



# HAINES CITY

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## **CITY MANAGER MEMORANDUM**

**To:** The Honorable Mayor and City Commissioners

**Through:** James R. Elensky, City Manager

**From:** Omar DeJesus, CPA, Finance Director

**Date:** July 03, 2025

**Subject:** Resolution No. 25-1880 – Stormwater Assessment Fee for Stormwater Management Services

### **Executive Summary**

Adopt the annual assessment resolution, required to adopt the annual non-ad valorem Assessment roll associated with stormwater management.

Staff Contact: Omar DeJesus, CPA, Finance Director

### **Introduction**

The intent of this item is to consider and adopt the annual assessment resolution, required to adopt the annual non-ad valorem Assessment roll associated with stormwater management.

### **Background**

This Resolution will be adopted pursuant to City Ordinance No. 16-1530 (the "Assessment Ordinance"), City Resolution No. 16-1202 (as amended, supplemented and confirmed from time to time, the "Initial Annual Assessment Resolution"), sections 166.021 and 166.041, Florida Statutes, and other applicable provisions of law.

The rates for this non-ad valorem assessment, and its precursor, have essentially not changed for the last decade since inception. Stormwater Management Assessments are associated with the continual availability of stormwater management services, facilities, and programs made available by the City to all tax parcels within the City.

Each parcel of property assigned an identification number by the County property appraiser is considered one (1) tax parcel. If approved by the City Commission after the hearing, the rate of the stormwater assessment for each tax parcel is proposed to be the sum of:

- (i) forty-eight dollars (\$48.00) per tax parcel (Tier 2) representing each parcel's equal share of the more fixed portion of the stormwater management budget, plus



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- (ii) another tier (Tier 1) based on the more relative benefits or burdens calculated in terms of impervious area characteristics (runoff) assigned to each tax parcel (\$6.24 per factored ERU or “unit”), plus
- (iii) a City collection and annual implementation related cost of five dollars (\$5.00). Exclusive of statutory discounts associated with the uniform collection method, and percentage amounts imposed by the County property appraiser or tax collector, the revenue the City expects to collect from the stormwater assessment is \$1,115,237.50.

It is important to note that any annual stormwater assessment imposed by the City Commission is separate, distinct, and apart from, and funds different services and facilities than provided by either the South Florida Water Management District or the Haines City Water Control District (both districts being special purpose local governments or independent special districts which are completely independent from the City and City Commission oversight or control).

Although no change in assessment rates is proposed, and these are the same rates as last year, the assessment roll development process does have a self-correcting feature from year to year, and assessment amounts do change, e.g. if the owner changed the tax parcel configuration (subdivided) (Tier 2), or if impervious characteristics associated with estimated stormwater run-off change (Tier 1).

The foregoing amounts have been duly and timely noticed by publication.

As directed, this information will also be submitted for the TRIM notice process conducted by the Polk County Property Appraiser later this summer. The Property Appraiser’s deadline for that submittal is July 11, 2025.

The Quicksearch feature to look up any proposed assessment is also available on the Internet by link from the City’s website or at <https://quicksearch.ennead-data.com/hainescitysw/>.

In keeping with the direction for the prior several years, the cost of charges by the County Tax Collector and Property Appraiser, and statutory discounts associated with the uniform method of collection are individually prorated and added to each assessment. This collectively saves over \$63,000 in general fund costs, and further individually rewards those property owners who pay earlier than in March each year.

Individual parcel Stormwater Assessments have been additionally posted online for public access, and will be updated upon City Commission action. Assessment values can be found by performing a search using the parcel’s Polk County property identification number, the owner’s name as of June 1, 2025 or the location address, if known. The website address is: <https://quicksearch.ennead-data.com/hainescitysw/>. This information can also be found on the City’s website.

### **Organizational Goal(s)**

Financial: Develop and maintain fiscal policies based on program and performance measures while engaging community involvement.

### **Budget Impact**

Revenue associated with the Stormwater Assessment revenue will be reflected in the FY 2025-26 Budget. Such revenue is a material feature of the City’s annual budget. Every dollar not assessed will consume a



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concomitant dollar of general revenue from the City's property tax proceeds or result in a severe reduction in levels of service. For example, and for context, if the City Commission were not to approve the attached Resolution and the comparable one for fire service, the City would need to increase its property tax millage by approximately 1.7 mils from 7.5895 to 9.2895 mils).

### **Balancing Use of Revenues Available to Our City**

Last year's mileage was 7.5895. If the City Commission decides to go without the fire and stormwater non-valorem revenue (both combined annually equal approximately \$6.2M), the City's millage would need to be raised to 9.2895.

This would bring the City close to the State constitution's 10 mil cap, and likely achieve the highest ad valorem tax rate millage of any comparably sized municipality in Polk County (or surrounding counties).

Unlike the use of TRIM for non-ad valorem assessments, TRIM notice is annually mandatory for ad valorem property taxes. The due date to give the Property Appraiser TRIM info on the City's fire and stormwater assessments is July 11, 2025; and August 4, 2025 for ad valorem property taxes.

The Finance Director along with City management and staff simply have not been able to reasonably identify \$6.2M in new revenue, or cuts in the annual budget in such an amount. This exemplifies reality of the why the City has used the fairness and proportionality of non-ad valorem assessments for the past 12 years.

It is imperative to keep in mind: if property tax millage is to be raised, adoption of the necessary resolution and certification of the proposed increase in property taxes is due to the property appraiser by August 4, 2025.

Failure to timely make that notification deadline will present a statutory bar to increase milage for the upcoming budget. As well, once so noticed there is no opportunity to change the TRIM notice, but the City can impose a lower millage rate.

Accordingly, the City Commission *could* adopt BOTH the non-ad valorem special assessments AND a proposed property tax increase - to keep options open through most of August. However, short of drastic cuts to other lower priority budget items, other than public safety / public works, there is no substantial revenue available to the City to underwrite **not using non-ad assessments**.

Also, please consider that *by keeping options open by noticing both*, the City Commission will undoubtedly attract responses from the residents of at least the 7,000+ new homes added to the City over the last 13 years, who will be required to carry disproportionately (when compared to the judicially approved more proportional special assessments) the funding of the \$6.2M shortfall. Most, if not all of these new property owners, have homes just below the average value for the City and above, and will see an overall tax increase on their TRIM notice (even if the Commission decides otherwise). Accordingly, staff does not encourage the notice of an increase in taxes. Therefore, timing considerations require adoption of the non-ad valorem assessments to continue to consider steep budget cuts or other new (but unlikely and certainly not yet identified) annual revenue.



**Recommendation**

Staff recommends the City Commission approve the attached Resolution, adopting the Non-Ad Valorem Assessment roll for the Stormwater Assessment, continue to look for new revenue, and/or certify a proposed increase in property taxes by August 24, 2025.