

Athens Area Schools

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WHY VOTE FOR ATHENS 18 NON-HOMESTEAD MILL RENEWAL?

To put it simply, state funding assumes local voters will approve our 18 nonhomestead mills. The state will not make up the difference if we don't. It may seem crazy, but the state makes a budget assumption that it can't guarantee. It's up to local voters to approve the 18 mill tax on non-homestead property. In Athens Area Schools, according to our 2012-13 budget, that tax levy is projected at **\$399,185**, or 7.7% of our revenue for the year.

Where would we be without our 18 non-homestead mills? IN BIG TROUBLE! That amount represents two thirds of our elementary teachers or our entire administration or our bus operations and technology budget or our athletics budget three times over. With all the cuts we have made this year to make a solvent budget that pulls us halfway out of our deficit, losing nearly \$400,000 in revenue would erase our entire surplus and more than double our deficit—which would surely lead to an emergency financial review and probably to a state emergency manager takeover of our district.

I can't tell anyone how to vote. I can, however, tell you what happens if you vote “no” or don't get out to vote “yes” on our 18 non-homestead mill renewal on August 7. Please make sure sure you get the facts and get out to vote. I have included some helpful explanations below, and you may call or email me with any questions. I'd be happy to help! (269-729-5427, x. 225; franklinr@athensk12.org).



Excerpts from: [A Michigan School Money Primer](#) For Policymakers, School Officials, Media and Residents

By [Dr. Ryan S. Olson](#) and [Michael D. LaFaive](#), 2007 (The Mackinac Center for Public Policy, www.mackinac.org).

“Local school districts can levy a general property tax on nonhomestead real and personal property to finance school operations. The amount of this levy must be approved by the voters in the district, and the millage rate is limited to the lesser of 18 mills or the number of mills levied by the district for operating purposes in 1993, [\[xxxv\]](#) prior to the passage of Proposal A. [\[xxxvi\]](#)”

“In other words, up to 18 mills can be levied on commercial, industrial, developmental, personal, certain timber cutover and unqualified agricultural property, though this millage is subject to Headlee rollbacks. Revenues from these sources are primarily intended for “operating” purposes. According to Michigan law, operating expenditures include personnel, “furniture and equipment, for alterations necessary to maintain school facilities in a safe and sanitary condition, for funding the cost of energy conservation improvements in school facilities, for deficiencies in operating expenses for the preceding year. ...” [\[xxxvii\]](#) They do not include a sinking fund (the purchasing of real property for building construction and renovations), financing a current or projected operating deficit through district-issued bonds, [\[43\]](#) operation of certain libraries or operating a community swimming pool. [\[44\]](#)”

“If a district is a non-hold-harmless district (as most districts are), a portion of the district’s foundation allowance is received from the school aid fund, while the remainder is raised from a district’s nonhomestead property tax, [\[xciii\]](#) which is retained locally. The state’s portion is the difference between the district’s foundation allowance and the maximum amount the district could legally raise per pupil from a nonhomestead property tax.”