

REGULAR MEETING  
APALACHICOLA CITY COMMISSION  
TUESDAY, NOVEMBER 5, 2024 – 6:00PM  
FORMER APALACHICOLA MUNICIPAL LIBRARY  
74 6<sup>TH</sup> STREET, APALACHICOLA, FLORIDA 32320

**AGENDA**

You are welcome to comment on any matter under consideration by the Apalachicola City Commission when recognized to do so by the Mayor. Once recognized please rise to the podium, state your name for the record and adhere to the five-minute time limit for public comment. Comments may also be sent by email to the City Manager or to Commissioners.

**I. Call to Order**

- **Invocation**
- **Pledge of Allegiance**

**II. Agenda Adoption**

**III. Public Comment**

**IV. New Business**

1. **Audit Approval**
2. **ARPC Southern Rail Commission Letter of Support and Resolution**
3. **Small Business Saturday Proclamation**

**V. Unfinished Business**

1. **ARPA**
2. **FWC No Wake Ordinance**

**VI. Mayor and Commissioner Comments**

**VII. City Manager Communications - Report Attached**

**VIII. Finance Director Communications - Report Attached**

**IX. Attorney Communications**

**X. Consent Agenda**

**Commission Meeting Minutes Adoption: 9.10.24 PH & SM Minutes; 10.8.24 WS Meeting Minutes**

## **P & Z 9.9.24 Meeting Minutes**

### **XII. Department Reports – Included in Agenda Packet**

#### **Adjournment**

Any person who desires to appeal any decision at this meeting will need a record of the proceeding and for this purpose, may need to ensure that a verbatim record of the proceeding is made which includes testimony and evidence upon which the appeal is based. Persons with disabilities needing assistance to participate in any of these proceedings should contact the City Clerk's Office 48 hours in advance of the meeting.

APALACHICOLA CITY COMMISSION  
REQUEST FOR BOARD ACTION  
Meeting Date: November 5, 2024

**SUBJECT:** 2023-2024 Audit Report

**AGENDA INFORMATION:**

Agenda Location: New Business  
Item Number: 1  
Department: Finance  
Contact: Lee Mathes  
Presenter: Chris Moran

**BRIEF SUMMARY:**

**RECOMMENDED MOTION AND REQUESTED ACTIONS:** Motion to Approve the 23-24 Audit Report

**FUNDING SOURCE:** N/A

**ATTACHMENTS:**

**STAFF'S COMMENTS AND RECOMMENDATIONS:**

**CITY OF APALACHICOLA, FLORIDA**  
**AUDITED FINANCIAL STATEMENTS**  
**AND**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

CITY OF APALACHICOLA, FLORIDA  
 AUDITED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

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CITY OF APALACHICOLA, FLORIDA  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

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**MORAN & SMITH LLP****Certified Public Accountants**

MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400

TALLAHASSEE, FLORIDA 32308

850.879.0636

**INDEPENDENT AUDITOR'S REPORT**

To the City Members of Apalachicola  
City of Apalachicola, Florida:

**Qualified and Unmodified Opinion**

We have audited the accompanying financial statements of the governmental activities and business-type activities of the City of Apalachicola, Florida (the "City"), as of and for the fiscal 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.

**Qualified Opinion on the Governmental Activities, Business-type Activities, and Utility Fund**

In our opinion, except for the effects of the matter described in the Basis for Qualified and Unmodified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, business-type activities, and utility fund of the City as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Unmodified Opinion of the General Fund**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the general fund of the City as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Qualified and Unmodified Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial statement 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 qualified and unmodified audit opinions.

**Matter Giving Rise to the Qualified Opinion on the Governmental Activities, Business-type Activities, and Utility Fund**

As discussed in Note 9 to the financial statements, the City has not implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Accounting principles generally accepted in the United States of America require recording of an obligation for postemployment benefits other than pensions, which would increase liabilities, decrease net position, and change the expenses in governmental activities, business-type activities and the utility fund. The effects of this departure from accounting principles generally accepted in the United States of America on the governmental activities, business-type activities and the utility fund, has not been determined.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any known information that may raise substantial doubt shortly thereafter.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 judgement 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 required supplementary information, 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 (GASB), 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.

Management has omitted the schedule of changes in the City's total OPEB liability and related ratios that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion of the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for the purpose of additional analysis and not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Moran & Smith LLP  
Tallahassee, Florida  
November 4, 2024

**CITY OF APALACHICOLA, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Management's discussion and analysis provides an easily readable analysis of the City of Apalachicola, Florida's ("City") financial activities. The analysis provides summary financial information for the City and should be read in conjunction with the City's financial statements.

### **Financial Highlights**

- Total assets and deferred outflows of resources of the City exceeded total liabilities and deferred inflows of resources by \$41,092,103 (net position). Of this amount \$358,195 is unrestricted net position for governmental activities, \$1,122,480 is unrestricted net position for business-type activities, \$416,877 is restricted net position for governmental activities, \$482,776 is restricted net position for business-type activities and \$167,685 is assigned net position for governmental activities.
- Total net position increased by \$232,533. Of this amount, a decrease of \$166,161 is attributable to governmental activities and an increase of \$398,694 is attributable to business-type activities.
- As of September 30, 2022, the general fund's unassigned fund balance is \$1,405,706.
- Governmental activities' revenues increased to \$4,911,565, while governmental activities' expenses increased to \$5,077,726. Business-type activities' revenues decreased to \$2,892,719, while business-type activities' expenses increased to \$2,494,025.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The 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**

The *government-wide financial statements* include the *statement of net position* and *statement of activities*, providing both long-term and short-term information about the City's overall financial condition. The *statement of net position* presents increases or decreases in net position from year to year and serves as a useful indicator of the City's improving or declining financial position. Information on how the City's net position changed during this reporting period is presented in the *statement of activities*.

The *government-wide financial statements* can be found on pages 10-11 of this report.

#### **Fund Financial Statements**

The *fund financial statements* provide financial information for the City's major funds and more detailed information about the City's activities. Individual funds have been established by the City for the purpose of grouping related accounts to maintain control over resources that have been segregated for specific purposes or objectives to account for revenues that are restricted to certain uses, or to comply with legal requirements. The two major categories of funds found in the City's *fund financial statements* include: governmental funds and proprietary funds.

**CITY OF APALACHICOLA, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

**Notes to the Basic Financial Statements**

The *notes to basic financial statements* provide additional detail concerning the financial activities and financial balances of the City. Additional information is also included that is essential to a full understanding of the data provided in 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 exceeded liabilities and deferred inflows by \$41,092,103 at the close of the most recent fiscal year.

A large portion of the City's net position reflects its investment in capital assets (e.g., land, 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. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	STATEMENT OF NET POSITION					
	Governmental		Business		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 2,994,770	\$ 3,758,594	\$ 2,831,923	\$ 2,154,144	\$ 5,826,693	\$ 5,912,738
Capital assets	22,346,660	22,834,942	20,373,860	21,181,176	42,720,520	44,016,118
Total assets	25,341,430	26,593,536	23,205,783	23,335,320	48,547,213	49,928,856
Deferred outflows	675,996	429,834	262,887	167,157	938,883	596,991
Current liabilities	1,894,626	1,415,258	676,603	570,787	2,571,229	1,986,045
Long-term liabilities	585,146	682,722	3,589,182	4,660,453	4,174,328	5,343,175
Net pension liabilities	2,232,273	612,221	868,106	238,086	3,100,379	850,307
Total liabilities	4,712,045	2,710,201	5,133,891	5,469,326	9,845,936	8,179,527
Deferred inflows	(124,819)	4,070,461	(48,541)	416,290	(173,360)	4,486,751
Net position						
Net investment in capital assets	21,772,842	22,105,709	16,430,662	16,229,868	38,203,504	38,335,577
Restricted	411,211	988,202	862,752	342,603	1,273,963	1,330,805
Assigned	264,734	-	-	-	264,734	-
Unrestricted	(492,981)	148,798	1,089,905	1,044,390	596,924	1,193,188
Total net position	\$ 21,955,806	\$ 23,242,709	\$ 18,383,319	\$ 17,616,861	\$ 40,339,125	\$ 40,859,570

An additional portion of the City's net position, \$899,653, represents resources that are subject to external restrictions on how they may be used and \$167,685, represents resources that are assigned by the Board. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

**Governmental Activities**

Governmental activities decreased the City's net position by \$166,161 in the most recent fiscal year. Key elements of this change include an increase deferred inflows related to pension and deferred grant revenue.

**CITY OF APALACHICOLA, FLORIDA  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

**Business-type Activities**

Business-type activities increased the City’s net position by \$398,694 in the most recent fiscal year. Key elements of this change include a decrease in deferred inflows related to pension.

	STATEMENT OF ACTIVITIES					
	Governmental		Business		Total	
	2023	2022	2023	2022	2023	2022
Program revenues:						
Charges for services	\$ 645,533	\$ 639,669	\$ 2,931,959	\$ 3,219,320	\$ 3,577,492	\$ 3,
Operating grants and contributions	858,074	779,181	7,350	-	865,424	
Capital grants and contributions	361,437	555,261	262,191	-	623,628	
General revenue:						
Taxes, licenses, and permits	2,573,684	2,333,075	-	-	2,573,684	2,
Intergovernmental and other	564,878	558,041	10,284	38,233	575,162	
Transfers	-	11,227	-	(11,227)	-	
Total revenues	5,003,606	4,876,454	3,211,784	3,246,326	8,215,390	8,
Expenses:						
General government	2,082,185	1,397,758	-	-	2,082,185	1,
Transportation	675,284	44,254	-	-	675,284	
Public Safety	977,378	619,248	-	-	977,378	
Physical environment	1,572,603	793,202	-	-	1,572,603	
Economic environment	-	(60,574)	-	-	-	
Culture and recreation	791,578	800,431	-	-	791,578	
Interest on long-term debt	23,059	30,562	-	-	23,059	
Business-type activities	-	-	2,844,023	2,002,388	2,844,023	2,
Total expenses	6,122,087	3,624,881	2,844,023	2,002,388	8,966,110	5,
Increase (decrease) in net position	(1,118,481)	1,251,573	367,761	1,243,938	(750,720)	2,
Net position, beginning of year	23,076,544	21,991,136	18,015,558	16,372,923	41,092,102	38,
Net position, end of year	\$ 21,958,063	\$ 23,242,709	\$ 18,383,319	\$ 17,616,861	\$ 40,341,382	\$ 40,

**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 fund 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. In particular, 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.

As of the end of the current fiscal year, the City’s governmental fund reported an ending fund balance of \$1,990,268, a decrease of \$450,168 in comparison with the prior year. \$1,405,706 of this total amount constitutes unassigned fund balance, which is available for spending at the government’s discretion. The general fund is the chief operating fund of the City.

**CITY OF APALACHICOLA, FLORIDA  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

**Proprietary Funds**

The City’s proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the utility fund at the end of the year amounted to \$1,122,480. The total increase in net position for the fund was \$398,694. Other factors concerning the finances of the fund have already been addressed in the discussion of the City’s business-type activities.

**GENERAL BUDGETARY HIGHLIGHTS**

The City’s expenditures exceeded the amount budgeted for the year.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The City’s investment in capital assets, net of related debt, for its governmental and business-type activities as of September 30, 2022, amounts to \$38,544,090 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, and roads.

Additional information on the City’s capital assets can be found in Note 4 of this report.

**Long-term Debt**

At the end of the current fiscal year, the City had long-term debt outstanding of \$5,241,786.

<b>GENERAL LONG-TERM DEBT</b>			
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Bonds	\$ 346,500	\$ 2,085,078	\$ 2,431,578
Notes Payable	-	1,671,169	1,671,169
Leases	227,318	186,951	414,269
Accrued Leave	73,900	18,340	92,240
	<u>\$ 647,718</u>	<u>\$ 3,961,538</u>	<u>\$ 4,609,256</u>

Additional information on the City’s long-term debt can be found in Note 5 and Note 6 of this report.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES**

All of the following factors were considered in preparing the City’s budget for the 2021 fiscal year:

- Budgeted receipt of 95% of ad-valorem assessments,
- Anticipated intergovernmental revenue were based upon revenue accounting estimates calculated by the Florida Department of Revenue’s Office of Tax Research; however, as a result of uncertainty in the effects of the COVID-19 Pandemic, forecasted revenues from other state sources including local option taxes and revenue sharing were reduced by 20 to 50% from previous year revenue.
- Estimated revenue for water, wastewater, and solid waste services based upon the roster of actual customers, actual water usage and the study performed by the Rural Water Association which recommended a rate increase of 2.0% for the next three years. However, the City

**CITY OF APALACHICOLA, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Commission adopted Ordinance 2018-01 on April 3, 2018 which requires an automatic 3.0% increase in all water and wastewater rates. Budget reflects increase of 3.0%.

- Payment of principal and interest on all Bond Series obligating water and sewer revenue; and reserve balances required by the Bond Issuance Covenants
- Vehicle and equipment needs of the City
- Wastewater and water testing requirements
- Anticipated FRS Employer Contribution Rates
- Other anticipated operating expenses including repair and maintenance of the City's lift station and water/sewer plants

**REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the City of Apalachicola, Florida's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Manager, City of Apalachicola, 192 Coach Wagner Blvd. Apalachicola, FL 32320.

**CITY OF APALACHICOLA, FLORIDA**

**BASIC FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2023**



**CITY OF APALACHICOLA, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2023**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and Cash Equivalents	\$ 1,443,992	\$ 1,885,493	\$ 3,329,485
Investments	771,640	2,316	773,956
Accounts Receivables, Net	-	272,387	272,387
Interfund Receivables (Payables)	385,566	(385,566)	-
Due From Other Governments	393,572	194,541	588,113
Prepaid	121,843	-	121,843
Restricted Assets:			
Cash and Cash Equivalents	406,020	862,752	1,268,772
Capital Assets, Not Being Depreciated	10,504,180	625,248	11,129,428
Capital Assets, Being Depreciated	11,842,480	19,748,612	31,591,092
<b>Total Assets</b>	<b>25,869,293</b>	<b>23,205,783</b>	<b>49,075,076</b>
Deferred Outflows Related to Pensions	675,996	262,887	938,883
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable and Other Current Liabilities	287,456	131,081	418,537
Unearned Revenue	1,544,598	-	1,544,598
Bonds, Lease, and Notes Payables	62,572	545,522	608,094
<b>Noncurrent Liabilities:</b>			
Bonds, Lease, and Notes Payables	511,246	3,397,676	3,908,922
Accrued Compensated Absences	73,900	18,340	92,240
Utility Deposits	-	173,166	173,166
Net Pension Liability	2,232,273	868,106	3,100,379
<b>Total Liabilities</b>	<b>4,712,045</b>	<b>5,133,891</b>	<b>9,845,936</b>
Deferred Inflows Related to Pensions	(124,819)	(48,541)	(173,360)
<b>Net Position</b>			
Net Investment in Capital Assets	21,772,842	16,430,662	38,203,504
Restricted	411,211	862,752	1,273,963
Assigned	264,734	-	264,734
Unrestricted	(492,981)	1,089,905	596,924
<b>Total Net Position</b>	<b>\$ 21,955,806</b>	<b>\$ 18,383,319</b>	<b>\$ 40,339,125</b>

See accompanying notes to basic financial statements.

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

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
General Government	\$ 2,082,185	\$ -	229,855	\$ -	\$ (1,852,330)	\$ -	\$ (1,852,330)
Transportation	675,284	-	-	7,146	(668,138)	-	(668,138)
Public Safety	977,378	-	-	-	(977,378)	-	(977,378)
Physical Environment	1,572,603	645,533	111,662	354,291	(461,117)	-	(461,117)
Culture and Recreation	791,578	-	516,557	-	(275,021)	-	(275,021)
Interest on Long-term Debt	23,059	-	-	-	(23,059)	-	(23,059)
<b>Total Governmental Activities</b>	<b>6,122,087</b>	<b>645,533</b>	<b>858,074</b>	<b>361,437</b>	<b>(4,257,043)</b>	<b>-</b>	<b>(4,257,043)</b>
<b>Business-Type Activities</b>	<b>2,844,023</b>	<b>2,931,959</b>	<b>7,350</b>	<b>262,191</b>	<b>-</b>	<b>357,477</b>	<b>357,477</b>
<b>Total Primary Government</b>	<b>\$ 8,966,110</b>	<b>\$ 3,577,492</b>	<b>\$ 865,424</b>	<b>\$ 623,628</b>	<b>\$ (4,257,043)</b>	<b>\$ 357,477</b>	<b>\$ (3,899,566)</b>
<b>General Revenues</b>							
Property Taxes					1,546,878	\$ -	\$ 1,546,878
Franchise and Utility Taxes					614,738	-	614,738
Local Option Taxes					66,957	-	66,957
Licenses and Permits					345,111	-	345,111
Sales Tax and Other Shared Revenues					447,792	-	447,792
Miscellaneous					70,089	10,284	80,373
Interest					46,997	-	46,997
<b>Total General Revenues and Transfers</b>					<b>3,138,562</b>	<b>10,284</b>	<b>3,148,846</b>
<b>Change in Net Position</b>					<b>(1,118,481)</b>	<b>367,761</b>	<b>(750,720)</b>
<b>Net Position, Beginning of Year</b>					<b>23,076,544</b>	<b>18,015,558</b>	<b>41,092,103</b>
<b>Net Position, End of Year</b>					<b>\$ 21,958,063</b>	<b>\$ 18,383,319</b>	<b>\$ 40,341,382</b>

See accompanying notes to basic financial statements.

**CITY OF APALACHICOLA, FLORIDA  
BALANCE SHEET-GOVERNMENTAL FUND  
SEPTEMBER 30, 2023**

	<b>Total Governmental Fund</b>
<b>Assets</b>	
Cash and Cash Equivalent	\$ 1,443,992
Investments	771,640
Accounts Receivable, Net	-
Interfund Receivables (Payables)	385,566
Due From Other Governments	393,572
Prepaid	121,843
Restricted:	
Cash and Cash Equivalent	406,020
<b>Total Assets</b>	<b>3,522,633</b>
 <b>Liabilities and Fund Balance</b>	
<b>Liabilities</b>	
Accounts Payable and Accrued Expenses	287,456
Unearned Revenue	1,544,598
<b>Total Liabilities</b>	<b>1,832,054</b>
 <b>Fund Balance</b>	
Nonspendable	
Restricted:	
Library Trust	34,467
Revolving Loan	316,340
Debt Service	60,404
Assigned	264,734
Unassigned	1,014,634
<b>Total Fund Balance</b>	<b>1,690,579</b>
 <b>Total Liabilities and Fund Balance</b>	 <b>\$ 3,522,633</b>

See accompanying notes to basic financial statements.

**CITY OF APALACHICOLA, FLORIDA  
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2023**

**Total Fund Balances of Governmental Funds** \$ 1,690,579

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 governmental funds. 22,346,660

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Net pension liability and related deferred inflows/outflows are not due and payable in the current period and, therefore, are not reported in the funds.

Deferred outflows	675,996	
Net pension liability	(2,232,273)	
Deferred Inflows	124,819	(1,431,458)

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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Accrued Annual Leave	(73,900)	
Bonds and Note Payables	(573,818)	(647,718)

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**Total Net Position of Governmental Activities** **\$ 21,958,063**

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

	<b>Total Governmental Fund</b>
<b>Revenues</b>	
Taxes	\$ 1,821,153
Licenses and Permits	345,111
Intergovernmental Revenues	846,044
Grants	1,219,511
Charges for Services	645,533
Fines and Forfeitures	9,168
Miscellaneous	70,089
Investment Earnings and Other	46,997
<b>Total Revenues</b>	<b>5,003,606</b>
<b>Expenditures</b>	
Current:	
General Government	1,885,413
Public Safety	822,121
Physical Environment	1,222,653
Transportation	151,673
Culture and Recreation	535,364
Capital Outlay	592,046
Debt Service:	
Principal	70,962
Interest	23,059
<b>Total Expenditures</b>	<b>5,303,291</b>
<b>Excess (Deficiency) of Revenues</b>	
<b>Over (Under) Expenditures</b>	<b>(299,685)</b>
<b>Fund Balance Beginning of Year</b>	<b>1,990,264</b>
<b>Fund Balances, End of Year</b>	<b>\$ 1,690,579</b>

See accompanying notes to basic financial statements.

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

Amounts reported for governmental activities in the statement of activities are different because:

Net Change in Fund Balances - Total Governmental Funds. \$ (299,685)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period:

Capital Outlay	592,046	
Depreciation Expense	(1,023,957)	(431,911)
<hr/>		

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.

Changes in:

Net pension liability	(353,019)	
Deferred outflows related to net pension liability	(58,769)	
Deferred inflows related to net pension liability	(46,617)	(458,405)
<hr/>		

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:

Accrued Annual Leave	558	
Bonds, Leases and Note Payables	70,962	71,520
<hr/>		

<b>Change in Net Position of Governmental Activities</b>		<b>\$ (1,118,481)</b>
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**CITY OF APALACHICOLA, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
**SEPTEMBER 30, 2023**

	<b>Utility Fund</b>
<b>Current Assets</b>	
Cash and Cash Equivalents	\$ 1,885,493
Investments	2,316
Receivables (Net)	272,387
Due from Other Governments	194,541
Interfund Receivables (Payables)	(385,566)
<b>Total Current Assets</b>	<b>1,969,171</b>
<b>Restricted Assets</b>	
Debt Service	220,463
Customer Deposits	173,166
State Revolving Loan Escrow	469,123
<b>Total Restricted Assets</b>	<b>862,752</b>
<b>Capital Assets</b>	
Property, Plant, and Equipment	40,582,766
Accumulated Depreciation	(20,208,906)
<b>Total Capital Assets</b>	<b>20,373,860</b>
<b>Total Assets</b>	<b>23,205,783</b>
<b>Deferred Outflows Related to Pensions</b>	<b>262,887</b>
<b>Current Liabilities</b>	
Accounts Payable and Accrued Expenses	131,081
Current Portion of Compensated Absences	252
Payable from Restricted Assets	
Current Portion of Long-term Debt	545,522
Utility Deposits	173,166
<b>Total Current Liabilities</b>	<b>850,021</b>
<b>Noncurrent Liabilities</b>	
Long-term Portion of Debt	3,397,676
Net Pension Liability	868,106
Compensated Absences	18,088
<b>Total Noncurrent Liabilities</b>	<b>4,283,870</b>
<b>Total Liabilities</b>	<b>5,133,891</b>
<b>Deferred Inflow Related to Pensions</b>	<b>(48,541)</b>
<b>Net Position</b>	
Net Investment in Capital Assets	16,430,662
Restricted	862,752
Unrestricted	1,089,905
<b>Total Net Position</b>	<b>\$ 18,383,319</b>

See accompanying notes to basic financial statements.

**CITY OF APALACHICOLA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	<b>Utility Fund</b>
<b>Operating Revenue</b>	
Utility Billings	\$ 2,748,424
Mooring Fees	183,535
Miscellaneous	10,284
<b>Total Operating Revenue</b>	<b>2,942,243</b>
<b>Operating Expenses</b>	
Personal Services	621,157
Supplies, Gas, and Oil	239,180
Communications	9,732
Utilities	218,752
Repairs and Maintenance	378,595
Insurance	2,522
Professional Fees	93,109
Miscellaneous	174,626
Depreciation	1,024,552
<b>Total Operating Expenses</b>	<b>2,762,225</b>
<b>Operating Income (Loss)</b>	<b>180,018</b>
<b>Non-operating Revenues (Expenses)</b>	
Grant Revenue	269,541
Interest Expense	(81,798)
<b>Total Non-operating Revenues (Expenses)</b>	<b>187,743</b>
<b>Change in Net Position</b>	<b>367,761</b>
<b>Net Position, Beginning of Year</b>	<b>18,015,558</b>
<b>Net Position, End of Year</b>	<b>\$ 18,383,319</b>

See accompanying notes to basic financial statements.



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

	<b>Utility Fund</b>
<b>Cash Flows from Operating Activities</b>	
Cash Received from Customers	\$ 3,004,938
Cash Paid to Employees	(621,157)
Cash Paid to Suppliers	(1,083,071)
<b>Net Cash Provided (Used in) Operating Activities</b>	<b>1,300,710</b>
<b>Cash Flows from Noncapital Financing Activities</b>	
Grant Revenue	269,541
<b>Net Cash Provided (Used in) Noncapital Financing Activities</b>	<b>269,541</b>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Acquisition and Construction of Capital Assets	(483,652)
Principal Paid on Long-term Debt	(561,262)
Interest Paid on Long-term Debt	(81,798)
<b>Net Cash Provided (Used in) Capital and Related Financing Activities</b>	<b>(1,126,712)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>443,539</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>2,304,706</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 2,748,245</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used in) Operating Activities</b>	
<b>Cash Flow from Operating Activities</b>	
Operating Income (Loss)	\$ 180,018
<b>Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:</b>	
Depreciation	1,024,552
Accounts Receivable	(62,695)
Due from Other Funds	(1,285,741)
Due from Other Governments	(194,540)
Deferred Outflows	22,854
Accounts Payable and Accrued Expenses	5,122
Due to Other Funds	1,436,491
Compensated Absences	252
Customer Deposits	18,981
Net Pension Liability	137,285
Deferred Inflows	18,131
<b>Total Adjustments</b>	<b>1,120,692</b>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ 1,300,710</b>

See accompanying notes to basic financial statements.

**CITY OF APALACHICOLA, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

CITY OF APALACHICOLA, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

**Note 1 – Summary of Significant Accounting Policies**

**Reporting Entity**

The City of Apalachicola, Florida (“City”) is located in northwest Florida, along the Apalachicola Bay and River. The City operates under an elected Mayor-Commissioner and a four-member Board of Commissioners (“Board”). The City provides a full range of municipal services, including fire and police protection, public works activities, park and recreation, transportation and general administrative services. In addition, the City operates a water, sewer, and garbage collection utility, as well as docking facilities.

This report includes financial statements of the funds and activities of the City. The Summary of Significant Accounting Policies for the City consists of the primary government, organization for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the Summary of Significant Accounting Policies’ financial statements to be misleading or incomplete. A legally separate organization should be reporting as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization’s governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent of the primary government. A legally separate tax exempt organization should be reported as a component unit of a Summary of Significant Accounting Policies if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities are, in substance, part of the government’s operations and are reported with similar funds of the primary government (see note below for description). Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government. The City has two component units as defined by GASB Statement 61, *The Financial Summary of Significant Accounting Policies: Omnibus – an Amendment of GASB Statements No. 14 and No. 34* or in publications cited in the State of Florida, Office of the Auditor General Rules, Rule 10.553.

The City appoints the governing Board for the Apalachicola Housing Authority (“Authority”), which makes the Authority a related organization. However, the Authority is not considered a component unit since it is not financially accountable to or fiscally dependent on the Board.

There are no entities for which there were positive responses to specific criteria used for establishing oversight responsibility that were excluded for the City’s financial statements.

**CITY OF APALACHICOLA, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

The financial statements of the City have been prepared in conformity with the U.S. generally accepted accounting principles (GAAP) as applied to government entities. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies applicable to the City are described below.

**Government-Wide and Fund Financial Statements**

The government-wide statements (i.e., the statement of net position and the statement of activities) report information on all activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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 financial statements are provided for governmental funds and proprietary funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. 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 sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as with accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

**CITY OF APALACHICOLA, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, such as grants and similar items, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded and the availability criteria. In the other, monies are virtually unrestricted as to purpose of expenditure, and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible to accrual criteria are met.

License and permits, fines and forfeitures, charges for sales and services (other than utility), and miscellaneous revenues are generally recorded as revenue when received in cash, because they are generally not measurable until actually received. Utility services, investment earnings, franchise fees, and utility taxes are recorded as earned, since they are measurable and available.

Property taxes are recognized as revenue at the time an enforceable legal claim is established. This is determined to occur November 1, of each year. The assessment roll is validated July 1, and the millage resolution is approved by September 30. The City's property tax becomes a lien on October 1, and the tax is levied by Franklin County each November 1, for real and personal property located in the City. Property taxes are due before April 1, with the maximum discount available, if payment is made on or before November 30. If payment remains delinquent, a tax certificate for the full amount of any unpaid taxes is sold no later than June 1. Under this arrangement, there are no property tax receivables at the end of the fiscal year on September 30.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principle ongoing operations. The principle operating revenues of the City's enterprise funds are charges to customers for sales and services. The City's enterprise fund also recognizes as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses of the enterprise fund include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The government reports the following major governmental funds:

- **General Fund**

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The government reports the following major proprietary funds:

- **Utility Fund**

The Utility Fund accounts for the revenues and expenses associated with the City's water, sewer and docking facilities.

**CITY OF APALACHICOLA, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity**

▪ **Deposits and Investments**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and highly liquid instruments with original maturities of three months or less from the date of acquisition.

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as qualified depositories, a multiple financial institution pool whereby groups of securities pledged by various financial institutions provide common collateral for their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions providing full insurance for public deposits. The City had deposits only with qualifying institutions as of September 30, 2023.

Investments of the City are held in the Florida PRIME portion of the State Investment Pool. These investments are classified as cash and cash equivalents and reported at amortized costs, which approximates fair value.

▪ **Receivables and Payables**

Outstanding balances between funds are reported as due to/from other or advances to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Receivables are reported net of an allowance for uncollectibles. The City has recorded a \$14,454 allowance for uncollectibles in the Utility Fund.

▪ **Inventory**

Inventories are valued at cost, which approximates market value, using the first-in, first-out (FIFO) method. Generally, the costs of governmental fund type inventories are recorded as expenditures when consumed (consumption method) rather than when purchased. For the fiscal year 2023 there was no inventory.

▪ **Prepaids**

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. Prepaid items are accounted for by use of the consumption method. For the fiscal year 2023 there were prepaid items for insurance of \$121,843.

▪ **Restricted Assets**

Certain resources are set aside for debt reserves, customer deposits, unspent bond proceeds, and other purposes. These resources are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants, ordinances, or regulations.

**CITY OF APALACHICOLA, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

▪ **Capital Assets**

Capital assets, which include property, plant and equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, 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, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value rather than fair value.

The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extended assets lives, are not capitalized.

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

Buildings	10-50 years
Improvements	10-35 years
Infrastructure	40-55 years
Furniture, Fixtures, and Equipment	3-20 years

▪ **Compensated Absences**

Accumulated unpaid vacation time, compensatory time, and sick time amounts, including the related direct and incremental salary-related payments, accrues in the enterprise funds, and appear as increase in salary expenses in the proprietary financial statements. In the governmental funds, these costs are recognized when payments are made to employees or when the costs mature as a result of an employee resignation or retirement. All vacation, compensatory and sick pay accrues when incurred in the government-wide financial statements.

▪ **Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities and business-type activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the bond premium or discount. Bond issuance costs are expensed when incurred, with the exception of bond insurance, which is amortized over the term of the related debt.

In the fund financial statements, governmental fund-types record bond premiums and discounts, as well as bond issuance costs in the year incurred. The face amount of debt issued is reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

CITY OF APALACHICOLA, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023

▪ **Deferred Inflows and Outflows of Resources**

Deferred outflows of resources represent a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources until that future time. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources until that future time. Deferred outflows have a positive effect on net position, similar to assets, while deferred inflows have a negative effect on net position, similar to liabilities. The City reports deferred outflows of resources related to unamortized refunding losses, as well as pension related deferred inflows and outflows of resources.

- **Unavailable Revenues** – In the governmental funds, revenues not received within the City’s availability period are considered unavailable and, therefore, reported as a deferred inflow. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.
- **Pension Related** – The difference between expected and actual experience with regard to economic and demographic factors and changes to assumption in the measurement of total pension, the difference between expected and actual earnings on pension plan investments, and the change in the proportionate share of the net pension liability resulting from a change in proportion are reported as deferred inflows or outflows or resources, to be recognized in expense. Contributions made subsequent to the measurement date, but prior to the reporting date, are reported as deferred outflows of resources.

▪ **Fund Balance**

Fund balance classifications comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components: non-spendable, restricted, committed, assigned and unassigned.

- **Non-Spendable** – This component of fund balance consists of amounts that cannot be spent because (a) they are not expected to be converted to cash; or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items and principal (corpus) of an endowment fund. On the governmental funds balance sheet, the prepaid balances reported is offset by a non-spendable fund balance classification which indicates it does not constitute “available spendable resources” even though it is a component of current assets.
- **Restricted** – This component of fund balance consists of amounts that are constrained either (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments); or (b) by law through constitutional provisions or enabling legislation.
- **Committed** – This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (i.e., by ordinance) of the City Commission. These committed amounts cannot be used for any other purpose unless the City Commission removes or changes the specified use by taking the same type of action employed to constrain those amounts.



**CITY OF APALACHICOLA, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

- **Assigned** – This component of fund balance consists of amounts that the City intends to use for a specific purpose as determined by the City Commission in accordance with the City’s fiscal policies. In addition, residual balances in capital projects and debt service funds are considered assigned for the general purpose of the respective fund, as approved by the City Commission through the budget process.
- **Unassigned** – This classification is used for: (a) deficit unrestricted fund balances in any governmental fund; or (b) fund balances within the general fund that are not restricted, committed, or assigned.

When both restricted and unrestricted resources are available for use, it is generally the practice of the City to use restricted resources first, then unrestricted resources as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use in any governmental fund, it is the City’s practice to use committed resources first, then assigned, and then unassigned as needed.

- **Net Position**

Net position invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position invested in capital assets, net of related debt, excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws, or regulations. Net position not reported as net position invested in capital assets, net of related debt or restricted net position, are reported as unrestricted net position.

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

### **Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America as applied to governmental units, 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 the estimates.

### **Upcoming Governmental Accounting Standards Board (GASB) Pronouncements**

GASB has issued new accounting and financial reporting pronouncements, which will become effective for the City’s 2023 fiscal year reporting period:

- GASB Statement No. 96, Subscription-Based Information Technology Arrangements, changes the accounting and financial reporting related to Subscription-Based Information Technology Arrangements (SBITAs) for government end-users. Upon adoption, a SBITA will result in a right-to-use subscription asset, which will be an intangible asset, and a corresponding subscription liability. The new guidance also provides capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, and requires note disclosures regarding SBITA.

**CITY OF APALACHICOLA, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**Budgets and Budgetary Accounting**

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a budgetary accounting system in accordance with various legal requirements which govern the City’s operations. Budgets are monitored at varying levels of classification detail; however, expenditures cannot legally exceed total appropriations at the individual fund level. All budget changes that affect the total of a fund’s budget must be approved by the City Commission.

The budgetary information presented for the general fund is prepared on the modified accrual basis. Encumbrances are not recorded. Unexpended items at year-end must be reappropriated in the subsequent year.

**Note 2 – Cash, Cash Equivalents, and Investments**

Deposits and investments as of September 30, 2023, are classified in the accompanying financial statements as follows:

**Statement of Net Position**

Cash and Cash Equivalents	\$ 3,329,485
Investments	773,956
Restricted:	
Cash and Cash Equivalents	1,268,772
<b>Total Cash, Cash Equivalents and Investments</b>	<b>\$ 5,372,213</b>

**Deposits**

All of the City’s cash deposits are held in banks that qualify as public depository under the *Florida Security for Public Deposits Act* as required by Chapter 280, Florida Statutes. Under the Act, all qualified depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository’s collateral pledged level. The pledging level may range from 25% to 125% depending upon the depository’s financial condition and establishment period. All collateral must be deposited with an approved financial institution. In event of default by a qualified public depository, all claims for public deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool. Therefore, all cash and time deposits held by the banks are fully insured and collateralized.

**Investments**

The City’s investment is summarized below at September 30, 2023:

	Fair Value	FMV Level
Florida PRIME, at Amortized Costs	\$ 773,956	N/A

**CITY OF APALACHICOLA, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Fair Market Value Hierarchy**

Investments, including derivative instruments that are not hedging derivatives, are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB statements require, or permit, in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

**Florida PRIME**

The City's investments in the Florida Prime Investment Pool (Florida PRIME) are similar to money market funds in which units are owned in the fund rather than the underlying investments. Florida PRIME is administered by the Florida State Board of Administration (SBA), which provides regulatory oversight. These investments are reported at amortized cost and meet the requirements of GASB Statement No. 31, as amended by GASB Statement No. 79, Certain External Investment Pools and Pool Participants, which establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. There is no limitation or restrictions on withdrawals from Florida PRIME; although in the occurrence of an event that has a material impact on liquidity or operations of the trust fund, the funds' executive director may limit contributions to our withdrawals from the trust fund for a period of 48 hours.

*Credit Risks* - The credit risk of certain investments, such as investment pools managed by other outside parties, cannot be categorized because the City's investments are not evidenced by specific, identifiable investment securities.

*Interest Rate Risks* - At September 30, 2023, the City did not hold any investments that were considered to be an interest rate risk.

*Custodial Risks* - At September 30, 2023, the City did not hold any deposits or investments that were considered to be a custodial risk.

*Concentrations of Credit Risk* - At September 30, 2023, the City did not hold any investments that were considered to be a concentration of credit risk.

**CITY OF APALACHICOLA, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**Note 3 – Receivables**

Accounts receivable as of September 30, 2023, were as follows:

Governmental Fund Receivables:

Due from other funds	\$ 1,788,087
Due from other governments:	
Tax receivable	42,276
Grant receivable	<u>351,296</u>
Total Governmental Fund Receivables	<u>\$ 2,181,659</u>

Proprietary Fund Receivables:

Accounts receivable, net	
Accounts receivable	\$ 286,841
(less allowance for doubtful accounts)	<u>(14,454)</u>
Total accounts receivable, net	<u>272,387</u>
Due from other funds	<u>1,402,521</u>
Due from other governments:	<u>194,541</u>
Total Proprietary Fund Receivables, net	<u>\$ 1,869,449</u>

**CITY OF APALACHICOLA, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 4 - Capital Assets**

	September 30, 2022	Additions	(Reductions)	September 30, 2023
<b>Governmental Activities:</b>				
<b>Capital assets, not being depreciated</b>				
Land	\$ 10,201,410	\$ -	\$ -	\$ 10,201,410
Construction in Progress	-	302,770	-	302,770
<b>Total capital assets, not being depreciated</b>	<b>10,201,410</b>	<b>302,770</b>	<b>-</b>	<b>10,504,180</b>
<b>Capital assets, being depreciated</b>				
Buildings and improvements	3,159,162	79,082	-	3,238,244
Improvements other than buildings	5,425,365	27,532	-	5,452,897
Infrastructure	9,045,383	-	-	9,045,383
Equipment and other	3,911,802	182,662	-	4,094,464
<b>Total capital assets, being depreciated</b>	<b>21,541,712</b>	<b>289,276</b>	<b>-</b>	<b>21,830,988</b>
<b>Total accumulated depreciation</b>	<b>(8,964,551)</b>	<b>(1,023,957)</b>	<b>-</b>	<b>(9,988,508)</b>
<b>Total capital assets, being depreciated, net</b>	<b>12,577,161</b>	<b>(734,681)</b>	<b>-</b>	<b>11,842,480</b>
<b>Total governmental capital assets, net</b>	<b>\$ 22,778,571</b>	<b>\$ (431,911)</b>	<b>\$ -</b>	<b>\$ 22,346,660</b>
<b>Business-type Activities:</b>				
<b>Capital assets, not being depreciated</b>				
Land	\$ 363,057	\$ -	\$ -	\$ 363,057
Construction in Progress	-	262,191	-	262,191
<b>Total capital assets, not being depreciated</b>	<b>363,057</b>	<b>262,191</b>	<b>-</b>	<b>625,248</b>
<b>Capital assets, being depreciated</b>				
Buildings and utility systems	39,736,057	221,461	-	39,957,518
<b>Total capital assets, being depreciated</b>	<b>39,736,057</b>	<b>221,461</b>	<b>-</b>	<b>39,957,518</b>
<b>Total accumulated depreciation</b>	<b>(19,184,354)</b>	<b>(1,024,552)</b>	<b>-</b>	<b>(20,208,906)</b>
<b>Total capital assets, being depreciated, net</b>	<b>20,551,703</b>	<b>(803,091)</b>	<b>-</b>	<b>19,748,612</b>
<b>Total business-type capital assets, net</b>	<b>\$ 20,914,760</b>	<b>\$ (540,900)</b>	<b>\$ -</b>	<b>\$ 20,373,860</b>

Depreciation expense was charged to functions/programs as follows:

<b>Governmental Activities:</b>	
General government	\$ 96,617
Public safety	91,102
Transportation	417,090
Physical environment	254,079
Culture and recreation	165,070
<b>Total</b>	<b>\$ 1,023,957</b>

<b>Business-type Activities:</b>	
Water	\$ 173,136
Sewer	845,416
Mooring	6,000
<b>Total</b>	<b>\$ 1,024,552</b>

**CITY OF APALACHICOLA, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**Note 5 - Long-term Liabilities - Governmental Activities**

	September 30, 2022	Additions	(Reductions)	September 30, 2023	Due within one year
\$506,500 Capital improvement revenue bonds - Series 2010. Due in annual installments of \$25,480 to \$30,260 with interest at 4%, maturing in September 2039 (See (a) below).	\$ 361,500	\$ -	\$ (15,000)	\$ 346,500	\$ 16,000
Installment purchase agreement for a fire truck for \$400,000. Payable in annual installments of \$49,008, maturing June 2028.	263,159	-	(41,887)	221,272	40,526
Installment purchase agreement for a 2021 Chevy truck for the police department. Payable in twelve quarterly payments of \$2,427.	13,417	-	(8,832)	4,585	4,585
Installment purchase agreement for a 2021 Chevy truck for the public works. Payable in twelve quarterly payments of \$1,461.	6,704	-	(5,243)	1,461	1,461
Compensated absences	74,458	-	(558)	73,900	18,475
<b>Total governmental activities' long-term obligations</b>	<b>\$ 719,238</b>	<b>\$ -</b>	<b>\$ (71,520)</b>	<b>\$ 647,718</b>	<b>\$ 65,047</b>

**CITY OF APALACHICOLA, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

- (a) The series 2010 general fund capital improvement revenue bonds are secured by alcoholic beverage income, fines and forfeiture income and MSBU funds. Current year principal and interest payments on the bonds are 49 percent of pledged revenues. The total principal outstanding at September 30, 2023, was \$346,500.

There are limitations and restrictions contained in the bond indentures, including the establishment of specific debt service sinking fund and reserve accounts. The City is not in compliance with all aspects of the bond indenture. The sinking fund and reserve account balance for the Series 2010 bond issue totals \$55,213 at September 30, 2023.

Future debt service requirements for the City's long-term debt obligations of the governmental activities are summarized below:

<u>Year ending</u> <u>September 30,</u>	<u>Principal</u>
2024	\$ 62,572
2025	59,095
2026	60,726
2027	63,420
2028	68,505
Thereafter	<u>259,500</u>
Total	<u>\$ 573,818</u>

**CITY OF APALACHICOLA, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Note 6 - Long-term Liabilities - Business-type Activities**

	September 30, 2022	Additions	(Reductions)	September 30, 2023	Due within one year
\$3,073,000 Water and sewer revenue bonds - Series 2003. Due in annual installments of \$16,417 to \$592,000 with interest at 3%, matures in 2043 (See (c) below).	\$ 2,079,000	\$ -	\$ (75,000)	\$ 2,004,000	\$ 77,000
\$390,000 Water and sewer revenue bonds - Series 1983. Due in annual installments of \$2,000 to \$29,000 from September 1987-September 2024 with interest at 5% (See (a) below).	45,448	-	(27,000)	18,448	18,448
\$361,630 Water and sewer revenue bonds - Series 1986. Due in annual installments of \$3,000 to \$21,630 from September 1989-September 2026 with interest at 6% (See (b) below).	81,630	-	(19,000)	62,630	20,000
Note payable to the State of Florida Revolving Loan Fund for SRF refinancing. Semiannual payments of \$185,685 including 0% interest maturing December 2027 (See (d) below).	2,042,540	-	(371,371)	1,671,169	371,371
Installment purchase agreement for a ditch witch. Payable in twelve quarterly payments of \$5,885 including 0.935% interest.	22,007	-	(16,123)	5,884	5,884
Installment purchase agreement for water meters for \$267,000 payable in annual installments of \$32,034 including 3.48% interest, maturing November 2026.	146,211	-	(28,482)	117,729	27,941
Installment purchase agreement for a backhoe for \$99,550 payable in eight semi-annual installments of \$13,131, including 2.41% interest, maturing January 2026.	87,624	-	(24,286)	63,338	24,878
Compensated absences	18,088	252	-	18,340	4,585
Total business-type activities' long-term obligations	\$ 4,522,548	\$ 252	\$ (561,262)	\$ 3,961,538	\$ 550,107



**CITY OF APALACHICOLA, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

- (a) The series 1983 water and sewer revenue bonds are secured by a first lien on the gross revenues of the water and sewer system and a first lien on the City’s public service taxes and guaranteed entitlement revenues. Current year principal and interest payments on the bonds are 11 percent of pledged revenues. The total principal to be paid on the bonds is \$18,448. Principal and interest paid for the current year were \$27,000 and \$2,232, respectively.
- (b) The series 1986 water and sewer revenue bonds are secured by a junior lien on the above-mentioned revenues. Current year principal and interest payments on the bonds are 11 percent of pledged revenues. The total principal remaining to be paid on the bonds is \$62,630. Principal and interest paid for the current year were \$19,000 and \$4,898 respectively.
- (c) The series 2003 water and sewer revenue bonds were issued on parity with the 1983 and 1986 water and sewer revenue bonds. Current year principal and interest payments on the bonds are 63 percent of pledged revenues. The total principal remaining to be paid on the bonds is \$2,004,000. Principal and interest paid for the current year were \$75,000 and \$67,568 respectively.
- (d) The City was awarded a new loan of \$2,785,281 (funding number CS120 427090). The funds were disbursed as a refinancing of the City’s State Revolving Loan. The new loan is at 0% with semi-annual payments of \$185,685, due on June 15 and December 15, with the first payment due December 15, 2021. The balance as of September 30, 2023, was \$1,671,169.

There are a number of limitations and restrictions contained in the bond indentures, including the establishment of specific debt service sinking fund and reserve accounts. The sinking fund and reserve account balances relating to the Series 2003, 1986, and 1983 bond issues total \$688,0948 at September 30, 2023.

Future debt service requirements for the City’s long-term debt obligations of the business-type activities are summarized below:

<u>Year ending September 30,</u>	<u>Principal</u>
2024	\$ 545,522
2025	525,768
2026	515,020
2027	490,203
2028	273,685
Thereafter	<u>1,593,000</u>
Total	<u>\$ 3,943,198</u>

**CITY OF APALACHICOLA, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**Note 7 – Interfund Receivables, Payables, and Transfers**

As of September 30, 2023, the enterprise fund owed the general fund \$385,566.

As of September 30, 2023, there were no transfers between funds.

**Note 8 – Pension Plans**

**Defined Benefit Plans**

**Plan Description**

The City participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability and death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report may be obtained by writing to the Division of Retirement, PO Box 9000, Tallahassee, Florida, 32315-9000 or by calling (844) 377-1888.

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multi-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The Retirees' Health Insurance Subsidy (HIS) Program is a cost-sharing, multi-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

**Benefits Provided**

Benefits under FRS are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

**CITY OF APALACHICOLA, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
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Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes.

**Contributions**

The contribution requirements of plan members and the City are established and may be amended by the Florida Legislature. Employees are required to contribute 3% of their salary to FRS. The City's contribution rates for the year ended September 30, 2023 were as follows:

	Year Ended June 30, 2022		Year Ended June 30, 2023	
	FRS	HIS	FRS	HIS
Regular Class	10.1%	1.66%	11.51%	1.66%
Senior Management	29.8%	1.66%	32.46%	1.66%
Special Risk Employee Class	27.74%	1.66%	32.67%	1.66%
DROP Plan Participants	16.9%	1.66%	16.13%	1.66%

- (1) Contribution rates are dependent upon retirement class in which reemployed.
- (2) The rates include the normal cost and unfunded actuarial liability contributions, but to not include the fee of 0.06% for administration of the FRS Investment Plan and provision of education tools.

The City's contributions for the year ended September 30, 2023, were \$281,705 to FRS and \$31,770 to HIS.

**Pension Liabilities and Pension Expense**

In its financial statements for the year ended September 30, 2023, the City reported a liability for its proportionate shares of the net pension liabilities. The net pension liabilities were measured as of June 30, 2023, and the total pension liabilities used to calculate the net pension liability were determined by actuarial valuation date July 1, 2023. The City's proportions of the net pension liabilities were based on the City's share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS
Net Pension Liability	\$ 2,333,379	\$ 767,001
Proportion at:		
Current Measurement Date	0.00585587%	0.004829576%
Prior Measurement Date	0.00564178%	0.004823803%
Pension Expense (Benefit)	\$ 535,580	\$ 296,698

**CITY OF APALACHICOLA, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**Deferred Outflows/Inflows of Resources Related to Pensions**

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 219,084	\$ -
Changes of assumptions	152,109	-
Net difference between projected and actual earnings on Pension Plan Investments	97,448	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	248,300	(54,447)
Employer contributions subsequent to the measurement date	81,795	-
Total	\$ 798,736	\$(54,447)

	HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 11,228	\$ (1,800)
Changes of assumptions	20,164	(66,463)
Net difference between projected and actual earnings on Pension Plan Investments	396	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	98,087	(50,649)
Employer contributions subsequent to the measurement date	10,272	-
Total	\$ 104,147	\$(118,912)

**CITY OF APALACHICOLA, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

Deferred outflows or resources related to employer contributions paid subsequent to the measurement date and prior to the employer’s fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2023. Other pension related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Measurement period ending June 30,	FRS	HIS
2024	\$ 108,191	\$ 5,213
2025	21,825	2,585
2026	449,053	1,807
2027	69,559	2,504
2028	13,866	(660)
Thereafter	-	(488)
<b>Total</b>	<b>\$ 662,494</b>	<b>\$ 10,961</b>

**Actuarial Assumptions**

The total pension liability for each of the defined benefit plans, measured as of June 30, 2023, was determined by an actuarial valuation dated July 1, 2023, using the individual entry age normal actuarial cost method and the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary Increase	3.25% Average, Including Inflation	3.25%
Discount Rate	6.70%	3.65%
Long-term Expected Rate of Return, Net of Investment Income	6.70%	N/A
Municipal Bond	N/A	3.65%

Mortality assumptions for both plans were based on the Generational RP-2000 with Projection Scale BB.

For both plans, the actuarial assumptions used in the valuation date June 30, 2023 were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The following changes in key actuarial assumptions occurred in 2023:

- FRS: The long-term expected rate of return remained at 6.70% and the active member mortality assumption was updated.
- HIS: The municipal rate used to determine total pension liability was increased from 3.54% to 3.65%.
- The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For FRS, the table below summarizes the target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class.

**CITY OF APALACHICOLA, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

Asset Class	Target Allocation	Annual Arithmetic Return	Geometric Return	Standard Deviation
Cash	1%	2.9%	2.9%	1.1%
Fixed income	19.8%	4.5%	4.4%	3.4%
Global equity	54.0%	8.7%	7.1%	18.1%
Real estate (property)	10.3%	7.6%	6.6%	14.8%
Private equity	11.1%	11.9%	8.8%	26.3%
Strategic investments	3.8%	6.3%	6.1%	7.7%
	<u>100%</u>			
Assumed Inflation-Mean			2.4%	1.4%

**Discount Rate**

The discount rate used to measure the total pension liability for FRS was 6.70%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because HIS is essentially funded on a pay-as-you-go basis, a municipal bond rate of 3.65% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

**Sensitivity Analysis**

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the City's proportionate share of the net pension liability if the discount rate was 1% higher or 1% lower than the current discount rate.

	FRS		
	Current		
	1% Decrease	Discount Rate	1% Increase
Employer's proportionate share of the net pension liability	\$ 3,985,886	\$ 2,333,379	\$ 950,859

	HIS		
	Current		
	1% Decrease	Discount Rate	1% Increase
Employer's proportionate share of the net pension liability	\$ 875,029	\$ 767,001	\$ 677,454

**CITY OF APALACHICOLA, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Pension Plans' Fiduciary Net Position**

Detailed information about the pension plans' fiduciary net position is available in the State's separately issued financial reports.

**Defined Contribution Plan**

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan (FRS Investment Plan), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class.

**Note 9 – Other Postemployment Benefits**

The City has not implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, which establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities, note disclosures, and required supplementary information.

**Note 10 – Notes Receivable**

During the 2023 fiscal year, the City determined that the Revolving Loan Fund's note receivables were no longer collectible. The City did acquire property for the majority of the prior year receivable which will be recorded at the date of sale.

**Note 11 – Commitments, Contingencies, and Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error or omissions; injuries to employees and/or public; or damage to property of others. The City carries comprehensive coverage on certain vehicles and equipment, as long as deemed economically justifiable. The City also carries liability insurance on the aforementioned vehicles and equipment.

**Note 12 – Subsequent Events**

The City has evaluated events and transactions for potential recognition or disclosure in the financial statements through November 4, 2024, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

**CITY OF APALACHICOLA, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SEPTEMBER 30, 2023**



**CITY OF APALACHICOLA, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL-GENERAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Original	Final	Actual Amounts Fund	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 2,007,925	\$ 2,007,925	\$ 1,821,153	\$ (186,772)
Licenses and Permits	135,380	135,380	345,111	209,731
Intergovernmental Revenues	544,554	544,554	846,044	301,490
Grants	1,625	1,625	1,219,511	1,217,886
Charges for Services	630,000	630,000	645,533	15,533
Fines and Forfeitures	14,000	14,000	9,168	(4,832)
Miscellaneous	711,066	711,066	70,089	(640,977)
Investment Earnings and Other	-	-	46,997	46,997
<b>Total Revenues</b>	<b>4,044,550</b>	<b>4,044,550</b>	<b>5,003,606</b>	<b>959,056</b>
<b>Expenditures</b>				
Current:				
General Government	2,860,508	2,860,508	1,885,413	(975,095)
Public Safety	799,504	799,504	822,121	22,617
Physical Environment	1,213,789	1,213,789	1,222,653	8,864
Transportation	-	-	151,673	151,673
Culture and Recreation	237,218	237,218	535,364	298,146
Capital Outlay	482,000	482,000	592,046	110,046
Debt Service:				
Principal	54,914	54,914	70,962	16,048
Interest	-	-	23,059	23,059
<b>Total Expenditures</b>	<b>5,647,933</b>	<b>5,647,933</b>	<b>5,303,291</b>	<b>(344,642)</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<b>(1,603,383)</b>	<b>(1,603,383)</b>	<b>(299,685)</b>	<b>1,303,698</b>
<b>Fund Balance Beginning of Year</b>	<b>1,603,383</b>	<b>1,603,383</b>	<b>1,990,264</b>	<b>386,881</b>
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,690,579</b>	<b>\$ 1,690,579</b>

**CITY OF APALACHICOLA, FLORIDA  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

**Note 1 – Budgetary Information**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. All annual appropriations lapse at fiscal year-end.

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

1. Prior to October 1, the City Commission receives a proposed operating budget for the next fiscal year. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an ordinance.
4. The appropriated budget is prepared by fund, function and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the governing council.
5. The legal level of budgetary control is the fund level.
6. The budget for the General Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

**CITY OF APALACHICOLA, FLORIDA  
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY  
LAST 10 FISCAL YEARS AS OF SEPTEMBER 30**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Florida Retirement System (FRS)</b>									
Proportion of the net pension liability (asset)	0.00585870%	0.005641700%	0.004772883%	0.0044869%	0.0049942%	0.0052853%	0.0048474%	0.0047791%	0.0046555%
Proportionate share of the net pension liability (asset)	\$ 2,333,379	\$ 2,099,166	\$ 360,537	\$ 1,944,708	\$ 1,719,925	\$ 1,591,960	\$ 1,433,819	\$ 1,206,733	\$ 601,324
Covered-employee payroll	\$ 1,928,781	\$ 1,752,650	\$ 1,544,360	\$ 1,236,903	\$ 1,417,997	\$ 1,542,326	\$ 1,247,349	\$ 1,270,306	\$ 1,233,891
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	120.98%	119.77%	23.35%	157.22%	121.29%	103.22%	114.95%	95.00%	48.73%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%
<b>Health Insurance Subsidy Program (HIS)</b>									
Proportion of the net pension liability (asset)	0.00482958%	0.00482380%	0.00399275%	0.00359251%	0.00445478%	0.00473766%	0.00421390%	0.00449100%	0.00440540%
Proportionate share of the net pension liability (asset)	\$ 767,001	\$ 510,918	\$ 489,770	\$ 438,640	\$ 498,446	\$ 501,439	\$ 450,570	\$ 523,410	\$ 449,282
Covered-employee payroll	\$ 1,928,781	\$ 1,752,650	\$ 1,544,360	\$ 1,236,903	\$ 1,417,997	\$ 1,542,326	\$ 1,247,349	\$ 1,270,306	\$ 1,233,891
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	39.77%	29.15%	31.71%	35.46%	35.15%	32.51%	36.12%	41.20%	36.41%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

Note 1 - GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available.

CITY OF APALACHICOLA, FLORIDA  
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY  
 LAST 10 FISCAL YEARS AS OF SEPTEMBER 30

	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Florida Retirement System (FRS)</b>									
Contractually required contribution	\$ 281,705	\$ 240,741	\$ 181,826	\$ 1,944,708	\$ 1,719,925	\$ 1,728,562	\$ 1,630,549	\$ 111,485	\$ 113,485
Contributions in relation to the contractually required contribution:	(281,705)	(240,741)	(181,826)	(1,944,708)	(1,719,925)	(1,728,562)	(1,630,549)	(111,485)	(113,485)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 1,928,781	\$ 1,752,650	\$ 1,544,360	\$ 1,236,903	\$ 1,417,997	\$ 1,542,326	\$ 1,247,349	\$ 1,270,306	\$ 1,233,891
Contributions as a percentage of covered-employee payroll	14.61%	13.74%	11.77%	157.22%	121.29%	112.08%	130.72%	8.78%	9.20%
<b>Health Insurance Subsidy Program (HIS)</b>									
Contractually required contribution	\$ 31,770	\$ 29,188	\$ 23,469	\$ 238,640	\$ 236,854	\$ 215,157	\$ 217,059	\$ 20,854	\$ 16,118
Contributions in relation to the contractually required contribution:	(31,770)	(29,188)	(23,469)	(238,640)	(236,854)	(215,157)	(217,059)	(20,854)	(16,118)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 1,928,781	\$ 1,752,650	\$ 1,544,360	\$ 1,236,903	\$ 1,417,997	\$ 1,542,326	\$ 1,247,349	\$ 1,270,306	\$ 1,233,891
Contributions as a percentage of covered-employee payroll	1.65%	1.67%	1.52%	19.29%	16.70%	13.95%	17.40%	1.64%	1.31%

CITY OF APALACHICOLA, FLORIDA  
CITY OFFICIALS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Brenda Ash  
Mayor

Anita Grove  
Commissioner Seat 3  
Mayor Pro Tem

Despina George  
Commissioner Seat 1

Donna Duncan  
Commissioner Seat 4

Adriane Elliott  
Commissioner Seat 2

**CITY OF APALACHICOLA, FLORIDA**

**COMPLIANCE SECTION**

**SEPTEMBER 30, 2023**

CITY OF APALACHICOLA, FLORIDA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	ALN	Contract #	Grant Amount	Total Expenditures
<i>U.S. Department of Agriculture</i> Rural Business Development Grant (RBDG)	10.351	09-019-791803963	\$ 319,286	\$ 54,013
<i>U.S. Department of Housing and Urban Development</i> Rural Business Development Grant (RBDG)	14.228	M0033	910,753	56,662
<i>U.S. Department of the Interior, National Park Service, Emergency Supplemental Historic Preservation Fund, Florence, Yuti, and Michael Recovery Grant</i> <u>Passed Through the Florida Department of State, Division of Historical Resources</u> 2020 Hurricane Michael National Park Service Subgrant - HCA Emergency Supplemental Historic Preservation Grant - City Hall	15.957 15.957	21.h.fh.900.018 21.h.fh.900.006	281,884 399,916	114,097 181,527
<i>U.S. Department of the Treasury</i> <u>Passed Through the Florida Division of Emergency Management</u> American Rescue Plan Act - Coronavirus State and Local Fiscal Recovery Funds <u>Passed Through the Florida Division of Environmental Protection</u> Coronavirus State and Local Fiscal Recovery Funds	21.027 21.027	Y5005 WG038	1,179,010 5,551,875	114,518 262,191
<i>U.S. Department of Education</i> <u>Passed Through the Florida Department of Education</u> Nita M Lowey 21st Century Community Learning Centers Statewide Continuation	84.287	19A-2441B-1PCC2	511,320	466,770
<i>U.S. Department of Homeland Security - Federal Emergency Management Agency (FEMA)</i> <u>Passed Through the Florida Division of Emergency Management</u> Federal Public Assistance DR-4564 Hurricane Sally Federal Public Assistance DR-4399 Hurricane Michael	97.036 97.036	Z2597 Z0892	- -	4,654 29,462
<b>Total Federal Awards</b>			<b>\$ 9,154,044</b>	<b>\$ 1,283,894</b>

**CITY OF APALACHICOLA, FLORIDA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

**Note 1 - General**

The accounting policies and presentations of the accompanying schedule of expenditures of federal awards of the City of Apalachicola (the City) have been designed to conform with generally accepted accounting principles applicable to governmental units. The information in this schedule is presented in accordance with the requirements of Title U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance).

**Note 2 – Basis of Presentation**

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

**Note 3 – Indirect Cost Rate**

The City elected not to use the 10% de minimis indirect cost rate.

**Note 4 – Contingencies**

Grant monies received and disbursed by the City are for specific purposes and are subject to review by grantor agencies. Such audits may result in requests for reimbursements due to disallowance of expenditures. Based upon prior experience, the City does not believe that such disallowances, if any, would have a material effect on the financial position of the City.



**CITY OF APALACHICOLA, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FEDERAL AWARD PROGRAMS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

**SUMMARY OF AUDIT RESULTS – FINANCIAL STATEMENTS**

**I. Type of Audit Report Issued on Financial Statement**

Unmodified Opinion – Government-wide financial statements  
Qualified Opinion – Governmental activities, business-type activities and utility fund

**II. Significant Deficiencies and/or Material Weaknesses in Internal Control**

The audit disclosed the following findings as significant deficiencies/material weaknesses in internal control over financial reporting: Finding 2017-001, 2017-002, 2017-004, 2021-001, and 2021-002.

**III. Noncompliance Material to Auditee Financial Statements**

The audit disclosed the following material instances of noncompliance: Finding 2017-002, 2017-004, and 2021-001.

**IV. Significant Deficiencies and/or Material Weaknesses in Internal Control Over Major Federal Programs**

The audit disclosed the following findings as significant deficiencies/material weaknesses relating to the audit of the major federal award programs reported in the Independent Auditor’s Report on Compliance for Each Major Federal Award project that are required to be reported in the schedule of findings and questioned costs: Findings 2017-002 and 2021-001.

**V. Type of Audit Report Issued on Compliance with Requirements Applicable to Major Federal Programs**

Unmodified Opinion

**VI. Audit Findings Relative to Major Federal Programs**

The audit disclosed no findings required to be reported.

**VII. Projects Tested as Major Federal Programs**

American Rescue Plan Act	21.027
21 <sup>st</sup> Century Community Learning Centers	84.287

**VIII. Dollar Threshold Used to Distinguish Between Type A and Type B Programs**

The threshold for distinguishing between Type A and Type B programs is \$750,000 for major federal award programs.

**CITY OF APALACHICOLA, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FEDERAL AWARD PROGRAMS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

**IX. Low Risk Auditee**

The City of Apalachicola did not qualify as a low-risk auditee.

**FINDINGS – FINANCIAL STATEMENT FINDINGS**

See Schedule of Prior Year Findings.

**FINDINGS AND QUESTIONED COSTS – FEDERAL AWARD PROGRAMS**

**2022-001 – Late Submission of Data Collection Form**

**CRITERIA:** In accordance with Uniform Guidance 2 CFR 200.512(a), the audit package and data collection form shall be submitted 30 days after receipt of the auditor's report, or 9 months after the end of the fiscal year, whichever comes first.

**CONDITION:** The data collection form in connection with the audit was not filed within 9 months after the fiscal year end.

**CAUSE:** Management did not have procedures in place to ensure the timely filing of the data collection form to the Federal Audit Clearinghouse.

**EFFECT:** Late filing will result in noncompliance with timely submission of financial information to the grantor agencies.

**RECOMMENDATION:** Management should evaluate the current procedures in place to ensure the timely filing of the data collection form to the Federal Audit Clearinghouse.

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS RELATIVE TO FEDERAL AWARDS**

There were no prior audit findings.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
UNIFORM GUIDANCE**

To the Honorable City Commission,  
City of Apalachicola, Florida:

**Report on Compliance for Each Major Federal Program**

**Opinion on Each Major Federal Program**

We have audited the City of Apalachicola, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2023. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2023.

**Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

**Responsibilities of Management for Compliance**

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

**Auditor’s Responsibilities for the Audit of Compliance**

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control over compliance. Accordingly, no such opinion is expressed.

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

**Other Matters**

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal program is not modified with respect to these matters.

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

**Report on Internal Control over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Moran & Smith LLP  
Tallahassee, Florida  
November 4, 2024

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable City Commission,  
City of Apalachicola, Florida:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of City of Apalachicola, Florida (the "City"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, and have issued our report thereon dated **November 4, 2024**.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of prior year findings to be material weaknesses, 2017-001, 2017-002, 2017-004, and 2021-001.

*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 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 from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of prior year findings as item 2017– 002, 2017-004 and 2021-001.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moran & Smith LLP  
Tallahassee, Florida  
November 4, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE  
REQUIREMENT OF SECTION 218.415 FLORIDA STATUTES**

To the Honorable City Commission,  
City of Apalachicola, Florida:

We have examined the City of Apalachicola, Florida (the "City"), compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*; during the fiscal year ended September 30, 2023, as required by Section 10.556(10)(a), *Rules of the Auditor General*. 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 compliance with the specified requirements listed above is in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the City's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material misstatement of compliance with the specified requirement listed above, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

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

Moran & Smith LLP  
Tallahassee, Florida  
November 4, 2024



**INDEPENDENT AUDITOR'S MANAGEMENT LETTER**

To the Honorable City Commission,  
City of Apalachicola, Florida:

**Report on the Financial Statements**

We have audited the financial statements of the City of Apalachicola, Florida (the "City") as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated **November 4, 2024**.

**Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Chapter 10.550, *Rules of the Florida Auditor General*.

**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. Corrective actions have been taken to correct prior year finding 2021-002, but have not been taken to address the remaining findings and recommendations made in the preceding annual financial audit report.

**Official Title and Legal City**

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 the management letter, unless disclosed in the notes to the financial statements. The name or official title and legal City of the primary government and component unit are disclosed in the notes to the financial statements.

**Financial Condition**

Section 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 conditions met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

#### **Special District Component Units**

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

#### **Additional Matters**

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

#### **Purpose of this Letter**

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

Moran & Smith LLP  
Tallahassee, Florida  
November 4, 2024

CITY OF APALACHICOLA, FLORIDA  
SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**PRIOR YEAR**

**2017-001 Segregation of duties (Prior years 2016-001 and 2015-001) (Initially reported in 2004)**

**Condition:** due to the small number of staff, the city doesn't have proper segregation of duties in many areas. Due to the lack of segregation of duties and limited internal controls the City Manager currently has the ability to issue and approve cash disbursements; reconcile the cash accounts; input, edit, approve accounting journal entries; and prepare the financial information.

**Criteria:** To provide effective control and help prevent deposits from being stolen, each of these duties should be separated.

**Effect:** This situation provides opportunity for errors and unauthorized transactions to not be detected in a timely manner.

**Recommendation:** We recommend that the City segregate duties as much as possible and implement mitigating controls where segregation of duties is not possible.

**Views of Responsible Officials and Planned Corrective Action:** As reported in prior audit reports, this issue results from the limited number of employees in the city office. The City is actively search for a new Finance Director to help in segregating duties.

**2017-002 Significant Adjustments to the Financial Records (Prior years 2016-0002 and 2015-002) (Initially reported in 2007)**

**Condition:** Adjustments were needed in order for the financial statements to conform to generally accepted accounting principles.

**Criteria:** The requirement is for the City to be able to provide materially correct financial information.

**Effect:** The auditors proposed a number of journal entries which the City reviewed and approved.

**Recommendation:** While we realize no adjustments required may not be possible, we recommend that the accounting staff continue to strive toward minimizing the number of proposed audit adjustments that have been required.

**Views of Responsible Officials and Planned Course of Action:** The City is hiring a new finance director, and the City is making significant strides in reducing the number of audit adjustments.

**2017-004 Property and Equipment Records and Disposal Procedures (Initially reported in 2017)**

**Condition:** Property and equipment records were not complete per the requirements set by the state of Florida and the property and equipment is not being properly tagged. An inventory was not taken during the year ended September 30, 2022, that can be agreed to the general fixed asset records presented in the audit report.

**CITY OF APALACHICOLA, FLORIDA  
SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

**Criteria:** A documented physical inventory and inspection of property and equipment should be conducted at least annually. This is required by the state of Florida per rule 691-73. A reconciliation should be completed between the current year additions on the property listing and the capital outlay accounts for the year. The inventory log should be reviewed for errors. Finally, a tag system should be implemented and used throughout the city to keep track of the City's assets.

**Effect:** By not tracking assets appropriately the City may fail to detect and correct errors in property and equipment records in a timely manner. There is also a possibility of property theft or misplacement without the City's knowledge or overstatement of property and equipment for assets not being disposed of in a timely manner. Finally, the City may not have the necessary records associated with funding sources to verify assets are disposed of as required by grantors, when applicable.

**Recommendation:** We recommend that the City work to improve procedures related to tracking assets, including their disposal in accordance with the requirements set forth in State of Florida Rule 691-73.

**Views of Responsible Officials and Planned Corrective Action:** Subsequent to September 30, 2022, the City has completed an audit of all real property. The project continues as all deeds and titles have been verified. Also, all vehicles and major equipment have been inventoried. Currently, all titles are being verified. Each of these lists is being reconciled to the City's insurance policies to verify coverage.

**2021-001 General Ledger Posting**

**Condition:** The city lost its Finance Director right after year end and did not get any audit adjustments posted from the 2021 annual audit. The City did not have experienced accounting staff posting daily activity, and numerous items were not posted correctly or at all. There were no financial statements being provided to the Board. Cash, accounts receivable, accounts payable, general long-term debt, utility billings, and state revenues were not being reconciled on a monthly basis.

**Criteria:** The requirement is for the City to be able to provide materially correct financial information.

**Effect:** The auditors proposed a large number of journal entries which the City reviewed and approved.

**Recommendation:** While we realize no adjustments required may not be possible, we recommend that the accounting staff continue to strive toward minimizing the number of proposed audit adjustments that have been required.

**Views of Responsible Officials and Planned Course of Action:** The City is hiring a new finance director and is in the process of switching general ledger software systems. The City is working on having the 2023 general ledger in much better condition for the upcoming audit and is making significant strides in preparing monthly general ledgers and monthly reconciliations of key accounting accounts.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE  
REQUIREMENTS OF SECTION 288.8018 FLORIDA STATUTES**

To the Honorable City Commission,  
City of Apalachicola, Florida:

We have examined the City of Apalachicola, Florida's (the "City's") compliance with the requirements of Section 288.8018, Florida Statutes, *Gulf Coast Audits*, 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's compliance with the requirements of Section 288.8018, Florida Statutes, *Gulf Coast Audits*, is in accordance with criteria, in all material respects. An examination involves performing procedures to obtain evidence about the City's compliance with Section 288.8018, Florida Statutes, *Gulf Coast Audits*. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the City's compliance with Section 288.8018, Florida Statutes, *Gulf Coast Audits*, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

Moran & Smith LLP  
Tallahassee, Florida  
November 4, 2024



2260 WEDNESDAY STREET STE 400  
TALLAHASSEE, FLORIDA 32308  
850.879.0636

**INDEPENDENT AUDITOR'S REPORT ON THE SCHEDULE OF RECEIPTS AND  
EXPENDITURES OF FUNDS RELATED TO THE DEEPWATER HORIZON OIL SPILL**

To the Honorable City Commission,  
City of Apalachicola, Florida:

We have audited the financial statements of the City of Apalachicola, Florida (the City), as of and for the year ended September 30, 2023, and have issued our report thereon dated **November 4, 2024**, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole.

The Schedule of Receipts and Expenditures of Funds related to the Deepwater Horizon Oil Spill on page 62 is presented for the purpose of additional analysis as required by Chapter 288.8018, Florida Statutes, and the Rules of the Auditor General Chapter 10.557(3)(f) and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Moran & Smith LLP  
Tallahassee, Florida  
**November 4, 2024**

**CITY OF APALACHICOLA, FLORIDA  
 SCHEDULE OF RECEIPTS AND EXPENDITURES OF FUNDS  
 RELATED TO THE DEEPWATER HORIZON OIL SPILL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Source	Amount Received in the 2023-2024 Fiscal Year	Amount Expended in the 2023-2024 Fiscal Year
British Petroleum:		
Agreement Settlement	\$ 0	\$ 0
Total	\$ 0	\$ 0

**APALACHICOLA CITY COMMISSION  
REQUEST FOR BOARD ACTION  
Meeting Date: November 5, 2024**

**SUBJECT:** Southern Rail Commission Letter of Support

**AGENDA INFORMATION:**

**Agenda Location:** New Business  
**Item Number:** 2  
**Department:** Administration  
**Contact:** Travis Wade  
**Presenter:** Travis Wade

**BRIEF SUMMARY:** At its August 29th meeting, the Apalachee Regional Planning Council (ARPC) adopted Resolution 24\_3 supporting passenger rail and unanimously voted to have staff send a letter to Governor DeSantis, requesting that the State of Florida join the Southern Rail Commission with the goal of bringing back passenger rail to North Florida. Additionally, the ARPC asked staff to distribute a template letter to all local governments within the Apalachee Region for their use. Back in 2022, the City sent out a similar letter to the FDOT Secretary. The ARPC has updated the template letter with new information and it is now intended to be sent to Governor DeSantis. The ARPC has asked for the City Commission's vote to support the passenger rail for North Florida by directing the City Manager to send the attached letter of support to Governor DeSantis.

**RECOMMENDED MOTION AND REQUESTED ACTIONS:** Motion to approve the letter of support

**FUNDING SOURCE:** N/A

**ATTACHMENTS:** Letter of Support, ARPC Resolution 24-3.

**STAFF'S COMMENTS AND RECOMMENDATIONS:**



**Mayor**  
Brenda Ash

**Commissioners**  
Anita Grove  
Adriane Elliott  
Despina George  
Donna Duncan



# CITY OF APALACHICOLA

192 Coach Wagoner Boulevard . Apalachicola, Florida 32320 .  
850-653-9319 . Fax 850-653-2205 . [www.cityofapalachicola.com](http://www.cityofapalachicola.com)

**City Manager**  
Travis Wade

**Finance Director**  
Lee Mathes

**City Clerk**  
Sheneidra Cummings

**City Attorney**  
Dan Hartman

The Honorable Governor Ron DeSantis  
Office of Governor, Ron DeSantis  
State of Florida  
The Capitol  
400 S. Monroe St.  
Tallahassee, FL 32399-0001  
November 5, 2024

RE: Request for the State of Florida to join the Southern Rail Commission

Dear Governor DeSantis:

The City of Apalachicola offers its overwhelming support for the State of Florida to become a member and join the Southern Rail Commission (SRC). Originally formed in 1982, though an Interstate Rail Compact, the SRC has evolved over time with a vision to *promote the safe, reliable, and efficient movement of people and goods to enhance economic development along rail corridors; provide transportation choices; and facilitate emergency evacuation routes.*

The route previously named "Sunset Limited" connected New Orleans to Jacksonville, and as you are no doubt aware, this route was suspended after Hurricane Katrina destroyed the western portion of the tracks in September 2005, followed by the destruction of Hurricane Michael in our Region in October 2018. Restoration of this passenger rail route would provide several key benefits including but not limited to:

- Enhancement of economic development opportunities, not only for local business, but for the entire State of Florida.
- Increased connectivity to other rail lines in the State. Connecting the Panhandle to the Peninsula.
- Promoting transportation choices that support the Region and State's workforce and tourism industries.
- Additional options/routes for emergency evacuations.

The SRC currently consists of Alabama, Louisiana, and Mississippi, however contiguous states are eligible to become members. The SRC has helped secure millions of dollars in funding along the Gulf Coast, including \$178M in federal grant funding in September 2023 to restore passenger rail from New Orleans, LA to Mobile, AL. The SRC has also identified a project connecting the entire Gulf Coast with services from Baton Rouge, LA to Orlando, FL called the *Gulf Coast Passenger Rail*.

The re-establishment of the *Gulf Coast Passenger Rail* Route would have a significant economic impact to the Apalachee Region. Therefore, the City of Apalachicola, is enthusiastically requesting that the State of Florida join the Southern Rail Commission to take advantage of additional resources to further advance passenger rail initiatives.

Please feel free to contact Travis Wade, City Manager, for questions or additional information.

Sincerely,

---

Mayor Brenda Ash



# APALACHEE REGIONAL PLANNING COUNCIL

Local Partnerships. Regional Impact.

## ARPC RESOLUTION No. 24-03

A RESOLUTION of the Apalachee Regional Planning Council (hereafter referred to as the "ARPC") certifying its support for the State of Florida to join the Southern Rail Commission (SRC).

**WHEREAS**, the ARPC is comprised of nine (9) counties and their respective municipalities in the panhandle of north Florida; and

**WHEREAS**, the ARPC serves as a Regional Transportation entity, and the enhancement of local transportation infrastructure, including a Gulf Coast Passenger Rail line, will increase commute options and connectivity to the Region but also connect to other existing and planned rail networks within the state; and

**WHEREAS**, the ARPC serves as an Economic Development District, and believes the addition of a passenger rail system is a proactive approach to maintain and create employment opportunities benefiting its citizens, as identified in the Regional Economic Development Strategy, including tourism-related industries, while still supporting the quality of life in the Region; and

**WHEREAS**, the Apalachee Region has endured the devastation of Hurricane Michael and is still in the recovery/rebuilding process following said hurricane; and

**WHEREAS**, the Apalachee Region is in need of additional and alternative travel modes that allow for evacuation during a natural disaster; and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD THAT:**

1. THE APALACHEE REGIONAL PLANNING COUNCIL HEREBY AGREES TO SUPPORT THIS ACTION;
2. THE APALACHEE REGIONAL PLANNING COUNCIL HEREBY AUTHORIZES ITS CHAIRMAN TO EXECUTE THIS RESOLUTION AND ALL OTHER AUTHORIZED AGREEMENTS THAT PERTAIN TO THIS RESOLUTION;
3. THIS RESOLUTION SHALL BECOME EFFECTIVE UPON ITS ADOPTION.

**DULY PASSED AND ADOPTED THIS 29<sup>th</sup> DAY OF AUGUST 2024**

**BY THE: APALACHEE REGIONAL PLANNING COUNCIL**

*Ricky D. Jones*

Ricky Jones  
ARPC Chair

ATTEST:

*Chris Rietow*

Chris Rietow  
Executive Director

**APALACHICOLA CITY COMMISSION  
REQUEST FOR BOARD ACTION  
Meeting Date: November 5, 2024**

**SUBJECT:** Small Business Saturday Proclamation

**AGENDA INFORMATION:**

**Agenda Location:** New Business  
**Item Number:** 3  
**Department:** Administration  
**Contact:** Mayor Ash  
**Presenter:** Mayor Ash

**BRIEF SUMMARY:** Women Impacting Public Policy (WIPP) and the Small Business Saturday Coalition are asking the City Commission to renew support for Small Business Saturday®, the national effort to drive consumers to shop at local independently owned businesses on the Saturday after Thanksgiving, November 30, 2024.

**RECOMMENDED MOTION AND REQUESTED ACTIONS:** Motion to Approve the Proclamation

**FUNDING SOURCE:** N/A

**ATTACHMENTS:** Proclamation

**STAFF'S COMMENTS AND RECOMMENDATIONS:**



**CITY OF APALACHICOLA**  
**SMALL BUSINESS SATURDAY PROCLAMATION**

**Whereas**, the City of Apalachicola, celebrates our local small businesses and the contributions they make to our local economy and community; and

**Whereas**, according to the United States Small Business Administration, there are 34.7 million small businesses in the United States, small businesses represent 99.7% of firms with paid employees, small businesses are responsible for 61.1% of net new jobs created since 1995, and small businesses employ 45.9% of the employees in the private sector in the United States, and

**Whereas**, 68 cents of every dollar spent at a small business in the U.S. stays in the local community and every dollar spent at small businesses creates an additional 48 cents in local business activity as a result of employees and local businesses purchasing local goods and services; and

**Whereas**, 59% of U.S. consumers aware of Small Business Saturday shopped or ate at a small, independently owned retailer or restaurant on Small Business Saturday 2023; and

**Whereas**, Apalachicola, Florida supports our local businesses that create jobs, boost our local economy, and preserve our communities; and

**Whereas**, advocacy groups, as well as public and private organizations, across the country have endorsed the Saturday after Thanksgiving as Small Business Saturday.

**Now, Therefore**, I, Mayor Brenda Ash, Mayor of Apalachicola, Florida do hereby proclaim, November 30, 2024, as

***SMALL BUSINESS SATURDAY***

**And** urge the residents of our community, and communities across the country, to support small businesses and merchants on Small Business Saturday – celebrating its 15th year in 2024 – and Shop Small throughout the year.

DATED THIS 5TH DAY OF NOVEMBER, 2024

---

Brenda Ash, Mayor



## WHAT IS SMALL BUSINESS SATURDAY®?

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Celebrating its 15th year on November 30, 2024, Small Business Saturday, founded and proudly backed by American Express, has illuminated the significance of supporting small, independently owned businesses across the country. Falling between Black Friday and Cyber Monday, it's a day dedicated to supporting the local small businesses that help create jobs, boost the economy, and keep communities thriving across the country.

## WHY SUPPORT SMALL BUSINESS SATURDAY?

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- Demonstrates a conscious commitment to the communities in which we live.
- Creates goodwill within the communities.
- When we support small businesses, we help create jobs and local communities preserve their unique culture.

## 2023 SMALL BUSINESS SATURDAY FACTS:

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- In 2023, U.S. consumers reported spending an estimated \$17 billion at independent retailers and restaurants on Small Business Saturday.<sup>1</sup>
- Elected officials in all 50 states, Washington, D.C., Puerto Rico, and other U.S. territories championed Small Business Saturday.
- 716 local governments issued proclamations in support of Small Business Saturday covering all 50 states and Washington, D.C.
- American Express enlisted the support of 50 large companies, known as Corporate Supporters, to help drive excitement for and promote Small Business Saturday.
- The Small Business Saturday Coalition, comprised of national, state and local associations that help coordinate activities for Small Business Saturday with small business owners and consumers, had over a hundred organizations help spread the Shop Small® message.

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<sup>1</sup> The American Express 2023 Small Business Saturday Consumer Insights Survey was conducted by Teneo on behalf of American Express. The study is a nationally representative sample of 2,483 U.S. adults 18 years of age or older. The sample was collected using an email invitation and an online survey. The study gathered self-reported data and does not reflect actual receipts, sales or American Express Card Member spending data. It was conducted anonymously on November 26, 2023. The survey has an overall margin of error of +/- 2.0%, at the 95% level of confidence. Projections are based on the current U.S. Census estimates of the U.S. adult population, age 18 years and over.



- According to the 2023 Small Business Saturday Consumer Insights Survey, 61% of consumers strongly agreed that they found a small business or independently owned restaurant on Small Business Saturday where they are likely to return and become a regular customer.<sup>1</sup>

### JOIN THE COALITION:

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Building on the success of previous years, the Coalition of supporters are more committed than ever. This includes support from advocacy organizations that join the initiative to motivate constituents through incentives and offers to not only Shop Small on November 30, 2024, but Shop Small all year long.

The coalition will be led by Women Impacting Public Policy, a business advocacy organization representing small businesses. [Join Us!](#)

Contact Info:

Small Business Saturday Program

Women Impacting Public Policy

Phone: 415-878-1576 | Email: [sbscoalition@wipp.org](mailto:sbscoalition@wipp.org)

**APALACHICOLA CITY COMMISSION  
REQUEST FOR BOARD ACTION  
Meeting Date: November 5, 2024**

**SUBJECT:** ARPA

**AGENDA INFORMATION:**

**Agenda Location:** Unfinished Business  
**Item Number:** 1  
**Department:** Finance  
**Contact:** Commissioner George/Travis Wade  
**Presenter:** Commissioner George/Travis Wade

**BRIEF SUMMARY:** The City's auditors have advised that given the city's ARPA funding is under the \$ 10 million threshold, we have the option of recognizing the entire amount of the funding as revenue instead of providing documentation of funding allocated to specific projects. This election would streamline the process of reporting and compliance, while preserving control over the allocation of funds.

**RECOMMENDED MOTION AND REQUESTED ACTIONS:** Motion to recognize the remaining ARPA funds as revenue.

**FUNDING SOURCE:** N/A

**ATTACHMENTS:**

**STAFF'S COMMENTS AND RECOMMENDATIONS:**



**APALACHICOLA CITY COMMISSION  
REQUEST FOR BOARD ACTION  
Meeting Date: November 5, 2024**

**SUBJECT:**                   No Wake Ordinance 2024 - 04 Revision

**AGENDA INFORMATION:**

**Agenda Location:**    Unfinished Business  
**Item Number:**        2  
**Department:**        Administration  
**Contact:**             Travis Wade  
**Presenter:**          Travis Wade

**BRIEF SUMMARY:** Ordinance 2024 – 04 was reviewed by FWC attorneys who requested that the City amend the ordinance to remove certain language. The updated ordinance is being presented tonight for approval.

**RECOMMENDED MOTION AND REQUESTED ACTIONS:** Motion to Approve Ordinance 2024 - 04

**FUNDING SOURCE:** N/A

**ATTACHMENTS:** Ordinance 2024 - 04

**STAFF’S COMMENTS AND RECOMMENDATIONS:**

**ORDINANCE 2024 – 04 (Revision)**

**AN ORDINANCE RELATING TO CITY OF APALACHICOLA;  
AMENDING BOATING RESTRICTIONS/REGULATIONS FOR  
THE SCIPIO CREEK AREA; PROVIDING FOR PENALTIES;  
PROVIDING FOR CODIFICATION; PROVIDING FOR  
SEVERABILITY; AND, PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, boating safety concerns were brought to the attention of City of Apalachicola officials around Scipio Creek within the Apalachicola River; and

**WHEREAS**, Florida Statutes § 327.46(1)(b) authorizes the City of Apalachicola to establish boating safety zones by ordinance without additional agency approval; and

**WHEREAS**, the City of Apalachicola has elected to establish Idle Speed No Wake boating safety zones within the Apalachicola River.

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF APALACHICOLA, FLORIDA:**

**SECTION I.** City of Apalachicola Ordinance 2024- establishes the following boating restrictions.

1. Pursuant to Florida Administrative Code Chapter 68D-23.103, “Idle Speed No Wake” and “Idle Speed” may be used interchangeably and mean that a vessel must proceed at a speed no greater than that which will maintain steerageway and headway. At no time is any vessel required to proceed so slowly that the operator is unable to maintain control over the vessel or any other vessel or object that it has under tow. 2. Idle Speed No Wake boating safety zone from shoreline to shoreline, on Scipio Creek, southeast of a line that passes through approximate point (29° 43’51.48”N, 84° 59’7.65”W) perpendicular to the centerline of the waterway, and northwest of a line that passes through approximate point (29° 44’6.42”N, 84° 59’42.65”W) perpendicular to the centerline of the waterway, as depicted in the attached Exhibit A.

**SECTION 2. PENALTY.** The provisions of this section may be enforced by any law enforcement officer as defined in Section 943.10, Florida Statutes. Pursuant to Section 327.73, Florida Statutes, any person cited for a violation of any such provision shall be deemed to be charged with a noncriminal infraction, shall be cited for such an infraction, and shall be cited to appear before the county court. The civil penalty for any such infraction is \$50, except as otherwise provided for allowable county court costs for boating infractions. Where a statute or administrative rules are referenced herein, this shall mean the most recently adopted version of said statute and administrative rules.

**SECTION 3. REFERENCE TO OTHER AUTHORITY.** Where a statute or administrative rules are referenced herein, this shall mean the most recently adopted version of said statute and administrative rules.

**SECTION 4. CODIFICATION.** The provisions of this ordinance shall become and be made a part of the code of laws and ordinances of the City of Apalachicola. The sections of this ordinance may be renumbered or re-lettered to accomplish such, and the word “ordinance” may be changed to “section”, “article”, or any other appropriate word.

**SECTION 5. EFFECTIVE DATE.** This Ordinance shall be effective upon completion of the following: approved and adopted pursuant to the City of Apalachicola’s procedure, approval by the Florida Fish and Wildlife Conservation Commission pursuant to Section 327.46, Florida Statutes and upon posting of the regulatory markers.

**This Ordinance was read and adopted on \_\_\_\_\_, 2024. Motion to adopt Ordinance was made by Commissioner \_\_\_\_\_, second by Commissioner \_\_\_\_\_.**

**Voting Aye:**

**Voting Nay:**

**FOR THE CITY COMMISSION OF THE  
CITY OF APALACHICOLA**

**Brenda Ash, Mayor**

**ATTEST:**

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**Sheneidra Cummings, City Clerk**

## City Manager Updates

1. Bree Robinson, Cindy Clark, Greg Harris, and I met with staff from the Florida Department of Environmental Protection to conduct site visits to the various Critical Asset Flood Mitigation Projects areas. We discussed issues with each of the stormwater conveyances and ensured that they are identified correctly in the project's scope of work. Future site visits will be necessary prior to the completion of the project.
2. I received quite a bit of positive feedback from Porchfest after the weekend was over. Moving the event to Battery Park was appreciated by many. I had many positive comments regarding the cleanliness of the town (Public Works picked up debris and mowed/trimmed the parks and public areas prior to the weekend). I also had several comments regarding the cleanliness of the public restrooms at Commerce Street throughout that weekend. One issue that was raised was the blocking of streets by pedestrians and golfcarts at the porches where bands were located. Chief Varnes and I will be meeting with Porchfest staff to discuss options to reduce those complaints next year.
3. I met with the Warden of Franklin Correctional Institution to discuss the City's inmate situation. Because of the condition of the City's van that is used to transport inmates, and the number of inmates that are available to pick up (which varies greatly), I informed the Warden that the City will no longer be picking inmates up on a regular basis. However, I signed the agreement with FCI and we still maintain the ability to request inmates during projects where additional labor is necessary.
4. WWTP: Dewberry submitted 90% plans for the new plant on October 22 to FDEP for review. The permit application for the new plant has been submitted to FDEP for review as well. I was advised that once the 90% plans are approved the final plans will be submitted soon afterwards.

A Public Hearing and Special Meeting of the Apalachicola City Commission was held on Tuesday, September 10, 2024 at 6:00 PM at the Commission Meeting Room, 74 6<sup>th</sup> Street, Apalachicola, Florida.

Present: Mayor Brenda Ash, Commissioner Despina George, Commissioner Anita Grove, Commissioner Adriane Elliott, Commissioner Donna Duncan, City Manager Travis Wade, City Clerk Sheneidra Cummings, Finance Director Lee Mathes, Chief of Police Bobby Varnes

Meeting opened by Mayor Ash.

### **AGENDA ADOPTION**

Motion to adopt agenda made by Commissioner Grove, seconded by Commissioner Elliott. Discussion, Commissioner George. Commissioner George informed the public that City Attorney advised the Commission to send out an RFP in regards to Insurance item on the agenda; therefore needing to amend the agenda omitting item #3. Commissioner Grove amended her motion to adopt the Agenda omitting item # 3 and Commissioner Elliott amended her second. None opposed. Motion carried 4 to 0.

### **PUBLIC COMMENT**

Michael Ritcher (PGIT) each spoke regarding City's property, liability, and workers compensation insurance renewal.

Susan Lamb commented on the City's budget and the proposed reduction of funds being allocated the Community Gardens.

Clifford Buel commented on the Community Gardens proposed budget and concurred with Susan Lamb

Tom Connely with the Florida League of Cities announced his presence and offered to answer any questions the Commission had regarding Insurance and our current provider.

Dennis Winterringer commented on the Reforestation Fund and requested that the City carry-over funds from the previous year and have it reflected in the 24-25 FY Budget.

Val Webb commented on the increased insurance out-of-pocket costs for City employees and asked the Commission to reconsider the allocation for the City's Community Garden.

No further public comment.

Mayor Ash asked Finance Director Lee Mathes to clarify some concerns expressed by the public. Discussion summaries are as follows,

Health Insurance Premium Increase and Property and Liability Insurance Discussion Summary

FD Lee Mathes informed the Commission that the City has maintained its Capital Health Plan health insurance plan; however, insurance premiums have increased for the existing plan which increased the out-of-pocket max for both individuals and family plans. FD Mathes also informed the Commission that the current Property & Liability Insurance carrier was able to reduce our current rates and match the proposal presented by Mr. Richter. Mayor Ash recommended having an independent Insurance Agent review and compare both proposals and report back to the Commission.

Community Gardens Discussion Summary

Commissioner Grove identified that the budget for the Farmer's Market was \$1,000. And proposed that the City reallocate those funds to the Community Gardens budget increasing their budget from \$300 to \$1,300.

Lafayette Grant Match Discussion Summary

The Commission suggested that FD Mathes remove the grant match funds from the Park & Rec budget expense and utilize carry-forward funds being allocated to the Reforestation Fund to cover the required \$10,000.

The Commission also instructed FD Mathes to re-allocate \$2,000. to the Parks & Rec. Budget for the Dixie League donation.

Discussion held.

**PUBLIC HEARING**

Finance Director Lee Mathes informed the Commission that they have meet TRIM compliance and recommended moving forward with the Public Hearing.

Commissioner George read the Public Hearing public announcement on record. Summary of announcement are as follows,

City of Apalachicola Budget Information:

General Fund:           \$4,355,084

Enterprise Fund: \$3,158,750

Total Budget: \$7,513,834

Millage Rate to be Levied: 8.3457 Mills

The percentage by which this millage rate to be levied is a 10.68% increase of the rolled back rate of 7.5402.

This is the final public hearing to adopt the FY 24/25 Millage Rate and Budget.

Commissioner George proceeded to read Resolution 2024-07 by title, levying the Ad Valorem Property Tax Millage Rate.

**Public Hearing closed.**

### **SPECIAL MEETING**

#### **RESOLUTION 2024-07**

Commissioner George read Resolution 2024-07 in its entirety.

A motion was made by Commissioner Grove, seconded by Commissioner George. No discussion. None opposed. Motion carried 5-0.

#### **ORDINANCE 2024-06**

Commissioner George read Ordinance 2024-06 for the 24-25 FY Budget on record and in its entirety.

A motion was made by Commissioner Grove, seconded by Commissioner Duncan. No discussion. None opposed. Motion carried

Mayor Ash summed up the recommended budget changes regarding the Community Gardens, Lafayette Grant Match funds, and the re-allocation for the Dixie League. No further discussion.

### **ADJOURNMENT**

A motion to adjourn made by Commissioner Elliott, seconded by Commissioner George. None opposed. Motion carried, 5-0.

**Meeting adjourned.**



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**BRENDA ASH, MAYOR**

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**SHENEIDRA CUMMINGS, CITY CLERK**

A Workshop Meeting of the Apalachicola City Commission was held on Tuesday, October 8, 2024, at 6:00 PM at the Commission Meeting Room, 74 6<sup>th</sup> Street, Apalachicola, Florida.

Present: Mayor Brenda Ash, Commissioner Despina George, Commissioner Anita Grove, Commissioner Adriane Elliott, City Manager Travis Wade, City Clerk Sheneidra Cummings, (Absent: Commissioner Duncan)

Workshop Meeting opened by Mayor Ash followed by invocation and Pledge of Allegiance.

### **PRESENTATION**

Brett Hamlin, with Hammond Design Group opened the Popham Building discussion and presented various updates. Mr. Hamlin asked the Commission for direction and public input regarding the future if the building and/or site. Discussion held.

Mr. Hamlin recommend demolishing the Popham Building stating that the structure is beyond repair and suggested that the building be dismantled down to the 1<sup>st</sup> floor platform to address the hazard(s) and to further secure the site. For more information, page 7 of the Agenda packet references the engineer's recommendation.

Further Discussion held.

City Planner Bree Robinson provided an update on the last meeting with Dept of. Commerce (DOC), informing the Commission that DOC approved the amended scope that included the partial demolition.

Mayor Ash inquired about associated cost. Bree and Brett confirmed that funding to demo the building can be covered from the CDBG Funds along with the cost for construction documents.

Commissioner Grove recommended that a copy of all documentation produced from the Hammond Group regarding the Popham Building be provided to the Apalachicola Historical Society, Library archives, and City Planner for record purposes. Commissioner Grove expressed concern about the stabilization of the pilings and inquired if the funds would cover the cost of stabilization. Mr. Hamlin replied that the existing funding would not cover the stabilization of the existing pilings. Commissioner Grove would like to salvage the some of the metal, wood, and doors from the building. Commissioner Grove stated that the initial funds to purchase the Popham Building was provided by Community Affairs and suggested informing the original Grantor (or subsequent Org.) of the City's plan to demolish to avoid any push-back.

Manager Wade responded to Commissioner Grove stating that a Rep at the Florida Community Trust (FCT) informed him that the City would need to keep them informed on any plans to demolish and seek their approval for any future use of the space. Manager Wade further stated that the FCT is more interested in the future use of the site implying that they would like to see educational, recreational, and conservation activities remain the focus for the space.

Commissioner George inquired about the original 300k grant allocation for the Popham Building. Mr. Hamlin stated that, based on his knowledge, the \$300,000 that was initially allocated for the Popham Building will continue to be appropriated for the revised use that was approved by Dept. of Commerce i.e., preparation of demolition documents and a complete set of structural plans for future funding opportunities, as well as, to demolish the building down to the 1<sup>st</sup> floor platform. Commissioner George suggested consulting with local craftsman and salvaging the building and materials. Commissioner George suggested a minimal design if there is a structure at all.

Discussion held.

Commissioner Elliott concurred with the fellow Commissioner and suggested prioritizing getting the building secured as moving forward with demolition plans to resolve the blight and hazard(s). and not sure if a structure should be placed there. Commissioner Elliott expressed concerns about erecting another structure and mentioned associated costs to run and maintain another City-owned building. Commissioner Elliott suggested that if the Commission decides to erect another structure that it be in support of existing focal attractions in that area, functional, and in conjunction with the Battery Park Marina.

City Planner Bree informed the City of the timeline and have until Sept 2014 to get the construction plans for demolition.

Mayor Ash summarized the discussion as follows,

Direction for Hammond Design Group, LLC: Prepare design documents that reflect an open-air concept, a 1500-2500 sq ft. building, and a conceptual plan that would be functional and in alignment with Working Waterfront and the Battery Park Marina.

Mayor Ash suggested having City Planner, a Commissioner and a Citizen/volunteer(s) to brainstorm some concept ideas for the building and provide feedback to the Commission. City Planner concurred and suggested that the discussion be posted online and in newspaper for public input.

Mayor Ash asked Bree to produce names to be considered for the volunteer(s), and the Commission recommended Commissioner Grove to meet with Bree and Mr. Hamlin and be the Commissioner on-board to be included in the brainstorm discussion for conceptual plans for the site.

**ADJOURNMENT**

Motion to adjourn made by Commissioner Elliott, seconded by Commissioner Grove. None opposed. Motion carried, 4-1.

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BRENDA ASH, MAYOR

ATTEST:

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SHENEIDRA CUMMINGS, CITY CLERK

**CITY OF APALACHICOLA**  
PLANNING & ZONING BOARD  
REGULAR MEETING  
Monday, September 9<sup>th</sup>, 2024  
**City Meeting Room – 74 6<sup>th</sup> Street**  
Minutes

**Attendance:** Chase Galloway – Vice Chair, Myrtis Wynn, Greg Golgowski, Elizabeth Milliken, Jim Bachrach, Lee McLemore

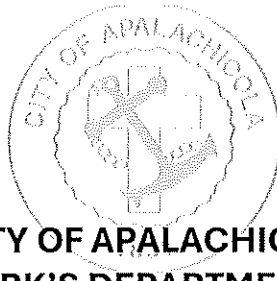
**Regular Meeting: 6:00 PM**

1. Approval of August 12<sup>th</sup>, 2024 meeting minutes.
  - a. **Motion to approve by Jim Bachrach; 2<sup>nd</sup> by Myrtis Wynn – all in favor, motion carried.**
  
2. Review, Discussion and Decision for Sign. (R-2) @ 192 Coach Wagoner Blvd., Block 137. For Bring Me A Book Forgotten Coast - Owner; Contractor: Sign Design
  - a. **Motion to approve by Jim Bachrach; 2<sup>nd</sup> by Elizabeth Milliken – all in favor, motion carried.**
  
3. Review, Discussion and Decision for Sign & Certificate of Appropriateness (C-1) (Historic District) @ 58 Avenue E, Block 9 Lot 4-5. For Edgewater Group LLC - Owner; Contractor: Sign Design
  - a. **Motion to approve by Jim Bachrach; 2<sup>nd</sup> by Greg Golgowski – all in favor, motion carried.**
  
4. Review, Discussion and Decision for Fence, Renovation, Addition, & Certificate of Appropriateness (R-1) (Historic District) @ 137 10<sup>th</sup> Street, Block 71 Lot 6. For Pat Lindquist - Owner; Contractor: Self
  - a. **Motion to approve by Jim Bachrach; 2<sup>nd</sup> by Elizabeth Milliken – all in favor, motion carried.**
  
5. Review, Discussion and Decision for Sign & Certificate of Appropriateness (R-1) (Historic District) @ 29 5<sup>th</sup> Street, Block 11 Lot 8. For Lured Aweigh Rental - Owner; Contractor: TBD
  - a. **Motion to approve contingent upon sign stating that it is a monthly rental by Lee McLemore; 2<sup>nd</sup> by Jim Bachrach – all in favor, motion carried.**

**CITY OF APALACHICOLA**  
PLANNING & ZONING BOARD  
REGULAR MEETING  
Monday, September 9<sup>th</sup>, 2024  
**City Meeting Room – 74 6<sup>th</sup> Street**  
Minutes

6. Review, Discussion and Decision for Accessory Structure & Certificate of Appropriateness (C-4) (Historic District) @ 190 Market Street, Block 5 Lot 4-5. For David Drew - Owner; Contractor: Self
  - a. **Motion to approve by Jim Bachrach; 2<sup>nd</sup> by Lee McLemore – all in favor, motion carried.**
  
7. Review, Discussion and Decision for Accessory Structure & Certificate of Appropriateness (R-1) (Historic District) @ 112 Avenue C, Block 35 Lot 8. For Andy Smith - Owner; Contractor: Construct Group SE Inc
  - a. **Motion to approve by Lee McLemore; 2<sup>nd</sup> by Myrtis Wynn – all in favor, motion carried.**
  
8. Review, Discussion and Decision for Sign & Certificate of Appropriateness (C-2) (Historic District) @ 911 Address Needed, Block 160 Lot 1 & ½ Lot 2. For LaRaela Lee Coxwell & Glen Coxwell - Owner; Contractor: TBD
  - a. **Motion to approve contingent upon 911 address being assigned by Jim Bachrach; 2<sup>nd</sup> by Lee McLemore – all in favor, motion carried.**
  
9. Review, Discussion and Decision for Rehabilitation, Addition, & Certificate of Appropriateness (R-1) (Historic District) @ 221 8<sup>th</sup> Street/97 Avenue L, Block 172 Lot 10& ½ 9. For Edgar & Lisa Lugo - Owner; Contractor: TBD
  - a. **Discussion – board agreed on concept, but Lee McLemore stated that they should table for a redesign based on comments and discussion.**
  - b. **Motion to approve of the concept, but to table for redesign with architectural plans by Jim Bachrach; 2<sup>nd</sup> by Myrtis Wynn – all in favor, item tabled.**

**Motion to adjourn the meeting by Chase Galloway; 2<sup>nd</sup> by Lee McLemore – meeting adjourned.**



## **CITY OF APALACHICOLA CITY CLERK'S DEPARTMENT REPORT**

**October 2024**

- Processed and mailed out utility bills before the end of the month.
- Prepared Sept and October Meeting Minutes
- Compiled agenda packets and emailed to Commission and City Attorney.
- Notified 2K Web Group to upload meeting agenda packets to website and post meeting dates and times to website.
- Assisted customers with cemetery items, utility bill questions and payments, garbage/yard trash complaints, public records request, golf cart decals, Battery Park ramp stickers, business licenses, and other miscellaneous duties.
- Processed ACH billing
- Audited Waste One Garbage Invoice and reconciled accounts that were in error
- Completed tasks as assigned by the City Manager and Mayor.
- Fulfilled 4 Public Records Request; 2 open requests
- Completed and mailed general monthly billing.
- Assisted Staff with various issues and projects.
- Assisted employees with HR related issues
- Issued 24-25FY Business Tax Receipts
- In the process of verifying data for Banyon Property Management
- On-going training of Receptionist and Billing Clerk.
- Completed billing adjustments and Water deposit refund requests
- Responding to emails and fulfilling requests that requires research
- Additional tasks related to maintaining the Clerk's Office and overseeing Utility Billing

## City of Apalachicola Public Works Monthly Report October 2024

The public works department, services all city vehicles and replaces all the tires on city vehicles, services all the mowers and weed eaters, cut all city parks, cut all city properties, empty all garbage cans downtown and city parks, clean city right of ways, cut city right of ways, and patch holes on city roads as needed.

- Completed 10 work orders.
- Serviced and replaced brakes on city vehicle.
- Collected trash from downtown and public parks.
- Cut our routine main roads parks and cemeteries. [OBJ]
- Replaced tires on city vehicle.
- Loaded and hauled several loads of yard debris.
- Repaired locks in door at library.
- Cleaned around several stop signs in town for safety.
- Repaired urinals at public restrooms on commerce St.
- Built a retainer wall on Ellis van Vleet ditch for pump station.
- Picked up debris from hurricane Helene.
- Patch roof over fitness center.
- Repaired a/c plug at library.
- Cut and removed tree on MLK.
- Cut and removed several palm trees at battery park.

Completed by Robert Osburn



## Grant Updates

### City Commission Meeting - Tuesday, November 5<sup>th</sup> 2024

#### Submitted Applications - Pending Results:

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1. **Commerce Rural Infrastructure Fund – Well Rehabilitation**
  - a) An application requesting \$344,250 to rehabilitate the City's three wells was submitted on 9/13/24. The specific technology requested would allow for quicker repairs and lessen the risk of future boil water notices. No match was required for the City to apply. There is \$15 million available statewide – awards should be announced by 12/31/24.
2. **DEP Local Trail Management Grant Program – Riverfront Park Fitness Trail**
  - a) An application requesting \$185,000 for replacement of the dock boards at Riverfront Park was submitted 8/29/24. No match was required to apply.
3. **FDACS – UCF-C Grant Program – Lafayette Park Tree Canopy Improvements Project (Requested \$10,000, City Cash Match \$10,000)**
  - a) An application requesting funding for the planting of 34 trees in Lafayette Park was submitted 7/18/24. The City Commission agreed to budget \$10,000 towards this project in the next fiscal year and the City submitted a request to FDACS for the remaining \$10,000.
  - b) Evaluation committee made final selections 10/10 – notifications expected mid to late October.
4. **Firehouse Subs Public Safety Foundation - Hurst Rescue Tools "Jaws of Life" \$38,465**
  - a) An application requesting Jaws of Life rescue tools for the Apalachicola Volunteer Fire Department was submitted 7/11/24. These tools were a request from the VPD and will aid them in their efforts. In the event this application is not funded, city staff will continue to apply quarterly.
  - b) **FUNDED! – Firehouse Subs is working directly with Hurst and will be sending the equipment to the City in around 8 weeks. Hurst will visit for a TBD Training Day to show the VFD how to use the new equipment.**
5. **FDOT SCOP – Commerce Street Phase 1 \$3,278,524**
  - a) An application requesting funding for resurfacing, drainage improvements, and safety improvements for Commerce Street from Avenue C to Avenue I was submitted 5/5/23. FDOT marked it as “complete” and we are waiting for updates. City received an update 8/14/24 that FDOT expects the programming to be finalized in September and the Work Program Public Hearing to be delivered in December.
  - b) **NOT FUNDED. City will save application for next round of submissions.**
6. **DHR – 2025-26 Special Category – Phase II HCA (Harrison-Raney Building) mitigation/repair. \$350,000 (City Cash Match \$21,875)**
  - a) 2025-26 DHR Special Category grant request for Phase II to complete additional repairs to HCA currently being drafted and was submitted by June 3, 2024. Phase II to complete repairs not funded in Phase I and will include windows, doors and additional masonry work.
  - b) Application submitted for consideration - \$21,875 cash match is obligated under the application as approved at the 6/4/24 CC meeting.

#### Funded Applications:

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##### FDOT:

1. **SCOP - Leslie Street \$610,169.30 (G2N05)**
  - a) This project will remedy the underground issues, resurface the entire street length, and obtain new road signs based off engineer's estimate and recommendations. Engineering firm, Dewberry, has completed the plans and they were sent to FDOT for a final review prior to procurement - 5/23/24

the plans were approved and advertisements for procurement were scheduled in The Times and The Tallahassee Democrat. Bids are due by June 28<sup>th</sup> at 4PM.

- b) The current project completion date per FDOT is 10/31/24.
- c) City procured North Florida Construction for the construction work – CEI is currently being procured under the City’s Continuing Services Engineers procurement. City Manager will request action to award the CEI to an engineering firm and then construction can begin. CEI was awarded to Urban Catalyst Engineering.
- d) CONSTRUCTION START DATE WAS SEPTEMBER 9<sup>th</sup>! Construction in progress – currently **not on schedule**. During construction it was discovered that the stormwater pipe is made of terra cotta. City has requested a change order to replace the terra cotta with a new concrete pipe to prevent any future issues. Brick manholes were also discovered and an additional change order has been requested to replace them while they are exposed to avoid disrupting the street in the future. Once approved by FDOT, this project will move forward. FDOT has granted an extension through the end of this year – an additional extension to March 2025 may be requested if needed to complete construction.

**DEP:**

- 1. **Resilient Florida - Critical Asset Flood Management \$2,039,500 (24SRP65)**
  - a) This grant will complete identified drainage projects in the city that have been documented, but not funded by other sources. Funds will repair known nuisance flooding drainage issues in 29+ locations throughout the city. The City of Apalachicola Critical Asset Flood Mitigation Projects include the replacement and retrofit of pipe systems at multiple roadway intersections, addition of inlets, pipes, water quality vaults, crown reconstruction, and construction of roadway conveyance system. DEP has tentatively scheduled a site visit in October.
  - b) Bay Media Services was awarded a contract for administering this grant at the June City Commission meeting.
  - c) Baskerville Donovan Inc was scored highest and selected by City Commission to negotiate engineering services. Staff met with BDI Aug. 22 to develop specific scope for services agreement to be presented to City Commission for approval. BDI submitted a proposal for the work (\$400,000). Staff is still in negotiations for the engineering as the percentage came back higher than expected.
  - d) DEP engineers traveled to Apalachicola to inspect the sites prior to beginning of construction. This meeting took place 10/22.
- 2. **Resilient Florida Planning Grant – COA Adaptation Plan \$67,000 (24PLN12)**
  - a) This award is funding for preparing a infrastructure plan for flood protection. The City of Apalachicola will complete the City of Apalachicola Adaptation Plan Project to include an Adaptation Plan consistent with the Florida Adaptation Planning Guidebook. The project will include public outreach and stakeholder engagement. Agreement signed 3/20/24 and project procurement is underway.
  - b) Bay Media Services was awarded the contract for this scope of work at the June City Commission meeting. 1<sup>st</sup> Workshop is planned for later this fall, following completion of Vulnerability Assessment.
- 3. **Resilient Florida – Comprehensive Vulnerability Assessment \$272,500 (22PLN10)**
  - a) The City of Apalachicola will conduct the City of Apalachicola Comprehensive Vulnerability Assessment project to include an update to the 2017 Vulnerability Assessment. This includes the impact of sea-level rise, storm surge, and rainfall flooding. The impacts of flooding will be projected and mapped over a planning horizon that extends to 2070. Critical assets, vulnerable infrastructure, and historic properties at risk will be identified. Comprehensive plan amendments to comply with the Peril of Flood statute and adaptation strategy recommendations will also be included in the Project. \$200,000 in supplemental funding was awarded as part of the VA help resolve identified data gaps and will result in the City digitizing its infrastructure facilities including water distribution lines, sewer and stormwater.
  - b) Data Gap infrastructure mapping 95% complete. Exposure Analysis pending final data gap maps and model. 80% of Sensitivity Analysis is complete.
- 4. **Resilient Florida – Wastewater Plant Repairs \$13,381,516 (22SRP17) + SLFRP - WWTP Headworks & SBR Relocation, Replacement and Upgrades for Advanced Wastewater Treatment \$5,551,875 (WG038) =**

**Total \$18,933,391 for WWTP Relocation/Replacement**

- a) These grants combined are to replace and repair critical wastewater facility components and to relocate the facility to ensure it is out of the flood zone. The project will ensure that the City is storm ready for years to come!
- b) The project is at 66% design and the permit applications have been submitted and is currently sitting at 50% complete. Currently, final design is underway which includes biological process modelling, and process equipment selection.
- c) DEP is creating an amendment to WG038 to combine the budget into one line item to ensure that there are no issues with the ARPA funding pools in the future.
- d) Pay Request 4 has been submitted to DEP for payment 8/12/24 and is under process. DEP has paid out request number 3 in the form of advance pay.
- e) Pay Request 4 is still awaiting advanced pay approval – once it is received and documented that it has been spent then the City will be able to apply for Pay Request 5.
- f) SCHEDULE:
  - i. Projected construction start date: November/December 2024
  - ii. Projected initiations of operations date: Mid 2026
  - iii. Projected construction end date: Mid 2026

**Florida Commerce [Formerly DEO]:**

- 1. **Rural Infrastructure Fund - Water Treatment Plant Improvements, Potable Water Studies \$147,000 (D0225)**
  - a) This grant will evaluate existing conditions, create an enhanced sampling plan, hydraulic modeling, treatability studies and alternatives analysis. Engineering firm, Dewberry, is in progress and these studies are 45% complete!
  - b) A one-year extension request has been requested to complete this project – it was executed mid-September and the deadline is now May 2025. Dewberry's work continues.
- 2. **Rural Infrastructure Fund – Drainage Basin Analysis Phase II + Camera Work of Stormwater Lines \$300,000 (D0260)**
  - a) This grant will fund an analysis of the drainage basins that border Apalachicola River and Bay. The proposal also includes funding to begin camera-work of the stormwater lines in Phase 1. The project aims to document all stormwater conveyance characteristic, both structural and natural, along with deficiencies of each that have contributed to localized flooding within 18 drainage basin areas totaling 310 acres in the city. The City will then prioritize repairs in areas where localized flooding is present and plan for water quality treatment at the stormwater outfalls which discharge into the Apalachicola River and Apalachicola Bay. Basins 11 and 3 were covered by the 2018 grant. This grant application would address the following basins: 1, 2, 4, 5, 6, 7, 8, 9, 10, 12-19
  - b) Agreement signed 2/1/24. Grant administration with grant continuing services procurement approved at July City Commission meeting. Task order to engage Dewberry Engineering drafted; currently in review by Florida Commerce. Request for contract extension drafted, pending Commerce approval.
- 3. **CDBG-DR – Avenues Stormwater Repair Project \$3,891,869 (\$29,000 City Cash Match) (M0016)**
  - a) This grant is to fund repairs and upgrades for the avenues stormwater drainage system. Dewberry is the engineering firm for this project.
  - b) Quotes received for drainage pipe inspections and route survey. Existing conditions CCTV survey was completed. The engineer received videos and reports which have been analyzed. The engineer worked with contractor to revise scope and cost for drainage pipe survey.
  - c) An amendment request was submitted on 5/10/2024 to add CE&I as a reimbursable task and to extend the period of performance through September 2025.
  - d) Meetings were held with Commerce's consultant (KPMG) to discuss project progress and reiterate that the project must be finalized by 09.30.2025.
  - e) Engineering:
    - i. Survey is 100% complete. Engineering is 30% complete and scheduled for completion in September/October 2024. Permitting is not required; the engineer will submit verification of exemption at 60% design. Design completion currently scheduled for October 2024.

(Note that construction activities cannot commence until Commerce approves the Environmental Review Record.)

- f) Environmental:
  - i. Updated stakeholder outreach letters were distributed on 07.25.2024; comment periods will expire in September 2024. The City worked with Commerce to determine if a 5-Step Process or an 8-Step Process would be required; it was determined on 08.02.2024 that an 8-Step Process would be the most conservative path forward. The early floodplain notice was posted on 08.21.2024 and distributed to stakeholders on 08.22.2024; comments were accepted through 09.09.2024.
- g) SCHEDULE:
  - i. Projected construction start date: January 2025
  - ii. Projected construction end date: June 2025
- 4. **CDBG-DR – Hometown Revitalization (Riverfront) \$4,400,000 (\$70,000 Private Owner Match + \$313,365 City Cash Match) (M0034)**
  - a) This grant is to revitalize the businesses and public areas in the riverfront district. This work includes private business's docks along with public docks, sidewalks, lighting, and parking areas.
  - b) Certifications and liability agreements have been distributed to all owners – matching funds have been requested from owners 30-days prior to bidding the project.
  - c) The City Commission planned to amend the scope for the Popham Building to just design and partial demolition as the deliverables. After several meetings, Commerce agreed with the scope change presented by the City and it has been incorporated into the scope.
  - d) Meetings with Commerce's consultant (KPMG) were held in June to discuss project progress and reiterate that the project must be finalized by 09.30.2025.
  - e) The engineer has continued work on survey drawings, environmental evaluations, permit applications, and preliminary and schematic designs. (Note that construction activities cannot commence until Commerce approves the Environmental Review Record.) The project engineer reported the following for August:
    - i. Plan Set 1 (Dock and Pier Repair/Reconstruction)
      - 1. Design and plans for Plan Set 1 along Scipio Creek sites have advanced to 95% complete at the end of August. We have sent the Plans to another Halff Office for a QA/QC review and will address any comments. An Opinion of Probable Costs for Plan Set 1 has also been prepared.
      - 2. The design team visited the project site again on August 28th with 95% complete plans-in-hand to verify field conditions at the project sites along Scipio Creek and revise our drawings, if needed.
      - 3. A set of the 95% complete plans were given to Edgewater Group LLC (who are now on the Halff Team and taking over for Garlick Environmental Associates) to continue with the permit process.
      - 4. Edgewater Group has continued with the environmental permitting process developing permit documentation required for the USACE, Section 10 issues regarding regulated wildlife and State 404 permitting needs in preparation for a pre-application meeting with state agencies for the project's ERP. Permitting for Plan Set 1 is at 40% complete.
      - 5. Proposals for a Cultural Resource Assessment Survey (CRAS) for the Riverfront Revitalization project have been received from 2 firms. We have selected the best proposal and submitted a supplemental services agreement on June 4, 2024 for the City of Apalachicola's review, processing and approval.
    - ii. Plan Set 2 (Water, Commerce and 4th Street Upgrades)
      - 1. Field survey work along Water, Commerce and 4th Streets was complete in late August. Office work and survey drawings are on-going.
      - 2. Design and plan drawings of the proposed Water, Commerce and 4th Street upgrades continued this month.
      - 3. Aerial layouts for roadways, sidewalks, parking areas, landscaping, lighting and

- amenities proposed along the streets have been generated with typical sections and details being developed. Plan Set 2 is approximately 35% complete at the end of August.
4. A field review by Halff Team members with preliminary Plan Set 2 documents-in-hand (to verify proposed street upgrades and amenities) is being set.
  5. Permitting for Plan Set 2 is underway and approximately 20% complete.
- iii. Popham Building
    1. Hammond Design Group (HDG) has presented their findings for the Popham Building to the City Commission at their July 2nd meeting and were given direction to explore options of what could be built to replace the existing structure.
    2. Schematic design of re-created Popham Building Concepts and cost estimates have been completed – a workshop with the City Commission will soon be scheduled to discuss the direction for the site.
    3. Workshop was held 10/8/24 – next workshop will be held November 5<sup>th</sup>! Workshop has been advertised on Facebook and in the Apalachicola Times.
- f) Environmental Updates:
- i. Early Flood Notice originally posted on 08.07.2024; revisions were required due to updated HUD templates dated 08.09.2024. The modified notice was posted on 8.21.24; comments will be accepted through 9.06.24. Copies distributed to all agencies on 8.22.24, with comments accepted through 9.09.24.
  - ii. The Seminole was recently added as an interested contact party. Project information was transmitted 8.13.24 with comment period expiring on 9.12.24. Seminole tribe has requested additional information that cannot be compiled until the Cultural Resources Assessment is complete. Request for authorization to execute CRAS amendment submitted to Commerce 06.20.2024; authorization received 08.23.2024
- g) SCHEDULE:
- i. Projected construction start date: January 2025
  - ii. Projected construction end date: September 2025
5. **CDBG-DR – Hill Community Project \$935,753 (\$910,000 Funded + \$25,000 City Cash Match) (M0033)**
- a) This project is to revitalize three (originally 5, two locations dropped out by choice) businesses within the Hill through exterior work and renovations - each location's scope differs. This project is also to create sidewalks and lighting in the Hill area to spur economic development through walkable connectivity. Gouras and Associates is the grant administrator and CDG is the engineering firm working on the plans. Certifications for the private business owners have been prepared and sent to each owner to ensure that the program guidelines are being met by all parties.
  - b) The City Commission finalized the scope of the Sidewalk & Lighting project at a special meeting on 2/20/24 after workshopping the previously approved scope. The below image shows the final scope of these improvements - these are subject to Commerce approval. The cost of materials has increased during the progression of this grant, so the priority for the funding will be sidewalks first with primary focus on MLK and the 8th Street section.



- c)
- d) Florida Commerce and the City held a TA call on 4/29/2024 to discuss scope changes requested by the City. Changes to the sidewalk layout based on public feedback was discussed, as well as structural issues that have been identified for several commercial buildings.
- e) Liability Agreements were created by the City Attorney and distributed to the business owners. Project guidelines were also provided. Meetings to discuss these documents are scheduled with business owners. 3/3 project beneficiaries have submitted their signed documents. A meeting was held with the remaining property owners and FloridaCommerce to review grant requirements; as a result of this meeting, Commerce subsequently confirmed participant eligibility, pending submission of additional documentation from the participant. The City has continued to work with property owners to finalize agreements between the City and the Property Owner for utilization of CDBG funds for project activities.
- f) An amendment has been received from the engineer to modify the sidewalk layout and update the scope of engineering to correspond with modified building scopes; this was submitted to Commerce for authorization to execute on 07.03.2024.
- g) Work on the environmental review record was previously paused to consider potential scope modification impacts. In order to meet Commerce’s deadline of 09.30.2024, work on the environmental review has resumed, under the assumption that Commerce will approve the requested scope modifications. Commerce confirmed on 07.24.2024 that an 8-Step Process will be required because approximately 750 s.f. of sidewalk will be located in the 500-year floodplain; public notices have been posted to the City’s website and distributed to agencies as required.
  - a. Environmental:
    - i. The Early Floodplain Notice was posted to the City’s website on 07.30.2024 and distributed to interested stakeholders on 08.07.2024; the comment period ended 08.24.2024.
    - ii. The Florida Seminole Tribe was recently added as an interested stakeholder tribe. Project information was provided on 08.15.2024; comments were accepted through 09.16.2024. As of 08.31.2024, no comments had been received.
    - iii. The Final Flood Notice will be posted concurrently with the City’s FONSI-NOI/RROF.
- h) Meetings were held with Commerce’s consultant (KPMG) to discuss project progress and reiterate that the project must be finalized by 09.30.2025.
- i) SCHEDULE: **\*\*NOTE: Design work was on hold until Commerce authorizes execution of a contract amendment. Commerce authorized execution of the contract amendment with the project engineer on 9/19/24!**

- i. Projected construction start date: January 2025
- ii. Projected construction end date: June 2025

**DOS:**

1. **DHR African American Cultural and Historical Grants - Apalachicola History & Culture African American Museum \$1,250,000 (\$1,000,000 Award, \$250,000 City Cash Matching Funds) (23.s.aa.900.039)**
  - a) This project is funding the design and construction of a one-story, 2,000SF building with elevated ceilings. Priorities include: security, storage, office space, greeting station/gift shop, breezeway to Holy Family, bathrooms, controlled lighting for displays.
  - b) There was a meeting on 1/16/2024 to show the concept direction of elevations and floor plans for the proposed museum. The third set of concepts was introduced to the City Staff, Commission, and community stakeholders. There was a presentation introducing potential site planning concepts, indoor and outdoor arrangements of display area, and potential exterior plaza configuration. Commission voted on exterior and interior layouts and designs for the museum provided by the architects. The modern style building, second floor plan, and exposed roof style were all chosen. The next phase is moving these concepts to construction documents – the architect/engineering team is in progress. See the concept design below:



- c)
- d) A public workshop was held July 2<sup>nd</sup> for the Architect team to present the 50% plans for the site, building, and space to the City Commission and interested citizens.
- e) An updated timeline has been communicated to DOS and an extension to June of 2025 has been granted. The project completion date is estimated to be in December of 2025, so City staff and DOS are anticipating another 6-month extension to be filed February of 2025.
- f) Hammond Design to presented 95% Plans to the City Commission 10/8/24.
2. **DHR Special Categories – Old City Hall Phase II Structural Damage \$395,000 + \$98,750 In-Kind Match (\$50,000 Cash Match) (24.h.sc.100.069)**
  - a) City was funded for Phase II of the repair/structural work to the old city hall building! Agreement was signed 8/8/23. Bay Media will continue with grant administration as well as 4M Design, Mark Tarmey, on the designs as allowed by DOS. This grant is to secure funding to complete the Old City Hall Renovation and support the ongoing repairs funded through the NPS grant. The purpose is to stabilize the building, by proposing to install an interior rigid steel frame to provide the structural integrity of the building, exterior masonry, and support the historic second floor wood frame.
  - b) Phase II will install structural interior steel framing, additional 2<sup>nd</sup> floor shutters and interior/exterior

- masonry work, electrical, plumbing. Admin to schedule staff, architect (4M Design) and contractor (OSP) onsite meeting to finalize Phase II scope and develop construction contract.
- c) Contractor agreement for shutters and windows with Oliver Sperry executed. Scope modification approved by DHR. Construction of first contract deliverables pending arrival of windows and shutters. Building interior has been LiDAR scanned to verify scale and structural dimensions of existing second floor framing with high degree of accuracy for required Structural improvements to second floor framing. Awaiting structural drawings and estimate for remainder of phase II construction work.
- 3. DHR Special Categories – City Hall Phase III \$340,000 + \$30,000 City Cash Match (25.h.sc.100.036)**
- a) DOS reached out 6/18/24 to announce that this project was awarded through the FY25 Special Category Grants program. The phase III funding for City Hall will complete the second-floor structural work, interior/exterior masonry repair of second floor and will complete the mechanical and plumbing not completed in phase II for the first floor and all for the second floor. Additionally, it will provide a second-required stair access to the second level.
  - b) Agreement signed 10/25/24!

**FEMA:**

- 1. Hurricane Michael - Bodiford Park Dock Repairs (76103)**
  - a) Dewberry engineers completed the engineered plans for this project. Project construction was bid out and awarded to Coastline Clearing in the amount of \$53,824 on 4/2/24! Contracts are in progress and work should begin soon. Waiting on an extension from FEMA. Held a call with FEMA and City staff. They requested revised drawings. Once approved, an extension should be granted.
- 2. Hurricane Michael - Scipio Creek Marina Finger Dock Repairs (76103)**
  - a) Dewberry engineers completed the engineered plans for this project. Project construction was bid out and awarded to Coastline Clearing in the amount of \$74,090 on 4/2/24! Contracts are in progress and work should begin soon. Waiting on extension from FEMA. Held a call with FEMA and City staff. They requested revised drawings. Once approved, an extension should be granted.

**FDEM:**

- 1. HMGP Market Street Vacuum Station \$120,000 (4399-150-R) with DEO Match of \$37,500 (M0142)**
  - a) The scope of this project is for the design of a new vacuum sewage station located near intersection of Market Street and Avenue G. The purpose of this project is to provide protective measures to wastewater infrastructure of the historic downtown commercial district in Apalachicola. CPWG Madrid is 90% complete with the engineered plans for the Market Street Vacuum Station – they submitted 100% designs and permits, but there were some remaining issues/priorities in the plans pointed out by staff that are currently being remedied. Monthly meetings with Commerce continue.
  - b) The Engineer submitted all deliverables and staff is reviewing them prior to submitting to FDEM. Once approved by staff, all documents will be uploaded and FDEM will conduct a CBA to determine Phase II.
  - c) Submitted deliverables to FDEM. They have come back and asked for additional documentation from the engineers. Waiting for CPWG Engineering to supply cost estimate documentation!
  - d) CPWG supplied the cost estimate information and then an additional RFI (request for information) was issued and questions were answered 10/24/24. This is a good sign that the construction could be soon funded.
- 2. HMGP Critical Facilities Generators \$241,862 (4399-092-R) with DEO Match of \$26,064.75 (M0141)**
  - a) This grant will provide protection and storm mitigation by providing City Hall, the police, and fire department with portable generators. One will be at City Hall, the other will be shared by Police and Fire. The purpose of this project is to provide protection to a critical facility in Apalachicola. The project is for the purchase and installation of an emergency generating system to reduce and/or mitigate the damage that might otherwise occur from severe weather or other hazards.
  - b) The contract with BGN was executed and monthly progress meetings with Commerce continue –



- permitting is in process and general installation will begin very soon! Generators have been ordered.
- c) The City is waiting on generators to arrive. The next step is to pour concrete and install electrical.
  - d) Work has begun on this project. The only delay is the generator delivery. Some sizes are back ordered. The end goal is to have both generators installed by October 2024 pending no further shipping delays.
  - e) Generators delivered – work is underway! **Generators installed 10/25/24!** City to soon seek reimbursement.
- 3. HMGP Wastewater Vacuum Station Portable Generator \$170,000 (4486-007-R)**
- a) For purchase and setup of an emergency generator system to reduce and/or mitigate the damage that might otherwise occur from severe weather or other hazards at the 108 Avenue F location. (The current generator is too small for the need and this will provide an appropriately sized and portable generator.)
  - b) The bid for this project came in over budget. A budget increase was requested in February, 2024. We are waiting on determination from FDEM. The contractor has guaranteed his price without an increase until June 24, 2024. FDEM approved the cost increase. Waiting for FEMA's approval of the budget increase.

**State Appropriations:**

- 1. Spray Field & Solar Project \$130,000 (LPA0452)**
- a) The original request for this award was for 150 replacement spray heads and installation of 11 solar controllers and supplementary batteries. The spray heads are \$553.00 apiece, and the solar installation costs (in total) amounts to \$87,880.00 for 22 locations.
  - b) DEP issued an amendment in April 2024 allowing for the funds to be used solely for acquisition of needed parts instead of having to hire out a contractor for the parts and install. This will allow The City to stretch the budget further and be able to buy more spray heads and install them in house – procurement is in the works as acquisition quotes will need to be obtained and approved by DEP prior to ordering. Work will be completed by 12/31/25.
- 2. Inflow & Infiltration Study \$300,000 (LPA0451)**
- a) The City of Apalachicola has an aging infrastructure made of terra cotta pipes and faulty water lines. The City is funded to do an infiltration and inflow study - the study will assess local sources of surface water and/or groundwater prior to entering a sewage system. This will be done with typical methods such as smoke testing, dye testing, and visual inspections to locate structural defects or water stains to summarize existing data pertinent to the hydrologic conditions and hydrogeology in the study and surrounding area. This will produce a pre-design report that will detail the scope of the problem in the analysis area, outline design options, and identify the tasks required to complete a resolution to the problem by 6/30/25.
  - b) Procurement is in progress.
- 3. Stormwater Pipe Relining & Backflow Devices - \$100,000 (LPA0140)**
- a) Urban Catalyst is the procured engineer for this project. The following locations in Apalachicola will be addressed: 1) Fred Meyer Street near 18th Street just east of the intersection, where the road is sinking at a damaged pipe joint; 2) 5th Street between Avenue C and Avenue E., where the road has several areas where the pipe joints are caving in; and 3) Avenue B between 11th and 12th Street. Funding agency does not anticipate that the funding under this Agreement will result in a fully completed project, so this award will cover a portion of the work.
  - b) An extension to 6/30/25 was granted – engineering is complete and the City tried to bid out the work with no responses twice – DEP agreed for us to be able to obtain quotes to move forward instead of going through the bidding process. Quotes for the final work are being acquired.
  - c) Quotes are being updated – 2/3 have been secured. Hoping to have a third in time to award this project at the 10/1/24 meeting, but possibly in November.
  - d) Still waiting on quotes from Urban Catalyst.
- 4. Avenue H Parking Lot \$135,013 (Waiting for Agreement)**
- a) The 2024 legislative session funded half of the requested funding for the Avenue H Parking Lot project. This project will provide 39 parking spaces in an area with very few options for public parking and

encourage additional economic activity in the downtown area. Permeable parking will also help with storm water management. Parking for local businesses will be provided - additionally, parking spaces will be provided that will be available for parking mitigation by local businesses.

- b) An agreement has not yet been received – report will be updated once the agreement has been executed.
- 5. Fire Hydrant Replacement Phase III \$275,000 (Waiting for Agreement)**
- a) The 2024 Legislative session funded the Fire Hydrant Replacement Phase II project. The request was originally for \$550,000 to finish out the project, but only \$275,000 was funded. The City has worked over the last three years to replace 215 old and inoperable fire hydrants throughout the city. There are currently 110 fire hydrants remaining that are still in need of replacement. These new hydrants will benefit residents in close proximity in obtaining homeowners insurance, they will benefit the City with FDEP required flushing of drinking water and will benefit the all City residents with fire suppression and control. The funding should cover 55 of the remaining needed 110 hydrants.
  - b) An agreement has not yet been received – report will be updated once the agreement has been executed.
  - c) Introductory meeting with state legislative grants staff held 7/25/24 – state staff stated that an agreement would not be drafted until a purchase order for the hydrants has been approved. City Manager Wade is working on this.

**ARPA:**

- 1. American Rescue Plan - \$1,179,010**
- a) The City received an award of \$1,179,010 through the SLFRF program – the City has elected to use the funding as a “standard allowance” for government services.
  - b) The City Commission has been workshopping priorities for the funding – the yearly report was submitted by April 30th.

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All information in this report is accurate up to 10/24/24 at 12:00PM! If you have questions regarding any of the above projects, please direct your questions to Bree Robinson – City Planner [brobinson@cityofapalachicola.com](mailto:brobinson@cityofapalachicola.com).

# Building Dept.

## October Department Report

Payment Date	Permit Type	Assessed To	Property Address	Fee Type	DBPR	DCA	Amount Paid	Receipt #	Parcel #
10/21/2024	Sign	24AP-S0007	25 Avenue D	Sign Permit Permit Fee			\$78.00	2062	Oyster City Brewing
10/21/2024	Sign	24AP-S0007	25 Avenue D	DBPR	\$2.00			2062	Oyster City Brewing
10/21/2024	Sign	24AP-S0007	25 Avenue D	DCA		\$2.00		2062	Oyster City Brewing
10/08/2024	Fill Dirt	24AP-FD0026	190 25th Avenue	AV Flood Zone (Fill)			\$800.00	2052	Carmen Diego Juan
09/30/2024	Sign	24AP-S0005	58 Avenue East	DBPR	\$2.00			2046	Erik Schults
09/30/2024	Sign	24AP-S0005	58 Avenue East	DCA		\$2.00		2046	Erik Schults
09/30/2024	Sign	24AP-S0005	58 Avenue East	Sign Permit Permit Fee			\$31.50	2046	Erik Schults
					\$4.00	\$4.00	\$909.50		