

Introduction

Section 15 of the Uniform Budgeting and Accounting Act (MCL 141.435) requires cities and villages to adopt a balanced budget prior to the beginning of each fiscal year. Municipalities sometimes find it necessary to adjust the millage rate to assure total estimated expenditures do not exceed total estimated revenues. The following chart outlines the steps required in the budget procedure and suggests some target dates for each step.

A <i>suggested</i> schedule for the budgeting process	
(assuming a March 1 fiscal year beginning date)*	
On or About	Step in the budget process
November 1	Chief administrative officer or fiscal officer asks department heads to compile budget requests for the coming fiscal year
December 1	Department heads submit budget requests for the coming fiscal year
January 1	Chief administrative officer presents the proposed budget to the legislative body
February 1	Council review completed; revisions made; union negotiations completed, etc.
February 7	If necessary, council adopts a resolution on the proposed additional millage rate for the coming fiscal year
February 16 (Optional)	Public hearing on the millage rate (Truth in Taxation Hearing) to take advantage of increased property values (SEV) or to increase the millage rate. (Note: If you hold this hearing separate, the notice must include requirements outlined in MCL 211.24e)
February 28	Public hearing on budget, which may also include the millage rate information Budget adopted (no more than 10 days after the public hearing if additional millage is approved by council)
May	Millage set after final SEV figures are received. Cannot exceed the amount proposed in public hearing and must be within 10 days of the hearing.

Prepared by Lois Thibault and Frank Gerstenecker for the GLV Handbook

Attached is a sample notice that can be used to combine the Truth in Taxation and budget hearings.

* If yours is different, adjust the schedule accordingly

ATTENTION (Your City/Village) RESIDENTS

NOTICE

PUBLIC HEARING

A Public Hearing has been scheduled for (Date) at the Regular Council Meeting at (Time) at the (Location of Meeting) , for the purpose of discussing adoption of the 2008-2009 Budget. A copy of the budget is available for public inspection in the Clerk's Office at (Village/City Hall Address) .

THE PROPERTY TAX MILLAGE RATE PROPOSED TO BE LEVIED TO SUPPORT THE PROPOSED BUDGET WILL BE A SUBJECT OF THIS HEARING.

Public comments, either oral or written, are welcome at the Public Hearing. Handicapped persons needing assistance or aid should contact the (City/Village) Offices during regular working hours forty-eight hours prior to the meeting.

 (NAME OF CLERK)

 (TITLE) .

Note:

MCL 141.412 requires the notice to include the following statement in 11-point boldface type: **“The property tax millage rate proposed to be levied to support the proposed budget will be a subject of this hearing.”** The general appropriations act must set forth the total number of mills to be levied and the purposes for the millage.