

# Sales tax hike planned

## Commissioners: 0.5 percent increase, property tax decrease

**John Arthur Hutchison**

JHutchison@News-Herald.com

Twitter: newsheraldjah

Lake County commissioners said Wednesday they plan to increase the county's sales tax rate by 0.5 percent, but in turn, will reduce non-voted property tax rates and stormwater management user fees.

A 0.5 percent increase to 6.75 percent would be the first in county

history since the tax was instituted in 1969.

The sale tax and property tax changes would be effective April 1. The county's total sales tax rate now is 6.25 percent, of which the county receives 0.50 percent and Laketrans receives 0.25 percent. The state of Ohio receives 5.5 percent.

Lake County's total rate is among the lowest in the state and is lower

than neighboring Geauga (6.5 percent), Ashtabula (6.5 percent) and Cuyahoga (7.75 percent) counties.

Property tax inside millage dedicated to the county's general fund is currently 2.1 mills and commissioners would reduce the rate to property owners to 1 mill. A reduction can only be done by an act of the commissioners.

For each \$100,000 of property

valuation, 2.1 mills generates \$64.31 per year; 1 mill would generate \$30.63 per year, according to the county Auditor's Office.

Stormwater management user fees to property owners within the county's stormwater management district would be reduced effective next year. A new fee structure wasn't announced Wednesday.

Residential parcel owners now

pay \$9.60 annually in communities that participate in Level 1 service and \$30 annually for residential parcel owners in communities that have Level 2 service.

"We believe that we are addressing the county's budget crisis responsibly," Commissioner Daniel P. Troy said. "The additional revenues generated will still leave us at

**See Hike, Page A4**

### Local

### Hike

From Page A1

an overall general revenue fund of less than we had as recently as four years ago. But by this action, we are shifting our tax base away from one based on property ownership to one based more on consumption."

Troy said the net revenue increase to the county would be around \$8.5 million annually.

Commissioner Raymond E. Sines said previous reductions in county operations would be sustained.

"We have shrunk county government to its present bare-bones level, and will continually advocate for changes in state law that currently gives us little flexibility in terms of structural efficiency," Sines said.

"What we will not do, and in reality will not be able to do as a result of us combining tax cuts with tax increases, is regrow county government back to previous levels. It is important that our officeholders and department heads understand that."

With these changes, Lake County would not have the highest sales tax rate in Ohio, but would have the lowest unvoted property tax rate for general county government operations of all of Ohio's 88 counties, Troy said.

"It can be accurately stated that this action reduces property taxes for Lake County citizens, and replaces much of that revenue from non-Lake County residents," Commissioner Robert E. Aufuldis said.

Commissioners believe their proposal provides a longer range of fiscal stability.

Sheriff Daniel A. Dunlap said an increase in the sales tax is the only option to solve the budget crisis.

"Over the past four years county government has cut personnel, merged or elimi-

nated services, and changed operational procedures at every level to curtail costs," Dunlap said.

"As a Sheriff's Office, we have cut our budget from \$15 million down to \$10 million since 2008. This included closing a jail, laying off or not replacing 55 employees and 20 part-time staff, and not replacing equipment and programs that we depend upon to service the community."

Dunlap said his office has reached a point where any further cuts threaten the level of services to community, its economic stability, and its safety and security.

"We have not replaced vehicles in four years, the buildings have deteriorated, the jail is at capacity, and warant and paper service has backed up due to an inability to handle the load," Dunlap said.

"In short, there is nowhere else to cut. This sales tax is the only viable option to citizens at this time. Failure to act now will have dire consequences to Lake County at all levels."

Auditor Edward Zupancic said the proposal is a creative and balanced approach.

"Over the last several years, I have watched the deterioration of the county's revenue, while the demands to provide the statutorily mandated services have not lessened," Zupancic said.

"This fact puts the credit rating of the county in jeopardy. That is why I am supporting the sales tax increase in conjunction with the property tax decrease."

*Commissioners host a public hearing on the plan today at 2 p.m. in their chambers in the county administration building in Painesville.*

*After a recess, the hearing reconvenes at 6 p.m. in the building's basement assembly room.*

*Another hearing is scheduled for Tuesday at 10 a.m.*