Non-homestead Millage Renewal Proposal

Tuesday, May 5, 2020 Election
Comstock Park Public Schools
May 2020 Millage Renewal

How are local school districts financed?

Local Taxation
- Non-PRE 18 mills, Commercial Property 6 mills, Act 18 (special ed. county levy), enhancement millage

State Funding
- Foundation Allowance, At-risk, MPSERS retirement contributions, High School pupil support...

Federal Funding
- Title I, Title IIA, Title III, National School Lunch/Breakfast Program, Individuals with Disabilities Education Act (IDEA)
TOTAL ANNUAL REVENUE ~ $21,000,000

Local Revenue – 13.5% → 18 mills non-PRE and 6 mills Commercial Property

State Revenue – 71.8% → $8,111 per-pupil, at-risk, early literacy grant, high school pupil, MPSERS retirement offset, MPSERS UAAL, Special Education reimbursement, etc.

Federal Revenue – 4.8% → Title I, Title IIA, Title III, Individuals with Disabilities Education Act (IDEA)

Incoming Transfers and Other Transactions – 9.9% → Act 18 (Sp. Ed), Enhancement Millage, Sp. Ed. Transportation, Medicaid, Food Service Indirect Cost transfer
**Comstock Park Public Schools**  
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**Local Taxation**

**WHAT IS A ‘MILL’?** A mill is equal to $1 for every $1,000 of taxable value. The cost of 18 mills for the owner of a non-homestead property valued at $100,000 is $1,800 per year.

<table>
<thead>
<tr>
<th>Principal Residence</th>
<th>Non-Principal Residence</th>
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<tr>
<td>• 6 mil State Education Tax (SET)</td>
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<td>• Voter approved Debt/Sinking Fund levies for Capital Improvements</td>
<td>• 18 mil local school operating tax</td>
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<td>• County-wide enhancement millages (up to 3 mils)</td>
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72% of our General Fund Revenue comes from the STATE!

1843 students × $8,111 = $14,948,573

The state doesn’t give us all of this!!!

1) The district is required to levy 18 mills on non-PRE and 6 mills on Commercial Property, which generated $2,549,031 this year.

CPPS generates $1,383 per pupil in local revenue

$14,948,573 - $2,549,031 = $12,399,542

1843 students

The state makes up the difference and contributes $6,728 per pupil

1,383 + 6,728 = $8,111 per pupil
Comstock Park Public Schools
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• Public Schools must levy 18 mils on non-homestead properties to receive the full State Foundation Allowance.

• A non-homestead property is any property that is NOT a primary residence or qualified agricultural property, such as:
  • Business
  • Investment Property
  • Vacation home
  • Rental Property

• The cost to a principal residence homeowner is $0… regardless if the renewal passes or not.
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Headlee Rollback

• When property values rise at a greater pace than the rate of inflation the non-homestead tax levy will be Headlee reduced.

• Comstock Park voters passed a 18.9272 mil levy in 2015, allowing the district a “buffer” in the event of a Headlee Rollback situation.

• As of tax year 2019, the maximum allowable millage rate had been reduced to 18.8495. This means Comstock Park Public Schools still has a 0.8495 mil “buffer” to ensure a full foundation allowance is collected for each student.

• At no point will more than 18 mills be levied on non-homestead properties.
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Historical and projected operating fund balance if levy does not pass.

CPPS would be classified as a “Fiscal Stress” district in 2021 and become a deficit district in 2022.