

Ann Arbor Public Schools 2018 Operating Millage

Frequently Asked Questions

On May 8, 2018, the community will be asked to vote on approving the district's Operating Millage Proposal.

Here are answers to frequently asked questions about the 2018 Operating Millage Proposal.

1) **What is requested in the school ballot on May 8, 2018?**

This proposal would restore, replace and extend the authority of the Public Schools of the City of Ann Arbor to levy mills for general school district operating purposes.

2) **Will this increase the property tax rate on my home?**

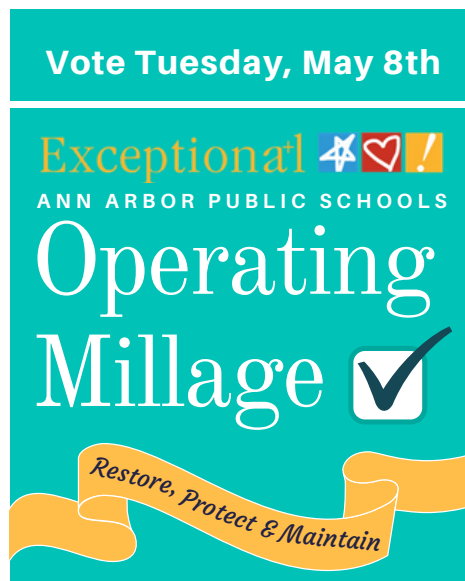
No. For AAPS homeowners, this millage restoration will extend the current authority for homeowners and will not increase tax rates over the current authorization.

3) **What are the revenues used for?**

The money the district receives from the Operating Millage supports the day-to-day operations of the school district, including salaries for teachers and staff, and represents approximately 34% (\$84 million) of the overall General Fund budget.

4) **How will this ballot proposal impact AAPS homeowners?**

Under existing law, the School District would levy on principal residence property only that portion of the mills (in 2017 4.3564 mills) necessary to allow the School District



to receive the full revenue per pupil foundation allowance permitted by the State.

5) **How does this millage allow AAPS to maintain the 18 mills on Non-Homestead property?**

The May 8th ballot proposal will restore the authority of AAPS to levy 18 mills of Non-Homestead millage on all taxable industrial and commercial businesses, rental properties, and second home properties. In order for the District to receive its full per pupil foundation allowance, the District must levy 18 mills.

6) **Why is a vote necessary?**

Under state law, school operating millage authority expires periodically. For AAPS to continue to receive the full State Foundation Allowance for each student, this millage must be reauthorized from time to time. This millage was last approved in 2009.

7) **What are the details of the restoration and replacement millage renewal proposal for the Ann Arbor Public Schools for homeowners?**

This authorization will merely enable the District to continue to collect the full per pupil amount allowed under Proposal A. As part of the proposal, voters will have the opportunity to reauthorize the levy of up to 12.3777 mills on homesteads for general operating purposes for the next 20 years. Currently, the District levies 4.3564 mills on homesteads.

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8) What is the maximum levy amount in this operating millage for business owners?

By law, school districts cannot levy more than 18 mills, even with voter approval of a higher rate. In the current year, AAPS has experienced a rollback of .41 mills, resulting in a \$1.3 million loss in revenue to the District. The State does not make up that lost revenue. Ann Arbor Public Schools is requesting a three mill cushion (for a total of 21 mills) on non-homestead properties only to protect the 18 mill levy against future Headlee Amendment rollbacks (losses).

9) Who is eligible to vote for the election on Tuesday, May 8, 2018?

Registered voters living in the Ann Arbor Public School District boundaries are eligible to vote.

10) When is Election day and where do I vote?

Election day is Tuesday, May 8th. Polls are open from 7 AM to 8 PM. You can find your voting location through the Secretary of State website: www.michigan.gov/sos or the Ann Arbor City Clerk's Office website: <https://www.a2gov.org/departments/city-clerk/Elections/Pages/Elections.aspx>

11) What is the wording on the ballot?

PUBLIC SCHOOLS OF THE CITY OF ANN ARBOR REPLACEMENT OPERATING MILLAGE PROPOSAL

This proposal would restore, replace and extend the authority of the Public Schools of the City of Ann Arbor to levy up to 18.00 mills for general school district operating purposes on taxable property in the School District to the extent that such property is not exempt from such levy and would restrict the levy on principal residences (owner occupied homes) to no more than 12.377 mills. If approved, this proposal would restore the authority of the School District to levy the statutory limit of 18.00 mills on non-homestead (principally industrial and commercial real property and residential rental property) which currently expires with the School District's 2019 tax levy and allow the district to continue to levy the statutory limit of 18 mills on non-homestead property in the event of future Headlee rollbacks of up to 3 mills. Under existing law the School District would levy on principal resident property only that portion of the mills (in 2017 4.3564 mills) necessary to allow the School District to receive the full revenue per pupil foundation allowance permitted by the State.

Shall the limitation on the amount of taxes which may be imposed on taxable property in the Public Schools of the City of Ann Arbor, County of Washtenaw, Michigan, be increased to 21 mills (\$21.00 per \$1,000 of taxable value), with 18 mills being the maximum allowable levy (\$18.00 per \$1,000 of taxable value), to the extent such property is not statutorily exempt, and of which not more than 12.3777 mills may be imposed on principal residences, for twenty (20) years, the years 2018 to 2037, inclusive, to provide funds for operating expenses of the school district? This millage would raise approximately \$84,779,572 in the first year of levy.

YES

NO