



STAFF REPORT

CITY OF GREEN COVE SPRINGS, FLORIDA

TO: City Council Special Session

MEETING DATE: August 3, 2023

FROM: L. Steve Kennedy, City Manager

SUBJECT: Overview of the Fiscal Year 2023/2024 budget.

BACKGROUND

The balanced draft operating and CIP budget for FY 23/24 was presented to the City Council at a Special Session on July 18, 2023 to provide a basis for establishing the tentative millage rate. Due to turnover of personnel integral to the budget preparation process and miscommunications, the draft budget was balanced at a millage rate of 5.0000, which is more than the FY 22/23 millage rate of 4.5000. While Council did adopt the tentative millage rate of 5.0000, they also directed the City Manager to balance the budget at 4.5000 mills prior to the budget workshop to be held on August 3, 2023.

The draft budget as presented today is balanced at 4.5000 mills. The following changes are included pursuant to Council direction as well as additional information that has been received regarding estimated state revenues:

- 1) Updated the salaries after further review (an increase in expenses of \$300,370)
- 2) Changed the millage to 4.5000 in the draft budget (a decrease in revenues of \$336,101)
- 3) Increased the Begin Fund Balance for Local Gas Tax to \$570,000 (an increase of \$321,236)
- 4) Appropriated Surtax Funds to be used towards debt service for the Police EOC \$160,000 and Spring Park Capital Improvement Debt service \$81,000
- 5) Reclassified an additional \$400,000 Surtax Funds to be appropriated towards the Walnut St Paving & Drainage
- 6) Reclassified \$400,000 ARPA (which had been allocated to the Walnut St Paving & Drainage) to be used towards Police salaries. (Note #5 and #6 is for the purpose of using Surtax Funds and ARPA funds for allowable expenditures.)

The combination of the six items above balance the draft budget at a 4.5000 millage rate.

FISCAL IMPACT

TBD

RECOMMENDATION

N/A