

BENZIE COUNTY CENTRAL SCHOOLS

August 4, 2026, Ballot Proposals

Public Information Summary

Two separate questions on the ballot

Voters will see two separate school district proposals: (1) an operating millage restoration proposal, and (2) a sinking fund replacement proposal. Each proposal has a different legal purpose, different taxpayer impact, and different use of funds.

At-a-glance

Proposal	Rate / Term	Applies To	Estimated Revenue	Primary Purpose
Operating Millage	2.5 mills for 4 years 2026-2029	Non-homestead property only. Principal residences are exempt.	\$66,662 if approved and levied in 2026	Restores operating millage lost through Headlee rollback so the district can levy up to the statutory operating rate needed for foundation funding.
Sinking Fund Replacement	.70 mill for 10 years 2027-2036	All taxable property in the district.	\$942,243 if approved and levied in 2027	Replaces the expiring sinking fund authority for buildings, security, technology, transportation vehicles, and related statutory purposes.

Public-information note

This document is intended to explain the proposals in plain language. The official ballot language controls. District resources should be used for factual information, not campaign advocacy.

1. Operating Millage Proposal

What the proposal says

The operating proposal would allow the district to levy up to 2.5 mills for 4 years, 2026 to 2029, on property that is not a principal residence and is not otherwise exempt by law. The estimated 2026 revenue is approximately \$66,662 if approved and levied.

<p>What operating millage can be used for</p> <ul style="list-style-type: none"> • Classroom instruction and regular educational programs. • Teachers, support staff, and other operating payroll costs. • Student support services and instructional support. • Transportation operations, utilities, routine operations, and maintenance. • General school operations that support the district's per-pupil foundation allowance. 	<p>What operating millage is not for</p> <ul style="list-style-type: none"> • It is not the sinking fund. • It is not for major building construction or large capital projects. • It is not the district's bond proposal or debt levy. • It is not levied on principal residences; it applies to non-homestead property and other property not exempted by law.
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How Headlee rollback fits in

- The Headlee Amendment is part of the Michigan Constitution. In general terms, when taxable value growth exceeds the inflation adjustment, authorized millage rates can be rolled back.
- For school operating millage, this can reduce the district's non-homestead operating rate below the level otherwise available for school operating revenue.
- The operating proposal is a restoration proposal. It is designed to restore operating mills lost through rollback so the district can levy up to the statutory operating rate needed for its foundation funding.
- The ballot language states that the proposal is to restore millage lost as a result of the required constitutional reduction and will be levied only to the extent necessary to restore that reduction.

Common public questions

Question	Plain-language answer
Does this apply to my house?	No, not if the property is your principal residence. The proposal applies to non-homestead property and other non-exempt property.
What kinds of property are usually non-homestead?	Examples can include commercial, industrial, business, rental, and second-home property, depending on the property's classification and exemption status.
Why is it needed?	It protects the district's ability to collect operating revenue up to the statutory operating rate after Headlee rollback reductions.
Is this the same as the sinking fund?	No. Operating millage supports regular school operations. The sinking fund supports specific capital and statutory categories.

2. Sinking Fund Replacement Proposal

What the proposal says

The sinking fund proposal would authorize up to .70 mill for 10 years, 2027 to 2036, to replace the previously approved sinking fund millage that expires with the 2026 tax levy. The estimated 2027 revenue is approximately \$942,243 if approved and levied.

What the approved language includes

- Construction or repair of school buildings.
- School security improvements.
- Acquisition or upgrading of technology.
- Student transportation vehicles.
- Parts, supplies, and equipment used to maintain student transportation vehicles.
- Eligible trucks and vans used to carry parts, equipment, and personnel for maintenance of school buildings.
- Parts, supplies, and equipment used to maintain those trucks and vans.
- All other purposes authorized by law.

Why replacement language matters

- The current sinking fund authority expires with the 2026 tax levy.
- The replacement proposal uses current statutory categories, including transportation-related authority.
- The proposal is lower than the original .90 mill sinking fund rate and lower than the 2025 rolled-back rate of .8415 mill.
- The goal is to plan for facility and transportation needs instead of shifting those costs into operating funds when possible.

Estimated taxpayer cost at .70 mill

Taxable Value	Annual Cost at .70 Mill	For Comparison: Annual Cost at 2025 Rate .8415 Mill	Approximate Annual Difference
\$50,000	\$35.00	\$42.08	-\$7.08
\$100,000	\$70.00	\$84.15	-\$14.15
\$150,000	\$105.00	\$126.23	-\$21.23
\$200,000	\$140.00	\$168.30	-\$28.30

How to read the cost table

A mill is \$1 per \$1,000 of taxable value. The table uses taxable value, not market value. The comparison column uses the district's 2025 rolled-back sinking fund rate of .8415 mill as supplied from the L-4029 and audit information.

3. Sinking Fund History, Current Balance, and Planned Uses

Historical sinking fund levies

Year	Millage Rate with Headlee Rollback	Sinking Fund Levy Per Annual Audit
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2025	0.8415	\$1,016,038
2024	0.8578	\$941,633
2023	0.8640	\$862,807
2022	0.8684	\$815,845
2021	0.8797	\$789,826
2020	0.8908	\$764,173
2019	0.8969	\$734,265
2018	0.9000	\$707,253

Current sinking fund position

Item	Amount	Notes
Gross sinking fund cash balance	\$2,915,913.78	Balance reported as of 2/28/26.
Listed committed projects / encumbrances	\$1,397,970.00	Includes remodel, lockers, soffit, doors, and window work listed below.
Estimated uncommitted balance after listed commitments	\$1,517,943.78	Approximate planning figure based on the amounts supplied.

Why the cash balance needs context

The gross balance is not the same as the amount freely available for new projects. Several projects are already committed. Some door and window items may ultimately be funded from another source, which could change the final available balance.

Planned use of existing old-fund dollars

Planned / Committed Item	Estimated Amount
Betsie Valley Elementary remodel	\$693,370
Lockers - HS/MS, Lake Ann Ele, Betsie Valley Ele.	\$436,500
High School soffit	\$23,200
Exterior doors	\$17,200
HS/MS windows	\$88,600
Additional windows	\$139,100

Total listed commitments	\$1,397,970
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Examples of prior sinking fund work

Project	Year	Cost / Note
Bus garage	2024	\$3,076,806 split between sinking fund and bond
Lake Ann boiler and controls; HS/MS controls	2025	\$239,800
Track resurfacing	2025	\$122,000
CC trail and bus garage road	2025	\$113,416
Flooring at LAE and BVE	2024	\$74,024
Bay View flooring / MS	2025	\$68,818
Sidewalks and concrete - MS/LAE/BVE	2025	\$67,390
Auditorium electrical - Shoreline Power	2025	\$56,740

4. Why New Sinking Fund Dollars Would Be Helpful

<p>Planning reasons</p> <ul style="list-style-type: none"> • Continue a predictable local source for major repair and preservation needs. • Avoid waiting until buildings, systems, or transportation assets fail. • Reduce pressure on operating dollars that support classroom and day-to-day school costs. • Maintain transparency by showing prior work, current commitments, and future categories. 	<p>Transportation reasons</p> <ul style="list-style-type: none"> • Current statutory language allows a newly authorized sinking fund to include student transportation vehicles. • Transportation authority can help the district plan for bus replacement and related maintenance needs. • Using a sinking fund for eligible transportation costs can help avoid drawing those capital costs from operating funds. • The adopted proposal expressly includes student transportation vehicles and related parts, supplies, and equipment.
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Potential future categories supported by the replacement authority

Category	Examples of possible uses
Building preservation	Roofing, exterior work, windows, doors, concrete, flooring, ceilings, and other building repair or preservation work.
Mechanical / infrastructure	Boilers, controls, electrical work, plumbing-related work, and other major systems.

Security	Security improvements allowed by law and included in the adopted language.
Technology	Acquisition or upgrading of technology allowed by the sinking fund statute and ballot language.
Transportation	Student transportation vehicles and related parts, supplies, and equipment used to maintain those vehicles.
Maintenance support vehicles	Eligible trucks and vans used to carry parts, equipment, and personnel for or in the maintenance of school buildings, plus related maintenance items.

Plain-language summary

The operating millage keeps school operations funded. The sinking fund is different: it is for specified capital, facility, technology, security, and transportation-related purposes. Keeping the two proposals separate helps voters evaluate each one on its own purpose.

5. Approved Proposal Language - Public Reference

Operating Millage Proposal

Official ballot language

This proposal will allow the school district to levy the statutory rate of not to exceed 18 mills 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.

Shall the limitation on the amount of taxes which may be assessed against all property, except principal residence and other property exempted by law, in Benzie County Central Schools, Benzie, Manistee, Grand Traverse and Wexford Counties, Michigan, be increased by 2.5 mills (\$2.50 on each \$1,000 of taxable valuation) for a period of 4 years, 2026 to 2029, 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 2026 is approximately \$66,662 (this millage is to restore millage lost as a result of the reduction required by the Michigan Constitution of 1963 and will be levied only to the extent necessary to restore that reduction)?

Sinking Fund Millage Proposal

Official ballot language

This proposal will allow the school district to replace the building and site sinking fund millage previously approved by the electors.

Shall the limitation on the amount of taxes which may be assessed against all property in Benzie County Central Schools, Benzie, Manistee, Grand Traverse and Wexford Counties, Michigan, be increased by and the board of education be authorized to levy not to exceed

.70 mill (\$0.70 on each \$1,000 of taxable valuation) for a period of 10 years, 2027 to 2036, inclusive, to replace the previously approved sinking fund millage with a sinking fund millage for the construction or repair of school buildings; for school security improvements; for the acquisition or upgrading of technology; for the acquisition of student transportation vehicles; for the acquisition of parts, supplies, and equipment used for the maintenance of student transportation vehicles; for the acquisition of eligible trucks and vans used to carry parts, equipment, and personnel for or in the maintenance of school buildings; for the acquisition of parts, supplies, and equipment used to maintain such trucks and vans; and all other purposes authorized by law; the estimate of the revenue the school district will collect if the millage is approved and levied in 2027 is approximately \$942,243 (this is a replacement of millage that expires with the 2026 tax levy)?

6. Quick FAQ and Key Terms

Question	Answer
Are these two proposals the same?	No. The operating proposal supports regular operations and applies to non-homestead property. The sinking fund proposal supports specific capital and statutory categories and applies to all taxable property.
Why is the sinking fund called a replacement?	The current sinking fund authority expires with the 2026 tax levy. The proposed .70 mill authority would replace the previously approved sinking fund with updated statutory uses.
Why does the sinking fund mention transportation?	Current law allows a newly authorized sinking fund to include student transportation vehicles and related maintenance items. The adopted language preserves that authority.
Does the sinking fund replace bond money?	No. A sinking fund is a separate pay-as-you-go source for eligible purposes. Bond proceeds and debt millage are separate.
Why list prior projects?	Listing prior projects helps show what earlier sinking fund dollars have supported and gives voters a clearer picture of district stewardship.
Why list current commitments?	The current cash balance does not show the whole picture unless committed projects are also shown.

Where to get the full official language

The full text of the ballot propositions may be obtained at the administrative offices of Benzie County Central Schools, 9300 Homestead Road, Benzonia, Michigan 49616-0240, telephone: (231) 882-9653.

Key terms used in the proposals

Term	Meaning in plain language
Mill	A tax rate equal to \$1 per \$1,000 of taxable value. A .70 mill levy equals \$0.70 per \$1,000 of taxable value.
Taxable value	The value used to calculate property taxes. It is not necessarily the same as market value or sale price.
Principal residence	A homeowner's main home. The operating proposal exempts principal residences and other property exempted by law.

Non-homestead property	Property that is not treated as a principal residence or otherwise exempt for this operating-millage purpose. Examples may include commercial, industrial, rental, business, and second-home property, depending on classification and exemptions.
Replacement sinking fund	A new authorization that replaces the expiring sinking fund authority and uses current statutory categories in the ballot language.

Bottom line

The operating proposal is about regular school operations and Headlee restoration on non-homestead property. The sinking fund proposal is about a separate .70 mill replacement authority for eligible capital, facility, technology, security, and transportation-related purposes.