



STAFF REPORT

CITY OF GREEN COVE SPRINGS, FLORIDA

TO: Regular Session **MEETING DATE:** September 3, 2025
FROM: Sue Wang, Finance Director
SUBJECT: First Public Hearing on the Fiscal Year 2025/2026 Annual Operating Budget and approval of Resolution No. R-21-2025 adopting the Tentative Annual Operating Budget for Fiscal Year 2025/2026 and set September 16, 2025, at 6:00 p.m. as the final hearing date.

BACKGROUND

The second issue to be discussed at the City of Green Cove Springs public hearing on the millage rate and the budget is the tentative Annual Operating Budget. At all public hearings, the Council shall hear comments regarding the budget and citizens shall be allowed to speak and ask questions prior to the adoption of any measures by the Council. The total proposed operating budget released at the August 7, 2025 budget workshop for the City of Green Cove Springs for Fiscal Year 2026 is \$61,498,350, which is \$3,274,562 less than Fiscal Year 2025.

Since the budget workshop, staff have identified the following changes to General Fund budget:

Budget Expense Increases or Revenue Decreases after Budget Workshop	
Impact Fee Overstated	\$280,000
Various GF Departments Salary Reconciliation	\$62,663
Eliminate Wheel Balancer	-\$11,500
Eliminate Lawn Trailer	-\$6,000
Stormwater Departmental Fee increase	\$1,975
Reduce Street Paving Expense	-\$72,500
Total Budget Shortage Increase/(Decrease)	\$254,638

Staff have decided not to pursue the two FRDAP grants in Fiscal Year 2026. There is no budget impact as capital expenditures are reduced by \$200,000, and the budgeted grant revenue is also reduced by \$200,000. Adjustments to other funds include increasing stormwater fee for Wastewater fund (\$17,404) and Stormwater Fund (\$252) and increasing salary to Customer Service Fund (\$26,876) to bring these items in line with FY2025 projections.

Also included in the proposed budget is the second half of 50th percentile adjustment and 2.3% COLA increases. The table below summarizes the impact on each fund:

DEPARTMENTS	<u>2.3 COLA</u>	<u>50th Percentile Adjustments</u>
GENERAL FUND	\$146,612	\$148,750
BUILDING PERMIT FUND	\$7,006	\$3,750
ELECTRIC	\$36,693	\$65,338
WATER	\$14,522	\$11,438
WASTEWATER	\$24,224	\$11,438
SOLID WASTE	\$11,384	\$19,785
CUSTOMER SERVICE	\$13,639	\$22,500
STORMWATER	\$2,528	Current employees are new and at new pay levels
RECLAIMED WATER	\$1,198	Not a separate Dept. at time of study
INFORMATION TECHNOLOGY	\$6,078	Included in the GF Number
	\$263,884	\$282,998

The revenue sources identified in General Fund to pay for the payroll increases referenced above are \$150,000 increase to red light camera revenue (to bring the original budgeted amount in line with FY25 projection) and \$400,000 projected revenue associated with the speed enforcement efforts in the school zones in the City. The payroll increases in other funds are absorbed by each fund's fund balance.

The attached Budget By Fund Type to Resolution No. R-21-2025 reflects the original budget as presented on August 7, 2025 and the adjustments to the budget referenced above. Total proposed operating budget for the City of Green Cove Springs for Fiscal Year 2026 is \$61,806,115, which is \$2,966,797 less than Fiscal Year 2025.

FISCAL IMPACT

N/A

RECOMMENDATION

Approve Resolution No. R-21-2025 and tentatively adopt the Annual Operating Budget for FY 2025/2026 and set September 16, 2025, at 6:00 p.m. as the final public hearing on the budget.