

## Belmont County

### Impact of the Ohio 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 Belmont County?

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

- Local Government Fund - \$2.1 million
- Public Library Fund - \$147 thousand
- Tax Reimbursements - \$2.7 million
- Schools - \$5.2 million
- Bridgeport - \$33 thousand
- Martins Ferry - \$584 thousand
- St. Clairesville - \$67 thousand
- Cumberland Trail Fire District #4 - \$119 thousand

#### Loss to health and human service levies

- Senior Services - \$374 thousand
- Child Services - \$76 thousand
- County Mental Health - \$848 thousand

#### Notes and quotes

While Belmont County has been weathering the economic crisis and recovery relatively well, the budget is being cut. The next two years are projected to be tight as the government budget was cut by 25% through 2013 (a loss of \$73,000). Last year the county lost \$150,000 in funding. However, county services are benefiting from an increase in sales tax (the county's largest revenue source). Overall, according to the County Auditor Andrew Sutak, the county should maintain the status quo for the time being. From Sutak, Andrew, "Budget Picture," *Times Leader*, August 12, 2012.

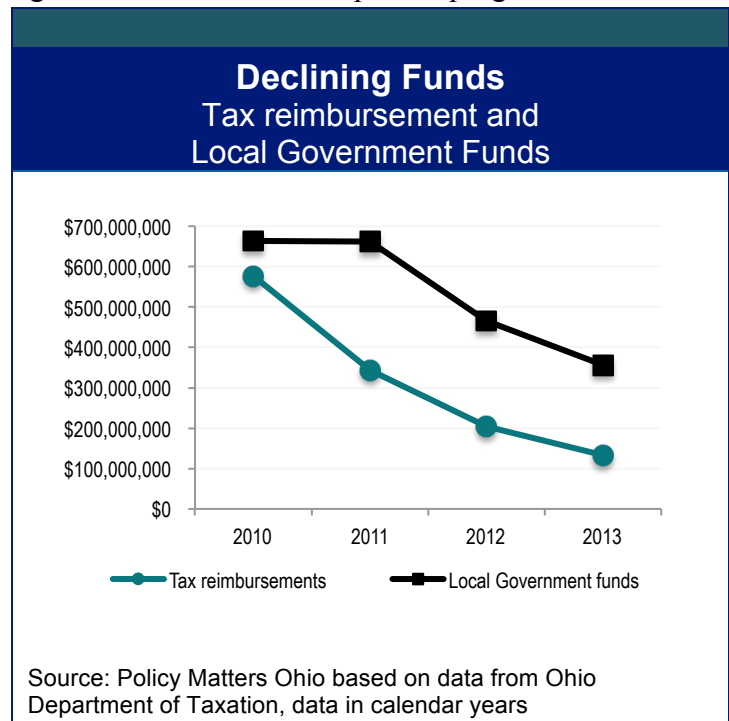
<http://tinyurl.com/bv3zbay>.

#### Key findings

- Belmont County lost \$10.2 million in the current state budget to schools, the county and all other local governments.
- Belmont County itself faces \$2 million less in 2013 compared to 2010, across all health and human service levies, parks, library and townships. County GRF alone is down by \$527,400.
- The county government budget was cut by 25% this year (\$73,000) and \$150,000 last year.
- So far, the increase in sales tax in the county has been able to account for the decrease in the budget.

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.