



STAFF REPORT

CITY OF GREEN COVE SPRINGS, FLORIDA

TO: City Council Special Session. **MEETING DATE:** May 16, 2023
FROM: Mike Null, Assistant City Manager
SUBJECT: City Council discussion and direction regarding Solid Waste rates for the FY 24 budget cycle. *Mike Null*

BACKGROUND

The purpose of this item is to discuss Solid Waste rates. The Solid Waste fund has historically run on a very thin margin. In order to balance the Solid Waste budget for FY 23, a transfer of \$32,630 was required from the general fund. This transfer, in addition to allowing no set aside for depreciation reserve, was utilized to offset increases in personal services. The set aside for depreciation reserve was budgeted at \$49,000 in FY 22.

Staff is requesting consideration of a rate increase in both residential and commercial hand pickup rates to make up the shortfall that was made up by the general fund in FY 23. Commercial hand pickup rates have remained the same at \$25.75 per month since 2014, 9 years ago, when they were increased from \$25.00 per month. Residential collection rates have remained the same at \$19.00 per month since 2018, 5 years, when they were increased from \$18.00 per month.

A 4% rate increase would generate an additional \$30,400 in FY 24. This would increase the residential rate to \$19.76 per month and the commercial hand pickup rate to \$26.78 per month.

A 5% rate increase would generate an additional \$38,000 in FY 24. This would increase the residential rate to \$19.95 per month and the commercial hand pickup rate to \$27.04 per month.

Staff is requesting direction from Council regarding a potential rate increase for the FY 24 budget year. Should Council direct staff to proceed with a rate increase, the ordinance will need to be advertised and presented at the June 6 and June 20 Council meetings. This will allow the new rates to be adopted to meet the non-ad valorem assessment schedule to be included in the 2023 tax bills for Magnolia West.

FISCAL IMPACT

Dependent upon City Council Direction.

RECOMMENDATION

Dependent upon City Council Direction.