental Activities					
General government	59.00	59.00	61.00	58.00	59.50
Public safety	109.50	108.00	106.50	110.50	110.50
Physical environment	36.50	36.50	39.00	40.00	50.00
Transportation	17.00	15.00	14.00	16.00	17.00
Culture and recreation	14.00	13.00	11.00	12.00	15.00
Business-Type Activities					
Utilities	62.00	58.00	61.00	66.50	81.00
Stormwater	4.00	4.00	5.00	4.00	4.00
Solid waste	18.00	18.00	24.00	24.00	29.00
Marina	12.50	12.00	12.00	10.50	13.50
Visitor information center	22.00	10.50	22.00	25.00	26.50
Totals	354.5	334.0	355.5	366.5	406.0

Data obtained from City of St. Augustine Human Resources Department.

CITY OF ST. AUGUSTINE, FLORIDA
OPERATIONS INDICATORS BY FUNCTION/PROGRAM
LAST FIVE FISCAL YEARS
(Schedule 25)

FUNCTION	FISCAL YEAR				
	2020	2021	2022	2023	2024
Public Safety					
Police					
Physical arrests	682	616	1,088	1,053	1,109
Traffic violations	1,443	2,018	1,629	2,058	1,564
Calls for service	41,716	27,578	42,849	46,650	41,747
Parking violations*	6,755	9,170	6,056	9,777	9,059
Fire					
Number of calls answered	4,038	4,923	5,228	4,931	4,583
Inspections	590	634	796	1,105	1,422
Pre-fire tours	325	385	486	496	210
Hydrants flow tested	642	642	642	74	1,329
Transportation					
New street pavings (miles)	-	0.12	0.43	0.38	-
Street resurfaced (miles)	7.48	4.17	1.52	2.52	3.00
Sanitation					
Refuse collected (tons/day)	75.1	93.9	83.5	77.7	97.4
Recyclables collected (tons/day)	24.4	27.1	22.8	27.3	26.0
Culture and recreation					
Field permits issued	9	12	12	11	9
Lightner Museum Courtyard permits issued	310	348	363	323	315
Plaza permits issued	22	20	26	30	33
Other events permits issued	43	48	69	69	30
Water and sewer					
New water connections	408	306	476	546	1,059
New sewer connections					
Average daily consumption (thousands of gallons)	3,404	3,348	3,588	3,688	4,065
Wastewater					
Average daily usage (thousands of gallons)	3,552	4,075	2,496	2,740	3,776

* Includes those issued by parking enforcement

Source: Various City Departments

CITY OF ST. AUGUSTINE, FLORIDA

**CAPITAL ASSETS STATISTICS BY FUNCTION
LAST FIVE FISCAL YEARS
(Schedule 26)**

	FISCAL YEAR				
	2020	2021	2022	2023	2024
Police					
Police stations	1	1	1	1	1
Boats	1	1	1	1	1
Fire					
Stations	2	2	2	2	2
Vehicles	10	10	11	12	12
Boats	2	1	1	1	1
Sanitation					
Collection trucks	13	13	13	15	15
Water					
New feet of water main added	9,912	8,677	5,931	14,970	39,469
Total fire hydrants	1,197	1,216	1,255	1,273	1,329
Maximum monthly average daily flow (thousands of gallons)	3,619	3,749	4,399	4,009	4,716
Wastewater					
New feet of sanitary sewer added	20,485	11,159	5,465	11,549	41,292
Maximum monthly average daily flow (thousands of gallons)	5,437	6,014	3,696	4,009	5,365
Stormwater					
New feet of storm sewer added	1,296	-	156	734	-

Source: Various City Departments

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OTHER REPORTS

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CITY OF ST. AUGUSTINE, FLORIDA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Federal/State Agency, Pass-through Grantor/Program Title/State Project	AL/CSFA Number	Contract Grant Number	Expenditures	Passed Through to Subrecipients
Federal Expenditures				
U.S. Department of Homeland Security				
Federal Emergency Management Agency				
Passed through the State of Florida Division of Emergency Management				
Disaster Grants - Public Assistance (Nicole)	97.036	DR-4680 Z3641	\$ 1,707,496	\$ -
Disaster Grants - Public Assistance (Ian)	97.036	DR-4673 Z3054	2,132,263	-
Flood Mitigation Assistance	97.029	EMA-2020-FM-052	127,937	-
Hazard Mitigation Grant Program	97.039	4283-87-R	2,464	-
Total U.S. Department of Homeland Security			<u>3,970,160</u>	<u>-</u>
U.S. Department of the Treasury				
Coronavirus State and Local Fiscal Recovery Funds	21.027	Y5298-FL0275	2,407,123	-
Coronavirus State and Local Fiscal Recovery Funds	21.027	23.s.aa.900.123	33,653	-
Coronavirus State and Local Fiscal Recovery Funds	21.027	22FRP111	18,450	-
Coronavirus State and Local Fiscal Recovery Funds	21.027	22FRP112	116,479	-
Coronavirus State and Local Fiscal Recovery Funds	21.027	22FRP113	178,803	-
Total U.S. Department of Treasury			<u>2,754,508</u>	<u>-</u>
U.S. Department of Transportation				
Highway Planning and Construction Program	20.205	GSO04	824,803	-
Passed through Florida Department of Law Enforcement				
State and Community Highway Safety	20.600	C-R7064	19,579	-
State and Community Highway Safety	20.600	D-R7038	5,031	-
State and Community Highway Safety	20.600	D-6N033	5,501	-
Total U.S. Department of Transportation			<u>854,914</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 7,579,582</u>	<u>\$ -</u>
State Financial Assistance				
Florida Department of Environmental Protection				
Resilient Florida Program - Vulnerability Assessment	37.098	22PLN20	\$ 303,137	\$ -
Statewide Surface Water Restoration and Wastewater Projects	37.039	LPA0388	1,098,256	-
Total Florida Department of Environmental Protection			<u>1,401,393</u>	<u>-</u>
Florida Department of State				
Acquisition, Restoration of Historic Properties	45.032	24.h.sc.900.121	68,456	-
Total Florida Department of State			<u>68,456</u>	<u>-</u>
Florida Executive Office of the Governor - Emergency Management				
State Hurricane Recovery Grant Program (Nicole)	31.081	DR-4680 Z3641	284,583	-
State Hurricane Recovery Grant Program (Ian)	31.081	DR-4673 Z3054	109,484	-
Total Florida Executive Office of the Governor			<u>394,067</u>	<u>-</u>
Florida Department of Transportation				
Transit Corridor Development Program	55.013	216453-3-84.01	636,450	-
Total Florida Department of Transportation			<u>636,450</u>	<u>-</u>
Total Expenditures of State Financial Assistance			<u>\$ 2,500,366</u>	<u>\$ -</u>

Note 1 - General

The accompanying schedule of expenditures of federal awards and state financial assistance projects presents the activity of all federal award programs and state financial assistance projects of the City of St. Augustine, Florida (the "City").

The City reporting entity is defined in Note 1 to the City's basic financial statements for the year ended September 30, 2024. All federal awards and state financial assistance received directly from federal agencies or state agencies, as well as federal awards and state financial assistance passed through other governmental agencies, are included in the schedule.

Note 2 - Basis of Accounting

The accompanying schedule of expenditures of federal awards and state financial assistance projects is presented using the same basis of accounting as the fund in which the grant is recorded, generally the accrual or modified accrual basis, as described in Note 1 to the City's financial statements.

Note 3 - De Minimis Indirect Cost Rate Election

The City did not elect to use the 10% de minimis cost rate as covered in Section 200.414, *Indirect (F&A) costs*, of the Uniform Guidance.

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**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**

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

We have audited, 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, 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, 2024, 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 27, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

City's Responses to the Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is written in a cursive, flowing style.

Bradenton, Florida

May 27, 2025



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

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

Report on Compliance For Each Major Federal Program and State Project

Opinion on 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 identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in 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 year ended September 30, 2024. The City's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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, 2024.

Basis for Opinion on Each Major Federal Program and State Project

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 Auditor General. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2024-002. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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 on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 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 that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-002, to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 Uniform Guidance and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.



Bradenton, Florida
May 27, 2025

CITY OF ST. AUGUSTINE, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:
Material weaknesses identified?

☒ yes ☐ no

Significant deficiencies identified not considered to be material weaknesses?

☐ yes ☒ none reported

Noncompliance material to financial statements noted?

☐ yes ☒ no

Federal Programs and State Financial Assistance Projects

Internal control over major federal programs:
Material weaknesses identified?

☐ yes ☒ no

Significant deficiencies identified not considered to be material weaknesses?

☒ yes ☐ none reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Chapter 10.550, Rules of the Auditor General?

☒ yes ☐ no

Identification of major federal programs:

<u>AL Number</u>	<u>Name of Federal Program or Cluster</u>
21.027	U.S. Department of Treasury – Coronavirus State and Local Fiscal Recovery Funds
97.036	U.S. Department of Homeland Security – Disaster Grants – Public Assistance
20.205	U.S. Department of Transportation – Highway Planning and Construction

Identification of major state financial assistance:

<u>CSFA Number</u>	<u>Name of State Program</u>
37.039	Department of Environmental Protection – Statewide Water Quality Restoration Projects
31.081	Executive Office of the Governor – Emergency Management

Dollar threshold used to distinguish between Type A and Type B federal and state programs:

\$750,000 and \$750,000

Auditee qualified as low-risk auditee?

☒ yes ☐ no

CITY OF ST. AUGUSTINE, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2024

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

2024-001. Unearned Revenue – Material Weakness

Criteria – Internal controls should be in place to provide reasonable assurance that all transactions are recorded in accordance with accounting principles generally accepted in the United States of America. As part of the audit process, we noted the City did not properly record its unspent and unearned revenues relating to the American Rescue Plan Act (ARPA) funds received.

Condition – The City recorded in prior year the receipt of these funds as revenues.

Context – Our testing of these funds indicated \$4,408,638 of ARPA funds were received and recorded as revenues when none were utilized or earned as of the prior year-end.

Effect – A prior period adjustment was needed to increase unearned revenue and to decrease retained earnings by \$4,408,638 was required to be made to the City's general ledger and Utility Fund to properly record actual activity.

Recommendation – We recommend the City implement proper controls which includes cross-training of employees to ensure compliance with all grant requirements and revenue recognition requirements so that these amounts are properly reflected in the accounting records and financial statements.

View of Responsible Officials and Planned Corrective Action – We concur with the finding and will implement controls to ensure unearned revenues are properly recorded.

SECTION III FEDERAL/STATE AWARDS FINDINGS AND QUESTIONED COSTS

Finding 2024-002 – Florida State-wide Water Restoration and Wastewater Projects (CSFA#37.039)

Criteria – The City did not meet the timely filing requirements for the quarterly reports related to the State-wide Water Restoration and Wastewater Projects.

Condition – The grant program requires quarterly reports to be filed within 20 days after quarter end to maintain compliance.

Context – Two of the four required reports were submitted outside this window (one was three days past due and the other was roughly 60 days past due).

Effect – There was no known negative implication for the grants.

Questioned Cost – \$0

Recommendation – We recommend the City implement proper controls which includes cross-training of employees to ensure compliance with all grant requirements including timeliness of reporting.

View of Responsible Officials and Planned Corrective Action – The City concurs with the finding and has put new personnel and controls in place to ensure timely reporting for all grant programs.

CITY OF ST. AUGUSTINE, FLORIDA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

None noted.



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Mayor and Members of
the City Commission,
City of 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, 2024, and have issued our report thereon dated May 27, 2025.

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 Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our 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 Auditor's Report on Compliance for Each Major Federal Program and State Project and on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in these reports, which are dated May 27, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. We determined corrective actions were taken by the City for all of the prior year recommendations to improve financial management.

Official Title and Legal Authority

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

Financial Condition and Management

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

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

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did not operate within the City's geographical boundaries during the fiscal year under audit.

Special District Component Units

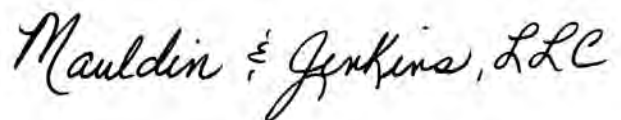
Section 10.554(1)(i)5.c, Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

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

Purpose of this Letter

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



Bradenton, Florida
May 27, 2025



INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the City of St. Augustine, Florida's (the "City") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2024. Management of the City 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 specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, 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.

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

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

In our opinion, the City complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2024.

This report is intended solely for the information and use of the City and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Bradenton, Florida
May 27, 2025

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