



Ashtabula County

Impact of Ohio's 2012-13 state budget (HB 153)

Ohio's budget for 2012 and 2013 cut local government aid by a billion dollars. This means cuts in services we depend on, from road repair and emergency services to crossing guards, senior transportation and child protective services. What are the implications for Ashtabula County?

The state cut the Local Government Fund to the county, forcing Ashtabula County to make cuts to jurisdictions within the county. The state also cut direct funding to municipalities, and slashed reimbursements for taxes it had eliminated, taxes that businesses and utilities had paid to local governments. School districts and the public library fund were also cut. Losses in calendar years 2012 and 2013, compared to 2010 and 2011, include, among others:

- Public Library Fund - \$193.2 thousand
- Schools - \$12.7 million
- County operations - \$5.2 million
(includes county undivided fund)

Loss to health and human service levies

- County mental health - \$895.3 thousand
- County children's services - \$359.3 thousand
- Ashtabula County Seniors - \$140.1 thousand

Notes and quotes

Ashtabula County, Jefferson Area Local Schools' budget shortfalls will lead to cuts for the 2012-13 school years. These cuts will:

- Return the district to a half-day kindergarten program
- Reduce elementary students' access to library services, art, music and physical education classes
- Cut 39 staff and 19 supplemental contracts
- Remove junior high school separate reading course
- Abolish family and consumer science program from high school

From Wessell, Stefanie. "Jefferson Area Local Schools announces cuts for 2012-2013 school year." *Gazette News*. March 27, 2012. <http://tinyurl.com/d74tv8p>.

Key findings

- Ashtabula County, its jurisdictions, services and schools lost \$20.7 million over the current biennial budget compared to the last.
- Health and human service levies lost \$1.4 million.
- Schools cut staff and course offerings.
- Firefighters and police officers take 10 percent wage cuts.

The Geneva Board of Education reduced expenditures by cutting 15.5 job positions from the payroll, and by adopting a new policy. In this policy, high school students will have to pay to participate in sports, the band, choir and drama club. From Netzel, Margie. "It's pay-for-play in Geneva." *Star Beacon*. April 25, 2012. <http://tinyurl.com/8ruwnvu>.

"Ashtabula—City Council Monday afternoon approved new 3-year contracts with the police and fire departments, which includes 10% lower pay and a less generous sick leave and retirement package for new employees." From Dillaway, Warren. "City OKs contracts." *Star Beacon*. May 15, 2012. <http://tinyurl.com/9a86kt3>.

"Because of budget woes, the Conneaut Health Department will reduce its office hours beginning next month" – Sally Kennedy, Conneaut Health Commissioner. From Todd, Mark. "Conneaut Health Department cuts hours." *Star Beacon*. December 10, 2011. <http://tinyurl.com/8f2n2jg>.

NOTES: The current state budget cuts the **Local Government Fund** to counties, municipalities and townships by 25 percent in the first year and by 50 percent in the second year. This 77-year old state revenue sharing program has, for generations, been essential to helping Ohio communities fund schools, provide services, and lift people out of poverty. The current state budget also phases out most of the **tangible personal property tax** and **public utility property tax reimbursements**, which were promised to local governments when the state cut taxes in recent years. These are not the only losses to local governments because of this budget. There are others in specific programs. Here we detail some of the bigger shifts. Change in revenues shown here include:

- **Local Government Fund "County Undivided Fund,"** which counties share with their cities, townships and villages. We show how much less money the counties are receiving under the current 2-year state budget (for 2012 and 2013) compared to the two years under the prior state budget (which was for 2010 and 2011). Here the funds are shown on a calendar year basis because that is how the tax department forecasts and records their distribution to local governments, and it is how local governments budget (The state budget is based on the fiscal year, July 1 through June 30.)
- **Local Government "Municipal Direct" allocation** from the Local Government Fund that the state gives directly to localities. This is also shown in terms of funding provided in the calendar years 2012 and 2013 compared to 2010 and 2011;
- **Property tax reimbursements** promised to local governments during tax reductions enacted earlier in the decade. The loss of funding in calendar years 2012 and 2013 is compared to the level of funding provided in 2010 and 2011.

The figures for changes in funding levels are based on data provided by and spreadsheets online at the Ohio Department of Taxation for local government funds and tax reimbursement distributions.

