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## Medina County Public Schools Alternative Funding Study Panel

# Press Release

## Medina County Public Schools Consider County-wide Alternative Funding: Sales Tax Considered for Supplemental Funding

FOR IMMEDIATE RELEASE

MEDIA SUMMARY INFORMATION ATTACHED

Median County, OH, November 27, 2006: In an unprecedented event, Medina County Public School Boards will convene simultaneously at 7p.m., on Thursday, November 30, 2006 to consider a proposal for a one-half of one percent county-wide sales tax. The boards of education will convene at the Medina County Administration Building Auditorium to consider a recommendation of the Medina County Public Schools Alternative Funding Panel. With approval of a majority of the boards of education, the panel will make a formal request of the Medina County Commissioners on December 4, 2006, to place the piggy-back sales tax on the ballot in May 2007.

While public school funding reform in Ohio has been stalled for a decade, Ohio school districts continue to struggle for equitable funding sources. Panel Chairperson and Medina City School Board President Mark Dolan states, ***“The current funding system forces public school districts to rely on not only a continued, but an increasing reliance on property taxes. We believe that we have reached the de-facto limit of how much burden our local property owners are willing to continue to shoulder.”***

Presently, Ohio law limits school funding options to Income Tax, Personal Property Tax, and Sales Tax. The Sales Tax is recommended by the panel because it is paid by everybody who shops in the county, it is controllable in that one must make a decision to purchase a taxable item and it grows over time. Thus it

becomes discretionary and proportional to income with the buyer of any goods solely determining the amount of their purchase and as a result, their tax contribution.

***“This is not the proverbial ‘silver-bullet’ cure for the public school funding crisis”, cautions Tracy Mattern of the Buckeye Local School Board and panel participant. “However, while current statutes do not allow the sales tax revenue to be utilized for operating money to pay teachers and day-to-day operating expenses, with sound fiscal management of these funds, we can minimize the future need to go to property tax owners for permanent improve money for capital expenditures,” Mattern added.***

Though the fiscal dynamics of Medina County schools may vary, the research panel believes that by alleviating some of the burden on property owners, current effective improvement assessments in most communities can be capped and in the future possibly even curtailed. The result means that property tax owners will have some allowance to support operating money issues if the schools can reduce or potentially curtail their burden for permanent improvement revenue needs.

***“In a sentence, this initiative sends a message to the residents of Medina County that whether they are a direct stakeholder or not in our public schools, we are listening and looking for equitable options,” Dolan states in summarizing the initiative. In order to generate enough revenues to assist each school district in the county, a 0.50% increase in the sales tax could be competitive and supported, as Medina County currently enjoys the lowest sales tax rate in Ohio. It is estimated that a 0.50% sales tax would generate \$9,800,000 in 2007 and in keeping the formula simple, the Study Panel recommends that each school district receive their "fair share" of the funds generated by the proposed sales tax based on the average daily attendance of each the District, which is reported to and confirmed by the Ohio Department of Education.***

Black River Local, Brunswick City, Buckeye Local, Cloverleaf Local, Highland Local, Medina City and Wadsworth City make up the Medina County public school systems. In addition, it is proposed that each District would distribute a proportional share of this proposed funding to the Medina County Career Center based upon the number of students attending the Career Center from each District.