

Permanent Improvement vs. Operating

There are four different "types" of monies that Ohio schools receive. The legal ways in which they can be spent by Ohio public schools (such as Buckeye Local Schools) are very clearly defined by law.

When the community begins to discuss why a school has money to pave a driveway, but not to hire enough employees, this is the answer, contained in Ohio law.

1. Operating Money - money that can be used ONLY for the daily operation of the schools. Employee salaries, supplies for instruction, gas for the buses, and custodial supplies are some examples of ways in which this money can be used. Buckeye Local Schools have not had "new" operating money voted by the public for the schools since 1994. We have received additional money that we can use for operating the school due to increased student population (we receive money from the state of Ohio for every student enrolled in our district) and increased property values. Buckeye is collecting the lowest millage for operating money allowed by the state: 20 mills.

2. Permanent Improvement Money - money that can be used ONLY for improving buildings and grounds and purchasing ANY item that will last for five years or more. Examples of these items would be buses, additions or improvements to school buildings, and improvements to school board owned buildings or athletic facilities. Specific examples of how Superintendent Dennis Honkala will recommend to the school board to spend these monies are: technology hardware for ALL schools, updated textbooks for ALL schools, purchasing new school buses on a regular cycle, maintaining and updating our current buildings, completing the work for the soccer and track complex (goal is to be completed for the fall of '09), and consideration for a football and band stadium "renovation." REMEMBER: These allotted monies cannot be used for operating the school district. The Medina County sales tax revenue will be used to fund portions of these permanent improvement endeavors.

3. Bond Money - This money can only be used to fund building and grounds projects. It is the equivalent of a mortgage payment for the school district. A bond issue was passed in the Buckeye Local School District in 1999. The school district received \$23,700,000.00 in 1999 to finance the projects and the tax payers will pay this back from their property taxes over a 25 year period. The money was used to put additions onto the high school and junior high school. This bond money was also the revenue source used to construct the Buckeye Elementary Schools.

4. Medina County Sales Tax Revenue - This 1/2% increase in the Medina County sales tax was approved by voters in May, 2007. It increased the sales tax rate from 6% to 6 1/2% and went into effect on October 1, 2007. The estimated revenues for the Buckeye Local School District are \$700,000.00 per year. However, we will not begin to receive our quarterly payments until April 30, 2008. REMEMBER: By Ohio law, this money can only be used for PERMANENT IMPROVEMENT. Schools cannot use ANY of this money for the daily OPERATIONS of the school district. The school is currently

planning to use this permanent improvement money to furnish technology hardware, purchase textbooks and buses as well as continue the work on the athletic facilities.

School funding in Ohio has been ruled unconstitutional by the Ohio Supreme Court three times since 1999 (DeRolf decisions I, II and III). The Supreme Court ruled that the legislature in Ohio needs to address the unfair and inadequate way in which Ohio public schools are funded. The Ohio legislature failed to take any type of action, stating that the current system (which is a huge burden on the property tax owner) is, in fact, fair and adequate. The Ohio legislature stands by this platform to this day.