

City of Hillsdale
May 4, 2021 Election

Street Improvement and Leaf Collection Millage

Below are answers to frequently asked questions.

Why do we need a millage for street improvements and leaf collection since I already pay property taxes?

Hillsdale City Charter directs for the levy of 2.5 Mills dedicated to street maintenance. This amount has proven to be woefully inadequate. Any additional funds must be redirected from the City General Fund. These funds are also used to pay for other City obligations and provide essential services including police, fire, recreation, and parks. In the past few years, Council has made street reconstruction a priority and has opted to levy an additional 3 Mills for a sinking fund, as provided for in the City Charter. This money has been budgeted for debt repayment associated with street reconstruction, but Council could choose to stop levying this sinking fund in any budget year, making it difficult for City administration to plan for future projects.

A dedicated millage would facilitate planning and solidify a continuous funding source to maintain the current momentum towards improving the street system.

How many Mills are being requested?

The ballot proposal is to authorize the levy of up to 4.0 Mills for a period of 10-years. As stated above, the City is currently levying just under 3 Mills dedicated to debt repayment associated with street reconstruction. The new 4.0 Mill levy would include the current 3 Mills plus an additional 1.0 Mill.

How much will the additional 1.0 Mill cost me per year?

Home Value	Taxable Value	3 Mills (Current Levy)	1.0 Mills (New Levy)	4.0 Mills (Total Levy)
\$200,000	\$100,000	\$300	\$100	\$400
\$150,000	\$75,000	\$225	\$75	\$300
\$100,000	\$50,000	\$150	\$50	\$200
\$75,000	\$37,500	\$113	\$38	151
Average Hillsdale Home Value				

How will the millage be split between the streets and leaf collection?

Up to 3.5 Mills will be committed to pay for street reconstruction and 0.5 Mills will be utilized to reinstitute the City's former loose leaf curbside collection service beginning in the fall of 2021.

Will City Council still be able to levy the 3 Mills allowed by the City Charter for debt repayment if the street improvement and leaf collection millage passes?

No. The Hillsdale City Charter limits the total levy by the City to 20 Mills. In 2020, the City levied approximately 18.9 Mills for general operations, street maintenance and public safety, including the 3 Mill sinking fund.

When will my street be done?

Even with this funding level it will take time to work on all the streets. We evaluate the street system by rating streets yearly and use this information to determine the greatest need and best overall use of the available funds. It is our goal to improve the entire system while adequately maintaining newly constructed streets so they don't fall back into the level of decline seen around town today.

What happens if the millage does not pass?

If the millage does not pass, City Council would still have the ability to levy 3 Mills for debt repayment on street reconstruction (Current Levy). However, through computer modeling, it has been demonstrated that by only investing 3 Mills the street system's overall condition will continue to deteriorate and the City will not be able to build on or maintain the progress made over the last several years.

On leaf collection, without the additional 0.5 Mills, being able to reinstitute the curbside loose leaf collection program would be very challenging. Funds and resources would need to be diverted from streets and other departments to fund the program. Given this, the City continues to work with limited staffing and uncertain financial resources. This program would not be recommended by the City administration without passage of the City millage.

Will street reconstruction increase my property taxes?

No. Any increases to property value resulting from public improvements such as street reconstruction are not "additions" for purposes of calculating taxable value and, therefore, will not increase the property taxes until there is a transfer of ownership.

When is the vote?

May 4, 2021. Please contact the Hillsdale City Clerk's Office regarding absentee ballots in person or by calling (517) 437-6441.