

By working together we have been able to keep excellent safety services, maintain community services, respect our employees and live within our means through these challenging times.

As an older inner-ring suburb, we have had to be smart, innovative and fiscally responsible with your tax dollars. Rather than reducing service levels, we have been creative in looking to do more with less, create new efficiencies, embrace regionalism and be creative while managing the growing costs of providing services.

We began to address our financial challenges in 2009 with the rise of the great recession and housing and foreclosure crisis, which severely hurt our community.

At that time, administrative and staffing cuts were made in most city departments, including employees taking wage freezes and unpaid furlough days.

For the last several years, with resident support, we have been able to implement short-term strategies that

have helped us bridge budget shortfalls and position ourselves with minimum reserve levels.

This approach has been reasonable, but it does have long-term negative impacts on keeping South Euclid safe, healthy and attractive to current and future residents and businesses.

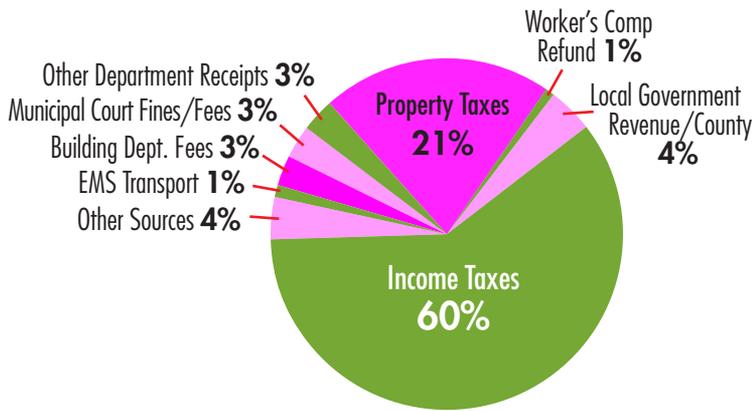
As our financial resources have been reduced through the recession and state cuts, costs for services continue to rise, leaving us without the resources necessary funds to continue to invest in critical infrastructure, capital and quality-of-life projects.

The time has come to make long-term decisions that will keep South Euclid vital, safe and stable – not only for today – but also for our future.

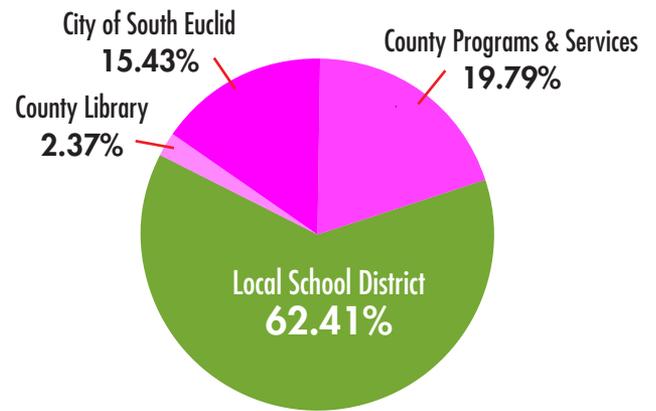
*We need to work together to ensure long-term financial stability and preserve the quality of life of our community for today & future generations...*

# Budget Snapshot

**What are the estimated sources that fund City Services?**

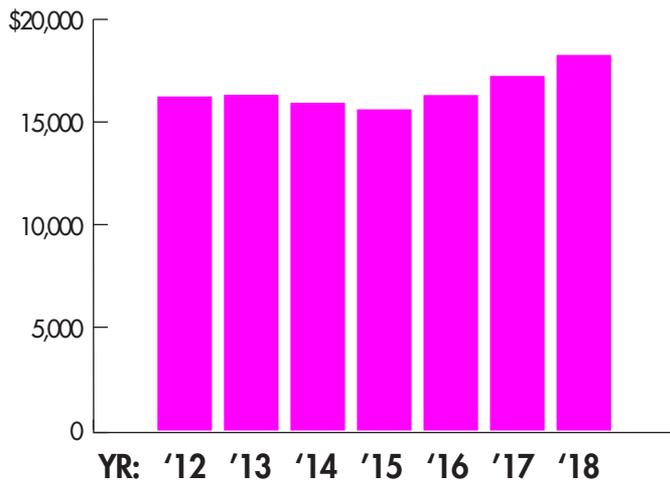


**I pay a lot in Property Taxes. Where does it go?**

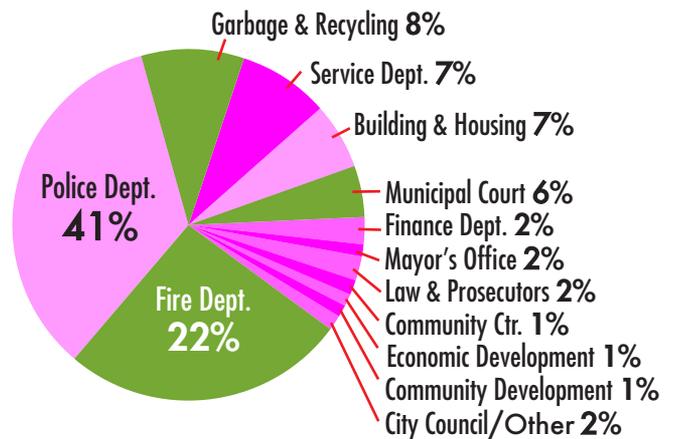


# Expenses

**Municipal Expenses**  
(The Cost of Providing Services to the Community)



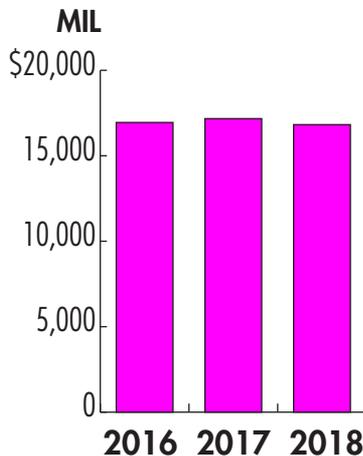
**How Your Tax Dollars Are Spent:**



# Revenues

## Revenue Collections

(from Income Tax, Property Tax and Other Sources)



Revenues have remained stagnant while the costs of providing services continue to rise.

## FACT:

In 2012 South Euclid received \$16,513,050 to provide all city services for residents.

Six years later - in 2018 – revenue collection was \$16,820,775.

Our revenues to provide services has remained flat while costs to provide critical city services continue to increase!

## Cost of Living has gone up over 9%.

## Why do we keep a General Fund balance?

As a best practice, It's important to keep a General Fund balance for several reasons:

- **Emergency Preparedness**

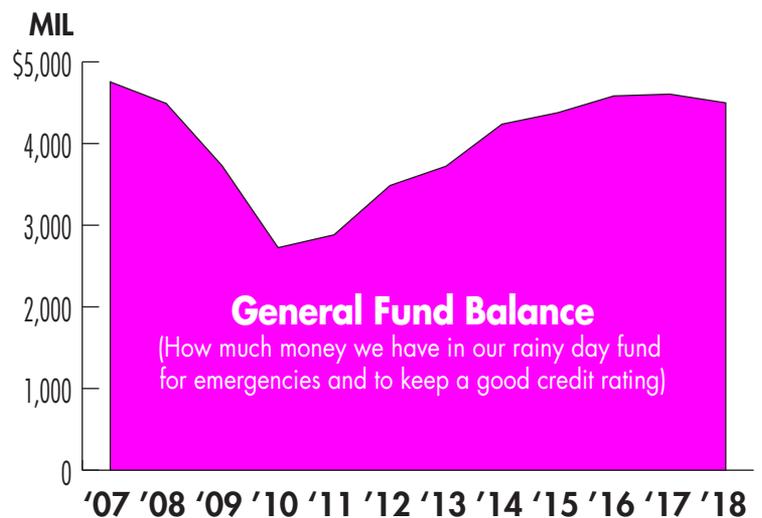
As an older, inner-ring suburb, South Euclid needs to assume greater risk and be prepared for any emergencies (infrastructure repair, natural disasters, and other safety issues) that might arise to protect the health, safety and welfare of our residents and community.

- **Maintaining a good credit rating**

Just like individuals, cities have credit ratings. Keeping a high credit rating means that the City can extend long term credit for important projects at a lower interest rate – saving taxpayer dollars.

- **Rainy Day Fund**

Our General Fund balance has allowed us to weather the storm and help offset changes that are beyond our control. These changes include reductions in income tax and property tax collections, and financial cuts in funding sources and/or services from the State, Federal and County governments.



### General Fund Balance

(How much money we have in our rainy day fund for emergencies and to keep a good credit rating)

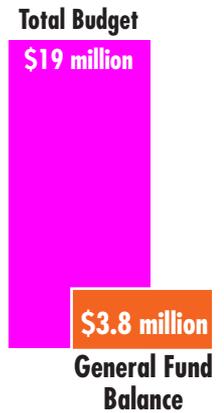
# south *A*euclid

## Revenues, Continued

### How much should our General Balance be from year to year?

The Government Finance Officers Association (GFOA) recommends that cities keep a minimum of 15-20% of total projected budget as a General Fund Balance.

**For example, if South Euclid's total budget is \$19 million, we should have a minimum General Fund Balance of \$3.8 million.**



### How do we know that our tax dollars are well managed?

The City of South Euclid operates on a tough set of financial controls that are audited on a yearly basis by the State of Ohio. Like any good business, we need to plan ahead in order to maintain a financially sound and stable city.

#### Aa2 rating

The City has maintained its excellent bond rating. Our Aa2 rating is one of the highest in our region and the same as neighbors like Highland Heights.

#### Certificate of Achievement

The City has annually received Government Finance Officers Association Certificate of Achievement for Excellence for Government Reporting.

#### Auditor of State Award

South Euclid received the Auditor of State Award with Distinction for our most recent financial audit, which found no deficiencies, as has been the case for the last several years.

#### Transparency

South Euclid is one of the only cities in Northeast Ohio that puts its checkbook online for review. All audited years since 2016 are available for public review online at [www.ohiocheckbook.com](http://www.ohiocheckbook.com).

### Lost City Revenue Due to Government Cuts

#### State Funds Cut 50%

State of Ohio Local Government Fund was cut 50% by the State of Ohio from approximately \$1 million a year to approximately \$500,000.

# 50%

#### Commercial Activity Tax Eliminated

Commercial Activity Tax was cut 100% by the State of Ohio from approximately \$170,000 to \$0.

# 0

#### Estate Tax Eliminated

The Estate Tax was cut 100% by the State of Ohio. For example, in 2010 the city received \$500,000 in Estate Tax Collections, we now receive \$0.

# 0

# south euclid

# Cost Savings

## How has the City been creative in helping lower costs and saving tax dollars?

The Mayor and City Council have been working hard to promote regional strategies (regionalism) and approaches that work to save taxpayer dollars, improve public services and implement creative solutions with our neighboring communities.

### Some Examples of Regionalism in South Euclid:



#### Community Partnership on Aging

One important regional organization is the Community Partnership on Aging made up of the cities of South Euclid, Lyndhurst, Highland Heights, Mayfield Heights and Mayfield Village. While the City's annual cost for this program is approximately \$300,000, it would cost much more if we provided this important service on our own.



#### Heights Hillcrest Communications Center

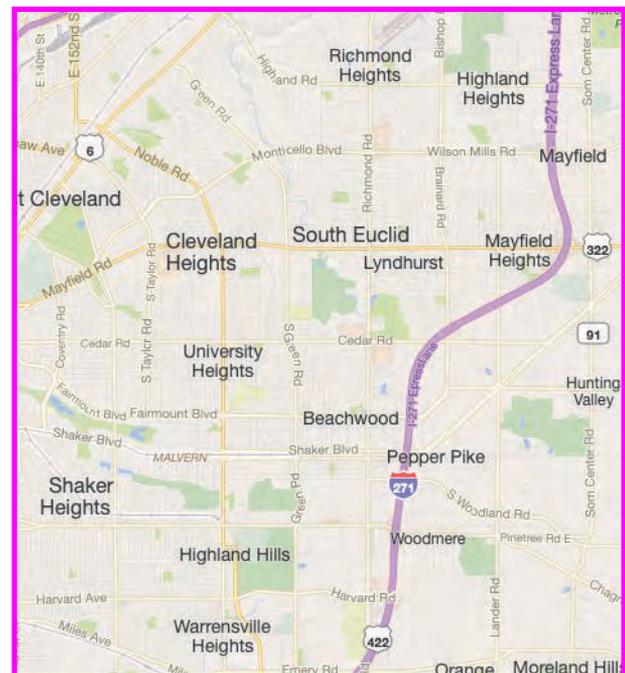
Another major new regional initiative is the creation of the Heights Hillcrest Communications Center, which now provides 911 and dispatch services for South Euclid Police and Fire/EMS departments (instead of each city having their own dispatchers on duty 24-7).

Opened in late 2017, the regional dispatch center serves the cities of South Euclid, Shaker Heights, Cleveland Heights, Richmond Heights and University Heights.

### Other examples:

In the last few years, we have worked with our neighboring cities to regionalize several efforts, and continue to look for new ways to work together to save taxpayer dollars. Some additional examples of regionalism include:

- **Police EDGE SWAT Team**  
*(South Euclid, Euclid, University Heights, Shaker Heights and Beachwood).*
- **Police Mobile Field Force**  
*(South Euclid, University Heights, Shaker Heights, Beachwood and Cleveland Heights).*
- **Fire Heights Area Special Rescue Team**  
*(South Euclid, Euclid, Beachwood, Shaker Heights, University Heights, Cleveland Heights).*
- **Regional Animal Warden**  
*(South Euclid, University Heights, Richmond Heights).*



# south euclid

## Cost Savings, Continued

### City Department Fulltime Employee Staff Reductions

<b>Service Department:</b>	34 to 21
<b>Building/Housing:</b>	16 to 11 employees
<b>Fire Department:</b>	33 <i>(three firefighters paid through a Federal Grant)</i>
<b>Police Department:</b>	41 to 37 officers
<b>Community Center:</b>	3 to 2 <i>(replaced with part-time, non-benefit)</i>
<b>Reception Desk:</b>	1 replaced with part-time, non-benefit
<b>City Hall Maintenance:</b>	2 fulltime employees replaced with outsourced service
<b>Finance Department:</b>	6 to 3

### Examples of Upcoming Capital Projects (Next Five Years)

These projects are necessary to protect health, safety and welfare, maintain quality-of-life amenities, protect neighborhood housing values and keep South Euclid vital, stable and vibrant.

As a result of the recession and loss of State Funds, the City has had to delay maintenance to roads, parks, facilities, and service vehicles. We can no longer delay action on many of these items and we have a duty to protect the health, safety and welfare of the community and protect your investments in the community.



#### Major County Road Projects:

South Green Road, South Belvoir Blvd, Warrensville Center Road, Monticello Blvd.

**Estimated City Cost (20%):**  
**\$2 million**



#### Replace City Hall/ Municipal Court Roof:

**Estimated Cost**  
**\$1 million**



**Reinvest in Park Amenities and Playgrounds:**  
**\$500,000**



**Replace Bexley Pool**  
*(nearing end of lifespan):*  
**Retrofit: \$500,000**  
**New Pool: \$1 million**

south  euclid

1349 South Green Road

South Euclid, OH 44121

216-381-0400

[www.cityofsoutheuclid.com](http://www.cityofsoutheuclid.com)



Sign up for our new E-Newsletter by visiting [www.cityofsoutheuclid.com](http://www.cityofsoutheuclid.com) or scanning the QR Code from your smartphone.



# The Columbus Dispatch

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## State cuts to local governments result in local cuts and higher taxes

By Doug Caruso

The Columbus Dispatch

Posted Nov 3, 2018 at 5:19 PM

Updated Nov 3, 2018 at 6:25 PM

In the years since Ohio Gov. John Kasich and lawmakers began cutting millions in taxpayer funding for local governments, there has been an ongoing debate about whether to restore the money.

It's been an issue in the race for governor this year: Democrat Richard Cordray has proposed restoring the funding — nearly \$450 million. Republican Mike DeWine has not, but he has proposed making specific grants to help cities with issues such as opioid addiction.

Local leaders are particularly interested in local-government money because, unlike other state funding, that money is unrestricted: Cities and counties can use it for infrastructure or hiring police officers or any other need that crops up.

The first, smaller drop in local-government funds came in 2009 as state revenue tanked during the recession and there was less money to share. Bigger reductions arrived in 2012 when lawmakers cut the slice of revenue the state shared by more than half.

As money from the state dried up, some local officials warned that they would be forced to raise local income and sales taxes to maintain revenue and provide services.

### Local taxes rise

Many local officials across Ohio did as promised: 163 cities and villages raised their income taxes — or instituted new ones — between 2008 and 2016, according to a Dispatch analysis of Ohio Department of Taxation data. Among Ohio's 88 counties, 17 of them had higher sales taxes by 2016.

Records show that another 46 municipalities raised their income taxes in 2017 and early 2018, and that four more counties raised sales taxes in 2017, but The Dispatch was unable to analyze the effects of those taxes because the last full set of revenue data was from 2016. Cleveland and Dayton raised income taxes as of Jan. 1, 2017, and Akron raised its tax at the start of this year.

Compared with the 209 municipalities that have raised income taxes since 2008, there were 139 that raised taxes during the previous 10 years, about two-thirds as many.

There is a direct correlation between the recent tax increases and dwindling local-government funds, said Kent Scarrett, executive director of the Ohio Municipal League, which is lobbying for the return of the local-government funding.

It's among several strains on municipal revenue that have come down from the state, he said, including the loss of estate taxes and changes to the types of income cities are allowed to tax.

Meanwhile, Scarrett said, an increase in local taxes shifts rather than reduces the tax burden in a state where leaders have professed they want to keep taxation to a minimum.

"The connection between local-government funds and rising local tax rates should be of concern to the legislature and statewide officials," Scarrett said.

He and many local officials point to the \$2.7 billion in reserve funds the state has built up since the local-government fund was cut and state income taxes were lowered as proof that the state has the wherewithal to restore the fund.

But Tim Keen, budget director for Gov. John Kasich's administration, said that fiscal cushion against a future downturn represents about 8.3 percent of state funding. Many cities are holding reserves at higher rates, he said.

Most municipalities are in a good position to rein in their budgets or raise their taxes as they deem necessary without taking more revenue from the state, Keen said. "Local people should make their decisions about the level of services they want and the method of payment they want," he said.

Instead, Keen said, “the cut in the local-government fund is a get-out-of-jail-free card for local officials.” Even though the cut represented 1.5 to 2.5 percent of most cities’ budgets, he added, when local leaders raise taxes or face a budget problem, “They can point at the cuts to the LGF and say ‘This is why this is happening.’”

Through 2016, tax increases and a growing economy meant that, overall, local income and sales taxes more than made up for the local-government-fund cuts. Adjusted for inflation, Ohio’s cities, villages and counties saw a total of just over \$1 billion more in revenue in 2016 from local income and sales taxes compared with 2008. Meanwhile, the cut to local-government funding totaled \$446 million.

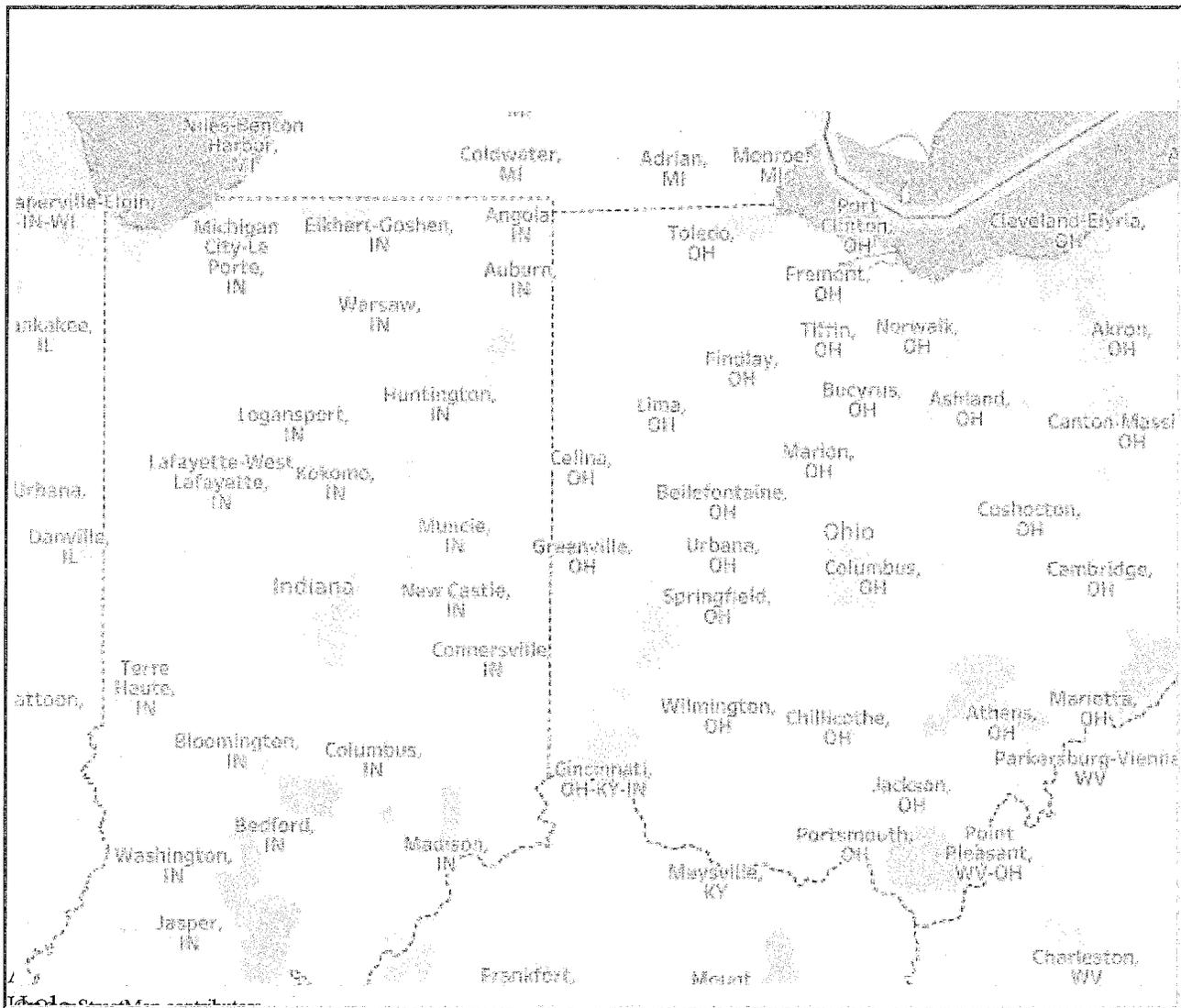
### **Revenue losers**

But closer analysis shows there were individual winners and losers.

The revenue losers were mostly among the municipalities that did not raise taxes. There were 459 cities and villages that held income-tax rates level between 2008 and 2016. After adjusting for inflation, nearly half of them — 226 — had lower combined income-tax and local-government-fund revenue by 2016 than they had in 2008.

## **No tax increases**

Among 459 cities and villages that did not increase taxes between 2008 and 2016, nearly half of them — 226 (in red on the map) — did not have enough income-tax revenue to make up for state cuts to the Local Government Fund. But 233 (in blue) did.



Source: Dispatch analysis of Ohio Department of Taxation data

The biggest loser was Cleveland, with an inflation-adjusted net loss of \$47 million in annual income-tax and local-government-fund revenue, comparing 2008 with 2016. The city did increase its tax in 2017.

With the exception of Columbus, Ohio's largest cities all were in similar straits: Dayton, down \$26.5 million; Akron, down \$18.2 million; Toledo, down \$16.6 million; Youngstown, down \$11.7 million; Canton, down \$9 million; Cincinnati, down \$7.1 million.

Taken together, gainers and losers, the 459 municipalities that did not raise taxes saw combined income-tax and local-government-fund revenue decrease by \$66.1 million.

In central Ohio, tax revenue in Newark, where voters rejected an income-tax increase in 2014, did not keep up with inflation between 2008 and 2016. Combined with a cut of \$1.6 million in local-government funding, the city's revenue was down an inflation-adjusted \$2.6 million in 2016 from both sources combined.

Mayor Jeff Hall said tight budgets have spurred more efficiency, though he'd like to put more money into the city's safety forces and aging roads. "Communities have wasted money," he said. "It's real easy to get a handle on it when money is tight."

Hall points to a skate park the city is building with money a foundation donated and a partnership with private developers who are paying 65 percent of the cost to revitalize the city's downtown. "I'm not going to sit here and say 'I can't do anything for my parks because I don't have any local-government money,'" he said.

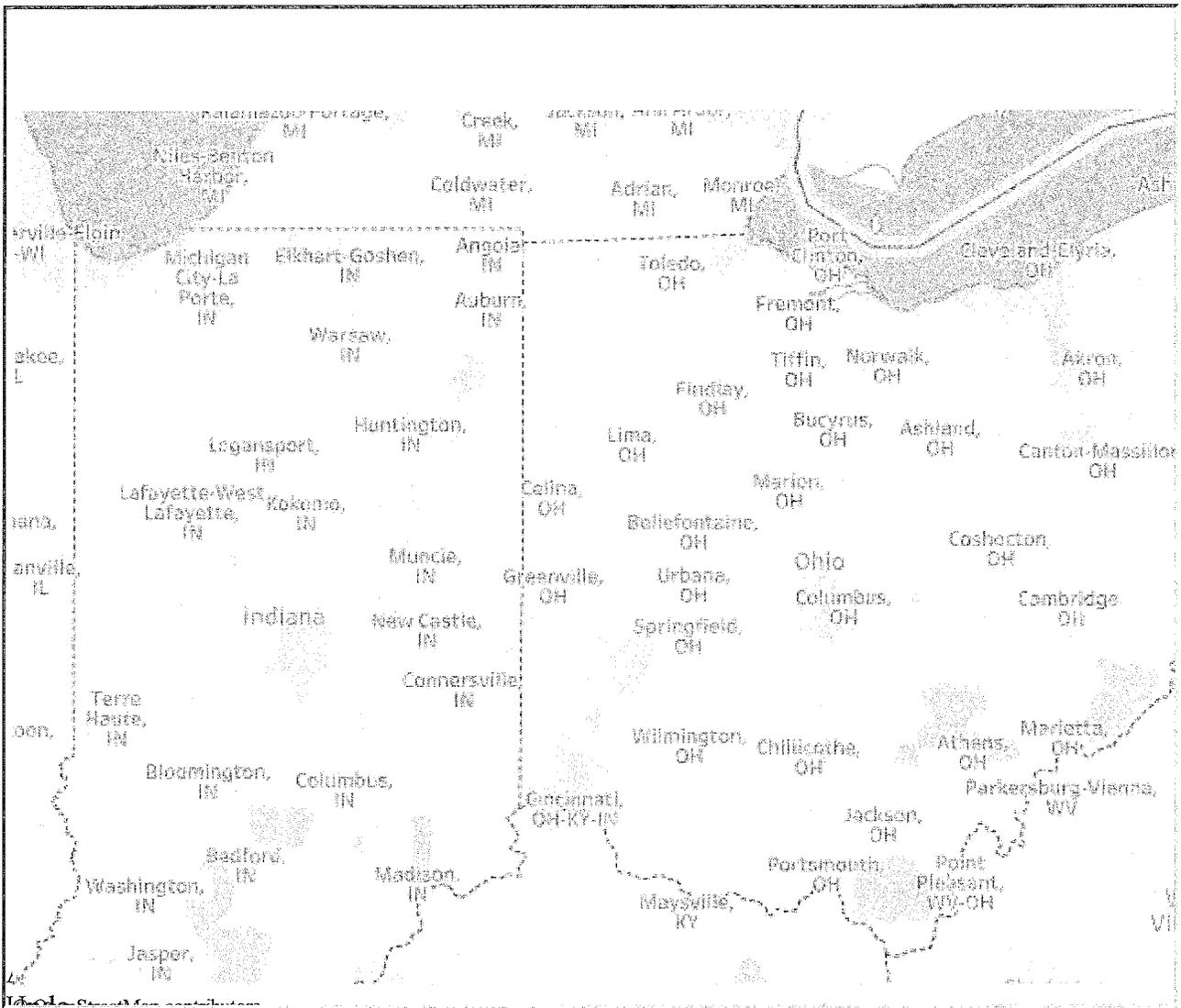
If local government funds are restored, Hall said, they shouldn't come back in their original form: Once the state's reserves are replenished to a certain point, excess money should flow back to communities that need it for roads and bridges, safety or other specific needs.

## **Revenue winners**

The revenue winners — by far — are the municipalities that raised taxes. Of the 163 that had raised taxes as of 2016, nearly all — 146 of them — had more combined revenue from income taxes and local-government funds in 2016 than they did in 2008, despite inflation and the cuts to the state funding.

## **Raised taxes**

Of the 163 municipalities that raised taxes between 2008 and 2016, nearly all of them — 146 (in blue on the map) — had income tax revenue in 2016 that made up for Local Government Fund cuts.



Source: Dispatch analysis of Ohio Department of Taxation data

As a group, they saw an increase in combined income-tax and local-government revenue totaling \$438.8 million, comparing 2008 with 2016.

More than half of that increase was in Columbus.

In 2009, as the first cuts to state funding were taking hold, and with city savings depleted from the recession, Columbus leaders asked voters to raise the municipal income-tax rate to 2.5 percent from 2 percent. Voters in a special election agreed.

By 2016, Columbus was receiving \$32.6 million less in local-government funds from the state than it had received in 2008, adjusted for inflation. But it was bringing in \$271 million more in income-tax revenue, a net revenue gain of \$238.4 million.

The 2009 tax increase and steady economic growth helped Columbus weather not only the local-government cuts but also cuts to estate taxes, personal property taxes and other reductions, said Columbus Auditor Megan Kilgore. Today, she said, Columbus relies more on local income taxes: They're 78 percent of the city's general fund revenue now compared with about 60 percent a decade ago. That means a local downturn could hurt more than if revenue sources were more spread out.

"When we do experience those cycles, there are more ups and downs," she said.

Westerville voters also approved an income-tax increase in 2009, to 2 percent from 1.25 percent. With continued economic growth and the increase, the Columbus suburb kept up with cuts to the local-government fund and estate taxes, said City Manager David Collinsworth.

But others aren't so fortunate, he said.

"There are some communities that are more reliant on these dollars than others. Some raised tax rates, but there's a lot of communities that have not been able to do that and are therefore worse off today," he said.

Keen has unsuccessfully promoted the idea that if local-government funding survives, the amount should be tied to communities' capacities to raise more money themselves. Most communities simply aren't very reliant on the state funding, he said.

"They have ample capacity to raise their own revenues locally," he said.

It shouldn't matter whether some communities are weathering the loss of local-government funds better than others, said the Municipal League's Scarrett. People living in all cities generate revenue for the state, he said, and all should get a share.

"That revenue should be shared with all the communities that are creating jobs and are the engines of economic development in Ohio," he said.

**Most counties doing OK**

Among the state's 88 counties, 22 had lower revenue from sales taxes — counties' primary source of revenue — and local-government funds in 2016 compared with 2008, after adjusting for inflation.

Among them was Summit County, home to Akron, where rising sales-tax collections did not fully cover a \$7.6 million cut in local-government funding. In 2016, Summit County brought in a total of \$1.7 million less in revenue from the two sources than it did in 2008.

But again, the 17 counties that raised sales taxes generally were doing better than those that did not: For counties that did not increase sales taxes, the median county had total revenue from sales taxes and local-government funding that was 4.7 percent higher in 2016 than in 2008. For counties that raised taxes, the median increase was 18.2 percent.

And some did a lot better. Franklin County, home to Columbus, increased its portion of the sales-tax rate from 0.75 percent to 1.25 percent. It brought in \$64.8 million more in 2016 than in 2008 from sales taxes and local-government funds, despite a drop of about \$14.8 million in local-government funds.

[dcaruso@dispatch.com](mailto:dcaruso@dispatch.com)

[@DougCaruso](#)



COME TOGETHER & THRIVE

# TOWN HALL DISCUSSIONS

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Revenue Enhancement

*January 2019*

# WELCOME

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- ▶ **OBJECTIVE:** Provide a thorough update on the current financial situation of the City of South Euclid.
- ▶ **GOAL:** To showcase a plan to improve the City's financial position and hear your feedback

# Meeting Format

- ▶ Presentation by City Council
- ▶ Q & A AFTER PRESENTATION CONCLUDES  
(Please write your questions down. They will be collected.)

*Tonight is about preserving  
the quality-of-life of our  
community for today and for  
our future...*

# Overview of Municipal Finances

---

## ▶ PRIMARY SOURCES OF INCOME:

- ▶ Income Tax (2%) \$10,791,273
- ▶ Property Tax \$3,429,721
- ▶ State/Local Government Funds \$554,117
- ▶ Fines/Fees/Permits
  - ▶ Building Permits \$732,733
  - ▶ Court Fines \$570,220
  - ▶ Parking Tickets \$144,173

## ▶ TOTAL GENERAL FUND REVENUE: \$17,977,622

# How we have managed revenue

	2012	2013	2014	2015
<b>Projected Expenses</b>	\$17,671,825	\$17,006,407	\$16,413,150	\$16,268,147
<b>Actual Revenue</b>	\$16,299,340	\$16,403,248	\$16,290,721	\$15,527,161
<b>Actual Expenses</b>	\$16,211,942	\$16,261,222	\$15,896,239	\$15,585,009
<b>Difference</b>	\$87,398	\$142,026	\$394,482	(\$57,848)

	2016	2017	2018
<b>Projected Expenses</b>	\$17,063,947	\$17,850,046	\$18,890,572
<b>Actual Revenue</b>	\$16,947,349	\$17,120,745	\$17,977,622
<b>Actual Expenses</b>	\$16,820,934	\$17,213,096	\$18,235,039
<b>Difference</b>	\$126,415	(\$92,351)	(\$257,417)

# Municipal Income

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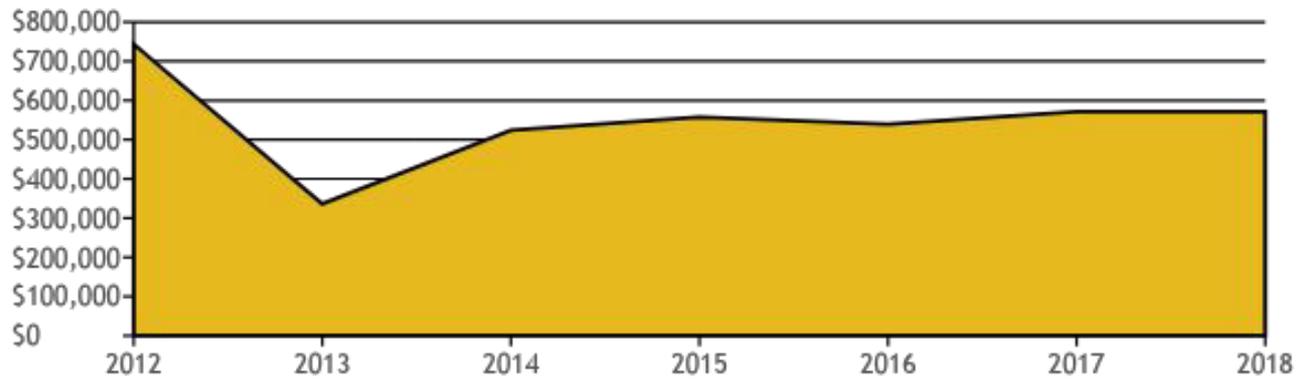
- ▶ Property tax collections have been reduced by 18% (-\$703,588) since 2012
- ▶ Income tax collections have increased 17% (\$1,586,721) since 2012
- ▶ Local Government Funds received have been reduced by 45% (-\$172,364) since 2011
- ▶ Inheritance tax phased out (-\$681,070)

# Municipal Income

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- ▶ Aggressively pursuing grant funding (\$162,000)
- ▶ Increased Emergency Medical Services transport fees
- ▶ Participated in RITA Subpoena Program to collect unpaid income taxes
- ▶ Working with Ohio Attorney General to recoup uncollected fines/fees

# Reduction of LGF Receipts



2012	2013	2014	2015	2016	2017	2018
\$743,492	\$336,381	\$523,474	\$557,015	\$539,536	\$571,128	\$571,128

- ▶ 23% decrease since 2012
- ▶ Ohio Legislature proposing additional cuts in 2017 Biennial Budget

# Loss of Inheritance Tax

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- ▶ Abolished by Governor Kasich and the Ohio State Legislature in 2013.
- ▶ In 2013, we received \$685,081.
- ▶ In 2016, we received just \$4,011.

# What We Have Cut

## ▶ **Personnel:**

- ▶ 13 Service personnel eliminated (\$1 million saved)
- 5 Building/Housing personnel gone
- 3 Police officers not hired
- 2 Community Center personnel changed from full- to part-time
- 3 Finance Dept. personnel eliminated

## ▶ **Services:**

- ▶ Reduced road salting to hills and intersections

## ▶ **Public Parks/Facilities:**

- ▶ Closing of Pools at Quarry and Victory Parks

# Strategic Capital Investments

Like your house and property, things need to be fixed and new investments made when old things wear out and need to be replaced.

**The longer we wait, the more expensive it gets.**

**Capital expenses** are for facilities, equipment, and the infrastructure that supports everything else.

**Service** - We need to replace old trucks, fix the Service Dept. garage roof and windows, put a new roof on the salt dome, buy a new truck lift, and repave the area.

**Safety** - Update equipment

**Infrastructure** - Roads, Bridges, Water/Sewer, Buildings, Parks and Recreation

# Capital Needs We Have Forgone:

## **County Roads - Our 20% match would be \$ 1,792,382:**

Green from Cedar to Monticello - \$ 1,009,582

Warrensville from Herold to Stanhope - \$ 72,000

Monticello from Belvoir to Monticello Place Lane - \$ 582,283

Belvoir from Westdale to Bluestone - \$ 128,517

**City Hall Roof, wall, and structural repairs - \$ 2,160,737**

**HVAC & Energy Efficiency Upgrades (all buildings) - \$ 1,500,000**

**Street Light LED conversion - \$ 800,000**

**Service vehicles/equipment/repairs/updates - \$ 1,895,000**

**Police/Fire vehicles/equipment - Fire: \$385,000**

**Parks seal playground surface, pave tennis court \$80,000**

**\$ 8,613,119 in basic infrastructure investments have not been implemented.**



When the fire department has to move the beds so that water doesn't drip on sleeping firefighters, you know it's bad.



Image on right is from today, after it decided to rain inside the building. →

And we're still using a 1979 Ford dump truck...

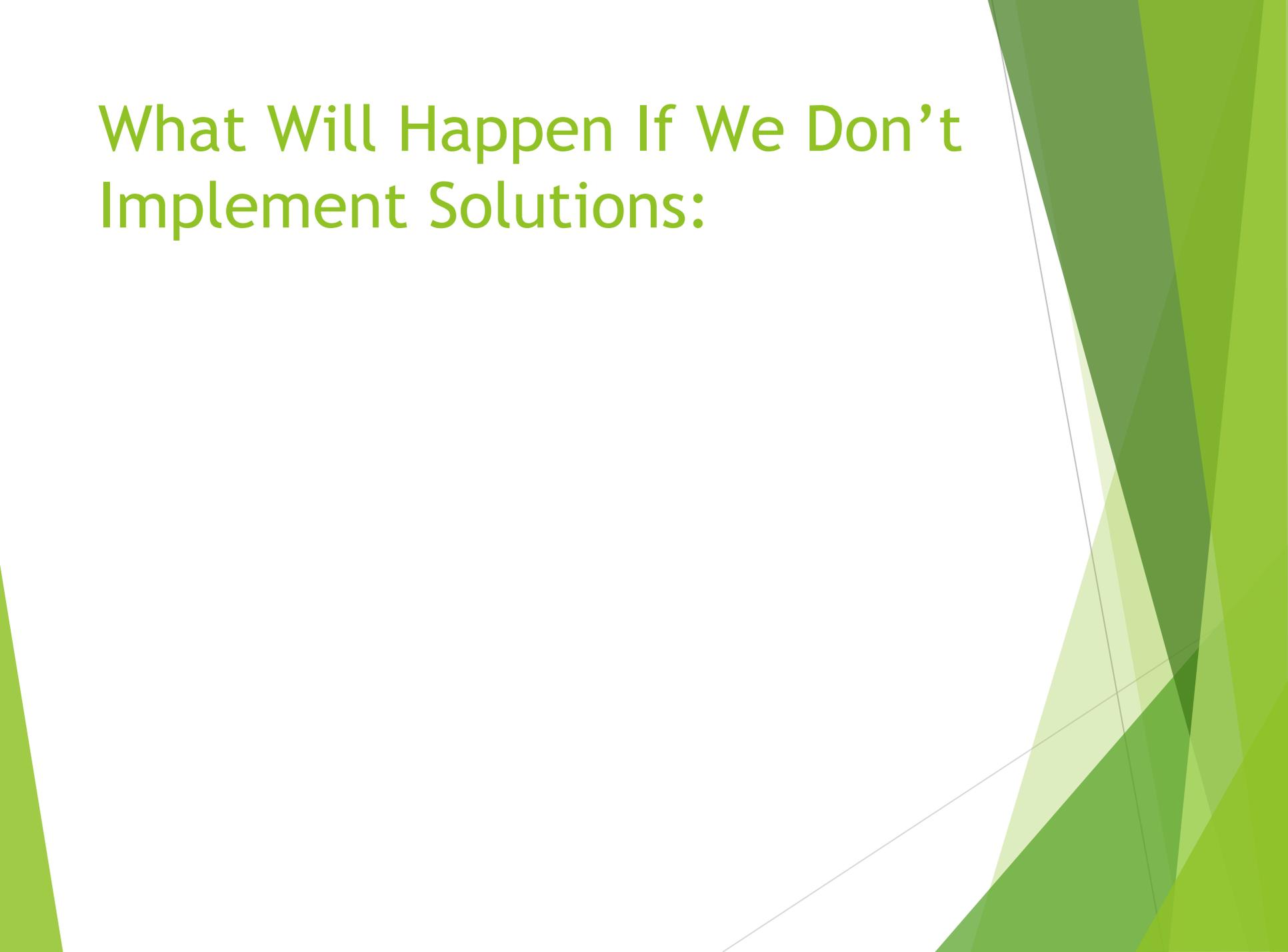


# How our residents have helped us along the way

- ▶ Curbside Recycling
- ▶ Quality Home Maintenance
- ▶ Being Good Neighbors and Advocates
  
- ▶ Safety Levy - November 2013
  - ▶ 63% in favor
- ▶ Safety Levy Increase - November 2016
  - ▶ 51% in favor

\*The Safety Levy is a special revenue fund. Monies collected through the levy may only be used to support police and fire. Currently pays a portion of police and fire wages.

# What Will Happen If We Don't Implement Solutions:

The background of the slide features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. These shapes are primarily located on the right side and bottom of the frame, creating a modern, layered effect against the white background.

# Police Department

- ▶ 3 Police Officers will not be hired for the 6th year in a row and 4 police officers to be laid off,
- ▶ This reduction will lead to slower response times and fewer cases being assigned for follow-up investigation, as well as costly overtime and over-stressed patrol officers will continue to miss time due to injuries or illness.
- ▶ Will not purchase new police cruisers (3-4)
- ▶ Turn down a \$75,000 grant that has been awarded by the County for the purchase of new portable radio on the 800MHz system (\$215,000). Our current system is 30+ years old
- ▶ Reduce the number of hours that park guards and auxiliaries are permitted to work by 33% (\$26,000)

# Fire Department

- ▶ 9 Firefighters/Medics will receive layoff notices
- ▶ This will lead to delays in caregiver arrival on scene
- ▶ It is estimated that within 3-6 months, mutual aid partners will begin to deny EMS Mutual requests

# With Increased Revenues, We Would Be Able to:

- ▶ Hire 3 new police officers to fill lost positions
- ▶ Retain 3 fire personnel currently employed by grant
- ▶ Keep a good bond rating, thus reducing the cost of borrowing for emergencies
- ▶ Update equipment for safety forces.
- ▶ Replace old and broken service vehicles
- ▶ Create a Capital Improvement Fund to address neglected building and equipment.
- ▶ Create an Economic and Community Development Fund to drive development.

How can we raise revenue in the short term to avoid major service/safety cuts?

# Repeal or Reduce Income Tax Credit for SE Residents Paying Taxes to Other Cities

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## Current Tax Credit

0.75%

Proposed Income Tax Credit	Additional Revenue	Cost to Average* Taxpayer
0.50%	\$692,231	\$125
0.25%	\$1,384,461	\$250
0.00%	\$2,076,692	\$375

\* - \$50,000 annual income

The Income Tax Credit Reduction is NOT a tax, but a reduction in the amount of refund residents who work outside of South Euclid receive for paying taxes in 2 cities.

The Credit comes out of South Euclid taxes, not the tax paid to the other city.

# Shift Burden of Trash Collection

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## Current Trash Collection Expense

\$1,250,000

Number of households	Estimated Annual Cost	Estimated Monthly cost
8,800	\$180	\$15

**This would reduce expenses by ~  
\$1,250,000**

# Income Tax Levy

Our tax levy was **not** passed in 2018, which is why we need an immediate solution

We will consider legislation that will give at least some of the income tax credit back when/if we pass other levies that provides the same amount of Revenue.

# What Else We Are Working on for Long-Term Sustainability:

- ▶ Taking a regional approach to sharing more services
- ▶ Investing in public amenities to increase property values and attract more investors/buyers/workers
- ▶ Encouraging support for local businesses to increase tax base
- ▶ Reducing energy costs by replacing street lights with LEDs
- ▶ Working with One South Euclid to assist property owners in raising home values by maintaining and upgrading homes

# We thank you for participating!

**Georgine Welo, Mayor**

**Dennis Fiorelli, President of Council, Councilman At-Large**

**Jason Russell, President Pro Tem of Council, Councilman At-Large**

**Martin Gelfand, Councilman At-Large**

**Ruth Gray, Ward 1 Councilwoman**

**Joseph Frank, Ward 2 Councilman**

**Sara Continenza, Ward 3 Councilwoman**

**Jane Goodman, Ward 4 Councilwoman**

Questions?

# SOUTH EUCLID RESIDENTS

## We need to talk...about money!

Our city's in a financial bind. You need to know what we need to do so that South Euclid can continue to provide services now and into the future.

**Town Hall Meeting #1: Wednesday, January 23, 2019 at 7 pm**

**Town Hall Meeting #2: Thursday, January 24, 2019 at 7 pm**

**Town Hall Meeting #3: Sunday, January 27, 2019 at 3 pm**

All meetings will be held at the South Euclid Community Center  
1370 Victory Drive, South Euclid, OH 44121

Please RSVP to Keith Benjamin at [kbenjamin@seuclid.com](mailto:kbenjamin@seuclid.com) or call (216)381-0400.  
(so that we're sure to save you a seat and stay within fire department capacity regulations.)



south  euclid

Come together and thrive



**You need to know what Council plans to do to raise revenue and cut expenses, and what it will mean to you.**

**Mayor Welo and your City Council representatives will be there.**

**You should be there as well.**

Learn about...

- an immediate **reduction in the income tax credit** for South Euclid residents who work and pay income tax in other cities
- residents **paying directly for trash** and recycling service
- renewal of the **Safety and Road levies**
- other possible revenue and cost-cutting measures

City of South Euclid  
1349 S. Green Road  
South Euclid, OH 44121