

Medina and Medina County

The City of Medina has \$1.1 million less in state funds in 2017 than in 2010. This is a 36.1 percent decrease in the funding sources shown (Table 1).

Table 1: Medina City and Medina County				
Medina lost \$1.1 million a year – a loss of 36.1% - as a result of state policy changes <i>Not adjusted for inflation</i>				
Medina	CY 2010	CY 2017	\$\$ change	% change
Change in tax laws				
Elimination of Estate tax	\$919,855	\$0	(\$919,855)	-100.0%
Phase-out of tax reimbursements	\$384,452	\$15,604	(\$368,848)	-95.9%
Local government funds				
County undivided Fund	\$624,643	\$409,464	(\$215,179)	-34.4%
Municipal Fund	\$71,930	\$31,723	(\$40,208)	-55.9%
Dedicated source funds				
Casino revenues	\$0	\$0	\$0	n/a
Dedicated purpose funds				
Motor fuel	\$859,261	\$1,250,704	\$391,443	45.6%
Auto license	\$197,097	\$245,807	\$48,710	24.7%
TOTAL	\$3,057,239	\$1,953,302	(\$1,103,937)	-36.1%
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 Medina,				

The largest loss to the city was from elimination of the estate tax. Strong growth in transportation-related tax revenues forecast by the Ohio Department of Transportation for Medina boosts capacity to deal with road and street repair.

Medina County is working with about a half million dollars less in 2017 than in 2010, a loss of 4.5 percent (Table 2). Loss to the county has been mitigated by strong growth of 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. Medina County received \$966,579 in these funds in 2015, which offsets the loss to the county from other cuts.

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 “fix” 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: Medina City and Medina County				
Medina County has lost almost \$500,000 a year – before inflation				
	CY 2010	CY 2017	Change	% change
TPP tax reimbursement	\$2,111,803	\$15,604	(\$2,096,199)	-99.3%
Local government funds	\$2,816,339	\$1,551,805	(\$1,264,534)	-44.9%
Casino revenues	\$0	\$2,260,777	\$2,260,777	n/a
Motor fuel taxes	\$2,366,745	\$2,372,647	\$5,902	0.2%
Auto license	\$3,757,912	\$4,353,517	\$595,605	15.8%
TOTAL	\$11,052,798	\$10,554,350	(\$498,448)	-4.5%

Source: Policy Matters Ohio, 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, debt and health and human service levels.
2. Casino revenue estimate applies share of county distribution received by Medina 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 \ in ALI 762901 between FY 2015 and FY 2017 (8.65%) to the 2015 revenues for the county.

Medina County’s losses are mostly attributable to loss in human service levies. For example, the county’s anti-drug levy lost \$104,030 in state tax reimbursement funds by 2017 compared with 2010 (Table 3). The largest loss is in levies that supported mental health and developmental disabilities. The state has taken responsibility for providing Medicaid matching funds for services in these areas, which eases the fiscal loss.

Table 3: Medina City and Medina County				
Medina County health and human service levies down by \$1.5 million a year due to loss of tax reimbursements				
<i>(not adjusted for inflation)</i>				
	CY 2010	CY 2017	Change	% change
Mental health and developmental disabilities	\$1,045,498	\$0	(\$1,045,498)	-100.0%
Health	\$260,074	\$0	(\$260,074)	-100.0%
Anti-Drug	\$104,030	\$0	(\$104,030)	-100.0%
County Home	\$52,015	\$0	(\$52,015)	-100.0%
TOTAL	\$1,461,617	\$0	(\$1,461,617)	-100.0%

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