

June 6, 2017

To: Members of the Ohio Senate Finance Committee
From: Daryll Gray - Brown County Commissioner
Re: Substitute HB 49 - State Biennial Budget

Chairman Oelslager, Vice Chair Manning, Ranking Member Skindell and members of the Finance Committee, my name is Daryll Gray and I am a Brown County Commissioner. Thank you for allowing me the opportunity to submit written testimony on a critical issue contained in the state budget bill (HB 49) that will have a serious impact on my county.

Our Board is funding thousands of dollars a month to incarcerate inmates out of county; we are expecting to begin a \$3 million jail expansion this year. Our JFS department is strained beyond their ability to provide foster care services to children affected by the drug epidemic. The loss of revenue from the Medicaid managed care organization (MCO) sales tax is going to put our county in a position to lay off employees, reduce services, and explain to the public that this is in spite of the CAUV recalculation. Right now, if we stop funding out of county inmate housing combined with the loss of Medicaid MCO sales tax, our judges and sheriff would be forced to release 43 of our 97 inmates. Currently our jail is only accepting violent, felony and domestic offenders to keep the daily average between 97-100 inmates.

In reviewing our inmate housing account, we can guarantee it will be depleted by July 1, 2017. We cannot supplement this account without altering other services. You will find the numbers below support our concerns.

Tax Year	County General Budget	Sales Tax Revenue	Percent of Budget
2014	\$9,105,135.00	\$4,007,108.00	44%
2015	\$9,151,119.00	\$4,374,514.00	48%
2016	\$9,175,134.00	\$4,663,284.00	51%
2017	\$9,913,331.00	\$4,900,000.00	49% Projected

In closing, the projected loss from the Medicaid MCO sales tax is 10% of our annual budget. We cannot cut 10% of the budget when most employees have not had a pay increase in 3-5 years just to maintain staffing. As of the 2017 budget there are no other accounts to reduce. Our Board does not have the ability to make up a loss such as this.

Thank you again for the opportunity to tell you a little bit about Brown County and our challenges. I ask that you continue to work with the House and the County Commissioners Association of Ohio to find a solution to the loss of this tax revenue that holds counties harmless in the same way that the current proposal in the budget holds the state harmless.