

ELK RAPIDS SCHOOLS

Millage Details for \$1,625,000, 4-yr Bond Proposition

NOTE: Statewide average (of 552 districts) school debt millage is 4.20.

	2007	2008	2009	2010	2011	2012
Current total debt levy	2.39	2.31	2.17	0.77	0.76	0.75
Current plus proposed		2.39	2.39	1.62	1.61	0.75
Proposal's levy by year		0.08	0.22	0.85	0.85	

The bond issue is structured to keep the levy at the 2007 level for years 2008 & 2009. 2010 and 2011 are currently set to see a 1.40 mill drop from 2009. The new issue adds .85 mills back in each of those two years, still leaving a sizeable reduction.

Tax Effect - without considering itemization or the Michigan Property Tax Credit

Market Value	\$ 100,000	\$ 200,000	\$ 300,000	\$ 400,000
Taxable Value	50,000	100,000	150,000	200,000
Annual Tax Cost				
July 1st, 2008	4.00/yr	8.00/yr	12.00/yr	16.00/yr
2009	11.00/yr	22.00/yr	33.00/yr	44.00/yr
2010	42.50/yr	85.00/yr	127.50/yr	170.00/yr
2011	42.50/yr	85.00/yr	127.50/yr	170.00/yr
Monthly Tax Cost				
2008	0.33	0.67	1.00	1.33
2009	0.92	1.83	2.75	3.67
2010	3.54	7.08	10.63	14.17
2011	3.54	7.08	10.63	14.17

Q. Is it true that my tax bill won't increase because of this millage?

A. This bond proposal differs from those seen by district voters in recent years. The bond's repayment has been configured to take advantage of the projected drop in the existing school debt rate in order to prevent an increase from the 2007 level. That means your tax bill may increase slightly due to a higher taxable value, but not from passage of this proposition.

Q. How does 2.39 mills compare to other schools? Is it high, low, or average?

A. It is low. The statewide average is around 4.20 mills. Of 552 Michigan districts about 400 have a higher school debt millage than Elk Rapids. In 2010, after dropping to 1.62 mills, nearly 450 districts will have a higher debt rate. This will mean that 80% of the public schools in Michigan will have a higher rate than ER.