CITY OF ST. AUGUSTINE CITY COMMISSION

Special City Commission Meeting Budget Workshop (Budget Assumptions)

MONDAY, JULY 13, 2026 - 3:00 PM

ALCAZAR ROOM

1. CALL TO ORDER

- Roll Call

2. GENERAL PUBLIC COMMENTS

- 3 minutes per individual

3. FISCAL YEAR 2027 BUDGET ASSUMPTIONS DISCUSSION

3.A. Revenue Manual Review *(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 OF

ST AUGUSTINE

EST. 1565

2026/2027
REVENUE MANUAL

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INTRODUCTION

This City of St. Augustine Revenue Manual was developed to provide a comprehensive reference source for major revenue sources collected by the City of St. Augustine. The City relies on a variety of revenue sources in order to finance the cost of services provided to its residents.

Some of the revenues can be directly associated with the cost of specific services. Examples include user fees charged for water, wastewater, stormwater, solid waste collection services, the use facilities such as the Municipal Marina and the Parking Garage.

Other governmental revenue sources cannot be related directly to underlying services, primarily because the services do not lend themselves to cost recovery using a direct user charge. Examples include police services and street paving. These public services are funded through a variety of revenue sources including property, sales, electric and gas tax, and franchise fees.

This Revenue Manual is organized by governmental and proprietary funds. Each fund is an independent fiscal and accounting entity and is segregated to its intended purpose.

CITY OF
ST AUGUSTINE
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GENERAL FUND REVENUES

The General Fund is the general operating fund of the City. All general tax revenue and receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The general operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from the General Fund. The following pages summarize the City's primary General Fund revenue sources. Each section includes a description of the revenue, legal authority, historical collections, projected revenues, authorized uses, and factors affecting future growth.

AD VALOREM TAXES

Summary:

Ad Valorem Taxes are levied against the taxable value of real and personal property. The City Commission sets the millage rate annually prior to October 1st. One mill is $1 of tax per $1,000 of taxable assessed value. The millage rate is applied to a property's most recent taxable assessed value.

The taxable value equals the total assessed value less exemptions such as the homestead exemption, and the additional low-income senior exemption. For example: for a home assessed at $300,000, a $50,000 homestead exemption is deducted resulting in a taxable value of $250,000. The general fund operating millage rate (7.5 for the 2025 tax bill) is applied, resulting in $1,875 in ad valorem property taxes.

Legal Authority:
Florida Constitution, Article VII, Section 9
Chapters 192-197 and 200, Florida Statutes
City of St. Augustine Code Sec. 2-190.

Budget Determination:
Budgets are based on applying the millage rate to the July 1 estimates of the City's total assessed taxable value of the property which represents the total tax levy. Per Florida Statutes, local governments are required to budget at least 95% of the total tax levy, the City budgets the required 95% of the total tax levy. Ad Valorem Taxes are the largest single revenue source to the General Fund; however, a portion of the Ad Valorem tax revenue the City receives is transferred to the three Community Redevelopment Areas (CRAs) which then lowers the available revenue for general purposes.

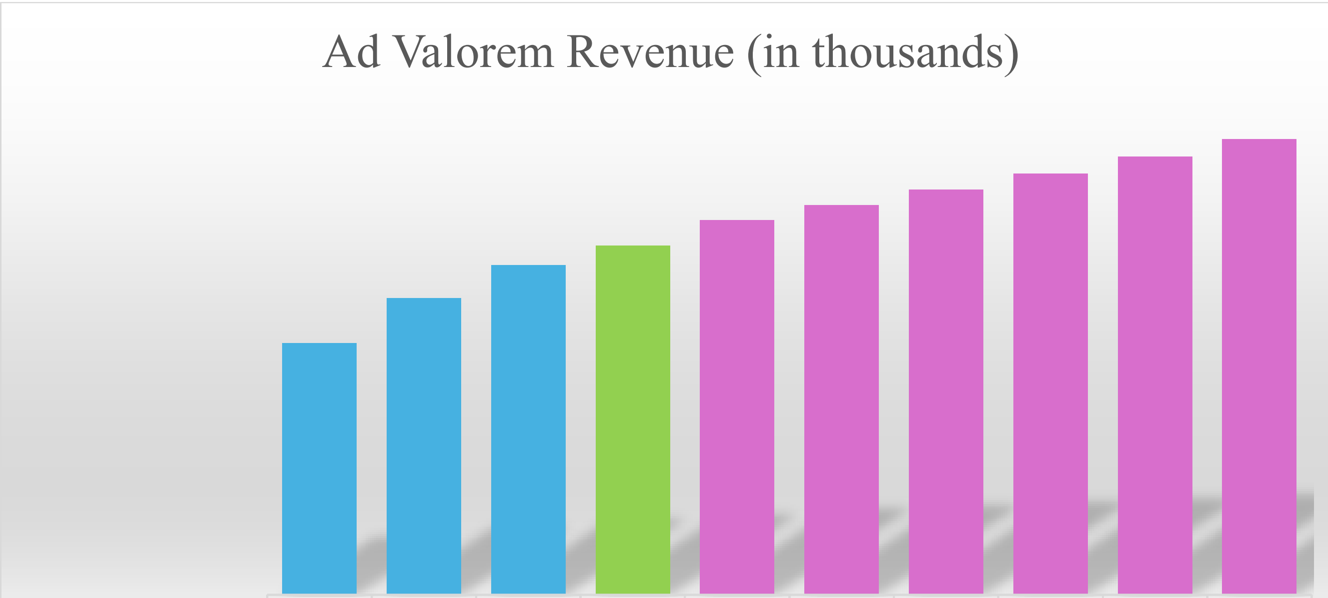
Authorized Exemptions:
All legal Florida residents are eligible for a Homestead Exemption on their homes, condominiums, apartments, and certain mobile home lots if they qualify. The Florida Constitution provides this tax-saving exemption on the first and third $25,000 of the assessed value of an owner/occupied residence. The St. Augustine City Commission has approved an additional $25,000 senior exemption for households headed by a person 65 years or older and who meets income requirements. The Save Our Homes act assists homesteaded property owners tremendously.

Authorized Uses:
General Fund revenue, unrestricted.

Fiscal Capacity:

The FY2026 adopted millage is 7.5000. St. Augustine has the capacity to levy up to 10 mills for operating expenditures based on State law. The millage rate is set by the City Commission each fiscal year. The amount of revenue received is the result of two factors: 1) the millage rate set by the City Commission; and 2) the value the St. Johns County Property appraiser places upon the property.

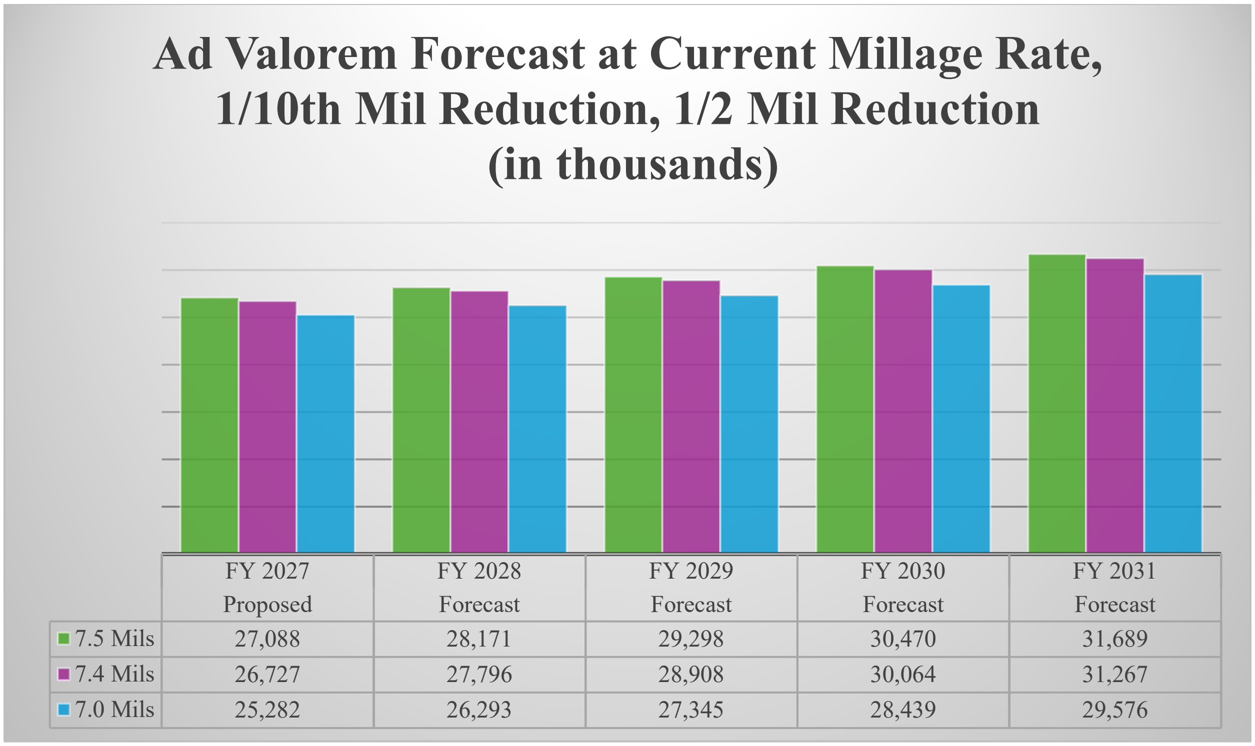
The chart below depicts the actual ad valorem revenue received in the past three fiscal years, the projected revenue to be received for the current fiscal year and forecasted revenues for the following six fiscal years.



	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Projected	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast	FY2032 Forecast
Ad Valorem Revenue	18,185	21,438	23,846	25,248	27,088	28,171	29,298	30,470	31,689	32,957

On or before June 1st of each year, the St. Johns County Property Appraiser sends an estimate to the City of the taxable assessed property values. Based on the Property Appraiser's preliminary taxable value estimates, City ad valorem revenues are projected to increase by approximately 8% or $1.8 million, even if the millage rate remains unchanged. This increase is primarily attributable to growth in taxable property values and new construction within the City. Maintaining the current millage rate will provide the revenue necessary to continue current service levels and address increasing operational costs. For each tenth of a mil increase/decrease the change in revenue would be approximately $380,182 annually. Staff is recommending maintaining the current millage rate of 7.5000 mils. Maintaining the current rate would provide funding necessary to sustain existing City services, personnel, public safety operations, infrastructure maintenance, and other core municipal functions.

Below is a chart showing the effect the reduction of 0.10 of a mil would have as well as the reduction of 0.5 mil. A reduction of 0.5 mills would reduce revenues by approximately $1.9 million annually. Any reduction in revenue would require identifying alternative funding sources, reducing expenditures, delaying capital investments, or adjusting service levels.



	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast
7.5 Mils	27,088	28,171	29,298	30,470	31,689
7.4 Mils	26,727	27,796	28,908	30,064	31,267
7.0 Mils	25,282	26,293	27,345	28,439	29,576

Impact on Homeowners

For a homeowner with a taxable value of $350,000 (after exemptions), a 0.1 mil reduction would reduce the City portion of the annual property tax bill by approximately $35 per year. A 0.5 mil reduction would reduce the City portion by approximately $175 per year.

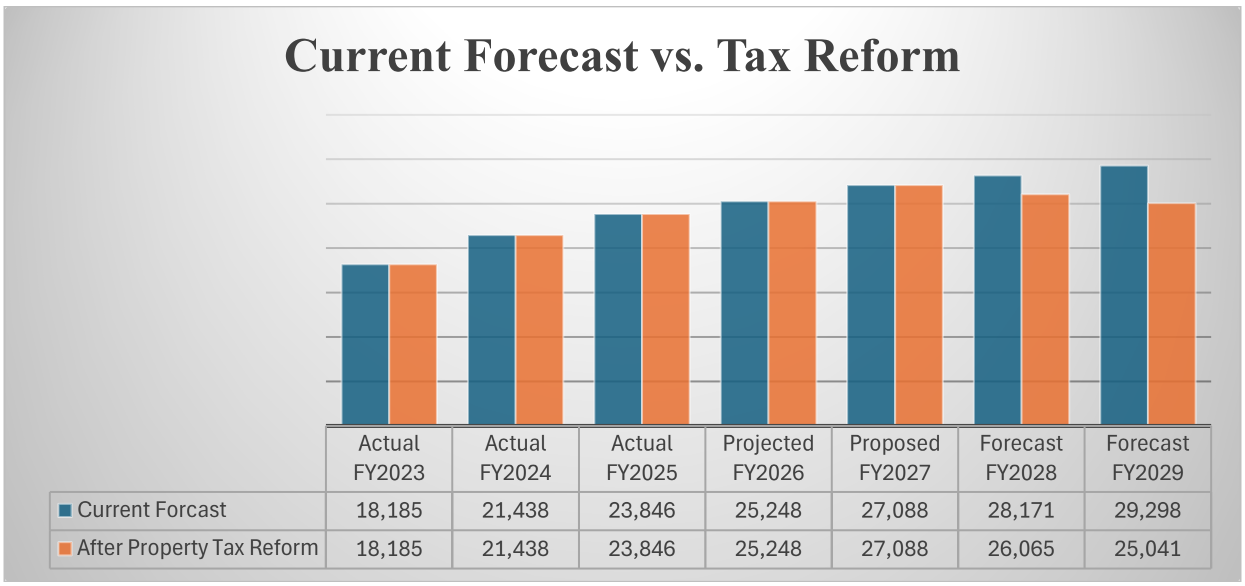
	2027			
Assessed Home Value	$ 200,000	$ 400,000	$ 600,000	$ 800,000
Homestead Exemptions	$ (50,000)	$ (50,000)	$ (50,000)	$ (50,000)
Taxable Value	$ 150,000	$ 350,000	$ 550,000	$ 750,000
Annual Ad Valorem to City				
Current Millage	$ 1,125	$ 2,625	$ 4,125	$ 5,625
With 1/10 Mill Reduction	$ 1,110	$ 2,590	$ 4,070	$ 4,070
With 5/10 Mill Reduction	$ 1,050	$ 2,450	$ 3,850	$ 5,250

Property Tax Reform

During the 2026 legislative session, the Legislature approved a proposed constitutional amendment related to property tax relief for homesteaded properties. If approved by Florida voters, the measure would reduce the taxable value of qualifying residential properties for non-school taxes, thereby reducing the City's ad valorem tax base. We have provided estimates of the potential impact on the City's ad valorem revenues should the proposed constitutional amendment pass. The estimates are based on the preliminary taxable value estimate and the number of homesteaded parcels in the City.

If approved, annual ad valorem revenues are estimated to decline by approximately $2.1 million beginning FY2028. Compared with current forecasts, the cumulative revenue reduction over FY2028 and FY2029 would total approximately $4.2 million. Unless offset by new revenue sources or expenditure reductions, the proposed amendment would reduce the City's ongoing capacity to fund General Fund operations and capital needs.

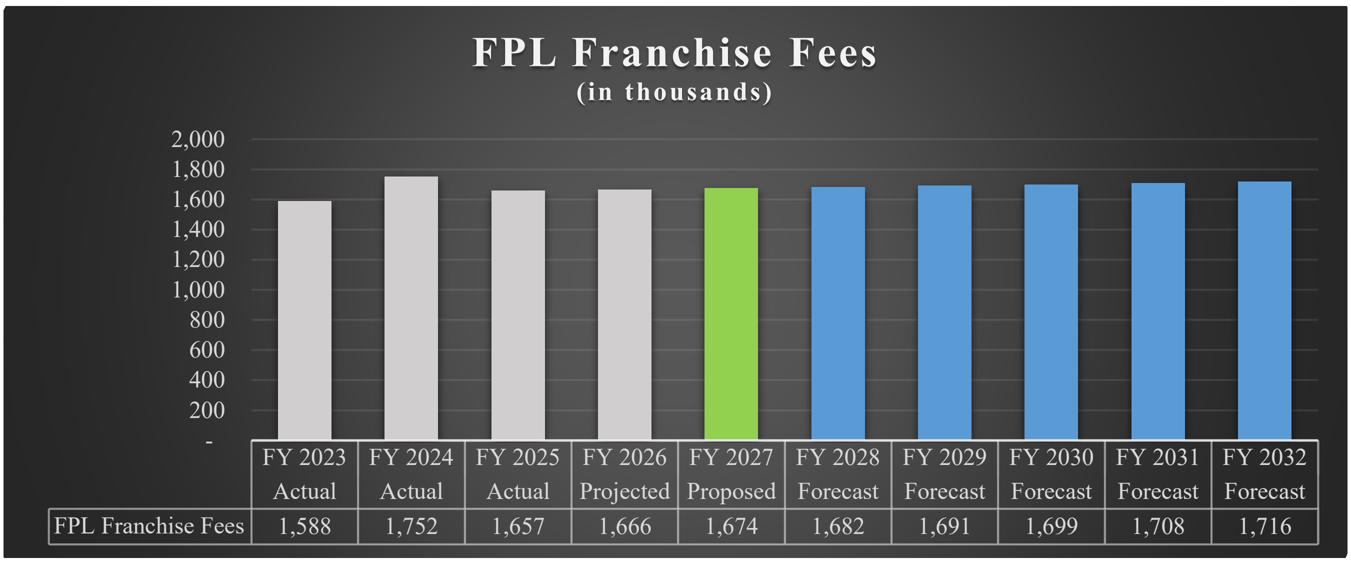
It should be noted that the proposed constitutional amendment remains subject to voter approval, and ad valorem taxes are the City's largest General Fund revenue source. The forecast above assumes current property tax law, however, the chart below compares the forecast to the ad valorem revenues should the amendment pass.



	Actual FY2023	Actual FY2024	Actual FY2025	Projected FY2026	Proposed FY2027	Forecast FY2028	Forecast FY2029
Current Forcast	18,185	21,438	23,846	25,248	27,088	28,171	29,298
After Property Tax Reform	18,185	21,438	23,846	25,248	27,088	26,065	25,041

FLORIDA POWER & LIGHT (FPL) FRANCHISE FEES

Description:
This revenue source consists of payments made by Florida Power and Light (FPL) for the privilege of constructing upon and operating within the right of ways owned by the City. The basis for this fee is provided for long-term agreements for payments to the City of 5.9% of Florida Power and Light gross revenue derived from accounts within City limits, less property tax and minor fees previously paid to the City.



	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Projected	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast	FY 2032 Forecast
FPL Franchise Fees	1,588	1,752	1,657	1,666	1,674	1,682	1,691	1,699	1,708	1,716

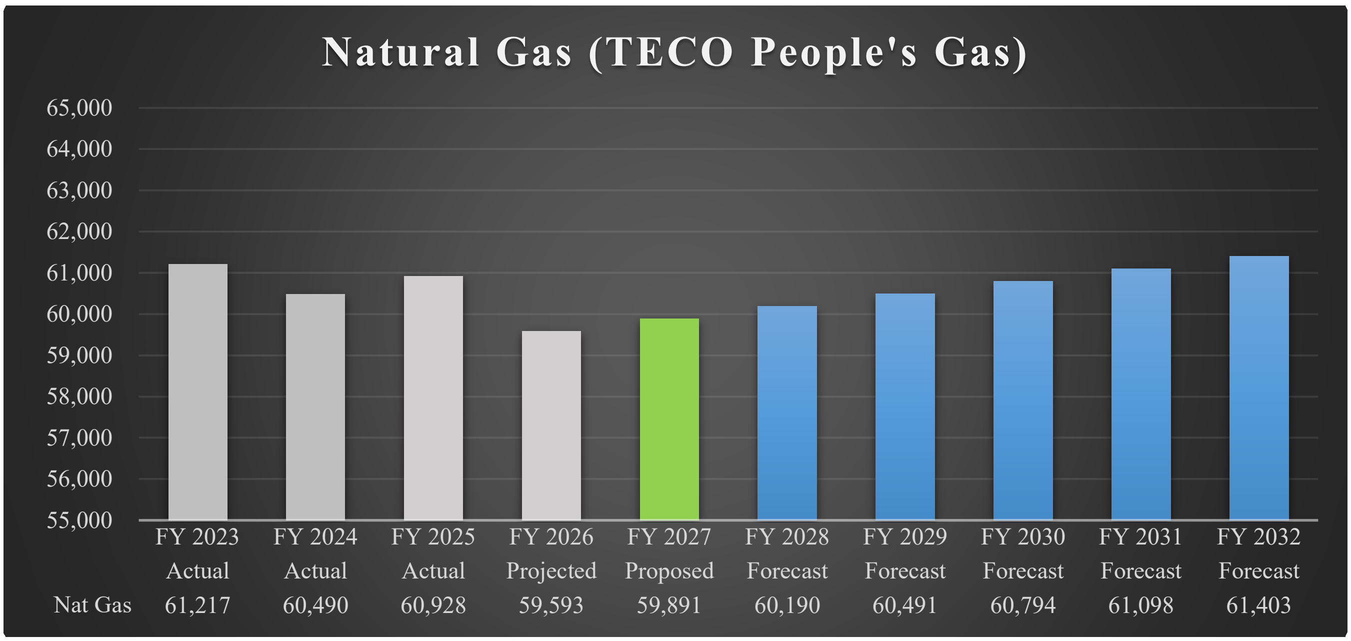
Legal Authority:
City of St. Augustine Ordinance number 2008-15.

Authorized Uses:
General Fund, unrestricted.

Fiscal Capacity:
The agreement between the City of St. Augustine and Florida Power & Light is a 30-year agreement with a rate of 5.9% of revenues. The two factors that influence the amount of revenue collected are the gross revenue of accounts within the City limits and the rate negotiated in the agreement. This contract is up for renegotiation in 2039.

NATURAL GAS FRANCHISE FEES

Description:
This revenue source consists of payments made by Peoples Gas System, Inc. for the privilege of constructing upon and operating within the right of ways owned by the City. The basis for this fee is provided for in a long-term agreement for payments to the City of 6% on the sale of gas to customers within City limits.



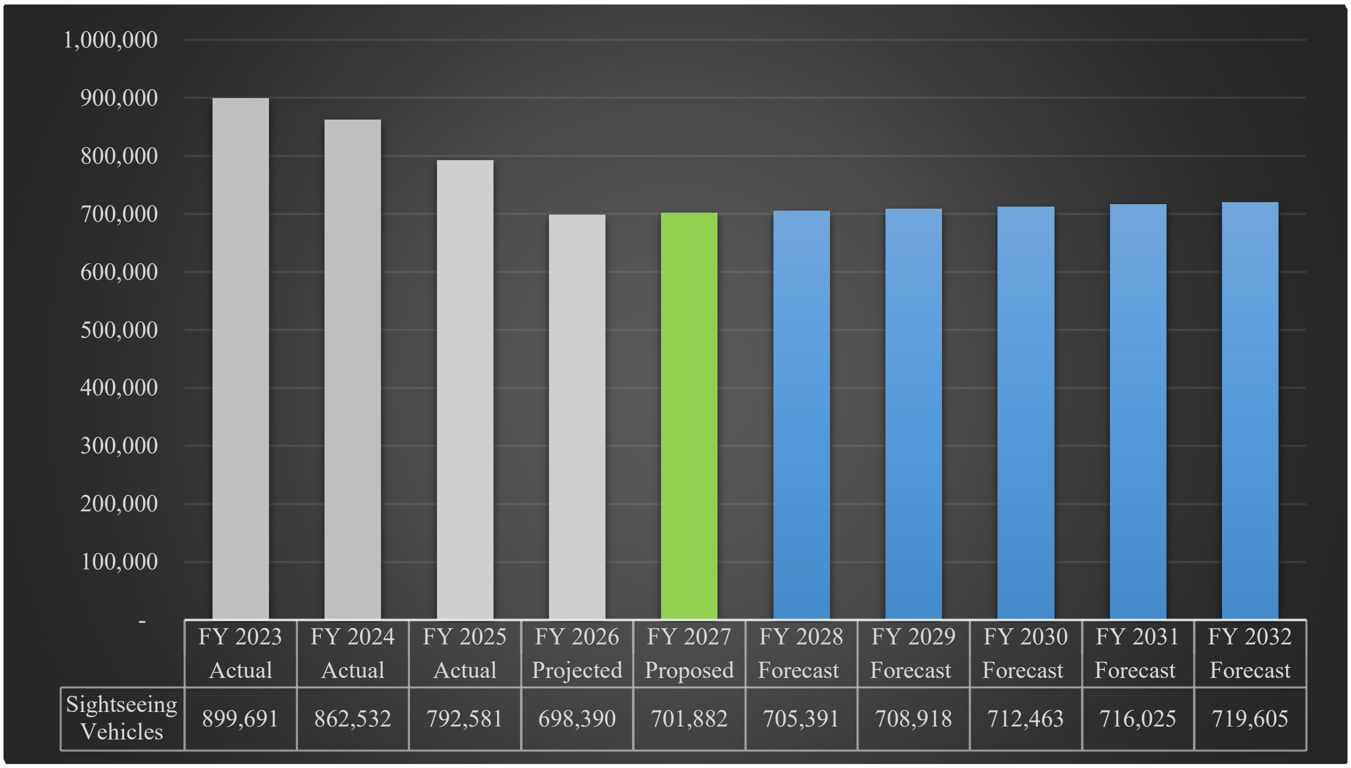
Legal Authority:
City of St. Augustine ordinance number 2024-18.
Home Rule Authority, Florida Constitution Article VIII, 5.2, Florida Statute 166.021

Authorized Uses:
General Fund, unrestricted

Fiscal Capacity:
The two factors that influence the amount of revenue collected are the sale of gas to customers within the City limits and the rate negotiated in the agreement. The agreement between the City of St. Augustine and TECO Gas is a 15-year agreement that was just renewed in 2024. The current agreement is six (6) percent of Peoples Gas System Inc.'s gas revenues within the City limits.

SIGHTSEEING VEHICLE FRANCHISE FEES

Description:
This revenue source consists of payments made by the sightseeing trains and trolleys for the privilege of constructing upon and operating within the right of ways owned by the City. The basis for this fee is provided for in a long-term agreement for payments to the City of a percentage of ticket sales to customers.



	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Projected	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast	FY 2032 Forecast
Sightseeing Vehicles	899,691	862,532	792,581	698,390	701,882	705,391	708,918	712,463	716,025	719,605

Legal Authority:
City of St. Augustine Ordinance 2001-22
City of St. Augustine Resolution No. 2017-48

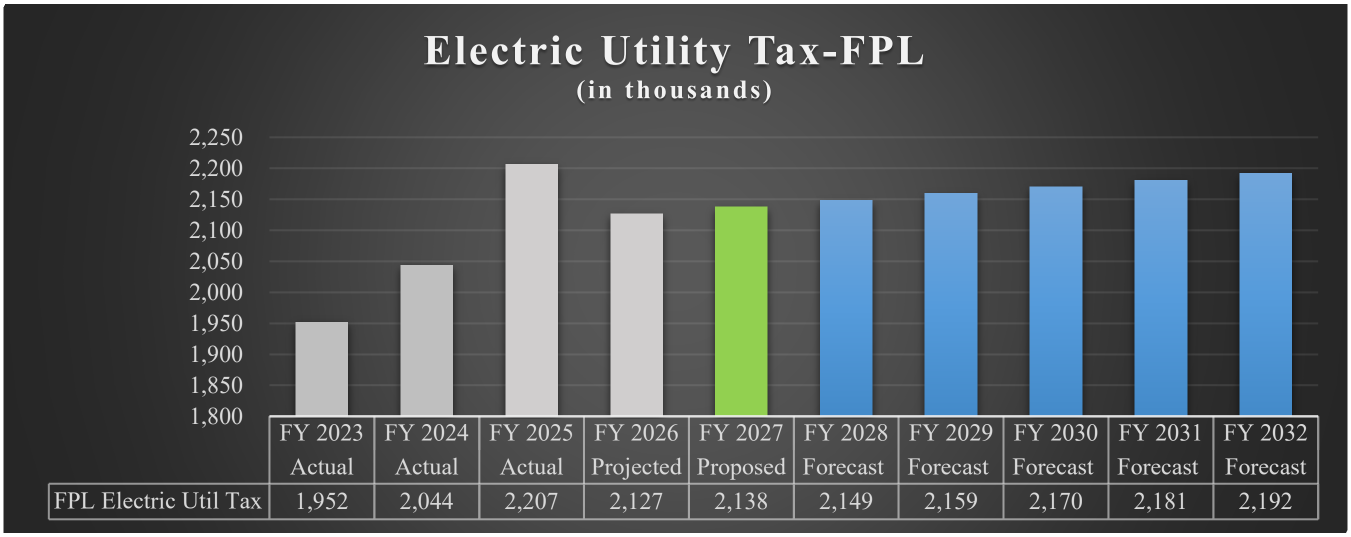
Authorized Uses:
General Fund, unrestricted

Fiscal Capacity:
The two factors that influence the amount of revenue collected are the sale of tickets to customers and the rate negotiated in the agreement. The agreement between the City of St. Augustine and the sightseeing vehicle companies allows for a ½% increase in the fee every three (3) years. The current rate of 4% has not been adjusted since 2018, staff is recommending increasing the fee by ½% to 4.5% of sales.

An amendment to the Vehicle for Hire and Franchise sections of the Code is currently being considered by the City Commission.

FLORIDA POWER AND LIGHT UTILITY TAX

Description:
This revenue originates from the sale of electricity to residents within City limits. The basis for this fee is the maximum assessment of 10% of Florida Power and Light's revenues authorized by Florida State Statutes.



	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Projected	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast	FY 2032 Forecast
FPL Electric Util Tax	1,952	2,044	2,207	2,127	2,138	2,149	2,159	2,170	2,181	2,192

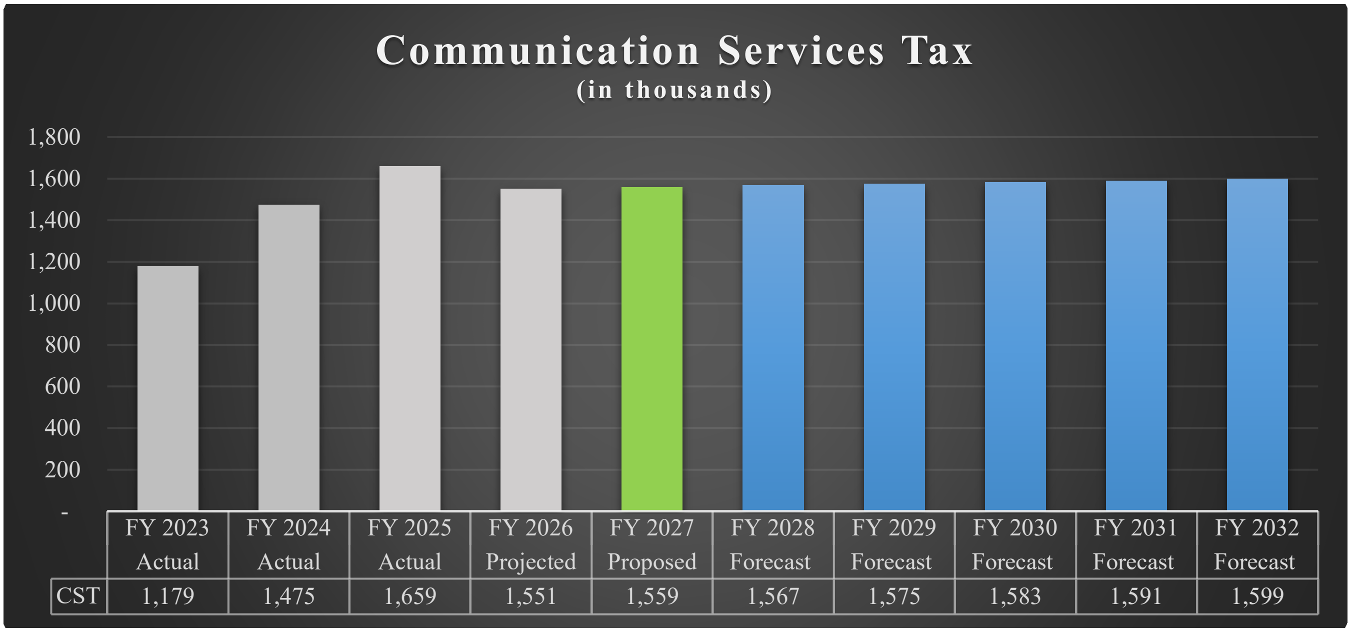
Legal Authority:
Florida Statute 166.231(1)
City of St. Augustine ordinance number 2015-28.

Authorized Uses:
General Fund, unrestricted.

Fiscal Capacity:
The City is currently levying the maximum rate of ten (10) percent for this revenue source. The only capacity for increasing this revenue would be through increased sales within the City and/or FPL raising their rates.

COMMUNICATION SERVICES TAX

Description:
Communication services tax applies to telecommunication, video, direct-to-home satellite, and related communications services. Communication services encompasses voice, data, audio, video.



	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Projected	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast	FY 2032 Forecast
CST	1,179	1,475	1,659	1,551	1,559	1,567	1,575	1,583	1,591	1,599

Legal Authority:
Florida Statutes, Sections 202.19 and 202.20
City of St. Augustine Code Sec. 17-38 and 17-39.

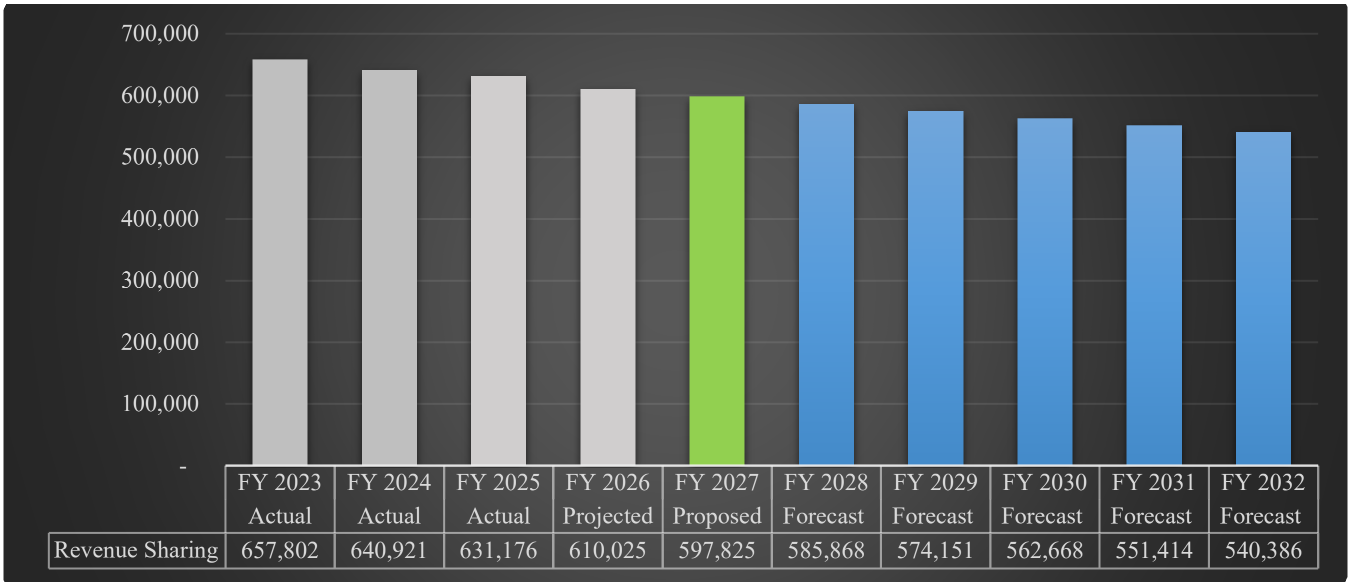
Authorized Uses:
General Fund, unrestricted.

Fiscal Capacity:
According to the City of St. Augustine Ordinance 2001-15 and 2001-16, sections 17-38 and 17-39, Beginning on October 1, 2002, the local communications services tax rate shall be five and one-tenth (5.1) percent or such other rate as may be authorized by the Florida Legislature and adopted by ordinance of the city. The current rate, as of 1/1/2016 is the maximum of 5.22%. Increasing this revenue source would require authorization by both the Florida legislature and the City of St. Augustine Commission.

The City receives revenue estimates from the State of Florida in July or August of each year to assist with the budget preparation. Revenues declined for a period of time due to households discontinuing their use of landlines and moving to cellular phones only, however recent years have seen growth due to an increase in construction and population.

STATE REVENUE SHARING

Description:
The municipal revenue sharing program is administered by the Department of Revenue and monthly distributions are made to eligible municipal governments. The program is comprised of state sales taxes and municipal fuel taxes that are collected and transferred to the Revenue Sharing Trust Fund for Municipalities which currently receives 1.3653% of net sales and use tax collections and net collections from the one-cent municipal fuel tax.



	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Projected	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast	FY 2032 Forecast
Revenue Sharing	657,802	640,921	631,176	610,025	597,825	585,868	574,151	562,668	551,414	540,386

Legal Authority:
Florida Statutes, Chapters 206, 212, and 218

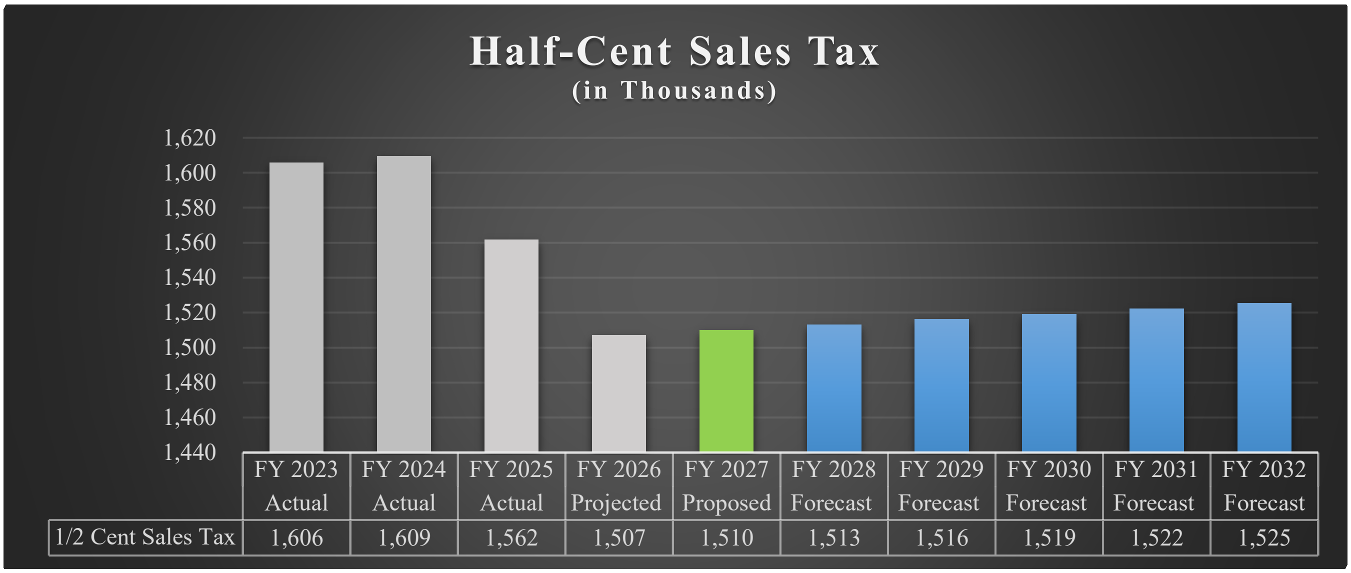
Authorized Uses:
Funds derived from the one-cent municipal fuel tax must be used for transportation expenditures. The City may pledge only the guaranteed entitlement portion of the distribution for bonded indebtedness. All the remaining funds are available for general use.

Fiscal Capacity:
In order to calculate the municipal sales tax collection factor, it is first necessary to allocate a share of the sales tax collected within a county to each of its respective municipalities. This allocation is derived based on population. When that is complete, an apportionment factor is calculated by the Department of Revenue for each eligible municipality using a formula consisting of the following equally weighted factors: adjusted municipal population, derived municipal sales tax collections, and the municipality's relative ability to raise revenue.

The current forecast is conservative, as this revenue source has been incrementally declining for the past few years. The State of Florida will advise the City with their revenue estimates in July or August.

HALF-CENT SALES TAX

Description:
Authorized in 1982, this program generates the largest amount of revenue for local governments among the state-shared revenue sources currently authorized by the Legislature. Monies remitted by a sales tax dealer located within the county and transferred into the Trust Fund are earmarked for distribution to the governing body of that county and each municipality within that county. An allocation formula serves as the basis for distribution. The primary purpose of this revenue is to provide relief from ad valorem and utility taxes while providing counties and municipalities with revenue for local programs.



Legal Authority:
Florida Statute Sections 202.18(2), 212.20(6) and 218.60-67

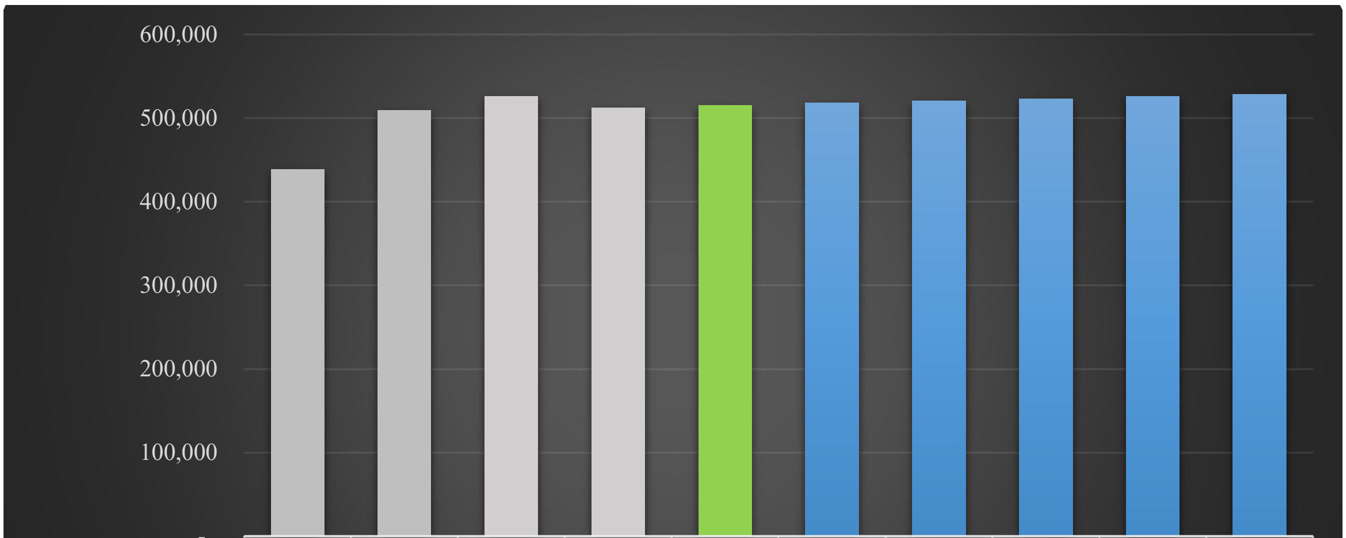
Authorized Uses:
Municipal-wide programs, municipal-wide property tax or utility tax relief or principal and interest payments on capital projects

Fiscal Capacity:
The allocation factor for each municipal government is computed by dividing the municipality's total population by the sum of the county's total population plus two-thirds of the County's incorporated population. Each municipality's distribution is then determined by multiplying the allocation factor by the sales tax monies earmarked for distribution within its respective county. An increase in the City of St. Augustine's population or eligible countywide sales would result in an increase in this revenue for the City.

At this time management is estimating sales tax revenue based on fiscal year 2026, however the state will give the City a more precise estimate next month based on their estimates.

LOCAL OPTION GAS TAX

Description:
County governments are authorized to levy up to 12 cents of local option fuel taxes in the form of three separate levies. The first is a tax of 1 cent on every net gallon of motor and diesel fuel sold within a County. The second is a tax of 1 to 6 cents on every net gallon of motor and diesel fuel sold within a County. The third is a 1 to 5 cent levy upon every net gallon of motor fuel sold within a County, however; diesel fuel is not subject to this tax. Proceeds may be used to fund transportation expenditures. In St. Johns County, the revenue is collected and distributed using a population-based formula.



	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Projected	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast	FY 2032 Forecast
Local Opt Gas Tax	438,711	509,368	526,388	512,850	515,414	517,991	520,581	523,184	525,800	528,429

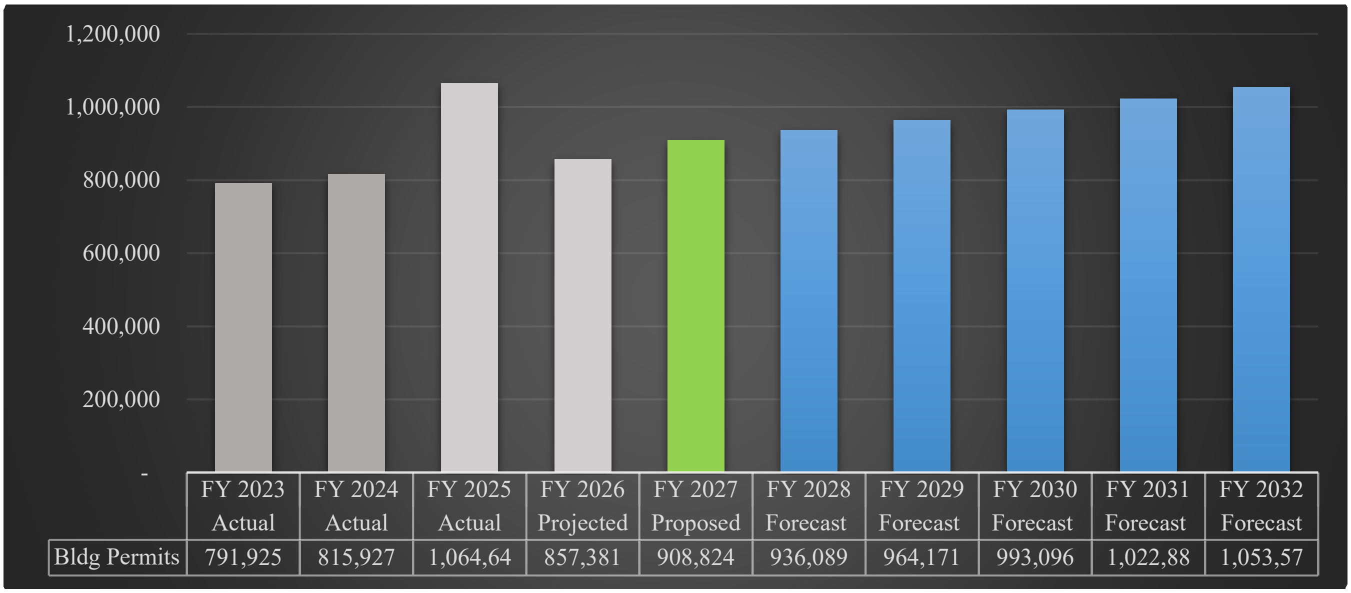
Legal Authority:
Florida Statute Sections 206.41(1)(e), 206.87(1), and 336.025

Authorized Uses:
Florida Statutes, §336.025(1)(a)2, requires the proceeds of the local option gas tax be used for transportation related expenditures such as, roadway and right of way maintenance, street lighting, traffic signs, traffic engineering, signalization and pavement marking.

Fiscal Capacity:
This revenue source is distributed to the City through an Interlocal Agreement with the County. The formula for distribution to municipalities is based on population. An increase in the percent levied on motor fuel by St. Johns County, an increase in the amount of motor fuel sold in St. Johns County, and/or an increase in the City of St. Augustine's population would result in an increase in this revenue for the City. As the County population increases, the City's percentage of this revenue source could decrease, however the volume of fuel sold should increase so management's estimate of this revenue is fairly flat.

BUILDING PERMITS AND FEES

Description:
Building permits and fee revenues are collected from fees and the sale of permits issued to regulate the renovation, construction, or installation of plumbing and electrical work.



Legal Authority:
Florida Statute Section 166.201
City of St. Augustine Code, Chapter 8, Section 8-103
City of St. Augustine Resolution 2017-42

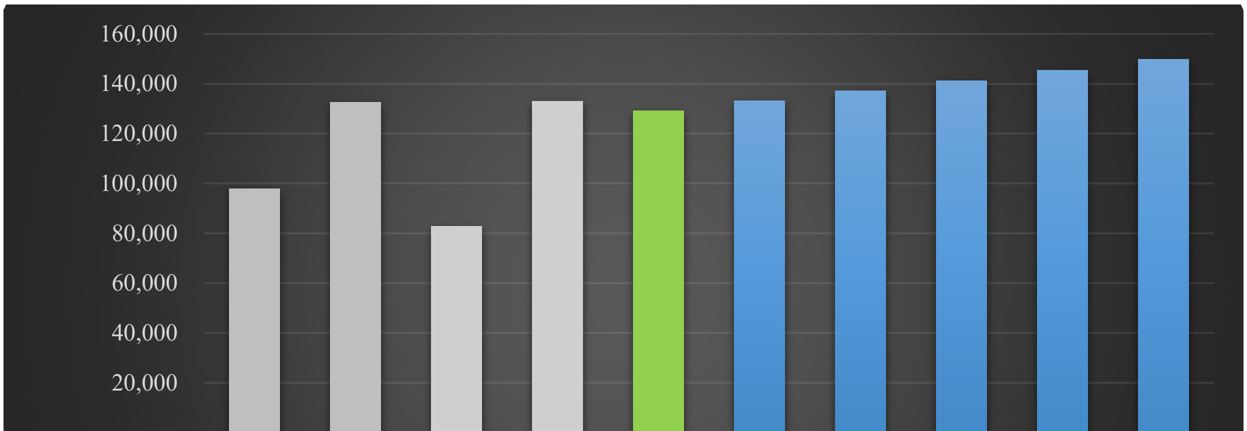
Authorized uses:
Must be used to cover the cost of enforcing the Florida Building Code.

Fiscal Capacity:
In 2017, the Commission approved a change to the current fee in order to bring fees in line with Florida Building Code (Florida Statute 553.80). During the 2026 legislative session, the Legislature passed House Bill 803 which will require changes to the basis of calculating permit fees.

The fees are required to be spent on enforcing the Florida Building Code. Conservative estimates are used with a slight decrease each year as current construction reaches completion.

PERMIT REVIEW FEES

Description:
Permit review fees are costs associated with an in-house review of new or existing projects and right-of-way fees. The administrative review fees vary based on the size of the project.



	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Projecte d	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast	FY 2032 Forecast
Permit Review	98,019	132,626	82,897	133,127	129,250	133,127	137,121	141,234	145,471	149,836

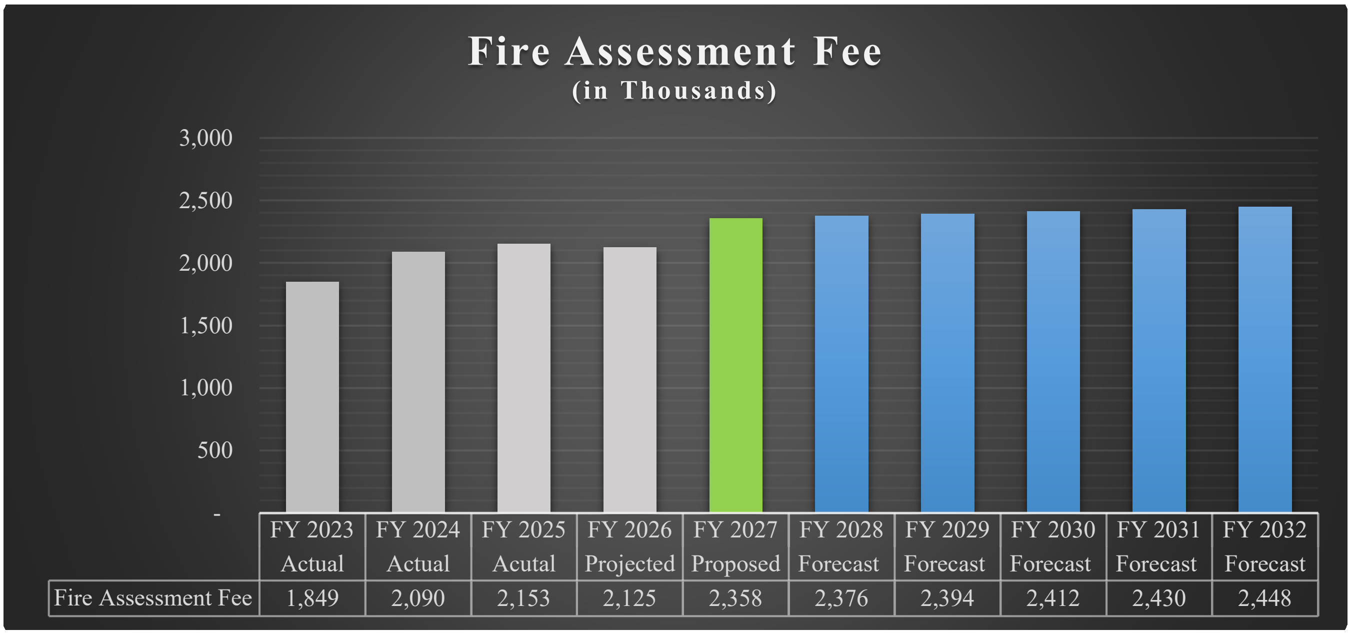
Legal Authority:
Florida Statute 166.201
City of St. Augustine Resolution 2015-29
Home Rule Authority, Florida Constitution Article VIII, 5.2, Florida Statute 166.021

Authorized Uses:
Recover the cost of permit reviews

Fiscal Capacity:
The fee assessed for administrative review applicants are a part of the revised fee schedule approved by St. Augustine City Commission in 2015. Staff is recommending an increase of 4.2%, which is the rate published in May's Consumer Price Index (CPI) report. This will be brought to the Commission for approval at a later date.

FIRE ASSESSMENT FEE

Description:
This revenue consists of a Fire Assessment fee that is charged per square foot of assessable area within the City limits. The rate is based on the percentage of calls the Fire Department responds to and the percentage of the Fire Department's assessable budget that may be recovered. The analysis concluded that Residential calls make up 44% of all calls and Non-Residential calls make up 56%. In fiscal year 2026, approximately 41% of the Fire Department budget will be recovered by the fee which is less than the target of 50%. The revenue is billed on the Ad Valorem tax notices sent out in November from the St. Johns County Property Tax Collector's Office.



	FY 2023 Actual	FY 2024 Actual	FY 2025 Acutal	FY 2026 Projected	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast	FY 2032 Forecast
Fire Assessment Fee	1,849	2,090	2,153	2,125	2,358	2,376	2,394	2,412	2,430	2,448

Legal Authority:
City of St. Augustine Ordinance 2016-20
City of St. Augustine Resolution 2017-44

Fee Schedule: In 2026, the Fire Assessment rate of $0.0776 for Residential and $0.1391 for Non-Residential was assessed. Prior year increases occurred in FY2018, 2019, 2020 and 2023. Staff has spent this year analyzing and reassessing the fee and an increase is proposed for FY 2027.

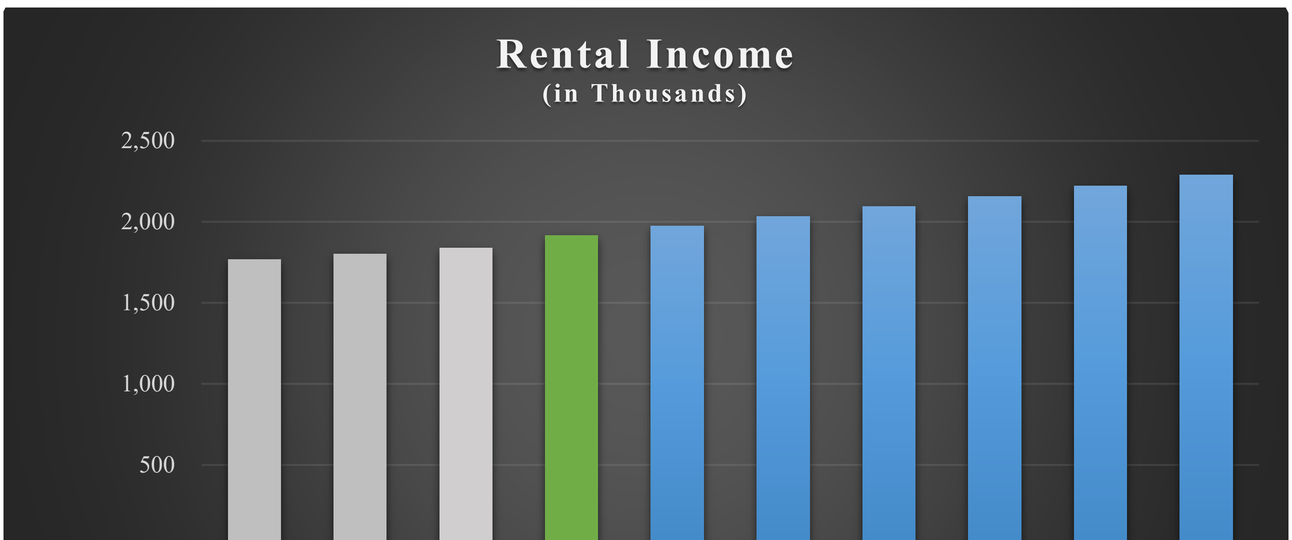
Authorized Use:
Recover a portion of the cost for Fire Department operations.

Fiscal Capacity:
Commission approval is required to increase the fee schedule. Staff recommends maintaining the 50% cost recovery of the Fire Department budget due to the number of properties exempt from ad-valorem tax.

RENTS & ROYALTIES

Description:
This revenue source includes Rent and Royalties from leases and other agreements. Examples of these agreements include:

- Carpet Golf—Ripley's
- Galimore Center usage
- St. Augustine Yacht Club
- Casa del Hidalgo
- St. Johns County Cultural Council
- City Hall Rents including Departments of Corrections, Juvenile Justice, Flagler College
- Flagler/Police Agreement and St. Johns County School Board use of Police Officers
- Submerged Land Leases
- License Agreements



	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Projected	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast	FY 2032 Forecast
Rental Income	1,768	1,804	1,840	1,917	1,974	2,034	2,095	2,158	2,222	2,289

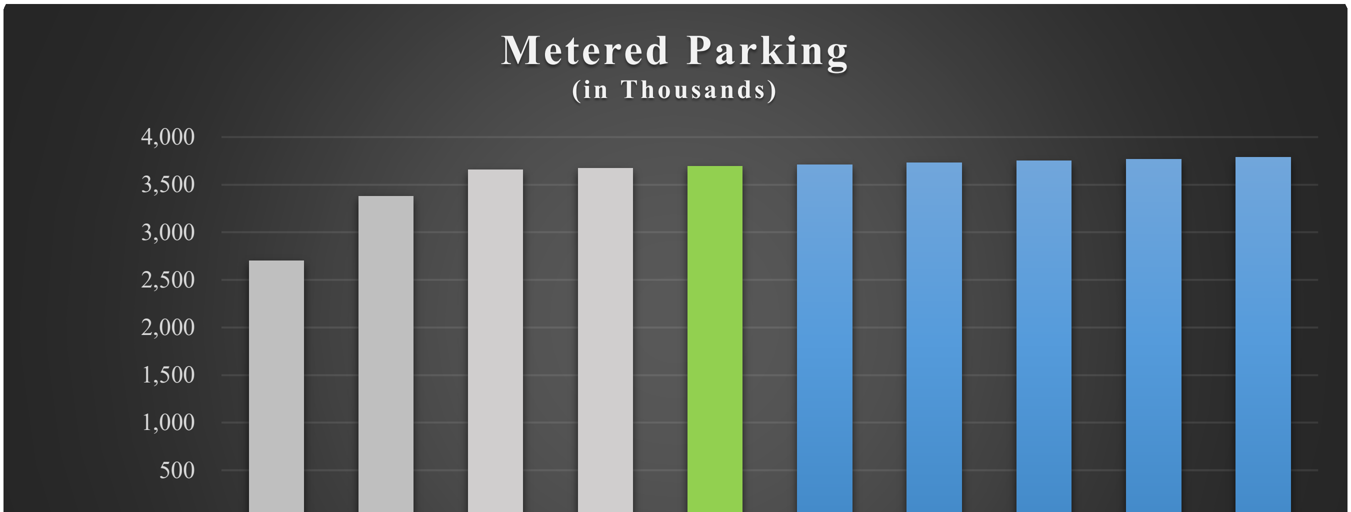
Legal Authority:
Home Rule Authority, Florida Constitution Article VIII, 5.2, Florida Statute 166.021

Authorized Use:
General Fund, unrestricted

Fiscal Capacity:
St. Augustine City Commission has the ability to negotiate rates and lease terms based on a fair and marketable rate. City Commission reserves the right to charge rates that are sufficient to ensure a reasonable return on the investments. For the fiscal year 2026, the consumer price index increase on rents is 4.2% based on the May 2025 – May 2026 department of labor statistics for small southern cities.

METERED PARKING FEES

Description:
This revenue source consists of user fees from parking meters and pay stations in City operated lots and on-street.



	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Projected	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast	FY 2032 Forecast
Metered Parking	2,701	3,382	3,657	3,675	3,694	3,712	3,731	3,749	3,768	3,787

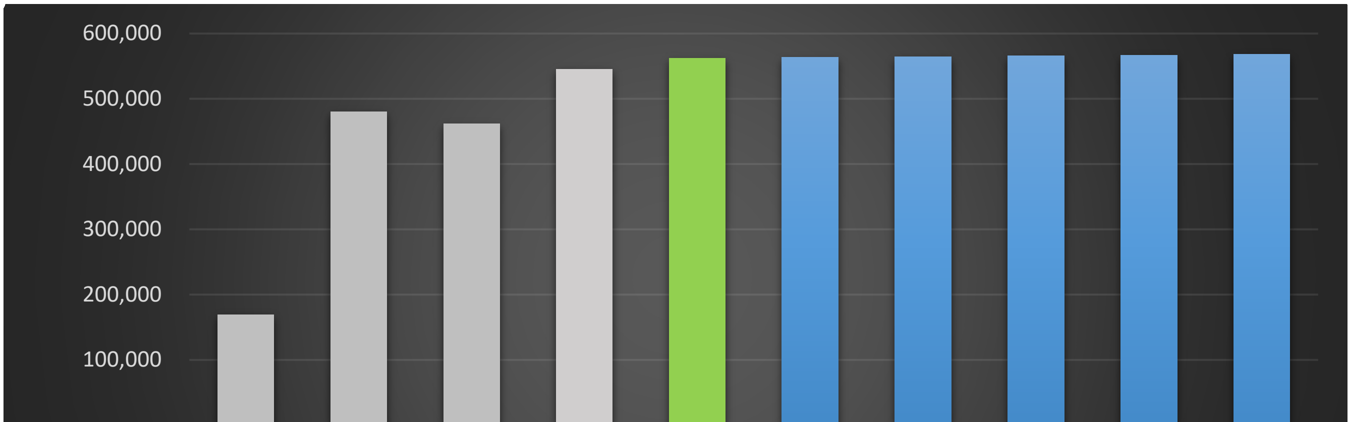
Legal Authority:
City of St. Augustine Code Chapter 24, Article II, Division II

Fiscal Capacity:

The current meter rates are $2.50 per hour. In FY 2024 the hours of paid on-street parking were increased from 5PM to 9PM and Sunday from 1PM to 9PM. Commission approval is required to increase the fee schedule. By continuing the existing fee schedule, revenue increases are expected to be moderate and should be reviewed along with the revenue projections for the Visitor Information Center Parking Garage revenue.

METERED PARKING FINES

Description:
This revenue source consists of parking fines collected from citations including overtime parking citations, handicapped parking citations, and other illegal parking citations.



	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Projected	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast	FY 2032 Forecast
Parking Fines	169,541	480,663	462,107	545,924	562,302	563,426	564,553	565,682	566,814	567,947

Legal Authority:
City of St. Augustine Code, Section 24-31
City of St. Augustine ordinance number 2025-22

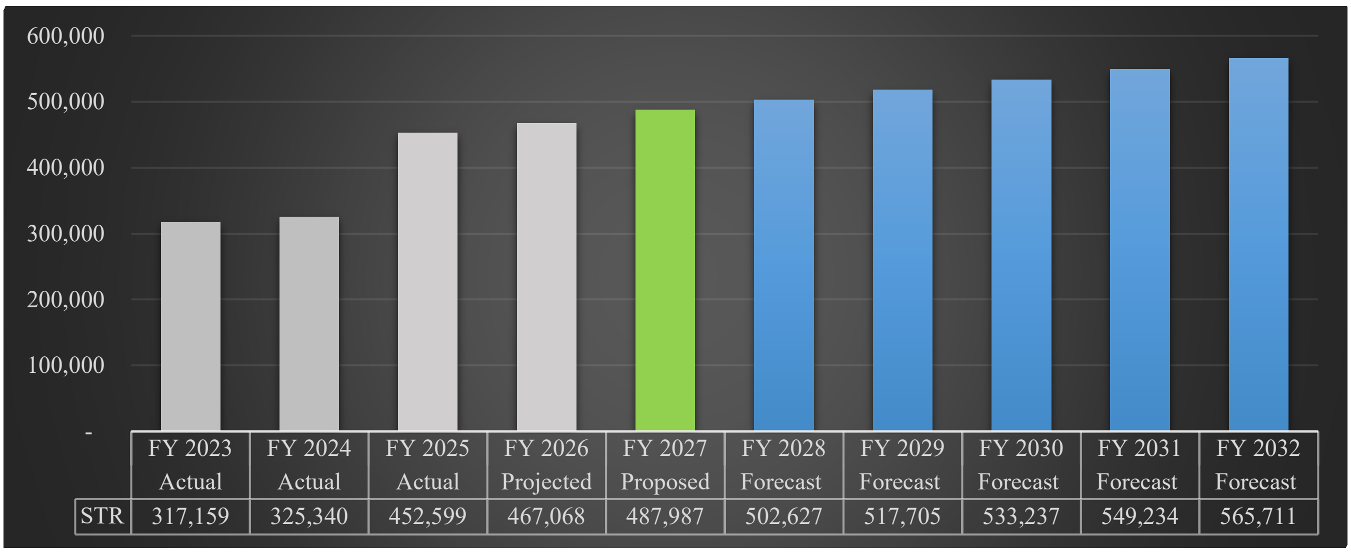
Fiscal Capacity:

As improvements are made to parking options and parking technology, fines issued for parking violations should decrease over time with the current fine structure. Commission approval is needed for any adjustments made to the fine structure.

SHORT-TERM RENTAL PERMITS

Description:
This revenue source consists of a permit fee for operating a vacation rental property within City limits. The costs associated with this regulation involve a Fire Inspector, Code Enforcement, a Special Magistrate and staff time.

Legal Authority:
City of St. Augustine Code Chapter 28, Article III, Division II, Section 28-145



	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Projected	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast	FY 2032 Forecast
STR	317,159	325,340	452,599	467,068	487,987	502,627	517,705	533,237	549,234	565,711

Fiscal Capacity:
Management recommends adjusting this revenue source each year by adjusting the fees to offset the costs of this program. Commission approval is required to increase the fee schedule. For FY2026, the costs associated with managing the program are estimated to be $377,728 and actual collections when adjusted for timing differences are estimated to be $374,393.

We analyzed the number of short-term rentals and the cost of the program for FY 2027. The result of the analysis is a recommended average increase of 4.29%. This will ensure that the fees for Short Term Rentals cover the cost of the program in fiscal year 2027.

FY27 Base Rate Recommendation: $315.51

FY27 Per Bedroom Rate Recommendation: $82.85

CITY OF
ST AUGUSTINE
EST. 1565

PROPRIETARY FUNDS

Unlike General Fund revenues, Proprietary Fund revenues are generated primarily through user charges designed to recover the cost of providing enterprise services. Below is a brief description of each proprietary fund.

Utility Fund: The Utility Fund accounts for the operation, maintenance, and construction of the City-owned water and sewer system. Revenues collected are for water and wastewater use by inside-City customers and those customers in our service area that are located outside of the City limits. Revenues are also collected for connection fees and added capacity fees.

Stormwater Fund: The revenues collected for the City's Stormwater Fund are used for operating expenses and capital improvements directly related to the management of stormwater. This also includes the enhancement of existing stormwater system maintenance.

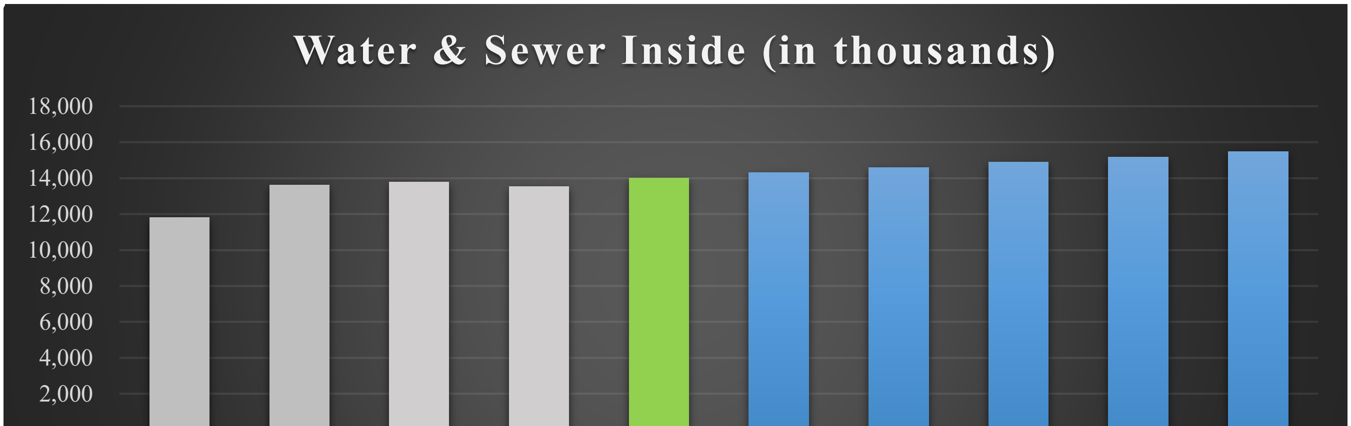
Solid Waste Fund: The Solid Waste Fund accounts for the operation and maintenance of the City-owned solid waste pick-up and disposal service. The fund also supports street cleaning services. Revenues from the licensing of private collectors, commercial franchise fees, recycling fees, residential and commercial collection fees, support this fund.

Municipal Marina Fund: The Marina Fund accounts for operations and maintenance of the City-owned Municipal Marina facilities. Revenues are derived from dockage, fuel sales, mooring, rental, and other Marina uses.

Visitor Information Center Fund: The Visitor Information Center Fund accounts for the operation and maintenance of the City-owned Visitor Information Center and Historic Downtown Parking Facility. Revenues are generated from parking fees and gift shop revenues.

WATER & SEWER CHARGES FOR SERVICES INSIDE CITY

Description:
This revenue source is generated by water and sewer fees paid by the residents for their utility usage for customers inside the City limits.



	FY 2023 Actual	FY2024 Actual	FY2025 Actual	FY2026 Projected	FY2027 Proposed	FY2028 Forecast	FY2029 Forecast	FY2030 Forecast	FY2031 Forecast	FY2032 Forecast
Inside	11,818	13,637	13,802	13,552	14,027	14,307	14,593	14,885	15,183	15,487

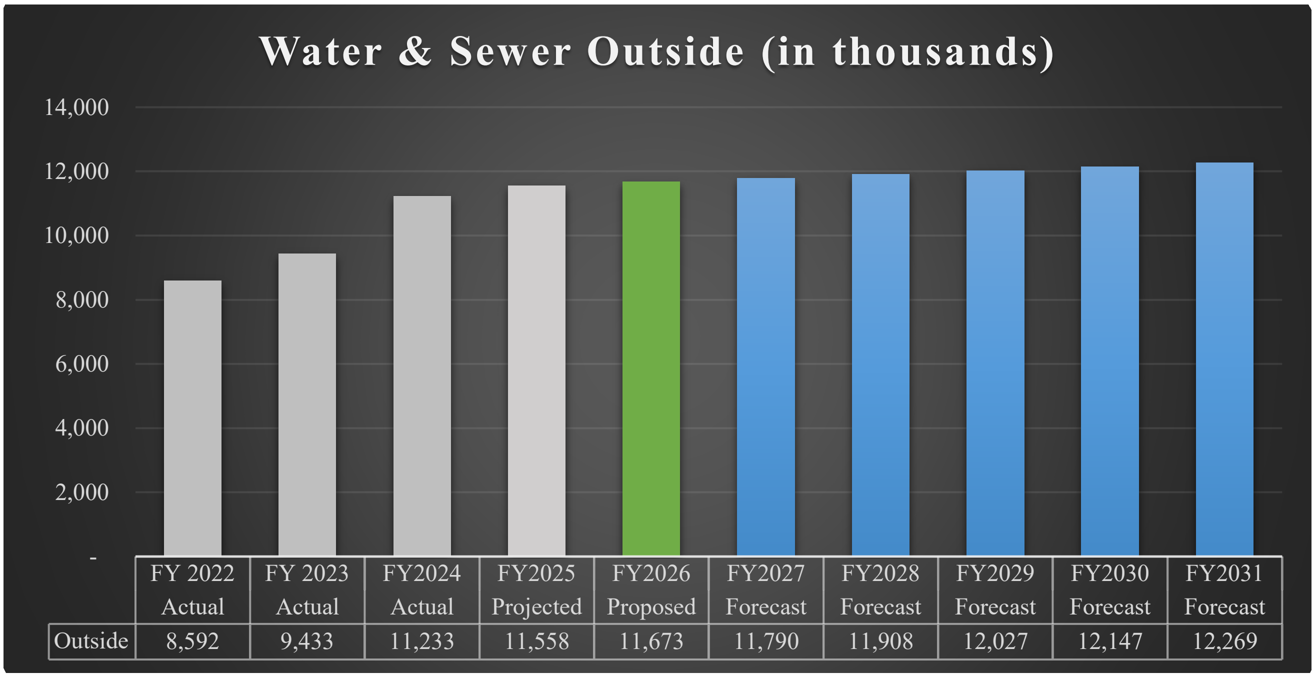
Legal Authority:
City of St. Augustine Code Chapter 26, Section 26-55
City of St. Augustine Resolution 2015-28

Fiscal Capacity:
Utility rates were adopted by Resolution 2015-28 for Fiscal Years 2016 through 2020. Since that time, increases have been at or below the Consumer Price Index (CPI) each year.

A rate adjustment of 3.5% is below the Consumer Price Index (CPI) of 4.2% is recommended for all rates and hard costs including taps and meters in accordance with City of St. Augustine Code Section 26-55(f).

WATER & SEWER CHARGES FOR SERVICES OUTSIDE CITY

Description:
This revenue source is generated by water and sewer fees paid by the utility customers that are located outside the City limits.

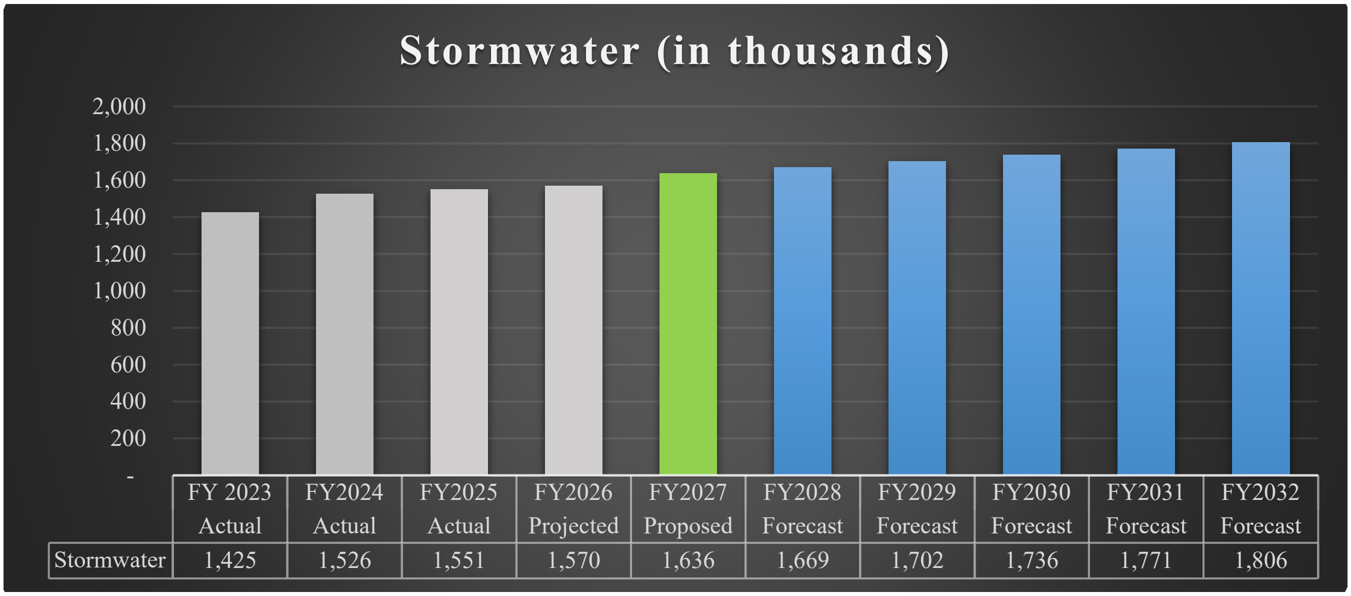


Legal Authority:
City of St. Augustine Code Chapter 26, Section 26-55
City of St. Augustine Resolution 2015-28

Fiscal Capacity:
Utility rates were adopted by Resolution 2015-28 for Fiscal Years 2016 through 2020. Since that time, increases have been at or below the Consumer Price Index (CPI) each year. The CPI for May 2025-May 2026 is 4.2%. For FY 2027, we recommend an increase of 3.5% which is below the CPI. With this increase, we are prepared to continue to lower the surcharge applicable to outside City customers. The surcharge has been lowered from a high of 25% to the current rate of 12%. We recommend an additional 5% reduction on the surcharge, bringing it down to 7%, to prepare for the time when the surcharge is no longer allowed.

STORMWATER CHARGES

Description:
This revenue source includes stormwater fees assessed to residents and commercial businesses inside City limits on their utility bills.

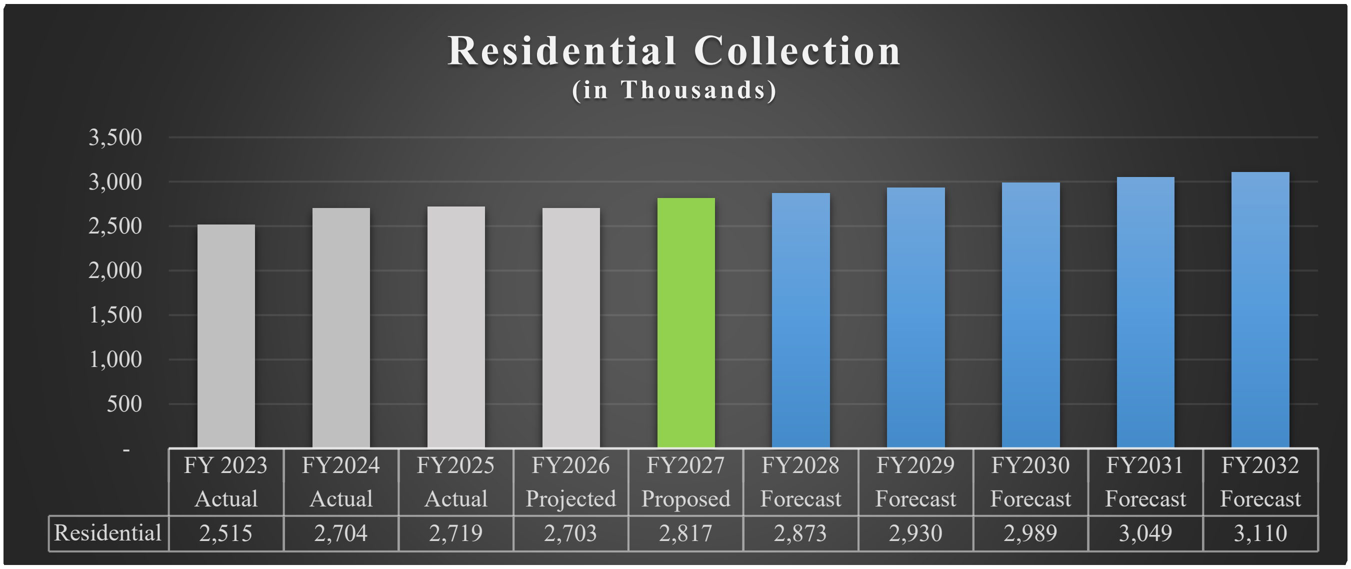


Legal Authority:
City of St. Augustine Code Section 29-5

Fiscal Capacity:
Management recommends a CPI increase of 4.2% to ensure the City can keep up with the cost of materials, personnel, and equipment required to maintain the system. This increase requires Commission approval. The current rate is $10.80 per Single Family Unti (SFU). A 4.2% increase will move the rates to $11.26 per SFU and will result in approximately $66,000 in additional Stormwater revenues.

SOLID WASTE RESIDENTIAL COLLECTION FEES

Description:
This revenue source includes fees for trash and recycling collection assessed to residents for services inside the St. Augustine City limits.



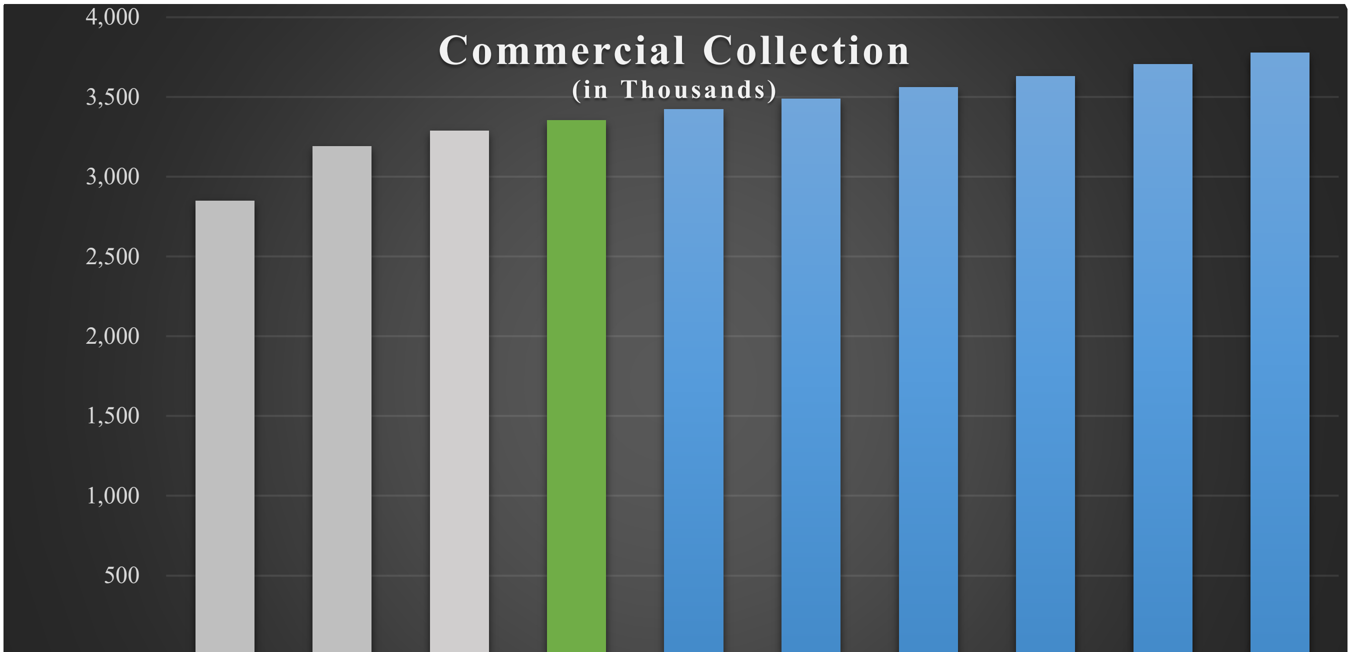
Legal Authority:
City of St. Augustine Code Chapter 30, Section 30-10
City of St. Augustine Resolution 2017-45.

Fiscal Capacity:
St. Augustine can increase revenue for the sanitation fund by increasing the monthly service fee for single and multifamily residents with the approval of the Commission. This monthly service fee has been increased by the CPI, each of the prior three fiscal years, which has stabilized the fund.

For fiscal year 2027 a CPI increase of 4.2% is recommended to keep up with tipping fee and labor cost increases.

SOLID WASTE COMMERCIAL COLLECTION FEES

Description:
This revenue source includes fees for trash and recycling collection assessed to businesses for services inside the St. Augustine City limits.



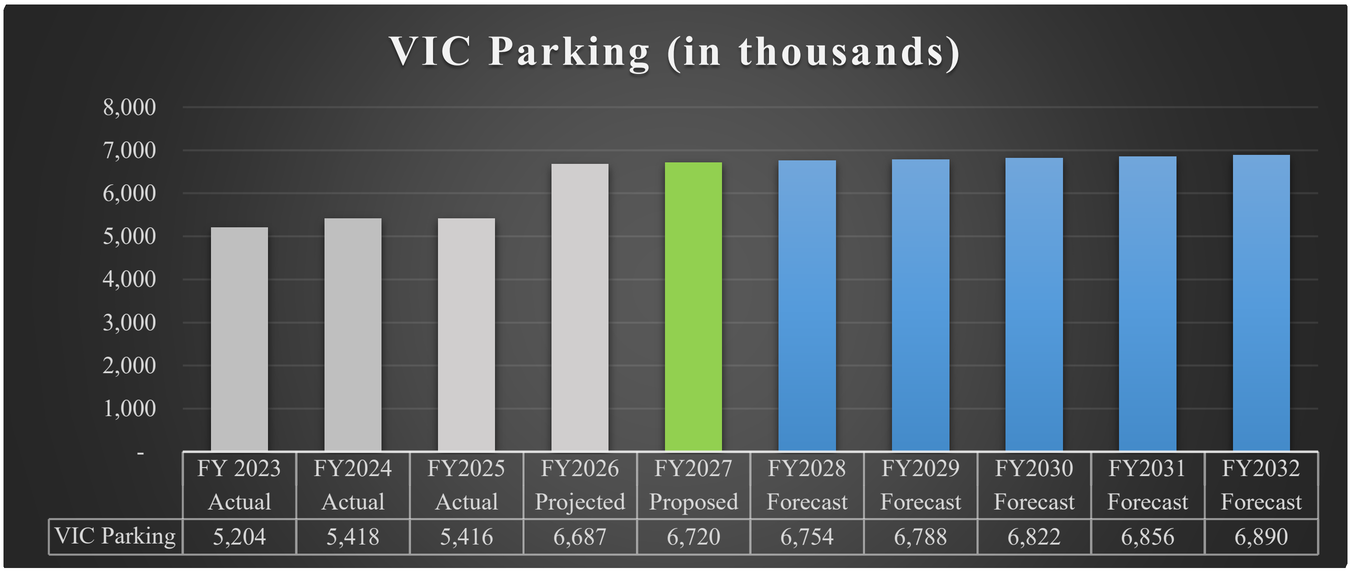
	FY 2023 Actual	FY2024 Actual	FY2025 Actual	FY2026 Projected	FY2027 Proposed	FY2028 Forecast	FY2029 Forecast	FY2030 Forecast	FY2031 Forecast	FY2032 Forecast
Commercial	2,851	3,193	3,289	3,354	3,422	3,490	3,560	3,631	3,704	3,778

Legal Authority:
City of St. Augustine Code Chapter 30, Section 30-10

Fiscal Capacity:
St. Augustine can increase revenue for the Solid Waste fund by increasing the monthly service fee for commercial businesses. At this time, a 4.2% CPI increase is recommended to keep up with the cost of labor, tipping fees, and equipment necessary to provide this service.

VIC GARAGE PARKING FEES

Description:
This revenue source consists of user fees from transient parking fees and permit fees in the Historic Downtown Parking Facility.



Legal Authority:
City of St. Augustine Code Chapter 24, Article II, Division II

Fiscal Capacity:
In FY 2024 garage fees were adjusted by increasing the pay on entry to $20 until 5pm and dropping the entry fee to $5 from 5pm-9pm except when the City is providing shuttle services.

When the City is providing shuttle services the garage fee should not be reduced since the City is providing free parking on the periphery and the garage's utilization is very high during these times. The policy intent is to foster a "park once" environment and make the garage the most accessible and economical parking choice in the evening time in conjunction with increasing the paid on-street parking hours from 5pm to 9pm.

The policy change has resulted in more usage of the garage in the evening where there is plenty of parking capacity and provides more short-term parking availability on street while reducing spillover parking into the adjacent neighborhoods. This will also incentivize the use of the City's STAR Circulator which is running from the clock tower at the Visitor's Center.

Garage revenues continue to assist with historic preservation and mobility. Although charges during Nights of Lights may be adjusted, no changes are recommended for daily usage.

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