

PUBLIC SCHOOLS OF THE CITY OF ANN ARBOR - 1 PROPOSAL

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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 12.3777 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 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.

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.