

A Candid Discussion with the Hancock County Commissioners about Ballot Issue 4 - A Continuation of the ½% Sales & Use Tax

What is Issue 4 and why is it important?

Commissioners: Issue 4 is a proposed continuation of the ½% sales and use tax that people began paying January 1, 2009, and which is now up for validation by the tax payers this coming Election Day. The issue is vital to our community, because without these funds, Hancock County will not be able to maintain the services and programs that are essential for our constituents let alone implement the flood mitigation measures recommended by the Army Corps of

Engineer. Simply stated, Hancock County, like many of our local citizens, has felt the devastating impacts of the worst recession since the great depression. Add to that, the crippling financial impacts of the 2007 and 2008 floods, and we have a genuine financial crisis on our hands. Issue 4 is our only clear way to emerge from that crisis and deal with flood mitigation in our community once and for all.



Commissioners: No, this is not a new tax. Rather, Issue 4 only seeks to continue ½ of the ¾% sales tax which became effective earlier this year. Moreover, assuming Issue 4 passes, the citizens of Hancock County will actually see the effective sales tax rate go down by ¼% on January 1, 2010. This is because the Commissioners have withdrawn a ¼% of the sales tax that was to be allocated for capital improvements. Thus, by voting yes on Issue 4, Hancock County residents can count on their sales tax rate going from 6.75% to 6.5% on the first of the year. That's an absolute certainty and nothing is going to change that result between now and Election Day.

Is this a new Sales Tax we are voting on in November?

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How exactly will the County use the money it collects under Issue 4?

Commissioners: The money collected under Issue 4 will be used to sustain county operations (including many state mandated programs) and to fund the County's portion of the overall flood mitigation costs. As relates to the latter issue, the Commissioners and County Auditor have already set up a special fund that receives money for flood mitigation and can only be used for flood mitigation. Approximately ½ of the money generated goes there. The other half of the money goes into general operations for the county to help run our county offices. Of the 6.5% rate effective 1-1-2010, only 1.0% will stay in Hancock County. The vast majority of your sales tax dollars -5.5%- goes to the state.

What are the likely outcomes in the event Issue 4 fails?

Commissioners: If Issue 4 fails, we will be looking at deep cuts for all Hancock County departments, including the Sheriff's Office, Children's Service Agency, Ohio State University Extension Office, 4H, Veteran's Services, as well as nearly every county

administrative office and court division. These cuts are going to translate into a reduction in constituent services with potentially adverse results in the realm of public safety and community security. Reduced to the basics, the quality of life we have long enjoyed in Hancock County and which attracts people and businesses to locate here will be seriously jeopardized. What is more, the County will be without the funds needed to implement flood mitigation, leaving us once again vulnerable to additional impacts of future flooding.

What has the County done to control costs and reduce its overhead?

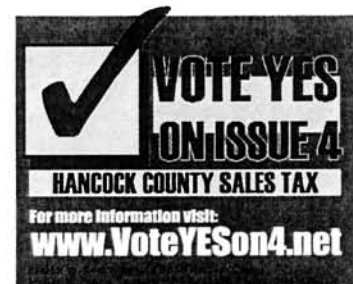
Commissioners: So far in 2009, Hancock County has reduced its budget by 11.5%. This has been done through a reduction in capital improvements, the elimination of several positions, reduction in employee hours, mandating furlough days, reduction in office hours for certain departments, renegotiating insurance and worker's compensation programs, elimination of cleaning contracts, reduction in the amount of leased space, elimination of juror fees, and restricting travel to an "essential only" basis. The Commissioners have also done energy audits and instituted an energy savings program in the largest County buildings. We also continue to examine all our line items for any opportunity to further streamline our costs.

How does the sales tax rate in Hancock County compare to the rates of other counties throughout the state?

Commissioners: At 6.5% (the rate if Issue 4 passes), Hancock County will still have the lowest sales tax in Northwest Ohio. In fact, only 4 counties in the ENTIRE state will have a lower sales tax than Hancock County. Of the 88 counties in Ohio, 44 have a sales tax rate of 7.0% or higher. Many of those counties border Hancock County including Henry, Putnam, Seneca, Wyandot and Hardin Counties. Delaware County (Polaris Mall) and Franklin County (Columbus/Easton Mall) are at 6.75%.

How are the Hancock County Commissioners, City of Findlay, and the Findlay City Schools working together to form a more efficient government?

Commissioners: As has been somewhat covered in the local news, all three areas of government remain engaged in an open dialogue relative to ways in which to reduce overall government overhead and increase collaboration for the benefit of our constituents. Efforts in this area include the synergistic use of municipally owned office space, consolidation of various City/County departments so as to avoid duplication of services, joint procurement of office supplies, and the equitable sharing of anticipated flood mitigation costs. It is anticipated that these cooperative efforts will save each group considerable money and will allow the County to better focus its resources.



Q & A about Issue 4

GENERAL

Is this a new tax?

No. This is a continuation of a tax that was put in place back in January 2009.

I can't afford to pay another tax.

You already are paying this tax and have been since January 2009 when the commissioners imposed two taxes. One of which they agreed to discontinue. This means, even if the levy passes, you will see a decrease in the sales tax. The levy is simply to keep the other tax.

Why doesn't the County simply live within the money it already receives?

All county departments have made cuts in order to operate within their budgets. The 2009 budget was crafted with a 6% reduction. Just recently additional 5% cuts were made. Revenues simply are not keeping up with the bare minimum of expenses.

Why can't the county make more cuts?

More cuts will be made in 2010. In addition to the 11% cuts made in 2009 there will be additional cuts of at least 10% in the 2010 budget. Because people are not spending as much money, revenue from the sales tax continues to fall. 10% cuts have to be made even if the tax passes!

My finances are tight too. So what if the sales tax does not pass, why should I care?

Budget cuts of up to 17% will be implemented for next year if the tax does not pass. County offices have already reduced services to the public by reducing staff and closing for furlough days. Additional cuts may result in closing the county Extension Office, more furlough days, fewer deputies on the road and part of the jail being closed.

I already pay property tax, what are you doing with that money?

The largest portion of property tax goes to fund schools not county government. In addition, property taxes fund things like Blanchard Valley Center, the Senior Center, the alcohol/mental health board, parks and townships.

We already pay sales tax of 6.75 %. What are you doing with that money?

Five and a half percent (5½%) of the sales tax we pay goes to Columbus to fund state government. Hancock County only gets 1¼ % of the sales tax to spend locally.

Why should we pay more tax when there is always a carryover in the budget?

The end of the year carryover is what is used as "start up" money to pay salaries and bills in the first months of the new year. The amount of carryover has been declining as that money is being used to meet the county's daily expenses.

Will the commissioners build a new building with this money?

No. The commissioners realize now is not the time to ask for money to build a building. That is why they agreed to stop collecting the ¼ percent tax. This means the amount of sales tax you pay will go down even if you vote for the other ½ percent tax.

FLOODING

My property doesn't flood, so why should I pay more taxes?

Flooding affects everyone in Hancock County. It hurts our entire community when streets, schools and businesses are closed due to flood waters. The effects of the 2007 flood are still impacting everyone in Hancock County. Your tax dollars are currently being spent to pay rent for county offices that had to be relocated because of the flood, including: Board of Elections, Veterans, Adult Probation, Public Defender and Board of Health.

I don't want to be in a conservancy district. If I vote against the tax then there won't be money to create this conservancy district.

The sales tax has nothing to do with a conservancy district. Until we as a community decide how best to fix the flooding problem, the money from the sales tax is being put into a "special fund" to be used on Hancock County's portion of fixing the problem.

I don't want my tax money going to fix the flooding problem in Putnam County.

Money collected from the Hancock County sales tax will only be used to fix our portion of the flooding problem. Other counties will have to come up with their own money.

Why doesn't Findlay pay for flood mitigation since they flood the most?

We are all Hancock County residents! People who live in the City of Findlay will also pay the sales tax. In addition, the City of Findlay is putting \$600,000 a year in the flood mitigation fund.

If the tax fails now, can the commissioners impose a tax without tying it to flood mitigation?

Perhaps. Unfortunately, by the time any new tax can be imposed the cutbacks for 2010 will have been enacted. Also, we need to be responsible to future generations. In the early 1960's Hancock County residents had the opportunity to fix the flooding problem, but they chose not to spend the money. We suffered the consequences during the flood of 2007. Let's fix the problem for our children.

How long will we have to pay for the flood mitigation?

The tax will last for 10 years. In that time there should be enough money to pay to fix the flood problem.

How will flood mitigation be funded if the sales tax does not pass?

If there is no sales tax money to pay the Hancock County portion of fixing the flood problem, then property owners will most likely be assessed property taxed to raise the needed funds.