Champaign County
Impact of the Ohio 2012-13 state budget (HB 153)

The state budget for 2012 and 2013 cut local government aid by a billion dollars. This means cuts in services we depend on, from road repair and emergency services to crossing guards, senior transportation and child protective services. What are the implications for Champaign County?

The state cut the Local Government Fund to the county, forcing Champaign County to make cuts to jurisdictions within the county. The state also cut direct funding to municipalities, and slashed reimbursements for taxes it had eliminated, taxes that businesses and utilities had paid to local governments. School districts and the public library fund were also cut.

Losses in calendar years 2012 and 2013, compared to 2010 and 2011, include, among others:

- Public Library Fund -$61 thousand
- Schools -$4.2 million
- County operations (including County Undivided Fund) -$1.9 million
- Johnson Township -$29.0 thousand
- St. Paris -$28.0 thousand
- Urbana -$215.0 thousand

Loss to health and human service levies

- Logan-Champaign Mental Health -$121.0 thousand
- County Child Services -$61.0 thousand
- Champaign County Mental Health -$287.0 thousand
- Champaign County Senior Services -$12.0 thousand

Notes and quotes

“In Urbana Township, the decline in unemployment rate and resulting income tax increases have helped cover for state losses. However, they were expecting the increased income tax to help replenish budget reserves. If the unemployment rate hadn’t dropped, they would have had to lay off a firefighter and a policeman.” – Lee Williams, Director of Finance, City of Urbana. From personal interview, summer 2012.
Due to budget cuts, six government entities in Urbana Township are closed on Fridays. From “Office Hour Changes Effective February 1.” *City of Urbana.* [http://tinyurl.com/clstrvy](http://tinyurl.com/clstrvy).

The Village of Mechanicsburg has been diverting funds from street services to cover road repairs. From Sanctis, Matt. “Mechanicsburg reduces services in order to pay for roads.” *Springfield News-Sun.* March 27, 2012. [http://tinyurl.com/bmhu2s7](http://tinyurl.com/bmhu2s7).

“Low wages in rural communities mean that it is difficult to attract qualified professionals in the mental health care field. For example, a psychiatrist may work in one county one day each week, and another county another day of the week, which is not very efficient or effective.” – Champaign County Ohio Family and Children First representative. Interview, June 26, 2012.

Champaign County Sheriff Brent Emmons tells the Daily Citizen: "I'm going to be down nine full-time guys by the end of June. . . We're at the lowest number manpower-wise in my 20 years [with the Champaign County Sheriff's Office]." From Shirk, Craig. “County budget woes: De[. Sgt. Position may remain vacated.” *Urbana Daily Citizen.* June 8, 2011. [http://tinyurl.com/c78hat2](http://tinyurl.com/c78hat2).

NOTES: The current state budget cuts the Local Government Fund to counties, municipalities and townships by 25 percent in the first year and by 50 percent in the second year. This 77-year old state revenue sharing program has, for generations, been essential to helping Ohio communities fund schools, provide services, and lift people out of poverty. It also phases out most of the tangible personal property tax and public utility property tax reimbursements promised to local governments when the state cut taxes in recent years.

These are not the only losses to local governments because of this budget. There are others in specific programs. The reduction in funding noted here illustrates the significant change in municipal and state fiscal relations implemented in the current state budget. Change in revenues in Franklin County shown here include:

- **Local Government Fund "County Undivided Fund,"** which counties share with their cities, townships and villages. We show how much less money the counties are receiving under the current state budget, FY 2012-13, compared to FY 2010-11.
- **Local Government “Municipal Direct” allocation** from the Local Government Fund that the state gives directly to localities. This is also shown in terms of funding provided in the FY 2012-13 budget compared to FY 2010-11.
- **Property tax reimbursements** promised to local governments during tax reductions enacted earlier in the decade. We show how much less the cities and townships will receive on an annual basis in calendar year 2013 compared to the baseline year 2010.

The figures for changes in funding levels are based on the most recent spreadsheets online at the Ohio Department of Taxation for local government funds and tax reimbursement distributions.