**Information to the community regarding the district’s non-homestead millage proposal**

On Tuesday, November 6th, Holton Public Schools will ask district residents to approve the renewal of its non-homestead millage proposal. As the ballot in November is already crowded, it is important to understand the 18 mill non-homestead millage renewal that the district is proposing to the community. The following bullet points and letter to the community will outline the district’s request.

**What is the 18 mill non-homestead millage?**

* In the 1990’s, Proposal A changed school funding and redefined how property taxes are assessed.
* Schools must levy 18 mills on non-homestead properties to receive full state funding (non-homestead properties are those in which a homestead exemption cannot be obtained such as commercial property, industrial property, and second homes).
* The millage is collected by the municipalities within Holton Public Schools, and then forwarded to the school district.
* Tax revenues from this millage are used for the school district’s general operation.
* This is NOT a tax on homestead properties. It is a proposal to continue the existing 18 mill assessment on non-homestead properties only.

**Why does the school district need to renew it?**

* The current millage expires with the 2013 tax levy.
* The school district is proposing this renewal in November so that we remain in the November election year cycle, which saves the district additional costs in holding special elections for this purpose.

**What is the financial impact of the renewal?**

* The state pays the school district the foundation allowance, less the 18 mill levy on non-homestead property. If not renewed, the school district will lose just over $800,000 for the 2014-2015 fiscal year.
* Any amount levied less than the 18 mills is not reimbursed by the State. The state assumes that the school district will collect all 18 mills on non-homestead property. The district will need to eliminate this amount from its annual operating budget.

**Please visit the school district’s webpage at:** [**http://www.holtonschools.com**](http://www.holtonschools.com) **or by calling the superintendent’s office at (231) 821-1700 for more information on the district’s millage proposal.**