

CITY OF ST. AUGUSTINE

City Commission Special Budget Meeting Monday, September 11, 2025

The City Commission met in special session on Thursday, September 11, 2025, 5:05 P.M. or immediately after the Community Redevelopment Agency meeting, in the Alcazar Room at City Hall. The meeting was called to order by Mayor Nancy Sikes-Kline, and the following were present:

1. Roll Call: Nancy Sikes-Kline, Mayor/City Commissioner
Barbara Blonder, Vice Mayor/City Commissioner
Cynthia Garris, City Commissioner
Jon DePreter, City Commissioner

Absent: Jim Springfield, City Commissioner, excused

Also Present: David Birchim, City Manager
Isabelle Lopez, City Attorney
Darlene Galambos, City Clerk
Meredith Breidenstein, Assistant City Manager
Reuben Franklin, Assistant City Manager
Amy Skinner, Director, Planning and Building
JB Miller, Land Management, Fish Island
Stephen Slaughter, Director, Public Works & Utilities
Melissa Burns, Director, Finance
Jennifer Michaux, Police Chief
Elyse Wiemann, Senior Recording Secretary

2. GENERAL PUBLIC COMMENTS

- Devona Bell
- Bob Hammon
- Densie Hammon
- Jeffrey Pepper
- Susan Gregory

3. PUBLIC HEARING

3.A. Resolution 2025-32: Consideration of Resolution 2025-32, establishing the tentative millage rate for the Fiscal Year 2025-2026 Budget. (M. Burns, Finance Director)

Melissa Burns, Finance Director, reviewed Resolution 2025-32.

Public hearing was open, and the Commission heard from the following members of the public:

- Jeffrey Pepper
- Devona Bell
- Denise Hammon
- Susan Gregory

Public hearing was closed.

Commissioner Cynthia Garris asked if there were any projections if the mileage rate were lowered to 7% instead of 7.5%.

Ms. Burns replied that each tenth of a mill would cause a decrease of \$352,000 for a total of one and half million dollars.

Commissioner Garris said there seemed to be a cry for help in the community and she did not want to ignore it.

Commissioner Jon DePreter acknowledged he spoke to Mr. Pepper prior to the meeting; however, the suggestions he provided were not fully understood. He said there were public comments that mentioned new hires; however, he understood that no new employees were being added to the fiscal year (FY) 2026.

Mr. Birchim confirmed that there were no new positions in the budget.

Commissioner DePreter advised that the City had the same mileage rate of 7.5 mills for the past ten or twelve years and the increase in taxes was caused by an increase in property value, which was caused by inflation and was the reflective value of the current conditions. He stated the City had infrastructure needs and there was a lot of work that needed to be done for resiliency and flooding that would help with the quality of life. He pointed out the City had increased the Community Rating Score (CRS), which provided a discount increase for flood insurance. He said due to the work of City staff and the ability to obtain grants, the City was able to help the community.

Commissioner Barbara Blonder felt all were sympathetic to inflationary costs that were directly or indirectly related to tariffs, as it was the simple cost for conducting business. She said that as educators, she and her husband had not received a significant raise since the pandemic, or any increase at all, and their salaries had not kept pace with the high cost of inflation. She understood the challenges in paying bills; however, felt the additional 5% increase on the CRS for flood insurance could not happen without the staff in place. She said the City had spent around twenty million dollars over several years for resiliency to help the community not flood and much of that money came from

matching grant funds. She said questioned what would have to be done for there to be a reduction of .5% mills, as she felt there would be a decline in City services.

Mayor Nancy Sikes-Kline advised that the budget process for the next year began not long after the budget was passed. She said the budget was based on the tentative millage rate, which was taking place today. She said the budget process started in the spring and throughout the year there were public meetings to discuss the budget. She said there were many opportunities for public input and suggestions. She said to reduce or cut the millage rate this was late in the process would be difficult as the budget was set around the tentative millage rate. She explained the City took pride in its services, and while many projects were costly, the citizens consistently asked for the very best. She said the values the community requested were added and expressed in the budget. She was in support of the millage rate at 7.5% mills.

Commissioner Garris commented that last year they had discussed a reduction and that reduction would not be a significant savings for each resident.

Mr. Birchim confirmed the millage rate of 7.5% had been the same for the past sixteen years.

Commissioner Garris pointed out some of the projects that were mentioned in the FY 2026 budget were life safety such as the sidewalk on South Dixie Highway. She said this was a need for the community as many walked to work and it would help secure this area.

Mayor Sikes-Kline said the population of the City of St. Augustine was between 16,000 and 17,000. She said the increase, if divided evenly, would be around one hundred dollars per resident. She understood there had been an increase according to the Truth in Millage (TRIM)

notice, which was related to the school board tax increase.

Commissioner Blonder added that the five percent additional reduction on the insurance premium could be close to one hundred dollars, and impact fees were collected by the County, and none of that was given to the City. She noted tourists paid a bed tax when visiting hotels and restaurants, but that tax went to the County, and the City only received a specific amount for specific items.

MOTION

Mayor Sikes-Kline MOVED to APPROVE Resolution 2025-32. The motion was SECONDED by Commissioner DePreter.

Isabelle Lopez, City Attorney, read Resolution 2025-32.

RESOLUTION 2025-32

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF ST. AUGUSTINE, FLORIDA ADOPTING THE TENTATIVE LEVY OF AD VALOREM TAXES FOR FISCAL YEAR 2025-2026

WHEREAS, the City Commission of the City of St. Augustine, Florida has conducted a public hearing on its tentative millage rate of 7.5000 mills and has determined its rolled back rate is 7.3513 mills as required by Florida Statute 200.065;

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of St. Augustine, Florida that:

The Fiscal Year 2025-2026 tentative millage rate of the City of St. Augustine, Florida is 7.5000 mills which represents an increase in the rolled-back rate of 7.3513 mills of 2.02 percent.

ADOPTED at a special meeting of the City Commission of the City of St. Augustine,

Florida commenced at 5:05 p.m. this 11th day of September 2025.

VOTE ON MOTION:

AYES: Sikes-Kline, DePreter, Garris, Blonder

NAYES: NONE

MOTION APPROVED UNANIMOUSLY

4. PUBLIC HEARING-FIRST READING

4.A. Ordinance 2025-29: Consideration of Ordinance 2025-29, establishing the proposed budget for Fiscal Year 2025-2026 and five-year Capital Improvement Plan. (M. Burns, Finance Director)

Melissa Burns, Finance Director, reviewed Ordinance 2025-29. She said the budget was the same as presented during the budget workshop with the minor changes outlined:

- Page 2; Percentage Increase of the Paving budget was corrected
- Page 34 and 35; Strategic Action Items for FY2026 as requested Culverts and Ditches Maintenances and Improvements, Middleton House Construction, and Historic Preservation Sinking Fund

Commissioner DePreter explained that the Capital Improvement Plan (CIP) identified how City funds were spent. He said the CIP provided a very extensive overview of the different projects.

Commissioner Blonder commented that the CIP was reviewed multiple times a year and had public input. She said as the Nation's Oldest City, it took a lot to keep the City up and running.

Mayor Sikes-Kline confirmed that the budget and CIP were available online.

Commissioner Blonder confirmed the budget presented was the same as provided at the workshop with no changes other than the ones outlined.

The Commission heard from the following members of the public:

- Devona Bell
- Susan Gregory
- Jeffrey Pepper

Commissioner Blonder invited anyone who wished to speak about the budget to contact her, and she was more than willing to listen for next year's budget; however, she felt the budget this year was very lean and necessary and should be funded.

Mayor Sikes-Kline said the budget hearings were live streamed and available on demand online. She understood it may be difficult to attend during daytime hours and suggested for next year having budget discussions in the evening to encourage participation. She said the budget for FY 2026 was very sound, efficient, and expressed all the items the community had told them they wanted prioritized.

MOTION

Mayor Sikes-Kline MOVED to APPROVE Ordinance 2025-29. The motion was SECONDED by Commissioner DePreter.

Isabelle Lopez, City Attorney, read Ordinance 2025-29.

ORDINANCE NO. 2025-29

AN ORDINANCE OF THE CITY OF ST. AUGUSTINE, FLORIDA, RATIFYING, APPROVING AND ADOPTING THE ANNUAL BUDGET OR BUDGET ESTIMATES OF REVENUES AND EXPENDITURES FOR THE CITY OF ST. AUGUSTINE, FLORIDA, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025, AND ENDING SEPTEMBER 30, 2026; PROVIDING FOR REPEAL OF ORDINANCES IN CONFLICT HERewith; PROVIDING FOR SEVERANCE OF INVALID PROVISIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF ST. AUGUSTINE, FLORIDA AS FOLLOWS:

Section 1. The annual budget estimates of revenues and expenditures of the City of St. Augustine, Florida for the Fiscal Year 2025-2026, as prepared, amended and submitted to the City Commission of the City of St. Augustine, Florida by the City Manager, as considered and acted upon by said City Commission, under and by authority of the Charter of said City and the Laws of Florida, are hereby ratified, approved and adopted by the City Commission of said City, and the amounts of money set forth therein are hereby appropriated.

Section 2. The said budget of revenues and expenditures adopted for the ensuing Fiscal Year 2025-2026 shall be spread in full upon the minutes of the City Commission.

Section 3. The appropriations within an activity or sub-activity for Fiscal Year 2024-2025 and Fiscal Year 2025-2026 may be transferred within by the City Manager for the purpose of equalization, when necessary.

Section 4. All funds for the current Fiscal Year 2024-2025 and budgeted Fiscal Year 2025-2026 may over-expend adopted budgets to the extent that actual revenues exceed the adopted budget.

Section 5. All unencumbered appropriations, except for special projects or commitments, be and are canceled as of September 30, 2025, and the City Director of Finance is directed to transfer all appropriation credit balances to unappropriated surplus and place to the credit of all appropriation accounts which show a debit balance for the Fiscal Year 2024-2025 an amount from unappropriated surplus to balance same and to close all such accounts for the Fiscal Year 2024-2025.

Section 6. If any provisions of this Ordinance, or the application thereof to any person or circumstances, are held invalid, such invalidity shall not affect other provisions or applications of the Ordinances which can be given effect without this invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable.

Section 7. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 8. This ordinance shall become effective upon passage.

PASSED by the City Commission of the City of St. Augustine, Florida, in special session, at 5:05 p.m., this 25th day of September 2025.

VOTE ON MOTION:

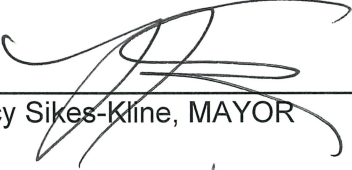
AYES: Sikes-Kline, DePreter, Garris, Blonder

NAYES: NONE

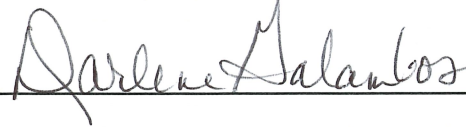
MOTION APPROVED UNANIMOUSLY

5. Adjournment

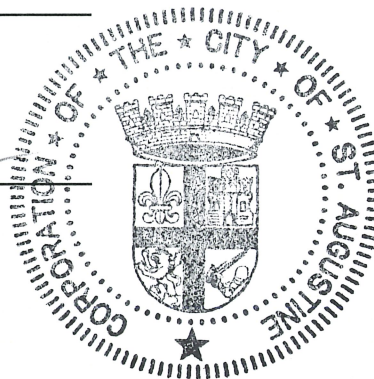
There being no further business, the meeting was adjourned at 6:12 P.M.¹



Nancy Sikes-Kline, MAYOR



Darlene Galambos, CITY CLERK



¹ Transcribed by Elyse Wiemann