



**SHELBY COUNTY
BOARD OF COUNTY COMMISSIONERS**

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Good day Chairman Anielski, Vice-Chairman Hambley, Ranking Member Holmes, and honorable members of the State and Local Government Committee.

Thank you for the opportunity to speak to you today. My name is Julie Ehemann. I am one of the Commissioners currently serving Shelby County and I am the first-Vice President to the Board of CCAO. I have served in an elected position in local government for 25 years.

Today I would like to address House Bill 720 which would require voter approval whenever it would be proposed to increase county sales tax. I am opposed to HB 720 and would urge you to not move this bill forward. Current law gives county commissioners authority to raise sales tax in addition to the state sales tax up to 1.5% for general fund revenue or for courts and other criminal and administrative justice services by resolution. However, commissioners must submit a resolution to the voters for approval if sales tax is to be used for debt payments on bonds for convention facilities, to fund a transit authority, to make permanent improvements, to fund 911 systems, to provide for the operation and maintenance of a detention facility, to acquire agricultural easements, to provide for ems services, or to fund a regional transportation improvement project. I reviewed the list of exclusions to ensure you are aware of the numerous limitations already placed upon Commissioners even though by definition we are the taxing and budgeting authority for the County. Current law requires that a sales tax resolution be passed only after public hearings and that the resolution is subject to referendum thus making government transparent and responsive to the public.

This bill is being discussed just as counties across the state are working to set budgets for 2019. The many items being reviewed include jail operations, court operations, safety services, child welfare, infrastructure needs, indigent defense, boards of elections, and other state mandated functions. If you follow local newspapers you will see many departments and agencies continue to be understaffed while trying to deal with increased workloads that provide necessary county services. This is while we see alarming increases in indigent defense, jail costs, coroner's budgets etc. due to the opiates crisis. And while we deal with the opiates crisis today, we suffered through the recession and have not completely recovered from it.

All the while, counties remain at the mercy of the state to develop policy and rules under which we operate. These policies have resulted in decreased revenues coming to the counties over the last decade in the loss of TPP, LGF and MCO revenues. Counties throughout the state have made adjustments in services and have foregone employee raises in many years due to budget constraints. During the recession Shelby County made numerous cuts involving cutting employee wages and hours, and cutting funds to non-state mandated entities including the arts and the historical society. Many of these cuts remain in place yet today. Since becoming commissioner I have seen the coroner's budget for autopsies double. Our child placement costs rose from \$250,000 to \$300,000 in 2018 and we are hopeful this will be sufficient to cover 2019. Juvenile court costs have risen almost \$70,000 since 2017 due to the increased number of permanent custody cases.

If a county has pursued a sales tax increase it has not come without serious discussion and budget reviews.

Commissioners need to be able to respond to budget pressures in the same way the State responds; by increasing revenues in response to increased costs. The passage of HB 720 could result in counties not being able to meet their state-mandated functions either by the delay resulting in waiting for an election cycle or in failure of a tax levy not passing. County Commissioners have very few options to raise revenue and a defined sales tax is one of the few options available.

I ask that this Committee allow Commissioners to continue to function as the taxing and budgeting authority for counties and allow them the needed flexibility to respond as needed to budget pressures in their individual counties.

I and my fellow Commissioners appreciate all of the members of the Ohio General Assembly and your efforts to make and keep Ohio a great place to live. We do however, believe this budget proposal would cause harm to our communities and result in fiscal distress to many counties.

Thank you again for the opportunity to speak. I look forward to answering any questions you may have.