

## **RESOLUTION NO. R-04-2025**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREEN COVE SPRINGS, FLORIDA DIRECTING THE DISPOSITION OF OVER-RECOVERED POWER COST ADJUSTMENT FUNDS FROM FISCAL YEAR 23-24.**

**WHEREAS**, the City of Green Cove Springs City Council authorized a restructuring of electric rates effective January 1, 2024; and

**WHEREAS**, this restructuring moved an additional \$0.02 per kWh into the base rates; and

**WHEREAS**, the restructuring of the rates required approval of the Florida Public Services Commission; and

**WHEREAS**, there was an administrative lag in implementation of the new rate structure and adjustment of monthly Power Cost Adjustment (PCA) rates; and

**WHEREAS**, this administrative lag resulted in an over-recovery for FY 23-24 of \$2,000,000; and

**WHEREAS**, City Code Section 90-122(6)b.2 stipulates that in no case will the cumulative under- or over-recoveries be allowed to exceed eight percent of the fiscal year's annual adopted bulk power supply budget; and

**WHEREAS**, City Code Section 90-122(6)a stipulates that an amount may be established from time to time by the city by resolution to be deposited (rate stabilization fund deposit or RSFD) in a rate stabilization fund which shall be used at the discretion of the city council to offset increases in the cost of power to the city (rate stabilization fund adjustment or RSFA) or for other lawful electric utility purposes, including, but not limited to, expansions, renewals and replacement of electric utility facilities; and

**WHEREAS**, the City of Green Cove Springs City Council meeting in Special Session on March 25, 2025 directed the disposition of the \$2,000,000 in over-recovered funds.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREEN COVE SPRINGS AS FOLLOWS:**

**SECTION 1.** \$1,000,000 of the over-recovered funds shall be allocated to the general Electric Fund reserves to be available for capital repair and replacement needs, \$500,000 shall be allocated to repay a portion of the FY23 interfund loan of \$1,245,000 from the Electric Fund to the General fund, and \$500,000 shall remain for PCA fluctuations.

**DONE AND RESOLVED BY THE CITY COUNCIL OF THE CITY OF  
GREEN COVE SPRINGS, FLORIDA, IN REGULAR SESSION THIS 1ST DAY  
OF APRIL, 2025.**

**CITY OF GREEN COVE SPRINGS, FLORIDA**

---

Steven R. Kelley, Mayor

**ATTEST:**

---

Erin West, City Clerk

**APPROVED AS TO FORM:**

---

L. J. Arnold, III, City Attorney