



For Immediate Release
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City of Springfield Presents Service Reduction Plan in Preparation for November 8 Vote

SPRINGFIELD, OH—(August 16, 2016)— The City of Springfield is committed to providing excellent services to residents; however, the community is at a financial crossroads. A temporary 0.4% (4/10 of one percent) earned income tax increase has been placed on the ballot on November 8, 2016.

The City Commission is committed to providing residents with all the necessary information to learn about this issue. There are several key points that need to be understood regarding current city funding, the temporary 0.4% earned income tax increase, the benefits to the community if it passes and resulting cuts necessary if it fails.

Currently, 78% of the City's General Fund operations are funded by a local 2 percent income tax. Springfield receives very little in property tax revenue with only three mills available for operations, all of which is dedicated to the Police Division. City government cannot collect sales tax, as this is a tax that can only be collected by the State and county governments. In addition, the City of Springfield does not receive any casino revenues.

The State of Ohio has greatly reduced revenue to cities over the last 10 years, placing many cities throughout the state in fiscal stress. These state cuts impact Springfield by over \$3.5 million every single year. This picture is clear when comparing \$5.4 million in state revenue sharing in 2007 vs. \$1.7 million today (2016). The loss of this funding is the single largest reason for this community's current fiscal crisis.

In terms of expenses, 80% of the City's General Fund expenditures go to fund police, fire, emergency medical services (EMS), 911 dispatch and municipal court operations. The City has very little ability to adjust costs in these areas, due to minimum staffing levels for police and fire departments. These staffing levels are set by the City Charter, and were voted in by the community.

City Commission and staff have been proactive in trying to deal with these fiscal challenges. Steps to limit and reduce spending began more than 10 years ago and include holding expenses nearly flat and reducing staffing by 20% (135 fewer positions). These job cuts have occurred across the entire organization.

If the temporary, 0.4 percent income tax passes, the City will be able to maintain its current level of services while also reinstating the Safe Streets Task Force to combat the violent crime and heroin epidemic in our community and reestablish the Neighborhood Street Improvement Program targeting priority residential streets.

However, if it fails, significant cuts will be made to the police division and the fire rescue division including the closure of the Johnny Lytle Community Police Substation and Fire Station #5. Additional cuts will be made throughout the organization that will impact current City services.

It is a City Commission and staff priority to ensure that every citizen is aware of the facts about the five-year, temporary earned income tax issue. This is an important decision that will affect everyone who lives or works in the City of Springfield.

For additional information on this plan or to view the plan in full, please call the City Manager's Office at (937) 324-7300 or visit the website at www.springfieldohio.gov/springfieldstrong/