

NORTH BRANCH Area Schools

Facts Regarding the OPERATIONAL TAX LEVY

- ✓ For North Branch Area Schools, the State funding per pupil foundation allowance is \$8,111 but the school district only receives \$7,565 per pupil from the state; the difference must be collected locally through the operating tax levy
- ✓ The State aid formula for funding public schools assumes that local districts assess an 18 mill operating tax levy to receive the full foundation allowance
- ✓ By operation of law, the school district's 18 mill tax levy has dropped to 17.8224 due to increases in the taxable value of property in the school district—this process is known as "Headlee erosion," named after the "Headlee Amendment" to the Michigan Constitution
- ✓ The ballot question asks voters to restore the millage to the full 18 mills
- ✓ The ballot question asks voters to approve an additional 2 mills, which will act as a "cushion" against further Headlee erosion. This authorization would safeguard the school district against losing money caused by Headlee erosion in the future and provide the continued 18 mills funding from taxes collected from non-homestead properties. By law, the district cannot levy an operating tax more than 18 mills, even if it is voter approved. If this restoration is not approved by voters, the district will receive less than the assumed 18 mills which will result in decreased funding for North Branch Area Schools
- ✓ There will be **NO INCREASE** in property taxes to your primary residence (the main home where you live). The proposed millage is **NOT** assessed on primary residences or agricultural properties
- ✓ The proposed millage is assessed on commercial, industrial, vacation homes, and rental properties
- ✓ Only 21% of the property value in the district is subject to this operating millage
- ✓ This money is used for district operations and cannot be replaced by other sources

The school district's operating millage has been regularly approved by North Branch voters since 1994 when Proposal A passed. This is a restoration of the current millage.

PLEASE VOTE NOVEMBER 3, 2020

Paid for by: North Branch Area Schools 6655 Jefferson Road North Branch, MI 48461

