

ASSESSING

Mission: To uniformly and equitably value all taxable real and personal property within the City. Continually working to improve the quality of service to the public and to deliver reliable information in a timely and professional manner.

Assessment Team

- Jan Ziozios, MAAO (3), PPE, MAI, ASA – Deputy Assessor
- Kristin Corbett, MAAO (3), PPE – Commercial/Industrial Assessor
- Laura Bayley-Alello, MCAO (2), PPE – Residential Assessor
- Claudia Earl – Assessing Coordinator
- Rocco DiPonio, MCAO (2), PPE – Assessing Intern
- Reason Consulting – Contractor for Personal Property

Assessed and Taxable Value Projections

ASSESSED AND TAXABLE VALUE PROJECTIONS FOR 2023

RESIDENTIAL PROPERTIES 18,341 PARCELS	2022 ACTUAL	EST NEW/ADDNS	EST LOSS/LOSSES	2023 PROJECTED	EST ADJ ONLY
SEV	\$3,520,000,070	\$36,003,120	\$2,497,260	\$3,803,078,580	\$249,572,650
TAXABLE	\$2,941,366,920	\$24,207,590	\$769,464	\$3,179,905,427	\$38,664,534
% CHANGE TO ASSESSED				8.04%	7.09%
% CHANGE TO TAXABLE				8.11%	1.31%
TAXABLE AS A % OF SEV				83.61%	

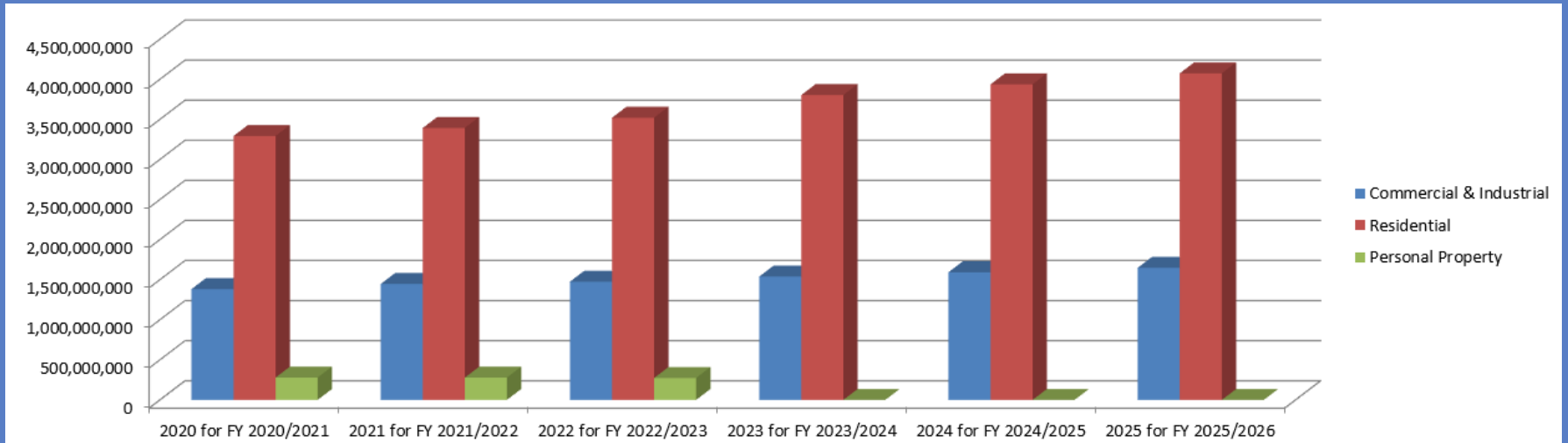
COMMERCIAL & INDUSTRIAL PROPERTIES 1,038 PARCELS	2022 ACTUAL	EST NEW/ADDNS	EST LOSS/LOSSES	2023 PROJECTED	EST ADJ ONLY
SEV	\$1,475,219,350	\$4,914,840	\$11,392,430	\$1,524,291,880	\$55,550,120
TAXABLE	\$1,187,826,620	\$14,728,040	\$4,302,085	\$1,276,835,872	\$7,571,825
% CHANGE TO ASSESSED				3.33%	3.77%
% CHANGE TO TAXABLE				7.49%	0.64%
TAXABLE AS A % OF SEV				83.77%	

PERSONAL PROPERTY 2,530 PARCELS	2022 ACTUAL	EST NEW/ADDNS	EST LOSS/LOSSES	2023 PROJECTED	EST ADJ ONLY
SEV & TAXABLE	\$273,415,990	UNK	UNK	UNK	\$24,935,960

ALL REAL PROPERTIES 19,379 TOTAL AD VALOREM PARCELS	2022 POST MBOR	EST NEW/ADDNS	EST LOSS/LOSSES	2023 PROJECTED	EST ADJ ONLY
SEV	\$4,995,219,420	\$40,917,960	\$13,889,690	\$5,327,370,460	\$305,122,770
TAXABLE	\$4,129,193,540	\$38,935,630	\$5,071,549	\$4,456,741,299	\$46,236,359
% CHANGE TO ASSESSED				6.65%	6.11%
% CHANGE TO TAXABLE				7.93%	1.12%
TAXABLE AS A % OF SEV				83.66%	

2023 projected values are based on L-4022 AV and TV Reports as of 11/21/202. 2023 TV Projection includes 5% IRM + 1% for Assessments in progress.

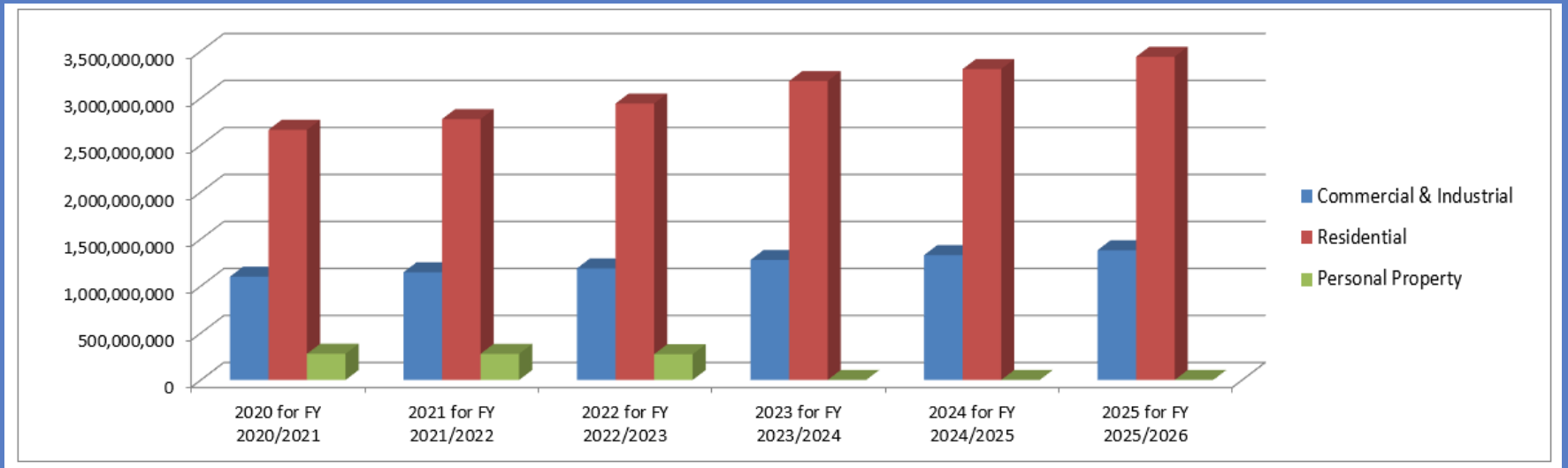
State Equalization Valuation by Category



State Equalization Valuation

ESTIMATE OF 2023 SEV AND THREE-YEAR PROJECTION							
	ACTUAL			ESTIMATED	PROJECTED		
	2020 for FY 2020/2021	2021 for FY 2021/2022	2022 for FY 2022/2023	2023 for FY 2023/2024	2024 for FY 2024/2025	2025 for FY 2025/2026	2026 for FY 2026/2027
Commercial & Industrial	1,382,149,750	1,446,429,450	1,475,219,350	1,524,291,880	1,577,642,096	1,632,859,569	1,690,009,654
Residential	3,292,468,500	3,392,597,102	3,520,000,070	3,803,078,580	3,936,186,330	4,073,952,852	4,216,541,202
Personal Property	278,747,760	278,095,777	273,415,990	Unk	Unk	Unk	Unk
TOTAL SEV (Real Property Only 2023 - 2026)	\$4,953,366,010	\$5,117,122,329	\$5,268,635,410	\$5,327,370,460	\$5,513,828,426	\$5,706,812,421	\$5,906,550,856
	ACTUAL			ESTIMATED	PROJECTED		
% Change by Category	2020 for FY 2020/2021	2021 for FY 2021/2022	2022 for FY 2022/2023	2023 for FY 2023/2024	2024 for FY 2024/2025	2025 for FY 2025/2026	2026 for FY 2026/2027
Commercial & Industrial	6.6%	4.7%	2.0%	3.3%	3.5%	3.5%	3.5%
Residential	4.8%	3.0%	3.8%	8.0%	3.5%	3.5%	3.5%
Total Real Property	5.4%	3.5%	3.2%	6.6%	3.5%	3.5%	3.5%
Personal Property	4.2%	-0.2%	-1.7%	Unk	Unk	Unk	Unk
				Real Prop. Only	Real Prop. Only	Real Prop. Only	Real Prop. Only
CHANGE FROM PREVIOUS	5.3%	3.3%	3.0%	6.6%	3.5%	3.5%	3.5%

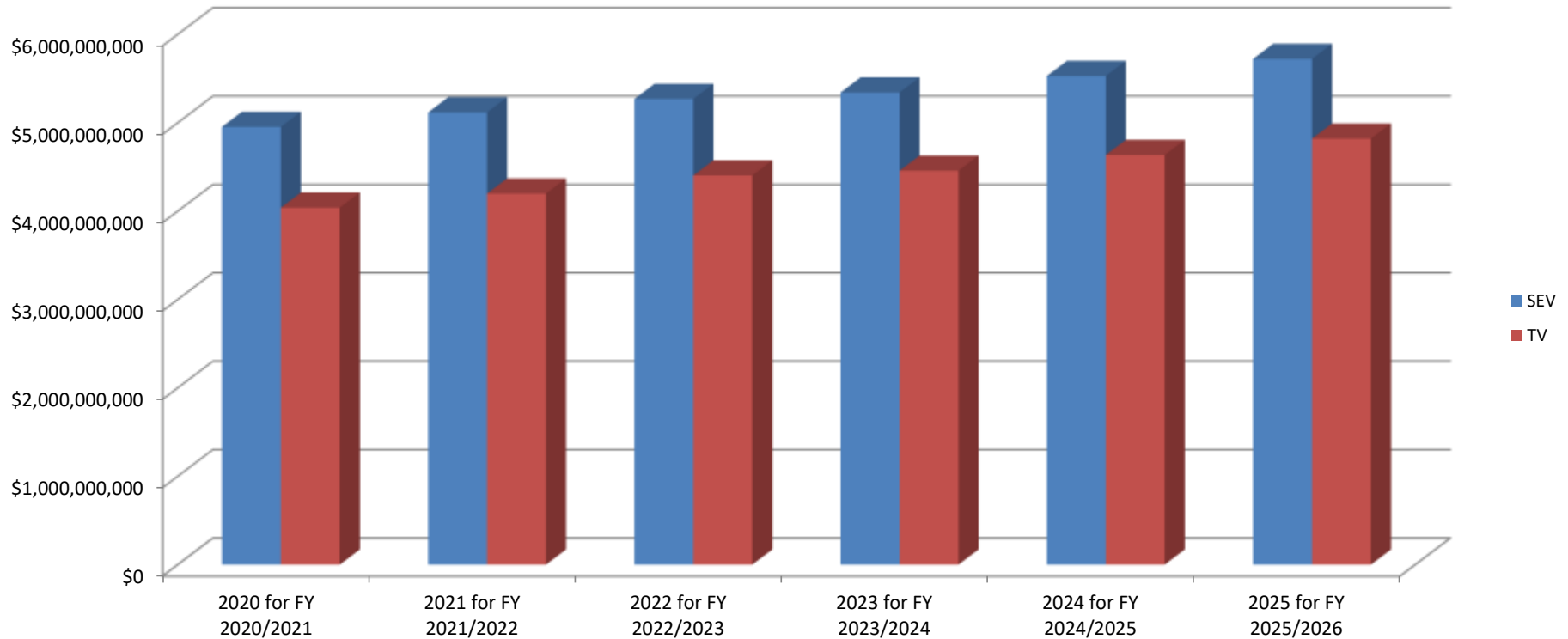
Taxable Value



Taxable Value

ESTIMATE OF 2023 TAXABLE VALUE AND THREE-YEAR PROJECTION							
	ACTUAL			ESTIMATED	PROJECTED		
	2020 for FY 2020/2021	2021 for FY 2021/2022	2022 for FY 2022/2023	2023 for FY 2023/2024	2024 for FY 2024/2025	2025 for FY 2025/2026	2026 for FY 2026/2027
Commercial & Industrial	1,098,657,170	1,145,328,330	1,187,826,620	1,276,835,872	1,327,909,307	1,381,025,679	1,426,599,527
Residential	2,661,331,380	2,775,266,092	2,941,366,920	3,179,905,427	3,307,101,644	3,439,385,710	3,552,885,439
Personal Property	278,747,760	278,095,777	273,415,990	Unk	Unk	Unk	Unk
TOTAL Taxable Value	\$4,038,736,310	\$4,198,690,199	\$4,402,609,530	\$4,456,741,299	\$4,635,010,951	\$4,820,411,389	\$4,979,484,965
INFLATION RATE MULT.	1.9%	1.4%	3.3%	5.0%	3.0%	3.0%	2.3%
% Change by Category	ACTUAL			ESTIMATED	PROJECTED		
	2020 for FY 2020/2021	2021 for FY 2021/2022	2022 for FY 2022/2023	2023 for FY 2023/2024	2024 for FY 2024/2025	2025 for FY 2025/2026	2026 for FY 2026/2027
Commercial & Industrial	4.5%	4.2%	3.7%	7.5%	4.0%	4.0%	3.3%
Residential	5.0%	4.3%	6.0%	8.1%	4.0%	4.0%	3.3%
Total Real Property	4.9%	4.3%	5.3%	7.9%	4.0%	4.0%	3.3%
Personal Property	4.2%	-0.2%	-1.7%	Unk	Unk	Unk	Unk
				Real Prop. Only	Real Prop. Only	Real Prop. Only	Real Prop. Only
CHANGE FROM PREVIOUS	4.8%	4.0%	4.9%	1.2%	4.0%	4.0%	3.3%

State Equalization Valuation vs. Taxable Value



Inflation Rate Multiplier Calculation from CPI

Data from the US Department of Labor, Bureau of Labor Statistics

	<u>FY 2020 - 2021</u>		<u>FY 2021 - 2022</u>
Oct-20	260.388	Oct-21	276.589
Nov-20	260.229	Nov-21	277.948
Dec-20	260.474	Dec-21	278.802
Jan-21	261.582	Jan-21	281.148
Feb-21	263.014	Feb-22	283.716
Mar-21	264.877	Mar-22	287.504
Apr-21	267.054	Apr-22	289.109
May-21	269.195	May-22	292.296
Jun-21	271.696	Jun-22	296.311
Jul-21	273.003	Jul-22	296.276
Aug-21	273.567	Aug-22	296.171
Sep-21	<u>274.310</u>	Sep-22	<u>296.808</u>
Average	266.616	Average	287.723

287.723 / 266.616

Ratio 2023	1.079
% Change	7.9%

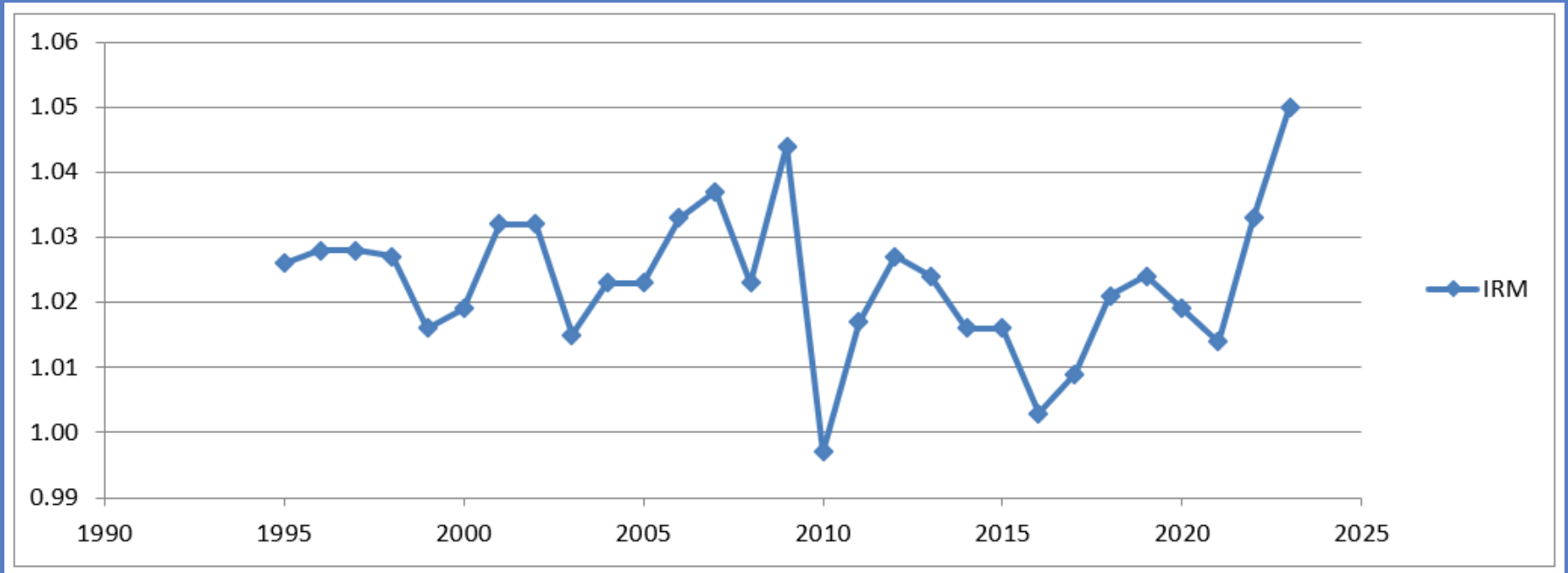
Inflation Rate Multiplier History

The following is a list of the inflation rate multipliers used in the Capped Value and "Headlee" calculations since the start of Proposal A.

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
2019	1.024
2020	1.019
2021	1.014
2022	1.033
2023	1.050

Inflation Rate Multiplier History



Personal Property Tax

- Beginning in 2016 through 2023, eligible manufacturing personal property (EMPP) began to phase out in Michigan. EMPP first placed in service in 2006 through 2012 is subject to ad valorem taxation but will be phased out accordingly; in 2023 all EMPP will be exempt. Taxpayers whose property qualifies as EMPP will claim the exemption by annually filing with the assessor both by form and by affidavit and are still subject to ad valorem tax, and an Essential Services Assessment (ESA), which is a specific tax.
- For the 2023 tax year, the Small Business Property Tax Exemption provides for personal property with an assessed value of less than \$90K to be exempt from the assessing roll, provided that the petitioner timely and properly files Michigan Department of Treasury form 5076 with the local assessor. The assessed value limit was previously \$40,000.
- Reason Consulting Services (RCS), FKA Tax Management Associates (TMA), works with the City of Novi in gathering, inputting, and maintaining personal property assessment data for our community. Our contract with RCS was renewed in 2022.

MTT Case Disposition

MTT CASE DISPOSITION

TAX YR	PARCELS	DOCKETS	TAXABLE VALUE PLEADING	TAXABLE VALUE LOSS	LOSS PERCENT
2012	844	254	\$468,765,585	\$123,720,939	26.39%
2013	820	185	\$998,170,716	\$156,064,504	15.64%
2014	142	74	\$526,035,677	\$80,813,858	15.36%
2015	96	66	\$175,821,000	\$23,558,000	13.40%
2016	32	31	\$108,622,697	\$16,388,179	15.09%
2017	108	17	\$16,628,710	\$1,656,505	9.96%
2018	132	40	\$25,913,100	\$2,344,580	9.05%
2019	24	20	\$16,559,080	\$4,364,875	26.36%
2020	29	29	\$67,062,179	\$10,869,105	16.21%
2021	30	29	\$32,832,519	\$4,620,696	14.07%
2022	21	16	\$42,199,867	See Comments	

There are 14 pending cases for 2022, with \$41,844,379 Taxable Value in pleading. 2020 and 2021 included the Redwood / Fox Run appeals and settlements.

* Includes Small Claims and Entire Tribunals

ASSESSING

The City of Novi Assessing Department is continuously seeking new ways to educate taxpayers in assessment practices. Some of the practices we have implemented include:

- Increasing information and transparency on Assessing webpage
- Taking the time to educate property owners at the assessing counter or on the phone about Principal Residence Exemptions, Taxable Value uncappings, and other matters
- Encouraging taxpayers to review their assessment records and notify us of any changes or discrepancies
- Writing articles for valuation-related professionals
- Providing periodic videos on assessment topics
- Speaking to taxpayers and professional groups