

Tax jump possible for Lake County

■ Smaller governments trying to avoid such measures

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EDITOR'S NOTE: This is the third in a three-part series looking at the options facing local governments and school districts as tax revenue dwindles.

Most school districts have turned to their residents in hopes that they can afford to spare additional tax revenue to support current programs, services and staff levels.

And most have been unsuccessful.

With similar cuts to local governments, residents might worry that their municipalities will do the same.

With a budget that could be \$3 million smaller in 2012 than this year, it's possible Lake County commissioners might be inclined to increase the county's sales tax rate.

"We still have certain statutory duties that we have to provide for," Commissioner Daniel P. Troy said. "If unable to provide for those statutory duties, then we have to take a hard look at it."

The only other option to substantially increase county revenues would be to ask voters to pass a countywide levy for operating purposes, Troy said.

"We don't have any other choices for revenue," he said.

Troy said a sales tax increase is under serious discussion because of what is forecasted for next year.

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"There are absolutely no plans, no thoughts of the city employees; we're in all of the union contracts Dec. 31 so we will be renegotiating our contracts with all 10 of our bar-ity taxes, the revenue in our retirement fund has decreased, and therefore to continue to maintain the infrastructure improvements that are needed we need to start transferring," he said.

The city will also begin transferring \$500,000 from the general fund into the bond retirement fund in order to save necessary funds for all city expenses including equipment purchases and facility improvements.

Cervenik said that it's never been necessary to make the

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"I am quite certain that there will be more retirement payouts than we had in 2011. That will really be the only major increase in proposed expenditures," he said. "I plan to bring forth more information related to a possible 2013 levy."

Residents rejected a proposed tax credit decrease on the November ballot that would have generated an additional \$750,000 annually through residents who work outside the city. Headen said she believes it was a clear sign that citizens want transparency and accountability in their city government, and that council has since been headed in that direction.

Headen said she doesn't expect the city will need levy funds for 2012, but if the way there will be no need for a levy in 2012.

Euclid Mayor Bill Cervenk also firmly believes that the city spends money doesn't hope that voters will approve the police, fire and general fund levies has intensified because the funds would be used in 2013 to restore layoffs and program cuts that have already been announced.

However, in asking voters to accept the levies, Eastlake will battle perception problems as much as it will fight off possible resistance from cash-strapped families within city limits. As the administration and council discussed the levies in November, they wondered what effect splitting the levies up would have.

On one hand, voters might appreciate the city spelling out exactly what its needs are instead of lumping everything

into a single levy request. At the same time, others could breeze past the levies' language and view the placement of three issues on the March ballot as too much, too soon. "Nobody really knows what's going to happen with the levies," Eastlake Council President Dennis Morley said.

In Cuyahoga County, the city of Richmond Heights will begin financial discussions near the end of January in order to submit the completed budget to the county by the end of March.

Those discussions will include ways for the city to pose a potential revenue as the November ballot that would have generated an additional \$750,000 annually through residents who work outside the city. Headen said she believes it was a clear sign that citizens want transparency and accountability in their city government, and that council has since been headed in that direction.

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When combined, the levies for the March ballot. Although she would first like to investigate ways to shrink the budget that would minimize the impact on the city, she believes it was a clear sign that citizens want transparency and accountability in their city government, and that council has since been headed in that direction.

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