MINUTES
FINANCE & AUDITOR SELECTION COMMITTEE MEETING
FRIDAY, JUNE 27, 2025, 8:00 A.M.
NEPTUNE BEACH CITY HALL
116 FIRST STREET
NEPTUNE BEACH, FLORIDA 32266

Pursuant to proper notice, a meeting of the Finance & Auditor Selection Committee was held Friday, June 27, 2025, at 8:00 a.m., at Neptune Beach City Hall, 116 First Street, Neptune Beach, Florida 32266.

Attendance:

IN ATTENDANCE:	STAFF:
Councilor Brent Rogers, Chair	City Manager Richard Pike
Lynda Padrta, Member	City Attorney Paul Waters
Jerry Wetzel, Member	Chief Financial Officer Jaime Hernandez
Mayor Cori Bylund	Community Development Director Heather Whitmore *(via CMT)*
	Public Works Director Deryle Calhoun
	Parks and Sustainability Director Colin Moore
	Senior Center Director Leslie Lyne
	HR Coordinator Jillian McCann
	City Clerk Catherine Ponson

Call to Order

Councilor Rogers called the Finance & Auditor Selection Committee Meeting to order at 8:00 a.m.

Minutes of May 28, 2025

Made by Padrta, seconded by Wetzel.

MOTION: **TO APPROVE THE MINUTES OF MAY 28, 2025, FINANCE & AUDITOR SELECTION COMMITTEE**

Roll Call Vote:
Ayes: 3-Padrta, Wetzel and Rogers
Noes: 0

MOTION CARRIED

FY23 Audit

Chief Financial Officer Jaime Hernandez reported that the FY23 Audit had been received the day before. It has been submitted to the Florida Auditor General as required. Any funding that was withheld has been requested to be released. Mr. Hernadez also stated that the City's net assets have increased from $30 million to $35 million.

RFP Update

Mr. Hernandez stated that the RFP for Auditing Services had been issued and published. It was noticed in the Jacksonville Daily Record, Florida Public Notices, the City's website and Demand Star. The proposals are due on Friday, July 18, 2025 at noon.

New Fee Schedule	Community Development Director Heather Whitmore explained that this is an updated fee schedule for the entire City. She found that costs were not being recovered for services rendered. She added that the majority of the changes in Community Development Services are simple base rate adjustments to reflect inflation. Fees would be collected that had not been previously collected such as a plan check fee. She also pointed out that tap fees are being modified..The City has been losing money on these construction costs.
	City Attorney Paul Waters reported that these fees were located throughout the Code by ordinance As part of the update, those fees will be removed and listed as being set by resolution. An ordinance will be introduced to Council for that purpose.
Water & Sewer Rate Study	Mr. Hernandez expressed the City had not had a water and sewer rate study done since 2016. A study provides the numbers necessary to provide the cash flow to support the water and sewer infrastructure needs of the City. A report presents the financial management plan.
	Councilor Rogers questioned the need due to the $72,500 cost. He suggested taking the City's Capital Improvement Plan over the next ten years and prioritizing them.
	Mr. Hernandez pointed out that based on the 2016 study, water and sewer rates increased 2.5% annually for FY2017 through 2019. There were no increases after 2019. He added the City is 15% behind.
	Mayor Bylund stated that constituents would like to see a comparison of rates of our sister cities.
	Mr. Hernandez confirmed Mr. Wetzel's statement that the City is just looking at this option to see what the costs would be for this service.
Investment Policy	Mr. Hernandez explained the draft investment policy is based on the state requirements. He stated that the City needs two months of operating expenses, which is about $3 million. This leaves about $12 million.
	Discussion included how to invest and what the City is allowed to invest.
	Mr. Hernandez confirmed that to implement the investment policy, Council would need to adopt the policy. This would allow Mr. Hernandez to begin implementing the intended plan.
	Councilor Rogers expressed he would like to get this before Council as soon as possible.
FY25-26 Budget	Mr. Hernandez presented a draft of the FY25-26 Budget. He reported that the City has total estimated revenues of about $9 million. He stated that this is based on the current millage rate of 3.3656.
	Councilor Rogers questioned how the City communicates with the Duval County Property Appraiser and making sure construction is getting properly adjusted on the tax rolls.
	Mayor Bylund stated that there is a level of anticipation that the property taxes will increase by virtue of land values.
	City Manager Richard Pike recommended inviting a representative from the property appraiser's office to explain the process and answer any questions.
	Councilor Rogers requested information regarding what the City's spending was in 2019 compared to what it is today, including inflation rates and head count.

Discussion included the COLA raise for employees and police pension retirees, purchasing, and appropriated fund balance.

Adjournment There being no further business, the Finance & Auditor Selection Committee Meeting adjourned at 9:27 a.m.

Brent Rogers, Chairman

ATTEST:

Catherine Ponson, CMC
City Clerk

CITY OF NEPTUNE BEACH 1931 FLORIDA

Approved: 07-28-2025

These minutes reflect the actions taken and portions of the discussion during the meeting. To review the entire discussion concerning any agenda item, go to: https://www.nbfl.gov/minutes-and-agendas. and click on the video for the meeting you wish to view.