

TOWN OF SEWALL'S POINT

JOHN TOMPECK
Mayor

FRANK FENDER
Vice Mayor

VINNY BARILE
Commissioner

DAVID KURZMAN
Commissioner

KAIJA MAYFIELD
Commissioner



ROBERT DANIELS, ICMA-CM
Town Manager

APRIL STONCIUS, MMC
Town Clerk

TINA CIECHANOWSKI
Chief of Police

JACK REISINGER, CBO
Building Official/PW Director

MARIA PIERCE
Finance/HR Director

**Town Commission Regular Meeting
July 16, 2024
6:00 PM**

I. CALL TO ORDER

- a. Pledge of Allegiance to the Flag
- b. Roll Call

II. PROCLAMATIONS

- a. Sewall's Point Purple Heart Day Proclamation
 - 1) [2024 Purple Heart Day Proclamation.pdf](#)
- b. 35th Anniversary Recognition Proclamation - Police Chief Tina Ciechanowski
 - 1) [Chief Ciechanowski - 35 Year Anniversary Proclamation.pdf](#)

III. RECESS (10 MINUTES) - REFRESHMENT BREAK

IV. PRESENTATIONS

- a. Audit Presentation - CRI, Christine Noll-Rhan, CPA - FY2023 Audit Results
 - 1) [FS 2023 Required Communications Letter - Town of Sewall's Point.pdf](#)
 - 2) [FS 2023 Audited Financial Statements - Town of Sewall's Point.pdf](#)

V. PUBLIC COMMENT ON NON-AGENDA ITEMS- PLEASE SUBMIT A COMMENT CARD TO THE TOWN CLERK PRIOR TO THE START OF THE MEETING AND LIMIT YOUR COMMENTS TO THREE MINUTES. If the thirty (30) minute time period has been exhausted, the Commission will entertain any remaining comments near the end of the meeting with the same three (3) minute per person time limitation.

- a. TOSP Public Comment Guideline
 - 1) [TSP-Public Comment Guidelines.pdf](#)

VI. ADDITIONS, DELETIONS OR CHANGES TO THE AGENDA

VII. APPROVAL OF AGENDA

VIII. CONSENT AGENDA

- a. Building Report - June
 - 1) [Building Report - June 2024.pdf](#)
- b. Minutes - June 18, 2024 Regular Meeting
 - 1) [06 18 24 Regular Meeting Minutes.pdf](#)

ADDENDUM

- c. Martin County Sheriff's Office - Town of Sewall's Point Police Department -

First Addendum to Mutual Aid Agreement

1) [TSPPD and MCSO Out of Jurisdiction MAA.pdf](#)

IX. PUBLIC HEARING - ORDINANCE - SECOND READING

X. PUBLIC HEARING - ORDINANCE - FIRST READING

XI. RESOLUTIONS

a. Resolution No. 973 - Dedication Millage for Capital Projects FY25

1) [TM Memo - Resolution No. 973 - Dedicated Millage for Capital Projects.pdf](#)

2) [Resolution No. 973 - Dedicated Millage Rate.pdf](#)

PUBLIC COMMENT

XII. OLD BUSINESS

XIII. NEW BUSINESS

a. Preliminary Millage Rate for FY25

1) [TM Memo - Preliminary Millage Rate - July 16 2024.pdf](#)

PUBLIC COMMENT

b. Code Enforcement Board - Board Member Vacancy - Town Clerk

1) [Town Clerk Memo CEB 7-16-24.pdf](#)

2) [Ordinance No 453 CEB Alternates.pdf](#)

PUBLIC COMMENT

XIV. DISCUSSION

a. Cape Canaveral Scientific, Inc. - Grant Update - Amy Adams

1) [7_16_24 SSPPR WQ GM Project Memo.pdf](#)

PUBLIC COMMENT

XV. COMMISSION AND STAFF CLOSING COMMENTS

a. Staff

b. Commissioners

XVI. ADJOURN

CIVILITY CLAUSE: It is the policy of the Sewall's Point Town Commission that all persons addressing a town board or attending a Town board meeting shall conduct themselves in a manner that does not disrupt the orderly and efficient conduct of the meeting. Boisterous or unruly behavior; threatening or inciting an immediate breach of the peace; or use of profane, slanderous or obscene speech will not be tolerated and could result in ejection from the meeting after warning from the presiding officer. In accordance with the provisions of the Americans with Disabilities Act (ADA) this document may be requested in an alternate format. Persons in need of a special accommodation to participate in this proceeding shall, within 3 working days prior to any proceeding, contact the Town Clerk's office, One South Sewall's Point Road, Sewall's Point, Florida 34996 (772) 287-2455. If any person decides to appeal any decision made by the Town Commission with regard to any matter considered at such meeting or hearing, s/he will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

Before the Mayor of the Town of Sewall's Point

Martin County, Florida

Proclamation

Sewall's Point Purple Heart Day

Whereas, throughout our nation's history, America's men and women in uniform have demonstrated bravery and courage in the face of danger and,

Whereas, the members of the United States Armed Forces have answered the call to duty with honor, decency, and selflessness, but the defense of freedom comes with great loss and sacrifice; and,

Whereas, these heroic service men and women have demonstrated their love and convictions in the people and freedoms of this country by enduring these tragedies and, in many unfortunate cases, by making the ultimate sacrifice; and,

Whereas, the Purple Heart is awarded in the name of the President of the United States to any member of the Armed Forces of the United States who is wounded or killed in any action against an enemy of the United States or as a result of an act of any such enemy or opposing armed forces; and,

Whereas, the United States Congress, by House Joint Resolution 526, authorized and requested the President to proclaim the first week in August as National Purple Heart Week and was subsequently designated as such by then-President Ronald Reagan.

Now, therefore, I, John Tompeck, Mayor of the Town of Sewall's Point, call on all citizens to join in honoring Purple Heart recipients who have served and those who still serve our Nation with distinction.

The Town Commission of Sewall's Point declares that August 7th will be known as Purple Heart Day in Sewall's Point. Dated this 16th day of July, 2024.

John Tompeck, MAYOR

Before the Mayor of the Town of Sewall's Point
Martin County, Florida

Proclamation
Chief Tina Ciechanowski Day

Whereas, on August 3, 1989, Tina Ciechanowski was hired as a police officer with the Town of Sewall's Point Police Department; and

Whereas, Tina Ciechanowski has been promoted throughout her career to the position of Sergeant, Lieutenant, and the Chief of Police; and

Whereas, Chief Ciechanowski has transformed the Sewall's Point Police Department into a professional and community-based law enforcement agency; and

Whereas, Chief Ciechanowski has supported the needs of the residents and has been available to handle their emergencies; and

Whereas, Chief Ciechanowski has planned special events in the Town to facilitate the residents' sharing special moments with each other, and

Whereas, Chief Ciechanowski will be celebrating 35 years of service to the Town of Sewall's Point on August 3, 2024.

Now, therefore, be it resolved the Town Commission of the Town of Sewall's Point, Florida, hereby proclaims August 3, 2024, as

“Chief Tina Ciechanowski Day”

in the Town of Sewall's Point and expresses appreciation for her 35 years of devoted service to the Town of Sewall's Point, the residents, and employees.

Dated this 16th day of July, 2024.

John Tompeck, MAYOR



Town of Sewall's Point, Florida

REQUIRED COMMUNICATIONS

September 30, 2023



Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, Florida 32940

321.255.0088
386.336.4189 (fax)
CRIcpa.com

June 25, 2024

Honorable Mayor and Members of the Town Commission
Town of Sewall's Point, Florida

We are pleased to present the results of our audit of the financial statements of the governmental activities, each major fund and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Town of Sewall's Point (the "Town") for the year ended September 30, 2023.

This report to the Mayor and the Town Commission summarizes our audit, the reports issued and various analyses and observations related to the Town's accounting and reporting. The document also contains the communications required by our professional standards.

Our audit was designed, primarily, to express an opinion on the Town's basic financial statements for the year ended September 30, 2023. We considered the Town's current and emerging needs, along with an assessment of risks that could materially affect the financial statements, and aligned our audit procedures accordingly. We conducted the audit with the objectivity and independence that you, the Mayor and Town Commission, expect. We received the full support and assistance of Town personnel.

At Carr, Riggs & Ingram, LLC (CRI), we are continually evaluating the quality of our professionals' work in order to deliver audit services of the highest quality that will meet or exceed your expectations. We encourage you to provide any feedback you believe is appropriate to ensure that we do not overlook a single detail as it relates to the quality of our services.

This report is intended solely for the information and use of the Mayor, Town Commission and Management and should not be used by anyone other than these specified parties.

We appreciate this opportunity to work with you. If you have any questions or comments, please contact me at 321.255.0088 or cnollrhan@cricpa.com.

Very truly yours,

Christine E. Noll-Rhan, CPA
Partner
Carr, Riggs & Ingram, LLC



As discussed with management during our planning process and communicated to the Town Commission in our engagement letter to you dated August 19, 2022, our audit plan represented an approach responsive to the assessment of risk for the Town. Specifically, we planned and performed our audit to:

- Perform audit services, as required by Section 218.39 of the Florida Statutes, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, in order to express an opinion on the Town's basic financial statements for the year ended September 30, 2023;
- 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;
- Communicate directly with the Mayor, Town Commission and management regarding the results of our procedures;
- Address with the Mayor, Town Commission and management any accounting and financial reporting issues;
- Anticipate and respond to concerns of the Mayor, Town Commission and management; and
- Other audit-related projects as they arise and upon request.



We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Town of Sewall’s Point, Florida for the year ended September 30, 2023, and have issued our report thereon dated June 25, 2024. Professional standards also require that we communicate to you the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITOR’S RESPONSE
<p>Auditor’s responsibility under Generally Accepted Auditing Standards, <i>Government Auditing Standards</i> and Chapter 10.550, Rules of the Florida Auditor General</p>	<p>As stated in our engagement letter dated August 19, 2022, our responsibility, as described by professional standards, is to express an opinion about whether the basic financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP) and to report on the fairness of the supplementary information as described in the engagement letter when considered in relation to the financial statements as a whole. Our audit of the financial statements does not relieve you or management of your responsibilities.</p> <p>As part of our audit, we considered the internal control and compliance with laws, regulations, contracts and grants of the Town. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.</p>
<p>Client’s responsibility</p>	<p>Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the applicable framework. Management, with oversight from those charged with governance, is responsible for the design and implementation of programs and controls to prevent and detect fraud.</p> <p>Management is responsible for overseeing nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.</p>
<p>Planned scope and timing of the audit</p>	<p>Our initial audit plan was not significantly altered during our fieldwork.</p>



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Management judgments and accounting estimates <i>The process used by management in forming particularly sensitive accounting estimates and the basis for the auditor's conclusion regarding the reasonableness of those estimates.</i></p>	<p>Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality."</p>
<p>Potential effect on the financial statements of any significant risks and exposures <i>Major risks and exposures facing the Town and how they are disclosed.</i></p>	<p>No such risks or exposures were noted.</p>
<p>Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditor's judgment about the quality of accounting principles</p> <ul style="list-style-type: none"> • <i>The initial selection of and changes in significant accounting policies or their application; methods used to account for significant unusual transactions; and effect of significant policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</i> • <i>The auditor should also discuss the auditor's judgement about the quality, not just the acceptability of the Town's accounting policies as applied in its financial reporting. The discussion should include such matters as consistency of accounting policies and their application, and clarity and completeness of the financial statements, including disclosures. Critical accounting policies and practices applied by the Town in its financial statements and our assessment of management's disclosures regarding such policies and practices (including any significant modifications to such disclosures proposed by us but rejected by management), the reasons why certain policies and practices are or are not considered critical, and how current and anticipated future events impact those determinations.</i> • <i>Alternative treatments within GAAP for accounting policies and practices related to material items, including recognition, measurement, presentation and disclosure alternatives, that have been discussed with client management during the current audit period, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the auditor.</i> 	<p>Significant accounting policies are described in Note 1 to the financial statements. A new accounting policy was adopted during the fiscal year as a result of the following recently issued accounting pronouncements:</p> <ul style="list-style-type: none"> • <i>Statement No. 96, Subscription-Based Information Technology Arrangements (GASB 96)</i> <p>The adoption of GASB statement No. 96 had no impact on the financial statements.</p> <p>We noted no transactions entered into by the Town of Sewall's Point, Florida during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.</p> <p>Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:</p> <ul style="list-style-type: none"> • The disclosures of commitments in footnote 5 to the financial statements outlining future payments. <p>The financial statement disclosures are neutral, consistent, and clear.</p>



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Significant difficulties encountered in the audit <i>Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.</i></p>	<p>We encountered no significant difficulties in dealing with management in performing and completing our audit.</p>
<p>Disagreements with management <i>Disagreements, whether or not subsequently resolved, about matters significant to the financial statements or auditor's report. This does not include those that came about based on incomplete facts or preliminary information.</i></p>	<p>We are pleased to report that no such disagreements arose during the course of our audit.</p>
<p>Other findings or issues <i>Matters significant to oversight of the financial reporting practices by those charged with governance. For example, an entity's failure to obtain the necessary type of audit, such as one under Government Auditing Standards, in addition to GAAS.</i></p>	<p>None noted.</p>
<p>Matters arising from the audit that were discussed with, or the subject of correspondence with, management <i>Conditions that might affect risk or discussions regarding accounting practices or application of auditing standards.</i></p>	<p>None noted.</p>
<p>Corrected and uncorrected misstatements <i>All significant audit adjustments arising from the audit, whether or not recorded by the Town, that could individually or in the aggregate have a significant effect on the financial statements. We should also inform the Commission about uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented, that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Any internal control deficiencies that could have prevented the misstatements</i></p>	<p>See Summary of Audit Adjustments.</p>
<p>Major issues discussed with management prior to retention <i>Any major accounting, auditing or reporting issues discussed with management in connection with our initial or recurring retention.</i></p>	<p>Discussions occurred in the normal course of our professional relationship and our responses were not a condition of our retention.</p>
<p>Consultations with other accountants <i>When management has consulted with other accountants about significant accounting or auditing matters.</i></p>	<p>To our knowledge, there were no such consultations with other accountants.</p>
<p>Written representations <i>A description of the written representations the auditor requested (or a copy of the representation letter).</i></p>	<p>See "Management Representation Letter" section.</p>



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Internal control deficiencies <i>Any significant deficiencies or material weaknesses in the design or operation of internal control that came to the auditor's attention during the audit.</i></p>	<p>See "Independent Auditor's Report on Internal Controls" and "Management Letter" included with the financial statements.</p>
<p>Fraud and illegal acts <i>Fraud involving senior management or those responsible for internal controls, or causing a material misstatement of the financial statements, where the auditor determines there is evidence that such fraud may exist. Any illegal acts coming to the auditor's attention involving senior management and any other illegal acts, unless clearly inconsequential.</i></p>	<p>We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.</p>
<p>Other information in documents containing audited financial statements <i>The external auditor's responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.</i></p>	<p>Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether:</p> <ul style="list-style-type: none"> • Such information is materially inconsistent with the financial statements; and • We believe such information represents a material misstatement of fact. <p>We applied certain limited procedures to management's discussion and analysis ("MD&A") and budgetary schedule as listed in the table of contents of the financial statements that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We did not audit the MD&A or the budgetary schedule and do not express an opinion or provide any assurance on the MD&A or budgetary schedule.</p>
<p>Significant unusual accounting transactions <i>Auditor communication with governance to include auditor's views on policies and practices management used, as well as the auditor's understanding of the business purpose.</i></p>	<p>No significant unusual accounting transactions were noted during the year.</p>



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Required Supplementary Information <i>The auditor's responsibility for required supplementary information accompanying the financial statements, as well as any procedures performed and the results.</i></p>	<p>We applied certain limited procedures to the required supplementary information (RSI) that supplements the financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.</p>
<p>Other information in relation to the financial statements as a whole <i>The auditor's responsibility for other information accompanying the financial statements.</i></p>	<p>We were not engaged to report on the other information, which accompany the financial statement but are not RSI. Such information has not be subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do no express an opinion or provide any assurance on it.</p>



We are required to communicate our judgments about the quality, not just the acceptability, of the Town's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive accounting estimates. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The Mayor, Town Commission and management may wish to monitor throughout the year the process used to compute and record these accounting estimates. The table below summarizes our communications regarding these matters.

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Depreciation of Capital Assets	<p>Based on the audit procedures we performed with respect to the Town's capital assets, we noted that the Town estimates the useful lives of capital assets in accordance with all applicable standards and guidelines of GASB.</p> <p>The Town follows the provisions of Section 1400: <i>Reporting Capital Assets</i>, of the GASB Codification when reporting depreciation of its capital assets.</p>	X	Management's estimate of the useful lives of capital assets is based on the historical lives of similar assets and market prices.	We evaluated the key factors and assumptions used to develop the estimated useful lives in determining that they are reasonable in relation to the financial statements taken as a whole.



AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Compensated Absences	<p>Liabilities for compensated absences attributable to services already rendered are accrued as employees earn the rights to those benefits.</p> <p>The Town follows the provisions of Section C60: <i>Compensated Absences</i>, of the GASB Codification when reporting these liabilities.</p>	X	The Town estimates the accrued liabilities for compensated absences using leave balances accrued at the end of the fiscal year multiplied by the pay rate in effect for each employee as of the end of the fiscal year.	The Town's policies are in accordance with all applicable accounting guidelines and GASB.



During the course of our audit, we accumulate differences between amounts recorded by the Town and amounts that we believe are required to be recorded under GAAP reporting guidelines. Those adjustments are either recorded (corrected) by the Town or passed (uncorrected). Uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even if, in the auditor’s judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

Below is the correcting journal entry:

Adjusting Journal Entries JE # 7			
To adjust HMGP grant revenue due to amendment being approved after year-end and not receiving \$245K from the prior year			
301-000-133.352.001	HMGP 4283-84-A-H0603	\$ 881,813.00	
301-000-133.000	Intergovernment Revenue Rec		\$ 636,134.00
301-000-229.000	Unavailable revenue		245,679.00
Total		\$ 881,813.00	\$ 881,813.00

There was one passed audit adjustment resulting from two invoices recorded in the incorrect period to a single vendor. One invoice was incorrectly included in accounts payable while the other was incorrectly excluded. Invoice amounts offset to equal \$2,335.

QUALITATIVE MATERIALITY CONSIDERATIONS

In evaluating the materiality of audit differences when they do arise, we consider both quantitative and qualitative factors, for example:

- Whether the difference arises from an item capable of precise measurement or whether it arises from an estimate, and, if so, the degree of imprecision inherent in the estimate.
- Whether the difference masks a change in earnings or other trends.
- Whether the difference changes a net decrease in assets to addition, or vice versa.
- Whether the difference concerns an area of the Town’s operating environment that has been identified as playing a significant role in the Town’s operations or viability.
- Whether the difference affects compliance with regulatory requirements.
- Whether the difference has the effect of increasing management’s compensation – for example, by satisfying requirements for the award of bonuses or other forms of incentive compensation.
- Whether the difference involves concealment of an unlawful transaction.



June 25, 2024

Carr Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, FL 32940

This representation letter is provided in connection with your audit of the financial statements of the Town of Sewall's Point, Florida (the "Town"), which comprise the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of September 30, 2023, and the respective changes in financial position and, the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of June 25, 2024, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated August 19, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government required by generally accepted accounting principles to be included in the financial reporting entity. There are no component units.
- 3) We acknowledge our responsibility 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 6) There are no related-party relationships or transactions that need to be accounted for or disclosed in accordance with U.S. GAAP.



- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) The effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole and the opinion unit. A list of the uncorrected misstatements is included in the required communications. In addition, you have proposed adjusting journal entries that have been posted to the entity's accounts. We are in agreement with those adjustments.
- 9) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 10) Guarantees, whether written or oral, under which the Town is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Town from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of Town Commission or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the Town and involves—
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the Town's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.



18) We have disclosed to you the names of the Town's related parties and all the related party relationships and transactions. There are no side agreements.

Government-specific

19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

20) We have taken timely and appropriate steps to remedy identified and suspected fraud or noncompliance with provisions of laws, regulations, contracts, and grant agreements that you have reported to us.

21) We have a process to track the status of audit findings and recommendations.

22) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.

23) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.

24) The Town has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.

25) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

26) There are no leases, conduit debt or subscription-based information technology arrangements required to be disclosed in accordance with GASB 87, 91, or 96.

27) We are not aware of any instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.

28) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

29) As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, Maria Pierce, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.

30) The Town has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

31) The Town has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.



- 32) The financial statements properly classify all funds and activities in accordance with [GASBS No. 34](#), as amended.
- 33) All funds that meet the quantitative criteria in [GASBS Nos. 34](#) and [37](#) for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 34) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 35) Investments, derivative instrument transactions, and land are properly valued.
- 36) Provisions for uncollectible receivables have been properly identified and recorded.
- 37) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 38) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 39) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 40) Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.
- 41) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 42) We have appropriately disclosed the Town's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 43) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 44) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 45) The Town of Sewall's Point is in compliance with Florida Statute 218.415, *Local Government Investment Policies*, in all respects.
 - a) We are responsible for establishing and maintaining effective internal control over compliance.



- b) We have performed an evaluation of the Town’s compliance with Florida Statute 218.415, *Local Government Investment Policies*.
- c) All relevant matters are reflected in the measurement or evaluation of the Town’s compliance with the specified requirements.
- d) We are responsible for selecting the specified requirements and for determining that the specified requirements are suitable, will be available to intended users, and are appropriate for the purpose of the engagement.
- e) As agreed upon in the terms of our agreement, we have provided you with all relevant information and access to information and personnel in connection with your examination of compliance with Florida Statute 218.415, *Local Government Investment Policies*.
- f) We have disclosed to you all known matters that may contradict the Town's compliance with the specified requirements and we have disclosed to you all communications from regulatory agencies, internal auditors, other independent accountants or consultants, and others regarding possible noncompliance with Florida Statute 218.415, *Local Government Investment Policies*, including communications received between September 30, 2023 and the date of the examination report.
- g) We have responded fully to all inquiries made to us by you during the engagement.
- h) Our interpretation of Florida Statute 218.415, *Local Government Investment Policies* is as follows:
 - i) As the Town has elected to invest surplus funds in compliance with section 218.415(17) of the Florida Statutes, the provisions of section 218.415(14) requiring a minimum number of hours of completion of continuing professional education do not apply.

Signature: _____

Signature: _____

Title: _____

Title: _____



Town of Sewall's Point, Florida

FINANCIAL STATEMENTS

Year Ended September 30, 2023



INTRODUCTORY SECTION

Title Page	1
Table of Contents	2
Town Officials	3

FINANCIAL SECTION

Independent Auditor's Report	5
Management's Discussion and Analysis	9

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements:	
Balance Sheet – Governmental Funds	18
Reconciliation of Fund Balance of Governmental Funds to Net Position of Governmental Activities	19
Statement of Revenues, Expenditures and Change in Fund Balance – Governmental Funds	20
Reconciliation of Net Change in Fund Balance of Governmental Funds to Change in Net Position of Governmental Activities	21
Notes to Financial Statements	23

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Change in Fund Balance – Budget and Actual: General Fund	41
Notes to Budget	42

REPORTS ON INTERNAL CONTROL AND COMPLIANCE MATTERS

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	45
Independent Auditor's Management Letter	49
Independent Accountant's Report on Compliance with Local Government Investment Policies	51

Town of Sewall's Point, Florida
Town Officials
As of September 30, 2023

John Tompeck
Mayor

Dave Kurzman
Vice-Mayor

James Campo
Frank Fender
Kaija Mayfield
Commission Members

Robert Daniels
Town Manager

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Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, Florida 32940

321.255.0088
386.336.4189 (fax)
CRlcpa.com

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the Town Commission
Town of Sewall's Point, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Sewall's Point, Florida, (the "Town") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Sewall's Point, Florida as of September 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Sewall's Point 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 Town of Sewall's Point 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 Management's Discussion and Analysis and General Fund Budget vs. Actual schedule, as noted in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2024, on our consideration of the Town of Sewall's Point, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Sewall's Point, Florida'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 Town of Sewall's Point, Florida's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida

June 25, 2024

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Town of Sewall's Point, Florida Management's Discussion and Analysis September 30, 2023

The purpose of Management's Discussion and Analysis (MD&A) is to give an objective and easily readable analysis of the Town of Sewall's Point's (the "Town") financial performance for the fiscal year ended September 30, 2023, and to serve as an introduction to the audited financial statements. The MD&A also includes information on significant variations from budget and prior year actual.

Financial Highlights

- The total assets of the Town of Sewall's Point exceeded its liabilities on September 30, 2023 by \$11,497,737 (*total net position*). Of this amount, \$2,821,335 are unrestricted funds, \$2,615,963 are restricted and \$6,060,439 or 52.7% is invested in capital assets.
- The Town's operations increased net position by \$1,360,244.
- At the close of the fiscal year, the Town's governmental funds reported a combined fund balance of \$5,285,623, an increase of \$1,287,037 in comparison to prior year. The governmental funds reflect \$2,493 in non-spendable, \$2,615,963 in restricted and \$1,500,000 in assigned fund balance, leaving an unassigned fund balance of \$1,167,167.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-Wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Town's assets and liabilities, with the difference between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Town maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund and two special revenue funds. The General Fund and Capital Project funds are considered major funds.

Town of Sewall's Point, Florida
Management's Discussion and Analysis
September 30, 2023

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and change in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget.

Government-Wide Financial Analysis

As previously stated, net position may serve over time as a useful indicator of the Town's financial position. The following is a summary of the Statement of Net Position as of September 30:

	Net Position	
	Governmental Activities	
	2023	2022
Assets		
Current and other assets	\$ 5,834,688	\$ 5,176,714
Capital assets, net	8,028,426	5,954,934
Total assets	13,863,114	11,131,648
Liabilities		
Long-term liabilities outstanding	2,033,380	61,706
Other liabilities	331,997	932,449
Total liabilities	2,365,377	994,155
Net position		
Net investment in capital assets	6,060,439	5,954,934
Restricted	2,615,963	436,652
Unrestricted	2,821,335	3,745,907
Total net position	\$ 11,497,737	\$ 10,137,493

Town of Sewall's Point, Florida
Management's Discussion and Analysis
September 30, 2023

Capital assets increased by \$2,073,492. A majority of new assets was the purchase of the 78 South Sewall's Point property. This property is needed for the South Sewall's Point Road project. The Town also obtained a loan for \$2,000,000 to finance this purchase.

The following is a summary of the Statement of Activities for the years ended September 30:

	Change in Net Position Governmental Activities	
	2023	2022
Program revenues:		
Charges for services	\$ 797,580	\$ 1,315,232
Operating grants	610,040	557,450
Capital grants	214,925	815,375
General revenues:		
Property taxes	2,615,267	2,323,659
Franchise taxes	286,554	262,454
Sales and use taxes	295,172	298,003
State revenue sharing and gas taxes	335,576	295,946
Investment earnings	173,251	10,755
Other revenue	5,829	9,723
Total revenues	5,334,194	5,888,597
Expenses:		
General government	662,306	688,247
Public safety	2,036,394	1,773,651
Physical environment	1,203,262	954,593
Interest	71,988	-
Total expenses	3,973,950	3,416,491
Change in net position	1,360,244	2,472,106
Net position:		
Beginning of year	10,137,493	7,665,387
End of year	\$ 11,497,737	\$ 10,137,493

Governmental activities increased the Town's net position by \$1,360,244. Total revenues decreased by \$554,403. Property tax revenue increased by \$291,608 (12.5 percent) from the previous year. This increase is a result of increases in property values. Franchise fee revenue increased by \$24,100 or 9.2 percent due to higher utility rates. Investment earnings increased by \$162,496 or 151.1 percent due to higher interest rates. State revenue sharing and gas taxes increased by \$39,630 or 13.4 percent due to increased fuel sales. Expenses increased by \$557,459 or 16.3 percent mainly in Physical environment (\$248,669) and Public Safety (\$262,743) and interest (\$71,988) offset by a decrease in General government (\$25,941).

Financial analysis of the governmental funds

Governmental Funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing

Town of Sewall's Point, Florida
Management's Discussion and Analysis
September 30, 2023

the Town's financing requirements. In particular, unreserved 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 Town's governmental funds reported combined ending fund balances of \$ 5,285,623, a total increase of \$ 1,287,037 from the prior year; of which an increase of \$580,118 is attributable to the General Fund, an increase of \$591,705 is attributable to the Capital Projects Fund and an increase of \$115,214 is attributable to the Building Permit Fund.

General Fund Budgetary Highlights

The budget and actual schedule show the original budget, the final budget, actual results, and variances between the final budget and actual results for the General Fund. The budget was amended to create a Building Permit special revenue fund and a capital project fund. The budget was also amended in anticipation of the start of another phase of the South Sewall's Road project.

See the Budgetary Comparison Schedule for the General Fund on page 41 for more details.

Capital Assets

The Town's capital assets for its governmental activities as of September 30, 2023 amounted to \$8,028,426 (net of accumulated depreciation). This investment in capital assets includes building, improvements, streetlights, roadways, and machinery and equipment.

Additional information on the Town's capital assets can be found in Note 2 to the financial statements.

Economic Factors and Next Year's Budget and Rates

The Town's 2023 budget maintained a millage rate of 3.27 mills. Through the use of grant funding, the Town continues to address flooding and water quality concerns through system improvements. The Town continues to improve efficiencies that will allow continued high levels of service at the least possible cost.

Property Taxes are the main source of revenue for governmental activities and represents approximately 80% of the General Fund budgeted revenues.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town of Sewall's Point's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, may be addressed to the Town Manager at 1 S. Sewall's Point Rd, Sewall's Point, FL 34996.

TOWN OF SEWALL'S POINT, FLORIDA

Basic Financial Statements

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Town of Sewall's Point, Florida
Statement of Net Position

<i>September 30, 2023</i>	Governmental Activities
Assets	
Cash and cash equivalents	\$ 1,575,482
Investments	3,827,877
Receivables, net	64,183
Prepaid items	2,493
Due from other governments	364,653
Capital assets	
Non-depreciable	2,048,809
Depreciable, net	5,979,617
Total assets	13,863,114
Liabilities	
Accounts payable	246,480
Accrued payroll and related liabilities	52,705
Accrued interest	28,611
Unearned revenue	4,201
Non-current liabilities	
Due within one year	
Notes payable	65,655
Compensated absences	26,157
Due in more than one year	
Notes payable	1,902,332
Compensated absences	39,236
Total liabilities	2,365,377
Net Position	
Net investment in capital assets	6,060,439
Restricted for public safety	751,866
Restricted for capital projects	1,864,097
Unrestricted	2,821,335
Total net position	\$ 11,497,737

The accompanying notes are an integral part of these financial statements.

Town of Sewall's Point, Florida
Statement of Activities

For the year ended September 30, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services and Fines	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities				
General government	\$ 662,306	\$ 777,068	\$ -	\$ -
Public safety	2,036,394	20,512	610,040	-
Physical environment	1,203,262	-	-	214,925
interest	71,988	-	-	-
Total governmental activities	\$ 3,973,950	\$ 797,580	610,040	\$ 214,925

General revenues and transfers

Taxes

Property taxes, levied for general purposes

Franchise taxes

Sales and use tax

State revenue sharing and gas taxes

Investment earnings

Miscellaneous

Total general revenues

Change in net position

Net position, beginning of year

Net position, end of year

The accompanying notes are an integral part of these financial statements.

Net (Expense)
Revenue and
Changes in Net
Position

Governmental
Activities

\$ 114,762
(1,405,842)
(988,337)
(71,988)

(2,351,405)

2,615,267
286,554
295,172
335,576
173,251
5,829
3,711,649
1,360,244
10,137,493
\$ 11,497,737

The accompanying notes are an integral part of these financial statements.

Town of Sewall's Point, Florida
Balance Sheet
Governmental Funds

<i>September 30, 2023</i>	General	Capital Project	Nonmajor Fund - Building	Total
Assets				
Cash and cash equivalents	\$ 828,640	\$ 181,430	\$ 565,412	\$ 1,575,482
Investments	1,997,945	1,829,932	-	3,827,877
Accounts receivable	64,183	-	-	64,183
Due from other governments	91,869	272,784	-	364,653
Prepaid items	2,493	-	-	2,493
Total assets	\$ 2,985,130	\$ 2,284,146	\$ 565,412	\$ 5,834,688
Liabilities, deferred inflows of resources and fund balance				
Liabilities				
Accounts payable	\$ 70,543	174,370	1,567	\$ 246,480
Accrued payroll and related liabilities	40,726	-	11,979	52,705
Unearned revenue	4,201	-	-	4,201
Total liabilities	115,470	174,370	13,546	303,386
Deferred inflows of resources				
Unavailable revenue	-	245,679	-	245,679
Total deferred inflows of resources	-	245,679	-	245,679
Fund balances				
Nonspendable				
Prepaid items	2,493	-	-	2,493
Restricted	200,000	1,864,097	551,866	2,615,963
Assigned	1,500,000	-	-	1,500,000
Unassigned	1,167,167	-	-	1,167,167
Total fund balances	2,869,660	1,864,097	551,866	5,285,623
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,985,130	\$ 2,284,146	\$ 565,412	\$ 5,834,688

The accompanying notes are an integral part of these financial statements.

Town of Sewall's Point, Florida
Reconciliation of Fund Balance of Governmental Funds to Net Position
of Governmental Activities

September 30, 2023

Total fund balances - governmental funds	\$	5,285,623
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	\$	10,319,718
Less accumulated depreciation and amortization		(2,291,292)
		8,028,426
Some revenues will not be collected within 60 days after the close of the Town's fiscal year-end and are not considered as "available" revenue in the governmental funds and, therefore, are reported as deferred inflows of resources. In the statement of net position, which is on the accrual basis, the revenue is fully recognized in the statement of activities.		
		245,679
Long-term liabilities, including total notes payable and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		
Notes payable	\$	(1,967,987)
Accrued interest		(28,611)
Compensated absences		(65,393)
		(2,061,991)
Net position of governmental activities	\$	11,497,737

The accompanying notes are an integral part of these financial statements.

Town of Sewall's Point, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds

<i>For the year ended September 30, 2023</i>	General	Capital Projects	Nonmajor fund - Building	TOTAL
Revenues				
Taxes	\$ 2,615,267	\$ -	\$ -	\$ 2,615,267
Franchise fees/taxes	235,091	-	-	235,091
Licenses and permits	14,205	268,216	494,647	777,068
Intergovernmental	472,133	982,543	-	1,454,676
Fines and forfeitures	20,512	-	-	20,512
Interest and other	173,251	-	-	173,251
Miscellaneous revenue	58,329	-	-	58,329
Total revenues	3,588,788	1,250,759	494,647	5,334,194
Expenditures				
Current				
General government	664,730	196,491	-	861,221
Public safety	1,640,625	-	379,433	2,020,058
Physical environment	313,265	2,777,223	-	3,090,488
Debt service principal	32,013	-	-	32,013
Debt service interest	43,377	-	-	43,377
Total expenditures	2,694,010	2,973,714	379,433	6,047,157
Excess (deficiency) of revenues over (under) expenditures	894,778	(1,722,955)	115,214	(712,963)
Other financing sources (uses)				
Proceeds from issuance of debt	2,000,000	-	-	2,000,000
Transfer in	-	2,314,660	-	2,314,660
Transfer out	(2,314,660)	-	-	(2,314,660)
Total other financing sources (uses)	(314,660)	2,314,660	-	2,000,000
Net change in fund balance	580,118	591,705	115,214	1,287,037
Fund balances, beginning of year	2,289,542	1,272,392	436,652	3,998,586
Fund balances, end of year	\$ 2,869,660	\$ 1,864,097	\$ 551,866	\$ 5,285,623

The accompanying notes are an integral part of these financial statements.

Town of Sewall's Point Florida
Reconciliation of Net Change in Fund Balance of Governmental Funds to Change
in Net Position of Governmental Activities

<i>For the year ended September 30,</i>	<i>2023</i>
Net change in fund balances - total governmental funds	\$ 1,287,037
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay of \$2,463,230 exceeds depreciation expense of \$389,738 in the current period.	2,073,492
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Interest is not accrued in governmental funds. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Debt issuance	(2,000,000)
Debt repayments	32,013
Accrued Interest	(28,611)
Compensated absences are reported in the statement of activities when earned. As they do not require the use of current financial resources, they are not reported as expenditures on governmental funds until they have matured. This is the amount of compensated absences reported in the statement of activities in the prior year that has matured in the current year.	(3,687)
Change in net position of governmental activities	\$ 1,360,244

The accompanying notes are an integral part of these financial statements.

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Town of Sewall's Point Florida Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Sewall's Point, Florida, was incorporated in 1957 pursuant to Chapter 57-1478, Laws of Florida. The Town is governed by an elected Mayor, Vice Mayor, President Pro-Tem, and the Town Commission, which appoints a Town Administrator. The Town's major operations include public safety (police and building inspection), public works and general administrative services.

Reporting Entity

As required by generally accepted accounting principles, these general purpose financial statements present the government and its component units. Component units are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the Town's financial statements to be misleading or incomplete. The primary government is considered financially accountable if it appoints a voting majority of an organization's governing body and imposes its will on that organization. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government, regardless of the authority of the organization's governing board.

In evaluating the Town as a reporting entity, management has considered all potential component units in accordance with Section 2100: *Defining the Financial Reporting Entity* of the Governmental Accounting Standards Board (GASB) Codification. The Town has no component units.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Town had no business-type activities at September 30, 2023.

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. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Town of Sewall's Point Florida Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Fines and permit revenues are not susceptible to accrual because, generally, they are not measurable until received in cash. Property taxes, franchise taxes, licenses, interest revenue, intergovernmental revenues, and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental fund. Separate financial statements are provided for the governmental fund.

Fund Financial Statements

The fund financial statements provide information about the Town's fund. The emphasis of fund financial statements is on the major governmental fund.

The Town reports the following major governmental funds:

The *General Fund* is the Town's operating fund. It accounts for all the financial resources of the general government.

The *Capital Project Fund* is the Town's accounts for acquisition or construction of major capital facilities.

Town of Sewall's Point Florida Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

The Town reports the following non major fund:

The *Building Fund* is a special revenue fund. It accounts for the activity of the building department.

Assets, Liabilities, and Net Position or Equity

Cash and equivalents

The Town's cash and cash equivalents include amounts on deposit in demand accounts and money market accounts.

Investments

Investments for the Town are reported at fair value except for the position in the State Treasurer's Investment Pool. The state Treasurer's Investment Pool meets all of the specific criteria in Section 150: *Investments* to qualify to elect to measure their investments at amortized costs. Accordingly the value of the Town's position in the pool is equal to the value of pooled shares.

Receivables and payables

Amounts due from other governments include amounts due from the State of Florida for state revenue sharing. Program and capital grants are recorded as receivables and revenues at the time reimbursable project costs are incurred. Revenues received in advance of project costs being incurred are reported as "unearned."

The Town considers due from other governments to be fully collectible; accordingly, no allowance for doubtful accounts is required.

Prepaid items

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

Capital assets

Capital assets, which include plant, property and equipment, and infrastructure assets (e.g. roads, bridges, and sidewalks), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years.

Town of Sewall's Point Florida Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital assets (Continued)

Such assets are recorded at cost or the acquisition value of the assets at the time of purchase or contribution. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Capital asset classes</u>	<u>Lives</u>
Buildings	40
Improvements other than buildings	10 - 30
Infrastructure	25 - 40
Equipment	5 - 26
Software	3

The Town reviews capital assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its fair value. If it is determined that an impairment loss has occurred, the asset is written down to its net realizable value and a current charge to income is recognized.

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 statement of net position. In accordance with GASB Codification Section 130: *Interest Costs – Imputation*, debt issuance costs are expensed in the period incurred except for prepaid insurance costs.

The face amount of debt issued, and repayments are reported as other financing sources. Premiums received on debt issuances and discounts on debt issuances are reported as other financing uses.

Compensated Absences

The Town's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. Accumulated sick leave lapses when employees leave the employment of the Town and, accordingly upon separation of service, no monetary obligation exists.

Town of Sewall's Point Florida Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflows of Resources

The balance sheet reports, as applicable, a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets by the government that is applicable to a future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until that time. For example, the Town would record deferred inflows of resources related to unavailable revenue.

Net Position

Equity in the government-wide statement of net position is displayed in three categories: 1) invested in capital assets net of related debt, 2) restricted, 3) unrestricted. Net position invested in capital assets net of related debt consist of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets. Net position is reported as restricted when there is legal limitations imposed on its use by Town legislation or external restrictions by other governments, creditors, or grantors. Unrestricted net position consists of all net position that do not meet the definition of either of the other two components.

Net position flow assumption – Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Categories and Classification of Fund Equity

Fund balance flow assumption – Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned balance is applied last.

Fund balance policies – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Town itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). When the Town incurs an expenditure for purposes for which various fund balance classifications can be used, it is the government's policy to use restricted fund balance first, then committed fund balance, assigned fund balance, and finally unassigned fund balance.

Town of Sewall's Point Florida Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Categories and Classification of Fund Equity (Continued)

The provisions of GASB Codification, Section 1800, *Classifications and Terminology*, specify the following classifications:

Nonspendable fund balance – Nonspendable fund balances are amounts that cannot be spent because they are either (1) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Town's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the Town that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned fund balance – Amounts in the assigned fund balance classification are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as committed. The governing council has by resolution authorized the finance director to assign the fund balance. The Commission may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise the commitment.

Unassigned fund balance – Unassigned fund balance is the residual classification for the General Fund.

Revenues and Expenditures/Expenses

Program revenues – Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from services, or privileges provided by a given function and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than program revenues.

Town of Sewall's Point Florida Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues and Expenditures/Expenses (Continued)

Property taxes - Property values are assessed as of January 1 each year, at which time taxes become an enforceable lien on property. Tax bills are mailed for the Town by Martin County (the "County") on or about October 1 of each year and are payable with discounts of up to 4% offered for early payment. Taxes become delinquent on April 1 of the year following the year of assessment and State law provides for enforcement of collection of property taxes by seizure of the real property or by the sale of interest-bearing tax certificates to satisfy unpaid property taxes.

Assessed values are established by the Martin County Property Appraiser. The County bills and collects all property taxes and remits the Town's proportionate share to the Town. In 2008, Florida Amendment One passed which closed a loophole in the original 1992 amendment that would not allow homeowners to take their property tax cap with them when they moved. It doubled the amount of homestead exemption from \$25,000 to \$50,000 on all but the least expensive homes, and created a 10% annual cap on the assessed value increase of non-homesteaded property.

State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The tax levy of the Town is established by the Town Commission, and the Martin County Property Appraiser incorporates the Town's millage into the total tax levy, which includes the County and the County School Board tax requirements. The millage rate assessed by the Town for the year ended September 30, 2023 was 2.8700 mills (\$2.8700 per \$1,000 of taxable assessed valuation), and 0.4 mills for capital projects.

Unearned revenue - Unearned revenue includes amounts collected before the revenue recognition criteria are met. The unearned items consist primarily of funds received that have not yet been expended for the required purpose.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 25, 2024. See Note 6. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Town of Sewall's Point Florida Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements

The Town implemented the following standards during the current year.

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. GASB 96 is effective for fiscal years ending September 30, 2023. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement. This statement had no impacts on the Town's financial statements.

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

GASB Statement No. 100, *Accounting Changes and Error Corrections*, This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

Town of Sewall's Point Florida Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements (Continued)

GASB Statement No. 101, *Compensated Absences*, The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

The Town is evaluating the requirements of the above statement and the impact on reporting.

Note 2: DETAILED NOTES ON ALL FUNDS

Deposits and Investments

At September 30, 2023, \$250,000 of the Town's bank balances are covered by federal depository insurance (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the Town pursuant to Section 280.08, Florida Statutes.

The investing of public funds with the Florida State Board of Administration (SBA) - Local Government Surplus Funds Trust Fund is governed by Section 218.407, Florida Statutes. The SBA is under regulatory oversight of the State of Florida. The investment pool consists largely of corporate notes and commercial paper. On September 30, 2023, the Town had \$3,827,877 invested. The fair value of the Town's position in the pool is equal to the value of the pooled shares or net asset value.

Under GASB Codification 150: *Investments*, if a participant has an investment in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost it should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates) in notes to the financial statements. As of September 30, 2023, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the Town's access to 100 percent of their account value in either external investment pool.

Deposits available within various funds were consolidated for investment purposes. Interest earned was allocated to the various funds based on their average cash and investment balances.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and investments (Continued)

Custodial credit risk – Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate deposits are defined as public deposits. The financial institutions in which the Town places its deposits are certified as “qualified public depositories,” as required under the Florida Security for Public Deposits Act. For an investment, this is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Interest rate risk – Interest rate risk is the possibility that interest rates will rise and reduce the fair value of an investment. The Town’s investment policy limits interest rate risk by requiring that an attempt be made to match investment maturities with known cash needs and anticipated cash flow requirements. In addition, investments of current operating funds are required to have maturities of no longer than twelve months.

Credit risk – Section 150: *Investments* of the GASB Codification requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations.

Concentration risk – Section 150: *Investments* of the GASB Codification requires disclosures of investments in any one issuer that represents five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S government, investments in mutual funds, external investments pools and other pooled investments. The Town’s investment policy does not address concentration risk.

Fair Value – GASB Codification Section 3100: *Fair Value Measurements* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

**Town of Sewall's Point Florida
Notes to the Financial Statements**

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and investments (Continued)

The three levels of the fair value hierarchy under the codification are described as follows:

- Level 1 (L1): Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Town has the ability to access.
- Level 2 (L2): Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability;
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 (L3): Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2023:

Investments excluded from fair value hierarchy

Investment type	Fair Value	Weighted Average to Maturity (WAM)	Rating	Agency
SBA (Florida PRIME)	\$ 3,827,877	35 days	AAAm	S&P
Total	<u>\$ 3,827,877</u>			

Accounts Receivable

All account receivables are shown net of an allowance for uncollectible accounts for the governmental funds. The accounts receivable and allowance for uncollectible accounts at September 30, 2023, were as follows.

	Accounts Receivable	Franchise Fees Receivable	Allowance for Uncollectible Accounts	Net
General Fund	\$ 13,050	\$ 51,133	\$ -	\$ 64,183
Total	<u>\$ 13,050</u>	<u>\$ 51,133</u>	<u>\$ -</u>	<u>\$ 64,183</u>

Accounts receivable of the General Fund usually consist of fines. There are no other reserves for receivables recorded by the Town as of September 30, 2023.

Town of Sewall's Point Florida
Notes to the Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets

The following is a summary of changes in capital assets during the year ended September 30, 2023.

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, not being depreciated				
Land	\$ 604,382	\$ 1,029,000	\$ -	\$ 1,633,382
Construction-in-progress	172,053	243,374	-	415,427
Capital assets, not being depreciated	776,435	1,272,374	-	2,048,809
Capital assets, being depreciated				
Buildings	418,518	1,141,805	-	1,560,323
Other improvements	232,404	49,051	-	281,455
Equipment	857,569	-	-	857,569
Infrastructure	5,571,562	-	-	5,571,562
Capital assets, being depreciated	7,080,053	1,190,856	-	8,270,909
Less accumulated depreciation for				
Buildings	(405,373)	(11,777)	-	(417,150)
Other improvements	(95,414)	(10,954)	-	(106,368)
Equipment	(416,047)	(96,328)	-	(512,375)
Infrastructure	(984,720)	(270,679)	-	(1,255,399)
Total accumulated depreciation	(1,901,554)	(389,738)	-	(2,291,292)
Total capital assets being depreciated, net	5,178,499	801,118	-	5,979,617
Governmental activities capital assets, net	\$ 5,954,934	\$ 2,073,492	\$ -	\$ 8,028,426

Town of Sewall's Point Florida
Notes to the Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets (Continued)

Depreciation and amortization expense was allocated to the governmental functions in the statement of activities as follows:

<i>For the year ended September 30,</i>	2023
Governmental activities	
General government	\$ 55,488
Public safety	31,847
Physical environment	302,403
Total depreciation expense - governmental activities	\$ 389,738

Long-Term Debt

Public Improvement Revenue Note, Series 2022

On November 15, 2022, the Town issued a note for the purchase of 78 S. Sewall's Point Road. The note had an initial principal balance of \$2,000,000 and an interest rate of 4.29% per annum. The note requires bi-annual principal and interest payments of \$75,390 due on June 1 and December 1 of each year with a balloon payment of \$1,723,598 due upon maturity. The note matures December 1, 2027.

The following is a summary of notes payable for the year ended September 30, 2023:

<i>Year ending September 30,</i>	Governmental Capital Improvement Note, Series 2019	
	Principal	Interest
2024	\$ 65,654	\$ 85,126
2025	68,772	82,008
2026	71,796	78,984
2027	74,952	75,828
2028	1,686,813	36,785
Total	\$ 1,967,987	\$ 358,731

Town of Sewall's Point Florida
Notes to the Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Pledged Revenues

The Town has a revenue note outstanding at September 30, 2023, for which revenues of the Town have been pledged for repayment. Revenue pledged to repay this obligation are non-ad valorem revenues as follows:

	Term	Future Principal and Interest	Current Pledged Revenue	Current Year Principal and Interest	Percentage of Annual Debt Service Requirement
Governmental Activities					
Public Improvement Revenue Note	2027	\$ 2,326,718	\$ 2,718,927	\$ 75,390	2.8%

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2023 was as follows for governmental activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Notes payable	\$ -	\$2,000,000	\$ (32,013)	\$ 1,967,987	\$ 65,655
Total notes from direct borrowings:	-	2,000,000	(32,013)	1,967,987	65,655
Compensated absences	61,706	117,898	(114,211)	65,393	26,157
Governmental activity long-term liabilities	\$ 61,706	\$2,117,898	\$ (146,224)	\$ 2,033,380	\$ 91,812

Compensated absences will be liquidated in future periods by the General Fund for governmental activities.

Note 3: RETIREMENT PLAN

Defined Contribution Retirement Plan

General: The Town contributes to a defined contribution plan. A defined contribution plan provides benefits in return for services rendered, provides an individual account for each participant and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution plan, the benefits that a participant will receive depend solely on the amount contributed to the participant's account and the returns earned on investments of those contributions. American United Life Insurance Company, the Plan's custodian, held no securities of the Town or other related parties during the year or as of the close of the fiscal year.

Note 3: RETIREMENT PLAN (Continued)

Defined Contribution Retirement Plan (Continued)

Eligibility, Vesting, and Contributions: Full time municipal employees of the Town may participate in the plan upon employment. Contributions made by the Town vest 20% after two years of credited service, plus 20% for each of the next four years of credited service. Contributions made by an employee vest immediately and an employee who leaves the employment of the Town is entitled to the Town's contributions ratably beginning after two years of credited service or their account may remain open until retirement. The employee is also entitled to the Town's contributions if vesting requirements are satisfied, plus interest earnings on their individual account. The Town is required to contribute 15% of the employee's annual earnings as defined by the Plan. For the year ended September 30, 2023, the Town contributed \$125,007 to the Plan.

Forfeited Accounts: At separation of service, participants may choose to have their account remain in the Plan or have their assets distributed or rolled over to another account. Upon distribution, a participant's non-vested portion of his or her account is forfeited. These forfeitures are then allocated to a suspense account and used to reduce, dollar for dollar, future employer contributions. There was no balance in the forfeiture accounts at September 30, 2023.

Deferred Compensation Plan: Employees may also voluntarily contribute to a 457 Deferred Compensation Plan. The contribution is based on various withholding percentages of those individuals' current year covered payroll. Employee contributions are made each pay period and the Town remits the contributions on their behalf.

Note 4: RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters, for which the Town carries commercial insurance. The Town also provides employee medical benefits through commercial insurance coverage. There were no claims or reductions in insurance coverage from the prior year. The Town has not experienced settlements in excess of insurance coverage during the past three years.

Town of Sewall's Point Florida
Notes to the Financial Statements

Note 5: COMMITMENTS

The Town has an inter-local agreement with the City of Stuart for twenty-four hour fire-rescue protection, fire inspections and emergency medical services through 2029. Fire and rescue services totaled \$548,767 for the year ended September 30, 2023. The annual payment will increase as disclosed in the agreement. The following is a summary of future service payments under the inter-local agreement as of September 30, 2023:

<i>For the year ended September 30:</i>	Amount
2024	\$ 565,231
2025	763,061
2026	785,953
2027	809,532
2028	833,818
Thereafter	858,832
Total	\$ 4,616,427

Note 6: SUBSEQUENT EVENTS

On October 11, 2023, a contract modification was approved by the Florida Division of Emergency Management for the Town's HMGP grant. The modification allowed the Town to claim an extra \$636,134, based on amounts spent in prior years, for drainage work on S. Sewall's Point Road.

**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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Town of Sewall's Point, Florida
Schedule of Revenues, Expenditures and Change in Fund
Balance – Budget and Actual: General Fund

<i>For the year ended September 30, 2023</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	\$ 2,572,340	\$ 2,572,340	\$ 2,615,267	\$ 42,927
Franchise fees/taxes	210,000	21,000	235,091	214,091
Licenses and permits	28,500	28,500	14,205	(14,295)
Intergovernmental	391,200	391,200	472,133	80,933
Fines and forfeitures	17,500	19,500	20,512	1,012
Investment earnings	5,000	125,000	173,251	48,251
Miscellaneous	11,500	63,450	58,329	(5,121)
Total revenues	3,236,040	3,220,990	3,588,788	367,798
Expenditures				
Category				
Administrative				
General government	661,765	751,235	664,730	86,505
Public safety	1,781,920	1,791,920	1,640,625	151,295
Physical environment	284,705	307,410	313,265	(5,855)
Debt service principal	-	-	32,013	(32,013)
Debt service interest	-	-	43,377	(43,377)
Total expenditures	2,728,390	2,850,565	2,694,010	156,555
Net change in fund balance	507,650	370,425	894,778	524,353
Proceeds from issuance of debt	-	2,000,000	2,000,000	-
Transfer out	-	(2,314,660)	(2,314,660)	-
Fund balance, beginning of the year	2,289,542	2,289,542	2,289,542	-
Fund balance, end of year	\$ 2,797,192	\$ 2,345,307	\$ 2,869,660	\$ 524,353

Note 1: BUDGETARY INFORMATION

Budgetary basis of accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund. The Town follows the procedures below in establishing the budgetary data reflected in the accompanying financial statements:

1. Annually, the Town Manager submits to the Town Commission a proposed operating budget for the ensuing fiscal year, commencing October 1. The operating budget includes proposed expenditures and the means of funding them.
2. Public hearings are conducted to obtain taxpayer comments regarding the Town's budget and millage rate in accordance with Chapter 200 of the Florida Statutes.
3. Prior to October 1, the budget is legally enacted through passage of an ordinance. It is adopted at the Town Commission level of government.
4. Annual appropriated budgets are adopted for the General Fund on a basis consistent with accounting principles generally accepted in the United States of America.
5. The Town Commission may make, by ordinance, supplemental appropriations during the fiscal year.
6. The Town's budget is adopted on a basis consistent with generally accepted accounting principles in the United States of America. The Town's budgetary level of control is legally maintained at the fund level.

**ADDITIONAL ELEMENTS REQUIRED BY *GOVERNMENT AUDITING*
STANDARDS AND THE RULES OF THE AUDITOR GENERAL**

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Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, Florida 32940

321.255.0088
386.336.4189 (fax)
CRlcpa.com

**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***

Honorable Mayor and
Members of the Town Commission
Town of Sewall’s Point, 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, each major fund and the aggregate remaining fund information of the Town of Sewall’s Point, Florida (the "Town"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated June 25, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Town’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. *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 and therefore material weakness or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, 2023-001 that we consider to be a material weaknesses.

MW 2023-001 Recording Revenue/Receivable

Condition: Grant receivables and revenue for an HMGP grant was recorded for \$636,134 based on a contract amendment that had not been approved by year-end. Revenue of \$245,679 related to a previously approved portion of the HMGP grant was recognized in revenue in fiscal year 2023 despite not receiving the funds.

Criteria: Revenue should be recorded in the general ledger once the revenue has been earned. This requires the approval of the amended portion of the contract and the receipt of cash on the previously approved portion of the contract. Additionally, intergovernmental grant revenue should include all amounts received within the Town's period of availability.

Cause of condition: For the \$636,134 in revenue/receivables, the HMGP grant agreement was signed subsequent to year-end; therefore, the Town does not have a right to the revenue until fiscal year 2024. For \$245,679, the amount was moved from unavailable revenue to revenue despite not receiving the funds within the period of availability.

Potential effect of condition: Receivables and revenue were overstated, while deferred inflows were understated.

Recommendation: Management should review amounts available for reimbursement at year-end to determine what has been approved for the grant, and whether the funds were received within 60 days of year-end to determine if any of the amounts should be included in deferred inflows.

Management's Response: The HMPG expenditures occurred in prior years, the basic matching principal of general accepted accounting principles (GAAP) were applied. After discussions with the auditors the Town modified the recognition to adhere to governmental accounting standards. Recognizing the revenue in subsequent years will have no matching expenses. The Town will more carefully apply governmental accounting standards in the future.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Town of Sewall's Point, Florida's Response to Finding

Government Auditing Standard's requires the auditor to perform limited procedures on the Town's response to the finding identified in our audit and described above. The Town's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Town'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.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida

June 25, 2024

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Carr, Riggs & Ingram, LLC
 215 Baytree Drive
 Melbourne, Florida 32940

 321.255.0088
 386.336.4189 (fax)
 CRIcpa.com

INDEPENDENT AUDITOR’S MANAGEMENT LETTER

Honorable Mayor and
 Members of the Town Commission
 Town of Sewall’s Point, Florida

Report on the Financial Statements

We have audited the financial statements of the Town of Sewall’s Point, Florida as of and for the fiscal year ended September 30, 2023 and have issued our report thereon dated June 25, 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 Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant’s Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 25, 2024, should be considered in conjunction with this management letter.

Prior Audit Finding

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 financial audit report. The status of the finding and recommendation made in the preceding annual financial audit report, is noted below:

2022 No.	Description	Status	2023 No.	Year first reported
MW 2022-001	Recording Grant Receivable	Revised/Repeated	2023-001	2022
2022-002	Journal Entry Review	Cleared	N/A	2022

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority for the Town of Sewall's Point, Florida is disclosed in the notes to the financial statements. There are no component units of the Town.

Financial Condition and Management

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 Town of Sewall's Point, Florida met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Town of Sewall's Point, Florida 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 Town of Sewall's Point, Florida. It is management's responsibility to monitor the Town of Sewall's Point, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we had no such recommendations.

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 note any such findings.

Purpose of this Letter

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
June 25, 2024



Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, Florida 32940

321.255.0088
386.336.4189 (fax)
CRIcpa.com

INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES

Honorable Mayor and
Members of the Town Commission
Town of Sewall’s Point, Florida

We have examined the Town of Sewall’s Point, Florida’s compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2023. Management of the Town of Sewall’s Point, Florida is responsible for the Town of Sewall’s Point, Florida’s compliance with the specified requirements. Our responsibility is to express an opinion on the Town of Sewall’s Point, Florida’s compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town of Sewall’s Point, Florida complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Town of Sewall’s Point, Florida complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Town of Sewall’s Point, Florida’s compliance with specified requirements.

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

In our opinion, the Town of Sewall’s Point, Florida complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2023.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
June 25, 2024



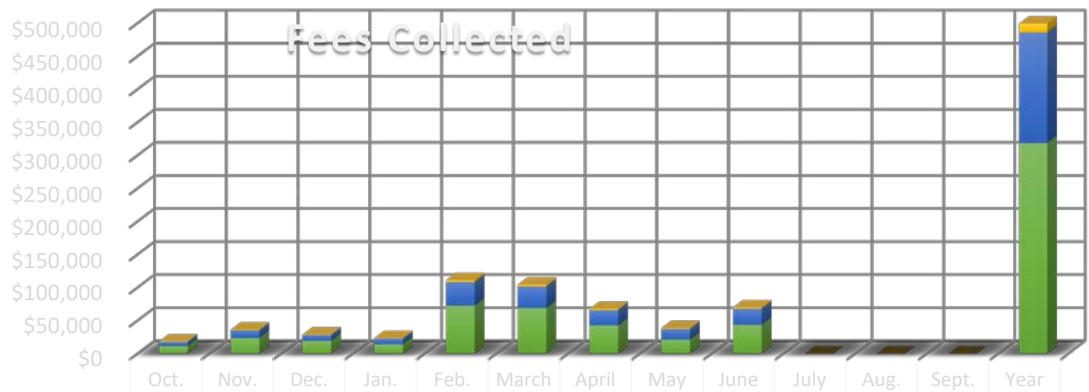
Guidelines for Public Comments

- Everyone will have 3 minutes
- When recognized step forward to the podium and state your name for the record
- All remarks should be addressed to the Commission as a body
- The public comment period is for receipt of public comments, not debate. It is not intended as a time for problem solving but rather for hearing the citizens for their input
- Any person addressing the Commission who disrupts the orderly and efficient conduct of the meeting, uses profane or obscene language may be removed from the meeting

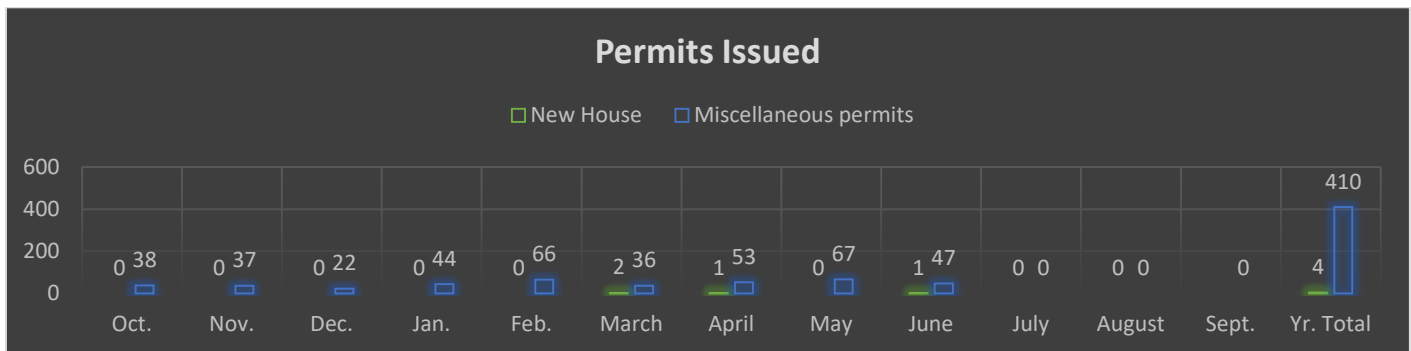
TOWN OF SEWALL'S POINT



TO: Town Commission
FROM: Jack Reisinger, Building Official through Robert Daniels, Town Manager
SUBJECT: 2023-2024 Building Permitting Report
Regular Commission Meeting of July 16, 2024



	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Year to Date
Technology Fees Collected	\$522	953	710	709	2,895	2,643	1,844	1,295	1,941	0	0	0	13,512
Road Improvement Fees Collected	6,491	11,690	8,806	8,672	35,599	32,724	23,058	16,068	24,376	0	0	0	167,424
Permit Fees Collected	\$11,375	23,749	19,444	14,200	72,743	69,161	42,901	21,385	43,750	0	0	0	318,708



Building Department Budget for 2023-2024

- Building Permit Fees: \$400,000 of which \$318,708 has been collected for the fiscal year to date.
- Road Improvement Fees: \$162,500 of which \$167,424 has been collected for the fiscal year to date.

Recommendation: Staff recommends approval of the monthly Building Reports as presented.

JOHN TOMPECK
Mayor

FRANK FENDER
Vice Mayor

VINNY BARILE
Commissioner

DAVE KURZMAN
Commissioner

KAIJA MAYFIELD
Commissioner

TOWN OF SEWALL'S POINT



ROBERT DANIELS-ICMA-CM
Town Manager

APRIL C. STONCIUS, MMC
Town Clerk

TINA CIECHANOWSKI
Chief of Police

JACK REISINGER, CBO
Building Official/PW Director

MARIA PIERCE
Finance/HR Director

**Regular Town Commission Meeting Minutes
June 18, 2024
6:00 p.m.**

I. CALL TO ORDER

Mayor Tompeck called the meeting to order at 6:00 p.m.

a. Pledge of Allegiance to the Flag

Mayor Tompeck lead the assembly in the Pledge of Allegiance.

b. Roll Call

The Town Clerk called the roll with the following Commissioners present: Mayor Tompeck, Vice Mayor Fender, Commissioner Barile, Commissioner Kurzman and Commissioner Mayfield.

II. PROCLAMATIONS AND PRESENTATIONS

There was nothing scheduled under this item.

III. PUBLIC COMMENT ON NON-AGENDA ITEMS- PLEASE SUBMIT A COMMENT CARD TO THE TOWN CLERK PRIOR TO THE START OF THE MEETING AND LIMIT YOUR COMMENTS TO THREE MINUTES. *If the thirty (30) minute time period has been exhausted, the Commission will entertain any remaining comments near the end of the meeting with the same three (3) minute per person time limitation.*

Joseph K. Joyce, 19 Palmetto Drive, email comment submitted dated June 18, 2024. (Attached.)

Lars Totterman, 107 N. Sewall's Point Road, stated that he was concerned with the increase in traffic on North Sewall's Point Road at night, and requested that the speed limit be lowered to 25 mph.

Cristal Totterman, 107 N. Sewall's Point Road, stated that she was also concerned with the amount of traffic on North Sewall's Point Road and the safety of the residents. She recommended stop signs be installed to slow down traffic and looked forward to working with the county in that regard.

Cynthia Lucas, 1 Mandalay Road, stated that she agreed with the previous comments, as a car was speeding down South Sewall's Point Road and she was concerned about her pet

being injured. She distributed pictures of her home after a rain event (Attached) and requested that the Commission fix the issue immediately with fill dirt.

IV. ADDITIONS, DELETIONS OR CHANGES TO THE AGENDA

The Town Manager requested to move Item 11 d), Tree Canopy Improvements up on the Agenda to be heard after the Consent Agenda.

V. APPROVAL OF AGENDA

There being no further discussion, Vice Mayor Fender **moved** to approve the Agenda with Item 11 d), Tree Canopy Improvements moved up on the agenda to be heard after the Consent Agenda. Commissioner Mayfield **seconded** the motion, which **passed unanimously** by roll call vote.

VI. CONSENT AGENDA

- a. Financials – May
- b. Building – May
- c. Minutes – May 28, 2024 Regular meeting

There being no further discussion, Vice Mayor Fender **moved** to approve the Consent Agenda. Commissioner Mayfield **seconded** the motion, which **passed unanimously** by roll call vote.

(Clerk's Note: Item 11 d) was moved up on the Agenda, per the Town Manager's request.)

d. Tree Canopy Improvements – Town Engineer

Michael Flaugh Architect Landscape provided a presentation on the tree canopy improvements and stated that the appropriate species would be planted in the proper place. He stated that 12 trees would be removed and that the Town's crest, a Satin Leaf, would be planted, along with Green Buttonwoods, Live Oaks, and Sabal Palms. He explained that there was a 14-foot height restriction and that the specs for the tree sizes would be dictated by the budget, but recommended larger than 8-foot nursery stock.

Frank Tidikis, 12 Crane's Nest, inquired as to if it was part of the road resiliency project, to which the Town Manager replied in the affirmative and stated any additional funds need would be used from the Tree Fund.

There being no further discussion, Commissioner Kurzman **moved** to approve Item 11 d), Tree Canopy Improvements. Commissioner Barile **seconded** the motion, which **passed unanimously** by roll call vote.

VII. PUBLIC HEARING - ORDINANCE - SECOND READING

a. Ordinance No. 459 – Referendum Authorizing Commissioner Eligibility Residency Requirements

The Assistant Town Attorney, Susan Garrett, read the ordinance title into the record. Mayor Tompeck called for any public comments, to which there were none.

There being no further discussion, Commissioner Mayfield **moved** to approve the Second Reading of Ordinance No. 459. Vice Mayor Fender **seconded** the motion, which **passed unanimously** by roll call vote.

b. Ordinance No. 460 – Referendum Authorizing Commissioner Forfeiture of Office Provision

The Assistant Town Attorney, Susan Garrett, read the ordinance title into the record. Mayor Tompeck called for any public comments, to which there were none.

There being no further discussion, Commissioner Kurzman **moved** to approve the Second Reading of Ordinance No. 460. Commissioner Mayfield **seconded** the motion, which **passed unanimously** by roll call vote.

c. Ordinance No. 461 – Referendum Authorizing Regulation of Transportation

The Assistant Town Attorney, Susan Garrett, read the ordinance title into the record. Mayor Tompeck called for any public comments, to which there were none.

There being no further discussion, Commissioner Mayfield **moved** to approve the Second Reading of Ordinance No. 461. Vice Mayor Fender **seconded** the motion, which **passed unanimously** by roll call vote.

d. Ordinance No. 463 – Amendment to Definition of Impermeable Area

The Assistant Town Attorney, Susan Garrett, read the ordinance title into the record. Mayor Tompeck called for any public comments, to which there were none.

There being no further discussion, Vice Mayor Fender **moved** to approve the Second Reading of Ordinance No. 463. Commissioner Kurzman **seconded** the motion, which **passed unanimously** by roll call vote.

e. Ordinance No. 464 – Modification to Lot Coverage Calculation

The Assistant Town Attorney, Susan Garrett, read the ordinance title into the record. Mayor Tompeck called for any public comments, to which there were none.

Vice Mayor Fender inquired as to calculation of permeability that would include a pool, to which the Town Manager responded that water evaporated from pools and the goal was to have a larger permeable lawn.

Commissioner Mayfield was not in favor of the ordinance, as the pool would be counted as part of the structure, which was restrictive.

There being no further discussion, Vice Mayor Fender **moved** to approve the Second Reading of Ordinance No. 464. Commissioner Kurzman **seconded** the motion, which **passed** by roll call vote with Mayor Tompeck, Vice Mayor Fender, Commissioner Kurzman, and Commissioner Barile voting in favor, and Commissioner Mayfield voting against.

VIII. PUBLIC HEARING - ORDINANCE - FIRST READING

There was nothing scheduled under this item.

IX. RESOLUTIONS

There was nothing scheduled under this item.

X. OLD BUSINESS

There was nothing scheduled under this item.

XI. NEW BUSINESS

a. Board of Zoning Adjustments Board Member – Town Clerk

The Town Clerk stated that the item was in reference to moving up an alternate member to a full board member, but in light of a recent resignation is recommending both alternate members move up to full board members, in order to maintain a quorum. She also requested that the two alternate positions be advertised for.

There being no further discussion, Vice Mayor Fender **moved** to approve the alternate members, Stephen Sedor and Yara Bashoor, to be moved up to full board members, and to advertise for two new alternate members for the BZA board. Commissioner Mayfield **seconded** the motion, which **passed unanimously** by roll call vote.

b. 2024 Florida League of Cities Annual Conference

The Town Manager introduced the item and requested that a voting delegate be chosen. Commissioner Barile offered to attend the conference and be designated the voting delegate.

There being no further discussion, Commissioner Mayfield **moved** to approve Item 11 b), Commissioner Barile's attendance at the Florida League of Cities Annual Conference and to be the voting delegate representing the Town. Vice Mayor Fender **seconded** the motion, which **passed unanimously** by roll call vote.

c. RFP 2024-001 - Outcome – Grant Writing & Grant Management Services

Contracts

The Town Manager introduced the item and stated that CAPTEC Engineering, Inc. and Cape Canaveral Scientific, Inc. were the two top firms selected. Commissioner Barile inquired as to who the top third firm was, to which the Town Manager responded that it was In Rem Solutions, Inc. at 160 points. Commissioner Barile requested to see all seven of the proposals that were submitted, to which Commissioner Kurzman concurred.

Frank Tidikis, 12 Crane's Nest, stated that the two new firms would cost the town more than the previous grant writer, and recommended that the Town Manager, who stated he had grant writing experience during his interview, and the Finance Director take over some of the grant writing, as they were capable.

Commissioner Kurzman was not in favor of CCSI, and requested that future grants that were applied for that weren't awarded not be charged to the town and/or taxpayers by the grant writer. He was in favor of the previous grant writer Gallo Pavo, LLC.

Mayor Tompeck disagreed with Commissioner Kurzman and stated that the previous grant writer, Kloe Ciuperger, did not even show up for Commission meetings once a month to provide updates on the outstanding grants that were applied for. He pointed out that it was important for the Commission to know what grants had been applied for, in order to address it with their constituents.

Town Engineer, Joe Capra, stated that the Town had been awarded three DEP resiliency grants for sewer and stormwater; phases 2 and 3. He explained that there was more to a grant submission than writing it, as it entailed a presentation to the agency, and negotiating a contract.

Vice Mayor Fender inquired as to the urgency of the item, to which the Town Manager responded that there were three draft grants left in the Department of Environmental Protection's portal and that the deadline was on June 30, 2024. Mayor Tompeck questioned which grants were pending, to which the Town Manager answered that he was not sure and had to research it.

The Assistant Town Attorney, Susan Garrett, advised that a not to exceed phrase could be added to the contract that indicated inclusive of funds eligible for reimbursement.

Commissioner Mayfield **moved** to approve Item 11 c), Grant Writing & Grant Management contracts with CAPTEC Engineering, Inc. and Cape Canaveral Scientific, Inc. to include a not to exceed amount and inclusive of funds that may be eligible for reimbursement by grantor agencies. Mayor Tompeck passed the gavel to Vice Mayor Fender and **seconded** the motion. Commissioner Kurzman stated that he was concerned about the cost, as it was not provided beforehand, and he had a responsibility to the taxpayers.

Amy Adams, Cape Canaveral Scientific, Inc. stated that 5% of the total grant would be applied to the reimbursement for the grant management cost. She explained that

submission of applications were not covered under reimbursements and were done at the expense of the town/grant writer. There being no further discussion, the motion **passed unanimously** by roll call vote.

d. Tree Canopy Improvements – Town Engineer

(Clerk’s Note: Item 11 e) was previously heard after the Consent Agenda.)

e. South River Road Drainage Project -Town Engineer

The Town Manager stated that the cost to fix the drainage issue would be \$250,000 and proposed the following funding options: from the CIP dedicated millage fund that contained \$900,000, which were funds for the South Sewall’s Point Road resiliency project only; from the general fund, via an interfund loan; or apply for a state revolving fund.

Commissioner Mayfield stated that the cost was too high and was not in favor of using the CIP dedicated millage fund. The Town Engineer said that directional drilling was being done ahead of Phase 3, in order to address the utilities first. He explained that Phase 3 would be put out to bid on August 1st and that work would not begin until September/October.

Frank Tidikis, 12 Crane’s Nest, stated that the drainage issue needed to be addressed and recommended swales be installed on the east side of the road, in order to capture the water in the right-of-way on the west side of the road. He pointed out that during the plan review process the issue could have been resolved by moving the driveway, and requested that moving forward a better job was done when a new home was being constructed that included swales on the property. Mr. Tidikis stated that when he built his home 15 years ago, he was told by the town that any water had to be retained on his property, and wanted to know when it stopped being required.

Cindy Lucas, 1 Mandalay River Road, stated that she had been dealing with the influx of water for two years at her home and provided photographs of the flooding. (Attached) She was concerned that if the town was hit by a hurricane, she would be underwater and would have to take legal action.

Mayor Tompeck requested confirmation that there would be no issue with the resolution that was passed previously in reference to the dedicated millage.

The Town Clerk read Resolution No. 961 into the record as follows: ‘A Resolution of the Town Commission of the Town of Sewall’s Point, Florida, Regarding the Dedication of Millage for Capital Projects;

WHEREAS, pursuant to Section 200.065, Florida Statutes, the Town must annually adopt a millage rate and a budget for funding the Town’s activities for the upcoming fiscal year; and

WHEREAS, pursuant to Section 163.3177(3)(b), Florida Statutes, the Town must annually adopt a capital improvements schedule establishing the Town’s proposed capital

improvement projects and funding for the upcoming five (5) fiscal years;
and

WHEREAS, the Town Commission has approved numerous capital projects that are necessary to protect the health, safety, and welfare of the residents and citizens of the Town; and

WHEREAS, the Town Commission desires to dedicate millage specifically for the purposes of completing capital projects; and

WHEREAS, the Town Commission finds that dedicating millage for this purpose serves a public purpose and is in the best interest of the public health, safety and welfare of the Town of Sewall's Point.

Section 2. - Dedication of Millage. It is the intent of the Town Commission that so long as the Town levies a millage rate greater than the current millage rate of 2.87 mills, the additional millage, up to .40 mills, shall be dedicated and used solely for capital projects. This dedication shall sunset September 30, 2036.

Section 3. - Dedication of Millage for FY 2023-2024. The Town Commission of the Town of Sewall's Point does hereby dedicate .40 mills to be used solely to for Capital Projects approved in the five-year Capital Improvement Plan.'

Commissioner Mayfield was not in favor of using the dedicated millage funds for the project. There being no further discussion, Commissioner Barile **moved** to approve Item 11 e), Authorization for Town Manager to prepare a resolution for an interfund loan of \$250,000 from the dedicated millage rate funds. Vice Mayor Fender **seconded** the motion, which **passed** by roll call vote with Mayor Tompeck, Vice Mayor Fender, Commissioner Kurzman, and Commissioner Barile voting in favor, and Commissioner Mayfield voting against.

f. Task Orders 1-4 (South River Road) – Town Engineer

The Town Manager stated that the item consisted of the design work for the South River Road drainage issue in the amount of \$40,000.

There being no further discussion, Vice Mayor Fender **moved** to approve Item 11 f), CAPTEC Engineering, Inc. Task Order 1-4 in the amount of \$40,000 to fix the South River Road drainage issue. Commissioner Kurzman **seconded** the motion, which **passed unanimously** by roll call vote.

g. Meeting Dates – September 2024 – Town Manager

The Town Manager requested to change the tentative and final budget meetings from September 10th to September 9, 2024, and from September 24th to September 23, 2024, as not to interfere with the school board and the county's budget meetings.

There being no further discussion, Commissioner Mayfield **moved** to approve Item 11 g), New Regular Commission Meeting dates of September 9, 2024, and September 23, 2024, in reference to the tentative and final millage budget hearings. Vice Mayor Fender **seconded** the motion, which **passed unanimously** by roll call vote.

XII. DISCUSSION

There was nothing scheduled under this item.

XIII. COMMISSION AND STAFF CLOSING COMMENTS

a. STAFF

The Town Manager stated that the 4th of July Celebration would be held at Town Commons Park with the Annual Bike Parade beginning at 8:45 a.m., and requested that Town Hall be closed on July 5, 2024, in order to give town staff that would be working the event a day off.

b. COMMISSIONERS

Commissioner Barile stated that he wanted to amend his 'yes' vote on Resolution No. 971 to a 'no' vote from the May 28, 2024 meeting in reference to the CIP, and referenced Robert's Rules.

Commissioner Barile **moved** to reconsider the vote in reference to Resolution No. 971 regarding the CIP. Vice Mayor Fender inquired as to why he wanted to change his vote, to which Commissioner Barile responded that he didn't agree with the North Sewall's Point Road Project being listed in the CIP, as the county should be responsible for it. There being no further discussion, Commissioner Mayfield **seconded** the motion, which **passed** by roll call vote with Mayor Tompeck and Vice Mayor Fender voting against, and Commissioner Barile, Commissioner Mayfield, and Commissioner Kurzman voting in favor.

There being no further discussion, Commissioner Mayfield **moved** to approve Resolution No. 971 regarding the CIP. Commissioner Kurzman **seconded** the motion, which **passed** by roll call vote with Mayor Tompeck, Vice Mayor Fender, Commissioner Kurzman, and Commissioner Mayfield voting in favor, and Commissioner Barile voting against.

XV. ADJOURN

There being no further business, the meeting adjourned at 9:00 p.m.

APPROVED:

Mayor John Tompeck, Presiding Officer

ATTEST:

April C. Stoncius, Town Clerk

Minutes approved at the meeting of: July 16, 2024

From: [dj](#)
To: [April Stoncius](#)
Subject: Fw: comments
Date: Tuesday, June 18, 2024 8:57:14 AM

hi april,

i hope that you are doing well and staying cool. my husband joe has been watching town meetings on TV and looking through meeting agenda attachments. he is very concerned about the town spending, and asked me to send you some comments to read aloud at tonight's meeting. i have pasted them below. thank you, donna

My name is Joseph Joyce. I have lived here for almost 19 years. As a 100% combat-related disabled veteran, I watch town meetings on Youtube because I cannot attend. I have several questions:

1) At the last town meeting, residents were told that the 5-year Capital Improvement Plan was "just a wish list" and that the projects are not likely to be done. If that is true, why are you planning to spend hundreds of thousands of dollars to hire grant writers?

2) Why has the 5-year CIP gone from \$17,452,500 for 2022-2026 to \$79,726,314 only 3 years later?

The South Sewall's Point Road project has soared from \$10,050,000 3 years ago to \$39,933,814.

The South Sewalls Point Road sewer project has gone from \$2,556,000 to \$5,062,000.

The North Sewall's Point Road project was \$2,800,000. Now it is \$27,335,000. This is a county road, not our responsibility to improve. Are you buying a concession on gravity sewer mandates?

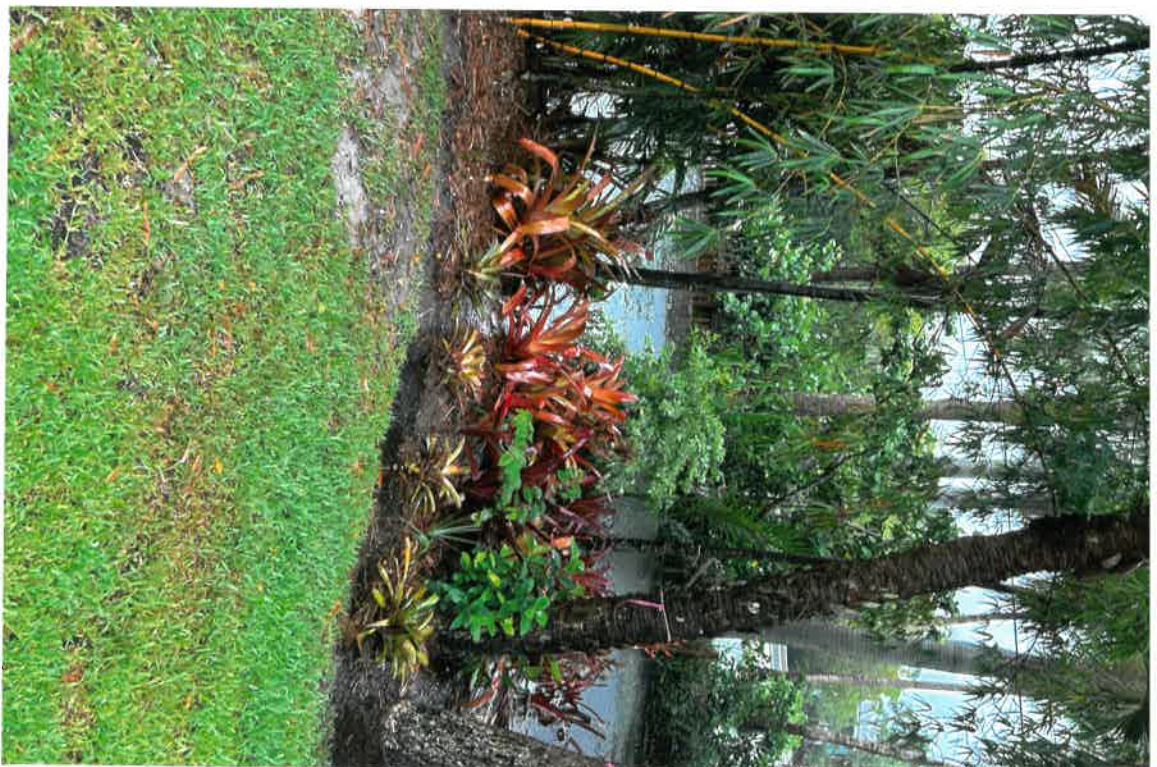
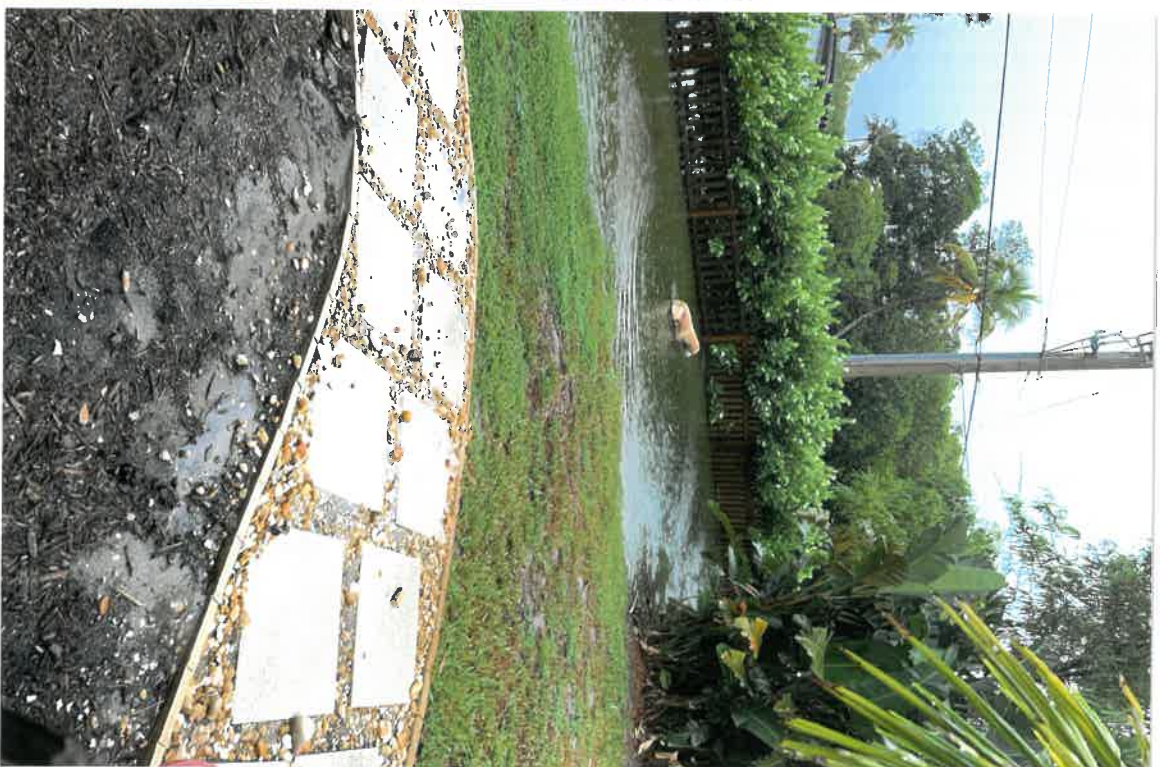
Maintenance has declined from \$2,046,000 to \$395,000. Shouldn't maintenance be a priority, rather than new projects?

Where are these alarming figures coming from?

3) Taking out a 10-year \$500,000 loan for a "cash flow backup" suggests that the town is stretched too thin financially. I suggest that you save \$500,000 by not hiring grantwriters. Doing more projects will require even more maintenance!

Sincerely,
Joseph K. Joyce
19 Palmetto Drive







**FIRST ADDENDUM TO MUTUAL AID AGREEMENT BETWEEN
THE MARTIN COUNTY SHERIFF'S OFFICE
AND THE TOWN OF SEWALL'S POINT POLICE DEPARTMENT**

SECTION XIII: CONTINUATION OF TOWN INVESTIGATIONS WITHIN COUNTY JURISDICTION


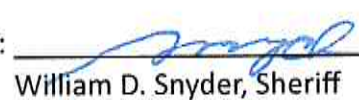
Notwithstanding any limitation on the authority of Town law enforcement personnel to act outside their jurisdiction, the Sheriff authorizes any sworn law enforcement personnel of the Town of Sewall's Point Police Department conducting an investigation regarding any felony or misdemeanor offense that occurred within the Town's jurisdiction, to continue such investigation within the County's jurisdiction. Prior to conducting such an investigation, the Town shall advise the Sheriff or his/her designee of the nature of the investigation and law enforcement action to be taken. Subject to the approval of the Sheriff or his/her designee, the Town's sworn law enforcement personnel may at any time perform any investigative function related to the investigation, including the collection of evidence and suspect interviews, and exercise all law enforcement powers related to the investigation outside of their jurisdiction as it pertains to that investigation. The above-referenced pre-approval of the Sheriff or designee shall not apply to any of the Town's law enforcement personnel who are conducting a DUI investigation within the Town's jurisdiction and transporting any DUI defendant to any medical facility and/or the Sheriff's Office located in the County's jurisdiction. The law enforcement powers so authorized shall include, without limitation, compliance with the provision of §§ 316.1932 and 316.1933, Florida Statutes, regarding breath, urine, and/or blood tests. This Agreement does not limit the Town from exercising their law enforcement investigative duties in the County for crimes in which they are engaged in hot/fresh pursuit.

All remaining terms of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto cause these presents to be signed on the date specified.

Signed, sealed and delivered in the presence of:

Office of the Sheriff of Martin County

 7/12/24 BY:  7/12/24
Witness as to Sheriff William D. Snyder, Sheriff (date)

 7/12/24
Sheriff's Attorney Review (date)

Town of Sewall's Point Police Department

Witness as to Chief of Police

BY: _____
Tina Ciechanowski, Chief of Police (date)

Town Attorney Review (date)

BY: _____
Robert Daniels, Town Manager (date)

TOWN OF SEWALL'S POINT



TO: Town of Sewall's Point Commission
FROM: Maria Pierce, Finance Director
Robert Daniels, Town Manager
SUBJECT: Resolution No. 973, Dedicated Millage Rate for Capital Projects
DATE: Regular Commission Meeting – July 16, 2024

History:

September 8, 2021, the Town Commission adopted Resolution No. 924 that dedicated 0.40 of Millage for Capital Projects with a sunset date of September 30, 2036. The Town Commission continued this policy for FY23 by adopting Resolution No. 942 on September 7, 2022, and for FY24 by adopting Resolution No. 961 on July 18, 2023.

Resolution No. 973 has the same wording as with the resolutions passed the previous two years stating that it is the intent of the Town Commission that the Town levies a millage rate greater than the current millage rate of 2.87 mills, the additional millage, up to .40 mills, shall be dedicated and used solely for capital projects approved in the five-year Capital Improvement Plan.

The adoption of this resolution does not set the millage rate at this time, it only adopts the dedicated millage rate policy for the Town.

Recommendation:

Staff recommends approving Resolution No. 973.



**RESOLUTION
NO. 973**

**A RESOLUTION OF THE TOWN COMMISSION OF THE
TOWN OF SEWALL'S POINT, FLORIDA, REGARDING
THE DEDICATION OF MILLAGE FOR CAPITAL
PROJECTS; PROVIDING FOR SEVERABILITY,
CONFLICTS; AND EFFECTIVE DATE AND OTHER
PURPOSES.**

WHEREAS, the Town of Sewall's Point, Florida, (the "Town") is a duly constituted municipality having such power and authority conferred upon it by the Florida Constitution and Chapter 166, Florida Statutes; and

WHEREAS, pursuant to Section 200.065, Florida Statutes, the Town must annually adopt a millage rate and a budget for funding the Town's activities for the upcoming fiscal year; and

WHEREAS, pursuant to Section 163.3177(3)(b), Florida Statutes, the Town must annually adopt a capital improvements schedule establishing the Town's proposed capital improvement projects and funding for the upcoming five (5) fiscal years; and

WHEREAS, the Town Commission has approved numerous capital projects that are necessary to protect the health, safety, and welfare of the residents and citizens of the Town; and

WHEREAS, the Town Commission desires to dedicate millage specifically for the purposes of completing capital projects; and

WHEREAS, the Town Commission finds that dedicating millage for this purpose serves a public purpose and is in the best interest of the public health, safety and welfare of the Town of Sewall's Point.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE
TOWN OF SEWALL'S POINT, FLORIDA, AS FOLLOWS:**

Section 1. Recitals. The whereas clauses are incorporated herein as true and correct and as the legislative findings of the Town Commission.

Section 2. Dedication of Millage. It is the intent of the Town Commission that so long as the Town levies a millage rate greater than the current millage rate of 2.87 mills, the additional millage, up to .40 mills, shall be dedicated and used solely for capital projects. This dedication shall sunset September 30, 2036.

Section 3. Dedication of Millage for FY 2024-2025. The Town Commission of the Town of Sewall's Point does hereby dedicate .40 mills to be used solely to for Capital Projects approved in the five-year Capital Improvement Plan.

Section 4. Conflicts. That all resolutions or parts of resolution in conflict herewith, are repealed to the extent of such conflict.

Section 5. Severability. Should any section or provision of this Resolution or portion hereof, any paragraph, sentence or word be declared by a court of competent jurisdiction to be invalid, such decision shall not affect the remainder of this Resolution.

Section 6. Effective Date. This Resolution shall take effect upon approval by the Town Commission.

_____ offered the Resolution and moved its adoption. The motion was seconded by _____, and upon being put to a vote, the vote was:

	<u>AYE</u>	<u>NAY</u>
JOHN TOMPECK, MAYOR	_____	_____
FRANK FENDER, VICE MAYOR	_____	_____
VINNY BARILE, COMMISSIONER	_____	_____
DAVE KURZMAN, COMMISSIONER	_____	_____
KAIJA MAYFIELD, COMMISSIONER	_____	_____

The Town Manager thereupon declared this Resolution No. 973 approved and adopted by the Town Commission of the Town of Sewall's Point on this 16th day of July, 2024.

TOWN OF SEWALL'S POINT, FLORIDA

JOHN TOMPECK, MAYOR

ATTEST:

April C. Stoncius, MMC, Town Clerk

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:

Glen J. Torcivia, Town Attorney
Florida Bar No. 343374

TOWN OF SEWALL'S POINT



TO: Town of Sewall's Point Commission
FROM: Maria Pierce, Finance Director
Robert Daniels, Town Manager
SUBJECT: Preliminary Millage Rate for FY25
DATE: Commission Meeting – July 16, 2024

BACKGROUND:

This item sets the preliminary millage rate for the town for Fiscal Year 2024-2025 (FY25). The setting and adoption of property tax rates are governed by Florida's Truth in Millage law, commonly called TRIM. This rate will be used in the notice mailed to property owners. The millage rate may be lowered after this point, but it may not be increased.

The Town has taken a great step in classifying its property tax rate into two categories:

1. Operating millage of 2.87 mills. This millage rate will adequately fund ongoing operations for FY25 as they exist presently.
2. Capital millage of 0.40 mills. Given the policy step the Town has already taken, the Town Manager strongly recommends maintaining this rate again for FY25, with the dedication included in Resolution 973.

DISCUSSION:

The proposed budget for FY25 is being distributed with the August 13, 2024, regular meeting packet.

Staff will provide a brief introduction to the budget, with the understanding that there will be opportunities for discussions, workshops, and public hearings over the next 6-8 weeks.

RECOMMENDATION:

Approve the combined preliminary millage rate of 3.27 and not increasing the millage rate.

TOWN OF SEWALL'S POINT



TO: Town Commission

FROM: April C. Stoncius, MMC, Town Clerk

SUBJECT: Code Enforcement Board - Board Member Vacancy

DATE: Regular Meeting - July 16, 2024

The Code Enforcement Board has a vacancy due to a resignation by a board member. The current alternate members are as follows:

Alternate No. 1 – Nayomi Omura – 3-Year Term - 11/2021-11/2024
Alternate No. 2 - Gloretta Hall – 3-Year Term - 11/2023-11/2026

Staff recommendation: Appoint Alternate, Gloretta Hall, as a full board member and advertise for another alternate member.

DIVISION 2. - CODE ENFORCEMENT ENTITIES

Sec. 18-116. - Creation, appointment and organization of code enforcement board.

(a) There shall be a board known as the Code Enforcement Board of the Town of Sewall's Point, Florida, which shall consist of five full-time members and ~~five~~ two alternate members. Members of the code enforcement board shall be residents of the town. Appointments shall be made on the basis of experience or interest in the subject matter jurisdiction of the code enforcement board. Whenever possible, the membership of the board shall include an architect, a businessperson, an engineer, a general contractor, a subcontractor, and a realtor.

(b) ~~Each commissioner shall nominate one member and one alternate, whose terms shall run concurrently with the commissioner's term of office unless the member is otherwise removed from the board as set forth herein. The members of the code enforcement board and alternates shall be nominated by members of the town commission and approved by a majority vote of the commissioners present when the vote is taken. Any member may be reappointed for successive terms upon the appropriate nomination and the approval of the town commission. Appointments to fill any vacancy on the code enforcement board shall be for the remainder of the appointing commissioner's unexpired term of office. If any member fails to attend two of three successive meetings without cause and without prior approval of the chairman, the code enforcement board may declare the member(s) office vacant, and the town commission shall promptly fill the vacancy. The members shall serve in accordance with the Code and may be suspended or removed with cause as determined by the town commission.~~



ORDINANCE NO. 453

AN ORDINANCE OF THE TOWN COMMISSION OF THE TOWN OF SEWALL'S POINT, FLORIDA, AMENDING CHAPTER 18, ENFORCEMENT, ARTICLE I, GENERAL, DIVISION 2, CODE ENFORCEMENT ENTITIES, SECTION 18-116, CREATION, APPOINTMENT AND ORGANIZATION OF CODE ENFORCEMENT BOARD, TO AMEND THE PROCEDURE FOR APPOINTING BOARD MEMBERS AND ALTERNATES, AND FOR OTHER PURPOSES; PROVIDING FOR SEVERABILITY, THE REPEAL OF ALL CONFLICTING ORDINANCES, CODIFICATION AND AN EFFECTIVE DATE.

WHEREAS, the Town of Sewall's Point, Florida ("Town") is a duly constituted municipality having such power and authority conferred upon it by the Florida Constitution and Chapter 166, Florida Statutes; and

WHEREAS, section 162.05, Florida Statutes, governs the creation and organization of local government code enforcement boards;

WHEREAS, section 162.05, Florida Statutes, provides that municipalities having a population of less than 5,000 may appoint a five -member or seven-member code enforcement board up to two alternate members to serve for a term of three years, with members to be selected based upon experience or interest in the subject matter jurisdiction of the code enforcement board; and

WHEREAS, section 18-116 of the Town's Code of Ordinances provides for the creation, appointment and organization of the Town's Code Enforcement Board; and

WHEREAS, code section 18-116 currently provides for each commissioner to nominate one member and one alternate, whose terms shall run concurrently with that of the nominating commissioner; and

WHEREAS, the Town Commission therefore desires to amend Section 18-116 of the Code of Ordinances to make it fully consistent with section 162.05, Florida Statutes.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF SEWALL'S POINT, FLORIDA THAT:

Section 1. The foregoing recitals are hereby fully incorporated herein by reference as legislative findings of the Town Commission of the Town of Sewall's Point.

Section 2. Chapter 18, Enforcement, Article I, General, Division 2, Code Enforcement Entities, Section 18-116, Creation, Appointment and Organization of Code Enforcement Board, is hereby amended as follows (deletions are shown by overstrike; additions are underlined):

Sec. 18-116 - Creation, appointment and organization of code enforcement board.

(a) There shall be a board known as the Code Enforcement Board of the Town of Sewall's Point, Florida, which shall consist of five full-time members and ~~five~~ two alternate members. Members of the code enforcement board shall be residents of the town. Appointments shall be made in accordance with section 162.05, Florida Statutes.

(b) ~~Each commissioner shall nominate one member and one alternate, whose terms shall run concurrently with the commissioner's term of office unless the member is otherwise removed from the board as set forth herein.~~ The members of the code enforcement board and alternates shall be nominated by members of the town commission and approved by a majority vote of the commissioners present when the vote is taken. Each member of the Town Commission shall be entitled to nominate one member of the code enforcement board. The Commission as a whole will nominate two alternates. Each board member or alternate shall serve for a term of three (3) years from the date of appointment. Any member may be reappointed for successive terms upon the ~~appropriate nomination and the approval of the town commission.~~ Appointments to fill any vacancy on the code enforcement board shall be for the remainder of the ~~appointing commissioner's unexpired term of office.~~ If any member fails to attend two of three successive meetings without cause and without prior approval of the chairman, the code enforcement board may declare the member(s) office vacant, and the town commission shall promptly fill the vacancy. The members shall serve in accordance with the Code and may be suspended or removed with cause as determined by the town commission.

(c) The members of the code enforcement board shall elect a chairperson, who shall be a voting member, from among its members. The presence of three or more members shall constitute a quorum. Members shall serve without compensation, but may be reimbursed for travel, mileage and per diem expenses as authorized by the town commission.

(d) The code enforcement board may be represented by its own legal counsel independent of the town attorney. The town commission shall be responsible for the selection of said attorney in accordance with section 2-34 of the Code.

Section 3. Severability. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

Section 4. Repeal of Laws in Conflict. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. Codification. The sections of the ordinance may be made a part of the Town Code of Laws and ordinances and may be re-numbered or re-lettered to accomplish such, and the word "ordinance" may be changed to "section," "division," or any other appropriate word.

Section 6. Effective Date. This ordinance shall take effect immediately upon adoption.

Commissioner Mayfield offered the Ordinance for its first, reading and moved its adoption. The motion was seconded by Commissioner Fender, and upon being put to a vote, the vote was:

	<u>AYE</u>	<u>NAY</u>
JOHN TOMPECK, MAYOR	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DAVE KURZMAN, VICE MAYOR	<input checked="" type="checkbox"/>	<input type="checkbox"/>
JAMES W. CAMPO, COMMISSIONER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FRANK FENDER, COMMISSIONER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
KAIJA MAYFIELD, COMMISSIONER	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Passed first reading at the Regular Meeting of the Town Commission held on the 24th day of October, 2023.

Vice Mayor Fender offered the Ordinance for its second reading and moved its adoption. The motion was seconded by Commissioner Mayfield, and upon being put to a vote, the vote was:

	<u>AYE</u>	<u>NAY</u>
JOHN TOMPECK, MAYOR	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DAVE KURZMAN, COMMISSIONER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
JAMES W. CAMPO, COMMISSIONER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FRANK FENDER, VICE MAYOR	<input checked="" type="checkbox"/>	<input type="checkbox"/>
KAIJA MAYFIELD, COMMISSIONER	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Passed second reading at the Regular Meeting of the Town Commission held on the 14th day of November, 2023. The Mayor thereupon declared this Ordinance approved and adopted by the Town Commission on this 14th day of November, 2023.

TOWN OF SEWALL'S POINT, FLORIDA

John Tompeck
John Tompeck, Mayor

ATTEST:

April C. Stoncius
April C. Stoncius, Town Clerk

Approved as to form and legal sufficiency:

Glen J. Torcivia
Glen J. Torcivia, Town Attorney
Florida Bar No. 343374

(TOWN SEAL)



TO: TOSP Mayor and Commissioners

**FROM: Amy Adams, TOSP Grant Management Consultant
Cape Canaveral Scientific, Inc.**

**SUBJECT: Preparation and Submittal of Four Grant Applications to DEP's
*Water Quality Improvement Grant Program***

The Town of Sewall's Point Town Manager Robert Daniels, Finance Director Maria Pierce, Town Grant Management Consultant Amy Adams, and Town Engineer Joe Capra met with DEP Environmental Administrator Mitch Holmes regarding the Town's submittal of four grant applications to Florida DEP's portal for the State Water Quality Assistance Program. Specifically, the Town targeted grant funding from the *Water Quality Improvements Grants Program*. The Town will submit the grant proposals to DEP by the July 15 deadline. This funding source offers up to \$200 million in grant funding to local governments for the implementation of water quality improvement projects.

In a conference call with Administrator Holmes, Town Engineer Joe Capra described the types of water quality improvement construction the Town needs to implement to meet the state's water quality standards. Town Engineer Capra described four construction projects the Town would like to submit for grant funding. After more discussion, Administrator Holmes advised the Town to submit all four grant applications to the *Water Quality Improvements Grant* portal for staff review.

Administrator Holmes advised the Town that the Governor will likely announce awards in December, if not early January 2025. If awarded the grant funding, Administrator Holmes advised Town staff that all project construction or grant management costs spent on the projects after July 1, 2024, are eligible for reimbursement under the *Water Quality Improvements Grant Program*.