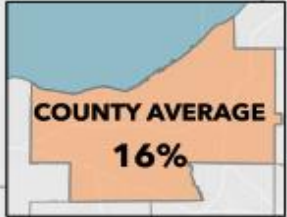


Triennial Impact on Residential Value

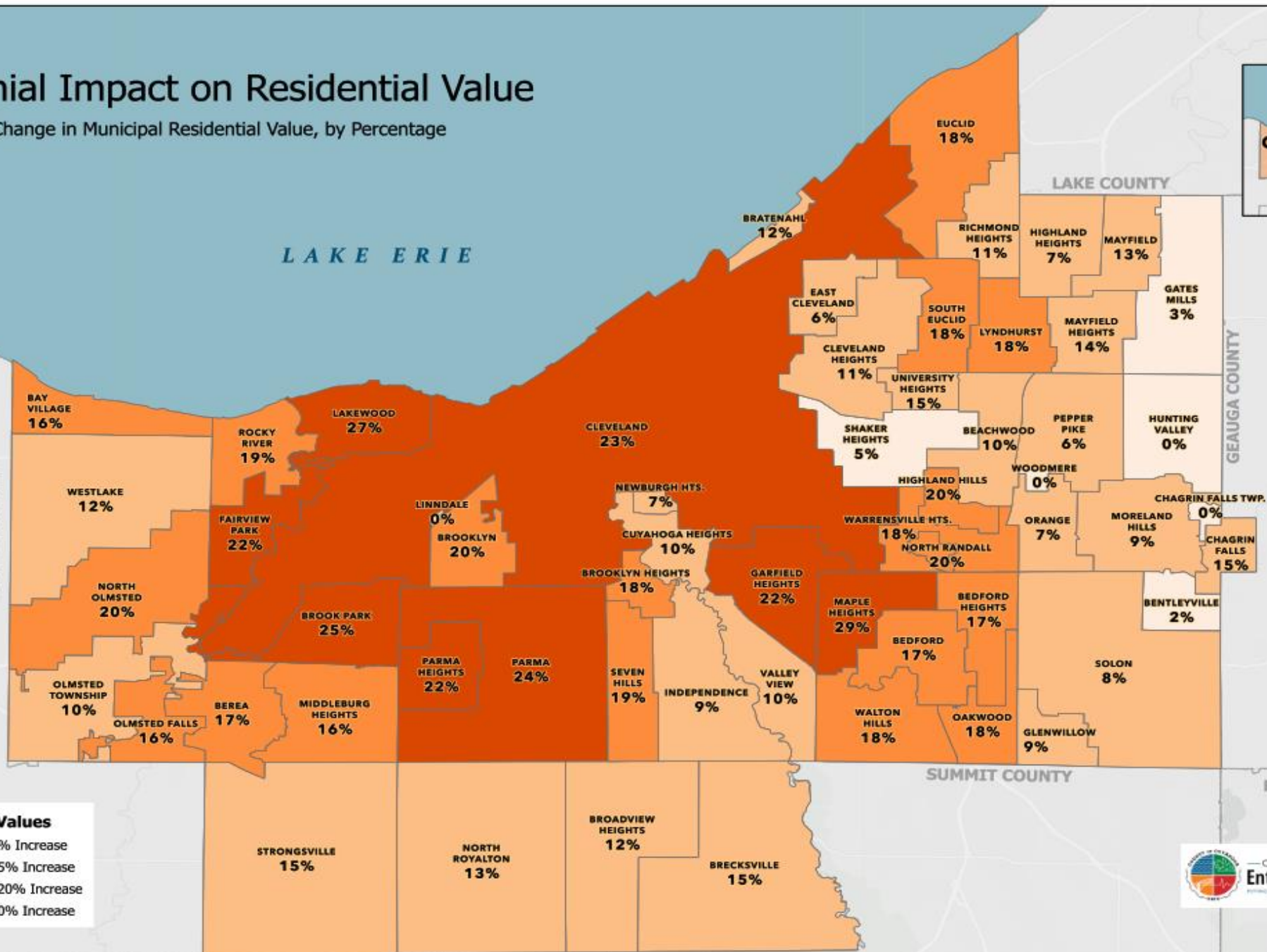
Change in Municipal Residential Value, by Percentage

LAKE ERIE



Change in Values

- 0% to 5% Increase
- 5% to 15% Increase
- 15% to 20% Increase
- Above 20% Increase



MEDINA COUNTY

SUMMIT COUNTY

PORTAGE COUNTY

LORAIN COUNTY

GAUGA COUNTY

LAKE COUNTY

Parma City School District

Property Tax Reappraisal

Law

- ▶ “Under state law and Department of Taxation rules, real property in all counties is reappraised every six years and property values are updated in the third year following each sexennial reappraisal.”
 - Ohio Department of Taxation.
- ▶ The triennial update uses market sales trends for new property values. The last triennial update was in 2021. The 2024 reappraisal will use the cost approach, sales approach and market estimates to determine property values.

House Bill 920

- ▶ “In 1976, the legislature enacted property tax reform known as House Bill 920. It's purpose was to keep inflation from increasing voted taxes. When property values increase due to inflation (a reappraisal or update), House Bill 920 kicks in.”

- Cuyahoga County Fiscal Office

House Bill 920

- ▶ “Suppose a school district receives voter approval to raise \$5 million through a 5 mill levy. The following year, after a reappraisal, property values have increased. House Bill 920 does not allow the school district to receive any additional revenue from this voted levy. The voted 5 mills will be reduced to a millage amount that will generate \$5 million, and each taxpayer will pay a lower "effective" tax rate. In order for the school system to raise more revenue, it must go to the voters for approval of another levy.”

- Cuyahoga County Fiscal Office

What are Parma School's Voted Levies?

Effective Millage:

- ▶ Emergency Levy – 3.8 Mills
- ▶ Emergency Levy – 4.6 Mills
- ▶ Emergency Levy – 7.8 Mills
- ▶ Emergency Levy – 4.1 Mills

Increases in property taxes does NOT equate to more tax revenue for the school district.

What are Parma School's Voted Levies?

- ▶ Emergency Levy Renewal - \$7,603,000
- Emergency Levy Renewal - \$9,197,860
- Emergency Levy Renewal - \$15,624,693
- Emergency Levy Renewal - \$8,062,500

Since emergency levies (VOTED levies) are fixed amount levies, increases in property values does NOT increase revenue for Parma City Schools.

Inside Millage

- ▶ “In Ohio, millage is referred to as "inside" millage and "outside" millage.”
- ▶ “Inside millage is millage provided by the Constitution of the State of Ohio and is levied without a vote of the people. It is called inside millage because it is "inside" the law. Another name would be **UNVOTED** millage.”
- ▶ The Constitution allows for 10 mills of inside millage in each political subdivision. Public schools, counties, townships, and other local governments are allocated a portion of the 10 inside mills.
 - Source New Richmond Exempted Village School District

Parma City School District's Inside Millage

- ▶ Parma City School District is allocated 5.10 mills of the 10 inside mills.
- ▶ Parma City School District DOES receive additional revenue for increases in property taxes for inside millage only.
- ▶ The increase in property taxes due to increased property tax valuation is approximately \$2,178,428.

Outside Millage

- ▶ “Outside millage is all other millage requested that is over the 10-mill limit. Outside mills must be voted upon and approved by the majority of the voters in the taxing district where the tax will be levied. Because of H.B. 920 (passed in 1976), there is a cap on the amount of money a levy can collect. **That means a levy can collect no more in the future than it collects during the first year it's enacted.**”
- ▶ - Brown County Auditor

Schools	Current Valuation TY2020CY2021	Update Total Assessed Value TY2021CY2022	Change in Value Due to Update	Non-Reducible Inside Millage	Estimated Revenue Increase	% of Increase
LAKESWOOD	\$ 1,091,693,100.00	\$ 1,351,776,555.00	\$ 260,083,455	5.03	\$ 1,308,219.78	24%
MAPLE HEIGHTS	\$ 280,236,650.00	\$ 338,081,250.00	\$ 57,844,600	5.30	\$ 306,576.38	21%
MAYFIELD	\$ 1,402,276,650.00	\$ 1,514,770,072.00	\$ 112,493,422	5.02	\$ 564,716.98	8%
NORTH OLMSTED	\$ 853,127,320.00	\$ 984,447,345.00	\$ 131,320,025	3.90	\$ 512,148.10	15%
NORTH ROYALTON	\$ 1,208,091,050.00	\$ 1,348,394,475.00	\$ 140,303,425	6.00	\$ 841,820.55	12%
OLMSTED FALLS	\$ 570,119,670.00	\$ 647,221,555.00	\$ 77,101,885	5.00	\$ 385,509.43	14%
ORANGE	\$ 1,152,266,200.00	\$ 1,213,472,531.00	\$ 61,206,331	5.20	\$ 318,272.92	5%
PARMA	\$ 2,210,221,530.00	\$ 2,637,364,200.00	\$ 427,142,670	5.10	\$ 2,178,427.62	19%
RICHMOND HEIGHTS	\$ 222,710,080.00	\$ 239,618,553.00	\$ 16,908,473	5.70	\$ 96,378.30	8%
ROCKY RIVER	\$ 923,110,040.00	\$ 1,079,171,995.00	\$ 156,061,955	4.57	\$ 713,203.13	17%
SHAKER HEIGHTS	\$ 881,037,190.00	\$ 935,139,996.00	\$ 54,102,806	4.10	\$ 221,821.50	6%
OLON	\$ 1,306,720,240.00	\$ 1,406,023,991.00	\$ 99,303,751	5.20	\$ 516,379.51	8%
SOUTH EUCLID - LYNDBURST	\$ 803,389,720.00	\$ 920,152,275.00	\$ 116,762,555	4.39	\$ 512,587.62	15%
STRONGSVILLE	\$ 1,658,784,110.00	\$ 1,885,720,365.00	\$ 226,936,255	5.60	\$ 1,270,843.03	14%
WARRENSVILLE HEIGHTS	\$ 366,553,410.00	\$ 395,049,153.00	\$ 28,495,743	5.10	\$ 145,328.29	8%
WESTLAKE	\$ 1,613,854,850.00	\$ 1,771,834,452.00	\$ 157,979,602	5.80	\$ 916,281.69	10%

Questions from the Board

