

Jackson 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 Jackson County?

The state cut the Local Government Fund to the county, forcing Jackson 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 - \$2.9 million
- County operations (includes county undivided fund) - \$1.4 million
- Jackson City - \$112.0 thousand
- Wellston - \$66.0 thousand
- Madison- Jefferson Joint Fire - \$13 thousand

Losses to health and human service levies

- County mental health/developmental disabilities - \$97 thousand
- County health services - \$22 thousand
- County senior services - \$26 thousand

Notes and quotes

Expectations were for the 2012 budget to at least be no worse than the 2010 budget, but what was put forth was an 8 percent reduction from 2010 levels, according to Jackson County Commissioner Jim Riepenhoff. Riepenhoff also explained that the Commissioner's office will have to limit the hours of their employees to seven hours per day. From "County budget for 2012 will make for a tough year." *Jackson County Daily*, December 16, 2011. <http://tinyurl.com/8lx7h7p>.

"When someone talks about cutting costs, are we talking about making our community as cost efficient and cost effective as possible, or just making it as cheap and trashy as we can, as long as it doesn't cost anything?" – Randy Heath, Mayor, City of Jackson. From "City of Jackson Council

Key findings

- Jackson County, its jurisdictions, schools, services and levies, lost \$4.7 million in the state budget
- Health and human services lost \$144,000.
- Unstable budget has made it difficult to hire and fill vacancies in communities.

members trying to beat the clock with 2012 permanent budget,” *Jackson County Daily*, March 14, 2012. <http://tinyurl.com/8l62rab>.

“We are filling a vacant position in the street and alley department that has been down two employees for years, plus had the elimination of their summer help,” Heath stated. “This is the first vacant position we have filled in my four-plus years as mayor, after not filling at least five full-time positions that had become open.” – Randy Heath, Mayor. From Tackett, Felicia. “City of Jackson Council members trying to beat the clock with 2012 permanent budget.” *Jackson County Daily*. March 14, 2012. <http://tinyurl.com/8l62rab>.

On top of having one of the lowest budgets in the state, says county auditor Clyde Holdren, the county really wasn’t looking good before last year’s budget cuts. Law enforcement has taken the biggest hit; the sheriff’s department has been receiving the worst cuts, followed by the police department. Interview, Summer 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.

