



FOREST PARK SCHOOL DISTRICT

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On November 3, 2015, voters living within the Forest Park School District will be asked to renew our non-homestead operating tax levy of 17.6874 mills. Primary residences do not pay this tax. The ballot will ask voters to approve a 20 mill tax levy, which includes 2.3126 mills to offset possible reductions in school funding due to the Headlee Rollback factor. More information on the Headlee Rollback is located on a separate paper.

Questions and Answers

Who pays the non-homestead tax levy operating millage?

It is levied on non-homestead properties, such as industrial, commercial, and some agricultural properties and second homes. Primary residences do not pay this tax.

Is this a new tax? No. This is a renewal.

This millage has been in place since 1994 when state voters approved school districts to levy up to 18 mills on non-homestead property. The original vote in 2007 was for 18 mills; however, due to the Headlee Rollback, Forest Park has never collected the 18 mills and is currently at 17.6874. The District is requesting a twenty year renewal as the current non-homestead tax expires in 2016.

Will my residential school taxes increase too?

No, this tax is on non-homestead property and does not apply to a person's primary place of residence.

What happens to the extra 2.3126 mills that are levied over the current 17.6874 mills?

.3126 mills will be used to increase the mills to the statutory maximum of 18.000 mills. The remaining 2.000 mills are not used. It assures when a Headlee Rollback occurs that the school district will collect the full 18 mills. **State law dictates the district will never collect more than 18 mills.**

What happens if the non-homestead operating tax levy millage does not pass?

We could not operate. The revenue generated from the 18 mills totals approximately \$2,452,952. If this millage does not pass, the State will not replace the \$2,452,952 million per year.

Has the Headlee Rollback impacted Forest Park's funding in the past?

Yes. For the past 7 years, since the millage election in 2007, Forest Park has collected under 18 mills due to the Headlee Rollback. The amount of uncollected money that the School District lost was approximately \$300,000.

If the District can only collect 18 mills maximum, why are there two ballot questions?

By law, regardless of the vote on millage rate, the District can only collect a maximum of 18 mills. Due to the Headlee Rollback, Forest Park has never collected the voted upon 18 mills from 2007; thus, the millage rate is 17.6874.

Why are you asking for the additional 2.3126 mills?

.3126 will be used to increase the mills to the statutory maximum of 18.000 mills. The 2.000 mills provides protection for the District from future Headlee Rollbacks.

What does the financial debt look like for Forest Park over the next 5 years?

2012 final bus loan payment will be in 2016

2005 final bond payment will be in 2017

2008 final bond payment will be in 2018

2012 final bond payment will be in 2020

In the next 5 years, the above bonds and loans will be paid off.

How has the bond money been used?

Forest Park School District has been good stewards of your money. Listed are some of the projects that have been completed over the past 3 years:

- Brand new High School Science Lab
- Intercom Door Safety Buzz In System
- Technology wiring upgrades.
- Technology equipment upgrades.
- Food Service Refrigerator/Freezer Unit
- Sidewalk repair to reduce trip hazards for students and community
- Exterior door replacement on building and bus garage to reduce energy costs.
- Multipurpose room air conditioning units
- New roof over the 1998 building.
- Bleacher rail system for the safety of our students and community members.

Without the bonds, we would not have the educational facilities and technology we have today for our students to compete in the 21st century.

What steps has the school district already taken to reduce its operational expenses over the past several years?

The District has taken a number of steps to avoid deficit spending. The School District decreased its expenditures this past year to allow for approximately a \$200,000 turnaround in the budget with just a slight increase in revenue. This turnaround was accomplished in part by:

- Improved operational efficiencies
- Shared services/functions with other districts
- Restructuring bus routes
- Energy Efficiencies
- Little or no wage increases
- Insurance concessions
- Reduction and restructuring of staff and responsibilities

What is the amount of increase I will see on my taxes for my NON-HOMESTEAD Property?

<u>Non-Homestead Taxable Value</u>	<u>Current Mills Levied</u>	<u>Current Taxes</u>	<u>Proposed Mills</u>	<u>Proposed Taxes</u>	<u>Tax Increase</u>
\$ 25,000.00	17.6874	\$442.19	18.0000	\$450.00	\$7.81
\$ 50,000.00	17.6874	\$884.37	18.0000	\$900.00	\$15.63
\$ 75,000.00	17.6874	\$1,326.56	18.0000	\$1,350.00	\$23.45

What will the ballot language look like on Tuesday, November 3, 2015?

<p style="text-align: center;">FOREST PARK SCHOOL DISTRICT PROPOSAL-ADDITIONAL OPERATING MILLAGE</p> <p>This proposal if approved by the electors, will allow the Forest Park School District to restore the portion of its statutory rate of 18 mills against property in the school district except principal residence and other property exempted by law. The 2.3126 mills are only available to be levied to restore millage lost as a result of the reduction by the “Headlee” Amendment to the Michigan Constitution of 1963 and will only be levied to the extent necessary to restore that reduction. The school district will not levy more than the full 18 mill allowed by law.</p> <p>Shall the limitation on the total amount of taxes which may be assessed against all property, except principal residence and other property exempted by law, within the Forest Park School District, County of Iron, State of Michigan, be increased by 2.3126 mills (\$2.3126 on each \$1000 of taxable Value) for a period of twenty (20) years from 2016 through 2035, with the portion of this millage that could be levied within the total cap of 18 mills allowed by law would provide estimated revenues to the Forest Park School District of \$42,599.60 during the 2016 calendar year, to be used for general operating purposes?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>	<p style="text-align: center;">FOREST PARK SCHOOL DISTRICT OPERATING MILLAGE RENEWAL PROPOSAL</p> <p>This proposal will allow the school district to continue to levy millage on all property, except principal residence and other property exempted by law, required for the school district to receive its revenue per pupil foundation allowance, renewing this millage at the rate to which it has been reduced by the “Headlee” amendment to the Michigan Constitution.</p> <p>Shall the limitation on the total amount of taxes which may be assessed against all property, except principal residence and other property exempted by law, within the Forest Park school District, County of Iron, State of Michigan, be renewed as provided in the Michigan Constitution, in the amount of 17.6874 mills (\$17.6874 on each \$1000 of taxable value), for a period of twenty (20) years, from 2016 through 2035, inclusive, being a renewal of a previously voted millage authorization which would otherwise expire in 2016, which millage would provide estimated revenues to the Frost Park School District of \$2,410,352.43 during the 2016 calendar year, to be used for general operating purposes?</p> <p style="text-align: right;"><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
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If you have any questions, please call the Forest Park business office at 906-214-4695 ext. 325 for more information. Students of Forest Park School District thank you for your continued support of their education.

