

FY2010/2011 Leon County Tentative Budget



Totals

- The budget is \$244,130,080; which is a decline of \$3,035,845 from the prior year. This is less than the total approved spending in the FY08 adopted budget.
- Since FY08, the budget has been reduced \$40,591,217 or 14%.

Property Taxes

- The millage rate of 7.85 mils, which represents tax savings of \$1.8 million.
- The 7.85 mils, is less than the state authorized maximum majority vote millage rate and the rolled-back rate. The maximum majority vote millage rate was established to allow local governments to collect enough property taxes to keep pace with inflation. The rolled-back rate is intended to allow local governments to collect at least the same level of property tax revenues as the prior year.
- Over the past two years, the total property tax reduction has been \$10.6 million.

Positions

- Total positions for the County are 1,771, compared to 1,782 in FY10. Over the past three years 72 positions have been eliminated. (This includes 10 positions previously contracted for visitor services.)
- Position reductions have occurred through a combination of hiring freezes, attrition and reassignment.
- Departments with significant reductions include Growth and Environmental Management 18 over two years; Public Works reorganization of stormwater maintenance 6 positions and the County taking over responsibility for the Convention and Visitors Bureau functions 10 positions.
- The Economic Policy Institute estimates that for every 100 public sector jobs that are cut, an additional 30 jobs are lost in the private sector

Capital Projects and Job Creation

- Over the past two years, the Board has taken strategic steps to focus resources on maintaining jobs, investing in the community, and creating local infrastructure improvements. The Board realized the current state of the economy, particularly the local construction industry, and accelerated the construction schedule for many projects utilizing existing cash reserves. These steps include committing \$88.9 million towards the following capital projects:

Public Safety Complex (includes City and State Funding)	\$45.0 million
Branch Libraries	\$13.3 million
Stormwater Improvements	\$7.8 million
Buck Lake Road	\$5.9 million
Traffic Court	\$3.0 million
Transportation Improvements	\$13.7 million

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- Based on analysis performed by the Economic Development Council, for every \$1 million spent, 9.2 jobs are created; therefore, the job creation from the capital project investments, including the Public Safety Complex, is 818 jobs.

Reserves

- Estimated year ending reserves for general funds \$25.7 million or 21.3% of the budget; policy minimum is 15%. The 15% is comprised of 10% cash flow, 2% catastrophe fund and 3% emergency.
- FY2010/2011 utilizes \$4.03 million to balance the budget, will bring the reserves down to 18% of the budget.

Comparative Data

- The lowest number of employees per capita among the seven comparable counties. Leon County has a ratio of 6.4 employees for every 1,000 residents, along with St. Lucie County.
- The fifth lowest number of employees per capita among all 67 counties, with only Pinellas, Seminole, Santa Rosa, and Sumter with lower amounts.
- The lowest net budget per capita among seven comparable counties with \$720 per countywide resident. The next lowest is Escambia County with \$902 per resident.
- The fourth lowest net budget per capita among all 67 counties, with only Gadsden, Santa Rosa, and Baker with lower amounts.

Recapture Provision:

- The Property Appraiser maintains two distinct values for Homesteaded properties: the Market Value and the Assessed Value.
- With the Save Our Homes provision, properties assessed value can only increase the less of 3% or inflation in any given year.
- During the real estate "boom" years, market value growth was exceeding 3% or inflation on a regular basis, thereby creating a large difference between a homeowner's market value and assessed value.
- During recent years, market values have begun to fall; however, in some situations a homeowner's assessed value is still below the current market value and therefore the assessed value can rise by the 3% or inflation authorized under save our homes.
- For example, in Yr. 1 the market value and assessed value are both equal at \$250,000. Overtime, the market value continues to increase to \$300,000, while the assessed value is capped by inflation at \$262,000. The next year, the market value declines to \$275,000 while the assessed value goes up the 3% to \$270,000. The property owner will therefore see a tax increase, even though their market value declined and the millage rate did not change.
- Therefore, in these situations, even with no change (or even a decrease) in the millage rate, certain homesteaded property owners will see an increase in their property tax bill.
- The Board of County Commissioners has no ability to change the "recapture provision". This is a state legislative issue.