



From the Desk of Medina County Commissioner

Stephen D. Hambley

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Nancy Peacock, Editor
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Dear Nancy,

Last December, all seven Boards of Education in Medina County asked the County Commissioners to place a 0.5 percent sales tax rate increase on the May 2007 ballot to help fund permanent improvements of our local schools. Currently the Board of County Commissioners are working with school board representatives and conducting public hearings regarding that proposal. Once all of the facts have been presented, the sales tax debate should be settled by those most capable of evaluating the best alternative method of funding our local schools – the voters of Medina County.

I would like to answer to some of the most frequently asked questions that have come before us since the proposal hit the newspapers.

First question: Will the proposed sales tax apply to Medina County residents buying automobiles?
Short Answer: Yes. In Ohio, what we commonly call a “sales tax” is actually the combination of a sales tax and a use tax. The use tax portion (ORC 5741.023) applies to the use of all tangible personal property. Therefore, buyers of those specific “big ticket” items will pay the “sales and use” tax rate of their county of residence not the county where they purchase the item. Counties do not have the authority to enact the sales tax without the companion “use” tax also being enacted.

Second question: Will the local school districts actually receive all of the proposed sales & use tax revenues? Resolutions enacting this tax clearly state that the tax revenues are for the local school districts. No other purpose is intended or mentioned. In fact, the resolutions provide significant and explicit details how those funds will be distributed to all of the school districts on a per student basis. It is found in Exhibit A of the Community Improvement Board resolution on the county website, www.co.medina.oh.us. Voter approval is the final expression that the money would only be distributed to the schools.

Third question: Why is there a Community Improvement Board and why does the City of Brunswick have the power to appoint 3 out of the 9 board members? Counties have the authority to levy an additional sales tax up to ½% for permanent improvements within the county. A community improvements board or CIB must distribute these revenues. After legal research by such prestigious law firms as Squires, Sanders, & Dempsey for Medina County and similar legal opinion by Buckingham, Doolittle & Burroughs for Summit County this was the only viable legal mechanism available to counties to help fund permanent improvements in public school districts.

Consequently, a CIB will need to be created in accordance with Ohio Law to distribute the sales and use tax revenues annually and to ensure that the school districts have complied with statutory requirements. The composition and the two appointing authorities are stipulated by state law and cannot be changed. In short, there are 9 members on the CIB serving three-year terms. The Board of County Commissioners appoints six of the members and three are appointed by the largest city in the county. At this time that is the City of Brunswick. Should another city grow larger than Brunswick during the life of the CIB, that appointing authority would go to the mayor and council of that city.

Fourth question: Can future Board of Commissioners unilaterally repeal the tax, thereby taking away these revenues from our schools? Short answer: NO. The Ohio Department of Taxation legal counsel advises that the tax could only be repealed by a vote of the Board of County Commissioners placing a repeal measure on the ballot in order to stop collection. In other words, only the voters of Medina County would be able to take away what the voters have given.

Some have said that we should wait until the governor and state legislature reform education funding in Ohio. While many of us hope that a King Solomon's solution will emerge from Columbus in the very near future, it overlooks our own ability to help ourselves. It ignores one undeniable truth: local taxes will still be needed for education in Medina County no matter what happens in Columbus or how the Ohio Constitution is amended.

Medina County voters have an opportunity to address some of the inequities identified by the Ohio Supreme Court, while reducing burdensome local property taxes. In my mind, the question boils down to this: how do you want to pay for the local share in the costs of public education? As a county, do we continue relying on local property taxes, or do we want to spread out the costs of public school education over a combination of sources, including the shoppers of taxable goods and services in our local stores. Voters should get to answer that question.

Steve Hambley
Medina County Commissioner