



Grosse Pointe Public Schools

PARTNERS IN LEARNING

Fall 2004

What's in a Name?

Shakespeare didn't think it was much, at least when it came to roses. In some ways, he was right, of course. A botanical name doesn't affect the beauty of a flower, nor does a family name describe the character of any of its members. Most of the time, however, names are very important. Without them, we can easily misunderstand what's being talked about. Complicating the issue is the use of different names for the same thing. It's a wonder any of us understand anything at all without a dictionary at our fingertips at all times.

What's in a Tax Bill?

Point in case—your school tax bill. Often what you see on the bill does not appear to be what you voted for at the polls. For example, the homestead, or gap, millage residents vote on every five years is not called a homestead millage on the tax bill. The recently approved voted bond does not appear by that name either. In addition, some things appear which you haven't voted on at all.

In order to clarify some recurring misunderstandings residents have about their school tax bill, we've prepared two charts on the following pages. We hope the information helps clear up what's in a name, at least when it applies to school taxes.

Change in Tax Due Dates

In the past, all school taxes were collected in the winter. However, in 2003, the state legislature mandated that all state school taxes be collected in the summer. School taxes now appear on both your tax bills. The state portion is included in your summer tax bill. The local portion appears on your winter tax bill.

What's Not in a Tax Bill?

Two sources of school system revenue do not appear on your tax bill. The first is the Durant Fund, which pays for improvements in ADA (Americans with Disabilities Act) access with money from a legal settlement with the state. The second is a non-voted energy bond, which pays for energy improvements out of energy savings.

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Your Home's School Tax Bill . . .

| 2004 <u>STATE</u> School Taxes (Non-Voted) | | | |
|---|--|---|---|
|  | <p>State Education Tax <i>On summer tax bill as "SET," "school education tax," "st ed #35," "st school," or "state education"</i></p> | 6.00 mills | No expiration date |
| 2004 <u>LOCAL</u> School Taxes (Voted) | | | |
|  | <p>Gap Millage <i>On winter tax bill as "school hold harm," "sch hh #35," or "SS." The Park, City, and Farms combine the gap and tech millage under these terms.</i></p> | 5.67 mills | Expires June 30, 2005 |
|  | <p>Tech Millage <i>For municipalities that list the tech millage separately, it is on winter tax bill as "tech," "sch tech #35," or "supp hold harm"</i></p> | 1.03 mills | Expires June 30, 2005 |
|  | <p>Non-Homestead Millage <i>Does not apply to residential property</i></p> | 16.98 mills | Expires June 30, 2005 |
|  | <p>Capital Projects Bond <i>On winter tax bill as "school debt," "school bond," or "sch 35 debt," or "sch"</i></p> | 1.74 mills | Expires June 30, 2027 |
|  | <p>Sinking Fund <i>On winter tax bill probably as "school sinking fund"</i></p> | 1.00 mill | Expires June 30, 2010 |
| | <p>Homestead Property Owners Total</p> | <p>6.00 mills 9.44 mills</p> | <p>Summer tax bill Winter tax bill</p> |

... And What It Means

| 2004 <u>STATE</u> School Taxes (Non-Voted) | |
|--|---|
| State Education Tax | Every property homeowner in the state is required to pay 6 mills for education. The money goes directly to the state and is redistributed to school districts based on a per pupil formula established by the state legislature. The Grosse Pointe Public School System now gets 72% of its funding from the state. |
| 2004 <u>LOCAL</u> School Taxes (Voted) | |
| Gap Millage | The gap millage provides 21% of the school system's operating budget. It is locally voted and is due for renewal in 2005. This money goes directly to the GPPSS and is used to supplement the money received from the state for the general operations of the school system, including classroom instruction. |
| Tech Millage | The tech millage is an earmarked millage that can be used only for technology in the schools. This money makes up 99% of the school system's technology budget. Like the gap millage, it is locally voted and is due for renewal in 2005. |
| Non-Homestead Millage | The non-homestead millage affects business owners and owners of second homes. However, voters in a school district must periodically approve this millage. Renewal of the millage does not affect principal homeowners' school tax bills. |
| Capital Projects Bond | This \$62 million bond was approved by local voters in 2002 to pay for major improvements in science labs, fine arts facilities, buildings, and athletic fields and facilities. The bond is for 25 years. |
| Sinking Fund | The sinking fund was approved by voters in 2004. The money is used for repairs and improvements of buildings and grounds. The \$2.8 million the sinking fund raises annually frees up \$1.5 million in the school budget for instructional purposes. The sinking fund is for 6 years. |

Also included on the summer tax bill is millage for WCRESA/ISD. The Wayne County Regional Educational Service Agency serves the 34 school districts in Wayne County, of which Grosse Pointe is one. The millage is voted on by all residents of the intermediate school district and goes directly to WCRESA. For further clarification of terms on your school tax bill, call your local municipality.

The First Day of School for Students is Tuesday, August 31, 2004



The school calendar is part of the school system's contract with the Grosse Pointe Teachers Association (GPEA). The current teachers contract expired on June 30, 2004, and the administration and GPEA are in the process of negotiating a new contract. As this brochure went to press, negotiations were still under way and no school calendar had been agreed upon.

The school system retains the right to set the first day of school.

As soon as a school calendar is agreed upon, it will be published on the school system's web site and in all school newsletters.

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