



Highland County

Impact of Ohio's 2012-2013 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 Highland County?

The budget cut the Local Government Fund (LGF) to counties (which they share with jurisdictions within the county) and direct LGF to municipalities; largely phases out reimbursements for taxes eliminated by the state that had been paid by businesses and utilities to local governments; and cuts the public library fund.

School districts were cut as well. Selected losses in calendar year 2012-13 compared to 2010-11 include:

• Public Library Fund	-\$61 thousand
• Schools	-\$3.4 million
• County operations (including county undivided fund)	-\$1.6 million
• Hillsboro	-\$106 thousand
• Greenfield	-\$37 thousand
• Northern Joint Fire District	-\$18 thousand

Key findings

- Highland County, its jurisdictions, schools, services and levies, lost \$5.3 million in the current state budget.
- Health and human services lost \$329,000.
- The Highland County community action organization's summer nutritional programs and foreclosure assistance programs were scheduled to end.
- Sheriff's layoffs impacted security at county fair

Loss to health and human service levies:

• County health services	-\$46 thousand
• County mental health/ developmental disabilities	-\$283 thousand

Notes and quotes

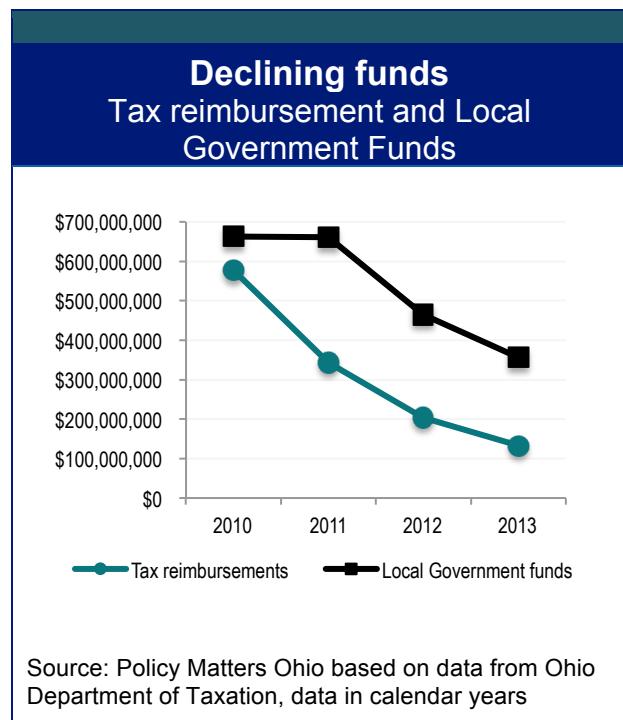
Budget cuts in Highland County include decreases in funding for various community service organizations. This means that organizations such as Highland County Community Action (HCCAO) "will no longer be able to operate financial literacy and foreclosure programs which have assisted in reducing foreclosures in Highland County in the past year. . . [and] the organization will no longer be able to continue the summer feeding program which they offered in Greenfield and Hillsboro last summer at a time when the number of children accessing free lunches in local school districts is greater than ever." "Potential budget cuts will impact Highland County Community Action Organization, Inc." *The Highland County Press*, February 15, 2011. <http://bit.ly/PotV1F>.

Council reduces budget by \$237,000: Reductions were proposed in the general fund, the street department and recreation fund. *Highland County Press*, Aug. 22, 2012. <http://bit.ly/Rx6ku5>.

Security scaled back at Highland County Fair after county sheriff faces 27 percent budget cuts and lays off 12; July 27, 2011. <http://bit.ly/TVXlkk>.

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.