

Volusia Tax Reform

Volusia Property Owners Uniting to Lower Property Taxes

Contact: Margie Patchett 386.212.3061

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Dear County Council Members:

Volusia Tax Reform has discovered that Volusia County Council's approval of funding to purchase the Leffler lands is flawed and possibly unlawful in several ways. On behalf of VTR, I urgently implore you to delay closing of the purchase until an Attorney General's opinion can be obtained determining whether the funding plan is legal or illegal. We can think of no reason why such delay should in any way harm or imperil a later closing if the funding is determined to be valid.

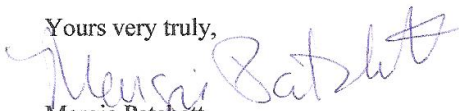
Specifically, the problems with County Council's funding of the purchase include the following:

Council intends to advance (lend) Volusia Forever \$5,000,000.00 from the County's Water and Sewer Fund despite the fact that that all surplus or excess funds are required by Section 153.73, Florida Statutes, to be placed into a sinking fund to pay toward retirement of the two existing water and sewer bond issues. That being true, there are no funds in the County's Water and Sewer Fund available for loan to Volusia Forever.

Volusia Forever was created in year 2000 when County Council's Resolution #2000-155 was approved in a referendum called and held for that purpose. In approving the resolution, Volusia voters also authorized \$40,000,000.00 in new public debt for Volusia Forever to buy environmentally sensitive lands such as the Leffler ranch lands it has contracted to purchase. However, most of the authorized \$40-million bond issue funding has already been spent to buy other lands, leaving less than needed in the Volusia Forever Fund to pay for the Leffler property. Including the \$5-million mentioned above, an additional \$16.6-million is needed by Volusia Forever to pay for the \$28.8-million purchase price. To authorize increased funded debt to buy more environmental lands requires voter approval in a new referendum. The County cannot arbitrarily evade or avoid a referendum by approving either a \$5-million loan from the Water and Sewer Fund, or a \$11.6-million loan from the County's General Fund. The referendum contained no plan for repaying such additional loans, which if allowed to stand will likely increase already high ad valorem property tax on business and homeowners.

We remain ready and willing to help cure any funding problem.

Yours very truly,


Margie Patchett,
Executive Director

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Pd. Pol. Adv. paid for and approved by Volusia Tax Reform P.A.C.