

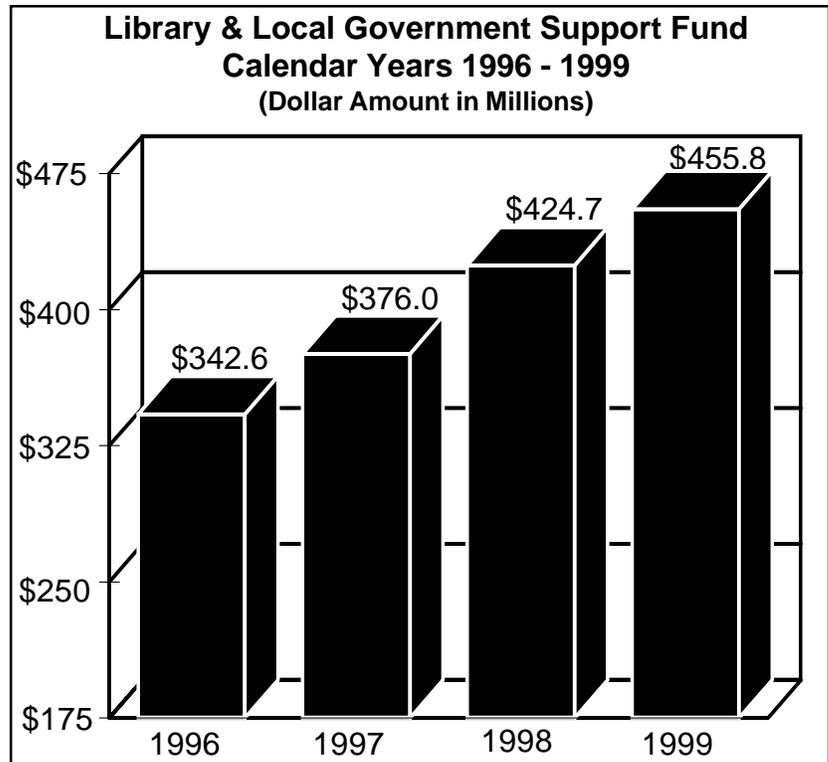
# LIBRARY AND LOCAL GOVERNMENT SUPPORT FUND

The library and local government support fund (LLGSF) was created in House Bill 291 of the 115th General Assembly to replace the locally-collected intangible property tax, which was repealed beginning in calendar year 1986. The fund provides aid from state income tax collections to counties on a monthly basis for libraries and local governments which were receiving revenue from the intangible property tax. House Bill 291 also created a 12-member Public Library Financing and Support Committee to assist the Legislature and Governor in developing an equitable method of distributing the funds among the counties. The committee issued a report which included a distribution formula that was incorporated in House Bill 146 and became law on July 12, 1985.

In 1999, \$455.8 million was distributed from the fund, a 7.3 percent increase over the prior year. Nearly all the money in the total state library and local government support fund is distributed to libraries, while six counties provided local governments with some money from this fund.

## REVENUE SOURCE (R.C. 131.44, 5747.03):

The library and local government support fund receives 5.7 percent of personal income tax collections. House Bill 117 (the FY 1996-1997 biennial budget bill) made permanent the 5.7 percent funding percentage. Beginning in tax year 1996, a designated share of any state budget surplus is used to reduce the state income tax rates. The cost of the tax year 1996 rate cuts to the LLGSF was reimbursed through a transfer from the surplus to the LLGSF in calendar year 1997. A tax cut has occurred in each subsequent year; the required transfer to the LLGSF in 2000 was \$16.7 million.



## DISTRIBUTIONS TO COUNTIES (R.C. 5747.46):

The distribution formula contained in Ohio Revised Code Section 5747.46 consists of two parts: the guaranteed share and the share of the excess.

The guaranteed share is equal to the previous year's fund total plus an inflation factor. This portion of the fund is distributed to counties based on each county's share of the previous year's fund total. When there is an amount in excess of the guaranteed share, it is distributed among counties based on their equalization ratios. The equalization ratio is determined by the county's most recent percentage of the state's population and the county's percentage share of the previous year's total distribution. Each county's equalization ratio is multiplied by the total amount of the share of the excess to determine each county's portion of that amount. The ratio allows those counties that have had the lowest per capita Library and Local Government Support Fund distributions in prior years the greatest per capita growth in funding, while assuring that all counties have relative growth.

The guaranteed share for the calendar year 1999 distribution was equal to the 1998 fund total plus an inflation factor. The 1998 fund total was \$424.7 million and the inflation factor was 1.7 percent, meaning the 1999 guaranteed share was \$431.9 million. The share of the excess for 1999 was \$23.9 million. The combined total was \$455.8 million. The guaranteed and equalization shares for each year are shown in Table 30.

**MONTHLY DISTRIBUTION  
PROCEDURE (R.C. 5747.47, 5747.48):**

Allocations from the previous month's LLGSF balance to counties are made on or before the tenth of each month. The Department of Taxation determines the total amount available and then determines the allocation to be made to each county. The allocation of the county LLGSF is made by the county treasurer among the county, boards of public library trustees, municipal corporations, and the board of township park commissioners on or before the fifteenth of each month.

**USE OF FUNDS DISTRIBUTED (R.C. 3375.05, 3375.121, 3375.40, 3375.403, 3375.82, 3375.85, 5705.32):**

The county budget commissions determine the amounts to be given to all libraries. The amount given to each library is based on its needs for building construction and improvement, operations, maintenance, and other expenses required for the library and its branches. The amount paid to all libraries shall never be a smaller percentage than the average percentage of the county's classified property taxes that were distributed to libraries

in 1982, 1983, and 1984. After fixing the amount to be distributed to libraries in the county, the county budget commission shall fix an amount to distribute to municipal corporations in the county. Each municipal corporation shall receive a percentage of the remainder equal to the percent received of classified property taxes originating from such municipality in 1984.

**REVENUE ENTITLEMENTS TO  
COUNTIES (R.C. 5747.47):**

The Department of Taxation certifies three estimated entitlement figures to counties for each year: one by July 20th of the previous year, one in December of the previous year and another in June of the distribution year. Each December, the Department also certifies the actual amount each county was entitled to receive under the distribution formula during the current calendar year, the amount the county actually received, and the difference between the two. During the first six months of the next year, each county's distribution will be adjusted for any overpayment or underpayment in the preceding year. Table 31 shows the amounts actually distributed to the counties in 1999, which totaled \$455.8 million.

**Table 30**  
**Library and Local Government Support Fund -- Total Amounts Distributed to Counties, Calendar Years 1986-1999**

Calendar Year	Guaranteed Share	Equalization Share	Total Distribution	Percent Change in Total Distribution
1986	\$167,535,449	\$10,693,752	\$178,229,201	—
1987	181,080,868	26,292,922	207,373,790	16.4%
1988	215,253,994	3,009,660	218,263,654	5.3
1989	226,775,936	24,554,945	251,330,881	15.2
1990	262,655,557	0	262,655,557	4.5
1991	268,793,142	0	268,793,142	2.3
1992 (a)	268,793,142	0	268,793,142	0.0
1993 (b)	276,856,936	7,843,064	284,700,000	5.9
1994	293,810,400	3,172,181	296,982,581	4.3
1995	303,813,180	15,019,721	318,832,901	7.4
1996	329,035,554	13,564,940	342,600,494	7.5
1997	352,535,908	23,461,438	375,997,346	9.7
1998	384,269,286	40,394,095	424,663,381	12.9
1999	431,882,659	23,881,967	455,764,626	7.3

(a) Distributions during calendar year 1992 were capped at the 1991 dollar level.  
(b) Total calendar year 1993 distributions were guaranteed to equal at least \$284.7 million.

**Table 31**  
**Library and Local Government Support Fund --**  
**Amounts Distributed to Counties,\* Calendar Year 1999**

County	Amount Distributed	County	Amount Distributed
Adams	\$972,577	Logan	\$1,598,519
Allen	4,173,542	Lorain	10,149,471
Ashland	1,897,972	Lucas	18,638,107
Ashtabula	3,711,288	Madison	1,413,776
Athens	2,166,054	Mahoning	10,110,925
Auglaize	1,751,101	Marion	2,417,098
Belmont	2,682,836	Medina	4,830,041
Brown	1,357,114	Meigs	858,706
Butler	11,275,900	Mercer	1,502,534
Carroll	1,013,271	Miami	3,699,871
Champaign	1,326,074	Monroe	559,176
Clark	5,444,141	Montgomery	24,010,861
Clermont	5,805,522	Morgan	520,669
Clinton	1,422,842	Morrow	1,056,581
Columbiana	4,062,904	Muskingum	3,102,144
Coshocton	1,367,177	Noble	451,958
Crawford	1,810,548	Ottawa	1,547,018
Cuyahoga	65,971,825	Paulding	743,473
Darke	2,001,990	Perry	1,189,817
Defiance	1,469,803	Pickaway	1,805,856
Delaware	2,848,608	Pike	943,734
Erie	3,161,039	Portage	5,382,397
Fairfield	4,147,982	Preble	1,496,587
Fayette	1,032,866	Putnam	1,254,844
Franklin	41,258,745	Richland	4,992,128
Fulton	1,516,629	Ross	2,618,968
Gallia	1,159,390	Sandusky	2,321,481
Geauga	3,878,889	Scioto	2,960,113
Greene	5,262,072	Seneca	2,286,957
Guernsey	1,457,100	Shelby	1,754,227
Hamilton	49,479,762	Stark	14,843,858
Hancock	2,999,143	Summit	21,306,568
Hardin	1,140,620	Trumbull	8,592,682
Harrison	687,137	Tuscarawas	3,203,040
Henry	1,067,538	Union	1,298,702
Highland	1,377,147	Van Wert	1,129,247
Hocking	976,566	Vinton	425,147
Holmes	1,255,117	Warren	4,578,226
Huron	2,162,331	Washington	2,338,257
Jackson	1,175,505	Wayne	4,158,616
Jefferson	2,945,960	Williams	1,451,765
Knox	1,847,911	Wood	4,942,022
Lake	8,679,085	Wyandot	841,128
Lawrence	2,295,882		
Licking	4,939,829	Total	\$455,764,625

\* Amounts shown are the actual distributions made to counties in CY 1999, including any statutory adjustments for 1998 made in the first half of 1999.