

Truth in Taxes – Lauderdale-by-the-Sea (“The spin stops here!”)

By John Thompson © 2003 & 2004

I recently saw the first of what could be many clever, expensive TV spots by House District 91 candidate Oliver Parker. In this powerful TV spot, Parker is shown as a “fiscal conservative” who has “lowered property taxes.” But the truth is: ad valorem property taxes paid by residents of pre-annexation Lauderdale-by-the-Sea are up well over 100% since Oliver Parker became Mayor in 1998.

In view of the many complaints I have heard from neighbors in my oceanfront condo, where Mayor Parker also lives and where a majority of unit-owners have seen property taxes paid to the Town more than double over the past five years, I felt Parker’s claimed fiscal conservatism needed a reality check. True, the data is not easy to come by due to the annexation, which has lumped budget data from old Lauderdale-by-the-Sea with that of the area annexed in 2001. But the facts are there if you compare historical millage and tax-assessment data. To begin with, millage was 3.85 when Parker became Mayor, and was raised to 4.70 in 2001, where it remains today – an increase of 22.1%.

Taxable property values in LBTS are \$1,273.5 million today, compared with \$409.5 million when Parker became Mayor, an increase of 211%. But perhaps as much as 42% of that value is from the annexed area, and only 58 % from old LBTS. That puts current assessed values of property within the pre-2001 boundaries at \$738.6 million, or 180.4% of the 1998 figure. Along with the 22.1% millage hike in 2001, that makes an increase of 120.2% in ad *valorem* taxes paid by long-time residents. Add to that the separate \$92.00 per dwelling annual fire assessment previously funded from property-tax revenues and you have an increase of nearly 145% over fiscal 1998 property tax revenues.

The impact on individual taxpayers varies widely depending on their status and individual assessments. Least harshly impacted are those with homestead status when Parker became Mayor and who occupy the same home today. Assuming a 1998 market-value property assessment of \$100,000, they paid \$289 in property taxes to LBTS that year, and will pay \$500 this year, an increase of “only” 73%. If, however, they moved in 2002 to a less expensive property – say one valued at only three-quarters the 2002 fair-market value of their original home, perhaps hoping to cut down on expenses, the vagaries of the “Save-our Homes” tax law are such that they would be paying \$599 to the Town this year, an increase of 107% over 1998. Even worse off are those without homestead status, either non-residents of Florida or owners of rental properties. They paid the Town \$385 in property taxes on a \$100,000 home the year Parker became Mayor, but are paying \$987 this year – an increase of 156%. But the most severe percentage impact has been on homesteaded citizens who moved in 2002 to new homes of equal – or even worse, greater -- value. Those who moved to a home of equal value will pay the Town \$807 in property taxes (including the now-separate fire assessment) this year, or a 179% increase over the \$289 they paid in 1998 when Parker became Mayor!

All the above, I submit, hardly paints a picture of “property-tax cutting” or “fiscal austerity” during the mayoral regime of Oliver Addison Parker, Esquire.