

**VILLAGE OF NEWBERRY  
TRUTH IN TAXATION PUBLIC HEARING  
Monday, May 21, 2018  
Meeting Location: 302 East McMillan Ave  
Meeting Time: 5:00 p.m.**

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL**
- 4. APPROVAL OF AGENDA**
- 5. TREASURER'S REPORT**
- 6. PUBLIC COMMENTS ON AGENDA ITEMS** – Prior to consideration of official business, citizens may speak to a subject on today's agenda. Please limit comments to 3 minutes.
  1. Public Comment on Agenda Items
- 7. ADJOURNMENT**

2018 TRUTH IN TAXATION HEARING

2017	11.2262	General Operations		
2017	4.4903	Streets & Alleys		
2017	1.3928	Trash (Deposal/Collection)		
2017	2.0000	Fire Protection relected 2016		08/02/2016
<b>2017 Millage:</b>	<b>19.1093</b>			
<b>Assessed Taxable Value</b>	<b>17,198,994.00</b>	<b>2017</b>	<b>Tax</b>	<b>328,660.74</b>

2017 HEADLEE REDUCTION FORMULA:

	2017	2018	2018	2018
	Millage	HEADLEE REDUCTION	Calculation	Proposed Millage
General Operations	11.2262	1.0000	11.226200	11.2262
Streets & Alleys	4.4903	1.0000	4.490300	4.4903
Trash (Deposal/Collection)	1.3928	1.0000	1.392800	1.3928
Fire Protection relected 2016	2.0000		2.000000	2.0000
<b>2017 Millage:</b>	<b>19.1093</b>		<b>2018 Millage:</b>	<b>19.1093</b>

2018 County Equalization: Headlee Reduction Factor: 1.0210 (which defaults to 1.0000 per 2018 County L-4034)

Assessed Taxable Value: **17,475,481.00** **2018**  
 (Per 2018 County L-4028)

HEADLEE Proposed Collections:

2018 Tax 333,944.21  
 2017 Tax 328,660.74

**5,283.47 2018 LOSS GAIN (+/- 2017 COLLECTIONS)**

2018 TRUTH IN TAXATION CALCULATIONS:

BASIC TAX RATE REDUCTION FORMULA:

2017 Taxable Value 17,198,994.00  
 Less 2018 L-4034 Losses 327,900.00  
 16,871,094.00

2018 Taxable Value 17,475,481.00  
 Less 2018 L-4034 Additions 440,925.00  
 17,034,556.00

2018 Base Tax Rate Faction (BTRF):

0.990404094  
 reduce to 4 digits conventional rounding 0.9904 **2018 Base Tax Rate Faction (BTRF):**

BASE TAX RATE FORMULA:

2017 Millage 19.1093  
 2018 Basic Tax Factor 0.9904

**BTR 18.925851 BASE TAX RATE**

*reduce to 4 digits conventional*                      18.9259  
 BTFR Proposed Collections:  
     2018 Tax                      330,739.21  
     2017 Tax                      328,660.74

**2,078.47 2016 LOSS GAIN (+/- 2015 COLLECTIONS)**

**FORMULAS FOR TRUTH IN TAXATION HEARING PUBLIC NOTICE:**

Get County L-4028 and L-4034 Reports from Equalization Dept  
 Run ad in Newberry News @ least 6 days before MAY's Council Meeting  
 Around April 20th or so start checking MI Treasury website for State Tax Comm forms with instructions.  
 Confirmed SEV and Taxable totals with McMillan Twp Assessor.

**#1**

Proposed 2018 Headlee Millage                      19.1093  
 Less (BTR)    18.9259

**PROPOSED INCREASE:                      0.1834 BLANK #1 spot on Form L-4297 proposed increase**

**#2**

Proposed Increase x 100                              18.3400  
 BTR    18.9259

**% Increase in Op Revenue                      0.9690 BLANK #2 on Form L-4297 ad valorem property taxes**

**#3**

$(BTR \times 2018TV) - (2017 \text{ Millage} \times 2017TV) \times 100$	330,739.21	
2017 Millage x 2017 TV	330,739.21 - 328,660.74	328,660.74
	328,660.74	328,660.74
<u>2,078.47</u>	0.006324059	
328,660.74	0.0063 X .001	0.000006

**% Increase/Decrease (if not proposal is Not approved)                      0.00**

**2018 TAX Resolution**

<p>The Village Council authorizes the Village Treasurer to spread the 2018 Tax Roll based on the Assessed Taxable Value of \$17,475,481.00 as designated by the McMillan Township assessor. Such tax to be levied with 11.2262 mills for general operation purposes and 4.4903 mills for streets and alleys and 1.3928 mills for trash (disposal/collection) and 2.0000 mills for residential fire protection for a total millage of 19.1093.</p>	<p><b>1st Motion</b></p>
<p><i>Must be two separate Motions</i></p>	
<p>The Village Council authorizes the addition of a 1% administrative fee , \$1 Minimum plus a 3% penalty (minimum \$2.00) if paid after September 15, 2018. In addition, a 1% per month interest charge will be added starting September 15, 2018 and will continue until tax is paid.</p>	<p><b>2nd Motion</b></p>
<p>The Village Council authorizes collection of taxes for 2018 beginning July 1, 2018 and continuing through February 28, 2019.</p>	

*Headlee Reduction Factor      1.0000*

<b>HEADLEE Reduction</b>	<b>2017 Calculation</b>	<b>2018 Headlee Reduced Millage</b>	<b>Anticipated Collections</b>
General Operations	11.2262	11.2262	196,183.24
Streets & Alleys	4.4903	4.4903	78,470.15
Trash ( Disposal/Collection)	1.3928	1.3928	24,339.85
Fire Protection	2.0000	2.0000	34,950.96
<b>2017 Millage</b>	<b>19.1093</b>	<b>19.1093</b>	<b>333,944.21</b>

2018 TV  
17,475,481.00

**2018 TAX RESOLUTION**

<b>1st Motion</b>	The Village Council authorizes the Village Treasurer to spread the 2018 Tax Roll based on the Assessed Taxable Value of \$17,475,481.00 as designated by the McMillan Township assessor. Such tax to be levied with 11.1184 mills for general operations and 4.4472 mills for streets and alleys and 1.3794 mills for trash (disposal/collection) and 1.9808 mills for residential fire protection for a total millage of 18.9259.
Must be two separate Motions	
<b>2nd Motion</b>	<p>The Village Council authorizes the addition of a 1% administrative fee , \$1 Minimum plus a 3% penalty (minimum \$2.00) if paid after September 15, 2018. In addition, a 1% per month interest charge will be added starting September 15, 2018 and will continue until tax is paid.</p> <p>The Village Council authorizes collection of taxes for 2018, beginning July 1, 2018 and continuing through February 28, 2019.</p>

*BTR Factor     0.9904*

<i>Basic Tax Rate</i>	2018 HEADLEE Reduced Millage	BTR Calculation	BTR Millage	Anticipated Collections
General Operations	11.2262	11.1184	11.1184	194,299.89
Streets & Alleys	4.4903	4.4472	4.4472	77,716.84
Trash (Disposal/Collection)	1.3928	1.3794	1.3794	24,106.19
Fire Protection	2.0000	1.9808	1.9808	34,615.43
	<b>19.1093</b>	<b>18.9259</b>	<b>18.9259</b>	<b>330,738.35</b>

2018 TV  
17,475,481.00

**Treasurer's Notes**

2018	<b>Proposed Millage</b>	<b>Anticipated Revenue</b>	gain with Headlee Millage
Headlee Reduced Millage	19.1093	333,944.21	3,205.85
BTR Millage Rate	18.9259	330,738.35	

In 2018 Village Taxable Values have increase \$276,487.00 over 2017 values. The State Tax Commission (STC) has set the 2018 Headlee inflation rate multiplier at 1.021. Which then defaults to a factor of 1 as required by the STC. Village Headlee Reduced Millage for 2018 will stay the same as 2017 millage rates levied. While the 2018 Basic Tax Reduction is calculated using the factor .9904 also as required by the STC, which results in lower millage rates than 2017 rates.

The gain of \$3205.85 for adopting the Headlee Reduced Millage requires a Truth in Taxation Hearing must be held, (the published notice I placed in newspaper and a special meeting will fulfill this requirement). Council must then adopt which millage rate to levy.

Treasurer's Recommendation:

The Headlee Millage provides more revenue and taxpayers millage rates remain the same as 2017.

EXAMPLE

<b>HEADLEE MILLAGE</b>	TAXABLE VALUE: 20,000.00
19.1093 PER 1,000 OF TAXABLE VALUE	382.19 APX 2018 TAX
 <b>BASIC TAX REDUCED MILLAGE</b>	
18.9259 PER \$1,000 OF TAXABLE VALUE	378.52 APX 2018 TAX
<b>DIFFERENCE</b>	<b>3.67</b>