



# STAFF REPORT

## CITY OF GREEN COVE SPRINGS, FLORIDA

**TO:** Special Session

**MEETING DATE:** July 22, 2025

**FROM:** Sue Wang, Finance Director

**SUBJECT:** Establish Interim Millage Rate for Fiscal Year 2025-2026

### BACKGROUND

#### **Certification of Taxable Value**

Clay County Property Appraiser's Office (CCPAO) has certified the taxable value for the City of Green Cove Springs and the CRA for 2025. See attached Form DR420 and DR420TIF. The gross taxable value for operating purposes is \$812,435,081, an increase of \$65,846,063, or 8.82%, from the prior year's final taxable value of \$746,589,018. This includes \$8,539,569 dedicated increment value to the CRA.

#### **Interim Millage Rate**

As part of the Truth in Millage (TRIM) process, the CCPAO are required to mail Notice of Proposed Property Taxes (TRIM notices) in August 2025 notifying taxpayers of the proposed millage rate and the hearing dates. For the CCPAO to proceed with the mailing, the City Council needs to set an interim millage rate and establish the required public hearing dates for adoption of the millage and FY2026 budget. Staff recommend setting the interim millage rate at 6.0, which is greater than the rolled-back rate of 4.9386 by 21.49% and the current millage rate of 5.3 by 13.21%.

***The City Council will be able to lower the interim millage rate throughout the budget adoption process. However, to increase the final millage rate above the interim millage rate, CCPAO will need to mail each taxpayer a revised TRIM notice at the City's expense.***

#### **Fiscal Impact**

A comparison of the ad valorem tax revenue generated by the interim, current and rolled-back rates is illustrated below:

<u>Interim Millage Rates</u>	<u>Rate</u>	<u>CRA</u>	<u>General</u>	<u>Total</u>
Proposed Rate	6.0000	51,237	4,823,373	4,874,610
Current Rate	5.3000	45,260	4,260,646	4,305,906
<b>Difference</b>		5,978	562,727	568,705
Proposed Rate	6.0000	51,237	4,823,373	4,874,610
Rolled-back rate	4.9386	42,174	3,970,118	4,012,292
<b>Difference</b>		9,064	853,255	862,319

The City does not receive 100% of the tax revenue due to 1) discounts offered for early payments, and 2) unpaid delinquent taxes. Ad valorem tax revenue is budgeted at 97%.

Two more attachments are included for your reference: DR420MMP (Max Millage Levy Calculation) and Millage Dynamics (history of millage rate and the impact of various millage rates on homeowners). The 6.0 rate will require a unanimous vote by the Council. The draft of the FY26 budget is also included.

### **Date and Time for Public hearings**

State statutes stipulate that the School Board has the first choice in millage and budget hearing dates, and the Clay County Board of County Commissioners has the second choice in these dates. This year, Clay County School Board has its final hearing on September 11, and the County holds its hearings on September 9 and September 23.

State law also requires that the first public hearings can be held no sooner than 65 days after the Certification of Taxable Value by the Property Appraiser or July 1, whichever is later. CCPAO certified the taxable value on June 27, so the first public hearings can be held no sooner than Wednesday, September 3.

Staff recommend the first public hearings for the millage and budget be set for Wednesday September 3, 2025, and final hearing dates be set for Tuesday September 16, 2025. These dates will be reported to the Property Appraiser and Department of Revenue.

This year's budget workshops are scheduled for August 7 and August 12. The City Council is not required to approve the budget or set the final millage rate at this meeting. The final millage should be set after thorough review and discussion of the budget and its implications at the August workshops and the September public hearings. The City Council do need to set the interim millage rate for TRIM notice purposes at tonight's meeting.

## **ATTACHMENTS**

DR420

DR420TIF

DR420MMP

Millage Dynamics

Budget Draft

Budget and TRIM Calendar

## **FISCAL IMPACT**

See above

## **RECOMMENDATION**

- 1) Council approval of 6.0 as the interim millage rate for fiscal year 2025-2026.
- 2) Set September 3, 2025 at 6:00 pm as the first and tentative public hearing on millage, budget and 5-year CIP.
- 3) Set September 16, 2025 at 6:00 pm as the second and final hearing on millage, budget and 5-year CIP.