

## Defiance County

### Impact of Ohio's 2012-13 state budget (HB 153)

Ohio's 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 Defiance County?

The state cut the Local Government Fund to the county, forcing Defiance 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 - \$79.0 thousand
- Schools - \$2.6 million
- County (Including LGF undivided fund) - \$2.3 million
- Richland Township - \$54.0 thousand
- Defiance - \$130.0 thousand
- Hicksville - \$72.0 thousand

#### Losses to health and human service levies

- County mental health - \$246.0 thousand
- County health services - \$80.0 thousand
- County health services - \$86.0 thousand

#### Notes and quotes

"I can't remember being this far down, as far as our manpower, in quite a long time. We generally carry about 27 officers total, and we were down to 23."—Tim Tobias, Defiance Police Chief. From Gimbel, Cristy, "Defiance Police Department short-staffed." *Toledo News Now*. June 25, 2012.

<http://tinyurl.com/cjb9rat>.

Defiance County Commissioner Otto Nicely said Defiance County has had to reduce its budget by some \$400,000 this year. From "Board Meeting August 11, 2011." *Corrections Center of Northwest Ohio*. August 11, 2011. <http://tinyurl.com/chjve5>.

#### Key findings

- Defiance County lost \$5.8 million in the current state budget.
- County services for mental health and developmental disabilities lost \$246 thousand.
- Health and human services lost \$412 thousand.
- Officer staffing was reduced by 4 positions out of 27, a 15% decline.
- Staffing for 'Help Me Grow' was reduced, fewer families to be helped.

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. The current state budget also phases out most of the **tangible personal property tax** and **public utility property tax reimbursements**, which were 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. Here we detail some of the bigger shifts. Change in revenues 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 2-year state budget (for 2012 and 2013) compared to the two years under the prior state budget (which was for 2010 and 2011). Here the funds are shown on a calendar year basis because that is how the tax department forecasts and records their distribution to local governments, and it is how local governments budget. (The state budget is based on the fiscal year, July 1 through June 30.)
- **Local Government "Municipal Direct" allocation** from the Local Government Fund that the state gives directly to municipalities with an income tax. This is also shown in terms of funding provided in the calendar years 2012 and 2013 compared to 2010 and 2011.
- **Property tax reimbursements** promised to local governments during tax reductions enacted earlier in the decade. The loss of funding in calendar years 2012 and 2013 is compared to the level of funding provided in 2010 and 2011.

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

