

Pike County

Impact of the 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 Pike County?

The state cut the Local Government Fund to the county, forcing Pike 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 - \$45.0 thousand
- Schools (K-12) - \$2.3 million
- County operations (including LGF for townships) - \$870.0 thousand
- Waverly - \$334.0 thousand
- Piketon - \$40.0 thousand

Loss to health and human service levies

- County children's services - \$48.0 thousand
- County health services - \$42.0 thousand

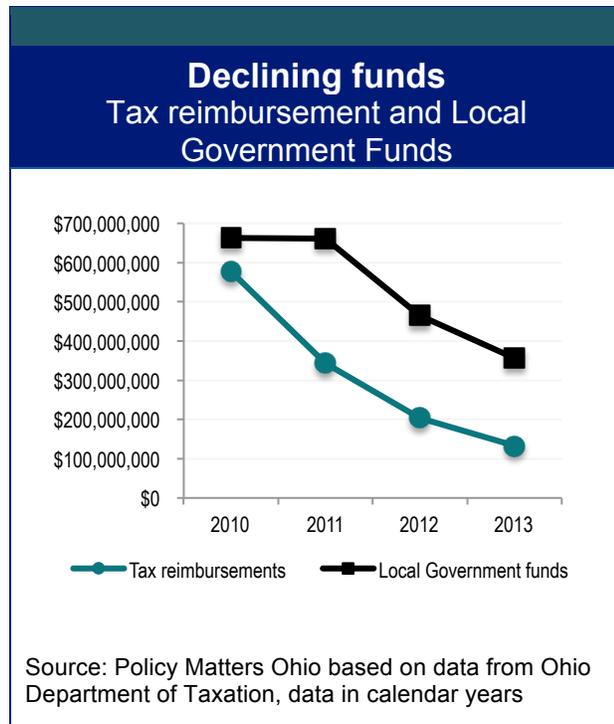
Notes and Quotes

"A quarter of our onsite hours that provided individual observations for children and one-on-one consultations with staff and parents have been cut. Possibly more hours will be cut for this coming school year as I know they received more cuts at our MH facility. Some of the CAC programs have been cut; WIC and Weatherization have taken large cuts and caused job loss. I am not sure about what other programs in our agency have taken cuts. Losing the Mills Pride plant has nearly crippled our county in the job market, although there are a few new companies employing at this time." – Laura Dobbins, Disabilities/Mental Health coordinator, Pike County. Phone interview, Summer, 2012.

Key findings

- Pike County, its jurisdictions, schools, services and levies lost \$3.8 million in the current state budget.
- Plant closure drove need for mental health services while funding for such services was cut.
- Variety of social services lost funding.

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.