

Wilmington and Clinton County

The City of Wilmington is working with \$802,636 less in state funds in 2017 than in 2010. This is a 50.3 percent decrease in the funding sources shown (Table 1).

Table 1: Wilmington and Clinton Counties				
Wilmington lost \$802,646 million a year with state cuts and tax changes				
<i>Not adjusted for inflation</i>				
	CY 2010	CY 2017	\$\$ change	% change
Change in tax laws				
Elimination of the Estate tax	\$155,111	\$0	(\$155,111)	-100.0%
Phase-out of tax reimbursements	\$432,549	\$16,744	(\$415,805)	-96.1%
Local government funds				
County undivided Fund	\$477,194	\$284,831	(\$192,363)	-40.3%
Municipal Fund	\$55,424	\$24,443	(\$30,981)	-55.9%
Dedicated source funds				
Casino revenues	\$0	\$0	\$0	n/a
Dedicated purpose funds				
Motor fuel	\$381,126	\$366,751	(\$14,375)	-3.8%
Auto license	\$93,995	\$99,995	\$6,000	6.4%
TOTAL	\$1,595,400	\$792,764	(\$802,636)	-50.3%
Source: Policy Matters Ohio, based on Ohio Department of Taxation, Ohio Casino Commission, Ohio Legislative Service Commission, Ohio Department of Public Safety, Ohio Department of Transportation.				
Notes: Auto license permissive tax collections are not shown. Estimate for 2017 Auto license distribution applies growth in state budget line 762901 between FY 2015 and FY 2017 (8.65%) to 2015 auto license revenue received by Wilmington,				

Loss to the city is not offset by casino revenues. In addition, there is a slight decline in motor fuel revenues forecast by the Department of Transportation.

Clinton County is working with an estimated \$528,585 less in 2017 compared with 2010, which is a loss of almost 10 percent of the sources reviewed (Table 2). Growth anticipated in funds for transportation (gas taxes and auto license fees) and casino tax revenues will offset reductions in local government funds and tax reimbursements.

Loss to the county has been mitigated by strong growth in sales tax revenue. Counties and transit agencies “piggyback” the state sales tax. The state sales tax base includes Medicaid providers, and Medicaid expansion has driven expansion of local sales taxes as services have increased. The sales taxes collected from this part of the base are distributed to counties based on share of Medicaid recipients residing in each county. Clinton County received \$839,043 in these funds in 2015, which offsets loss from other state policy changes impacting county revenues.

The state's treatment of Medicaid providers within the sales tax base has been deemed out of compliance with federal law. The base must be widened, or reconfigured. If the solution to the Medicaid tax takes it out of the sales tax base, the county loses this sales tax revenue. The cushion that made the state cuts less painful to counties would vanish.

Table 2: Wilmington and Clinton County				
Clinton County has lost \$528,585 in state aid and local tax authority compared to 2010 <i>Not adjusted for inflation</i>				
Clinton	CY 2010	CY 2017	Change	% change
TPP tax reimbursement (1)	\$1,015,188	\$101,959	(\$913,230)	-90.0%
Local government funds	\$736,012	\$439,316	(\$296,696)	-40.3%
Casino revenues (2)	\$0	\$537,279	\$537,279	n/a
Motor fuel taxes	\$2,366,745	\$2,372,647	\$5,902	0.2%
Auto license (3)	\$1,356,500	\$1,494,660	\$138,160	10.2%
TOTAL	\$5,474,445	\$4,945,860	(\$528,585)	-9.7%

Source: Policy Matters, based on Ohio Department of Taxation, Ohio Legislative Service Commission Budget in detail, Ohio Department of Transportation, Ohio Department of Public Safety, Ohio Casino Commission. Notes:

1. TPP tax reimbursement includes levies for county operations and debt and for health and human service levels.
2. Casino revenue estimate applies share of county distribution received by Clinton County in fiscal year 2016 to statewide county casino tax appropriation for fiscal year 2017 in the current budget bill.
3. Auto license registration does not include permissive tax. Estimate for 2017 auto license tax applies growth indicated in 2016-17 state budget in ALI 762901 between FY 2015 and FY 2017 (8.65%) and applies to the 2015 revenues for the county.

Services funded by property tax levies suffered significant losses. For example, children's services in Clinton County are working with \$207,404 less in 2017 than in 2010 (Table 3).

Table 3: Wilmington and Clinton County				
Clinton County levies are working with 85% less in state aid, loss of nearly \$586,000 a year before inflation				
Clinton County	CY 2010	CY 2017	Change	% change
Health	\$43,664	\$0	(\$43,664)	-100.0%
Children's Services	\$207,404	\$0	(\$207,404)	-100.0%
Mental Health & developmental disabilities	\$327,480	\$101,959	(\$225,521)	-68.9%
Senior Citizens	\$109,160	\$0	(\$109,160)	-100.0%
TOTAL	\$687,708	\$101,959	(\$585,749)	-85.2%

Source: Policy Matters Ohio, based on Ohio Department of Taxation