

Logan 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 Logan County?

The state cut the Local Government Fund to the county, forcing Logan 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 - \$76 thousand
- Schools - \$6.2 million
- County operations (includes county undivided fund) - \$2.7 million
- Perry Township - \$194 thousand
- Bellefontaine - \$227 thousand
- Indian Lake Ambulance - \$47 thousand

Losses to health and human service levies

- County child services - \$118 thousand
- County mental health/ Developmental disabilities - \$404 thousand
- County health - \$150 thousand

Notes and quotes

Bellefontaine cut 1.2 million from its 2011-2012 school year budget, partly through not replacing those who left due to retirements and resignations. From "Bellefontaine Schools cut 1.2 million from budget," *PeakofOhio.com*, May 9 2011. <http://tinyurl.com/96oxdlc>.

Joseph Mancuso, Superintendent, "told the board that if it continues its present level of expenditures, coupled with the loss of revenues, the board will be out of money by 2014 and \$5 million in the red by 2019." From "Local DD board braces for budget cuts," *PeakofOhio.com*, June 16, 2011. <http://tinyurl.com/9d9onhm>.

Key findings

- Logan County lost \$9.8 million in the current state budget.
- Health and human services in the county lost \$673,000.
- Larger deficits are projected for schools in coming years.

“We still operate though on a budget that is as tight as we can make it without a massive reduction in personnel. . . I and our administrative team will continue to work daily to make sure everything that we spend is of the absolute necessity.” – Adam Brannon, Mayor of Bellefontaine. From “2012 State of the City Address,” City of Bellefontaine, January 24, 2012. <http://tinyurl.com/9m9ebqq>.

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.

