



<b>MSBU</b>	<b>CURRENT</b>		<b>PROJECTED TAX RATE</b>					
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	
West Hernando	\$60	\$60	\$60	\$60	\$60	\$60	\$60	
Holland Spring Multi-Purpose	\$70	\$70	\$75	\$80	\$85	\$90	\$95	
Barony Woods East	\$80	\$80	\$92	\$104	\$104	\$106	\$106	
Holland Spring Industrial	<u>N/A</u>	<u>N/A</u>	<u>\$150</u>	<u>\$150</u>	<u>\$150</u>	<u>\$150</u>	<u>\$150</u>	
<b>PROPOSED MERGE</b>	--	--	\$60	\$60	\$60	\$60	\$60	

In the event the proposed ordinance is adopted merging the four-street lighting MSBUs, a preliminary annual budget and assessment rate has been prepared for Fiscal Years (FY) 2025 and 2026. The proposed FY25 budget is \$333,070 creating a per unit assessment of \$60.00 and assumes an estimated 2% annual inflation on utility services and gradual reduction of combined reserves. The budget is divided among approximately 3,381 units and will operate approximately 1,243 streetlights. A unit is considered each platted lot, parcel, tract, cooperative parcel, and condominium parcel. A maximum assessment rate of \$80.00 is estimated to accommodate future light installations and upgrades.

**FINANCIAL IMPACT**

All costs associated with the merger is estimated at \$2,099.00 and will be paid from the following Transportation Trust Fund Accounts. 1011-03071-5304205 Postage and Freight (\$1,377), 1011-03071-5304701 Printing & Binding (\$610) and 1011-03071-5304923 Fees/Costs - Filing Fees (\$112). The recommended assessment rate of \$60.00 to each of the 3,381 units is anticipated to generate \$192,700.00 at 95% collection rate and is included in the proposed FY2025 revenue budget account 7421-09421-3252001 for the merged West Hernando Street Lighting MSBU and appropriated to various operating accounts to provide street lighting within the district boundaries.

**LEGAL NOTE**

The Board has legal authority to establish MSBU's and set assessment rates pursuant to Sections 125.01 and 197.3632, Florida Statutes.

**RECOMMENDATION**

It is recommended that the Board approve the Ordinance merging the Holland Springs Multi-Purpose, the Barony Woods East Street Lighting, and the Holland Spring Industrial Park Street Lighting MSBUs into the West Hernando Street Lighting MSBU; amending the West Hernando Street Lighting MSBU boundaries; and repealing the to-be-merged MSBUs. If the ordinance is approved, a second public hearing will be held early 2024 to adopt the resolution setting the final budget and actual non-ad valorem assessment rate to be levied against each lot, which would be reflected on the 2024 annual property tax bill.