

**MAKE-UP OF CLARENCEVILLE
SCHOOL DISTRICT'S FOUNDATION
ALLOWANCE PER STUDENT:**

With the passage of Proposal A, in 1994, the State of Michigan changed funding from local property taxes collected by the school to a per pupil foundation set by the state. The per pupil foundation is funded through the 6 mill state-wide education property tax, the 6% sales tax, other funding sources collected by the state, and the locally collected non-homestead millage. The state breaks down the foundation allowance per student into two basic pieces, the state portion and local non-homestead portion.

The State of Michigan does not fund/pay the full foundation allowance, which for Clarenceville is \$8,169 per pupil for the 2015-2016 school year. Under Proposal A, residents of each local school district must approve 18 mills to be levied on non-homestead properties in order for the school district to receive the full foundation amount set forth under Proposal A. Clarenceville School District's foundation is made-up of the following:

State Portion per student	\$6,987
Non-Homestead Portion per student	<u>\$1,182</u>
2015-2016 Foundation Allowance	\$8,169

Vote



Tuesday, August 4

Clarenceville School District
20210 Middlebelt Road
Livonia, Michigan 48152



Need more information?
Go to: www.clarencevilleschools.org or Call 248 919-0400

VOTE

Tuesday, August 4

**Clarenceville
School District**

"Building Futures Since 1837"

**Non-Homestead
Millage Proposal**

VOTE

Tuesday, August 4



Clarenceville School District

Non-Homestead Millage Renewal

The non-homestead millage is an 18 mill non-homestead property tax that was originally approved by voters in 1996 and renewed in 2005. This millage allows Clarenceville School District to receive the full per-student foundation allowance that the state authorizes under Proposal A. Our current foundation allowance is \$8,169. **There will be NO COST to homeowners** to maintain the funding voters previously approved.

Non-Homestead properties include:

- Apartment Buildings
- Rental Homes
- Vacation Property
- Vacant Land
- Commercial Property
- Industrial Property

Why is this necessary?

The 18 mill non-homestead millage, which was approved by voters, will expire with the 2015 summer tax levy. This millage represents approximately \$2.3 Million or 11% of general fund revenues.

Frequently Asked Questions:

What does the proposal ask for?

The proposal asks for the authorization of 19 mills for a period of 10 years. This would allow the Clarenceville School District to levy the maximum 18 mills allowed by law on non-homestead property. The additional mill is available in the event of a future Headlee rollback. At no time is more than 18 mills allowed to be levied.

What is a Headlee rollback?

A Headlee rollback occurs because of Proposal A's impact on the Headlee law, which is triggered when property is sold and re-valued at a level higher than the rate of inflation. As a result of a Headlee rollback, school districts collect less revenue than is allowable under Proposal A. The additional mill, will allow Clarenceville to levy the full 18 mills on non-homestead property if a Headlee rollback occurs.

What does non-homestead mean?

Non-homestead property includes industrial, commercial, and all other property except for primary residences and other property exempted by law.

Is this a new tax?

NO. Clarenceville School District non-homestead millage has been levied in the district since 1996 when the millage was originally passed. In May 2005, the voters of Clarenceville renewed the millage for another 10 years. The vote on August 4, 2015 is for a 10 year renewal of this millage.

What if the Clarenceville School District Non-Homestead Millage proposal is not passed?

The Clarenceville School District will lose approximately \$2.3 million from its budget on an annual basis. This would be more than an 11% reduction in the operating budget. This lost revenue **WILL NOT** be replaced by the State of Michigan, therefore, the Clarenceville School District would have to reduce programs to reach a balanced budget.

What will this millage cost homeowners?

NOTHING! The millage only applies to local businesses, industrial and commercial property or property that is not the owner's primary residence (the home in which you live) **THERE IS NO IMPACT ON HOMEOWNERS.**

MILLAGE PROPOSAL

- ◆ On August 4, 2015, Clarenceville voters will be asked to approve a non-homestead millage for 10 more years (through June 30, 2025).
- ◆ Impact on Homeowners: The millage does NOT apply to homeowners.
- ◆ This millage accounts for 11% of the school system's revenue
- ◆ A YES vote will allow the district to receive its full foundation allowance for another 10 years.
- ◆ A NO vote will result in a loss of approximately \$2,300,000 of funding for the district annually.
- ◆ On Tuesday, August 4, 2015 the ballot will ask voters to:

Approve a 19.0000 mill authorization of which no more than 18.0000 mills can be levied.

If you have any questions or would like additional information, please feel free to contact the Board Office at (248) 919-0400 OR access our website at: www.clarencevilleschools.org

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