



**OFFICE OF CHIEF FINANCIAL OFFICER
OFFICE OF BUDGET**

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April 30, 2020

Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Avenue
Detroit, MI 48226

Re: Tax Statement for Fiscal Year 2020-21

Dear Honorable City Council Members:

In accordance with Section 17-2-10 of the 2019 Detroit City Code, the Office of Budget is submitting a statement of the amounts to be raised by taxation in Fiscal Year 2020-2021, formally known as the Tax Statement, for your consideration and approval. A copy was submitted with Mayor's budget on March 6, 2020.

We request a waiver of reconsideration.

Respectfully submitted,

Tanya Stoudemire, J.D. Deputy CFO / Budget Director

Attachments

Cc: Mayor Michael E. Duggan, City of Detroit
David P. Massaron, Chief Financial Officer
Katie Hammer, Chief Deputy CFO / Policy & Administration Director
John Naglick, Chief Deputy CFO / Finance Director
Alvin Horhn, Deputy CFO / Assessor
Christa McLellan, Deputy CFO / Treasurer
Avery Peeples, City Council Liaison



To: Brenda Jones, President-Detroit City Council
From: Tanya Stoudemire, Deputy CFO/Budget Director
Re: FY2021 Tax Statement Submission

April 30, 2020
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RESOLUTION

BY COUNCIL MEMBER _____

RESOLVED, that the foregoing Tax Statement be hereby and is approved in accordance with Section 17-2-10 of the 2019 Detroit City Code.



CITY OF DETROIT
OFFICE OF THE CHIEF FINANCIAL OFFICER

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CFO MEMORANDUM
NO. 2020-103-002

TO: Honorable Michael E. Duggan, Mayor; Honorable Detroit City Council

FROM: Tanya Stoudemire, J.D., Deputy CFO / Budget Director

SUBJECT: Fiscal Year 2020-2021 Tax Statement

DATE: March 6, 2020

1. AUTHORITY

- 1.1. State of Michigan Public Act 279 of 1909, Section 117.4s(2), as amended by Public Act 182 of 2014, states the chief financial officer shall supervise all financial and budget activities of the city and coordinate the city's activities relating to budgets, financial plans, financial management, financial reporting, financial analysis, and compliance with the budget and financial plan of the city.
- 1.2. CFO Directive No. 2018-101-016 Budget Development, Execution & Monitoring states that the Deputy CFO / Budget Director shall be responsible for the City's budget processes.
- 1.3. The 2012 Charter of the City of Detroit, Article 8, Chapter 2, provides requirements for annual budget adoption. Specifically, Section 8-209 states adoption of the budget shall constitute a levy of the property tax specified therein.
- 1.4. The 2012 Charter of the City of Detroit, Article 8, Chapter 4, provides requirements for property taxation. Specifically, Section 8-401 authorizes the City to levy property taxes up to the rate of 2% (20 mills) of taxable value of all real and personal property in the city for General City purposes, consistent with State of Michigan Public Act 279 of 1909, Section 117.3(g). Pursuant to State of Michigan Public Acts 34 of 2001 and 164 of 1877, the City's levies for Debt Service purposes are not subject to the 2% limitation.
- 1.5. The 2019 Detroit City Code, Chapter 17, Article II, provides procedures for annual budget adoption. Specifically, Section 17-2-10 states after the budget is approved, the budget director shall make an itemized statement of amounts to be raised by taxation (the "Tax Statement"). The City Council shall cause to be levied and collected by general tax the amount of the Tax Statement so approved.

2. OBJECTIVE

- 2.1. To set forth the total number of mills of ad valorem property taxes to be levied and the purposes for which that millage is to be levied, as authorized by the adopted budget for Fiscal Year 2020-2021.

3. PURPOSE

- 3.1. To submit the annual Tax Statement to the Mayor and the City Council for consideration and approval.

4. SCOPE

4.1. This Memorandum and the attached report are intended solely to fulfill the requirements for the annual Tax Statement.

5. STATEMENT

5.1. The Office of Budget is submitting the attached Tax Statement of the amounts to be raised by taxation in Fiscal Year 2020-2021 and requesting its approval.

5.2. The Tax Statement represents amounts included in the proposed budget for Fiscal Year 2020-2021.

5.3. The Tax Statement was developed in coordination with the Offices of the Assessor and the Treasury.

5.4. The Tax Statement is based on the forecast of anticipated revenues approved by the Revenue Estimating Conference principals on February 19, 2020, in accordance with State of Michigan Public Act 279 of 1909, Section 117.4t(1)(d), as amended by Public Act 182 of 2014.

City of Detroit
Fiscal Year 2020-2021
Tax Statement

Taxable Value:

Ad Valorem Roll less Renaissance Zones

Real Property	\$	4,498,204,342
Personal Property		1,454,546,258
Total	\$	5,952,750,600

Renaissance Zones (RZ)⁽¹⁾

RZ - Real Property	\$	220,864,568
RZ - Real Property (75%)		3,738,202
RZ - Real Property (50%)		1,234,870
RZ - Real Property (25%)		-
RZ - Personal Property		48,941,804
RZ - Personal Property (75%)		685,991
RZ - Personal Property (50%)		1,530,531
RZ - Personal Property (25%)		-
RZ - Tool & Die - Real Property		-
RZ - Tool & Die - Personal Property		-
Total	\$	276,995,965

Total Ad Valorem Roll

Real Property	\$	4,724,041,982
Personal Property		1,505,704,583
Total	\$	6,229,746,565

Tax Rates:

General City	19.9520
Debt Service	9.0000
Total	28.9520

Tax Levies:

General City	\$	118,863,071
Debt Service		56,067,719
Total Amount to be Raised by Taxation	\$	174,930,790

Notes:

(1) Renaissance Zones are exempt from General City and Library millages, except for designated percentage phase-out for applicable property.