

January 2011

Hello Residents:

I hope that everyone had a very Merry Christmas and will have a happy and prosperous New Year. The year 2011 financially will be a very challenging year for our city. As I am writing this article we have our preliminary 2011 budget to present to Council and it is not very encouraging. Due to the recession our General Fund revenues are down over \$1 million dollars from our 2008 level. Unlike the state and county governments who receive revenues from sales tax and real estate taxes, the city relies on the 2% income tax for most of its income for operations. When business is down and residents are not working our income also goes down. Right now we are looking at a shortage of about \$900,000 for 2011. That is not good and over the next month the Administration and Council will be looking at ways to try to balance the budget. I will write more about this in future months. I would like our residents to know that we depend heavily on the economy to sustain our operations and will do our best to continue to provide the necessary services to our residents.

This month our residents will be receiving their 2011 first half real estate tax bills. I would like to emphasize that the tax increase that you see on your bills IS NOT a result of the city raising your taxes. Last November voters approved two large tax increases .One was for Lakeland Community College and the other was for the Willoughby Eastlake Schools. The year before, voters approved a tax increase for the MRDD (mental health) services and a W/E school tax increase. Please examine your real estate tax bill carefully and you will find that the City of Eastlake receives only 10% of your total real estate taxes. The W/E schools get 60% of your real estate taxes and the county programs such as Lakeland, MRDD Services, the crime lab etc. get 30% of your taxes. If you have any questions I would encourage you to call the County Auditor's office for the details of where your real estate taxes go.

The Ice skating rink is open at Classic Park on Saturdays and Sundays for our residents. Ice skate rental is just \$2 or you can bring your own skates. The Eastlake PAL organization has the concession stand open and is helping the city with the skate rentals again this year. If you get a chance try your ice skating skills for a low-cost recreation activity.

Thank you,

Mayor Ted Andrzejewski