



# Sinking Fund Millage Proposal

**On November 5, 2024 voters will be asked to vote on a Sinking Fund Millage**

## What is a Sinking fund?

A Sinking Fund allows a school district to make improvements for specific purposes, as allowed by the state. Specifically, the funds can be used for building repairs, safety, instructional technology, and transportation.

If approved, the millage would provide Milan Area Schools with dedicated funding to ensure a safe learning environment conducive to the educational process without diverting funds from instructional programs.

## How is it funded?

A Sinking Fund is created by a local tax millage and is levied on all property located in a school district. The district proposal is for a levy on 1.5 mills for 10 years, which would generate approximately \$1,177,230 in 2025.

## How will my taxes be affected?

Market Value	Taxable Value	Annual Cost	Monthly Cost
\$150,000	\$75,000	\$112.50	\$10.13
\$200,000	\$100,000	\$150	\$12.50
\$250,000	\$125,000	\$187.50	\$15.63
\$300,000	\$150,000	\$225	\$18.75

## Benefits of a Sinking Fund

- Provides funding for needed improvements and repairs including HVAC, roofs, parking lots, safety, technology, and transportation
- Prevents general funds from being diverted to these expenditures, keeping more money in classrooms
- Transparency and accountability makes expenditures visible to taxpayers
- Improved learning environments

## What CAN a Sinking Fund pay for?

Repair or Replacement of:

- Roofs
- Parking lots and Sidewalks
- Heating and Cooling Systems
- Flooring
- Lighting
- Safety and Security
- Buses
- Instructional Technology

## What CAN'T a Sinking Fund pay for?

- Employee Salaries and Benefits
- Consumable Equipment and Supplies
- Textbooks
- Utilities and Operational Expenses
- Routine Maintenance (mowing, cleaning, etc.)
- Furniture



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## Ballot Language

### Local School District Milan Area Schools

#### Sinking Fund Millage Proposal

Shall the limitation on the amount of taxes which may be assessed against all property in Milan Area Schools, Washtenaw and Monroe Counties, Michigan, be increased by and the board of education be authorized to levy not to exceed 1.5 mills (\$1.50 on each \$1,000 of taxable valuation) for a period of 10 years, 2025 to 2034, inclusive, to create a sinking fund for the construction or repair of school buildings; for school security improvements; for the acquisition or upgrading of technology; for the acquisition of student transportation vehicles; for the acquisition of parts, supplies, and equipment used for the maintenance of student transportation vehicles; for the acquisition of eligible trucks and vans used to carry parts, equipment, and personnel for or in the maintenance of school buildings; for the acquisition of parts, supplies, and equipment used to maintain such trucks and vans; and all other purposes authorized by law; the estimate of the revenue the school district will collect if the millage is approved and levied in 2025 is approximately \$1,177,230?

## FAQ's

### Why does our school district need a Sinking Fund?

The Sinking Fund would provide the district with dedicated funding to ensure a safe learning environment conducive to the educational process without diverting funds from instructional programs, thus keeping more money in classrooms.

### How would the money from the Sinking Fund be used?

The funds would be used for major repairs and projects such as roof replacements, heating and cooling system updates, instructional technology, transportation purchases and repairs, safety and security improvements, and other critical infrastructure needs.

### How much would the Sinking Fund cost me?

The cost depends on the property value and is equal to \$1.50 per \$1,000 of taxable value.

### How long would the Sinking Fund be in place?

The Sinking Fund levy would be for 10 years.

### Can the funds from the Sinking Fund be used for anything else?

No, by law, Sinking Fund revenue can only be used for repairs and improvements to school buildings, site work, school security improvements, instructional technology, and pupil transportation purchases.

### What happens if the Sinking Fund is not approved?

Without the Sinking Fund, necessary repairs and improvements may be delayed or not completed, potentially leading to more costly issues in the future.

Critical repairs would be prioritized, but would require the use of funds intended for the classroom, thus impacting the overall learning environment and student safety.

# VOTE

Tuesday, November 5th / Polls Open 7:00 AM - 8:00 PM