MEMORANDUM

Mayor and Council –

FYI – the latest update from the 2024 Board of Review results. Bottom line the City's millage rate will not reduce again this year.

- Victor

CITY OF NOVI
cityofnovi.org

TO: VICTOR CARDENAS, CITY MANAGER

FROM: JAN ZIOZIOS, INTERIM/DEPUTY ASSESSOR

SUBJECT: SUMMARY OF 2024 MARCH BOARD OF REVIEW MILLAGE REDUCTION FRACTION ESTIMATE

DATE: MARCH 26, 2024

The 2024 March Board of Review has concluded. Novi's assessment roll and reports for equalization were completed and delivered to Oakland County Equalization and the Oakland County Treasurer.

The board acted on 190 total petitions. The board reviewed 15 applications for poverty exemption. Thirteen applications met Novi's income and asset guidelines and were approved; two applications did not meet the guidelines and were denied.

The board heard 15 in-person scheduled appeals and 9 walk-in appeals. The remaining petitions were personal property matters and written appeals.

Additionally, the estimated Millage Reduction Fraction based on the post-March Board taxable values is calculated to be **1.0, which means there will be no rollback**. The calculations are presented below. The statutory inflation rate multiplier for use in the 2024 "Headlee Millage Reduction Fraction (MRF) formula is 1.051[1]. (The inflation rate multiplier used in the capped value calculation is capped at 1.05).

"Headlee Millage Reduction Fraction (MRF) formula is:
(Prior year TV minus losses) X CPI (1.051) divided by (Current Year TV minus additions)

Prior Year TV (2023)	$4,649,264,350	minus losses	$36,209,258	=	$4,613,055,092
Current Year TV (2024)	$4,962,920,898	minus additions	$117,809,534	=	$4,845,111,364
	$4,613,055,092	x	1.051	=	$4,848,320,902
	$4,845,111,364				$4,845,111,364
				=	**1.0007**
					Round down to MRF of 1

The tables on the next page provide a comparison of 2023 values to 2024 values and the percent change.

[1] Michigan State Tax Commission Bulletin 16 of 2023 and MCL 211.34d

The overall assessed value of Novi's residential real property increased 10.68 percent from 2023 to 2024, which reflects market change and other adjustments, loss and new. Commercial real property assessed value increased 5.87 percent and industrial real property increased 4.11 percent. Personal property assessed value increased 4.86 percent. Novi's total assessed value increased 9.06 percent. The parcel count increased by 111.

				**** Assessed Value Totals ****				**Assessed Value**
	2023 Parcel	**2024 Parcel**	**2023 Board**		**+ or -**		**2024 Board**	**% Increase /**
Real Property	**Count**	**Count**	**Of Review**	**Loss**	**Adjustment**	**New**	**Of Review**	**% Decrease**
Commercial	897	906	1,444,233,710	7,915,890	51,857,040	40,800,900	1,528,975,760	5.87%
Industrial	167	162	100,281,490	979,520	4,609,180	491,870	104,403,020	4.11%
Residential	18697	18878	3,802,425,040	8,149,180	373,757,435	40,490,130	4,208,523,425	10.68%
Total Real	**19761**	**19946**	**5,346,940,240**	**17,044,590**	**430,223,655**	**81,782,900**	**5,841,902,205**	**9.26%**
Com. Personal	2616	2551	175,490,580	31,950,220	0	41,902,908	185,443,268	5.67%
Ind. Personal	41	39	9,391,100	1,618,010	0	753,860	8,526,950	-9.20%
Res. Personal		0	0	0	0	0	0	0.00%
Util. Personal	14	14	67,660,840	406,800	0	3,585,070	70,839,110	4.70%
Total Personal	**2671**	**2604**	**252,542,520**	**33,975,030**	**0**	**46,241,838**	**264,809,328**	**4.86%**
Total Exempt	307	300	0	0	0	0	0	0.00%
Grand Totals	**22739**	**22850**	**5,599,482,760**	**51,019,620**	**430,223,655**	**128,024,738**	**6,106,711,533**	**9.06%**

The overall taxable value of Novi's residential real property increased 6.89 percent from 2023 to 2024, which reflects losses, adjustments (including the inflation rate multiplier of 5 percent) and additions. Commercial real property taxable value increased 6.90 percent and industrial real property increased 4.79 percent. Personal property taxable value increased 4.86 percent. Novi's total taxable value increased 6.75 percent and is 81.27 percent of the city's total assessed value.

				**** Taxable Value Totals ****				**Taxable Value**
	2023 Parcel	**2024 Parcel**	**2023 Board**		**+ or -**		**2024 Board**	**% Increase /**
Real Property	**Count**	**Count**	**Of Review**	**Losses**	**Adjustment**	**Additions**	**Of Review**	**% Decrease**
Commercial	897	906	1,166,867,580	301,022	57,293,279	30,141,120	1,247,371,560	6.90%
Industrial	167	162	81,508,830	385,430	4,245,990	214,730	85,412,970	4.79%
Residential	18697	18878	3,148,345,420	1,637,716	192,384,422	29,148,444	3,365,327,040	6.89%
Total Real	**19761**	**19946**	**4,396,721,830**	**2,324,168**	**253,923,691**	**59,504,294**	**4,698,111,570**	**6.85%**
Com. Personal	2616	2551	175,490,580	31,814,110	-9,289,832	51,056,630	185,443,268	5.67%
Ind. Personal	41	39	9,391,100	1,323,680	-818,260	1,277,790	8,526,950	-9.20%
Res. Personal		0	0	0	0	0	0	0.00%
Util. Personal	14	14	67,660,840	747,300	-2,045,250	5,970,820	70,839,110	4.70%
Total Personal	**2671**	**2604**	**252,542,520**	**33,885,090**	**-12,153,342**	**58,305,240**	**264,809,328**	**4.86%**
Total Exempt	307	300	0	0	0	0	0	0.00%
Grand Totals	**22739**	**22850**	**4,649,264,350**	**36,209,258**	**241,770,349**	**117,809,534**	**4,962,920,898**	**6.75%**