

LEE COUNTY BUDGET
By Commissioner Ray Judah
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The development of next year's budget is a case study of Lee County government trying to provide essential services in a down economy and a toxic political environment. Despite detractors of the budget process, Lee County government works diligently and responsibly to meet the health, safety and welfare needs of our community. Florida is a no income tax state and local government relies heavily on property tax to provide funding for law enforcement, emergency medical services, maintenance of parks and roads and operation of libraries and human services programs.

The Lee County government property tax represents approximately one-third of the total tax bill with the balance including other taxing districts such as the Lee County School Board, Fire Districts, Mosquito Control and the South Florida Water Management District.

Lee County has maintained stable millage rates (a mill is \$1 for every \$1,000 of taxable property) over the past decade with no increase since 2000. The combined General Fund/Capital tax rate has been reduced from 4.99 to 3.65 mills. The library rate has dropped from 0.96 to 0.28 mills and the unincorporated MSTU tax rate has been reduced from 1.21 to 0.84 mills. Property tax revenues have dropped \$158 million in the last two years resulting in tax reduction during the worst of the recession.

Lee County has instituted deep cuts so as not to further burden taxpayers, including:

- Deleting or holding vacant more than 400 positions (100 through layoffs) in the last three years
- Reducing \$203 million from operating and capital budgets over the last two years and an additional \$34 million in next year's operating budget
- Reducing energy costs, leases and consolidating operations in county-owned spaces
- Freezing employee salaries the last two years and proposing a four percent wage reduction and higher health insurance premiums next year

The General Fund property tax covers the cost of a large number of services including the Constitutional Officers not under the jurisdiction of the Lee County Commission. For example, of the total expenditure of \$383 million budgeted for fiscal year 2010-2011, the single largest is the Sheriff's office at 41% with the Courts, State Attorney, Public Defender, Medical Examiner, Supervisor of Elections, Property Appraiser, Clerk of Court, and Tax Collector making up another 14%. Lee County departments and maintaining facilities and repaying debt for such projects as the jail and Justice Center expansion comprise the remaining 45%.

The use of county reserves and significant budget reductions have allowed Lee County to protect critical service levels to our community. County reserves, however, are declining and will be much lower next year and the year after. Adjusting the millage to the rollback rate (same amount of revenue next year as this year) in the General Fund from 3.65 to 4.28 mills and libraries from .28 to .34 mills is essential to maintaining services without increasing taxes for the average homeowner.