

PRESS RELEASE

City of Monroe Communications,
Culture and Community Promotion

120 East First St. Monroe MI 48161 734-384-9134 monroemi.gov



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Contact:

Vincent Pastue
City of Monroe
City Manager
vincent.pastue@monroemi.gov
734-384-9154

MICHIGAN DEPARTMENT OF TREASURY FILES MOTION TO INTERVENE IN DTE ENERGY TAX TRIBUNAL CASE

Monroe, Michigan – The City of Monroe and Frenchtown Township have received notice the Michigan Department of Treasury has submitted a ‘Motion to Intervene’ to the Michigan Tax Tribunal in regard to the cases *DTE Electric Company v. City of Monroe* and *DTE Electric Company v. Township of Frenchtown*.

This motion was submitted in response to DTE Energy’s appeal to the Michigan Tax Tribunal of the City and Township’s 2018 determination of taxable value of DTE Energy’s Monroe Power Plant and Fermi II nuclear power plant.

In the motion, which was submitted to the Michigan Tax Tribunal on October 30th, the State Treasury recognizes the significant financial impact such appeal would have if successful.

The sought-after reduction in property taxes would impact the receipt and statewide disbursement of the State Education Tax and State School Aid Fund. In Monroe County, the utility pays \$5.1 million in State Education Tax and another \$15.3 million towards the local school operating non-principle residence exemption tax.

Whatever tax amount that may be reduced will have to be made up by the state to secure the proper per pupil funding. With this amount of funding for educating students at stake, the Michigan Department of Treasury has joined in the defense of the locally assessed valuation of the two facilities.

In response to the notification, Vincent Pastue, City Manager of the City of Monroe, said, “We are pleased the State of Michigan is joining in support of the City’s defense of our assessed value of DTE’s Monroe Power Plant. The significant impact this appeal could have on the City financially cannot be diminished, but we also recognize we do not stand alone in the potential resulting loss of revenue that is critical to the delivery of services to all of our citizens.

“While it has been disappointing we have not been able to have productive discussions toward a mutually agreed-upon settlement with DTE Energy, the support from the other affected taxing jurisdictions, including the state, has been encouraging and very helpful as we prepare to proceed with the case before the Michigan Tax Tribunal.”

“I am encouraged with the Michigan Department of Treasury’s involvement and support in this matter,” said Dr. Stephen McNew, Superintendent of the Monroe County Intermediate School District. “The state treasury understands that tax reductions will have an impact on the entire state. I believe we all have an inherent responsibility to protect our most vulnerable citizens: our children, seniors, and people with disabilities. These individuals are the ones who will be impacted the most.”

"I'm grateful to learn of the commitment made by the Department of Treasury, for any negative impact to the School Aid Fund is a negative impact to the success of Michigan's children - and our state's future," said Dr. Julie Everly, Superintendent of Monroe Public Schools.

The County of Monroe, which receives 8.9% of its general fund revenues from both power plants, is equally pleased with the action of the state treasurer. "Certainly, the active participation of the state to join us in this matter is reflective of the financial stakes for our community. The treasurer, like the local units of government in Monroe County, wants to ensure equity in making sure everyone pays their fair share, and in this specific action to intervene, that a fair resolution comes that will support education in our state", said Michael Bosanac, Monroe County Administrator/Chief Financial Officer.

About the City of Monroe

Incorporated in 1817, the City of Monroe is a community that has a shared vision that seeks to balance the opportunities of economic development with the stewardship that is required for historic preservation. With a population of 20,733, Monroe is located about 17-miles north of Toledo, Ohio and about 35-miles south of Detroit. The City of Monroe is Michigan's third oldest community, and is also the county seat of Monroe County.

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