



**SHELBY COUNTY
BOARD OF COUNTY COMMISSIONERS**

129 East Court Street Suite 100

Shelby County Annex Building

Sidney, Ohio 45365

(937) 498-7226

Fax No. 498-1293

Shelbycountycommissioners@shelbyco.net

ROBERT A. GUILLOZET

ANTHONY J. BORNHORST

JULIE L. EHEMANN

PAMELA STEINKE, Clerk of the Board

Testimony for the House Finance Committee

House Bill 33

Good morning, Chairman Edwards, Vice-Chairman LaRe, Ranking Member Rose Sweeney and honorable members of the House Finance Committee. Thank you for the opportunity to speak to you today. My name is Julie Ehemann and serve as a Shelby County Commissioner. I have served in an elected position in local government for 30 years.

Today, I would like to speak to you regarding HB 33 concentrating on proposed funding increases to the Local Government Fund or LGF.

Currently, Shelby County receives a large portion of its revenues from sales tax (est. \$ 9.6 million), property tax (est. \$2.7 million), Casino tax (\$ 600,000) and Local Government Funds (est. \$768,000). Ohio's Local Government Fund (LGF) was created when the state sales tax was introduced in 1934. Monies from the new sales tax were to be split among the counties for use in relief for the poor, for schools and for local governments to use as needed. Over time, the amount of revenue shared has changed based on the needs of the state or the local government entities.

In the State's Fiscal Year of 2012-2013, Ohio counties saw huge cuts to local revenues as the State reduced the Local Government Fund (LGF) allocations to counties from 3.68 percent to 1.66 percent of state General Revenue Fund (GRF) receipts. This was done to balance an \$8 billion deficit at the State level but meant a loss for Shelby County of \$650,000 yearly. Over the last ten years, the State's financial position has improved dramatically yet LGF funding has never been restored to the County and local level.

The State's cuts came on the heels of the recession after Shelby County Elected Officials had already made serious cuts to their budget. As I assumed office in 2012, I was not present when the tough choices were made that included removing all support to 14 non-mandated state agencies, employee voluntary pay reductions, cuts to employee health plans, and deferment of

necessary infrastructure maintenance and improvements. The cuts of 2012-2013 ensured hiring was frozen, raises for staff were nonexistent, and county department requests were met with the word "NO".

Over time, Shelby County has been able to make long overdue infrastructure improvements and has made great strides in other areas such as improving support to economic development efforts. However, many of the cuts made 12-15 years ago have NEVER been restored.

I know that as Shelby County, and all Ohio counties, compete in today's economy we need new flexible funding to accomplish our citizen's goals. While there are many grant and loan programs for which we are to apply, the reality is that every county has different needs and should not have to try and use the latest lingo to bring tax dollars back to the local level. That is why I am requesting a partial restoration of LGF to 2.5% in HB 33.

If we are to advance Shelby County competitively, we must be able to improve our broadband availability. We must have an educated workforce, and we must have infrastructure that allows for the efficient transportation of goods, services, and people. We must be able to provide clean water. We are required to be an information hub for our community and we must have the resources to protect that information from cyber- attacks. Having an increase in LGF monies would allow us to use funds towards these goals. This will also fill in gaps currently seen in our Jail, Victim Services Agency, Juvenile Court and Child Protective Services

I and my fellow Commissioners appreciate all of the members of the Ohio General Assembly and your efforts to making Ohio a great place to live. We believe an increase in LGF would help advance Ohio's competitiveness by providing resources where they can make significant improvements.

Thank you again for the opportunity to speak. I look forward to answering any questions you may have.