



2018
Property Tax Base
Projections

Calculation of Inflation Rate Multiplier

Based on statutory requirement the calculation is as follows:

1. The 12 monthly values for October 2015 through September 2016 are averaged.
2. The 12 monthly values for October 2016 through September 2017 are averaged.
3. The ratio is calculated by dividing the average of column 2 by the average of column 1.

Specific numbers from the US Dept of Labor, Bureau of Labor Statistics are as follows:

Oct-15	237.838	Oct-16	241.729
Nov-15	237.336	Nov-16	241.353
Dec-15	236.525	Dec-16	241.432
Jan-16	236.916	Jan-17	242.839
Feb-16	237.111	Feb-17	243.603
Mar-16	238.132	Mar-17	243.801
Apr-16	239.261	Apr-17	244.524
May-16	240.229	May-17	244.733
Jun-16	241.018	Jun-17	244.955
Jul-16	240.628	Jul-17	244.786
Aug-16	240.849	Aug-17	245.519
Sep-16	241.428	Sep-17	246.819
Average	238.939	Average	243.841
		Ratio	1.021
		% Change	2.1%

Inflation Rate Multiplier History

Year	IRM
1995	1.026
1996	1.028
1997	1.028
1998	1.027
1999	1.016
2000	1.019
2001	1.032
2002	1.032
2003	1.015
2004	1.023
2005	1.023
2006	1.033
2007	1.037
2008	1.023
2009	1.044
2010	0.997
2011	1.017
2012	1.027
2013	1.024
2014	1.016
2015	1.016
2016	1.003
2017	1.009
2018	1.021

Average	1.022
Minimum	0.997
Maximum	1.044
Median	1.023

ASSESSED AND TAXABLE VALUE PROJECTIONS FOR 2018

RESIDENTIAL PROPERTIES 17,785 PARCELS	2017 ACTUAL	EST NEW/ADDNS	EST LOSS/LOSSES	2018 PROJECTED	2018 ADJ ONLY
SEV	\$2,879,350,190	\$54,509,970	\$5,415,000	\$2,977,646,300	\$49,201,140
TAXABLE	\$2,267,135,430	\$44,169,488	\$1,971,100	\$2,394,097,060	\$86,921,602
% CHANGE TO ASSESSED				3.41%	1.71%
% CHANGE TO TAXABLE				5.60%	3.83%
TAXABLE AS A % OF SEV				80.40%	

COMMERCIAL & INDUSTRIAL PROPERTIES 1,083 PARCELS	2017 ACTUAL	EST NEW/ADDNS	EST LOSS/LOSSES	2018 PROJECTED	2018 ADJ ONLY
SEV	\$1,108,412,150	\$44,552,120	\$13,607,700	\$1,201,175,450	\$61,818,880
TAXABLE	\$936,712,960	\$40,961,420	\$2,995,971	\$1,028,603,920	\$30,349,991
% CHANGE TO ASSESSED				8.37%	5.58%
% CHANGE TO TAXABLE				9.81%	3.24%
TAXABLE AS A % OF SEV				85.63%	

PERSONAL PROPERTY 2,584 TOTAL PARCELS	2017 ACTUAL	EST NEW/ADDNS	EST LOSS/LOSSES	2018 PROJECTED	
SEV & TAXABLE	\$246,268,600	\$43,995,131	\$41,068,383	\$249,195,347	\$0

ALL PROPERTIES 21,452 TOTAL AD VALOREM PARCELS	2017 POST MBOR	EST NEW/ADDNS	EST LOSS/LOSSES	2018 PROJECTED	2018 ADJ ONLY
SEV	\$4,234,030,940	\$143,057,221	\$60,091,083	\$4,428,017,097	\$111,020,020
TAXABLE	\$3,450,116,990	\$129,126,039	\$46,035,454	\$3,671,896,327	\$117,271,593
% CHANGE TO ASSESSED				4.58%	2.62%
% CHANGE TO TAXABLE				6.43%	3.40%
TAXABLE AS A % OF SEV				82.92%	

AD VALOREM VALUES NOT INCLUDING PERSONAL PROPERTY COMPONENT

	2017	Est	Est	2018
	Post MBOR	New/Addn	Loss/Losses	Projected
SEV	\$3,987,762,340	\$99,062,090	\$19,022,700	\$4,178,821,750
TV	\$3,203,848,390	\$85,130,908	\$4,967,071	\$3,422,700,980

State Equalization Valuation

ESTIMATE OF 2018 SEV AND TWO YEAR PROJECTION

					ESTIMATED	PROJECTED	
	2014 for FY 2014/2015	2015 for FY 2015/2016	2016 for FY 2016/2017	2017 for FY 2017/2018	2018 for FY 2018/2019	2019 for FY 2019/2020	2020 for FY 2020/2021
Commercial & Industrial	918,429,850	945,036,120	1,003,473,250	1,108,412,150	1,201,175,450	1,273,245,977	1,349,640,736
Residential	2,221,694,700	2,519,615,900	2,711,324,770	2,879,350,190	2,977,646,300	3,126,528,615	3,282,855,046
Personal Property	225,066,560	239,836,740	237,292,830	246,268,600	249,195,347	255,425,231	261,810,862
TOTAL SEV	\$3,365,191,110	\$3,704,488,760	\$3,952,090,850	\$4,234,030,940	\$4,428,017,097	\$4,655,199,823	\$4,894,306,643
					ESTIMATED	PROJECTED	
% Change by Category	2014 for FY 2014/2015	2015 for FY 2015/2016	2016 for FY 2016/2017	2017 for FY 2017/2018	2018 for FY 2018/2019	2019 for FY 2019/2020	2020 for FY 2020/2021
Commercial & Industrial	2.8%	2.9%	6.2%	10.5%	8.4%	6.0%	6.0%
Residential	12.1%	13.4%	7.6%	6.2%	3.4%	5.0%	5.0%
Total Real Property	9.2%	10.3%	7.2%	7.3%	4.8%	5.3%	5.3%
Personal Property	0.6%	6.6%	-1.1%	3.8%	1.2%	2.5%	2.5%
CHANGE FROM PREVIOUS	8.56%	10.1%	6.7%	7.1%	4.6%	5.1%	5.1%

TAX YR	PARCELS	DOCKETS	Orig. Taxable Value	Taxable Value Loss	Loss Percent
2008	105	74	\$109,219,130	\$13,011,920	11.91%
2009	566	80	\$309,171,520	\$35,905,822	11.61%
2010	1467	151	\$453,535,797	\$77,644,336	17.12%
2011	1038	202	\$468,765,585	\$123,720,939	26.39%
2012	844	254	\$998,170,716	\$156,064,504	15.64%
2013	820	185	\$526,035,677	\$80,813,858	15.36%
2014	142	74	\$175,821,000	\$23,558,000	13.40%
2015	96	66	\$108,622,697	\$16,388,179	15.09%
2016	32	31	\$16,628,710	\$1,656,505	9.96%
2017	30	13	\$25,913,100	\$2,344,580	9.05%

*No new filings for 2018 have occurred as of the time of this report, as assessments for 2018 are not finalized until after March board of review is finished.

PERSONAL PROPERTY TAX

- Beginning in 2016 through 2023, eligible manufacturing personal property (EMPP) began to phase out in Michigan. For 2016, EMPP first placed in service before 2006 or after 2012 is exempt from ad valorem taxation, while EMPP first placed in service in 2006 through 2012 is subject to ad valorem taxation but will be phased out accordingly. Taxpayers whose property qualifies as EMPP will claim the exemption by annually filing with the assessor both in form and by affidavit and are still subject to ad valorem tax and an Essential Services Assessment (ESA), which is a specific tax.
- Small Business Taxpayer exemptions provide for personal property "assessed value" less than \$40K, provide they are also filed timely and properly with local assessor.
- 2018 tax year is the 2nd year that Tax Management Associates is working with the City of Novi in its personal property assessment processes.

2018 HEADLEE CALCULATION

2017 Taxable Value - Losses x IRM
2018 Taxable value - Additions

BASED ON CURRENT PROJECTIONS:

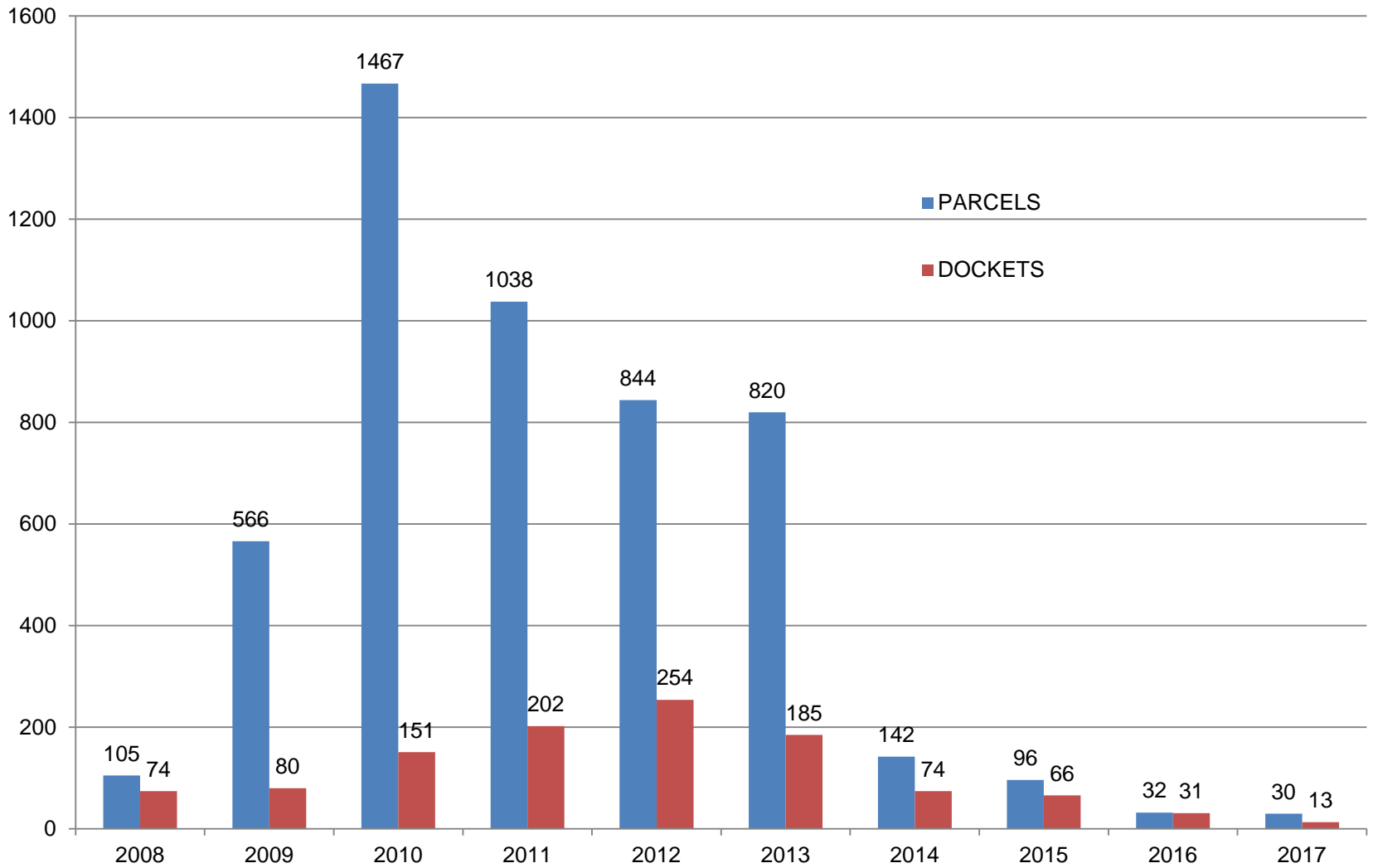
$$\begin{aligned} \frac{\$3,450,116,990 - 9,194,929 \times 1.021}{\$3,549,727,543 - \$73,005,567} &= \frac{\$3,513,181,424}{\$3,476,721,976} \\ &= 1.01 \end{aligned}$$

For numbers of 1.0000 or higher - no millage rollback

WITHOUT PERSONAL PROPERTY ONLY:

$$\begin{aligned} \frac{\$3,203,848,390 - \$3,332,659 \times 1.021}{\$3,324,605,743 - \$73,005,567} &= \frac{\$3,267,726,561}{\$3,251,600,176} \\ &= 1.005 \end{aligned}$$

MTT 2008-2017 DOCKET LOG



MTT 2008-2017 TV ORIG VS TV LOSS

