

“Triple Your Revenue”

OHIO’S EXPERIENCE:
SENIOR SERVICES LEVIES

Area Agency on Aging-Region 9

Special Acknowledgments

Thanks to everyone

Special thanks go to Paula Markey Taliaferro, associated with the Central Ohio Area Agency on Aging (Columbus, OH).

Larke U. Recchie, COAAA Director.

Cindy L. Farson

Special Acknowledgments

(continued)

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COAAA

The directors and staff of the 12 Area Agencies on
Aging in Ohio.

The State Units on Aging, Area Agencies on Aging
and local providers.

Marc Molea, PDE Division Chief of the Ohio
Department of Aging.

The Area Agency on Aging-Region 9, Inc. (AAA9)
Board of Trustees.

Purpose

To encourage you to consider implementing a senior services levy opportunity in your state and community.

Why Do We Need Local Levies?

To pursue our mission of helping older adults stay as active, healthy and independent as possible.

Older Americans Act - Title III

AGE-FACTS: As the “Baby Boom” ages, the number of Americans over age 50 will increase by **75%** from 1990 to 2020; the number under age 50 will increase by **less than one percent**. By 2050, over **80 million** Americans will be over age 65, compared to about **34 million** in 1995.

Benefits of a Local Levy

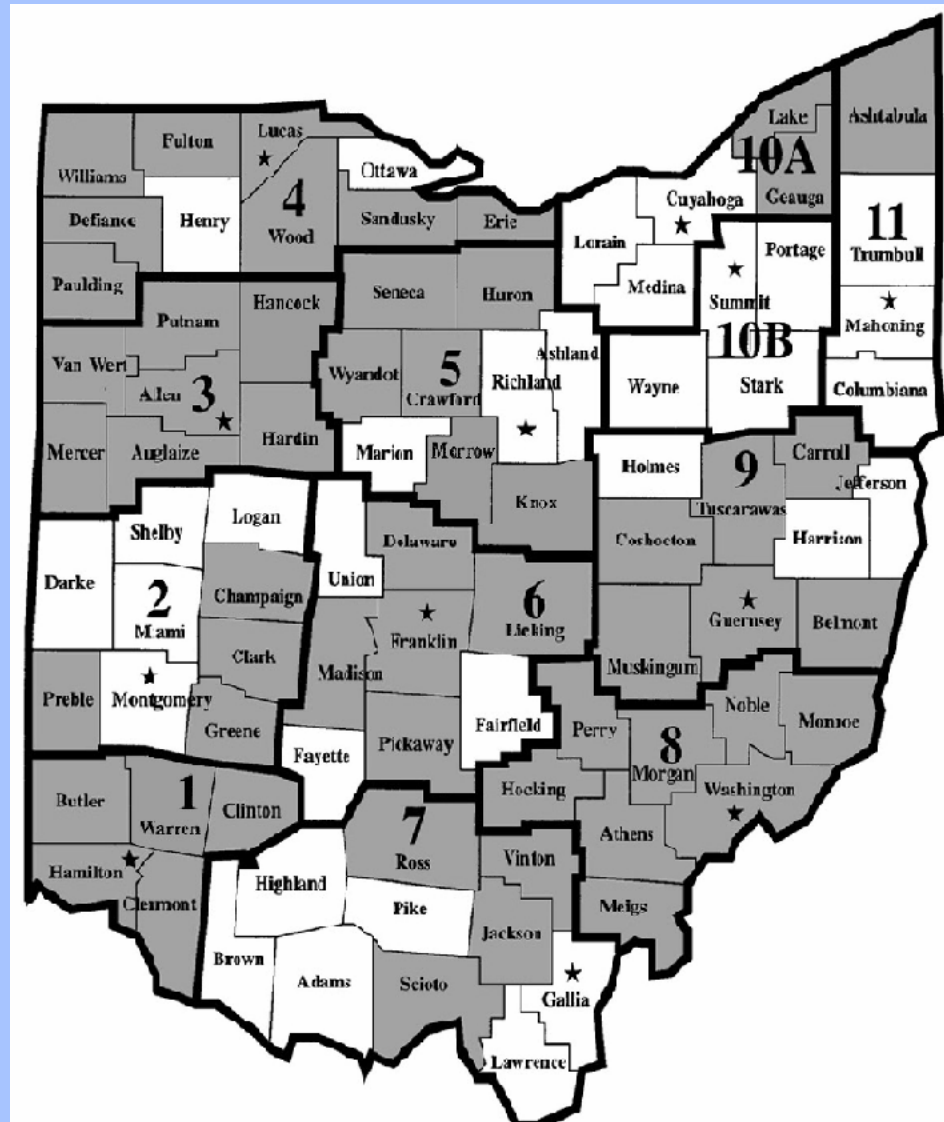
- Additional revenue
- Local control, pride, and accountability
- Flexibility
- Stability
- Ohio, Kansas, Louisiana, North Dakota & Michigan are the only states known to have specific laws allowing senior services levies

ECONOMIC VALUE HISTORY OF OLDER AMERICANS ACT APPROPRIATIONS

- See handout

Ohio Counties with Senior Levies

November 2003 - 57 of 88



Summary 11/01 to 11/04

- 73 campaigns, 63 passed, 86% passage; All Renewals & Replacements exc 1 + 9 New passed.
- 10 failures [9 Additional (New); 2 in the same township; 1 county subsequently passed]; 9 Additional (New) passed
- 23 known Replacements passed, 4 with Additional, 1 loss w. Additional; 17 Renewals passed, 1 with Additional.

Current Ohio Models for Levy-Supported Programs

1. Single/several recipient multi-purpose senior center
 - Sole beneficiaries
 - Meals, transportation, home repair and outreach/supportive services, information & referral provided in-house

Current Ohio Models for Levy-Supported Programs (continued)

2. County government distribution to numerous recipients
 - Numerous agencies receive funds

Current Ohio Models for Levy-Supported Programs (continued)

3. Independent council on aging

- provide case management services
- buy services under open-ended purchase of service
- use some funds for special purpose grants
- assist with start-up & operating local senior clubs & interest groups

Current Ohio Models for Levy-Supported Programs (continued)

4. AAA managed system

- Similar to the ‘council on aging’ model
- provides seamless access to Title III & PASSPORT programs

Three Reasons to Pursue Senior Levies

1. Proven as a sound method & means

- Local property tax levies to support citizen services & facilities are a well-established vehicle for funding throughout Ohio
- Over 50 counties, townships, cities, & villages have senior levies
- Senior levies have existed in Ohio since 1978

See handout

“Three Reasons to Pursue Senior Levies” (continued)

2. Low cost to average homeowner

- Private individual homeowners/renters are the people who cast votes in elections
- \$100,000 market value home costs about \$25-\$30 a year, with average $\frac{3}{4}$ mil property tax levy
- Only “pennies a day”

See handout

“Three Reasons to Pursue Senior Levies” (continued)

3. High voter acceptance & approval
 - Ohio has experienced VERY high success rate for tax levies
 - Approaching 98% success rate (passage vs. failures)
 - High margins of passage, usually 60% approval or higher

See handout

The Plan: #1 Task for Successful Campaigns

- Willingness to change your concept & approach
 - A key ingredient
- What is best for our community
- How will voters recognize it as a good thing
- Planning can begin 3-5 years in advance

Possible Senior Levy Service/Facility Development Plan Features

- Phase I- Immediate Uses for New Levy Funds
 - Able to accomplish in short-term with a long-term benefit
 - Refine model for use of funds

Possible Senior Levy Service/Facility Development Plan Features

- Phase II- Meeting Increased Needs
 - Expanding ability to deliver currently available services or vital needs

Possible Senior Levy Service/Facility Development Plan Features

- Phase III- New Programs, Services, Facilities
 - Building for the future, both short- and long-term
 - Co-op projects to start of expand

Keep the plan simple to explain and understand

Make sure campaign workers & speakers understand & believe in the plan

Make commitments & make sure you can live up to them

Keep the leaders & community informed & involved

Nearly all failures come from lack of community involvement, lack of an organized & financed basic campaign, lack of a formal plan on how the money will be used & how it will benefit the community

Three Magic Words

Two Way to Place Levies On An Ohio Ballot

Initiative & Resolution

Rights to & definition for Initiative and
Referendum included in the Ohio
Constitution

Resolution

- **Easiest way**
- requires Taxing Authority cooperation/implied approval:
- CATCH: allows Taxing Authority to levy only part of rate
- Allows for but doesn't define 'human & social services levies up to 10 years' for certain purposes
- (REMEMBER that property taxes are collected in arrears - January & July for previous year; ORC establishes that special elections require a 55% approval to pass)
- Requires **November** election

Initiative

- **"THE HARD WAY"**; useful when Taxing Authority is politically sensitive to taxation or otherwise uncooperative
- Requires gathering valid signatures
- Limits election to primary & general (May or November)
- Submission 75 day before election
- Initiative takes double the energy

Initiative (continued)

- **INITIATIVE PETITION CAUTION:**
 - PETITION LANGUAGE MUST MATCH BALLOT LANGUAGE
 - EXACTLY AS APPROVED BY THE BOARD OF ELECTIONS!
 - Very minor differences have caused petitions to be thrown out...

Holmes County Commissioners

- See handout

Types of Tax Sources

- Four possible-
 1. **Bonds**/limited to capital improvements
 2. **Income**/not yet attempted
 3. **Sales**/not yet successful in Ohio
 4. **Property**, the most traditional & only successful source so far in Ohio

Sales Tax

- Limited to one issue per ballot, though two or more may be combined
- Minimum rate @ $\frac{1}{4}\%$ (25%) –maximum 5 years in length
- Estimate revenue based on current economy
- Who pays? Tourists, travelers, conventioners, shoppers or locals

Sales Tax Advantage

- Can generate lots of money
- Spreads impact over all consumer
- Less impact on businesses & large property owners
- Less aggregate impact on older low or fixed income
- Can “float” with economy

Sales Tax Disadvantage

- More impact as % on low income
- Subject to economy influences
- May be combined with an unpopular issue

Property Tax

- Based on real estate property valuations;
- **“Fair market value”**
- **Times 35%= “assessed value”**
- Special factors are considered

Millage

- $1/1,000^{\text{th}}$; 1 mill = 10 cents per \$100 valuation
- $1/10^{\text{th}}$ (.1) mill = 1 cent per \$100 valuation
- **Valuation/Revaluation**: different factors apply to each county & each type of property
- Also referred to as the “**tax duplicate**”

- **Sexennial**- major revaluation, county usually hired a consulting firm/specialist
- **Triennial**- updates based on estimated, real estate sales values, etc

Top Two Rules for Property Tax Levy Preparations

- Rule #1
 - make county auditor & commissioners your BEST FRIENDS

Top Two Rules for Property Tax Levy Preparations

- Rule #2 - County Auditor Can...
 - help establish "average" home value
 - advise you on how much 1 mill would yield
 - tell you when revenues are distributed from taxes
 - advise you regarding the peculiar treatment of tax valuation/tax duplicate changes

Length of Levy

- Maximum of 5 years
- Things to consider
 - how often do you want to campaign?
 - will voters commit to this length of levy?
 - will funding be enough at the end of the period?
 - can funds be committed early to avoid a citizen "revolt"?
 - will a re-valuation in mid-term increase the funds generated or will the millage rate be "rolled back"?

Timing of a Campaign

- Next property value re-evaluation?
- Collection & distribution?
- What else is on the ballot?

Property Tax Advantages

- Traditional support for activities
- Small amount of cost per owner
- Not considered “regressive”

Property Tax Disadvantages

- Hits fixed income harder
 - Older people
- Hits increased property value/decreased income
 - Older middle/upper class
- Often up against other property tax levies
 - Schools, MH/MR/DD

Ballot Wording

- The most crucial step
 - What voters read
 - Critics
 - What Taxing Authority is committed to and/or associated with

Ballot Wording (continued)

- Must include
 - Beneficiary
 - Purpose
 - Millage rate
 - Cost per \$100 valuation
 - Duration

Ballot Wording (continued)

- Can include
 - None, one or more beneficiaries
 - Establishment of a centralized intake/case management/purchase of service systems
 - How proceeds to be distributed
 - General or specific uses in purpose statement
 - Wording is negotiable
 - “Homework”
 - What group wants and will support
 - “Beginning with current tax year 20__”
 - Strongly recommended

Ballot Format for Question Under ORC 5705.19

- “An additional tax for the benefit of ____ for the purpose of ____ at a rate not exceeding ____ mills for each one dollar of valuation, which amounts to ____ for each of hundred dollars of valuation, for ____.

____ For the tax levy

____ Against the tax levy

See handout

Renewal vs. Replacement

Renewal-

Requires use of the same millage & tax duplication level that existed when the original levy passes, meaning it will generate the same number of dollars that will have lost value to inflation.

Renewal vs. Replacement (continued)

Replacement-

A following levy with the same millage using a “replacement” levy could generate an additional 10 to 30% increase in buying power from increased triennial or sexennial values in taxable property.

Conducting a Levy Campaign

- No guarantees in any kind of election
- A levy may pass when everything is done “wrong” or not at all

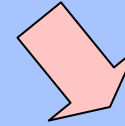
“Your Mission, Mr. Phelps, Should
You Choose To Accept It...”

YOUR MARKETING!

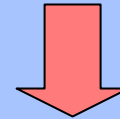
Marketing is a continuous process of determining needs and wants, providing an acceptable means to address them, promoting the opportunity to partake of them, understanding consumer's reaction to them, changing or updating your offer make it more acceptable.

“Wheel of Marketing”

1. Research



2. Product Development



3. Product Testing



4. Re-Design & Re-Testing



5. Promotion



6. Sales/Service



Produce
Price
Place
Promotion
PLAN

Keys to Building Consensus & Widespread Support

Willingness to change your concept & approach= a key ingredient

Examples of Senior Levy themes Used in Ohio

See handout

Master Campaign Checklist

See handout

ADAMH Fall Levy- Franklin County, Ohio

See handout

Public Relations Planning

- Best public relations is a good reputation & message BEFORE the campaign.
- Kick Off Rally
- Placemats in Restaurants
- Speaker's Bureau
- Newspaper
- Help with voter registration
- Provide transportation

From 2001 ODA Survey re: Levy Campaigns

- Typical Planning Period: 18 months to a year in advance
- Public campaign: 3 to 4 months before election
- Campaign budgets: \$200 to \$150,000
 - \$1-\$999 (32%)
 - \$1,000-\$9,999 (44%)
 - \$10,000-\$49,000 (12%)
 - \$50,000 plus (12%)

(76%)

Organizational Assistance & Resources Used: advice, materials, services, cash donations

- Board Members
- Area Agencies on Aging
- Individual Local Businesses
- Media
- Members
- County Commissioners
- Community Leaders
- Local Citizens
- Chamber of Commerce
- Local Clubs and Organizations

Campaign Recommendations for Survey Narrative Responses:

- Do all fundraising ahead of time
- Be able to answer questions quickly and honestly
- Educate entire staff on need for levy
- Show dollars saved by keeping seniors at home
- Cover all the county in one form or another

“10 Tasks In Conducting A Campaign”

By; Raymond A. Schindler
District Specialist, CNRD
The Ohio State University

1. Build on past campaign experience by seeking advice
2. Seek help and advice from key community influences and capable leaders
3. Define your reasons why this issue is necessary
 - Gather facts, analyze situation, present information
4. Develop a written plan of action complete with budget and timetable

“10 Tasks” (continued)

5. Create an understanding of need by:
 - Basic education
 - Building on past experiences
 - Exploiting crisis
 - Comparison and competition
6. Set up a speaker's bureau on persons who are well-respected, community-wide leaders, not staff
7. Tie the campaign to the community systems
8. Use all available mass media
 - News releases, Interviews, Newspapers, Mail, Cable TV, Billboards, Yardsigns

“10 Tasks” (continued)

9. Set up an information center for drop-by, emails or telephone calls for questions & answers
10. Donations of money from private sources to pay for campaign costs; they won't give if you don't ask, and it doesn't cost you anything to ask.

Principles of Campaign Planning

1. Solve needs
2. Community systems
3. Familiar and acceptable
4. Opinion leaders
5. Awareness of the problem early

Summary: Senior Levy Campaign Considerations

1a. **WHO** (involved in design, campaign, on-going advice)

1b. **WHO** (administration/operation of passed)

2a. **WHAT** (taxation vehicle)

2b. **WHAT** (model/output/methods)

Make a Plan - make Commitments -
make it Clear - make it Known

Summary: Senior Levy Campaign Considerations

3. **WHEN:** file at least 75 days prior to election
4. **WHERE:** countywide, tax district, township, city, village
5. **WHY:**
 - Increasing senior population
 - Decreasing value of federal & state funding
 - Maximize opportunities
 - Increase preventive measures, access to services, respite for caregivers

Keys for Senior Levy Renewal/Replacement Campaigns

- Knowledge
- Understanding
 - Features
 - Benefits
- Programs
- Progress
- Plan

Aren't you doing this just to
save your job?

Aging Services Levies in America – Contact Information

- Ohio:
 - Alan Burnett
 - Marc Molea
- Kansas:
 - Pamela Johnson-Betts
 - Wilda Davison
- Louisiana:
 - Godfrey P. White
 - Mary Tonore
- Michigan:
 - Jackie O'Connor
- North Dakota:
 - Linda Wright
 - Scott R. Hague

See handout