

Introduction

Overview

Each year, the Ohio Legislative Service Commission (LSC) surveys state agencies to collect data for inclusion in the *State Spending by County* report, which shows the distribution of state funds among Ohio's 88 counties. The FY 2012 report shows the state funds disbursed by 46 state agencies for programs and projects in each county between July 1, 2011 and June 30, 2012. This report does not include all state spending, instead focusing on two types of expenditures: **subsidy** and **capital**. Operating expenditures of state agencies, such as payroll and purchased personal services, are excluded from this report.

Of the two categories of spending included in this report, the subsidy category consists primarily of (a) state payments to Medicaid providers and for other public assistance programs, (b) funding for schools and institutions of higher education, (c) moneys distributed to political subdivisions to offset or supplement the costs of certain public services, and (d) loans and grants for economic development. The capital category contains disbursements for the acquisition, construction, or improvement of physical assets such as land, buildings, and infrastructure.

The report classifies state subsidy and capital disbursements into six functional categories based on agency responsibilities. These categories are (1) Education, (2) General Government, (3) Health and Human Services, (4) Justice and Corrections, (5) Revenue Distribution, and (6) Transportation and Infrastructure. Spending reported under Revenue Distribution consists of state tax revenues and other receipts distributed to local governments according to statutory formulas.

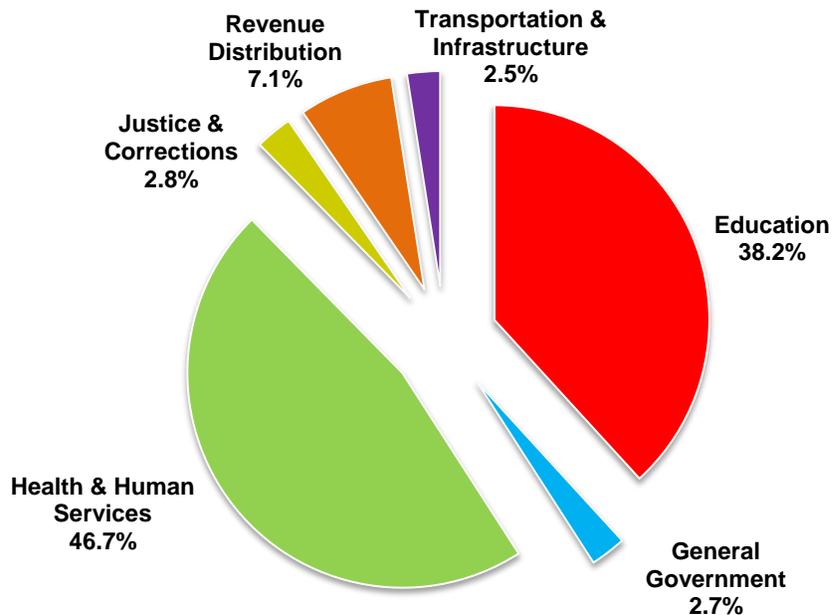
This report consists of two sections. Section 1 summarizes agencies' FY 2012 spending by county. It includes tables listing and ranking the total and per capita spending in each county, as well as a map of per capita spending by county. Per capita spending amounts are based on population figures from the 2010 census. Also included in Section 1 is a table showing statewide spending for each of the six functional categories described above. Section 2 of the report contains 88 individual tables, sorted alphabetically by county, detailing agencies' FY 2012 spending in each county. Each table breaks the spending data into subsidy and capital disbursement components and presents the data by agency within each functional category.

In addition to the printed version, this report may be viewed on the "Publications" page of LSC's web site (www.lsc.state.oh.us/publications) under "Staff Research Reports."

Summary of FY 2012 Spending

In FY 2012, the state disbursed approximately \$30.20 billion in subsidies and capital funds¹ for programs and projects in Ohio's 88 counties. Of this amount, approximately 94.7% (\$28.59 billion) fell into the subsidy category and 5.3% (\$1.61 billion) was in the form of expenditures for capital improvement projects. The chart below displays each functional category's share of state spending in FY 2012. Health & Human Services at 46.7% (\$14.12 billion) and Education at 38.2% (\$11.54 billion) together account for the vast majority of total state spending. Revenue Distribution ranks third at 7.1% (\$2.14 billion), followed by Justice and Corrections at 2.8% (\$839.6 million), General Government at 2.7% (\$811.0 million), and Transportation and Infrastructure at 2.5% (\$748.4 million).

State Spending by Functional Category, FY 2012
(Total Spending: \$30.20 billion)



¹ Subsidy and capital expenditures in this report are based on the classifications used by the Ohio Administrative Knowledge System (OAKS), which the state uses to process and capture information about its financial transactions. Subsidy expenditures are those classified under OAKS Account Category 550, while capital expenditures are those classified under OAKS Account Category 570. The report includes all Account Category 570 expenditures, which are completely funded with state moneys, and Account Category 550 expenditures from all budget fund groups except those from the Federal Special Revenue Fund Group. However, the subsidy figures used in this report include federal reimbursements for Medicaid and certain other public assistance programs that are deposited into the General Revenue Fund as well as some other federal dollars that are deposited into various state special revenue funds for certain activities.

In general, urban counties with large populations receive more state funds than rural counties with fewer residents. As Table 1 below shows, the five counties in which the largest shares of state spending occurred in FY 2012 were the ones that are home to Ohio's largest cities. Franklin County, home to the state capital in Columbus, ranked first at \$4.90 billion, followed by Cuyahoga (\$3.51 billion), Hamilton (\$2.15 billion), Lucas (\$1.41 billion), and Montgomery (\$1.37 billion). The five counties in which the least state spending occurred in FY 2012 were Noble (\$34.5 million), then Harrison (\$40.9 million), Morgan (\$42.4 million), Wyandot (\$44.2 million), and Paulding (\$44.2 million).

Table 1. Counties with the Most and Least Total State Spending, FY 2012					
Most Total State Spending			Least Total State Spending		
Rank	County	FY 2012 State Spending	Rank	County	FY 2012 State Spending
1	Franklin	\$4,904,602,748	84	Paulding	\$44,198,062
2	Cuyahoga	\$3,511,614,326	85	Wyandot	\$44,182,440
3	Hamilton	\$2,150,981,166	86	Morgan	\$42,364,851
4	Lucas	\$1,411,653,934	87	Harrison	\$40,897,631
5	Montgomery	\$1,370,391,475	88	Noble	\$34,489,636

While populous counties in major metropolitan areas receive more state funds in absolute dollar terms than smaller rural counties, this is not always the case when measuring state spending on a per capita basis. For instance, of the top five counties in terms of per capita state spending, shown in Table 2 below, only Franklin County is also among the top five in overall spending, largely owing to its status as the seat of state government and the main campus of the state's largest university (Ohio State). The other top counties in state spending per capita are smaller, more rural, and have lower per capita incomes, so state dollars spent there may reflect greater per capita spending on social programs from the Department of Job and Family Services and on schools from the Department of Education, and in the case of Athens County, the presence of Ohio University, another major higher education institution. Conversely, four of the five counties receiving the least state spending per capita (Warren, Medina, Geauga, and Delaware) are suburban counties with higher per capita incomes; they tend to receive less government assistance for social programs and schools.

Table 2. Counties with the Most and Least State Spending Per Capita, FY 2012					
Most State Spending Per Capita			Least State Spending Per Capita		
Rank	County	FY 2012 State Spending	Rank	County	FY 2012 State Spending
1	Athens	\$4,585	84	Warren	\$1,520
2	Franklin	\$4,216	85	Holmes	\$1,472
3	Vinton	\$4,021	86	Medina	\$1,408
4	Gallia	\$3,994	87	Gauga	\$1,241
5	Pike	\$3,896	88	Delaware	\$1,024