

The truth about taxes and fees in Port St. Lucie

Erroneous explanations about Port St. Lucie property taxes have been repeated recently in the news media, at public meetings and on various Web sites. While the city welcomes public input into the budget process, it is important that citizens have accurate information when formulating opinions.

Because of an \$11 million budget shortfall for next year, City Council members are proposing a new property tax rate. The property tax rate also is called the “millage rate.” The proposed new rate has been repeatedly mischaracterized and presented out of context, misleading many home owners to believe their taxes are going up by 26 percent for 2010. The truth is Port St. Lucie home owners will not pay 26 percent more in property taxes for next year, and many will pay less than they did for 2009.

The \$11 million budget shortfall came as a result of many economic factors, such as a decline in property tax dollars coming to the city. The decline was caused by a 26 percent fall in local property values this year and a 19 percent fall last year. Since property values partly determine how much money city government has to work with each year, the city lost a substantial amount of income needed to provide public services.

To compensate for the loss, the Council considered using what state law calls the “rolled-back” millage rate, which if adopted, would have meant that the city would have brought in the same amount of property tax dollars next year as it did this year. Therefore, on average, home owners would have paid the same amount as this year.

Instead, the Council is proposing to set the millage rate slightly lower than the rolled-back rate, meaning the city will not bring in as much property tax money next year as it did this year. With the proposed new millage rate, home owners will pay an average of \$102 less in Port St. Lucie property tax for 2010 than for 2009.

The decrease in property values generally lowers property tax payments, and the increase in the millage rate allows the city to

recover most, but not all, of that lost income. Still, for 2010, Port St. Lucie home owners will pay an average of \$419 to the city. For 2009 they paid an average of \$522, though individual amounts varied depending on each home owner’s homestead exemption status, how long he or she has owned the home and the appraised value of the individual property. Appraised property values are determined by the St. Lucie County Property Appraiser’s office, not by the city.

It’s important to note that only 19 percent of a home owner’s property taxes go to the City of Port St. Lucie, and that the Council lowered the property tax rate three times in the last five years. Several other taxing authorities also collect money from each property, and the City Council has no control over the amount those agencies charge. Those agencies include St. Lucie County government, the St. Lucie County Fire District, the St. Lucie County School District, the South Florida Water Management District, the Children’s Services Council, the Florida Inland Navigation District, and several others.

Since Port St. Lucie’s portion of each tax bill equals only 19 percent of the total property taxes charged by all agencies, the amount of money affected by the millage rate increase equals only five percent of a home owner’s tax bill, not 26 percent. But the increase would mean higher payments only if property values had remained the same as last year. Instead, values went down, and the combined effect of the decrease in property values and the increased millage rate still is a lower payment, on average, for most Port St. Lucie residents.

In addition to property taxes, which vary according to individual property value, city residents are charged various fees for services that are not paid for by property taxes. Some fees are charged on a fixed-rate basis, others are charged as a percentage. Proposed increases in those fees include:

Fixed-rate fees

- Waste Pro trash removal fee—from \$253.70 to \$262.10 a year. This

\$8.40-a-year increase was initiated by Waste Pro because of an increase in trash dumping fees they pay at the St. Lucie County landfill. The county increased fees in response to an increase in charges by the state government, which in this case forced its expenses to the local level.

- Storm water drainage fee—from \$133 to \$138 a year. This \$5-a-year increase will be used to maintain and improve the city’s swale and open drainage system.
- Street lighting fee—from \$19 to \$23 a year, a \$4-a-year increase. This fee is charged only to properties on streets where residents have elected to install street lights.

Percentage-based fees

- Water and sewer utility service—a 3 percent increase. For a typical family of three, which uses about 7,000 gallons of water a month, this equals an increase of \$35.04 a year, or \$2.92 a month.
- Communications services tax—from 1.5 percent to 5.22 percent. This is charged as a percentage of bills for consumer services such as cell phones, Internet and cable television. Though state law allows cities to charge as much as 10 percent, the rate was raised to 5.22, which is the statewide average charged by other cities. On a bill for \$100 in services, this would equal a \$3.72 increase.

The total of the fixed-rate fee increases is \$17.40 a year. The total of the percentage-based fee increases will vary from household to household, but on average, most properties still are expected to pay less in total taxes and fees to the City of Port St. Lucie for 2010 than for 2009.

And while Port St. Lucie officials fully understand that recent economic troubles throughout the country have caused residents rightly to be concerned about their valuable money, the facts and actual numbers must be understood in context for the community to work through difficult times. For that reason, the city encourages residents to develop an informed opinion based on facts, not on

Will they get to school SAFELY this year?



Port St. Lucie asks drivers to be vigilant in predawn hours

With the new school year beginning Monday, August 24, the Port St. Lucie City Council and police department urge drivers to remember the safety of kids walking to school in the early morning darkness.

There are hundreds of unlighted bus stops throughout the city, and thousands of kids will be out walking in the dark on every street, every day. And while the city has added several miles of sidewalks recently, most streets still do not have them, and children don’t always use them when available. The kids need you to look out for them. If you’re a driver, slow down, stay alert and give kids plenty of extra room. If you’re a parent, talk to your children about traffic safety, give them a flashing light if they walk in the dark, and consider walking with them to the bus stop if possible.

You can help ensure that every child who walks to school in Port St. Lucie will come home safely this year. The city is working to prevent even a single accident, and awareness by every resident is the key to success.

misleading headlines or blog entries.

To find out more about how the City of Port St. Lucie government works, visit the city’s Web site at www.cityofpsl.com.