

# THE MSTU DEPARTMENT

PROVIDING SAFER, MORE  
VIBRANT, AND DESIRABLE  
COMMUNITIES IN MARION  
COUNTY.



Marion  
County  
FLORIDA  
MSTU/ASSESSMENT

# Road Assessments

Provides property owners the opportunity to improve the roads within their community.



- Since 1985, over 250 Road Assessments have improved 600+ miles of roadway within Marion County.

Before



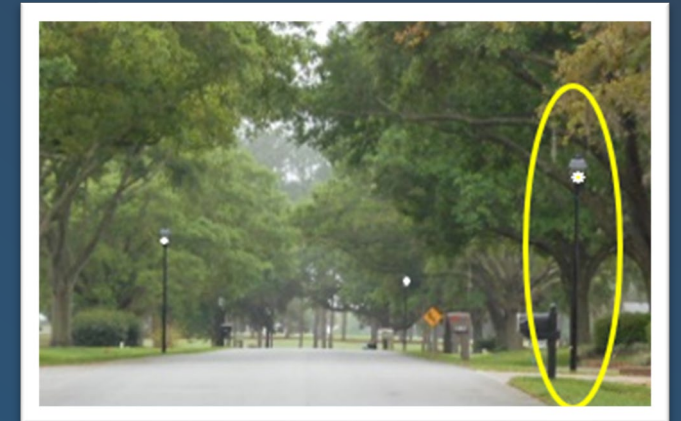
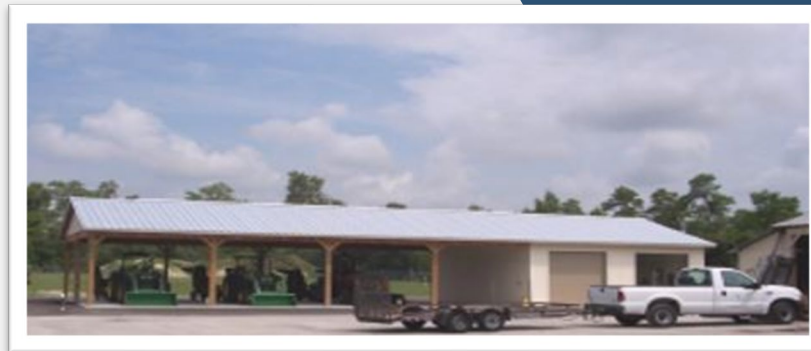
After



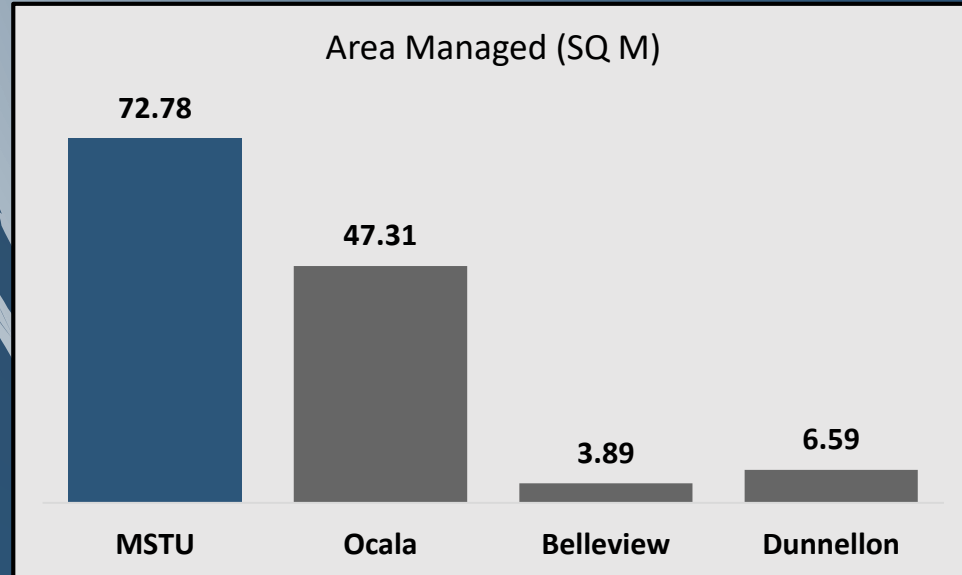
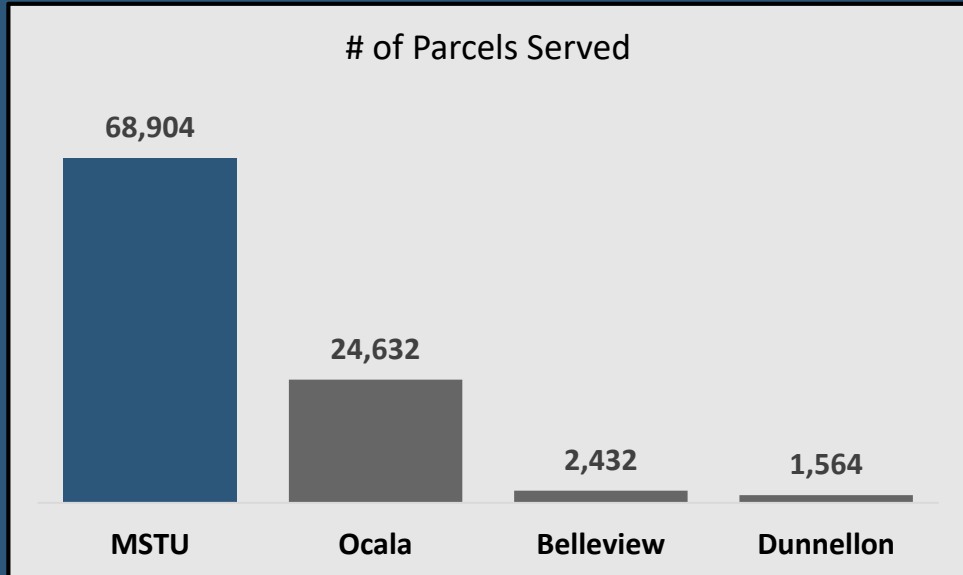
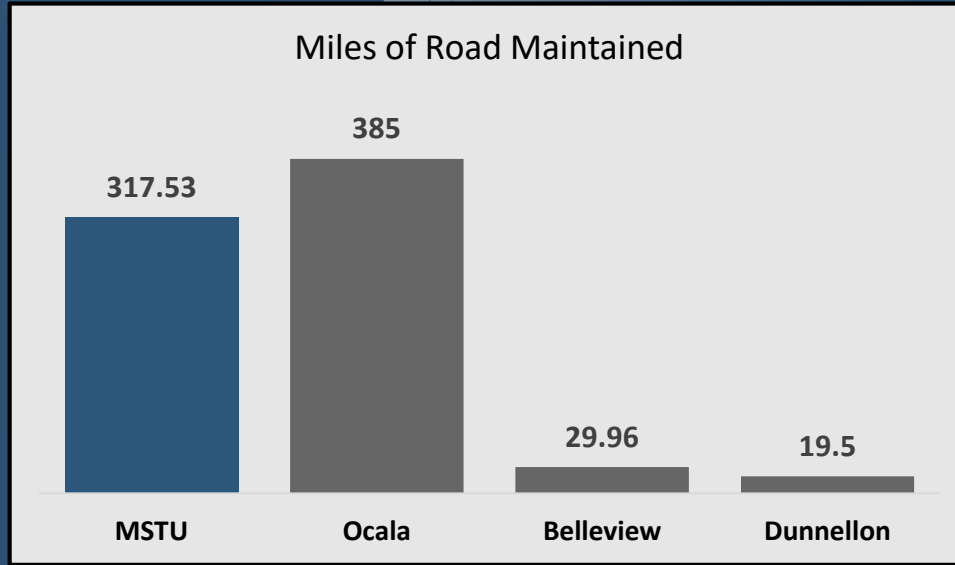
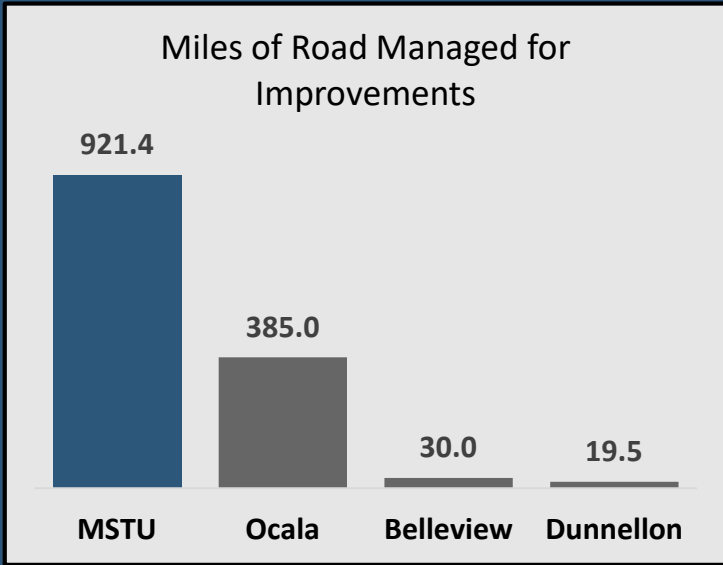


# Tax and Benefit Units

Municipal Service Benefit Units (MSBUs) and Municipal Service Tax Units (MSTUs) offer communities the opportunity to seek enhanced benefits and services.



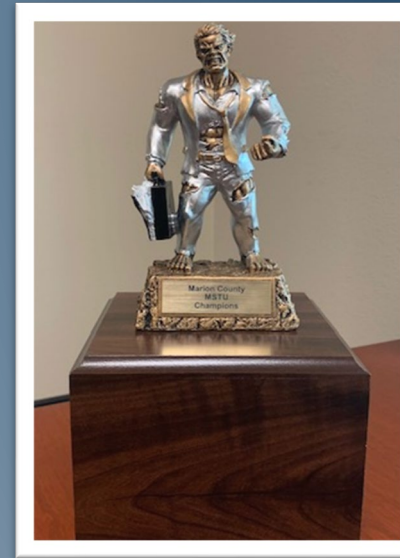
# Service Comparison





# Initiatives and Improvements

- MSTU Continuous Improvement Competitions (over 4,900 hours saved!)
- Morale Initiatives such as departmental awards
- Identifying new County assessment software
- Updating MSTU Citizen Standards
- Annual Marion County employee appreciation events
- And much more!

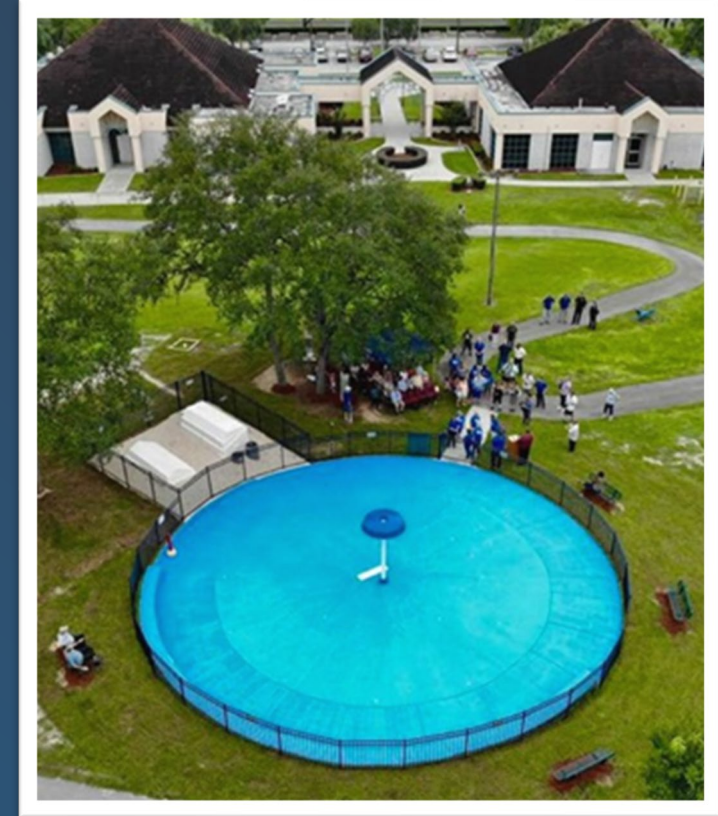




# Community Centers

Serving, supporting, and uniting communities.

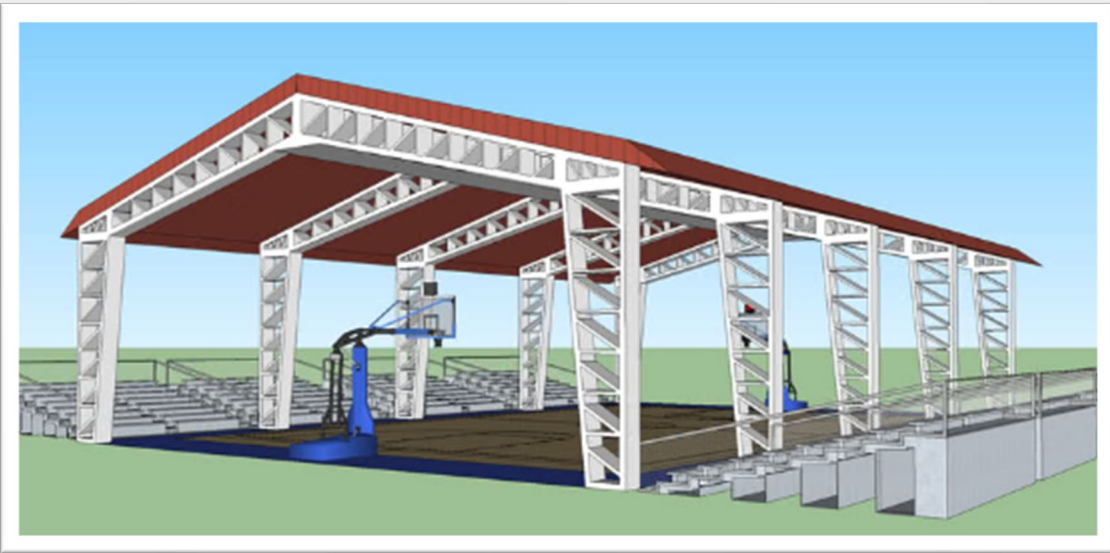
- There are three major MSTU community centers in Marion County. They are pillars of the community and serve generations of Marion County citizens.
- The community centers provide numerous opportunities for engagement, recreation, and fitness for the citizens of Marion County.





# Silver Springs Shores

- Nestled on Spring Lake, the community center and recreation facilities include three swimming pools, a fitness center, multiple sport courts, youth center and is fully staffed. Numerous camps, programs, and recreation activities are available.



- The Silver Springs Shores Community is interested in exploring future options for a covered outdoor basketball court. This potential addition will add extended programming, fitness, and recreation opportunities to the community.

# Marion Oaks

- The community center and recreation facilities include a splash pad, fitness center, multiple sport courts, youth center and is fully staffed. Numerous camps, programs, and recreation activities are available.



- The Marion Oaks Community has been discussing the desire to add a dog park and additional pickle ball courts to the Marion Oaks facilities.



# Rainbow Lakes Estates

- The community center and recreation facilities include a fitness center, a lake, Sea Cliff Park containing multiple sport courts and a youth center. Numerous camps, programs, and recreation activities are available.



- Looking to capitalize on RLE's natural beauty, the community has shown interest in adding an adventure trail to the RLE facilities.

# RLE FUND PROJECTIONS AND OPPORTUNITIES



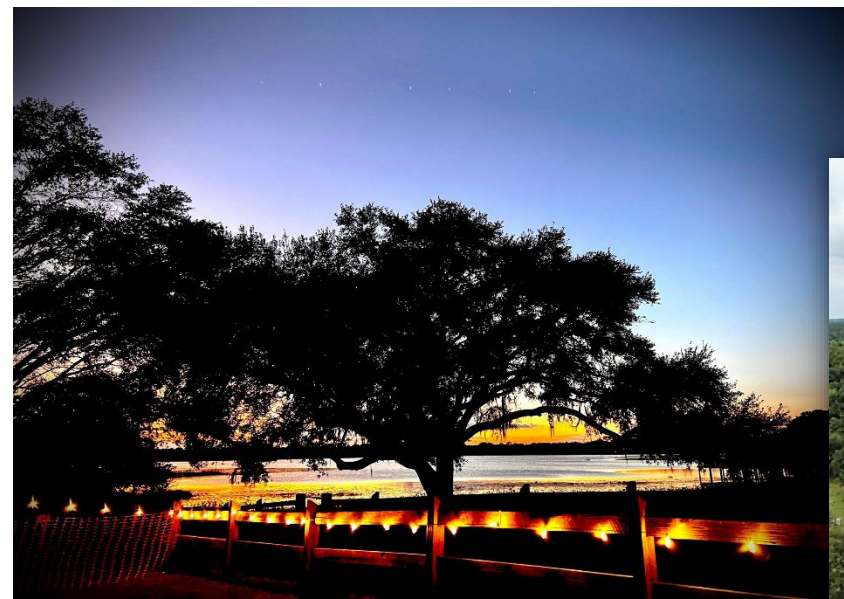
Marion  
County  
FLORIDA  
MSTU/ASSESSMENT





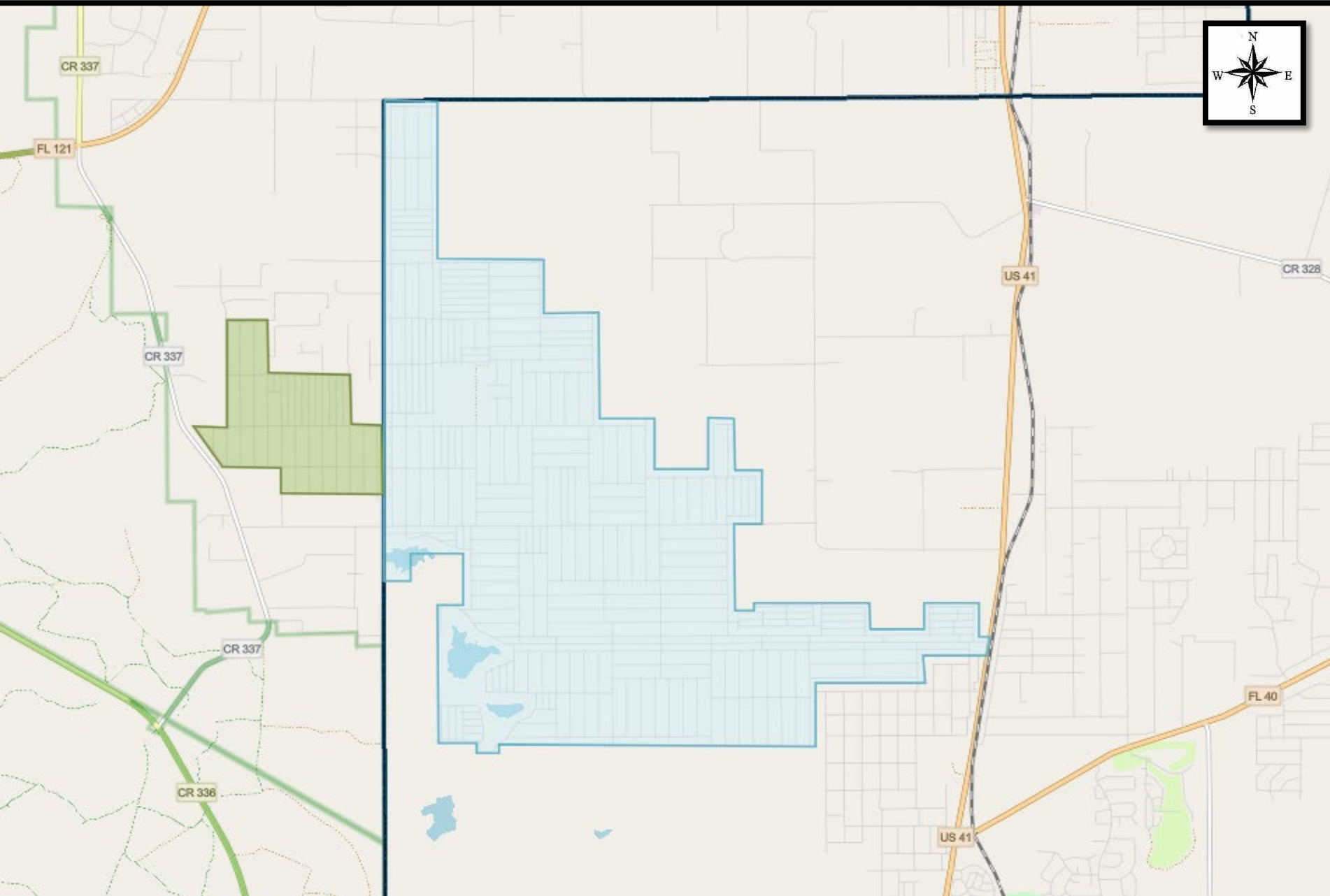
# Rainbow Lakes Estates Municipal Service District



- The Rainbow Lakes Estates Municipal Service District (RLE) was created by special legislative act in 1969.
- The Boundaries of the MSD include areas primarily in Marion County and portions within Levy County.
- There are four (4) assessments established within the MSD to provide various services. Two (2) are MSD wide, while two (2) others only apply to the Marion County portions.





# Rainbow Lakes Estates Municipal Service District (Marion and Levy)



-  Levy County Side
-  Marion County Side

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## Current Assessments:

- Marion and Levy
- 1) General Government
- 2) Road Improvements





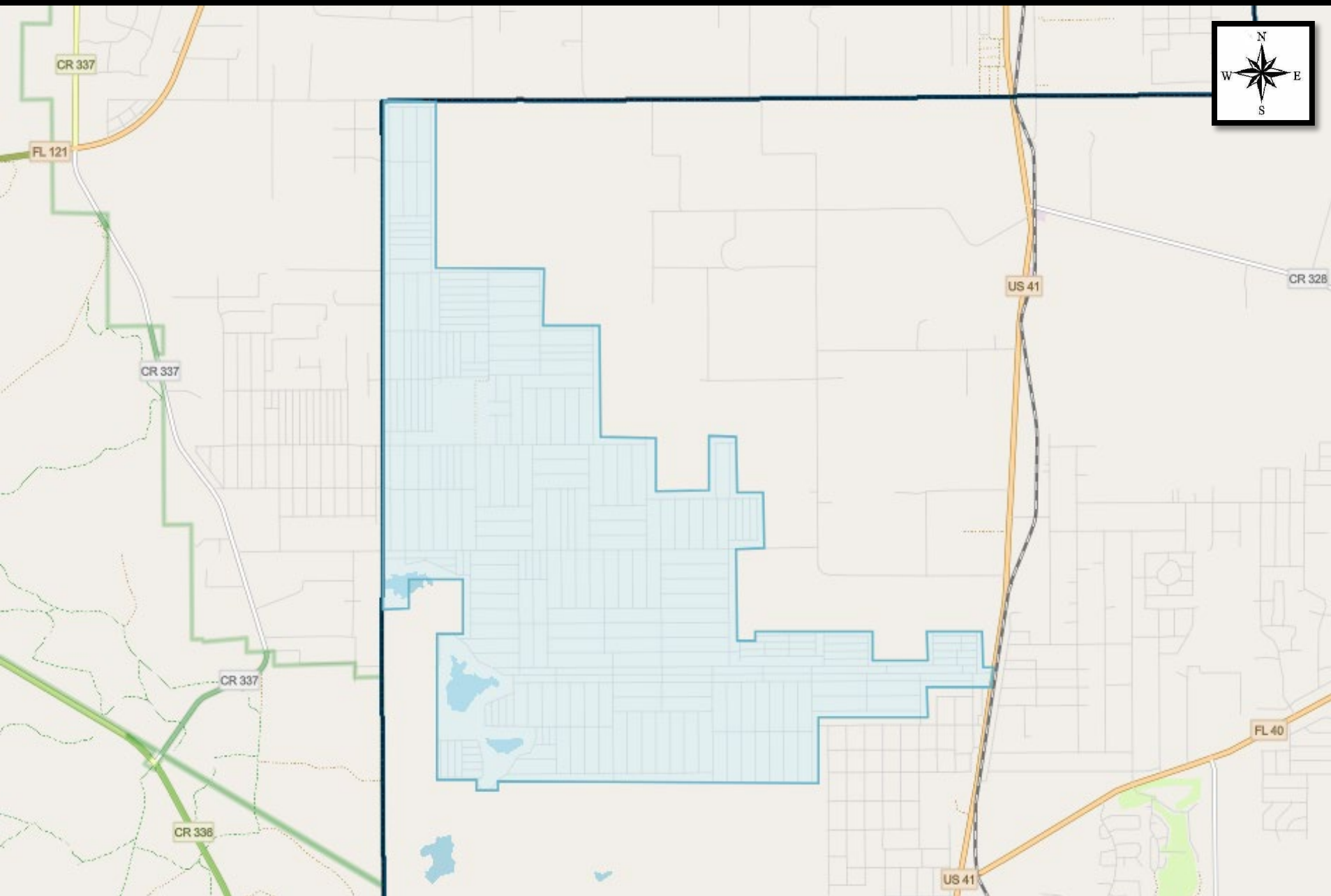
# Levy County Assessment

Assessment	Amount	Services
<b>General Government</b>	Ad-valorem 2.25 mills	<ul style="list-style-type: none"><li>• All non-RLEVFD facilities (maintenance, operations, capital)</li><li>• Administration (personnel and operating)</li><li>• Recreation (personnel, some operating, maintenance, some capital)</li><li>• Road and right of way maintenance (personnel, operating, capital)</li></ul>

Assessment	Amount	Services
<b>Road Improvements</b>	Non ad-valorem \$35	<ul style="list-style-type: none"><li>• Road improvement projects in both Levy and Marion sides of RLE</li></ul>



# Rainbow Lakes Estates Municipal Service District (Marion)



## Current Assessments:

- Marion and Levy
- 1) General Government
  - 2) Road Improvements

- Marion Only
- 3) Recreation
  - 4) RLE Fire (sun setting)





# Marion County Assessments

Assessment	Amount	Services
<b>General Government</b>	Ad-valorem 2.25 mills	<ul style="list-style-type: none"><li>• All non-RLEVFD facilities (maintenance, operations, capital)</li><li>• Administration (personnel and operating)</li><li>• Recreation (personnel, some operating, maintenance some capital)</li><li>• Road and right of way maintenance (personnel, operating, capital)</li></ul>
<b>Road Improvements</b>	Non ad-valorem \$35	<ul style="list-style-type: none"><li>• Road improvement projects in both Levy and Marion sides of RLE</li></ul>
<b>Recreation</b>	Ad-valorem .47 mills	<ul style="list-style-type: none"><li>• Some recreation operating and maintenance expenses</li><li>• All recreation programming</li><li>• Youth programs</li></ul>
<b>RLE Fire</b>	Non ad-valorem \$30 improved \$15 unimproved	<ul style="list-style-type: none"><li>• Volunteer fire rescue services and facilities in Marion County side of RLE</li><li>• Currently managed by Marion County Fire Rescue</li><li>• Scheduled to sunset in October 2025</li></ul>



# Rainbow Lakes Estates Fund Balance Review

When combined, the RLE assessment funds are revenue positive. This is primarily due to the Road Improvement fund which is designed to build up funds so that a road improvement project can be completed once every few years. These projects typically cost approximately \$1 million dollars.

	Reoccurring Expenses	Reoccurring Revenue	Balance
RLE (3) Combined	\$ 870,820.77	\$ 944,466.27	\$ 73,645.49
General Government	\$ 708,122.77	\$ 504,351.77	\$ (203,771.25)
Recreation	\$ 63,058.00	\$ 71,871.26	\$ 8,813.26
Road Improvement	\$ 99,640.00	\$ 368,243.75	\$ 268,603.75

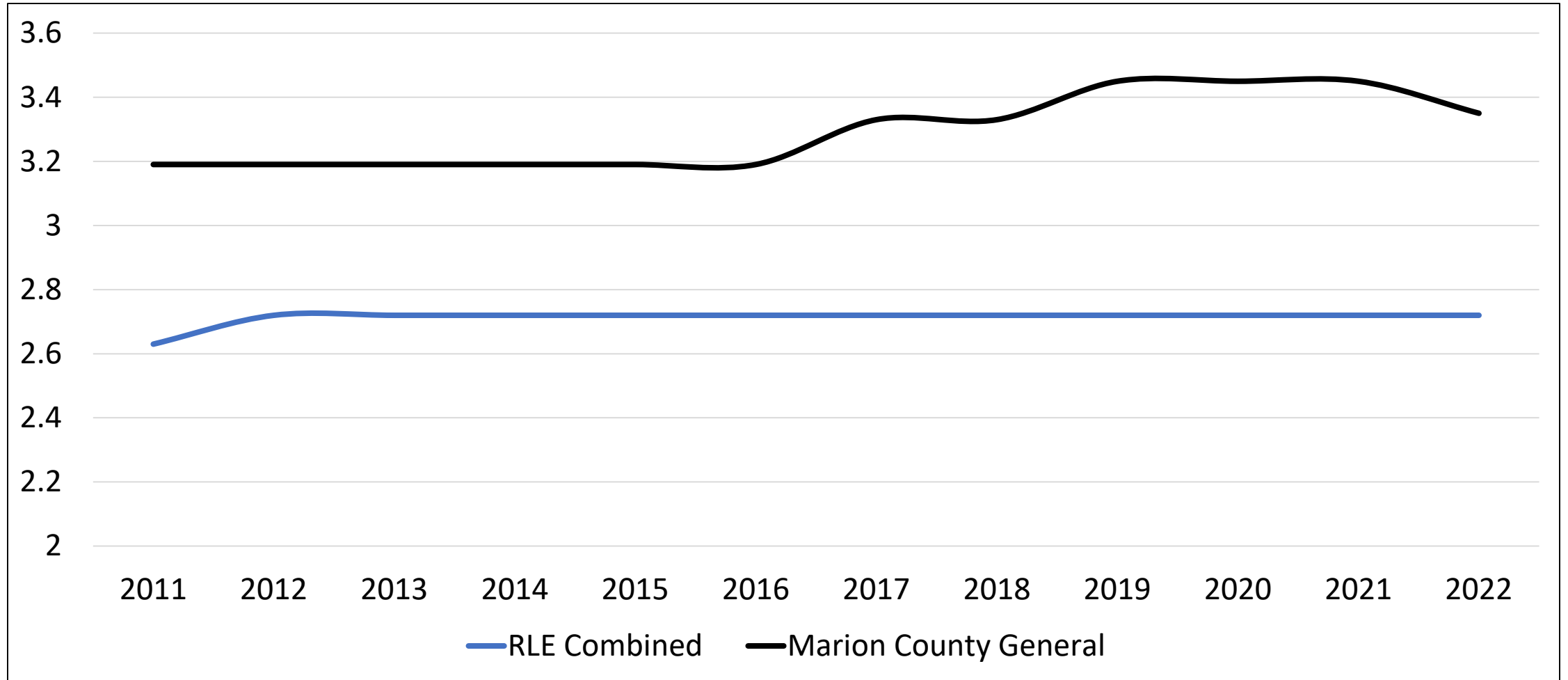
Annual budget projections have been showing a need for an increase in the General Government Assessment. While a high fund balance, due to previous real estate transactions and responsible fiscal management, has allowed this to be postponed, the current level of service in RLE is not sustainable under the current fund structure and assessment amounts.





# Rainbow Lakes Estates Millage Comparison

- Rainbow Lakes Estates last increase was .09 mills in 2012.
- No increase to millage rates in the last 10 years.
- There has not been an increase in the Road Improvement assessment since 2007.

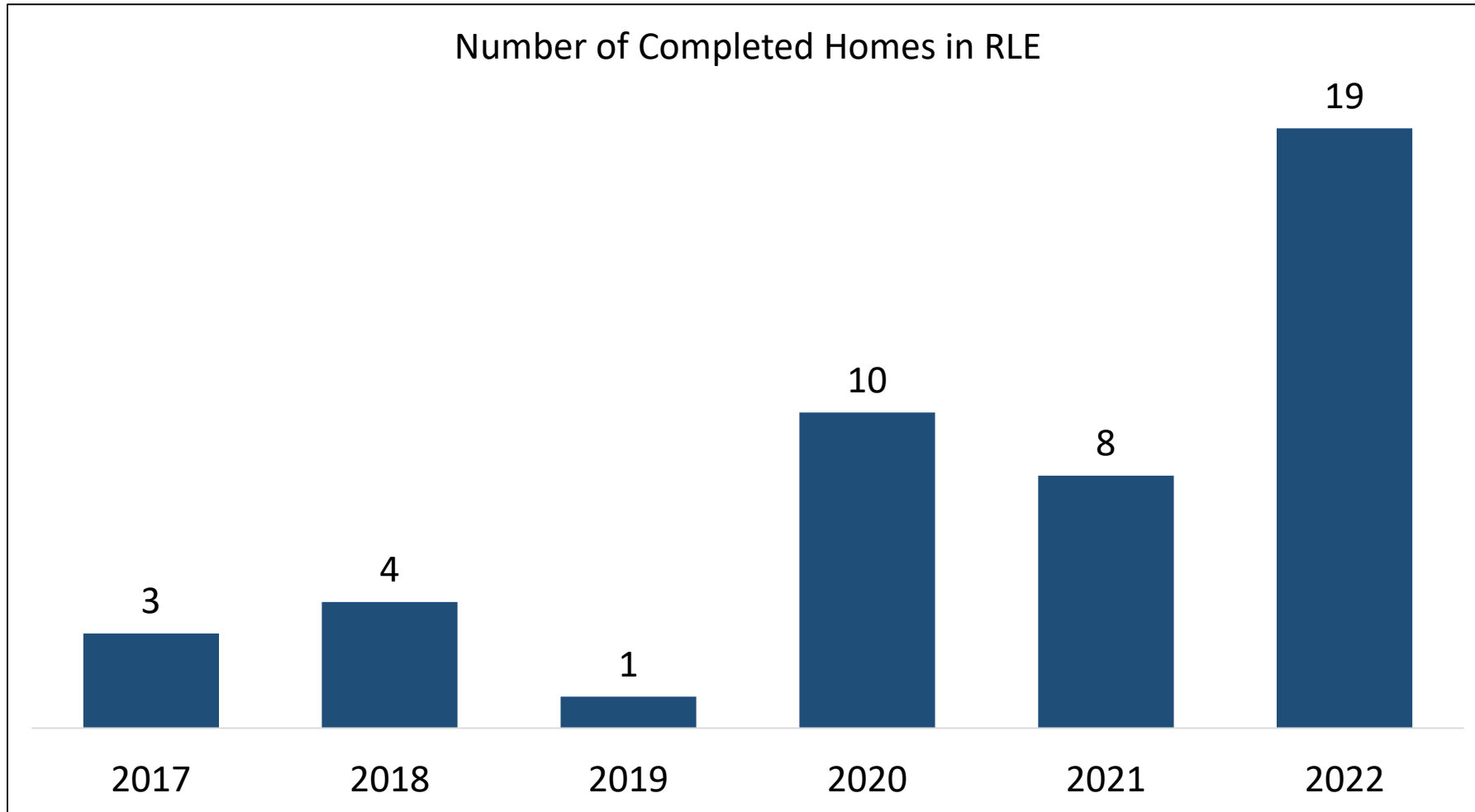




# Rainbow Lakes Estates Completed Construction

- The growth rate in Rainbow Lakes Estates has increased, however it has not been as aggressive compared to other areas of Marion County. This puts additional stress on millage based assessments that are not keeping rate with inflation.

Number of Completed Homes in RLE



Total: 45

Data retrieved from  
Property Appraiser's  
publicly available data





# Current Fund Allocation

## General Government

Marion and Levy

## Community Facilities

Administrative Personnel

Administrative Ops/Capital

Maintenance Personnel

Maintenance Ops/Capital

Rec Personnel

Rec Facilities

Rec Ops/Capital

## Recreation

Marion

Rec Programs

## RLE Fire

Marion

RLEVFD Facilities

RLEVFD Ops/Cap

Sunsets in  
October 2025

## Road Improvements

Marion and Levy

Road Improvement Projects



# Current Fund Allocation Concerns

## General Government

Marion and Levy

- Fund is unsustainable under current structure and level of service
- This Levy/Marion assessment subsidizes the Marion Recreation assessment
- Structure is not very transparent

## Recreation

Marion

- Fund is subsidized by General Government
- Structure is not very transparent

## RLE Fire

Marion

- No concerns, assessment sunsets in October 2025

## Road Improvements

Marion and Levy

- Fund is currently sustainable at current level of service.





# General Government Fund

Assessment	Amount	Services
<b>General Government</b>	Ad-valorem 2.25 mills	<ul style="list-style-type: none"><li>• All non-RLEVFD facilities (maintenance, operations, capital)</li><li>• Administration (personnel and operating)</li><li>• Recreation (personnel, some operating, maintenance some capital)</li><li>• Road and right of way maintenance (personnel, operating, capital)</li></ul>

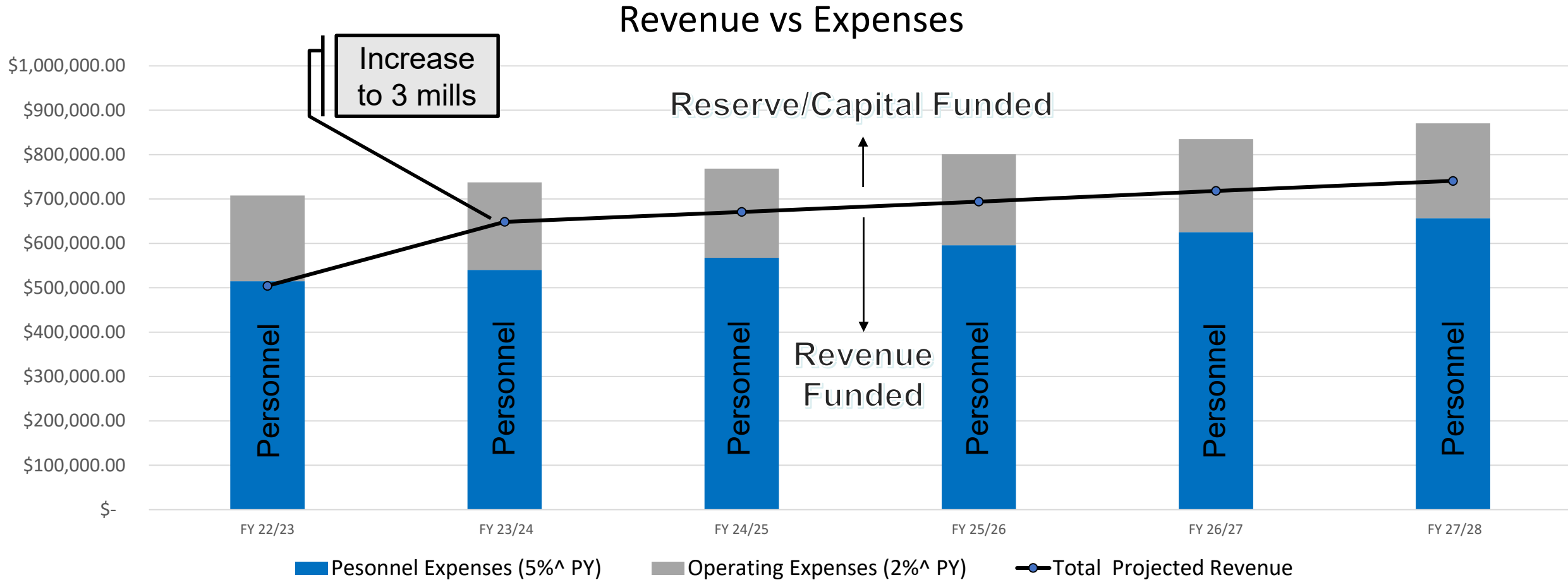
## Predictive assumptions:

Inflation/Increase	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28
RLE Taxable Value	6%	4.5%	4.5%	4.5%	4%
Personnel Expenses	5%	5%	5%	5%	5%
Operating Expenses	2%	2%	2%	2%	2%

- Increase from 2.25 to 3 mills in FY 23/24



# General Government Fund Balance Forecast

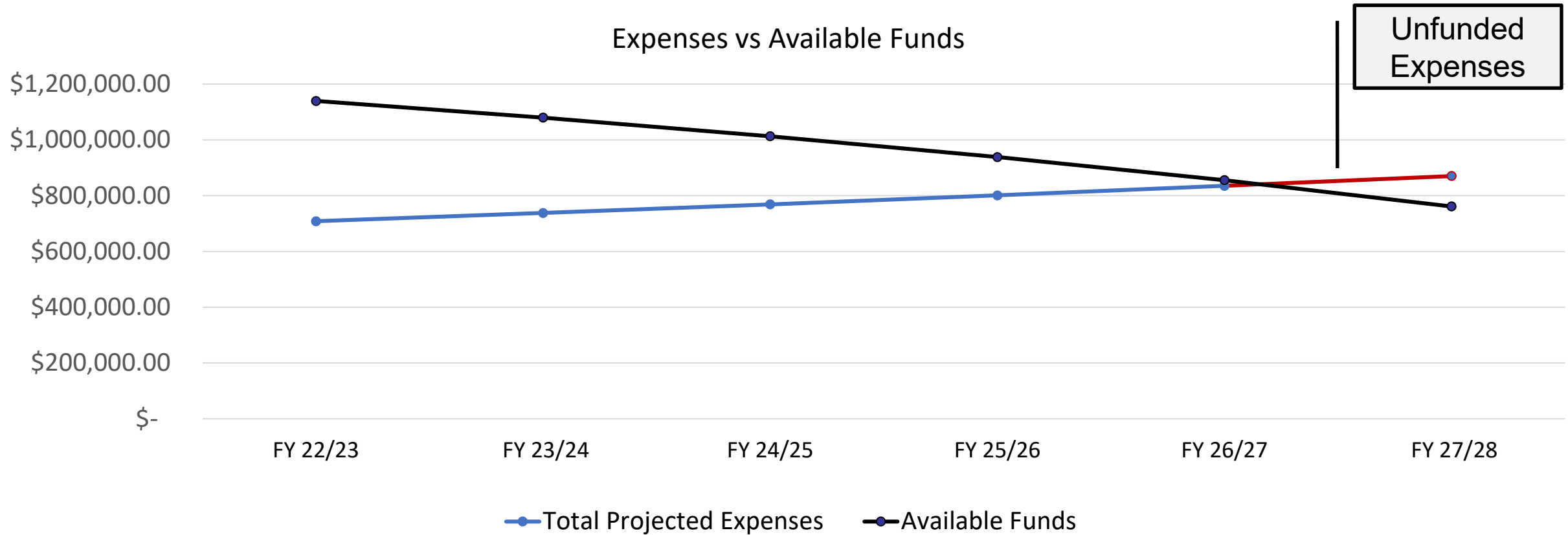


Current Millage rate of 2.25 does not cover personnel expenses. Fund is not sustainable at current level of service and current assessment rate.

Reoccurring expenses consume reserves/capital funding by FY 27/28.



# General Government Fund Balance Forecast

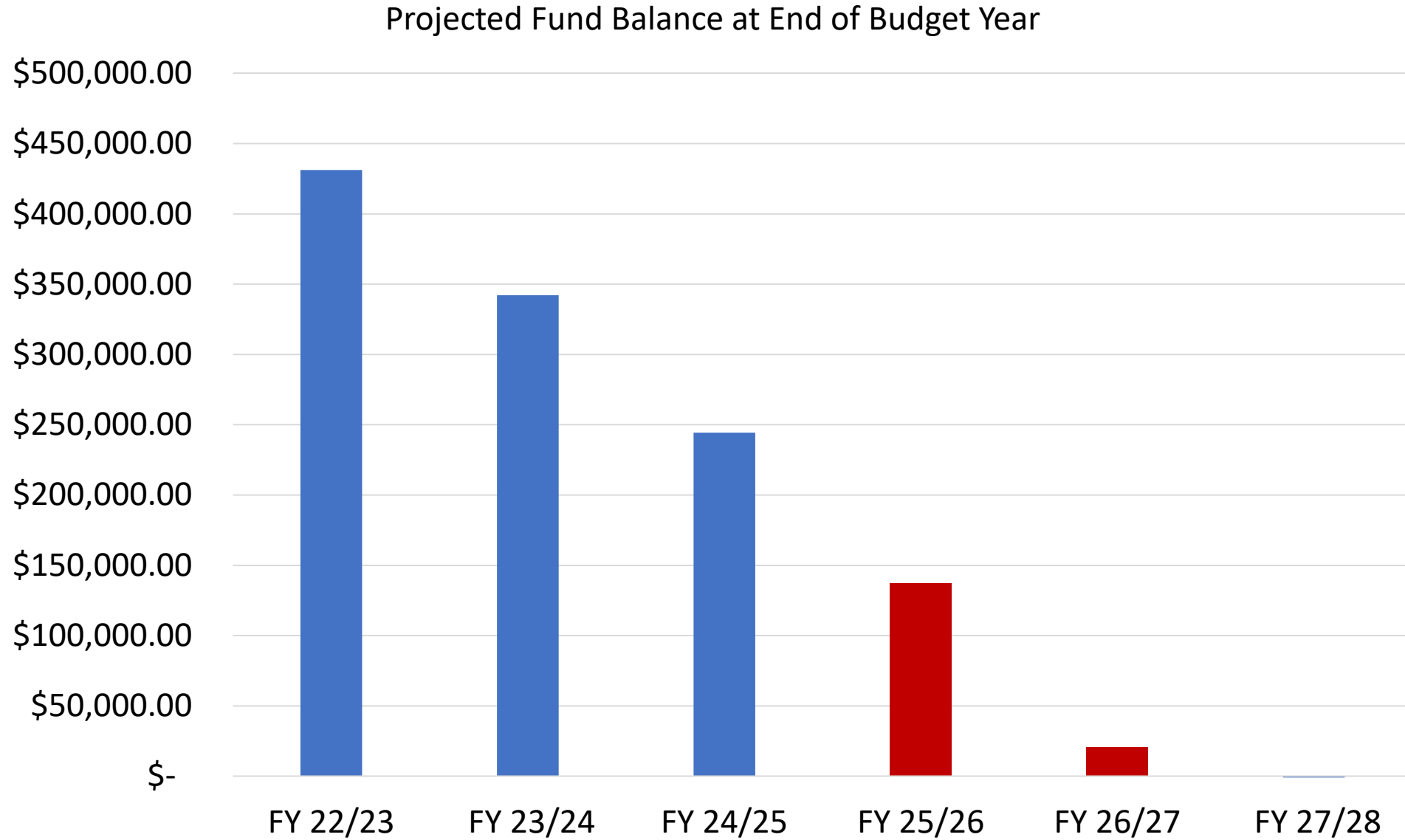


- Insufficient reserves in FY 25/26
- Funds cannot cover projected expenses after FY 26/27 (even with an increase to the maximum rate of 3.0 mills).
- FY 27/28 results in a projected \$109,088.86 deficit.





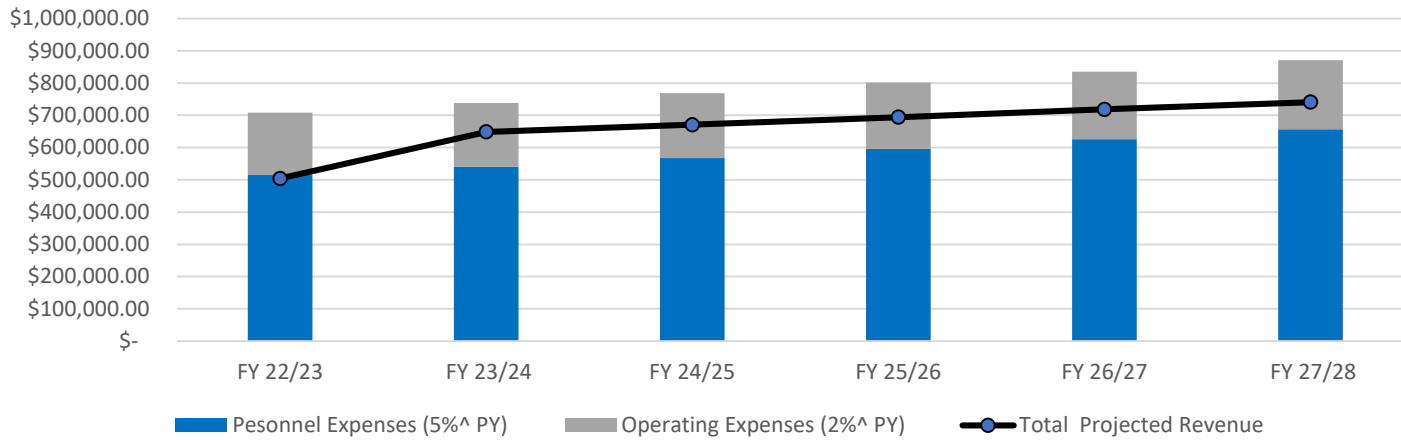
# General Government Fund Balance Forecast



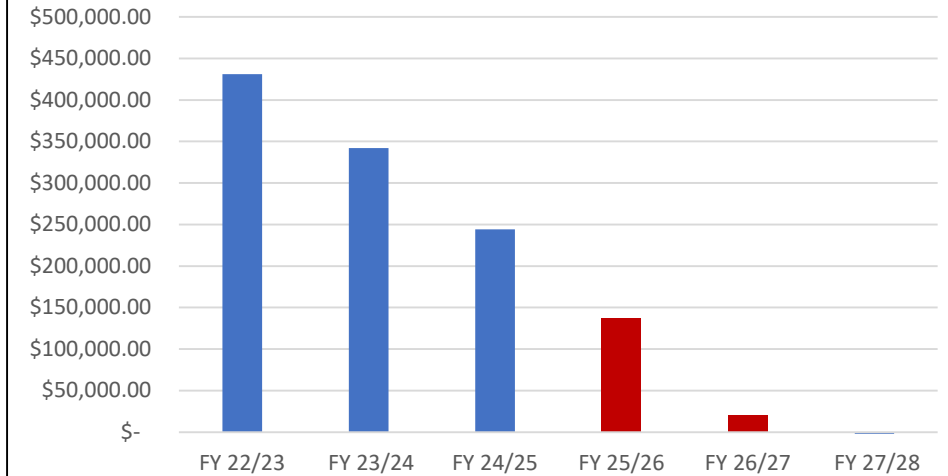


# General Government Fund Balance Forecast

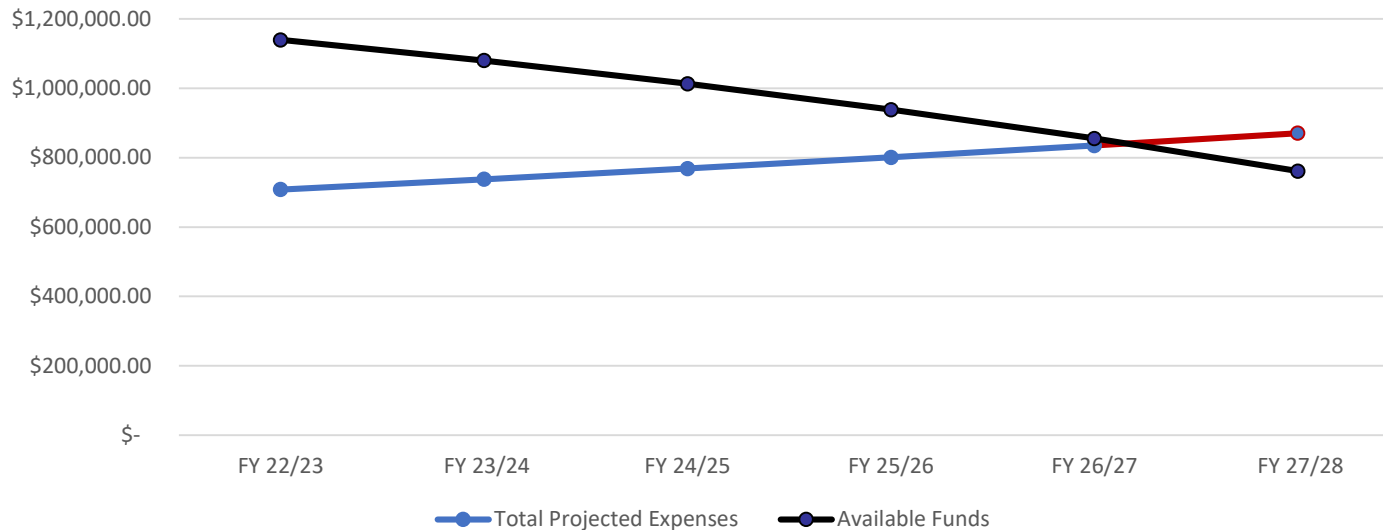
### Revenue vs Expenses



### Projected Fund Balance at End of budget year



### Expenses vs Available Funds



## Take away

Operations are not sustainable under current fund allocation and level of service.

Raising the millage to the maximum allowed rate of 3.00 is not sufficient to operate at current level of service.

Adjustments are needed.



# Cost savings

## **Contracting facility and park mowing:**

Annual personnel savings of \$26,392 (reduced a position)

Annual operating savings of \$3,973

Total annual savings after contract payment of \$30,365

## **Digital mailers:**

**Email and online distribution**

Annual operating savings of \$3,836

## **Locking thermostats at community buildings**

Annual operating savings of \$545

**Total reduction of 5% of reoccurring expenses**



Through the use of continuous improvement and fiscal responsibility the team will continue to identify further improvements and opportunities for savings.





# Proposed Fund Allocation

## General Government

Marion and Levy

## Community Facilities

Administrative Personnel

Administrative Ops/Capital

Maintenance Personnel

Maintenance Ops/Capital

Rec Personnel

Rec Facilities

Rec Ops/Capital

## Recreation

Marion

Rec Programs

## RLE Fire

Marion

RLEVFD Facilities

RLEVFD Ops/Cap

Sunsets in  
October 2025

## Road Improvements

Marion and Levy

Road Improvement  
Projects



# Proposed Fund Allocation

## General Government

Marion and Levy

Community Facilities

Administrative  
Personnel

Administrative  
Ops/Capital

## Recreation

Marion

Rec Facilities

Rec Programs

Rec Ops/Capital

Rec Personnel

## RLE Fire

Marion

RLEVFD  
Facilities

RLEVFD  
Ops/Cap

## Road Improvements

Marion and Levy

Road  
Improvement  
Projects

Maintenance  
Personnel

Maintenance  
Ops/Capital

Sunsets in  
October 2025



# Proposed Fund Allocation

## General Government

Marion and Levy

Community Facilities

Administrative  
Personnel

Administrative  
Ops/Capital

## Recreation

Marion

Rec Facilities

Rec Programs

Rec Ops/Capital

Rec Personnel

## RLE Fire

Marion

RLEVFD  
Facilities

RLEVFD  
Ops/Cap

## Road Improvements

Marion and Levy

Road  
Improvement  
Projects

Maintenance  
Personnel

Maintenance  
Ops/Capital

- Funding is allocated by assessment type
- Funds are more transparent
- Requires less of an overall increase to be sustainable at current level of service

Sunsets in  
October 2025





# Proposed Fund Allocation

General Government

Marion and Levy

Community Facilities

Administrative  
Personnel

Administrative  
Ops/Capital

- Remove recreation and right of way maintenance expenses from the General Government fund
- Add (1) maintenance position for the maintenance of the facilities
- Reduce millage from 2.25 to 1.25 (versus raising to 3.0)
- This creates a sustainable budget and allows for some fund build up for needed capital repairs and community desired improvements.
- Funds are transparent

Figures based on average RLE improved parcel tax value of \$73,076

	Current	Gen Gov Max	Proposed
Gen Gov	\$ 164.42	\$ 219.23	\$ 91.35
Recreation			
RLE Fire			
Road Improv			
Total	\$ 164.42	\$ 219.23	\$ 91.35



# Proposed Fund Allocation

Recreation

Marion

Rec Facilities

Rec Programs

Rec Ops/Capital

Rec Personnel

- Move all of Recreation expenses to the Recreation fund
- Move the (1) Recreation position to this fund
- Increase current millage from .47 to .85 to cover personnel costs and additional expenses originally funded through General Government,
- Fund remains sustainable and expenses are allocated appropriately
- Funds are transparent

Figures based on average  
RLE improved parcel tax  
value of \$73,076

	Current	Gen Gov Max	Proposed
Gen Gov	\$ 164.42	\$ 219.23	\$ 91.35
Recreation	\$ 34.35	\$ 34.35	\$ 62.11
RLE Fire	\$ 30.00	\$ 30.00	\$ 30.00
Road Improv			
Total	\$ 228.77	\$ 283.57	\$ 183.46



# Proposed Fund Allocation

Road Improvements

Marion and Levy

Road Improvement Projects

Maintenance Personnel

Maintenance Ops/Capital

- Move all of right of way expenses to the Road Improvement fund
- Reduce maintenance personnel by (1) position to a total of 4 right of way personnel
- Increase current assessment from \$35 to \$82
- Fund remains sustainable and expenses are allocated appropriately
- Funds are transparent and aligned with other County MSBUs

Figures based on average RLE improved parcel tax value of \$73,076

	Current	Gen Gov Max	Proposed
Gen Gov	\$ 164.42	\$ 219.23	\$ 91.35
Recreation	\$ 34.35	\$ 34.35	\$ 62.11
RLE Fire	\$ 30.00	\$ 30.00	\$ 30.00
Road Improv	\$ 35.00	\$ 35.00	\$ 82.00
Total	\$ 263.77	\$ 318.57	\$ 265.46





# Impact on Improved Parcels

	Current	Gen Gov Max	Proposed
Gen Gov	\$ 164.42	\$ 219.23	\$ 91.35
Recreation	\$ 34.35	\$ 34.35	\$ 62.11
RLE Fire	\$ 30.00	\$ 30.00	\$ 30.00
Road Improv	\$ 35.00	\$ 35.00	\$ 82.00
Total	\$ 263.77	\$ 318.57	\$ 265.46

↓                      ↓  
Not sustainable  
At current level  
of service

- By rearranging fund allocations, RLE can sustain operations while reducing the impact on property owners who live in RLE.
- The average improved property would see an increase of approximately \$1.69 under the proposed plan versus \$54.80 increase to an unsustainable fund by increasing only the General Government assessment.

Figures based on average  
RLE improved parcel tax  
value of \$73,076



# Impact on Unimproved Parcels

	Current	Gen Gov Max	Proposed
Gen Gov	\$ 28.90	\$ 38.53	\$ 16.05
Recreation	\$ 6.04	\$ 6.04	\$ 10.92
RLE Fire	\$ 15.00	\$ 15.00	\$ 15.00
Road Improv	\$ 35.00	\$ 35.00	\$ 82.00
Total	\$ 84.93	\$ 94.57	\$ 123.97

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Not sustainable  
At current level  
of service

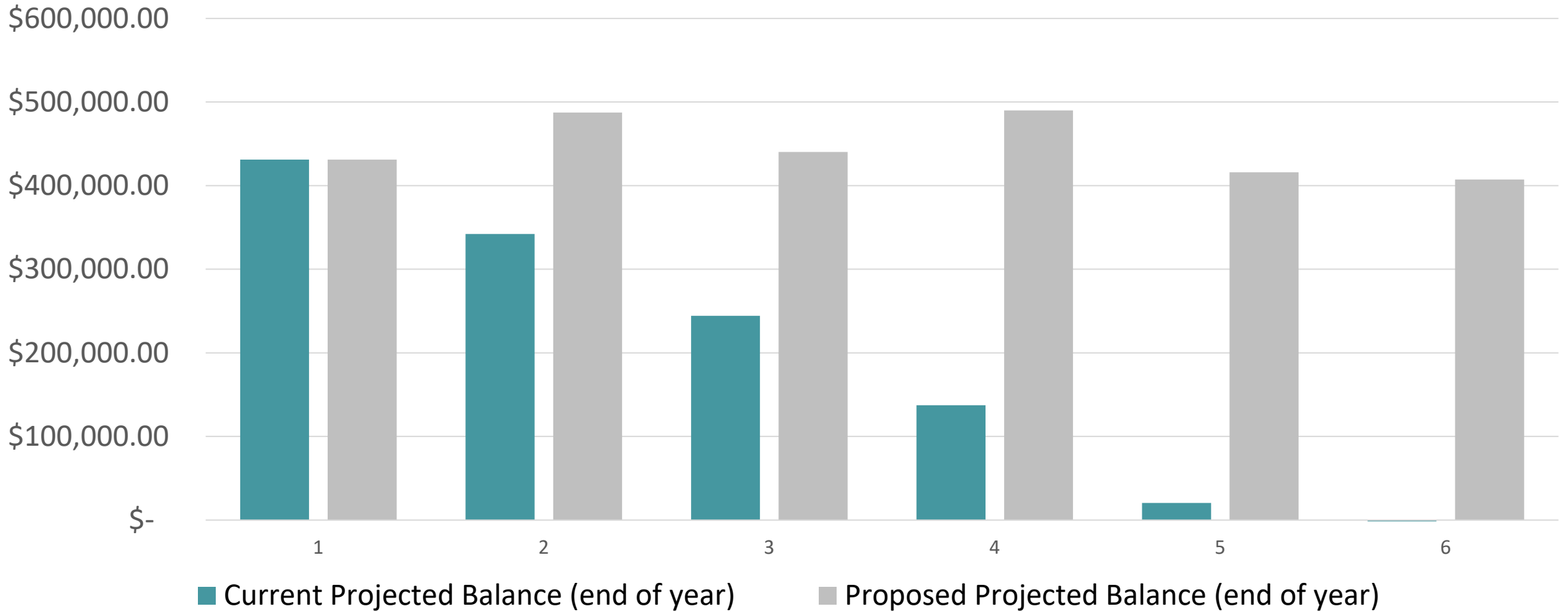
- By rearranging fund allocations, RLE can sustain operations, there is an increased impact to unimproved parcels by \$29.41 (for those with a \$12,843 taxable value) due to the increase in the non-ad valorem Road Improvement assessment.
- All properties with a taxable value above \$34,306.57 receive a cost avoidance under the proposed plan versus the current needed increase of General Government to 3.00.

Figures based on  
unimproved parcel tax  
value of \$12,843



# General Government Fund Balance Forecast

## Fund Balance Comp (Current vs. Proposed)

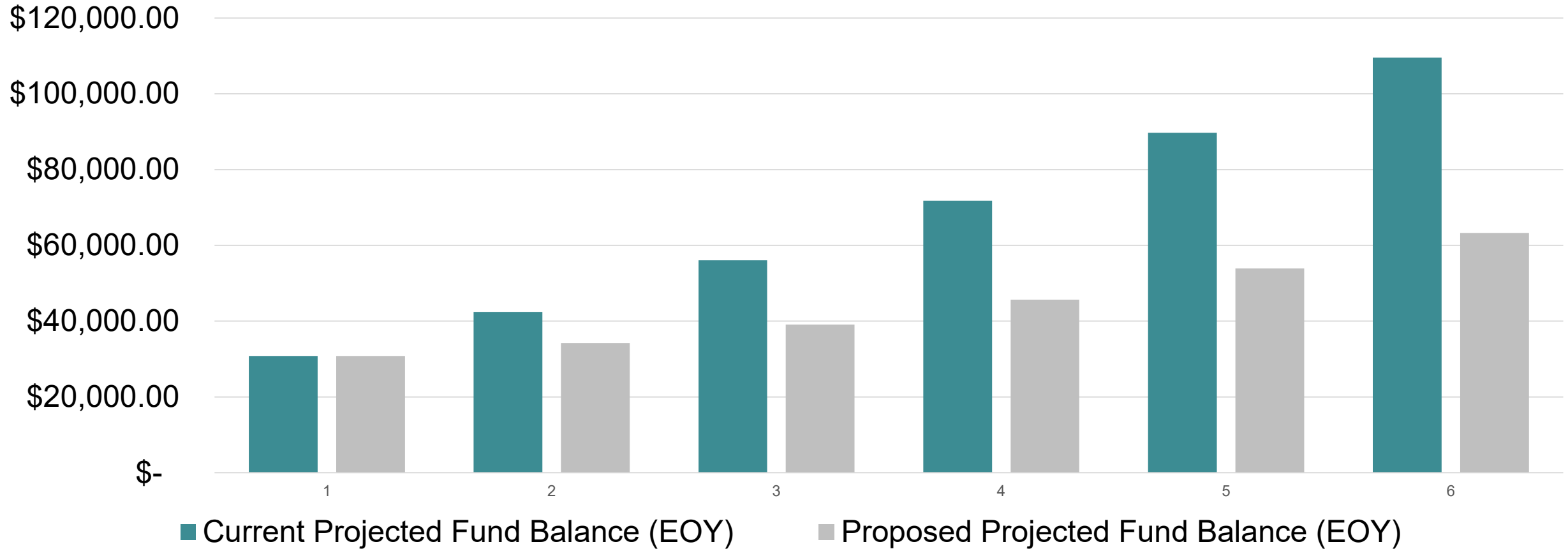


Fund now able to sustain operations and allow for capital improvements.



# Recreation Fund Balance Forecast

## Recreation Fund Balance Comps



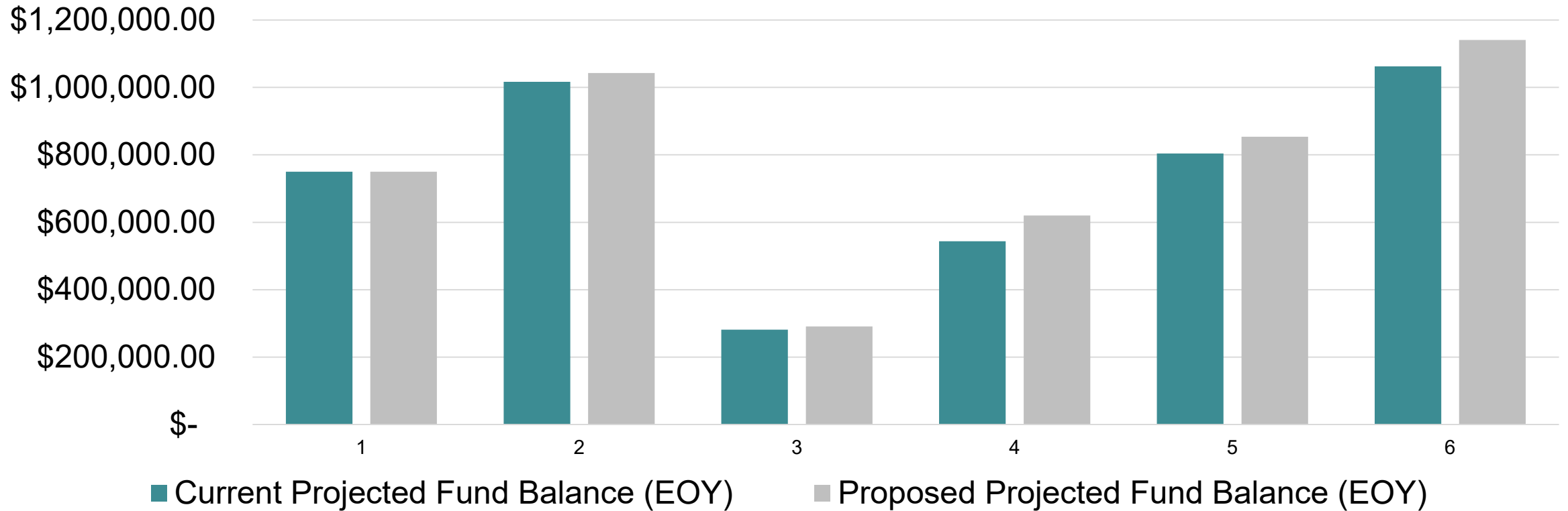
Fund now covers all recreation expenses and remains sustainable





# Road Improvement Fund Balance Forecast

## Fund Balance Comps



Fund now covers all right of way maintenance expenses and remains sustainable



# Summary

## **Advantages**

- Reduced impact to improved property owners
- Transparency of funds
- Appropriate allocation of funds
- Results in all funds being sustainable
- Keeps but reallocates current employees
- Funds are aligned with current MSTU/MSBU practices
- Allows for better fund management practices and oversight
- Cost avoidance for improved property owners ( will be receiving increase from County fire assessment in 2025)

## **Considerations**

- Impact to unimproved parcel owners due to increase in non-ad valorem assessment (will be receiving a reduction from County fire assessment in 2025)
- Will require community meetings and public hearings to adjust scope and assessment amounts.



# Questions