

FROM: Phil Crews/Mayor/Malabar  
TO: Residents of Malabar

I seldom comment on social media but because I see so much misinformation and half-truths associated with the taxes we as residents pay in Malabar, I am compelled to provide some perspective on this issue. As Mayor, I seldom vote ( only to break a tie) and as Council Chair, I do not debate or advocate on any issue which may come before council for debate. I do, however, attempt to ensure that council considers all aspects of any issue before them.

Some of the comments I have read on Next Door Malabar concerning Malabar's tax rate is factually wrong and therefore misleading. Residents must consider all town fees to accurately compare one town's tax levies to another.

Fact: No one has as yet received a tax bill. What you may have received by now is your Truth In Millage or TRIM notice. This notice shows you what you paid in taxes last year, what you will pay this year if the town takes no action and what you will pay if the town were to adopt the proposed rate.

### **Consider these facts:**

(1) If the town council takes no action we will pay the "roll back rate." This is the millage that will produce the same revenue as last year. In the case of Malabar this means that our millage would go **down** to 1.8433 from the current rate of 1.9256.

(2) What options does the council have regarding tax rates?

(a) A simple majority vote of council can approve **only the roll back rate** of 1.8422.

(b) A 2/3 vote of council (4 votes) is required **to raise the millage rate** to the rollback rate plus 10% (2.0264 mills).

(c) Any rate higher than (a) or (b) above requires a **unanimous vote of council** or a majority vote of the people by referendum. (The question may be placed on the ballot by majority vote of council **or** by the people through a ballot initiative.)

(d) Fact: The maximum millage rate that any city may levy under state statute 200.081 (with a few exceptions that don't apply to Malabar) is 10 mills.

(e) Compare our TRUE town tax burden with Grant/Valkaria's [e(ii) below].

(i) Malabar has a Municipal Services Tax of 1.9256 mills which funds everything in the town (including fire and public works) except law enforcement which we get from the county Sheriff's Department through a Municipal Services Tax Unit (MSTU) for law enforcement at a rate of 1.2691 mills. (Note: We do not control the MSTU rate for Sheriff's services.) The sum of these two current tax levies is  $1.9256 + 1.2691$  for a *total millage rate of 3.1947*.

(ii) Grant-Valkaria collects taxes through FIVE sources versus our TWO. First G/V has a Municipal Services Tax of 1.0603 mills (according to the Brevard County Tax Collector's office). G/V gets their law enforcement from the County Sheriff's Department through the same Municipal Services Tax Unit (MSTU) as Malabar does at the same rate of 1.2691 mills. In addition, Grant-Valkaria pays for fire protection from the county and are charged for the service through an MSTU millage of .7580 mill PLUS a typical "fire special assessment" of \$222.34. (On a home of \$118,370 assessed value, this results in an equivalent millage of 1.8783.) Grant-Valkaria also pays a recreation district fee (which Malabar opted out of and does **not** pay) of .4159 mill.

(iii) After adding up G/V's (1.0603 + 1.2691 + .7580 + 1.8783 + .4159 mill = 5.3816) Grant-Valkaria has a **current effective** millage rate of **5.3816**. Compare this to Malabar's **current effective** rate of **3.1947 mills**.

My hope is that by proposing a 5 mill tax rate, the council has gotten the attention of residents in a way that can break through public apathy and encourage everyone to really study our budget to decide what services you are willing to fund. Unless you inform your council representative of your views, they will not know your preferences—and posting your opinion on a social media site is not appropriate action—a telephone call, or better yet, an email that becomes part of the official town record is the way to go. Otherwise, the council is privy to the remarks of only 1 to 4 of the same people who consistently show up for council meetings.

For additional information, please visit the town website at [www.townofmalabar.org](http://www.townofmalabar.org)

cc: Malabar Town Administrator and all Town Council members