

HCFR MSBU Rate Increase FAQ Staff Answers

Trim Notices were mailed out this week. To assist in answering questions, we have assembled this FAQ. HQ phone number is 352-540-4353.

1) Q – What is the difference between the MSTU and MSBU?

A – MSTU – is an ad valorem tax which is based on the VALUE of the property.

MSBU – is a non-ad valorem tax which is based a flat rate or rate structure and is a benefit to the property.

FY 2025 PROPOSED MSBU RATES						
Category	Units	Current MSBU Rate	Proposed MSBU Rate	Unit of Measure	Current Revenue	Proposed Revenue
Unimproved	21,781.00	\$16.980	\$19.357	per Parcel	\$369,841.38	\$421,615.67
Residence	88,463.00	\$302.860	\$345.260	per Parcel	\$26,791,904.18	\$30,542,735.38
Commercial	14,855,337.00	\$0.160	\$0.182	Per Sq. Ft.	\$2,376,853.92	\$2,703,671.33
Camp-A-Wyle	211.00	\$10.750	\$12.140	per Parcel	\$2,268.25	\$2,561.54
Hospitals/Nursing	783,608.00	\$1.035	\$1.180	Per Sq. Ft.	\$811,034.28	\$924,657.44
Church	1,527,019.00	\$0.063	\$0.072	Per Sq. Ft.	\$96,202.20	\$109,945.36
Industrial/Warehouse/Govt	6,994,300.00	\$0.174	\$0.198	Per Sq. Ft.	\$1,217,008.20	\$1,384,871.41
Agriculture	14,777.00	\$0.000	\$0.000	Per Sq. Ft.	\$0.00	\$0.00
River Run Club House	119.00	\$8.526	\$9.701	per Parcel	\$1,014.59	\$1,154.30
Base Fee	106,539.67	\$17.860	\$20.360	per Parcel	\$1,902,798.51	\$2,169,147.68
Commercial Inspection	3,122.00	\$141.000	\$160.740	10,000 Sq.	\$440,202.00	\$501,830.28
Greenbrier	100.00	\$3.130	\$3.569	per Parcel	\$313.00	\$356.88
					\$34,009,440.51	\$38,762,547.27
Note: Every parcel is charged a base fee						
in accordance with Florida Statute 125.01(1)(r).			@ 95% Revenue		\$32,308,968.48	\$36,824,419.91

2) Q – Why is my Fire Tax increasing from \$320.72 (\$302.86 + \$17.86) to \$365.62 (\$345.26 + 20.36), assuming the caller owns a single family residence – A difference of \$44.90 Annually or \$3.74 per month?

A. – The Board of County Commissioners approved the 14% increase based on inflation of operating costs and that we are constructing and opening new fire stations within the County.

3) Q – Is there an increase in your budget over last year?

A – Yes, due to increases in salaries and operational costs as well as building and maintaining our 25 percent reserves.

4) Q – How is the Fire Division of Hernando County Fire Rescue funded?

A. – The majority of funds (98.5%) come from the assessment to operate the Fire Department. We are staffed 24 hours per day and have working, well maintained equipment ready to respond when our services are needed. Our staff continually trains to maintain and learn new techniques to be more efficient to serve the County residents.

- 5) Q – Will businesses be affected by the rate change?
A – Yes, all property types will have changes.
- 6) Q – How do you decide which category on the rate schedule is charged?
A – They are determined by the Property Appraiser’s DOR Codes for the property.
- 7) Q – Why do we pay Fire fees and EMS fees?
A – Although the same personnel are used to operate Fire Services and Ambulance Services (EMS), the departments are funded separately. Fire Services are funded by the Fire MSBU (proposed). EMS (Ambulance Services) are funded partially by an MSTU and partially by user fees (ambulance billing). Since an MSBU is a benefit to the property, EMS can only be funded by an MSTU.
- 8) Q – Am I required to attend the public hearing?
A – No, your attendance is optional.
- 9) Q – How can I express my thoughts on this increase.
A – The Board will be holding budget public hearings in September at the County Courthouse:
9/10/24 at 5:01 pm
9/24/24 at 5:01 pm

The Board of County Commissioners will be discussing the FY 2025 budgets for all county departments and approving a budget during these meetings.

Narrative:

Since 2018, we have had personnel increases as well as economic increases in costs. Examples:

Fuel:	2018 Actual: \$189,756	2023 Actual: \$326,281	72% Increase
Bunker Gear:	2018 per set: \$ 2,104	2023 per set: \$ 3,344	59% Increase
Fire Engine:	2018 Actual: \$554,057	2023 Actual: \$876,118	58% Increase

With the growth in Hernando County, we are planning to add 2 additional fire stations (\$8,000,000 each) and within 5 years, are planning for another 2 fire stations. Each additional station will include a new fire engine and ambulance to maintain our current level of service.

Stations in the planning:

- Station 15 – Spring Lake Hwy and Spike Road – Anticipated Opening in 2025
- Station 16 – US 19 and Atlanta – Anticipated Opening 2026
- Station 17 – US 98 and Landfill Road – Anticipated Opening 2027
- Station 19 – East of I-75 – Anticipated Opening 2028
- Station 18 – US 19 and Thrasher – As needed
- Station 20 – US 301 and SR 50 – As needed
- Station 9 – Lake Lindsey Rd & US 41 - Reconstruction due to size and property wet

Facts about each station added:

- 12 employees are added for Fire services
- 9 employees are added for EMS services
- Annual cost to operate including personnel – Approximately \$3.5 million
- Construction costs: Approximately \$7,000,000
- Reduces the time to respond to emergency calls