

Preble County

Impact of the 2012-13 state budget (HB 153)

Ohio's budget cuts the Local Government Fund (LGF) to counties (which they share with jurisdictions within the county) and direct LGF to municipalities; largely phases out reimbursements for taxes eliminated by the state that had been paid by businesses and utilities to local governments; and cuts the public library fund. School districts were cut as well. Aggregate losses in calendar year 2012-13 compared to 2010-11 include:

- Public Library Fund - \$77 thousand
- Schools - \$4.4 million
- County operations (including LGF for townships) - \$1.3 million
- Eaton - \$365 thousand
- Lewisburg - \$141 thousand
- Camden-Somers Fire & Ambulance - \$34 thousand

Loss to health and human service levies

- County mental health/ Developmental disabilities - \$211 thousand
- County health services - \$29 thousand
- County child services - \$45 thousand
- County seniors levy - \$83 thousand

Notes and Quotes

"Our employees, including administrators, accepted a two year freeze on salaries as well as a new health plan that is consistent with what is happening in education elsewhere. The new health plan is a considerable savings to the school district." – Dale Robertson, Preble Shawnee Superintendent. From Tozier, Nicholas, "Preble County Schools struggle to balance budgets," *The Register-Herald*, February 14, 2012, <http://tinyurl.com/bpmzvy9>.

"[Preble County School] district will lose a total of 16 employees during the first round of budget cuts, including an administrative position at the district office, two retirees from within the district, and a total of 13 staff members from the schools in the district... Our employees, including administrators, accepted a two year freeze on salaries." – Dale Robertson, Preble Shawnee Superintendent. From Tozier, Nicholas, "Preble County Schools struggle to balance budgets," *The Register-Herald*, February 14, 2012, <http://tinyurl.com/bpmzvy9>.

Key findings

- Preble County, its jurisdictions, schools, services and levies, lost \$7 million in the current state budget.
- Health and human services lost \$368,000.
- Schools lost staff in spite of concessions.

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.

