

Hardin 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 Hardin County?

The state cut the Local Government Fund to the county, forcing Hardin 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 - \$57 thousand
- Schools - \$2.1 million
- County operations (including county undivided fund) - \$1.4 million
- Kenton - \$253 thousand
- Ada - \$66 thousand
- Liberty township ambulance - \$22 thousand

Losses to health and human service levies

- County mental health/developmental disabilities - \$225 thousand
- County senior services - \$60 thousand

Notes and quotes

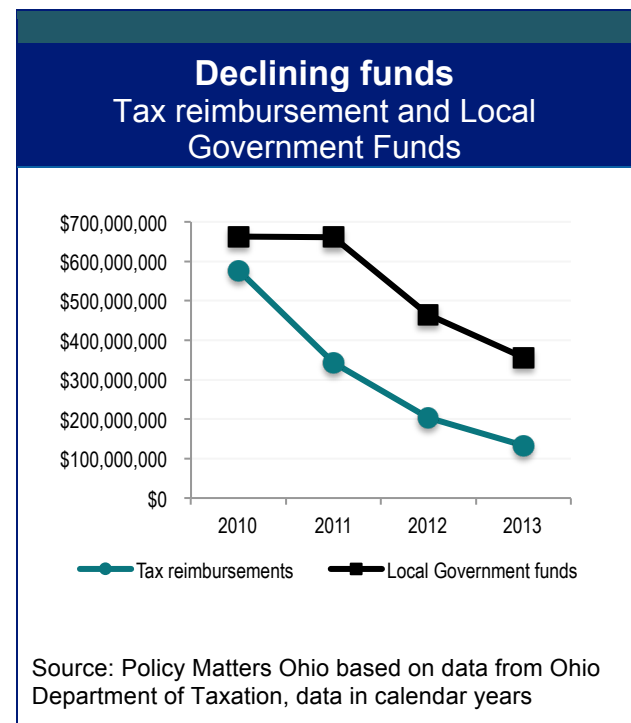
"The electric and natural gas reimbursements, which provided the county with about \$10,000 this year [2011] will be phased out within a short period of time." – Michael T. Bacon, Hardin County Auditor. In addition, agricultural society lacks funding to clean up fairgrounds. From "County expects big cuts in state funding." *The Kenton Times*, March 25, 2011. <http://tinyurl.com/8c76s5j>.

Key findings

- Hardin County, its jurisdictions, schools, services and levies, lost \$4 million in the current state budget.
- Health and human services lost \$285 thousand
- County Agricultural Society was unable to repair the fairgrounds because of lack of 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 on a fiscal year basis, from July 1 to June 30).
- **Local Government Fund's "Municipal Direct" allocation** that the state gives directly to municipalities with an income tax, also shown on a calendar year basis, as well as;
- **Property tax reimbursements** promised to local governments during tax reductions enacted earlier in the decade. Loss is shown on the same calendar year basis as the others.



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.