

CITY of NOVI CITY COUNCIL
Agenda Item
May 4, 2020

SUBJECT: Consideration of a resolution to adopt 2020 millage rates.

SUBMITTING DEPARTMENT: Finance

BACKGROUND INFORMATION: Attached for your consideration is the adopting resolution for the 2020 millage.

The City's total 2020 millage rate including the Operating, Public Act 359 Advertising, Public Safety, Parks and Recreation, Drain, Library, Debt, Capital Improvement (CIP), and Roads is 10.5376 mills; which is unchanged from the 2019 tax levy. The overall mill rate remains very competitive when we benchmark with other communities within Oakland County. For the 2020/21 tax year, the millage rates for Operating, Streets, Public Safety, Parks & Recreation, Drain, CIP, and the Library were permanently rolled back by a factor of 0.9960 due to "Headlee."

The General Fund, Municipal Street Fund, Parks, Recreation and Cultural Services Fund, Library Fund, Drain Fund, CIP Fund, and the Debt Service Fund property tax revenues are calculated upon the millage rates attached in this motion sheet.

The Michigan Department of Treasury requires all entities that levy property taxes to file Form L-4029 with the County Clerk and Equalization Department. The official 2020 form is attached which reflects the City's 2020 millage rates.

RECOMMENDED ACTION: Approval of a resolution to adopt 2020 millage rates.

Resolution of Adoption 2020 Millage Rates

WHEREAS, the City Council has agreed to keep the City's total millage rate of 10.5376 mills unchanged from last year (2019) levy, and

WHEREAS, that these levies are being placed on a diversified tax base that has increased slightly as anticipated in the financial plan, and

WHEREAS, a public hearing was also held on May 4, 2020 on 2020 millage rates and the 2020-2021 budget,

NOW, THEREFORE, BE IT RESOLVED, that to finance the level of services established for the 2020-2021 fiscal-year, and to meet specific debt obligations of the City that the following millages are authorized to be spread:

General Operating	4.7563
Public Act 359 - Advertising	0.0123
Municipal Street	1.4215
Public Safety	1.3535
Parks and Recreation	0.3653
Drain	0.5978
Capital Improvement	0.9526
Library	0.7312
2008 Library Construction Debt	<u>0.3471</u>
	<u>10.5376</u>

I certify that the foregoing is a true and complete copy of a Resolution adopted by the City Council of the City of Novi at a regular Meeting held on this 4th day of May 2020.

Cortney Hanson, City Clerk

STATISTICAL INFORMATION AND SUPPLEMENTAL DATA



City Millages

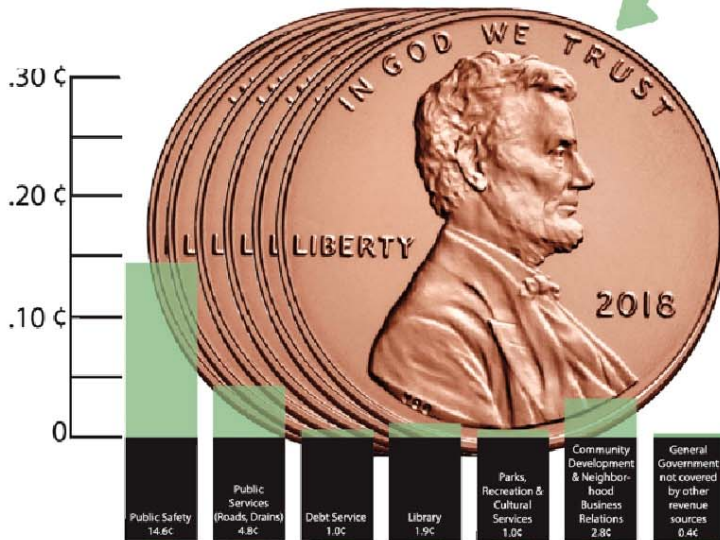
The City is the fiduciary for the collection of taxes for Novi, Northville, South Lyon, and Walled Lake School Districts; the related transfer districts; as well as for the State Education Tax, Oakland County, Schoolcraft College, and Oakland County Community College. The photo shows the allocation of your "Property Tax Dollar" (homestead taxpayer).



WHERE DOES YOUR PROPERTY TAX DOLLAR GO?

The image above shows the updated allocation of "Your Property Tax Dollar" (homestead taxpayer.)

The City continues to maintain one of the lowest municipal tax rates in Oakland County at 10.5376 mils. Property taxes are expressed in terms of millage with one mil being equal to \$1.00 per thousand dollars of taxable value.



If your homestead's taxable value is \$150,000 and your estimated City taxes are \$1,581 annually, in the data shown above, you will spend:

\$869 **\$287** **\$52** **\$111** **\$56** **\$166** **\$40**

The City of Novi receives 26.5¢ for every property tax dollar paid. The City of Novi's overall taxable values continue to fare relatively well (declining less than most), supported by a diverse tax base of residential and other

2020 Tax Rate Request (This form must be completed and submitted on or before September 30, 2020)

MILLAGE REQUEST REPORT TO COUNTY BOARD OF COMMISSIONERS

Carefully read the instructions on page 2.

This form is issued under authority of MCL Sections 211.24e, 211.34 and 211.34d. Filing is mandatory; Penalty applies.

County(ies) Where the Local Government Unit Levies Taxes Oakland	2020 Taxable Value of ALL Properties in the Unit as of 5-26-2020 4,038,736,310
Local Government Unit Requesting Millage Levy City of Novi	For LOCAL School Districts: 2020 Taxable Value excluding Principal Residence, Qualified Agricultural, Qualified Forest, Industrial Personal and Commercial Personal Properties.

This form must be completed for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec 211.119. The following tax rates have been authorized for levy on the 2020 tax roll.

(1) Source	(2) Purpose of Millage	(3) Date of Election	(4) Original Millage Authorized by Election Charter, etc.	(5) ** 2019 Millage Rate Permanently Reduced by MCL 211.34d "Headlee"	(6) 2020 Current Year "Headlee" Millage Reduction Fraction	(7) 2020 Millage Rate Permanently Reduced by MCL 211.34d "Headlee"	(8) Sec. 211.34 Truth in Assessing or Equalization Millage Rollback Fraction	(9) Maximum Allowable Millage Levy *	(10) Millage Requested to be Levied July 1	(11) Millage Requested to be Levied Dec. 1	(12) Expiration Date of Millage Authorized
Charter	General	02/69	6.5000	4.7755	0.9960	4.7563	1.0000	4.7563	4.7563	N/A	N/A
Voted	Streets	08/12	1.5000	1.4273	0.9960	1.4215	1.0000	1.4215	1.4215	N/A	N/A
Charter	Police/fire	11/87	1.8000	1.3590	0.9960	1.3535	1.0000	1.3535	1.3535	N/A	N/A
Charter	Parks&Rec	08/80	0.5000	0.3668	0.9960	0.3653	1.0000	0.3653	0.3653	N/A	N/A
Charter	Drains	08/82	1.0000	0.7342	0.9960	0.7312	1.0000	0.7312	0.5978	N/A	N/A
Charter	Library	08/80	1.0000	0.7342	0.9960	0.7312	1.0000	0.7312	0.7312	N/A	N/A
Voted	Debt Library	11/07	N/A	N/A	0.9960	N/A	1.0000	N/A	0.3471	N/A	2027
Voted	Capital Imp	08/16	1.0000	0.9565	0.9960	0.9526	1.0000	0.9526	0.9526	N/A	08/2026

Prepared by Carl Johnson	Telephone Number (248) 347-0470	Title of Preparer CFO	Date 04/28/2020
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CERTIFICATION: As the representatives for the local government unit named above, we certify that these requested tax levy rates have been reduced, if necessary to comply with the state constitution (Article 9, Section 31), and that the requested levy rates have also been reduced, if necessary, to comply with MCL Sections 211.24e, 211.34 and, for LOCAL school districts which levy a Supplemental (Hold Harmless) Millage, 380.1211(3).

Local School District Use Only. Complete if requesting millage to be levied. See STC Bulletin 2 of 2020 for instructions on completing this section.

<input checked="" type="checkbox"/> Clerk	Signature	Print Name Cortney Hanson	Date
<input type="checkbox"/> Secretary			
<input type="checkbox"/> Chairperson	Signature	Print Name Robert J. Gatt	Date
<input type="checkbox"/> President			

Total School District Operating Rates to be Levied (HH/Supp and NH Oper ONLY)	Rate
For Principal Residence, Qualified Ag, Qualified Forest and Industrial Personal	
For Commercial Personal	
For all Other	

* Under Truth in Taxation, MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized rate allowed in column 9. The requirements of MCL 211.24e must be met prior to levying an operating levy which is larger than the base tax rate but not larger than the rate in column 9.

** **IMPORTANT:** See instructions on page 2 regarding where to find the millage rate used in column (5).

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PA 359	Econ Dvlpt	N/A	4.0000	3.9420	0.9960	3.9262	1.0000	3.9262	0.0123	N/A	N/A

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<input type="checkbox"/> President			

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For Commercial Personal	
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For all Other	
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