

Category: Government

### The Shelby County Auditor's Office

2016 was a year of good news and bad news, says Shelby County Auditor Amy Berning. Revenues for the County were at a sufficient level to cover the County's needs, and we were able to grow our Permanent Improvement account by \$1.2M to end at \$3.7M. This account will be available in the event of future economic downturns or unexpected expenses. That's good news! From 2008 through 2015 the County had to transfer amounts varying from \$500,000 to \$1,000,000 from the Permanent Improvement account in order to cover operating expenses. In 2016 we did not need to tap into that account, and we were able to grow the balance for future protection.

The bad news is the estimated loss in sales tax revenue predicted for the second half of 2017 and onward. The Federal Centers for Medicare and Medicaid Services ruled that applying a sales tax only to managed-care organizations dealing with Medicaid patients is not allowed. In Ohio, that ruling will go into effect in July of 2017 and will mean a loss of around a half-million dollars for Shelby County annually. Sales tax is a big deal for the County, as it provides 40% of the County's General Fund revenue and is the only source of revenue for the Permanent Improvement Fund and the Capital Improvement Fund. Governor Kasich has promised that the State will find a way to supplement local governments that are hit the hardest by the reduced sales tax revenues, but he plans to "wean them off" over a period of a few years, and we have yet to find out if Shelby County's \$.5M loss will be enough to consider us among the "hardest hit".

Our Capital Improvement Fund is funded by .25% of the county's sales tax and is the account used for large projects. It has a balance of \$1.2M, but a significant amount of the money that comes into this account is earmarked for repaying the loan for the major courthouse renovation which was completed in 2016. Payments of approximately \$655,000 will be made in 2017, 2018, and 2019, and then we will have that major project paid off. The Capital Improvement Fund was able to cover the following in 2016 in addition to the courthouse project: a new roof for the barn at the Shelby Co Developmental Disabilities facility, a water system overhaul at the jail, paving of the jail parking lot, and a new roof at the Board of Elections facility.

On the Real Estate side of our office, 2016 was about gathering updates of properties in the county in preparation for the sexennial revaluation which will occur this year. The State of Ohio requires that every property be examined every six years and adjusted to current values. 2017 is the year assigned to Shelby County to perform this analysis. Any changes in your property value will appear on the tax bills that will be mailed in January of 2018.

As a Real Estate reminder, those who will turn 65 years old or older in 2017 can apply at any time for a tax reduction called the Homestead Exemption. Your household's Ohio

Adjusted Gross Income must be below \$31,800, but many retired folks qualify since social security income is not included in your Ohio Adjusted Gross Income. Also eligible for this exemption are those who are permanently and totally disabled.

Finally, we are excited to report that the property record search on our website <http://co.shelby.oh.us/auditor> will have a smarter search engine later in the spring! We will be sure to publicize it when the upgrades have been completed!