



Hamilton 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 Hamilton County?

The state cut the Local Government Fund to the county, forcing Hamilton 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:

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| • Public Library Fund | -\$3.3 million |
| • Schools | -\$117.4 million |
| • County operations
(including LGF for townships and parks) | -\$79.3 million |
| • Anderson Township | -\$1.1 million |
| • Colerain Township | -\$1.6 million |
| • Cincinnati | -\$40.7 million |
| • Blue Ash | -\$1.7 million |
| • Forest Park | -\$1.3 million |
| • Loveland | -\$474.0 thousand |
| • Norwood | -\$1.9 million |
| • St. Bernard | -\$1.7 million |
| • Wyoming | -\$335.0 thousand |
| • Anderson Park District | -\$148.0 thousand |
| • Hamilton County Park District | -\$1.5 million |
| • Little Miami Joint Fire and Rescue | -\$70.0 thousand |
| • Western Joint Ambulance District | -\$70.0 thousand |

Key findings

- Hamilton County, its jurisdictions, schools, services and levies, lost \$222.1 million in the current state budget.
- Health and human services lost \$23.2 million.
- Children's services lost \$4.6 million; county children's services agency was sent into financial crisis.
- More than 5,000 local government jobs have been eliminated in Cincinnati Metropolitan Statistical Area since 2008.

Loss to health and human service levies

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| • County health services | -\$7.3 million |
| • County child services | -\$4.6 million |
| • County mental health/developmental disabilities | -\$9.5 million |
| • County seniors' services | -\$1.7 million |

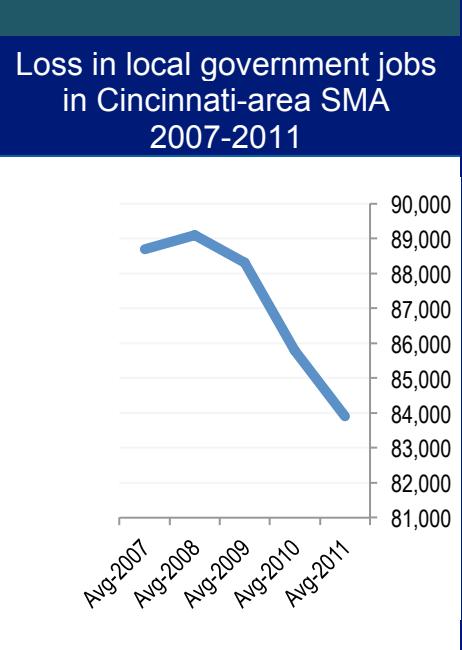
Notes and quotes

“We have to be much more careful in separating needs from wants. We can’t meet the desires of our residents the way we would like to.” –Councilman Jim O'Reilly, City of Wyoming, from Policy Matters Ohio interview, May 25, 2011.

Budget cuts and the failure to pass new levies have led the Lakota school district to increase its “pay-to-play” high school sports fee to \$550 per sport. This is the highest fee in the greater Cincinnati area, and has led to a reduction in sports participation. From “The price of pay-to-play,” *Cincinnati Enquirer In Depth*, May 31, 2012. <http://tinyurl.com/8hsshb8>.

“Five years of budget cuts, mass layoffs and millions set aside to pay a potential fine for bad bookkeeping has left the agency that cares for Hamilton County's abused and neglected children frayed and - according to its social workers - at the breaking point.” From “Child welfare agency in crisis,” *Cincinnati.com*, October 30, 2011. <http://tinyurl.com/8sagywm>.

Hamilton County’s probation department faces a budget cut of 31 percent. Chief Probation officer Mike Walton described the possible effect of reduced supervision of prisoners as “anarchy.” From “County cuts could mean anarchy,” *Cincinnati.com*, June 19, 2012. <http://tinyurl.com/8dqotqn>.



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). Loss in revenue also includes change in funding of the **Local Government Fund's "Municipal Direct" allocation** that the state gives directly to municipalities with an income tax, and **property tax reimbursements** promised to local governments during tax reductions enacted earlier in the decade.

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.