



## ***Local Fiscal Highlights***

| <b>LOCAL GOVERNMENT</b> | <b>FY 1998</b> | <b>FY 1999</b>                    | <b>FUTURE YEARS</b>               |
|-------------------------|----------------|-----------------------------------|-----------------------------------|
| <b>Logan County</b>     |                |                                   |                                   |
| Revenues                | -0-            | Gain of assets of unknown value   | -0-                               |
| Expenditures            | -0-            | Potential costs of up to \$50,000 | Potential costs of up to \$50,000 |
| <b>Hocking County</b>   |                |                                   |                                   |
| Revenues                | -0-            | Gain of assets of unknown value   | -0-                               |
| Expenditures            | -0-            | \$470,000 increase                | -0-                               |

- Logan County would gain the value of the real estate, currently unknown.
- Unless fees for sewage treatment are reevaluated, Logan County may have to cover the financial shortfalls of the treatment plant's operations.
- Hocking County would pay the state \$470,000 for the three parcels of land.

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## ***Detailed Fiscal Analysis***

### **Conveyance to Logan County**

This legislation allows for the conveyance of approximately eight acres of state-owned real estate and easements in Zane Township, Logan County to Logan County. The property features the Flat Branch Sewage Treatment Plant, which is operated by the Transportation Research Center, Inc., a non-profit organization affiliated with Honda of America Mfg., Inc. Funding of \$962,000 for the construction of this treatment plant was given in a grant from the United States Department of Commerce in 1977.

Under the bill, the state would lose the value of the real estate and possibly save maintenance costs of \$40,000 to \$50,000 per year. Since the real estate is not known to have been appraised, the value of the property is unknown. The state could indirectly save the operating shortfall of the treatment plant which Honda currently pays. Honda took responsibility of operations of the sewage plant in 1988. The car manufacturing company would prefer not to pay these expenses anymore. If the land is not conveyed, the state could face these costs. Enactment of this bill would transfer this responsibility to the Logan County Commissioners.

As a result of the bill, Logan County would also gain assets and pay the conveyance costs of approximately \$14.

This bill would mutually benefit the state and Logan County, as sewer services would be extended to more residents in the area. Logan County could possibly gain revenues from fees from new customers.

### **Conveyance to Hocking County**

The bill also authorizes the state to convey three parcels of property covering approximately 10.5 acres in Green Township, Hocking County to the Hocking County Commissioners. The Hocking County Commissioners are responsible for paying the state \$470,000 for the properties, which were used by the Adjutant General's office. This provision clarifies the description of these parcels that were to be conveyed by H.B. 376 of the 121<sup>st</sup> G.A. This provision allows for the conveyance intended in the previous legislation.

□ *LBO staff: Sybil N. Haney, Budget/Policy Analyst*

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*State Government*