



## Putnam 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 Putnam County?

The state cut the Local Government Fund to the county, forcing Putnam 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 - \$65 thousand
- Schools - \$5.6 million
- County operations (including LGF for townships) - \$1.2 million
- Columbus Grove - \$58.0 thousand
- Continental - \$70.0 thousand
- Leipsic Corp. - \$219.0 thousand
- Ottawa Corp. - \$62.0 thousand

### Loss to health and human service levies

- County mental health/
- Developmental disabilities - \$149.0 thousand
- County health services - \$39.0 thousand
- County senior services - \$34.0 thousand

### Notes and Quotes

"We've cut really deeply into the skin but we haven't cut down to the bone and we hope we don't have to go that route." – Kevin Benton, Mayor of Leipsic. From "Benton remains at helm as Leipsic mayor," *Putnam County Sentinel*, November 8, 2011, <http://tinyurl.com/ccaoxp2>.

In Ottawa Village, snow removal workers were not to be allowed to work overtime. Local businesses and residents would be responsible for removing any remaining snow not removed by workers. From

#### Key findings

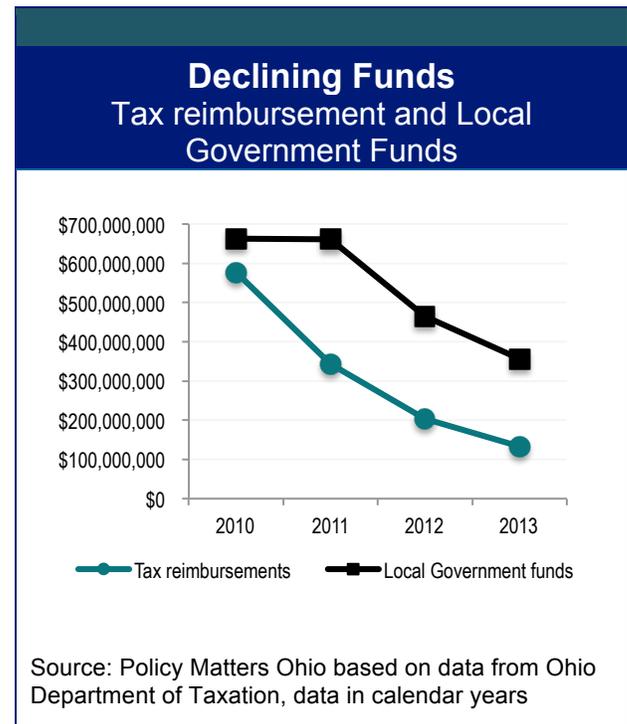
- Putnam County, its jurisdictions, schools, services and levies lost \$7.9 million in the current state budget.
- Health and human services lost \$222,000.
- Cuts in County Pathways lead to more hospitalizations and suicides.
- County Family and Children First Council forced to restrict eligibility and access for "Help Me Grow" program.

“Ottawa village council discusses budget cuts,” *Putnam County Sentinel*, November 29, 2011, <http://bit.ly/N2hd1r>.

State budget cuts significantly impacted the Putnam County Family and Children First Council. Coordinator Beth Tobe reported that the “Help Me Grow” program had restricted eligibility and access, resulting in fewer families served. United Way and other local organizations had been important in helping the county to cope with the budget cuts, stepping in to provide replacement services. From phone interview with Beth Tobe, June 27, 2012.

Head of County Pathways Bob Williams reported cuts in prevention services. This has led to more hospitalizations and even an increase in suicides. From phone interview with Bob Williams, July 3, 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.