



# INDEPENDENCE LOCAL SCHOOLS

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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 Eric Koehler, Treasurer/CFO of the Independence Board of Education. Our school district is in southern Cuyahoga County at a major intersection of Interstates 480 and 77. The commercial real estate development from the 1960s to the present time period provides the near majority of our financial resources and provides our taxpayers with one of the lowest property tax rates in Cuyahoga County.

Our district relies heavily on local property taxes. With the recession and aggressive taxpayer consultants there has been an onslaught of decrease complaints as many commercial taxpayers sought repeated reductions at the Board of Revision to challenge existing and ongoing revenue. 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. Any higher valuations reduce millage rates on other taxpayers and need to go to the voters for additional millage. 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. While intended to provide notice to taxpayers, H.B. 343 creates a cumbersome process for our school board to protect revenue. We oppose H.B. 343 for a number of 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.
- We are concerned as to adequate time to complete a review of the tax duplicate, complete the proposed requirements, and file any complaints.
- 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 requirements 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,

Eric Koehler, Treasurer