

GREAT SCHOOLS & GREAT COMMUNITIES: CITY OF SOLON & VILLAGE OF GLENWILLOW

- The Solon Schools are the #1 achieving district this year based on the state of Ohio's accountability measures for student success. The Solon Schools have earned the #1 performance index on the Ohio School Report Card for 7 of the last 10 years and has been in the top 5 for all 10 years.
- Solon and Glenwillow are destination communities for residents and businesses. The Solon Schools are a leading indicator of why families and businesses choose to relocate to Solon and Glenwillow.
- Our schools are highly accountable for academic success and fiscal stewardship to our taxpayers.

OUR COMMUNITIES ARE ECONOMIC DRIVERS FOR OHIO: PRIOR STATE TAX POLICY CHANGES NEGATIVELY AFFECTED OUR DISTRICT & TAXPAYERS

- Like businesses, school districts must forecast and project 5-10 years into the future to ensure resources are in place to educate students. Schools do not have the luxury of viewing finances in two-year snapshots.
- Our community and schools have already absorbed a significant tax burden shift from TPP revenue losses. Our district lost 17% of operating revenues due to the elimination of local tangible personal property taxes over the past 10 years.
- When Ohio eliminated the TPP tax, it did so with the stated intent of making Ohio more business friendly. By completely phasing out the TPP reimbursement, the state essentially shifted the tax burden in our communities to home and business owners who pay property taxes. These are the same businesses that were supposed to be helped by the tax reform effort abolishing TPP.
- To absorb that staggering loss, our district has been fiscally prudent by cutting and economizing, and stretching levy cycles as long as possible. We have implemented many of the same cost-containment measures that have been successful in the private sector, including multi-year pay freezes for all staff, benefit reductions and restrictions, and lower starting salary schedules.
- Even with those efficiencies and cuts, our taxpayers have incurred the equivalent of a 5-mill increase in their property tax burden, or \$175 for every \$100,000 of their home value.
- We run exceptionally lean for a district with our affluence. Our buildings are in good repair due to the community voting on specific permanent improvement levies. The learning environments are retrofitted to help our students excel at the highest levels in the state, but

our buildings are not new. Most were constructed in the mid-1900s. Additions were constructed as the community grew and developed.

- Our students - and the families and businesses that choose and invest in this community – deserve excellent, updated school buildings.
- The potential financial fallout from HB 1 in our community puts future school updates and/or construction in serious jeopardy.

**WHY HB 1 HURTS SOLON & GLENWILLOW:
THE IMPACT OF HB 1 WOULD BE A SIMILAR SIGNIFICANT FUNDING LOSS FOR OUR SCHOOLS
AS WELL AS A TAX BURDEN SHIFT ONTO OUR TAXPAYERS**

- The proposed income tax reductions from a flattening of the tax rate would not mute the significant property tax increases businesses and homeowners would face if HB 1 is enacted.
- As currently drafted, HB 1 would result in an annual direct funding loss of \$1.1 million to the Solon Schools, plus our business and residential taxpayers would face an unvoted property tax increase due to the elimination of the rollback credits.
- HB 1 would also result in an increased property tax burden of approximately 5 mills for our businesses and homeowners. In real dollars, this change would cost the owner of a \$300,000 home an additional \$525 a year in property taxes.