



CITY of NOVI CITY COUNCIL

**Agenda Item 1
May 18, 2015**

SUBJECT: Approval of Resolution for 2015 Millage Rates.

SUBMITTING DEPARTMENT: Finance

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

Attached for your consideration is the adopting resolution for the 2015 millage.

The millage rates resolution includes the actions taken by City Council through the Special Budget Meeting held on April 15, 2015.

The City's total millage rate including the Library, Debt, and Roads, is 10.2 mills consistent with the City Council's objective. The Drain Fund mills remain at zero for the 2015/16 fiscal year. The mills previously levied for the Drain Fund has been applied to the Library Construction Debt mills bringing that levy to a total of 0.4563 mills. The mills were reallocated from drains to debt service after review of the proposed 2015/16 expenditure budgets for each fund, as well as exploring possible early payoff of a portion of the outstanding debt. This is the fourth year in a row of holding the overall mills to 10.2 which is the lowest millage rate in the last 12 years. The voter approved increase for the Municipal Road Fund Millage in August 2012 is represented in the overall 10.2 mills and the overall mill rate remains very competitive when we benchmark with other communities within Oakland County. For the 2015/16 tax year, the millage rates for General, Streets, Police & Fire, Parks & Rec, and the Library were permanently rolled back by a factor of 0.9975 due to "Headlee."

The General Fund; Municipal Street Fund; Parks, Recreation, and Cultural Services Fund; Library Fund; Public Safety Fund; and the debt service funds 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. Attached is the L-4029 for 2015, which reflects the City's 2015 millage rates.

RECOMMENDED ACTION: Approval of Resolution for 2015 Millage Rates

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Markham				

	1	2	Y	N
Council Member Mutch				
Council Member Poupard				
Council Member Wrobel				

Resolution of Adoption 2015 Millage Rates

WHEREAS, the City Council has agreed to keep the City's total millage rate unchanged from last year (2014) to 10.2000 mils, 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 held on May 11, 2015 on 2015 millage rates and the 2015-2016 budget,

NOW, THEREFORE, BE IT RESOLVED, that to finance the level of services established for the 2015-2016 fiscal-year, and to meet specific debt obligations of the City that the following millages are authorized to be spread:

General Operating	5.0057
Municipal Street	1.4963
Police and Fire	1.4246
Parks and Recreation	0.3847
Drain	0.0000
Library	0.7700
2002 Streets & Refunding Debt	0.3250
2010 Refunding Debt	0.3374
2008 Library Construction Debt	<u>0.4563</u>
	<u>10.2000</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 18th day of May 2015.

Maryanne Cornelius, City Clerk



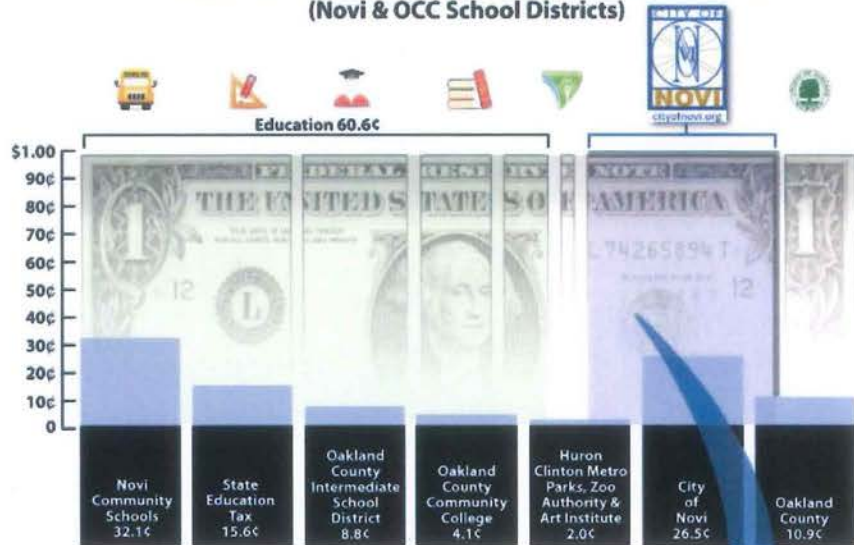
Statistical Information and Supplemental Data

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 Community College. The photo to the right shows the allocation of "Your 2014 Property Tax Dollar" for fiscal year 2014-15 (homestead taxpayer).

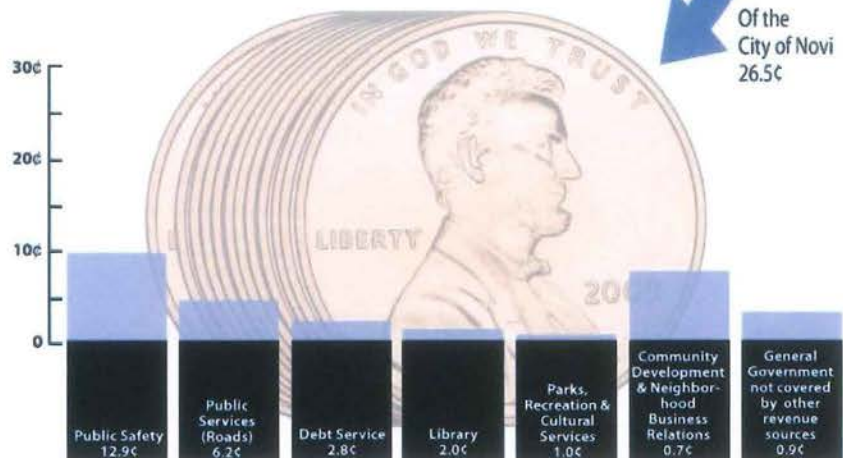
The City continues to maintain one of the lowest municipal tax rates in Oakland County at 10.2 mils. Property taxes are expressed in terms of millage with one mil being equal to \$1.00 per thousand dollars of taxable value.

City of Novi Homestead Property Tax Rate Information (Novi & OCC School Districts)



Where does your property tax dollar go?

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



If your homestead's taxable value is \$150,000 and your estimated City taxes are \$1,530 annually, in the data shown above, you will spend:

\$740 \$358 \$164 \$116 \$58 \$40 \$54

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

2015 Tax Rate Request (This form must be completed and submitted on or before September 30, 2015)

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	2015 Taxable Value of ALL Properties in the Unit as of 5-26-15 \$3,205,569,930
Local Government Unit Requesting Millage Levy City of Novi	For LOCAL School Districts: 2015 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 2015 tax roll.

(1) Source	(2) Purpose of Millage	(3) Date of Election	(4) Original Millage Authorized by Election Charter, etc.	(5) ** 2014 Millage Rate Permanently Reduced by MCL 211.34d "Headlee"	(6) 2015 Current Year "Headlee" Millage Reduction Fraction	(7) 2015 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	5.0182	.9975	5.0057	1.0000	5.0057	5.0057	N/A	N/A
Voted	Streets	08/12	1.5000	1.5000	.9975	1.4963	1.0000	1.4963	1.4963	N/A	N/A
Charter	Pol/Fire	11/87	1.4282	1.4282	.9975	1.4246	1.0000	1.4246	1.4246	N/A	N/A
Charter	Pks&Rec	08/80	0.3857	0.3857	.9975	0.3847	1.0000	0.3847	0.3847	N/A	N/A
Charter	Drains	08/82	0.7719	0.7719	.9975	0.7700	1.0000	0.7700	0.0000	N/A	N/A
Charter	Library	08/80	0.7719	0.7719	.9975	0.7700	1.0000	0.7700	0.7700	N/A	N/A
Voted	Debt'02	11/02	N/A	N/A	.9975	N/A	1.0000	N/A	0.3250	N/A	2017-18
Voted	Debt'10	N/A	N/A	N/A	.9975	N/A	1.0000	N/A	0.3374	N/A	2015-16

Prepared by Carl Johnson	Telephone Number (248) 347-0470	Title of Preparer Chief Financial Officer	Date 5/18/2015
------------------------------------	---	---	--------------------------

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).

<input checked="" type="checkbox"/> Clerk	Signature	Print Name Maryanne Cornelius	Date 5/18/2015
<input type="checkbox"/> Secretary			
<input checked="" type="checkbox"/> Chairperson	Signature	Print Name Robert J. Gatt	Date 5/18/2015
<input type="checkbox"/> President			

* 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).

Local School District Use Only. Complete if requesting millage to be levied. See STC Bulletin 3 of 2015 for instructions on completing this section.

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	

2015 Tax Rate Request (This form must be completed and submitted on or before September 30, 2015)

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	2015 Taxable Value of ALL Properties in the Unit as of 5-26-15 \$3,205,569,930
Local Government Unit Requesting Millage Levy City of Novi	For LOCAL School Districts: 2015 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 2015 tax roll.

(1) Source	(2) Purpose of Millage	(3) Date of Election	(4) Original Millage Authorized by Election Charter, etc.	(5) ** 2014 Millage Rate Permanently Reduced by MCL 211.34d "Headlee"	(6) 2015 Current Year "Headlee" Millage Reduction Fraction	(7) 2015 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
Voted	Lib Debt	11/07	N/A	N/A	.9975	N/A	1.0000	N/A	0.4563	N/A	N/A

Prepared by Carl Johnson	Telephone Number (248) 347-0470	Title of Preparer Chief Financial Officer	Date 5/18/2015
------------------------------------	---	---	--------------------------

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).

<input checked="" type="checkbox"/> Clerk	Signature	Print Name	Date
<input type="checkbox"/> Secretary		Maryanne Cornelius	5/18/2015
<input checked="" type="checkbox"/> Chairperson	Signature	Print Name	Date
<input type="checkbox"/> President		Robert J. Gatt	5/18/2015

* 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).

Local School District Use Only. Complete if requesting millage to be levied. See STC Bulletin 3 of 2015 for instructions on completing this section.

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	