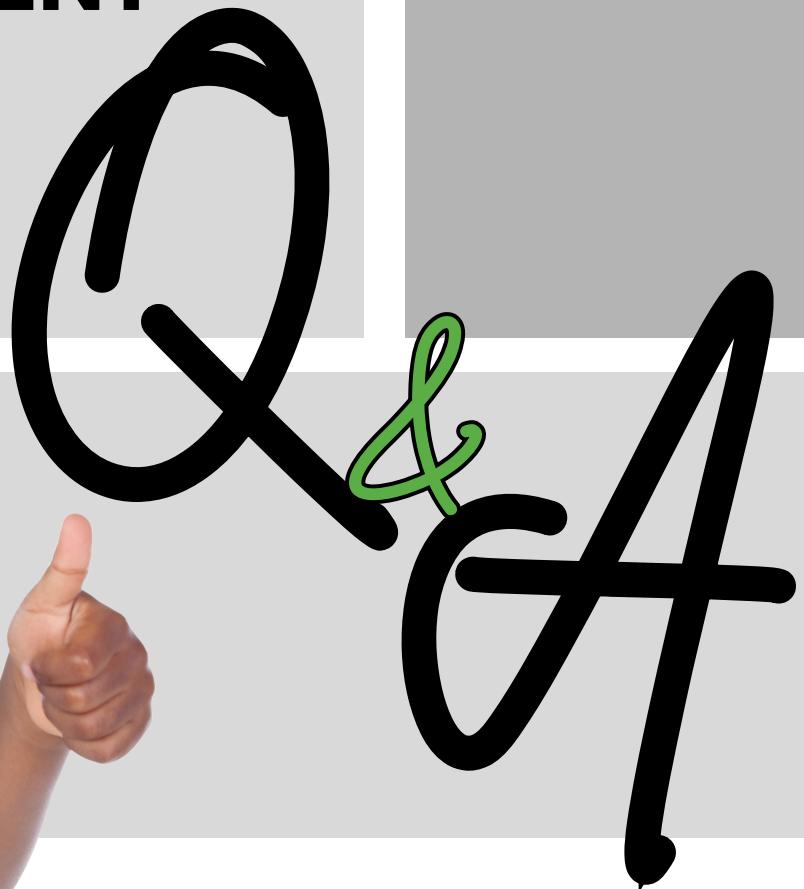




EASTPOINTE
COMMUNITY SCHOOLS

NON-HOMESTEAD OPERATING MILLAGE REPLACEMENT



VOTE MAY 5

Non-Homestead Operating Millage Replacement



NON-HOMESTEAD
OPERATING MILLAGE
REPLACEMENT

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Information

What is on the May 5 ballot?

Eastpointe Community Schools is asking voters to consider replacing its non-homestead operating millage.



What is a non-homestead operating millage?

A non-homestead operating millage supports programming, staffing, and day-to-day operations. Michigan law requires school districts to levy up to 18 mills on non-homestead properties to receive their full foundation (per-pupil) allowance.

What does "non-homestead" mean?

"Non-homestead" refers to property that is not your primary residence. These properties include businesses, commercial properties, rental units, second homes, and industrial properties.



Why is the proposal a replacement?

This proposal replaces the school district's current Non-Homestead Operating Millage, which voters approved in August 2016. Since then, the millage has been reduced from 18 mills to 16.0205 mills due to Headlee Amendment rollbacks, which automatically lower tax rates when property values rise faster than inflation.



As a result, Eastpointe Community Schools now collects over \$704,000 **less** per year.

The replacement proposal restores the lost mills and adds a 4-mill cushion to protect the school district from future Headlee rollbacks when they occur.



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If school districts can only levy 18 mills, why does this proposal ask for 22 mills?

Although Michigan law allows school districts to levy no more than 18 mills on non-homestead property, Eastpointe Community Schools is requesting a 4-mill cushion to protect against Headlee rollbacks. This does not increase taxes beyond 18 mills; it simply authorizes the school district to maintain the full 18 mills in future years when Headlee rollbacks reduce the authorized rate again.



Does the non-homestead millage affect taxes on my primary residence?

No. This proposal does not apply to primary residences (the home in which a homeowner lives).

How much revenue does the non-homestead millage generate for Eastpointe Community Schools?

Approximately \$5.7 million annually, which is about 15.1% of the school district's annual operating budget.



What will the non-homestead operating millage revenue be used for?

ECS will use the millage funds to support its general operating budget, including but not limited to:

- Hiring and retaining qualified teachers and staff
- Enhancing current instructional programs and support services
- Updating instructional technology and classroom materials
- Expanding student support services, such as counseling and intervention.

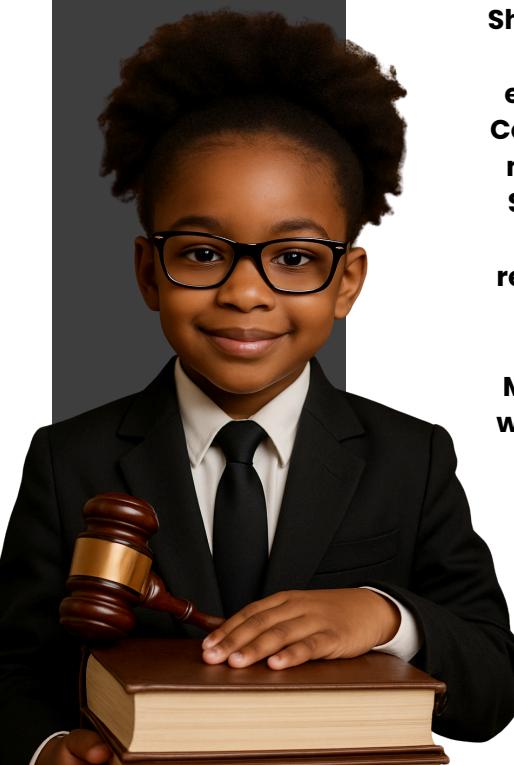
Non-Homestead Operating Millage Replacement

Ballot Language



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What is the exact ballot language for the non-homestead operating millage replacement?

Below is the exact language that is found on the ballot:

EXHIBIT A

OFFICIAL BALLOT

EASTPOINTE COMMUNITY SCHOOLS
COUNTY OF MACOMB
STATE OF MICHIGAN

OPERATING MILLAGE REPLACEMENT PROPOSAL

This proposal, if approved by the electors, would, replace, restore and extend the authority of the School District to levy the statutory limit of 18 mills on all property, except principal residences and other property exempted by law, which currently expires with the School District's 2028 tax levy and allow the School District to continue to levy the statutory limit of 18 mills in the event of future Headlee rollbacks required by the Michigan Constitution of up to 4 mills. The authorization will allow the School District to continue to receive revenues at the full per pupil foundation allowance permitted by the State.

Shall the limitation on the total amount of taxes which may be assessed against all property, except principal residences and other property exempted by law, situated within the Eastpointe Community Schools, County of Macomb, State of Michigan, be increased, in the amount of 22 mills with 18 mills being the maximum allowable levy (\$18.00 on each \$1,000 of taxable valuation), for a period of twenty (20) years, 2026 to 2045, inclusive with 16.0205 mills of the above 22 mills being a replacement of authorized millage which will otherwise expire with the 2028 tax levy and 1.7443 mills being a restoration of previously authorized millage lost as a result of the rollbacks required by the Michigan Constitution? This operating millage if approved and levied, would provide estimated revenues to the School District of \$704,484.41 during the 2026 calendar year, to be used for general operating purposes.

YES

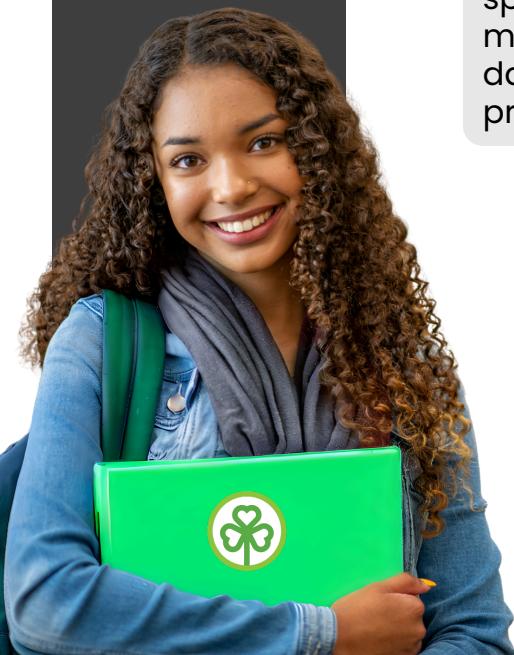
NO

Non-Homestead Operating Millage Replacement



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Will voter approval of the non-homestead operating millage affect renters?

The effect that the non-homestead operating millage proposal will have on renters depends on the owner of the rental property (aka, the landlord).

As has always been the case, businesses can decide how, when, and if they wish to pass on all or portions of their tax liability to customers. Similarly, rental property owners (landlords) can decide how, when, and if they wish to pass on all or portions of their non-homestead tax liability to renters. Some landlords pass on some or all of their tax liability to renters; others do not. *It is the landlord's choice.*

To learn how much of their Eastpointe Community Schools non-homestead tax liability a landlord will pass on, if any, renters are encouraged to contact their landlord and ask the following questions:

- Do you plan to increase my rent if voters approve the Eastpointe Community Schools non-homestead proposal?
- If YES, what will the increase be, and how was that amount calculated?

Is the non-homestead millage the same as a bond issue or sinking fund?

No. A bond is long-term debt used typically for buildings, major facility upgrades, or capital projects. A sinking fund is specifically restricted to building repair/maintenance. This millage is an operating millage, meaning it supports day-to-day operations that support the educational program.

What happens if voters do not approve the operating millage replacement proposal?

If voters do not approve the proposal:

- Eastpointe Community Schools would lose over \$704,000 next year and additional funding in the following years.
- The State of Michigan would not replace that lost revenue.
- The school district may need to reduce programs, staffing, and classroom resources.

Non-Homestead Operating Millage Replacement

Voting Information



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Who can vote on this proposal?

All registered voters residing within the boundaries of ECS are eligible to vote on this millage renewal.

If the non-homestead tax does not apply to taxpayers who live in their primary residence, why can all registered voters living in Eastpointe Community Schools vote on this proposal?

All registered voters living in Eastpointe Community Schools can vote on the non-homestead millage proposal because it is a school district millage. Property taxes fund school district millages, but they are not limited to property owners. It is also the way the law was written when it was established in 1994.

When is the election, and how can I vote?

Election Day is May 5. Polling locations open at 7:00 a.m. and close at 8:00 p.m. You can also vote by absentee ballot starting March 26. For more voting information, contact your local clerk or visit www.michigan.gov/vote.

If you have changed your name or address since the last time you voted, you will need to update your voter registration. You can do this at any Secretary of State Office or your local clerk's office.



A YES vote typically means that a voter supports a ballot proposal. Is that the case in this election?

YES. Voters who support the Eastpointe Community Schools non-homestead operating millage replacement should vote YES; voters who oppose the millage proposal should vote NO.

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Information

How can I get more information about the millage proposal?

- Go to www.eastpointeschools.org and click on School Millage Replacement
- Contact Superintendent of Schools Christina Gibson at officeofsuperintendent@eastpointeschool.org.



How will the school district share information about the non-homestead operating millage replacement?

Eastpointe Community Schools officials are sharing information about the millage proposal through community meetings, direct mailings, social media, the school district website, and the news media.

Where can I share my thoughts on the millage proposal?

Share your feedback on the millage renewal proposal by visiting www.research.net/r/EastpointeMayProposal or scan the QR code.



