

Wayne County

Impact of the 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 Wayne County?

The state cut the Local Government Fund to the county, forcing Wayne 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:

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| • Public Library Fund | - \$211.0 thousand |
| • Schools | - \$11.1 million |
| • County operations
(including township LGF) | - \$4.7 million |
| • Orrville | - \$396.0 thousand |
| • Rittman | - \$440.0 thousand |
| • Wooster | - \$1.5 million |

Loss to health and human service levies

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|---|--------------------|
| • County Mental Health/
Developmental disabilities | - \$732.0 thousand |
| • County Children Services | - \$474.0 thousand |
| • County senior services | - \$24.0 thousand |
| • Wayne and Holmes
Mental health district | - \$285.0 thousand |

Notes and Quotes

The Wooster Employee Association and the police union agreed to wage freezes at the 2012 level through the end of 2013. The firefighters union agreed to wage freezes through 2014. From Haught, Sharon. "City of Wooster and Wooster Employees Association agree to multiyear wage freeze." *Wooster Weekly News*. January 25, 2012. <http://bit.ly/NlxVqy>

Key findings

- Wayne County, its jurisdictions, schools, services and levies, lost \$19.8 million in the current state budget.
- Health and human services lost \$1.2 million.
- Municipal unions in Wooster agree to wage freezes.
- Millersburg Finance Committee proposes passing cost of streetlights to residents and businesses.
- The East Holmes Local School District and the Dalton School District put levies on the August 2012 ballot.

“We'll make it through 2013 without major cuts, but unless something is done to change revenue in 2014, there will be major cuts to the police and other departments. We might only have one officer on per shift, and that is not safe. It seems like when something happens, it happens all at the same time. If we consolidate dispatch (services), then there won't be anyone to watch the jail, and there will be major delays (on police calls). That's a big difference to people who need that service.” – Larry Boggs, Rittman City Manager. From Warren, Bobby, “Rittman faces ‘major’ shortfall by 2014,” *The Daily Record*, July 6, 2012. <http://tinyurl.com/8sfr8vx>.

Millersburg residents have been debating whether to charge residents a fee to cover the cost of keeping street lights on, or to do away with the lights completely. Such proposals would save the city about \$72,000 annually. From Mohr, Kelley, “Millersburg village some residents would opt for dark,” *The Daily Record*, March 31, 2012. <http://tinyurl.com/8q25ggc>.

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. It also phases out most of the **tangible personal property tax** and **public utility property tax reimbursements** 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. The reduction in funding noted here illustrates the significant change in municipal and state fiscal relations implemented in the current state budget. Changes in revenues in Wayne County 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; and **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.

