

RUMOR CENTRAL

The Villages Independent Fire Control and Rescue District Referendum

The following misrepresentation of the facts are circulating.

STATEMENT: The initial five-member Board of the Fire District is appointed by the Governor, 2 members for 2 years and 3 members for 4 years. That means for the first four years, we are at the mercy of the majority of 3 out of 5 appointed Board members. They can raise our Fire Taxes, make long term agreements with the Developer, borrow millions or issue bonds, etc. The list is endless, and we are voting in good faith that they will do right by us. What if they don't? What if they raise our Fire Taxes 25%? There is nothing we can do about it.

FACT: How the Board is appointed is correct. However, the rest of the statement is false.

The referendum puts strict limits on any tax increase. The funding formula consists of 3 parts

- A flat fee of \$124 per rooftop. This fee can only be increased if Florida personal income over the previous 5 years increases.
- \$0.75 per \$1000 of relative improvement value (i.e., market value minus land value.) This 0.75 rate cannot be increased.
- An optional rate of no more than 1 mill on taxable value. This millage rate cannot be increased.

STATEMENT: A \$124 flat fee per parcel is totally unfair to homeowners when commercial properties are paying the same fee.

FACT: Whether the referendum passes or fails a flat fee of \$124 per parcel will be levied. The only difference is which entity will receive the money. If the referendum fails, the fee will go to Sumter County as it does currently. If the referendum passes, the fee will go to the District.

STATEMENT: A 0.75 mil on improvements on your property, which is your Market Value minus Land Value is also unfair to homeowners because commercial properties have much higher land value, therefore their deduction from the Market Value is much higher, lowering their tax burden and in turn increasing the tax burden on homeowners.

FACT: While it is true the Land Value of commercial property is higher than the Land Value of residential property, the Market Value is also higher. Whether commercial properties benefit disproportionately is unknown.

However, the relative improvement value of commercial property is capped at \$10 million. This reduces the taxes paid on those commercial properties valued above \$10 million. The

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explanation given for the cap is special assessments, such as fire assessment fees, must be proportional to value received and statistics on fire damage nationwide show that \$10 million is the maximum range to use.

STATEMENT: The County should ideally reduce our taxes by the amount of increase in taxes in the Fire District, but they are not doing it.

FACT: How much county taxes will change is unknown because the District will not be established until October 1, 2023. The 2023 millage rate in Sumter County will be set based on the budget at that time, which is estimated to be reduced by \$13 million dollars.