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136th General Assembly
Regular Session
2025-2026

Sub. H. B. No. 309

To amend sections 3317.01, 5705.01, 5705.03,
5705.13, 5705.27, 5705.28, 5705.29, 5705.31,
5705.32, 5705.321, 5705.35, 5705.36, 5705.37,
5705.391, 5747.51, and 5747.53 and to enact
section 5705.60 of the Revised Code to modify
the law governing county budget commissions,
property taxation, and alternative apportionment
formulas for local government and public library
funds.

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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3317.01, 5705.01, 5705.03,
5705.13, 5705.27, 5705.28, 5705.29, 5705.31, 5705.32, 5705.321,
5705.35, 5705.36, 5705.37, 5705.391, 5747.51, and 5747.53 be
amended and section 5705.60 of the Revised Code be enacted to
read as follows:

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Sec. 3317.01. As used in this section, "school district,"
unless otherwise specified, means any city, local, exempted
village, joint vocational, or cooperative education school
district and any educational service center.

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This chapter shall be administered by the department of

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education and workforce. The department of education and 20
workforce shall calculate the amounts payable to each school 21
district and shall certify the amounts payable to each eligible 22
district to the treasurer of the district as provided by this 23
chapter. Certification of moneys pursuant to this section shall 24
include the amounts payable to each school building, at a 25
frequency determined by the department, for each subgroup of 26
students, as defined in section 3317.40 of the Revised Code, 27
receiving services, provided for by state funding, from the 28
district or school. No moneys shall be distributed pursuant to 29
this chapter without the approval of the controlling board. 30

The department shall, in accordance with appropriations 31
made by the general assembly, meet the financial obligations of 32
this chapter. 33

Moneys distributed to school districts pursuant to this 34
chapter shall be calculated based on the annual enrollment 35
calculated from the three reports required under sections 36
3317.03 and 3317.036 of the Revised Code and paid on a fiscal 37
year basis, beginning with the first day of July and extending 38
through the thirtieth day of June. In any given fiscal year, 39
prior to school districts submitting the first report required 40
under section 3317.03 of the Revised Code, enrollment for the 41
districts shall be calculated based on the third report 42
submitted by the districts for the previous fiscal year. The 43
moneys appropriated for each fiscal year shall be distributed 44
periodically to each school district unless otherwise provided 45
for. The department, in June of each year, shall submit to the 46
controlling board the department's year-end distributions 47
pursuant to this chapter. 48

Except as otherwise provided, payments under this chapter 49

shall be made only to those school districts in which: 50

(A) The school district, except for any educational 51
service center and any joint vocational or cooperative education 52
school district, levies for current operating expenses at least 53
twenty mills, unless the school district is levying less than 54
that amount due to a reduction in collections made under 55
division (D) of section 5705.31 of the Revised Code or division 56
(A) of section 5705.32 of the Revised Code relating to a 57
declaration made by the board under division (E) of section 58
5705.29 of the Revised Code. Levies for joint vocational or 59
cooperative education school districts or county school 60
financing districts, limited to or to the extent apportioned to 61
current expenses, shall be included in this qualification 62
requirement. School district income tax levies under Chapter 63
5748. of the Revised Code, limited to or to the extent 64
apportioned to current operating expenses, shall be included in 65
this qualification requirement to the extent determined by the 66
tax commissioner under division (C) of section 3317.021 of the 67
Revised Code. 68

(B) The school year next preceding the fiscal year for 69
which such payments are authorized meets the requirement of 70
section 3313.48 of the Revised Code, with regard to the minimum 71
number of hours school must be open for instruction with pupils 72
in attendance, for individualized parent-teacher conference and 73
reporting periods, and for professional meetings of teachers. 74

A school district shall not be considered to have failed 75
to comply with this division because schools were open for 76
instruction but either twelfth grade students were excused from 77
attendance for up to the equivalent of three school days or only 78
a portion of the kindergarten students were in attendance for up 79

to the equivalent of three school days in order to allow for the 80
gradual orientation to school of such students. 81

A board of education or governing board of an educational 82
service center which has not conformed with other law and the 83
rules pursuant thereto, shall not participate in the 84
distribution of funds authorized by this chapter, except for 85
good and sufficient reason established to the satisfaction of 86
the department and the state controlling board. 87

All funds allocated to school districts under this 88
chapter, except those specifically allocated for other purposes, 89
shall be used to pay current operating expenses only. 90

Sec. 5705.01. As used in this chapter: 91

(A) "Subdivision" means any county; municipal corporation; 92
township; township police district; joint police district; 93
township fire district; joint fire district; joint ambulance 94
district; joint emergency medical services district; fire and 95
ambulance district; joint recreation district; township waste 96
disposal district; township road district; community college 97
district; technical college district; detention facility 98
district; a district organized under section 2151.65 of the 99
Revised Code; a combined district organized under sections 100
2152.41 and 2151.65 of the Revised Code; a joint-county alcohol, 101
drug addiction, and mental health service district; a drainage 102
improvement district created under section 6131.52 of the 103
Revised Code; a lake facilities authority created under Chapter 104
353. of the Revised Code; a union cemetery district; a county 105
school financing district; a city, local, exempted village, 106
cooperative education, joint vocational school district; a 107
regional student education district created under section 108
3313.83 of the Revised Code; or a career-technical cooperative 109

education district created under section 3313.831 of the Revised Code. 110
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(B) "Municipal corporation" means all municipal 112
corporations, including those that have adopted a charter under 113
Article XVIII, Ohio Constitution. 114

(C) "Taxing authority" or "bond issuing authority" means, ~~—~~ 115
~~in any of the following:~~ 116

(1) In the case of any county, the board of county 117
commissioners; in the case of a municipal corporation, the 118
council or other legislative authority of the municipal 119
corporation; in the case of a city, local, exempted village, 120
cooperative education, or joint vocational school district, the 121
board of education; in the case of a community college district, 122
the board of trustees of the district; in the case of a 123
technical college district, the board of trustees of the 124
district; in the case of a detention facility district, a 125
district organized under section 2151.65 of the Revised Code, or 126
a combined district organized under sections 2152.41 and 2151.65 127
of the Revised Code, the joint board of county commissioners of 128
the district; in the case of a township, the board of township 129
trustees; in the case of a joint police district, the joint 130
police district board; in the case of a joint fire district, the 131
board of fire district trustees; in the case of a joint 132
recreation district, the joint recreation district board of 133
trustees; in the case of a joint-county alcohol, drug addiction, 134
and mental health service district, the district's board of 135
alcohol, drug addiction, and mental health services; in the case 136
of a joint ambulance district or a fire and ambulance district, 137
the board of trustees of the district; in the case of a union 138
cemetery district, the legislative authority of the municipal 139

corporation and the board of township trustees, acting jointly 140
as described in section 759.341 of the Revised Code; in the case 141
of a drainage improvement district, the board of county 142
commissioners of the county in which the drainage district is 143
located; in the case of a lake facilities authority, the board 144
of directors; in the case of a joint emergency medical services 145
district, the joint board of county commissioners of all 146
counties in which all or any part of the district lies; and in 147
the case of a township police district, a township fire 148
district, a township road district, or a township waste disposal 149
district, the board of township trustees of the township in 150
which the district is located. ~~"Taxing authority" also means the~~ 151

(2) The educational service center governing board that 152
serves as the taxing authority of a county school financing 153
district as provided in section 3311.50 of the Revised Code, the 154
board of directors of a regional student education district 155
created under section 3313.83 of the Revised Code, and the board 156
of directors of a career-technical cooperative education 157
district created under section 3313.831 of the Revised Code. 158

(3) The governing body responsible for levying a tax for 159
any taxing unit for which a taxing authority is not defined 160
pursuant to division (C) (1) or (2) of this section. 161

(D) "Fiscal officer" in the case of a county, means the 162
county auditor; in the case of a municipal corporation, the city 163
auditor or village clerk, or an officer who, by virtue of the 164
charter, has the duties and functions of the city auditor or 165
village clerk, except that in the case of a municipal university 166
the board of directors of which have assumed, in the manner 167
provided by law, the custody and control of the funds of the 168
university, the chief accounting officer of the university shall 169

perform, with respect to the funds, the duties vested in the 170
fiscal officer of the subdivision by sections 5705.41 and 171
5705.44 of the Revised Code; in the case of a school district, 172
the treasurer of the board of education; in the case of a county 173
school financing district, the treasurer of the educational 174
service center governing board that serves as the taxing 175
authority; in the case of a township, the township fiscal 176
officer; in the case of a joint police district, the treasurer 177
of the district; in the case of a joint fire district, the clerk 178
of the board of fire district trustees; in the case of a joint 179
ambulance district, the clerk of the board of trustees of the 180
district; in the case of a joint emergency medical services 181
district, the person appointed as fiscal officer pursuant to 182
division (D) of section 307.053 of the Revised Code; in the case 183
of a fire and ambulance district, the person appointed as fiscal 184
officer pursuant to division (B) of section 505.375 of the 185
Revised Code; in the case of a joint recreation district, the 186
person designated pursuant to section 755.15 of the Revised 187
Code; in the case of a union cemetery district, the clerk of the 188
municipal corporation designated in section 759.34 of the 189
Revised Code; in the case of a children's home district, 190
educational service center, general health district, joint- 191
county alcohol, drug addiction, and mental health service 192
district, county library district, detention facility district, 193
district organized under section 2151.65 of the Revised Code, a 194
combined district organized under sections 2152.41 and 2151.65 195
of the Revised Code, or a metropolitan park district for which 196
no treasurer has been appointed pursuant to section 1545.07 of 197
the Revised Code, the county auditor of the county designated by 198
law to act as the auditor of the district; in the case of a 199
metropolitan park district which has appointed a treasurer 200
pursuant to section 1545.07 of the Revised Code, that treasurer; 201

in the case of a drainage improvement district, the auditor of 202
the county in which the drainage improvement district is 203
located; in the case of a lake facilities authority, the fiscal 204
officer designated under section 353.02 of the Revised Code; in 205
the case of a regional student education district, the fiscal 206
officer appointed pursuant to section 3313.83 of the Revised 207
Code; in the case of a career-technical cooperative education 208
district, the fiscal officer appointed pursuant to section 209
3313.831 of the Revised Code; and in all other cases, the 210
officer responsible for keeping the appropriation accounts and 211
drawing warrants for the expenditure of the moneys of the 212
district or taxing unit. 213

(E) "Permanent improvement" or "improvement" means any 214
property, asset, or improvement with an estimated life or 215
usefulness of five years or more, including land and interests 216
therein, and reconstructions, enlargements, and extensions 217
thereof having an estimated life or usefulness of five years or 218
more. 219

(F) "Current operating expenses" and "current expenses" 220
mean the lawful expenditures of a subdivision, except those for 221
permanent improvements, and except payments for interest, 222
sinking fund, and retirement of bonds, notes, and certificates 223
of indebtedness of the subdivision. 224

(G) "Debt charges" means interest, sinking fund, and 225
retirement charges on bonds, notes, or certificates of 226
indebtedness. 227

(H) "Taxing unit" means any subdivision or other 228
governmental district having authority to levy taxes on the 229
property in the district or issue bonds that constitute a charge 230
against the property of the district, including conservancy 231

districts, metropolitan park districts, sanitary districts, road 232
districts, and other districts. 233

(I) "District authority" means any board of directors, 234
trustees, commissioners, or other officers controlling a 235
district institution or activity that derives its income or 236
funds from two or more subdivisions, such as the educational 237
service center, the trustees of district children's homes, the 238
district board of health, a joint-county alcohol, drug 239
addiction, and mental health service district's board of 240
alcohol, drug addiction, and mental health services, detention 241
facility districts, a joint recreation district board of 242
trustees, districts organized under section 2151.65 of the 243
Revised Code, combined districts organized under sections 244
2152.41 and 2151.65 of the Revised Code, and other such boards. 245

(J) "Tax list" and "tax duplicate" mean the general tax 246
lists and duplicates prescribed by sections 319.28 and 319.29 of 247
the Revised Code. 248

(K) "Property" as applied to a tax levy means taxable 249
property listed on general tax lists and duplicates. 250

(L) "Association library district" means a territory, the 251
boundaries of which are defined by the state library board 252
pursuant to division (I) of section 3375.01 of the Revised Code, 253
in which a library association or private corporation maintains 254
a free public library. 255

(M) "Library district" means a territory, the boundaries 256
of which are defined by the state library board pursuant to 257
section 3375.01 of the Revised Code, in which the board of 258
trustees of a county, municipal corporation, school district, or 259
township public library maintains a free public library. 260

(N) "Qualifying library levy" means either of the 261
following: 262

(1) A levy for the support of a library association or 263
private corporation that has an association library district 264
with boundaries that are not identical to those of a 265
subdivision; 266

(2) A levy proposed under section 5705.23 of the Revised 267
Code for the support of the board of trustees of a public 268
library that has a library district with boundaries that are not 269
identical to those of a subdivision. 270

(O) "School library district" means a school district in 271
which a free public library has been established that is under 272
the control and management of a board of library trustees as 273
provided in section 3375.15 of the Revised Code. 274

(P) "The county auditor's appraised value" means the true 275
value in money of real property. 276

(Q) (1) "Effective rate" means one of the following: 277

(a) For a levy that is the renewal of an existing levy or 278
an existing levy extended to additional territory, the effective 279
tax rate of the levy on class one property, as most recently 280
determined by the county auditor under section 323.08 of the 281
Revised Code; 282

(b) For a levy that is the increase of an existing levy, 283
the effective tax rate of the portion of the levy equal to the 284
rate of the existing levy on class one property, as most 285
recently determined by the county auditor under section 323.08 286
of the Revised Code, plus the rate of the additional portion of 287
the levy; 288

(c) For a levy that is the decrease of an existing levy, 289
the effective tax rate of the levy on class one property, as 290
most recently determined by the county auditor under section 291
323.08 of the Revised Code, and as proportionately reduced to 292
account for the decrease pursuant to rules adopted by the tax 293
commissioner. 294

(2) As used in division (Q) (1) of this section: 295

(a) "Effective tax rate" has the same meaning in section 296
323.08 of the Revised Code. 297

(b) "Class one property" means real property classified as 298
residential or agricultural under section 5713.041 of the 299
Revised Code. 300

Sec. 5705.03. (A) The taxing authority of each subdivision 301
may levy taxes annually, subject to the limitations of sections 302
5705.01 to 5705.47 of the Revised Code, on the real and personal 303
property within the subdivision for the purpose of paying the 304
current operating expenses of the subdivision and acquiring or 305
constructing permanent improvements. The taxing authority of 306
each subdivision and taxing unit shall, subject to the 307
limitations of such sections, levy such taxes annually as are 308
necessary to pay the interest and sinking fund on and retire at 309
maturity the bonds, notes, and certificates of indebtedness of 310
such subdivision and taxing unit, including levies in 311
anticipation of which the subdivision or taxing unit has 312
incurred indebtedness. 313

(B) (1) When a taxing authority determines that it is 314
necessary to levy a tax outside the ten-mill limitation for any 315
purpose authorized by the Revised Code, the taxing authority 316
shall certify to the county auditor a resolution or ordinance 317

requesting that the county auditor certify to the taxing 318
authority the amounts described in division (B) (2) of this 319
section. The resolution or ordinance shall state all of the 320
following: 321

(a) The proposed rate of the tax, expressed in mills for 322
each one dollar of taxable value, or the dollar amount of 323
revenue to be generated by the proposed tax; 324

(b) The purpose of the tax; 325

(c) Whether the tax is an additional levy, a renewal or a 326
replacement of an existing tax, a renewal or replacement of an 327
existing tax with an increase or a decrease, a reduction or 328
decrease of an existing tax, or an extension of an existing tax 329
to additional territory; 330

(d) The section of the Revised Code authorizing submission 331
of the question of the tax; 332

(e) The term of years of the tax or if the tax is for a 333
continuing period of time; 334

(f) That the tax is to be levied upon the entire territory 335
of the subdivision or, if authorized by the Revised Code, a 336
description of the portion of the territory of the subdivision 337
in which the tax is to be levied; 338

(g) The date of the election at which the question of the 339
tax shall appear on the ballot; 340

(h) That the ballot measure shall be submitted to the 341
entire territory of the subdivision or, if authorized by the 342
Revised Code, a description of the portion of the territory of 343
the subdivision to which the ballot measure shall be submitted; 344

(i) The tax year in which the tax will first be levied and 345

the calendar year in which the tax will first be collected; 346

(j) Each such county in which the subdivision has 347
territory. 348

(2) Upon receipt of a resolution or ordinance certified 349
under division (B)(1) of this section, the county auditor shall 350
certify to the taxing authority each of the following, as 351
applicable to that levy: 352

(a) The total current tax valuation of the subdivision. 353

(b) The number of mills for each one dollar of taxable 354
value that is required to generate a specified amount of 355
revenue. 356

(c) Either of the following: 357

(i) If the levy is to renew, renew and increase, renew and 358
decrease, reduce or decrease, or extend to additional territory 359
an existing levy that is subject to reduction under section 360
319.301 of the Revised Code, the levy's effective rate, 361
expressed in dollars, rounded to the nearest dollar, for each 362
one hundred thousand dollars of the county auditor's appraised 363
value; 364

(ii) For all other levies, the levy's rate, described in 365
division (B)(2)(b) or (d) of this section, expressed in dollars, 366
rounded to the nearest dollar, for each one hundred thousand 367
dollars of the county auditor's appraised value. 368

(d) The dollar amount of revenue, rounded to the nearest 369
dollar, that would be generated by a specified number of mills 370
for each one dollar of taxable value. 371

(e) For any levy or portion of a levy except a levy or 372
portion of a levy to pay debt charges, an estimate of the levy's 373

annual collections, rounded to the nearest dollar, which shall 374
be calculated assuming that the amount of the tax list of the 375
taxing authority remains throughout the life of the levy the 376
same as the amount of the tax list most recently certified by 377
the auditor under division (A) of section 319.28 of the Revised 378
Code. 379

If a subdivision is located in more than one county, the 380
county auditor shall obtain from the county auditor of each 381
other county in which the subdivision is located the current tax 382
valuation for the portion of the subdivision in that county. The 383
county auditor shall issue the certification to the taxing 384
authority within ten days after receiving the taxing authority's 385
resolution or ordinance requesting it. 386

(3) Upon receiving the certification from the county 387
auditor under division (B) (2) of this section, the taxing 388
authority may adopt a resolution or ordinance stating the rate 389
of the tax levy, expressed in mills for each one dollar of 390
taxable value and the rate or effective rate, as applicable, in 391
dollars for each one hundred thousand dollars of the county 392
auditor's appraised value, as estimated by the county auditor, 393
and, except as otherwise provided in this division, that the 394
taxing authority will proceed with the submission of the 395
question of the tax to electors. 396

If the taxing authority is a board of county 397
commissioners, the resolution shall direct the county budget 398
commission to hold a public hearing to consider whether the 399
question of the tax should be submitted to the electors. The 400
board of county commissioners shall certify the resolution or 401
ordinance to the county budget commission, which shall schedule 402
a hearing for a date that is not less than ten and not more than 403

thirty days after the date of certification.

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During the hearing before each commission, the board of
county commissioners, or a county department, authority,
commission, office, or board designed by the board of county
commissioners, shall present evidence demonstrating the
necessity of the levy to the county budget commission. The
county budget commission shall make a recommendation, issued on
a majority vote of the commissioners.

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The taxing authority shall certify ~~this~~ the resolution or
ordinance adopted under division (B) (3) of this section, a copy
of the county auditor's certifications, a copy of the county
budget commission's recommendation if required, and the
resolution or ordinance the taxing authority adopted under
division (B) (1) of this section to the proper county board of
elections in the manner and within the time prescribed by the
section of the Revised Code governing submission of the
question. The county board of elections shall not submit the
question of the tax to electors unless a copy of the county
auditor's certification ~~accompanies~~ and any necessary county
budget commission recommendation accompanies the resolutions or
ordinances the taxing authority certifies to the board. Before
requesting a taxing authority to submit a tax levy, any agency
or authority authorized to make that request shall first request
the certification from the county auditor provided under this
section.

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(4) This division is supplemental to, and not in
derogation of, any similar requirement governing the
certification by the county auditor of the tax valuation of a
subdivision or necessary tax rates for the purposes of the
submission of the question of a tax in excess of the ten-mill

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limitation, including sections 133.18 and 5705.195 of the 434
Revised Code. 435

(C) All taxes levied on property shall be extended on the 436
tax list and duplicate by the county auditor of the county in 437
which the property is located, and shall be collected by the 438
county treasurer of such county in the same manner and under the 439
same laws and rules as are prescribed for the assessment and 440
collection of county taxes. The proceeds of any tax levied by or 441
for any subdivision when received by its fiscal officer shall be 442
deposited in its treasury to the credit of the appropriate fund. 443

Sec. 5705.13. (A) A taxing authority of a subdivision, by 444
resolution or ordinance, may establish reserve balance accounts 445
to accumulate currently available resources for the following 446
purposes: 447

(1) To stabilize subdivision budgets against cyclical 448
changes in revenues and expenditures; 449

(2) Except as otherwise provided by this section, to 450
provide for the payment of claims and deductibles under an 451
individual or joint self-insurance program for the subdivision, 452
if the subdivision is permitted by law to establish such a 453
program; 454

(3) To provide for the payment of claims, assessments, and 455
deductibles under a self-insurance program, individual 456
retrospective ratings plan, group rating plan, group 457
retrospective rating plan, medical only program, deductible 458
plan, or large deductible plan for workers' compensation. 459

The ordinance or resolution establishing a reserve balance 460
account shall state the purpose for which the account is 461
established, the fund in which the account is to be established, 462

and the total amount of money to be reserved in the account. 463

Not more than one reserve balance account may be 464
established for each of the purposes permitted under divisions 465
(A) (2) and (3) of this section. Money to the credit of a reserve 466
balance account may be expended only for the purpose for which 467
the account was established. 468

A reserve balance account established for the purpose 469
described in division (A) (1) of this section may be established 470
in the general fund or in one or more special funds for 471
operating purposes of the subdivision. The amount of money to be 472
reserved in such an account in any fiscal year shall not exceed 473
five per cent of the revenue credited in the preceding fiscal 474
year to the fund in which the account is established, or, in the 475
case of a reserve balance account of a county or of a township, 476
the greater of that amount or one-sixth of the expenditures 477
during the preceding fiscal year from the fund in which the 478
account is established. Subject to division ~~(F)~~ (G) of section 479
5705.29 of the Revised Code, any reserve balance in an account 480
established under division (A) (1) of this section shall not be 481
considered part of the unencumbered balance or revenue of the 482
subdivision under division (A) of section 5705.35 or division 483
(A) (1) of section 5705.36 of the Revised Code. 484

At any time, a taxing authority of a subdivision, by 485
resolution or ordinance, may reduce or eliminate the reserve 486
balance in a reserve balance account established for the purpose 487
described in division (A) (1) of this section. 488

A reserve balance account established for the purpose 489
described in division (A) (2) or (3) of this section shall be 490
established in the general fund of the subdivision or by the 491
establishment of a separate internal service fund established to 492

account for the operation of an individual or joint self- 493
insurance program described in division (A) (2) of this section 494
or a workers' compensation program or plan described in division 495
(A) (3) of this section, and shall be based on sound actuarial 496
principles. The total amount of money in a reserve balance 497
account for self-insurance may be expressed in dollars or as the 498
amount determined to represent an adequate reserve according to 499
sound actuarial principles. 500

A taxing authority of a subdivision, by resolution or 501
ordinance, may rescind a reserve balance account established 502
under this division. If a reserve balance account is rescinded, 503
money that has accumulated in the account shall be transferred 504
to the fund or funds from which the money originally was 505
transferred. 506

(B) A taxing authority of a subdivision, by resolution or 507
ordinance, may establish a special revenue fund for the purpose 508
of accumulating resources for the payment of accumulated sick 509
leave and vacation leave, and for payments in lieu of taking 510
compensatory time off, upon the termination of employment or the 511
retirement of officers and employees of the subdivision. The 512
special revenue fund may also accumulate resources for payment 513
of salaries during any fiscal year when the number of pay 514
periods exceeds the usual and customary number of pay periods. 515
Notwithstanding sections 5705.14, 5705.15, and 5705.16 of the 516
Revised Code, the taxing authority, by resolution or ordinance, 517
may transfer money to the special revenue fund from any other 518
fund of the subdivision from which such payments may lawfully be 519
made. The taxing authority, by resolution or ordinance, may 520
rescind a special revenue fund established under this division. 521
If a special revenue fund is rescinded, money that has 522
accumulated in the fund shall be transferred to the fund or 523

funds from which the money originally was transferred. 524

(C) A taxing authority of a subdivision, by resolution or 525
ordinance, may establish a capital projects fund for the purpose 526
of accumulating resources for the acquisition, construction, or 527
improvement of fixed assets of the subdivision. For the purposes 528
of this section, "fixed assets" includes motor vehicles. More 529
than one capital projects fund may be established and may exist 530
at any time. The ordinance or resolution shall identify the 531
source of the money to be used to acquire, construct, or improve 532
the fixed assets identified in the resolution or ordinance, the 533
amount of money to be accumulated for that purpose, the period 534
of time over which that amount is to be accumulated, and the 535
fixed assets that the taxing authority intends to acquire, 536
construct, or improve with the money to be accumulated in the 537
fund. 538

A taxing authority of a subdivision shall not accumulate 539
money in a capital projects fund for more than ten years after 540
the resolution or ordinance establishing the fund is adopted. If 541
the subdivision has not entered into a contract for the 542
acquisition, construction, or improvement of fixed assets for 543
which money was accumulated in such a fund before the end of 544
that ten-year period, the fiscal officer of the subdivision 545
shall transfer all money in the fund to the fund or funds from 546
which that money originally was transferred or the fund that 547
originally was intended to receive the money. 548

A taxing authority of a subdivision, by resolution or 549
ordinance, may rescind a capital projects fund. If a capital 550
projects fund is rescinded, money that has accumulated in the 551
fund shall be transferred to the fund or funds from which the 552
money originally was transferred. 553

Notwithstanding sections 5705.14, 5705.15, and 5705.16 of 554
the Revised Code, the taxing authority of a subdivision, by 555
resolution or ordinance, may transfer money to the capital 556
projects fund from any other fund of the subdivision that may 557
lawfully be used for the purpose of acquiring, constructing, or 558
improving the fixed assets identified in the resolution or 559
ordinance. 560

Sec. 5705.27. There is hereby created in each county a 561
county budget commission consisting of the county auditor, the 562
county treasurer, and the prosecuting attorney. Upon petition 563
filed with the board of elections, signed by the number of 564
electors of the county equal in amount to three per cent of the 565
total number of votes cast for governor at the most recent 566
election therefor, there shall be submitted to the electors of 567
the county at the next general election occurring not sooner 568
than ninety days after the filing of the petition, the question 569
"Shall the county budget commission consist of two additional 570
members to be elected from the county?" Provision shall be made 571
on the ballot for the election from the county at large of two 572
additional members of the county budget commission who shall be 573
electors of the county if a majority of the electors voting on 574
the question shall have voted in the affirmative. In such 575
counties, where the electors have voted in the affirmative, the 576
county budget commission shall consist of such two elected 577
members in addition to the county auditor, the county treasurer 578
and the prosecuting attorney. Such members, who shall not hold 579
any other public office, shall serve for a term of four years. 580

-The commission shall meet at the office of the county 581
auditor in each county on the first Monday in February and on 582
the first Monday in August, annually, and shall complete its 583
work on or before the first day of September, annually, unless 584

for good cause the tax commissioner extends the time for 585
completing the work. A majority of members shall constitute a 586
quorum, provided that no action of the commission shall be valid 587
unless agreed to by a majority of the members of the commission. 588
The auditor shall be the secretary of the commission and shall 589
keep a full and accurate record of all proceedings. The auditor 590
shall appoint such messengers and clerks as the commission deems 591
necessary, and the budget commissioners shall be allowed their 592
actual and necessary expenses. The elected members of the 593
commission shall also receive twenty dollars for each day in 594
attendance at commission meetings and in discharge of official 595
duties. 596

-Any vacancy among such elected members shall be filled by 597
the presiding judge of the court of common pleas. 598

-In adjusting the rates of taxation and fixing the amount 599
of taxes to be levied each year, the commissioners shall be 600
governed by the amount of the taxable property shown on the 601
auditor's tax list for the current year; provided that if the 602
auditor's tax list has not been completed, the auditor shall 603
estimate, as nearly as practicable, the amount of the taxable 604
property for such year, and such officers shall be governed by 605
such estimate. 606

In any county in which two members of the commission are 607
elected, upon petition filed with the board of elections, signed 608
by the number of electors of the county equal in amount to three 609
per cent of the votes cast for governor at the most recent 610
election therefor, there shall be submitted to the electors of 611
the county at the next general election occurring not sooner 612
than ninety days after the filing of the petition, the question 613
"Shall the elected members be eliminated from the county budget 614

commission?" If the majority of the electors voting thereon 615
shall have voted in the affirmative, the county budget 616
commission shall consist solely of the county auditor, the 617
county treasurer, and the prosecuting attorney. 618

The county auditor, the county treasurer, and the 619
prosecuting attorney, respectively, may authorize a designee to 620
serve in the county auditor's, the county treasurer's, or the 621
prosecuting attorney's capacity on a county budget commission. 622

Sec. 5705.28. (A) Except as provided in division (B) (1) or 623
(2) of this section or in section 5705.281 of the Revised Code, 624
the taxing authority of each subdivision or other taxing unit 625
shall adopt a tax budget for the next succeeding fiscal year: 626

(1) On or before the fifteenth day of January in the case 627
of school districts and the city of Cincinnati; 628

(2) On or before the fifteenth day of July in the case of 629
all other subdivisions and taxing units. 630

(B) (1) Before the first day of June in each year, the 631
board of trustees of a school library district entitled to 632
participate in any appropriation or revenue of a school district 633
or to have a tax proposed by the board of education of a school 634
district shall file with the board of education of the school 635
district a tax budget for the ensuing fiscal year. On or before 636
the fifteenth day of July in each year, the board of education 637
of a school district to which a school library district tax 638
budget was submitted under this division shall adopt such tax 639
budget on behalf of the library district, but such budget shall 640
not be part of the school district's tax budget. 641

(2) (a) The taxing authority of a taxing unit that does not 642
levy a tax is not required to adopt a tax budget pursuant to 643

division (A) of this section. Instead, on or before the 644
fifteenth day of July each year, such taxing authority shall 645
adopt an operating budget for the taxing unit for the ensuing 646
fiscal year. The operating budget shall include an estimate of 647
receipts from all sources, a statement of all taxing unit 648
expenses that are anticipated to occur, and the amount required 649
for debt charges during the fiscal year. The operating budget is 650
not required to be filed with the county auditor or the county 651
budget commission. 652

(b) Except for this section and sections 5705.36, 5705.38, 653
5705.40, 5705.41, 5705.43, 5705.44, and 5705.45 of the Revised 654
Code, a taxing unit that does not levy a tax is not a taxing 655
unit for purposes of Chapter 5705. of the Revised Code. 656
Documents prepared in accordance with such sections are not 657
required to be filed with the county auditor or county budget 658
commission. 659

(c) The total appropriations from each fund of a taxing 660
unit that does not levy a tax shall not exceed the total 661
estimated revenue available for expenditures from the fund, and 662
appropriations shall be made from each fund only for the 663
purposes for which the fund is established. 664

(C) (1) To assist in the preparation of the tax budget, the 665
head of each department, board, commission, and district 666
authority entitled to participate in any appropriation or 667
revenue of a subdivision shall file with the taxing authority, 668
or in the case of a municipal corporation, with its chief 669
executive officer, before the forty-fifth day prior to the date 670
on which the budget must be adopted, an estimate of contemplated 671
revenue and expenditures for the ensuing fiscal year, in such 672
form as is prescribed by the taxing authority of the subdivision 673

or by the auditor of state. The taxing authority shall include 674
in its budget of expenditures the full amounts requested by 675
district authorities, not to exceed the amount authorized by 676
law, if such authorities may fix the amount of revenue they are 677
to receive from the subdivision. In a municipal corporation in 678
which a special levy for a municipal university has been 679
authorized to be levied in excess of the ten-mill limitation, or 680
is required by the charter of the municipal corporation, the 681
taxing authority shall include an amount not less than the 682
estimated yield of such levy, if such amount is requested by the 683
board of directors of the municipal university. 684

(2) A county board of developmental disabilities may 685
include within its estimate of contemplated revenue and 686
expenditures a reserve balance account in the community 687
developmental disabilities residential services fund. The 688
account shall contain money that is not needed to pay for 689
current expenses for residential services and supported living 690
but will be needed to pay for expenses for such services in the 691
future or may be needed for unanticipated emergency expenses. On 692
the request of the county board of developmental disabilities, 693
the board of county commissioners shall include such an account 694
in its budget of expenditures and appropriate money to the 695
account from residential service moneys for the county board. 696

(D) The board of trustees of any public library desiring 697
to participate in the distribution of the county public library 698
fund shall adopt appropriate rules extending the benefits of the 699
library service of such library to all the inhabitants of the 700
county on equal terms, unless such library service is by law 701
available to all such inhabitants, and shall certify a copy of 702
such rules to the taxing authority with its estimate of 703
contemplated revenue and expenditures. Where such rules have 704

been so certified or where the adoption of such rules is not 705
required, the taxing authority shall include in its budget of 706
receipts such amounts as are specified by such board as 707
contemplated revenue from the county public library fund, and in 708
its budget of expenditures the full amounts requested therefrom 709
by such board. No library association, incorporated or 710
unincorporated, is entitled to participate in the proceeds of 711
the county public library fund unless such association both was 712
organized and operating prior to January 1, 1968, and 713
participated in the distribution of the proceeds of the county 714
public library fund prior to December 31, 2005. 715

(E) Any health district created under Chapter 3709. of the 716
Revised Code that does not file an estimate of contemplated 717
revenue and expenditures for the ensuing fiscal year pursuant to 718
division (C) of this section shall adopt a tax budget on its own 719
behalf pursuant to division (A) of this section. 720

Sec. 5705.29. This section does not apply to a subdivision 721
or taxing unit for which the county budget commission has waived 722
the requirement to adopt a tax budget pursuant to section 723
5705.281 of the Revised Code. The tax budget shall present the 724
following information in such detail as is prescribed by the 725
auditor of state: 726

(A) (1) A statement of the necessary current operating 727
expenses for the ensuing fiscal year for each department and 728
division of the subdivision, classified as to personal services 729
and other expenses, and the fund from which such expenditures 730
are to be made. Except in the case of a school district, this 731
estimate may include a contingent expense not designated for any 732
particular purpose, and not to exceed three per cent of the 733
total amount of appropriations for current expenses. In the case 734

of a school district, this estimate may include a contingent 735
expense not designated for any particular purpose and not to 736
exceed thirteen per cent of the total amount of appropriations 737
for current expenses. 738

(2) A statement of the expenditures for the ensuing fiscal 739
year necessary for permanent improvements, exclusive of any 740
expense to be paid from bond issues, classified as to the 741
improvements contemplated by the subdivision and the fund from 742
which such expenditures are to be made; 743

(3) The amounts required for the payment of final 744
judgments; 745

(4) A statement of expenditures for the ensuing fiscal 746
year necessary for any purpose for which a special levy is 747
authorized, and the fund from which such expenditures are to be 748
made; 749

(5) Comparative statements, so far as possible, in 750
parallel columns of corresponding items of expenditures for the 751
current fiscal year, including a statement of estimated expenses 752
to the end of that fiscal year, and the two preceding fiscal 753
years. 754

(B) (1) An estimate of receipts from other sources than the 755
general property tax during the ensuing fiscal year, which shall 756
include an estimate of unencumbered balances at the end of the 757
current fiscal year, and the funds to which such estimated 758
receipts are credited; 759

(2) The amount each fund requires from the general 760
property tax, which shall be the difference between the 761
contemplated expenditure from the fund and the estimated 762
receipts, as provided in this section. The section of the 763

Revised Code under which the tax is authorized shall be set 764
forth. 765

(3) Comparative statements, so far as possible, in 766
parallel columns of taxes and other revenues for the current 767
fiscal year and the two preceding fiscal years. 768

(C) (1) The amount required for debt charges; 769

(2) The estimated receipts from sources other than the tax 770
levy for payment of such debt charges, including the proceeds of 771
refunding bonds to be issued to refund bonds maturing in the 772
next succeeding fiscal year; 773

(3) The net amount for which a tax levy shall be made, 774
classified as to bonds authorized and issued prior to January 1, 775
1922, and those authorized and issued subsequent to such date, 776
and as to what portion of the levy will be within and what in 777
excess of the ten-mill limitation. 778

(D) An estimate of amounts from taxes authorized to be 779
levied in excess of the ten-mill limitation on the tax rate, and 780
the fund to which such amounts will be credited, together with 781
the sections of the Revised Code under which each such tax is 782
exempted from all limitations on the tax rate. 783

~~(E) (1)~~ (E) If the taxing unit estimates that it will 784
collect more revenue in the succeeding fiscal year than in the 785
current fiscal year from any tax levied within the ten mill 786
limitation or due to the operation of division (E) of section 787
319.301 of the Revised Code, a declaration of the taxing unit's 788
intent to collect or forgo the additional revenue. 789

(F) (1) A board of education may include in its budget for 790
the fiscal year in which a levy proposed under section 5705.194, 791
5705.199, 5705.21, 5705.213, or 5705.219, a property tax levy 792

proposed under section 5748.09, or the original levy under 793
section 5705.212 of the Revised Code is first extended on the 794
tax list and duplicate an estimate of expenditures to be known 795
as a voluntary contingency reserve balance, which shall not be 796
greater than twenty-five per cent of the total amount of the 797
levy estimated to be available for appropriation in such year. 798

(2) A board of education may include in its budget for the 799
fiscal year following the year in which a levy proposed under 800
section 5705.194, 5705.199, 5705.21, 5705.213, or 5705.219, a 801
property tax levy proposed under section 5748.09, or the 802
original levy under section 5705.212 of the Revised Code is 803
first extended on the tax list and duplicate an estimate of 804
expenditures to be known as a voluntary contingency reserve 805
balance, which shall not be greater than twenty per cent of the 806
amount of the levy estimated to be available for appropriation 807
in such year. 808

(3) Except as provided in division ~~(E)(4)~~(F)(4) of this 809
section, the full amount of any reserve balance the board 810
includes in its budget shall be retained by the county auditor 811
and county treasurer out of the first semiannual settlement of 812
taxes until the beginning of the next succeeding fiscal year, 813
and thereupon, with the depository interest apportioned thereto, 814
it shall be turned over to the board of education, to be used 815
for the purposes of such fiscal year. 816

(4) A board of education, by a two-thirds vote of all 817
members of the board, may appropriate any amount withheld as a 818
voluntary contingency reserve balance during the fiscal year for 819
any lawful purpose, provided that prior to such appropriation 820
the board of education has authorized the expenditure of all 821
amounts appropriated for contingencies under section 5705.40 of 822

the Revised Code. Upon request by the board of education, the 823
county auditor shall draw a warrant on the district's account in 824
the county treasury payable to the district in the amount 825
requested. 826

~~(F)~~ (G) Except as otherwise provided in this division and 827
section 5705.32 of the Revised Code, the county budget 828
commission shall not reduce the taxing authority of a 829
subdivision as a result of the creation of a reserve balance 830
account. Except as otherwise provided in this division, the 831
county budget commission shall not consider the amount in a 832
reserve balance account of a township, county, or municipal 833
corporation as an unencumbered balance or as revenue for the 834
purposes of division (E) (3) or (4) of section 5747.51 of the 835
Revised Code. The county budget commission may require 836
documentation of the reasonableness of the reserve balance held 837
in any reserve balance account. The commission shall consider 838
any amount in a reserve balance account that it determines to be 839
unreasonable as unencumbered and as revenue for the purposes of 840
section 5747.51 of the Revised Code and may take such amounts 841
into consideration when determining whether to reduce the taxing 842
authority of a subdivision. 843

Sec. 5705.31. The county auditor shall present to the 844
county budget commission the annual tax budgets submitted under 845
sections 5705.01 to 5705.47 of the Revised Code, together with 846
an estimate prepared by the auditor of the amount of any state 847
levy, the rate of any school tax levy as previously determined, 848
the tax commissioner's estimate of the amount to be received in 849
the county public library fund, the tax rates provided under 850
section 5705.281 of the Revised Code if adoption of the tax 851
budget was waived under that section, and such other information 852
as the commission requests or the tax commissioner prescribes. 853

~~The~~ 854

The budget commission shall examine such budget and, if 855
the taxing authority is a board of education that has elected to 856
include projections pursuant to division (E) of section 5705.391 857
of the Revised Code, shall examine such projections. Using the 858
budget and, if applicable, included projections, the budget 859
commission shall ascertain the total amount proposed to be 860
raised in the county for the purposes of each subdivision and 861
other taxing units in the county and the need for those amounts. 862
Except as otherwise provided in this section, the county budget 863
commission may reduce the amount to be raised by any levy 864
pursuant to section 5705.32 of the Revised Code. 865

The commission shall ascertain that the following levies 866
have been properly authorized and, if so authorized, shall 867
approve them without modification: 868

(A) All levies in excess of the ten-mill limitation, in 869
the first year they are levied, unless the levy is the renewal 870
of an existing tax or the subdivision or taxing unit requests an 871
amount requiring a lower rate for the succeeding fiscal year. 872
Such a request for an amount requiring a lower rate applies only 873
to the succeeding fiscal year unless the subdivision or taxing 874
unit expressly states that the request is permanent. 875

(B) All levies for unsatisfied debt charges ~~not provided~~ 876
~~for by levies in excess of the ten-mill limitation,~~ including 877
levies that remain necessary to pay notes issued for emergency 878
purposes; 879

(C) The levies prescribed by division (B) of sections 880
742.33 and 742.34 of the Revised Code; 881

(D) Except as otherwise provided in this division, a 882

minimum levy within the ten-mill limitation for the current 883
expense and debt service of each subdivision or taxing unit, 884
which shall equal two-thirds of the average levy for current 885
expenses and debt service allotted within the fifteen-mill 886
limitation to such subdivision or taxing unit during the last 887
five years the fifteen-mill limitation was in effect unless such 888
subdivision or taxing unit requests an amount requiring a lower 889
rate. Except for the succeeding fiscal year, or if it expressed 890
its intent to forgo collections from such a levy under division 891
(E) of section 5705.29 of the Revised Code. Such a request for 892
an amount requiring a lower rate applies only to the succeeding 893
fiscal year unless the subdivision or taxing unit expressly 894
states that the request is permanent. 895

Except as provided in section 5705.312 of the Revised 896
Code, if the levies required in divisions (B) and (C) of this 897
section for the subdivision or taxing unit equal or exceed the 898
entire minimum levy of the subdivision as fixed, the minimum 899
levies of the other subdivisions or taxing units shall be 900
reduced by the commission to provide for the levies and an 901
operating levy for the subdivision. Such additional levy shall 902
be deducted from the minimum levies of each of the other 903
subdivisions or taxing units, but the operating levy for a 904
school district shall not be reduced below a figure equivalent 905
to forty-five per cent of the millage available within the ten- 906
mill limitation after all the levies in divisions (B) and (C) of 907
this section have been provided for. 908

If a municipal corporation and a township have entered 909
into an annexation agreement under section 709.192 of the 910
Revised Code in which they agree to reallocate their shares of 911
the minimum levies established under this division and if that 912
annexation agreement is submitted along with the annual tax 913

budget of both the township and the municipal corporation, then, 914
when determining the minimum levy under this division, the 915
auditor shall allocate, to the extent possible, the minimum levy 916
for that municipal corporation and township in accordance with 917
their annexation agreement. 918

~~(E) The levies prescribed by section 3709.29 of the~~ 919
~~Revised Code.~~ 920

Divisions (A) to ~~(E)~~(D) of this section are mandatory, and 921
commissions shall be without discretion to reduce such minimum 922
levies except as provided in such divisions. 923

If any debt charge is omitted from the budget, the 924
commission shall include it therein. 925

Sec. 5705.32. (A) 926

The county budget commission shall adjust the estimated 927
amounts required from the general property tax for each fund, as 928
shown by the tax budgets or other information required to be 929
provided under section 5705.281 of the Revised Code, so as to 930
bring the tax levies required therefor within the limitations 931
specified in sections 5705.01 to 5705.47 of the Revised Code, 932
for such levies, but no levy shall be reduced pursuant to this 933
division below a minimum fixed by law. The commission may revise 934
and adjust the estimate of balances and receipts from all 935
sources for each fund and shall determine the total 936
appropriations that may be made therefrom. If a taxing unit 937
declared its intent to forgo collections under division (E) of 938
section 5705.29 of the Revised Code, the commission shall adjust 939
the rate of each levy as required to result in that reduction in 940
collections. 941

(B) If, as shown by a tax budget or other information 942

required pursuant to section 5705.281 of the Revised Code, the 943
unencumbered balance estimated to remain in any fund at the end 944
of the current fiscal year exceeds thirty per cent of the total 945
estimated expenses from that fund through the end of the current 946
fiscal year, the county budget commission shall hold a public 947
hearing to consider adjustments to any property tax levies, the 948
receipts of which are deposited into the fund. 949

The hearing shall be held to determine whether those 950
levies should be adjusted for the succeeding fiscal year to 951
avoid excessive collections. The taxing authority for whose 952
benefit the tax is levied shall be given the opportunity, at the 953
public hearing, to present its position as to whether the levy 954
should be adjusted and to provide evidence supporting that 955
position. 956

If, after the public hearing, the commission determines 957
that one or more levies should be adjusted to avoid excessive 958
collections, the commission may reduce the levy for the 959
following fiscal year by an amount, or a rate the results in an 960
amount, that is up to or equal to the amount by which the 961
estimated fiscal-year-end unencumbered balance in the fund 962
exceeds thirty per cent of the estimated fiscal-year-end 963
expenditures from the fund. But, no levy may be reduced to a 964
level that would cause a school district subject to division (A) 965
of section 3317.01 of the Revised Code to levy less than twenty 966
mills for current operating expenses as required by that 967
division, except as authorized in division (A) of this section 968
or division (D) of section 5705.31 of the Revised Code. 969

~~(B)~~ (C) The commission shall fix the amount of the county 970
public library fund to be distributed to each board of public 971
library trustees that has qualified under section 5705.28 of the 972

Revised Code for participation in the proceeds of such fund. The 973
amount paid to all libraries in the county from such fund shall 974
never be a smaller per cent of the fund than the average of the 975
percentages of the county's classified taxes that were 976
distributed to libraries in 1982, 1983, and 1984, as determined 977
by the county auditor. The commission shall base the amount for 978
distribution on the needs of such library for the construction 979
of new library buildings, parts of buildings, improvements, 980
operation, maintenance, or other expenses. In determining the 981
needs of each library board of trustees, and in calculating the 982
amount to be distributed to any library board of trustees on the 983
basis of its needs, the commission shall make no reduction in 984
its allocation from the fund on account of additional revenues 985
realized by a library from increased taxes or service charges 986
voted by its electorate, from revenues received through federal 987
or state grants, projects, or programs, or from grants from 988
private sources. 989

~~(C)~~ (D) Notwithstanding the fact that alternative methods 990
of financing such needs are available, after fixing the amount 991
to be distributed to libraries, the commission shall fix the 992
amount, if any, of the county public library fund to be 993
distributed to each board of township park commissioners, the 994
county, and each municipal corporation in accordance with the 995
following: 996

(1) Each municipal corporation in the county shall receive 997
a per cent of the remainder that equals the per cent that the 998
county auditor determines the classified property taxes 999
originating in such municipal corporation in 1984 were of the 1000
total of all of the county's classified property taxes in 1984. 1001
The commission may deduct from this amount any amount that the 1002
budget commission allows to the board of township park 1003

commissioners of a township park district, the boundaries of 1004
which are coextensive with or contained within the boundaries of 1005
the municipal corporation. 1006

(2) The county shall receive a per cent of the remainder 1007
that equals the per cent that the county auditor determines the 1008
classified property taxes originating outside of the boundaries 1009
of municipal corporations in the county in 1984 were of the 1010
total of all of the county's classified property taxes in 1984. 1011
The commission may deduct from this amount any amount that the 1012
budget commission allows to the board of township park 1013
commissioners of a township park district, the boundaries of 1014
which are not coextensive with or contained within those of any 1015
municipal corporation in the county. 1016

~~(D)~~ (E) The commission shall separately set forth the 1017
amounts fixed and determined under divisions ~~(B)~~ (B) and ~~(C)~~ (C) 1018
of this section in the "official certificate of estimated 1019
resources," as provided in section 5705.35 of the Revised Code, 1020
and separately certify such amount to the county auditor who 1021
shall be guided thereby in the distribution of the county public 1022
library fund for and during the fiscal year. In determining such 1023
amounts, the commission shall be guided by the estimate 1024
certified by the tax commissioner and presented by the auditor 1025
under section 5705.31 of the Revised Code, as to the total 1026
amount of revenue to be received in the county public library 1027
fund during such fiscal year. 1028

~~(E) (1)~~ (F) (1) At least five days before the date of any 1029
meeting at which the budget commission plans to discuss the 1030
distribution of the county public library fund, it shall notify 1031
each legislative authority and board of public library trustees, 1032
county commissioners, and township park commissioners eligible 1033

to participate in the distribution of the fund of the date, 1034
time, place, and agenda for the meeting. Any legislative 1035
authority or board entitled to notice under this division may 1036
designate an officer or employee of such legislative authority 1037
or board to whom the commission shall deliver the notice. 1038

(2) Before the final determination of the amount to be 1039
allotted to each subdivision from any source, the commission 1040
shall permit representatives of each subdivision and of each 1041
board of public library trustees to appear before it to explain 1042
its financial needs. 1043

~~(F)~~ (G) If any public library receives and expends any 1044
funds allocated to it under this section for the construction of 1045
new library buildings or parts of buildings, such library shall 1046
be free and open to the inhabitants of the county in which it is 1047
located. Any board of library trustees that receives funds under 1048
this section and section 5747.48 of the Revised Code shall have 1049
its financial records open for public inspection at all 1050
reasonable times. 1051

Sec. 5705.321. (A) ~~As used in this section:~~ 1052

~~(1) "City, located wholly or partially in the county, with 1053
the greatest population" means the city, located wholly or 1054
partially in the county, with the greatest population residing 1055
in the county; however, if the county budget commission on or 1056
before January 1, 1998, adopted an alternative method of 1057
apportionment that was approved by the city, located partially 1058
in the county, with the greatest population but not the greatest 1059
population residing in the county, "city, located wholly or 1060
partially in the county, with the greatest population" means the 1061
city, located wholly or partially in the county, with the 1062
greatest population whether residing in the county or not, if 1063~~

~~this alternative meaning is adopted by action of the board of~~ 1064
~~county commissioners and a majority of the boards of township~~ 1065
~~trustees and legislative authorities of municipal corporations~~ 1066
~~located wholly or partially in the county.~~ 1067

~~(2) "Participating political subdivision" means a~~ 1068
~~municipal corporation or township that satisfies all of the~~ 1069
~~following:~~ 1070

~~(a) It is located wholly or partially in the county.~~ 1071

~~(b) It is not the city, located wholly or partially in the~~ 1072
~~county, with the greatest population.~~ 1073

~~(c) Public library fund moneys are apportioned to it under~~ 1074
~~the county's alternative method or formula of apportionment in~~ 1075
~~the current calendar year.~~ 1076

~~(B)~~ In lieu of the method of apportionment of the county 1077
public library fund provided by division ~~(C)~~ (D) of section 1078
5705.32 of the Revised Code, the county budget commission may 1079
provide for the apportionment of the fund under an alternative 1080
method or on a formula basis as authorized by this section. 1081

~~Except as otherwise provided in division (C) of this~~ 1082
~~section, the~~ The alternative method of apportionment shall have 1083
first been approved by ~~all of the following governmental units:~~ 1084
~~the board of county commissioners; the legislative authority of~~ 1085
~~the city, located wholly or partially in the county, with the~~ 1086
~~greatest population; and a majority of the boards~~ or legislative 1087
authorities ~~of township trustees and legislative authorities of~~ 1088
~~municipal corporations, located wholly or partially in the~~ 1089
~~county, excluding the legislative authority of the city, located~~ 1090
~~wholly or partially in the county, with the greatest~~ 1091
~~population~~ any subdivision for which the county budget commission 1092

has fixed an allocation from public library fund moneys under 1093
the existing method of apportionment. In granting or denying 1094
approval for an alternative method of apportionment, the board 1095
of county commissioners, ~~boards of township trustees,~~ and 1096
legislative authorities of ~~municipal corporations~~ subdivisions 1097
shall act by motion. A motion to approve shall be passed upon a 1098
majority vote of the members of a board of county commissioners, 1099
~~board of township trustees,~~ or legislative authority of a 1100
~~municipal corporation,~~ shall take effect immediately, and need 1101
not be published. 1102

Any alternative method of apportionment adopted and 1103
approved under this division may be revised, amended, or 1104
repealed in the same manner as it may be adopted and approved. 1105
If an alternative method of apportionment adopted and approved 1106
under this division is repealed, the county public library fund 1107
shall be apportioned among the subdivisions eligible to 1108
participate in the fund, commencing in the ensuing calendar 1109
year, under the apportionment provided in divisions ~~(B)~~ (D) and 1110
~~(C)~~ (D) of section 5705.32 of the Revised Code, unless the repeal 1111
occurs by operation of division (C) of this section or a new 1112
method for apportionment of the fund is provided in the action 1113
of repeal. 1114

~~(C) This division applies only in counties in which the~~ 1115
~~city, located wholly or partially in the county, with the~~ 1116
~~greatest population has a population of twenty thousand or less~~ 1117
~~and a population that is less than fifteen per cent of the total~~ 1118
~~population of the county. In such a county, the legislative~~ 1119
~~authorities or boards of township trustees of two or more~~ 1120
~~participating political subdivisions, which together have a~~ 1121
~~population residing in the county that is a majority of the~~ 1122
~~total population of the county, each may adopt a resolution to~~ 1123

~~exclude the approval otherwise required of the legislative~~ 1124
~~authority of the city, located wholly or partially in the~~ 1125
~~county, with the greatest population. All of the resolutions to~~ 1126
~~exclude that approval shall be adopted not later than the first~~ 1127
~~Monday of August of the year preceding the calendar year in~~ 1128
~~which distributions are to be made under an alternative method~~ 1129
~~of apportionment.~~ 1130

~~A motion granting or denying approval of an alternative~~ 1131
~~method of apportionment under this division shall be adopted by~~ 1132
~~a majority vote of the members of the board of county~~ 1133
~~commissioners and by a majority vote of a majority of the boards~~ 1134
~~of township trustees and legislative authorities of the~~ 1135
~~municipal corporations located wholly or partially in the~~ 1136
~~county, other than the city, located wholly or partially in the~~ 1137
~~county, with the greatest population, shall take effect~~ 1138
~~immediately, and need not be published. The alternative method~~ 1139
~~of apportionment under this division shall be adopted and~~ 1140
~~approved annually, not later than the first Monday of August of~~ 1141
~~the year preceding the calendar year in which distributions are~~ 1142
~~to be made under it. A motion granting approval of an~~ 1143
~~alternative method of apportionment under this division repeals~~ 1144
~~any existing alternative method of apportionment, effective with~~ 1145
~~distributions to be made from the fund in the ensuing calendar~~ 1146
~~year. An alternative method of apportionment under this division~~ 1147
~~shall not be revised or amended after the first Monday of August~~ 1148
~~of the year preceding the calendar year in which distributions~~ 1149
~~are to be made under it.~~ 1150

~~(D)~~ (B) In determining an alternative method of 1151
apportionment authorized by this section, the county budget 1152
commission may include in the method any factor considered to be 1153
appropriate and reliable, in the sole discretion of the county 1154

budget commission. 1155

~~(E)~~ (C) On the basis of any alternative method of 1156
apportionment adopted and approved as authorized by this 1157
section, as certified by the auditor to the county treasurer, 1158
the county treasurer shall make distribution of the money in the 1159
county public library fund to each subdivision eligible to 1160
participate in the fund, and the auditor, when the amount of 1161
those shares is in the custody of the treasurer in the amounts 1162
so computed to be due the respective subdivisions, shall at the 1163
same time certify to the tax commissioner the percentage share 1164
of the county as a subdivision. All money received into the 1165
treasury of a subdivision from the county public library fund in 1166
a county treasury shall be paid into the general fund and used 1167
for the current operating expenses of the subdivision. 1168

~~(F)~~ (D) The actions of the county budget commission taken 1169
pursuant to this section are final and may not be appealed to 1170
the board of tax appeals, except on the issues of abuse of 1171
discretion and failure to comply with the formula. 1172

Sec. 5705.35. (A) The certification of the budget 1173
commission to the taxing authority of each subdivision or taxing 1174
unit, as set forth in section 5705.34 of the Revised Code, shall 1175
show the various funds of such subdivisions other than funds to 1176
be created by transfer and shall be filed by the county budget 1177
commission with such taxing authority on or before the first day 1178
of March in the case of school districts and the city of 1179
Cincinnati and on or before the first day of September in each 1180
year in the case of all other taxing authorities. There shall be 1181
set forth on the credit side of each fund the estimated 1182
unencumbered balances and receipts, and if a tax is to be levied 1183
for such fund, the estimated revenue to be derived therefrom, 1184

the rate of the levy, and what portion thereof is within, and 1185
what in excess of, the ten-mill tax limitation, and on the debit 1186
side, the total appropriations that may be made therefrom. 1187
Subject to division ~~(F)~~(G) of section 5705.29 of the Revised 1188
Code, any reserve balance in an account established under 1189
section 5705.13 of the Revised Code for the purpose described in 1190
division (A)(1) of that section, and the principal of a 1191
nonexpendable trust fund established under section 5705.131 of 1192
the Revised Code and any additions to principal arising from 1193
sources other than the reinvestment of investment earnings 1194
arising from that fund, are not unencumbered balances for the 1195
purposes of this section. The balance in a reserve balance 1196
account established under section 5705.132 of the Revised Code 1197
is not an unencumbered balance for the purposes of this 1198
division. 1199

There shall be attached to the certification a summary, 1200
which shall be known as the "official certificate of estimated 1201
resources," that shall state the total estimated resources of 1202
each fund of the subdivision that are available for 1203
appropriation in the fiscal year, other than funds to be created 1204
by transfer, and a statement of the amount of the total tax 1205
duplicate of the school district to be used in the collection of 1206
taxes for the following calendar year. Before the end of the 1207
fiscal year, the taxing authority of each subdivision and other 1208
taxing unit shall revise its tax budget, if one was adopted, so 1209
that the total contemplated expenditures from any fund during 1210
the ensuing fiscal year will not exceed the total appropriations 1211
that may be made from such fund, as determined by the budget 1212
commission in its certification; and such revised budget shall 1213
be the basis of the annual appropriation measure. 1214

(B) Revenue from real property taxes scheduled to be 1215

settled on or before the tenth day of August and the fifteenth
day of February of a fiscal year under divisions (A) and (C) of
section 321.24 of the Revised Code shall not be available for
appropriation by a board of education prior to the fiscal year
in which such latest scheduled settlement date occurs, except
that moneys advanced to the treasurer of a board of education
under division (A) (2) (b) of section 321.34 of the Revised Code
shall be available for appropriation in the fiscal year in which
they are paid to the treasurer under such section. If the date
for any settlement of taxes is extended under division (E) of
section 321.24 of the Revised Code, the latest date set forth in
divisions (A) to (D) of that section shall be used to determine
in which fiscal year the revenues are first available for
appropriation.

Sec. 5705.36. (A) (1) On or about the first day of each
fiscal year, the fiscal officer of each subdivision and other
taxing unit shall certify to the county auditor the total amount
from all sources available for expenditures from each fund set
up in the tax budget or, if adoption of a tax budget was waived
under section 5705.281 of the Revised Code, from each fund
created by or on behalf of the taxing authority. The amount
certified shall include any unencumbered balances that existed
at the end of the preceding year, excluding any of the
following:

(a) Subject to division ~~(F)~~ (G) of section 5705.29 of the
Revised Code, any reserve balance in an account established
under section 5705.13 of the Revised Code for the purpose
described in division (A) (1) of that section;

(b) The principal of a nonexpendable trust fund
established under section 5705.131 of the Revised Code and any

additions to principal arising from sources other than the 1246
reinvestment of investment earnings arising from that fund; 1247

(c) The balance in a reserve balance account established 1248
under section 5705.132 of the Revised Code. 1249

A school district's certification shall separately show 1250
the amount of any notes and unpaid and outstanding expenses on 1251
the preceding thirtieth day of June that are to be paid from 1252
property taxes that are to be settled during the current fiscal 1253
year under divisions (C) and (D) of section 321.24 of the 1254
Revised Code. The budget commission, taking into consideration 1255
the balances and revenues to be derived from taxation and other 1256
sources, shall revise its estimate of the amounts that will be 1257
credited to each fund from such sources, and shall certify to 1258
the taxing authority of each subdivision an amended official 1259
certificate of estimated resources. 1260

(2) Subject to divisions (A) (3) and (4) of this section, 1261
upon a determination by the fiscal officer of a subdivision that 1262
the revenue to be collected by the subdivision will be greater 1263
or less than the amount included in an official certificate, the 1264
fiscal officer may certify the amount of the deficiency or 1265
excess to the commission, and if the commission determines that 1266
the fiscal officer's certification is reasonable, the commission 1267
shall certify an amended official certificate reflecting the 1268
deficiency or excess. 1269

(3) Upon a determination by the fiscal officer of a 1270
subdivision that the revenue to be collected by the subdivision 1271
will be greater than the amount included in an official 1272
certificate and the legislative authority intends to appropriate 1273
and expend the excess revenue, the fiscal officer shall certify 1274
the amount of the excess to the commission, and if the 1275

commission determines that the fiscal officer's certification is 1276
reasonable, the commission shall certify an amended official 1277
certificate reflecting the excess. 1278

(4) Upon a determination by the fiscal officer of a 1279
subdivision that the revenue to be collected by the subdivision 1280
will be less than the amount included in an official certificate 1281
and that the amount of the deficiency will reduce available 1282
resources below the level of current appropriations, the fiscal 1283
officer shall certify the amount of the deficiency to the 1284
commission, and the commission shall certify an amended 1285
certificate reflecting the deficiency. 1286

(5) The total appropriations made during the fiscal year 1287
from any fund shall not exceed the amount set forth as available 1288
for expenditure from such fund in the official certificate of 1289
estimated resources, or any amendment thereof, certified prior 1290
to the making of the appropriation or supplemental 1291
appropriation. 1292

(B) At the time of settlement of taxes against which notes 1293
have been issued under division (D) of section 133.10 of the 1294
Revised Code and at the time a tax duplicate is delivered 1295
pursuant to section 319.28 or 319.29 of the Revised Code, the 1296
county auditor shall determine whether the total amount to be 1297
distributed to each school district from such settlement or 1298
duplicate, when combined with the amounts to be distributed from 1299
any subsequent settlement, will increase or decrease the amount 1300
available for appropriation during the current fiscal year from 1301
any fund. The county auditor shall certify this finding to the 1302
budget commission, which shall certify an amended official 1303
certificate reflecting the finding or certify to the school 1304
district that no amended certificate needs to be issued. 1305

Sec. 5705.37. The taxing authority of any subdivision, or 1306
the board of trustees of any public library, nonprofit 1307
corporation, or library association maintaining a free public 1308
library that has adopted and certified rules under section 1309
5705.28 of the Revised Code, that is dissatisfied with any 1310
action of the county budget commission may, through its fiscal 1311
officer, appeal to the board of tax appeals within thirty days 1312
after the receipt by the subdivision of the official certificate 1313
or notice of the commission's action. In like manner, but 1314
through its clerk, any park district may appeal to the board of 1315
tax appeals. An appeal under this section shall be taken by the 1316
filing of a notice of appeal, either in person or by certified 1317
mail, express mail, or authorized delivery service as provided 1318
in section 5703.056 of the Revised Code, with the board and with 1319
the commission. If notice of appeal is filed by certified mail, 1320
express mail, or authorized delivery service, date of the United 1321
States postmark placed on the sender's receipt by the postal 1322
service or the date of receipt recorded by the authorized 1323
delivery service shall be treated as the date of filing. Upon 1324
receipt of the notice of appeal, the commission, by certified 1325
mail, shall notify all persons who were parties to the 1326
proceeding before the commission of the filing of the notice of 1327
appeal and shall file proof of notice with the board of tax 1328
appeals. The secretary of the commission shall forthwith certify 1329
to the board a transcript of the full and accurate record of all 1330
proceedings before the commission, together with all evidence 1331
presented in the proceedings or considered by the commission, 1332
pertaining to the action from which the appeal is taken. The 1333
secretary of the commission also shall certify to the board any 1334
additional information that the board may request. 1335

The board of tax appeals, in a de novo proceeding, shall 1336

forthwith consider the matter presented to the commission, and 1337
may modify any action of the commission with reference to the 1338
budget, the estimate of revenues and balances, the allocation of 1339
the public library fund, or the fixing of tax rates. ~~The~~ If the 1340
appeal is taken in response to the fixing of tax rates through a 1341
reduction made by the county budget commission, the burden of 1342
proof is on the appellant to show the need for a different rate 1343
or amount to meet expenses in the ensuing fiscal year and the 1344
board of tax appeals shall render its decision in the same 1345
calendar year the appeal is filed. 1346

The finding of the board of tax appeals shall be 1347
substituted for the findings of the commission, and shall be 1348
sent to the tax commissioner, the county auditor, and the taxing 1349
authority of the subdivision affected, or to the board of public 1350
library trustees affected, as the action of the commission under 1351
sections 5705.01 to 5705.47 of the Revised Code. At the request 1352
of the taxing authority, board of trustees, or park district 1353
that appealed an action of the county budget commission under 1354
this section, the findings of the board of tax appeals shall be 1355
sent by certified mail at the requestor's expense. 1356

This section does not give the board of tax appeals any 1357
authority to place any tax levy authorized by law within the 1358
ten-mill limitation outside of that limitation, or to reduce any 1359
levy below any minimum fixed by law. 1360

Sec. 5705.391. (A) The department of education and 1361
workforce and the auditor of state shall jointly adopt rules 1362
requiring boards of education to submit five-year projections of 1363
operational revenues and expenditures. The rules shall provide 1364
for the auditor of state or the department to examine the five- 1365
year projections and to determine whether any further fiscal 1366

analysis is needed to ascertain whether a district has the 1367
potential to incur a deficit during the first three years of the 1368
five-year period. 1369

The auditor of state or the department may conduct any 1370
further audits or analyses necessary to assess any district's 1371
fiscal condition. If further audits or analyses are conducted by 1372
the auditor of state, the auditor of state shall notify the 1373
department of the district's fiscal condition, and the 1374
department shall immediately notify the district of any 1375
potential to incur a deficit in the current fiscal year or of 1376
any strong indications that a deficit will be incurred in either 1377
of the ensuing two years. If such audits or analyses are 1378
conducted by the department, the department shall immediately 1379
notify the district and the auditor of state of such potential 1380
deficit or strong indications thereof. 1381

A district notified under this section shall take 1382
immediate steps to eliminate any deficit in the current fiscal 1383
year and shall begin to plan to avoid the projected future 1384
deficits. 1385

(B) The state board of education, in accordance with 1386
sections 3319.31 and 3319.311 of the Revised Code, may limit, 1387
suspend, or revoke a license as defined under section 3319.31 of 1388
the Revised Code that has been issued to any school employee 1389
found to have willfully contributed erroneous, inaccurate, or 1390
incomplete data required for the submission of the five-year 1391
projection required by this section. 1392

(C) The department and the auditor of state, in their 1393
joint adoption of rules under division (A) of this section, 1394
shall not require a board of education to submit its five-year 1395
projection of operational revenues and expenditures prior to the 1396

thirtieth day of November of any fiscal year. 1397

(D) Beginning with submissions required in fiscal year 1398
2024 and for each fiscal year in which a submission is required 1399
under this section thereafter, the department and the auditor 1400
shall label the projections regarding property tax allocation in 1401
the projection as "state share of local property taxes." 1402

(E) A school district may submit to the county budget 1403
commission the most recent projection prepared pursuant to this 1404
section with its tax budget as required by section 5705.28 of 1405
the Revised Code or other information as allowed by section 1406
5705.281 of the Revised Code. 1407

Sec. 5705.60. (A) As used in this section, "qualifying 1408
fixed-sum levy" means a tax levied on property at whatever rate 1409
is required to produce a specified amount of tax money, 1410
including a tax levied under section 5705.199 of the Revised 1411
Code, but not including a tax levied in excess of the ten-mill 1412
limitation to pay debt charges. 1413

(B) Each year, the tax commissioner shall determine by 1414
what amount, if any, the rate of a qualifying fixed sum levy 1415
must be changed for the levy to produce the levy's specified 1416
amount of money for the current tax year. The tax commissioner 1417
shall certify the amount determined for each fixed-sum levy to 1418
the appropriate county auditor by the first day of September. 1419

(C) Each county auditor to whom a rate change is certified 1420
under division (B) of this section shall apply the adjusted rate 1421
for the current tax year. 1422

Sec. 5747.51. (A) On or before the twenty-fifth day of 1423
July of each year, the tax commissioner shall make and certify 1424
to the county auditor of each county an estimate of the amount 1425

of the local government fund to be allocated to the undivided 1426
local government fund of each county for the ensuing calendar 1427
year, adjusting the total as required to account for 1428
subdivisions receiving local government funds under section 1429
5747.502 of the Revised Code. 1430

(B) At each annual regular session of the county budget 1431
commission convened pursuant to section 5705.27 of the Revised 1432
Code, each auditor shall present to the commission the 1433
certificate of the commissioner, the annual tax budget and 1434
estimates, and the records showing the action of the commission 1435
in its last preceding regular session. The commission, after 1436
extending to the representatives of each subdivision an 1437
opportunity to be heard, under oath administered by any member 1438
of the commission, and considering all the facts and information 1439
presented to it by the auditor, shall determine the amount of 1440
the undivided local government fund needed by and to be 1441
apportioned to each subdivision for current operating expenses, 1442
as shown in the tax budget of the subdivision. This 1443
determination shall be made pursuant to divisions (C) to (I) of 1444
this section, unless the commission has provided for a formula 1445
pursuant to section 5747.53 of the Revised Code. The 1446
commissioner shall reduce the amount of funds from the undivided 1447
local government fund to a subdivision required to receive 1448
reduced funds under section 5747.502 of the Revised Code. 1449

Nothing in this section prevents the budget commission, 1450
for the purpose of apportioning the undivided local government 1451
fund, from inquiring into the claimed needs of any subdivision 1452
as stated in its tax budget, or from adjusting claimed needs to 1453
reflect actual needs. For the purposes of this section, "current 1454
operating expenses" means the lawful expenditures of a 1455
subdivision, except those for permanent improvements and except 1456

payments for interest, sinking fund, and retirement of bonds, 1457
notes, and certificates of indebtedness of the subdivision. 1458

(C) The commission shall determine the combined total of 1459
the estimated expenditures, including transfers, from the 1460
general fund and any special funds other than special funds 1461
established for road and bridge; street construction, 1462
maintenance, and repair; state highway improvement; and gas, 1463
water, sewer, and electric public utilities operated by a 1464
subdivision, as shown in the subdivision's tax budget for the 1465
ensuing calendar year. 1466

(D) From the combined total of expenditures calculated 1467
pursuant to division (C) of this section, the commission shall 1468
deduct the following expenditures, if included in these funds in 1469
the tax budget: 1470

(1) Expenditures for permanent improvements as defined in 1471
division (E) of section 5705.01 of the Revised Code; 1472

(2) In the case of counties and townships, transfers to 1473
the road and bridge fund, and in the case of municipalities, 1474
transfers to the street construction, maintenance, and repair 1475
fund and the state highway improvement fund; 1476

(3) Expenditures for the payment of debt charges; 1477

(4) Expenditures for the payment of judgments. 1478

(E) In addition to the deductions made pursuant to 1479
division (D) of this section, revenues accruing to the general 1480
fund and any special fund considered under division (C) of this 1481
section from the following sources shall be deducted from the 1482
combined total of expenditures calculated pursuant to division 1483
(C) of this section: 1484

(1) Taxes levied within the ten-mill limitation, as 1485
defined in section 5705.02 of the Revised Code; 1486

(2) The budget commission allocation of estimated county 1487
public library fund revenues to be distributed pursuant to 1488
section 5747.48 of the Revised Code; 1489

(3) Estimated unencumbered balances as shown on the tax 1490
budget as of the thirty-first day of December of the current 1491
year in the general fund, but not any estimated balance in any 1492
special fund considered in division (C) of this section; 1493

(4) Revenue, including transfers, shown in the general 1494
fund and any special funds other than special funds established 1495
for road and bridge; street construction, maintenance, and 1496
repair; state highway improvement; and gas, water, sewer, and 1497
electric public utilities, from all other sources except those 1498
that a subdivision receives from an additional tax or service 1499
charge voted by its electorate or receives from special 1500
assessment or revenue bond collection. For the purposes of this 1501
division, where the charter of a municipal corporation prohibits 1502
the levy of an income tax, an income tax levied by the 1503
legislative authority of such municipal corporation pursuant to 1504
an amendment of the charter of that municipal corporation to 1505
authorize such a levy represents an additional tax voted by the 1506
electorate of that municipal corporation. For the purposes of 1507
this division, any measure adopted by a board of county 1508
commissioners pursuant to section 322.02, 4504.02, or 5739.021 1509
of the Revised Code, including those measures upheld by the 1510
electorate in a referendum conducted pursuant to section 1511
322.021, 4504.021, or 5739.022 of the Revised Code, shall not be 1512
considered an additional tax voted by the electorate. 1513

Subject to division ~~(F)~~(G) of section 5705.29 of the 1514

Revised Code, money in a reserve balance account established by 1515
a county, township, or municipal corporation under section 1516
5705.13 of the Revised Code shall not be considered an 1517
unencumbered balance or revenue under division (E) (3) or (4) of 1518
this section. Money in a reserve balance account established by 1519
a township under section 5705.132 of the Revised Code shall not 1520
be considered an unencumbered balance or revenue under division 1521
(E) (3) or (4) of this section. 1522

If a county, township, or municipal corporation has 1523
created and maintains a nonexpendable trust fund under section 1524
5705.131 of the Revised Code, the principal of the fund, and any 1525
additions to the principal arising from sources other than the 1526
reinvestment of investment earnings arising from such a fund, 1527
shall not be considered an unencumbered balance or revenue under 1528
division (E) (3) or (4) of this section. Only investment earnings 1529
arising from investment of the principal or investment of such 1530
additions to principal may be considered an unencumbered balance 1531
or revenue under those divisions. 1532

(F) The total expenditures calculated pursuant to division 1533
(C) of this section, less the deductions authorized in divisions 1534
(D) and (E) of this section, shall be known as the "relative 1535
need" of the subdivision, for the purposes of this section. 1536

(G) The budget commission shall total the relative need of 1537
all participating subdivisions in the county, and shall compute 1538
a relative need factor by dividing the total estimate of the 1539
undivided local government fund by the total relative need of 1540
all participating subdivisions. 1541

(H) The relative need of each subdivision shall be 1542
multiplied by the relative need factor to determine the 1543
proportionate share of the subdivision in the undivided local 1544

government fund of the county; provided, that the maximum 1545
proportionate share of a county shall not exceed the following 1546
maximum percentages of the total estimate of the undivided local 1547
government fund governed by the relationship of the percentage 1548
of the population of the county that resides within municipal 1549
corporations within the county to the total population of the 1550
county as reported in the reports on population in Ohio by the 1551
department of development as of the twentieth day of July of the 1552
year in which the tax budget is filed with the budget 1553
commission: 1554

1555

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A	Percentage of municipal population within the county:	Percentage share of the county shall not exceed:
B	Less than forty-one per cent	Sixty per cent
C	Forty-one per cent or more but less than eighty-one per cent	Fifty per cent
D	Eighty-one per cent or more	Thirty per cent

Where the proportionate share of the county exceeds the 1556
limitations established in this division, the budget commission 1557
shall adjust the proportionate shares determined pursuant to 1558
this division so that the proportionate share of the county does 1559
not exceed these limitations, and it shall increase the 1560
proportionate shares of all other subdivisions on a pro rata 1561
basis. In counties having a population of less than one hundred 1562
thousand, not less than ten per cent shall be distributed to the 1563
townships therein. 1564

(I) The proportionate share of each subdivision in the 1565
undivided local government fund determined pursuant to division 1566
(H) of this section for any calendar year shall not be less than 1567
the product of the average of the percentages of the undivided 1568
local government fund of the county as apportioned to that 1569
subdivision for the calendar years 1968, 1969, and 1970, 1570
multiplied by the total amount of the undivided local government 1571
fund of the county apportioned pursuant to former section 1572
5739.23 of the Revised Code for the calendar year 1970. For the 1573
purposes of this division, the total apportioned amount for the 1574
calendar year 1970 shall be the amount actually allocated to the 1575
county in 1970 from the state collected intangible tax as levied 1576
by section 5707.03 of the Revised Code and distributed pursuant 1577
to section 5725.24 of the Revised Code, plus the amount received 1578
by the county in the calendar year 1970 pursuant to division (B) 1579
(1) of former section 5739.21 of the Revised Code, and 1580
distributed pursuant to former section 5739.22 of the Revised 1581
Code. If the total amount of the undivided local government fund 1582
for any calendar year is less than the amount of the undivided 1583
local government fund apportioned pursuant to former section 1584
5739.23 of the Revised Code for the calendar year 1970, the 1585
minimum amount guaranteed to each subdivision for that calendar 1586
year pursuant to this division shall be reduced on a basis 1587
proportionate to the amount by which the amount of the undivided 1588
local government fund for that calendar year is less than the 1589
amount of the undivided local government fund apportioned for 1590
the calendar year 1970. 1591

(J) On the basis of such apportionment, the county auditor 1592
shall compute the percentage share of each such subdivision in 1593
the undivided local government fund and shall at the same time 1594
certify to the tax commissioner the percentage share of the 1595

county as a subdivision. No payment shall be made from the 1596
undivided local government fund, except in accordance with such 1597
percentage shares. 1598

Within ten days after the budget commission has made its 1599
apportionment, whether conducted pursuant to section 5747.51 or 1600
5747.53 of the Revised Code, the auditor shall publish a list of 1601
the subdivisions and the amount each is to receive from the 1602
undivided local government fund and the percentage share of each 1603
subdivision, in a newspaper or newspapers of countywide 1604
circulation, and send a copy of such allocation to the tax 1605
commissioner. 1606

The county auditor shall also send a copy of such 1607
allocation by ordinary or electronic mail to the fiscal officer 1608
of each subdivision entitled to participate in the allocation of 1609
the undivided local government fund of the county. This copy 1610
shall constitute the official notice of the commission action 1611
referred to in section 5705.37 of the Revised Code. 1612

All money received into the treasury of a subdivision from 1613
the undivided local government fund in a county treasury shall 1614
be paid into the general fund and used for the current operating 1615
expenses of the subdivision. 1616

If a municipal corporation maintains a municipal 1617
university, such municipal university, when the board of 1618
trustees so requests the legislative authority of the municipal 1619
corporation, shall participate in the money apportioned to such 1620
municipal corporation from the total local government fund, 1621
however created and constituted, in such amount as requested by 1622
the board of trustees, provided such sum does not exceed nine 1623
per cent of the total amount paid to the municipal corporation. 1624

If any public official fails to maintain the records 1625
required by sections 5747.50 to 5747.55 of the Revised Code or 1626
by the rules issued by the tax commissioner, the auditor of 1627
state, or the treasurer of state pursuant to such sections, or 1628
fails to comply with any law relating to the enforcement of such 1629
sections, the local government fund money allocated to the 1630
county may be withheld until such time as the public official 1631
has complied with such sections or such law or the rules issued 1632
pursuant thereto. 1633

Sec. 5747.53. (A) ~~As used in this section:—~~ 1634

~~(1) "City, located wholly or partially in the county, with 1635
the greatest population" means the city, located wholly or 1636
partially in the county, with the greatest population residing 1637
in the county; however, if the county budget commission on or 1638
before January 1, 1998, adopted an alternative method of 1639
apportionment that was approved by the legislative authority of 1640
the city, located partially in the county, with the greatest 1641
population but not the greatest population residing in the 1642
county, "city, located wholly or partially in the county, with 1643
the greatest population" means the city, located wholly or 1644
partially in the county, with the greatest population whether 1645
residing in the county or not, if this alternative meaning is 1646
adopted by action of the board of county commissioners and a 1647
majority of the boards of township trustees and legislative 1648
authorities of municipal corporations located wholly or 1649
partially in the county.— 1650~~

~~(2) "Participating political subdivision" means a 1651
municipal corporation or township that satisfies all of the 1652
following:— 1653~~

~~(a) It is located wholly or partially in the county.— 1654~~

~~(b) It is not the city, located wholly or partially in the~~ 1655
~~county, with the greatest population.~~ 1656

~~(c) Undivided local government fund moneys are apportioned~~ 1657
~~to it under the county's alternative method or formula of~~ 1658
~~apportionment in the current calendar year.~~ 1659

~~(B)~~ In lieu of the method of apportionment of the 1660
undivided local government fund of the county provided by 1661
section 5747.51 of the Revised Code, the county budget 1662
commission may provide for the apportionment of the fund under 1663
an alternative method or on a formula basis as authorized by 1664
this section. The commissioner shall reduce the amount of funds 1665
from the undivided local government fund to a subdivision 1666
required to receive reduced funds under section 5747.502 of the 1667
Revised Code. 1668

~~Except as otherwise provided in division (C) of this~~ 1669
~~section, the~~ The alternative method of apportionment shall have 1670
first been approved by all of the following governmental units: 1671
~~the board of county commissioners; the legislative authority of~~ 1672
~~the city, located wholly or partially in the county, with the~~ 1673
~~greatest population;~~ and a majority of the boards of township 1674
trustees and legislative authorities of municipal corporations, 1675
located wholly or partially in the county, ~~excluding the~~ 1676
~~legislative authority of the city, located wholly or partially~~ 1677
~~in the county, with the greatest population.~~ In granting or 1678
denying approval for an alternative method of apportionment, the 1679
board of county commissioners, boards of township trustees, and 1680
legislative authorities of municipal corporations shall act by 1681
motion. A motion to approve shall be passed upon a majority vote 1682
of the members of a board of county commissioners, board of 1683
township trustees, or legislative authority of a municipal 1684

corporation, shall take effect immediately, and need not be
published.

Any alternative method of apportionment adopted and
approved under this division shall be reviewed by the county
budget commission at a public hearing held at least once in ~~the~~
~~year following the effective date of this amendment 2024~~ and in
every fifth year thereafter. The county budget commission shall
provide reasonable advance notice of the hearing to all
political subdivisions eligible to participate in the fund and
shall take public testimony from any such political subdivision
that wishes to testify.

Any alternative method of apportionment adopted and
approved under this division may be revised, amended, or
repealed in the same manner as it may be adopted and approved.
If an alternative method of apportionment adopted and approved
under this division is repealed, the undivided local government
fund of the county shall be apportioned among the subdivisions
eligible to participate in the fund, commencing in the ensuing
calendar year, under the apportionment provided in section
5747.52 of the Revised Code, unless ~~the repeal occurs by~~
~~operation of division (C) of this section or~~ a new method for
apportionment of the fund is provided in the action of repeal.

~~(C) This division applies only in counties in which the~~
~~city, located wholly or partially in the county, with the~~
~~greatest population has a population of twenty thousand or less~~
~~and a population that is less than fifteen per cent of the total~~
~~population of the county. In such a county, the legislative~~
~~authorities or boards of township trustees of two or more~~
~~participating political subdivisions, which together have a~~
~~population residing in the county that is a majority of the~~

~~total population of the county, each may adopt a resolution to~~ 1715
~~exclude the approval otherwise required of the legislative~~ 1716
~~authority of the city, located wholly or partially in the~~ 1717
~~county, with the greatest population. All of the resolutions to~~ 1718
~~exclude that approval shall be adopted not later than the first~~ 1719
~~Monday of August of the year preceding the calendar year in~~ 1720
~~which distributions are to be made under an alternative method~~ 1721
~~of apportionment.~~ 1722

~~A motion granting or denying approval of an alternative~~ 1723
~~method of apportionment under this division shall be adopted by~~ 1724
~~a majority vote of the members of the board of county~~ 1725
~~commissioners and by a majority vote of a majority of the boards~~ 1726
~~of township trustees and legislative authorities of the~~ 1727
~~municipal corporations located wholly or partially in the~~ 1728
~~county, other than the city, located wholly or partially in the~~ 1729
~~county, with the greatest population, shall take effect~~ 1730
~~immediately, and need not be published. The alternative method~~ 1731
~~of apportionment under this division shall be adopted and~~ 1732
~~approved annually, not later than the first Monday of August of~~ 1733
~~the year preceding the calendar year in which distributions are~~ 1734
~~to be made under it. A motion granting approval of an~~ 1735
~~alternative method of apportionment under this division repeals~~ 1736
~~any existing alternative method of apportionment, effective with~~ 1737
~~distributions to be made from the fund in the ensuing calendar~~ 1738
~~year. An alternative method of apportionment under this division~~ 1739
~~shall not be revised or amended after the first Monday of August~~ 1740
~~of the year preceding the calendar year in which distributions~~ 1741
~~are to be made under it.~~ 1742

~~(D)-(B)~~ In determining an alternative method of 1743
apportionment authorized by this section, the county budget 1744
commission may include in the method any factor considered to be 1745

appropriate and reliable, in the sole discretion of the county 1746
budget commission. 1747

~~(E)~~ (C) The limitations set forth in section 5747.51 of the 1748
Revised Code, stating the maximum amount that the county may 1749
receive from the undivided local government fund and the minimum 1750
amount the townships in counties having a population of less 1751
than one hundred thousand may receive from the fund, are 1752
applicable to any alternative method of apportionment authorized 1753
under this section. 1754

~~(F)~~ (D) On the basis of any alternative method of 1755
apportionment adopted and approved as authorized by this 1756
section, as certified by the auditor to the county treasurer, 1757
the county treasurer shall make distribution of the money in the 1758
undivided local government fund to each subdivision eligible to 1759
participate in the fund, and the auditor, when the amount of 1760
those shares is in the custody of the treasurer in the amounts 1761
so computed to be due the respective subdivisions, shall at the 1762
same time certify to the tax commissioner the percentage share 1763
of the county as a subdivision. All money received into the 1764
treasury of a subdivision from the undivided local government 1765
fund in a county treasury shall be paid into the general fund 1766
and used for the current operating expenses of the subdivision. 1767
If a municipal corporation maintains a municipal university, the 1768
university, when the board of trustees so requests the 1769
legislative authority of the municipal corporation, shall 1770
participate in the money apportioned to the municipal 1771
corporation from the total local government fund, however 1772
created and constituted, in the amount requested by the board of 1773
trustees, provided that amount does not exceed nine per cent of 1774
the total amount paid to the municipal corporation. 1775

~~(G)~~(E) The actions of the county budget commission taken 1776
pursuant to this section are final and may not be appealed to 1777
the board of tax appeals, except on the issues of abuse of 1778
discretion and failure to comply with the formula. 1779

Section 2. That existing sections 3317.01, 5705.01, 1780
5705.03, 5705.13, 5705.27, 5705.28, 5705.29, 5705.31, 5705.32, 1781
5705.321, 5705.35, 5705.36, 5705.37, 5705.391, 5747.51, and 1782
5747.53 of the Revised Code are hereby repealed. 1783

Section 3. Section 5747.53 of the Revised Code is 1784
presented in this act as a composite of the section as amended 1785
by H.B. 33 of the 135th General Assembly and H.B. 62 of the 1786
133rd General Assembly. The General Assembly, applying the 1787
principle stated in division (B) of section 1.52 of the Revised 1788
Code that amendments are to be harmonized if reasonably capable 1789
of simultaneous operation, finds that the composite is the 1790
resulting version of the section in effect prior to the 1791
effective date of the section as presented in this act. 1792