

Patrick Schymanski
Elida Local Schools
Board President & Legislative Liaison
Senate Ways and Means Committee
Substitute HB 343 Opposition Testimony

Chairman Eklund, Vice Chairman Terhar, Ranking Minority Member Williams and members of the Committee. My name is Patrick Schymanski and I am currently, the School board President and Legislative Liaison for Elida Local Schools, a community just outside Lima, Ohio. I thank you for the opportunity to speak before you and discuss my thoughts and opposition to the current format of HB343. As info. I do have the support of our Superintendent and Treasurer. Our next board meeting is near the end of this month and I hope to craft a letter that reflects the position of our entire board. But, in principal, I do believe that our board is also in opposition to HB 343 but we do have to develop a consensus position on alternative suggestions.

I did review the testimony of “The Ohio School Boards Association”, “The Ohio Association of School Business Officials”, “The Buckeye Association of School Administrators” and a fellow School Board member, Richard Smith from Marysville Exempted School District. I do support their thoughts and recommendations.

I think it is important to note that State Representative Derek Merrin, the primary sponsor of HB 343, spoke to issues he had concerning about the way complaints and counter-complaints contesting the value of properties are handled by the Board of Revision (BOR) process. He noted two key points:

- 1 – Government officials who may not be familiar with the past and current policies for filing a complaint/counter-complaint with the BOR.
- 2 – The potential for abuse of the system by agents or attorneys of the local government acting independent of appropriate supervision.

I appreciate the concerns and that there appears to be some excesses that should be addressed. But, I disagree with the proposed solution. In my 5 years as a member of the Elida Local School board, I am aware of our district appealing 3 cases on property tax adjustments. All were requesting over a \$250,000 adjustment and an adjustment of that size, or larger, would affect small businesses, farming lands and our homeowner’s property taxes. They would see and increase and wonder why, since they did not vote for any property tax increases. Ultimately, we were able to work with our attorney and the business requesting the adjustment to reach a satisfactory solution. This was done in a fashion that kept our district expenses minimized by our attorney and the other attorney working together to time meetings with other appeals from other school districts. This minimized shared fixed expenses (travel time and mileage, etc.) for all school districts. In my opinion, the process utilized by our school attorney was open and fair to both the other side as well as to our taxpayers. I would like to continue this practice as it creates ways for both sides to work together for a solution both sides can accept. In my opinion, proposed process adds extra and unnecessary work on our school board. I believe there are better ways to address these concerns in a less dramatic and cumbersome manner.

The Substitute Bill does require a duplication of notification results when a local government files a complaint or counter-complaint of the valuation of a property. The Bill requires both the BOR and the local government to send nearly identical notices to the owner of the property as to the action being taken. Current law does not require this action and relies on the BOR’s registered notice to be enough.

In my experience at our school district, the few times we have appealed a property tax adjustment both parties had plenty of time to be notified and prepare to make their arguments.

More troublesome is the Bill's requirement that the local government (the school district) pass a resolution authorizing the local government's attorney to file a complaint. That authorization must take place in a public meeting each and every time the local government is motivated to participate in the BOR process. While passing resolutions in public are common for local governments, what is not common is requiring separate resolutions for each administrative action to protect taxpayers and tax revenue. Some may see this proposal as an effort to discourage boards from participation in the BOR process.

There should be no question that each property owner should pay their fair share of local property taxes. Schools and other local governments are dependent on these funds for their operation. Local property taxes are approved by law or by local tax issues voted on by the tax payers. The Board of Revision process allows for review of the property values to be challenged and fair/appropriate taxes collected. That process should be simple, non-confrontational and based on fact and reason.

I support the recommendation from OSBA that school districts or any local government organization have a public policy that indicates to the community its practice on challenging any property tax revision. I support this thought because my district like many school districts in Ohio, rarely challenges a property tax revision. I would like to repeat that we are thoughtful and considerate, addressing property tax revisions only when we think that costs that would ripple through both our other business property values as well as homeowner values. Adding additional requirements would not change the few challenges we make but would require that we develop and timely approve a resolution that in our history would not mean anything to most of our voting public. I question why we need to add legal steps to all school districts when many are not part of the problem.

Therefore, I urge the committee to adopt the OSBA recommendations as a practical solution to a limited problem.

Respectfully,

Patrick Schymanski
President and Legislative Liaison
Elida Local School Board