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TO: Willie C. Donwell, Director
Property Assessment Board of Review

FROM: David Whitaker, Director 
Legislative Policy Division Staff

DATE: March 27, 2024

RE: 2024-2025 Budget Analysis

Attached is our budget analysis regarding your agency's budget for the 2024-2025 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing on **Thursday, March 28, 2024, at 10:00 a.m.** We would then appreciate a written response to the issues/questions at your earliest convenience before or after your budget hearing. Please forward a copy of your responses to the Council members, the City Clerk's Office, and the Legislative Policy Division.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

DW:dh:ss

Attachments:
Issues and Questions
Ombudsperson Budget pages

cc: Councilmembers
Auditor General's Office
Jay Rising, Chief Financial Officer
Tanya Stoudemire, Chief Deputy CFO
Steve Watson, Budget Director
Eunice Williams, Agency CFO
Tanya Mason, Budget Analyst
Malik Washington, Mayor's Office

Property Assessment Board of Review (BOR)

FY 2024-2025 Budget Analysis by the Legislative Policy Division

Mission¹

The Board of Review hears and determines appeals along with certain other matters concerning real and personal property assessments and/or classifications. The Board of Review is one of the only opportunities in which a taxpayer may appeal before taxation on their real and/or personal property. The Board of Review has three (3) periods during the year in which its work must be complete based upon statutory mandates; they are the March Board of Review, July Board of Review and December Board of Review.

Board of Review shall represent a cross-section of the community and shall be comprised of nine (9) residents of city (one from each of the seven council and two at-large) who shall be appointed by a majority of the City Council members serving on the basis of their knowledge of and familiarity with real estate property values, assessment practices and taxation. As far as possible, different professions and occupations shall be represented on the Board. The Board members shall not be members of any other city agency board, department, commission, or other division of municipal government.

Valuation appeals are generally heard during the month of March. While not required, an appeal may be filed to the Assessor's Review between the 1st and 22nd of February. The Board of Review shall appoint special subcommittees to review and submit recommendations to the full Board of Review on appeals requesting tax exemptions on the basis of poverty under MCL211.7u and/or disabled veterans exemption under P.A. 161.

MCL211.7u: *The principal residence of persons who, in the judgment of the.....Board of Review, by reason of poverty, are unable to contribute to the public charges is eligible for exemption in whole or in part from taxation under this act.*

P.A. 161: *Real property used and owned as a homestead by a disabled veteran who was discharged from the armed forces of the United States under honorable conditions or by an individual described in subsection (2) is exempt from the collection of taxes under this act.*

The budget for the BOR is in the City Council's budget since it is a legislative agency.

The Mayor recommends \$930,397 as the FY 2025 budget for the BOR, which is \$4,047 greater than the agency's FY 2024 budget of \$926,350.

Issues and Questions

1. The Legislative Policy Division is asking the Office of the Chief Financial Officer to provide a status of hiring the one FTE that the City Council during the FY 2024 budget process added \$85,000 for the BOR support staff to appropriation 29232 Property Valuation in the Assessor's Office. If this person has not been hired, what has been the impact of this vacancy on BOR's operations in FY 2024? If a person has been hired, does the BOR feel this person has provided needed support to the BOR's operations? Does the BOR feel this support staff is needed in FY 2025?
2. Please briefly explain the department's new expense initiatives, new capital funding requests, operational reform and savings proposals, and new revenue initiatives/proposals to be implemented in FY 2025. Please provide which appropriation/cost center the new initiative/request/proposal is impacting in FY 2025. Please provide which appropriation/cost center the new initiative/request/proposal is impacting FY2025.
3. Please explain the 0.43% increase in the FY 2025 budget.
4. In the BOR's FY 2024 budget, \$18,264 was budgeted for other expenses. The Mayor recommends eliminating this funding for FY 2025. Please explain the impact this will have on the BOR's operations in FY 2025.

¹ The following link provides information regarding the mission of the BOR: <https://detroitmi.gov/government/boards/property-assessment-board-review/#Property-Assessment-Board-of-Review-Process>

5. Are all of the nine BOR board member positions currently filled? If not, is the BOR in the process of working with the Council to fill the vacant position(s)?

CITY COUNCIL (52)

Mission

The City Council is the City's legislative body. It promotes the economic, cultural and physical welfare of Detroit's citizens through Charter-mandated legislative functions.

Among the functions performed are the enactment and amendment of laws (ordinances and resolutions) governing operation of the City; approval and monitoring of contracts involving City business; approval and monitoring of the City budget, amendments thereto and the City fiscal condition; approval of City appropriations for grant funds and amendments thereto; approval of the sale or disposition of City property; approval of the settlement of civil litigation; receipt of complaints, petitions and reports affecting the operation of the City or its citizens; investigation and monitoring of City affairs, administration and conduct of City agencies; advocacy on behalf of citizens, State and Federal levels; approval of the Master Plan and Five-Year Capital Agenda; appointments to Boards and Commissions; providing a mechanism for residents to make concerns known; monitoring City service delivery to ensure implementation of adopted policies and priorities.

Operating Programs and Services

- **Board of Review** hears and determines appeals from property tax assessments.
- **City Planning Commission (CPC)** is a nine-member body with appointed staff in LPD, that advises on matters pertaining to the social, physical and economic development of the City, including planning and zoning matters in accordance the City Charter, Michigan Planning Enabling Act and the Zoning Enabling Act. Its primary role is that of the Zoning Commission
- **Historic Designation Advisory Board (HDAB)** is a nine-member body with appointed staff in LPD. The HDAB advises City Council on all matters regarding historic preservation to protect the historic, cultural, archaeological resources, that make Detroit unique. HDAB produces a final report and ordinance for each local historic district in accordance with the Michigan Local Historic District Act.
- **Legislative Policy Division (LPD)** is comprised of Research & Analysis to research, monitor, evaluate and advise on policy and legal matters; Fiscal Analysis to compile financial information and advise on budgetary and financial matters.

**CITY OF DETROIT
BUDGET DEVELOPMENT
FINANCIAL DETAIL BY DEPARTMENT, FUND, APPROPRIATION, & COST CENTER - EXPENDITURES
DEPARTMENT 52 - CITY COUNCIL**

Department # - Department Name					
Fund # - Fund Name	FY2024	FY2025	FY2026	FY2027	FY2028
Appropriation # - Appropriation Name	Adopted	Mayor Proposed	Forecast	Forecast	Forecast
Cost Center # - Cost Center Name					
52 - City Council	15,320,565	15,536,985	15,735,885	15,894,095	16,050,462
1000 - General Fund	15,320,565	15,536,985	15,735,885	15,894,095	16,050,462
26520 - Historic Property Designation	42,002	42,002	42,002	42,002	42,002
520120 - Historic Designation Advisory Board	42,002	42,002	42,002	42,002	42,002
28520 - Legislative Administration	6,559,807	6,654,001	6,734,068	6,797,880	6,860,962
520005 - Legislative Policy Division	4,646,050	4,731,502	4,796,891	4,848,061	4,898,551
520009 - City Council Appointed Board of Review	926,350	930,397	934,432	937,502	940,522
520016 - City Council Administration	948,959	955,435	965,711	974,913	984,111
520350 - City Council President Admin Support	38,448	36,667	37,034	37,404	37,778
28521 - City Council Member At Large 1	1,034,394	1,049,162	1,063,625	1,075,227	1,086,704
520305 - Council Member At Large 1	1,034,394	1,049,162	1,063,625	1,075,227	1,086,704
28522 - City Council Member At Large 2	1,034,394	1,049,162	1,063,625	1,075,227	1,086,704
520310 - Council Member At Large 2	1,034,394	1,049,162	1,063,625	1,075,227	1,086,704
28523 - City Council - District 1 Council Member	935,929	948,916	961,490	971,422	981,231
520315 - District 1 Council Member	935,929	948,916	961,490	971,422	981,231
28524 - City Council - District 2 Council Member	935,929	948,916	961,490	971,422	981,231
520320 - District 2 Council Member	935,929	948,916	961,490	971,422	981,231
28525 - City Council - District 3 Council Member	935,929	948,916	961,490	971,422	981,231
520325 - District 3 Council Member	935,929	948,916	961,490	971,422	981,231
28526 - City Council - District 4 Council Member	935,929	948,916	961,490	971,422	981,231
520330 - District 4 Council Member	935,929	948,916	961,490	971,422	981,231
28527 - City Council - District 5 Council Member	1,034,394	1,049,162	1,063,625	1,075,227	1,086,704
520335 - District 5 Council Member	935,929	948,916	961,490	971,422	981,231

**CITY OF DETROIT
BUDGET DEVELOPMENT
POSITION DETAIL BY DEPARTMENT, FUND, APPROPRIATION, & COST CENTER
DEPARTMENT 52 - CITY COUNCIL**

Department # - Department Name					
Fund # - Fund Name					
Appropriation # - Appropriation Name	FY2024	FY2025	FY2026	FY2027	FY2028
Cost Center # - Cost Center Name	Adopted	Mayor Proposed	Forecast	Forecast	Forecast
Job Code - Job Title					
011158.City Council Legislative Policy Division Administr	1	1	1	1	1
011201.Director City Planning Commission	0	1	1	1	1
011355.Deputy Director City Planning Commission	0	1	1	1	1
929101.Administrative Special Services Staff 1	1	1	1	1	1
929102.Administrative Special Services Staff 2	3	3	3	3	3
520009 - City Council Appointed Board of Review	10	10	10	10	10
011360.Director Of Board Of Review	1	1	1	1	1
929102.Administrative Special Services Staff 2	8	9	9	9	9
929107.Administrative Special Services Staff 2 Exempt	1	0	0	0	0
520016 - City Council Administration	4	4	4	4	4
011124.City Council Administrative Assistant 3	1	1	1	1	1
011125.City Council Administrative Assistant 4	1	1	1	1	1
929107.Administrative Special Services Staff 2 Exempt	2	2	2	2	2
28521 - City Council Member At Large 1	8	12	12	12	12
520305 - Council Member At Large 1	8	12	12	12	12
011109.City Council Administrative Assistant 2	1	1	1	1	1
011124.City Council Administrative Assistant 3	3	5	5	5	5
011125.City Council Administrative Assistant 4	1	1	1	1	1
929101.Administrative Special Services Staff 1	0	1	1	1	1
929106.Administrative Special Services Staff 1 Exempt	2	3	3	3	3
929107.Administrative Special Services Staff 2 Exempt	1	1	1	1	1
28522 - City Council Member At Large 2	12	10	10	10	10
520310 - Council Member At Large 2	12	10	10	10	10