

## Guernsey 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 Guernsey County?

The state cut the Local Government Fund to the county, forcing Guernsey 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 - \$75.0 thousand
- Schools - \$4.1 million
- County operations (Including townships and parks) - \$1.6 million
- Cambridge - \$370 thousand

#### Loss to health and human service levies:

- County health services - \$45 thousand
- County child services - \$116 thousand
- County mental health/developmental disabilities - \$293 thousand
- County seniors services - \$56 thousand

#### Notes and quotes

In Guernsey County, budget cuts have meant decreasing the number of teachers and increasing the sizes of classes. One former student of Guernsey public school system wrote: "I have personally known and been taught by the teachers getting the axe . . . they were the ones who were excited about teaching and brought joy into the lives of countless children . . . These teachers provided a nurturing environment . . . [and] were willing to go the extra mile, to start up a new program, or to take on another one out of the goodness of their hearts. They created intelligent, creative, compassionate human beings. . . [These teachers] are quite literally the only reason kids go to school, and when we cut the best ones, we are reducing the collective knowledge and experience of the entire student body." From "Who are budget cuts hurting most?" *The Daily & Sunday Jeffersonian*, 2/20/11, <http://tinyurl.com/cou4dqw> .

#### Key findings

- Guernsey County, its jurisdictions, schools, services and levies, lost \$7 million in the current state budget.
- Health and human services lost \$510 thousand.
- Senior services lost \$56 thousand, although demand for Meals on Wheels has tripled in the county in the past decade.
- The county drug and alcohol abuse treatment agency sold raffle tickets and asked for donations to try to make up for budget losses.

Most senior centers are nonprofit and rely on federal funds for large portions of their budgets. Those funds have not increased despite higher costs of providing the services, and cuts in state aid also have hurt centers' budgets, said Shon Gress, executive director of eastern Ohio's Guernsey County Senior Center. He said the demand for services has continued to grow, but funding has not kept pace. For example, the number of meals served by Meals on Wheels there annually more than tripled over a decade to 133,000 in 2010 from 37,000 in 2001. "Senior Sites Struggle as Fund Cuts Hit Budgets," *Toledo Blade.com* 1/22/12 at <http://bit.ly/Rx4LMJ>.

Local substance abuse treatment agency sold raffle tickets, asked for donations, in wake of budget cuts. "Face to face with epidemic, fighting abuse with threadbare budget: Substance abuse 'out of control'" Rick Stillion, *The Daily Jeffersonian* 4/19/12 at <http://tinyurl.com/cy3p2zg>

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.) Also shown are losses from reduced support from the
- **Local Government Fund "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 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.

