

Crunch the Numbers on Issue 31

In a memo to finance Committee Chairman, Jon Snyder, earlier this year, North Canton's reported financial reserves were \$5.9 million, as of March 31, 2005. This fact is also reported in a VOTE NO ON ISSUE 31 flyer being distributed to voters city-wide.

However, in a *Repository* article on Saturday, October 30, 2005, titled "Out of the mouths of N. Canton politicians," North Canton Finance Director, Julie Herr, reports that **North Canton financial reserves are now \$3.9 million.**

In the November 2005 edition of *Our Town* a political ad urging passage of Issue 31, states the following:

"Taxpayer reserves in North Canton have remained virtually unchanged since the 1998-99 fiscal year. From that time until now -- even taking into account eroding tax revenue from the Hoover Company -- North Canton was able to purchase Arrowhead Country Club, make repayments to Maytag for overpaid income tax and complete numerous infrastructure improvement projects without draining reserve funds."

HOW IS THIS POSSIBLE? I suspect that the writer of this political ad believes that money grows on all the Dogwood trees here in North Canton.

No city can suffer the loss of thousands of jobs from its only major employer, and still continue spending without regard to what is happening economically in the city and throughout the entire State of Ohio.

North Canton has outspent its budget in each of the last three years to a cumulative total of nearly \$8.5 million.

North Canton's Financial Reserves have declined precipitously in the last few years, and soon North Canton will no longer have the financial safety net that it has enjoyed for years. Repeated overspending of the budget combined with the thousands of jobs that have been lost at the Hoover Company make a tax increase inevitable.

CRUNCH THE NUMBERS

Has anyone sat down to figure how much income tax it takes to generate \$1.5 million for the City of North Canton. Given that North Canton's income tax rate is presently 1.5 percent; North Canton would have to see an increase of \$100 million dollars in salaries for new jobs to generate \$1.5 million.

Put another way, how many jobs would it take to generate enough additional revenue to the City of North Canton to simply break even after expending \$1.5 million to fund the CIC with taxpayer funds? Do the math:

4000 jobs, each earning \$25,000 a year, would have to be created to simply break even and replace the expenditure of \$1.5 million taxpayer dollars.

Everyone must have realistic expectations. Funding the CIC with taxpayer dollars is not a good decision. Think about it!!!

PLEASE FORWARD THIS TO AS MANY NORTH CANTON RESIDENTS AS YOU CAN.

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