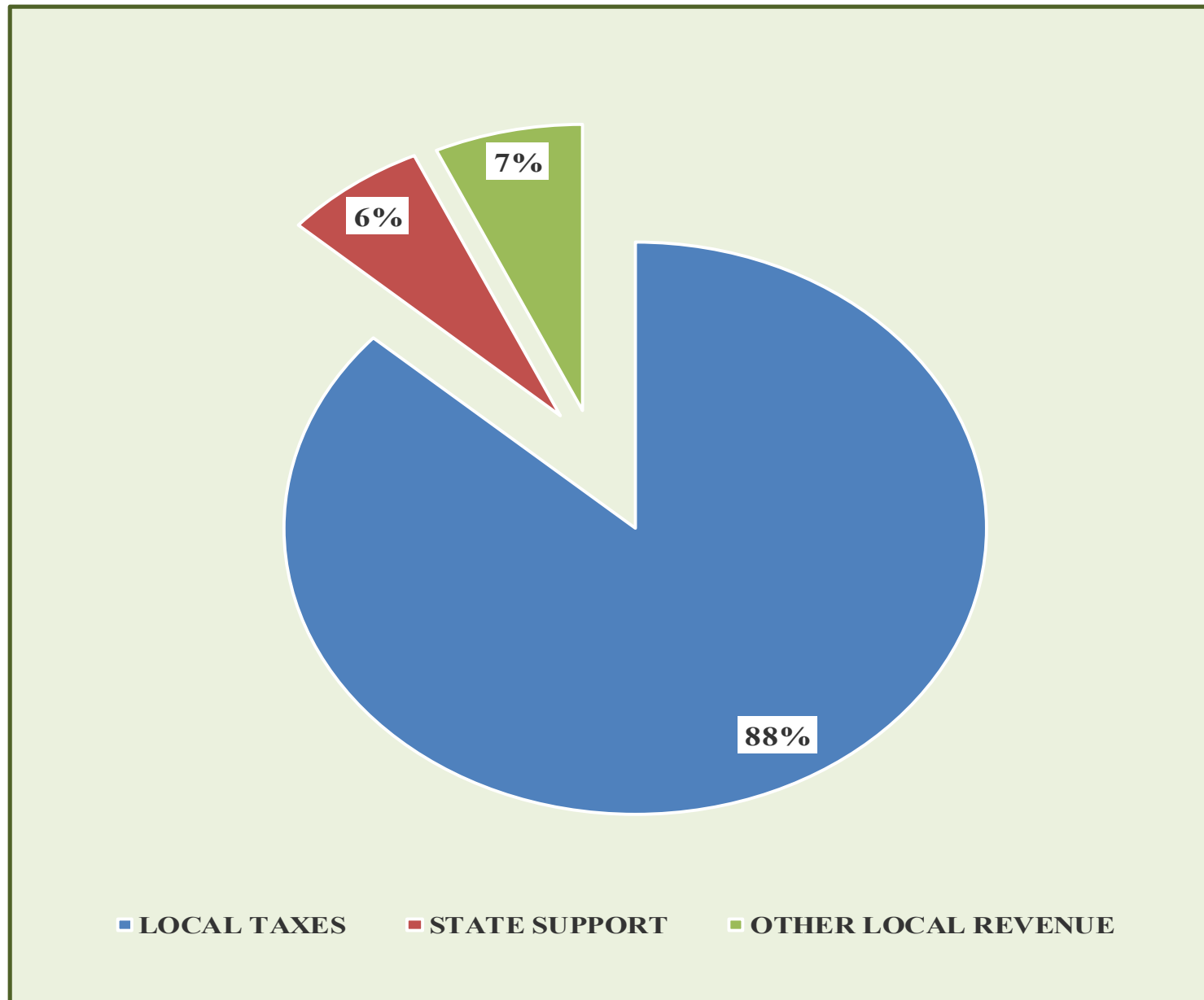


Impact of Reappraisal on Local Property Taxes

Regular Mayfield Board of Education Meeting

March 20, 2024

Mayfield CSD Operating Revenue Mix



Real Property Taxes - Formula

Basic Formula = **Assessed Valuation TIMES Effective Millage Rate EQUALS Property Tax**

- **Property Values are taxed at 35% of Fair-Market Value OR Assessed Value.**
 - 2-types of Property Classifications
 - Residential – FMV typically determined by comparable arms length transactions within a zip code or area.
 - Commercial/Industrial – FMV determined by multiple approaches - income generation, business activity, market area density, etc.
- **Effective Millage Rate**
 - **Tax Rate exempt from reduction factors - typically non-voted, established by the Ohio Constitution.**
 - **Tax Rate subject to reduction factors – typically voted, rate reduced in response to the appreciation of existing properties.** New Construction within a tax year not included in rate reduction determination.
- Different types of taxes, which normally fall into either OPERATIONS OR CAPITAL IMPROVEMENTS

Residential
Property Tax
Calculation,
Carryover Property
BASIC



Auditor's Fair Market Value	\$100,000
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35% Assessment Rate (Assessed Value)	\$35,000
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<u>Times Voted Mayfield Effective Millage Rate</u>	<u>.04678</u>
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MAYFIELD CITY SCHOOL TAXES @ .04678 MILLS	\$1,637.11
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ALL OTHER GOV'T UNIT TAXES @ .03228 MILLS	\$1,129.76
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TOTAL TAXES @ .07905 MILLS	\$2,766.87
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Taxset	Mayfield Hts.
Tax Year	2023

Assessed Values

Land Value	\$19,880
Building Value	\$80,540
Total Value	<u>\$100,420</u>
Homestead Value	\$

Market Values

Land Value	\$56,800
Building Value	\$230,100
Total Value	<u>\$286,900</u>

Flags

Owner Occupancy Credit	Y
Homestead Reduction	N
Foreclosure	N
Cert. Pending	N
Cert. Sold	N
Payment Plan	N

Half Year Charge Amounts

Gross Tax	\$6,386.71
Less 920 Reduction	<u>\$2,417.43</u>
Sub Total	<u>\$3,969.28</u>
10% Reduction Amount	\$319.39
Owner Occupancy Credit	\$79.85
Homestead Reduction Amount	<u>\$0.00</u>
Total Assessments	<u>\$93.75</u>
Half Year Net Taxes	<u><u>\$3,663.79</u></u>

Rates

Full Rate	127.20
920 Reduction Rate	.378509
Effective Rate	79.053598

Escrow

Escrow	N
Payment Amount	\$0.00

Mayfield School Taxes equal \$4,286.56 or 60% of tax bill

Tax Balance Summary	Charges \$7,327.58	Payments \$3,663.79	Balance Due \$3,663.79
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2023 (pay in 2024) Charge and Payment Detail

Taxset Mayfield Hts.	Charge Type	Charges	Payments	Balance Due
C100410A-Sewer Maintenance	1st half tax	\$3,570.04	\$3,570.04	\$0.00
	1ST HALF BALANCE	\$3,570.04	\$3,570.04	\$0.00
	2nd half tax	\$3,570.04	\$0.00	\$3,570.04
	2ND HALF BALANCE	\$3,570.04	\$0.00	\$3,570.04
	1st half tax - 2023	\$93.75	\$93.75	\$0.00
	1ST HALF BALANCE	\$93.75	\$93.75	\$0.00
	2nd half tax - 2023	\$93.75	\$0.00	\$93.75
	2ND HALF BALANCE	\$93.75	\$0.00	\$93.75

Annual Property Taxes= \$7,140.08

Local Assessments= \$187.50

2023 Taxes	Charges	Payments	Balance Due
Tax Balance Summary	\$7,327.58	\$3,663.79	\$3,663.79

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STATE OF OHIO
COMPOSITE REDUCTION FACTOR REPORT FOR THE TAX YEAR 2023
COUNTY 18 CUYAHOGA

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PAGE 83

TAXING DISTRICT NUMBER: 00370

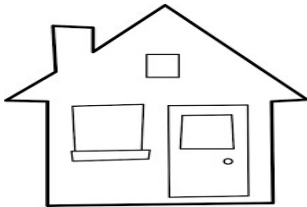
TAXING DISTRICT: MAYFIELD HTS CSD

LEVY YEAR / DESCRIPTION	TAX RATE	REDUCTION FACTOR	RES/AG CLASS COMPOSITE FACTOR	EFFECTIVE RATE	NON-RES/AG (OTHER) REDUCTION FACTOR	COMPOSITE FACTOR	CLASS EFFECTIVE RATE	ROLL BACK
UNIT # 10180 CUYAHOGA COUNTY								
GENERAL FUND	1.100	XXXXXXXX		1.100000	XXXXXXXX		1.100000	Y
DEBT SERVICE	0.350	XXXXXXXX		.350000	XXXXXXXX		.350000	Y
2005 BOARD OF DEV.DISABILITIES	3.900	0.222549		3.032058	0.114758		3.452443	Y
2008 HEALTH AND WELFARE	4.800	0.222549		3.731764	0.114758		4.249161	Y
2020 HEALTH SERVICES	4.700	0.139060		4.046418	0.055445		4.439408	N
SUB TOTAL	14.850		0.174395	12.260240		0.084781	13.591012	
UNIT # 23300 MAYFIELD CSD								
GENERAL FUND	5.020	XXXXXXXX		5.020000	XXXXXXXX		5.020000	Y
1976 CURRENT EXPENSE	32.450	0.836811		5.295483	0.717746		9.159142	Y
1978 CURRENT EXPENSE	5.500	0.760898		1.315061	0.653193		1.907438	Y
1986 CURRENT EXPENSE	0.300	0.599436		.120169	0.509484		.147154	Y
1988 CURRENT EXPENSE	5.500	0.595462		2.224959	0.494868		2.778226	Y
1991 CURRENT EXPENSE	5.900	0.498851		2.956779	0.418123		3.433074	Y
1995 CURRENT EXPENSE	3.000	0.331085		2.006745	0.253380		2.239860	Y
2002 CURRENT EXPENSE	6.900	0.187048		5.609368	0.064780		6.453018	Y
2004 CURRENT EXPENSE	5.500	0.149246		4.679147	0.050761		5.220814	Y
2006 PERMANENT IMPROVEMENT-ONGOING	0.900	0.149246		.765678	0.050761		.854315	Y
2008 PERMANENT IMPROVEMENT-ONGOING	1.900	0.149246		1.616432	0.050761		1.803554	Y
2008 CURRENT EXPENSE	5.000	0.149246		4.253770	0.050761		4.746195	Y
2012 CURRENT EXPENSE	5.400	0.149246		4.594071	0.050761		5.125890	Y
2012 PERMANENT IMPROVEMENT-ONGOING	0.500	0.149246		.425377	0.050761		.474619	Y
2016 CURRENT EXPENSE	5.000	0.146142		4.269290	0.050761		4.746195	N
2016 PERMANENT IMPROVMENT	1.900	0.146142		1.622330	0.050761		1.803554	N
SUB TOTAL	98.670		0.484122	46.774659		0.383335	55.913048	
UNIT # 54920 MAYFIELD HTS CITY								
FIREMAN'S FUND	0.300	XXXXXXXX		.300000	XXXXXXXX		.300000	Y
GENERAL FUND	1.935	XXXXXXXX		1.935000	XXXXXXXX		1.935000	Y
POLICE PENSION	0.300	XXXXXXXX		.300000	XXXXXXXX		.300000	Y
SINKING FUND AND BOND	0.945	XXXXXXXX		.945000	XXXXXXXX		.945000	Y
1976 CHARTER/CURRENT EXPENSE	6.520	XXXXXXXX		6.520000	XXXXXXXX		6.520000	Y
SUB TOTAL	10.000		0.000000	10.000000		0.000000	10.000000	
UNIT # 60110 CLEVELAND METRO PARKS								
CLEVELAND METRO PARK	0.050	XXXXXXXX		.050000	XXXXXXXX		.050000	Y
2022 CURRENT EXPENSE	2.700	0.002809		2.692415	0.006622		2.682120	N
SUB TOTAL	2.750		0.002759	2.742415		0.006502	2.732120	
UNIT # 60190 CUYAHOGA COUNTY LIBRARY								
2008 CURRENT EXPENSE	2.500	0.213962		1.965095	0.087180		2.282050	Y
2020 CURRENT EXPENSE	1.000	0.131860		.868140	0.045268		.954732	N
SUB TOTAL	3.500		0.190505	2.833235		0.075206	3.236782	
UNIT # 61156 CUYAHOGA COMMUNITY COLLEGE								
2006 CUYAHOGA COMMUNITY COLLEGE	1.200	0.222549		.932941	0.114758		1.062290	Y
2010 CUYAHOGA COMMUNITY COLLEGE	1.900	0.222549		1.477156	0.114758		1.681959	Y
2014 CUYAHOGA COMMUNITY COLLEGE	0.900	0.222549		.699705	0.114758		.796717	N
2017 BOND (\$227,500,000)	0.500	XXXXXXXX		.500000	XXXXXXXX		.500000	N
2019 CUYAHOGA COMMUNITY COLLEGE	0.400	0.139060		.344376	0.055445		.377822	N
2023 CUYAHOGA COMMUNITY COLLEGE	0.400	0.000000		.400000	0.003468		.398612	N
SUB TOTAL	5.300		0.178457	4.354178		0.091057	4.817400	
UNIT # 61157 CLEVELAND-CUYAHOGA PORT AUTHOR								
1998 CCPA PORT AUTHORITY	0.130	0.316374		.088871	0.199530		.104061	Y
SUB TOTAL	0.130		0.316377	.088871		0.199531	.104061	
COMPOSITE	127.200		0.378510	79.053598		0.289353	90.394423	

Total effective operating tax rate in 1976 = 37.47 in 2023 = 42.34 Since 1976, passed 10 operating levies to increase tax rate by 4.87 mills

For purposes of the upcoming examples, used 46.77 mills less the 5.02, which is not subject to HB920 or 41.75 mills.

Residential Property Tax Calculation, Carryover property, Voted Millage **Reappraisal – SCENARIO #1**



YEAR 1 – PROPERTY 1

Auditor's FMV	\$100,000
35% AR	\$35,000
<u>Mayfield Voted Rate</u>	<u>.04175</u>
SCHOOL TAXES	\$1,461



YEAR 1 – PROPERTY 2

Auditor's FMV	\$150,000
35% AR	\$52,500
<u>Mayfield Voted Rate</u>	<u>.04175</u>
SCHOOL TAXES	\$2,192



YEAR 1 – PROPERTY 3

Auditor's FMV	\$200,000
35% AR	\$70,000
<u>Mayfield Voted Rate</u>	<u>.04175</u>
SCHOOL TAXES	\$2,923

YEAR 1: TOTAL SCHOOL TAXES PAID = \$6,576

YEAR 2: REAPPRAISAL RESULTS IN AN AVERAGE FMV CHANGE OF 10%

TAX RATE: .04175 x .90 = .03758

YEAR 2 – PROPERTY 1 = 5%

Auditor's FMV	\$105,000
35% AR	\$36,750
<u>Mayfield Voted Rate</u>	<u>.03758</u>
SCHOOL TAXES	\$1,381

YOY CHANGE: (\$80)

YEAR 2 – PROPERTY 2 = 10%

Auditor's FMV	\$165,000
35% AR	\$57,750
<u>Mayfield Voted Rate</u>	<u>.03758</u>
SCHOOL TAXES	\$2,170

YOY CHANGE: (\$22)

YEAR 2 – PROPERTY 3 = 15%

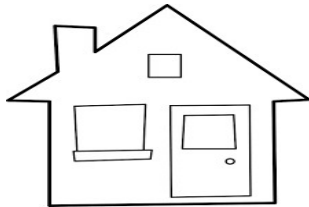
Auditor's FMV	\$230,000
35% AR	\$80,500
<u>Mayfield Voted Rate</u>	<u>.03758</u>
SCHOOL TAXES	\$3,025

YOY CHANGE: \$102

YEAR 2: TOTAL SCHOOL TAXES PAID = \$6,576

YOY TAXES PAID CHANGE TO MAYFIELD CSD = \$0

Residential Property Tax Calculation, Carryover property, Voted Millage **Reappraisal – SCENARIO #2**



YEAR 1 – PROPERTY 1

Auditor's FMV	\$100,000
35% AR	\$35,000
<u>Mayfield Voted Rate</u>	<u>.04175</u>
SCHOOL TAXES	\$1,461



YEAR 1 – PROPERTY 2

Auditor's FMV	\$250,000
35% AR	\$87,500
<u>Mayfield Voted Rate</u>	<u>.04175</u>
SCHOOL TAXES	\$3,653



YEAR 1 – PROPERTY 3

Auditor's FMV	\$500,000
35% AR	\$175,000
<u>Mayfield Voted Rate</u>	<u>.04175</u>
SCHOOL TAXES	\$7,306

YEAR 1: TOTAL SCHOOL TAXES PAID = \$12,421

YEAR 2: REAPPRAISAL RESULTS IN AN AVERAGE FMV CHANGE OF 7.5%

TAX RATE: .04175 x .925 = .03862

YEAR 2 – PROPERTY 1 = 50%

Auditor's FMV	\$150,000
35% AR	\$52,500
<u>Mayfield Voted Rate</u>	<u>.03862</u>
SCHOOL TAXES	\$2,027
YOY CHANGE:	\$566

YEAR 2 – PROPERTY 2 = 10%

Auditor's FMV	\$268,750
35% AR	\$94,065
<u>Mayfield Voted Rate</u>	<u>.03862</u>
SCHOOL TAXES	\$3,635
YOY CHANGE:	(\$19)

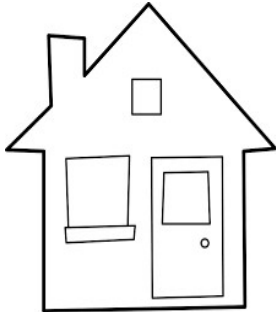
YEAR 2 – PROPERTY 3 = 0%

Auditor's FMV	\$500,000
35% AR	\$175,000
<u>Mayfield Voted Rate</u>	<u>.03862</u>
SCHOOL TAXES	\$6,758
YOY CHANGE:	(\$548)

YEAR 2: TOTAL SCHOOL TAXES PAID = \$12,421

YOY TAXES PAID CHANGE TO MAYFIELD CSD = \$0

Residential Property Tax Calculation, Carryover Property with **NEW ADDITION**



YEAR 1 – PROPERTY 1

Auditor's FMV	\$100,000
35% AR	\$35,000
<u>Mayfield Voted Rate</u>	<u>.04677</u>
SCHOOL TAXES	\$1,461



YEAR 2 – PROPERTY 1 = 5%

Auditor's FMV	\$105,000
35% AR	\$36,750
<u>Mayfield Voted Rate</u>	<u>.03758</u>
SCHOOL TAXES	\$1,381

YOY CHANGE: (\$80)

YEAR 2 – NEW ADDITION

Auditor's FMV	\$50,000
35% AR	\$17,500
<u>Mayfield CSD Rate</u>	<u>.03758</u>
SCHOOL TAXES	\$658

YOY CHANGE: \$578

YEAR 2: TOTAL SCHOOL TAXES PAID = \$2,039

YOY TAXES PAID CHANGE TO MAYFIELD CSD = \$578

Residential Property Tax Calculation, Carryover Property with **NEW CONSTRUCTION**



YEAR 1 – VACANT LAND

Auditor's FMV	\$25,000
35% AR	\$8,750
<u>Mayfield CSD Rate</u>	<u>.04175</u>
SCHOOL TAXES	\$365



YEAR 2 – VACANT LAND = 0%

Auditor's FMV	\$25,000
35% AR	\$8,750
<u>Mayfield CSD Rate</u>	<u>.03758</u>
SCHOOL TAXES	\$329

YOY CHANGE: **(\$37)**

YEAR 2 – NEW CONSTRUCTION

Auditor's FMV	\$300,000
35% AR	\$105,000
<u>Mayfield CSD Rate</u>	<u>.03758</u>
SCHOOL TAXES	\$3,946

YOY CHANGE: **\$3,909**

YEAR 2: TOTAL SCHOOL TAXES PAID = \$4,275

YOY TAXES PAID CHANGE TO MAYFIELD CSD = \$3,909

Questions