

By Matt Sanctis and Josh Sweigart, Staff Writers

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SPRINGFIELD — One argument for establishing casinos in Ohio's four largest cities was that the revenue would be taxed at 33 percent with 85 percent of that money going to every county and public school in the state.

In Clark County, that amounts to roughly \$6.7 million annually, according to initial estimates from the Ohio Department of Taxation. It's about \$2.1 million in Champaign County.

But even the man appointed by the governor to oversee casinos sees it as likely this will only offset state cuts somewhere else.

"It's not unlikely that when the legislature evaluates their cuts that they'll calculate in the cash flow to local governments from the casinos," said Charles Saxbe, appointed Ohio Casino Control Commission chairman and himself a former state lawmaker.

There's little the commission can do about it. In fact, there's little the commission can do at all since the Republican-controlled state Senate won't confirm the outgoing governor's appointments.

"Whether that will ultimately delay things we really don't know, but one has to think that waiting an additional three to four months to even staff the commission is going to have some impact on the state's ability to regulate these casinos and may have some impact on getting the cash to flow," Saxbe said.

This adds to uncertainty for local governments watching nervously as state lawmakers, short \$8 billion, eye their local government funds. This is money the state gives counties to carry out mandates, and equals more than \$5 million in Clark County and more than \$1 million in Champaign.

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This has officials such as Nathan Kennedy, deputy administrator of Clark County, pessimistic that he'll end up with more than he loses.

"If I'm wrong and it ends up being more money, that would go a long way to helping us solve some of our problems," Kennedy said. "(But) I'm not holding my breath."

Steve Hess, Champaign County commissioner, said the topic has not come up in conversations with other counties, and there has been little information available so far.

"As far as we can see, this is not on the radar screen right now," Hess said.

School officials are also tempering their optimism. While the casino revenue could bring \$1.1 million into Springfield City Schools, cuts much sooner could slash state funding for schools by 10 percent to 15 percent, or \$5 million annually for Springfield.

"That would only possibly make up 20 percent (of what's cut)," said Chris Mohr, Springfield City Schools treasurer.

It will be 2012 or 2013 until the money actually starts coming in, and a lot could change between now and then. Additional factors include whether video lottery terminals will be allowed at Ohio race tracks and what impact the economy will have on gambling. The state currently has casino tax revenues estimated at \$643 million annually.

Connie Cohn, treasurer of Triad Local Schools in Champaign County, said there's been so little information available about the casino money that it hasn't come up yet in planning.

"To be honest with you, we haven't even considered that," Cohn said.

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Bob Hoover, treasurer at Graham Local Schools, said he was also skeptical that school districts would see any real benefit from the casino funding.

More than likely, Hoover said, the funds for schools will be mixed in with the state's general fund budget, and then distributed to districts throughout the state.

"It's sort of deceptive in some ways," Hoover said.

But with ground set to break early next year on the Hollywood Casino on a 123-acre site in western Columbus, there may be a benefit sooner to local residents.

"I wouldn't rule out the possibility of construction jobs being available to people in your area," said Bob Tenenbaum, spokesman of casino builder and operator Penn National Gaming.

But once it's up and running, the company has pledged that 90 percent of the 2,000 estimated workers for the casino would come from Columbus.

Projected revenue from Ohio casinos

These are estimates based on \$643 million in annual casino revenue. State officials say these numbers could decrease by more than a quarter if video lottery terminals are allowed to be placed at Ohio horse racing tracks.

Clark County: \$4 million

School districts

Springfield City: \$1,121,400

Greenon Local: \$247,431

Tecumseh Local: \$402,622

Northeastern Local: \$451,441

Northwestern Local: \$225,202

Clark-Shawnee Local: \$275,408

Champaign County: \$1.1 million

Urbana City Schools: \$291,141

Mechanicsburg Exempted Village: \$110,322

Graham Local: \$284,080

Triad Local: \$132,556

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West Liberty-Salem: \$149,379

Source: Ohio Department of Taxation

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