

NON-HOMESTEAD MILLAGE RENEWAL ELECTION

NOVEMBER 6, 2018



OVERVIEW

Why should I vote on this issue in November?

On November 6th, 2018, voters in the Benzie County Central Schools will be asked to vote on a proposal to renew the millage levied on non-homestead property (industrial, commercial, business, rentals, and second homes).

Essentially, this ballot proposal is asking residents to vote on taxes that the business community is required to pay (and are currently paying) under Proposal A to support public schools. This is the law and part of the State Constitution.

How does this affect property taxes for owner-occupied homes in the district?

This proposal does not affect taxes for owner occupied primary residences. For most homeowners, an approval of this millage will cost nothing!

How long is this millage for?

If renewed, this millage would be for a period of five (5) years – from January 1, 2020 through December 31st, 2024. The current non-homestead tax levy expires on December 31, 2019.

What happens if this millage does not pass?

Without the non-homestead millage, the State of Michigan would reduce our funding by over 7.5 million dollars per year. This represents over HALF of our operating budget which currently stands at under 15 million dollars per year. It would be impossible to maintain school operations at our current standards with such a drastic reduction.



Why is the district asking for over 20 mills, when by law, they can only levy 18 mills?

The 1979 Headlee Amendment to the Michigan Constitution added a provision to require a “roll back” in millage rates if the local non-homestead tax base (taxable value) increases more than the rate of inflation. Like most districts in the state, Benzie Central requests that the voters authorize additional mills even though we can only levy 18 mills per year. Thus, if we experience a “Headlee Rollback,” we would not have to have another expensive election to restore the non-homestead tax.

How much does the levy raise?

The renewal of this levy raises an estimated 7.5 million dollars out of the annual general fund budget of approximately 14.4 million dollars.

FACTS



When and where will the School Election be held?

The election is on Tuesday, November 6th, 2018 at your regular voting precinct. Polls will be open from 7AM to 8PM

Who can vote in the November 6th Election?

All voters registered at least 30 days prior to the election and residing in the Benzie County Central School district are eligible to vote on this ballot issue.

VOTE!

What is the actual ballot language?

This proposal will allow the school district to continue 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. The remaining 2.2365 mills are only available to be levied to restore millage lost as a result of reduction required by the “Headlee” amendment to the Michigan Constitution of 1963 and will only be levied to the extent necessary to restore that reduction. Shall the currently authorized millage rate 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 renewed by 20.2365 mills (\$20.2365 on each \$1000 of taxable valuation) for a period of 5 years, 2020 to 2024, inclusive, to provide funds for operation purposes; the estimate of the revenue the school district will collect if the millage is approved and 18 mills are levied in 2020 is approximately \$7,545,483 (this is a renewal of millage that will expire with the 2019 tax levy?)