What is a Non-Homestead Operating Millage?

Public Schools must levy 18 mills of operating millage on non-homestead properties to receive full State Foundation Grant funding. A non-homestead property is any property that is NOT a primary residence or qualified agricultural property, such as a(n):

- Business
- Investment property
- Vacation home
- Rental property

**Cost to a Primary Residence Homeowner: $0**

Why is this important to the school district?

Each school year, Comstock Park Public Schools receives the minimum foundation allowance. In order to be fully funded at this number, the district must first collect the non-homestead millage from the properties listed above. The State of Michigan then pays the district the remaining amount from the School Aid Fund. If the district is not able to collect the 18 mills of non-homestead property, it would equate to an estimated annual operating loss estimated at $2,624,885.

What is a Headlee Rollback?

When property values rise at a greater pace than the rate of inflation the non-homestead tax levy will be Headlee reduced, known as a Headlee Rollback. 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.**

The Future: 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.

![Operating Fund Balance Chart](chart.png)