**November 16, 2020**

**Ashtabula County Budget Commission**

**Formal Hearing on Board of DD Tax Budget**

**David Thomas Opening Statement**

Good morning. Thank you for being here this morning. The role of the Budget Commission is very simple, to ensure the necessity for Tax Levy dollars received by local governments. Each year, we review Tax Budgets of all government entities in Ashtabula County who receive property tax dollars. We do this to ensure the need for your tax dollars in between the public’s opportunity to vote on levies.

Every year voters have the ability to vote on levies to provide additional, renewing, or lowering amounts of funds to our government entities. In between these elections, it is the responsibility of the Budget Commission to ask the difficult questions and represent the interest of the taxpayer for the need of tax dollars by these entities.

Today’s formal Budget Commission hearing will do just this. The question the Budget Commission asks each year is simple, does the Taxing Authority, in today’s case the Ashtabula County Board of DD, have a budgetary necessity for the tax revenue voters have passed for the following year. Our responsibility only extends to the next year’s budget and necessity.

As a Budget Commission, we have reviewed every tax budget in the County. We met informally with the Board of DD and two townships to look over budgets in more detail and engage in fact finding. From that informal meeting, the Budget Commission has decided to engage in ORC 5705.322 to hold this formal hearing to discuss the Tax Budget of DD. It is my understanding that this step has not occurred in recent years.

The Board of DD has 4 Tax Levies generating revenue.

* A .5 Mill Levy last passed in 2018 and expires in 2024. This generates $485,411
* A 2 Mill Levy last passed in 2019 and expires in 2025. This generates $2,626,764
* A 1.33 Mill Continuous Levy passed in 1997. This generates $1,746,798
* A 1.33 Mill Continuous Levy passed in 2016. This generates $2,183,331

The Budget Commission has the authority to reduce collection of Tax Levy dollars to fit the Required need of the government entity for the following year.

The Board of DD in total is estimated to receive in 2021 $7,042,000 from property Tax Levies. In total, their revenue is projected to be $9,389,000 with expenses at just shy of $8,000,000. Treasurer Cragon will explain in more depth the past several years’ finances, but in summary, year after year the Board of DD has not displayed a need for the total of their property tax revenue and has thus, been rightfully so, saving these funds into reserve accounts and carry over balances making the need for next year’s tax revenue less required.

The Budget Commission cannot take into consideration reserve account balances, therefore setting aside their anticipated $3,800,000 in reserve balances for 2021, the projected carryover balance in 2021 of $5,702,000 is cause enough to question the need for the entire projected property tax revenue in 2021 of $7,042,000.

I would like to briefly close these statements by ensuring their proper context. The Board of DD does such import and vital work for the residents of our community. I myself have family and friends who use DD services. Our hearing today is not one of penalizing, but of balancing the interests of tax payers, DD clients, and DD staff with the role expected of our offices.

In today’s COVID economy, dollars should be watched, and if not needed, kept where they belong, with the taxpayers. The question before the Budget Commission today is simple- does the Ashtabula County Board of DD have a budgetary necessity for the entirety of their Tax Levy dollars for 2021?

We will now hear from the other two Budget Commission members should they wish to address the public. Following their statements, members of the public and representatives from the Board of DD present may give public comment and information useful to the Budget Commission. At the conclusion of public comment, action will be taken by the Budget Commission.

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