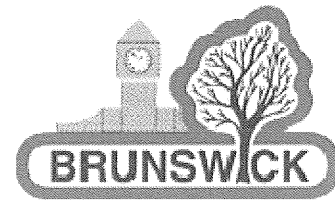


## City of Brunswick

4095 Center Road  
Brunswick, OH 44212



October 10, 2011

Dear City of Brunswick Residents,

It is hard to believe how quickly the last 8 months have passed by since my arrival in Brunswick. Thank you for the many kind words regarding the value of these newsletters. I would like to respond to a follow-up question that was received from the last letter – it related to the small amount of property tax revenue that the City receives each year and how that amount compares to other cities in the region.

If you recall, the City collects approximately 5 cents from every property tax dollar or, for the average priced home (\$166,519), about \$136 per year. As you will see from the chart on the next page, that amount is extremely low – the 3<sup>rd</sup> lowest out of 37 cities! The average amount in the region is just above 12 cents from every dollar. When people ask why the City of Brunswick cannot provide services like other communities, this low collection rate plays a role in the response. If approved, the road levy will increase the percentage of property tax funding the City receives to approximately 9.44 cents out of every dollar – still significantly less than most communities.

In today's economy, any proposed tax increase is a concern for many – I know too many unemployed or underemployed people not to realize the impact. However, our roads are in desperate need of improvement. Without additional funding, the roads -- including ones currently in good condition -- will only continue to deteriorate, costing more money in the future to repair. Road patching is only a bandage on a significant wound.

I worry about the City's financial health. Like many households today, our "savings account" has been depleted through the years as the City spent far more than what we could afford. Right or wrong, significant financial decisions were made years ago without dedicated funding sources to pay for them. In addition, nobody expected the economy to be as bad as it has been for so long or the State of Ohio, in an effort to deal with their own budgetary issue, to disproportionately implement drastic cuts to local governments. The state cuts will impact us by about \$500,000/year once fully implemented in two years.

I have been told several times since my arrival that the public simply does not "trust" the City leadership to spend these dollars appropriately. Please know that 100% of the levy funds will be dedicated to maintaining and improving the streets. Per the ballot language, we will not be able to spend this money elsewhere – with the significant amount of road issues, all of this money will be needed to address the concerns. It will take many years to have a roadway network that we can be proud of once again.

Please review the information on the following pages. If you have any questions, I can be reached at [jlukas@brunswick.oh.us](mailto:jlukas@brunswick.oh.us) or 330-558-6826. We will also be holding informational meetings regarding the levy that the public can attend – please check the City's website at [www.brunswick.oh.us](http://www.brunswick.oh.us) for the dates and times.

Sincerely,

A handwritten signature in black ink that reads "James Lukas". The signature is fluid and cursive, with the first name being more prominent.

James Lukas, City Manager

City	School District	County	Amount City Currently Receives of Total Property Tax (\$100,000 home)	Total Property Tax Paid (\$100,000 home)	Percent to City
Twinsburg	Twinsburg	Summit	\$ 61	\$ 1,593	3.83%
Independence	Independence	Cuyahoga	\$ 80	\$ 1,690	4.73%
<b>BRUNSWICK</b>	<b>BRUNSWICK</b>	<b>MEDINA</b>	<b>\$ 80</b>	<b>\$ 1,663</b>	<b>4.81%</b>
Fairlawn	Copley/Fairlawn	Summit	\$ 83	\$ 1,702	4.88%
Beachwood	Beachwood	Cuyahoga	\$ 123	\$ 2,012	6.11%
Brook Park	Berea	Cuyahoga	\$ 144	\$ 2,025	7.11%
Middleburg Hts.	Berea	Cuyahoga	\$ 144	\$ 2,024	7.11%
Warrensville Hts.	Warrensville Hts.	Cuyahoga	\$ 172	\$ 2,371	7.25%
Euclid	Euclid	Cuyahoga	\$ 195	\$ 2,542	7.67%
North Royalton	North Royalton	Cuyahoga	\$ 181	\$ 2,145	8.44%
Medina	Medina	Medina	\$ 156	\$ 1,803	8.65%
Brooklyn	Brooklyn	Cuyahoga	\$ 181	\$ 1,962	9.23%
Broadview Hts.	Brecksville/Bview Hts	Cuyahoga	\$ 193	\$ 2,086	9.25%
Parma	Parma	Cuyahoga	\$ 203	\$ 2,136	9.50%
Elyria	Elyria	Lorain	\$ 187	\$ 1,830	10.22%
Strongsville	Strongsville	Cuyahoga	\$ 227	\$ 2,160	10.51%
Hudson	Hudson	Summit	\$ 219	\$ 2,016	10.86%
Wadsworth	Wadsworth	Medina	\$ 171	\$ 1,548	11.05%
Avon	Avon	Lorain	\$ 216	\$ 1,890	11.43%
Avon Lake	Avon Lake	Lorain	\$ 211	\$ 1,822	11.58%
Seven Hills	Parma	Cuyahoga	\$ 274	\$ 2,207	12.42%
Northfield Corp	Nordonia	Summit	\$ 211	\$ 1,682	12.54%
Fairview Park	Fairview Park	Cuyahoga	\$ 354	\$ 2,792	12.68%
Olmsted Falls	Olmsted Falls	Cuyahoga	\$ 349	\$ 2,708	12.89%
Norton	Norton	Summit	\$ 219	\$ 1,609	13.61%
Parma Hts.	Parma	Cuyahoga	\$ 306	\$ 2,240	13.66%
Mayfield Hts.	Mayfield Hts.	Cuyahoga	\$ 306	\$ 2,168	14.11%
Westlake	Westlake	Cuyahoga	\$ 294	\$ 2,059	14.28%
South Euclid	South Euclid/Lyndhurst	Cuyahoga	\$ 401	\$ 2,729	14.69%
North Olmsted	North Olmsted	Cuyahoga	\$ 407	\$ 2,716	14.99%
Bay Village	Bay Village	Cuyahoga	\$ 456	\$ 2,710	16.83%
Berea	Berea	Cuyahoga	\$ 402	\$ 2,283	17.61%
Lakewood	Lakewood	Cuyahoga	\$ 533	\$ 2,889	18.45%
North Ridgeville	North Ridgeville	Lorain	\$ 350	\$ 1,776	19.71%
Richmond Hts.	Richmond Hts.	Cuyahoga	\$ 476	\$ 2,376	20.03%
Bedford	Bedford	Cuyahoga	\$ 665	\$ 2,483	26.78%
Garfield Hts.	Garfield Hts.	Cuyahoga	\$ 756	\$ 2,785	27.15%

Source: [http://www.cleveland.com/datacentral/index.ssf/2011/01/find\\_property\\_tax\\_rates\\_greate.html](http://www.cleveland.com/datacentral/index.ssf/2011/01/find_property_tax_rates_greate.html)  
These 2010 rates are used for the bills property owners pay in 2011.

12.07%  
Average

# The Path for Better Roads

**On November 8, 2011, Brunswick voters will be considering a 2.7 mil property tax levy, which is specifically designed to address our aging and deteriorating streets. If approved, the levy funds will be used only for the construction, reconstruction, resurfacing and repair of streets, roads and bridges in the City.**

**The City would not be able to use these dollars for any other purpose.**

**WHEN WAS THE LAST TIME VOTERS IN BRUNSWICK INCREASED THE PROPERTY TAX FOR CITY RELATED SERVICES?** The last property tax increase passed to fund a City program or operation was for the construction of the Recreation Center. It was approved by voters in 1990. That project is completed and paid in full, and the millage was removed from the property taxes in 2010. All other property tax levies approved by voters since that time have been dedicated to funding our excellent rated school district or county-wide programs and operations.

**WHAT WILL IT COST?** The levy will cost the average home owner with property valued at \$166,519 about \$11.80 per month. The following chart will help you determine your cost based on your home value.

Home Value	Yearly Tax cost, 2.7 mil rate	Monthly Tax cost, 2.7 mil rate	Weekly Tax cost, 2.7 mil rate
\$100,000	\$85.05	\$7.09	\$1.64
\$125,000	\$106.31	\$8.86	\$2.04
\$150,000	\$127.58	\$10.63	\$2.45
\$175,000	\$148.84	\$12.40	\$2.86
\$200,000	\$170.10	\$14.18	\$3.27
\$225,000	\$191.36	\$15.95	\$3.68

**HOW WILL THE ADDITIONAL FUNDS BE USED?** 100% of the funds are dedicated only to **construction, reconstruction, resurfacing and repair of streets, roads and bridges in the City.** These funds will not be used for any other purposes or to increase municipal staffing in any way and will be accounted for in the City Road Improvement Fund.

**HOW DID OUR ROADWAYS FALL INTO SUCH A STATE OF DISREPAIR?** The City of Brunswick is a relatively new community. Most of our expansion has taken place over the past 30 years. Even the expansion of State Route 303 was completed in July of 1986 - 25 years ago. Most roads and bridges have a life span of about 30 years before needing replacement, and many of our community's roadways are at the end of their useful life. Numerous roads need substantial rehabilitation which will require additional funding.

**HOW MUCH DOES THE CITY HAVE AVAILABLE FOR MAJOR ROAD REPAIRS?** The City's available funding for major road repairs is only about \$230,000 annually from dollars received through State vehicle taxes. With such a limited amount, the City has not been able to properly maintain the roads in the recent past.

**AREN'T THERE GRANTS AND OTHER FUNDING AVAILABLE?** When fiscally feasible, the City has been very active in applying for State and Federal Funding assistance for infrastructure projects. However, many of these grants are competitive in nature and we have missed out on many grant opportunities due to the lack of local funding for road improvements. We have been successful in securing grants for improvements on Hadcock and North Carpenter in recent years. However, as State and Federal budget cuts are enacted, those awards are becoming more difficult to realize. With the levy, an increase in available local dollars would translate into even more funding opportunities through matching grants.

**DIDN'T WE JUST PASS A TAX INCREASE?** Yes, in 2009, voters approved an income tax increase specifically for funding our safety forces. Those funds cannot be used for any other purpose. They have been used for police and fire protection only.

**WE PAY A LOT IN PROPERTY TAXES ALREADY...WHERE DOES THAT MONEY GO?** For every dollar of property taxes paid by you, only about a nickel comes back to the City of Brunswick. The other 95 cents of that property tax dollar goes to other governmental entities not associated with the City of Brunswick. The 95 cents is distributed (rounded in terms of nickels) as follows: a nickel goes to the operation of the Medina County Career Center, another nickel operates the County Park District and Libraries, a dime funds the operations of the Medina County Government offices and 75 cents goes toward the operation of the Brunswick City Schools. The nickel that the City collects is very low – the 3<sup>rd</sup> lowest out of 37 cities in our region.

**WHY HAS THE CITY WAITED SO LONG TO PUT THIS QUESTION TO VOTERS?** In 2007, voters were asked to increase the City's Income Tax rate to a total of 2.15%. These funds would have been used for police and fire services, to construct a new fire station and senior center, and also to provide a set aside for a permanent road improvement program. The measure, however, was soundly defeated. Facing a huge budget deficit and to avoid large cutbacks in police and fire services, City Council was forced to prioritize and proposed a safety only income tax increase. Fortunately, that measure was approved by voters.

**HAS THE CITY TRIED TO REDUCE COSTS?** Yes, since the passage of the safety levy increase in May of 2009, the City has further reduced its workforce through attrition and early retirement programs. To date, approximately 20 non-safety full time positions have been eliminated, held vacant or replaced with a part-time position. This has saved approximately \$1,000,000. These reductions come in addition to other cuts that were implemented in 2007 and 2008. The reductions made to the non-safety departments and the collection of additional safety income tax proceeds were all necessary to balance the 2011 budget. Prior to 2011, the City was living well beyond its means and was providing services that it could not afford.

#### **STATE BUDGET CUTS**

In 2011 the State informed the City that budget cuts to the City's local government, personal property and estate taxes will be imposed. Once fully implemented by the State of Ohio, the City anticipates losing \$500,000 in revenues that we currently receive and spend today. These revenue cuts make it extremely difficult to dedicate any additional dollars to future road improvements.

**IS THIS A PERMANENT INCREASE?** Yes, the increase is a permanent increase that will create a dedicated funding source for construction, reconstruction, resurfacing and repair of streets, roads and bridges in the City for immediate and future use.

**WHAT HAPPENS IF THIS BALLOT ISSUE IS NOT APPROVED?** The City will continue to patch and maintain the roads in the current manner, spending approximately \$230,000 per year on road improvement projects and major road repairs and maintenance. Under this scenario, the roads will continue to deteriorate and the costs to repair these roads will only escalate into the future.

**Visit our website for more information about the City's Streets and Financial operations.**  
[www.brunswick.oh.us](http://www.brunswick.oh.us)