

CITY OF BURTON  
SPECIAL COUNCIL MEETING MINUTES  
JUNE 18, 2001, 6:15 P.M., COUNCIL CHAMBERS

The Special Meeting was called to order by Bob Centilli, Council President, at 6:15 P.M.

MEMBERS PRESENT: Bement, Cross, Centilli, Martinbianco, Tinnin and Wells.

MEMBERS ABSENT: Brawner.

OTHERS PRESENT: D. Lowthian, Assessor; J. Major, DPW Director and C. Ladd, Deputy City Clerk.

PURPOSE OF THE MEETING: TRUTH AND TAXATION PUBLIC HEARING

PRESENTATION:

Mr. Lowthian explained that the Truth and Taxation process is a procedural process established by state law. It is under Public Act 5 of 1982. We have held these for about 20 years. He explained that if the taxable value has increased due to an increase in property value, excluding new construction, then that increase in taxable value has to be expressed as a millage rate. The overall rate that you will be asked to levy tonight, for operating purposes, is actually less than last year because of the Headlee Rollback. Last year the total rate that was levied for Police and General Fund Operating was 5.7612 and the most we can levy this year is 5.7421. If this hearing were not held then that millage rate would have to be rolled back and there could be close to a \$100,000.00 loss to the City between the Police Fund and the General Fund Operating.

AUDIENCE PARTICIPATION:

There was no one in the audience who wished to speak.

COUNCIL DISCUSSION:

Mr. Martinbianco commented on the Headlee Amendment and the affects it has on the taxpayers. He said one of the issues of concern is the financial ability of the City to be able to roll back that millage. In past years we have not had the luxury, as other municipalities have of being able to roll back the millage to match that Truth and Taxation number. Part of the problem we have is a growing SEV and we also have an excessive SEV in areas that are very complicated. We need to be tax-free and create the least amount of tax burden that we possibly can in all the tax areas. Mr. Martinbianco when residents approach him with questions as to why their taxes are so high, he explains to them that most of the tax is their school millage, but it also includes what happens with new sales of existing properties. He said the Headlee Amendment is all about the inflation protection device. We have at our advantage, the ability, given our new census figures, that have given us the luxury of over one-half Million Dollars to be able to entice further community development growth programs and offer some tax incentives that may have been overlooked in the past. One of the things he would like to have Council do during a later discussion this evening, is to incorporate part of the leverage we have to create a new trust with the taxpaying public. That trust includes giving back to them, when we can. People need to see police protection and I will support that rollout. Whatever we can do to help the residents, we should.

Mrs. Tinnin asked Mr. Becker if these Truth and Taxation figures been incorporated with the amendments.

Mr. Becker said there are two issues on the memo from Mr. Lowthian. One is the hearing you are holding this evening on Truth and Taxation and the Headlee, which is a mandatory rollback. The mandatory rollback has been taken into account in the budget amendment. However, the Truth and Taxation Rollback, which reflects the rate of inflation, has not been amended out of the budget. If we were to not rollout the operating millage as Mr. Lowthian's memo suggests for General Fund, you would be looking at an \$85,400.00 figure and there would have to be a

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number of solutions to resolve that and incorporate that into the budget. Only the first part is incorporated into that amendment. I would suggest the Headless Amendment, which was passed in 1978, to cap the rate of increases in taxable value to the rate of inflation. That is what we have done. Our City expenditures are exposed to inflation just like everyone else's. That is what the levy, we are talking about at this public hearing, is all about. If you choose to not rollup the millage rate of 3.2%, you will be looking at an additional \$85,000.00 to generate additional revenues to the budget or cutting \$85,000.00 from General Fund to have a balanced budget.

Mrs. Tinnin said she agreed with Mr. Martinbianco's comments as far as having the additional revenue. She said there are some amendments that she would like to propose to the rest of the Council to increase public safety. She said she would support the rollbacks.

Meeting Adjourned at 6:27 P.M.

Cheryl M. Ladd, CMC  
Deputy City Clerk

CML