

FY2027

CRA Budget

District 327 & District 328





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INTRODUCTION



User Guide

The annual budget for a municipal corporation is a document intended to provide sufficient, meaningful and useful information to its elected officials, staff and to the general public. To that extent, the Annual Budget for the City of Haines City serves four primary purposes:

AS A POLICY GUIDE

The budget document serves as a policy guide in identifying those services that City provide during the twelve-month period beginning on October 1st. The document shows financial trends, illustrates how the City performed in the previous twelve-month (fiscal) period and provides information addressing how revenues are acquired. The City's budget process is conducted within a framework of a comprehensive set of financial management policies, financial trends, and fiscal forecasts. The budget process allows the policymakers an opportunity to review policies and goals that address long-term concerns and evaluate City services.

AS A COMMUNICATION DEVICE

The annual budget document has been designed to provide budgetary information that is easy to locate and understand by a diverse audience. The Budget Overview section provides a condensed and useful analysis of the City plan and its fiscal components for the upcoming year. Lastly, the document is readily available online on the City website.

AS AN OPERATIONS GUIDE

As an operations guide, indicates how services will be delivered to the community. The departmental sections include relevant information related to the department or division, including their function and budgets. Additionally, each section provides measurable strategic objectives for each organizational unit in the village. The budget also includes an organization chart for the organization as a whole and is illustrated in greater detail for each individual department.

AS A FINANCIAL PLAN

As a financial plan, the budget outlines the cost for City services and identifies the various funding mechanisms to support the expenditures. It also provides information concerning the City's accounting structure and budgetary policies, and explains whether surplus funds are used and how these funds are allocated. Finally, a capital improvement plan and detailed debt information is also included and summarized in the appropriate sections.



City Hall



Population Overview



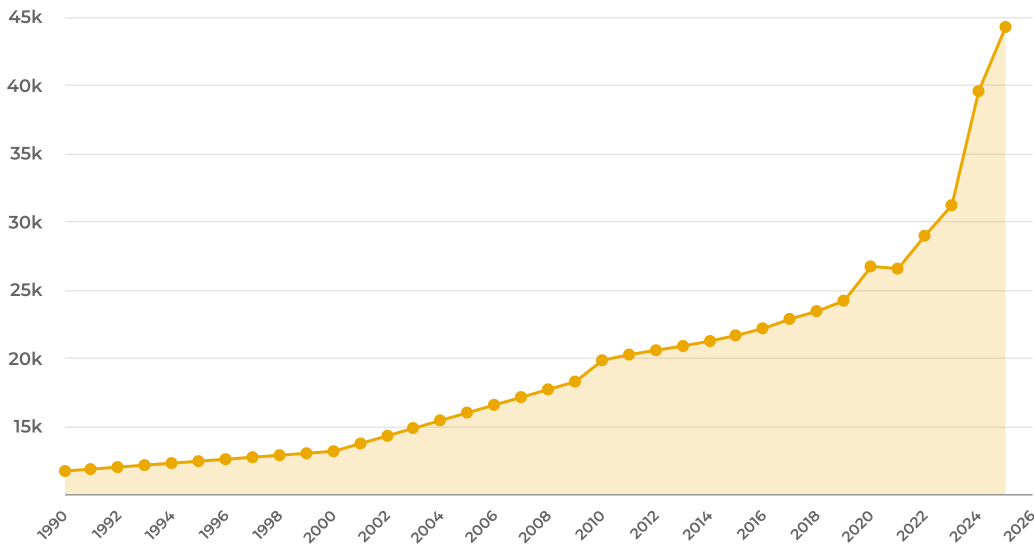
TOTAL POPULATION

44,215

▲ 11.9%
vs. 2024

GROWTH RANK

2 out of 411
Municipalities in Florida



* Data Source: Client entered data for year 2025



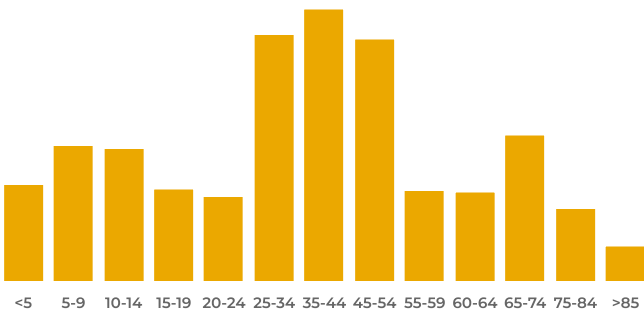
DAYTIME POPULATION

33,159

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

* Data Source: American Community Survey 5-year estimates

POPULATION BY AGE GROUP



Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.

* Data Source: American Community Survey 5-year estimates

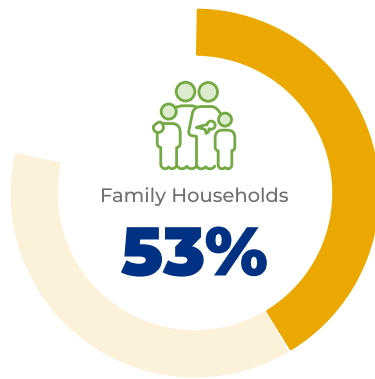


Household Analysis

TOTAL HOUSEHOLDS

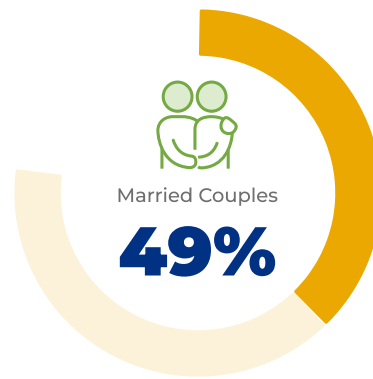
11,511

It is important to consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the tax base.



▲ .6%

higher than state average



▲ 5%

higher than state average



▼ 33%

lower than state average



▼ 12%

lower than state average

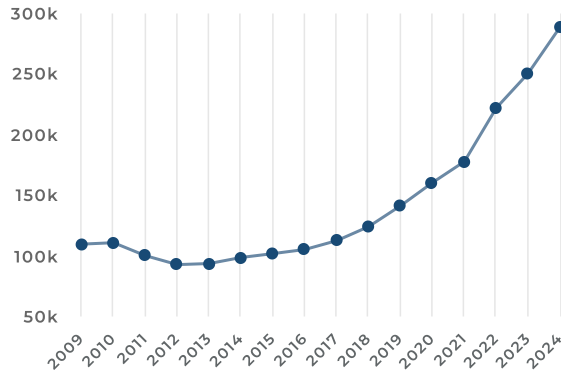
** Data Source: American Community Survey 5-year estimates*



Housing Overview



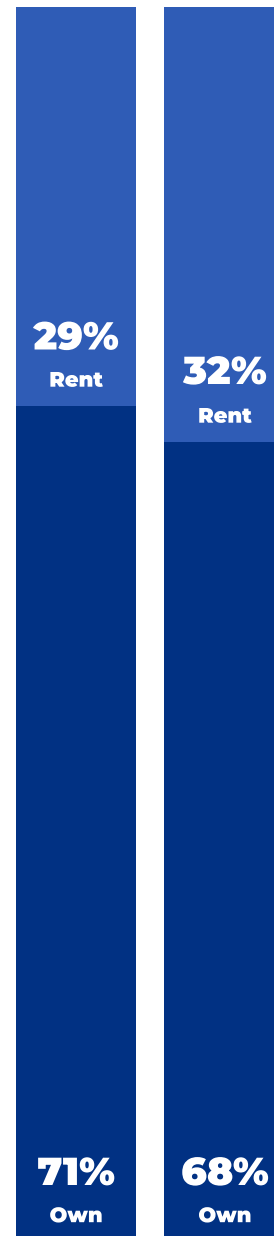
2024 MEDIAN HOME VALUE
\$288,900



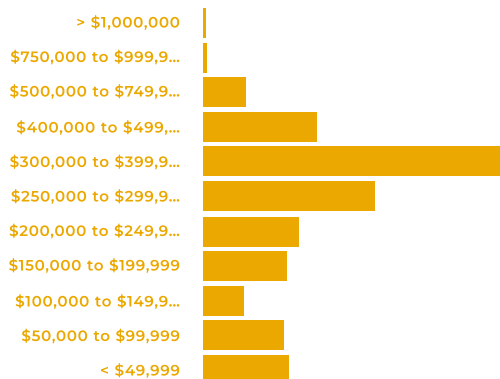
* Data Source: 2024 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

HOME OWNERS VS RENTERS

Haines City State Avg.



HOME VALUE DISTRIBUTION



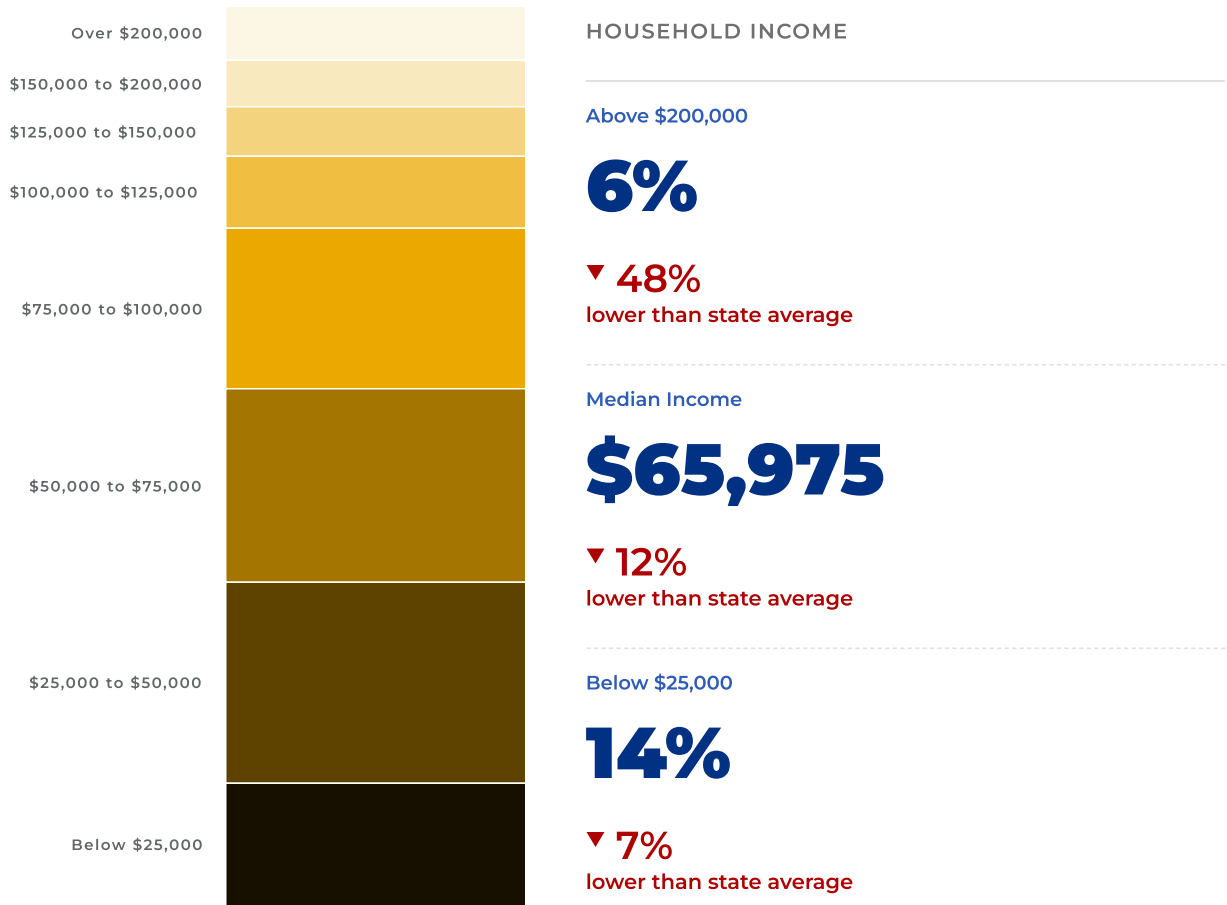
* Data Source: 2024 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

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Economic Analysis

Household income is a key data point in evaluating a community's wealth and spending power. Pay levels and earnings typically vary by geographic regions and should be looked at in context of the overall cost of living.



* Data Source: American Community Survey 5-year estimates



Government Structure

The City of Haines City is a political subdivision of the State of Florida and as such, it is governed by and derives its operating authority from the constitution and laws of the State of Florida.

The City is empowered to levy a property tax on both real and personal properties located within its municipal boundaries. It also is empowered by State statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing body (City Commission).

The City operates under a Commission/Manager form of government, with a governing body consisting of five Commissioners, elected at-large to staggered four-year terms without a district residency requirement.



Municipal Services



The City provides a traditional mix of general government services including police and fire protection, library, construction and maintenance of streets and infrastructure, stormwater drainage, recreational activities, special events, planning, zoning and administrative services.

In addition to general government activities, the City also provides a full range of utility services, including Water, Wastewater treatment and Stormwater. Detail about each system is found in their respective section of the budget.

The rates charged for the use of all the utility systems are reasonably comparable to rates charged by similar utilities. The rates for the use of Water, Wastewater and Stormwater utilities are established by ordinance of the City Commission and are not regulated by any other agency. The City has an active maintenance program and considers all systems to be in good condition.

Fund Type and Description

The City of Haines City uses funds and account groups to report its financial position and the results of its operations.

A fund is a separate accounting entity with a self-balancing set of accounts used to maintain control over resources that have been segregated for specific activities or functions. The City, like other state and local governments, uses fund accounting to ensure and demonstrate legal compliance.

All of the funds of the City can be divided into the following three categories:

1. **Governmental Funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities. Governmental fund financial statements are reported using the current financial resources measurement, which focuses primarily on near-term sources and uses and available balances of spendable resources, at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

The City maintains several individual governmental funds and adopts an annual appropriated budget for all governmental funds. Budgetary comparison schedules for these funds are provided in the annual financial report to demonstrate budgetary compliance.

2. **Proprietary Funds** – The proprietary funds account for operations similar to private businesses with the intent to recover the costs to provide utility services that extend outside the City limits in all cases except Stormwater. Revenues are derived from user charges imposed on residential and commercial customers.

The City maintains enterprise funds to report functions presented as business-type activities in the financial statements. The City uses enterprise funds to account for Water and Sewer and Stormwater operations.

3. **Fiduciary Funds** – Fiduciary funds are used for resources held for the benefit of parties outside the government. The accounting used for fiduciary funds is similar to proprietary funds. The fiduciary funds include pension trust funds for police, fire and general employees.

The city reports major funds. Major funds must meet two tests and can be reported if the government believes they are important to the financial statement user.



Fund Structure

Below are breakdowns of the major funds represented under each of the three primary categories above:

◦ **Government Funds**

- General Fund – is the government’s primary operating fund, accounts for all financial resources of general government, except those accounted for in another fund.
- CRA Fund – is the Community Redevelopment Agency (CRA) special revenue fund. Its purpose is to finance and redevelop the City’s designated redevelopment area. Financing is provided primarily through tax increment funding from the City and Polk County.
- Capital Project Fund - Accounts for financial resources used for the acquisition, construction, and improvement of major capital facilities and other capital projects.
- Debt Service Fund – is used to account for the payment of current principal and interest due on loans payable.

◦ **Proprietary Funds**

- Water and Sewer Fund – accounts for the operations of the City’s regional water and sewer system.
- Stormwater Fund – accounts for the operations of the City’s stormwater activities.

◦ **Fiduciary Funds**

- Pension Trust Funds – account for the activities of the General Employees’ pension Fund, Police Officers’ Pension Fund and Fire Fighters’ Pension Fund, which accumulate resources for pension benefit payments to qualified employees.
- Right of Way Agency Fund – accounts for funds held in custody for the maintenance of Southern Dunes right-of-way land.



GOVERNMENTAL FUNDS



GENERAL FUND

The City's primary operating fund. It accounts for the financial resources and activities of general government not accounted for in another fund.



CRA FUND

A special revenue fund of the Community Redevelopment Agency (CRA) used to account for activities within the City's redevelopment areas. Financing is provided primarily through tax increment revenues from the City and Polk County.



CAPITAL PROJECTS FUND

Accounts for financial resources used for the acquisition, construction, and improvement of major capital facilities and other capital projects.



DEBT SERVICE FUND

Accounts for resources used to pay principal, interest, and other costs associated with the City's debt obligations.



PROPRIETARY FUNDS



WATER AND SEWER FUND

Accounts for the operations of the City's water and wastewater utility system, including the provision, maintenance, and improvement of water and wastewater services.



STORMWATER FUND

Accounts for the operations, maintenance, and improvement of the City's stormwater management system and related activities.



FIDUCIARY FUNDS



PENSION TRUST FUNDS

Account for the activities of the General Employees', Police Officers', and Firefighters' pension plans, which accumulate and manage resources for the payment of pension benefits to eligible participants and beneficiaries.



RIGHT-OF-WAY AGENCY FUND

Accounts for funds held by the City for the maintenance of Southern Dunes right-of-way property.



IMPACT FEE & SPECIAL REVENUE FUNDS



WATER IMPACT FEE FUND

Accounts for impact fees collected for water system capacity and capital improvements.



WASTEWATER IMPACT FEE FUND

Accounts for impact fees collected for wastewater system capacity and capital improvements.



LIBRARY IMPACT FEE FUND

Accounts for impact fees collected for library facilities and capital improvements.



TRANSPORTATION IMPACT FEE FUND

Accounts for impact fees collected for transportation system capacity and capital improvements.



RECREATION IMPACT FEE FUND

Accounts for impact fees collected for recreation facilities and capital improvements.



POLICE IMPACT FEE FUND

Accounts for impact fees collected for police facilities and capital improvements.



FIRE IMPACT FEE FUND

Accounts for impact fees collected for fire facilities and capital improvements.



LAW ENFORCEMENT EDUCATION TRUST (LEET) FUND

Accounts for fines and forfeitures used for law enforcement education and training in accordance with state law.

Basis of Budgeting

Budgets for **governmental funds** are adopted using the **modified accrual basis of accounting**. Under this basis, revenues are recognized when they are both measurable and available to finance current-period expenditures. Expenditures are generally recognized in the period in which the related fund liability is incurred, with certain exceptions, such as principal and interest on long-term debt, which are recognized when due.

Although budgets for **proprietary funds** are not required under generally accepted accounting principles (GAAP), the City adopts annual budgets for these funds to promote financial planning, accountability, and consistency across City operations. For budgetary purposes, proprietary funds are presented on a basis that differs from the **full accrual basis** used for financial reporting.

For financial statement purposes, proprietary funds, including the **Water and Sewer Fund and Stormwater Fund**, are reported using the full accrual basis of accounting, while governmental funds are reported using the modified accrual basis. Because certain transactions are treated differently for budgetary and financial reporting purposes, direct comparisons between budgeted amounts and GAAP-basis actual results may require adjustments.

The most significant differences include:

- **Capital Projects and Capital Outlay** – Capital expenditures within proprietary funds are budgeted as expenditures when the funds are expected to be spent. Under full accrual accounting, qualifying capital expenditures are recorded as capital assets and subsequently recognized as expense through depreciation over their useful lives.
- **Debt Service** – Principal payments on outstanding debt are budgeted in the fiscal year in which payment is expected to occur. Under full accrual accounting, principal payments reduce the related liability and are not reported as an expense. Interest expense is recognized in accordance with the applicable accrual accounting requirements.
- **Use of Fund Balance / Net Position** – The use of accumulated resources may be included as a budgetary funding source to balance planned expenditures. The use of fund balance or net position itself is not recognized as revenue under GAAP, and amounts budgeted for use may ultimately remain unspent at the end of the fiscal year.
- **Depreciation** – Depreciation is recognized as an expense in proprietary fund financial statements under the full accrual basis but generally does not represent a current cash outlay and therefore is not budgeted in the same manner as operating and capital expenditures.

This approach allows the City's budget to serve as an effective **financial planning and management tool**, while the City's annual financial statements continue to be prepared in accordance with applicable accounting standards.



Haines City Public Library



Significant Policies

The City has adopted many financial policies related to sustainability and transparency encompassing financial planning, revenue and expenditure policies and procedures.

Cash Policy



- All cash, checks, money orders and cashier's checks are receipted on the date received and forwarded to bank for deposit
- All checks, money orders, etc. are endorsed with city endorsement stamp upon receipt
- Daily cash reports must be presented to the Finance Department
- Cash drawers in all locations are counted and balanced daily
- Cash received at remote locations are counted and balanced daily
- Receipts are validated and submitted to the Finance Department for verification
- Cash collection entries are recorded in the appropriate computer application
- A receipt is provided to every customer
- The Utility Billing division verifies all transactions and post information to the system prior to making the bank deposit

Deposit and Investment Policies

DEPOSIT POLICY

On April 19, 2007 the City Commission approved Ordinance 07-1282 amending section 20-27 of the Code of Ordinances pertaining to utility deposits. The policy increased the deposits to \$140.00 for residential customers and \$210.00 for commercial customers.

INVESTMENT POLICY

The Investment Policy includes the provisions outlined in Florida State Statutes 163, 218.415 and 280. Florida State Statute 163, Intergovernmental programs, provides guidance with respect to Local Government Investment Pools (LGIP's). Florida Statute 218.415, Financial Matters pertaining to Political Subdivisions, provides guidance to local governments regarding investments policies. Florida Statute 280, Security for Public Deposits, provides definitions and guidance with respect to public deposits. The policy in all respects provides for the highest standards of integrity and ethical conduct and reinforces the highest priority of the safety of principal and liquidity of funds. Optimization of investment returns is considered secondary to the requirements of safety and liquidity.

◦ Authorized Investment Types

- U.S. Treasury Obligations (Bills, Notes, Bonds)
- U.S. Government Agency Securities and Instrumentalities of Government Sponsored Corporations
- U.S. Government Securities Bankers Acceptance Repurchase Agreements Certificates of Deposits (CD's)
- Local Government Investment Pools (LGIP) Money Market Mutual Funds
- State and/or Local Government Taxable Debt

◦ Responsibility

- The Finance Director is responsible for the implementation of the investment policy.

◦ Risk Avoidance

- Minimize the risk of unreturned principal and interest through short term and conservative investments
- Require delivery vs. payment
- 5 year maximum maturities



Fund Balance Policy



On January 5, 2012, the City Commission adopted resolution 12-987 establishing the Fund Balance Policy. The Fund Balance Policy was established reservations of fund balance in accordance with Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. Fund Balance shall be composed of non-spendable, restricted, committed, assigned and unassigned amounts.

The spending order of fund balance is as such:

- The City uses restricted amounts first when both restricted (non-spendable and restricted fund balance) and unrestricted (committed, assigned and unassigned) are available unless there are legal documents/contracts that prohibit doing so, such as grant agreements requiring dollar for dollar spending.
- Additionally, the City would first use committed, followed by assigned and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

It is essential that governments maintain adequate levels of fund balance to mitigate risks and provide a back-up for revenue shortfalls. The City has incorporated a financial policy maintaining unassigned fund balance in the General Fund of no less than two months (17%) of the General Fund's current fiscal year operating expenditures and transfers out budgeted for the fund.

The current fiscal year for this calculation shall be the budget as originally adopted by Ordinance on or before September 30th for the subsequent fiscal year. If in any fiscal year, the actual unassigned fund balance falls below 17%, a plan shall be established to achieve the target by adding a designated amount to the budget to cover the deficiency over a period of not to exceed five (5) fiscal years. A review is required as part of the annual budget adoption process.



Based on the fiscal year 2026-2027 adopted budget, the minimum unassigned fund balance required in the General Fund is \$13,637,060 (17% of \$80,218,000).

Identity Theft Prevention Policy

The Fair and Accurate Credit Transaction Act (FACTA) of 2003 mandated utility service providers to develop and implement an Identity Theft Program to identify, mitigate and prevent identity theft. The program will identify “Red Flags” which include pattern, practice or specific activity that indicates possible existence of identity theft. On April 16, 2009 the City Commission approved the FACTA program and implementation which went into effect May 1, 2009.



Procurement Policy

On February 1, 2024, the City Commission adopted Ordinance 23-2064 establishing the following purchasing limits and local vendor preference:

- **Informal Purchasing** – Informal purchasing may be used for the purchase of goods and/or services costing less than \$1,000. While quotes and bids are not necessary with items costing less than \$1,000, every effort should be made to ensure goods and/or services are being purchased in the most efficient and cost effective manner possible.
- **Verbal Quotes** – At least three (3) verbal quotes are necessary to be received by the City in respect to purchases of goods and/or services costing at least \$1,000, but less than \$5,000. If at least three (3) quotes are not possible, a written explanation of such shall be included in the vendor payment supporting documentation.

Vendor selection and award shall be based on qualification of the vendor, acceptability of the product, delivery time, inventories, and past performance. If service is to be provided on City property, the selected vendor must provide proof of insurance and name the City as an additional insured, as well as any other required documentation.

- **Written Quotes** – At least three (3) written quotes are necessary to be received by the City in respect to purchases of goods and/or services costing at least \$5,000, but less than \$50,000. If at least three (3) quotes are not possible, a written explanation of such shall be included in the vendor payment supporting documentation.

Vendor selection and award shall be based on qualification of the vendor, acceptability of the product, delivery time, inventories, past performance, degree of compliance with requirements, price and other circumstances that will encourage delivery of the best products and services for the money expended.

- **Formal Bids (Invitation to Bid, Request for Qualification and Request for Proposals)** – A formal bid method is acceptable for purchases of goods and/or services costing at least \$50,000. The departments obtain formal bids or proposals and submit the bid award to City Commission for approval.
- **Sole Source Purchasing** – Competitive selection procedures is the preferred method of acquiring goods and services under the City Code. Competitive procedures are waived when it is determined and substantiated in writing, after conducting a good faith review of available sources, that there is only one source for the goods and/or services based upon performance criteria established by the City. The City shall electronically post a description of the commodities or contractual services sought for at least 15 business days to ensure sole source. The description shall include a request that prospective vendors provide information regarding their ability to supply the commodities or contractual services described.



Price and terms shall be negotiated and a record of the sole source procurement shall be maintained as a public record.

For all purchases that do not meet the statutory threshold dollar amount, a written justification of the sole source purchase must be approved by the City Manager and accompany the invoice for payment

- **Local Vendor Preference** – The City Commission has adopted a Local Vendor preference policy. The policy has a tiered percentage preference for purchases of specific dollar amounts.
- **Purchasing Approval Limits** – The approval limits for the purchase of goods and/or services is as follows:

Purchase Amount	Approval
Less than \$1,000	Supervisor
\$1,000 – \$4,999.99	Department Head
\$5,000 - \$24,999.99	Finance Director
\$25,000 - \$49,999.99	City Manager
\$50,000 and Up	City Commission



Capital Asset Policy

Policies and procedures are designed to prevent misappropriations of public funds. The purpose of the property asset management program is to establish responsibility for property. Provide for better utilization of property, facilitate the physical inventory, and to establish a framework for accountability.

Capital or fixed assets are defined as land, buildings, and non-expendable nature, which meet the following conditions: the value or cost of an asset is \$5,000 or more and has a normal life expectancy of one year or more. Certain capital items of the enterprise funds are recorded as a group utilizing average unit costing, whereas depreciation expense is computed on the straight-line basis over the useful life of the asset.

The Finance Department shall maintain an accurate inventory of all assets and update it annually. However, each department director is ultimately responsible for their assets.

The City Commission adopts the Capital Improvement Plan for each fiscal year through the annual budget process. The plan includes capital projects, vehicles and equipment. The annual CIP discusses the impact each purchase will have on the following areas:

- **New purchases** – It is necessary to purchase additional capital items to function properly. For example, upon hiring a police officer to fill a newly created position, the department would purchase another vehicle, computer and related equipment to place the officer in service.
- **Replacements** – It is necessary to purchase additional capital items that function efficiently. Although the City maintains and uses capital items beyond their useful life, purchases are necessary periodically due to wear and tear. Thus, purchasing new assets decreases maintenance costs and provides an indirect savings which allows staff to operate more efficiently. The utility department replaces infrastructure to maintain a safe system for the citizens. Computer systems are replaced periodically to keep pace with technology.
- **Improvements** – It is necessary to purchase additional capital items to expand operations. Improvements to current assets have clear impact on operating costs. When improvements are made the incremental costs have to be clearly identified.



FUND SUMMARIES





CRA Fund District 327

The **CRA Fund – District 327 Downtown** is used to account for revenues and expenditures associated with redevelopment activities within the Downtown Community Redevelopment Area. The Fund is primarily supported by tax increment revenues generated within the District and is restricted for projects and initiatives authorized under applicable laws, the adopted redevelopment plan, and City policies.

Funding is used to support downtown revitalization through infrastructure improvements, public spaces, economic development initiatives, redevelopment projects, and other investments designed to strengthen the downtown area, encourage private investment, and enhance the overall quality and appearance of the District. The Fund is accounted for separately from the General Fund in accordance with applicable legal and regulatory requirements and is reported using the modified accrual basis of accounting.



— DISTRICT 327 —

BUDGET BOOK

— —

CRA FUND

FISCAL YEAR 2027



VIBRANT
NEIGHBORHOODS



ECONOMIC
GROWTH



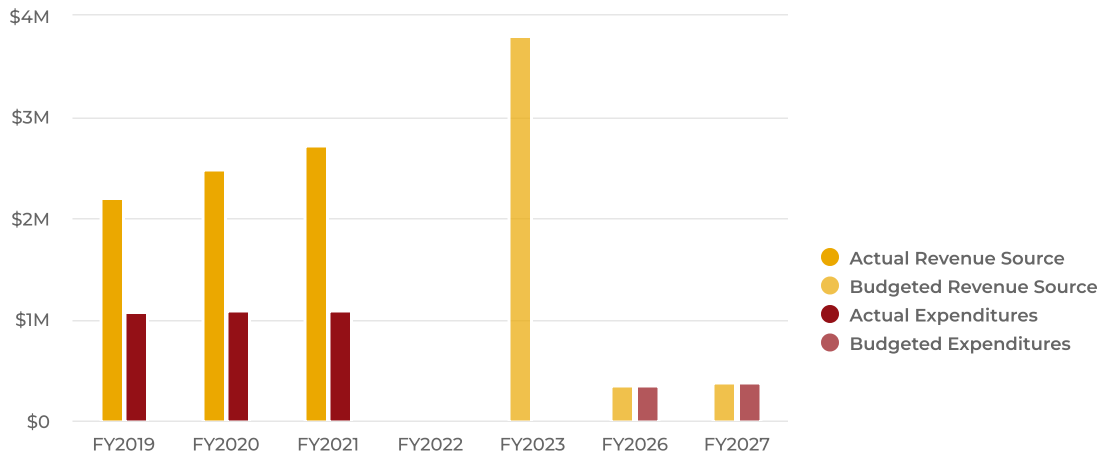
STRONG
DOWNTOWN



SUSTAINABLE
FUTURE

Summary

The City of Haines City is projecting \$385.96K of revenue in FY2027, which represents a 7.2% increase over the prior year. Budgeted expenditures are projected to increase by 7.2% or \$25.96K to \$385.96K in FY2027.



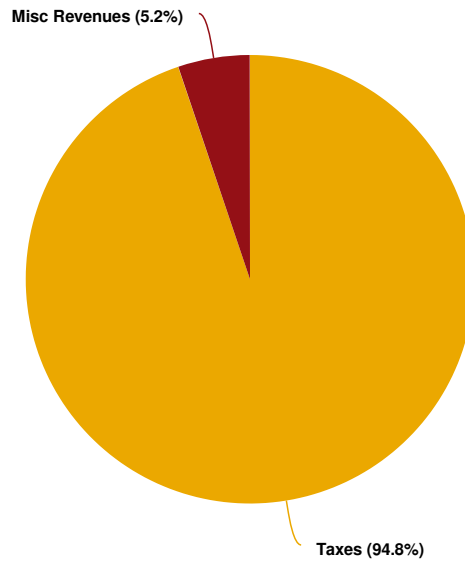
CRA Fund District 327 Comprehensive Summary

Name	FY2026 Budgeted	FY2026 Projected	FY 2027 Adoption
Beginning Fund Balance:	\$791,202	\$791,202	N/A
Revenues			
Taxes	\$347,260	\$347,260	\$365,960
Misc Revenues	\$12,740	\$12,740	\$20,000
Total Revenues:	\$360,000	\$360,000	\$385,960
Expenditures			
Operating Expenditures	\$10,000	\$10,000	\$35,960
Grants and Aids	\$350,000	\$350,000	\$350,000
Total Expenditures:	\$360,000	\$360,000	\$385,960
Ending Fund Balance:	\$791,202	\$791,202	N/A



Revenues by Source

Projected 2027 Revenues by Source

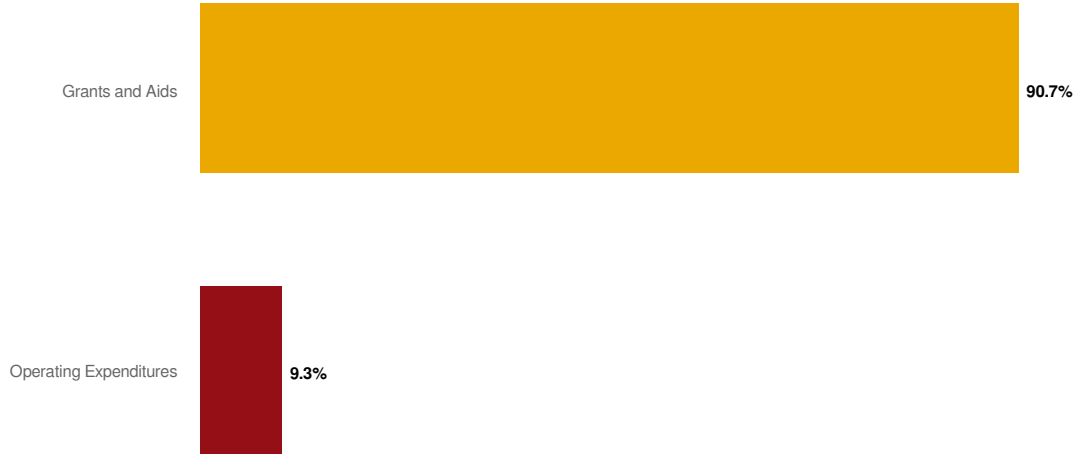


Name	FY2026 Budgeted	FY2026 Projected	FY 2027 Adoption	% Change
Revenue Source				
Taxes				
COUNTY - AD VALOREM TAXES	\$163,990	\$163,990	\$173,700	5.9%
CITY - AD VALOREM TAXES	\$183,270	\$183,270	\$192,260	4.9%
Total Taxes:	\$347,260	\$347,260	\$365,960	5.4%
Misc Revenues				
INTEREST ON INVESTMENTS	\$12,740	\$12,740	\$20,000	57%
Total Misc Revenues:	\$12,740	\$12,740	\$20,000	57%
Total Revenue Source:	\$360,000	\$360,000	\$385,960	7.2%



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2026 Budgeted	FY2026 Projected	FY 2027 Adoption	% Change
Expense Objects				
Operating Expenditures				
Economic Environment				
ART & BEAUTIFICATION	\$10,000	\$10,000	\$35,960	259.6%
Total Economic Environment:	\$10,000	\$10,000	\$35,960	259.6%
Total Operating Expenditures:	\$10,000	\$10,000	\$35,960	259.6%
Grants and Aids				
Economic Environment				
GRANT & AIDE PROGRAMS	\$200,000	\$200,000	\$200,000	0%
DEVELOPMENT INCENTIVES	\$150,000	\$150,000	\$150,000	0%
Total Economic Environment:	\$350,000	\$350,000	\$350,000	0%
Total Grants and Aids:	\$350,000	\$350,000	\$350,000	0%
Total Expense Objects:	\$360,000	\$360,000	\$385,960	7.2%



FY27 REDEVELOPMENT INITIATIVES

The FY2027 CRA District 327 Budget continues to focus on strengthening the historic downtown through targeted **art, beautification, wayfinding, and placemaking investments**. These initiatives are intended to enhance the appearance and identity of the downtown core, improve navigation for residents and visitors, and create a more inviting and walkable environment.

The FY2027 Art & Beautification program includes **\$35,960** for downtown-focused improvements.

Program Area	FY2027 Funding
Art & Beautification	\$35,960
Total District 327 Initiatives	\$35,960

The **Historic Downtown Building Markers** initiative will help identify and communicate the history of significant buildings throughout the downtown core. **Wayfinding signage** will improve pedestrian and vehicular navigation to downtown destinations, parking areas, and public spaces. The **Railroad / Hinson Avenue Mural** will introduce public art at a prominent downtown gateway and further strengthen the visual identity of the district.

Major Initiative Highlights

Historic Downtown Identity and Preservation

Historic building markers will help connect residents and visitors with the history of Downtown Haines City while reinforcing the character and identity of the redevelopment area.

Downtown Wayfinding and Connectivity

New directional signage is intended to make downtown destinations, parking, and public spaces easier to locate and navigate, supporting both accessibility and economic activity.

Public Art and Gateway Enhancement

The Railroad / Hinson Avenue Mural will provide a highly visible public art feature at an important downtown gateway, contributing to ongoing beautification and placemaking efforts.

Collectively, these initiatives support the CRA's continued efforts to strengthen Downtown Haines City as a recognizable, accessible, and attractive destination for residents, visitors, businesses, and future investment.





Art & Beautification

FY2027 Beautification Initiatives

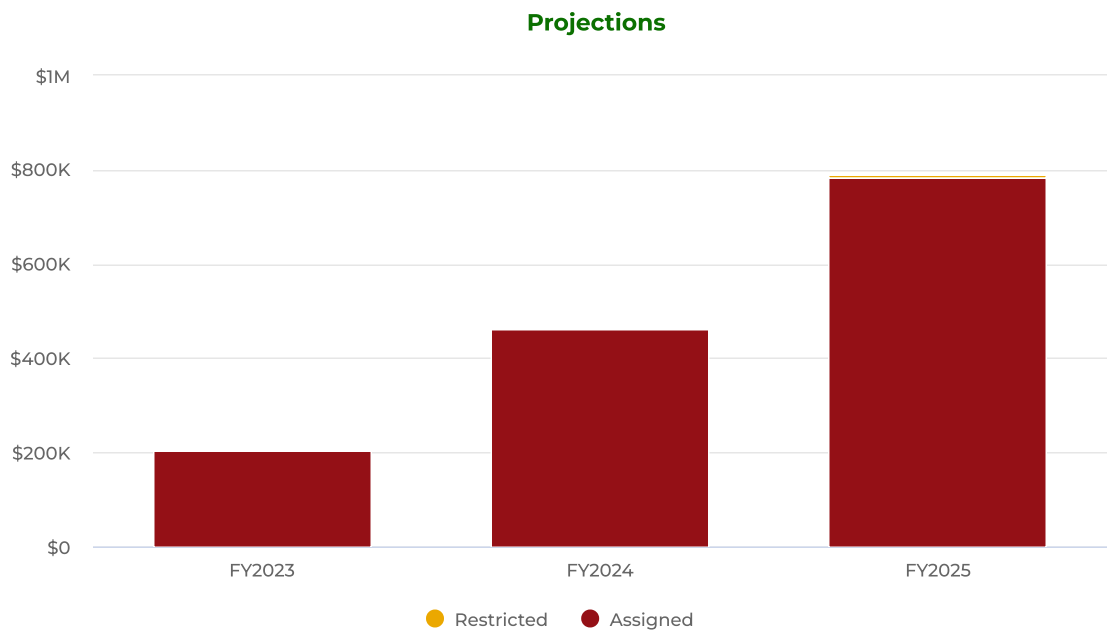
The Art & Beautification line supports public-realm improvements that reinforce the identity and walkability of the historic downtown core.

FY2027 funding advances the three initiatives below.

Initiative	FY2027
Historic Downtown Building Markers Interpretive markers identifying and telling the story of historic buildings throughout the downtown core.	—
Wayfinding Signs Pedestrian and vehicular directional signage guiding residents and visitors to downtown destinations, parking and public spaces.	—
Railroad / Hinson Avenue Mural A public mural on the Hinson Avenue railroad bridge, adding public art to a prominent downtown gateway.	—
Total Art & Beautification	\$35,960



Fund Balance



Financial Summary	FY2023	FY2024	FY2025
Fund Balance	—	—	—
Assigned	\$204,535	\$463,000	\$785,000
Restricted	\$0	\$305	\$6,202
Total Fund Balance:	\$204,535	\$463,305	\$791,202





CRA Fund District 328

The **CRA Fund – District 328** is used to account for revenues and expenditures associated with the City's Community Redevelopment Area. The Fund is primarily supported by tax increment revenues generated within the District and is restricted for redevelopment activities authorized under applicable laws, adopted redevelopment plans, and City policies.

Funding is used to support projects and initiatives intended to encourage economic development, improve infrastructure and public spaces, eliminate conditions of blight, and promote the continued revitalization of the CRA area. The Fund is accounted for separately from the General Fund in accordance with applicable legal and regulatory requirements and is reported using the modified accrual basis of accounting.



DISTRICT 328

BUDGET BOOK

CRA FUND
FISCAL YEAR 2027



VIBRANT
NEIGHBORHOODS



HOUSING
REVITALIZATION



COMMUNITY
INVESTMENT

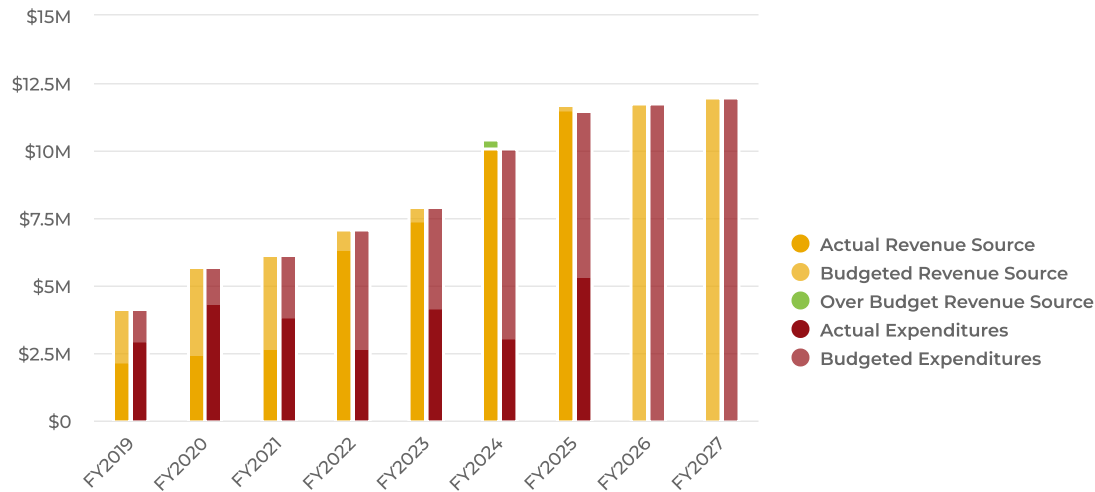


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Summary

The City of Haines City is projecting \$11.98M of revenue in FY2027, which represents a 1.7% increase over the prior year. Budgeted expenditures are projected to increase by 1.7% or \$199.77K to \$11.98M in FY2027.



CRA Fund District 328 Comprehensive Summary

Name	FY2025 Actual	FY2026 Budgeted	FY2026 Projected	FY 2027 Adoption
Beginning Fund Balance:	\$12,376,913	\$16,356,115	\$16,356,115	N/A
Revenues				
Taxes	\$10,946,621	\$11,280,000	\$11,280,000	\$11,400,000
Charges for Services	\$6,988	\$0	\$0	\$175,000
Misc Revenues	\$576,910	\$425,000	\$370,000	\$400,000
Other Sources	\$0	\$70,235	\$0	\$0
Total Revenues:	\$11,530,520	\$11,775,235	\$11,650,000	\$11,975,000
Expenditures				
Personnel Services	\$861,841	\$1,150,375	\$750,250	\$1,565,550
Operating Expenditures	\$754,125	\$685,250	\$1,024,435	\$1,075,450
Capital Outlays	\$2,282,454	\$3,135,000	\$93,000	\$2,555,000
Grants and Aids	\$856,648	\$4,500,000	\$2,363,000	\$4,900,000
Other Uses	\$630,500	\$2,304,610	\$2,742,750	\$1,879,000
Total Expenditures:	\$5,385,568	\$11,775,235	\$6,973,435	\$11,975,000
Total Revenues Less Expenditures:	\$6,144,952	\$0	\$4,676,565	\$0
Ending Fund Balance:	\$18,521,866	\$16,356,115	\$21,032,680	N/A



2026-2027 Budget Highlights

CRA Revenue Highlights

FY2027 CRA revenues total approximately **\$11.98 million**, an increase of **1.7%** over the FY2026 adopted budget.

Revenue Category	FY2027 Budget	Change
Ad Valorem Taxes	\$11,400,000	1.1%
Charges for Services	\$175,000	N/A
Miscellaneous Revenues	\$400,000	(5.9%)
Other Sources	\$0	(100.0%)
Total CRA Revenues	\$11,975,000	1.7%

Ad valorem tax increment revenues remain the CRA's primary funding source, with approximately **\$11.4 million** budgeted for FY2027. This includes approximately **\$6.0 million from the City** and **\$5.4 million from the County**.

Continued residential development and growth within the CRA have contributed to an increase in taxable property values. As a result, **tax increment revenues for FY2027 are projected to increase by approximately \$125,000** compared with the prior year.

Taxing Authority	June 1, 2026 Taxable Value	June 1, 2025 Taxable Value
City	\$1,030,509,912	\$1,022,310,548
County	\$1,025,633,036	\$1,017,964,862

The FY2027 budget also includes **\$175,000 in Lake Eva Banquet Hall revenue** and approximately **\$400,000 in investment earnings**.

Overall, the CRA revenue plan reflects continued stability and growth in tax increment revenues, providing resources to support redevelopment, housing initiatives, economic development, public improvements, and other district priorities.

CRA Expenditure Highlights

FY2027 CRA expenditures total approximately **\$11.98 million**, an increase of **1.7%** over the FY2026 adopted budget. The expenditure plan emphasizes redevelopment programs, housing and economic development initiatives, public improvements, community policing, and continued investment in CRA facilities and operations.

Program Area	FY2027 Budget
CRA District 328	\$6,400,000
CRA Operations	\$3,043,400
CRA Banquet Hall	\$1,681,500
Community Policing	\$545,100
Branding, Marketing & Communications	\$305,000
Total CRA Expenditures	\$11,975,000



District 328 remains the CRA's largest investment area at \$6.4 million, including **\$4.9 million for grants and aid programs** and **\$1.34 million in capital improvements**. These resources support residential rehabilitation, homeownership, commercial redevelopment, development incentives, and other neighborhood improvements.

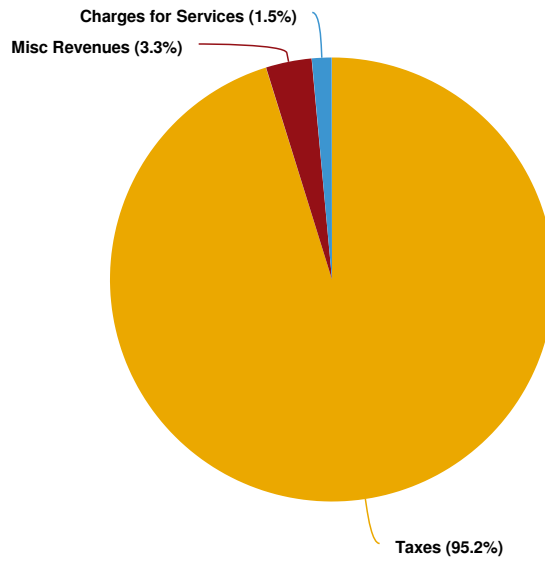
CRA Operations total approximately **\$3.04 million**, including personnel and professional services as well as a **\$1.62 million transfer for debt service**. Community Policing increases to approximately **\$545,000**, reflecting expanded personnel and operating support within the redevelopment area.

The **CRA Banquet Hall budget increases to approximately \$1.68 million**, primarily due to **\$1.175 million in capital improvements** planned for FY2027. Overall, the FY2027 expenditure plan directs the majority of CRA resources toward **redevelopment, housing, economic development, community facilities, and neighborhood investment**, while maintaining funding for the administrative and public safety functions necessary to support the CRA's programs.

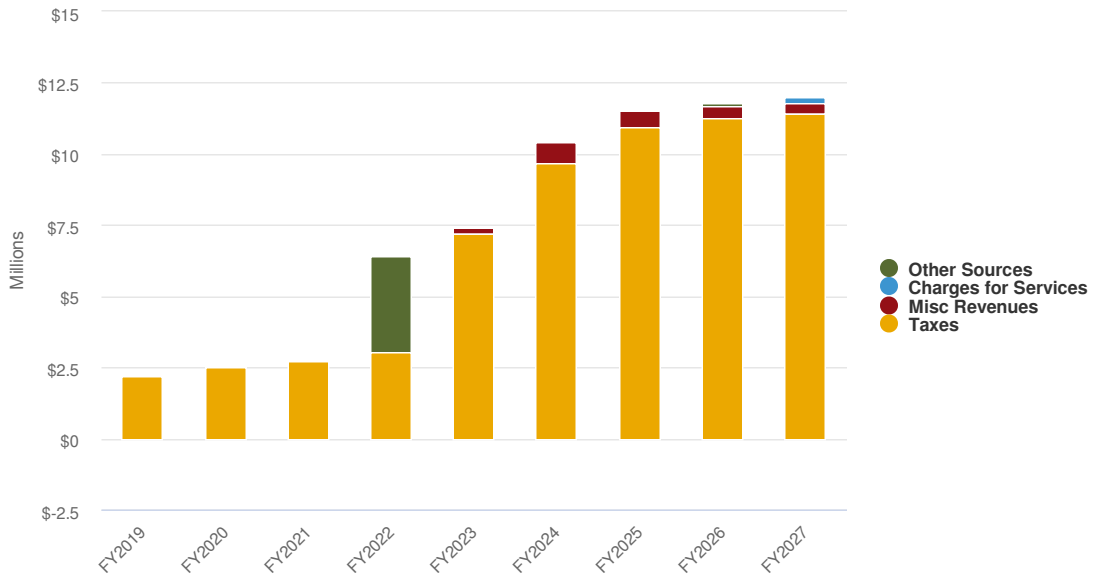


Revenues by Source

Projected 2027 Revenues by Source



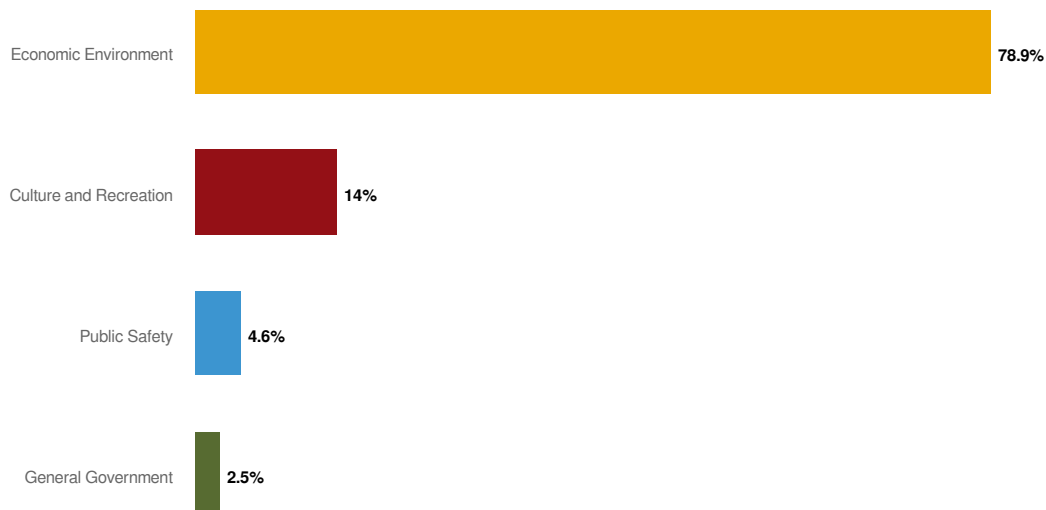
Budgeted and Historical 2027 Revenues by Source



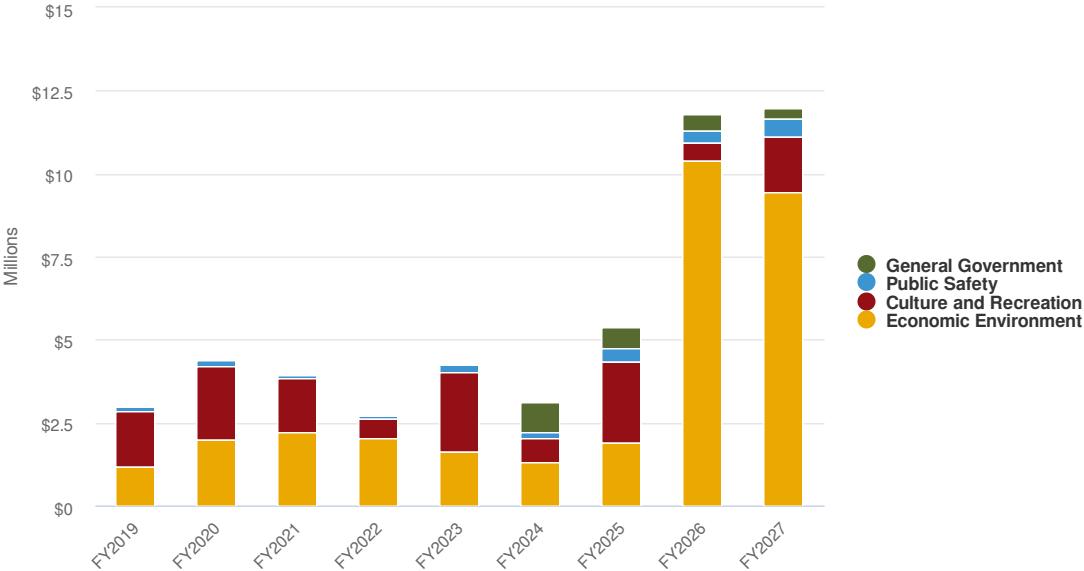
Name	FY2025 Actual	FY2026 Budgeted	FY2026 Projected	FY 2027 Adoption	% Change
Revenue Source					
Taxes					
Ad Valorem Taxes					
COUNTY - AD VALOREM TAXES	\$0	\$5,340,000	\$5,340,000	\$5,400,000	1.1%
CITY - AD VALOREM TAXES	\$0	\$5,940,000	\$5,940,000	\$6,000,000	1%
AD VALOREM - DISTRICT 328	\$10,627,942	\$0	\$0	\$0	0%
AD VALOREM - DISTRICT 327	\$318,679	\$0	\$0	\$0	0%
Total Ad Valorem Taxes:	\$10,946,621	\$11,280,000	\$11,280,000	\$11,400,000	1.1%
Total Taxes:	\$10,946,621	\$11,280,000	\$11,280,000	\$11,400,000	1.1%
Charges for Services					
Lake Eva Banquet Hall	\$0	\$0	\$0	\$175,000	N/A
LATIN EXPO	\$6,988	\$0	\$0	\$0	0%
Total Charges for Services:	\$6,988	\$0	\$0	\$175,000	N/A
Misc Revenues					
INTEREST ON INVESTMENTS	\$576,910	\$425,000	\$370,000	\$400,000	-5.9%
Total Misc Revenues:	\$576,910	\$425,000	\$370,000	\$400,000	-5.9%
Other Sources					
OTHER NONOPERATING SOURCES	\$0	\$70,235	\$0	\$0	-100%
Total Other Sources:	\$0	\$70,235	\$0	\$0	-100%
Total Revenue Source:	\$11,530,520	\$11,775,235	\$11,650,000	\$11,975,000	1.7%

Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function



Name	FY2025 Actual	FY2026 Budgeted	FY2026 Projected	FY 2027 Adoption	% Change
Expenditures					
CRA - Branding, Marketing & Communications					
Operating Expenditures					
PROFESSIONAL SERVICES	\$0	\$25,000	\$22,500	\$25,000	0%
COMMUNICATION	\$0	\$25,000	\$25,000	\$25,000	0%
PROMOTION	\$2,790	\$0	\$0	\$0	0%
Total Operating Expenditures:	\$2,790	\$50,000	\$47,500	\$50,000	0%
Other Uses					
TRANSFER TO GENERAL FUND	\$630,500	\$442,750	\$442,750	\$255,000	-42.4%
Prior Year Carryover Projects	\$0	\$0	\$620,000	\$0	0%
Total Other Uses:	\$630,500	\$442,750	\$1,062,750	\$255,000	-42.4%
Total CRA - Branding, Marketing & Communications:	\$633,290	\$492,750	\$1,110,250	\$305,000	-38.1%
CRA - Community Policing					
Personnel Services					
REGULAR SALARY	\$278,620	\$196,250	\$196,000	\$320,000	63.1%
OVERTIME	\$16,348	\$0	\$4,800	\$0	0%
INCENTIVE HSA	\$4,032	\$3,000	\$4,100	\$7,000	133.3%
FICA TAXES	\$21,889	\$15,500	\$15,500	\$24,600	58.7%
RETIREMENT	\$43,248	\$35,000	\$33,200	\$51,300	46.6%
LIFE HEALTH INSURANCE	\$51,313	\$45,000	\$41,000	\$57,400	27.6%
WORKERS' COMP	\$3,534	\$4,500	\$3,900	\$10,300	128.9%
Total Personnel Services:	\$418,984	\$299,250	\$298,500	\$470,600	57.3%
Operating Expenditures					
Travel & Per Diem	\$0	\$0	\$0	\$1,000	N/A
OPERATING	\$697	\$40,000	\$26,000	\$60,000	50%
GAS	\$0	\$5,000	\$5,000	\$8,500	70%
UNIFORMS	\$0	\$5,000	\$2,900	\$5,000	0%
Total Operating Expenditures:	\$697	\$50,000	\$33,900	\$74,500	49%
Total CRA - Community Policing:	\$419,681	\$349,250	\$332,400	\$545,100	56.1%
CRA - Operations					
Personnel Services					
REGULAR SALARY	\$139,739	\$330,000	\$155,000	\$472,750	43.3%
OVERTIME	\$0	\$3,000	\$0	\$500	-83.3%
INCENTIVE HSA	\$4,192	\$3,000	\$2,200	\$7,500	150%
FICA TAXES	\$11,226	\$25,500	\$11,500	\$34,000	33.3%
RETIREMENT	\$36,077	\$60,000	\$17,000	\$84,000	40%
LIFE HEALTH INSURANCE	\$28,868	\$60,000	\$25,500	\$100,500	67.5%
WORKERS COMPENSATION	\$1,963	\$2,500	\$2,300	\$5,700	128%
Total Personnel Services:	\$222,064	\$484,000	\$213,500	\$704,950	45.7%



Name	FY2025 Actual	FY2026 Budgeted	FY2026 Projected	FY 2027 Adoption	% Change
Operating Expenditures					
PROFESSIONAL SERVICES	\$497,604	\$190,000	\$670,000	\$500,000	163.2%
ACCOUNTING/AUDITING	\$6,100	\$10,000	\$10,000	\$12,000	20%
OTHER CONTRACTUAL SERVICES	\$0	\$5,000	\$1,750	\$5,000	0%
TRAVEL PER DIEM	\$3,637	\$6,000	\$5,150	\$8,000	33.3%
TRAVEL PER DIEM - BOARD	\$0	\$0	\$0	\$8,000	N/A
COMMUNICATIONS	\$2,211	\$3,000	\$2,770	\$3,000	0%
FREIGHT AND POSTAGE	\$205	\$500	\$155	\$500	0%
UTILITY SERVICES	\$8,112	\$8,000	\$7,700	\$8,000	0%
RENTALS LEASES	\$3,422	\$9,000	\$5,800	\$9,000	0%
REPAIR MAINTENANCE SERV	\$0	\$1,000	\$200	\$1,000	0%
PRINTING BINDING	\$0	\$200	\$110	\$200	0%
PROMOTIONAL ACTIVITIES	\$4,955	\$0	\$0	\$0	0%
OTHER CURRENT CHARGES OB	-\$3,056	\$18,250	\$1,750	\$18,250	0%
CONTINGENCY	\$0	\$50,000	\$0	\$50,000	0%
LATIN EXPO	\$11,775	\$0	\$0	\$0	0%
OFFICE SUPPLIES	\$1,675	\$2,000	\$4,100	\$5,000	150%
OPERATING SUPPLIES	\$6,488	\$5,000	\$6,200	\$8,000	60%
GAS OIL	\$1,231	\$2,500	\$350	\$5,000	100%
UNIFORMS	\$188	\$800	\$800	\$2,000	150%
BOOKS PUBS SUBS MEMS	\$4,170	\$4,500	\$2,900	\$4,500	0%
TRAINING	\$7,073	\$7,500	\$6,300	\$10,000	33.3%
TRAINING - BOARD	\$0	\$0	\$0	\$12,000	N/A
Total Operating Expenditures:	\$555,790	\$323,250	\$726,035	\$669,450	107.1%
Capital Outlays					
MACHINERY & EQUIPMENT	\$0	\$0	\$0	\$45,000	N/A
CAPITAL OUTLAY- TECH	\$2,054	\$0	\$0	\$0	0%
Total Capital Outlays:	\$2,054	\$0	\$0	\$45,000	N/A
Grants and Aids					
Total Grants and Aids:	\$0	\$0	\$0	\$0	0%
Other Uses					
TRANSFER TO DEBT SERVICE	\$0	\$1,861,860	\$1,680,000	\$1,624,000	-12.8%
Total Other Uses:	\$0	\$1,861,860	\$1,680,000	\$1,624,000	-12.8%
Total CRA - Operations:	\$779,908	\$2,669,110	\$2,619,535	\$3,043,400	14%
CRA - District 328					
Operating Expenditures					
OPERATING	\$3,481	\$55,000	\$2,000	\$55,000	0%
ART BEAUTIFICATION	\$2,950	\$50,000	\$1,500	\$110,000	120%
Total Operating Expenditures:	\$6,431	\$105,000	\$3,500	\$165,000	57.1%



Name	FY2025 Actual	FY2026 Budgeted	FY2026 Projected	FY 2027 Adoption	% Change
Capital Outlays					
LAND	\$88,032	\$0	\$0	\$500,000	N/A
BUILDINGS	\$0	\$275,000	\$0	\$0	-100%
IMPROVEMENTS	\$45,537	\$2,800,000	\$55,000	\$835,000	-70.2%
WAYFINDING GATEWAYS	\$122,111	\$0	\$3,000	\$0	0%
CAPITAL OUTLAY	\$0	\$60,000	\$25,000	\$0	-100%
Total Capital Outlays:	\$255,680	\$3,135,000	\$83,000	\$1,335,000	-57.4%
Grants and Aids					
GRANT AIDE PROGRAM	\$849,082	\$3,500,000	\$1,610,000	\$3,900,000	11.4%
DEVELOPMENT INCENTIVE	\$0	\$1,000,000	\$750,000	\$1,000,000	0%
Heirship Program	\$0	\$0	\$3,000	\$0	0%
Total Grants and Aids:	\$849,082	\$4,500,000	\$2,363,000	\$4,900,000	8.9%
Total CRA - District 328:	\$1,111,193	\$7,740,000	\$2,449,500	\$6,400,000	-17.3%
CRA - District 327					
Operating Expenditures					
Total Operating Expenditures:	\$0	\$0	\$0	\$0	0%
Capital Outlays					
Total Capital Outlays:	\$0	\$0	\$0	\$0	0%
Grants and Aids					
GRANT AIDE PROGRAM	\$7,566	\$0	\$0	\$0	0%
Total Grants and Aids:	\$7,566	\$0	\$0	\$0	0%
Total CRA - District 327:	\$7,566	\$0	\$0	\$0	0%
CRA - Parks & Streetscape Maintenance					
Personnel Services					
Total Personnel Services:	\$0	\$0	\$0	\$0	0%
Operating Expenditures					
REPAIRS AND MAINTENANCE	\$47,859	\$50,000	\$90,000	\$0	-100%
OTHER CURRENT CHARGES OBLIGATIONS	\$0	\$5,000	\$0	\$0	-100%
OPERATING SUPPLIES	\$215	\$500	\$500	\$0	-100%
GAS OIL	\$0	\$5,000	\$0	\$0	-100%
Total Operating Expenditures:	\$48,074	\$60,500	\$90,500	\$0	-100%
Capital Outlays					
IMPROVEMENTS OTHER THAN BUILDINGS	\$1,979,266	\$0	\$0	\$0	0%
Total Capital Outlays:	\$1,979,266	\$0	\$0	\$0	0%
Total CRA - Parks & Streetscape Maintenance:	\$2,027,340	\$60,500	\$90,500	\$0	-100%

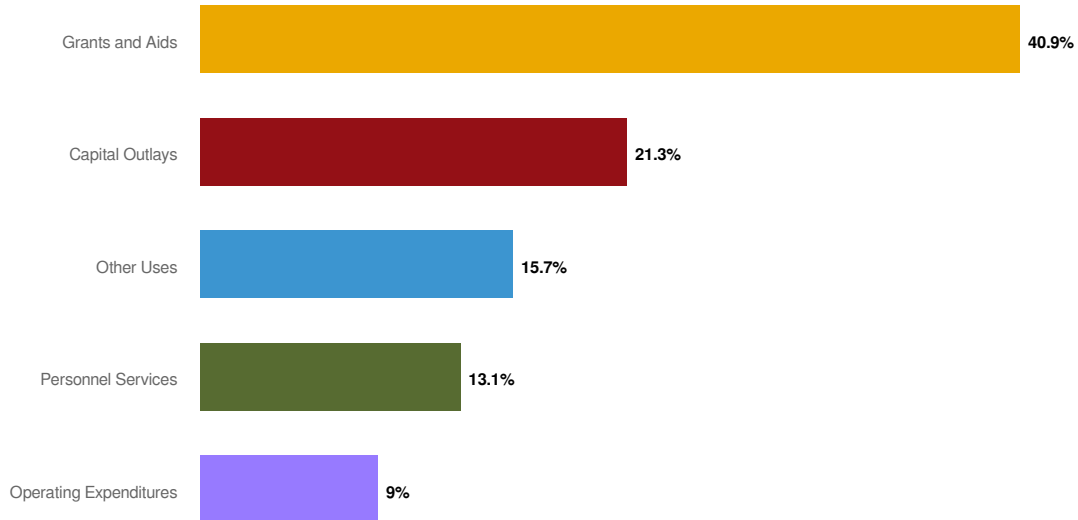


Name	FY2025 Actual	FY2026 Budgeted	FY2026 Projected	FY 2027 Adoption	% Change
CRA - Aquatics					
Operating Expenditures					
UTILITY SERVICES	\$176	\$0	\$0	\$0	0%
Total Operating Expenditures:	\$176	\$0	\$0	\$0	0%
Total CRA - Aquatics:	\$176	\$0	\$0	\$0	0%
CRA - Banquet Hall					
Personnel Services					
REGULAR SALARIES WAGES	\$132,537	\$225,000	\$155,000	\$247,500	10%
OVERTIME	\$4,050	\$2,500	\$2,800	\$2,500	0%
INCENTIVE HSA	\$1,320	\$5,000	\$1,350	\$1,400	-72%
FICA TAXES	\$10,489	\$17,500	\$11,000	\$18,700	6.9%
RETIREMENT CONTRIBUTIONS	\$30,265	\$37,500	\$21,000	\$40,100	6.9%
LIFE HEALTH INSURANCE	\$35,612	\$71,325	\$40,000	\$71,800	0.7%
WORKERS' COMPENSATION	\$6,519	\$8,300	\$7,100	\$8,000	-3.6%
Total Personnel Services:	\$220,792	\$367,125	\$238,250	\$390,000	6.2%
Operating Expenditures					
UTILITY SERVICES	\$90,323	\$45,000	\$76,000	\$45,000	0%
REPAIR MAINTENANCE SERVICES	\$40,000	\$40,000	\$34,000	\$50,000	25%
OTHER CURRENT CHARGES OBLIGATIONS	\$0	\$1,500	\$0	\$1,500	0%
OPERATING SUPPLIES	\$9,843	\$10,000	\$13,000	\$20,000	100%
Total Operating Expenditures:	\$140,167	\$96,500	\$123,000	\$116,500	20.7%
Capital Outlays					
CAPITAL OUTLAY	\$0	\$0	\$10,000	\$0	0%
IMP OTHER THAN BUILDINGS	\$0	\$0	\$0	\$1,175,000	N/A
CAPITAL OUTLAY	\$11,784	\$0	\$0	\$0	0%
CAPITAL OUTLAY- TECH	\$33,671	\$0	\$0	\$0	0%
Total Capital Outlays:	\$45,455	\$0	\$10,000	\$1,175,000	N/A
Total CRA - Banquet Hall:	\$406,414	\$463,625	\$371,250	\$1,681,500	262.7%
Total Expenditures:	\$5,385,568	\$11,775,235	\$6,973,435	\$11,975,000	1.7%



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2025 Actual	FY2026 Budgeted	FY2026 Projected	FY 2027 Adoption	% Change
Expense Objects					
Personnel Services					
Public Safety	\$418,984	\$299,250	\$298,500	\$470,600	57.3%
Economic Environment	\$222,064	\$484,000	\$213,500	\$704,950	45.7%
Culture and Recreation	\$220,792	\$367,125	\$238,250	\$390,000	6.2%
Total Personnel Services:	\$861,841	\$1,150,375	\$750,250	\$1,565,550	36.1%
Operating Expenditures					
General Government	\$2,790	\$50,000	\$47,500	\$50,000	0%
Public Safety	\$697	\$50,000	\$33,900	\$74,500	49%
Economic Environment	\$562,221	\$428,250	\$729,535	\$834,450	94.9%
Culture and Recreation	\$188,417	\$157,000	\$213,500	\$116,500	-25.8%
Total Operating Expenditures:	\$754,125	\$685,250	\$1,024,435	\$1,075,450	56.9%
Capital Outlays					
Economic Environment	\$257,733	\$3,135,000	\$83,000	\$1,380,000	-56%
Culture and Recreation	\$2,024,721	\$0	\$10,000	\$1,175,000	N/A
Total Capital Outlays:	\$2,282,454	\$3,135,000	\$93,000	\$2,555,000	-18.5%
Grants and Aids					
Economic Environment	\$856,648	\$4,500,000	\$2,363,000	\$4,900,000	8.9%
Total Grants and Aids:	\$856,648	\$4,500,000	\$2,363,000	\$4,900,000	8.9%



Name	FY2025 Actual	FY2026 Budgeted	FY2026 Projected	FY 2027 Adoption	% Change
Other Uses					
General Government	\$630,500	\$442,750	\$1,062,750	\$255,000	-42.4%
Economic Environment	\$0	\$1,861,860	\$1,680,000	\$1,624,000	-12.8%
Total Other Uses:	\$630,500	\$2,304,610	\$2,742,750	\$1,879,000	-18.5%
Total Expense Objects:	\$5,385,568	\$11,775,235	\$6,973,435	\$11,975,000	1.7%



FY27 REDEVELOPMENT INITIATIVES

The FY2027 CRA District 328 program includes approximately **\$5.91 million** in capital improvements and community and economic development initiatives. Investments are focused on neighborhood revitalization, housing, business development, transportation, public spaces, and community facilities throughout the redevelopment area.

Program Area	FY2027 Funding
Capital Improvements	\$2,010,000
Grant & Aide Programs	\$3,900,000
Total District 328 Initiatives	\$5,910,000

FY2027 Capital Improvements

Capital improvements total **\$2.01 million** and are focused on transportation, connectivity, recreational amenities, and community spaces along the MLK corridor and east side of the City.

Project	FY2027 Funding
Lake Eva Center Improvements	\$1,175,000
Children's Playground – East Haines City	\$275,000
Citrus Connection	\$60,000
Mason Point	\$500,000
Total Capital Improvements	\$2,010,000

The **Lake Eva Center Improvements** represent the largest capital investment at **\$1.175 million**, providing for facility and site upgrades as well as emergency backup generators. The budget also includes **\$275,000** for a new children's playground within the newly acquired 11-acre site along Johnson Avenue, **\$60,000** for public transit improvements, and **\$500,000** for acquisition of the Mason Point site in the historic Oakland community.



FY2027 Grant & Aide Programs

The District's Grant & Aide Programs include **\$3.90 million** in direct investment supporting residents, homeowners, businesses, housing stability, and neighborhood revitalization.

Program	FY2027 Funding
Residential Rehabilitation Grant Program	\$2,150,000
Commercial Grant Program	\$750,000
Homeownership Program	\$950,000
Heirship Program	\$50,000
Total Grant & Aide Programs	\$3,900,000

Major Program Highlights

Residential Rehabilitation – \$2,150,000

The Residential Rehabilitation Grant Program represents the District's largest FY2027 program investment. Funding supports roofing and other critical repairs for owner-occupied homes, helping stabilize neighborhoods and preserve the existing housing stock.

Homeownership – \$950,000

The Homeownership Program supports the CRA's acquisition, construction, and sale of homes to create additional owner-occupied housing opportunities within the redevelopment area.

Commercial Revitalization – \$750,000

The Commercial Grant Program provides assistance for façade improvements, structural rehabilitation, and interior build-outs, supporting reinvestment in commercial properties and businesses throughout the district.

Heirship Assistance – \$50,000

The Heirship Program assists families with resolving title issues associated with inherited property, helping return properties to productive use and supporting long-term neighborhood stability.

Community Infrastructure – \$2,010,000

Capital investments complement the housing and economic development programs through improvements to Lake Eva Center, a new east-side playground, public transit amenities, and the proposed Mason Point civic space.

Collectively, the FY2027 District 328 investments reflect a comprehensive redevelopment strategy that combines **housing stabilization, homeownership, commercial reinvestment, transportation, public facilities, and neighborhood amenities** to encourage long-term revitalization and improve quality of life within the redevelopment area.





Improvements — Capital Detail

FY2027 Capital Improvement Projects

The Improvements line funds the district's FY2027 capital program — transportation, connectivity and community-space investments along the MLK corridor and the east side of the city.

Project	FY2027
Lake Eva Center Improvements Numerous upgrades to the Lake Eva Center, including facility and site improvements and the installation of emergency backup generators.	\$1,175,000
Children's Playground — East Haines City A vibrant new neighborhood playground on the east side, included in the design for the newly acquired 11 acres along Johnson Avenue.	\$275,000
Citrus Connection New bus stop shelters, poles and benches at public transit stops, coordinated with Ride Citrus of Polk County.	\$60,000
Mason Point Site acquisition for the Mason Family Point civic space — a flexible amphitheater and public parking in the historic Oakland community.	\$500,000
Total Improvements	\$2,010,000

Supplemental detail to the FY2027 CRA Budget Book — District 328. Figures reflect the FY2027 Workshop #2 budget.





Grant & Aide Programs — Detail

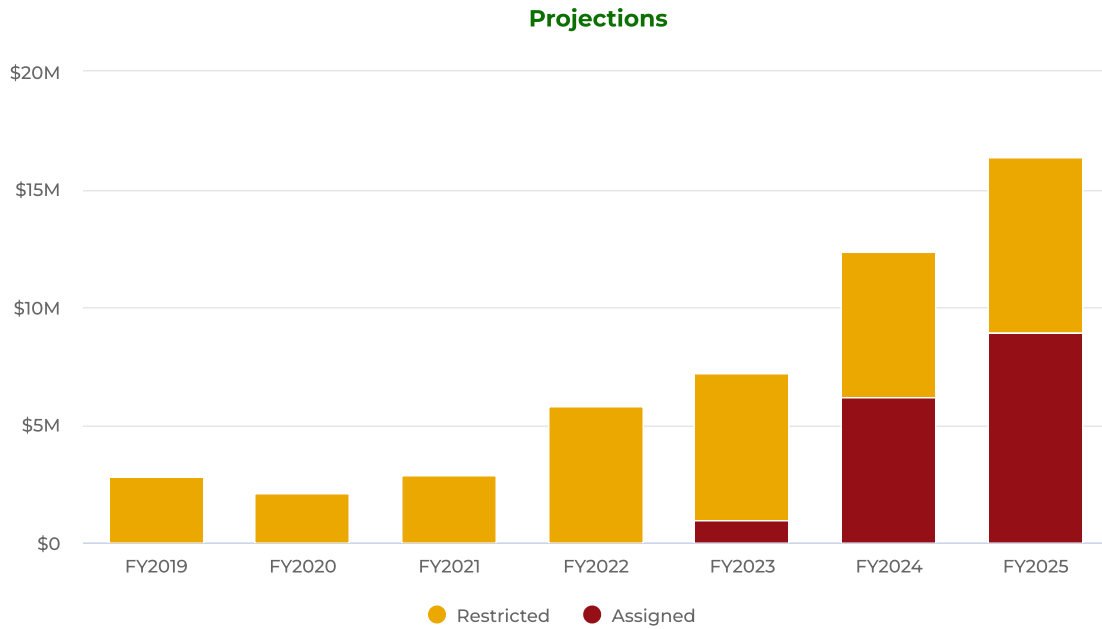
FY2027 Community & Economic Development Programs

The Grant & Aide Programs line delivers the CRA's core mission through direct assistance to residents, homeowners and businesses in the redevelopment area.

Program	FY2027
Residential Rehabilitation Grant Program Roofing and critical home repairs for owner-occupied homes, stabilizing neighborhoods and preserving housing stock.	\$2,150,000
Commercial Grant Program Façade, structural and interior build-out grants for commercial property and business owners.	\$750,000
Homeownership Program The CRA acquires, builds and sells homes to create new owner-occupants in the district.	\$950,000
Heirship Program Assists families in resolving title to inherited (heirs') property so it can be maintained and reinvested in.	\$50,000
Total Grant & Aide Programs	\$3,900,000

Supplemental detail to the FY2027 CRA Budget Book — District 328. Figures reflect proposed FY2027 program allocations for Board direction.

Fund Balance



Financial Summary	FY2023	FY2024	FY2025
Fund Balance	—	—	—
Assigned	\$956,009	\$6,161,834	\$8,939,850
Restricted	\$6,214,814	\$6,215,079	\$7,416,265
Total Fund Balance:	\$7,170,823	\$12,376,913	\$16,356,115

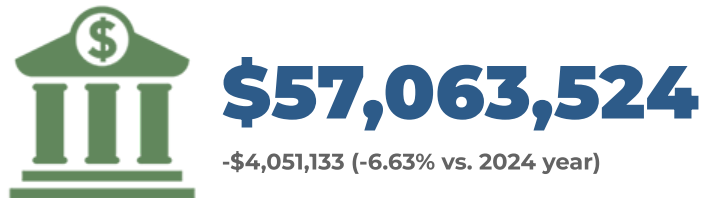


DEBT



Government-wide Debt Overview

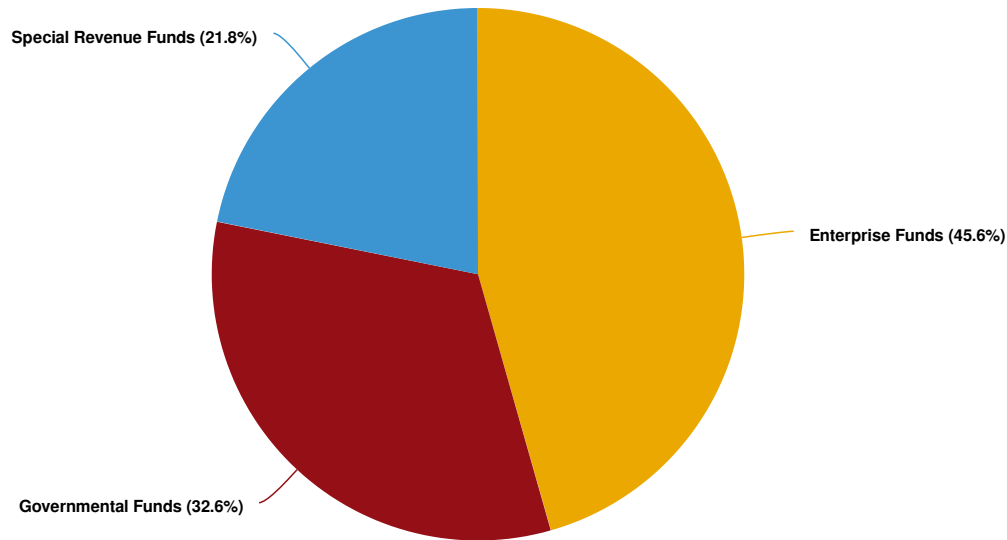
There is no legal debt margin established for the City of Haines City pursuant to the Constitution of the State of Florida, Florida Statutes, City ordinance or other laws applicable to the City of Haines City. The City's audited long term debt outstanding for Fiscal Year ending September 30, 2025 is shown below.



Debt and debt management are critical components of the City's overall budget. Currently, the debt incurred by the City, after totaling all funds, is \$57,063,524 with the year 2036 as the final maturity date on all the debt, assuming that no modifications or variances occur. The debt found in the General Fund is \$18,593,240. Part of the City's debt financing complies with two major aspects associated with its ability to borrow capital for investments that represent organizational needs. One aspect is the debt service coverage ratio must exceed 1.5. This particular financial indicator looks at the average non-ad valorem revenues and the maximum debt service.

Another financial metric examines the maximum annual debt service on government debt, which is divided by the net governmental funds revenue. This particular financial indicator gauges the City's capacity to handle additional debt. The percentage must not exceed 20%. Both of these tests are part of the anti-dilution test that is required by the lending institution to gauge borrowing capacity, and the City's ability to pay its debts. Even though the City remains in very strong financial condition, additional debt should be considered before capital is borrowed for future projects. It is critically important that the City maintains a strong financial position and continuously look to reduce its long-term debt in order to provide greater financial liquidity for the organization moving forward.

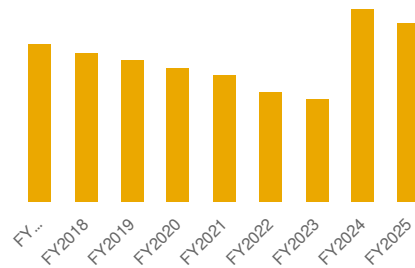
Debt by Fund



Financial Summary	FY2021	FY2022	FY2023	FY2024	FY2025	\$ Change
All Funds	Actual	Actual	Actual	Actual	Actual	
Governmental Funds	\$13,063,202	\$11,458,383	\$10,625,940	\$19,839,180	\$18,593,240	\$-1,245,940
Special Revenue Funds	\$18,044,615	\$16,697,617	\$15,377,060	\$13,937,820	\$12,452,760	\$-1,485,060
Enterprise Funds	\$11,527,374	\$14,045,308	\$25,034,479	\$27,337,657	\$26,017,524	\$-1,320,133
Total All Funds:	\$42,635,191	\$42,201,308	\$51,037,479	\$61,114,657	\$57,063,524	\$-4,051,133

Governmental Funds

The City's General Fund carries a broad spectrum of debt related projects ranging from the most prominent being the recent construction of the City Hall / Library/ Fire Station buildings. Additional projects include a portion of the Lake Eva project, a Fire Assessment Revenue Note, and an Equipment Financing Note. The FY23 budget has \$40 million in additional debt earmarked for a City Hall Annex & Parking Garage, a Fire/EOC complex, and a 32 acre sports complex addition to Larry Parrish Park.

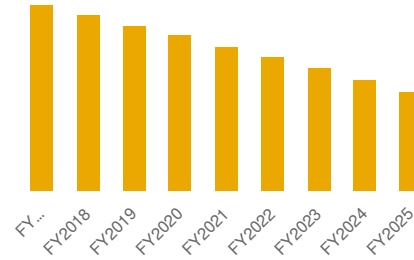


Financial Summary	FY2021	FY2022	FY2023	FY2024	FY2025	\$ Change
Governmental Funds	Actual	Actual	Actual	Actual	Actual	
General Fund	\$13,063,202	\$11,458,383	\$10,625,940	\$19,839,180	\$18,593,240	\$-1,245,940
Total Governmental Funds:	\$13,063,202	\$11,458,383	\$10,625,940	\$19,839,180	\$18,593,240	\$-1,245,940



Special Revenue Funds

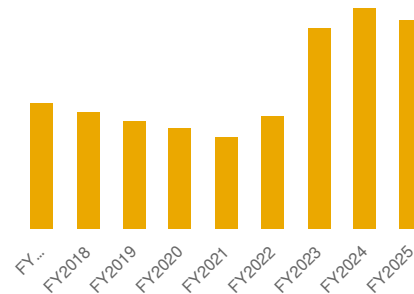
The City's Community Redevelopment Agency (CRA) was enacted by Ordinance No. 770 on April 19, 1990. It was amended by Resolution No. 558 on April 4, 1991. This debt service is associated with capital investments made by the City in previous years, most notably the redevelopment of Lake Eva Park. The City refinancing this debt in 2016 resulting in an overall savings of \$3.1 million.



Financial Summary	FY2021	FY2022	FY2023	FY2024	FY2025	\$ Change
Special Revenue Funds	Actual	Actual	Actual	Actual	Actual	
CRA Fund	\$18,044,615	\$16,697,617	\$15,377,060	\$13,937,820	\$12,452,760	\$-1,485,060
Total Special Revenue Funds:	\$18,044,615	\$16,697,617	\$15,377,060	\$13,937,820	\$12,452,760	\$-1,485,060

Enterprise Funds

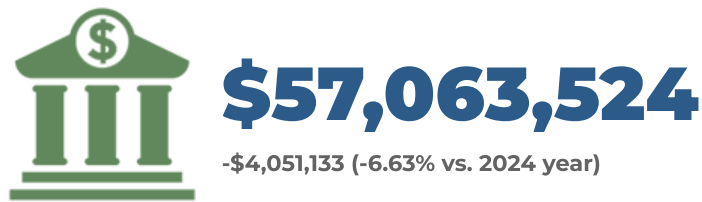
Debt in the Enterprise fund financed a regional bio-solids and organic waste composting facility, Anionic Ionexchange project, plant expansion and more. This fund will experience a significant increase in debt in the near future to fund infrastructure upgrades needed throughout the City's 56 square miles of utility service area to keep up with the growth occurring in and around the City. The implementation of the City's 2018 rate study has provided the essential revenue foundation to fund the growth through debt as well.



Financial Summary	FY2021	FY2022	FY2023	FY2024	FY2025	\$ Change
Enterprise Funds	Actual	Actual	Actual	Actual	Actual	
Water & Sewer Fund	\$11,527,374	\$14,045,308	\$25,034,479	\$27,337,657	\$26,017,524	\$-1,320,133
Total Enterprise Funds:	\$11,527,374	\$14,045,308	\$25,034,479	\$27,337,657	\$26,017,524	\$-1,320,133



Debt Snapshot



Summarized below is the City's debt issued to finance the acquisition and construction of major capital facilities that is outstanding as of September 30, 2025:

Governmental activities debt (direct borrowings)

SouthState Bank Note 2014 (CityHall,Library/Fire): \$11,748,000 loan payable – Funds borrowed to finance the construction of a new City Hall/Library municipal complex and fire station in the downtown area. The financing was accomplished through the Build America Bond Program, under the Recovery Zone Economic Development Bond (RZEDB) provision, with a 25 year variable rate bank note with CenterState Bank in the principal amount of \$11,748,000. The RZEDB program is a stimulus program administered through the Department of Treasury/IRS where 45% of interest payments associated with qualified financing is federally subsidized.

The CenterState Bank loan is secured by a pledge and lien upon the revenues derived by the City from the electricity portion of the City's Utility Services Tax together with a lien on the rebate subsidy credit that it will receive from the federal government. Semi-annual payments will be made over a 25 year period, including interest at 4.92%.

SouthState Non-Advalorem Revenue Refunding Note, Series 2014: \$4,636,000 loan payable –Funds borrowed during fiscal year 2016 to refund two previous notes with Municipal Loan Council. Annual payments will be made over a 15 year period, including interest at 2.70%.

SouthState Capital Improvement Refunding Revenue Note Series 2016: \$24,109,000 loan payable – Funds borrowed during fiscal year 2017 to refund \$2,725,000 of the Police Station Loan from the Florida Municipal Loan Council and \$21,780,000 of the CRA projects loan from the Florida Municipal Loan Council. Semi-annual payments will be made over a 17 year period, including interest at 2.95%. The excess of the reacquisition price over the net carrying amount of the old debt of \$1,071,069 is reflected as a deferred outflow and is being amortized over 17 years.



SouthState Non-Advalorem Revenue Refunding Note, Series 2024: \$10,000,000 loan payable — Funds borrowed during fiscal year 2024 to fund the cost of the acquisition, expansion, design, construction, and equipping of various capital improvements including the Haines City Annex Building and Parking Garage. Semi-annual payments will be made through July 1, 2039, including interest at 4.35%

Business-type activities debt (direct borrowings)

State Revolving Fund Loan WW765080: \$4,031,127 – Funds borrowed to finance construction of a sewer plant expansion project. The maximum amount of the loan is \$4,124,761, including capitalized interest of \$75,565. Semi-annual loan payments began on April 15, 2014. The loan will be repaid in 40 semi-annual payments including interest at 2.26%, 2.31% and 2.34%, which applies to various loan increments.

State Revolving Fund Loan DW530410: \$369,362– Funds borrowed to finance construction of a water main expansion and new ground storage reservoirs projects. Semi-annual loan payments began on June 15, 2011. The loan will be repaid in 40 semiannual payments including interest at 2.71%. The loan is part of an agreement with the Florida Department of Environmental Protection which provides principal forgiveness on loans funded by the American Recovery and Reinvestment Act. Of the total \$2,462,413 awarded under this agreement, the estimated amount of principal forgiveness is \$2,093,051, the amount of money awarded pursuant to this agreement that is not to be repaid.

State Revolving Fund Loan DW530411: \$319,529 –Funds borrowed to finance construction of a water main expansion and new ground storage reservoirs projects. Semi-annual loan payments began on June 15, 2011. The loan is paid in 40 semi-annual payments, including interest at 2.61%.

State Revolving Fund Loan WW530400: \$4,912,507 – Funds borrowed to finance construction of the BCR Neutralizer and Sludge Treatment Facilities Project. The maximum amount of the loan is \$5,222,820, including capitalized interest of \$38,600. Semi-annual loan payments began on May 15, 2017, including interest of 2.18%.

State Revolving Fund Loan WW530440: \$5,025,000 – Funds borrowed to finance construction of a new compost facility. 40 semi-annual loan payments (\$124,568) have begun and are due through 2036. This loan does not bear interest.

State Revolving Fund Loan DW530450: \$911,110 – Funds borrowed to finance construction of the WTP #1 and 2 treatment system upgrades. The maximum amount of the loan is \$6,173,086 less principal forgiveness of \$5,247,123 and is currently in the draw-down phase. 40 semi-annual loan payments began in 2021, including interest of 1.16%.



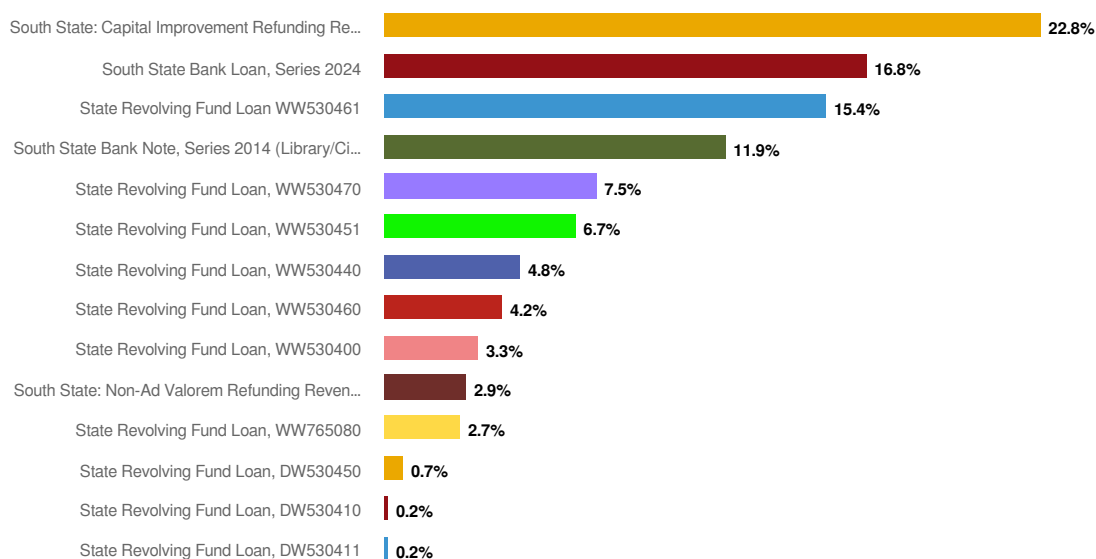
State Revolving Fund Loan WW530460: \$14,621,323 – Funds borrowed to finance construction of various wastewater treatment and reclaimed water improvements. This loan is currently in the draw-down phase. 40 semi-annual loan payments will begin once the project has been completed. This loan does not bear interest.

State Revolving Fund Loan WW530461: \$9,326,960 State Revolving Fund Loan – Funds borrowed to finance construction of various wastewater treatment and reclaimed water improvements. 40 semi-annual loan payments began in 2025 and will continue through 2043. This loan does not bear interest.

State Revolving Fund Loan DW530451: \$4,241,865 State Revolving Fund Loan – Funds borrowed to finance construction of various water treatment improvements. This loan is currently in the draw-down phase. 40 semi-annual loan payments will begin once the project has been completed. This loan bears interest at a rate of 0.15%.

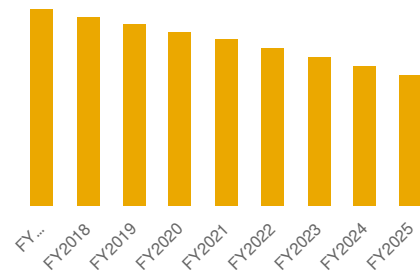
State Revolving Fund Loan WW530470: \$10,415,240 State Revolving Fund Loan – Funds borrowed to finance construction of various lift station improvements. This loan is currently in the draw-down phase. 40 semi-annual loan payments will begin once the project has been completed. This loan does not bear interest.

Debt by Type



Financial Summary	FY2021	FY2022	FY2023	FY2024	FY2025
Debt	Actual	Actual	Actual	Actual	Actual
South State Bank Note, Series 2014 (Library/CityHall/FireStation)	\$8,630,000	\$8,201,000	\$7,750,000	\$7,277,000	\$6,780,000
South State: Non-Ad Valorem Refunding Revenue Note Series 2014	\$2,862,000	\$2,577,000	\$2,284,000	\$1,983,000	\$1,674,000
South State: Equipment Financing Revenue Note Series 2015	\$256,817	\$0	\$0	\$0	\$0
South State: Capital Improvement Refunding Revenue Note Series 2016	\$18,742,000	\$17,378,000	\$15,969,000	\$14,517,000	\$13,018,000
Fire Srv Assessment Revenue Note Series 2017	\$617,000	\$0	\$0	\$0	\$0
Utility System Revenue Notes, Series 2013 A&B	\$1,171,000	\$788,000	\$398,000	\$0	\$0
State Revolving Fund Loan, WW765080	\$2,361,478	\$2,160,317	\$1,954,479	\$1,743,856	\$1,528,337
State Revolving Fund Loan, DW530410	\$201,616	\$182,738	\$163,345	\$143,423	\$122,958
State Revolving Fund Loan, DW530411	\$174,412	\$158,098	\$141,250	\$123,961	\$106,219
State Revolving Fund Loan, WW530400	\$2,931,346	\$2,680,244	\$2,423,594	\$2,161,274	\$1,893,158
State Revolving Fund Loan, WW530440	\$3,737,050	\$3,487,913	\$3,238,776	\$2,989,639	\$2,740,502
State Revolving Fund Loan, DW530450	\$591,575	\$499,029	\$467,210	\$435,025	\$402,469
State Revolving Fund Loan, WW530460	\$358,897	\$559,316	\$1,508,753	\$2,503,059	\$2,374,697
State Revolving Fund Loan WW530461	\$0	\$3,529,653	\$8,822,500	\$9,063,554	\$8,775,489
State Revolving Fund Loan, WW530451	\$0	\$0	\$3,918,463	\$3,918,463	\$3,818,292
State Revolving Fund Loan, WW530470	\$0	\$0	\$1,998,109	\$4,255,403	\$4,255,403
South State Bank Loan, Series 2024	\$0	\$0	\$0	\$10,000,000	\$9,574,000
Total Debt:	\$42,635,191	\$42,201,308	\$51,037,479	\$61,114,657	\$57,063,524

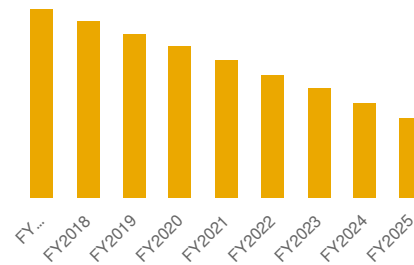
South State Bank Note, Series 2014 (Library/CityHall/FireStation)



Financial Summary	FY2021	FY2022	FY2023	FY2024	FY2025	\$ Change
South State Bank Note, Series 2014 (Library/CityHall/FireStation)	Actual	Actual	Actual	Actual	Actual	
South State Bank Note, Series 2014 (Library/CityHall/FireStation)	\$8,630,000	\$8,201,000	\$7,750,000	\$7,277,000	\$6,780,000	\$-497,000
Total South State Bank Note, Series 2014 (Library/CityHall/FireStation):	\$8,630,000	\$8,201,000	\$7,750,000	\$7,277,000	\$6,780,000	\$-497,000

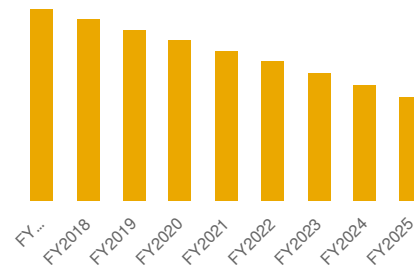


South State: Non-Ad Valorem Refunding Revenue Note Series 2014



Financial Summary	FY2021	FY2022	FY2023	FY2024	FY2025	\$ Change
South State: Non-Ad Valorem Refunding Revenue Note Series 2014	Actual	Actual	Actual	Actual	Actual	
South State: Non-Ad Valorem Refunding Revenue Note Series 2014	\$2,862,000	\$2,577,000	\$2,284,000	\$1,983,000	\$1,674,000	\$-309,000
Total South State: Non-Ad Valorem Refunding Revenue Note Series 2014:	\$2,862,000	\$2,577,000	\$2,284,000	\$1,983,000	\$1,674,000	\$-309,000

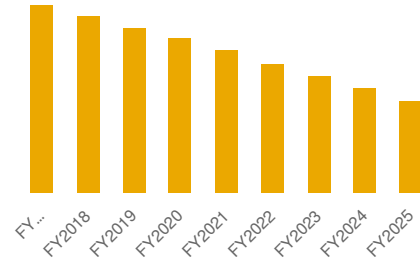
South State: Capital Improvement Refunding Revenue Note Series 2016



Financial Summary	FY2021	FY2022	FY2023	FY2024	FY2025	\$ Change
South State: Capital Improvement Refunding Revenue Note Series 2016	Actual	Actual	Actual	Actual	Actual	
South State: Capital Improvement Refunding Revenue Note Series 2016	\$18,742,000	\$17,378,000	\$15,969,000	\$14,517,000	\$13,018,000	\$-1,499,000
Total South State: Capital Improvement Refunding Revenue Note Series 2016:	\$18,742,000	\$17,378,000	\$15,969,000	\$14,517,000	\$13,018,000	\$-1,499,000

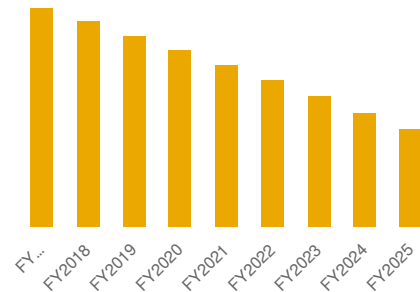


State Revolving Fund Loan, WW765080



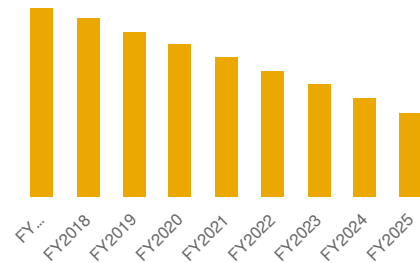
Financial Summary	FY2021	FY2022	FY2023	FY2024	FY2025	\$ Change
State Revolving Fund Loan, WW765080	Actual	Actual	Actual	Actual	Actual	
State Revolving Fund Loan, WW765080	\$2,361,478	\$2,160,317	\$1,954,479	\$1,743,856	\$1,528,337	\$-215,519
Total State Revolving Fund Loan, WW765080:	\$2,361,478	\$2,160,317	\$1,954,479	\$1,743,856	\$1,528,337	\$-215,519

State Revolving Fund Loan, DW530410



Financial Summary	FY2021	FY2022	FY2023	FY2024	FY2025	\$ Change
State Revolving Fund Loan, DW530410	Actual	Actual	Actual	Actual	Actual	
State Revolving Fund Loan, DW530410	\$201,616	\$182,738	\$163,345	\$143,423	\$122,958	\$-20,465
Total State Revolving Fund Loan, DW530410:	\$201,616	\$182,738	\$163,345	\$143,423	\$122,958	\$-20,465

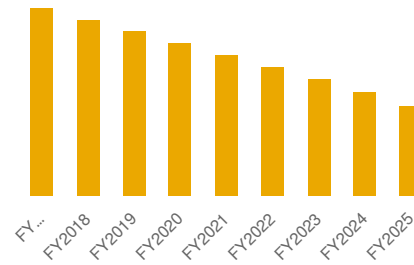
State Revolving Fund Loan, DW530411



Financial Summary	FY2021	FY2022	FY2023	FY2024	FY2025	\$ Change
State Revolving Fund Loan, DW530411	Actual	Actual	Actual	Actual	Actual	
State Revolving Fund Loan, DW530411	\$174,412	\$158,098	\$141,250	\$123,961	\$106,219	\$-17,742
Total State Revolving Fund Loan, DW530411:	\$174,412	\$158,098	\$141,250	\$123,961	\$106,219	\$-17,742

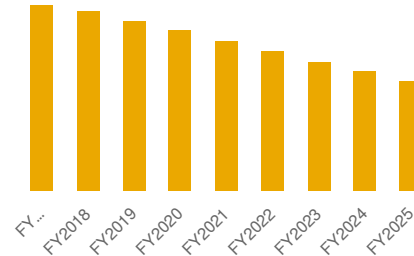


State Revolving Fund Loan, WW530400



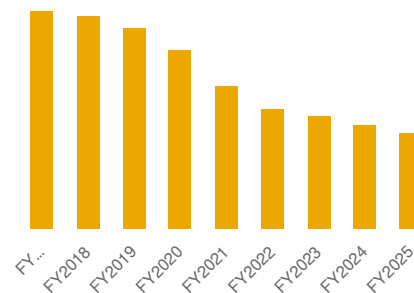
Financial Summary	FY2021	FY2022	FY2023	FY2024	FY2025	\$ Change
State Revolving Fund Loan, WW530400	Actual	Actual	Actual	Actual	Actual	
State Revolving Fund Loan, WW530400	\$2,931,346	\$2,680,244	\$2,423,594	\$2,161,274	\$1,893,158	\$-268,116
Total State Revolving Fund Loan, WW530400:	\$2,931,346	\$2,680,244	\$2,423,594	\$2,161,274	\$1,893,158	\$-268,116

State Revolving Fund Loan, WW530440



Financial Summary	FY2021	FY2022	FY2023	FY2024	FY2025	\$ Change
State Revolving Fund Loan, WW530440	Actual	Actual	Actual	Actual	Actual	
State Revolving Fund Loan, WW530440	\$3,737,050	\$3,487,913	\$3,238,776	\$2,989,639	\$2,740,502	\$-249,137
Total State Revolving Fund Loan, WW530440:	\$3,737,050	\$3,487,913	\$3,238,776	\$2,989,639	\$2,740,502	\$-249,137

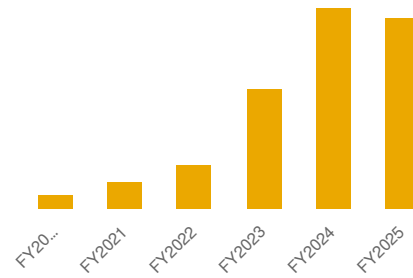
State Revolving Fund Loan, DW530450



Financial Summary	FY2021	FY2022	FY2023	FY2024	FY2025	\$ Change
State Revolving Fund Loan, DW530450	Actual	Actual	Actual	Actual	Actual	
State Revolving Fund Loan, DW530450	\$591,575	\$499,029	\$467,210	\$435,025	\$402,469	\$-32,556
Total State Revolving Fund Loan, DW530450:	\$591,575	\$499,029	\$467,210	\$435,025	\$402,469	\$-32,556

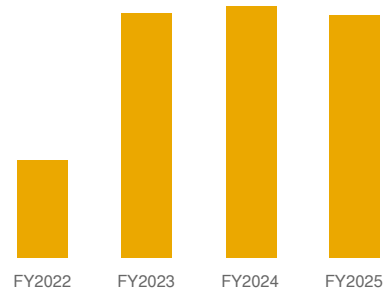


State Revolving Fund Loan, WW530460



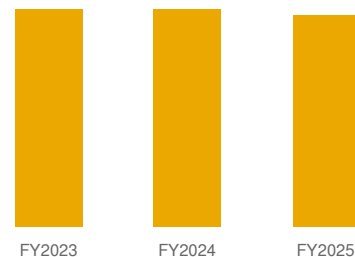
Financial Summary	FY2021	FY2022	FY2023	FY2024	FY2025	\$ Change
State Revolving Fund Loan, WW530460	Actual	Actual	Actual	Actual	Actual	
State Revolving Fund Loan, WW530460	\$358,897	\$559,316	\$1,508,753	\$2,503,059	\$2,374,697	\$-128,362
Total State Revolving Fund Loan, WW530460:	\$358,897	\$559,316	\$1,508,753	\$2,503,059	\$2,374,697	\$-128,362

State Revolving Fund Loan WW530461



Financial Summary	FY2022	FY2023	FY2024	FY2025	\$ Change
State Revolving Fund Loan WW530461	Actual	Actual	Actual	Actual	
State Revolving Fund Loan WW530461	\$3,529,653	\$8,822,500	\$9,063,554	\$8,775,489	\$-288,065
Total State Revolving Fund Loan WW530461:	\$3,529,653	\$8,822,500	\$9,063,554	\$8,775,489	\$-288,065

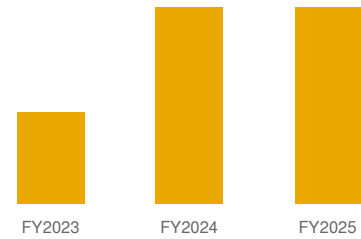
State Revolving Fund Loan, WW530451



Financial Summary	FY2023	FY2024	FY2025	\$ Change
State Revolving Fund Loan, WW530451	Actual	Actual	Actual	
State Revolving Fund Loan, WW530451	\$3,918,463	\$3,918,463	\$3,818,292	\$-100,171
Total State Revolving Fund Loan, WW530451:	\$3,918,463	\$3,918,463	\$3,818,292	\$-100,171

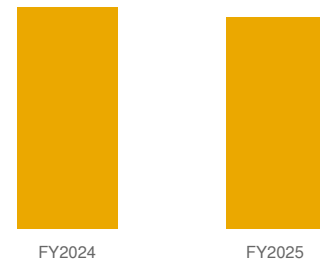


State Revolving Fund Loan, WW530470



Financial Summary	FY2023	FY2024	FY2025	\$ Change
State Revolving Fund Loan, WW530470	Actual	Actual	Actual	
State Revolving Fund Loan, WW530470	\$1,998,109	\$4,255,403	\$4,255,403	\$0
Total State Revolving Fund Loan, WW530470:	\$1,998,109	\$4,255,403	\$4,255,403	\$0

South State Bank Loan, Series 2024



Financial Summary	FY2024	FY2025	\$ Change
South State Bank Loan, Series 2024	Actual	Actual	
South State Bank Loan, Series 2024	\$10,000,000	\$9,574,000	\$-426,000
Total South State Bank Loan, Series 2024:	\$10,000,000	\$9,574,000	\$-426,000



APPENDIX



Glossary

Abatement: A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

Accounting System: The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

Accrued Interest: The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

Amortization: The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

Appropriation: A legal authorization from the community's legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

Arbitrage: As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

Assessed Valuation: A value assigned to real estate or other property by a government as the basis for levying taxes.

Audit: An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

Audit Report: Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

Available Funds: Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Betterments (Special Assessments): Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Bond: A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

Bond and Interest Record: (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

Bonds Authorized and Unissued: Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from community's books.

Bond Issue: Generally, the sale of a certain number of bonds at one time by a governmental unit.



Bond Rating (Municipal): A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

Budget: A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

Capital Assets: All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

Capital Budget: An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

Cash: Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash Management: The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short-term borrowing and investment of idle cash.

Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

Classification of Real Property: Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

Collective Bargaining: The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union. regarding wages, hours and working conditions.

Consumer Price Index: The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

Cost-Benefit Analysis: A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

Debt Burden: The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

Debt Service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Encumbrance: A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

Enterprise Funds: An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery--direct, indirect, and capital costs—are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.



Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the community that is subject to local taxation.

Estimated Receipts: A term that typically refers to anticipated local revenues often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)

Exemptions: A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

Expenditure: An outlay of money made by municipalities to provide the programs and services within their approved budget.

Fiduciary Funds: Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private- purpose trust funds, and agency funds.

Fixed Assets: Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

Fixed Costs: Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

Float: The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

Full Faith and Credit: A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

GASB 34: A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

GASB 45: This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

General Fund: The fund used to account for most financial resources and activities governed by the normal appropriation process.

General Obligation Bonds: Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

Governing Body: A board, committee, commission, or other executive or policymaking body of a municipality or school district.

Indirect Cost: Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.



Interest: Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

Line Item Budget: A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the state or counties to municipalities and school districts.

Maturity Date: The date that the principal of a bond becomes due and payable in full.

Municipal(s): (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

Note: A short-term loan, typically with a maturity date of a year or less.

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

Official Statement: A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

Operating Budget: A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlapping Debt: A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

Performance Budget: A budget that stresses output both in terms of economy and efficiency.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Purchased Services: The cost of services that are provided by a vendor.

Refunding of Debt: Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

Reserve Fund: An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

Revenue Anticipation Note (RAN): A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.



Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

Sale of Real Estate Fund: A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

Stabilization Fund: A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

Surplus Revenue: The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

Tax Rate: The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property.

Tax Title Foreclosure: The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

Trust Fund: In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

Undesignated Fund Balance: Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

Unreserved Fund Balance (Surplus Revenue Account): The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

Valuation (100 Percent): The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.

