

## Noble County

### Impact of the state budget for 2012-13 (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 Noble County?

The state cut the Local Government Fund to the county, forcing Noble 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                                 -\$18.0 thousand
- Schools   -\$1.5 million
- County operations                                 -\$312.0 thousand  
(including LGF for townships)
- Olive Township   -\$12.0 thousand
- Caldwell   -\$7.0 thousand

#### Loss to health and human service levies

- County mental health/  
Developmental disabilities                         -\$59.0 thousand
- County health services                                 -\$26.0 thousand
- County senior services                                 -\$10.0 thousand

#### Notes and Quotes

Lowell Anderson, mayor of Caldwell Village, explained that he increased the income tax by 1 percent but felt that the village would repeal it in November. They were beginning to do water and sewer infrastructure projects. Also, there was a lot of interest in doing natural gas exploration in the county. The mayor and his advisors were meeting to determine if this was a good idea. Would have to lease out 280 acres and could make \$1.4 million. The downside to that was that a lot of the exploration would occur near the Caldwell Reservoir, which provides drinking water for the village. From "Mayor responds to criticism about 1% income tax enactment," *Marietta Times*, 12 April 2012. <http://bit.ly/QdTsYT>.

Key findings
<ul style="list-style-type: none"> <li>• Noble County, its jurisdictions, schools, services and levies, lost \$1.7 million in the current state budget.</li> <li>• Health and human services lost \$95,000.</li> <li>• County did not have a reduction in "undivided" funds like most other counties, but losses overwhelmed protections.</li> </ul>

Noble County Auditor Jody Parrish-Polen explained that the biggest cut was to Jobs and Family Services; the county received more from the general revenue fund. Phone interview, June 26, 2012.

Emma Fleischer, chair of Ohio Family and Children First Council, explained that this county had not been able to pay her employees enough. Minimal staffing had doubled caseloads, and her agencies struggled to maintain even those levels. Poverty has increased in the county; without public transportation people could not afford to come in for assistance. She said she saw many cases of heroin abuse as well as opiates and bath salts. She explained that children's services have had many layoffs as well. Mental health has been turning people away and could not get enough psychiatrists to work. Families have had to go to Columbus or Parkersburg, West Virginia, for assistance. From phone interview, June 26, 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 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 municipalities with an income tax. 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.

