

Washington 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 Washington County?

The state cut the Local Government Fund to the county, forcing Washington 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 - \$126.0 thousand
- Schools - \$8.5 million
- County operations (including township LGF) - \$3.2 million
- Marietta - \$399.0 thousand
- Belpre City - \$118.0 thousand

Loss to health and human service levies

- County mental health - \$551.0 thousand
- County senior services - \$143.0 thousand

Notes and Quotes

"People have given up trying to access services. They are becoming so much worse that it is nearly impossible to return to a functional state. Staff at the psychiatric hospital in Athens have said to me, 'It's been a long time since you have had people admitted this sick.' The severity of the situation in Washington County is unprecedented." – Brent Phipps, CEO of L&P Service Inc., Washington County Mental Health and Addiction Recovery (MHAR) board's contract agency for mental health and chemical dependency services. From "Need for mental health services growing," *The Marietta Times*, February 4, 2012. <http://tinyurl.com/92gauuk>.

Key findings

- Washington County, its jurisdictions, schools, services and levies, lost \$13.1 million in the current state budget.
- Health and human services lost \$695 thousand dollars.
- Over the past five years, the MHAR (Mental Health and Addiction Recovery) board has lost 75 percent of its funding for non-Medicaid services, resulting in the total loss of a sliding fee scale for working poor.
- Because of budget constraints, the agency's family services supervisor position remains vacant and the amount of money given to help foster parents offset the cost of food is \$20, the same since 1994.

Washington County commissioner Tim Irvine said the agency asked the commissioners for \$1.2 million for this year but they only allotted \$765,000 because the county is facing its own budget constraints. Also because of budgetary constraints, the agency's family services supervisor position remains vacant and the amount of money given to foster parents to help offset the cost of food, clothing and other necessities remains at \$20 per day, the same as it has been since 1994. From "Children services may seek levy," *The Marietta Times*, February 4, 2012. <http://tinyurl.com/8qpdq7c>.

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. It also phases out most of the **tangible personal property tax** and **public utility property tax reimbursements** 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. The reduction in funding noted here illustrates the significant change in municipal and state fiscal relations implemented in the current state budget. Changes in revenues in Wayne County 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 localities. This is also shown in terms of funding provided in the calendar years 2012 and 2013 compared to 2010 and 2011; and **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.

