



OHIO ASSOCIATION OF COUNTY BOARDS OF MRDD
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Association NewsAlert

Issue 2008 – 019

To: *County Board of MRDD Presidents*
County Board of MRDD Trustees
County Board of MRDD Superintendents
County Board of MRDD Business Managers

From: Dan Ohler, Executive Director

Subject: **State Budget Update**

Date: September 10, 2008

Earlier today, Governor Strickland announced a state budget adjustment of \$540M as state tax revenues continue to slide. The Governor was quoted, "We are making tough decisions, but we are doing that while also protecting the core priorities". The adjustments include \$201M in state agency cuts, with the cut to the *Ohio Department of MRDD (ODMRDD)* being approximately \$17M. This is an across the board 4.75% cut, with some line items held harmless (causing other line items to exceed 4.75%). Specifically for *ODMRDD*, three line items are being held harmless: waiver match; developmental centers; and, the Martin settlement waivers.

Director Martin personally called *OSCB* President Mary Ann Chamberlain and I this morning to share this news. He assured us that as soon as it was available, hopefully later this afternoon, *ODMRDD* would be providing more specific information. What we know at this point is that 4.75% will be cut from *ODMRDD* Central Office; *Advocacy & Protective Services (APSI)*; Family Support Services; and, the Tax Equity line items. The remainder of the cut will come from *County Board of MRDD* subsidy in an amount that will likely be approximately 9%. These cuts take immediate effect. As to the state funds appropriated to *County Boards of MRDD*, the total amount will be equally divided amongst the three remaining quarters in FY09, with the first third coming with an across the board cut in the second quarter payment to be made in October. Director Martin indicated a willingness to work with *County Board of MRDD* representatives on alternatives to across the board cuts for the third and fourth quarters. This announcement by the Governor is not unforeseen (i.e., see *OACB NewsAlert* 2008-018 issued August 15, 2008) and is not subject to legislative action.

As to the impact on the FY2010-11 budget process, the cuts announced by the Governor today will not adversely effect that projected cut at the present time. In other words, the projected cut of \$33M for FY2010-11 remains and the \$17M cut being implemented today will be counted towards that figure. Keep in mind, however, all of that is dependent on future state tax revenues. If those figures do not start to show improvement, this may well not be the last you read about state budget cuts.

Please let us know if we can assist you in adjusting your operating plans to absorb these cuts to state appropriations.

c: OACB Board of Trustees

