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**NEW REPORT FINDS SMALLER GOVERNMENTS SPEND LESS,
BORROW LESS AND HAVE LOWER TAXES**

Analysis from the Ohio Township Association shows benefits of local, small government entities

Columbus, Ohio – As governments around the nation have encountered unprecedented financial difficulties, consolidation of local governments has been proposed to reduce spending and taxes. Many claim that smaller governments duplicate services, costs residents more money and could be reduced by joining with other government entities. Others believe that smaller governments are more accessible and responsive and cost less.

In early 2012, the Ohio Township Association took the lead on conducting an extensive analysis of local government spending patterns by size, using data from the Auditor of the State. The final report, *Local Democracy in Ohio: A Review of City, Village and Township Financial Performance by Size*, indicates that townships spend less, borrow less and have lower taxes per capita than other local governments.

“Township governments are successfully delivering on the democratic values of superior accessibility and responsiveness,” said Matt DeTemple, executive director of the Ohio Township Association. “They are also delivering on the important economic and competitive issue of lower taxes and spending.”

According to the report, all of Ohio’s local governments spend a total of approximately \$48 billion per year. Municipalities spend 21.3 percent of this amount, while townships spend only 2.7 percent with the balance of the spending by school districts, counties and special districts. And, in Ohio metropolitan areas, cities with more than 100,000 residents spent more than five times the per capita rate of local governments with populations of 1,000 to 2,500. The report also showed that per capita spending of Ohio’s larger townships, with populations as high as 60,000, is less than cities of comparable size.

Townships have also entered the state’s Local Government Fiscal Distress program less frequently than other government entities. Also, local taxes are less per capita in townships, both statewide and in metropolitan areas.

The report details benefits provided by townships. For example, Ohio’s townships provide virtually the same services as cities and villages, and do so in their own exclusive geographic service areas. And, townships spend less per capita and have less per capita debt service payments than villages and cities in the same population category.

“Ohio’s smaller local governments are more accessible and responsive, and they spend less. They are closer to the people and are better for Ohio,” said DeTemple. “Smaller government entities, specifically townships, are an asset to Ohio and should remain in their current state without forced consolidation.”

Townships provide an attractive business climate and quality of life for their residents. In fact, virtually all of Ohio’s population growth between 2000 and 2010 was in townships, with the growth rate being four times the state population growth rate.

Further, research indicates that smaller governments are more efficient than larger governments. For example, recent Nobel Laureate Elinor Ostrom has found that smaller units of local government tend to be more efficient and perform better than larger governments. A consolidation study commissioned by the state of New Jersey found that “cost savings are not assured” in local government forced consolidations and that most “fail.”

To download the full report, visit ohiotownships.org.

- More -

About the Ohio Township Association

The Ohio Township Association (OTA) is a statewide organization dedicated to promoting and preserving township government in Ohio, through lobbying efforts and educational forums. The Association was founded on June 28, 1928, and is organized in 87 Ohio counties. The OTA has more than 5,200 active members, made up of trustees and fiscal officers from Ohio's 1,308 townships, and more than 4,000 associate members. For more information visit ohiotownships.org.

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