



**BEACHWOOD CITY SCHOOL DISTRICT**  
24601 Fairmount Boulevard  
Beachwood, OH 44122  
Phone: 216.464.2600

November 15, 2021

Chairman Blessing, Vice Chair Roegner, Ranking Member Williams, Members of the Ways and Means Committee, thank you for giving me the opportunity to provide opponent testimony on H.B. 126.

I am Michele Mills, Treasurer/CFO, of the Beachwood Board of Education. I am writing to convey our opposition to H.B. 126. Beachwood relies on local property taxes for a substantial majority of our funding (over 87%). Beachwood has a significant commercial tax base, including Beachwood Place, apartments, retail strip centers, freestanding retail buildings, office buildings, and an office/warehouse industrial park.

Over the years commercial taxpayers have challenged the valuations of likely every commercial property in the District.

Recently, we had to defend a \$31.5 million valuation reduction from the owner of Beachwood Place to challenge \$1.1 million of revenue potentially lost from a refund. The taxpayer engaged counsel and an appraiser. Our ability to engage counsel and an appraiser mitigated the loss of revenue. We also negotiated a valuation going forward with the Mall owner to provide prospective relief to the Owner.

The chart below indicates 52 decrease complaints filed in the past 3 years challenging nearly \$6.1 million of revenue at risk of loss from a refund and a reduction in a tax settlement to the School Board

Tax Year	Decrease Complaints	Potential Loss of Revenue from Taxpayer Initiated Commercial Decrease Complaints
2018a	21	\$3,113,358
2019	19	\$2,177,525
2020	12	\$775,320

The ability to file complaints and counter complaints protects the District's tax revenue and tax base and to make sure the School Board is doing everything possible to maintain valuations and current revenue *before seeking further tax increases from voters.*

Also consider that after a commercial taxpayer files a decrease complaint, the millage rates for the contested tax year can't be changed. A loss of value results in a loss of revenue to the School Board. Further, in Cuyahoga County, the County Fiscal Officer and Board of Revision (BOR) independently set values and make decisions without deference to the taxpayer and taxing entities. Once evidence for a reduction is presented, the BOR looks to the Board of Education as the largest tax recipient to protect their interests.

For the preceding reasons, I request the Committee to retain the ability for School Board's right to participate in this process which is critical to our funding.

Thank you,

A handwritten signature in black ink that reads "Michele E. Mills". The signature is written in a cursive style with a large initial "M".

Michele E. Mills, Treasurer/CFO  
Beachwood Board of Education