

## Madison County

### Impact of the 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 Madison County?

The state cut the Local Government Fund to the county, forcing Madison 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 - \$64.0 thousand
- Schools - \$5.0 million
- County operations (including LGF for townships) - \$1.7 million
- Jefferson Township - \$152.0 thousand
- London - \$285.0 thousand
- Pleasant Valley Joint Fire District - \$136.0 thousand

#### Loss to health and human service levies

- County mental health/ Developmental disabilities - \$278.0 thousand
- County health services - \$57.0 thousand
- County senior services - \$62.0 thousand

#### Notes and Quotes

"People are starting to see [sheriff's department] more often, patrolling in alleys, I think we're better, I think we're better" – Mayor Charles Neff of Mount Sterling, regarding the elimination of the village's Police Department as a financial decision. From "Mt. Sterling police force gone," *Ohio Votes 2012*, March 27, 2012. <http://tinyurl.com/9v25euq>.

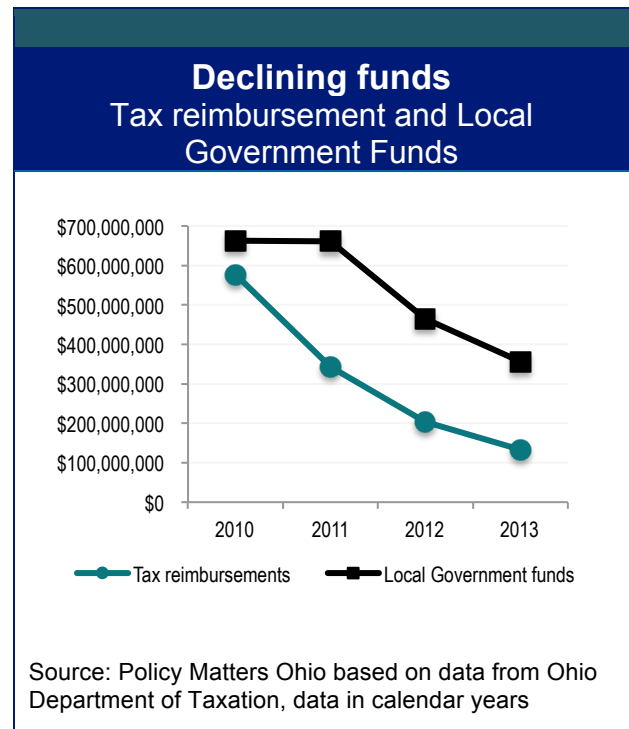
#### Key findings

- Madison County, its jurisdictions, schools, services and levies, lost \$7.8 million in the current state budget.
- Health and human services lost \$396,000.
- Mount Sterling eliminated its police department.

“Over the past several years, London has put capital improvements, such as residential street paving, on the back burner due to lack of funds.” – John Dixon, London City Council President. “City of London sets public meetings about finances and levy,” *Madison Editor*, September 10, 2012, <http://tinyurl.com/9thsv4v>.

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;
- **Local Government "Municipal Direct" allocation** from the Local Government Fund 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.