

Fast Facts

During the 2008 recession, most Michigan communities saw dramatic reductions in taxable value. From 2008 – 2013 the City of Howell's total taxable value declined by **27.6%**

While the local economy continues to strengthen, limitations imposed by the State through the Headlee Amendment and Proposal A inhibit Howell's ability to recover this lost value. Howell's 2018 taxable value has only recovered to 2004 levels.

Although the City has seen a strong recovery in housing values and sales on existing homes have been very strong, the City's operating millage has been rolled back by .5 mills under the Headlee Amendment.

With downward pressure on the City's annual budget, cost savings and organizational efficiencies have been implemented over the past several years. For instance:

- Modernizing and streamlining departments and practices - the city has improved services, technology, and communications.
- The City implemented shared service models where practical: IT, Fire Authority, building maintenance, etc.
- With streamlined fiscal management, the City's credit rating was upgraded to AA- in 2014.

The Police Department is one of the larger line items for the City's general fund, with annual expenses of \$2.6 million of the total \$7.5 million general fund (about 35%).

Public Safety Special Assessment

The City of Howell is considering the adoption of a Public Safety Special Assessment pursuant to Public Act 33 of 1951.

The assessment would be levied on the taxable value of all real property and functions similar to a millage.

A 2–3 mill Public Safety Special Assessment will generate \$600K - \$885K annually and would be used to sustain current levels of police service and offset current general fund allocations.

The general fund would then be able to support additional and needed infrastructure repair and replacement.

The table below illustrates the annual cost of a 1 mill special assessment. City Council is considering levying a Public Safety Special Assessment of 2 – 3 mills.

Home Value	Taxable Value	Cost per Mill levied
\$75,000	\$37,500	\$37.50
\$100,000	\$50,000	\$50.00
\$125,000	\$62,500	\$62.50
\$150,000	\$75,000	\$75.00
\$200,000	\$100,000	\$100.00
\$250,000	\$125,000	\$125.00
\$300,000	\$150,000	\$150.00
<i>Cost per year based on \$1.00 per \$1,000 taxable value</i>		

Additional information at
www.cityofhowell.org/psa

Howell

2018

Public Safety Special Assessment

FACTS



FOR FURTHER INFORMATION, CONTACT

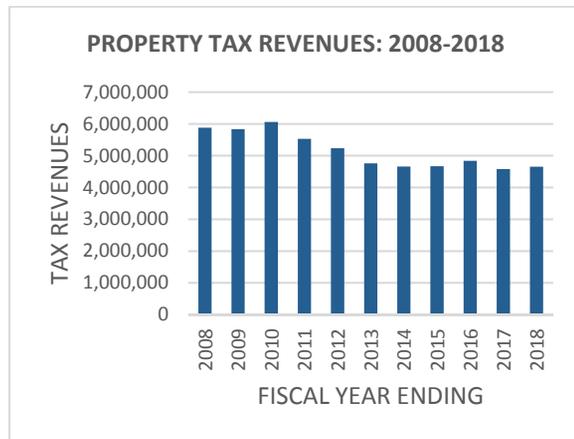
Shea Charles,
City Manager
517.546.3502

citymanager@cityofhowell.org

CITY OF HOWELL
611 East Grand River, Howell, MI 48843

Why do we need more revenue?

- Property values are recovering, however this recovery is limited by Proposal A, leading to long-term challenges to the City's financial health.
- Artificial caps imposed by Proposal A and the Headlee Amendment still puts the City a long way away from getting back to previous levels of taxable value.
- Property tax values have declined due to a cumulative 27.6% decrease in citywide taxable value between 2008 and 2013, an approximate total loss of \$1.3 million in tax revenue. Yet tax revenue increases can only grow at 5% or the rate of inflation (whichever is less).
- The inflation rate has averaged less than 2% over the past 10 years. Thus, even after ten years, we have recovered only \$300,000 in tax revenue.
- State Shared Revenues are still \$370,000 a year under what State law authorizes. These funds are dedicated to provide general operating services including police, public works, parks and streets.



Howell Police Department

Through its Community Policing programs and customer service philosophy, the Howell Police Department has established a tradition of providing quality police service to the community through highly motivated, highly trained and well respected personnel.

Operating 24 hours/day, 7 days/week the Department provides a full range of police services such as general road patrol, criminal investigations, accident, narcotics and auto theft investigations.

The Department provides a variety of community engagement and safety services including site planning, traffic control and safety and security functions for the many annual community activities and events. Officers provide vacation and business security checks along with neighborhood bicycle and foot patrols.

Through a partnership with the Howell Public Schools, the Department provides a School Resource Officer (SRO) for the Howell Public School District.

In order to provide a high level of service, the Police Department is one of the larger line items in the City's general fund, with annual expenses of \$2.6 million of the total \$7.5 million general fund (about 35%).

A Public Safety Special Assessment

What is it Worth?

We hear it often from our residents: "Howell is more than a city, it's a community." People are proud to live here, and they appreciate the safety, cleanliness, and vitality of their City.

When making the decision about whether to support an assessment, residents often wonder what their dollars will be supporting. In this case, it's exactly what residents take the most pride in: services that support Howell's livability!

For example:

- Police— Well-funded police departments mean reduced crime and faster response times and promote a general sense of safety and wellbeing.
- DPW— By providing revenue for the Police Department, current funds are freed up to fund other critical functions. In addition to snow removal and road maintenance and repairs, the Department of Public Works provides street sweeping, tree trimming, park improvements, curbside leaf pickup, and more services that improve the appearance and upkeep of our homes and neighborhoods, which in turn increases property values.

If the Public Safety Special Assessment is not implemented, the City will have to reconsider the service levels currently provided and make reductions to help offset the loss in operating revenues.