



On May 2, 2023, Bloomington Public Schools will have a Non-Homestead Operating Millage Proposal on the ballot. **If approved by the voters, this will be a 2-year millage levied on non-homestead properties for school operating purposes.** Below find answers to frequently asked questions.

***What does “non-homestead” mean?***

Non-homestead represents industrial, commercial, and some agricultural property, rental property and “second homes.” It does not include a family’s primary residence – primary residences (homesteads) are exempt from the operating millage.

***I thought Michigan schools no longer received funding through local property taxes, so why are they talking about a school district operating millage?***

Funding for school districts changed significantly in 1993/94 when Proposal A was passed by Michigan’s voters. Under Proposal A, the State pays the majority of school district operating costs, but to receive full funding from the State, schools must levy 18 mills on non-homestead property in their district. Schools that don’t levy the full 18 mills each year do not receive full per pupil funding from the State.

***Is this a new tax?***

No. Bloomington has levied this operating since 1994. Bloomington’s voters last approved the operating millage in August, 2018. However, due to state law, Bloomington has been unable to levy the full 18 mills for the last few years, resulting in Bloomington not receiving its full funding from the State. If approved by the voters, the operating millage proposal would restore the district’s operating millage levy back up to 18 mills on non-homestead property, so that the district would receive its full funding from the State.

***Will my residential school taxes increase?***

No. This tax is levied only on non-homestead property and does not apply to your primary place of residence. Primary residences (homestead property) are exempt from the school district’s operating millage.

***How much will this cost my business?***

This millage will have little effect on your current taxes. For a business with property that has a taxable value of \$100,000, the tax would be about \$79 per year or about \$6.58 per month (\$100,000 ÷ 1,000 x 0.7876 mill).

***Why does the proposal say 1 mill if you would only levy 0.7876 mill?***

The state limit for our operating millage is 18 mills. This 1 mill proposal would only be used to restore our district to 18 mills and will help make sure we can stay there in future years. For 2023, Bloomington would only levy what is necessary to meet 18 mills. Again, levying 18 mills is required by Michigan law in order for the school district to receive full funding from the State.

**What if the millage is voted down?**

The revenue that would be generated by this levy is \$71,202. This is funding that the State assumes we are receiving when determining our funding. If this millage is voted down, Bloomingdale Schools would continue to not receive this money and would not receive the full per pupil funding from the State.

**Can the district use bond money to cover this revenue?**

Bond funds are restricted by law to construction, technology and equipment, as approved by the voters, and cannot be used for general fund or operating expenditures.

**How are Michigan school districts funded?**

Districts receive most of their funding from the State on a per-pupil basis. The amount a school district receives per-pupil is called the Foundation Allowance. The per-pupil Foundation Allowance for Bloomingdale Public Schools is \$9,150. This represents the major portion of Bloomingdale's revenue and is funded from two sources: 1) Local Revenue – 18 mills collected on non-homestead property, and 2) State Revenue. The Foundation Allowance funding calculation is as follows:

Student Count (Current blend)	1,100.06	(Students)
Per-Pupil Foundation Allowance	x <u>9,150.00</u>	(Per student)
Total Foundation Allowance	\$10,065,549.00	
-0- Mills Collected on Primary Residence	+ 0.00	
<b>18 Mills Collected on Non-Homestead</b> <b>( Assumed Local Revenue, Current:</b> <b>17.2124 mills)</b>	<b>- \$ <u>1,503,259.31</u></b>	
Amount Paid by the State	<u>\$8,562,289.69</u>	

*By law, to obtain the Total Foundation Allowance, Bloomingdale Public Schools must collect an 18 mills local "non-homestead" millage for this portion of its budget. The State reduces its obligation to districts by this amount and only pays the balance. **Therefore, to attain full funding, Bloomingdale's operating millage would need to be restored to 18 mills on non-homestead property.***

**The Election for the 1 mill non-homestead property millage will be on:  
May 2, 2023**

**Please Vote!**

**QUESTIONS??**

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