**MUNISING PUBLIC SCHOOLS**

**OPERATING MILLAGE RENEWAL Q & A**

**Our district’s operating millage, which has been in place for almost 20 years, is set to expire in 2015.**

**What is the millage about?**

In 1994, Proposal A was voted in as a way to fund Michigan schools. As part of the funding plan, each district voted to assess an operating millage of 18 mills on non-PRE property. This millage passed overwhelmingly in Munising twenty years ago, and in November of 2014, it will be on the ballot for renewal.

**What is non-PRE property?**

Non-PRE refers to Non-Principal Residence Exemption, formerly non-homestead property. It refers to property within our school district such as vacation homes, rental property, businesses, or any other property without a primary residence located on it.

**Will residents who only own the property where their primary residence is located see any change in their taxes with this millage renewal?**

Residents who only own the house and property where they live, or own qualified agricultural property, are not affected by this millage. They will not see any tax relief if the renewal does not pass, nor will they see a tax increase if the renewal passes.

**Didn’t the voters approve a school millage in 2005?**

During the years that the original operating millage was in place, the 18 mills was rolled back a few times, due to “Headlee Rollbacks”. This resulted in a loss of school funding. In 2005, Munising Public School District residents voted in 3 additional operating mills to restore the “rolled back” mills and allow the District to levy the full 18 mills for operations. This millage restoration is called a “Headlee Override”. The Headlee Override millage will need to be renewed as well, as it is also expiring. The two rolled back millage amounts will be combined and renewed together. The actual ballot language asks for the renewal of the currently authorized millage rate limitation of 19.9333 mills. Renewal of this combined rate will allow the District to levy the full 18 mills for operations and provide a hedge for future Headlee Rollbacks.

**What is a Headlee Rollback?**

The Headlee Amendment to the Constitution of the State of Michigan of 1963 requires a local unit of government to reduce its millage when annual growth on existing property is greater than the rate of inflation. As a consequence, the local unit’s millage rate is “rolled back” or reduced. The district’s 18 mills are currently rolled back to 16.9614 and the 3 mills for Headlee Override are currently rolled back to 2.9719. The combined millage rate of 19.9333 is the amount that will appear on the ballot for renewal. This will give the District a hedge for future Headlee Rollbacks and still allow the District to levy the full 18 mills for operational purposes.

**How much money does the 18 mills mean to our district?**

Based on the current taxable value on non-PRE property in our district, the 18 mills is estimated to generate approximately **$1,498,000**\* in annual revenue. This amount is approximately 24% of the school district’s total revenue. If the millage is not renewed, this is the amount of money the district will lose.

***\*Note****: This amount will change slightly as new taxable value figures are released by the County.*

**What is the election date for the renewal millage?**

This election will take place **November 4, 2014**.