Agenda
Regular Meeting
of the Mary Esther City Council
March 4, 2024 - 6:00 PM
195 Christobal Road – North, Mary Esther, FL 32569

1. **INVOCATION**
2. **CALL TO ORDER**
3. **PLEDGE OF ALLEGIANCE**
4. **ROLL CALL**
5. **APPROVAL OF THE AGENDA**
6. **SPECIAL PRESENTATIONS**
   - 6.1. **Problem Gambling Awareness Month Proclamation**
   - 6.2. **Presentation of the FY23 Annual Comprehensive Financial Report**
7. **CONSENT AGENDA**
   - 7.1. **Minutes of the February 5, 2024 Regular Council Meeting**
   - 7.2. **Minutes for the February 19, 2024 Special Council Meeting**
   - 7.3. **Financial Report**
   - 7.4. **Public Works Report**
   - 7.5. **Library Report**
   - 7.6. **Fire Department Report**
   - 7.7. **Code Compliance Report**
   - 7.8. **Jacobs Report**
   - 7.9. **Law Enforcement Report**
8. **CITIZENS WHO HAVE REQUESTED TO BE PLACE ON THE AGENDA**
9. **PUBLIC COMMENT (NON-AGENDA ITEMS)**
10. **UNFINISHED BUSINESS**
    - 10.1. **City Council Vacancies and Appointment Process**
11. **NEW BUSINESS**
    - 11.1. **Architectural Services Task Order for New City Hall**
    - 11.2. **Review and Consideration of Azalea Park Conceptual Plan**
    - 11.3. **Removal of Elliott Park Access Gates**
    - 11.4. **Draft Short-Term Rentals Ordinance**
12. **COUNCILS' STANDING COMMITTEE STATUS REPORTS**
13. **OTHER COMMENTS**
14. **ADJOURN**

******* PLEASE TURN OFF OR SILENCE *ALL CELL PHONES* *******

REMOTE MEETING ATTENDANCE

The virtual link to our meetings is posted in the calendar section of our website (www.cityofmaryesther.com) You may log into the meeting up to 10 minutes prior to the start time to ensure your connection is working properly.

All communications via the chat feature by online participants during city meetings are subject to Florida's public records laws and must be civil in public discourse whether written or spoken. Any private messages sent by online attendees during the meeting is strongly discouraged. Only messages sent to "All" or "Everyone" in the public forum will be addressed by the City Council or City staff during the meeting.

NOTES:

1) Adjournment with continuation on the following day at 6:00 PM may be called if the meeting proceeds past 10 PM.

2) The City does not keep verbatim minutes as a matter of record. If a person decides to appeal any decision made by the Mary Esther City Council with respect to any matter considered at this meeting, 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. See Florida Statute 286.0105

3) Any invocation that may be offered before the official start of the Council meeting shall be the voluntary offering of a private citizen, to and for the benefit of the Council. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the Council, and the Council is not allowed by law to endorse the religious beliefs or views of this or any other speaker.

City of Mary Esther
Proclamation

Florida Council on Compulsive Gambling, Inc.

WHEREAS, problem gambling is a serious public health issue affecting one to three percent of the general adult population and often results in personal, financial, familial, legal, and other costs, including a high risk of suicide; and

WHEREAS, it is estimated that over 200,000 Florida adults of diverse age, race, ethnicity, and socio-economic status suffer from past-year gambling problems, and 800,000 more are at risk of developing such difficulties, constituting 4.7% of the adult population ages 18 and older; and

WHEREAS, it is further important to note that these statistics do not account for youth, who are increasingly and deceptively exposed to gambling concepts and are at an increased risk for developing gambling-related problems; and

WHEREAS, it is also essential to recognize problem gambling as a societal issue, with 8-10 additional people adversely impacted by every problem gambler, increasing the affected population by an estimated additional 1.5 million individuals, with conservative projected social costs amount to more than $9 billion nationally each year; and

WHEREAS, problem gambling is treatable for those who seek help, which minimizes the harm to Floridians and to the State as a whole; and

WHEREAS, the Florida Council on Compulsive Gambling's (FCCG's) public awareness campaign provides an opportunity to educate the public, policymakers, educators, businesses, mental health and criminal justice professionals, and others about the potential adverse effects of gambling, as well as social, legal, financial, and emotional impacts and available supports; and

WHEREAS, free referrals to problem gambling resources and supports, including to licensed and certified treatment providers, self-help support groups, the FCCG's Online Program for Problem Gamblers (OPPG), the FCCG's Peer Connect Program, financial supports, legal resources, and many more are readily available to all Floridians by calling or texting the 888-ADMIT-IT HelpLine; and

WHEREAS, any individual, professional, or other organization dedicated to assisting those in need can participate in raising awareness and preventing problem gambling by promoting the statewide, confidential, multilingual, toll-free, and 24/7 888-ADMIT-IT Problem Gambling HelpLine; and

WHEREAS, the City of Mary Esther can demonstrate its support in addressing problem gambling by raising public awareness through declaration of proclamation of the month of **March 2024 as Problem Gambling Awareness Month in** city of Mary Esther

NOW, THEREFORE I, Chris Stein, Mayor of the City of Mary Esther, Florida, do hereby proclaim the month of March 2024 as Problem Gambling Awareness Month in City of Mary Esther.

SO DONE this 4th day of March 2023.

By: _____

Chris Stein, Mayor

ATTEST:

_____

Dillon Morris, Interim-City Clerk

AGENDA ITEM

Agenda Item 6.2.

TO: Honorable Mayor and Members of the City Council

FROM: Heather Day, Finance Director

DATE: March 4, 2024

SUBJECT: Presentation of the FY23 Annual Comprehensive Financial Report

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BACKGROUND:
Warren Averett has concluded the financial audit for the fiscal year 2022-23 for the City and affirms that the financial statements are fairly presented in all significant aspects, with no identified audit findings.

DISCUSSION:
As of September 30, 2023, the General Fund reported an ending balance of $6.7 million, marking a 12.5% increase of $747 thousand compared to the previous year. Of this balance, $1.66 million is available for spending at the City Council's discretion. The increase in fund balance is primarily attributable to project carryover and unfilled payroll positions during the year.

The Discretionary Sales Tax Fund, as of September 30, 2023, disclosed an ending balance of $1.88 million, reflecting a 35% increase of $489 thousand from the previous year. This increase is due to having no expenditures in FY23, although these funds will be utilized for street resurfacing and stormwater projects in the current fiscal year.

The Utilities Fund's net position at September 30, 2023, reported an ending balance of $12.87 million, showing a 12.6% increase of $1.44 million from the prior year. Of this, $4 million is unrestricted and available for City Council discretionary use. The increase in net position is attributable to unforeseen delays in capital projects.

FINANCIAL IMPACT:
Increases in fund balances and net position will roll forward and will be available in FY 2023-24.

RECOMMENDATION:
Motion to approve the Annual Comprehensive Financial Report for FY 2022-23.

ATTACHMENT(S):
1. City of Mary Esther 2023 ACFR Report - As Issued

2. City of Mary Esther 2023 Gov Letter - As Issued

City of Mary Esther, Florida

Annual Comprehensive Financial Report with Compliance Matters and Responses for the Fiscal Year Ended September 30, 2023

Annual Comprehensive Financial Report
of the City of Mary Esther, Florida

Fiscal Year Ended
September 30, 2023

Prepared by
Heather Day, Finance Director
Finance Department

The City of Mary Esther, Florida
PRINCIPAL OFFICIALS
Year Ended September 30, 2023

CITY COUNCIL 2022-2023

Larry Carter
Susan Coxwell
Jan Lipscomb
Bernie Oder
April Sutton

CITY OFFICIALS

Mayor
Chris Stein

Mayor Pro-Tem
Larry Carter

City Manager
Jared Cobb

City Clerk
Valerie Broxson

City Attorney
Hayward Dykes, Jr., Esq.

I. INTRODUCTORY SECTION

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CITY OF MARY ESTHER

195 CHRISTOBAL ROAD - N. ● MARY ESTHER, FLORIDA 32569
TELEPHONE (850) 243-3566 - FAX (850) 243-0736

Honorable Mayor, City Council Members
and Citizens
City of Mary Esther, Florida

I am pleased to submit the Annual Comprehensive Financial Report (ACFR) for the City of Mary Esther, Florida (the City), covering the fiscal year ending September 30, 2023. This document is a testament to our commitment to transparency, accountability, and effective financial stewardship.

The enclosed ACFR provides a comprehensive and detailed account of the City's financial performance, fiscal policies, and strategic initiatives during the fiscal year. This document is designed to serve as a valuable resource for our stakeholders, including members of the City Council, citizens, and external auditors.

The responsibility for the accuracy, completeness, and fairness of the financial data and disclosures within this report rests with the City. We have undertaken rigorous efforts to ensure that the information presented is reliable, transparent, and in compliance with applicable accounting standards.

CITY PROFILE

The City, with approximately 4,600 residents, continues to thrive as a coastal community with a rich history and a promising future. Situated east of Hurlburt Field and west of Fort Walton Beach, the City plays a vital role in the regional landscape, surrounded by the largest military base in the world, Eglin Air Force Base.

Established in 1946, the City of Mary Esther was officially incorporated on June 5, 1984, following a referendum vote by our citizens. Operating under a council-manager form of government, our City Council members play a pivotal role in shaping policies, creating ordinances, and appointing key administrative positions, including the City Manager and City Clerk.

CITY SERVICES

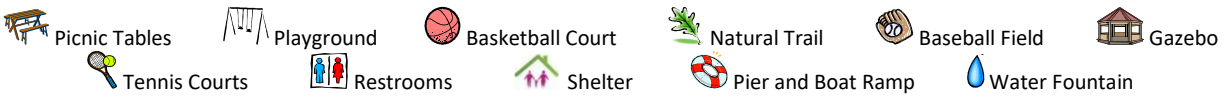
Our commitment to providing essential services remains unwavering. From police and fire protection to code enforcement, maintenance of city roadways, and water and sewer utilities services, the City continues to enhance the quality of life for our residents. Collaborations with the Okaloosa County Sheriff's Office and the Ocean City-Wright Fire Control District further bolster public safety efforts.

The Mary Esther Public Library, a proud member of the Okaloosa County Public Library Cooperative, serves as a hub for education and cultural enrichment, offering free access to the internet, educational classes, recreational materials, and more.

INFRASTRUCTURE AND PARKS

Spanning 1.5 square miles, the City is characterized by small residential neighborhoods interspersed with ten beautiful parks, including a 14-acre nature park and a public boat ramp and pier. These parks contribute significantly to the community's well-being, offering recreational amenities and green spaces for residents to enjoy.

City of Mary Esther Park	Acres	Amenities
Azalea Park *Azalea Dr.*	1.81	
Elliot Park *Mary Esther Manor Subdivision*	3.02	
North Bryn Mawr Park *North End of Bryn Mawr Dr.*	2.69	
Oak Tree Nature Park *Between Hwy. 98 and Hollywood Blvd., West of Doolittle Blvd.*	13.84	
Oak Tree Park *West End of N. Lorraine Dr.*	0.38	
Pier Park *South End of Misty Water Ln.*	0.10	
Pryor Park *South Side of City Hall, West of Christobal Rd.*	0.61	
South Bryn Mawr Park *South End of Bryn Mawr Blvd.*	2.44	
South Bryn Mawr Gazebo *South End of Bryn Mawr Blvd.*	0.25	
Springdale Park *Northwest End of Mary Esther Dr.*	3.67	
Total Park Acreage	**28.81**	



COUNTY PROFILE

Okaloosa County (the County), our broader community, has experienced positive growth with an estimated population of 219,260, marking a 14% increase over the last decade. The region's sugar-white sand beaches and emerald-green waters attract millions of visitors annually, contributing to its economic vitality.

As of September 30, 2023, the County's millage rate stood at 3.8308 mils, reflecting its commitment to fiscal responsibility and efficient resource allocation. Furthermore, the County's unemployment rate was 2.7%, outperforming the State of Florida, which reported a rate of 2.8%. This favorable economic indicator underscores the County's resilience and robust employment opportunities, further solidifying its status as an economic hub within the region.

Eglin Air Force Base, one of the world's largest military reservations, plays a crucial role in the County's economic landscape, attracting defense contracting firms and fostering substantial employment and investments.

HISTORICAL SIGNIFICANCE

Strategically located for easy access to local waterways, the City holds historical significance as one of the earliest settled areas in Northwest Florida. In 1842, Jesse Rogers and his family, leading a substantial cattle herd from Louisiana, became the first settlers on the shores of Santa Rosa Sound. In the mid-1850s, Reverend John Newton, a minister and teacher, established the Narrows, known today as Mary Esther, where he founded the first school doubling as a church during the Civil War. On October 10, 1871, Reverend Newton also initiated the city's first post office, likely doubling as his residence.

The naming of Mary Esther has three versions, with old-timers suggesting that Reverend Newton named the community to honor his daughters and wife. Evidence in 2014 from tombstones in the local cemetery for Mary Christine Newton and Esther Newton supports the possibility that the city was named after Reverend Newton's daughters.

Thomas Jefferson Pryor, a deckhand from Greenville, Alabama, arrived in Mary Esther in 1854, marrying Ona Rogers and later becoming the town's postmaster. The Pryor family's significant role continued, with Mary Pryor serving as Postmistress from 1938 to 1972. William C. Pryor, a pioneer and educator, contributed to the city's history, eventually becoming the County's first superintendent of schools. The Pryor family maintains a deep connection to the City, residing on the original property purchased by the City's founders in the early 1800s along the north bank of Santa Rosa Sound.

The discovery of Oak Tree Nature Park is credited to William Lazarus, featuring a 14-acre site protected under Florida Statutes. Between 1999 and 2002, the University of West Florida and community volunteers conducted a cultural resources study under the leadership of UWF Archaeology Institute professor Norma Harris, uncovering artifacts such as bone, shell, pottery shards, and stone tools.

A scenic trail featuring two bridges over Silver Sands Creek is adorned with markers that showcase the diverse plant and animal life, offering visitors an educational experience during their leisurely walks through this historic park. In November 2010, Eagle Scout N. Klaus, a local Boy Scout, utilized donated lumber and hardware from CH2M Hill, Inc., to construct a deck at the park's Southeast corner, providing a scenic view of the Silver Sands Creek floodplain.

The inauguration of Santa Rosa Mall in 1976 ignited a surge in commercial construction along Mary Esther Cutoff, subsequently renamed Mary Esther Boulevard, within the City’s limits.

Initiated in 2013, the City's community garden at Springdale Park, spearheaded by Councilmember Sykes, has flourished into a thriving reality. This endeavor has not only reached full capacity at its location but has also become a catalyst for community cooperation, teamwork, and goodwill, as participants contribute their horticultural knowledge and skills to nurture the garden.

FINANCIAL POLICIES AND INTERNAL CONTROLS

The City Manager (CM) serves as the Chief Financial Officer and Chief Investment Officer, overseeing funds management and executing the City Council's investment policies. The CM is responsible for the City Finance Department, ensuring compliance with Personal Conduct Standards. Budget recommendations and investment strategies are presented to the City Council based on the written investment policy, with the CM also suggesting eligible investment dealers and brokers, subject to Council review. The CM safeguards security holdings in accordance with Council policies, rules, regulations, and directives. Reporting to the CM, the Finance Director (FD) evaluates City investments for adherence to Council objectives, reviewing transactions, performance, asset mix, and portfolio strategy each quarter. The FD advises the City Council on investment strategies and recommends specific investments for the city portfolio.

The City's primary investment objectives, in order of priority, focus on ensuring the safety of principal, maintaining liquidity to meet operational needs, and optimizing return on investment within specified risk constraints and cash flow considerations.

The City prioritizes internal control objectives to minimize the risk of fraud, waste, or abuse, recognizing that no system can entirely eliminate these risks. The City Manager leads a small senior management team, leveraging available staff to enhance internal control processes in response to evolving threats and technology. During business hours, at least one of the CM, City Clerk, or Finance Director is present at City Hall. Two signers, including the CM, Permit Technician, and City Mayor, are required for all checks. The Finance Director prepares bank reconciliations, which are reviewed and signed by the CM. A closed-circuit camera system monitors sensitive areas, with vault access limited to pre-authorized personnel. Two individuals, the CM and the Finance Director, are involved in the payroll process, and any pay rate adjustments require the CM’s authorization before entry into the accounting system.

ECONOMIC ENVIRONMENT AND PROJECTIONS

The City stands as a beacon for businesses supported by a skilled and diversified labor force. Military veterans and their families, comprising at least 33% of our population, contribute to the vibrant economic landscape. We actively support the Okaloosa Economic Development Council's commitment to growth and diversification through various incentives, making the City a business-friendly environment.

Eglin Air Force Base and Hurlburt Field, with an estimated annual economic impact exceeding $9 billion, play a pivotal role in our local economy. The defense industry, representing 73% of economic activity in the County, supports approximately 192,000 jobs in Northwest Florida.

LOOKING FORWARD

The City actively manages and annually updates a capital improvement plan to forecast the maintenance and replacement of high-cost assets crucial for providing transportation and utility services to residents. This ensures the availability of funds when needed. The plan encompasses various depreciable assets, such as streets, sidewalks, vehicles, equipment, and buildings, evaluating their life expectancy along with associated maintenance and replacement costs. During the annual budget cycle, the City Council deliberates and decides on which capital assets will undergo repair or replacement.

A steadfast commitment is maintained by the City Council to enhance the water and wastewater systems, with the first phase of the water and sewer master plan in progress. Rehabilitation of Well #1 nears completion, and the retired package plant at the wastewater treatment facility has been demolished. Ongoing infrastructure improvements for water, sewer, stormwater, and streets are happening in the Springdale Park neighborhood. Design work for infrastructure enhancements in the Azalea Park neighborhood is finished, with the project set for bidding in the near term. Collaborative efforts with the County include the acquisition of property to establish a waterfront park for the City.

Emphasizing community engagement and revitalization, the City has focused on envisioning methods for development. A comprehensive community visioning plan, encompassing master plans for facilities, parks, streets, and beautification projects, has been completed to guide future city improvements. Key priorities identified include water and sewer infrastructure enhancements, addressing congestion on US Highway 98 near Mary Esther Elementary, improving pedestrian accessibility, and establishing a centrally located community center for events. The City Council will collaborate with staff to develop projects aligning with the goals and priorities outlined in the community visioning plan.

INDEPENDENT AUDIT

Florida municipalities are required to undergo annual audits conducted by an independent certified public accounting firm. Warren Averett, LLC has been engaged to conduct the annual audits for the City's financial reports and provide Single Audits, as necessary for state and federal grants, covering fiscal years ending September 30, 2022, through 2024.

The City received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive financial report for the fiscal year ended September 30, 2022. This prestigious award has been achieved for the 13th consecutive year, demonstrating the City’s commitment to publishing a comprehensive annual financial report that is easily readable, efficiently organized, and compliant with both generally accepted accounting principles and applicable legal requirements.

While a Certificate of Achievement is valid for one year only, we are confident that our current comprehensive annual financial report continues to meet the requirements of the Certificate of Achievement Program. We are submitting it to GFOA for evaluation to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The City's Finance Department, the City Manager, and the department heads have dedicated significant efforts to compile the necessary information for this year's Annual Comprehensive Financial Report. We extend our sincere appreciation to the Economic Development Council of Okaloosa County, the Okaloosa County Tax Collector's Office, the Okaloosa County School District Finance Department, the Okaloosa County Property Appraiser's Office, the Okaloosa County Sheriff's Office, the Ocean City-Wright Fire Department, and our auditing firm, Warren Averett, for their valuable contributions and assistance in the preparation of this report.

This letter of transmittal is designed to complement management's discussion and analysis (MD&A) and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditor.

Respectfully submitted,

Heather Day, Finance Director
February 7, 2024

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Mary Esther
Florida

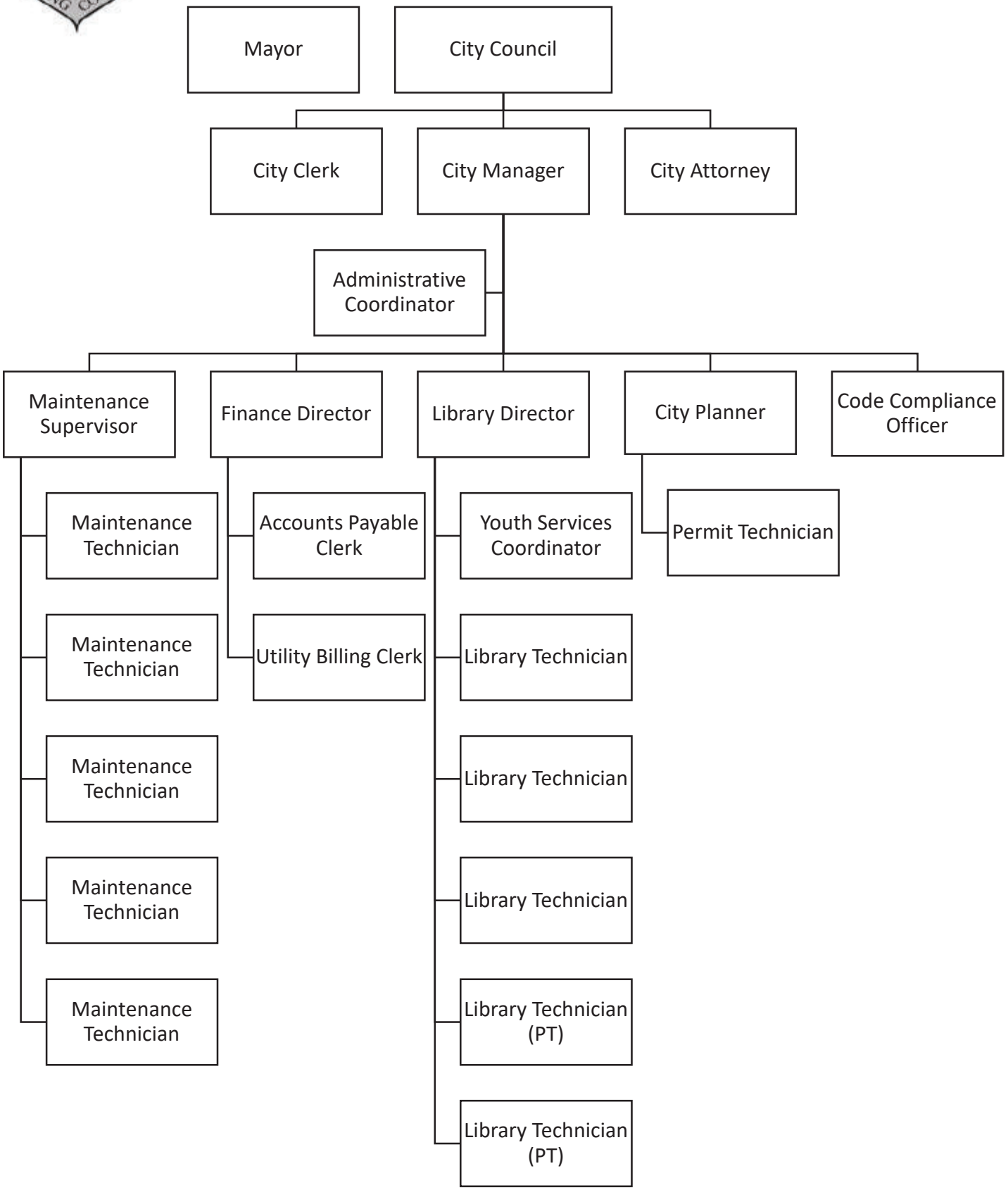
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrill

Executive Director/CEO

City of Mary Esther, Florida
Organizational Chart
FY 2023



II. FINANCIAL SECTION

- INDEPENDENT AUDITORS' REPORT
- MANAGEMENT'S DISCUSSION AND ANALYSIS
- BASIC FINANCIAL STATEMENTS
  - Government-Wide Financial Statements
  - Fund Financial Statements
  - Notes to the Financial Statements
- REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

Warren Averett
CPAs AND ADVISORS

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Fort Walton Beach, FL 32548
850.244.5121
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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
Members of the City Council

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Mary Esther, Florida (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City of Mary Esther, Florida, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison information for each major governmental fund for the year then ended in conformity 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 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.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in 2023 the City adopted new accounting guidance, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' 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 and the schedule of changes in the total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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.

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 February 7, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Warren Averett, LLC

Fort Walton Beach, Florida
February 7, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Mary Esther, Florida (the City), we offer readers of the City's financial statements this narrative overview and analysis of financial activities of the City for the fiscal year ended September 30, 2023.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by $29.0 million (net position), and represents an increase of $3.4 million, or 13.1%, from the prior year. Of this amount, $16.4 million represents investments in capital assets (e.g., land, construction in progress, infrastructure, buildings, machinery and equipment) less any related debt used to acquire these assets that is still outstanding, $2.2 million is restricted for specific purposes, and $10.4 million is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

- The net position of governmental activities increased $1.9 million, or 13.5%, and the business-type activities increased $1.4 million, or 12.6%. The increase in governmental activities net position is attributable to several factors, most notably, an increase in investment earnings and revenues from property and sales taxes. The increase in business-type activities net position is primarily attributable to American Rescue Plan Act (ARPA) grant funds that were expended on capital system improvements.

- As of September 30, 2023, the City's governmental funds reported ending fund balances of $8.6 million, an increase in fund balance of $1.2 million, or 16.8%. Of this amount, $4.1 million, or 47.4%, of ending fund balance (and 98.6% of the total expenditures for governmental funds), is assigned or unassigned and thus, available for spending at the City Council's discretion.

OVERVIEW OF THE FINANCIAL STATEMENTS

The focus of the financial statements is on both the City as a whole (government-wide), and on the major individual funds. Both perspectives (government-wide and major funds) allow the user to address relevant questions, broaden a basis for comparison (year-to-year, government-to-government), and enhance the City's accountability.

This discussion and analysis intends to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

Designed to be corporate-like, the government-wide financial statements consolidate governmental and business-type activities into two columns, which add to a total for primary government. This provides readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the City's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as net position. This statement combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations. Over time, increases or decreases in net position may serve as a useful indicator of the financial position of the City.

Government-Wide Financial Statements – Continued

The statement of changes in net position presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in future fiscal periods.

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government (including city manager, city clerk, human resources, finance, purchasing, and non-departmental expenses), public safety (including fire protection and protective inspections), transportation (including road and street maintenance), human services (animal control) and culture and recreation (parks and library). The business-type activities of the City include water and sewer utility services. The government-wide financial statements are found on pages 15-16 of this report.

Fund Financial Statements

A fund is a grouping of related accounts 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. All the City's funds can be divided into two categories: governmental funds and proprietary funds.

FUNDS

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. 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 financial requirements. Found on pages 17-22 of this report are the basic governmental fund financial statements.

Because the focus of governmental funds 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 balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains two governmental funds (General Fund and Discretionary Sales Tax Fund) which are considered major funds. The City adopts an annual appropriated budget for each of its major governmental funds. Budgetary comparison statements are provided to demonstrate compliance with the budgets.

Proprietary Funds

Proprietary funds include enterprise funds, which are used to report the same functions presented as business-type activities in the government-wide financial statements. To account for utility operations, the City uses an enterprise fund, the Water and Sewer Fund, which may be found on pages 23-26 of this report.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information, which is essential to the full understanding of the data provided in the government-wide and fund financial statements. Beginning on page 27 of this report are the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $29.0 million (net position) for the fiscal year, as reported in Table 1.

Table 1
CITY OF MARY ESTHER, FLORIDA
STATEMENTS OF NET POSITION
AS OF SEPTEMBER 30, 2023 AND 2022

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	$ 9,900,117	$ 8,555,899	$ 8,325,255	$ 7,422,042	$ 18,225,372	$ 15,977,941
Capital assets	7,570,243	6,869,052	9,969,481	8,188,476	17,539,724	15,057,528
Total assets	17,470,360	15,424,951	18,294,736	15,610,518	35,765,096	31,035,469
Total deferred outflows of resources	49,052	49,076	-	-	49,052	49,076
Long-term liabilities outstanding	225,806	247,620	1,095,450	459,865	1,321,256	707,485
Other liabilities	1,107,094	956,751	1,500,169	1,750,711	2,607,263	2,707,462
Total liabilities	1,332,900	1,204,371	2,595,619	2,210,576	3,928,519	3,414,947
Total deferred inflows of resources	43,843	48,472	2,819,870	1,965,332	2,863,713	2,013,804
Net position						
Net investment in capital assets	7,504,016	6,771,357	8,864,327	7,714,044	16,368,343	14,485,401
Restricted	2,195,464	1,766,004	7,700	6,900	2,203,164	1,772,904
Unrestricted	6,443,189	5,683,823	4,007,220	3,713,666	10,450,409	9,397,489
Total net position	$ 16,142,669	$ 14,221,184	$ 12,879,247	$ 11,434,610	$ 29,021,916	$ 25,655,794

By far the largest portion of the City's net position, $16.4 million, or 56.4%, reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

GOVERNMENT-WIDE FINANCIAL ANALYSIS – CONTINUED

An additional portion of the City's net position of $2.2 million, or 7.6%, represents resources that are subject to external restrictions on how they may be used. The City's unrestricted net position of $10.4 million may be used to meet the government's ongoing obligations to citizens and creditors.

The overall increase in the City's net position was $3.4 million, or 13.1%, during fiscal year 2023. Governmental activities increased by $1.9 million and business-type activities increased by $1.4 million.

GOVERNMENTAL ACTIVITIES

Reported in Table 2 are the key elements of this change in net position.

Table 2
CITY OF MARY ESTHER, FLORIDA
STATEMENTS OF CHANGES IN NET POSITION
FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
REVENUES						
Program revenues						
Charges for services	$ 85,885	$ 102,760	$ 3,185,063	$ 3,174,669	$ 3,270,948	$ 3,277,429
Operating grants and contributions	157,072	71,628	-	41,931	157,072	113,559
Capital grants and contributions	91,520	46,835	825,352	222,602	916,872	269,437
General revenues						
Property taxes	1,968,163	1,620,681	-	-	1,968,163	1,620,681
Other taxes	2,537,282	2,258,452	-	-	2,537,282	2,258,452
Other revenue	543,601	270,736	385,365	326,440	928,966	597,176
TOTAL REVENUES	5,383,523	4,371,092	4,395,780	3,765,642	9,779,303	8,136,734
EXPENSES						
Governmental activities						
General government	1,032,690	939,409	-	-	1,032,690	939,409
Public safety	1,465,151	1,460,749	-	-	1,465,151	1,460,749
Physical environment	75,179	57,473	-	-	75,179	57,473
Transportation	244,156	211,782	-	-	244,156	211,782
Culture and recreation	641,247	540,836	-	-	641,247	540,836
Debt service interest	3,615	-	-	-	3,615	-
Business-type activities						
Water and sewer	-	-	2,951,143	2,897,543	2,951,143	2,897,543
TOTAL EXPENSES	3,462,038	3,210,249	2,951,143	2,897,543	6,413,181	6,107,792
CHANGE IN NET POSITION	1,921,485	1,160,843	1,444,637	868,099	3,366,122	2,028,942
NET POSITION AT BEGINNING OF YEAR	14,221,184	13,060,341	11,434,610	10,566,511	25,655,794	23,626,852
NET POSITION AT END OF YEAR	$ 16,142,669	$ 14,221,184	$ 12,879,247	$ 11,434,610	$ 29,021,916	$ 25,655,794

FINANCIAL IMPACTS

Normal Impacts

There are eight basic impacts on revenues and expenses as reflected below:

Revenues

- Economic Condition: This can reflect a declining, stable, or growing economic environment and has a substantial impact on property, sales, gas or other tax revenue.

- Council Approved Rate Adjustments: While certain tax rates are set by statute, the City Council has significant authority to impose and periodically adjust rates (e.g., water, impact fees, recreation user fees, etc.).

- Changing Patterns in Intergovernmental Grant Revenue (both recurring and non-recurring): Certain recurring revenues (state revenue sharing) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

- Market Impacts on Investment Income: The current market conditions have a significant influence on the City's investment income causing it to fluctuate greatly.

Expenses

- Introduction of New Programs: Within functional expense categories (e.g., police, fire, public works, community development, parks and recreation, etc.), individual programs may be added or deleted to meet changing community needs.

- Authorized Position Adjustments: Changes in service demand may cause the City Council to change authorized staffing. Staffing costs (salary and related benefits) represent approximately 20% of the City's operating costs.

- Salary Adjustments: The ability to attract and retain human and intellectual resources requires the City to strive for a competitive salary range position in the marketplace.

- Inflation: While overall inflation appears to be reasonably modest, the City is a major consumer of certain commodities such as paper, chemicals, supplies, fuel, oil and parts. Some fluctuations may experience commodity specific increases.

Current Year Impacts – Governmental Activities

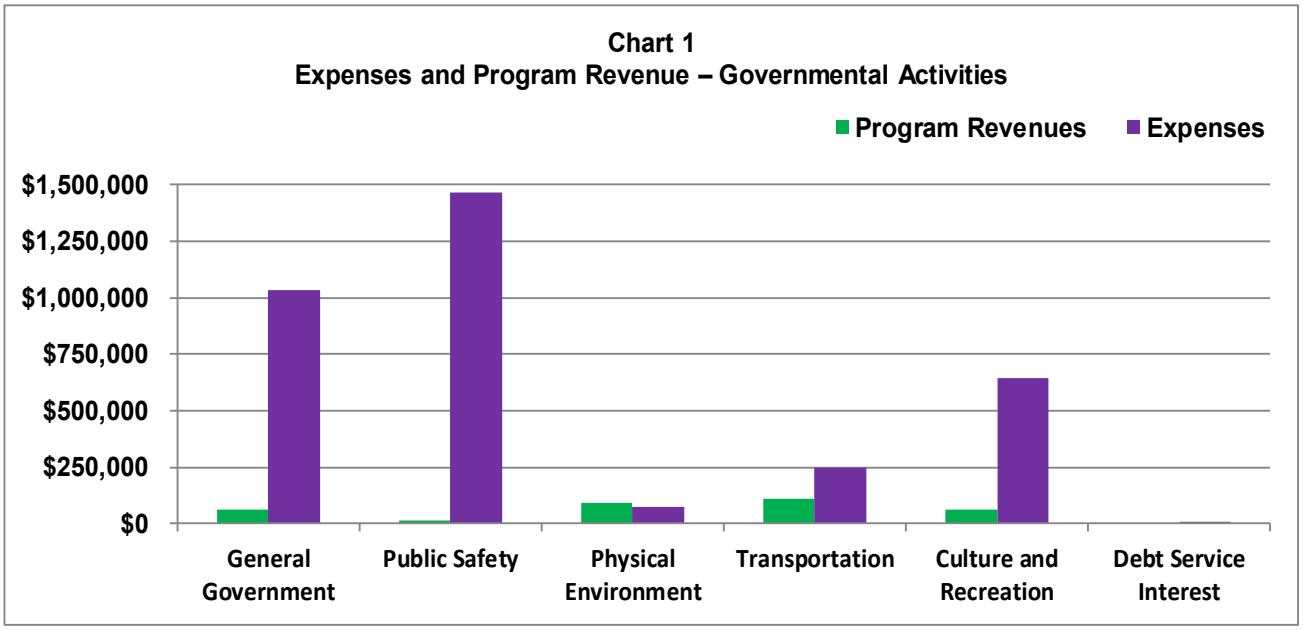
- Property tax revenues increased by $347 thousand, or 21.4%. This is primarily attributable to an increase in the assessed value of taxable property within the City’s boundaries.

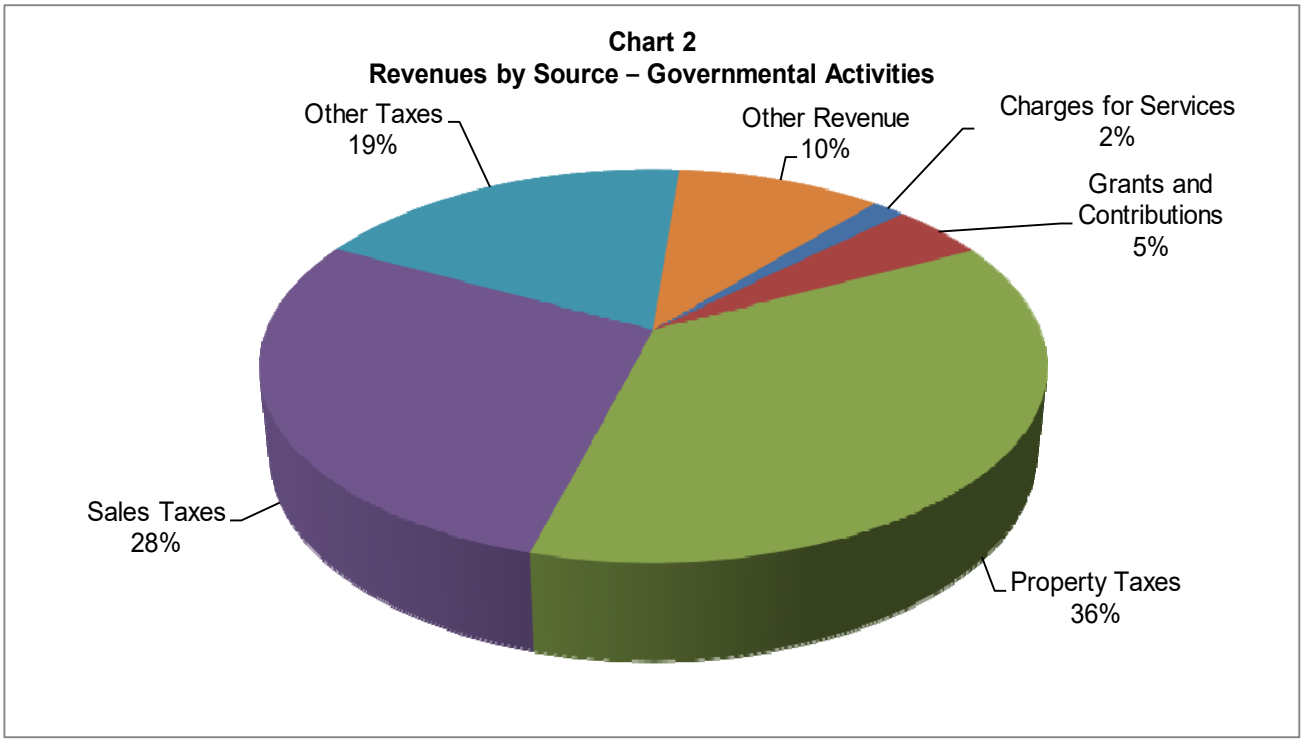
- Other revenues increased by $273 thousand, or 100.8%. This increase is almost entirely attributable to rising interest rates which resulted in much better returns on invested funds.

- Culture and recreation expenses increased by $100 thousand, or 18.6%. This increase is the result of several factors, most notably, an increase in payroll and employee benefit costs.

FINANCIAL IMPACTS – CONTINUED

Current Year Impacts – Governmental Activities – Continued

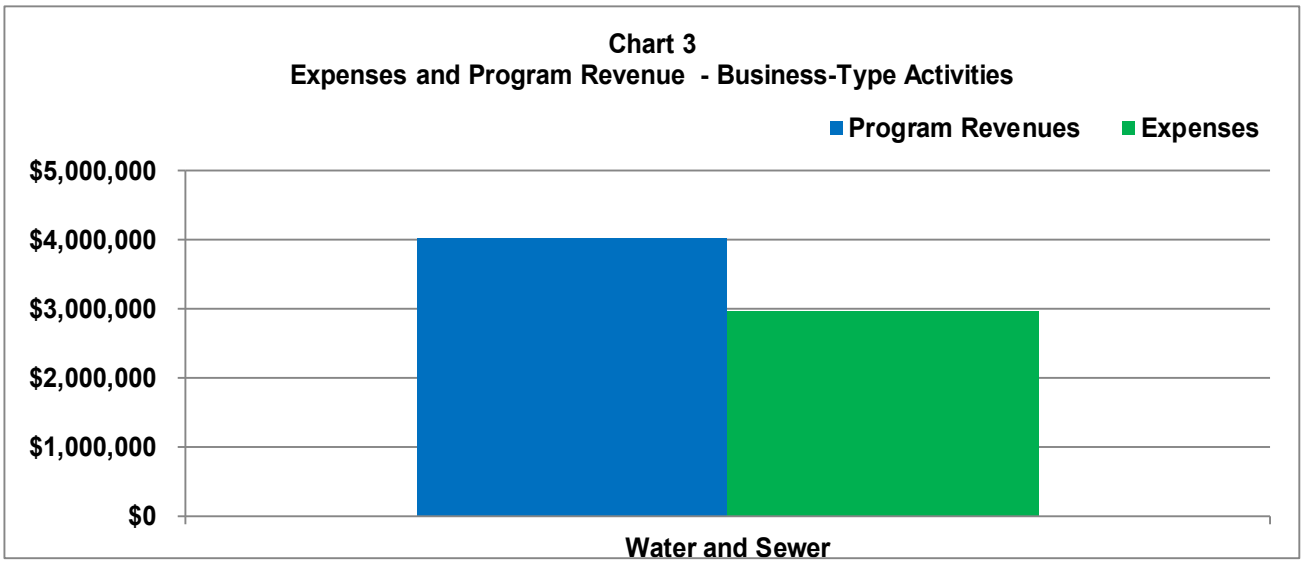


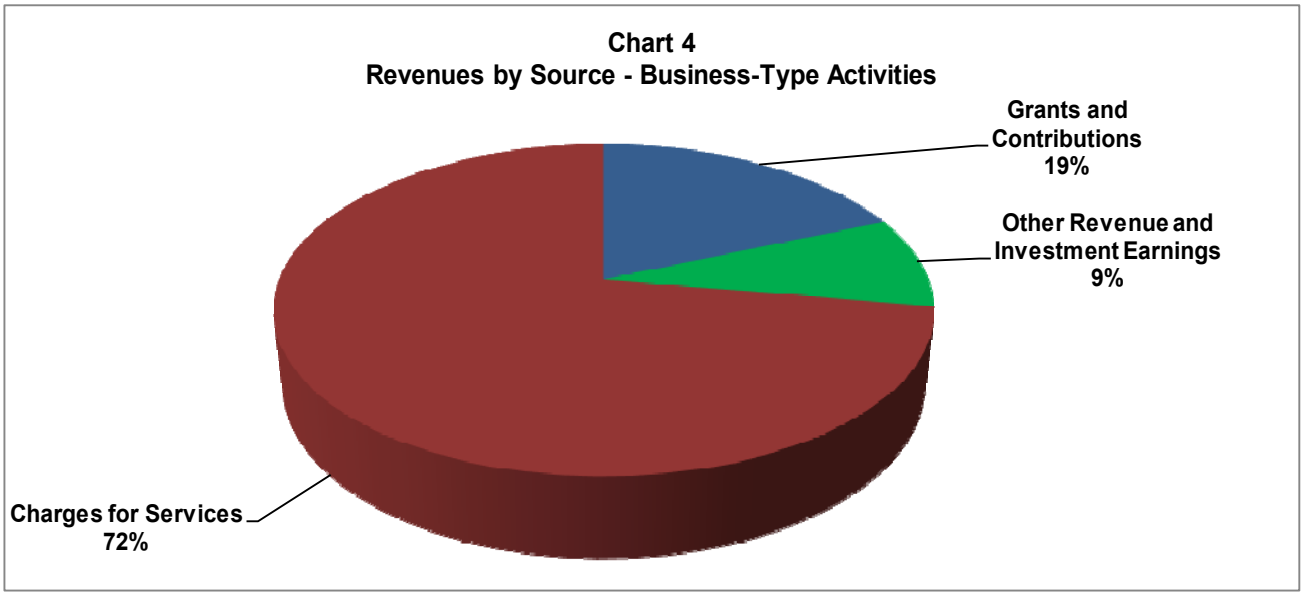


FINANCIAL IMPACTS – CONTINUED

Current Year Impacts – Business-Type Activities

- The net position from business-type activities increased $1.4 million, or 12.6%.
- Capital grants and contributions increased by $603 thousand, or 270.8%. This increase is the result of the City expending ARPA grant funds on water system improvements.
- Other revenues increased $59 thousand, or 18.1%. This increase is almost entirely attributable to rising interest rates which resulted in much better returns on invested funds.
- Water and sewer expenses increased $54 thousand, or 1.8%, which indicates that there were no significant changes to the water and sewer operations.





FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

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

The General Fund is the chief operating fund of the City. As of the end of the current fiscal year, the City's General Fund reported ending fund balance of $6.7 million, an increase in fund balance of $747 thousand in comparison with the prior year. This increase was primarily driven by property and sales tax revenues, which significantly exceeded budgetary expectations.

Included in ending fund balance in the General Fund, $3 thousand consists of nonspendable fund balance for prepaid items; $307 thousand consists of fund balance restricted for specific purposes; $2.3 million consists of committed fund balance for disaster and emergency reserves, which indicates that it is not available for current year operations; $2.4 million is assigned fund balance for a projected budget deficit in the subsequent fiscal year. The remainder of fund balance is unassigned, which is available for future spending at the Council’s discretion.

The Discretionary Sales Tax Fund is a special revenue fund that is used to account for proceeds received from discretionary sales taxes that are restricted by taxpayer referendum as a local option tax. At the end of the fiscal year, the ending fund balance was $1.9 million, an increase of $490 thousand in comparison with the prior year. The increase in fund balance is attributable to delays in the commencement of the Springdale Park neighborhood improvement project.

As a measure of the liquidity in the governmental funds, it may be useful to compare both unassigned and assigned fund balance and total fund balance to total expenditures. Unassigned and assigned fund balances represent 98.6% of the total expenditures in the governmental funds, while total fund balances represent 207.8% of that same amount. Unassigned and assigned fund balances represent approximately 12 months of expenditures in the governmental funds.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the proprietary funds totaled $4.0 million at the end of fiscal year 2023. Total net position for proprietary funds increased $1.4 million during 2023.

BUDGETARY HIGHLIGHTS

General Fund

- Actual total expenditures were below budgetary expectations by $2.1 million, which is primarily attributable to unexpected delays in the commencement of planned capital projects.

- Actual revenues exceeded budgetary expectations by $52 thousand, which is primarily attributable to significant increases in revenues from property taxes and sales taxes.

CAPITAL ASSETS AND LONG-TERM LIABILITIES OUTSTANDING

Capital Assets

The City's investments in capital assets for its governmental and business-type activities as of September 30, 2023, amounts to $17.5 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, water, wastewater and drainage systems improvements, machinery and equipment, park facilities, roads and highways, etc. The total increase in the City's investment in capital assets for the current fiscal year was $2.5 million, or 17.0%, with an overall 11.3% increase for governmental activities, and a 21.8% increase for business-type activities, all of which is summarized in Table 3 below.

Table 3
CITY OF MARY ESTHER, FLORIDA
CAPITAL ASSETS
(Net of Accumulated Depreciation)
AS OF SEPTEMBER 30, 2023 AND 2022

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	$ 5,015,449	$ 4,363,248	$ 77,878	$ 77,878	$ 5,093,327	$ 4,441,126
Buildings	659,106	695,517	57,378	60,753	716,484	756,270
Improvements other than buildings	1,432,073	1,590,910	6,504,279	6,808,151	7,936,352	8,399,061
Machinery and equipment	7,160	36,442	674,014	647,503	681,174	683,945
Subscription assets	72,209	97,695	36,259	49,057	108,468	146,752
Construction in progress	384,246	85,240	2,619,673	545,134	3,003,919	630,374
Total	$ 7,570,243	$ 6,869,052	$ 9,969,481	$ 8,188,476	$ 17,539,724	$ 15,057,528

Additional information on the capital assets of the City can be found in Note 7 of this report.

Debt

At the end of the current fiscal year, the City had long-term debt from State Revolving Fund loans outstanding of $1.1 million, which is secured by pledged revenues of the water and sewer system. The City has no general obligation or special assessment debt. The State of Florida does not place a legal limit of debt on municipalities. For general obligation debts greater than one year, the City is required to conduct a voter referendum process for approval of this type of debt. The City’s outstanding long-term liabilities are summarized in Table 4 on the next page.

CAPITAL ASSETS AND LONG-TERM LIABILITIES OUTSTANDING – CONTINUED

Debt – Continued

Table 4
CITY OF MARY ESTHER, FLORIDA
LONG-TERM LIABILITIES OUTSTANDING
AS OF SEPTEMBER 30, 2023 AND 2022

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
State Revolving Fund loans	$ -	$ -	$ 1,071,899	$ 425,375	$ 1,071,899	$ 425,375
Subscription liabilities	66,227	97,695	33,255	49,057	99,482	146,752
Compensated absences	94,933	82,451	31,308	23,802	126,241	106,253
Total	$ 161,160	$ 180,146	$ 1,136,462	$ 498,234	$ 1,297,622	$ 678,380

Additional information on the City's long-term liabilities can be found in Note 10 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The State of Florida, by constitution, does not have a state personal income tax and therefore the State operates primarily using sales, gasoline, and corporate income taxes. Local governments (cities, counties, and school boards) primarily rely upon property and a limited array of permitted other taxes (sales, gasoline, utility service taxes, etc.) and fees (occupational licenses) for their governmental activities. There is a limited number of state shared revenues and recurring and non-recurring grants from both the state and federal governments, which provide funding for specific programs, projects, or activities. For the business-type activities and certain governmental activities (permitting and recreational programs), the user pays a related fee or charge associated with the service.

The level of taxes, fees, and charges for services (including development related impact fees) has an impact on the City's specific competitive ability to encourage development and redevelopment (office, retail, residential and industrial) for those businesses that choose to locate in our jurisdiction. As the City has limited growth potential, it places great emphasis on redevelopment, and it is essential for the continued financial and economic health of our community.

The military has a significant presence in the City's community with Eglin Air Force Base and Hurlburt Field employing over 72,000 military and civilian personnel. These installations are essential to the continued long-term economic vitality of this area. Combined, the military and defense-related industries have a $22 billion annual impact on Northwest Florida's economy, according to the *Florida Defense Industry Economic Impact Analysis*.

Regional economic indicators were also considered in preparing the fiscal year 2022-2023 budget for the City:

- The local unemployment rate was 2.7%, which represents an approximate 0.4% increase from September 2022. The State of Florida's unemployment rate was 3.0%, which represents an approximate 0.3% increase from September 2022. The unemployment rate will impact the City's fee and usage-based revenues and shared portions of the State of Florida's usage-based taxes.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES – CONTINUED

- The Florida Department of Revenue's Office of Tax Research has updated its estimates of tax distributions to the City of Mary Esther for the upcoming fiscal year. The revenue sharing distribution estimate is up 7.9% from the previous year, the half-cent sales tax distribution estimate is up 17.4%, the discretionary sales surtax distribution estimate is up 9.3%, and the communication service tax distribution estimate is down 1.6%.

- Significant increases in property tax revenues are anticipated by most regional municipalities. Property tax revenues in Mary Esther are expected to be up 9.5% as compared to roll year 2023 due to an increase in the assessed value of taxable property.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general financial overview of the City for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Department, City of Mary Esther, 195 Christobal Road North, Mary Esther, Florida 32569. The City's website address is www.cityofmaryesther.com.

CITY OF MARY ESTHER, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	$ 6,337,047	$ 4,545,488	$ 10,882,535
Investments	2,725,334	322,080	3,047,414
Receivables, net	81,033	430,662	511,695
Due from other governments	213,910	-	213,910
Prepaid items	2,640	51,350	53,990
Restricted assets			
Cash and cash equivalents	307,202	135,380	442,582
Other assets			
Leases receivable	-	2,840,295	2,840,295
Other, net	232,951	-	232,951
Capital assets			
Non-depreciable	5,399,695	2,697,551	8,097,246
Depreciable, net	2,170,548	7,271,930	9,442,478
TOTAL ASSETS	17,470,360	18,294,736	35,765,096
DEFERRED OUTFLOW OF RESOURCES	49,052	-	49,052
LIABILITIES			
Accounts payable	573,690	645,960	1,219,650
Accrued liabilities	26,492	7,169	33,661
Accrued interest payable	226	617	843
Unearned revenues	450,517	677,731	1,128,248
Payable from restricted assets			
Customer deposits	-	127,680	127,680
Non-current liabilities			
Due within one year			
Compensated absences	23,733	7,827	31,560
Subscription liabilities	32,436	16,288	48,724
State revolving fund loans payable	-	16,897	16,897
Due in more than one year			
Compensated absences	71,200	23,481	94,681
Subscription liabilities	33,791	16,967	50,758
State revolving fund loans payable	-	1,055,002	1,055,002
Other post-employment benefits	120,815	-	120,815
TOTAL LIABILITIES	1,332,900	2,595,619	3,928,519
DEFERRED INFLOWS OF RESOURCES	43,843	2,819,870	2,863,713
NET POSITION			
Net investment in capital assets	7,504,016	8,864,327	16,368,343
Restricted for:			
Capital expansion projects	268,768	7,700	276,468
Government infrastructure	1,888,262	-	1,888,262
Other purposes	38,434	-	38,434
Unrestricted	6,443,189	4,007,220	10,450,409
TOTAL NET POSITION	$ 16,142,669	$ 12,879,247	$ 29,021,916

See notes to the financial statements.

CITY OF MARY ESTHER, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Function/program activities	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total
Governmental Activities							
General government	$ 1,032,690	$ 54,438	$ 6,000	$ 300	$ (971,952)	$ -	$ (971,952)
Public safety	1,465,151	13,582	-	660	(1,450,909)	-	(1,450,909)
Physical environment	75,179	-	-	88,910	13,731	-	13,731
Transportation	244,156	13,467	91,713	1,500	(137,476)	-	(137,476)
Culture and recreation	641,247	4,398	59,359	150	(577,340)	-	(577,340)
Debt service interest	3,615	-	-	-	(3,615)	-	(3,615)
Total governmental activities	3,462,038	85,885	157,072	91,520	(3,127,561)	-	(3,127,561)
Business-type activities							
Water and sewer	2,951,143	3,185,063	-	825,352	-	1,059,272	1,059,272
Total primary government	$ 6,413,181	$ 3,270,948	$ 157,072	$ 916,872	(3,127,561)	1,059,272	(2,068,289)
General revenues							
Taxes							
Property taxes					1,968,163	-	1,968,163
Sales taxes					1,529,835	-	1,529,835
Utility service taxes					643,751	-	643,751
Other taxes					363,696	-	363,696
Intergovernmental, unrestricted					235,535	-	235,535
Gain on sale of assets					2,221	-	2,221
Miscellaneous					3,371	121,942	125,313
Investment earnings					302,474	263,423	565,897
Total general revenues					5,049,046	385,365	5,434,411
CHANGE IN NET POSITION					1,921,485	1,444,637	3,366,122
NET POSITION AT BEGINNING OF YEAR					14,221,184	11,434,610	25,655,794
NET POSITION AT END OF YEAR					$ 16,142,669	$ 12,879,247	$ 29,021,916

See notes to the financial statements.

CITY OF MARY ESTHER, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2023

	General Fund	Discretionary Sales Tax Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	$ 4,487,611	$ 1,849,436	$ 6,337,047
Investments	2,725,334	-	2,725,334
Receivables	75,710	5,323	81,033
Due from other governments	175,702	38,208	213,910
Prepaid items	2,640	-	2,640
Restricted assets:			
Cash and cash equivalents	307,202	-	307,202
TOTAL ASSETS	$ 7,774,199	$ 1,892,967	$ 9,667,166
LIABILITIES			
Accounts payable	$ 568,985	$ 4,705	$ 573,690
Accrued liabilities	26,492	-	26,492
Unearned revenues	450,517	-	450,517
Total liabilities	1,045,994	4,705	1,050,699
FUND BALANCE			
Nonspendable - prepaid items	2,640	-	2,640
Restricted			
Capital expansion projects	268,768	-	268,768
Government infrastructure	-	1,888,262	1,888,262
Transportation	34,960	-	34,960
Other purposes	3,474	-	3,474
Committed - natural disaster relief	2,330,610	-	2,330,610
Assigned – FY24 appropriations	2,427,547	-	2,427,547
Unassigned	1,660,206	-	1,660,206
Total fund balances	6,728,205	1,888,262	8,616,467
TOTAL LIABILITIES AND FUND BALANCE	$ 7,774,199	$ 1,892,967	$ 9,667,166

See notes to the financial statements.

CITY OF MARY ESTHER, FLORIDA
GOVERNMENTAL FUNDS
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITOIN
SEPTEMBER 30, 2023

Fund balance, total governmental funds (page 17)		$ 8,616,467
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental non-depreciable assets	5,399,695	
Governmental depreciable assets	6,060,547	
Less accumulated depreciation	(3,889,999)	
		7,570,243
Other long-term assets are not financial resources and therefore are not reported in the governmental funds.		
Other long-term assets, net		232,951
Deferred inflows of resources and deferred outflow of resources related to OPEB are not available/receivable or due/payable, respectively, in the current period and therefore are not reported in the governmental funds.		
Deferred outflows of resources	49,052	
Deferred inflows of resources	(43,843)	
		5,209
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Subscription liabilities	(66,227)	
Accrued interest on subscription liabilities	(226)	
OPEB obligation	(120,815)	
Compensated absences	(94,933)	
		(282,201)
Net position of governmental activities (page 15)		$ 16,142,669

See notes to the financial statements.

CITY OF MARY ESTHER, FLORIDA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Discretionary Sales Tax Fund	Total Governmental Funds
REVENUES			
Taxes	$ 2,926,561	$ -	$ 2,926,561
Licenses, fees, and permits	265,791	-	265,791
Intergovernmental	1,322,691	489,130	1,811,821
Charges for services	30,268	-	30,268
Fines	41,016	-	41,016
Miscellaneous	260,807	47,452	308,259
Total revenues	4,847,134	536,582	5,383,716
EXPENDITURES			
Current			
General government	854,705	-	854,705
Public safety	1,418,479	-	1,418,479
Physical environment	75,179	-	75,179
Transportation	196,948	-	196,948
Culture and recreation	604,388	-	604,388
Capital outlay	914,869	47,050	961,919
Debt service			
Principal	31,468	-	31,468
Interest	3,615	-	3,615
Total expenditures	4,099,651	47,050	4,146,701
NET CHANGE IN FUND BALANCE	747,483	489,532	1,237,015
FUND BALANCE AT BEGINNING OF YEAR	5,980,722	1,398,730	7,379,452
FUND BALANCE AT END OF YEAR	$ 6,728,205	$ 1,888,262	$ 8,616,467

See notes to the financial statements.

CITY OF MARY ESTHER, FLORIDA
GOVERNMENTAL FUNDS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Net change in fund balance of governmental funds (page 19)		$ 1,237,015
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 those assets is depreciated over the estimated useful lives of the assets.		
Capital outlay	961,919	
Less depreciation expense	(260,535)	
		701,384
Governmental funds do not report capital assets on the balance sheet; however, they are reported in the government-wide financial statements. Accordingly, proceeds received for disposals of capital assets are shown as income in the governmental financial statements and a gain or loss is reported in the statement of activities.		
Cost of capital assets disposed/transferred	(9,335)	
Accumulated depreciation associated with disposals/transfers	9,142	
		(193)
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.		
Principal payments on subscription liabilities		31,468
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Change in other long-term assets	(38,826)	
Change in other post-employment benefits liability and related deferrals	3,345	
Change in accrued interest on subscription liabilities	(226)	
Change in long-term compensated absences	(12,482)	
		(48,189)
Change in net position of governmental activities (page 16)		$ 1,921,485

See notes to the financial statements.

CITY OF MARY ESTHER, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 2,857,616	$ 2,857,616	$ 2,926,561	$ 68,945
Licenses, fees, and permits	314,900	314,900	265,791	(49,109)
Intergovernmental	1,537,509	1,537,509	1,322,691	(214,818)
Charges for services	58,317	58,317	30,268	(28,049)
Fines and forfeits	7,000	7,000	41,016	34,016
Miscellaneous	20,000	20,000	260,807	240,807
Total revenues	4,795,342	4,795,342	4,847,134	51,792
EXPENDITURES				
Current				
General government	1,157,560	1,157,560	854,705	302,855
Public safety	1,535,806	1,535,806	1,418,479	117,327
Physical environment	191,439	191,439	75,179	116,260
Transportation	586,999	586,999	196,948	390,051
Human services	5,000	5,000	-	5,000
Culture and recreation	668,708	668,708	604,388	64,320
Capital outlay	2,088,428	2,088,428	914,869	1,173,559
Debt service				
Principal	-	-	31,468	(31,468)
Interest	-	-	3,615	(3,615)
Total expenditures	6,233,940	6,233,940	4,099,651	2,134,289
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,438,598)	(1,438,598)	747,483	2,186,081
OTHER FINANCING SOURCES				
Transfers in	606,528	606,528	-	(606,528)
NET CHANGE IN FUND BALANCE	(832,070)	(832,070)	747,483	1,579,553
FUND BALANCE – BEGINNING OF YEAR	832,070	832,070	5,980,722	5,148,652
FUND BALANCE – END OF YEAR	$ -	$ -	$ 6,728,205	$ 6,728,205

See notes to the financial statements.

CITY OF MARY ESTHER, FLORIDA
DISCRETIONARY SALES TAX FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Intergovernmental	$ 400,000	$ 400,000	$ 489,130	$ 89,130
Miscellaneous	-	-	47,452	47,452
Total revenues	400,000	400,000	536,582	136,582
EXPENDITURES				
Capital outlay	-	-	47,050	(47,050)
EXCESS OF REVENUES OVER EXPENDITURES	400,000	400,000	489,532	89,532
OTHER FINANCING USES				
Transfers out	(606,528)	(606,528)	-	606,528
NET CHANGE IN FUND BALANCE	(206,528)	(206,528)	489,532	696,060
FUND BALANCE – BEGINNING OF YEAR	206,528	206,528	1,398,730	1,192,202
FUND BALANCE – END OF YEAR	$ -	$ -	$ 1,888,262	$ 1,888,262

See notes to the financial statements.

CITY OF MARY ESTHER, FLORIDA
PROPRIETARY FUND
STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2023

	Water and Sewer Fund
ASSETS	
Current assets	
Cash and cash equivalents	$ 4,545,488
Investments	322,080
Receivables, net	430,662
Prepaid items	51,350
Leases receivable	56,772
Restricted assets – cash and cash equivalents	135,380
Total current assets	5,541,732
Noncurrent assets	
Leases receivable	2,783,523
Capital assets	
Non-depreciable	2,697,551
Depreciable, net	7,271,930
Total noncurrent assets	12,753,004
TOTAL ASSETS	18,294,736
LIABILITIES	
Current liabilities	
Accounts payable	645,960
Accrued interest payable	617
Accrued liabilities	14,996
Unearned revenues	677,731
State revolving fund loans payable	16,897
Subscription liabilities	16,288
Payable from restricted assets	
Customer deposits	127,680
Total current liabilities	1,500,169
Non-current liabilities	
State revolving fund loans payable	1,055,002
Subscription liabilities	16,967
Compensated absences	23,481
Total non-current liabilities	1,095,450
TOTAL LIABILITIES	2,595,619
DEFERRED INFLOW OF RESOURCES	
Unavailable resources	2,819,870
NET POSITION	
Net investment in capital assets	8,864,327
Restricted - capital expansion projects	7,700
Unrestricted	4,007,220
TOTAL NET POSITION	$ 12,879,247

See notes to the financial statements.

CITY OF MARY ESTHER, FLORIDA
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Water and Sewer Fund
OPERATING REVENUES	
Charges for services	$ 3,093,906
OPERATING EXPENSES	
Personnel	260,509
Operating	2,241,747
Depreciation	427,818
Total operating expenses	2,930,074
OPERATING INCOME	163,832
NON-OPERATING REVENUES (EXPENSES)	
Interest expense	(5,665)
Rental income	91,157
Interest and investment income	263,423
Loss on disposal of capital assets	(15,404)
Miscellaneous	121,942
Total non-operating revenues (expenses)	455,453
INCOME BEFORE CAPITAL CONTRIBUTIONS	619,285
CAPITAL GRANTS AND CONTRIBUTIONS	
Capital grants	822,052
Impact fees	800
Tap fees	2,500
Total capital grants and contributions	825,352
CHANGE IN NET POSITION	1,444,637
NET POSITION AT BEGINNING OF YEAR	11,434,610
NET POSITION AT END OF YEAR	$ 12,879,247

See notes to the financial statements.

CITY OF MARY ESTHER, FLORIDA
PROPRIETARY FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Water and Sewer Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	$ 3,265,553
Payments to suppliers and contractors	(1,714,635)
Payments to employees	(251,565)
Miscellaneous income	192,674
Net cash provided by operating activities	1,492,027
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisitions of capital assets	(2,224,227)
Proceeds from impact fees	800
Proceeds from tap fees	2,500
Proceeds from state revolving fund loans	662,694
Principal payments on state revolving fund loans	(16,170)
Principal payments on subscription liabilities	(15,802)
Interest paid	(5,190)
Net cash used in capital and related financing activities	(1,595,395)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	250,706
Purchases of investments	(15,093)
Net cash flows provided by investing activities	235,613
NET INCREASE IN CASH AND CASH EQUIVALENTS	132,245
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	4,548,623
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 4,680,868
CASH AND CASH EQUIVALENTS AT END OF YEAR CONSIST OF	
Current	$ 4,545,488
Restricted	135,380
Total cash and cash equivalents	$ 4,680,868

See notes to the financial statements.

CITY OF MARY ESTHER, FLORIDA
PROPRIETARY FUND
STATEMENT OF CASH FLOWS – CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Water and Sewer Fund
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	$ 163,832
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	427,818
Miscellaneous revenue	121,942
Rental income	91,157
Decrease (increase) in assets:	
Accounts receivable	149,837
Prepaid expenses	(35,257)
Due from other governments	17,225
Leases receivable	(874,963)
Increase (decrease) in liabilities:	
Customer deposits	4,585
Accounts payable	562,369
Accrued liabilities	1,438
Compensated absences	7,506
Increase in deferred inflows of resources	854,538
Net cash provided by operating activities	$ 1,492,027

See notes to the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF THE CITY

Description of City

The City of Mary Esther, Florida (the City) was established as a town under the laws of the State of Florida in 1946. In 1984, after referendum vote by the citizens of Mary Esther, the Council approved ordinance number 84-3 to incorporate Mary Esther as a City. The City operates under a council form of government and provides the following services: public safety (fire control and protective inspections), transportation (road and street facilities), human services (animal control), culture and recreation (library, parks, and recreation), physical environment (community development), utility (water and sewer) and general government.

The financial statements of the City have been prepared in accordance with accounting principles generally accepted (GAAP) in the United States of America applicable to governmental units and the Uniform Accounting System mandated by Chapter 218.33, Florida Statutes. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting.

The following is a summary of the more significant accounting policies of the City:

The Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements present the City as the primary government. In evaluating the City as a reporting entity, management has considered all potential component units for which the City may be financially accountable and, as such, be included within the City's financial statements. Management utilized criteria set forth in GASB guidance for determining financial accountability of potential component units in evaluating all potential component units. Accordingly, the City is financially accountable if it appoints a voting majority of the potential component unit's governing board, and it is able to impose its will on the organization, or there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

As of September 30, 2023, the City had no component units required to be presented in the City’s financial statements.

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the activities of the primary government and its component unit. 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 significantly rely on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF THE CITY – CONTINUED

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 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) 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 fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from government-wide financial statements.

Major individual governmental funds and the enterprise fund are reported as separate columns in the fund financial statements.

Measurement Focus and Basis of Accounting

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 recorded 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within six months of the end of the current fiscal period, except for property taxes, for which the period is 60 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Franchise fees, 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. Sales taxes, gasoline taxes, and other intergovernmental revenues collected and held by the state at year-end on behalf of the City, are also recognized as revenue. All other revenue items are considered to be measurable and available only when cash is received by the government.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF THE CITY – CONTINUED

Measurement Focus and Basis of Accounting – Continued

The Okaloosa Tax Collector bills and collects property taxes for the City in accordance with the laws of the State of Florida. Property taxes attach as an enforceable lien on property as of the date of assessment and remain in effect until discharge by payment. Taxes are payable when levied (on November 1, or as soon thereafter as the assessment roll becomes available to the Tax Collector).

The following is the current property tax calendar:

Lien Date	January 1st
Levy Date	November 1st
Due Date	November 1st
Delinquent Date	April 1st

Discounts of 1% are granted for each month taxes are paid prior to March 1st.

Revenue recognition criteria for property taxes requires that property taxes expected to be collected within 60 days of the current period be accrued. No accrual has been made for 2023 ad valorem taxes because property taxes are not legally due until subsequent to the end of the fiscal year.

Current year taxes, which are uncollected as of the end of the fiscal year, are generally immaterial in amount and highly susceptible to uncollectibility and, therefore, are not recorded as a receivable on the balance sheet date.

Basis of Presentation

The financial transactions of the City are recorded in individual funds. Each fund is a separate accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are other charges between the government's utility function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF THE CITY – CONTINUED

Basis of Presentation – Continued

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for utility services. The City also recognizes, as operating revenues, the portion of tap fees intended to recover the cost of connecting customers to the system.

Operating expenses for enterprise funds include the cost of service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The following two broad classifications are used to categorize the fund types used by the City:

Governmental

Governmental funds focus on the determination of financial position and changes in financial position (sources, uses and balances of financial resources) and not net income. The City has two major governmental funds:

General Fund – This is the City's primary operating fund and is used to account for all financial resources of the general government, except those required to be accounted for in another fund.

Discretionary Sales Tax Fund – This is a special revenue fund used to account for proceeds received from discretionary sales taxes that are restricted by the taxpayer referendum that authorized the local option taxes for expenditures towards capital infrastructure related projects.

Proprietary

Proprietary funds focus on the determination of fund net position, changes in fund net position, and cash flows. The City's proprietary fund is an enterprise fund, as fees are charged to external users for services. The following is a description of the City's major proprietary fund:

Water and Sewer Fund – this fund accounts for the operations and activities of the City's water and sewer system.

Assets, Liabilities, Deferred Outflows/Inflows, and Net Position or Fund Balance

Cash and Cash Equivalents

Each fund's cash on hand, demand deposits, certificates of deposit, and short-term investments are considered cash and cash equivalents. For purposes of these statements, certificates of deposit with maturities of two years or less when purchased, and highly liquid debt instruments, with a maturity of three months or less when purchased, are considered to be cash equivalents.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF THE CITY – CONTINUED

Assets, Liabilities, Deferred Outflows/Inflows, and Net Position or Fund Balance – Continued

Deposits and Investments

The City is authorized under the City's investment policy to invest and reinvest surplus public funds in its control or possession, in accordance with resolutions to be adopted from time to time and in accordance with Sections 218.40 through 218.45, Florida Statutes. According to its policy, the City's primary objectives in priority order are: 1) safety, 2) liquidity, and 3) return on investment. The policy prohibits the following investments and investment practices:

1. Purchases on margin or short sales.

2. Derivative securities that are, in effect, a leveraged bet on future movements of interest rates or some price index. Collateralized mortgage obligations, because of their complexity and prepayment rate uncertainties, are prohibited.

3. Lending securities with an agreement to buy them back after a stated period of time (reverse purchased agreements from the perspective of the public body).

Investments for the city are reported at fair value (generally based on quoted market prices) except for the Florida PRIME investment pool, which is reported at amortized cost.

Receivables and Payables

Interfund transactions are reflected as loans, services provided, reimbursements, or transfers. At the end of the fiscal year, loans outstanding between funds are referred to as either "due to other funds" or "due from other funds" (i.e., the current portion of interfund loans) or "advances" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All receivables in governmental funds are shown net of an allowance for uncollectible accounts. On September 30, 2023, the City considers all governmental fund receivables collectible and accordingly, does not have an allowance.

Services provided, deemed to be at market, or near market rates, are treated as revenues and expenditures/expenses. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide columnar presentation.

All proprietary fund receivables are shown net of an allowance for uncollectible accounts. The City's estimate is based on historical collection experience and a review of the current status of accounts receivable. When the collectability of a receivable becomes questionable, an allowance for doubtful accounts is established. When specific accounts are determined to be uncollectible, they are written off. At September 30, 2023, an allowance for doubtful accounts of $26,116 was recorded in the Water and Sewer Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF THE CITY – CONTINUED

Assets, Liabilities, Deferred Outflows/Inflows, and Net Position or Fund Balance – Continued

Restricted Assets

Restricted assets are maintained in both the governmental and business-type activities. Deposits received from customers of the water and sewer system are restricted to use as payment of the final customer bill or is returned to the customer upon settlement of the final bill. Impact fees from customers are also restricted in the General Fund and the Water and Sewer Fund for future capital expansion projects. Additionally, financial assets from discretionary sales taxes are classified as restricted assets because their use is limited by taxpayer referendum.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (roads, bridges, curbs and sidewalks, drainage systems, lighting systems and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost more than the following:

Land	$	1
Buildings	$	1,000
Improvements other than buildings	$	1,000
Machinery and equipment	$	1,000

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized in the proprietary fund as projects are constructed. Interest incurred during the construction phase of proprietary fund capital assets is reflected in the capitalizable value of the asset constructed, net of interest earned on the invested proceeds over the same period.

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

Assets	Years
Buildings	20-50 years
Improvements other than buildings	10-50 years
Machinery and equipment	5-10 years
Subscription assets	3-5 years

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF THE CITY – CONTINUED

Assets, Liabilities, Deferred Outflows/Inflows, and Net Position or Fund Balance – Continued

Compensated Absences

Vested or accumulated leave (annual, personal and sick) that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. All vested or accumulated leave is accrued when incurred in the government-wide statements. A liability for compensated absences is reported in the governmental fund financial statements only if they have matured, for example, as a result of employee resignations and retirements. The policy of the City for annual leave is as follows:

Years of Employment	Earned Leave per Year
More than 0 years but less than 2 years	80 hours*
2 or more years but less than 4 years	120 hours
4 or more years	160 hours

**New employees may not take annual vacation for the first six months of employment.*

Upon proper separation (termination) of employment, employees will be paid for all accumulated annual leave up to 240 hours.

Employees of the City also accumulate personal leave at a rate of four hours per month. Upon termination of employment, employees will be paid for all personal leave up to 96 hours.

The policy of the City for sick leave is that all full-time, permanent employees accrue sick leave at a rate of eight hours per month. Employees may accumulate a maximum of 960 hours of sick leave. Upon proper separation (termination) of employment, employees will be paid for accumulated sick leave at a rate of two hours for each eight hours of accumulated sick leave. In the case of death while employed, all accumulated sick leave will be paid to the beneficiary.

In the government-wide financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are recorded as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability is reported in the governmental fund financial statements only for the current portion of compensated absences expected to be paid using expendable available resources. The liability for compensated absences is typically liquidated by the General Fund.

Unearned Revenues

Unearned revenues are reported in connection with resources that have been received but not yet earned. See Note 5 for additional information about the City's unearned revenues.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF THE CITY – CONTINUED

Assets, Liabilities, Deferred Outflows/Inflows, and Net Position or Fund Balance – Continued

Long-Term Obligations

In the government-wide financial statements and proprietary fund type financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Note premiums and discounts are deferred and amortized over the life of the notes using the effective and straight-line interest methods. Note issuance costs are expensed as they are incurred. Notes payable are reported net of the applicable premium or discount.

Total Other Postemployment Benefits (OPEB) Liability

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. The OPEB liability is typically liquidated by the General Fund. See Note 11 for additional information about the City's other postemployment benefit plan.

Classification of Fund Balance

GASB Statement No. 54 establishes fund balance classifications using a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Fund balance classifications are comprised of the following:

- Nonspendable – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories, deposits, prepaid items, and advances to other funds.

- Restricted – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

- Committed – includes amounts that can only be used for the specific purposes determined by a formal action, Ordinance, of the City's highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City taking the same formal action that imposed the constraint originally, which is an Ordinance.

- Assigned – comprises amounts intended to be used by the City for specific purposes that are neither restricted nor committed. *Intent* is expressed by the City Council to assign amounts to be used for specific purposes. The City's fund balance policy does not explicitly specify who is authorized to establish fund balance assignments. Only the City Council has the authority to establish fund balance assignments.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF THE CITY – CONTINUED

Assets, Liabilities, Deferred Outflows/Inflows, and Net Position or Fund Balance – Continued

Classification of Fund Balance – Continued

- Unassigned – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. The General Fund's formal fund balance policy establishes a stabilization arrangement that commits 20% of annual budgeted expenditures and can only be reversed through a formal action of the City Council.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

Net Position

Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. The net investment in capital assets represents net position related to property, plant and equipment, net of any related debt. Restricted net position represents the net position restricted by state legislation.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balances are available.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. See Note 6 for additional information on the City's deferred outflows of resources.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. See Note 6 for additional information on the City's deferred inflows of resources.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DESCRIPTION OF THE CITY – CONTINUED

Change in Accounting Principle

In 2023, the City implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. GASB Statement No. 96 enhances the relevance and consistency of information on the government's software subscription activities. In accordance with the new guidance, the City is required to recognize a subscription asset and a subscription liability equal to the present value of subscription payments during the subscription term. These changes were incorporated in the City's 2023 financial statements but had no effect on the beginning fund balances or net position since the carrying amount of subscription assets was equal to the subscription liabilities recorded upon implementation as of October 1, 2022.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain amounts presented in the prior year have been reclassified in order to be consistent with the current year presentation. Such reclassifications have no effect on total fund balances or net position previously reported.

Subsequent Events

Subsequent events were evaluated through February 7, 2024, which is the date the financial statements were available to be issued.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets

Annual appropriated budgets are adopted for the General Fund, Discretionary Sales Tax Fund, and the Water and Sewer Fund. The annual budgets for the General Fund and Discretionary Sales Tax Fund are adopted using the modified accrual basis of accounting, which is in accordance with GAAP for governmental fund types. The Water and Sewer Fund budget is adopted on the full accrual basis, which is consistent with GAAP for proprietary fund types. Every appropriation, except an appropriation for a capital expenditure, lapses at the end of the year to the extent it has not been expended or encumbered.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY – CONTINUED

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to September 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and revenue sources.

2. Public hearings are conducted to obtain taxpayer comments.

3. Prior to September 30, the budget is legally enacted through passage of an ordinance.

4. The City Manager is authorized to transfer budgeted amounts between programs (line-items) within a department, office or agency within any fund. However, any revisions that alter the total budgeted expenditures of any fund must be approved by the City Council.

5. Budgeted amounts have been amended by the City Council or by City Manager in accordance with applicable City ordinances.

6. Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders or contracts) outstanding at year-end are reported as assignment of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

Encumbrances
Encumbrances represent commitments related to unperformed contracts for goods or services. As stated above, encumbrance accounting is employed in governmental funds. Any purchase order or contract outstanding at year-end does not constitute an expenditure but is reported as an assignment of fund balance. The City had no encumbrances reported as assigned fund balance for the year ended September 30, 2023.

3. DEPOSITS AND INVESTMENTS

Deposits
The investment of surplus funds is governed by provisions of Section 218.415, Florida Statutes, as to the type of investments that can be made. Deposits may be exposed to custodial credit risk, which is the risk that, in the event of a bank failure, the government's deposits may not be returned.

The City manages its custodial credit risk by maintaining its deposits with "Qualified Public Depositories" as defined in Chapter 280, Florida Statutes. The provisions of this statute allow Qualified Public Depositories to participate in a multiple financial institution collateral pool to ensure the security for public deposits. All Qualified Public Depositories must deposit eligible collateral with the Treasurer of the State of Florida equal to or in excess of their required collateral pledging level. In the event of default by a qualified public institution, the Treasurer will pay public depositors all losses in excess of insurance and collateral through assessments among all Qualified Public Depositories.

3. DEPOSITS AND INVESTMENTS – CONTINUED

The City held deposits of $11,325,618 on September 30, 2023, all of which were entirely covered by federal depository insurance or pooled collateral held by the State Treasurer and, therefore, have no custodial credit risk.

Investments
As of September 30, 2023, the City's investments consist of pooled accounts with Florida PRIME and FLCLASS, external investment pools. The types of investments, which can be made by the City, are restricted by state statutes and other contractual agreements. A description of the requirements and the types of investments allowed can be found in Note 1.

The following is a summary of the City's investments:

Investments – Governmental and Business-Type Activities

	General Fund	Water and Sewer Fund	Total	S&P Rating	Average Maturity
Local Government Investment Pools					
Trust Fund – Florida PRIME	$ 2,224,496	$ 322,080	$ 2,546,576	AAAm	35 days
FLCLASS	500,838	-	500,838	AAAm	43 days
Total investments	$ 2,725,334	$ 322,080	$ 3,047,414		

Funds are placed with the State Board of Administration (SBA) for participation in the Florida Prime Investment Pool (FL PRIME), created by Section 218.405, Florida Statutes. This investment pool operates under investment guidelines established by Section 215.47, Florida Statutes. The City's investment in FL PRIME, a Security and Exchange Commission (SEC) Rule 2a7-like external investment pool is reported at amortized cost, which is not materially different from fair value. Rule 2a-7 is the rule that permits money market funds to use amortized cost to maintain a constant net asset value (NAV) of $1 per share, provided that such funds meet certain conditions.

The City also participates in the Florida Cooperative Liquid Asset Securities System (FLCLASS). This investment pool is a stable NAV Government Investment Pool established under Section 218.415, Florida Statutes; and is an intergovernmental investment authorized pursuant to the Florida Interlocal Cooperation Act of 1969. The City's investment in FLCLASS is reported at fair value.

As of September 30, 2023, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Concentration of Credit Risk – The City's investment policy encourages diversification but does not specify limits on the amount that may be invested in any one issuer. As of September 30, 2023, all the City's investments were held in Florida PRIME or FLCLASS pooled accounts.

3. DEPOSITS AND INVESTMENTS – CONTINUED

Custodial Credit Risk – For an investment, custodial credit risk is the risk that the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The City has adopted a policy for custodial credit risk authorizing the Finance Director to maintain a list of financial institutions approved for investment services. In addition, a list of approved security brokers/dealers selected by credit worthiness authorized in the State of Florida will be utilized for investment purposes. Also, only brokers and dealers (or their agents) included on the Federal Reserve Bank of New York's List of Primary Government Security Dealers will be identified as authorized by policy. Other non-primary dealers may be used, provided that the dealer is approved by City Council, City Manager, and Finance Director. A memo indicating such approval is required to be retained in the investment files.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City does not have a formal policy for addressing interest rate risk; however, investments are made with discretion, to seek reasonable returns, preserve capital, and in general, avoid speculative investments. The City manages its exposure to declines in fair values from interest rate changes by reviewing the portfolio on an ongoing basis for changes in effective yield amounts.

4. RECEIVABLES

Receivables and amounts due from other governments on September 30, 2023, were as follows:

	Governmental Activities		Business-Type Activities	
	General Fund	Discretionary Sales Tax Fund	Water and Sewer Fund	Total
Taxes	$ 60,652	$ -	$ -	$ 60,652
Interest	13,011	5,323	12,717	31,051
Accounts	2,047	-	444,061	446,108
Less allowance for doubtful accounts	-	-	(26,116)	(26,116)
Total receivables, net	75,710	5,323	430,662	511,695
Due from other governments	175,702	38,208	-	213,910
Leases receivable	-	-	2,840,295	2,840,295
Total	$ 251,412	$ 43,531	$ 3,270,957	$ 3,565,900

Due from Other Governments
Amounts due from other governments primarily consist of half-cent sales taxes, discretionary sales taxes, local option fuel taxes, telecommunications service taxes, and various grant awards.

5. UNEARNED REVENUES

Unearned revenues as of September 30, 2023, were as follows:

	Governmental Activities	Business-Type Activities	
	General Fund	Water and Sewer Fund	Total
Federal grant proceeds received in advance of meeting eligibility requirements under the American Rescue Plan (ARP) Act	$ 374,709	$ 677,731	$ 1,052,440
Business license taxes collected for subsequent fiscal year	75,808	-	75,808
Total unearned revenues	$ 450,517	$ 677,731	$ 1,128,248

6. DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES

Deferred outflows and inflows of resources as of September 30, 2023, were as follows:

	Governmental Activities	Business-Type Activities
		Water and Sewer Fund
Deferred outflows		
Changes in assumptions related to OPEB plan	$ 29,469	$ -
Differences between expected and actual experience on OPEB plan actuarial assumptions	19,583	-
Total deferred outflows	$ 49,052	$ -
Deferred inflows		
Changes in assumptions related to OPEB plan	$ 35,215	$ -
Differences between expected and actual experience on OPEB plan actuarial assumptions	8,628	-
Unavailable revenue – cell tower leases	-	2,819,870
Total deferred inflows	$ 43,843	$ 2,819,870

7. CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Increases	Decreases/ Reclassifications	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	$ 4,363,248	$ 652,201	$ -	$ 5,015,449
Construction in progress	85,240	299,006	-	384,246
Total capital assets not being depreciated	4,448,488	951,207	-	5,399,695
Capital assets being depreciated				
Buildings	1,509,002	-	-	1,509,002
Improvements other than buildings	3,181,772	-	(1,008)	3,180,764
Machinery and equipment	1,270,701	10,712	(8,327)	1,273,086
Subscription assets [1]	97,695	-	-	97,695
Total capital assets being depreciated	6,059,170	10,712	(9,335)	6,060,547
Less accumulated depreciation				
Buildings	(813,485)	(36,411)	-	(849,896)
Improvements other than buildings	(1,590,862)	(158,837)	1,008	(1,748,691)
Machinery and equipment	(1,234,259)	(39,801)	8,134	(1,265,926)
Subscription assets	-	(25,486)	-	(25,486)
Total accumulated depreciation	(3,638,606)	(260,535)	9,142	(3,889,999)
Total capital assets being depreciated, net	2,420,564	(249,823)	(193)	2,170,548
Governmental activities, net	$ 6,869,052	$ 701,384	$ (193)	$ 7,570,243

[1] Beginning balances were the result of implementing GASB Statement No. 96 as of October 1, 2022. Subscription assets were offset by a related subscription liability associated with them. See Note 10 for further details on subscription liabilities.

7. CHANGES IN CAPITAL ASSETS – CONTINUED

	Beginning Balance	Increases	Decreases/ Reclassifications	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	$ 77,878	$ -	$ -	$ 77,878
Construction in progress	545,134	2,074,539	-	2,619,673
Total capital assets not being depreciated	623,012	2,074,539	-	2,697,551
Capital assets being depreciated				
Buildings	128,519	-	-	128,519
Improvements other than buildings	15,582,546	25,362	(516)	15,607,392
Machinery and equipment	1,717,794	124,326	(51,011)	1,791,109
Subscription assets [1]	49,057	-	-	49,057
Total capital assets being depreciated	17,477,916	149,688	(51,527)	17,576,077
Less accumulated depreciation				
Buildings	(67,766)	(3,375)	-	(71,141)
Improvements other than buildings	(8,774,395)	(329,079)	361	(9,103,113)
Machinery and equipment	(1,070,291)	(82,566)	35,762	(1,117,095)
Subscription assets	-	(12,798)	-	(12,798)
Total accumulated depreciation	(9,912,452)	(427,818)	36,123	(10,304,147)
Total capital assets being depreciated, net	7,565,464	(278,130)	(15,404)	7,271,930
Business-type activities, net	$ 8,188,476	$ 1,796,409	$ (15,404)	$ 9,969,481

[1] Beginning balances were the result of implementing GASB Statement No. 96 as of October 1, 2022. Subscription assets were offset by a related subscription liability associated with them. See Note 10 for further details on subscription liabilities.

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

Governmental activities	
General government	$ 168,622
Public safety	7,846
Transportation	47,208
Culture and recreation	36,859
Total depreciation/amortization expense - governmental activities	$ 260,535
Business-type activities	
Water and sewer	$ 427,818

7. CHANGES IN CAPITAL ASSETS – CONTINUED

Construction Commitments
In November 2022, the City entered into a contract with a construction company to perform various infrastructure improvements to the Springdale Park neighborhood. The total contract price was $4,562,643. As of September 30, 2023, the City has incurred contract costs of $1,248,524, which includes unbilled retainage of $124,852. The project is expected to be completed in fiscal year 2024.

8. DEFINED CONTRIBUTION PLAN

The City offers its employees an Employee Thrift Plan (the Plan), a defined contribution plan created in accordance with Internal Revenue Code Section 401(a) and 501(a), as amended from time to time. The Plan is administered by Mass Mutual. The City Council has the authority for establishing Plan provisions, and contribution requirements under the Plan. To be eligible for the Plan, employees must be a minimum of 18 years of age, work at least 1,000 hours during the year, and work for the City at least 6 months. As long as the employee completes the required paperwork, the City's contribution to the Plan is an amount equal to 6% of the eligible portion of the participant's compensation, during the plan year. In addition, the City contributes on behalf of each participant who makes a contribution to the Plan $1 for every $1 of said contributions to the Plan in increments of 1% of compensation, up to 8%. Any forfeiture during the year may be used to fund the City's contribution requirement.

The vesting percentage of City contributions is determined in accordance with the following schedule:

Number of Years of Service Credit for Purposes of Vesting	Vested Percentage
1 year	20%
2 years	40%
3 years	60%
4 years	80%
5 years	100%

During fiscal year 2023, the City remitted its required contributions totaling $78,599. The total value of plan investments on September 30, 2023, was $1,018,030.

9. CELLULAR TOWER LEASES

Lessor

The City leases real property to various unrelated parties for maintaining cellular communication towers. The City is a lessor under five real property leases.

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term, including options reasonably certain to be exercised. The lease terms range from 10 to 40 years, with years remaining ranging from 8 to 25 years, and the discount rate to calculate the present value of the lease payments is 4.94%. The total amount of inflows of resources recognized and reflected in the financial statements were as follows:

Inflows of Resources - Leases	Water and Sewer Fund
Lease revenue	$ 91,157
Interest revenue	118,384
Total inflows of resources - leases	$ 209,541

10. LONG-TERM DEBT

Changes in Long-Term Debt

Long-term debt activity for the year ended September 30, 2023, is summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Compensated absences	$ 82,451	$ 87,369	$ (74,887)	$ 94,933	$ 23,733
Direct borrowings					
Subscription liability - software [1]	97,695	-	(31,468)	66,227	32,436
Total governmental activities	$ 180,146	$ 87,369	$ (106,355)	$ 161,160	$ 56,169

[1] Beginning balances were the result of implementing GASB Statement No. 96 as of October 1, 2022. Subscription liabilities were offset by a related subscription asset associated with them. See Note 7 for further details on subscription assets.

10. LONG-TERM DEBT – CONTINUED

Changes in Long-Term Debt – Continued

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities					
Compensated absences	$ 23,802	$ 24,729	$ (17,223)	$ 31,308	$ 7,827
Direct borrowings					
State Revolving Fund Loan CW-460200	150,786	-	(7,253)	143,533	7,323
State Revolving Fund Loan CW-460201	186,952	39,178	-	226,130	9,574
State Revolving Fund Loan DW-460210	87,637	-	(8,917)	78,720	-
State Revolving Fund Loan DW-460211	-	623,516	-	623,516	-
Subscription liability - software [1]	49,057	-	(15,802)	33,255	16,288
Total business-type activities	$ 498,234	$ 687,423	$ (49,195)	$ 1,136,462	$ 41,012

[1] Beginning balances were the result of implementing GASB Statement No. 96 as of October 1, 2022. Subscription liabilities were offset by a related subscription asset associated with them. See Note 7 for further details on subscription liabilities.

Description of Long-Term Debt Outstanding

Governmental Activities – Direct Borrowings
The City has entered into a subscription-based information technology arrangement with a software vendor as the result of implementing GASB Statement No. 96 as of October 1, 2022. The City's subscription liability is measured using the present value of subscription payments expected to be remitted to the vendor during the subscription term, including options reasonably certain to be exercised. The agreement requires annual base payments of $35,083 throughout the subscription term which expires in July 2026. The discount rate used to calculate the present value of the subscription payments was 4.10%, which is the City's estimated incremental borrowing rate for vehicles, equipment, and similar assets. The carrying value of the subscription asset is disclosed in Note 7 to the financial statements. In the event of default (non-payment), the lender may revoke the City's license to the underlying software. This agreement does not contain any subjective acceleration clauses.

Business-Type Activities – Direct Borrowings
$154,884 State of Florida Department of Environmental Protection Revolving Loan Fund; semi-annual payments of $4,368 including interest at 2.11% beginning March 2022 through September 2041. Proceeds were used for design and engineering services related to developing the City's water and sewer master plan. The City has pledged net revenues of the City's water and sewer system to secure the loan.

$226,130 State of Florida Department of Environmental Protection Revolving Loan Fund; semi-annual zero-interest bearing payments of $70,063 beginning November 2024. Proceeds were used for design and engineering services related to rehabilitation of the City's water distribution system. The City has pledged net revenues of the City's water and sewer system to secure the loan.

10. LONG-TERM DEBT – CONTINUED

Description of Long-Term Debt Outstanding – Continued

Business-Type Activities – Direct Borrowings – Continued
$97,639 State of Florida Department of Environmental Protection Revolving Loan Fund; semi-annual payments of $5,404 including interest at 2.24% beginning March 2022 through September 2041. Proceeds were used for design and engineering services related to rehabilitation of the City's water distribution system. The City has pledged net revenues of the City's water and sewer system to secure the loan.

$623,516 State of Florida Department of Environmental Protection Revolving Loan Fund; semi-annual zero-interest bearing payments of $63,265 beginning November 2024. Proceeds were used for design and engineering services related to rehabilitation of the City's water distribution system. The City has pledged net revenues of the City's water and sewer system to secure the loan.

For the State of Florida Department of Environmental Protection Revolving Loan Fund issuances, in the event of default (non-payment), the lender may notify financial market credit rating agencies, file suit for past due amounts, and accelerate repayment of unpaid principal to as much as 1.667 times the financing rate. These loans do not contain any subjective acceleration clauses.

The City has entered into a subscription-based information technology arrangement with a software vendor as the result of implementing GASB Statement No. 96 as of October 1, 2022. The City's subscription liability is measured using the present value of subscription payments expected to be remitted to the vendor during the subscription term, including options reasonably certain to be exercised. The agreement requires annual base payments of $17,617 throughout the subscription term which expires in July 2026. The discount rate used to calculate the present value of the subscription payments was 4.10%, which is the City's estimated incremental borrowing rate for vehicles, equipment, and similar assets. The carrying value of the subscription asset is disclosed in Note 7 to the financial statements. In the event of default (non-payment), the lender may revoke the City's license to the underlying software. This agreement does not contain any subjective acceleration clauses.

Annual Requirements to Amortize Debt Outstanding

The annual requirements to amortize all debt outstanding except accrued and annual leave as of September 30, 2023, are as follows:

Governmental Activities

Year ending September 30,	Subscription Liabilities	
	Principal	Interest
2024	$ 32,436	$ 2,647
2025	33,791	1,292
Total	$ 66,227	$ 3,939

10. LONG-TERM DEBT – CONTINUED

Annual Requirements to Amortize Debt Outstanding – Continued

	Business-Type Activities			
	State Revolving Fund Loans		Subscription Liabilities	
Year ending September 30,	Principal	Interest	Principal	Interest
2024	$ 16,897	$ 3,217	$ 16,288	$ 1,329
2025	281,085	5,686	16,967	649
2026	228,698	3,950	-	-
2027	143,344	3,299	-	-
2028	144,001	2,643	-	-
2029-2033	190,889	5,942	-	-
2034-2038	41,215	2,466	-	-
2039-2042	25,770	462	-	-
Total	$ 1,071,899	$ 27,665	$ 33,255	$ 1,978

11. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

The City provides dental and life insurance benefits to eligible employees upon retirement through a single-employer defined benefit health care plan (the Plan). The City pays 100% of the retiree's dental insurance premium but not for the premium for dependent coverage. The City also pays the premium for life insurance coverage after retirement. Employees are covered by a retirement system whose retirement eligibility provisions require the attainment of age 55 or completion of 25 years of service. The Plan does not issue a separate report.

Plan Membership as of September 30, 2023

Inactive plan members or beneficiaries currently receivable benefits	11
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	16
	27

Benefits Provided

The benefits provided are the same as those provided for active employees. Spouses and dependents of eligible retirees are not eligible for medical coverage. All employees of the City are eligible to receive postretirement health care benefits.

11. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – CONTINUED

Total OPEB Liability

Actuarial Assumptions
The total OPEB liability was determined by an actuarial valuation as of September 30, 2023, using the following actuarial assumptions:

Prior measurement date	September 30, 2022
Measurement date	September 30, 2023
Valuation date	October 1, 2021 Actuarially determined contributions are calculated as of the last day of the fiscal year in which contributions are reported.
Actuarial cost method	Individual Entry Age Normal
Amortization method	Level dollar, open
Amortization period	30 years
Asset valuation method	Fair value
Inflation	3.0% annually
Dental / Life trend	0%
Salary increase	3.0% annually
Prior discount rate	2.15%
Discount rate	4.09%

11. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – CONTINUED

Total OPEB Liability - Continued

Actuarial Assumptions – Continued

Retirement age	Employees are covered by retirement system whose retirement eligibility provisions attainment of age 55 and completion of 25 years of service. Based on past experience, it has been assumed that entitlement to benefits will commence 5 years after eligibility provisions are attained.
Mortality	SOA RP-2014 combined mortality table
Turnover	Age specific table with an average of 10% when applied to the active census.

Change in Total OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	**Plan Fiduciary Net Position (b)**	**Total OPEB Liability (a) - (b)**
Balances at September 30, 2022	$ 119,555	$ -	$ 119,555
Changes for the year:			
Service cost	735	-	735
Interest	4,821	-	4,821
Differences between expected and actual experience	4,014	-	4,014
Changes of assumptions	(1,008)	-	(1,008)
Benefit payments	(7,302)	-	(7,302)
Net changes	1,260	-	1,260
Balances at September 30, 2023	$ 120,815	$ -	$ 120,815

11. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – CONTINUED

Total OPEB Liability - Continued

Sensitivity of Total OPEB Liability to Changes in the Discount Rate

	1% Decrease 3.09%	Current Discount Rate 4.09%	1% Increase 5.09%
Total OPEB liability	$ 136,632	$ 120,815	$ 107,769

OPEB Plan Fiduciary Net Position
The plan is unfunded, so the OPEB plan's fiduciary net position is $0. There are no OPEB assets accumulated in a GASB compliant trust to pay for related plan benefits.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB
For the year ended September 30, 2023, the City recognized OPEB expense of $3,957. On September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 19,583	$ 8,628
Changes of assumptions	29,469	35,215
Total	$ 49,052	$ 43,843

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

Year ended September 30:	
2024	$ (1,599)
2025	(1,599)
2026	(1,599)
2027	(1,596)
2028	(1,595)
Thereafter	13,197
	$ 5,209

12. 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; injuries to employees; and natural disasters. These risks are covered by the Florida Municipal Insurance Trust and other commercial insurance purchased from independent third parties. There has been no significant change in insurance coverage from the previous fiscal year. For the commercial insurance purchased from independent third parties, the amount of settlements has not exceeded the insurance coverage in each of the past three years.

13. COMMITMENTS AND CONTINGENCIES

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal 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 such amount, if any, to be immaterial.

Water and Sewer System Management Contract

The City has a contract for operation, maintenance, and management services for its water and sewer system with Operations Management International (OMI). The contract expires in September 2024, and the City's commitments under the contract for the fiscal year ended September 30, 2024, are $1,688,364.

Law Enforcement Services Contract

The City has a contract for law enforcement services with the Okaloosa County Sheriff's Department. The contract expires in September 2024, and the City's commitments under the contract for the fiscal year ended September 30, 2024, are $274,040.

Fire Department Service Contract

In 2019, the City Council approved an interlocal agreement with the Ocean City-Wright Fire Control District (OCWFCD) to provide fire protection and emergency medical services to residents of the City. The agreement took effect in October 2019 and calls for quarterly payments through September 2029. The base contract amount for the fiscal year ended September 30, 2023, was $1,119,703. For subsequent contract years, the base rate will be adjusted in accordance with the consumer price index (CPI) subject to a 3% cap.

As part of this agreement, OCWFCD executed a lease for the City's fire station effective October 2019. The lease expires in September 2029 and calls for base annual rent of $1. Additionally, ownership of the City's tools, equipment, safety gear, vehicles, and apparatuses was transferred to OCWFCD for use in fire protection operations during the term of the contract. The undepreciated value of the equipment transferred to OCWFCD is reported as other assets in the statement of net position and is being amortized over the life of the contract.

13. COMMITMENTS AND CONTINGENCIES – CONTINUED

Wastewater Treatment Plant Environmental Violations

In fiscal year 2023, the City was notified of potential violations with state environmental regulations. The violations included alleged noncompliance at the City's wastewater treatment plant related to nuisance conditions created by the old package plant and unauthorized discharges or unpermitted sanitation sewer overflows during the period beginning March 2019 and ending January 2021.

The Florida Department of Environmental Protection (FDEP) issued a consent order in November 2022, which included fines. Under the terms of the consent order, the City was assessed a penalty in the amount of $90,043 to settle the violations. In lieu of paying the penalties assessed in the consent order, the City has the option to implement an in-kind penalty project at a minimum cost of $133,565, which is contingent on approval from FDEP.

The FDEP issued an amended consent order in November 2023, which included fines in addition to those assessed in the original consent order. Under the terms of the amended consent order, the City was assessed a penalty in the amount of $4,636 to settle the violations. In lieu of paying the penalties assessed in the amended consent order, the City has the option to implement an in-kind penalty project at a minimum cost of $6,204, which is contingent on approval from FDEP.

In January 2024, the City Council approved management's proposal for various in-kind projects to replace the generator at the wastewater treatment plant as well as replace various manholes. The proposed in-kind projects are pending FDEP's approval as of the date of this report.

Christobal Waterfront Park – Joint Project

In August 2023, the City entered into a cost-sharing interlocal agreement with Okaloosa County, Florida (the County) for a project to jointly develop a waterfront park. Under the terms of the agreement, the City and the County will equally share the costs of the project, which are estimated to be $3 million. The City has pledged its allocation of tourist development taxes collected by the County on its behalf in subsequent years to fund a significant portion of its share of the project costs. During the year ended September 30, 2023, the real estate for the waterfront park site was purchased by the County for a total cost of $1,304,402. Accordingly, for the year ended September 30, 2023, the City has reported capital outlay expenditures of $652,201 in the General Fund for its share of the project costs. Upon completion of the project, the County will convey the land and property, and the responsibility for its maintenance, to the City.

14. SUBSEQUENT EVENTS

Issuance of Debt – State Revolving Fund Loan Modification

In November 2023, the City Council approved an amendment to a State of Florida Department of Environmental Protection Revolving Loan Fund program loan. The amendment increased the authorized financing amount by $1,167,430 to fund the construction phase of the project to rehabilitate the City's water and wastewater distribution systems. The City has pledged net revenues of the City's water and sewer system to secure the loan.

14. SUBSEQUENT EVENTS – CONTINUED

Issuance of Debt – State Revolving Fund Construction Loan Agreement
In January 2024, the City entered into a loan agreement with the State of Florida Department of Environmental Protection for a Revolving Loan Fund program loan to fund the construction phase of the project to rehabilitate the City's water and wastewater distribution systems. The total amount of financing authorized in the agreement is $2,363,650. The loan requires semiannual payments of principal and interest totaling $69,044 beginning February 2026 through maturity in August 2046. The interest rate on the loan is 1.26% per annum. The City has pledged net revenues of the City's water and sewer system to secure the loan.

Issuance of Debt – Capital Improvement Revenue Note, Series 2024
In February 2024, the City authorized the issuance of Capital Improvement Revenue Note, Series 2024, in the amount of $3,843,324 to 1) fund its share of the acquisition and development of the waterfront park and 2) purchase the land at 302 Mary Esther Boulevard and the building thereon and to renovate the building, which will be used as City Hall. As of the date of this report, the City has not completed the final closing on the revenue note, which is scheduled to be completed in February 2024.

Purchase of Real Estate – New City Hall Site
In December 2023, the City Council approved the purchase of the land and building at 302 Mary Esther Boulevard to serve as the new site for City Hall. The purchase price of the property is $2,375,000. Before the City's administrative personnel can relocate to the new site, substantial renovations to the building will be necessary. The estimated costs to renovate the property are $574,500. As of the date of this report, the City has not closed on the property but has executed a purchase contract with the seller indicating its intent to close upon acquisition of financing, as discussed in the previous paragraph.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MARY ESTHER, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)

Total OPEB Liability	2023	2022	2021	2020	2019	2018
Service cost	$ 735	$ 1,275	$ 1,214	$ 1,128	$ 523	$ 507
Interest	4,821	3,635	3,647	4,049	5,197	5,113
Difference between expected and actual experience	4,014	(11,093)	4,738	1,031	3,637	11,625
Changes in assumptions and other inputs	(1,008)	(35,786)	1,413	13,223	25,013	(8,218)
Benefit payments	(7,302)	(6,921)	(7,002)	(6,637)	(6,789)	(6,789)
Net change in total OPEB liability	1,260	(48,890)	4,010	12,794	27,581	2,238
Total OPEB liability – beginning	119,555	168,445	164,435	151,641	124,060	121,822
Total OPEB liability – ending	$ 120,815	$ 119,555	$ 168,445	$ 164,435	$ 151,641	$ 124,060
Covered employee payroll	$ 840,457	$ 815,978	$ 749,883	$ 728,042	$ 1,031,833	$ 1,001,780
Total OPEB liability as a percentage of covered employee payroll	14.37%	14.65%	22.46%	22.59%	14.70%	12.38%

Notes to Schedule

Changes of Assumptions – The following discount rate assumption was used for each measurement date:

2023 - 4.09%
2022 - 4.02%
2021 - 2.15%
2020 - 2.21%
2019 - 2.66%
2018 - 4.18%

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

** There are no OPEB plan assets accumulated in a GASB compliant trust to pay for related plan benefits.

III. STATISTICAL SECTION

This section of the City's comprehensive annual 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.

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

Revenue Capacity
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

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

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

Operating Information
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.*

City of Mary Esther, Florida
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year*									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Invested in capital assets, net of related debt	$ 7,596	$ 7,539	$ 8,267	$ 8,282	$ 8,012	$ 7,705	$ 7,099	$ 6,911	$ 6,771	$ 7,504
Restricted	-	-	-	-	-	482	671	1,155	1,766	2,195
Unrestricted	875	1,277	1,292	1,594	2,167	2,917	4,019	4,994	5,684	6,443
Total governmental activities net position	$ 8,471	$ 8,816	$ 9,559	$ 9,876	$ 10,179	$ 11,104	$ 11,789	$ 13,060	$ 14,221	$ 16,142
Business-type activities										
Invested in capital assets, net of related debt	$ 8,376	$ 8,132	$ 8,001	$ 7,892	$ 7,729	$ 7,431	$ 7,439	$ 7,687	$ 7,714	$ 8,864
Restricted	-	-	-	-	-	82	3	5	7	8
Unrestricted	1,361	864	1,028	1,162	1,339	1,628	2,402	2,875	3,714	4,007
Total business-type activities net position	$ 9,737	$ 8,996	$ 9,029	$ 9,054	$ 9,068	$ 9,141	$ 9,844	$ 10,567	$ 11,435	$ 12,879
Primary government										
Invested in capital assets, net of related debt	$ 15,972	$ 15,671	$ 16,268	$ 16,174	$ 15,741	$ 15,136	$ 14,538	$ 14,598	$ 14,485	$ 16,368
Restricted	-	-	-	-	-	564	674	1,160	1,773	2,203
Unrestricted	2,236	2,141	2,320	2,756	3,506	4,545	6,421	7,869	9,398	10,450
Total primary government net position	$ 18,208	$ 17,812	$ 18,588	$ 18,930	$ 19,247	$ 20,245	$ 21,633	$ 23,627	$ 25,656	$ 29,021

*Amounts shown should be multiplied by 1,000
Source: Audited Financial Statements

City of Mary Esther, Florida
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities										
General government	$ 516,555	$ 574,449	$ 628,258	$ 764,696	$ 775,739	$ 925,389	$ 1,153,899	$ 1,009,345	$ 939,409	$ 1,032,690
Public safety	1,244,362	1,219,971	1,231,606	1,452,135	1,173,968	1,215,727	1,397,022	1,426,918	1,460,749	1,465,151
Physical environment	-	-	-	-	-	-	-	-	57,473	75,179
Transportation	399,040	413,256	427,770	448,873	434,462	407,587	427,272	480,385	211,782	244,156
Human services	16,831	17,250	2,644	3,000	2,335	4,145	1,005	-	-	-
Culture and recreation	285,407	293,490	301,825	361,790	386,544	412,488	385,617	391,647	540,836	641,247
Debt service interest	-	-	-	-	-	-	-	-	-	3,615
Unallocated depreciation/loss on disposal	301,458	282,069	281,248	-	-	-	-	-	-	-
Total governmental activities expenses	2,763,653	2,800,485	2,873,351	3,030,494	2,773,048	2,965,336	3,364,815	3,308,295	3,210,249	3,462,038
Business-type activities										
Water and sewer	1,934,716	2,043,507	2,031,425	2,159,179	2,302,718	2,345,114	2,420,334	2,690,308	2,897,543	2,951,143
Total business-type activities expenses	1,934,716	2,043,507	2,031,425	2,159,179	2,302,718	2,345,114	2,420,334	2,690,308	2,897,543	2,951,143
Total primary government expenses	$ 4,698,369	$ 4,843,992	$ 4,904,776	$ 5,189,673	$ 5,075,766	$ 5,310,450	$ 5,785,149	$ 5,998,603	$ 6,107,792	$ 6,413,181
Program Revenues										
Governmental activities										
Charges for services										
General government	$ 199,880	$ 206,501	$ 205,482	$ 364,467	$ 216,320	$ 303,685	$ 300,434	$ 358,955	$ 45,912	$ 54,438
Public safety	3,990	8,183	12,195	7,544	10,796	15,544	14,433	10,368	6,984	13,582
Transportation	52,770	54,352	67,295	72,119	67,770	42,013	43,158	44,332	45,575	13,467
Culture and recreation	2,490	5,289	7,864	4,304	4,406	3,934	3,510	2,195	4,289	4,398
Operating grants and contributions	42,876	45,651	47,125	59,070	88,190	105,549	567,713	354,262	71,628	157,072
Capital grants and contributions	92,150	158,023	835,263	278,108	27,591	239,996	7,830	8,330	46,835	91,520
Total governmental activities program revenues	394,156	477,999	1,175,224	785,612	415,073	710,721	937,078	778,442	221,223	334,477
Business-type activities										
Charges for services										
Water and sewer	1,565,132	1,615,849	1,907,454	2,168,119	2,212,327	2,269,101	2,485,042	2,823,750	3,174,669	3,185,063
Operating grants and contributions	-	-	-	-	90,650	-	-	-	41,931	-
Capital grants and contributions	-	-	-	14,000	6,500	85,450	175,100	312,200	222,602	825,352
Total business-type activities program revenues	1,565,132	1,615,849	1,907,454	2,182,119	2,309,477	2,354,551	2,660,142	3,135,950	3,439,202	4,010,415
Total primary government program revenues	$ 1,959,288	$ 2,093,848	$ 3,082,678	$ 2,967,731	$ 2,724,550	$ 3,065,272	$ 3,597,220	$ 3,914,392	$ 3,660,425	$ 4,344,892

Continued…

City of Mary Esther, Florida
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (Expenses) Revenues										
Governmental activities	$ (2,369,497)	$ (2,322,486)	$ (1,698,127)	$ (2,244,882)	$ (2,357,975)	$ (2,254,615)	$ (2,427,737)	$ (2,529,853)	$ (2,989,026)	$ (3,127,561)
Business-type activities	(369,584)	(427,658)	(123,971)	22,940	6,759	9,437	239,808	445,642	541,659	1,059,272
Total primary government net expense	$ (2,739,081)	$ (2,750,144)	$ (1,822,098)	$ (2,221,942)	$ (2,351,216)	$ (2,245,178)	$ (2,187,929)	$ (2,084,211)	$ (2,447,367)	$ (2,068,289)
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes										
Property taxes	$ 641,188	$ 661,214	$ 904,952	$ 1,026,840	$ 1,150,825	$ 1,175,646	$ 1,451,359	$ 1,522,104	$ 1,620,681	$ 1,968,163
Municipal revenue sharing	136,637	138,137	137,755	147,143	154,858	162,448	152,772	179,006	228,306	235,535
Sales taxes	468,942	495,084	518,053	533,776	563,890	875,315	953,897	1,177,693	1,237,199	1,529,835
Utility service taxes	487,133	489,944	497,107	494,613	509,667	557,404	623,740	639,775	675,825	643,751
Other taxes	368,864	370,313	353,991	334,031	339,137	329,036	320,181	325,594	345,428	363,696
Gain on disposal of asset	38,942	1,437	2,868	4,016	3,424	1,160	-	-	-	2,221
Miscellaneous	86,086	31,795	15,491	13,579	16,075	31,550	10,875	39,516	17,890	3,371
Investment earnings	2,192	5,748	7,405	7,802	31,636	47,109	41,369	17,280	24,540	302,474
Transfers	271,303	474,268	3,295	-	-		(441,267)	(100,000)	-	-
Total governmental activities	2,501,287	2,667,940	2,440,917	2,561,800	2,769,512	3,179,668	3,112,926	3,800,968	4,149,869	5,049,046
Business-type activities										
Miscellaneous	138,281	155,773	148,378	16,905	1,907	47,305	7,600	166,632	212,580	121,942
Utility service fees	-	-	9,400	-	-	-	-	-	-	-
Gain on disposal of asset	-	-	-	(17,482)	-	-	-	-	2,350	-
Investment earnings	4,866	5,097	1,865	3,088	5,511	16,536	13,945	10,218	12,703	145,039
Interest income - leases	-	-	-	-	-	-	-	-	98,807	118,384
Transfers	(271,303)	(474,268)	(3,295)	-	-	-	441,267	100,000	-	-
Total business-type activities	(128,156)	(313,398)	156,348	2,511	7,418	63,841	462,812	276,850	326,440	385,365
Total primary government	$ 2,373,131	$ 2,354,542	$ 2,597,265	$ 2,564,311	$ 2,776,930	$ 3,243,509	$ 3,575,738	$ 4,077,818	$ 4,476,309	$ 5,434,411
Change in Net Position										
Governmental activities	$ 131,790	$ 345,454	$ 742,790	$ 316,918	$ 411,537	$ 925,053	$ 685,189	$ 1,271,115	$ 1,160,843	$ 1,921,485
Business-type activities	(497,740)	(741,056)	32,377	25,451	14,177	73,278	702,620	722,492	868,099	1,444,637
Total primary government	$ (365,950)	$ (395,602)	$ 775,167	$ 342,369	$ 425,714	$ 998,331	$ 1,387,809	$ 1,993,607	$ 2,028,942	$ 3,366,122

City of Mary Esther Florida
FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	$ 22,946	$ 21,479	$ 23,762	$ 2,940	$ 2,036	$ 309	$ 3,592	$ 31,417	$ 31,632	$ 2,640
Restricted	-	-	-	-	-	239,543	247,373	262,866	367,274	307,202
Committed	-	-	604,613	598,875	565,189	657,717	640,579	1,060,701	1,246,788	2,330,610
Assigned	12,074	169,605	66,779	187	141,267	141,267	-	822,575	832,070	2,427,547
Unassigned	966,813	1,219,813	735,030	1,133,320	1,695,305	2,333,397	3,282,501	3,030,224	3,502,958	1,660,206
Total General Fund	$ 1,001,833	$ 1,410,897	$ 1,430,184	$ 1,735,322	$ 2,403,797	$ 3,372,233	$ 4,174,045	$ 5,207,783	$ 5,980,722	$ 6,728,205
Discretionary Sales Tax Fund										
Restricted	$ -	$ -	$ -	$ -	$ -	$ 242,271	$ 423,456	$ 892,949	$ 1,398,730	$ 1,888,262
Total Discretionary Sales Tax Fund	$ -	$ -	$ -	$ -	$ -	$ 242,271	$ 423,456	$ 892,949	$ 1,398,730	$ 1,888,262
Total all governmental funds	$ 1,001,833	$ 1,410,897	$ 1,430,184	$ 1,735,322	$ 2,403,797	$ 3,614,504	$ 4,597,501	$ 6,100,732	$ 7,379,452	$ 8,616,467

City of Mary Esther, Florida
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Taxes	$ 1,424,234	$ 1,446,235	$ 1,697,781	$ 1,817,837	$ 1,957,923	$ 2,029,408	$ 2,363,845	$ 2,473,814	$ 2,597,044	$ 2,926,561
Licenses, fees and permits	242,354	255,745	257,505	240,538	243,309	506,322	242,996	259,373	293,156	265,791
Intergovernmental	589,367	682,493	1,373,923	832,403	644,564	949,028	1,490,446	1,503,944	1,369,473	1,811,821
Charges for services	207,314	215,806	229,305	264,017	255,646	284,610	317,752	361,614	59,861	30,268
Fines	33,808	37,774	31,568	163,096	20,428	27,520	16,306	19,369	7,828	41,016
Demutualization	88,278	32,181	19,896	25,505	-	-	-	-	-	-
Miscellaneous	-	-	-	-	59,291	93,501	59,926	61,296	43,730	308,259
Total revenues	2,585,355	2,670,234	3,609,978	3,343,396	3,181,161	3,890,389	4,491,271	4,679,410	4,371,092	5,383,716
Expenditures										
General government	519,438	567,820	623,843	617,706	638,422	802,802	799,801	853,159	855,747	854,705
Public safety	1,244,362	1,219,971	1,231,606	1,317,749	1,039,792	1,096,625	1,348,483	1,379,935	1,413,673	1,418,479
Physical environment	-	-	-	-	-	-	-	-	57,473	75,179
Transportation	399,040	413,256	427,770	386,592	374,517	338,736	352,430	405,718	154,395	196,948
Human services	16,831	17,250	2,644	3,000	2,335	4,145	1,005	-	-	-
Economic environment	285,407	293,491	301,825	-	-	-	-	-	-	-
Culture and recreation	747,021	225,087	1,009,166	311,142	342,340	350,042	350,092	355,228	504,086	604,388
Capital outlay			-	406,085	118,704	87,332	215,196	82,139	106,998	961,919
Debt Service										
Principal	-	-	-	-	-	-	-	-	-	31,468
Interest	-	-	-	-	-	-	-	-	-	3,615
Total expenditures	3,212,099	2,736,875	3,596,854	3,042,274	2,516,110	2,679,682	3,067,007	3,076,179	3,092,372	4,146,701
Excess of revenues over (under) expenditures	(626,744)	(66,641)	13,124	301,122	665,051	1,210,707	1,424,264	1,603,231	1,278,720	1,237,015
Other Financing Sources (Uses)										
Transfers in	271,303	474,268	3,295	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(441,267)	(100,000)	-	-
Proceeds from sale of assets	47,585	1,437	2,868	4,016	3,424	-	-	-	-	-
Total other financing sources (uses)	318,888	475,705	6,163	4,016	3,424	-	(441,267)	(100,000)	-	-
Net changes in fund balances	$ (307,856)	$ 409,064	$ 19,287	$ 305,138	$ 668,475	$ 1,210,707	$ 982,997	$ 1,503,231	$ 1,278,720	$ 1,237,015

City of Mary Esther, Florida
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
(UNAUDITED)
Last Ten Fiscal Years

Fiscal Year Ended September 30	Real Property		Personal Property		Total		Ratio of Total Assessed Value to Total Estimated Actual Value	Total Direct Tax Rate
	Taxable Value	Estimated Actual Value	Taxable Value	Estimated Actual Value	Taxable Value	Estimated Actual Value		
2014	$244,180,450	$ 287,271,118	$ 14,136,059	$16,630,658	$ 258,316,509	$ 303,901,775	85%	2.6435
2015	$266,854,872	$ 313,946,908	$ 16,278,265	$19,150,900	$ 283,133,137	$ 333,097,808	85%	3.5000
2016	$258,648,526	$ 304,292,384	$ 14,213,196	$16,721,407	$ 272,861,722	$ 321,013,791	85%	3.8880
2017	$265,698,860	$ 312,586,894	$ 13,527,257	$15,914,420	$ 279,226,117	$ 328,501,314	85%	4.2347
2018	$272,827,106	$ 320,973,066	$ 13,808,898	$16,245,762	$ 286,636,004	$ 337,218,828	85%	4.2347
2019	$284,134,531	$ 334,275,919	$ 14,564,031	$17,134,154	$ 298,698,562	$ 351,410,073	85%	5.0261
2020	$298,856,409	$ 351,595,775	$ 13,743,311	$16,168,601	$ 312,599,720	$ 367,764,376	85%	5.0261
2021	$316,881,960	$ 372,802,306	$ 14,312,047	$16,837,702	$ 331,194,007	$ 389,640,008	85%	5.0261
2022	$389,132,527	$ 457,802,973	$ 15,728,083	$18,503,627	$ 404,860,610	$ 476,306,600	85%	5.0261
2023	$419,694,928	$ 493,758,739	$ 18,302,262	$21,532,073	$ 437,997,190	$ 515,290,812	85%	5.0261

Source: Okaloosa County Property Appraiser's Office

City of Mary Esther Florida
PROPERTY TAX LEVIES AND COLLECTIONS
(UNAUDITED)
Last Ten Fiscal Years

Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Levy Fiscal Year (By March 31 of Year After Levy) Amount	Collected within the Levy Fiscal Year (By March 31 of Year After Levy) Percentage of Levy	Collections in Subsequent Years	Total Collections to Date Amount	Total Collections to Date Percentage of Levy
2014	$ 682,860	$ 615,411	90.12%	$ 46,318	$ 661,729	96.91%
2015	$ 933,992	$ 839,888	89.92%	$ 62,494	$ 902,382	96.62%
2016	$ 1,064,789	$ 956,506	89.83%	$ 69,871	$ 1,026,377	96.39%
2017	$ 1,186,060	$ 1,098,585	92.62%	$ 42,637	$ 1,141,222	96.22%
2018	$ 1,235,484	$ 1,141,557	92.40%	$ 33,868	$ 1,175,425	95.14%
2019	$ 1,501,501	$ 1,420,290	94.59%	$ 31,154	$ 1,451,444	96.67%
2020	$ 1,568,410	$ 1,492,482	95.16%	$ 25,328	$ 1,517,810	96.77%
2021	$ 1,661,873	$ 1,582,868	95.25%	$ 26,260	$ 1,609,128	96.83%
2022	$ 2,037,280	$ 1,917,556	94.12%	$ 49,886	$ 1,967,442	96.57%
2023	$ 2,199,350	*	*	*	*	*

*Not Available

Source: Okaloosa County Property Appraiser and Okaloosa County Tax Collector

City of Mary Esther, Florida
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
PER $100 OF ASSESSED VALUE
(UNAUDITED)
Last Ten Fiscal Years

	City Rate	Overlapping Rates[1]			
Fiscal Year	Operating Millage	Okaloosa County	Northwest Florida Water	School District	Total Millage
2014	2.6435	3.4308	0.0390	7.4410	13.5543
2015	3.5000	3.4308	0.0378	7.2790	14.2476
2016	3.8880	3.4308	0.0366	6.9070	14.2624
2017	4.2347	3.8308	0.0353	6.5880	14.6888
2018	4.2347	3.8308	0.0338	6.3610	14.4603
2019	5.0261	3.8308	0.0327	6.2060	15.0956
2020	5.0261	3.8308	0.0311	6.0350	14.9230
2021	5.0261	3.8308	0.0294	5.9430	14.8293
2022	5.0261	3.8308	0.0261	5.5790	14.4620
2023	5.0261	3.8308	0.0234	5.4770	14.3573

Source: Okaloosa County Property Appraiser's Office

Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all statistical property owners; for example, although the county property tax rates apply to all City property owners, the Flood Control District rates apply only to approximately one-third of City property owners whose property is located within that district's geographic boundaries.

City of Mary Esther Florida
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of September 30, 2022

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Overlapping Debt			
Okaloosa County			
Revenue Bonds	$ 123,505,214	0.35%	$ 432,268
Private Bank Notes	$ 18,849,140	0.35%	$ 65,972
Okaloosa County School District			
Certificates of Participation	$ 97,390,000	1.69%	$ 1,645,891
Revenue Bonds	$ 2,060,000	1.69%	$ 34,814
State School Bonds	$ 403,000	1.69%	$ 6,811
Subtotal: Overlapping Debt	$ 242,207,354		$ 2,185,756
City Direct Debt			
State Revolving Loans	$ 1,071,899	100.00%	$ 1,071,899
Subscription Liabilities	$ 99,482	100.00%	$ 99,482
Subtotal: Direct Debt	$ 1,171,381		$ 1,171,381
Total Direct and Overlapping Debt	$ 243,378,735		$ 3,357,137
Taxable Value of All Okaloosa County Property:	$ 192,026,411		

Sources: Okaloosa County, Okaloosa County School Board

Note: Overlapping governments are those that coincide, at least in part, with 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 Mary Esther. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the 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.

City of Mary Esther Florida
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Governmental Activities	Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita Debt
	Subscription Liabilities	Subscription Liabilities	Water and Sewer State Revolving Fund Loans			
2014	$ -	$ -	$ -	$ -	0.00%	$ -
2015	$ -	$ -	$ -	$ -	0.00%	$ -
2016	$ -	$ -	$ -	$ -	0.00%	$ -
2017	$ -	$ -	$ -	$ -	0.00%	$ -
2018	$ -	$ -	$ -	$ -	0.00%	$ -
2019	$ -	$ -	$ 47,400	$ 47,400	0.02%	$ 12
2020	$ -	$ -	$ 60,000	$ 60,000	0.04%	$ 15
2021	$ -	$ -	$ 259,378	$ 259,378	0.20%	$ 64
2022	$ 97,695	$ 49,057	$ 425,375	$ 572,127	0.38%	$ 130
2023	$ 66,227	$ 33,255	$ 1,071,899	$ 1,171,381	0.62%	$ 256

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

Sources: Office of Economic & Demographic Reseach

City of Mary Esther, Florida
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years

Fiscal Year	Water and Sewer Utility Charges	Plus Utility Service Fee and Franchise Fee Revenues	Less Operating Expenses	Net Available Revenue	Water and Sewer Debt Service		Total Coverage
					Principal	Interest	
2014	$ 1,565,132	$ -	$ 1,583,163	$ (18,031)	$ -	$ -	N/A
2015	$ 1,608,357	$ -	$ 1,664,355	$ (55,998)	$ -	$ -	N/A
2016	$ 1,907,454	$ -	$ 1,673,444	$ 234,010	$ -	$ -	N/A
2017	$ 2,013,363	$ -	$ 1,783,940	$ 229,423	$ -	$ -	N/A
2018	$ 2,050,951	$ -	$ 1,885,776	$ 165,175	$ -	$ -	N/A
2019	$ 2,188,039	$ -	$ 1,917,066	$ 270,973	$ -	$ -	N/A
2020	$ 2,332,551	$ -	$ 1,982,835	$ 349,716	$ -	$ -	N/A
2021	$ 2,662,060	$ -	$ 2,207,534	$ 454,526	$ -	$ 8,521	53.34
2022	$ 3,090,157	$ -	$ 2,489,256	$ 600,901	$ 15,938	$ 3,860	30.35
2023	$ 3,093,906	$ -	$ 2,502,256	$ 591,650	$ 16,170	$ 3,261	30.45

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses.

City of Mary Esther, Florida
PRINCIPAL PROPERTY TAXPAYERS
(UNAUDITED)
Current and Ten Years Ago

	2023			2014		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**
Renaissance Mary Esther	$ 42,112,172	1	9.75%			
SRM-SPE, LLC	12,164,913	2	2.96%	$ 27,651,771	1	10.70%
Peacock Hotel LLC	6,927,330	3	1.66%			
Florida Power & Light Co (Formerly Gulf Power)	5,464,797	4	1.11%	2,883,418	5	1.12%
Target Corp T-0740	4,999,830	5	1.19%			
Mary Esther LLC	2,856,205	6	0.64%			
Powell, Gillis E Jr & Cheryl C	2,571,816	7	0.56%			
Stor MarFL Mary LLC	2,494,866	8	0.59%			
Crimson Fish Prop of NW FL LLC	2,436,150	9	0.55%			
Mary Esther Leasing Inc.	2,234,394	10	0.54%	2,641,911	6	1.02%
Mary Esther Shopping Center				3,603,159	2	1.39%
Dayton Hudson Co.				3,487,886	3	1.35%
Mercantile Properties Inc.				3,151,559	4	1.22%
Belk, Inc.				2,360,838	7	0.91%
Shivaram, Inc.				2,386,302	8	0.92%
Hood, Preston A. and Ann O.				2,251,410	9	0.87%
Mary Esther Restaurant Park				1,903,223	10	0.74%
Total	$ 84,262,473		19.55%	$ 52,321,477		20.25%
Total Taxable Assessed Value of Other Taxpayers	$ 353,734,717		80.45%	$ 205,995,032		79.75%
Total Taxable Assessed Value	$ 437,997,190		100.00%	$ 258,316,509		100.00%

Source: Okaloosa County Property Appraiser's Office

City of Mary Esther, Florida
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Year	Population	Okaloosa County Population	Per Capita Personal Income (x $1,000)	Mary Esther Total Personal Income	City of Mary Esther Population as % of County	Okaloosa County School Enrollment	Okaloosa County Unemployment Rate
2014	3,845	196,512	28.6	$109,967,000	1.96%	31,645	4.6%
2015	3,859	192,925	32.3	$124,645,700	2.00%	31,263	4.3%
2016	3,905	193,133	32.3	$126,131,500	2.02%	30,639	4.1%
2017	3,973	195,488	36.8	$146,206,400	2.03%	31,718	3.3%
2018	4,386	204,600	56.2	$246,493,200	2.14%	33,503	3.5%
2019	4,013	200,171	56.2	$225,530,600	2.00%	32,432	2.3%
2020	4,038	203,951	34.0	$137,292,000	1.98%	32,118	4.0%
2021	4,027	212,404	33.0	$132,891,000	1.90%	32,519	3.2%
2022	4,396	215,751	34.4	$151,222,400	2.04%	33,000	2.2%
2023	4,571	220,923	41.2	$188,325,200	2.07%	32,413	2.7%

Sources: Population estimate as of April 1st provided by the Office of Economic & Demographic Research.
School enrollment data provided by the Okaloosa County School Board.

City of Mary Esther, Florida
OPERATING INDICATORS BY FUNCTION/PROGRAM
(UNAUDITED)
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police										
Physical arrests	227	208	214	151	120	116	108	137	197	93
Traffic violations	1748	1,425	1,536	1,253	479	769	909	801	815	753
Fire										
Emergency responses	1025	1,039	1,018	1,075	1,082	838	997	1,011	1,020	1,052
Annual inspections	198	288	312	295	61	27	365	222	281	367
Re-inspections	35	30	56	10	2	7	186	174	135	105
Plan reviews	18	12	33	19	4	-	-	34	33	31
Site inspections	20	12	88	22	10	-	-	-	-	12
Permits issued	5	1	9	3	-	-	-	-	-	-
New Inspections	12	22	25	24	6	1	29	33	23	33
Building										
Permits issued	137	133	232	161	202	184	160	307	259	151
Library										
Items in collection	26,409	28,171	28,822	30,456	32,362	33,902	34,044	34,044	34,668	35,151
Water										
New connections	346	335	361	356	309	339	299	329	278	335
Average daily consumption (x1,000)	302	304	327	288	282	287	277	292	354	344

*Not Available

Sources: Various City departments, Jacobs OMI for Water section, OCSO for Police section, and OCWFD for Fire section

Note: Indicators are not available for the general government function.

City of Mary Esther, Florida
FULL-TIME EQUIVALENT - CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government										
Executive	1	1	1	1	1	1	1	1	1	1
Financial and administrative	6	6	6	6	6	6	6	6	6	6
Planning	1	1	1	2	2	2	2	2	2	1
Public safety										
Fire	11	11	13	13	11	-	-	-	-	-
Maintenance	7	7	7	4	4	4	4	4	4	6
Library	6	6	6	6	5	5	5	6	6	6
Water	-	-	-	-	-	-	-	-	-	-
Total	32	32	34	32	29	18	18	19	19	20

Source: City Budget Department

City of Mary Esther, Florida
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
(UNAUDITED)
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police (contracted with Okaloosa County Sheriff's Office)										
Patrol units assigned	4	4	4	4	-	2	2	2	2	2
Fire stations	1	1	1	1	1	1	1	1	1	1
Other public works										
Paved Streets (miles) [1]	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4	19.4
Streetlights	373	373	373	373	373	373	373	373	373	373
Parks and recreation										
Acreage	28.2	28.2	28.2	28.2	28.2	28.2	28.2	28.2	28.2	28.2
Neighborhood parks	7	7	7	7	7	7	7	7	7	7
Community parks	2	2	2	2	2	2	2	2	2	2
Other parks	1	1	1	1	1	1	1	1	1	1
Water [2]										
Water mains (miles)	18	18	18	18	18	18	18	18	18	18
Fire hydrants	168	168	169	170	170	170	182	182	182	182
Number of service connections	1,989	1,989	1,991	1,963	1,967	1,954	1,974	2,133	1,987	1,949
Storage capacity (thousands of gallons)	776	776	776	776	776	776	776	776	776	776
Wastewater [2]										
Miles of sanitary sewers	24	24	24	24	24	24	24	24	24	24
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Number of service connections	1,989	1,869	1,854	1,963	1,963	1,940	1,951	2,109	1,967	1,945

Sources: City departments managers

[1] Department of Transportation

[2] Jacobs Engineering

City of Mary Esther, Florida
PRINCIPAL EMPLOYERS - CURRENT YEAR
(UNAUDITED)
Current and Ten Years Ago

	2023			2014		
Employer	**Employees**	**Rank**	**Percentage of Total Employment**	**Employees**	**Rank**	**Percentage of Total Employment**
Target	122	1	0.13%	109	1	0.11%
Mary Esther Elementary	55	2	0.06%			
Panera Bread	42	3	0.04%			
Old Navy	30	4	0.03%	42	6	0.04%
Pedro's	30	5	0.03%			
Piggly Wiggly	29	6	0.03%	31	10	0.03%
McDonalds	25	7	0.03%	37	7	0.04%
Starbuck's	20	8	0.02%			
Sonic	20	9	0.02%			
El Paso	18	10	0.02%			
Sears				88	2	0.09%
JC Penney				75	3	0.07%
Logan's Roadhouse, Inc.				66	4	0.07%
Securitas				62	5	0.06%
Wendy's				35	8	0.03%
Hickory River Smokehouse				35	9	0.03%
Total	391		0.41%	580		0.57%
Total County Employment	96,349			101,509		

Employee counts include full and part time.
Sources: Survey of Local Businesses by City Staff

IV. COMPLIANCE SECTION

- COMPLIANCE MATTERS
- MANAGEMENT LETTER
- RESPONSES TO MANAGEMENT LETTER

Warren Averett
CPAs AND ADVISORS

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INDEPENDENT ACCCOUNTANTS' REPORT ON COMPLIANCE FOR THE U.S. DEPARTMENT OF TREASURY CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS PROGRAM (CSLFRF) REQUIREMENTS FOR AN ALTERNATIVE CSLFRF COMPLIANCE EXAMINATION ENGAGEMENT

To the Honorable Mayor and
Members of the City Council

We have examined the City of Mary Esther, Florida's (the City) compliance with the compliance requirements "activities allowed or unallowed" and "allowable cost/cost principles" (the specified requirements) as described in Part IV "Requirements for an Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds" of the CSLFRF section of the 2023 OMB *Compliance Supplement* during the year ended September 30, 2023.

Management is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in the "Requirements for an Alternative Compliance Examination Engagement." Those standards and requirements 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. 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 the 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.

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud, and noncompliance with provisions of laws, regulations, contracts, or grant agreements that have a material effect on the City's compliance with the specified requirements and any other instances that warrant the attention of those charged with governance. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on the City's compliance with the specified requirements and not for the purpose of expressing an opinion on the internal control over the specified requirements or on compliance and other matters; accordingly, we express no such opinions. The results of our tests disclosed no matters that are required to be reported under *Government Auditing Standards*.

Intended Purpose

The purpose of this examination report is solely to express an opinion on whether the City complied, in all material respects, with the specified requirements referenced above during the year ended September 30, 2023. Accordingly, this report is not suitable for any other purpose.

Warren Averett, LLC

Fort Walton Beach, Florida
February 7, 2024

Warren Averett
CPAs AND ADVISORS

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INDEPENDENT ACCOUNTANTS' REPORT ON AN EXAMINATION OF COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

To the Honorable Mayor and
Members of the City Council

We have examined the City of Mary Esther, Florida's (the City) compliance with Section 218.415, Florida Statutes, with regard to investments for the year ended September 30, 2023.

Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements. 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 the 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.

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

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

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

Warren Averett, LLC

Fort Walton Beach, Florida
February 7, 2024

Warren Averett
CPAs AND ADVISORS

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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*

To the Honorable Mayor and
Members of the City Council

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 governmental activities, the business-type activities, and each major fund of the City of Mary Esther, Florida (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated February 7, 2024.

Internal Control over Financial Reporting
In planning and performing our audit, we considered the City's internal control over financial reporting (internal control) as a basis for designing 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

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 entity'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.

Warren Averett, LLC

Fort Walton Beach, Florida
February 7, 2024

Warren Averett
CPAs AND ADVISORS

45 Eglin Parkway, N.E., Suite 301
Fort Walton Beach, FL 32548
850.244.5121
warrenaverett.com

MANAGEMENT LETTER

To the Honorable Mayor and
Members of the City Council

Report on the Financial Statements
We have audited the financial statements of the City of Mary Esther, Florida (the City), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated February 7, 2024.

Auditors' Responsibility
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 and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements
We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements in Accordance with *Government Auditing Standards*; and Independent Accountants' 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 those reports, which are dated February 7, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no such findings or recommendations made in the preceding financial audit report.

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. The official title and legal authority are disclosed in Note 1 to the financial statements. There are no component units related to the City.

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 identification of 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.

Financial Condition and Management – Continued
Pursuant to Sections 10.554(1)(i)5.b., and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the City as of September 30, 2023. 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 Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units
Section 10.554(1)(i)2., *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 Auditor General*, requires that we address 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, members of the City Council, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

We greatly appreciate the assistance and cooperation extended to us during our audit.

Warren Averett, LLC

Fort Walton Beach, Florida
February 7, 2024

Warren Averett
CPAs AND ADVISORS

45 Eglin Parkway, N.E., Suite 301
Fort Walton Beach, FL 32548
850.244.5121
warrenaverett.com

February 7, 2024

To the Mayor and City Council
City of Mary Esther, Florida

Attention: Mayor Chris Stein
Mayor Pro-Tem Larry Carter
Councilmember Bernie Oder
Councilmember April Sutton

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the City of Mary Esther, Florida (the City) for the year ended September 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 21, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices
Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, the City changed accounting policies related to software subscription contracts by adopting GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, in 2023. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

Management's estimate of the depreciation of capital assets is calculated on a straight-line basis based on the estimated useful lives of the assets. We evaluated the key factors and assumptions used to develop the calculation of depreciation of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the accrued compensated absences liability is based on the accrued hours of employees eligible for payout upon termination and the individual employee's wage rate. We have evaluated the key factors and assumptions used to develop the calculation of compensated absences in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the liability for other post-employment benefits is based upon the results of a certified actuarial valuation. We evaluated the key factors and assumptions used to develop the other post-employment benefits liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of lease and subscription terms, future cash flows, and incremental borrowing rates for the purposes of determining the present value of future lease and subscription payments to be made or received during the lease or subscription term is based upon underlying lease and software subscription contracts, historical experience, and consultations with financial institutions. We evaluated the key factors and assumptions used to develop the calculation of lease receivables, deferred inflows of resources related to leases, subscription assets and subscription liabilities in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit
We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements
Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management
For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations
We have requested certain representations from management that are included in the management representation letter dated February 7, 2024.

Management Consultations with Other Independent Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis (MD&A) and the schedule of changes in the total OPEB liability and related ratios, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the City Council and management of the City of Mary Esther, Florida and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Warren Averett, LLC

Warren Averett, LLC

Client:	***08870000 - Mary Esther, City of***
Engagement:	***AUDA-2023 - City of Mary Esther, Florida***
Period Ending:	***9/30/2023***
Trial Balance:	***400 - Government Fund Trial Balance***
Workpaper:	***405 - Proposed Journal Entries Report***
Fund Level:	***All***
Index:	***All***

Proposed Journal Entries

Proposed Journal Entries JE # 30

To record retainage payable on Well #1 rehab project at year-end and recognize related grant revenues.

Account	Description	Debit	Credit
410.169900	CONSTRUCTION WORK IN PROGRESS	53,644.00	
410.223000	REVENUES COLLECTED IN ADVANCE	53,644.00	
410.000.389200	GRANTS - FEDERAL		42,327.00
410.206000	CONTRACTS PAYABLE - RETAINAGE		53,644.00
410.272000	RETAINED EARNINGS		11,317.00
Total		**107,288.00**	**107,288.00**
	Total Proposed Journal Entries	**107,288.00**	**107,288.00**
	Total All Journal Entries	**107,288.00**	**107,288.00**

MINUTES
REGULAR MEETING
of THE MARY ESTHER CITY COUNCIL
February 5, 2024 - 6:00 PM
195 Christobal Road – North, Mary Esther, FL 32569

CITY COUNCIL PRESENT

Chris Stein, Mayor
Bernie Oder, Councilmember
Larry Carter, Mayor Pro Tem
April Sutton, Councilmember

CITY STAFF PRESENT

Jared Cobb, City Manager
Hayward Dykes, City Attorney
Shawn Lindsey, Public Works Director
Dillon Morris, Interim City Clerk
Kelvin Cherry, Code Compliance Officer
Heather Day, Finance Director

OTHERS PRESENT

Chad Rewis, OSCO Captain
Jeff Wagner, OCWFD Chief

1. INVOCATION
Jeff Wager, Ocean City-Wright Fire Control District, gave the invocation.

2. CALL TO ORDER
The meeting was called to order by Mayor Stein at 6:01 PM.

3. PLEDGE OF ALLEGIANCE
Mayor Stein led the pledge of allegiance.

4. ROLL CALL
The City Clerk called the roll as reflected above.

5. APPROVAL OF THE AGENDA
Mayor Stein asked if anyone would like to make any changes to the agenda. Councilmember Sutton makes a motion to approve the agenda, seconded by Mayor Pro Tem Carter. The motion passed 3-0.

RESULT:	**(3-0)**
MOVER:	Councilmember April Sutton
SECOND:	Mayor Pro Tem Larry Carter
AYES:	Larry Carter, Bernie Oder, April Sutton
NAYS:	None

6. SPECIAL PRESENTATIONS

6.1. City Council Vacancies and Appointment Process
Interim City Clerk Morris stated Council instructed city staff to continue advertising the city council vacancies. However, no new applicants had applied in that time.

6.2. Employee and Contractor Service Awards
Mayor Stein talked about Paul Price who started at the City of Mary Esther 40 years ago, who eventually transitioned to Jacobs. He then presented Paul Price with an award and a $2 bill for his dedication to the city of Mary Esther.

6.3. Recognition of Outgoing Councilmembers

Mayor Stein discussed Councilmember Coxwell and her history with the council and presented her a gift bag as a thank you for her service as a council member. Coxwell remarked that she is proud of all the work Mary Esther has done.

7. CONSENT AGENDA

Mayor Stein asked if anyone would like to make changes to the consent agenda. Mayor Stein asked for a motion to approve the consent agenda. Councilmember Oder initiated the motion, seconded by Councilmember Sutton. The motion passed 3-0.

RESULT:	**PASSED (3-0)**
MOVER:	Councilmember Bernie Oder
SECOND:	Councilmember April Sutton
AYES:	Larry Carter, Bernie Oder, April Sutton
NAYS:	None

7.1. Minutes of the January 16, 2024 Regular Council Meeting

7.2. Financial Report

7.3. Public Works Report

7.4. Library Report

7.5. Fire Department Report

7.6. Code Compliance Report

7.7. Jacobs Report

7.8. Law Enforcement Report

8. CITIZENS WHO HAVE REQUESTED TO BE PLACE ON THE AGENDA

None.

9. PUBLIC COMMENT (NON-AGENDA ITEMS)

A citizen brought up the Highway 98 project. However, it is a state project and not a Mary Esther project so the council did not have much to share in the discussion.

10. UNFINISHED BUSINESS

None.

11. NEW BUSINESS

11.1. Resolution 24-02, Issuance of Capital Improvement Revenue Note, Series 2024

Mickey Johnston with the PRAG group discussed that he distributed the request proposal out to hundreds of banks, receiving 3 proposals with the city selecting a 20 year option with a 4.1% interest rate. He remarked the principal amount of the loan is $3,843,324, structured to be paid off in 20 years with the first 10 years of annual payments being higher.

Mayor Stein asked if anyone had any questions. City Attorney Dykes remarked that the loan is to cover the purchase of 2 properties, the new city hall building and the waterfront park, as well as renovations to the new city hall building.

Mayor Stein asks Interim City Clerk Morris to read the resolution, and he reads as follows: "RESOLUTION NO. 24-02. A RESOLUTION OF THE CITY OF MARY ESTHER, FLORIDA, AUTHORIZING THE ISSUANCE OF ITS $3,843,324 CAPITAL IMPROVEMENT REVENUE NOTE, SERIES 2024, FOR THE PURPOSE OF FINANCING THE ACQUISITION AND DEVELOPMENT OF CERTAIN CAPITAL PROJECTS, AS MORE FULLY DESCRIVED HEREIN; AUTHORIZING THE NEGOTIATED SALE OF SUCH NOTE TO WEBSTER BANK, NATIONAL ASSOCIATION, PURSUANT TO THE TERMS AND CONDITIONS OF A LOAN AGREEMENT BY AND AMONG THE FLORIDA MUNICIAPL LOAN COUNCIL, THE CITY OF MARY ESTHER, FLORIDA, AND WEBSTER BANK, NATIONAL ASSOCIATION; APROVING THE FORM OF AND AUTHORIZING THE EXECUTUION AND DELIVERY OF THE LOAN AGREEMENT; DESIGNATING THE NOTE AS A "QUALIFIED TAX-EXEMPT OBLIGATION;" MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF SUCH NOTE;
PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE."

Mayor Stein asked for a motion to approve the attached Resolution 24-02, authorizing the issuance of a capital improvements revenue note in the amount of $3,843,324 and approving the loan agreement with Webster Bank. Councilmember Sutton initiated the motion, seconded by Mayor Pro Tem Cater. The motion passed 3-0.

RESULT:	**(3-0)**
MOVER:	Councilmember April Sutton
SECOND:	Mayor Pro Tem Larry Carter
AYES:	Larry Carter, Bernie Oder, April Sutton
NAYS:	None

11.2. Purchase of 302 Mary Esther Boulevard

City Manager Cobb noted that the due diligence period has passed and there were no major deficiencies with the close tentatively schedule on February 9th. The mayor is asked to execute the closing documents for the forms. City Attorney Dykes added that an alternative should be specified in the event the mayor can not sign something.

Mayor Stein asks for a motion to authorize the city mayor, city clerk, city manager, and city attorney to execute the closing documents for 302 Mary Esther Boulevard. Councilmember Oder initiated the motion, seconded by Councilmember Sutton. The motion passed 3-0.

RESULT:	**(3-0)**
MOVER:	Councilmember Bernie Oder
SECOND:	Councilmember April Sutton
AYES:	Larry Carter, Bernie Oder, April Sutton
NAYS:	None

11.3. City Council Committee Appointments

Interim City Clerk Morris spoke on the council committee appointments stating that with the recent councilmembers' resignations, many positions were left open. Mayor and council discussed who would take which position for now with the possibility of revisiting this topic once more once a new council member takes position.

Mayor Stein asks for a motion to approve the transportation committee with primary as Mayor Pro Tem Carter and alternate as Councilmember Oder, TPO primary as Councilmember Sutton, RUA alternate as Mayor Pro Tem Cater, and OCLC alternate as Mayor Pro Tem Carter.

RESULT:	**(3-0)**
MOVER:	Councilmember April Sutton
SECOND:	Councilmember Bernie Oder
AYES:	Larry Carter, Bernie Oder, April Sutton
NAYS:	None

11.4. City Clerk Recruitment

City Manager Cobb spoke that all applications for city clerk were sent to council with a scoring sheet, and that he tabulated all the scores for council to see. He spoke that council must decide what must be done from this point forward with past precedents being virtual interviews. Mayor Stein asked how many are local with only City Manager Cobb stating only 2 are local. City Manager Cobb asked if council would like to do it on February 19, where council stated that they could start at 4 PM with each candidate receiving a 30 minute interview.

Mayor Stein asked for a motion to invite the top 5 candidates for city clerk for a virtual meeting on February 19 at 4 PM. Councilmember Oder initiated the motion, seconded by Councilmember Sutton. The motion passed 3-0.

RESULT:	**(3-0)**
MOVER:	Mayor Pro Tem Larry Carter
SECOND:	Councilmember Bernie Oder
AYES:	Larry Carter, Bernie Oder, April Sutton
NAYS:	None

11.5. Purchase of a Track Loader for the Public Works Department

Public Works Director Lindsey discussed his recommendation for equipment of a John Deer Track Loader with the possibility of attachments at a later date. Mayor Pro Tem Carter remarked that this was not in the budget with City Manager Cobb stating that while this was not in the budget, with the city hiring a new public works director and certain costs coming up since it has been some time since the city has had the position filled.

Council asked questions pertaining to the estimated life of the equipment, how pressingly needed the equipment is, and the possibility of a year-in update on the state of the equipment. Public Works Director Lindsey stated that staff is still assessing what attachments are needed this year and what attachments can wait.

Mayor Stein asked for a motion to purchase a track loader for the public works department. Councilmember Sutton initiated the motion, seconded by Mayor Pro Tem Carter. City Attorney Dykes added that this is a piggyback and the item has already been competitively bid so there is no bidding required. The motion passed 3-0.

RESULT:	**(3-0)**
MOVER:	Councilmember April Sutton
SECOND:	Mayor Pro Tem Larry Carter
AYES:	Larry Carter, Bernie Oder, April Sutton
NAYS:	None

11.6. Law Enforcement Patrol Hours and Priorities

Chad Rewis, Captain OCSO, discussed what can be done about patrol hours and what can be done about patrolling and speed detection. Councilmember Sutton remarked about the randomizing of hours, with Captain Rewis discussing that the patrols can be randomized every weekend where patrol hours are different to find when problems occur. Mayor Stein asked about the trespassing order with the mall owners. Captain Rewis spoke about the current state of that topic, stating he is working to get in contact with the property owners to receive the proper approvals.

11.7. Expansion of Jesse Rogers Cemetery

Mayor Stein remarked that Mary Esther's citizen have talked to him about being buried in the cemetery but the cemetery being filled. Mayor Stein discussed the possibility of using some of the unused land in the cemetery for cremation plots as they are smaller and not too close to the road. Councilmember Sutton discussed that she loved the idea giving more options, one of which being a columbarium. City Manager Cobb stated that staff could conduct a survey to see if the citizens would like more options with the cemetery. Mayor Pro Tem Carter asked that, while he likes the idea, bringing this back at a later date due to the number of projects already going on in Mary Esther. Mayor and council agreed to discuss this topic in a future meeting.

12. COUNCILS' STANDING COMMITTEE STATUS REPORTS

Councilmember Sutton thanked Mayor Stein and City Manager Cobb for going to Tallahassee with her to meet with legislators and senators to discuss Mary Esther's funding needs.

Mayor Pro Tem Carter asked that with the budget, the current city hall building's future be brought up to decide what the best course of action for the building is and commends the work the Public Works Director has done. He also mentioned organizing a way to name the tractor and to host some kind of event for it.

Mayor Stein remarked that we still need 2 more council members and talked about the Form 6 requirement. He also remarked about the Tallahassee meeting, saying it was a fun time. Mayor Stein as well asked about the status of the planning for the Okaloosa League of Cities Dinner. Interim City Clerk Morris discussed the current status of the planning process. City Manager Cobb stated that a status update can be a topic at a future council meeting or mayor and council can meet with Interim City Clerk Morris individually.

Councilmember Oder discussed that he will be meeting with Representative Maney and Senator Trumbull soon and that he will discuss the status of North West Florida. The library cooperative meeting happened and the state said they will not fund it as much as they have. The friends of the library have donated scholarships in their stead. Councilmember Oder also discussed a recent lawsuit from South Florida revolving around Form 6, with Destin having donated $10,000 to the suit, and Oder saying the city should not donate to the suit. He also wants a discussion about Mary Esther getting as many revenue sources as possible.

City Attorney Dykes brought up that the city needs to look at hosting a special election, stating that the ordinance states that a special election must be hosted. He added that Paul Lux's office earliest time they could, would be in April. An appointment could still be made but a special election will still need to be held at a future date. He added that even if appointments come forward and fill the spots, he recommended a special election still be held. Mayor Pro Tem Carter put forth the idea of considering a salary change for councilmembers, with Councilmember Sutton adding on the possibility of offering health insurance to offer for councilmembers to come forth. Mayor Pro Tem Carter asked about the current status of advertising the vacancies, with discussion around various sites and outlets being discussed. City Attorney Dykes reaffirms that a date must be chosen with council having opted for the middle of May.

Interim City Clerk Morris thanked council for the opportunity to interview in 2 weeks.

City Manager Cobb mentioned that Misty Water Pier is essentially complete and the demolition is done at the property at the end of Christobal Road.

13. OTHER COMMENTS

Item 13 was combined into the previous section.

14. ADJOURN

The council meeting adjourned at 7:17 PM.

Minutes approved at _____ meeting.

_____

Interim City Clerk Dillon Morris

MINUTES
SPECIAL MEETING
of THE MARY ESTHER CITY COUNCIL
February 19, 2024 - 4:00 PM
195 Christobal Road – North, Mary Esther, FL 32569

CITY COUNCIL PRESENT

Chris Stein, Mayor
Bernie Oder, Councilmember
Larry Carter, Mayor Pro Tem
April Sutton, Councilmember

CITY STAFF PRESENT

Jared Cobb, City Manager
Hayward Dykes, City Attorney

OTHERS PRESENT

1. INVOCATION
No invocation was given.

2. CALL TO ORDER
The meeting was called to order by Mayor Stein at 4:00 PM.

3. PLEDGE OF ALLEGIANCE
Mayor Stein led the pledge of allegiance.

4. ROLL CALL
Interim City Clerk Morris called roll as reflected above.

5. APPROVAL OF AGENDA
Mayor Stein asked if anyone would like to make any changes to the agenda. Upon hearing none, Mayor Stein asks for a motion to approve the consent agenda. Mayor Pro Tem Carter initiated the motion, seconded by Councilmember Oder. The motion passes 3-0.

RESULT:	**(3-0)**
MOVER:	Mayor Pro Tem Larry Carter
SECOND:	Councilmember Bernie Oder
AYES:	Larry Carter, Bernie Oder, April Sutton
NAYS:	None

6. NEW BUSINESS

6.1. Virtual Interviews for the Position of City Clerk
Mayor Stein asked if anyone would like to make changes to any of the questions for the interview process. Councilmember Sutton asked if one of the questions can be if the candidate is prepared to relocate. After some deliberation, mayor and council agree to ask a question pertaining to the possibility of relocation as well as how the questions will be divided up among the 4 of them.

The first candidate was Sheila Reitz and Mayor Stein explained the process of how the interview will be conducted to her. Councilmember Sutton asked Ms. Reitz to tell them about herself. Ms. Reitz mentioned she is married, her husband is part of the military, she raised their family while he worked. She as well said that she enjoys her work as a clerk and helping people and her favorite part of the job is elections. Councilmember Sutton asked what qualities she looks for in

coworkers with Ms. Reitz looking for honesty, integrity, and accountability. Mayor Pro Tem Carter asks how familiar she is with technologies. Ms. Reitz answered she knows of but is not familiar with Tyler Technologies but she is willing to learn. Mayor Pro Tem Carter also asked why she is interested in the city clerk position with Ms. Reitz answering that her and her husband love the Gulf Coast but family issues caused them to move to Michigan. She said that with her kids grown they are looking to move back down to the area. Mayor Stein asked her how her experience has prepared her for the position. Ms. Reitz discussed her history with township clerical experience and she loves working with residents. Mayor Stein also asked when she would be available to start. Ms. Reitz mentioned that she has recently left her city and her calendar is open. Councilmember Oder asked Ms. Reitz of she organizes and prioritizes her workload. Ms. Reitz mentioned that she looks at deadlines and work with council and the city manager to see what needs to be done. Councilmember Oder then asked what she knows about the city of Mary Esther. Ms. Reitz mentions how the city got it's name, the current projects going on in the city, and how elections work.

Councilmember Oder then asked if she had any questions for mayor and council. Ms. Reitz asked what sets apart successful workers at the city and how the clerk fits into the whole process. Councilmember Oder discussed that the staff is doing very well right now and that the city is moving forward with the town and projects right now. Ms. Reitz then asked what skills are being looked for in the clerk position. Mayor Stein responded that public records are a big part of the job, with the job also working for the council and with the city manager, and understanding the sunshine law. The logging of minutes is mentioned as well as not discussing certain topics with council members privately. Ms. Reitz how success is evaluated in the position. Mayor Pro Tem Carter discussed the collaborative effort and how it pertains to the city, and how when the city succeeds everyone succeeds. Ms. Reitz asked what advice council would give her if given the position to help her succeed. Councilmember Sutton advised to ask questions and take advantage of the resources at her disposal. Mayor Pro Tem Carter added that trust is a very important thing with the position. Councilmember Oder added that working with the local municipalities clerks is a benefit. Mayor Stein discussed the next step of the interview process and Ms. Reitz thanked everyone for the setup of everything.

There was a small lull while waiting for the next candidate.

The second candidate is Dillon Morris. Mayor Stein explained the process of the interview. Councilmember Sutton asked for Mr. Morris to say a little about himself. Mr. Morris talks about his high school, his time in band, his college education, his job at FNBT bank, and how he ended up at Mary Esther. Councilmember Sutton asked Mr. Morris what qualities in his coworkers he appreciates the most, with him responding with trustworthiness, reliability, and having coworkers who help each other just as he would help others. Mayor Pro Tem Carter asked if Mr. Morris is familiar with any technology or software related to the position with Mr. Morris stating he is familiar with Tyler Technologies, the city website, and Civic Clerk. Mayor Pro Tem Carter also asked why Mr. Morris wants the position with him responding that he has seen the work the city staff are doing to help the city and would like to be a further ingrained part of the process and help the city in ways people might not realize is as important as it is for the background. Mayor Stein asked Mr. Morris to describe his current experience and how it has prepared him for the position with Mr. Morris sharing his experience being the interim city clerk, stating that he does not have a lot of experience but he has a drive to learn what is required in the position. Councilmember Oder asked Mr. Morris how he organizes his workload with Mr. Morris talking about his white board he uses to organize all his goals with a project list and a weekly duties list, as well as a desk calendar to keep track of all approaching deadlines and events. Councilmember Oder asked Mr. Morris what he knows about the city of Mary Esther with Mr. Morris speaking that Mary Esther has been around for a while and how much the staff care about the city, remarking that they want Mary Esther to become a special city among North West Florida.

Councilmember Oder asked if Mr. Morris had any questions for mayor and council with Mr. Morris saying he had no further questions. Mayor Stein if anyone else has any questions and no one had any further questions. Mr. Morris thanked everyone for their time.

There is a lull between the next interview. Mayor and council discussed various topics, pertaining to questions that can or can not be asked in an interview, a roundtable event coming up, the library's annual chili cook off, the city manager discussed his leaving for his sister's wedding.

The third candidate is Natasha Peacock. Mayor Stein explained the process of the interview. Councilmember Sutton asked Ms. Peacock to tell a little about herself. Ms. Peacock discussed her living in Crestview, her church, and herself. Councilmember Sutton also asked what qualities in her coworkers she appreciates. Ms. Peacock said she appreciates honesty, willingness to teach and learn, and collaboration. Mayor Pro Tem Carter asked if she is familiar with any software related to the position. Ms. Peacock mentioned she is familiar with NextRequest, Civic Clerk, a software that pushes agendas to a screen, and Laserfiche. Mayor Pro Tem Carter also asked why she wants the position at the city of Mary Esther. Ms. Peacock mentioned that her experience in Crestview has prepared her for this kind of position. Mayor Stein asked her to describe her experience and how it has prepared her for the position. Ms. Peacock spoke about her time with her coworkers has prepared her the position. Mayor Stein also asked her whether she plans to move down for the position or commute to Mary Esther. Ms. Peacock responded that at this present time she would commute. Councilmember Oder asked how she organizes and prioritizes her workload. Ms. Peacock said that she makes list based on timely importance, having proper timeslots, and being able to pivot. Councilmember Oder also asked what she knows about Mary Esther. Ms. Peacock mentioned Mary Esther is a small city and going through changes that she would like to be a part of.

Councilmember Oder asked her if she has any questions for mayor and council. Ms. Peacock asked what are the expectations of the city clerk. Councilmember Oder talked about the public records request and the time requirement pertaining to agendas. He mentioned that the city staff are responsible for running the city. Ms. Peacock asked what the mayor specifically expected for the clerk. Mayor Stein said that his expectations are event organizing and trip planning for mayor and council. Mayor Stein also asked when she can report for the position with Ms. Peacock mentioning that it would be somewhere from assignment 2 weeks to 30 days. Ms. Peacock as well asked how quickly they are looking to fill the position. Councilmember Sutton said that they are looking to get it filled but that they are willing to wait if the right person comes along. Ms Peacock as well asked about how supportive they are pertaining to certification and training. Mayor Pro Tem Carter said that the city is supportive. Ms. Peacock thanked the council for their time.

Mayor and council are asked if they would like to reschedule Kimberly Banning interview. Council said they will discuss after all the current interviews are completed. There is a lull between candidates with council discussing the next candidate, the city manager sharing his opinion of current applicants, ethics training, sidewalks in Springdale, potential city council appointments, technical difficulties with the fourth candidate, pollen in the area, cameras in the council chamber, and dog training.

The fourth candidate was discussed with having trouble joining, and mayor and council were asked if they would like to proceed with the three candidates presented so far. Council asked if the budget would accommodate flying a candidate out with the answer being that the current city clerk salary is not being paid. They discussed when the interviews would be with the answer being as soon as possible. Mayor Stein asked for a motion to interview the selected candidates. Councilmember Sutton initiated the motion, seconded by Councilmember Oder. The motion passed 3-0.

The fourth candidate resolves her technical problems and joins, Ruth Bocchino. Mayor Stein explained the process of the interview. Councilmember Sutton asked for Ms. Bocchino to tell a little about herself. Ms. Bocchino talked about how long she has worked in government and how she loves working with the public. Councilmember Sutton as well asked what qualities she looks for in her coworkers. Ms. Bocchino said she looks for trust and honesty, as well as people that will answer questions. Mayor Pro Tem Carter asked how familiar she is with software related to the position. Ms. Bocchino mentioned she is familiar with Laserfiche and Legistar, as well as

Office 365. Mayor Pro Tem Carter also asked why is she interested in the position. Ms. Bocchino mentioned that she enjoys smaller communities more versus bigger organizations. Mayor Stein asked her to describe her experience and how it has prepared her for the position. Ms. Bocchino discussed how she has applied for the position previously and that she has done everything the job listing is asking for. Mayor Stein asked as well when she can report. Ms. Bocchino discussed that it would be a minimum of 30 days. Ms. Bocchino asked how soon council is looking to fill the position with Mayor Stein having said that currently there is an interim but time would be allocated for relocation. Councilmember Oder asked her how she organizes and prioritizes her workload. Ms. Bocchino said she is familiar with deadlines and postings and how she prioritizes priorities. Councilmember Oder also asked what she knows about Mary Esther. Ms. Bocchino said she is familiar with the population and how agendas are done and posted on the website.

Councilmember Oder asked if she had any questions for mayor and council. Ms. Bocchino asked what qualities they are looking for in a city clerk in the position. Councilmember Oder mentioned that public records are a very important point as well as council trips and organizing everything needed in those trips. Ms. Bocchino asked if there has ever been a deputy city clerk with Mayor Stein stating that there has been one in the past but as of right now there is no deputy. Ms. Bocchino as well asked what are problems that she could solve in 6 months if she got the position. Mayor Stein mentioned that public records being organized and digitized could be done. Ms. Bocchino said she had experience organizing, digitizing, and properly destroying records. Ms. Bocchino asked as well how reviews are handled and metrics to measure the clerk. Councilmember Sutton mentioned that council and staff work together to get feedback throughout the year with an annual feedback every year. Ms. Bocchino asked what the most challenging part of the position is. Mayor Pro Tem Carter said that the difficult thing can sometimes be working as a team and being delegated trust is an important part of the position. Ms. Bocchino thanked mayor and council for the time. Mayor Stein explained the process from that point of narrowing down candidates and if chosen she will be contacted.

City Manager Cobb informed council if they would like to change their selection of candidates they need a new motion. Mayor Pro Tem Carter put fourth the suggestion that if Ms. Reitz can not attend the interview, offering the time slot to Ms. Bocchino instead. Mayor Stein asked for a motion to interview Ms. Peacock, Mr. Morris, and Ms. Reitz with caveat of if she can not attend the interview, offering the interview to Ms. Bocchino. Councilmember Sutton initiated the motion, seconded Councilmember Oder. The motion passed 3-0.

RESULT:	**(3-0)**
MOVER:	Councilmember April Sutton
SECOND:	Mayor Pro Tem Larry Carter
AYES:	Larry Carter, Bernie Oder, April Sutton
NAYS:	None

7. ADJOURN

The council meeting adjourned at 6:08.

Minutes approved at _____ meeting.

_____

Interim City Clerk Dillon Morris

City of Mary Esther
Cash and Investment Balances
as of January 31, 2024

BMS Account	GENERAL FUND BANK	Summary of Investments 1/31/2024	Fund	INTEREST RATE	Purpose of Acct.
101251	FNBT BANK	$133,880.00	410	0.00%	Cust. Utility Deposits Acct.
104300	GEN FUND FLORIDA PRIME	$2,266,798.29	1	5.57%	GF Savings/Investment
104400	W/S FUND FLORIDA PRIME	$328,204.33	410	5.57%	W/S Savings/Investment
101001	FNBT BANK	$11,108,716.96	1 & 410	4.59%	Operating Acct.
101001	FNBT BANK	$0.00	410	0.00%	Credit Card Payments Account
101210	FNBT BANK	$0.00	1	0.00%	Payroll Account
101001	FNBT BANK	$7,218.55	1	0.00%	HRA Account
101001	FNBT BANK	$1,585,545.71	1 & 410	4.59%	Money Market Account
104301	FLCLASS	$510,186.20	1	5.47%	GF Investment
104302	AMERIS BANK	$6,502.17	1	0.00%	GF Investment
		$15,947,052.21			

FY23-24 ESTIMATED BEGINNING GENERAL FUND UNRESTRICTED CASH	$4,146,554
FY2024 Budget deficit	($2,427,547)
ESTIMATED GENERAL FUND TOTAL UNRESTRICTED CASH	**$1,719,007**
FY23-24 ESTIMATED BEGINNING W/S FUND UNRESTRICTED CASH	$4,431,432
FY2024 Budget surplus	$138,680
ESTIMATED W/S FUND TOTAL UNRESTRICTED CASH	**$4,570,112**
FY 23-24 BEGINNING DISCRETIONARY SALES SURTAX REVENUE FUND	$1,888,263
FY2024 Transfer to General Fund	($2,411,145)
FY2024 Estimated Revenue	$522,882
DISCRETIONARY SALES SURTAX FUND BALANCE	**($0)**
GRAND TOTAL ALL FUNDS:	**$6,289,118**

RESTRICTED REVENUES:

IMPACT FEE REVENUE AVAILABLE FOR RELATED EXPENSES

Fire Protection	$64,366
Law Enforcement	$61,637
Stormwater	$40,165
Transportation	$66,000
Parks & Recreation	$36,600
Water & Sewer	$7,700
TOTAL	**$276,468**

OTHER RESTRICTED REVENUE

Committed to natural disaster relief	$2,330,610
TOTAL	**$2,330,610**

TOTAL RESTRICTED REVENUES	**$2,607,078**

City of Mary Esther, FL

Budget vs Actuals

Account Summary

For Fiscal: 2023-2024 Period Ending: 01/31/2024

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
Fund: 001 - GENERAL FUND							
Revenue							
Department: 00 - UNDESIGNATED							
001-00-311100	AD VALOREM TAXES	2,089,383.00	2,089,383.00	1,369,342.41	1,687,129.65	1,687,129.65	402,253.35
001-00-311200	AD VALOREM TAXES-DELQ	65,000.00	65,000.00	0.00	0.00	0.00	65,000.00
001-00-312130	TOURIST DEVELOPMENT TAX	180,000.00	180,000.00	0.00	0.00	0.00	180,000.00
001-00-312410	FIRST LOCAL OPTION FUEL TAX	200,000.00	200,000.00	11,552.93	66,152.48	66,152.48	133,847.52
001-00-314100	UTILITY TAXES-ELECTRIC	235,000.00	235,000.00	18,133.45	58,037.74	58,037.74	176,962.26
001-00-314200	UTILITY TAXES-COMMUNICATION SE...	255,000.00	255,000.00	16,297.73	48,252.50	48,252.50	206,747.50
001-00-314300	UTILITY TAXES-WATER	123,484.00	123,484.00	10,513.98	40,102.81	40,102.81	83,381.19
001-00-314400	UTILITY TAXES-GAS	40,000.00	40,000.00	5,062.49	10,930.35	10,930.35	29,069.65
001-00-314800	UTILITY TAXES -PROPANE GAS	0.00	0.00	226.07	241.24	241.24	-241.24
001-00-316010	BUSINESS TAX - PENALTY INT	1,000.00	1,000.00	50.00	383.50	383.50	616.50
001-00-316100	BUSINESS TAX	95,000.00	95,000.00	1,650.00	82,758.00	82,758.00	12,242.00
001-00-322000	BUILDING PERMITS	80,000.00	80,000.00	383.35	10,983.22	10,983.22	69,016.78
001-00-323100	ELECTRICITY FRANCHISE FEES	205,000.00	205,000.00	13,711.33	171,266.07	171,266.07	33,733.93
001-00-323400	GAS FRANCHISE FEES	35,000.00	35,000.00	4,596.23	9,862.10	9,862.10	25,137.90
001-00-329050	TRACKING FEES	1,000.00	1,000.00	200.00	1,220.00	1,220.00	-220.00
001-00-335120	STATE REVENUE SHARING PROCEEDS	160,000.00	160,000.00	17,570.98	52,712.92	52,712.92	107,287.08
001-00-335150	ALCOHOLIC BEVERAGE LICENSES	500.00	500.00	391.55	391.55	391.55	108.45
001-00-335180	LOCAL GOVERNMENT 1/2 SALES TAX	460,000.00	460,000.00	35,144.58	118,981.83	118,981.83	341,018.17
001-00-338200	INTERGOV REV-COUNTY BUSINESS TAX	1,000.00	1,000.00	59.36	1,218.02	1,218.02	-218.02
001-00-338210	INTERGOV REV - LIBRARY COOP	61,000.00	61,000.00	0.00	31,560.00	31,560.00	29,440.00
001-00-341300	CODE ENFORCEMENT ADMIN FEES	500.00	500.00	0.00	0.00	0.00	500.00
001-00-341901	FIRE DEPARTMENT FEES	8,500.00	8,500.00	1,461.00	4,888.00	4,888.00	3,612.00
001-00-341902	NOTARY FEE REVENUE	0.00	0.00	0.00	40.00	40.00	-40.00
001-00-341920	SITE INSPECTION	500.00	500.00	0.00	0.00	0.00	500.00
001-00-342510	FINAL INSPECTION	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00
001-00-343800	CEMETERY FEES	100.00	100.00	0.00	50.00	50.00	50.00
001-00-344210	BOAT LAUNCH DAILY PERMIT	0.00	0.00	0.00	10.00	10.00	-10.00
001-00-344901	FLORIDA DOT	21,839.00	21,839.00	0.00	0.00	0.00	21,839.00
001-00-349100	LIEN SEARCH FEE	1,000.00	1,000.00	260.00	580.00	580.00	420.00
001-00-351100	COURT FINES	3,000.00	3,000.00	236.66	1,245.14	1,245.14	1,754.86
001-00-352000	LIBRARY FINES/LOST BOOKS	1,500.00	1,500.00	112.00	451.00	451.00	1,049.00
001-00-354100	VIOLATION OF LOCAL ORDINANCE	2,500.00	2,500.00	330.00	547.00	547.00	1,953.00
001-00-361000	INTEREST AND OTHER EARNINGS	0.00	0.00	1.73	5.99	5.99	-5.99
001-00-361100	INTEREST INCOME	120,000.00	120,000.00	33,329.67	116,992.62	116,992.62	3,007.38
001-00-365100	SCRAP SALES	0.00	0.00	0.00	112.80	112.80	-112.80
001-00-366010	DONATIONS & CONTRIBUTIONS LIBR...	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00
001-00-369900	MISCELLANEOUS REVENUE - OTHER	0.00	0.00	3,572.12	4,320.41	4,320.41	-4,320.41
001-00-381000	INTERFUND TRANSFER	2,411,145.00	2,411,145.00	0.00	0.00	0.00	2,411,145.00
001-00-384000	DEBT PROCEEDS	1,177,779.00	1,177,779.00	0.00	0.00	0.00	1,177,779.00
001-00-389400	GRANTS - OTHER SOURCES	1,187,775.00	1,187,775.00	0.00	0.00	0.00	1,187,775.00
	Department: 00 - UNDESIGNATED Total:	**9,225,505.00**	**9,225,505.00**	**1,544,189.62**	**2,521,426.94**	**2,521,426.94**	**6,704,078.06**
	Revenue Total:	**9,225,505.00**	**9,225,505.00**	**1,544,189.62**	**2,521,426.94**	**2,521,426.94**	**6,704,078.06**

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
Expense							
Activity: 51100 - LEGISLATIVE							
Department: 11 - MAYOR AND CITY COUNCIL							
001-11-51100-1210	SALARIES	19,200.00	19,200.00	1,350.00	4,455.00	4,455.00	14,745.00
001-11-51100-2110	SOCIAL SECURITY TAXES	1,200.00	1,200.00	83.70	276.21	276.21	923.79
001-11-51100-2410	WORKER'S COMPENSATION	600.00	600.00	0.00	141.24	141.24	458.76
001-11-51100-3000	MEDICARE INSURANCE	300.00	300.00	19.60	64.68	64.68	235.32
001-11-51100-3100	PROFESSIONAL SERVICES	11,000.00	11,000.00	0.00	0.00	0.00	11,000.00
001-11-51100-4010	TRAVEL & PER DIEM	13,000.00	13,000.00	661.78	4,667.52	6,308.69	6,691.31
001-11-51100-4810	TROPHIES AND AWARDS	800.00	800.00	0.00	100.00	100.00	700.00
001-11-51100-4930	TRAINING	4,200.00	4,200.00	100.00	1,136.17	1,250.00	2,950.00
001-11-51100-4940	ELECTION EXPENSES	3,000.00	3,000.00	0.00	0.00	0.00	3,000.00
001-11-51100-5110	OFFICE SUPPLIES	250.00	250.00	0.00	0.00	0.00	250.00
001-11-51100-5280	LEAGUE OF CITIES DINNERS	11,875.00	11,875.00	0.00	360.00	860.00	11,015.00
001-11-51100-5290	OPERATING SUPPLIES	2,150.00	2,150.00	0.00	278.20	278.20	1,871.80
001-11-51100-5410	BOOKS, PUBS, SUBS & MEMBS	4,600.00	4,600.00	300.00	3,876.00	3,876.00	724.00
001-11-51100-5742	SANTA RUN	1,500.00	1,500.00	0.00	0.00	0.00	1,500.00
001-11-51100-6400	COMPUTER SOFTWARE & EQUIPMENT	0.00	0.00	0.00	2,432.54	2,432.54	-2,432.54
Department: 11 - MAYOR AND CITY COUNCIL Total:		**73,675.00**	**73,675.00**	**2,515.08**	**17,787.56**	**20,042.56**	**53,632.44**
Activity: 51100 - LEGISLATIVE Total:		**73,675.00**	**73,675.00**	**2,515.08**	**17,787.56**	**20,042.56**	**53,632.44**
Activity: 51200 - EXECUTIVE							
Department: 12 - CITY MANAGER							
001-12-51200-1210	SALARIES	170,700.00	170,700.00	8,068.55	34,178.77	34,178.77	136,521.23
001-12-51200-2110	SOCIAL SECURITY TAXES	10,584.00	10,584.00	500.26	2,119.13	2,119.13	8,464.87
001-12-51200-2210	RETIREMENT	23,898.00	23,898.00	291.09	1,269.92	1,269.92	22,628.08
001-12-51200-2310	EMPLOYEE INSURANCE	34,840.00	34,840.00	2,016.19	8,093.38	8,093.38	26,746.62
001-12-51200-2410	WORKER'S COMPENSATION	170.00	170.00	0.00	40.02	40.02	129.98
001-12-51200-3000	MEDICARE INSURANCE	2,476.00	2,476.00	117.04	495.74	495.74	1,980.26
001-12-51200-4010	TRAVEL & PER DIEM	6,100.00	6,100.00	105.00	105.00	438.00	5,662.00
001-12-51200-4930	TRAINING	3,500.00	3,500.00	50.00	50.00	50.00	3,450.00
001-12-51200-5290	OPERATING SUPPLIES	2,500.00	2,500.00	166.49	1,046.91	1,148.23	1,351.77
001-12-51200-5410	BOOKS, PUBS, SUBS & MEMBS	1,500.00	1,500.00	20.00	20.00	20.00	1,480.00
001-12-51200-6411	OFFICE EQUIP/FURNITURE	3,500.00	3,500.00	0.00	0.00	0.00	3,500.00
Department: 12 - CITY MANAGER Total:		**259,768.00**	**259,768.00**	**11,334.62**	**47,418.87**	**47,853.19**	**211,914.81**
Activity: 51200 - EXECUTIVE Total:		**259,768.00**	**259,768.00**	**11,334.62**	**47,418.87**	**47,853.19**	**211,914.81**
Activity: 51300 - FINANCE							
Department: 13 - ADMINISTRATIVE SERVICES							
001-13-51300-1210	SALARIES	71,500.00	71,500.00	5,184.87	24,859.07	24,859.07	46,640.93
001-13-51300-2110	SOCIAL SECURITY TAXES	4,433.00	4,433.00	320.91	1,538.71	1,538.71	2,894.29
001-13-51300-2210	RETIREMENT	10,010.00	10,010.00	672.10	3,244.10	3,244.10	6,765.90
001-13-51300-2310	EMPLOYEE INSURANCE	4,400.00	4,400.00	513.78	1,704.34	1,704.34	2,695.66
001-13-51300-2410	WORKER'S COMPENSATION	70.00	70.00	0.00	16.48	16.48	53.52
001-13-51300-3000	MEDICARE INSURANCE	1,037.00	1,037.00	75.06	359.90	359.90	677.10
001-13-51300-3210	ACCOUNTING AND AUDITING	23,230.00	23,230.00	6,500.00	18,250.00	18,250.00	4,980.00
001-13-51300-4010	TRAVEL & PER DIEM	3,500.00	3,500.00	0.00	33.99	33.99	3,466.01
001-13-51300-4710	PRINTING & BINDING	1,900.00	1,900.00	0.00	152.61	152.61	1,747.39
001-13-51300-4915	CREDIT CARD FEE EXPENSES	2,000.00	2,000.00	0.00	0.00	0.00	2,000.00
001-13-51300-4921	BANK FEES	1,000.00	1,000.00	40.00	373.13	373.13	626.87
001-13-51300-4930	TRAINING	2,500.00	2,500.00	0.00	0.00	490.00	2,010.00
001-13-51300-5290	OPERATING SUPPLIES	2,400.00	2,400.00	0.00	0.00	0.00	2,400.00
001-13-51300-5410	BOOKS, PUBS, SUBS & MEMBS	855.00	855.00	0.00	20.00	165.00	690.00
Department: 13 - ADMINISTRATIVE SERVICES Total:		**128,835.00**	**128,835.00**	**13,306.72**	**50,552.33**	**51,187.33**	**77,647.67**
Activity: 51300 - FINANCE Total:		**128,835.00**	**128,835.00**	**13,306.72**	**50,552.33**	**51,187.33**	**77,647.67**
Activity: 51310 - HUMAN RESOURCES							
Department: 13 - ADMINISTRATIVE SERVICES							
001-13-51310-1210	SALARIES	13,450.00	13,450.00	804.38	3,253.73	3,253.73	10,196.27
001-13-51310-2110	SOCIAL SECURITY TAXES	835.00	835.00	49.86	201.70	201.70	633.30

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
001-13-51310-2210	RETIREMENT	1,883.00	1,883.00	200.00	200.00	200.00	1,683.00
001-13-51310-2220	RETIRED EMPLOYEE LIFE INSURANCE	900.00	900.00	50.22	251.10	251.10	648.90
001-13-51310-2230	RETIRED EMPLOYEE DENTAL INSURA...	4,500.00	4,500.00	276.21	1,381.05	1,381.05	3,118.95
001-13-51310-2310	EMPLOYEE INSURANCE	5,380.00	5,380.00	18.30	1,745.26	1,745.26	3,634.74
001-13-51310-2410	WORKER'S COMPENSATION	20.00	20.00	0.00	4.70	4.70	15.30
001-13-51310-2510	UNEMPLOYMENT COMPENSATION	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00
001-13-51310-3000	MEDICARE INSURANCE	196.00	196.00	11.65	47.13	47.13	148.87
001-13-51310-3100	PROFESSIONAL SERVICES	7,000.00	7,000.00	510.00	3,841.51	3,841.51	3,158.49
001-13-51310-3130	MEDICAL SERVICES	200.00	200.00	0.00	0.00	0.00	200.00
001-13-51310-4010	TRAVEL & PER DIEM	1,500.00	1,500.00	0.00	544.19	544.19	955.81
001-13-51310-4540	EMPLOYEE APPRECIATION	2,500.00	2,500.00	104.67	2,305.55	2,305.55	194.45
001-13-51310-4710	PRINTING & BINDING	500.00	500.00	0.00	0.00	0.00	500.00
001-13-51310-4930	TRAINING	2,500.00	2,500.00	0.00	300.00	300.00	2,200.00
001-13-51310-4934	TUITION	21,000.00	21,000.00	0.00	1,294.87	1,294.87	19,705.13
001-13-51310-4946	LEGAL & RETAIL ADVERTISEMENTS	1,500.00	1,500.00	0.00	339.02	1,379.02	120.98
001-13-51310-5290	OPERATING SUPPLIES	500.00	500.00	22.89	847.44	847.44	-347.44
001-13-51310-5410	BOOKS, PUBS, SUBS & MEMBS	750.00	750.00	0.00	244.00	244.00	506.00
Department: 13 - ADMINISTRATIVE SERVICES Total:		**70,114.00**	**70,114.00**	**2,048.18**	**16,801.25**	**17,841.25**	**52,272.75**
Activity: 51310 - HUMAN RESOURCES Total:		**70,114.00**	**70,114.00**	**2,048.18**	**16,801.25**	**17,841.25**	**52,272.75**
Activity: 51400 - LEGAL							
Department: 14 - CITY ATTORNEY							
001-14-51400-3111	LEGAL COUNSEL	70,000.00	70,000.00	2,978.11	9,440.61	9,440.61	60,559.39
Department: 14 - CITY ATTORNEY Total:		**70,000.00**	**70,000.00**	**2,978.11**	**9,440.61**	**9,440.61**	**60,559.39**
Activity: 51400 - LEGAL Total:		**70,000.00**	**70,000.00**	**2,978.11**	**9,440.61**	**9,440.61**	**60,559.39**
Activity: 51500 - PLANNING AND ZONING							
Department: 30 - COMMUNITY DEVELOPMENT							
001-30-51500-1210	SALARIES	92,000.00	92,000.00	2,547.44	11,171.53	11,171.53	80,828.47
001-30-51500-2110	SOCIAL SECURITY TAXES	5,704.00	5,704.00	157.95	692.61	692.61	5,011.39
001-30-51500-2210	RETIREMENT	12,880.00	12,880.00	87.60	382.77	382.77	12,497.23
001-30-51500-2310	EMPLOYEE INSURANCE	29,190.00	29,190.00	796.74	3,988.20	3,988.20	25,201.80
001-30-51500-2410	WORKER'S COMPENSATION	320.00	320.00	0.00	150.31	150.31	169.69
001-30-51500-3000	MEDICARE INSURANCE	1,334.00	1,334.00	36.97	162.08	162.08	1,171.92
001-30-51500-3100	PROFESSIONAL SERVICES	25,000.00	25,000.00	321.50	3,184.00	3,184.00	21,816.00
001-30-51500-4010	TRAVEL & PER DIEM	1,250.00	1,250.00	0.00	0.00	0.00	1,250.00
001-30-51500-4930	TRAINING	500.00	500.00	0.00	0.00	0.00	500.00
001-30-51500-4946	LEGAL & RETAIL ADVERTISEMENTS	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00
001-30-51500-5110	OFFICE SUPPLIES	250.00	250.00	0.00	0.00	0.00	250.00
001-30-51500-5290	OPERATING SUPPLIES	100.00	100.00	0.00	0.00	0.00	100.00
001-30-51500-5410	BOOKS, PUBS, SUBS & MEMBS	150.00	150.00	0.00	0.00	0.00	150.00
Department: 30 - COMMUNITY DEVELOPMENT Total:		**169,678.00**	**169,678.00**	**3,948.20**	**19,731.50**	**19,731.50**	**149,946.50**
Activity: 51500 - PLANNING AND ZONING Total:		**169,678.00**	**169,678.00**	**3,948.20**	**19,731.50**	**19,731.50**	**149,946.50**
Activity: 51600 - NON-COURT INFORMATION SYSTEMS							
Department: 16 - CITY CLERK							
001-16-51600-1210	SALARIES	82,500.00	82,500.00	0.00	16,112.29	16,112.29	66,387.71
001-16-51600-1310	PART-TIME SALARIES	32,000.00	32,000.00	0.00	0.00	0.00	32,000.00
001-16-51600-2110	SOCIAL SECURITY TAXES	7,099.00	7,099.00	0.00	989.53	989.53	6,109.47
001-16-51600-2210	RETIREMENT	11,500.00	11,500.00	0.00	2,255.72	2,255.72	9,244.28
001-16-51600-2310	EMPLOYEE INSURANCE	26,900.00	26,900.00	0.00	3,484.98	3,484.98	23,415.02
001-16-51600-2410	WORKER'S COMPENSATION	200.00	200.00	0.00	35.32	35.32	164.68
001-16-51600-3000	MEDICARE INSURANCE	1,661.00	1,661.00	0.00	231.41	231.41	1,429.59
001-16-51600-3100	PROFESSIONAL SERVICES	2,350.00	2,350.00	0.00	129.91	1,280.00	1,070.00
001-16-51600-4010	TRAVEL & PER DIEM	2,150.00	2,150.00	0.00	1,513.03	1,513.03	636.97
001-16-51600-4510	NOTARY INSURANCE	150.00	150.00	0.00	0.00	0.00	150.00
001-16-51600-4930	TRAINING	1,500.00	1,500.00	0.00	0.00	0.00	1,500.00
001-16-51600-4946	LEGAL & RETAIL ADVERTISEMENTS	8,700.00	8,700.00	183.85	531.85	1,217.66	7,482.34
001-16-51600-5110	OFFICE SUPPLIES	1,605.00	1,605.00	0.00	61.67	61.67	1,543.33
001-16-51600-5290	OPERATING SUPPLIES	600.00	600.00	4.49	14.49	14.49	585.51

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
001-16-51600-5410	BOOKS, PUBS, SUBS & MEMBS	1,200.00	1,200.00	0.00	0.00	0.00	1,200.00
001-16-51600-5416	CODIFICATION	3,500.00	3,500.00	0.00	700.00	700.00	2,800.00
001-16-51600-6411	OFFICE EQUIP/FURNITURE	1,500.00	1,500.00	0.00	1,902.21	1,902.21	-402.21
	Department: 16 - CITY CLERK Total:	**185,115.00**	**185,115.00**	**188.34**	**27,962.41**	**29,798.31**	**155,316.69**
	Activity: 51600 - NON-COURT INFORMATION SYSTEMS Total:	**185,115.00**	**185,115.00**	**188.34**	**27,962.41**	**29,798.31**	**155,316.69**
	Activity: 51610 - INFORMATION TECHNOLOGY						
	Department: 13 - ADMINISTRATIVE SERVICES						
001-13-51610-3100	PROFESSIONAL SERVICES	30,000.00	30,000.00	1,626.50	6,664.75	6,664.75	23,335.25
001-13-51610-4110	TELEPHONE & INTERNET	10,068.00	10,068.00	536.70	2,018.87	2,018.87	8,049.13
001-13-51610-4655	COMPUTER HARDWARE & SOFTWARE...	69,526.00	69,526.00	150.00	16,634.23	16,634.23	52,891.77
001-13-51610-4660	COPIER MAINTENANCE	7,500.00	7,500.00	545.97	1,773.77	7,006.80	493.20
001-13-51610-6400	COMPUTER SOFTWARE & EQUIPMENT	8,000.00	8,000.00	63.97	3,283.48	3,283.48	4,716.52
	Department: 13 - ADMINISTRATIVE SERVICES Total:	**125,094.00**	**125,094.00**	**2,923.14**	**30,375.10**	**35,608.13**	**89,485.87**
	Activity: 51610 - INFORMATION TECHNOLOGY Total:	**125,094.00**	**125,094.00**	**2,923.14**	**30,375.10**	**35,608.13**	**89,485.87**
	Activity: 51900 - GENERAL GOVERNMENT						
	Department: 99 - NON DEPARTMENTAL						
001-99-51900-4100	POSTAGE & SHIPPING	4,000.00	4,000.00	0.00	823.90	823.90	3,176.10
001-99-51900-4520	LIABILITY INSURANCE	61,332.00	61,332.00	0.00	35,586.75	35,586.75	25,745.25
001-99-51900-5110	OFFICE SUPPLIES	4,500.00	4,500.00	-300.00	-28.68	215.67	4,284.33
001-99-51900-5410	BOOKS, PUBS, SUBS & MEMBS	900.00	900.00	0.00	0.00	0.00	900.00
	Department: 99 - NON DEPARTMENTAL Total:	**70,732.00**	**70,732.00**	**-300.00**	**36,381.97**	**36,626.32**	**34,105.68**
	Activity: 51900 - GENERAL GOVERNMENT Total:	**70,732.00**	**70,732.00**	**-300.00**	**36,381.97**	**36,626.32**	**34,105.68**
	Activity: 51910 - FACILITIES						
	Department: 50 - PUBLIC WORKS						
001-50-51910-1210	SALARIES	38,500.00	38,500.00	2,493.06	10,590.31	10,590.31	27,909.69
001-50-51910-1410	OVERTIME	500.00	500.00	0.00	0.00	0.00	500.00
001-50-51910-2110	SOCIAL SECURITY TAXES	2,418.00	2,418.00	154.45	655.98	655.98	1,762.02
001-50-51910-2210	RETIREMENT	5,460.00	5,460.00	148.37	629.30	629.30	4,830.70
001-50-51910-2310	EMPLOYEE INSURANCE	13,990.00	13,990.00	792.52	3,301.96	3,301.96	10,688.04
001-50-51910-2410	WORKER'S COMPENSATION	1,750.00	1,750.00	0.00	754.14	754.14	995.86
001-50-51910-3000	MEDICARE INSURANCE	566.00	566.00	36.11	153.37	153.37	412.63
001-50-51910-3100	PROFESSIONAL SERVICES	16,015.00	16,015.00	1,209.50	3,149.90	4,937.90	11,077.10
001-50-51910-4010	TRAVEL & PER DIEM	500.00	500.00	0.00	0.00	0.00	500.00
001-50-51910-4310	ELECTRICITY	21,000.00	21,000.00	1,343.71	3,815.77	3,815.77	17,184.23
001-50-51910-4320	WATER	7,900.00	7,900.00	595.35	2,574.93	2,574.93	5,325.07
001-50-51910-4330	SOLID WASTE	3,760.00	3,760.00	235.68	976.39	976.39	2,783.61
001-50-51910-4340	NATURAL GAS	1,100.00	1,100.00	108.21	153.49	153.49	946.51
001-50-51910-4410	EQUIPMENT RENTAL	2,060.00	2,060.00	0.00	0.00	0.00	2,060.00
001-50-51910-4521	PROPERTY INSURANCE	18,498.00	18,498.00	0.00	12,318.00	12,318.00	6,180.00
001-50-51910-4522	VEHICLE INSURANCE	1,298.00	1,298.00	0.00	644.44	644.44	653.56
001-50-51910-4611	BUILDING R & M	45,000.00	45,000.00	4,766.76	5,270.86	11,278.27	33,721.73
001-50-51910-4612	FURNITURE/EQUIP. R & M	500.00	500.00	0.00	0.00	0.00	500.00
001-50-51910-4615	FENCING AND LANDSCAPING	0.00	0.00	1,662.82	34,312.82	34,498.57	-34,498.57
001-50-51910-4930	TRAINING	1,000.00	1,000.00	0.00	239.31	239.31	760.69
001-50-51910-5110	OFFICE SUPPLIES	750.00	750.00	0.00	456.09	456.09	293.91
001-50-51910-5210	FUEL, OIL, & LUBRICANTS	5,000.00	5,000.00	290.98	475.60	475.60	4,524.40
001-50-51910-5220	UNIFORMS	800.00	800.00	0.00	76.92	76.92	723.08
001-50-51910-5221	PERSONAL PROTECTIVE EQUIPMENT	1,000.00	1,000.00	404.28	459.26	459.26	540.74
001-50-51910-5230	JANITORIAL SUPPLIES	3,000.00	3,000.00	116.64	224.20	349.60	2,650.40
001-50-51910-5231	SEASONAL DECORATIONS	0.00	0.00	38.16	15,014.21	15,014.21	-15,014.21
001-50-51910-5260	TOOLS	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00
001-50-51910-5270	MACHINERY & EQUIPMENT	1,500.00	1,500.00	346.77	977.19	1,950.42	-450.42
001-50-51910-5290	OPERATING SUPPLIES	4,000.00	4,000.00	60.10	375.00	375.00	3,625.00
001-50-51910-5410	BOOKS, PUBS, SUBS & MEMBS	100.00	100.00	0.00	100.00	100.00	0.00
001-50-51910-6210	BUILDINGS	300,000.00	300,000.00	1,350.00	26,350.00	26,350.00	273,650.00
	Department: 50 - PUBLIC WORKS Total:	**498,965.00**	**498,965.00**	**16,153.47**	**124,049.44**	**133,129.23**	**365,835.77**
	Activity: 51910 - FACILITIES Total:	**498,965.00**	**498,965.00**	**16,153.47**	**124,049.44**	**133,129.23**	**365,835.77**

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
Activity: 52100 - LAW ENFORCEMENT							
Department: 20 - PUBLIC SAFETY							
001-20-52100-3405	CONTRACT FOR SERVICES	285,334.00	285,334.00	22,836.67	91,346.68	91,346.68	193,987.32
Department: 20 - PUBLIC SAFETY Total:		**285,334.00**	**285,334.00**	**22,836.67**	**91,346.68**	**91,346.68**	**193,987.32**
Activity: 52100 - LAW ENFORCEMENT Total:		**285,334.00**	**285,334.00**	**22,836.67**	**91,346.68**	**91,346.68**	**193,987.32**
Activity: 52200 - FIRE							
Department: 20 - PUBLIC SAFETY							
001-20-52200-3405	CONTRACT FOR SERVICES	1,113,088.00	1,113,088.00	278,272.27	278,272.27	278,272.27	834,815.73
Department: 20 - PUBLIC SAFETY Total:		**1,113,088.00**	**1,113,088.00**	**278,272.27**	**278,272.27**	**278,272.27**	**834,815.73**
Activity: 52200 - FIRE Total:		**1,113,088.00**	**1,113,088.00**	**278,272.27**	**278,272.27**	**278,272.27**	**834,815.73**
Activity: 52400 - CODE COMPLIANCE							
Department: 30 - COMMUNITY DEVELOPMENT							
001-30-52400-1210	SALARIES	54,000.00	54,000.00	3,406.47	14,885.69	14,885.69	39,114.31
001-30-52400-2110	SOCIAL SECURITY TAXES	3,348.00	3,348.00	211.21	922.77	922.77	2,425.23
001-30-52400-2210	RETIREMENT	7,560.00	7,560.00	306.58	1,339.72	1,339.72	6,220.28
001-30-52400-2310	EMPLOYEE INSURANCE	13,050.00	13,050.00	807.30	4,052.27	4,052.27	8,997.73
001-30-52400-2410	WORKER'S COMPENSATION	710.00	710.00	0.00	257.70	257.70	452.30
001-30-52400-3000	MEDICARE INSURANCE	783.00	783.00	49.42	215.87	215.87	567.13
001-30-52400-4010	TRAVEL & PER DIEM	1,250.00	1,250.00	0.00	0.00	0.00	1,250.00
001-30-52400-4110	TELEPHONE & INTERNET	500.00	500.00	40.01	120.03	120.03	379.97
001-30-52400-4522	VEHICLE INSURANCE	1,352.00	1,352.00	0.00	688.50	688.50	663.50
001-30-52400-4610	VEHICLE R & M	500.00	500.00	0.00	0.00	0.00	500.00
001-30-52400-4710	PRINTING & BINDING	400.00	400.00	0.00	0.00	0.00	400.00
001-30-52400-4930	TRAINING	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00
001-30-52400-5110	OFFICE SUPPLIES	150.00	150.00	23.99	23.99	23.99	126.01
001-30-52400-5210	FUEL, OIL, & LUBRICANTS	800.00	800.00	168.29	317.28	317.28	482.72
001-30-52400-5220	UNIFORMS	450.00	450.00	0.00	0.00	0.00	450.00
001-30-52400-5221	PERSONAL PROTECTIVE EQUIPMENT	100.00	100.00	0.00	0.00	0.00	100.00
001-30-52400-5295	OPERATING SUPPLIES/JANITORIAL	150.00	150.00	0.00	60.95	60.95	89.05
001-30-52400-5410	BOOKS, PUBS, SUBS & MEMBS	150.00	150.00	0.00	0.00	0.00	150.00
Department: 30 - COMMUNITY DEVELOPMENT Total:		**86,253.00**	**86,253.00**	**5,013.27**	**22,884.77**	**22,884.77**	**63,368.23**
Activity: 52400 - CODE COMPLIANCE Total:		**86,253.00**	**86,253.00**	**5,013.27**	**22,884.77**	**22,884.77**	**63,368.23**
Activity: 52410 - BUILDING							
Department: 30 - COMMUNITY DEVELOPMENT							
001-30-52410-1210	SALARIES	45,000.00	45,000.00	2,060.82	9,045.03	9,045.03	35,954.97
001-30-52410-2110	SOCIAL SECURITY TAXES	2,790.00	2,790.00	127.76	560.78	560.78	2,229.22
001-30-52410-2210	RETIREMENT	6,300.00	6,300.00	43.80	191.40	191.40	6,108.60
001-30-52410-2310	EMPLOYEE INSURANCE	14,260.00	14,260.00	681.39	3,409.32	3,409.32	10,850.68
001-30-52410-2410	WORKER'S COMPENSATION	170.00	170.00	0.00	21.47	21.47	148.53
001-30-52410-3000	MEDICARE INSURANCE	653.00	653.00	29.84	131.05	131.05	521.95
001-30-52410-3100	PROFESSIONAL SERVICES	80,000.00	80,000.00	0.00	0.00	0.00	80,000.00
001-30-52410-4010	TRAVEL & PER DIEM	500.00	500.00	0.00	0.00	0.00	500.00
001-30-52410-4906	OTHER CHARGES	500.00	500.00	0.00	0.00	0.00	500.00
001-30-52410-4930	TRAINING	250.00	250.00	0.00	0.00	0.00	250.00
001-30-52410-4946	LEGAL & RETAIL ADVERTISEMENTS	300.00	300.00	0.00	0.00	0.00	300.00
001-30-52410-5110	OFFICE SUPPLIES	100.00	100.00	0.00	0.00	0.00	100.00
001-30-52410-5290	OPERATING SUPPLIES	100.00	100.00	0.00	0.00	0.00	100.00
001-30-52410-5410	BOOKS, PUBS, SUBS & MEMBS	250.00	250.00	0.00	0.00	0.00	250.00
Department: 30 - COMMUNITY DEVELOPMENT Total:		**151,173.00**	**151,173.00**	**2,943.61**	**13,359.05**	**13,359.05**	**137,813.95**
Activity: 52410 - BUILDING Total:		**151,173.00**	**151,173.00**	**2,943.61**	**13,359.05**	**13,359.05**	**137,813.95**
Activity: 53800 - STORMWATER							
Department: 50 - PUBLIC WORKS							
001-50-53800-1210	SALARIES	66,500.00	66,500.00	4,226.94	17,759.62	17,759.62	48,740.38
001-50-53800-1410	OVERTIME	500.00	500.00	0.00	0.00	0.00	500.00
001-50-53800-2110	SOCIAL SECURITY TAXES	4,154.00	4,154.00	261.71	1,099.62	1,099.62	3,054.38
001-50-53800-2210	RETIREMENT	9,380.00	9,380.00	296.74	1,258.67	1,258.67	8,121.33
001-50-53800-2310	EMPLOYEE INSURANCE	25,290.00	25,290.00	1,360.51	6,032.58	6,032.58	19,257.42

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
001-50-53800-2410	WORKER'S COMPENSATION	3,490.00	3,490.00	0.00	1,508.28	1,508.28	1,981.72
001-50-53800-3000	MEDICARE INSURANCE	972.00	972.00	61.21	257.20	257.20	714.80
001-50-53800-3100	Professional Services	12,785.00	12,785.00	0.00	1,967.50	1,967.50	10,817.50
001-50-53800-4010	TRAVEL & PER DIEM	500.00	500.00	0.00	0.00	0.00	500.00
001-50-53800-4522	VEHICLE INSURANCE	1,298.00	1,298.00	0.00	644.43	644.43	653.57
001-50-53800-4615	FENCING AND LANDSCAPING	2,500.00	2,500.00	23.64	23.64	23.64	2,476.36
001-50-53800-4637	CURBS/GUTTERS/STORM DRAINS R&M	500.00	500.00	0.00	0.00	0.00	500.00
001-50-53800-5220	UNIFORMS	250.00	250.00	0.00	0.00	0.00	250.00
001-50-53800-5295	OPERATING SUPPLIES/JANITORIAL	250.00	250.00	0.00	5,625.00	5,625.00	-5,375.00
001-50-53800-5410	BOOKS, PUBS, SUBS & MEMBS	100.00	100.00	0.00	600.00	600.00	-500.00
001-50-53800-6310	INFRASTRUCTURE	1,429,728.00	1,429,728.00	8,287.45	26,783.95	26,783.95	1,402,944.05
	Department: 50 - PUBLIC WORKS Total:	**1,558,197.00**	**1,558,197.00**	**14,518.20**	**63,560.49**	**63,560.49**	**1,494,636.51**
	Activity: 53800 - STORMWATER Total:	**1,558,197.00**	**1,558,197.00**	**14,518.20**	**63,560.49**	**63,560.49**	**1,494,636.51**
Activity: 54100 - STREETS							
Department: 50 - PUBLIC WORKS							
001-50-54100-1210	SALARIES	66,500.00	66,500.00	4,226.94	17,759.62	17,759.62	48,740.38
001-50-54100-1410	OVERTIME	500.00	500.00	0.00	0.00	0.00	500.00
001-50-54100-2110	SOCIAL SECURITY TAXES	4,154.00	4,154.00	261.71	1,099.62	1,099.62	3,054.38
001-50-54100-2210	RETIREMENT	9,380.00	9,380.00	296.74	1,258.67	1,258.67	8,121.33
001-50-54100-2310	EMPLOYEE INSURANCE	25,290.00	25,290.00	1,360.51	6,054.84	6,054.84	19,235.16
001-50-54100-2410	WORKER'S COMPENSATION	3,490.00	3,490.00	0.00	1,588.34	1,588.34	1,901.66
001-50-54100-3000	MEDICARE INSURANCE	972.00	972.00	61.21	257.20	257.20	714.80
001-50-54100-3100	PROFESSIONAL SERVICES	0.00	0.00	0.00	6,170.00	6,170.00	-6,170.00
001-50-54100-4010	TRAVEL & PER DIEM	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00
001-50-54100-4310	ELECTRICITY	56,000.00	56,000.00	4,540.63	13,621.95	13,621.95	42,378.05
001-50-54100-4320	WATER	500.00	500.00	31.77	93.80	93.80	406.20
001-50-54100-4330	Solid Waste	3,500.00	3,500.00	140.93	3,008.60	3,672.53	-172.53
001-50-54100-4410	EQUIPMENT RENTAL	2,500.00	2,500.00	0.00	310.07	310.07	2,189.93
001-50-54100-4522	VEHICLE INSURANCE	2,607.00	2,607.00	0.00	644.43	644.43	1,962.57
001-50-54100-4610	VEHICLE R & M	3,500.00	3,500.00	7.63	487.80	487.80	3,012.20
001-50-54100-4615	FENCING AND LANDSCAPING	0.00	0.00	1,764.29	1,942.61	2,342.61	-2,342.61
001-50-54100-4623	HEAVY EQUIPMENT R & M	15,000.00	15,000.00	0.00	1,937.99	1,937.99	13,062.01
001-50-54100-4631	STREET REPAVING	10,000.00	10,000.00	103.62	380.74	4,458.86	5,541.14
001-50-54100-4636	TRAFFIC CONTROL/SIGNS R&M	3,000.00	3,000.00	0.00	13.60	13.60	2,986.40
001-50-54100-4930	TRAINING	1,000.00	1,000.00	600.00	600.00	600.00	400.00
001-50-54100-5110	OFFICE SUPPLIES	100.00	100.00	0.00	0.00	0.00	100.00
001-50-54100-5210	FUEL, OIL, & LUBRICANTS	3,700.00	3,700.00	290.97	844.55	844.55	2,855.45
001-50-54100-5220	UNIFORMS	250.00	250.00	0.00	0.00	0.00	250.00
001-50-54100-5221	PERSONAL PROTECTIVE EQUIPMENT	500.00	500.00	57.00	277.31	277.31	222.69
001-50-54100-5260	TOOLS	1,000.00	1,000.00	177.93	177.93	177.93	822.07
001-50-54100-5270	MACHINERY & EQUIPMENT	1,500.00	1,500.00	0.00	104.00	104.00	1,396.00
001-50-54100-5290	OPERATING SUPPLIES	4,000.00	4,000.00	0.00	48.15	507.15	3,492.85
001-50-54100-5410	BOOKS, PUBS, SUBS & MEMBS	100.00	100.00	0.00	92.00	92.00	8.00
001-50-54100-6310	INFRASTRUCTURE	4,293,338.00	4,293,338.00	0.00	0.00	0.00	4,293,338.00
001-50-54100-6410	MACHINERY & EQUIPMENT	50,000.00	50,000.00	0.00	5,859.33	5,859.33	44,140.67
	Department: 50 - PUBLIC WORKS Total:	**4,563,381.00**	**4,563,381.00**	**13,921.88**	**64,633.15**	**70,234.20**	**4,493,146.80**
	Activity: 54100 - STREETS Total:	**4,563,381.00**	**4,563,381.00**	**13,921.88**	**64,633.15**	**70,234.20**	**4,493,146.80**
Activity: 56200 - ANIMAL CONTROL							
Department: 30 - COMMUNITY DEVELOPMENT							
001-30-56200-3410	ANIMAL CONTROL	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00
	Department: 30 - COMMUNITY DEVELOPMENT Total:	**5,000.00**	**5,000.00**	**0.00**	**0.00**	**0.00**	**5,000.00**
	Activity: 56200 - ANIMAL CONTROL Total:	**5,000.00**	**5,000.00**	**0.00**	**0.00**	**0.00**	**5,000.00**
Activity: 57100 - LIBRARY							
Department: 71 - LIBRARY							
001-71-57100-1210	SALARIES	270,000.00	270,000.00	19,933.00	82,338.58	82,338.58	187,661.42
001-71-57100-1310	SALARIES - PART TIME	39,000.00	39,000.00	2,368.80	10,515.58	10,515.58	28,484.42
001-71-57100-2110	SOCIAL SECURITY TAXES	19,158.00	19,158.00	1,372.21	5,702.47	5,702.47	13,455.53

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
001-71-57100-2210	RETIREMENT	37,800.00	37,800.00	2,790.61	11,527.38	11,527.38	26,272.62
001-71-57100-2310	EMPLOYEE INSURANCE	56,360.00	56,360.00	3,012.81	18,133.26	18,133.26	38,226.74
001-71-57100-2410	WORKER'S COMPENSATION	500.00	500.00	0.00	164.78	164.78	335.22
001-71-57100-3000	MEDICARE INSURANCE	4,481.00	4,481.00	320.90	1,333.58	1,333.58	3,147.42
001-71-57100-4010	TRAVEL & PER DIEM	1,200.00	1,200.00	0.00	246.48	246.48	953.52
001-71-57100-4110	TELEPHONE & INTERNET	1,300.00	1,300.00	0.00	0.00	0.00	1,300.00
001-71-57100-4612	FURNITURE/EQUIP. R & M	500.00	500.00	0.00	0.00	0.00	500.00
001-71-57100-4710	PRINTING & BINDING	600.00	600.00	0.00	0.00	0.00	600.00
001-71-57100-4925	PROGRAM EXPENSES	1,900.00	1,900.00	30.16	117.59	117.59	1,782.41
001-71-57100-5110	OFFICE SUPPLIES	2,700.00	2,700.00	0.00	302.96	552.96	2,147.04
001-71-57100-5410	BOOKS, PUBS, SUBS & MEMBS	12,000.00	12,000.00	216.67	3,336.48	4,536.48	7,463.52
001-71-57100-5415	LIBRARY BOOK LEASES	6,800.00	6,800.00	0.00	0.00	0.00	6,800.00
001-71-57100-5417	LIBRARY E-BOOK LEASES	10,000.00	10,000.00	55.49	55.49	3,055.49	6,944.51
001-71-57100-5420	MEMBERSHIPS	1,000.00	1,000.00	142.00	883.00	883.00	117.00
	Department: 71 - LIBRARY Total:	**465,299.00**	**465,299.00**	**30,242.65**	**134,657.63**	**139,107.63**	**326,191.37**
	Activity: 57100 - LIBRARY Total:	**465,299.00**	**465,299.00**	**30,242.65**	**134,657.63**	**139,107.63**	**326,191.37**
Activity: 57200 - PARKS							
Department: 50 - PUBLIC WORKS							
001-50-57200-1210	SALARIES	160,500.00	160,500.00	10,187.71	42,688.30	42,688.30	117,811.70
001-50-57200-1410	OVERTIME	500.00	500.00	0.00	0.00	0.00	500.00
001-50-57200-2110	SOCIAL SECURITY TAXES	9,982.00	9,982.00	630.70	2,642.62	2,642.62	7,339.38
001-50-57200-2210	RETIREMENT	22,540.00	22,540.00	741.81	3,146.23	3,146.23	19,393.77
001-50-57200-2310	EMPLOYEE INSURANCE	61,880.00	61,880.00	3,356.02	14,867.10	14,867.10	47,012.90
001-50-57200-2410	WORKER'S COMPENSATION	8,720.00	8,720.00	0.00	3,770.70	3,770.70	4,949.30
001-50-57200-3000	MEDICARE INSURANCE	2,335.00	2,335.00	147.50	618.06	618.06	1,716.94
001-50-57200-3100	PROFESSIONAL SERVICES	0.00	0.00	3,478.00	3,478.00	3,478.00	-3,478.00
001-50-57200-4010	TRAVEL & PER DIEM	500.00	500.00	0.00	0.00	1,420.83	-920.83
001-50-57200-4310	ELECTRICITY	5,000.00	5,000.00	377.75	1,253.30	1,253.30	3,746.70
001-50-57200-4320	WATER	3,800.00	3,800.00	243.14	717.87	717.87	3,082.13
001-50-57200-4330	SOLID WASTE	500.00	500.00	0.00	0.00	0.00	500.00
001-50-57200-4521	PROPERTY INSURANCE	9,096.00	9,096.00	0.00	5,508.00	5,508.00	3,588.00
001-50-57200-4522	VEHICLE INSURANCE	1,298.00	1,298.00	0.00	644.44	644.44	653.56
001-50-57200-4611	BUILDING R & M	5,000.00	5,000.00	1,491.81	1,491.81	1,491.81	3,508.19
001-50-57200-4612	FURNITURE/EQUIP. R & M	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00
001-50-57200-4615	FENCING AND LANDSCAPING	6,000.00	6,000.00	954.66	9,077.11	11,049.88	-5,049.88
001-50-57200-5110	OFFICE SUPPLIES	100.00	100.00	0.00	0.00	0.00	100.00
001-50-57200-5210	FUEL, OIL, & LUBRICANTS	3,500.00	3,500.00	290.98	671.15	671.15	2,828.85
001-50-57200-5231	SEASONAL DECORATIONS	2,500.00	2,500.00	0.00	0.00	236.92	2,263.08
001-50-57200-5270	MACHINERY & EQUIPMENT	1,000.00	1,000.00	0.00	434.87	434.87	565.13
001-50-57200-5290	OPERATING SUPPLIES	0.00	0.00	0.00	358.80	358.80	-358.80
001-50-57200-5295	OPERATING SUPPLIES/JANITORIAL	2,500.00	2,500.00	185.26	484.52	1,046.01	1,453.99
001-50-57200-5410	BOOKS, PUBS, SUBS & MEMBS	100.00	100.00	25.63	165.63	205.63	-105.63
001-50-57200-5741	COMMUNITY EVENTS	10,000.00	10,000.00	848.50	8,288.98	8,288.98	1,711.02
001-50-57200-6310	INFRASTRUCTURE	1,275,000.00	1,275,000.00	466.00	725.00	95,680.46	1,179,319.54
	Department: 50 - PUBLIC WORKS Total:	**1,593,351.00**	**1,593,351.00**	**23,425.47**	**101,032.49**	**200,219.96**	**1,393,131.04**
	Activity: 57200 - PARKS Total:	**1,593,351.00**	**1,593,351.00**	**23,425.47**	**101,032.49**	**200,219.96**	**1,393,131.04**
Activity: 58100 - INTERFUND TRANSFER							
Department: 99 - NON DEPARTMENTAL							
001-99-58100-7120	LOAN DEBT PRINCIPAL	93,834.00	93,834.00	0.00	0.00	0.00	93,834.00
001-99-58100-7220	LOAN DEBT INTEREST	86,166.00	86,166.00	0.00	0.00	0.00	86,166.00
	Department: 99 - NON DEPARTMENTAL Total:	**180,000.00**	**180,000.00**	**0.00**	**0.00**	**0.00**	**180,000.00**
	Activity: 58100 - INTERFUND TRANSFER Total:	**180,000.00**	**180,000.00**	**0.00**	**0.00**	**0.00**	**180,000.00**
	Expense Total:	**11,653,052.00**	**11,653,052.00**	**446,269.88**	**1,150,247.57**	**1,280,243.48**	**10,372,808.52**
	Fund: 001 - GENERAL FUND Surplus (Deficit):	**-2,427,547.00**	**-2,427,547.00**	**1,097,919.74**	**1,371,179.37**	**1,241,183.46**	**-3,668,730.46**

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
Fund: 101 - DISCRETIONARY SALES SURTAX							
Revenue							
Department: 00 - UNDESIGNATED							
101-00-312600	DISCRETIONARY SALES SURTAXES	475,000.00	475,000.00	29,463.04	116,265.31	116,265.31	358,734.69
101-00-361100	INTEREST INCOME	20,000.00	20,000.00	7,373.27	27,299.38	27,299.38	-7,299.38
	Department: 00 - UNDESIGNATED Total:	**495,000.00**	**495,000.00**	**36,836.31**	**143,564.69**	**143,564.69**	**351,435.31**
	Revenue Total:	**495,000.00**	**495,000.00**	**36,836.31**	**143,564.69**	**143,564.69**	**351,435.31**

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
Expense							
Activity: 58100 - INTERFUND TRANSFER							
Department: 99 - NON DEPARTMENTAL							
101-99-58100-9001	INTERFUND TRANSFER	2,411,145.00	2,411,145.00	0.00	0.00	0.00	2,411,145.00
Department: 99 - NON DEPARTMENTAL Total:		**2,411,145.00**	**2,411,145.00**	**0.00**	**0.00**	**0.00**	**2,411,145.00**
Activity: 58100 - INTERFUND TRANSFER Total:		**2,411,145.00**	**2,411,145.00**	**0.00**	**0.00**	**0.00**	**2,411,145.00**
Expense Total:		**2,411,145.00**	**2,411,145.00**	**0.00**	**0.00**	**0.00**	**2,411,145.00**
Fund: 101 - DISCRETIONARY SALES SURTAX Surplus (Deficit):		**-1,916,145.00**	**-1,916,145.00**	**36,836.31**	**143,564.69**	**143,564.69**	**-2,059,709.69**

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
Fund: 410 - WATER/SEWER FUND							
Revenue							
Department: 00 - UNDESIGNATED							
410-00-343310	WATER UTIL REVENUE-OPER INCOME	1,284,234.00	1,284,234.00	105,216.40	455,077.82	455,077.82	829,156.18
410-00-343320	WATER UTIL - PENALTIES	15,000.00	15,000.00	2,919.06	11,552.75	11,552.75	3,447.25
410-00-343340	BACKFLOW PREVENTER INSPECTION F...	6,700.00	6,700.00	300.00	900.00	900.00	5,800.00
410-00-343351	TURN-ON & CUT-OFF FEES	12,000.00	12,000.00	330.00	1,560.00	1,560.00	10,440.00
410-00-343510	SEWER UTIL REV - OPER INCOME	1,838,163.00	1,838,163.00	150,923.56	653,045.40	653,045.40	1,185,117.60
410-00-343520	SEWER UTILITY PENALTIES	15,000.00	15,000.00	1,239.48	5,376.33	5,376.33	9,623.67
410-00-359000	OTHER REVENUE & RETURN CHECKS	200.00	200.00	-10.00	530.00	530.00	-330.00
410-00-361000	INTEREST AND OTHER EARNINGS	10,000.00	10,000.00	18,616.33	73,147.75	73,147.75	-63,147.75
410-00-361100	INTEREST - LEASES	0.00	0.00	0.00	-5,204.79	-5,204.79	5,204.79
410-00-369600	LEASE/RENTAL ELEVATED TANK REV	190,160.00	190,160.00	28,345.27	76,320.49	76,320.49	113,839.51
410-00-369900	MISCELLANEOUS REVENUE - OTHER	0.00	0.00	10,080.57	11,197.03	11,197.03	-11,197.03
410-00-384000	REVENUE FROM OTHER SOURCES	3,664,305.00	3,664,305.00	0.00	0.00	0.00	3,664,305.00
410-00-389300	GRANTS AND DONATIONS - STATE	1,000,000.00	1,000,000.00	0.00	0.00	0.00	1,000,000.00
	Department: 00 - UNDESIGNATED Total:	**8,035,762.00**	**8,035,762.00**	**317,960.67**	**1,283,502.78**	**1,283,502.78**	**6,752,259.22**
	Revenue Total:	**8,035,762.00**	**8,035,762.00**	**317,960.67**	**1,283,502.78**	**1,283,502.78**	**6,752,259.22**

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
Expense							
Activity: 53300 - WATER							
Department: 50 - PUBLIC WORKS							
410-50-53300-1210	SALARIES	106,000.00	106,000.00	9,762.09	43,885.78	43,885.78	62,114.22
410-50-53300-2110	SOCIAL SECURITY TAXES	6,572.00	6,572.00	604.12	2,713.39	2,713.39	3,858.61
410-50-53300-2210	RETIREMENT	14,840.00	14,840.00	725.86	3,312.02	3,312.02	11,527.98
410-50-53300-2310	EMPLOYEE INSURANCE	27,555.00	27,555.00	1,970.14	8,478.37	8,478.37	19,076.63
410-50-53300-2410	WORKER'S COMPENSATION	145.00	145.00	0.00	28.26	28.26	116.74
410-50-53300-3000	MEDICARE INSURANCE	1,537.00	1,537.00	141.34	634.79	634.79	902.21
410-50-53300-3100	PROFESSIONAL SERVICES	112,785.00	112,785.00	0.00	5,009.10	5,009.10	107,775.90
410-50-53300-3150	ENGINEERING, CONSULTING SERVICES	15,000.00	15,000.00	0.00	0.00	0.00	15,000.00
410-50-53300-3210	ACCOUNTING AND AUDITING	14,000.00	14,000.00	3,250.00	9,125.00	9,125.00	4,875.00
410-50-53300-3405	CONTRACT FOR SERVICES	850,000.00	850,000.00	70,348.48	281,393.92	281,393.92	568,606.08
410-50-53300-4100	POSTAGE & SHIPPING	5,500.00	5,500.00	371.43	1,113.04	1,113.04	4,386.96
410-50-53300-4110	TELEPHONE & INTERNET	1,000.00	1,000.00	200.86	803.45	803.45	196.55
410-50-53300-4320	Water	120,000.00	120,000.00	3,430.54	10,289.26	10,289.26	109,710.74
410-50-53300-4521	PROPERTY INSURANCE	34,847.00	34,847.00	0.00	22,981.13	22,981.13	11,865.87
410-50-53300-4613	GROUNDS MAINTENANCE	0.00	0.00	1,244.35	10,785.15	10,785.15	-10,785.15
410-50-53300-4617	WATER SYSTEMS MAINTENANCE	50,000.00	50,000.00	950.00	950.00	950.00	49,050.00
410-50-53300-4644	ELEVATED TANKS MAINTENANCE CO...	65,000.00	65,000.00	0.00	15,489.14	15,489.14	49,510.86
410-50-53300-4650	COMPUTER OPERATIONS AND MAINT...	25,000.00	25,000.00	513.25	1,477.25	1,477.25	23,522.75
410-50-53300-4710	PRINTING & BINDING	2,500.00	2,500.00	109.41	902.08	902.08	1,597.92
410-50-53300-4905	OPERATING PERMITS	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00
410-50-53300-4906	OTHER CHARGES	1,500.00	1,500.00	87.90	373.45	948.49	551.51
410-50-53300-4915	CREDIT CARD PROCESSING FEES	15,000.00	15,000.00	2,381.11	5,604.56	5,604.56	9,395.44
410-50-53300-4990	BAD DEBT EXPENSE	0.00	0.00	11.34	11.34	11.34	-11.34
410-50-53300-5270	MACHINERY & EQUIPMENT	65,000.00	65,000.00	0.00	0.00	0.00	65,000.00
410-50-53300-5290	OPERATING SUPPLIES	500.00	500.00	0.00	0.00	0.00	500.00
410-50-53300-5410	BOOKS, PUBS, SUBS & MEMBS	1,000.00	1,000.00	382.50	893.14	893.14	106.86
410-50-53300-6310	INFRASTRUCTURE	2,609,405.00	2,609,405.00	8,303.85	8,303.85	8,303.85	2,601,101.15
410-50-53300-6410	MACHINERY & EQUIPMENT	79,000.00	79,000.00	0.00	6,631.79	23,996.13	55,003.87
	Department: 50 - PUBLIC WORKS Total:	**4,224,686.00**	**4,224,686.00**	**104,788.57**	**441,189.26**	**459,128.64**	**3,765,557.36**
	Activity: 53300 - WATER Total:	**4,224,686.00**	**4,224,686.00**	**104,788.57**	**441,189.26**	**459,128.64**	**3,765,557.36**
Activity: 53500 - SEWER							
Department: 50 - PUBLIC WORKS							
410-50-53500-1210	SALARIES	106,000.00	106,000.00	9,761.99	43,885.36	43,885.36	62,114.64
410-50-53500-2110	SOCIAL SECURITY TAXES	6,572.00	6,572.00	604.05	2,712.96	2,712.96	3,859.04
410-50-53500-2210	RETIREMENT	14,840.00	14,840.00	725.71	3,311.32	3,311.32	11,528.68
410-50-53500-2310	EMPLOYEE INSURANCE	27,555.00	27,555.00	1,970.15	8,485.80	8,485.80	19,069.20
410-50-53500-2410	WORKER'S COMPENSATION	145.00	145.00	0.00	28.26	28.26	116.74
410-50-53500-3000	MEDICARE INSURANCE	1,537.00	1,537.00	141.19	634.19	634.19	902.81
410-50-53500-3100	PROFESSIONAL SERVICES	12,785.00	12,785.00	0.00	1,967.50	1,967.50	10,817.50
410-50-53500-3150	ENGINEERING, CONSULT. SERVICES & ...	15,000.00	15,000.00	0.00	0.00	0.00	15,000.00
410-50-53500-3210	ACCOUNTING AND AUDITING	14,000.00	14,000.00	3,250.00	9,125.00	9,125.00	4,875.00
410-50-53500-3405	CONTRACT FOR SERVICES	850,000.00	850,000.00	70,348.49	281,393.96	281,393.96	568,606.04
410-50-53500-4100	POSTAGE & SHIPPING	5,500.00	5,500.00	371.44	1,113.06	1,113.06	4,386.94
410-50-53500-4110	TELEPHONE & INTERNET	1,000.00	1,000.00	200.86	803.45	803.45	196.55
410-50-53500-4320	WATER	38,000.00	38,000.00	1,727.17	5,725.22	5,725.22	32,274.78
410-50-53500-4400	SPRAYFIELD RENTAL	13,800.00	13,800.00	0.00	13,791.70	13,791.70	8.30
410-50-53500-4521	PROPERTY INSURANCE	39,212.00	39,212.00	0.00	25,603.88	25,603.88	13,608.12
410-50-53500-4611	BUILDING R & M	3,500.00	3,500.00	0.00	0.00	0.00	3,500.00
410-50-53500-4613	GROUNDS MAINTENANCE	35,000.00	35,000.00	0.00	0.00	0.00	35,000.00
410-50-53500-4618	SEWER SYSTEMS MAINTENANCE	50,000.00	50,000.00	0.00	0.00	0.00	50,000.00
410-50-53500-4650	COMPUTER OPERATIONS AND MAINT...	25,000.00	25,000.00	513.25	1,477.25	1,477.25	23,522.75
410-50-53500-4710	PRINTING & BINDING	2,500.00	2,500.00	109.41	411.63	411.63	2,088.37
410-50-53500-4905	WTP/STP OPERATING PERMITS	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00
410-50-53500-4906	OTHER CHARGES	2,000.00	2,000.00	87.90	836.97	1,412.01	587.99
410-50-53500-4915	CREDIT CARD PROCESSING FEES	15,000.00	15,000.00	2,381.13	5,604.60	5,604.60	9,395.40
410-50-53500-4990	Bad Debt Expense Sewer	0.00	0.00	11.35	11.35	11.35	-11.35

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
410-50-53500-5290	OPERATING SUPPLIES	500.00	500.00	0.00	36.99	36.99	463.01
410-50-53500-5410	BOOKS, PUBS, SUBS & MEMBS	1,000.00	1,000.00	382.50	893.14	893.14	106.86
410-50-53500-6310	INFRASTRUCTURE	2,146,650.00	2,146,650.00	0.00	0.00	3,438,971.99	-1,292,321.99
410-50-53500-6410	MACHINERY & EQUIPMENT	224,500.00	224,500.00	1,134.00	1,921.24	1,921.24	222,578.76
	Department: 50 - PUBLIC WORKS Total:	**3,652,596.00**	**3,652,596.00**	**93,720.59**	**409,774.83**	**3,849,321.86**	**-196,725.86**
	Activity: 53500 - SEWER Total:	**3,652,596.00**	**3,652,596.00**	**93,720.59**	**409,774.83**	**3,849,321.86**	**-196,725.86**
Activity: 58100 - INTERFUND TRANSFER							
Department: 99 - NON DEPARTMENTAL							
410-99-58100-7120	SRF - LOAN PRINCIPAL	16,500.00	16,500.00	0.00	0.00	0.00	16,500.00
410-99-58100-7220	SRF LOAN INTEREST	3,300.00	3,300.00	0.00	0.00	0.00	3,300.00
	Department: 99 - NON DEPARTMENTAL Total:	**19,800.00**	**19,800.00**	**0.00**	**0.00**	**0.00**	**19,800.00**
	Activity: 58100 - INTERFUND TRANSFER Total:	**19,800.00**	**19,800.00**	**0.00**	**0.00**	**0.00**	**19,800.00**
	Expense Total:	**7,897,082.00**	**7,897,082.00**	**198,509.16**	**850,964.09**	**4,308,450.50**	**3,588,631.50**
	Fund: 410 - WATER/SEWER FUND Surplus (Deficit):	**138,680.00**	**138,680.00**	**119,451.51**	**432,538.69**	**-3,024,947.72**	**3,163,627.72**
	Report Surplus (Deficit):	**-4,205,012.00**	**-4,205,012.00**	**1,254,207.56**	**1,947,282.75**	**-1,640,199.57**	

Group Summary

Department	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
Fund: 001 - GENERAL FUND						
Revenue						
00 - UNDESIGNATED	9,225,505.00	9,225,505.00	1,544,189.62	2,521,426.94	2,521,426.94	6,704,078.06
Revenue Total:	**9,225,505.00**	**9,225,505.00**	**1,544,189.62**	**2,521,426.94**	**2,521,426.94**	**6,704,078.06**

Department	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
Expense						
Activity: 51100 - LEGISLATIVE						
11 - MAYOR AND CITY COUNCIL	73,675.00	73,675.00	2,515.08	17,787.56	20,042.56	53,632.44
Activity: 51100 - LEGISLATIVE Total:	**73,675.00**	**73,675.00**	**2,515.08**	**17,787.56**	**20,042.56**	**53,632.44**
Activity: 51200 - EXECUTIVE						
12 - CITY MANAGER	259,768.00	259,768.00	11,334.62	47,418.87	47,853.19	211,914.81
Activity: 51200 - EXECUTIVE Total:	**259,768.00**	**259,768.00**	**11,334.62**	**47,418.87**	**47,853.19**	**211,914.81**
Activity: 51300 - FINANCE						
13 - ADMINISTRATIVE SERVICES	128,835.00	128,835.00	13,306.72	50,552.33	51,187.33	77,647.67
Activity: 51300 - FINANCE Total:	**128,835.00**	**128,835.00**	**13,306.72**	**50,552.33**	**51,187.33**	**77,647.67**
Activity: 51310 - HUMAN RESOURCES						
13 - ADMINISTRATIVE SERVICES	70,114.00	70,114.00	2,048.18	16,801.25	17,841.25	52,272.75
Activity: 51310 - HUMAN RESOURCES Total:	**70,114.00**	**70,114.00**	**2,048.18**	**16,801.25**	**17,841.25**	**52,272.75**
Activity: 51400 - LEGAL						
14 - CITY ATTORNEY	70,000.00	70,000.00	2,978.11	9,440.61	9,440.61	60,559.39
Activity: 51400 - LEGAL Total:	**70,000.00**	**70,000.00**	**2,978.11**	**9,440.61**	**9,440.61**	**60,559.39**
Activity: 51500 - PLANNING AND ZONING						
30 - COMMUNITY DEVELOPMENT	169,678.00	169,678.00	3,948.20	19,731.50	19,731.50	149,946.50
Activity: 51500 - PLANNING AND ZONING Total:	**169,678.00**	**169,678.00**	**3,948.20**	**19,731.50**	**19,731.50**	**149,946.50**
Activity: 51600 - NON-COURT INFORMATION SYSTEMS						
16 - CITY CLERK	185,115.00	185,115.00	188.34	27,962.41	29,798.31	155,316.69
Activity: 51600 - NON-COURT INFORMATION SYSTEMS Total:	**185,115.00**	**185,115.00**	**188.34**	**27,962.41**	**29,798.31**	**155,316.69**
Activity: 51610 - INFORMATION TECHNOLOGY						
13 - ADMINISTRATIVE SERVICES	125,094.00	125,094.00	2,923.14	30,375.10	35,608.13	89,485.87
Activity: 51610 - INFORMATION TECHNOLOGY Total:	**125,094.00**	**125,094.00**	**2,923.14**	**30,375.10**	**35,608.13**	**89,485.87**
Activity: 51900 - GENERAL GOVERNMENT						
99 - NON DEPARTMENTAL	70,732.00	70,732.00	-300.00	36,381.97	36,626.32	34,105.68
Activity: 51900 - GENERAL GOVERNMENT Total:	**70,732.00**	**70,732.00**	**-300.00**	**36,381.97**	**36,626.32**	**34,105.68**
Activity: 51910 - FACILITIES						
50 - PUBLIC WORKS	498,965.00	498,965.00	16,153.47	124,049.44	133,129.23	365,835.77
Activity: 51910 - FACILITIES Total:	**498,965.00**	**498,965.00**	**16,153.47**	**124,049.44**	**133,129.23**	**365,835.77**
Activity: 52100 - LAW ENFORCEMENT						
20 - PUBLIC SAFETY	285,334.00	285,334.00	22,836.67	91,346.68	91,346.68	193,987.32
Activity: 52100 - LAW ENFORCEMENT Total:	**285,334.00**	**285,334.00**	**22,836.67**	**91,346.68**	**91,346.68**	**193,987.32**
Activity: 52200 - FIRE						
20 - PUBLIC SAFETY	1,113,088.00	1,113,088.00	278,272.27	278,272.27	278,272.27	834,815.73
Activity: 52200 - FIRE Total:	**1,113,088.00**	**1,113,088.00**	**278,272.27**	**278,272.27**	**278,272.27**	**834,815.73**
Activity: 52400 - CODE COMPLIANCE						
30 - COMMUNITY DEVELOPMENT	86,253.00	86,253.00	5,013.27	22,884.77	22,884.77	63,368.23
Activity: 52400 - CODE COMPLIANCE Total:	**86,253.00**	**86,253.00**	**5,013.27**	**22,884.77**	**22,884.77**	**63,368.23**
Activity: 52410 - BUILDING						
30 - COMMUNITY DEVELOPMENT	151,173.00	151,173.00	2,943.61	13,359.05	13,359.05	137,813.95
Activity: 52410 - BUILDING Total:	**151,173.00**	**151,173.00**	**2,943.61**	**13,359.05**	**13,359.05**	**137,813.95**
Activity: 53800 - STORMWATER						
50 - PUBLIC WORKS	1,558,197.00	1,558,197.00	14,518.20	63,560.49	63,560.49	1,494,636.51
Activity: 53800 - STORMWATER Total:	**1,558,197.00**	**1,558,197.00**	**14,518.20**	**63,560.49**	**63,560.49**	**1,494,636.51**
Activity: 54100 - STREETS						
50 - PUBLIC WORKS	4,563,381.00	4,563,381.00	13,921.88	64,633.15	70,234.20	4,493,146.80
Activity: 54100 - STREETS Total:	**4,563,381.00**	**4,563,381.00**	**13,921.88**	**64,633.15**	**70,234.20**	**4,493,146.80**
Activity: 56200 - ANIMAL CONTROL						
30 - COMMUNITY DEVELOPMENT	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00
Activity: 56200 - ANIMAL CONTROL Total:	**5,000.00**	**5,000.00**	**0.00**	**0.00**	**0.00**	**5,000.00**
Activity: 57100 - LIBRARY						
71 - LIBRARY	465,299.00	465,299.00	30,242.65	134,657.63	139,107.63	326,191.37

Department	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
Activity: 57100 - LIBRARY Total:	**465,299.00**	**465,299.00**	**30,242.65**	**134,657.63**	**139,107.63**	**326,191.37**
Activity: 57200 - PARKS						
50 - PUBLIC WORKS	1,593,351.00	1,593,351.00	23,425.47	101,032.49	200,219.96	1,393,131.04
Activity: 57200 - PARKS Total:	**1,593,351.00**	**1,593,351.00**	**23,425.47**	**101,032.49**	**200,219.96**	**1,393,131.04**
Activity: 58100 - INTERFUND TRANSFER						
99 - NON DEPARTMENTAL	180,000.00	180,000.00	0.00	0.00	0.00	180,000.00
Activity: 58100 - INTERFUND TRANSFER Total:	**180,000.00**	**180,000.00**	**0.00**	**0.00**	**0.00**	**180,000.00**
Expense Total:	**11,653,052.00**	**11,653,052.00**	**446,269.88**	**1,150,247.57**	**1,280,243.48**	**10,372,808.52**
Fund: 001 - GENERAL FUND Surplus (Deficit):	**-2,427,547.00**	**-2,427,547.00**	**1,097,919.74**	**1,371,179.37**	**1,241,183.46**	**-3,668,730.46**

Department	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
Fund: 101 - DISCRETIONARY SALES SURTAX						
Revenue						
00 - UNDESIGNATED	495,000.00	495,000.00	36,836.31	143,564.69	143,564.69	351,435.31
Revenue Total:	**495,000.00**	**495,000.00**	**36,836.31**	**143,564.69**	**143,564.69**	**351,435.31**

Department	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
Expense						
Activity: 58100 - INTERFUND TRANSFER						
99 - NON DEPARTMENTAL	2,411,145.00	2,411,145.00	0.00	0.00	0.00	2,411,145.00
Activity: 58100 - INTERFUND TRANSFER Total:	**2,411,145.00**	**2,411,145.00**	**0.00**	**0.00**	**0.00**	**2,411,145.00**
Expense Total:	**2,411,145.00**	**2,411,145.00**	**0.00**	**0.00**	**0.00**	**2,411,145.00**
Fund: 101 - DISCRETIONARY SALES SURTAX Surplus (Deficit):	**-1,916,145.00**	**-1,916,145.00**	**36,836.31**	**143,564.69**	**143,564.69**	**-2,059,709.69**

Department		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
Fund: 410 - WATER/SEWER FUND							
Revenue							
00 - UNDESIGNATED		8,035,762.00	8,035,762.00	317,960.67	1,283,502.78	1,283,502.78	6,752,259.22
	Revenue Total:	**8,035,762.00**	**8,035,762.00**	**317,960.67**	**1,283,502.78**	**1,283,502.78**	**6,752,259.22**

Department	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
Expense						
Activity: 53300 - WATER						
50 - PUBLIC WORKS	4,224,686.00	4,224,686.00	104,788.57	441,189.26	459,128.64	3,765,557.36
Activity: 53300 - WATER Total:	**4,224,686.00**	**4,224,686.00**	**104,788.57**	**441,189.26**	**459,128.64**	**3,765,557.36**
Activity: 53500 - SEWER						
50 - PUBLIC WORKS	3,652,596.00	3,652,596.00	93,720.59	409,774.83	3,849,321.86	-196,725.86
Activity: 53500 - SEWER Total:	**3,652,596.00**	**3,652,596.00**	**93,720.59**	**409,774.83**	**3,849,321.86**	**-196,725.86**
Activity: 58100 - INTERFUND TRANSFER						
99 - NON DEPARTMENTAL	19,800.00	19,800.00	0.00	0.00	0.00	19,800.00
Activity: 58100 - INTERFUND TRANSFER Total:	**19,800.00**	**19,800.00**	**0.00**	**0.00**	**0.00**	**19,800.00**
Expense Total:	**7,897,082.00**	**7,897,082.00**	**198,509.16**	**850,964.09**	**4,308,450.50**	**3,588,631.50**
Fund: 410 - WATER/SEWER FUND Surplus (Deficit):	**138,680.00**	**138,680.00**	**119,451.51**	**432,538.69**	**-3,024,947.72**	**3,163,627.72**
Total Surplus (Deficit):	**-4,205,012.00**	**-4,205,012.00**	**1,254,207.56**	**1,947,282.75**	**-1,640,199.57**	

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	YTD Activity + Encumbrances	Budget Remaining
001 - GENERAL FUND	-2,427,547.00	-2,427,547.00	1,097,919.74	1,371,179.37	1,241,183.46	-3,668,730.46
101 - DISCRETIONARY SALES ...	-1,916,145.00	-1,916,145.00	36,836.31	143,564.69	143,564.69	-2,059,709.69
410 - WATER/SEWER FUND	138,680.00	138,680.00	119,451.51	432,538.69	-3,024,947.72	3,163,627.72
Total Surplus (Deficit):	**-4,205,012.00**	**-4,205,012.00**	**1,254,207.56**	**1,947,282.75**	**-1,640,199.57**	

Mary Esther Public Works Report February 2024

Current and Completed Projects:

1. Completed sidewalk installation on Brian Circle from water line leak and completed Driveway and Curb repairs on Azalea from water line leak and dressed in sod installing a total of four yards of concrete.
2. Completed tasks and compliance statements involving FEMA funding for Misty Lane Pier to help get funding and order signed. Crews installed additional railing not in bid and order beacon light, required signage, and built two monofilament recycling bins also required for FEMA funding. Final inspection was completed.
3. Fix irrigation system in the Springdale Community Garden.
4. Trenched, dug, and repaired Mary Ester Blvd. Irrigation and Damage by DOT contractors.
5. Crack Sealing in Brian Circle/Mary Esther Manor is 90% complete.
6. Competed all of Road Inspections with the new Road Surface Management System
7. Received pricing on generator install which was beyond the budget so began working with Jacobs Engineering on a change of the in-kind project to update existing generator components not replaced last May and to purchase vacuum trailer and additional bypass pump.
8. Received track loader and employees began training.
9. Received bids on Rays Pond. Held coordination meeting on the rest of the Springdale drainage improvements with both Jacobs and Kimberly Horn.
10. Work continues to Well 1 and coordinated tasks with the power company.
11. Contractor awarded Firehall and Library Remodel project declined to sign bid document so new contractors are being sought after by our Architect.
12. Crews patched potholes in seven areas including Misty Water, Lane Drive, Azaela Driveways, 98 Driveway, Shop Cut and working on a large patch on Ridgelake Drive
13. Helped with coordination of Highway 98 Water line break.
14. Director Completed Training and past test for Stormwater Certified Inspector
15. The director attended a course for Certified Playground Inspector and should receive notification of passing or failing in 6 weeks.
16. Installed fiber from Maintenance Building to Library to facilitate having both City Hall, Maintenance, and Library on one account.

Upcoming Project

1. Completion of Brian Circle crack sealing.
2. Removal of trees and limbs around wells and sewer plants which is not expected to be completed this season.
3. Continued pothole patching
4. Bids to go out on Sewer Vacuum Truck, Bypass Pump, Generator Maintenance, and replacement components if approved.
5. Begin collaborating with architects on City Hall Design
6. Complete 5-year maintenance strategy for Roads.
7. Complete street sign inspections.
8. Begin sidewalk Inspection.

9. See new bids for Fire Hall Bathroom Renovation and Library Renovation
10. Windy Lane Bridge are coming up with a long-term solution to easement issues and recuring breaks.
11. Ordering equipment and interviews of new hires.

Mary Esther Public Library -- Report for Council

March 4, 2024

Circulation

	Circulation	Digital Circulation	Library Visits	Registered Users	Internet Use	Wireless Access
Apr-22	2924	797	2107	2405	290	84
May-22	3177	844	2336	2637	240	134
Jun-22	3677	945	2434	2258	268	83
Jul-22	4057	850	3179	2233	235	116
Aug-22	4137	1011	2735	2275	255	112
Sep-22	3915	887	2565	2288	244	91
Dec-22	3283	747	2280	2350	226	70
Jan-23	4218	852	2444	2300	256	101
Mar-23	3923	860	2723	2331	304	87
Apr-23	3483	866	2615	2366	270	56
May-23	3469	844	2663	2364	287	74
Jun-23	3925	895	2973	2379	241	81
Jul-23	4162	930	3236	2358	280	86
Aug-23	4133	998	2754	2377	282	72
Sep-23	3779	1023	2831	2393	277	62
Oct-23	3389	1315	3212	2404	103	103
Nov-23	3367	1249	2804		200	63
Dec-23	2404	1308	1795	2388	266	49
Jan-24	3920	1340	2215	2440	229	94

Library Special Events

The **OCPLC libraries will be partnering with the American Heart Association** to provide blood pressure monitoring stations in the six libraries. They will provide each library with five easy to use blood pressure cuffs, which will be checked out to library members, and a supply of appropriate literature and information about screening events will be included. There will be a referral system in place so that uninsured individuals are able to look into medical care as needed. The ***Libraries with Heart*** program should begin in March.

OCPLC libraries will be having the annual ***Staff Training & Development Day*** on Friday, April 26 at the Niceville Community Center. All libraries will be closed for the training. Mary Esther Library staff will be doing a presentation on ***"Bringing Communities Together with Adult and Family Programming".***

On February 19, library staff coordinated a new program to participate in ***The Great Backyard Bird Count***. Volunteers from the local Audubon chapter gave a talk, and guided attendees on a nature walk to spot and identify local bird species. We provided binoculars, and participants were given "go bags", which included bird food and informational brochures.

The third ***Adult Lego Night*** will be March 6. The evening's theme will be building the **Disney Castle**. The Friends of the Mary Esther Library have purchased all three of the large Lego kits for these events.

Youth Services will conduct an off-site **S.T.E.M.** instructional event at **Mary Esther Elementary School** the evening of March 7.

The Library is now hosting the neighborhood **Bunco Group** on the third Friday afternoon of the month.

Library Programs and Classes

Youth Services introduced a **new program** in February, the ***'Mommy and Me Book Club'.*** Parents have an opportunity to discuss books and share, in an environment that the babies and toddlers can play and be safe.

The Library hosts a monthly **Puzzle Exchange and Social Hour** for those who want to share puzzles, helpful hints, or pictures of their creations. This group meets the second Tuesday at 2:00.

'LoveCraft?' adult crafting class is held the third Wednesday at 4:00. '***All We Need is Hue'*** adult coloring class is the second Monday at 10:30. '***All About Books'*** book discussion group meets the third Wednesday at 10:30. ***'It's a Mystery'*** book club meets the first Monday at 10:30.

Baby Lapsit Storytime for ages 0-2 is held three Wednesday mornings per month. ***Pre-K Storytime*** for ages 3-6 is on Thursday mornings. The '***Lego Club'*** meets the third Saturday morning of each month.

Youth Services goes to **Youth Village** on Friday mornings to do **Storytime outreach** during the school year.

Saturday Monthly Movie Matinees are one Saturday afternoon per month, TBA.

Monthly ***STEAM*** classes for ages 9-14 are the first Saturday of the month.

'Roll With It' D & D group for teens and young adults meets the second Saturday of the month.

Staff Training

Two staff members will attend a circulation policy and best practices workshop in Niceville on March 12.

Youth Services will attend the annual PLAN Summer Library Program conference on March 22.

OCPLC Governing Board

The next meeting of the Governing Board will be Wednesday, **March 27, 2024** at 2:00 p.m. in Niceville. Cmbr. Bernie Oder is Mary Esther's Governing Board Representative.

Ocean City-Wright Fire Control District

February 22, 2024

TO: Honorable Mayor and Council Members, City of Mary Esther
RE: Monthly Report, Fire Department, January 20th, 2024 – February 20th, 2024

Mayor and Council Members,

We have recently added five new members to our organization. Two of the five were our scholarship recipients for 2023 who recently graduated from the Fire Academy at Northwest Florida State College. Another was a classmate of theirs and the final two were recent graduates of the Fire Academy at Gulf Coast State College. The group of five completed a week of new hire orientation which included an introduction to the organization and several days of emergency scene and fire ground training. They all performed well during this time, and we anticipate them having long and successful careers with us.

Our personnel use these cooler months of the year to conduct much of our more physically demanding training. Early this week we conducted live fire training in our connex box training facility behind Firehouse 1. We use this type of training to introduce new firefighters to what they can expect entering a burning building. It is a good opportunity for them to experience the heat and smoke conditions of a structure fire without the adrenaline and pressure of an actual fire event.

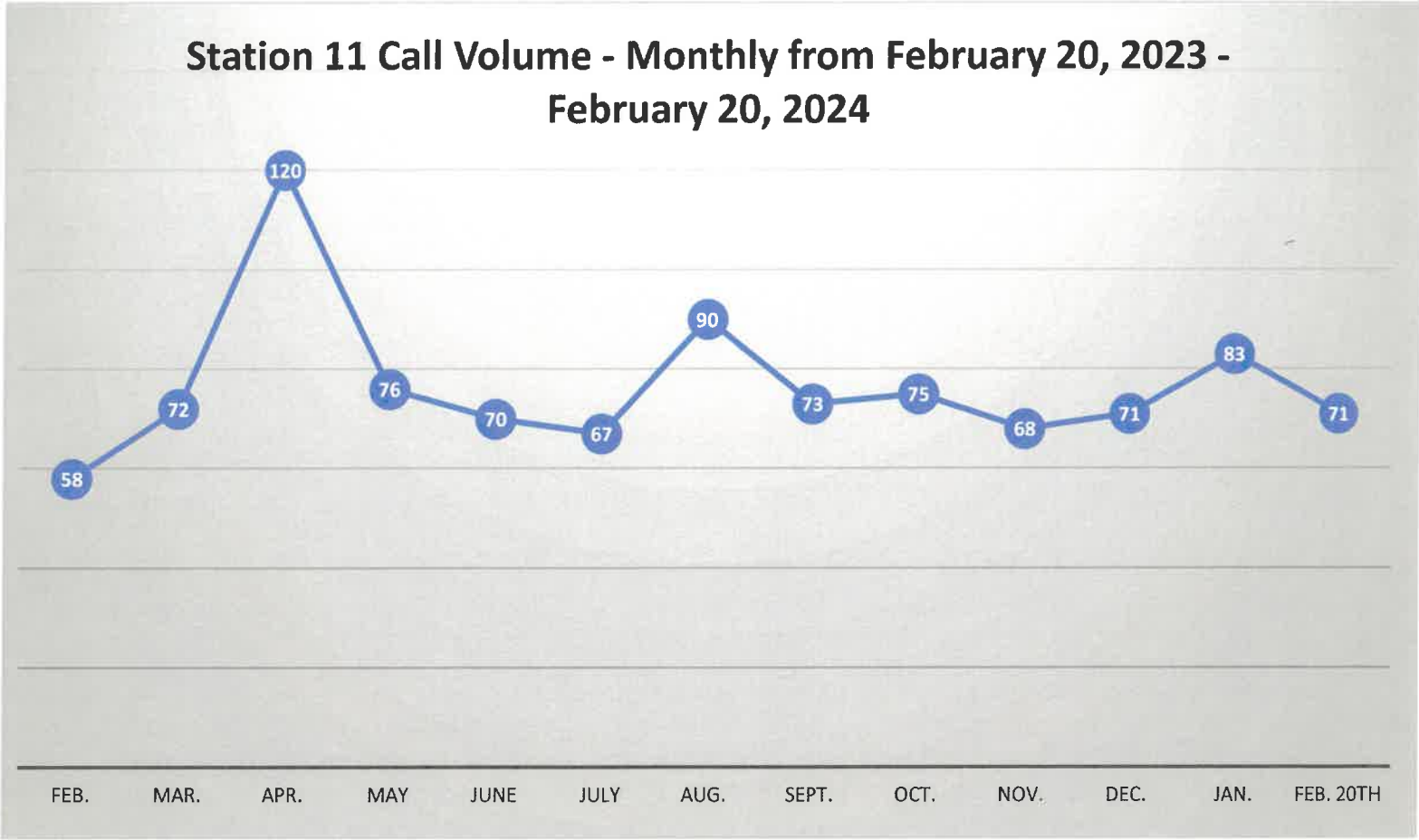
As I reported last month, our accreditation hearing with the Commission for Fire Accreditation International is scheduled for next Wednesday, February 28th. I, our accreditation manager, and two of our chief officers will be going to Orlando to sit before the commission and represent our organization. We fully expect to return an accredited agency.

During this reporting period, our Inspections Division has completed 22 annual inspections and 12 re-inspections, two new business inspections, and one special event inspection, which completes all inspections scheduled for February 2024. Engine 11 responded to 83 calls for service.

Respectfully,

Jeff Wagner, Fire Chief

233 RACETRACK RD, NE. FORT WALTON BEACH, FL 32547
(850)862-1185 (850)862-6224 FAX



Ocean City-Wright Fire Control District

STATION COUNT

OCW Station 1: 251

OCW Station 2: 111

OCW Station 3: 125

OCW Station 11: 71

TOTAL: 559

233 RACETRACK RD, NE. FORT WALTON BEACH, FL 32547
(850)862-1185 (850)862-6224 FAX

COMMUNITY DEVELOPMENT DEPARTMENT
Monthly Activity Report

Reporting Period
January 27, 2024 – February 23, 2024

Code Enforcement

Activities			
Release of lien	1	Complaints	10
Notice of compliance	1	Inspection	15
Agency Assist	3	Consultations	10
Verbal Warning	6	Advisements On Codes to Citizens	10
Notice of violations	4	Courtesy Notice	4

Permitting

Permit Type	
Land Clearing	1
Fence	5
Driveway	1
Tent sale	1
Inspections	8

- Code Compliance is working with Wendy's on fixing the marquee sign and the drainage area in the back of their parking lot. This will help relieve multiple complaints from the adjacent neighborhood located at Shrewsbury Road. *Update, Wendys has cleared the area and is now working on removing some dead trees from this area.
- Sonic has received similar complaints from the neighborhood of Shrewsbury. As of Friday February 23, 2024 Sonic has also complied with the drainage area clearing at the back of the parking lot.
-

February 23, 2024

Mr. Jared Cobb
City Manager
City of Mary Esther
195 Christobal Road
Mary Esther, Florida 32569

Dear Mr. Cobb,

I have compiled the ongoing activities for the Jacobs Mary Esther Florida Project for January 2024.

GENERAL

With the new Utility Billing Administrator onboard we are working closely with them to correct issues with the database and billing information.
Well 1 rehab project is ongoing and on schedule.
Springdale Park renovation is ongoing and on schedule.
All residential sampling ports for water residual testing have been installed. This is a value add being done by Jacobs for the city.
This Project currently holds the following Florida State Licenses:

- 1 Class 3 Distribution Water License
- 3 Class C Wastewater Licenses
- 4 Class C Water Licenses
- 5 Backflow Certifications

There was 3 Call-Out's in January:

- 01/04/24 – 2" Main Break – 3 Windy Lane;
  - Flushed, Cl2 residuals monitored, and repaired on 01/05/24.
- 01/14/24 – 8" Main Break – 250 E. Miracle Strp;
  - Repaired within 10hrs.
- 01/18/24 – 8" Main Break – 250 E. Miracle Strp;
  - Reconnected section of 8" main from previous repair. Completed in 8hrs.

Link to completed Work Orders for January:
MAE-Monthly Completed Work Order Summary

Safety and training:

- Weekly Safety Meetings.

- Several associates are studying for certification exams.
- Associates doing online safety training courses.
- Cross training associates to work in all areas of responsibility.

. ***The plant has been accident and injury free for 984 days.***

WASTEWATER TREATMENT
All required reports were submitted on time.
All required laboratory testing was completed per our permit.
Valve exercising on the plant is complete for this fiscal year.

Wastewater plant 1 is out of service and the equipment that is operational is being maintained and exercised. Design for rehab is halted pending an engineering study on going to the county. Preventive maintenance was performed on all operational equipment.

Clarifier 2
- Gearbox has been unfastened and removed by Jacobs Major Maintenance
- Gearbox is in repair shop currently

Spray field
Equipment is in service and ready for cutting. Spray heads are being repaired or replaced as needed.
The motor for pump two has been received. Shaft for pump two has been pulled and sent for repair.
Preventive maintenance was performed on all operational equipment.

SANITARY SEWER COLLECTION AND LIFT STATIONS
All lift stations were cleaned, and residual grease removed.
The grounds were mowed, and all litter removed.
Preventive maintenance was performed on all operational equipment.
All generators were load tested.

At Hurlburt Field station there is only one pump available with the auxiliary diesel engine. The other backup diesel engine needs repair or replacement. Quotes on repair were quite high and we are now considering replacing the auxiliary engines with a generator. This is included in the master plan.

WATER TREATMENT AND DISTRIBUTION

August 2023 Water Well Production was 13,000,000 gallons
Running annual average unaccounted-for water: 8.0%.
Preventive maintenance was performed on all operational equipment.
All permit required testing was performed with satisfactory results.
All Water wells are operational and producing, except for well 1.
Flushed several water lines and fire hydrants.
All operational equipment is being maintained and exercised per manufacturer's recommendations.

METER READING

Total number of meters read: 2,111.
Total number of Rereads: 22, (1.1%). The national average is 5%

If you have any questions regarding the monthly report, please feel free to contact me at your convenience.

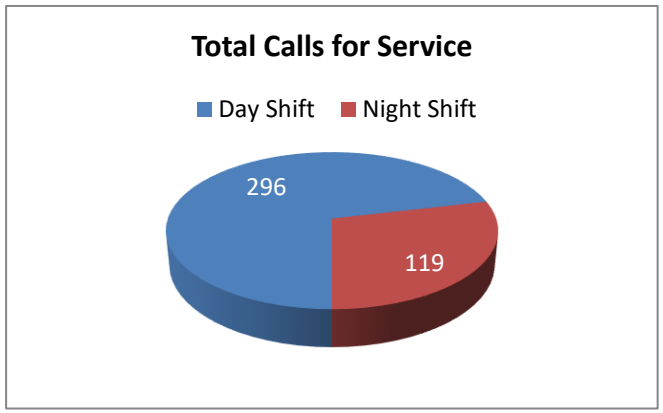
Sincerely,

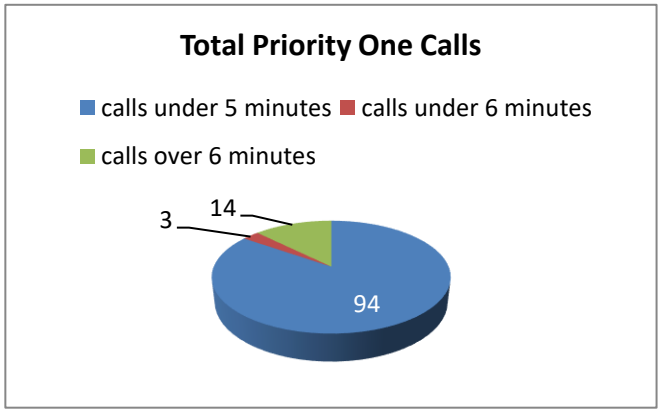
Randall Killian
Project Manager
Jacobs Eng. Group

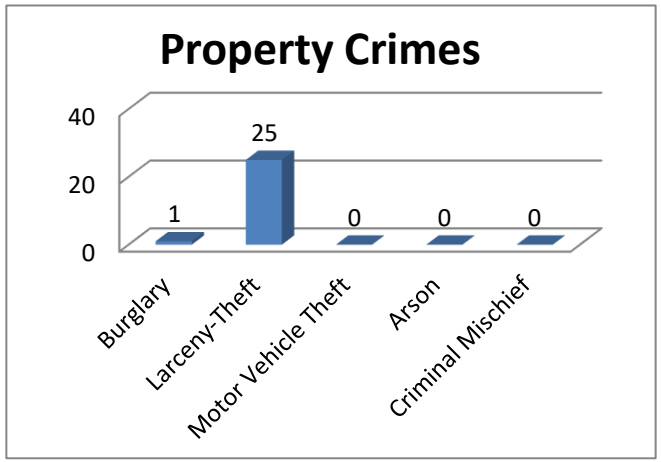
Cc : Project file
Kyle Holder

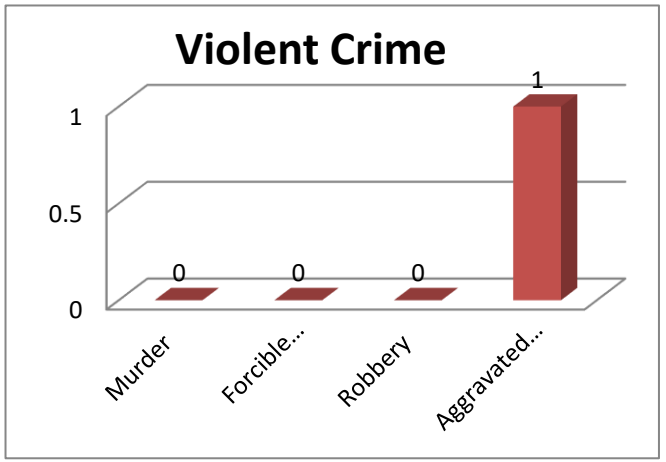
MARY ESTHER CHART Jan 2024

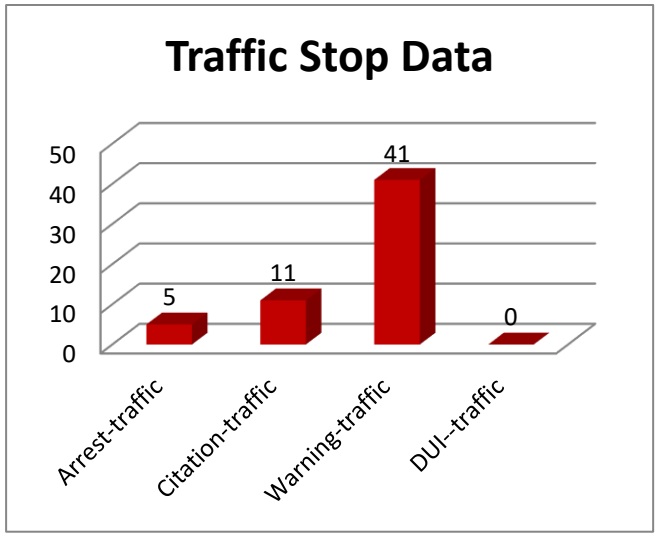
Total Calls for Service	**415**
Day Shift	296
Night Shift	119
Priority 1 Calls	**111**
calls under 5 minutes	94
calls under 6 minutes	3
calls over 6 minutes	14
Property Crimes	**26**
Burglary	1
Larceny-Theft	25
Motor Vehicle Theft	0
Arson	0
Criminal Mischief	0
Violent Crime	**1**
Murder	0
Forcible Rape	0
Robbery	0
Aggravated Assault	1
Traffic Violations-stops	**57**
Arrest-traffic	5
Citation-traffic	11
Warning-traffic	41
DUI--traffic	0
Marine Violations	**0**
Marine Citations	0
Marine Warnings	0
Marine Crashes	0
Traffic Crash	**12**
Traffic crash w/injuries	2
Traffic crash w/o injuries	10
Traffic Crash-Fatal	0

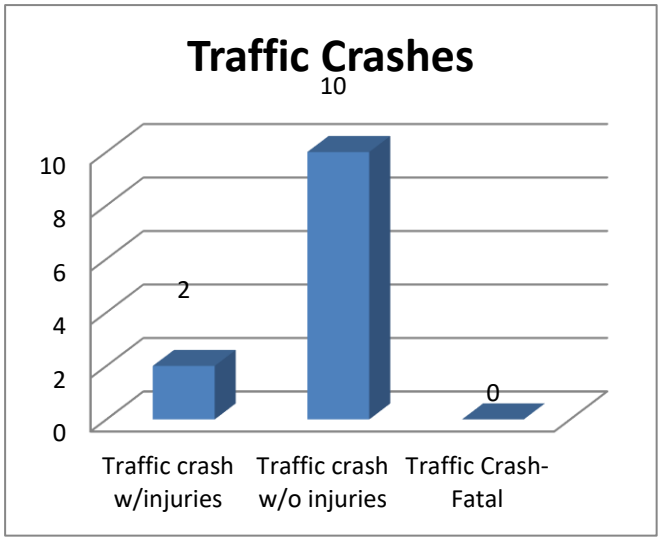












City Ord. Violations **0** **Distressed Swimmers** **0** **Drownings** **0**

Prepared by Crime Analyst Katie Parker on Feb 2, 2024

AGENDA ITEM

Agenda Item 11.1.

TO: Honorable Mayor and Members of the City Council

FROM: Shawn Lindsey

DATE: March 4, 2024

SUBJECT: Architectural Services Task Order for New City Hall

BACKGROUND:
302 Mary Esther Boulevard was acquired to become the new Mary Esther City Hall. The next phase is to award the architectural contract.

DISCUSSION:
Florida Architects, Inc was selected to assist the city with architectural services and have developed the task order #2 City Hall Adaptive Re-Use Project continuing our existing Contract RFQ #2021.

FINANCIAL IMPACT:
The fee associated with this task order is $54,991.00 plus up to $2,500 in reimbursable expenses.

RECOMMENDATION:
Motion to award Task Order #2 City Hall Adaptive Re-Use Project.

ATTACHMENT(S):
1. Task Order - City Hall Adaptive Re-Use Project
2. Exhibit A

The City of Mary Esther, Florida

Florida Architects, Inc. Proposal
for Professional AE Services
Exhibit "2" to the Owner-Architect Agreement

Task Order #2

City Hall Adaptive Re-Use Project

Continuing Contract RFQ #2021

NOTICE TO PROCEED

You are hereby notified to commence WORK in accordance with this NOTICE TO PROCEED dated February 22, 2024 and you are to complete the work within the calendar days specified in the attached Architect's Proposal dated February 8, 2024.

Section I. BACKGROUND

Location – 302 Mary Esther Blvd in the City of Mary Esther, Florida 32569.

Section II. SCOPE OF SERVICES

Provide design services for: Task #2 – City Hall Adaptive Re-Use Project. Services include Design and Construction Administration Services as per attached Architect's Proposal dated February 8, 2024 and as required by the Owner-Architect Agreement dated June 21, 2021.

Section III. DELIVERABLES

As per Scope of Services for design documents as included in the Owner-Architect Agreement, dated June 21, 2021 and the attached Architect's Proposal dated February 8, 2024.

Section IV. SCHEDULE

As outlined within the Notice to Proceed and the attached Architect's Proposal dated February 8, 2024, unless otherwise approved by the City of Mary Esther, City Manager.

Section V. METHOD OF COMPENSATION

Per the Design Services Contract between the City of Mary Esther Board of City Commissioners and Florida Architects, Inc. Task # in the amount of $54,991.00 Fee plus Reimbursable Expenses Not-To-Exceed $2,500 invoiced according to the Owner-Architect Agreement, dated June 21, 2021 and as described in attached Architect's Proposal dated February 8, 2024.

City of Mary Esther, FL Contact:

Mr. Jared Cobb, City Manager of Mary Esther
195 Christobal Road
Mary Esther, FL 32569
850.243.3566 ext 14
(Via: cmgr@cityofmaryesther.com)

Attachment (2)

1. Florida Architects, Inc. Task #2 Proposal dated February 8, 2024
2. FL DMS AE Fee Guideline Cost Worksheets

Florida Architects, Inc.

Digitally signed by Joseph J. Sorci
DN: cn=Joseph J. Sorci, o, ou, email=jsorci@floridaarchitects.com, c=US
Date: 2024.02.08 11:25:01 -06'00'

Joseph J. Sorci, AIA, President

02/08/24
Date

City of Mary Esther, Florida

Mr. Jared Cobb, City Manager of Mary Esther

Date

NEW CITY HALL FROM EXISTING BANK ADAPTIVE RE-USE PROJECT
THE CITY OF MARY ESTHER
Proposal for Professional Architectural & Engineering Services
Date: February 8, 2024

To: Mr. Jared Cobb, City Manager
City of Mary Esther, FL
195 Christobal Rd
Mary Esther, FL 32569
850-243-3566 Ext 114
(Via: cmgr@cityofmaryesther.com)

Re: PROPOSED TASK ORDER #2: NEW CITY HALL FROM EXISTING BANK ADAPTIVE RE-USE PROJECT

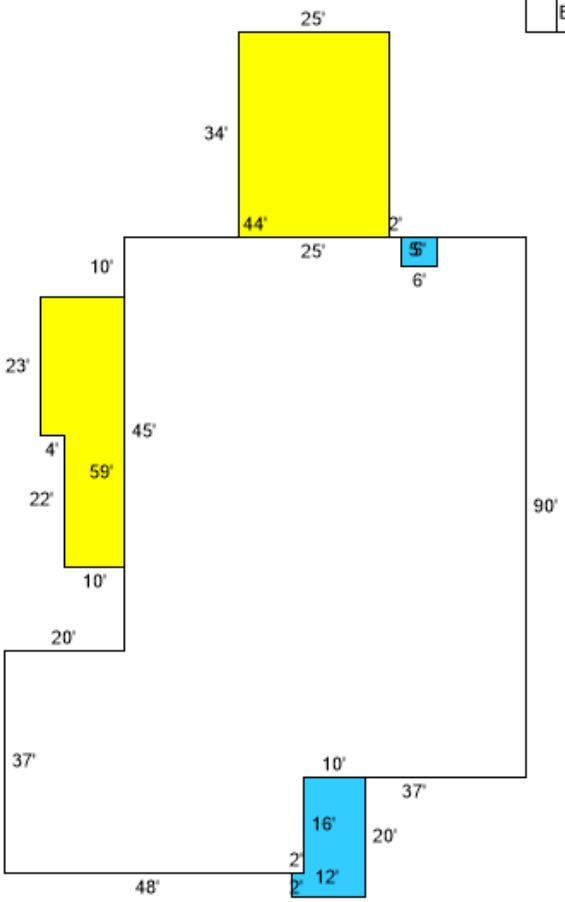
Thank you for meeting with us and for the opportunity to submit this proposal regarding professional services to prepare a Probable Cost Analysis of making improvements to the existing bank building to function as the new City Hall vs. building a completely new facility. Now that the City has decided to purchase the existing bank building, the City needs the Architect to develop plans and specifications for the relatively minor modifications to the existing building. The professional services offered are consistent with the current continuing Professional Services Agreement requirements between the Owner and Architect. Florida Architects, Inc. (FLA) will make this another efficient, and quality successful project.

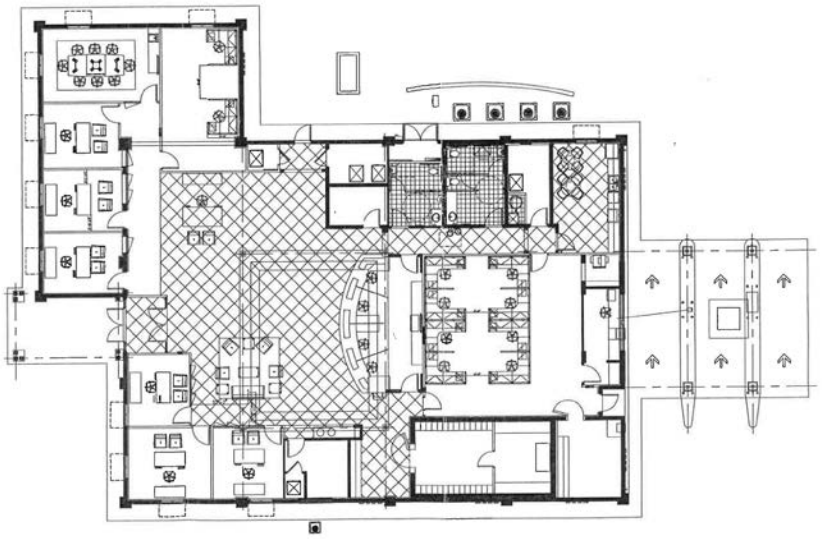
The following items and descriptions represent FLA's proposed professional architectural and engineering services scope-of-work, deliverables, schedule, and related compensation.

The proposed site is located at 302 Mary Esther Blvd in the City of Mary Esther, Florida: Approx. 1.01-acres; Parcel ID #16-2S-24-0000-0001-001D. There is an approx. 8,850-GSF, single story masonry structure with a stucco finish originally constructed in 1978 located on the property.

The proposed City of Mary Esther Bank Improvements project is a partial interior remodeling within the existing First Florida Bank. The structure is a CMU building with concrete block, a stucco finish, and a standing seam metal roof. The proposed interior spaces to be remodeled are the main Lobby, the Entry/Vestibule together with the south side offices, the large office area located on the north side of the building, and other minor modifications. The Entry/Vestibule space will be renovated into a Lobby with Reception area and desk, the existing main Lobby will be turned into a Chamber Room which will encompass an existing office and work room to allow for a larger space with windows, and the office area on the north side of the building will have improved office desks/cubicles. The other areas in the building like the restrooms, individual offices, break/work rooms, vault/safes, and IT rooms will remain existing with little to no improvements. Architect to look at a couple of layout options and some ideas of how to make the exterior appear more civic rather than commercial for the City's consideration. The City of Mary Esther plans to transform this existing bank into a new improved City Hall that will allow room for their team to grow.

	FOP	F OPN PRCH	208	2013
	UOP	UNF OP PRH	542	2013
	FCP	F CARPORT	850	2013
	FOP	F OPN PRCH	30	1978
	BAS	BASE AREA	7220	1978





1.0 UNDERSTANDING OF PROJECT (Assumptions & Scope-Of-Work):

1.1. GENERAL DESCRIPTION & BUDGET:

CLIENT'S MISSION: The City's goals and mission is to develop a couple of plan concepts for review and discussion with the City, and then to complete the design and construction administration of the City selected plan. Improving the existing First Florida Bank building for use as the City Hall facility will require field measuring and drawing the existing structure for use during the design and construction processes.

The Architect's work is to be consistent with the Florida Building Code 2020 (FBC with all referenced appendices), the Americans with Disabilities Act (ADA), The Florida Fire Prevention Code, and applicable City Ordinances.

The Architect's work to be consistent with the current continuing Professional Services Agreement requirements between the Owner and Architect. Florida Architects, Inc. dated June 21, 2021, or AIA Document B104-2017 (prepared by the AE) if preferred by the City.

OWNERS BUDGET:
Construction Budget for partially remodeling the existing structure $574,500 as described in the Probable Cost Statement dated 10/02/23.

The following represents the Owner's basic scope-of-work this proposal is based upon. Work not described herein will be considered as Additional Services.

1.2. BASIC INFORMATION:

a. WORK BY OWNER:

- Collaborate with the Architect, review design concepts, and make timely design choice decisions that will best serve the Client.
- Provide a boundary and topographic Survey in AutoCAD or 3D Civil file format with all easements and physical improvements shown.
- Data/communications and AV system would remain existing with possible additional conduit and boxes for additional systems support. Owner shall provide any modifications to the structured cabling and devices.
- Security intrusion alarm and camera systems are to be by the Owner.
- Participate in the Bidding and Construction Phases of Work as the Owner's Representative and make timely decisions.

b. FLA SCOPE-OF-WORK

- Architect to provide a couple of conceptual plan options for review and discussion with the City, and then to complete the design and construction administration of the City selected plan.
- The existing mechanical system would remain with modifications to HVAC distribution.
- The existing electrical system would remain with modifications to power distribution and interior lighting.
- The existing mechanical plumbing system and fixtures would remain with minor modifications to include code required drinking fountain.
- Fire alarm and sprinkler systems will be modified to reflect the new interior configuration as necessary.
- Data/communications and AV system would remain existing with possible additional conduit and boxes for additional systems support. Owner shall provide any modifications to the structured cabling and devices.
- Security intrusion alarm and camera systems are to be by the Owner.
- Include access control to exterior entrances.
- Prepare a Probable Cost Statement analysis for making improvements to the existing building and the construction of a partially remodeled adaptive re-use facility.

1.3. ARCHITECT'S CONSULTANTS:

a. None required exceeding $20,000 fee per Contract.

2.0 PRE-DESIGN & SCHEMATIC DESIGN PHASE:

2.1 The Architect will make initial site visits at the site to: visually observe existing conditions; take representative measurements; make field notes; take photographs; and compare field observations with available as-built drawings. The Architect to prepare a basic set of existing drawings for the Client's records and for use in the design and construction phases of the project. This work will be done concurrently with the Schematic Design Phase.

2.2 The Architect will conduct a Concept Design Workshop(s) with The City of Mary Esther to establish functional plans that best works for the user groups. Provide a Schematic Design of the proposed alterations to the building spaces to support the improved use of the interior spaces to accomplish the City of Mary Esther's goals and mission as described herein through Owner-Architect design workshops with Owner input and guidance. Include accessible routes as required with ADA compliance and safe egress requirements and building design requirements per the Florida Building Code 2020. Prepare and present a Schematic Design Phase package for the Owner's approval. Prepare a Probable Statement of Cost for the Owners consideration and approval. Consider minor improvements to the exterior to make building appear more civic rather than commercial.

2.3 Pre-Design Deliverables;

a. Basic Existing Building Drawings (Architectural & M/E/P): (24" x 36" full size) in digital PDF format.
b. Representative Building Photographs for reference.

2.4 Schematic Design Deliverables;

a. 20% Construction Drawings: (24" x 36" full size) in digital PDF format.
b. AE Project Schedule.
c. Preliminary Probable Cost Statement.
d. PowerPoint SD Presentation.

2.5 Duration: Twenty-One (21) calendar days following receipt of the Client's signed Task Order and Notice-To-Proceed.

3.0 DESIGN DEVELOPMENT:

3.1 The Architect will conduct several Design Workshops with The City of Mary Esther to further refine the functional plans that work best for the user group. Identify basic design components necessary for the project. Develop preliminary finishes and systems required. Architect to use 3D tools and graphics so the stakeholders can see the space plan in multiple proportional views, and in virtual 3D demonstrations during the design process.

3.2 The Architect will refine 3D base drawings of conditions and prepare progress drawings for review with the Client and coordination with the Client and Design Team.

3.3 A 60% complete drawing set in digital PDF format will be provided for the Client's review and comments.

3.4 The Architect will meet with the Client and user groups to review and discuss comments and concerns to be addressed in the next phase.

3.5 Design Development Deliverables.

a. 60% Construction Drawings: (24" x 36" full size) in digital PDF format.
b. Multiple interior and exterior renderings in digital PDF format.
c. Preliminary finish selection proof sheets.
d. Updated AE Project Schedule.
e. Updated Preliminary Probable Cost Statement.
f. PowerPoint DD Presentation.

3.6 Duration: Twenty-One (21) calendar days (including two-Client/Stakeholder Design Workshops) following completion of the As Built Drawings.

4.0 BIDDING & PERMIT SET CONSTRUCTION DOCUMENTS PHASE:

4.1. Once the Owner approves the Design Development submittal, the Architect will consult and work with the Owner to refine the architectural building systems, detailing, specifications, etc. for the final scope-of-work, and will prepare final bid, construction, and permit documents for the project.

a. Architect will conduct in-person 90% and on-line 100% Design Submittal Review Workshops as needed with the Owner.
b. Architect to prepare Meeting Minutes for the review meeting and incorporate comments.

4.2. 90% and 100% Bidding & Permit Set Construction Documents Deliverables:

a. 90% and 100% Bidding & Permit Set Construction AE Drawings: Two (2) black line print sets signed and sealed documents for submittal to the Building Department (including digital PDF copies) for Owner approval and permitting. Plans review, building permit, and any inspection and impact fees will be paid for by the Owner.
b. 100% Bidding & Permit Set Project Manual & Specifications (8.5" x 11") in PDF format (signed and sealed).
c. Updated final architectural interior and exterior renderings in PDF file format. Provide at least three (3) interior and three (3) exterior color, high-resolution Construction Documents Phase renderings (24" x 36" one set color printed and mounted design boards (2) and PDF files).
d. Prepare the FBC required Energy and Product Approval Forms.

4.3 Duration: Thirty (30) calendar days (including two-Client/Stakeholder Design Workshops) following completion of the Design Development Drawings.

5.0 PERMITTING & BIDDING ASSISTANCE:

5.1. Architect to prepare the advertisement of the Intent to Negotiate (ITN) or Request for Proposals and provide to Owner for placing notification in the local newspaper.

5.2. Architect to manage the bidding process and develop and maintain secure Project Bidding Website(s) utilizing BaseCamp for 24/7/365 access via internet connection for all registered Bidding Contractors, Owner, and Design Team correspondence, documentation, and file sharing, including Intent to Negotiate/Bidding Documents, Bid Set Drawings and Specifications, Requests for Information, and Addenda, etc. throughout the advertising and bidding process at no additional cost to the Owner.

5.3. Architect to provide responses to the Owner, bidding contractors and authorities having jurisdiction (AHJ's) review comments and RFI's as necessary. and to assist in developing the contract pricing and for required building construction permits.

5.4. The Architect will incorporate RFI's and Addenda into the bid documents and issue a Conformed Set of Drawings, Project Manual and Specifications in digital PDF format that includes any Addenda, RFI's, or ASI's to date of the Notice-To-Proceed to the Contractor for construction.

5.5. Manage the Bidding Process:

a. Prepare bidding advertisement for Owner to publish in local newspaper and submit to the Construction Journal for national bid list. Architect to respond to RFI's during bidding and prepare Addenda, etc.
b. Prepare and manage registered bidders' website.

c. Conduct the bid opening and recording of bid proposals. Review bid proposals and make recommendations to the Owner regarding award of bid.
d. Prepare AIA Construction Agreement for review and approval by Owner.
e. Review bonds and insurance submittals from Contract for compliance with the specified requirements and recommend issuance of the Notice-To-Proceed.

6.0 INSURANCE:

6.1. FLA carries Professional Liability, General Liability, and Worker's Compensation insurance according to the 2021 Continuing Contract Agreement. A project specific COI(s) will be sent to the City.

7.0 A/E COMPENSATION:

7.1. The Basic Services Fee for the Project shall be a Stipulated Amount. Any other Additional Services that may become necessary will be negotiated as the need arises or based on the time required to each description of work at the Architect's Standard Hourly Rate Schedule as included in the Prime Agreement.

7.2. Work not described in this Proposal is not included and considered as Additional Services.

7.3. Significant changes to the Design Development or Construction Documents based on the Client's request once production of the Documents begins shall be considered an Additional Service.

7.4 Architect's Services Fee Compensation: Stipulated Sum based on the Florida Department of Management Services Fee Calculation and a Probable Cost of $ $574,500 (Refer to Attachment "A" DMS Cost & Fee Worksheets)

BASIC SERVICES FEE

Basic Services Stipulated Amounts (refer to attached DMS Fee Curve 'C', *Repairs and Renovations* Complexity for this Task):

Total Task#2 Basic Services Fee Stipulated Amount: $574,500 x +/- 9.15% = $52,591.00

ADDITIONAL SERVICES

1. Field measure and prepare existing basic architectural, M/E/P layout drawings:
   Stipulated Amount: $2,400.00

TOTAL BASIC AND ADDITIONAL SERVICES FEE: $54,991.00

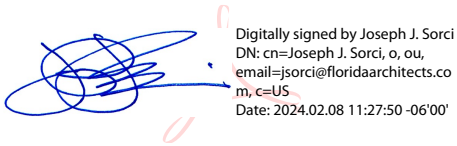
7.4. REIMBURSABLE EXPENSES:

Reimbursable expenses are in addition to the basic services fee and invoiced at the direct cost times 1.10. The Architect shall

be reimbursed by the Client Not-To-Exceed: Two-Thousand-Five-Hundred U.S. Dollars ($2,500) for travel (milage at $0.51/mile), printing, reproductions, color mounted presentation boards, postage, and delivery.

Thank you for your consideration and the opportunity to *best serve* The City of Mary Esther.

Respectfully Submitted By
FLORIDA ARCHITECTS, INC.



Prepared By: Joseph J. Sorci, AIA, NCARB, LEED BD+C, GGP
President

Encl: FL DMS AE Fee Guideline Worksheets
Task Order#2, Dated 02/08/24

Architect-Engineer Fee Guidelines

The competitive negotiation of A/E fees represents some of the most important proactive dollars expended on a project. These funds are an investment that affects both the quality and successful completion of a project. It is for this reason that the schedules used as a guideline for determining fees by the Department have been updated to reflect the current market conditions. The original fee guidelines were generated in 1969 when the Engineering News Record (ENR) Construction Cost Index was 1,269. The published 2020 ENR yearly average Construction Cost Index was 11,455 which represents an 903 percent increase in construction costs and, subsequently, a significant shortfall in the fee guideline calculation. As a result, the formulas used in the fee guidelines have been updated to be marketplace relevant and will be reviewed on a three-year basis.

Architect-Engineer Fee Guidelines

Fee Guide Calculator For AE Services

DEFINITIONS:

Basic Services: The fee guides shown on the following page labeled "Fee Calculator" are for "basic" architectural and standard engineering services including full-service phases for

design, bidding and construction. The fee is only to be used as a guide, with the actual fees justified by the architect or engineer via a detailed proposal in accordance with the format established by the Division of Real Estate Development and Management.

Additional Services: Additional services are not included within the "basic" fee guides. Additional services may include any special consultants required by the project and are typically those furnished beyond what is shown in the Form of Agreement Between Owner and Architect-Engineer used by the Division of Real Estate Development and Management. Additional services, including but not limited to those itemized on the next page labeled "Fee Calculator" shall have additional fees/expenses negotiated based on the project specific scope of services.

FORMULAS:

("Fee Calculator" formulas are provided for informational purposes.)

- **"A" Curve - 0.187547-(0.01836*LOG(Construction Cost/9.03))**
- **"B" Curve - 0.164145-(0.015303*LOG(Construction Cost/9.03))**
- **"C" Curve - 0.142432-(0.010594*LOG(Construction Cost/9.03))**
- **"D" Curve - 0.141419-(0.01236*LOG(Construction Cost/9.03))**
- **"E" Curve - 0.118011-(0.009279*LOG(Construction Cost/9.03))**
- **"F" Curve - 0.09521-(0.006301*LOG(Construction Cost/9.03))**

- **"G" Curve - (EXP(-0.460517*LOG(Construction Cost/9.03))+(0.0075*LOG((Construction Cost/9.03)/100000)))**

Proceed to Fee Guide Calculator

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Fee Guide Calculator For AE Services

Architect-Engineer Fee Guidelines

Fee Guide Calculator For AE Services

Instructions: Fill in probable construction cost at left and the calculations will automatically appear in the corresponding cells.

Project Name	CITY OF MARY ESTHER CITY HALL ADAPTIVE RE-USE PR(						
CONSTRUCTION COST FOR BUILDING (Sitework Not Included)	COMPLEXITY GROUP - PERCENTAGE						
	A	**B**	**C**	**D**	**E**	**F**	**G**
$ 574,500	9.94%	9.06%	9.15%	8.20%	7.34%	6.49%	10.82%
CALCULATED FEE	$57,078	$52,070	$52,591	$47,136	$42,190	$37,309	$62,149

GROUP DEFINITIONS

"A" - CONSIDERABLY MORE THAN AVERAGE COMPLEXITY:

Complex Laboratories, Medical Hospitals

"B" - MORE THAN AVERAGE COMPLEXITY: *Average Laboratories, Mental Hospitals, Simple Medical Hospitals, Clinics, Court Houses, Theatres, Complex University Buildings, Special Purpose Classrooms, Laboratory Classrooms, Libraries, Auditoriums, Museums, Air Terminals, Food Service Facilities, Specialized Detention Areas, Detention-Treatment Areas, Residences, Emergency Management Centers*

"C" - REPAIRS AND RENOVATIONS: *Miscellaneous Repairs and Renovations, Alterations to Office Space or Dormitory Space, Fire Code Corrective Work*

"D" - AVERAGE COMPLEXITY: *General Office Space, General Teaching Space, Gymnasiums, General Detention Living Facilities, Factory Buildings*

"E" - LESS THAN AVERAGE COMPLEXITY:*Apartment Buildings, Dormitory Buildings, Service Garages, Stadiums, Repetitive Design Facilities, Office Buildings With Undefined Interior Space (open for later partitioning), Specialized Parking Structures*

"F"- CONSIDERABLY LESS THAN AVERAGE COMPLEXITY: *Warehouses, Parking Garages, Storage Facilities*

"G" -BUILDING ENGINEERING SERVICES: *Mechanical, Electrical and Structural not exceeding $1,000,000 in construction (Not including Site Civil)*

ADDITIONAL SERVICES & EXPENSES:

The following services are considered Additional to Basic Services and are not included within the basic fee represented by the fee guides:

- Feasibility Studies/ Analysis
- Facility Programming
- Master Planning
- Soils Investigations/Reports
- Surveys -Topographic/Boundary
    - Vegetation/Improvements/Utilities
- Measured Drawings of Existing Facilities
- Existing Facilities Analysis
- Toxic Substance Mitigation Surveys and Consultation
- Site Environmental Assessments
- Site DRI, PUD, Site Plan Review and/or Zoning Modifications
- Traffic Analysis and Traffic Signal Warrant Studies
- Civil Engineering Design including Paving/Grading/Utilities/Drainage/Storm-water Management/Environmental & All Site Permitting
- Existing Site Utility Infrastructure Improvements
- Site Lighting Design
- Landscape Architectural & Irrigation Design
- Specialty Consultants
    - Voice/Data Communications; Electronic/Audio Visual; Food Service Equipment; Hazardous Material; Hospital/Laboratory; Interior Design; Indoor Air Quality; Quality Control; Theater/Acoustical; Security
- LEED Consultation
- Graphic and Signage Design
- Special Code Reviews including ACHA
- Detailed Cost Estimates
- Documents Prepared For:
    - Alternate Bids Exceeding Contract Scope
    - Excessive Change Orders
    - Multiple Construction Contracts
    - Record Documents/As Builts
- Prolonged Construction Contract Administration Services
- Structural Threshold Inspections
- Project Representation During

• Life Cycle Cost (ROI) and/or Federal DOE Energy Analysis	Construction Beyond Bi-Monthly Administration • Additional Construction Contract • Administration Services for Multiple

* As defined in the Division of Real Estate Development and Management Form of Agreement Between Owner and Architect - Engineer.

Department of
MANAGEMENT SERVICES

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Agency Information

Open Government

DMS Leadership

Frequently Asked Questions

Agency Organization

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AGENDA ITEM

Agenda Item 11.2.

TO: Honorable Mayor and Members of the City Council

FROM: Shawn Lindsey

DATE: March 4, 2024

SUBJECT: Review and Consideration of Azalea Park Conceptual Plan

---

BACKGROUND:
CPH Engineering was contracted to help with the conceptual design and community feedback for Azalea Park. They completed this task, which included a community feedback meeting, which was followed by an online survey. Those results lead to the final phase 1 conceptual design. During the next few years, Azalea subdivision will be under construction with parts of this park used as a staging area, so the full park implementation cannot take place until after the subdivision rehabilitation is completed. Phase I includes the portions that should begin and be completed during the rehabilitation of the Azalea subdivision. The remaining phase II could then be completed after a rehab of the subdivision and hopefully, we can gather additional information if a citywide Park Master Plan is developed.

DISCUSSION:
Staff is seeking approval of City Council and any additional feedback to proceed with phase I of the Azalea Park Plan.

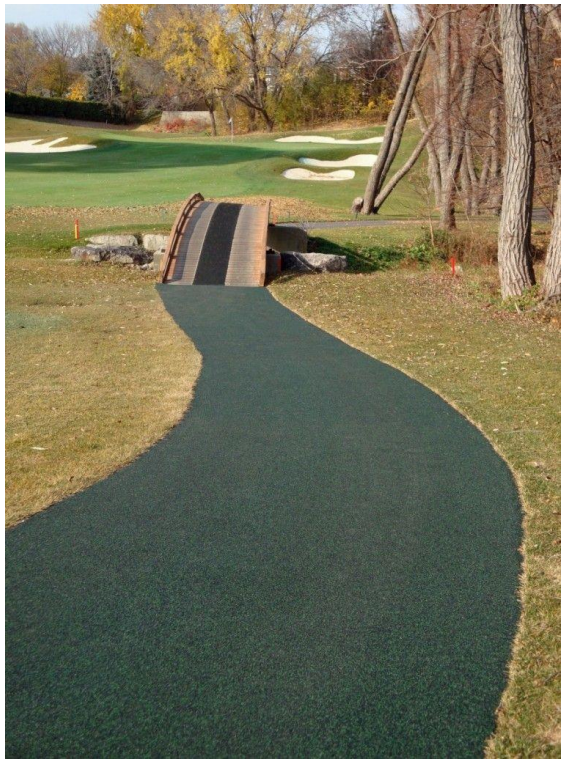
FINANCIAL IMPACT:
$300,000 was budgeted for this project, but phase I is estimated at $225,000, including plantings, trails and walkways, pavilion and other amenities.

RECOMMENDATION:
Staff recommends approval of Phase I with phase II to be decided after the completion of a Park Master Plan and the conclusion of Azalea Subdivision rehabilitation project.

ATTACHMENT(S):
1. Azalea Park Phase 1

General summation of feedback with most common ideas-

1. Nature park, with walking trails, rubberized trails
2. Smaller picnic pavilion
3. Longer trail
4. Boardwalk
5. Native and edible plants
6. No dog park
7. Don't need to fence the park, but may want to fence the playground area
8. Reuse fitness equipment
9. Pet waste stations
10. Interpretive signage



N

20 0 20 40

Graphic Scale in Feet

Azalea Park

cph
www.cphcorp.com
A Full Service A & E Firm
1117 East Robinson Street
Orlando, FL 32801
Ph: 407.425.0452
Plans Prepared By:
CPH, LLC.
State of Florida Licenses:
Engineer No. 3215
Surveyor No. LB7143
Architect. No. AA26009926
Landscape No. LC0000298

Fall 05, 2024

No. | Date | Revision

Designed: M. Aguiar
Drawn: M. Aguiar
Checked: G. Pugh
Job No.: M22803
Date: 06/30/23 | © 2024

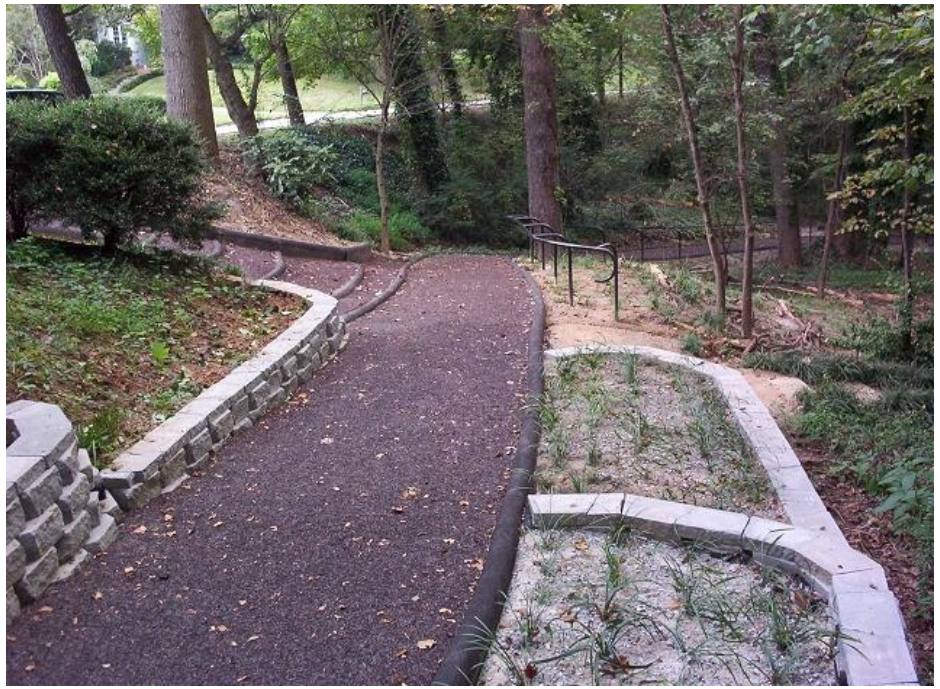
FINAL CONCEPT PLAN

CONCEPT PLAN
AZALEA PARK
CITY OF MARY ESTHER
MARY ESTHER, FLORIDA 32569

THIS SHEET NOT VALID FOR CONSTRUCTION WITHOUT COMPLETE SET OF PLANS

Sheet No.

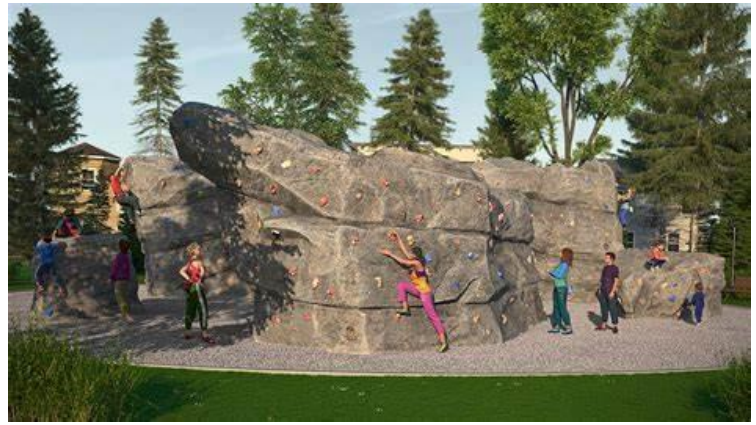
Proposed Phase 1: Trail/Rubberized, Plantings, Small Pavilion, Small Bridges



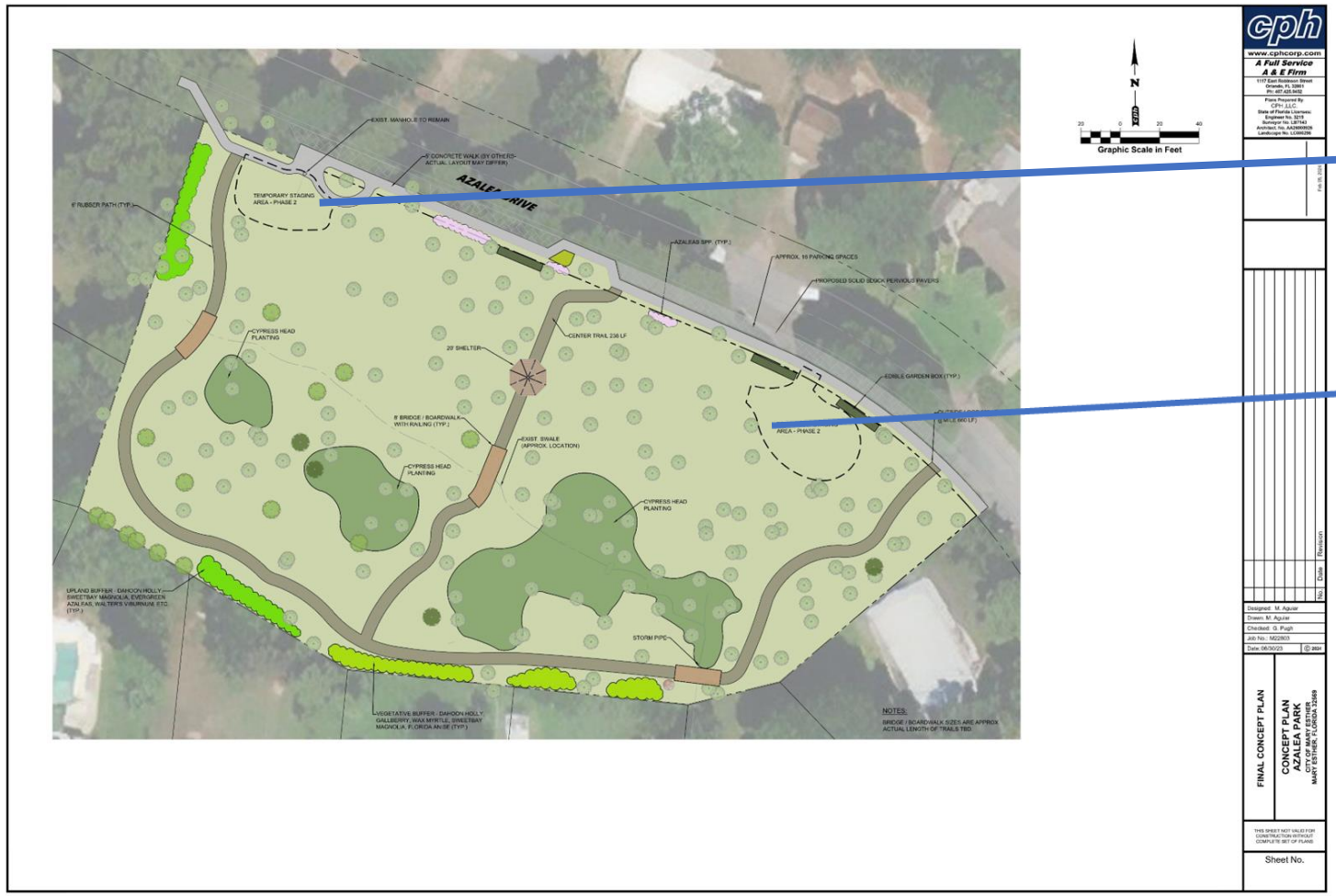
Proposed Plantings

Possible ideas for Phase II

- Climbing boulders
- Playground
- Basketball Court
- Fire Pit
- Lighting
- Swings



AZALEA SUBDIVISION IMPROVEMENT WILL BEGIN THIS YEAR UTIILZING TWO AREAS OF PARK FOR STAGING AREAS.

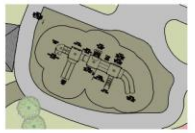


Two staging areas for Azalea Subdivision improvements, could become phase II areas of park development once subdivisions is complete. Also giving us approximately 2-3 years to seek additional funding.

N

20 0 20 40

Graphic Scale in Feet



ALTERNATE #1

SCALE: 1"=20'

ALTERNATE #2

SCALE: 1"=20'

NOTE:

BRIDGE / BOARDWALK SIZES ARE APPROX.

Phase II areas of Development

cph
www.cphcorp.com
A Full Service A & E Firm
1117 East Robinson Street
Orlando, FL 32801
Ph: 407.425.0452
Plans Prepared By:
CPH, LLC.
State of Florida Licenses:
Engineer No. 3215
Surveyor No. LB7143
Architect. No. AA26000926
Landscape No. LC0000298

Feb 01, 2024

No. | Date | Revision

Designed: M. Aguiar
Drawn: M. Aguiar
Checked: G. Pugh
Job No.: M22803
Date: 06/30/23 | © 2024

FINAL CONCEPT PLAN

CONCEPT PLAN
AZALEA PARK
CITY OF MARY ESTHER
MARY ESTHER, FLORIDA 32569

THIS SHEET NOT VALID FOR CONSTRUCTION WITHOUT COMPLETE SET OF PLANS

Sheet No.

- Council may want to consider funding Parks Master Plan next year, or applying for grant to fund Parks MP
- Parks MP address parks and recreation needs and desired level of service:
  - # Playgrounds within 0.5-mile radius
  - # Miles walk/bike trails
  - # Acres open space (i.e. Nature Park)
  - Need for other amenities such as basketball or pickleball courts
- City maintains six (6) playgrounds, with overlapping service areas. May want to establish LOS and focus on improvements and regular maintenance.

Staging and Phasing: Benefits

1. By starting with phase 1 during the construction of Azalea it will allow us to get a head start on the plantings. Plants take time to develop, and the park will essentially be closed during the rehab of Azalea Subdivision.
2. Phasing will allow us a 2–3-year window to seek grants or sponsorship for a second phase.
3. Staging will allow progress on Phase 1 to be completed in-house over time saving money on contractors in following areas:
    - Demolition/removal of existing park equipment to be disposed or reused in other areas.
    - Demolition of concrete structures and existing shelters or reuse.
    - Building the trail system and installing the bridges in-house when crews are available.
4. Allow partial use of park in areas outside of staging area as plantings, trails, and pavilion are completed.
5. Cost saving for in-house operation allows for both savings in funds and will allow us to work with volunteer groups who may want to take part in the redevelopment of this park.

AGENDA ITEM

Agenda Item 11.3.

TO: Honorable Mayor and Members of the City Council

FROM:

DATE: March 4, 2024

SUBJECT: Removal of Elliott Park Access Gates

BACKGROUND:
Councilmember Sutton has requested an agenda item to discuss the removal of the access gates at Elliott Park.

DISCUSSION:

FINANCIAL IMPACT:

RECOMMENDATION:

ATTACHMENT(S):

AGENDA ITEM

Agenda Item 11.4.

TO: Honorable Mayor and Members of the City Council

FROM: Jared Cobb, City Manager

DATE: March 4, 2024

SUBJECT: Draft Short-Term Rentals Ordinance

BACKGROUND:
On August 21, 2023, the City Council held a workshop to develop a framework for a new ordinance regulating short-term rentals. The draft ordinance is under legal review and will be uploaded to the agenda packet later this week. No action will be requested at this meeting.

DISCUSSION:

FINANCIAL IMPACT:
There is no financial impact related to this matter.

RECOMMENDATION:
N/A.

ATTACHMENT(S):
1. Ordinance 2024-01 DRAFT

ORDINANCE 2024-01

AN ORDINANCE OF THE CITY OF MARY ESTHER, FLORIDA, AMENDING THE CODE OF ORDINANCES OF THE CITY OF MARY ESTHER TO ADD A NEW ARTICLE VII TO CHAPTER 13 ENTITLED "VACATION RENTALS"; MAKING LEGISLATIVE FINDINGS REGARDING THE NEED TO REGULATE VACATION RENTALS; PROVIDING FOR THE REGULATION OF VACATION RENTALS CONSISTENT WITH STATE LAW; REQUIRING REGISTRATION AND REQUIRING A CERTIFICATE OF REGISTRATION; PROVIDING REQUIREMENTS FOR REGISTRATION, INCLUDING THE DESIGNATION OF A RESPONSIBLE PARTY FOR EACH VACATION RENTAL AND MINIMUM POSTING REQUIREMENTS; PROVIDING FOR MAXIMUM OCCUPANCY LIMITS; ESTABLISHING PENALTIES FOR VIOLATIONS; PROVIDING FOR FEES; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Article VIII, Section 2(b) of the Florida Constitution and Chapter 166 Florida Statutes provides municipalities with the authority to exercise any power for municipal purposes except when prohibited by law; and

WHEREAS, Section 509.032(7)(b) Florida Statutes, prohibits municipalities from enacting a local law, ordinance or regulation to prohibit "vacation rentals" and further provides that a municipality may not regulate the duration or frequency of guest stays in a vacation rental; and

WHEREAS, Section 509.013, Florida Statutes, makes a distinction between "transient public lodging establishments" which are rented, advertised, or held out for rental guests more than three times in a calendar year for periods of less than 30 days or one calendar month, whichever is less; and "non-transient public lodging establishments" which are rented, or advertised or held out for rental to guests for periods of at least 30 days or one calendar month, whichever is less; and

WHEREAS, Section 509.242(1)(c), Florida Statutes, further classifies transient public lodging establishments into seven (7) categories, including hotels, motels and bed and breakfast inns; and

WHEREAS, one of these seven (7) categories is called "vacation rental" which is defined to mean "any unit or group of units in a condominium or cooperative or any individually or collectively owned single family, two family, three family or four-family house or dwelling unit" that is also a transient public lodging establishment, but that is not a timeshare project; and

WHEREAS, vacation rentals are designated by the Florida Statutes as public lodging establishments, the same as hotels, motels and bed and breakfasts; and

WHEREAS, rental of houses or dwelling units to transient visitors can result in adverse impacts to nearby residential units, including, but not necessarily limited to, increased noise, problems with garbage collection, litter, and parking; and

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WHEREAS, the owners of vacation rentals often do not live in the neighborhood of the properties they rent to visitors and do not personally experience the negative impacts that may be associated with unregulated vacation rentals in those areas; and

WHEREAS, Florida law recognizes the "appointed agent" of the owner of a public lodging establishment, including a vacation rental, to exercise all the owner's rights to eject undesirable guests, to refuse service to an undesirable guest and to be immune from criminal or civil liability for false arrest of a disorderly guest (See Sections 509.013(2); 509.141; 509.142; and 509.143, Florida Statutes); and

WHEREAS, vacation rentals are currently being operated throughout the City of Mary Esther; and

WHEREAS, the City Council desires to be proactive in its regulation of vacation rentals to protect the public safety and welfare of the City of Mary Esther; and

WHEREAS, it is necessary, appropriate, and in the best interests of the public health, safety, and welfare to monitor and provide a reasonable means for residents of the City of Mary Esther to mitigate adverse impacts of vacation rentals on neighboring residential uses; and

WHEREAS, the regulation of vacation rentals in the manner herein provided will help to achieve a greater level of compatibility between resident-occupied homes and visitor-occupied vacation rentals; and

WHEREAS, this ordinance does not prohibit vacation rentals and does not regulate the frequency or duration of guest stays in vacation rentals; and

WHEREAS, an ordinance regulating vacation rentals is in the best interest of the citizens of the City of Mary Esther.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MARY ESTHER, FLORIDA, AS FOLLOWS:

Section 1. The above recitals and findings set forth are hereby adopted as additional legislative findings.

Section 2. A new Article VII shall be added to Chapter 13 of the Code of Ordinances:

Chapter 13 – LICENSES AND BUSINESS REGULATIONS

ARTICLE VII. – VACATION RENTALS

Sec. 13-191. – Statement of Intent.

(a) It is the intent of this Article to regulate vacation rentals located in all zoning areas of the city, as defined by the Florida Statutes.

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(b) The general purpose of this Article is to ensure residents the peaceful enjoyment of their homes and neighborhoods, to mitigate incompatibilities between vacation rentals and resident-occupied homes, and to protect the safety of occupants of vacation rentals and their guests.

(c) Complaints associated with unsupervised vacation rentals will be addressed in the manner set forth herein, including, but not limited to establishing a mandatory annual registration system for vacation rentals; requiring the owner of a vacation rental to designate an individual to be responsible for the vacation rental and to quickly respond to complaints and immediate problems associated with the vacation rental.

Sec. 13-192. – Definitions.

For purposes of this Article, the following terms, words, and phrases shall have the meaning set forth in this Article. Whenever applicable, the singular shall include the plural.

(a) *Certificate of Registration* means the document that the City issues in accordance with Sec. 13-194 to show that the vacation rental described on the certificate is currently registered with the City as required by Sec. 13-193.

(b) *Designated Responsible Party* means the owner of a vacation rental or a natural person who has been designated by the owner to be called upon to answer for the maintenance of the vacation rental property and to respond to inquiries or complaints regarding the conduct of the occupants of the vacation rental and their guests as provided in Sec. 13-201.

(c) *Guest* means any person physically within the vacation rental or on its grounds with the knowledge of an occupant.

(d) *Maximum Occupancy* means the maximum number of persons who may be occupants of a vacation rental at the same time.

(e) *Occupant* means any person who occupies a vacation rental overnight.

(f) *Owner or Vacation Rental Owner* means a natural person or legal entity holding all or a portion of the fee simple title to a vacation rental, whether an individual, partnership, corporation, limited liability company, trust, or other entity. If the vacation rental owner is not an individual, each person who owns an equitable interest in the vacation rental shall be considered an Owner.

(g) *Owner Occupied* means a vacation rental that is the primary and permanent residence of the owner of the property.

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(h) *Vacation Rental* shall have the meaning as defined in Chapter 509, Florida Statutes, as may be amended.

Sec. 13-193. – Mandatory Registration.

(a) No Vacation Rental shall be rented or offered for rent without a current valid Certificate of Registration. Failure to possess a current valid Certificate of Registration while renting or occupying a Vacation Rental is a violation of this Section. Every Vacation Rental Owner, either personally, or through an agent, shall apply to the City for an initial Certificate of Registration, utilizing forms promulgated by the City by no later than August 1, 2024, and shall obtain a Certificate of Registration by no later than October 1, 2024. Every Vacation Rental Owner, either personally or through an agent, shall apply to the City for a renewed Certificate of Registration, utilizing forms promulgated by the City, each successive year by no later than August 1. A separate Certificate of Registration shall be required for each Vacation Rental. The operation of a Vacation Rental without a Certificate Registration after October 1, 2024, shall be a violation of this Section. Every day of such operation without registration shall constitute a separate violation.

(b) An application for a Certificate of Registration shall contain a statement from the Vacation Rental Owner, under penalty of perjury, that the Owner represents that the information provided on the application and the information submitted with the application is true and accurate to the best of the Owner's knowledge and belief. The following materials and information shall accompany the application:

1) A completed application for a Vacation Rental Certificate of Registration form supplied by the City of Mary Esther. At a minimum, the application form shall include the street address of the Vacation Rental, the legal description of the property on which the Vacation Rental is located; the name, mailing address, electronic mail address, and telephone number of the vacation rental owner(s); and the name, mailing address, electronic mail address, and telephone number of the Designated Responsible Party if different from the owner.

2) Proof of current ownership of the Vacation Rental property.

3) Payment of the annual registration fee.

4) A form supplied by the City entitled "Designation of Responsible Party" signed by the Owner of the Vacation Rental or authorized representative, naming a Designated Responsible Party who shall have the duties listed in Sec. 13-201. The Vacation Rental Owners may appoint themself as the Designated Responsible Party or shall otherwise designate someone to act as the Designated Responsible Party on their behalf.

5) A written acknowledgment form signed by the Designated Responsible Party

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acknowledging that they are aware of the provisions of this Article and agree to serve in the capacity of Designated Responsible Party for the Vacation Rental being registered and that they agree to discharge the duties of a Designated Responsible Party as set forth in Sec. 13-201.

6) A copy of the business tax receipt showing payment of the City of Mary Esther local business tax for the Vacation Rental or other proof of payment.

7) A copy of a current and active license for the Vacation Rental issued by the State of Florida Department of Business and Professional Regulation showing that the Vacation Rental is licensed and remitting tourist development taxes as a transient public lodging establishment.

8) Statement identifying the gross floor area and maximum occupancy for the vacation rental in compliance with the Florida Fire Prevention Code[1].

9) If the application for registration is submitted on behalf of the Owner of the property, a letter of authorization from the Owner shall be required naming the authorized representative.

10) Any other information that the City may reasonably request to verify compliance with the terms of this Article.

(c) Applications will be considered incomplete if there are any unpaid registration fees, an active code compliance case, or other penalties, fines, or outstanding liens at the address of the Vacation Rental.

(d) If the application is deemed incomplete, the applicant shall be notified of the deficiencies and provided fifteen (15) calendar days to correct the deficiencies. The application shall be processed if the deficiencies are corrected within this period. Failure to satisfy these requirements within the fifteen (15) day period shall result in the denial and withdrawal of the application.

Sec. 13-194. – Certificate of Registration.

(a) A Certificate of Registration for a Vacation Rental shall be issued once the applicant has satisfied the requirements of Sec. 13-193.

(a) All Certificates of Registration shall be valid and issued from October 1 – September 30, unless suspended per this Article.

(b) Each Vacation Rental shall require a separate Certificate of Registration. The Certificate of Registration shall contain the street address of the Vacation Rental, the name of the Vacation Rental Owner, the name and telephone number of the Designated Responsible Party, the expiration date of the certificate, and the

[1] Fla. Admin. Code R. 69A-43.018, states the maximum as 150 square feet gross floor area per person.

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Maximum Occupancy of the Vacation Rental.

Sec. 13-195. – Renewal of Registration.

(a) All Certificates of Registration shall expire on October 1 of each year. An Owner or authorized representative shall renew the registration annually and obtain a new Certificate of Registration prior to August 1 of each year after the initial registration. A determination of compliance shall be made by October 1.

(b) A Certificate of Registration shall not be renewed if there are any active code compliance cases or outstanding penalties, fines, or liens for violations of this Article or any provision of the City of Mary Esther Code of Ordinances pertaining to the Vacation Rental.

Sec. 13-196. – Amendment of Certificate of Registration.

An amendment of the Certificate of Registration shall be required if there is an increase in the gross floor area, maximum occupancy of the Vacation Rental, or change in the Designated Responsible Party.

Sec. 13-197. – Change in Ownership of the Vacation Rental.

When a Vacation Rental is sold, or ownership is otherwise transferred, the new Owner shall apply for a new Certificate of Registration with the City within fifteen (15) days from the date of the sale or transfer and shall obtain a new Certificate of Registration. If the new Owner fails to apply for a new Certificate of Registration as provided in this Article, any Certificate of Registration previously issued for that Vacation Rental shall become null and void on the sixteenth (16th) day following such sale or transfer.

Sec. 13-198. – No Vested Rights, Estoppel or Waiver.

The issuance of a Certificate of Registration as required by Sec. 13-193 above shall not be construed to create any vested rights or entitle the Owner of the registered Vacation Rental to any rights under the theory of estoppel. The issuance of a Certificate of Registration shall not be construed as a waiver of any other requirements contained within the City of Mary Esther Code of Ordinances.

Sec. 13-199. – Schedule of Fees and Fines.

A schedule of fees including, but not limited to, the registration, renewal, and amendment of the Certificate of Registration, and fines for violations of this Article, shall be adopted by resolution of the City Council and maintained by the City Clerk.

Sec. 13-200. – Minimum Posting Requirements.

A copy of the Certificate of Registration for the Vacation Rental shall be posted next to

DRAFT

or on the interior side of the primary door to the Vacation Rental.

Sec. 13-201. – Designated Responsible Party.

(a) The duties of the Designated Responsible Party, whether the Owner or the Owner's authorized representative, are as follows:

1) To be available by landline or mobile telephone at one of the listed phone numbers provided to the City in the application for registration twenty-four (24) hours a day, (7) seven days a week, and to be capable of responding within one (1) hour in accordance with this Article or the City of Mary Esther Code of Ordinances.

2) To receive service of any legal notice on behalf of the Owner for violations of this Article or other law or ordinance.

3) To exercise all rights of the Owner under Section 509.141, 509.142, and 509.143, Florida Statutes, to deal with unruly occupants and their guests in the Vacation Rental, including removal, refusal of service, or detainment.

4) To maintain continuous compliance with the interior posting requirements of Sec. 13-200.

5) To be informed as to the names, addresses and email addresses and phone numbers of all occupants and as to the number of occupants during each rental period.

6) To maintain a register with names of all occupants and their address, telephone number, electronic mail address, and dates of stays of all occupants which shall be always open to inspection by authorized personnel of the City. This information shall be retained for a minimum of two years after the occupant has vacated the Vacation Rental.

7) To provide the City with notice of resignation as Designated Responsible Party in writing at least one week in advance of the effective date of the resignation.

(b) A Designated Responsible Party must have the authority to consent to allow official code compliance, fire safety, and building inspectors access to the Vacation Rental property to conduct any required inspections.

(c) It shall be the sole responsibility of the Owner to appoint a reliable Designated Responsible Party and to inform the City of their contact information as a part of the applicable registration as provided in Sec. 13-193 above. Failure to do so shall not be a defense to an alleged violation of this Article.

(d) An Owner or authorized agent may amend the Certificate of Registration to change

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the Designated Responsible Party temporarily or permanently. However, there shall only be one Designated Responsible Party for each Vacation Rental property at any one time. To change the Designated Responsible Party, the Owner shall notify the City in writing on a form to be provided by the City at least one week in advance and post the new Certificate of Registration in accordance with Sec. 13-200.

(e) Personal service on, mailing, or emailing a notice of violation or other notices to the Designated Responsible Party shall be deemed valid service and notification of the Owner or occupant.

Sec. 13-202. – Maximum Occupancy.

The Maximum Occupancy of a Vacation Rental shall be stated on the Vacation Rental registration form and established by the current Florida Fire Prevention Code.

Sec. 13-203. – Advertising.

Any advertising of the Vacation Rental shall conform to the information submitted with the application for registration of the Vacation Rental and to the information shown on the Certificate of Registration for the Vacation Rental. It shall be a violation of this Article for the Owner to advertise the Vacation Rental as being available for occupancy at a level that exceeds the Maximum Occupancy established for the Vacation Rental under this Article. The existence of advertising through any medium which describes the Vacation Rental as being available for occupancy at a level that exceeds the Maximum Occupancy established for the Vacation Rental under this Article shall create a rebuttable presumption that the Vacation Rental identified in the advertising or advertisement was used in violation of this Section.

Sec. 13-204. – Violations of this Article.

(a) Non-compliance with any provision of this Article shall constitute a violation of this Article. Violations of this Article shall specifically include, but not be limited to, the following unlawful conduct:

1) It is unlawful to rent out a Vacation Rental without a current Certificate of Registration issued by the City in accordance with this Article.

2) It is unlawful to advertise or otherwise offer a Vacation Rental for rent without a current Certificate of Registration issued by the City in accordance with this Article.

3) It is unlawful to rent a Vacation Rental for occupancy more than the applicable Maximum Occupancy.

4) It is unlawful to be an occupant of a Vacation Rental at any time that the number of occupants of the Vacation Rental exceeds its Maximum Occupancy.

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5) It is unlawful to fail to post a copy of the Certificate of Registration in a Vacation Rental as required by this Article.

6) It is unlawful to provide any false or misleading information in connection with any application for a Certificate of Registration, or for modification or renewal of a Certificate of Registration, as required by this Article. Any knowing and intentionally false statements made in any such application, or any intentionally misleading information submitted in connection with an application, may subject the applicant to a fine, revocation of the Certificate of Registration and such further penalties as described herein or otherwise provided by law.

(b) Each day a violation exists shall constitute a separate and distinct violation.

Sec. 13-205. – Enforcement and Remedies.

(a) Code enforcement related to this Article's violations shall be undertaken per Chapter 162 of the Florida Statutes, the City of Mary Esther Code of Ordinances, and this Article.

(b) The City may utilize Chapter 162, Part 1, Florida Statutes, to prosecute a violation of this Article or other code violations with respect to a Vacation Rental and in such cases, the code enforcement board or special magistrate shall be authorized to hold a hearing, to assess penalties and to order other relief in accordance with Article VI of the Code of Ordinances and this Article.

(c) Nothing herein shall prevent the City from seeking all other available remedies which may include, but shall not be limited to, suspension of a Certificate of Registration, injunctive relief, liens and other civil and criminal penalties as provided by law, as well as referral to other enforcing agencies.

Section 3. In the event that any word(s), phrase(s), portion(s), section(s), subsection(s) of this Article is (or are) contrary to law, or against public policy, or shall for any reason whatsoever be held invalid, illegal or unconstitutional by any court of competent jurisdiction, such word(s), phrase(s), portion(s), section(s), subsection(s) of this Article shall be null and void and shall be deemed severed and shall be a separate, distinct and independent provision from the remaining provisions of this Article; and such holding shall in no manner affect the validity of the remaining words, phrases, portions, sections or subsections of this Article, which shall remain in full force and effect.

Section 4. This ordinance shall take effect immediately upon approval at second reading by the City Council and signature of the Mayor.

SO DONE this ____ day of _____ 2024.

By: _____
Chris Stein, Mayor

ATTEST:

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Dillon Morris
Interim City Clerk

1st Reading:
Published:
2nd Reading:

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