

## Medina County Responds to Governor's Proposed Cut of Local Government Funds!

Guest Editorial by  
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No road salt in Montville Township. No road maintenance in Spencer Township. A closed road in Wadsworth Township. Fewer police officers, the public libraries closed on weekends, and Township cemeteries overgrown with weeds. According to local officials, that's just the tip of the iceberg Medina County could be sailing into with the loss of monies for local governments that's been proposed in Governor Robert Taft's new biennium budget.

The two-year budget proposal released by Governor Taft's office recently freezes local government funding for this year at 2004 levels, then, in January 2006, further reduces funding to counties, cities and park districts by 20 percent, to townships and villages by 10 percent, and to public libraries by five percent through June 2007.

What *are* Local Government Funds?... During the Great Depression local governments experienced grave financial difficulties. Property tax delinquencies and foreclosures were high. In 1933 the Ohio Constitution was amended to reduce the allowable unvoted property tax millage from 15 to 10 mills to address this problem. The State then, in 1934, enacted its first sales tax of three cents per dollar. The Local Government Fund (LGF) was established at the same time and one of the purposes of the sales tax was to "support local government activities." In 1935 the LGF received around 40% of the State's sales tax receipts, thus beginning the "revenue sharing" principle of LGF's.

Today local government funding continues to be a means for counties to retain or receive back a percentage of the dollars collected through the State sales and personal income tax. For most public libraries around the State, these funds represent 100 percent of income. Cities and villages use the funds to pay police officers, to contract for EMS service, to maintain roadways, and repair town halls. The Medina County Park District uses its LGF money to help cover the cost of operations and for 67 percent of its staffing expenses.

The Governor's proposed cuts come on top of lost revenue from the personal income tax which the Governor proposed to cut by 21 percent. Although the Governor's budget staff indicated that the freeze and cuts are only temporary, they follow freezes and reductions in previous years which were also labeled "temporary" but which were never returned to the funding levels set by law.

Governor Taft's proposed budget is a knife that will cut a wide and indiscriminate swath across all facets of life in Medina County. This isn't just a few dollars here and there. These monies represent a significant portion of all local budgets. The proposed cuts are a clear demonstration that our Governor has no understanding of what the County does with these tax dollars. If he did, he'd appreciate the long-range impact his cuts are going to have on local governments already struggling to balance budgets.

Further cuts of LGF's would cause the County to consider the elimination of non-mandatory County services such as funding to OSU Extension Service and the Soil and Water Conservation District. Wadsworth Mayor Jim Renacci and Medina City Finance Director Keith Dirham say that further reductions or the loss of these revenues would cause their cities to cut back further on services, increase fees or taxes, or both. Bill White, Brunswick Finance Director, has said that after sustaining such tremendous

increases in workers compensation premiums, health care expenses, fuel costs and other operating expenses, any cuts made to the City's LGF revenue would severely impact their ability to continue operations at their current levels without having to look for replacement funds from residents, businesses and services users. Local officials feel further losses could hit us on multiple fronts and could cause ripple effects. If the libraries are forced to cut their services, services to our schools may suffer, or certain County services might be left to the City to struggle to match. Medina Mayor Jane Leaver further states that the City is finally in a stable financial position. To lose any percentage of LGF's would set the City back on their 5-year plan they have worked so hard on.

The Governor declined to personally talk to any local government officials prior to releasing his budget, so our only recourse now is to impress upon our legislators the dramatic impact the loss or further reduction of LGF's will have on everyday life in Medina County. Accordingly, the County Commissioners Association of Ohio and our LGF Task Force (formed last fall in reaction to talks of cutting LGF's), as well as other groups of concerned leaders throughout the State have now requested an opportunity to address our lawmakers with our concerns. As a result, on March 16<sup>th</sup> a joint press conference with the recipients of LGF's will be held in Columbus. In addition, public testimony is scheduled in the House Finance Committee on the Governor's proposed budget. Our LGF Task Force Executive Committee plans to attend these events to show support and possibly testify.

Members of the LGF Task Force also recently taped an FYI program on LGF's. This is being aired now (March) on cable TV in Brunswick, Medina and Wadsworth on

the educational channel through the County's cable show "Your Medina County". Tune in to this show for further information.

If you concur with your local officials that the State should honor the original agreement of "revenue sharing" of LGF's, and not keep tax dollars in Columbus that should be coming back to our communities, then I encourage you to write your State legislators regarding these concerns. Letters should be addressed to:

Senator Ron Amstutz  
Ohio Senate Building  
Room 140, First Floor  
Columbus, OH 43215

\*Representative Bob Gibbs  
77 S. High Street  
11<sup>th</sup> Floor  
Columbus, OH 43215-6111

\*Gibbs represents the 97<sup>th</sup>  
District which includes extreme  
Southern Medina County and  
Wadsworth

Representative Charles E. Calvert  
77 S. High Street  
13<sup>th</sup> Floor  
Columbus, OH 43215-6111