

Franklin 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 Franklin County?

The state cut the Local Government Fund to the county, forcing Franklin 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 - \$2.0 million
- Schools - \$129.0 million
- County operations (including townships and parks) - \$72 million
- City of Columbus - \$36.9 million
- Dublin - \$1.0 million
- Grove City - \$1.1 million
- Whitehall - \$1.2 million
- Westerville - \$2.3 million

Loss to health and human service levies

- County mental health/developmental disabilities - \$24.0 million
- County children's services - \$11.2 million
- County seniors - 2.4 million

Notes and Quotes

Service cuts included snow removal delays in Gahanna; paying extra for the same trash removal service in Hilliard, minimal security at events and slowing response time on emergency calls throughout the county. From "Columbus suburbs raise fees in response to state cuts," *Ohio Budget Watch*, January 9, 2012. <http://tinyurl.com/9timgco>.

Key findings

- Franklin County, its schools and jurisdictions lost \$262 million in the budget.
- County health and human service levies lost \$37 million over biennium.
- Hilliard residents will pay \$188 a year for trash services.
- Public jobs between 2008 and 2011 in Columbus MSA dropped by almost 4,000.

Voters in Jefferson Township rejected a levy that would have helped maintain roads, parks, developmental services, zoning and administrative support. According to a township official, the township was hoping the levy would help ensure a stable funding source to cover the loss of Local Government Fund cuts and other revenue sources. From “Voters again reject Jefferson Township levy,” *This Week Community News*, March 7, 2012. <http://tinyurl.com/9qs22oa>.

“We have delayed projects and not hired needed personnel... Cash reserves are being drawn down to critical levels,” Mayor Ray DeGraw of Grandview told City Council. From “State cuts almost cancel out Grandview tax hike,” *The Columbus Dispatch*, April 12, 2012. <http://tinyurl.com/8gly5a8>.

Cuts in Local Government Funds for Franklin County law enforcement mean that staff overtime and event security would be cut. There would be slower processing of inmates at the jail and the county courthouse, and they anticipated slower response times. From “Sheriff’s cuts, sales tax boost Franklin County’s budget,” *The Columbus Dispatch*, April 24, 2012.

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 on a fiscal year basis, from July 1 to 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; 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.

