

THE TAX ATTACK

Chapter XV

Earlier concerns regarding Village income for the current year appear to have been well founded based on collections through August 31. Real estate tax receipts (which reflect January 2008 values) are down about 4%, Village income tax receipts (which reflect current wages and income) are down about 27%, and the Village share of current sales and state taxes is down about 23%.

But for our receipt of inheritance taxes from the estates of residents which council has set aside to fund our Capital Improvements budget, overall revenue for the first eight months of the year would have been below estimates.

To compensate for those decreases, departmental costs have been trimmed. For example, administrative costs before engineering fees related to EPA requirements were down about 4%. Safety force costs before the new \$210,000 charge for EMS service were down about 7% and normalized service department costs were down about 23%. Regretfully there are always unexpected costs.

Those results are all the more impressive when viewed in the light of labor costs which represent more than half of Village expenses. But notwithstanding the current year's likely results, the near-term future is cloudy. Regional compensation surveys indicate that wage hikes next year will be slight at best and likely be flat in more than half of the employers. Of potentially greater impact is a movement to eliminate Ohio's death taxes. And while it may not have an immediate effect, revaluation of real property to reflect decrease in market value will begin to erode the real estate tax income line.

I'm hoping that at this point you are asking yourself—What can I do about this? While individually we cannot change the economy, we can communicate to our elected officials our attitudes regarding Village services and costs. Six individuals are contesting for Council seats this November. If costs must be cut, do they and the other elected officials know what is important to you? If additional revenue is required, do those officials know your opinion of new taxes? Should free services utilized by only a small number of residents bear a competitive price?

Remember, Council is charged with operating within available resources, i.e., no deficits. Council will discharge its duties, but after action occurs it is too late to explain or complain. Do it now. Attend the Candidates Night presentation (see accompanying notice). Be engaged in your community.

Bob Reitman
Village Tax Administrator