



CITY OF
ST AUGUSTINE
EST. 1565

CITY OF ST. AUGUSTINE CITY COMMISSION
Special City Commission Meeting: Property Tax Reform Discussion
MONDAY, FEBRUARY 23, 2026 - 3:30 PM
ALCAZAR ROOM

1. CALL TO ORDER

◆ Roll Call

2. PUBLIC COMMENTS FOR GENERAL PUBLIC COMMENTS (3 MINUTES PER INDIVIDUAL)

3. PROPERTY TAX REFORM PRESENTATION AND DISCUSSION

3.A. Property Tax Reform Presentation and Discussion (*M. Breidenstein, Assistant City Manager and M. Burns, Finance Director*)

4. ITEMS BY MAYOR AND COMMISSIONERS

5. ADJOURN

NOTICES: In accordance with Florida Statute 286.0105: "if a person decides to appeal any decision made by the board, agency, or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based." ***In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate in this proceeding should contact the individual or agency sending notice not later than seven days prior to the proceeding at the address given on the notice. Telephone 904-825-1007; 1-800-955-8771 (TDB) or 1-800-955-8770 (V) via Florida Relay Services. The materials prepared and presented are part of the City's ongoing Florida Public Records and Government in the Sunshine compliance and are not intended to be relied upon or to reach investors or the trading markets.

City Commission

Property Tax Reform

February 23, 2026

Meredith Breidenstein, CPA
Assistant City Manager

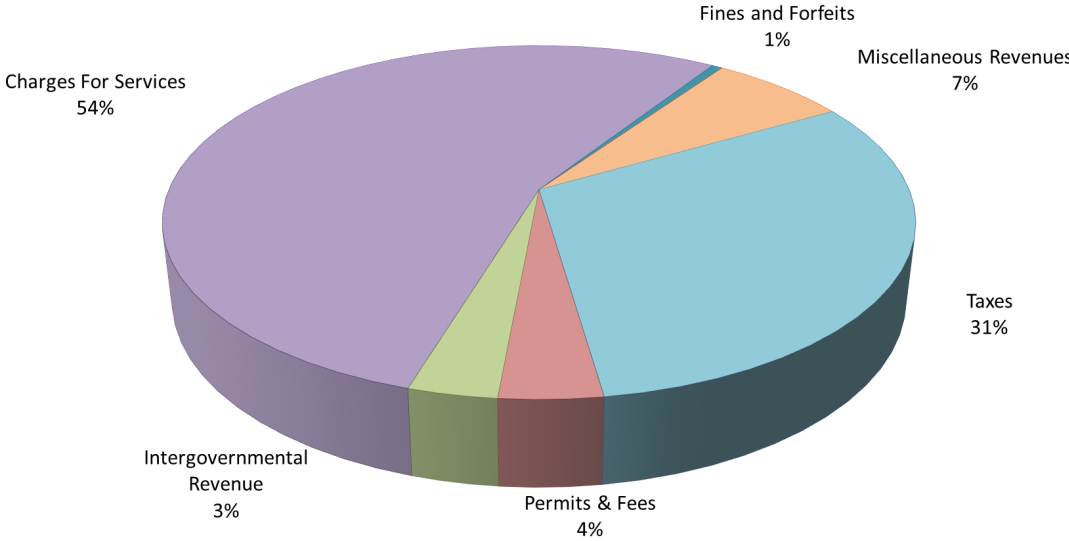
Melissa Burns, CGFO
Finance Director



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Excerpts from the 2026 Budget Book

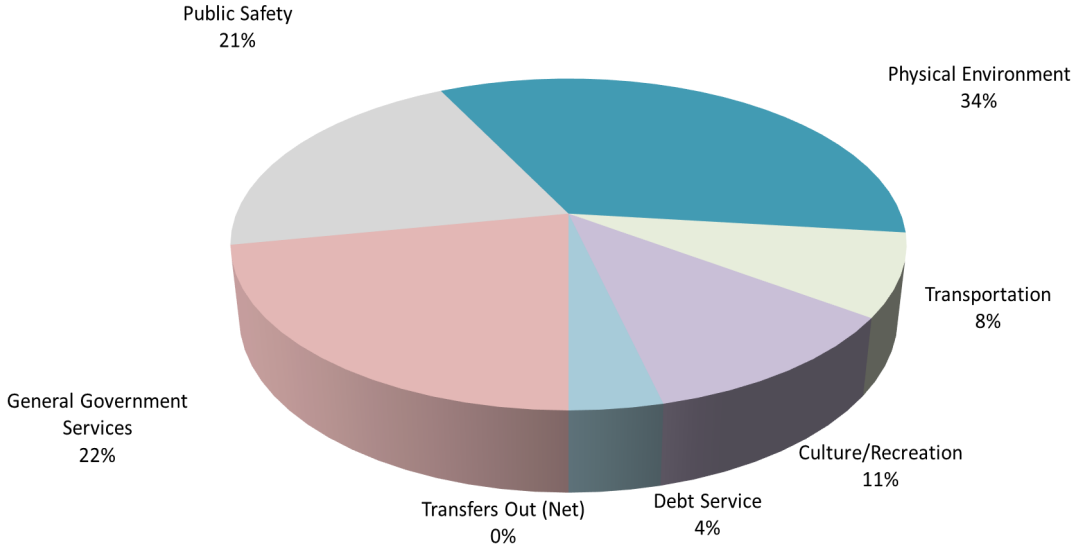
Total Budget-FY 2026 Revenues



Revenues by Source	Original Budget 2025	Revised Budget 2025	Projected 2025	2026 Proposed Budget
Taxes	\$29,600,295	\$30,048,264	\$30,321,915	\$29,679,563
Permits & Fees	\$3,486,500	\$3,811,200	\$4,235,376	\$3,589,928
Intergovernmental Revenue	\$3,678,050	\$13,670,270	\$13,728,925	\$3,106,445
Charges For Services	\$50,083,052	\$50,834,860	\$55,943,918	\$52,041,137
Fines and Forfeits	\$352,500	\$352,500	\$505,587	\$513,000
Miscellaneous Revenues	\$8,137,345	\$10,371,452	\$10,175,748	\$6,704,791
Transfers (net)	-	16,713,117	\$11,614,324	3,671,132
Total	\$95,337,742	\$125,801,663	\$126,525,793	\$99,305,996

Excerpts from the 2026 Budget Book

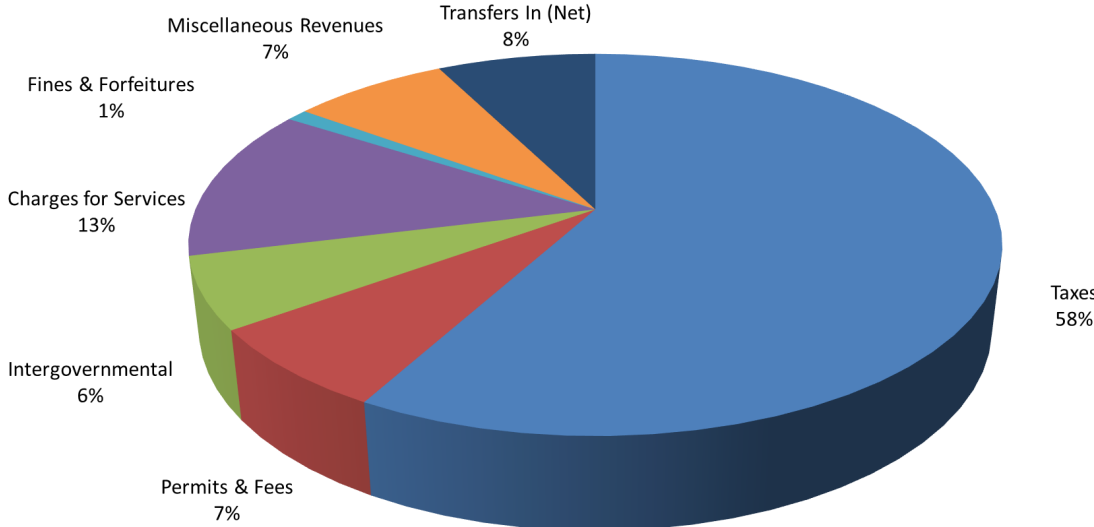
Total Budget-FY 2026 Expenditures



Expenditures by Function	2025 Original Budget	2025 Revised Budget	2025 Projected	2026 Proposed Budget
General Government Services	\$19,407,904	\$21,399,621	\$15,371,370	\$21,837,085
Public Safety	19,424,244	25,152,676	24,856,966	20,468,626
Physical Environment	31,964,510	46,710,693	45,342,937	33,996,058
Transportation	7,877,663	9,706,296	9,285,936	7,990,691
Culture/Recreation	10,834,401	18,625,691	17,258,816	11,279,444
Debt Service	5,291,298	4,206,686	4,238,526	3,734,092
Transfers Out (Net)	537,722	-	-	-
Total	\$95,337,742	\$125,801,663	\$116,354,551	\$99,305,996

Excerpts from the 2026 Budget Book

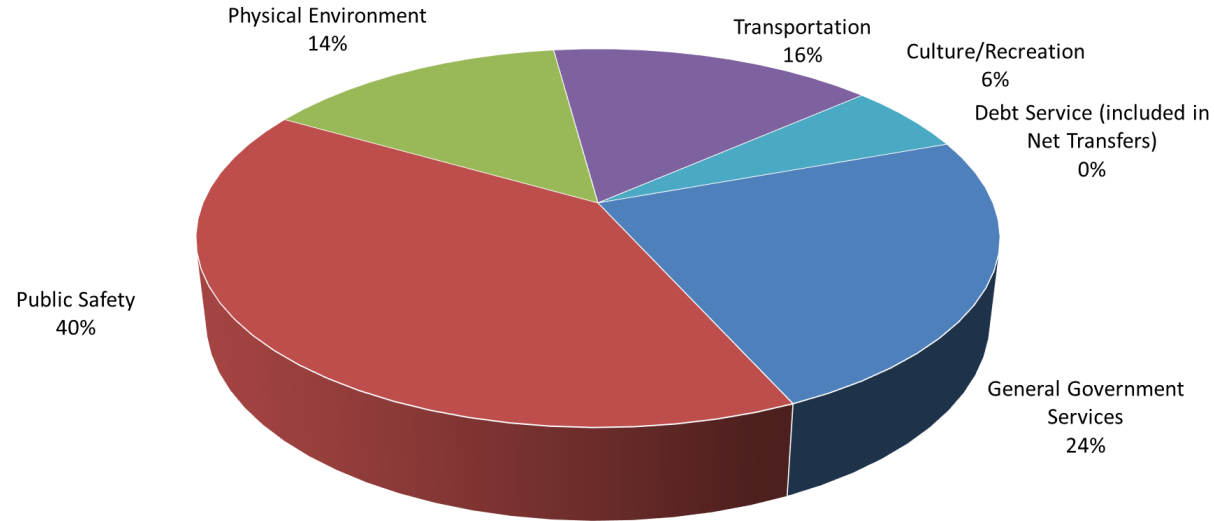
General Fund—FY 2026 Revenues



Revenues by Category	Original Budget 2025	Revised Budget 2025	Projected 2025	Budget 2026
Taxes	\$27,713,600	\$28,013,600	\$28,159,724	\$29,679,563
Permits & Fees	3,500,200	3,811,200	4,235,376	3,589,928
Intergovernmental	3,006,750	4,623,616	4,682,271	3,106,445
Charges for Services	5,395,447	6,054,757	6,466,190	6,601,353
Fines & Forfeitures	352,500	352,500	505,587	513,000
Miscellaneous Revenues	4,417,932	4,078,825	4,212,693	3,796,552
Transfers In (Net)	4,872,126	16,470,899	13,669,796	3,849,318
Total	\$49,258,555	\$63,405,397	\$61,931,637	\$51,136,159

Excerpts from the 2026 Budget Book

General Fund—FY 2026 Expenditures



Expenditures by Function	Original Budget 2025	Revised Budget 2025	Projected 2025	Budget 2026
General Government Services	\$13,070,496	\$13,504,831	\$12,218,540	\$12,188,185
Public Safety	19,424,244	25,152,676	24,856,966	20,468,626
Physical Environment	5,570,811	7,434,328	7,625,507	7,451,074
Transportation	7,877,663	9,706,296	9,285,936	7,990,691
Culture/Recreation	3,315,341	7,607,266	6,961,498	3,037,583
Debt Service (included in Net T	0	0	0	0
Transfers Out (Net)	-	-	-	-
Total	\$49,258,555	\$63,405,397	\$60,948,447	\$51,136,159

Potential Property Tax Reform

- Several bills are being presented during this legislative session. One or more could be on November's ballot for voters' consideration.
- Any potential reform will affect the non-school portion of homesteaded residential properties, non-residential and non-homesteaded residential properties are still subject to property taxes.
- Police and Fire are exempt from budget reductions.
- Property Tax (Ad Valorem Revenue) are received in the City's General Operating Fund.
- A large portion of the City's General Fund Expenditures are paid for with Ad Valorem and other revenue sources that can be used without restriction.

Proposed Legislation

- HJR201 Eliminates Non-School Property Taxes on Homesteaded Properties all at once. The City of St. Augustine's 2026 Property Tax Revenue consists of **\$7,820,000** from Homesteaded Properties. This is the estimated revenue reduction.
- HJR203 Phases out homestead property taxes by increasing exemption by \$100,000 each year. A revenue reduction of **\$2,250,000** is estimated for the initial year.
- HJR205 Exempt homesteaded properties for persons who have attained age 65 from all non-school levies. A revenue reduction of **\$780,000** is estimated.
- HJR209 Increase homestead exemption by up to \$200,000 for all levies other than school district levies. A revenue reduction of **\$4,500,000** is estimated.

General Fund Programs/Departments –Funded Fully or Partially by Property Taxes

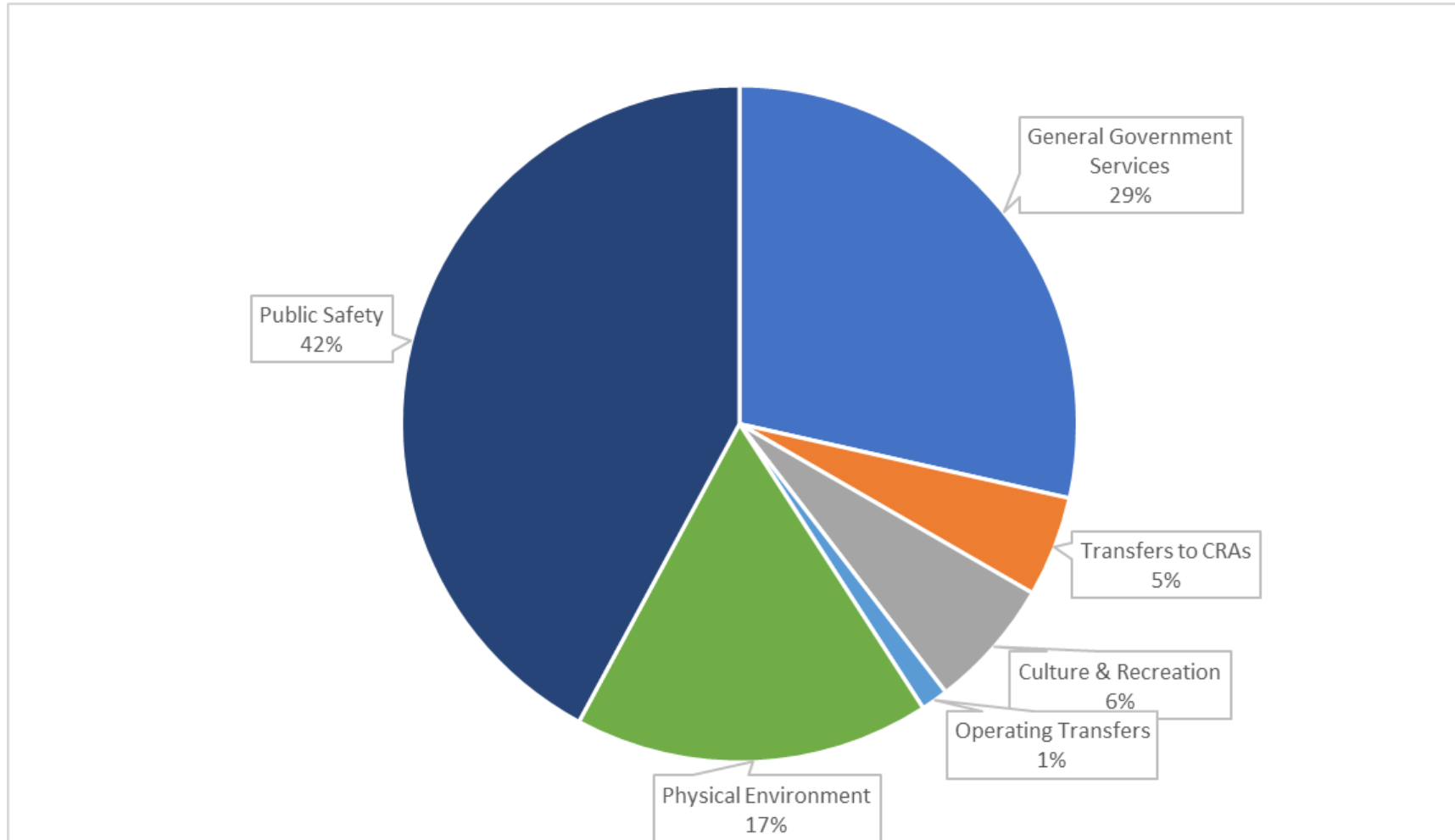
➤ Programs/Departments exempt from budget Reductions:

- Police
- Fire

➤ Programs/Departments that will have to be reduced by \$7,820,000 if Homesteaded Property Taxes are eliminated:

- | | | |
|--|---------------------------------|----------------------------|
| ➤ City Commission | ➤ Finance & Accounting | ➤ Historic Preservation |
| ➤ City Manager | ➤ Information Technology | ➤ Grounds |
| ➤ City Attorney | ➤ General Services & Purchasing | ➤ Events & Galimore Center |
| ➤ Communications | ➤ Historic Preservation | ➤ Community Services |
| ➤ Human Resources &
Risk Management | ➤ Fleet Maintenance | ➤ Facilities |
| ➤ Planning | ➤ Public Works & Engineering | ➤ Property Services |

General Fund Categories – Funded Fully or Partially by Property Taxes

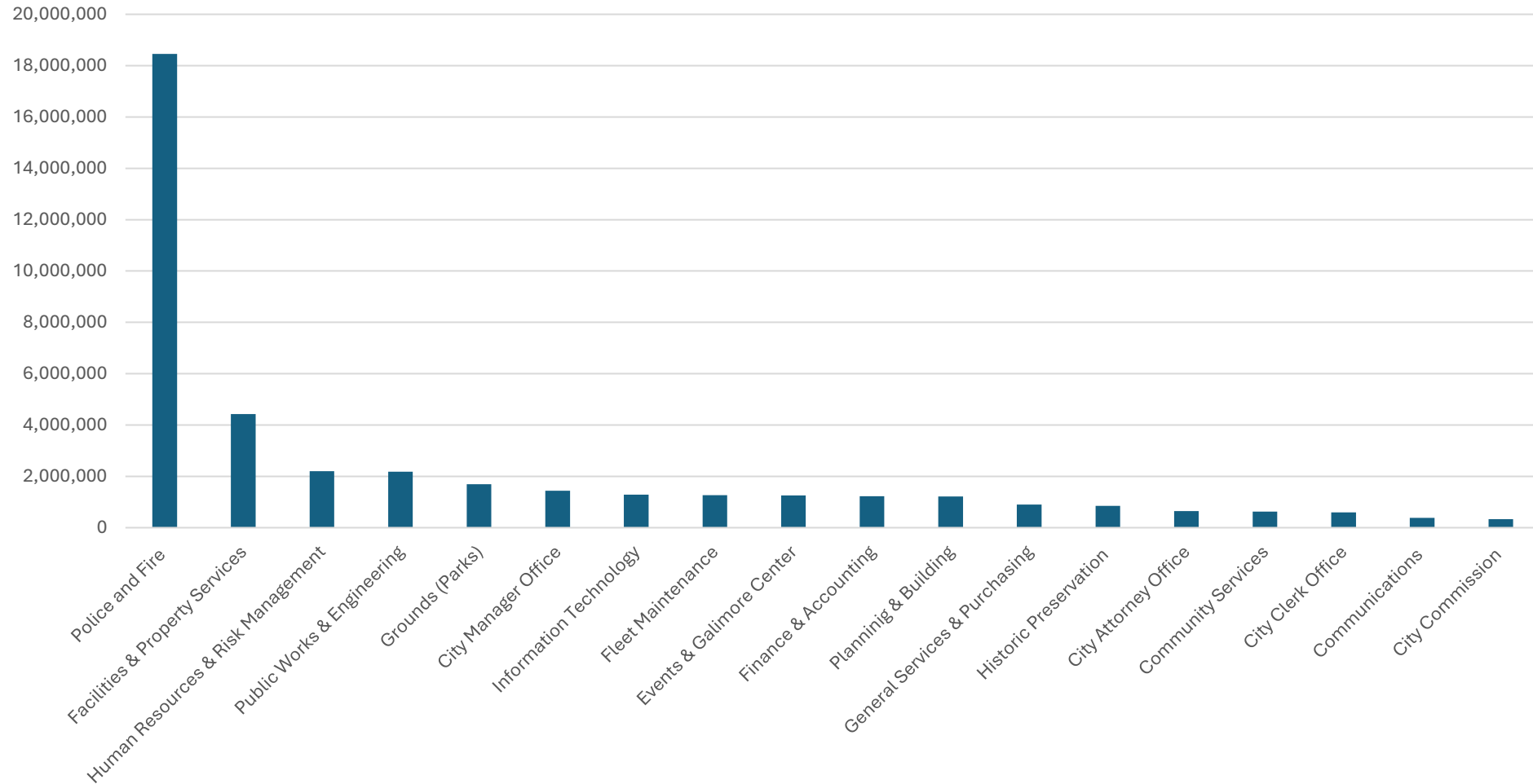


General Fund Programs/Departments – Funded by Other Revenue Sources

- Building Permits & Inspections
- Streets
- Mobility
- Parking
- Customer Service

FY2026 Budget

Police and Fire Budgets in Relation to the Other General Fund Departments who are fully or partially funded by Property Taxes

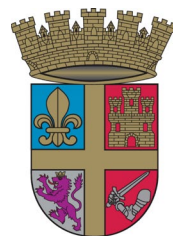


Programs Not Funded by Property Taxes or Other Taxes

- Water, Wastewater and Stormwater Utilities
- Garbage and Recycling
- Municipal Marina
- Visitors Information Center
- VIC Parking Garage

****These Programs Would Not Be Impacted by Property Tax Reform****

Discussion and Questions



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