



**MEMPHIS COMMUNITY SCHOOLS**  
A small district where BIG things happen.

34110 Bordman Road  
P.O. Box 201  
Memphis, Michigan 48041  
Phone: (810) 392-2151  
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## **Operating Millage Renewal**

### **May 4, 2021**

## **FREQUENTLY ASKED QUESTIONS**

### **1. What will the millage renewal cost homeowners?**

**Nothing.** The 18 mills Non-Homestead Millage Renewal only applies to local business, industrial and commercial property or property that is not the owner's primary residence. There is **NO IMPACT** on homeowners.

### **2. Will this increase taxes on Non-Homestead properties?**

**No,** we are currently assessing the full state allowable 18 mills to all non-homestead properties in our district.

### **3. What does "Non-Homestead" mean?**

Non-Homestead properties represent business, industrial, commercial, and some agricultural property and "second homes." It **does not include** a family's primary residence.

### **4. How important is this election?**

**Extremely.** The Non-Homestead Millage comprises \$1.45 million, or 15.9 percent, of Memphis Community Schools' operating revenues. The State of Michigan assumes school districts levy and collect the full 18 mills, and subtracts this amount from each district's per pupil allowance. For Memphis Community Schools this is equal to more than \$1,800 per pupil. These are the funds used to pay for staffing, purchase textbooks and classroom supplies, and operate the district's school buildings. These local funds are deducted from the per pupil money the school district receives from the state. If the millage renewal is not approved, the state will not make up the difference, and Memphis Community Schools will lose \$1.45 million in revenue each year and we would have to plan to make large cuts to its programs.

### **5. How are Michigan school districts funded?**

Public schools in Michigan receive most of their funding on a per pupil basis from the state. The amount a school district receives per pupil is called the Foundation Allowance. The per pupil foundation allowance for Memphis Community Schools is currently \$8,111. This represents the major portion of Memphis Community School's revenues and is funded from two sources: (1) local revenue — 18 mills collected on Non-Homestead property in the district, and (2) state revenue.



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**6. Why do we need a millage election?**

The Non-Homestead Millage is required by Proposal A (the state's school funding structure), in order for Memphis Community Schools to receive its full per pupil foundation allowance from the state. The law requires that the 18 mills on Non-Homestead property cannot be levied unless it comes before voters in an election. Memphis Community School's residents last approved the operating millage in 2016, and a 10-year renewal period is requested in the May 4, 2021 election.

**7. I thought schools no longer received funding through property taxes, so why is the school district asking for a millage renewal?**

Funding for school districts changed significantly in 1993-94 when Michigan voters passed Proposal A. Under Proposal A, the state provides the majority of the funding to public schools, but to receive full funding, schools must levy and collect locally 18 mills on Non-Homestead property in their district.

**8. Is this a new tax?**

**No.** This is a renewal of a millage approved by the voters in 2016 and it has been levied every year since then.

**9. Can the district use bond money to cover the loss in revenue if the millage is not approved?**

**No.** These funds are restricted by law to building and site projects and cannot be used for general fund expenditures such as staffing, textbook and classroom supplies, or to operate our school buildings.

**10. How will the proposal appear on the ballot?**

MEMPHIS COMMUNITY SCHOOLS  
OPERATING MILLAGE RENEWAL PROPOSAL

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 and renews millage that will expire with the 2021 tax levy.



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Shall the currently authorized millage rate limitation of 18 mills (\$18.00 on each \$1,000 of taxable valuation) on the amount of taxes which may be assessed against all property, except principal residence and other property exempted by law, in Memphis Community Schools, St. Clair and Macomb Counties, Michigan, be renewed for a period of 10 years, 2022 to 2031, 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 2022 is approximately \$1,440,000 (this is a renewal of millage that will expire with the 2021 tax levy)?

**11. Where do I vote?**

Voting will take place at Riley Township, Wales Township, and Columbus Township Halls. Polls will be open Tuesday, May 4<sup>th</sup>, 2021 from 7:00 am to 8:00 pm.

**12. If I have questions not covered here, where can I get additional information?**

If you have additional questions, please call the Administration Office at 810 - 392 - 2151 or email Mr. Brad Gudme, Superintendent, at [bgudme@memphisk12.org](mailto:bgudme@memphisk12.org)



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