



# Whitehall District Schools

## 2015 Operating Millage Renewal Information.

**When:** Tuesday, May, 5 2015, 7:00 a.m.—8:00 p.m.

**Where:** Township or City voting precincts

**Why:** See below for all the details.

*Absentee ballot applications are available at the Township or City Clerk's office.*

When Michigan voters approved Proposal A in 1994, they changed the way that our public schools receive their funding. Primarily, the funding now comes from an increased sales tax with less reliance on property taxes. The levy on homes and agricultural property was reduced to 6 mills. The levy on business and vacation homes was reduced to 24 mills.

Because of the Headlee Amendment, the state of Michigan could levy only six mills on all state property. That means local school districts are required to seek the additional 18 mills on businesses and vacation properties. The 18 mills represents the difference between 24 mills allowed by Proposal A and the six mills the state levies.

The foundation grant funding from Proposal A assumes that districts levy 18 mills. If districts do not levy these mills, they do not get full per pupil funding from the state.

There will be one school millage issue on the ballot for Whitehall voters at the regular school election on Tuesday, May 5, 2015. The issue is a ten-year renewal of the 18.5 mills, which is presently being levied on certain businesses. This renewal millage does not affect the property taxes home owners pay on their own residence or property tax on most agricultural property.

Public school districts use this millage as a major part of their budget for operations. For Whitehall, this millage represents approximately \$3 million or 15 percent of its budget.

### The following questions are some commonly asked questions about this millage.

***Is the maximum amount the district can levy 18 mills?***

Yes, by law, the district can only levy 18 mills. The State funding system known as Proposal A expects the district to levy all 18 mills to get the full foundation grant.

***Why is the district asking for 18.5 mills?***

That is the amount of the previous millage that expires in December. Some districts ask for "Headlee Override" millage elections to ensure that their foundation grant is fully funded. By asking for 18.5 mills the district will not need to add additional elections. When properties sell at values greater than inflationary growth rates, the district would have to reduce the millage. If the millage is lowered, the district would not receive the full amount of the foundation grant.

***Does the 18 mills apply to the taxes on my home?***

No. The mills only apply to second homes, vacation property, or certain businesses.

***How does this tax impact family farms?***

Like your primary residence, most agricultural land is exempt from the millage renewal.

***What happens if the proposal fails?***

Because a substantial portion of the district's operating budget comes from this millage, we would be forced to ask for it again. Ultimately, if it fails, there would be significant cuts in programming for students.

***Does every Michigan school district need to ask for this 18 mills?***

Yes. Without it, a district would face severe financial losses from the state funding systems.

***When and where do I vote?***

The polls will be open from 7:00 a.m. until 8:00 p.m. on Tuesday, May 5, 2015. Voting will be done where general elections always take place at Township or City voting precincts. Absentee ballot applications are available your City or Township Clerks' office.