



COUNTY ADVISORY BULLETIN

CAB

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COUNTY JAIL PROJECT FUNDING FORMULA

House Bill 33, the state’s operating budget for state fiscal years 2024 and 2025, included \$75 million in SFY 2024 for county jail construction. This appropriation is a continuation of the strong partnership in recent years where the state has provided funds to assist counties in replacing or renovating their jail facilities. The funding in H.B. 33 is notable for two reasons: first, it’s the first time that capital funding for jail projects has been included in an operating budget; second, it includes a formula to determine where funding goes. This differs from funds appropriated in prior capital budgets where the Department of Rehabilitation and Corrections (DRC) had wide discretion over where the funding went.

This County Brief will provide an overview of the formula included in H.B. 33 to give counties an understanding of how it will function. One important thing to note is that the formula is in temporary law (Section 383.10 of H.B. 33) and applies only to the \$75 million appropriation. At this point, it is unclear if jail funding in future capital budgets will follow this model or the prior DRC-led model.

The Formula: Factors

The formula to determine the need for jail funding is calculated by the Department of Taxation and uses two primary inputs: the total value of all assessed property on the tax list for the preceding tax year, and the estimated gross amount of taxable retail sales in the county in the preceding calendar year.

The total value of all assessed property is easily accessible from the Tax Data Series provided on the Department of Taxation’s website. The “Real Property Abstract by Taxing District” file contains this information. The estimated gross amount of taxable retail sales is calculated by taking the amount of sales tax revenue from taxes levied under R.C. 5739.01, 5739.026, 5741.021, and 5741.023 and dividing that figure by the county’s permissive sales tax rate on December 31 of the prior year.

The Formula: Function

After the Department of Taxation arrives at the total property tax value figure and the estimated gross retail sales figure, it will rank counties low-to-high in both lists. The county with the lowest total property tax value will receive a rank of 1 and that with the highest will receive a rank of 88; the same follows for estimated gross retail sales.

Once counties have been ranked in both lists, the Department will then sum each county’s ranks and sort those from low-to-high for a final priority ranking. If multiple counties end with the same final priority ranking, they are sorted by population so the counties with lower population receive the higher priority. The source for the population figure used is unspecified but it is likely the most recent federal decennial census.

After the Formula: DRC’s Role

After the Department of Taxation provides the final ranked list to DRC, the department is to “select a number” of the lowest ranking counties to apply for assistance. Counties may apply together provided at least one is invited by DRC. The department must adopt guidelines to review submitted applications, including a needs assessment that includes the following:

- The need for additional facilities or renovations based on compliance with R.C. 5120.10;
- The number of facilities to be included in the project;
- The estimated annual, monthly, and daily cost of operating the facility, as certified by the county auditor;
- The estimated basic project cost of constructing, acquiring, reconstructing, or making additions to each facility;
- If the county has recently received a grant for similar purposes from the state.

After the needs assessments for the invited counties are complete, DRC must make a determination whether or not to fund the project.

After the Formula: Project Funding

After DRC determines which projects it will fund, the formula is then used to determine how much of the estimated basic project cost the state will fund. The projects with the highest need are funded first.

How much each project receives is based on the final rankings the Department of Taxation provides DRC. The rankings are converted to percentiles (simply dividing a county’s rank by the total number of counties). For those counties in percentiles less than the 25th percentile, the state will cover 75% of the basic cost of the project; for those in percentiles greater than the 75th percentile, the state will cover 25% of the basic cost. For those counties in between the 25th and 75th percentiles, the state will cover a percentage equal to one minus the county’s percentile.

Table 1 below shows how funding would be provided for three fictional counties with the same basic cost of \$35 million, based on the percentile in which they fall.

County	Percentile	State Share (%)	State Share (\$)	County Share
Viking County	1%	75%	\$26,250,000	\$8,750,000
Hayes County	51%	49%	\$17,102,273	\$17,897,727
Zips County	97%	25%	\$8,750,000	\$26,250,000

In the case of a multi-county project, if the sum of the counties’ calculated contributions is greater than 75% of the basic cost, their amounts are prorated so the sum of their contributions is equal to 75% of the project. An example is provided in Table 2 below, using fictional counties.

As the example shows, for multi-county projects, an individual county’s actual contribution will generally be lower than otherwise calculated, even if their share of the aggregate county cost is greater than if they were involved in a single-county project.

Table 2: Sample Counties and the Funding Split of a Multi-County, \$35 Million Jail Project				
	A	B = (1 - A) * \$35M	C = B / (Total B)	D = C * \$26.3M
County	Percentile	Calculated County Share	Calculated County Cost	Prorated Share
Fort County	39%	\$13,522,727	41.5%	\$10,884,146
Paint County	30%	\$10,340,909	31.7%	\$8,323,171
Lion County	24%	\$8,750,000	26.8%	\$7,042,683
Total	93%	\$32,613,636	100.0%	\$26,250,000

Final Comments

The Department of Rehabilitation and Corrections is required to award funds no later than July 1, 2024. CCAO is providing this brief to help counties understand the new procedure for awarding funds as the application process is likely to move quickly. Additionally, given the funding amounts that DRC must provide, it is likely that fewer projects will be funded than in previous cycles.

As noted above, this formula is currently only in use for the funding appropriated in H.B. 33. With a new capital budget slated for 2024, it is important that CCAO, the Governor’s Office, and members of the General Assembly receive feedback on how this formula functions to ensure that any jail funding included in the upcoming capital budget will be awarded as efficiently as possible.

Finally, attached at the end of this brief is an appendix which shows the results of a CCAO simulation of the formula using Department of Taxation data from 2022. While the figures that are used in the official formula may differ, we believe the final rankings will generally align with the simulation.

Simulated County Rankings, Section 383.10 Jail Formula

Highlighted rows indicate county or regional jail that serves the county has recently received jail funding from the state.

County	Total Population	Sales Tax Rank	Property Tax Rank	Combined Rank Score	Final Priority Ranking (Population Tiebreak)
Vinton~	12,800	1	1	2	1
Morgan~	13,802	2	2	4	2
Noble	14,115	3	3	6	3
Meigs	22,210	5	4	9	4
Paulding	18,806	4	8	12	5
Harrison	14,483	7	6	13	6
Monroe	13,385	6	10	16	7
Pike	27,088	15	5	20	8
Wyandot	21,900	8	13	21	9
Hardin^	30,696	10	12	22	10
Adams	27,477	16	7	23	11
Henry*	27,662	9	16	25	12
Perry~	35,408	12	15	27	13
Van Wert	28,931	14	14	28	14
Jackson	32,653	20	9	29	15
Carroll	26,721	11	22	33	16
Gallia	29,220	22	11	33	17
Coshocton	36,612	17	18	35	18
Morrow	34,950	13	24	37	19
Crawford	42,025	21	19	40	20
Fayette	28,951	27	17	44	21
Williams*	37,102	26	20	46	22
Hocking~	28,050	18	29	47	23
Putnam	34,451	24	25	49	24
Preble	40,999	23	26	49	25
Highland	43,317	28	23	51	26
Defiance*	38,286	31	21	52	27
Brown	43,676	25	28	53	28
Champaign+	38,714	19	35	54	29
Guernsey	38,438	30	27	57	30
Fulton*	42,713	29	30	59	31
Seneca	55,069	35	32	67	32
Mercer	42,528	32	36	68	33
Clinton	42,018	41	31	72	34
Lawrence	58,240	34	38	72	35
Athens~	62,431	39	33	72	36
Auglaize	46,422	36	37	73	37
Darke	51,881	33	43	76	38
Madison+	43,824	38	39	77	39
Shelby	48,230	37	40	77	40
Ashland	52,447	44	34	78	41
Huron	58,565	42	41	83	42
Pickaway	58,539	43	46	89	43

* = Served by Corrections Center of Northwest Ohio

~ = Served by Southeastern Ohio Regional Jail

+ = Served by Tri-County Regional Jail

^ = Served by Multi-County Correctional Center

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County	Total Population	Sales Tax Rank	Property Tax Rank	Combined Rank Score	Final Priority Ranking (Population Tiebreak)
Scioto	74,008	47	42	89	44
Sandusky	58,896	46	44	90	45
Logan	46,150	40	53	93	46
Jefferson	65,249	50	45	95	47
Knox	62,721	48	48	96	48
Marion^	65,359	49	47	96	49
Washington	59,771	51	50	101	50
Holmes	44,223	53	49	102	51
Ottawa	40,364	45	58	103	52
Belmont	66,497	52	52	104	53
Ross	77,093	54	51	105	54
Ashtabula	97,574	55	54	109	55
Muskingum	86,410	58	55	113	56
Columbiana	101,877	56	59	115	57
Union+	62,784	57	63	120	58
Tuscarawas	93,263	59	61	120	59
Allen	102,206	63	57	120	60
Hancock	74,920	60	62	122	61
Richland	124,936	67	56	123	62
Erie	75,622	66	60	126	63
Wayne	116,894	62	64	126	64
Miami	108,774	61	66	127	65
Clark	136,001	64	65	129	66
Geauga	95,397	65	69	134	67
Wood	132,248	68	67	135	68
Portage	161,791	69	70	139	69
Trumbull	201,977	71	68	139	70
Fairfield	158,921	70	75	145	71
Greene	167,966	73	72	145	72
Licking	178,519	72	74	146	73
Mahoning	228,614	76	71	147	74
Clermont	208,601	75	73	148	75
Medina	182,470	74	77	151	76
Lake	232,603	77	76	153	77
Lorain	312,964	78	78	156	78
Warren	242,337	79	80	159	79
Stark	374,853	81	81	162	80
Lucas*	431,279	83	79	162	81
Delaware	214,124	80	83	163	82
Butler	390,357	82	82	164	83
Montgomery	537,309	84	84	168	84
Summit	540,428	85	85	170	85
Hamilton	830,639	86	86	172	86

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County	Total Population	Sales Tax Rank	Property Tax Rank	Combined Rank Score	Final Priority Ranking (Population Tiebreak)
Cuyahoga	1,264,817	87	87	174	87
Franklin	1,323,807	88	88	176	88

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