

## Geauga 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 Geauga County?

The state cut the Local Government Fund to the county, forcing Geauga 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:

- County operations - \$4.0 million
- Public libraries\* - \$380.0 thousand
- Schools - \$9.4 million
- Bainbridge Township - \$734.0 thousand
- Chester Township - \$246.0 thousand
- Chardon - \$367.0 thousand
- Middlefield - \$345.0 thousand
- East Geauga Fire District - \$92.0 thousand

\*Several levies and Public Library fund

#### Losses to health and human service levies

- County mental health - \$1.1 million
- County children's services - \$154.0 thousand
- County health services - \$46.0 thousand
- County seniors services - \$196.0 thousand

#### Notes and quotes

"The West Geauga teachers and support staff each have signed two-year extensions in their negotiated contracts to remain at the same salaries and to not receive yearly increases. This wage freeze applies to administrators as well." –Ed Wittenberg, from "Voters in West Geauga school district pass 5.6-mill renewal levy by decisive margin," *Sun News*, March 6, 2012.

<http://tinyurl.com/9zs8vxn>.

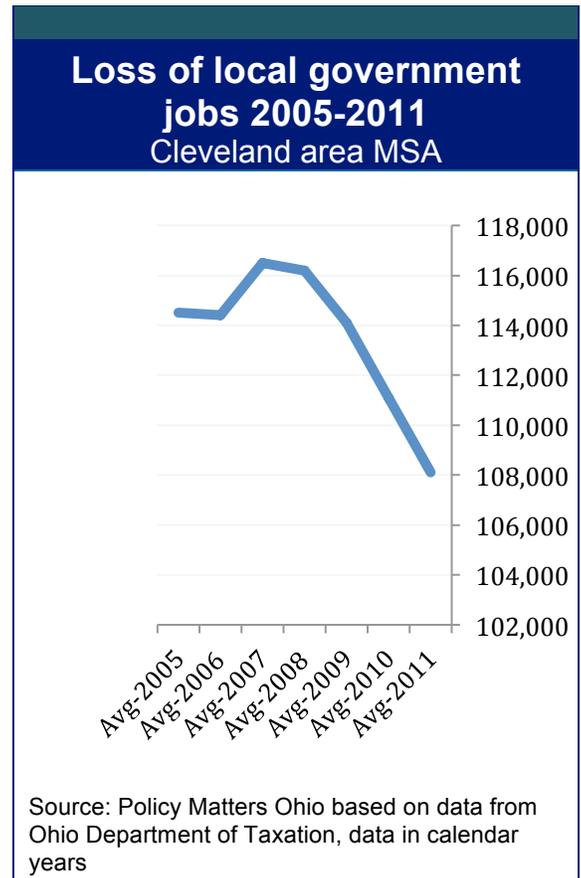
#### Key findings

- Geauga County, its jurisdictions, schools, services and levies, lost \$18.2 million in the current state budget
- Library systems lost \$380 thousand from public library fund and levies
- Health and human services lost \$1.5 million from the state budget; Losses from foreclosures and lower property tax collections compounded the problem.
- The Cleveland area MSA, of which Geauga County is a part, saw the loss of 8,000 local government jobs between the end of the recession and 2011.

“Overall, Geauga County’s Help Me Grow has been hit, creating significant changes in services, structure, and abilities.”— Nancy Seelbach, Help Me Grow Project Director, from personal interview, June 27, 2012.

“...health district has lost \$36,000 out of the 2012 budget. This is due to the amount of foreclosures in Geauga County and the fact that the property taxes are not being paid to the Auditor.” – Robert Weisdack, Health Commissioner, from “Board of Health Meeting Minutes,” Geauga County General Health District, January 17, 2012. <http://tinyurl.com/bnhsf3k>.

“Overall, we are really lucky to live in a county that is collaborative. There are local levies everywhere and we all try really hard to keep services running. There have been minimum cuts in services that apply directly to families. The Geauga County Department of Jobs and Family Services have felt some cuts and are now developing a less personal system. There were cuts to food stamps, general assistance, and unemployment help. The majority of the cuts are just starting to hit us, making us limp along. In a year, it will probably not be the same. OFCF funds are being kept at the same level and we never receive a lot of money from the state. For the most part, we have not gotten any worse. But we definitely haven’t gotten any better.” – Nancy Seelbach, from personal interview June 27, 2012.



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 on a fiscal year basis, from July 1 to June 30). Loss in revenue also includes change in funding of the
- **Local Government Fund’s “Municipal Direct” allocation** that the state gives directly to municipalities with an income tax;
- **Property tax reimbursements** promised to local governments during tax reductions enacted earlier in the decade. 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.