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Rocky River City School District
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Greg R. Markus, CPA, CGMA • Treasurer / CFO

Chairman Shaffer, Vice Chair Scherer, Ranking Member Rogers, Members of the House Ways and Means Committee, thank you for giving me the opportunity to provide opponent testimony on H.B. 343.

I am Greg Markus, Treasurer/CFO of the Rocky River Board of Education. Rocky River Schools is a top-suburban Cleveland public school district. With an enrollment of around 2,700 in grades K-12, the Rocky River City School District provides students with the benefits of a small-school setting and all the resources of a larger school district. Long known for its tradition of academic quality, an “Excellent with Distinction” rating on the latest State Report Card shows that Rocky River students have continued to excel academically. Last year nearly 90 percent of River students continued on to college or universities across the country. The Rocky River Schools are consistently ranked in the prestigious Top Ten List of Cleveland Area Schools in the Cleveland Magazine. The National Blue Ribbon Schools award was earned by Kensington Intermediate School in 2011 and by Rocky River High School in 2012.

Nearly all of our \$36 million budget is funded by local real property taxes. Moreover, there is a significant residential component to our property tax base. Every year and, in particular, following the Great Recession, commercial taxpayers sought repeated reductions at the Board of Revision to challenge existing and ongoing revenue. Decrease complaints were filed as to shopping centers, apartments, and big box retail. The Board of Education files increase complaints on commercial property largely on account of a recent sale exceeding the County’s valuation. The board of education files increase complaints to make up the loss of revenue from decrease complaints. Most tax matters are amicably resolved with the parties making compromises for a settlement. The School Board does not file complaints as to residential property looking to focus on retaining revenue from the larger commercial properties. The filing of complaints involves the elected School Board who are fully aware of the matters and direct me to manage and oversee the process. Our ability to manage local property taxes directly impacts our funding and the need to secure additional resources from the voters and the General Assembly.

H.B. 343 would require a board of education prior to filing an original complaint or a counter-complaint to provide written notice to the property owner of each parcel seven (7) business days in advance of the school board approving a resolution to file the complaint or counter-complaint. H.B. 343 creates a cumbersome process for our school board to protect revenue. We oppose H.B. 343 for the following reasons:

- Property tax complaints are filed as to a property (not a parcel) which may involve more than one parcel and in some cases dozens or hundreds of parcels. The legislation would result in a taxpayer receiving multiple notices for the same property and the school board incurring the expense for issuing the notices.
- We are concerned as to adequate time to complete a review of the tax duplicate, complete the proposed requirements, and file any complaints.

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- A school board approves resolutions as to significant issues such as employment through a single resolution. A school board should be able to approve the filing of complaints in a single resolution, consent agenda, or manner it deems appropriate.
- The requirement in the legislation for notice and approval for the filing of a counter-complaint should be eliminated. A board of education filing a property tax counter-complaint is seeking to participate in the proceedings and retain the County's value. A counter-complaint under Ohio law must be filed within thirty (30) days of the BOR providing notice to a school board of the decrease complaints. There is inadequate time within the existing 30 day period to gather the information as to the complaints, provide notice as provided in the legislation, schedule and hold a school board meeting, and file the counter-complaints.

Thank you,

A handwritten signature in black ink, appearing to read 'Greg Markus', with a long horizontal flourish extending to the right.

Greg Markus, CPA, CGMA
Treasurer/CFO