# River Valley School District Special Election August 6, 2013



## Millage Renewal - actual ballot language:

OPERATING MILLAGE RENEWAL PROPOSAL **EXEMPTING PRINCIPAL RESIDENCE AND OTHER PROPERTY EXEMPTED BY LAW.** Shall the currently authorized millage rate limitation of 20 mills (\$20.00 on each \$1,000 of taxable valuation) on the amount of taxes which may be assessed against all property, except principal residence and other property exempted by law, in River Valley School District, Berrien County, Michigan, be renewed for a period of 5 years, 2014 to 2018, inclusive, to provide funds for operating purposes; the estimate of the revenue the school district will collect if the millage is approved and levied in 2014 is approximately \$6,488,588 (this is a renewal of millage which will expire with the 2013 tax levy)?

By law, to obtain the Total Foundation Allowance, River Valley School District must collect a local "non-homestead" millage to fulfill the budget. The State reduces its obligation to districts by the same amount and only pays the balance. Therefore it is critical to continue to collect 18 mills on non-homestead property to attain full funding.

#### What does "non-homestead" mean?

Non-homestead represents industrial, commercial and some agricultural property and "second homes." A family's primary residence is not included.

#### Why is there a proposal for 20 mills?

By law, the school district is only authorized to levy 18 mills, however, every year, "the Headlee Amendment" requires a rollback in local authorized millage rates if the local tax base increases more than inflation. The maximum authorized millage can only be restored when there are more than 18 mills available.

The additional 2 mills will restore possible future Headlee reductions on the authorized millage rate in order to continue to levy the full 18 mills on non-homestead property in years 2014, 2015, 2016, 2017 and 2018.

or

### QUESTIONS?? Please contact us!

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