

## Montco likely to cut tax again

Commissioners introduce budget with 5.1% reduction in property tax rate.

By Patrick Lester | Of The Morning Call

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Montgomery County property owners likely will get a tax reduction for a second straight year in 2008.

County commissioners on Monday introduced a county budget with a 5.1 percent property tax reduction, which would cut tax bills an average of \$24.20.

The proposed decrease comes a year after the commissioners approved a 1.7 percent tax rate cut.

Commissioners plan to put the proposed \$483.8 million budget to a final vote Dec. 20 and don't anticipate making major changes before then, county spokesman John Corcoran said.

The preliminary budget lowers the tax rate from 2.84 mills to 2.695 mills -- a 0.145-mill drop. A mill is a \$1 tax on every \$1,000 of a property's assessed value.

That would mean the owners of properties with a tax assessment at the county average -- \$166,917 -- would see their property tax bill decrease from about \$474 to about \$449.

The 2007 reduction lowered tax bills an average of \$8.35.

"This is the final budget for this administration, and it's one we can be proud of as we leave the county in superb financial strength for the next administration," Commissioner Chairman Thomas Jay Ellis said in a statement.

"The budget is a win-win for taxpayers as it confers the second tax cut in as many years. Taxes are actually lower than when we took office while we have increased spending on public safety, the cornerstone of our administration."

Commissioners last raised taxes in the 2005 budget. That year, property owners saw a 1.8 percent increase.

Commissioners said the 2008 budget is funded in part by a \$33.4 million appropriation from the county's fund balance, an emergency reserve fund that has grown to about \$90.2 million. The amount surpasses what financial managers recommend the county have in the fund.

The county expects to save \$1.8 million next year by switching prescription medication coverage for county employees. New Jersey-based SUNRx will provide that coverage in 2008. A change in life insurance providers will save \$172,000 more, county officials said.

The commissioners also unveiled a capital fund budget that earmarks \$23.4 million for an addition to the county prison and \$12.1 million for renovations to the courthouse.

The county plans to spend \$44.5 million on open space preservation in 2008 as part of a 10-year, \$150 million land preservation program approved by voters in 2003.

Also, \$5.5 million will go toward bridge replacements and highway improvements.

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To view the video from the press conference please visit: <http://wfmz.com/view/?id=170917>.

Resource: [http://www.mcall.com/news/local/all-b1\\_2montco.6155692nov27,0,1024440.story](http://www.mcall.com/news/local/all-b1_2montco.6155692nov27,0,1024440.story).