



Miami 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 Miami County?

The state cut the Local Government Fund to the county, forcing Miami 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 - \$188 thousand
- Schools - \$12.8 million
- County operations (including LGF for townships) - \$4.5 million
- Piqua - \$971 thousand
- Troy - \$1.3 million
- Tipp City - \$465 thousand

Loss to health and human service levies

- County mental health - \$826 thousand
- Tri-county mental health - \$244 thousand
- Miami County health district - \$48 thousand

Notes and Quotes

“Troy residents also are state residents, and with Troy's budget already cut bare-bones, the city has no choice but to turn to residents to make up the difference in funding.” – Patrick Titterington, Director of Public Service and Safety. The proposed levy would raise about \$350k to pay for Troy's participation in the Miami County Public Health Organization. From “Committee recommends tax levy to council,” *Troy Daily News*, June 11, 2012. <http://tinyurl.com/9hn5lzo>.

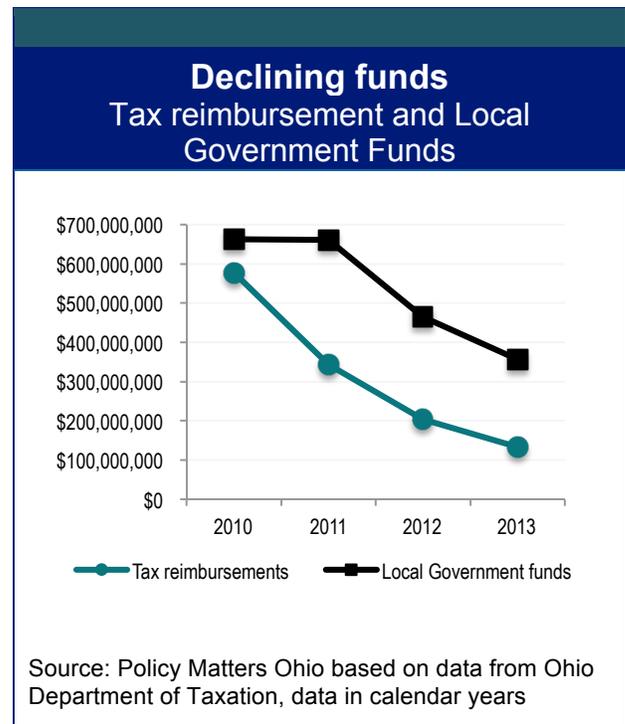
Key findings

- Miami County, its jurisdictions, schools, services and levies, lost \$21.3 million in the current state budget.
- Health and human services lost \$875,000.
- Fees, levies and other charges considered to keep services intact in the face of budget shortfalls.

"I can say we are truly bare bones. We give a high level of services to the community, and I don't know how much more we can cut. We are not frivolous, not by any stretch of the imagination." – Alan Clark, Troy Councilman. Deficit-reducing proposals include an income tax credit reduction, a police/fire levy, an income tax increase, a health district property tax, and a street light assessment. "Tough budget woes ahead," *Troy Daily News*, June 5, 2012, <http://tinyurl.com/8wger2z>.

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.