The authority to declare a state of fiscal caution for municipalities was established through the course of Ohio's biennial budget passed last year. Auditor Dave Yost believes that, rather than through sudden declarations of fiscal watch and emergency, local governments should be provided with earlier notice of financial concerns.

By JAMES W. WADE III

Staff Reporter

This past Saturday, Mayor Gary Norton held his State of the City address for East Cleveland. He addressed various accomplishments and problems over the years. It is no secret about the tension between City Council and the Mayor's office.

One great point highlighted was, for this first time in at least 10 years, new construction and demolitions are occurring throughout the city.

Around the Christmas holiday season, East Cleveland City Council voted to remove the mayor as safety director and the $37,000 salary that went with the position. The council majority justified its decision in cutting $37,000 out of a $22 million budget as a remedy for tight fiscal times.

In response to this action, the residents have filed a petition containing more than enough valid signatures to proceed with a referendum on city council's December 2011 attempt to cut the mayor's salary in half.

The referendum committee, which believes that council's action harms the city, intervened to force city council to repeal the measure or, at minimum, place it on the ballot.

Council claimed that its action eliminated several city positions and/or salaries; however, the mayor is the only individual among the city's 230 employees (full-time, part-time and elected) who would take a salary cut.

Per East Cleveland's charter, a city council action is subject to referendum if, within 30 days of passage, a committee files a petition containing signatures numbering 15 percent of the voters who cast ballots in a prior election. More than 1,250 people signed the petition, which requests that city council rescind its decision. As a result, council has 30 days to hold a public hearing and reconsider its decision.

"I am humbled by and grateful for the hundreds of people who have expressed care and concern for our city and for my family during our time of uncertainty," said East Cleveland Mayor Gary Norton.

"While I wish city council had not manufactured these regrettable circumstances, I hope the

council will recognize the negative unintended consequences of its action and rescind the measure to avoid inflicting greater pain on our community."

Recent history, including public statements from council members, shows that city council believes the people have a right to vote on issues proposed by referendum or initiative. In 2011, voters had their say on a proposed charter amendment to curtail East Cleveland's use of automated traffic cameras.

Council members voted to place the camera issue on the ballot, citing their belief that city council should embrace and make way for the public's voice in such matters, not deny it. Similarly, council now has an opportunity to allow their constituents to vote on East Cleveland's salary ordinance.

Inspired by the referendum effort, Norton conducted a civics assembly at Shaw High School. He informed the senior class that 17 year olds can vote in the March 2012 primary election if they will reach age 18 on or before November 6th, the date of the 2012 general election.

As a result, more than 100 students many of them age 17 – completed voter registration cards during the assembly. Norton intends to conduct a follow-up workshop, in February, aimed at helping students cast their March primary votes in person or by mail.

East Cleveland council president said it's not personal. "We are in a position to cut the budget. That's all we were trying to do," said Jordan.

She stressed to the Call & Post that the residents have that right.

"The determining factor is what the residents want. Just like there has not been an increase in the mayor's salary, Council also has not had a raise either, said Jordan.

East Cleveland is already in Fiscal Caution by the State of Ohio and is the process of working

out of that situation. Under the declaration and in accordance with Revised Code 118.025, the city has 60 days to submit to the Auditor of State a plan to correct the budgetary conditions that led to the declaration of fiscal caution, including eliminating deficit fund balances.

The authority to declare a state of fiscal caution for municipalities was established through the course of Ohio's biennial budget passed last year. Auditor Dave Yost believes that, rather than through sudden declarations of fiscal watch and emergency, local governments should be provided with earlier notice of financial concerns.

Instead, these political subdivisions should have access to the same tool provided for school districts, allowing a declaration of fiscal caution. Under fiscal caution, the subdivision has an opportunity to make adjustments to avoid a declaration of fiscal watch or emergency.

East Cleveland was previously declared in fiscal emergency on September 9, 1988 for deficit funds and treasury deficits. The city was released from fiscal emergency on February 6, 2006.