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FOUR-YEAR FINANCIAL PLAN FY 2020-2023

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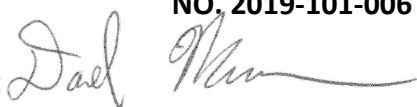




CITY OF DETROIT
OFFICE OF THE CHIEF FINANCIAL OFFICER

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**CFO MEMORANDUM
NO. 2019-101-006**

TO: Financial Review Commission
FROM: David P. Massaron, Chief Financial Officer, City of Detroit 
SUBJECT: Certification of the FY 2020 Budget Pursuant to State of Michigan Public Act 279 of 1909, Section 4s(2)(c)
DATE: April 30, 2019

1. AUTHORITY

1.1. State of Michigan Public Act 279 of 1909, Section 4s(2)(c), as amended by Public Act 182 of 2014, states the chief financial officer shall certify that the city's annual budget complies with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a ("PA 2"), and, if applicable, submit that certification to the financial review commission ("FRC") created in the Michigan financial review commission act.

2. OBJECTIVE

2.1. To ensure that the City of Detroit's annual budget complies with the applicable provisions of PA 2.

3. PURPOSE

3.1. To certify that, to the best of my knowledge, the statements in Section 5 of this Memorandum are true and accurate, and to transmit the certification to the FRC.

4. SCOPE

4.1. This Memorandum is intended solely to satisfy the requirements in State of Michigan Public Act 279 of 1909, Section 4s(2)(c), as amended by Public Act 182 of 2014.

5. STATEMENT

5.1. In accordance with Section 15 of PA 2, the FY 2020 recommended budget complies with the following requirements.

5.1.1. Includes expenditure data for the most recently completed fiscal year and estimated expenditures for the current fiscal year.

5.1.2. Includes an estimate of the expenditure amounts required to conduct, in the ensuing fiscal year, the government of the local unit, including its budgetary centers.

5.1.3. Includes revenue data for the most recently completed fiscal year and estimated revenues for the current fiscal year.

5.1.4. Includes an estimate of the revenues, by source of revenue, to be raised or received by the local unit in the ensuing fiscal year.

5.1.5. Includes the amount of surplus or deficit that has accumulated from prior fiscal years, together with an estimate of the amount of surplus or deficit expected in

the current fiscal year. The inclusion of the amount of an authorized debt obligation to fund a deficit shall be sufficient to satisfy the requirement of funding the amount of a deficit estimated under this subdivision.

- 5.1.6. Includes an estimate of the amounts needed for deficiency, contingent, or emergency purposes.
 - 5.1.7. Includes other data relating to fiscal conditions that the chief administrative officer considers to be useful in considering the financial needs of the local unit.
 - 5.1.8. The total estimated expenditures, including an accrued deficit, in the budget do not exceed the total estimated revenues, including an available unappropriated surplus and the proceeds from bonds or other obligations issued under the fiscal stabilization act or the balance of the principal of these bonds or other obligations.
- 5.2. In accordance with Section 16 of PA 2, the FY 2020 adopted budget complies with the following requirements.
- 5.2.1. Unless another method for adopting a budget is provided by a charter provision in effect on April 1, 1980, the legislative body of each local unit shall pass a general appropriations act for all funds except trust or agency, internal service, enterprise, debt service or capital project funds for which the legislative body may pass a special appropriation act.
 - 5.2.2. The general appropriations act shall 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. The amendatory act that added this subsection shall be known and may be cited as "the truth in budgeting act".
 - 5.2.3. The general appropriations act shall set forth the amounts appropriated by the legislative body to defray the expenditures and meet the liabilities of the local unit for the ensuing fiscal year, and shall set forth a statement of estimated revenues, by source, in each fund for the ensuing fiscal year.
 - 5.2.4. The general appropriations act shall be consistent with uniform charts of accounts prescribed by the state treasurer or, for local school districts and intermediate school districts, by the state board of education.
 - 5.2.5. This act shall not be interpreted to mandate the development or adoption by a local unit of a line-item budget or line-item general appropriations act.
 - 5.2.6. The legislative body shall determine the amount of money to be raised by taxation necessary to defray the expenditures and meet the liabilities of the local unit for the ensuing fiscal year, shall order that money to be raised by taxation, within statutory and charter limitations, and shall cause the money raised by taxation to be paid into the funds of the local unit.
 - 5.2.7. Except as otherwise permitted by section 102 of the state school aid act of 1979, 1979 PA 94, MCL 388.1702, or by other law, the legislative body shall not adopt a general appropriations act or an amendment to that act which causes estimated total expenditures, including an accrued deficit, to exceed total estimated revenues, including an available surplus and the proceeds from bonds or other

obligations issued under the fiscal stabilization act, 1981 PA 80, MCL 141.1001 to 141.1011, or the balance of the principal of these bonds or other obligations.

CERTIFIED

A handwritten signature in cursive script, appearing to read "David Massaron", written in black ink.

David P. Massaron

Chief Financial Officer, City of Detroit



CITY OF DETROIT
FOUR-YEAR FINANCIAL PLAN
FY 2020-2023



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OVERVIEW

The City of Detroit is located in southeastern Michigan in Wayne County and has a land area of approximately 138 square miles. According to the U.S. Census Bureau, the City is the center of the nation's 14th largest metropolitan statistical area. As of 2017, the City was the 23rd largest city, with an estimated population of 673,104. The City is internationally known for its automobile manufacturing and trade. The southeastern border of the City lies on the Detroit River, an international waterway, which is linked by the St. Lawrence Seaway to seaports around the world. It is one of the busiest border crossings in North America, carrying a substantial share of international trade between the United States and Canada. A new international crossing, the "Gordie Howe International Bridge," broke ground in October 2018 and is expected to contribute to the City's economy. The Detroit Metro Airport is one of the nation's major hubs. The City is the commercial capital of Michigan and a major economic and industrial center of the nation.

Pursuant to the provisions of the Constitution of the State of Michigan (the "State"), the City of Detroit, Michigan (the "City") is a home rule city with significant independent powers. In accordance with the City Charter (the "Charter"), the governance of the City is organized in two branches: the Executive Branch, which is headed by the Mayor, and the Legislative Branch, which is composed of the City Council and its agencies. The Mayor and the members of the City Council are elected every four years unless a special election is required, as provided for in the Charter.

The Mayor is the chief executive of the City and has control of and is accountable for the Executive Branch of City government. The Charter grants the Mayor broad managerial powers, including the authority to appoint all department directors and deputy directors. The Charter also delegates the responsibility for the implementation of most programs, services, and activities to the Executive Branch. The City Council, composed of seven members elected by district and two members elected at large for four-year terms, is the City's legislative body. Significant decisions, including budget appropriations, procurement of goods and services, and certain policy matters must be approved by the City Council.

In addition to the Executive and Legislative Branches, the City also includes the 36th District Court, which is responsible for adjudicating certain legal matters that arise within the City, including state felony arraignments and preliminary examinations, state misdemeanor and City ordinance violations, civil litigation for claims of \$25,000 or less, and landlord/tenant disputes. The City is responsible for all funding of the 36th District Court in excess of fines collected by the Court, except for judicial salaries, which are funded by the State.

In 2014, the Home Rule City Act (Michigan Public Act 219 of 1909) was amended and required the establishment of a Chief Financial Officer (the “CFO”) position in City. The CFO is vested with authority over all financial and budget activities of the City. As a result, all finance, budget, procurement, property assessment, and grants management functions were restructured under a new centralized financial management organization called the Office of the Chief Financial Officer (the “OCFO”). The OCFO was created based on leading government practices and industry standards. All new positions were created, with new job requirements, new competitive salary schedules, new career paths, and a new performance evaluation system. All departmental financial functions are under the authority of the OCFO, which increases control over all City financial activities.

The City’s budget process is informed by a comprehensive planning process that includes departmental, procurement, grant, staffing, technology, capital and long-term financial planning. Pursuant to the Home Rule City Act, it also includes independent biannual consensus revenue estimating conferences that establish the revenue estimates for the budget, and an annually balanced four-year financial plan that includes the City’s adopted budget plus an additional three forecasted years.

The Mayor submits to the City Council a proposed four-year financial plan that includes the annual budget for the next fiscal year, as well as projections for the three subsequent fiscal years. After public hearings, the City Council adopts the budget and four-year financial plan, with or without amendment. The Mayor can veto amendments made by the City Council, and City Council can then override the veto with a two-thirds majority vote. The City’s four-year financial plan cannot exceed revenues certified by the independent Revenue Estimating Conference. The

CFO must certify the annual budget complies with the Uniform Budgeting and Accounting Act, 1968 PA 2 MCL 141.421 to 141.440a. The budget may be amended during the year, with the City Council's approval. Budgetary appropriations are made at the department level. Through its four-year financial plan, the City ensures ongoing expenditures are supported by ongoing revenues.

Michigan Public Act 181 of 2014 as amended (Act 181), established the Financial Review Commission (the "FRC") as of the effective date (December 10, 2014) of the Eighth Amended Plan for the Adjustment of Debts of the City of Detroit (the "Plan of Adjustment"). The FRC monitors the City's compliance with the Plan of Adjustment, as confirmed by the Bankruptcy Court on November 12, 2014, and provides oversight of the City's financial activities.

Act 181 provides for the oversight of the City for no less than 13 years. However, once the City meets certain criteria, the nature of the oversight is scaled back. On April 30, 2018, the FRC granted the City a waiver of active oversight. The annual waiver extends through June 30, 2019. The FRC will continue to monitor the City and will review the waiver annually and, by July 1 of each year, will make a determination as to whether to renew the waiver for the subsequent year. As a condition of renewing the waiver, the FRC requires the City to submit monthly, quarterly, and annual reports related to the City's financial condition, which include (but are not limited to) information related to the City's ability to make payments on the City's debt and pension obligations. The City is providing these reports and is in compliance with the waiver resolution. The City must also, by April 30 of each year, submit its adopted budget and four-year financial plan to the FRC. However, the City's adopted budget and four-year financial plan is not subject to FRC approval while the City remains under the waiver.

In accordance with the requirements of the Home Rule City Act, this Four-Year Financial Plan includes the adopted budget for FY 2020 plus three forecasted years (FY 2021, FY 2022, and FY 2023).

**FY 2020-2023 FOUR-YEAR FINANCIAL PLAN
BUDGET DEVELOPMENT CALENDAR**

SEPTEMBER₂₀₁₈	<ul style="list-style-type: none"> September Revenue Estimating Conference (09/13)
OCTOBER₂₀₁₈	<ul style="list-style-type: none"> Budget Instructions Sent to Departments and ODFS (10/08) Public Budget Meeting (10/24)
NOVEMBER₂₀₁₈	<ul style="list-style-type: none"> Training on Planning & Budgeting Cloud Service Module (11/01-11/09) Departmental Budget Submissions Due (11/19)
DECEMBER₂₀₁₈	<ul style="list-style-type: none"> Preliminary Review of Budget Submissions with CFO and Mayor (12/11-12/14)
JANUARY₂₀₁₉	<ul style="list-style-type: none"> Budget Director's Hearings on Budget (01/14-01/29)
FEBRUARY₂₀₁₉	<ul style="list-style-type: none"> February 2019 Detroit Revenue Estimating Conference (02/13) OCFO-Office of Budget Transmits Budget to Mayor (02/20) Mayor Returns Budget to OB with Revisions (02/27)
MARCH₂₀₁₉	<ul style="list-style-type: none"> Mayor Receives 4-Year Plan (03/04) Mayor's Budget Address (03/07)
APRIL₂₀₁₉	<ul style="list-style-type: none"> Public Hearing on Budget (04/01) City Council Votes on Budget (04/08) City Clerk Transmits Budget to Mayor (04/09) Mayor's Approval or Veto of Budget (04/15) City Council's Override Veto (04/18) Transmit 4-Year Financial Plan to FRC (04/30)
MAY₂₀₁₉	<ul style="list-style-type: none"> OCFO-Office of Budget Loads Budget (05/01)
JUNE₂₀₁₉	<ul style="list-style-type: none"> City Council Approves Tax and Bond Statements (06/30)
JULY₂₀₁₉	<ul style="list-style-type: none"> Fiscal Year Begins (07/01)

FINANCIAL PLAN REQUIREMENTS

Pursuant to Section 4t(1)(b) of the Home Rule City Act (Public Act 219 of 1909, as amended), the financial plan shall include, but not be limited to, all of the following information for each of the 4 fiscal years covered by the financial plan:

REQUIREMENT		RESPONSE
(1)(b)(i)	Projection of all revenues and expenditures of the city for each fiscal year, including debt service	The Financial Plan includes budget projections for FY 2020-2023 including debt service. Debt service is reflected in Sinking Interest and Redemption (18), Public Works (19), Non-Departmental (35), and Housing and Revitalization (36) Departments.
(1)(b)(ii)	Projection of cash flow for each fiscal year	The Financial Plan includes cash flows for each fiscal year.
(1)(b)(iii)	A schedule of projected capital commitments for each fiscal year	A schedule of projected capital commitments is included in the Financial Plan.
(1)(b)(iv)	Measures to assure that projected employment levels, collective bargaining agreements, and other employee costs are consistent with projected expenditures and available revenue	The budget for each fiscal year includes funding for each budgeted position and other employee costs consistent with the collective bargaining agreements and are based on current cost levels. These costs were allocated based on available revenues.
(1)(b)(v)	Measures to assure compliance with mandates under state and federal law consistent with projected expenditures and available revenue	The City continually reviews state and federal requirements to ensure compliance. The Financial Plan includes these requirements in the projections of revenues and expenditures.
(1)(b)(vi)	Measures to assure adequate reserves for mandated and other essential programs and activities in the event of an overestimation of revenue, an underestimation of expenditures, or both	Budget Reserve Schedule is included in this document.
(1)(b)(vii)	A statement of significant assumptions and methods of estimation used for projections included in the financial plan	The Financial Plan includes statement of assumptions for revenues and expenditures.

REQUIREMENT		RESPONSE
(1)(b)(viii)	Any other information the mayor, governing body, or chief financial officer of the city considers appropriate	The Financial Plan includes summaries on the February 2019 Revenue Consensus Estimating Conference results, current debt service, and the Retiree Protection Fund.
(1)(c)(i)	Projected revenues and expenditures for each fiscal year covered by the financial plan shall result in a balanced budget according to generally accepted accounting principles, including compliance with uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a	The Financial Plan reflects a balanced budget using generally accepted accounting principles and is in compliance with Uniform Budgeting and Accounting Act.
(1)(c)(ii)	Include contributions necessary to assure that pension systems for employees and retirees of the city are adequately funded	Funding for the pension system is reflected in Financial Plan for each year in accordance with the Plan of Adjustment. The Financial Plan includes additional funding for the pension system to be deposited in the Retiree Protection Fund and held in trust for future pension system contributions.
(1)(c)(iii)	Provide for the issuance of or incurring of debt by the city only in compliance with the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, and the Michigan financial review commission act, if applicable	In December 2018, the City issued new bonds for capital improvements in accordance with applicable law. The Financial Plan reflects the use of such proceeds appropriated in FY 2019 and other funding to meet the capital needs of the City.
(1)(c)(iv)	Provide for the payment in full of debt service on all debt issue or incurred by or on behalf of the city	The Financial Plan includes funding for full debt service on all debt issues.
(1)(c)(v)	Provide for operations of the city to be conducted with projected cash resources based upon projected cash flow for each fiscal year	Cash flow is monitored and reviewed daily. Monthly reports are submitted to the CFO, Mayor, and the City Council for review.

REQUIREMENT		RESPONSE
(l)(c)(vi)	Include a general reserve fund for each fiscal year to cover potential reductions in projected revenues or increases in projected expenditures equal to not less than 5% of the projected expenditures for the fiscal year	The City is maintaining a budget reserve in excess of the 5% minimum requirement to provide for mandated and essential programs to cover potential reductions in projected revenues and increases in projected expenditures.
(l)(c)(vii)	For each fiscal year, provide for the elimination of any deficit incurred in the prior fiscal year according to generally accepted accounting principles	The Financial Plan does not include a deficit in any fiscal year.
(l)(c)(viii)	Rely upon revenue and expenditure projections based upon reasonable and appropriate assumptions and methods of estimation	<p>The revenues included in the Financial Plan are the estimates approved at the Revenue Estimating Conference held February 13, 2019. In approving the estimates, the conference principals determined the revenues were reasonable and conservative.</p> <p>Expenditure projections are based on review of historical trends, contractual obligations, and the comprehensive planning activities undertaken by the OCFO and City departments.</p>
(l)(c)(ix)	Rely upon cash flow projections based upon reasonable and appropriate assumptions as to sources and uses of cash, including timing	The City relies on cash flow projections prepared by the Office of the Treasury based on historical trends, payments schedules, and the changes proposed in this Financial Plan.

REVENUES



February 2019 Revenue Estimating Conference

Overview:

- Michigan PA 279 of 1909, Section 117.4t(1)(d), as amended by PA 182 of 2014, states the City of Detroit shall hold biannual revenue estimating conferences that establish the official economic forecast and forecast of anticipated City revenues.
- Revenues are established independently by the following voting principals:
 - **David P. Massaron:** Acting Chief Financial Officer, City of Detroit
 - **Eric Bussis:** Chief Economist, Director, Office of Revenue and Tax Analysis, Michigan Department of Treasury
 - **George Fulton, PhD:** Director Emeritus, Research Professor Emeritus, Research Seminar In Quantitative Economics (RSQE), Department of Economics, University of Michigan

The approved estimates that follow include the current fiscal year (FY 2019) and the four succeeding fiscal years (FY 2020 – FY 2023), which serve as the revenue estimates for the City’s FY 2020 – FY 2023 Four-Year Financial Plan.



Approved Revenue Estimates

February 2019 Revenue Estimates, General Fund

(in millions)

	FY18 Actual ¹	FY19 Adj Budget ²	February 2019 Estimates ³					
			FY19 Est	FY20 Est	FY21 Est	FY22 Est	FY23 Est	
Major Taxes								
Income Tax	\$ 310.2	\$ 299.4	\$ 317.5	\$ 324.3	\$ 332.7	\$ 343.0	\$ 352.2	
State Revenue Sharing	199.9	200.7	203.2	204.5	202.2	204.0	205.9	
Wagering Tax	179.0	180.8	182.5	184.3	186.2	188.0	189.9	
Property Tax	128.7	133.8	125.8	126.5	127.6	128.6	129.6	
Tax Increment Financing Capture	(12.2)	(9.2)	(11.0)	(11.2)	(11.5)	(11.8)	(12.1)	
Net Property Tax	116.5	124.6	114.8	115.3	116.1	116.8	117.5	
Utility Users Tax	41.2	40.0	42.4	43.8	44.1	44.5	45.2	
To Public Lighting Authority	(12.5)	(12.5)	(12.5)	(12.5)	(12.5)	(12.5)	(12.5)	
Net Utility Users Tax	28.7	27.5	29.9	31.3	31.6	32.0	32.7	
Subtotal, Major Taxes	\$ 834.3	\$ 833.0	\$ 847.9	\$ 859.7	\$ 868.8	\$ 883.8	\$ 898.2	
Other Revenues	\$ 210.5	\$ 216.4	\$ 214.8	\$ 218.0	\$ 218.9	\$ 219.0	\$ 220.4	
Grand Total, General Fund	\$ 1,044.8	\$ 1,049.4	\$ 1,062.7	\$ 1,077.7	\$ 1,087.7	\$ 1,102.8	\$ 1,118.6	

(1) FY 2018 Actuals have been adjusted vs. CAFR to align with budget presentation.

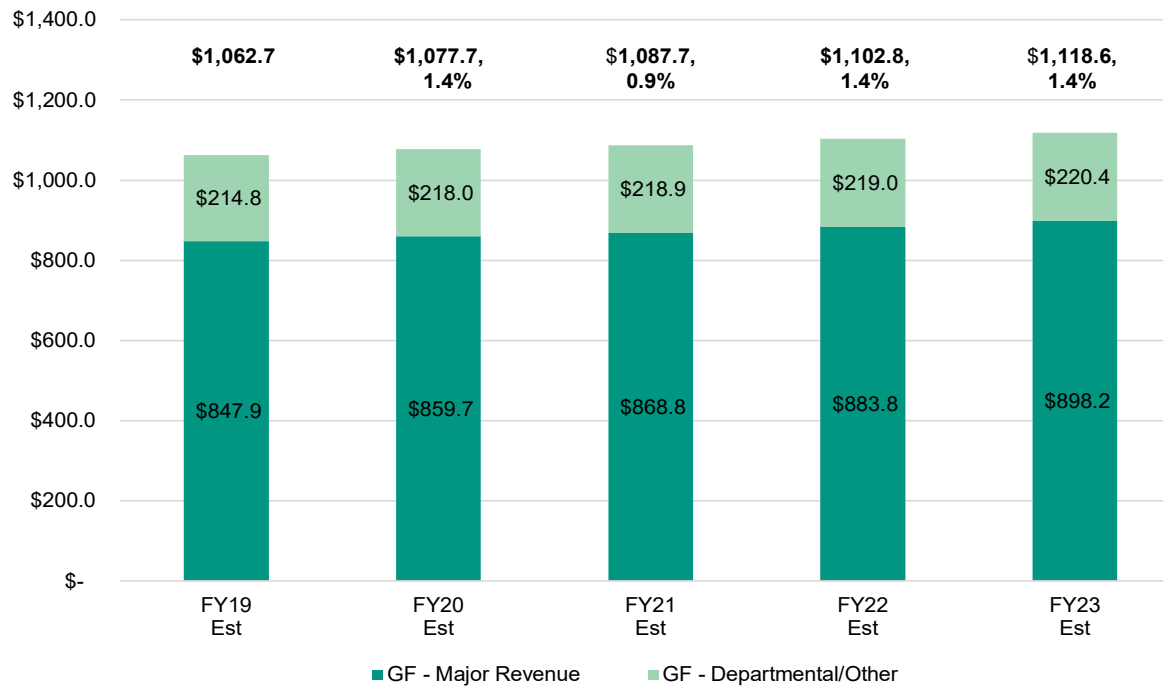
(2) FY19 Budget is adjusted to net out TIF Capture and PLA designations as shown above. It also excludes \$2.6 million in prior-year fund surplus appropriated for one-time expenditures.

(3) Feb 2019 Estimates do not reflect the proposed shift of \$9.2 million in Municipal Parking enterprise fund revenues into the General Fund beginning in FY20. FY20 also excludes \$12.1 million in prior-year surplus appropriated for one-time expenditures.



Approved Revenue Estimates

Total General Fund Revenue Estimates: FY 2019 - FY 2023
(in millions)



The 5 major revenues comprise 80% of total General Fund revenue.



Employment History

Labor Force and Employment of Detroit (Not Seasonally Adjusted)*

Calendar Year	Employed	Unemployed	Labor Force	Unemployment Rate
2008	304,376	53,781	358,157	15.0%
2009	283,041	94,787	377,828	25.1%
2010	208,289	68,596	276,885	24.8%
2011	206,226	55,117	261,343	21.1%
2012	208,119	49,611	257,730	19.2%
2013	208,943	48,765	257,708	18.9%
2014	209,701	40,275	249,976	16.1%
2015	212,953	28,514	241,467	11.8%
2016	219,906	26,420	246,326	10.7%
2017	224,958	23,112	248,070	9.3%
2018	226,431	22,112	248,543	8.9%

*Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics



Economic Drivers Summary

Forecasted Economic Inputs by Fiscal Year

Major Revenue	Economic Input	FY2019	FY2020	FY2021	FY2022	FY2023
Property Tax	U.S. CPI-U*	2.1%	2.4%	2.6%	2.5%	2.5%
	Resident Employment Growth (Census/LAUS)	0.52%	0.85%	0.94%	1.32%	1.01%
Municipal Income Tax	Non Resident Employment Growth (Census/LAUS)	0.85%	0.54%	0.87%	1.31%	0.99%
	Annual Wage Growth (QCEW)	2.78%	1.68%	1.78%	1.91%	1.79%
	Corporate	2.0%	2.0%	2.0%	2.0%	2.0%

* FY 2019- FY2020 uses the US Consumer Price Index figure stated by the State Tax Commission, FY 2021-2023 uses the US Consumer Price Index forecasted by the Congressional Budget Office (See appendix for expanded data source references)



Economic Drivers Summary

Forecasted Economic Inputs by Fiscal Year

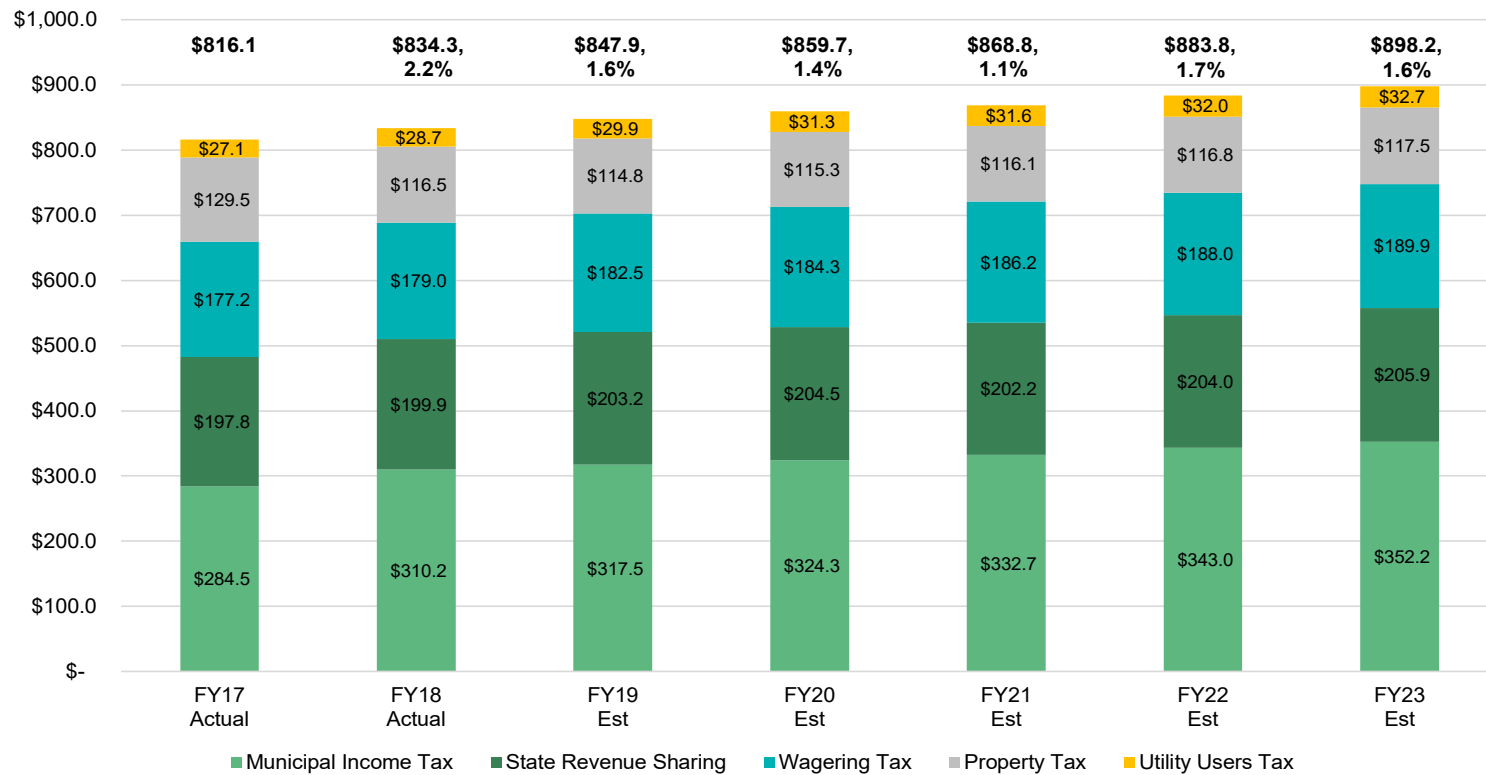
Major Revenue	Economic Input	FY2019	FY2020	FY2021	FY2022	FY 2023
Wagering Tax	Average Rate of Change 2010-2018 (MGCB)	2.0%*	1.0%	1.0%	1.0%	1.0%
	State Sales Tax Forecast (State REC)	5.5%	3.2%	3.1%	2.9%	2.9%
State Revenue Sharing	Decennial Census City/State Population Ratio (Census)	7.2%	7.2%	6.8%	6.8%	6.8%
	Historical Average Household Unit Growth (Census)	0.51%	0.51%	0.51%	0.51%	0.51%
Utility Users Tax	Weighted Forecasted Natural Gas Prices (EIA)	1.76%	1.68%	0.07%	0.30%	0.90%
	Weighted Forecasted Electricity Prices (EIA)	0.55%	1.30%	-0.04%	0.19%	0.13%

*FY 2019 Wagering tax inputs incorporates year-to-date monthly actuals along with estimates
(See appendix for expanded data source references)



Major Revenues

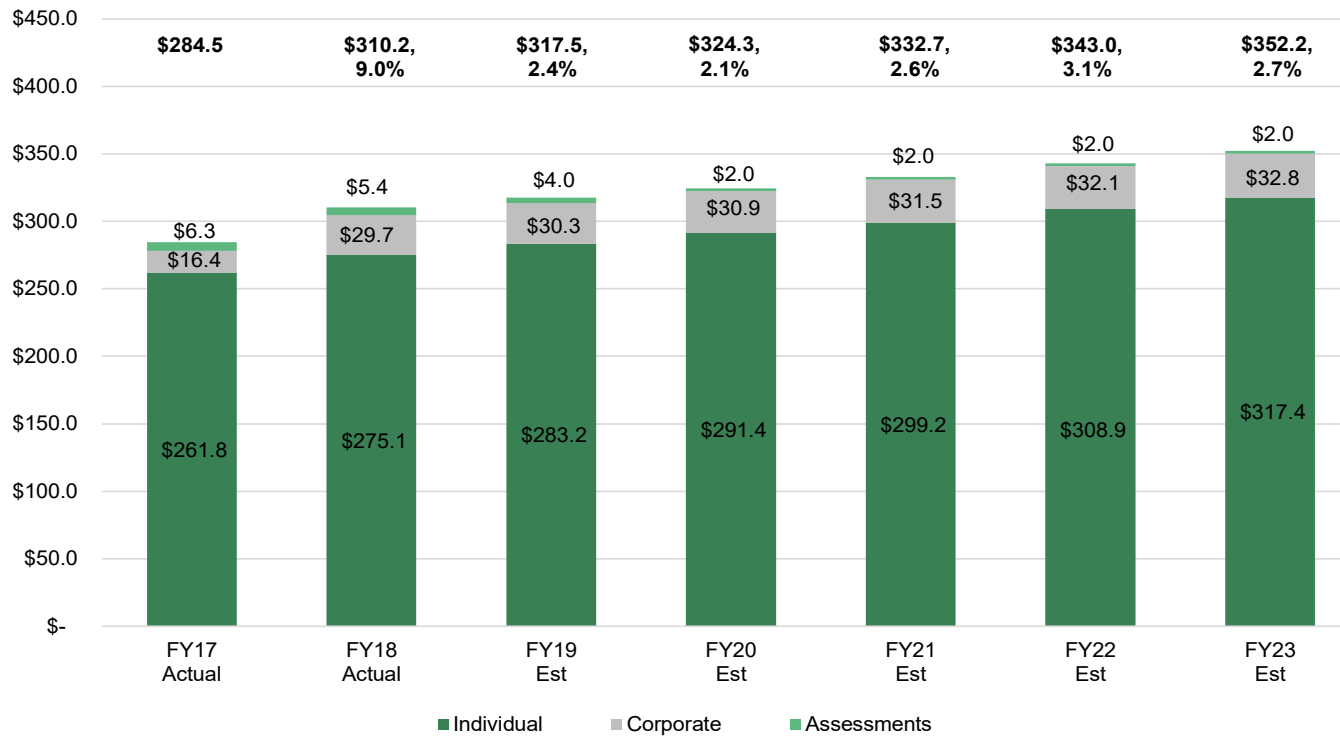
Major Tax Revenue History and Projection: FY 2016 - FY 2023
(in millions)





Income Tax

Municipal Income Tax
(in millions)





Income Tax Highlights

Tax Structure

- 2.4% Resident individuals working in and outside the city
- 1.2% Non-resident individuals working in the city
- 2.0% Corporate

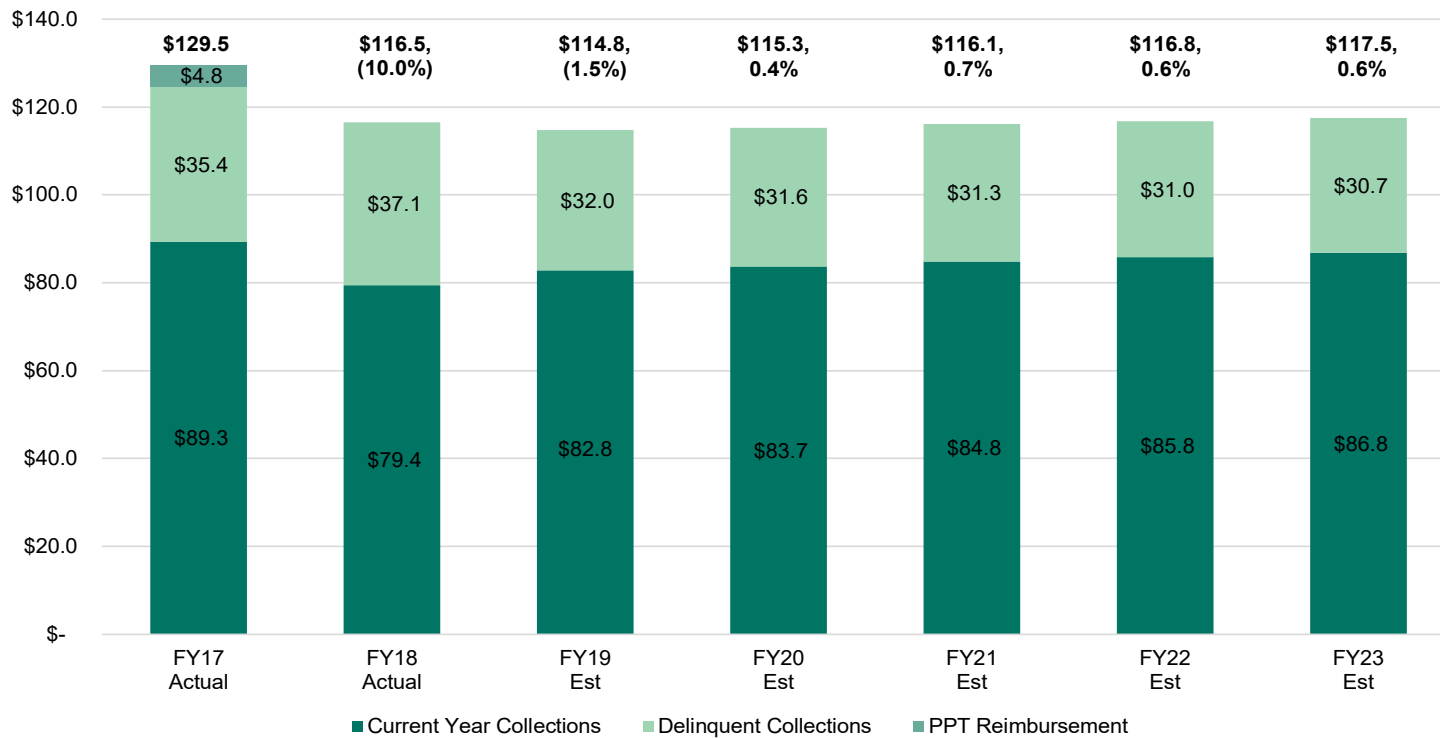
Forecast Assumptions

- Growth is driven by movements in employment and wages.
- Incorporates US GDP growth slowdown (1.7% in FY 2020 and 1.4% in FY 2021).
- Significant corporate tax growth observed in past 2 years.
- Does not include potential upside from new development projects.
- Does not include potential upside from improved compliance efforts.



Property Tax

Property Tax
(in millions)





Property Tax Highlights

Tax Structure

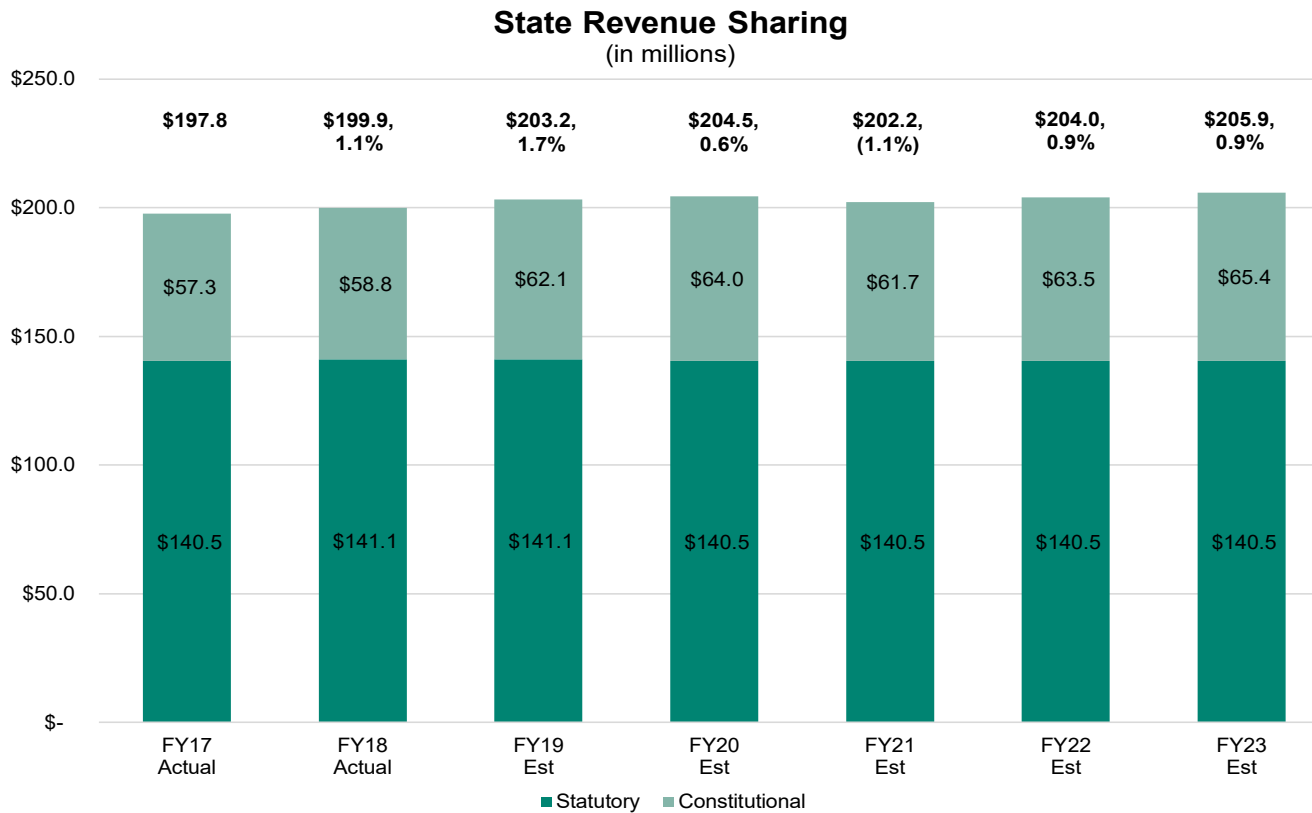
- Ad valorem taxes on real and personal property at 19.952 mills
- Comprised of current year and delinquent taxes

Forecast Assumptions

- Recent years' declines due to reductions in tax roll (residential reappraisal, industrial personal property phase-out).
- Taxable value growth is driven by U.S. CPI inflation (Proposal A tax limitation). Industrial personal property phases out per State law.
- FY 2018 collection rate (82%) is held constant throughout the forecast.
- Forecast does not include additions to the tax base, uncapping of taxable value, or expiring abatements.
- Does not include tentative 2019 taxable values released in Jan 2019, pending March Board of Review and determination of DDA tax capture.



State Revenue Sharing





State Revenue Sharing Highlights

Tax Structure

- Constitutional share (30%): State sales tax collections (15% of 4% portion) allocated based on population as of the latest Census.
- Statutory share (70%): Set annually via the State budget.

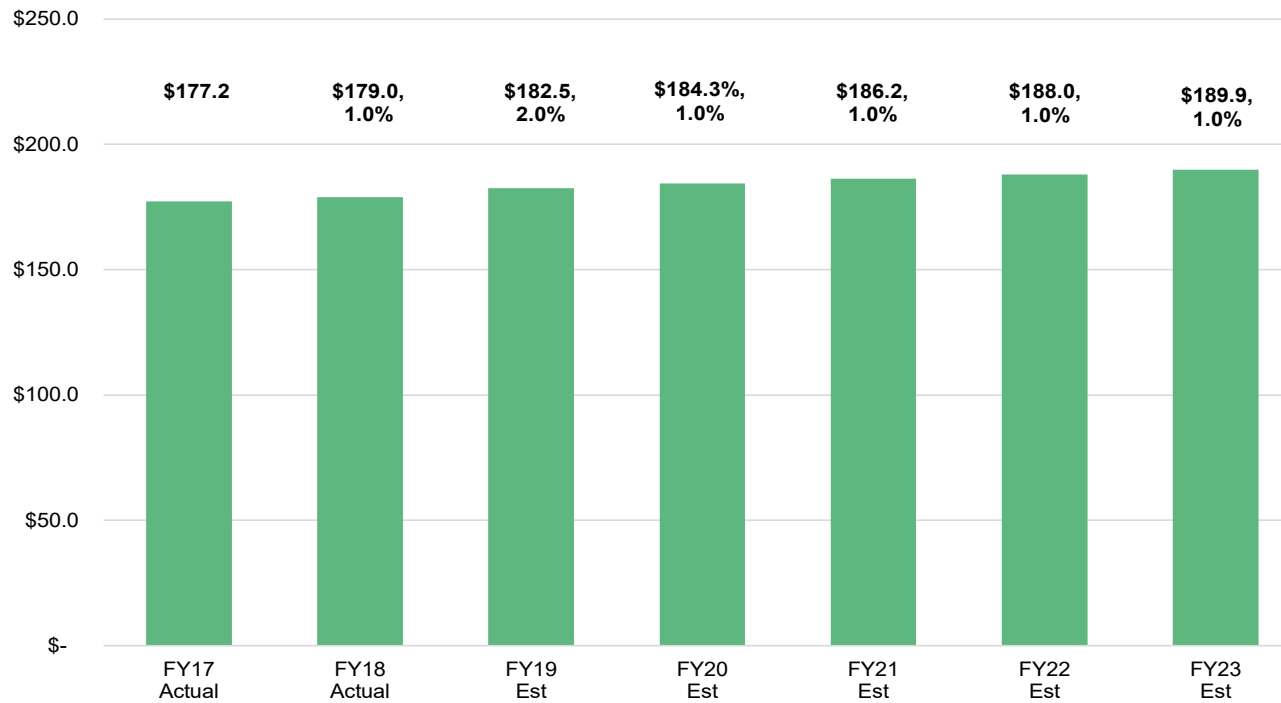
Forecast Assumptions

- Statutory share is held flat, assuming no annual changes to State budget allocation. FY 2018 and FY 2019 include \$600k supplemental appropriation.
- FY 2021 Constitutional share decline based on assumed 2020 Census population reduction compared to 2010 Census.
- State sales tax growth rates consistent with State forecast, includes increases from online sales tax enforcement (Wayfair decision).



Wagering Tax

Wagering Tax
(in millions)





Wagering Tax Highlights

Tax Structure

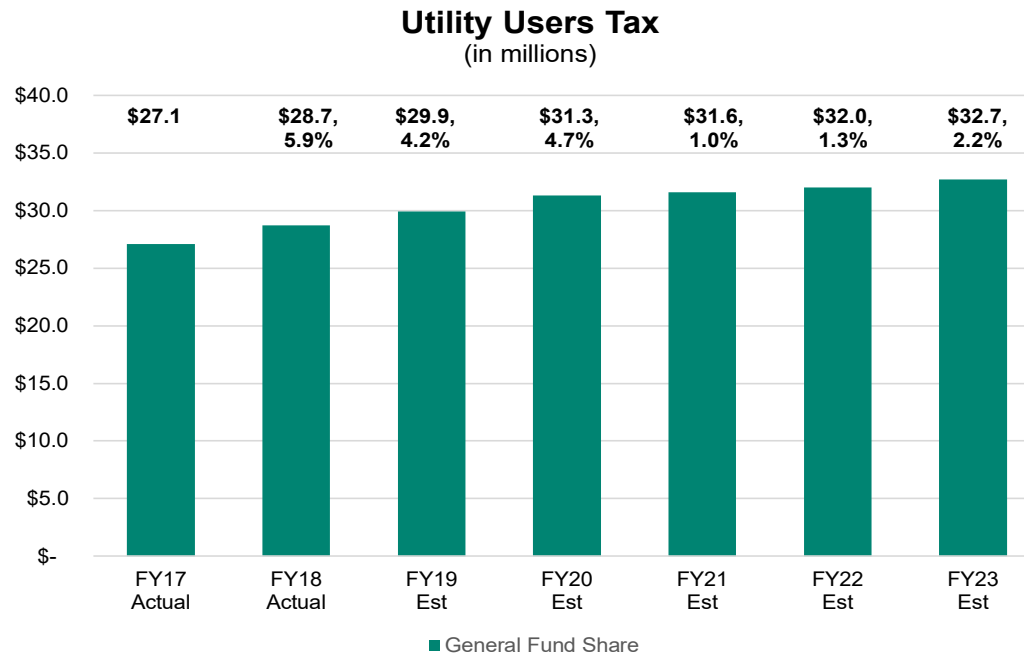
- Tax on adjusted growth receipts applied to the three casinos operating in Detroit.
- 11.9% tax rate (10.9% State law, 1% per casinos development agreements).
- Supplemental 1% tax if a casino's gross receipts exceed \$400 million.
- Municipal service fee 1.25% of gross receipts or \$4 million, whichever is greater (included separately in "Other Revenues")

Forecast Assumptions

- FY 2019 2% growth rate based on strong YTD collection activity.
- 1% annual growth rate from FY 2020 – 2023.
- Forecast years do not include impact of proposed legislation for online gaming or sports betting.



Utility Users Tax



Tax Structure

5% tax on consumption of electricity, gas, steam, and telephone services.

Forecast Assumptions

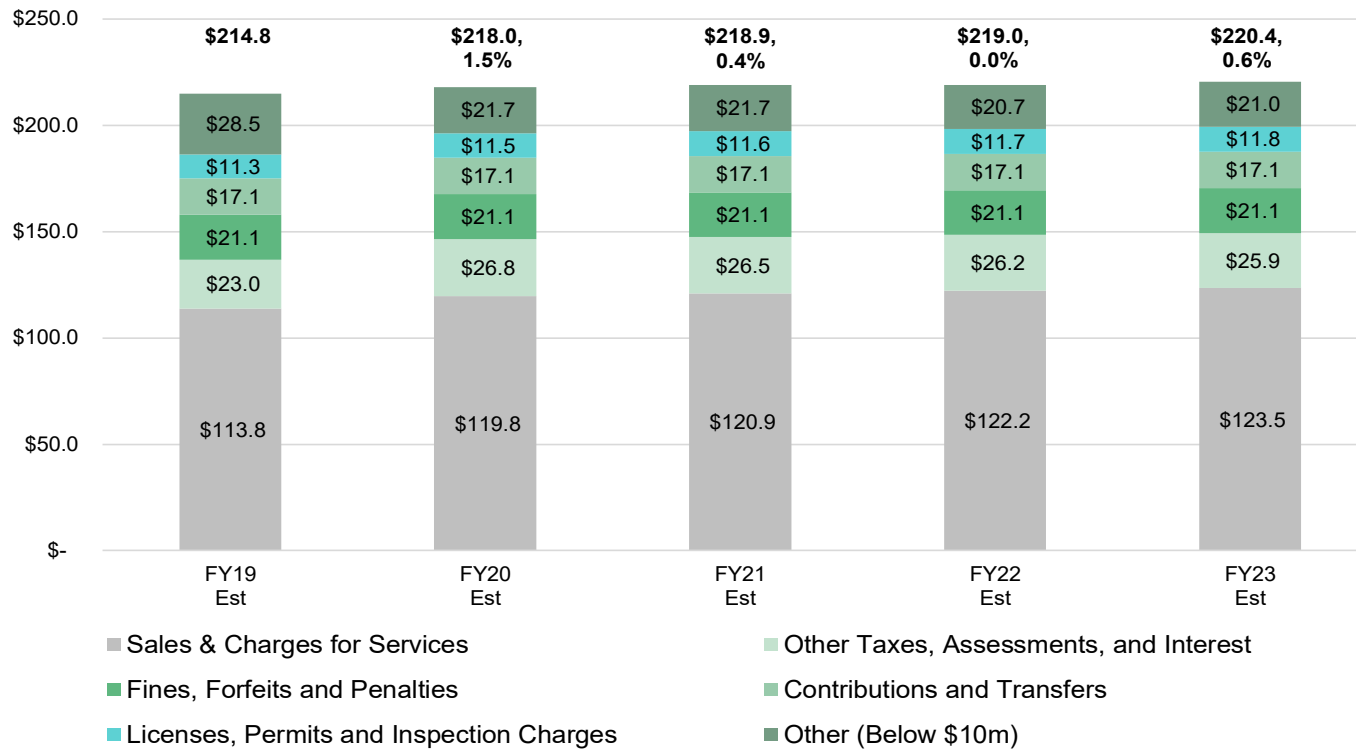
General Fund growth is driven by household unit growth and projected gas and electricity prices.



Departmental and Other GF Revenues

Departmental/Other General Fund Revenues

(in millions)





Departmental and Other GF Revenues Highlights

Significant Departmental Revenues

- **License, Permits and Inspection Charges:** BSEED (Business Licenses), Public Works (Street Use Permits and Construction Inspection Charges), Fire Department (Safety Inspection Charges)
- **Fines, Forfeits and Penalties:** Parking fines and 36th District Court
- **Sales & Charges for Services:** Fire (EMS Service Fee), Health (Inspection Charges), BSEED and Administrative Hearing (Blight Tickets), Court fees
- Also includes departmental salary reimbursements, and enterprise fund contributions, and earnings on investments.

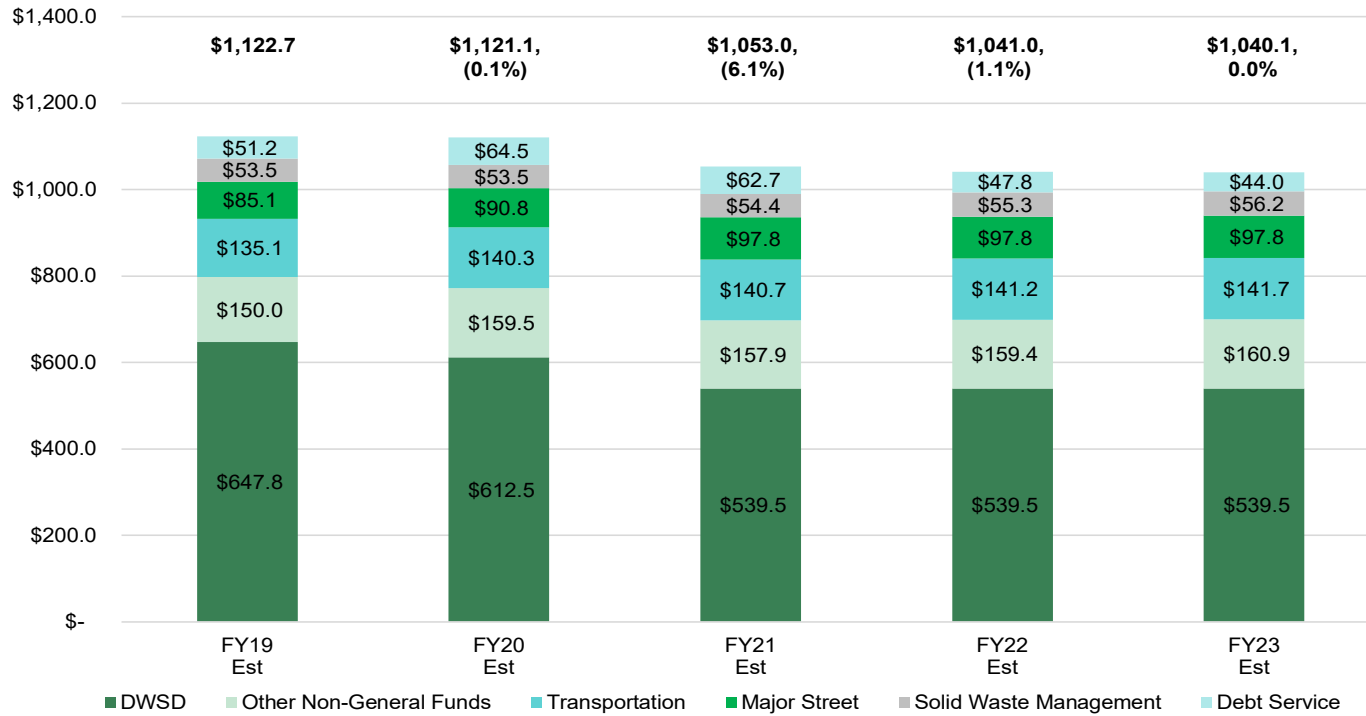
FY 2020-2023 General Fund total does not include \$6.1m in dedicated fees shifted to special revenue funds.

Does not include revenues from initiatives that have yet to be implemented



Other City Funds Revenues

Other City (Non-General Fund) Revenue Estimates: FY 2019 - FY 2023
(in millions)





Risks and Opportunities

Risks

- Adverse changes in economic / demographic trends
- Adverse federal/state policy actions (tax and budget policy, local limitations)
- Increased competition in gaming and risks of past trends not continuing
- Adverse changes in property tax foreclosure activity

Potential Opportunities

- Revenue gains from development projects throughout the city
- State-shared taxes on recreational marijuana sales
- Property Tax collection improvements from Plan Ahead Property Tax Savings Program
- Income Tax collection improvements from new withholding legislation
- Departmental revenue gains from EMS billing vendor change, parking meters, golf courses, and police towing.



Appendix – Data Sources

Property Tax

- Michigan State Tax Commission
- Congressional Budget Office

Municipal Income Tax

- Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)
- Bureau of Labor Statistics, Quarterly Census of Employment & Wages (QCEW)
- U.S. Census Bureau, On The Map

Wagering Tax

- Michigan Gaming Control Board (MGCB)

State Revenue Sharing

- State of Michigan January Revenue Estimating Conference (REC)
- U.S. Census Bureau, 2010 Census; 2017 Population Estimates

Utility Users Tax

- U.S. Census Bureau, American Community Survey 1-Year Estimates
- U.S. Energy Information Administration (EIA), 2019 Annual Energy Outlook

BUDGET RESERVE SCHEDULE

City of Detroit Budget Reserve Schedule				
	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023
Beginning Balance	\$ 62,280,192	\$ 107,280,192	\$ 107,280,192	\$ 107,280,192
Transfer In/ (Out)	\$ 45,000,000	\$ -	\$ -	\$ -
Ending Balance	\$ 107,280,192	\$ 107,280,192	\$ 107,280,192	\$ 107,280,192
Minimum Balance (5% of appropriations)	\$ 54,952,463	\$ 54,849,246	\$ 55,603,287	\$ 56,391,344
PA 182 Sec 4t (1) (c) (vi)				
Include a general reserve fund for each fiscal year to cover potential reductions in projected revenues or increases in projected expenditures				
equal to not less than 5% of projected expenditures for the fiscal year				

GENERAL FUND FIVE-YEAR CASH FLOW

City of Detroit								
General Fund 5 Year Cash Flow Forecast - FY 2019 to FY 2023								
<i>\$ in millions</i>	<u>Actual</u>	<u>Forecast</u>					<u>Forecast</u>	
	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>5 Year</u>	
Receipts								
Property Tax (1)	\$ 116.5	\$ 114.8	\$ 115.3	\$ 116.1	\$ 116.8	\$ 117.5	\$ 580.5	
Income Tax	306.5	317.5	324.3	332.7	343.0	352.2	1,669.7	
Utility Users Tax (2)	29.6	29.9	31.3	31.6	32.0	32.7	157.5	
Wagering Tax	178.6	182.5	184.3	186.2	188.0	189.9	930.9	
Municipal Service Fee from Casinos	17.5	17.9	18.1	18.3	18.5	18.7	91.5	
State Revenue Sharing	199.4	203.2	204.5	202.2	204.0	205.9	1,019.8	
Other City Funds Revenues	253.3	266.3	273.0	273.9	274.0	275.4	1,362.6	
Financing / Escrow proceeds (3)	22.6	25.0	7.7	-	-	-	32.7	
Total Receipts	\$ 1,124.0	\$ 1,157.1	\$ 1,158.5	\$ 1,161.0	\$ 1,176.3	\$ 1,192.3	\$ 5,845.1	
Disbursements								
Payroll, Taxes & Deductions	\$ (426.9)	\$ (459.1)	\$ (476.1)	\$ (476.5)	\$ (486.0)	\$ (494.5)	\$ (2,392.2)	
Benefits	(130.1)	(172.8)	(202.8)	(208.6)	(214.7)	(220.8)	(1,019.7)	
A/P Vendors & Other	(374.0)	(407.8)	(465.3)	(386.7)	(388.2)	(389.7)	(2,037.7)	
Debt Service (4)	(135.2)	(86.5)	(88.9)	(89.1)	(87.4)	(87.4)	(439.3)	
Total Disbursements	\$ (1,066.2)	\$ (1,126.2)	\$ (1,233.1)	\$ (1,161.0)	\$ (1,176.3)	\$ (1,192.4)	\$ (5,888.9)	
Net Cash Flow (5)	\$ 57.8	\$ 30.9	\$ (74.6)	-	-	-	\$ (43.8)	
Beginning Cash Balance	\$ 254.1	\$ 311.9	\$ 342.8	\$ 268.2	\$ 268.2	\$ 268.2	\$ 311.9	
Net Cash Flow	57.8	30.9	(74.6)	-	-	-	(43.8)	
Ending Cash Balance	\$ 311.9	\$ 342.8	\$ 268.2	\$ 268.2	\$ 268.2	\$ 268.2	\$ 268.1	
Reserve Fund (6)	62.3	62.3	107.3	107.3	107.3	107.3	107.3	
Total Cash Balance	\$ 374.2	\$ 405.1	\$ 375.5	\$ 375.5	\$ 375.5	\$ 375.5	\$ 375.4	
Memo:								
Exit proceeds in Escrow(3)	\$ 60.2	\$ 35.2	\$ 27.5	\$ 27.5	\$ 27.5	\$ 27.5	\$ 27.5	

Note: Cash flows and balances above contain activity of the Risk Management, General Grants, Gordie Howe Bridge Project, Capital Projects, Disability Income Protection Plan and Blight Reinvest Project.

- (1) The amount reflects City of Detroit revenues net of distributions to other entities.
- (2) The amount is net of PLA debt portion of Utility Users Tax.
- (3) Represents use of Quality of Life bond proceeds.
- (4) FY18 includes \$55 million repurchase of a portion of the City's outstanding financial recovery bonds.
- (5) FY20 Net Cash Flow is attributed to the City's blight removal initiatives which will be funded from prior years accumulated surplus.
- (6) The Reserve Fund is in excess of 5% of the annual budget and in a segregated account. In FY20, this amount will be increased to approximately 10% of the annual budget.

FY 2020 - FY 2023 EXPENDITURES & REVENUES BY AGENCY TABLE

City of Detroit
 FY2020 – FY2023 Financial Plan
 Expenditures & Revenues by Agency (in millions)

Category	Department	FY2020			FY2021			FY2022			FY2023		
		Exp	Rev	NTC	Exp	Rev	NTC	Exp	Rev	NTC	Exp	Rev	NTC
Executive Agencies	19 Dept of Public Works	150.8	151.6	(0.9)	158.6	159.5	(0.8)	159.6	160.4	(0.8)	160.6	161.3	(0.7)
	23 Chief Financial Officer	61.0	5.4	55.5	60.3	5.5	54.8	61.2	5.7	55.5	62.0	5.8	56.2
	24 Fire Dept	122.4	19.6	102.9	123.6	19.9	103.7	125.3	20.1	105.1	127.0	20.5	106.5
	25 Health Dept	39.4	29.0	10.4	40.0	29.8	10.2	41.0	30.6	10.3	42.0	31.5	10.5
	28 Human Resources Dept	14.2	1.2	13.1	13.6	1.2	12.4	13.8	1.2	12.6	14.0	1.2	12.7
	29 Civil Rights, Inclusion, & Opportunity	2.3	1.4	0.9	2.0	1.4	0.6	2.0	1.4	0.6	2.0	1.4	0.6
	31 Dept of Innovation & Technology	34.6	-	34.6	26.4	-	26.4	26.7	-	26.7	27.0	-	27.0
	32 Law Dept	17.6	2.0	15.6	17.6	2.0	15.6	17.8	2.1	15.8	18.0	2.1	15.9
	33 Mayor's Office	10.9	1.3	9.6	11.5	1.3	10.2	11.7	1.3	10.4	11.9	1.3	10.5
	34 Municipal Parking Dept	17.8	21.9	(4.2)	12.4	21.9	(9.6)	12.4	21.9	(9.5)	12.5	21.9	(9.4)
	36 Housing & Revitalization	113.1	44.0	69.1	58.8	42.4	16.4	58.9	42.4	16.5	59.0	42.4	16.6
	37 Police Dept	330.0	73.0	257.1	330.6	73.8	256.8	336.0	75.1	260.9	340.3	76.5	263.8
	38 Public Lighting Dept	18.6	1.5	17.1	18.6	1.3	17.3	18.6	1.1	17.5	18.6	0.9	17.7
	39 Recreation Dept	-	-	-	-	-	-	-	-	-	-	-	-
43 Planning & Development Dept	8.5	2.8	5.7	5.9	2.8	3.2	6.0	2.8	3.2	6.0	2.8	3.3	
45 Dept of Appeals & Hearings	1.3	1.8	(0.5)	0.9	1.8	(0.9)	0.9	1.8	(0.9)	1.0	1.8	(0.8)	
47 General Services Dept	121.8	22.2	99.6	99.1	20.7	78.4	99.7	20.9	78.8	100.4	21.0	79.3	
Legislative Agencies	50 Auditor General	4.0	-	4.0	4.0	-	4.0	4.1	-	4.1	4.1	-	4.1
	51 Zoning Appeals	0.6	0.1	0.5	0.6	0.1	0.5	0.6	0.1	0.5	0.6	0.1	0.5
	52 City Council	11.0	0.0	11.0	11.1	0.0	11.1	11.2	0.0	11.2	11.3	0.0	11.3
	53 Ombudsman	1.1	-	1.1	1.1	-	1.1	1.1	-	1.1	1.1	-	1.1
	54 Inspector General	1.3	-	1.3	1.1	-	1.1	1.1	-	1.1	1.1	-	1.1
	70 City Clerk	2.5	0.0	2.5	2.4	0.0	2.4	2.5	0.0	2.5	2.5	0.0	2.5
71 Dept of Elections	9.8	0.0	9.8	9.3	1.3	8.0	9.4	0.0	9.4	9.5	0.0	9.5	
Judicial Agency	60 36th District Court	32.7	18.0	14.7	33.1	18.0	15.1	33.5	18.0	15.5	34.0	18.0	16.0
Non-Departmental	35 Non-Deptal	353.9	1,083.4	(729.5)	292.6	929.7	(637.1)	297.3	944.3	(647.0)	303.6	958.2	(654.6)
Debt Service	18 Debt Service	64.5	64.5	-	62.7	62.7	-	47.8	47.8	-	44.0	44.0	-
Enterprise Agencies	10 Airport Dept	2.3	2.3	-	2.3	2.3	-	2.3	2.3	-	2.3	2.3	-
	13 BSE&ED	30.4	31.4	(1.0)	27.9	28.9	(1.0)	27.9	28.9	(1.0)	28.0	28.9	(0.9)
	20 Dept of Transportation	140.3	140.3	-	140.7	140.7	-	141.2	141.2	-	141.7	141.7	-
	48 Water Dept - Retail	191.0	191.0	-	176.5	176.5	-	142.3	142.3	-	141.6	141.6	-
	49 Sewerage Dept - Retail	387.5	387.5	-	400.6	400.6	-	393.9	393.9	-	398.8	398.8	-
72 Public Library	32.9	32.9	-	32.2	32.2	-	32.8	32.8	-	33.6	33.6	-	
Total General City Agencies (Exec./Leg./Jud./Non-Dept.)		1,481.0	1,480.0	1.0	1,335.5	1,334.5	1.0	1,352.2	1,351.2	1.0	1,369.7	1,368.8	0.9
Total Debt Service		64.5	64.5	-	62.7	62.7	-	47.8	47.8	-	44.0	44.0	-
Total Enterprise Agencies		784.4	785.4	(1.0)	780.2	781.3	(1.0)	740.4	741.4	(1.0)	745.9	746.8	(0.9)
Grand Total		2,329.9	2,329.9	(0.0)	2,178.4	2,178.4	(0.0)	2,140.5	2,140.5	0.0	2,159.5	2,159.5	0.0

EXPENDITURES & REVENUES BY MAJOR CLASSIFICATION

**City of Detroit
Budget Development - All Funds**

Expenditures	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
Salaries & Wages	541,414,432	586,669,312	623,738,433	597,085,704	607,754,429	617,406,140
Employee Benefits	314,562,098	249,559,308	264,814,833	260,718,820	267,534,829	274,274,251
Professional & Contractual Services	232,585,048	147,903,254	246,307,068	218,946,873	182,950,401	183,086,329
Operating Supplies	125,192,934	98,684,553	107,370,613	95,248,647	95,041,107	94,840,089
Operating Services	147,337,082	157,180,995	165,258,440	164,660,873	164,445,205	164,522,823
Equipment Acquisition	100,061,335	10,069,666	15,872,668	13,865,763	14,909,293	16,077,329
Capital Outlays	37,389,536	26,680,419	25,670,735	23,070,735	23,070,735	23,070,735
Fixed Charges	210,195,683	131,501,315	156,550,875	169,745,962	155,701,026	152,102,256
Other Expenses	487,030,480	572,717,177	561,728,964	635,054,621	629,052,158	634,168,172
Total Expenditures - Recurring	2,195,768,629	1,980,965,999	2,167,312,629	2,178,397,998	2,140,459,183	2,159,548,124
Expenditures - Non-Recurring						
Blight Remediation	-	45,241,721	73,000,000	-	-	-
Capital Improvements	24,435,914	52,200,000	32,500,000	-	-	-
Reserves	-	-	57,100,000	-	-	-
One-Time Expenditures	-	2,558,279	-	-	-	-
Total Expenditures - Non-Recurring	24,435,914	100,000,000	162,600,000	-	-	-
Grand Total Expenditures	2,220,204,543	2,080,965,999	2,329,912,629	2,178,397,998	2,140,459,183	2,159,548,124
Revenues						
	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
Grants, Shared Taxes, & Revenues	321,955,016	288,944,222	297,484,745	295,040,922	297,622,734	300,304,530
Revenues from Use of Assets	178,731,672	91,885,616	119,580,297	97,849,068	66,250,554	53,351,155
Sales of Assets & Compensation for Losses	4,449,126	2,502,000	2,342,000	122,000	122,000	122,000
Sales & Charges for Services	567,604,796	577,462,304	658,155,646	692,586,827	720,877,787	741,072,784
Fines, Forfeits, & Penalties	33,936,826	32,005,858	31,137,857	31,465,262	31,759,235	31,964,656
Licenses, Permits, & Inspection Charges	34,582,894	38,171,415	36,645,000	36,808,000	36,925,000	37,043,000
Taxes, Assessments, & Interest	832,335,616	824,395,319	843,878,405	861,465,235	860,727,505	870,417,357
Contributions & Transfers	238,675,524	86,971,763	96,369,379	92,174,586	92,074,586	91,974,586
Miscellaneous	125,165,387	38,627,502	81,719,300	70,886,098	34,099,782	33,298,056
Total Revenues - Recurring	2,337,436,856	1,980,965,999	2,167,312,629	2,178,397,998	2,140,459,183	2,159,548,124
Revenues - Non-Recurring						
Contributions and Transfers	-	100,000,000	162,600,000	-	-	-
Total Revenues - Non-Recurring	-	100,000,000	162,600,000	-	-	-
Grand Total Revenues	2,337,436,856	2,080,965,999	2,329,912,629	2,178,397,998	2,140,459,183	2,159,548,124

EXPENDITURES & REVENUES BY MAJOR CLASSIFICATION

**City of Detroit
Budget Development - General Fund**

Expenditures	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
Salaries & Wages	405,196,956	456,894,818	473,476,107	476,079,416	485,540,691	493,958,773
Employee Benefits	164,010,544	199,343,880	202,512,409	208,505,603	214,573,454	220,662,676
Professional & Contractual Services	66,135,095	76,578,268	83,221,412	78,690,209	78,560,912	78,560,912
Operating Supplies	55,147,354	45,799,081	38,964,735	38,038,657	38,038,657	38,038,657
Operating Services	76,023,238	90,693,222	102,181,376	99,036,219	98,754,849	98,765,688
Equipment Acquisition	11,809,923	2,165,024	188,109	185,709	185,709	185,709
Capital Outlays	593,071	175,000	175,000	175,000	175,000	175,000
Fixed Charges	109,032,083	69,417,551	79,763,090	84,778,427	85,617,643	85,898,678
Other Expenses	87,139,177	129,973,368	105,701,743	110,730,394	109,853,544	110,815,508
Total Expenditures - Recurring	975,087,441	1,071,040,212	1,086,183,981	1,096,219,634	1,111,300,459	1,127,061,601
Expenditures - Non-Recurring						
Reserves	-	-	57,100,000	-	-	-
One-Time Expenditures	-	2,558,279	-	-	-	-
Total Expenditures - Non-Recurring	-	2,558,279	57,100,000	-	-	-
Grand Total Expenditures	975,087,441	1,073,598,491	1,143,283,981	1,096,219,634	1,111,300,459	1,127,061,601
Revenues						
	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
Grants, Shared Taxes, & Revenues	204,769,072	202,238,405	206,114,000	203,854,000	205,645,000	207,488,000
Revenues from Use of Assets	15,555,984	4,326,390	34,625,100	34,158,100	33,661,100	33,130,100
Sales of Assets & Compensation for Losses	3,570,936	2,502,000	1,742,000	122,000	122,000	122,000
Sales & Charges for Services	107,718,908	121,426,098	116,792,881	119,270,534	119,211,359	120,473,501
Fines, Forfeits, & Penalties	24,081,581	24,401,000	23,284,000	23,284,000	23,284,000	23,284,000
Licenses, Permits, & Inspection Charges	12,628,308	12,698,784	12,685,000	12,848,000	12,965,000	13,083,000
Taxes, Assessments, & Interest	637,193,678	660,827,000	664,965,000	676,429,000	689,849,000	702,575,000
Contributions & Transfers	26,268,115	17,200,000	17,100,000	17,100,000	17,100,000	17,100,000
Miscellaneous	12,980,364	25,420,535	8,876,000	9,154,000	9,463,000	9,806,000
Total Revenues - Recurring	1,044,766,946	1,071,040,212	1,086,183,981	1,096,219,634	1,111,300,459	1,127,061,601
Revenues - Non-Recurring						
Contributions and Transfers	-	2,558,279	57,100,000	-	-	-
Total Revenues - Non-Recurring	-	2,558,279	57,100,000	-	-	-
Grand Total Revenues	1,044,766,946	1,073,598,491	1,143,283,981	1,096,219,634	1,111,300,459	1,127,061,601

CITY OF DETROIT BUDGETED POSITIONS

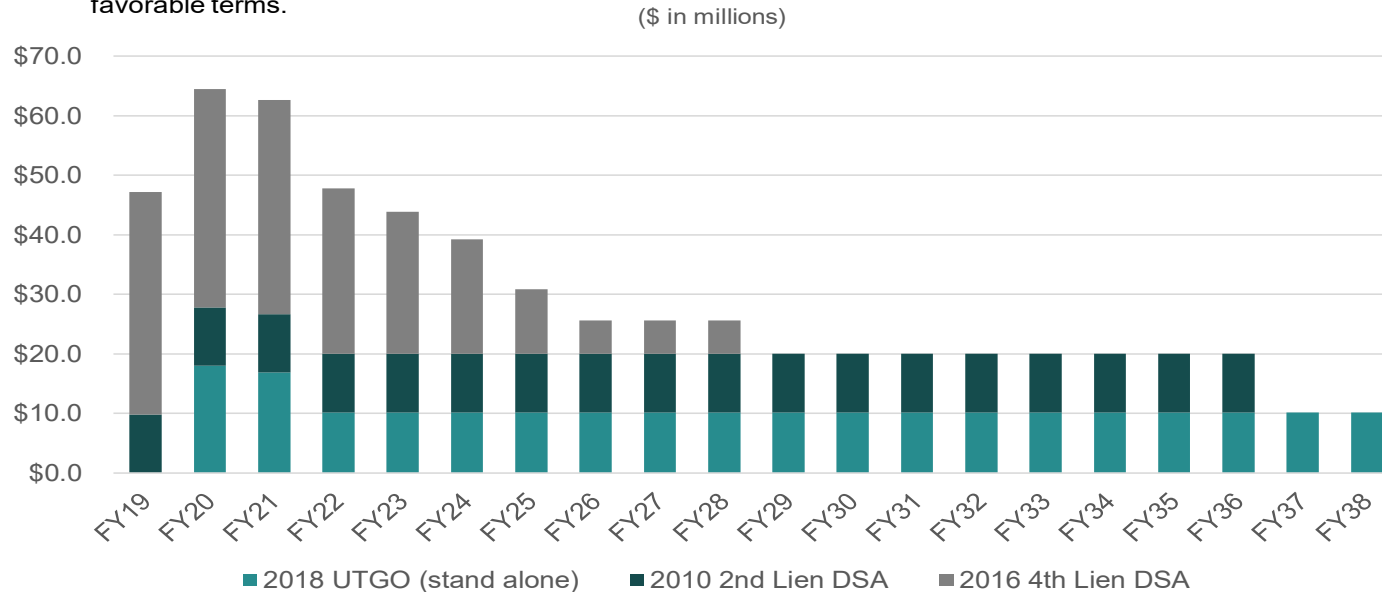
	FY 2018-19 Budget	FY 2019-20 Adopted	Budget vs Rec Variance	FY 2020-21 Forecast	FY 2021-22 Forecast	FY 2022-23 Forecast
GENERAL CITY AGENCIES						
EXECUTIVE AGENCIES						
19 Department of Public Works	438	481	43	481	481	481
23 Office of the Chief Financial Officer.....	479	525	46	516	516	516
24 Fire - Civilian	352	356	4	356	356	356
24 Fire - Uniform	922	919	(3)	919	919	919
Total 24 Fire.....	1,274	1,275	1	1,275	1,275	1,275
25 Dept. of Health and Wellness Promotion.....	119	115	(4)	115	115	115
28 Human Resources	106	104	(2)	104	104	104
29 Civil Rights, Inclusion and Opportunity.....	18	12	(6)	12	12	12
31 Dept. of Innovation & Technology	136	140	4	140	140	140
32 Law	120	120	0	120	120	120
33 Mayor's Office	79	77	(2)	77	77	77
34 Municipal Parking	90	95	5	95	95	95
36 Housing and Revitalization Department	85	86	1	86	86	86
37 Police - Civilian	682	666	(16)	666	666	666
37 Police - Uniform	2,640	2,671	31	2,671	2,671	2,671
Total 37 Police.....	3,322	3,337	15	3,337	3,337	3,337
38 Public Lighting	5	4	(1)	4	4	4
43 Planning Department	41	40	(1)	40	40	40
45 Department of Administrative Hearings	7	9	2	9	9	9
47 General Services Department	876	850	(26)	798	798	798
LEGISLATIVE AGENCIES						
50 Auditor General	15	14	(1)	14	14	14
51 Board of Zoning Appeals	5	4	(1)	4	4	4
52 City Council	73	76	3	76	76	76
53 Ombudsperson	8	8	0	8	8	8
54 Inspector General	10	8	(2)	8	8	8
70 City Clerk	20	20	0	20	20	20
71 Department of Elections	108	97	(11)	97	97	97
JUDICIAL AGENCY						
60 36th District Court	326	325	(1)	325	325	325
OTHER AGENCIES						
35 Non - Departmental	92	153	61	153	153	153
Apprn. 13637 Elected Officials' Compensation	11	11	0	11	11	11
Total 35 Non - Departmental	103	164	61	164	164	164
TOTAL GENERAL CITY AGENCIES	7,863	7,986	123	7,925	7,925	7,925
ENTERPRISE AGENCIES						
10 Airport	4	4	0	4	4	4
13 Buildings, Safety Environmental & Engineering Dept	280	317	37	317	317	317
20 Department of Transportation	927	977	50	977	977	977
48 Water Retail	603	633	30	633	633	633
49 Sewerage Retail	15	17	2	17	17	17
72 Library	322	326	4	326	326	326
TOTAL ENTERPRISE AGENCIES	2,151	2,274	123	2,274	2,274	2,274
GRAND TOTAL	10,014	10,260	246	10,199	10,199	10,199

DEBT SERVICE



UTGO Debt Service

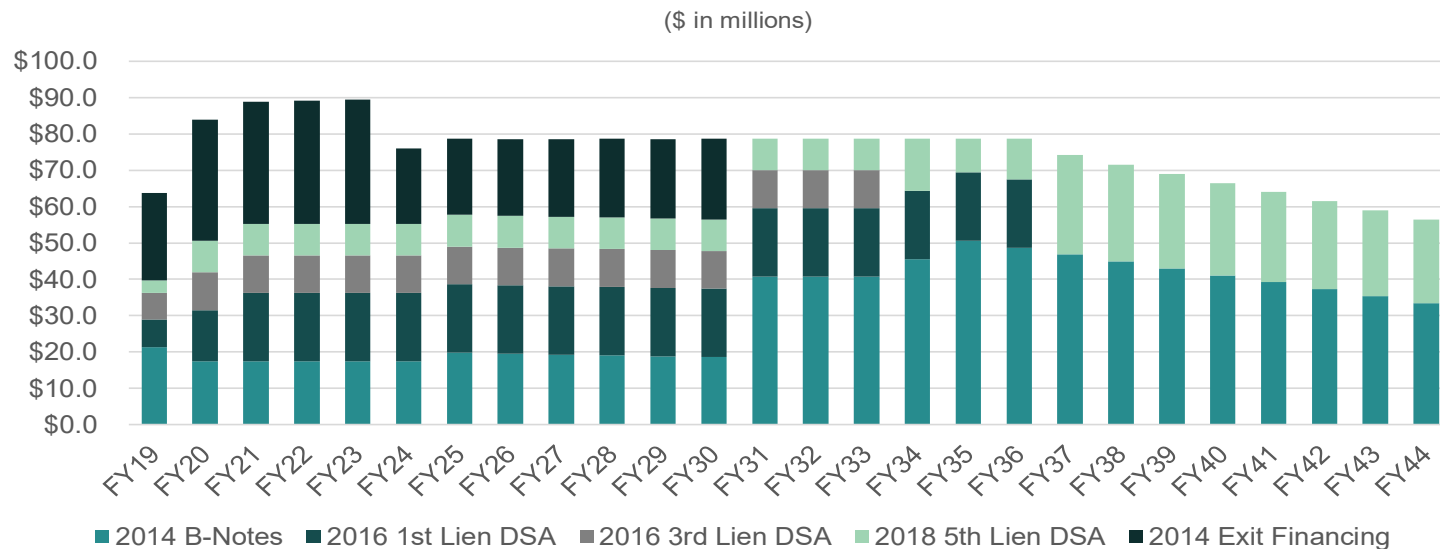
- Unlimited Tax General Obligation (UTGO) bonds are backed by the full faith and credit of the City of Detroit.
- The UTGO bonds are authorized by the voters through ballot proposals
 - UTGO debt service is repaid from dedicated property taxes from the City's debt millage (Debt Service Fund).
 - The 2010 and 2016 Distributable State Aid (DSA) bonds are secured by State Revenue Sharing payments.
 - The 2018 UTGO bonds were the first issued solely against the City's own credit in over 20 years.
- The UTGO bonds support capital improvements throughout Detroit and the refunding of prior indebtedness at more favorable terms.





LTGO Debt Service

- Limited Tax General Obligation (LTGO) bonds are backed by the full faith and credit of the City of Detroit.
 - LTGO debt service is primarily repaid from the City's General Fund revenues (approx. 20% of B-Notes are repaid from Enterprise Fund revenues).
 - The 2014 Exit Financing bonds are secured by the City's Income Tax revenue.
 - The 2016 and 2018 Distributable State Aid (DSA) bonds are secured by State Revenue Sharing payments.
- The LTGO bonds supported payments to creditors and the funding of reinvestment projects upon the City's exit from bankruptcy. They also supported the restructuring of prior indebtedness at more favorable terms and capital improvements throughout Detroit.
 - The City used the 2018 DSA bonds to refinance debt to achieve savings and eliminate a debt cliff in FY 2025.





Retiree Protection Fund

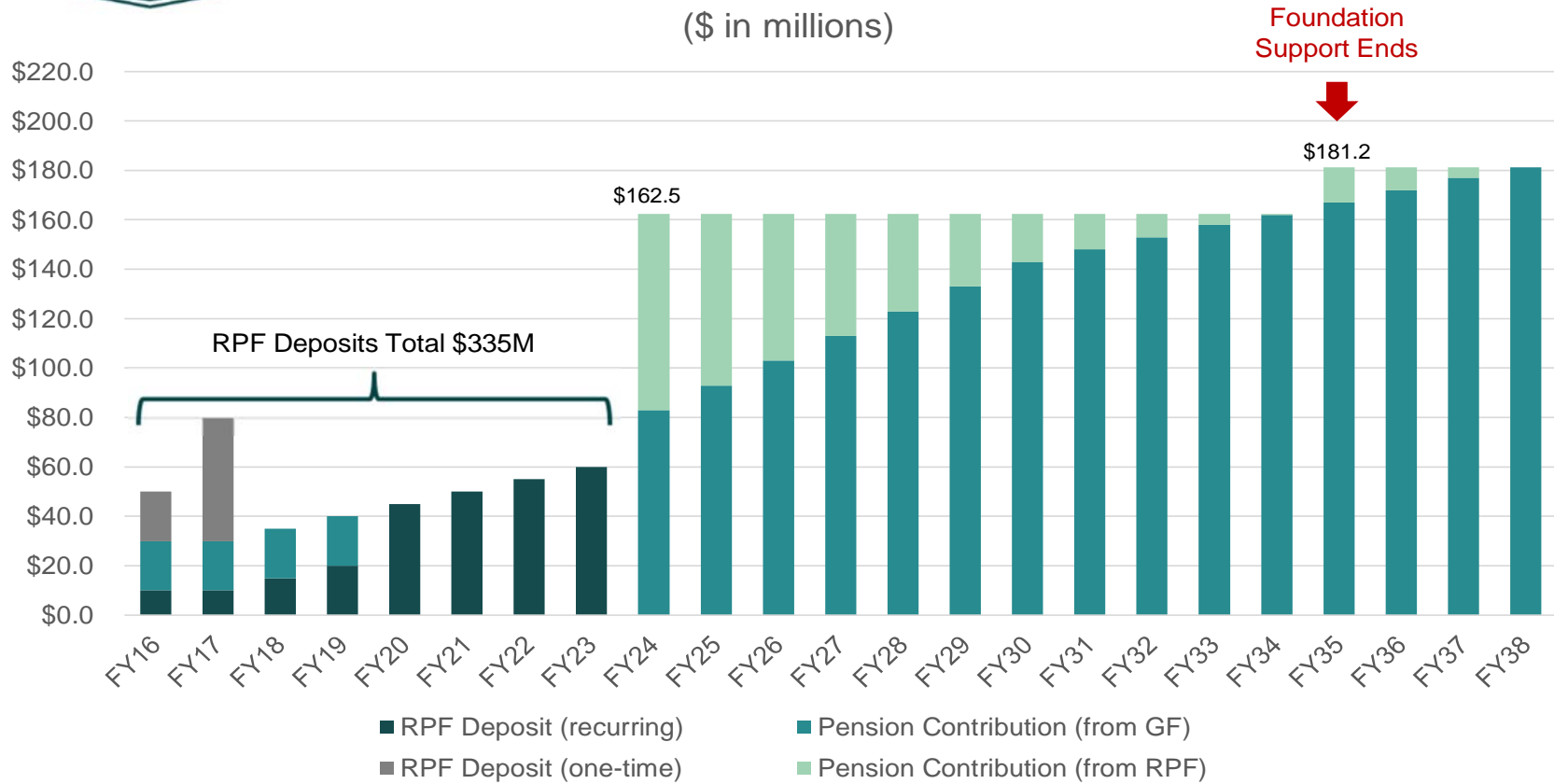
- In 2017, the City adopted a funding strategy for its frozen legacy pension plan obligations
 - Set aside \$335M more in funding by FY 2023 than required by the Plan of Adjustment
 - Deposit funding into an irrevocable trust (the Retiree Protection Fund, “RPF”)
 - Build up RPF assets plus investment earnings to be used to partially offset annual required legacy pension contributions that resume in FY 2024
 - Allows the City to begin gradually building up its budget capacity now to meet the annual required contributions in the future
 - Review the funding plan annually based on updated information and revise if needed during the annual budget and planning process

- In 2017, the City enacted an ordinance to establish the RPF as an irrevocable Internal Revenue Code Section 115 trust fund exclusively for satisfying its legacy pension obligations.

- As of June 30, 2018, RPF assets totaled \$103.3M. The City deposited an additional \$20M appropriated in FY 2019 as planned.



FY 2020 RPF Funding Recommendation





FY 2020 RPF Funding Recommendation

- Maintain FY 2019 funding plan’s recurring RPF deposits from General Fund:
 - FY 2020 - \$45M
 - FY 2021 - \$50M
 - FY 2022 - \$55M
 - FY 2023 - \$60M
- Increase General Fund share of FY 2024 pension contribution by an extra \$13M, for a \$23M year-over-year increase
 - Debt service decreases by \$13M in FY 2024 and became an ongoing savings once FY 2025 debt cliff was eliminated by refunding bonds issued in December 2018
 - FY 2024 already included a \$10M increase in last year’s funding plan
- General Fund share of ongoing pension contributions continues to grow \$5M to \$10M per year until General Fund covers the full contribution in FY 2038 without RPF or foundation support



RPF Updated Assumptions / Inputs

Input	FY 2019 Funding Plan	FY 2020 Funding Plan
Actuarial Valuation	FY 2016	FY 2017
Latest Plan Returns	FY 2017 (14.1% GRS, 12% PFRS)	FY 2018 (6.5% GRS, 8.2% PFRS)
Future Plan Returns	6.75%	6.75%
Amortization ⁽¹⁾	30-year level dollar	30-year level dollar
FY 2024 Contribution	\$166.6M gross (\$23.2M) foundations/non-GF \$143.4M net from GF	\$188.0M gross (\$25.5M) foundations/non-GF \$162.5M net from GF
Latest RPF Returns	Not yet established	FY 2018 (-1.8%) ⁽²⁾
Future RPF Returns	3%	3%

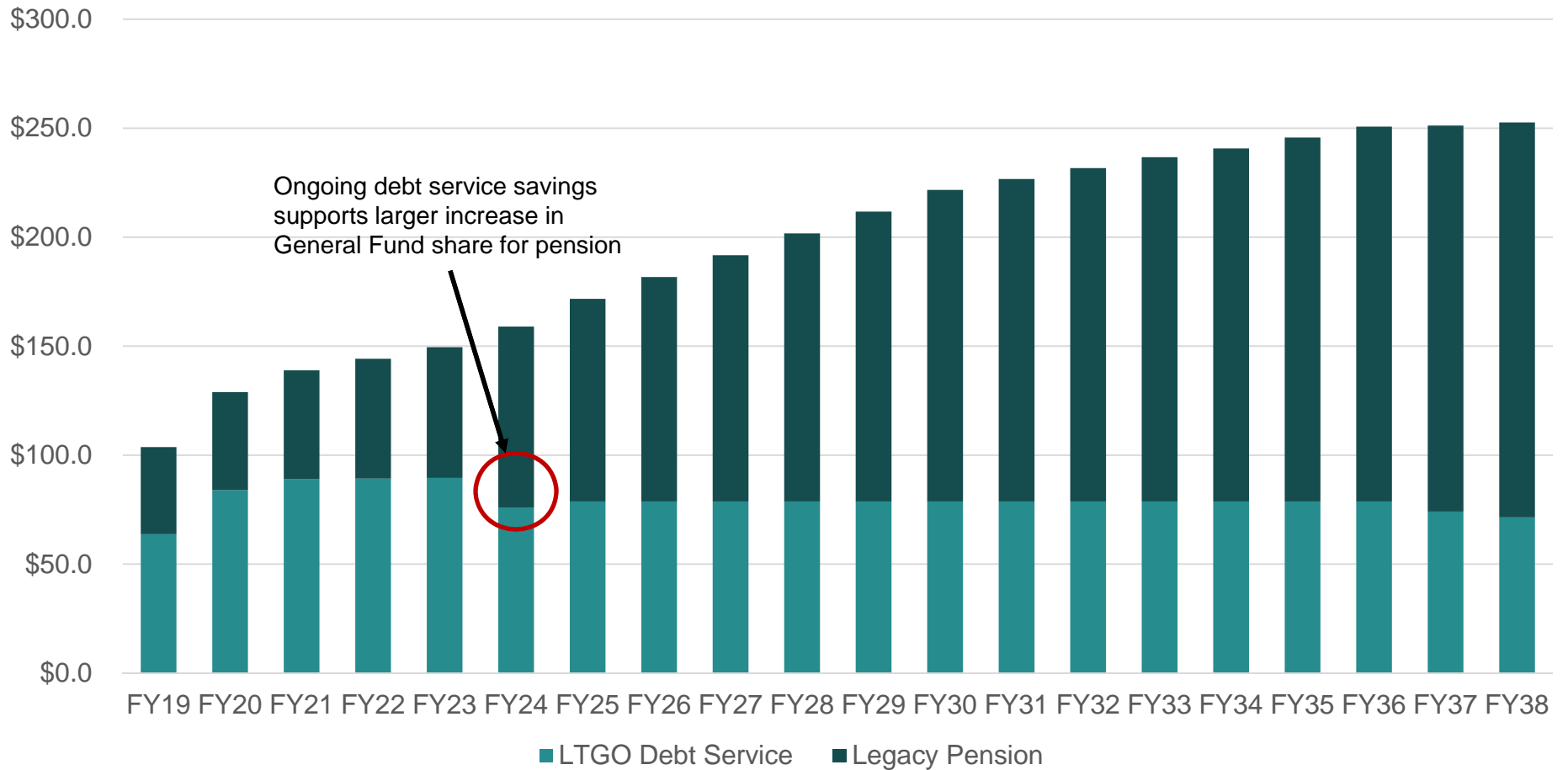
(1) The Retirement Systems have not yet established funding policies for the annual required contributions that resume in FY 2024.

(2) Portfolio repositioned during FY 2018 to achieve 3% future returns, resulting in initial loss.



LTGO Debt Service and Legacy Pension

(\$ in millions)



* Includes LTGO debt service paid by enterprise funds (approx. 20% of B-Note debt service).

CITY OF DETROIT CAPITAL FINANCIAL PLAN

INTRODUCTION

Over the past four years, the City has made major capital investments to return City services to levels Detroiters expect and deserve. During this time, we have installed 65,000 new LED streetlights, demolished 15,000 dangerous vacant houses, added 120 buses to improve transportation service, replaced public safety vehicles to reduce Police and EMS response times, and renovated over 40 parks.

Thanks to the City's return to the bond market on its own credit in late 2018, the City will be able to continue its ambitious capital investments. During Fiscal Years 2020-2023, this plan anticipates investments to improve the City's critical infrastructure, expand economic growth, and continue to revitalize our neighborhoods. Our strong public-private partnerships will also create unprecedented financial impact over the course of this four-year plan period, with programs like the Strategic Neighborhood Fund and the Affordable Housing Leverage Fund creating over \$1 billion dollars in investments into our neighborhoods.

FY20-FY23 EXPENDITURES

The City of Detroit is responsible for maintaining a large inventory of capital assets, including roads, parks, public safety facilities and municipal buildings, libraries, water and sewerage infrastructure, and a fleet of over 2,000 vehicles. Capital investments by the City enhance our neighborhoods, strengthen public safety, improve citizen mobility, and elevate the quality of life in our city.

Over \$800 million of capital investments are outlined in this FY20-FY23 Capital Financial Plan. These investments are aligned with both the five-year Capital Agenda's specific goals and with its broad strategy of rebuilding population density in Detroit by increasing support for the existing population while also attracting new residents and businesses into thriving neighborhoods. This Capital Plan does not currently reflect the additional nearly \$100 million anticipated in early 2021 from the issuance of the City's second bond series.

In addition to the projects outlined in this plan, a large number of projects are beginning in the second half of FY19 and will be completed over the course of FY20 and FY21. These projects are funded primarily from the City's new UTGO bond funding and will be phased over three years. This current fiscal year funding appears in the FY2019 Amended Budget column of the capital improvements table at the end of this section, but it will be balanced forward and spent down over the course of the four-year Capital Plan.

The City's capital plan has been categorized to reflect a coordinated approach to improving city services, revitalizing the neighborhoods, and expanding economic growth and opportunity. These categories are:

- Housing and Economic Development
- Open Spaces and Recreation
- Health and Public Safety
- Transportation
- Technology
- Government Infrastructure

Housing & Economic Development

Housing and economic development is one of the most exciting parts of this Capital Plan. Although the funding discussed in this section does not appear directly in the City's budget or the table at the end of this section, it is held by fiduciary organizations for the exclusive use by the City to implement the Strategic Neighborhood Fund and the Affordable Housing Leverage Fund. These funds are a critical component of the Capital Plan over this four-year period.

SNF and AHLF neighborhoods will be marked by design excellence and a variety of choice—in housing, in recreational assets, and in amenities. The Housing & Revitalization Department, in partnership with the Michigan Local Initiatives Support Corporation (LISC) and Invest Detroit are revitalizing neighborhoods through the restoration of existing properties and with newly built single- and multi-family homes. The City is committed to preserving all regulated affordable housing units and to ensure that wherever growth occurs it increases inclusion and reduces segregation. There will be mixed income and affordable housing throughout the City, ensuring that those who have remained in Detroit benefit from its resurgence.

SNF Phase 1 funding commitments totaled \$42 million (\$26 million in public subsidy) for three Detroit neighborhoods: Islandview/Greater Villages, Vernor/Southwest and Livernois/McNichols. SNF Phase 2 is on track to raise \$130 million for projects across seven neighborhoods: Grand River/Northwest, Warrendale/Cody Rouge, Russell Woods/Nardin Park, Campau/Banglatown, Gratiot/Seven Mile, East Warren/Cadieus, and Jefferson Chalmers. These philanthropic commitments will allow the Funds to leverage \$628 million in private capital, \$150 million in low-cost capital, and \$124 million in federal and state grants, for a total of \$1.1 billion dollars in neighborhood investments.

The AHLF is a tool established to achieve the goals of the City's multifamily housing strategy to preserve 10,000 existing affordable housing units and create 2,000 new affordable housing units. The total affordable housing investment identified in the plan is projected at \$765 million

in private equity, conventional debt, low-income housing tax credits/Michigan State Housing Department Authority equity, and \$250 million from the AHLF itself.

The City's successful partnerships with private entities will continue to be a critical component of our neighborhood-focused economic development effort through the four-year capital plan period. Our most notable accomplishment in this area is of course the redevelopment of the Michigan Central Station and its surrounding area by the Ford Motor Company for use as its tech innovation campus. The total investment in this development will be approximately \$740 million, as well as an additional \$10 million invested in the Corktown neighborhood through a Community Benefits Agreement. This \$10 million neighborhood investment by Ford will create an additional \$12.5 million in economic benefit, while the overall project is estimated to result in \$370 million in net fiscal benefits to the City. The project will create 2,500 direct, permanent jobs, 2,500 indirect jobs in Ford facilities, and 2,000 construction jobs.

The City's partnership with the Detroit Economic Growth Corporation (DEGC) will also continue through this four-year capital plan. Projects with the DEGC and its affiliated entities include the Eastern Market Neighborhood Framework, which will create an action-oriented set of recommendations to improve the quality of life in and around Eastern Market, support economic development, and introduce environmentally sustainable infrastructure, and ongoing work to bring housing, retail and restaurant opportunities, and other amenities to the Paradise Valley District.

An exciting international project with positive impacts on Detroit will be undertaken and completed during the timeframe of this capital plan. The Gordie Howe International Bridge will land in the Delray neighborhood, resulting in one of the largest and most modern ports of entry in the United States. This new international bridge will accelerate the flow of goods and services through Detroit and help create thousands of jobs on both sides of our border. The City has established the Bridging Neighborhoods Program to assist residents of Delray who are impacted by the construction of the bridge. This fund, along with the Community Benefits Agreement established as part of the bridge project, will provide for assistance with relocation; noise and pollution abatement; comprehensive health assessments and long-term emissions monitoring; job training programs for Detroiters; and improved connectivity across I-75.

The City's SNF, AHLF, and other public-private economic development investment strategies build on our existing successes and creates new, unique advantages unseen in other urban labor markets to attract new jobs and talent. Finally, our thriving Motor City Match program will continue to link owners of available property with select entrepreneurs, spurring the revitalization of commercial corridors and the ability to provide residents with readily available goods and services citywide.

Open Spaces & Recreation

The Capital Plan reflects the need to focus public infrastructure investment where it will create the greatest return: supporting the existing population and attracting new residents and businesses into revitalized neighborhoods. The City plans to continue developing and implementing projects that foster vibrant, inclusive neighborhoods across the City of Detroit.

In the most recent Capital Agenda, the City laid out a plan to make transformative investments into recreational assets. Parks across the city will continue to receive substantial investments, and in some cases expansions, with modern play equipment, safe walking paths, ample lighting, and inviting landscaping. Many parks have been designated as soccer hubs and will be upgraded to provide plenty of field space for Detroiters of all ages to master the skills of one of our most popular sports. Parks improvements will continue to be made with extensive consultation with the residents impacted by that park and its amenities. The City's commitment to open and inclusive spaces that meet the diverse needs of residents of all ages remains strong.

A number of recreation centers will also receive modernizations and improvements allowing for the expansion of programs. Our recreation centers are the heart of many of our communities and provide not only recreational programming but also educational and skill development programs. They serve as a safe space either before or after school for many young Detroiters. So whether a resident seeks to use the internet to apply for a job, take a dance class, join a book club, or do all three, our recreation centers will continue to deliver.

Through strong community involvement, the City has identified areas that can be transformed into greenways which would connect the City's neighborhoods to each other and to downtown and riverfront amenities. By providing many methods of mobility, especially non-motorized methods via greenways, trails, and protected bike lanes, barriers to access to all City amenities will be substantially lowered.

One of the strongest drivers of neighborhood success is the availability of inclusive, exciting, and safe parks, recreation centers, and open spaces. This Capital Plan continues to implement a plan of investment that will shape Detroit's recreational landscape for generations to come.

Health & Public Safety

To continue promoting positive health outcomes in our community, the Capital Plan expands the City's mobile clinic fleet and continues improvements to our health clinics to make them into modern health provision centers with even more services. The mobile clinic fleet will visit our neighborhoods and provide critical services like immunizations, STI testing and prevention, unintended pregnancy prevention, WIC enrollment, blood lead testing, needs assessments, and many other services in conjunction with community partners who work to help reduce infant mortality, drug abuse, and chronic disease.

In this plan, our Police and Fire Departments receive substantial capital investments in vehicles, information technology, and facility improvements. The continuation of the City's fleet replacement plan will see the entire Police and Fire fleets completely replaced by the end of this plan period. A modernized and optimized public safety fleet will ensure that police officers and firefighters are able to swiftly and reliably protect the public. The replacement of the City's fire fighting fleet will ensure that we maintain our top-tier ISO certification and keep property insurance rates lower.

Public safety information technology will undergo a massive modernization and replacement campaign. Everything from body cameras to servers, in-vehicle laptops to secured fiber optic cable between public safety facilities is targeted for investment. New atmospheric monitoring devices will allow our firefighters to work safely inside burning structures with reduced risk of exposure to noxious and harmful gases. Our Police Department will receive drones that will allow them to look around and inside structures during low visibility or high risk situations without putting themselves in unnecessary danger.

The City's firehouses will receive a substantial amount of capital investment and repairs, allowing our firefighters to operate effectively and safely within the buildings that often serve as their homes for many long shifts. Police precincts will continue to undergo the repairs and improvements that began at the start of FY19 with existing capital funding. Additionally, the Police Department will undertake a lease consolidation initiative that will see the department move out of two leased buildings into city-owned facilities. This will allow the City to save funds on lease costs while simultaneously providing the Police Department sufficient new space to fully operate a number of policing units, including Towing & Abandoned Vehicles.

Finally, the City's Animal Care & Control Division of the Department of Health will receive new animal control vehicles with sufficient room to allow for safe transport of animals. The Animal Care & Control building will also receive extensive capital renovation, allowing for the care of more animals in clean and humane conditions. The City remains committed to ensuring that all animals that come into its care receive quality, respectful attention.

Transportation

Investment in roads, transit, and sidewalks is critical, especially in a city as large as Detroit. This capital plan provides for the City's continuing transformational investment into our roads and transportation infrastructure. We seek to create a reliable transportation system that connects our residents and neighborhoods, improves public safety, and creates economic opportunity.

Roads, sidewalks, bridges, and streetscapes will receive over \$200 million in improvements over the course of this plan. Road quality reports and accident data will drive the investment into our road resurfacing and replacement program, along with investments into traffic control and calming efforts. City sidewalks will be replaced where needed and efforts to make our sidewalks and roadways fully ADA compliant will continue with the ongoing installation of ramps and curb cuts. The rollout of more protected bike lanes citywide will ensure sufficient access to safe, non-motorized forms of transportation.

Our public transit system is a critical component of our local economy, enabling thousands of people to move about the city every day. This four-year plan envisions an investment of \$233 million into our public transit infrastructure. The biggest and most impactful project is the complete rebuild of the Department of Transportation's Coolidge facility which will serve as the new central repair and maintenance center for the City's fleet of buses. This will ensure that our buses are maintained in top condition and are running reliably around the clock.

The bus fleet will also continue to be modernized and expanded over the plan period, allowing for the continued establishment of more 24-hour routes and increased bus frequency. Technology improvements in the transit system will allow riders to enjoy Wi-Fi on our buses, check the status of the next bus, and easily engage with an online customer service portal. Finally, continued improvements to our bus shelters will provide lighting and phone charging plugs and will give riders a safe and comfortable place to wait for their next bus.

Technology

Technological advancement waits for no one and the City of Detroit plans to stay at the forefront of technological innovations that will bring the most effective services to our residents and improve the efficiency of government.

Investments in technology will include fundamentals like new computers and server hardware, faster network switches, and advanced cloud solutions. The City's Department of Innovation and Technology will continue rolling out new enterprise software solutions such as an Enterprise Asset Management system, which will track all City-owned assets, their conditions, and the amount of investment made into them; an Enterprise Document Management system,

which will convert many of the City's currently paper-based functions into an instantaneous digital system; an Enterprise Records Management system, which will allow the City to properly retain records subject to numerous retention schedules and make the retrieval of records smooth and quick; and an enterprise solution for tracking and managing the City's utility expenses.

Government Infrastructure

Bringing assets critical to city government operations into a state of good repair is a high priority in the City's capital strategy. Along with the public safety fleet, the general city fleet will be replaced and rightsized over the course of this capital plan period. City vehicles will be put into a standard operational life of five years with the goal of replacement at that time and not later. Revenues from the sale of these relatively newer vehicles will be used to continue the replacement cycle.

The Detroit Water and Sewerage Department (DWSD) will continue implementing its \$552 million capital improvement plan over the next four years. The investments into the City's water and sewerage infrastructure will continue the City's goal of delivering safe and cost effective water and sewerage services. In furtherance of our mission to put health and safety in water delivery first, the water main replacement projects will also involve the replacement of lead service lines. Additional DWSD capital investments include water meter replacements citywide, replacement of fire hydrants, and the rehabilitation of the sewerage and stormwater infrastructure.

Investments into the City service yards begun in FY19 will continue through the early years of this capital plan. These service yards are the hubs of City service provision, with fleet repair facilities, salt domes, and storage of heavy equipment like salt trucks, plows, dump trucks, and construction equipment. The City is also beginning the process of studying the potential savings of consolidating a number of our service yards and garages into fewer locations.

FINANCING THE FY20-23 CAPITAL PLAN

The City annually implements its Capital Plan by appropriating funds for capital projects through the budget development process. The Plan is currently financed with the City's new UTGO bond proceeds, prior years' surplus, state and federal funds, and private grants.

During FY19, the City issued UTGO bonds on its own full faith and credit for the first time since our bankruptcy. This first series of bonds total \$136.6 million and forms the largest portion of the General City capital funding in the FY20-23 Capital Plan.

The City does not budget the annual surplus in the same year it is realized, but waits until it is recognized, via the annual audit, and treats it as unassigned fund balance to be allocated among the competing one-time spending needs. In FY19, the City set aside \$52.2 million in unassigned fund balance to support capital projects and has allocated \$33.1 million in FY19.

During FY16, the City conducted a comprehensive review of its old UTGO bond accounts, evaluating and realigning approximately \$50 million of existing appropriations to priorities. As of March 1, 2019, these older bond accounts had a remaining balance of \$19.9 million. These funds have been completely programmed for capital projects that will be completed during the first half of FY20.

Debt Financing

Long-term debt related to capital investment has two main purposes:

- (1) It finances acquisition, construction, repair, and renovation of City-owned buildings and equipment that are necessary to provide public services; and
- (2) It finances infrastructure improvements to ensure the City's continued growth

The City adheres to a Debt Issuance and Management Policy (CFO Directive No. 2018-101-007) that established the conditions for issuing debt and the management of such debt. The City's policy is to utilize long-term debt for capital purposes. However, the policy provides that short-term debt may be used for certain types of projects, financing of equipment and vehicles, and, in rare cases, operations.

Today, the City has reentered the capital markets with a new General Obligation bond debt issuance for capital purposes. The City has achieved three consecutive years of balanced budgets and operating surpluses since FY15 and has also received two credit rating upgrades in less than three years. The City's credit ratings with Moody's and S&P are currently Ba3 and BB-, respectively.

This new bond issuance entails the sale of Unlimited Tax General Obligation (UTGO) bonds issued on the full faith and credit of the City. UTGO bonds are an important method for funding our capital priorities, because they allow the City to begin funding projects that previously would have required the use of General Fund surpluses. This allows the City's surpluses to be utilized more effectively for operating needs and for important financial planning strategies like contributions to the Retiree Protection Fund for the City's pensions.

Authorization for these new bonds was previously obtained from the citizens of Detroit. The City originally had \$286 million in voter-approved, unissued UTGO authority. The City Council has authorized the issuance of \$255 million in UTGO bonds, though the capital plan currently envisions an immediate need of \$235 million for projects in the plan period. The City does not plan to issue short-term taxable debt at this time.

It is anticipated that the City will seek additional UTGO voter authorization during this capital plan period.

UTGO debt is repaid from a dedicated debt service millage. State law allows the city to levy a debt service millage on certain real and personal property to meet annual interest and principal obligations. The City's historical debt service millage ranged from 7.0753 mills in FY 2006 to 9.82 mills in FY15. The current debt service millage is 7.0 mills. Due to the City's absence from capital markets, the outstanding UTGO debt service is declining substantially over the next several years. This affords the City an opportunity to increase its UTGO debt and remain within its historical millage levels. The UTGO debt service outlook continues on a downward slope allowing the City capacity to issue future debt without increased upward pressure on the millage.

The City's current outstanding bonded debt totals \$1.6 billion, with debt service comprising about 15% of the General Fund budget annually. Prior to reentering the bond market on its own credit, Detroit had access to the credit markets through the Michigan Financing Authority, as evidenced by both the exit financing and the refinancing of limited State-revenue supported bonds (a limited type of credit). On November 16, 2017, the Michigan Finance Authority issued \$124.5 million in revenue bonds on behalf of the City for major and local street improvements. The source of repayment for these bonds is the annual allocation of gas and weight tax funds to the City through Act 51. The total principal to be paid is \$124,500,000 and the total interest is \$37,545,372.57.

On March 14, 2018, the City fully redeemed its outstanding C Note Limited Tax General Obligation (LTGO) bonds. This debt was redeemed utilizing General Fund surpluses and proceeds from the sale of the Premier Garage, as required for redemption of the bonds. Redemption of this debt allows the City to fund other operating needs and additional capital projects.

Other City-related entities that have active debt issuance programs are the Public Lighting

Authority (PLA) and the Detroit Water and Sewage Department (DWSD).

In June 2014, the Michigan Finance Authority issued \$185.7 million in revenue bonds for street lighting infrastructure improvements on behalf of the PLA. These bonds are secured by a first lien on certain of the City's Utility Users' Taxes (\$12.5 million annually, until repayment) as authorized under Public Act 393 of 2012.

DWSD uses debt financing, repaid by revenues from rate payers, to support its ongoing capital improvement program. The DWSD Capital Improvement Plan is subject to approval by the Board of Water Commissioners. The Great Lakes Water Authority issues bonds on behalf of DWSD to fund the DWSD capital plan projects.

External Sources

As is the case with other cities, Detroit receives revenue transfers, through grants and aid, from the Federal and State government. Often that money compensates for required investments, improvements and regulations imposed or mandated by them. Detroit also receives a substantial amount funding each year via grant awards from private sector entities such as foundations and corporations.

Intergovernmental Grants & Aid

The City receives a number of categorical, matching and formula-driven grants; many are used for operating purposes, some are for capital projects. Federal aid can flow directly to the city of Detroit; some gets passed through various State of Michigan departments. Large capital grants coming to Detroit are for transportation, streets, roads and traffic signals, tree removal, private and public housing, safety and security equipment, and community development.

Philanthropy

The City continues to be successful in seeking grant awards from a variety of foundations and corporate sources. These grants have funded park improvements and other open space initiatives. Additionally, public-private partnerships have been utilized for neighborhood revitalization, economic development, housing, planning, transit, public safety, health, and workforce development initiatives. In FY20, the City anticipates leveraging its new UTGO bond proceeds, General Fund surplus, and road bond funds to bring greater philanthropic investment into Detroit's neighborhoods.

CAPITAL PLANNING PROCESS

The capital planning process begins with a project submission period during which all departments have an opportunity to identify their facility, equipment, infrastructure, and planning needs in a systematic, prioritized manner, and to submit their capital investment proposals for funding consideration. Departments may utilize both internal assessments and external constituent requests to develop their capital improvement projects. Project requests must include costs estimates, a description of the proposed scope of work, and any other requested information to help City officials conduct their respective evaluations. A final evaluation of the projects will be conducted by the Office of the Mayor to ensure alignment with Administration priorities. At this time, departments may be required to submit additional information.

Project proposals must also account for any impacts on the City's operating budget. Such proposals are subject to additional review to determine the anticipated effect on personnel, maintenance, utilities, and supply costs, as well as expected changes in service demand or delivery of departmental programs. It is generally assumed that certain types of projects, such as HVAC system upgrades and window replacements, will provide operating budget savings as a result of improved energy efficiency.

Because our capital plan will require regular review and supplementation as the future unfolds, the City has established a Capital Projects Team in the Office of Budget, as well as a Facilities Steering Committee, a Vehicle Steering Committee, and an Infrastructure Coordinating Committee.

The Facilities Steering Committee will develop a Facilities Master Plan that will rightsize the city's total footprint; bring the City's facility inventory into a state of good repair; avoid investments into assets that the City is likely to vacate; and set the long-term strategic direction that helps to leverage other City resources.

The Vehicle Steering Committee has developed the City Fleet Rightsizing and Replacement Plan that guides the City's acquisitions of new vehicles and the replacement of existing vehicles that have reached the end of their useful life. Through this Committee, the City will ensure that the City fleet is sized appropriately based on true departmental and service provision need, as well as standardize the fleet to reduce operating costs.

Finally, the Infrastructure Coordinating Committee brings together the major infrastructure departments of the City to ensure that investments are scheduled and implemented in ways that are complementary to other necessary infrastructure investments. For example, when the Department of Public Works intends to replace a stretch of roadway, it will work with the

Detroit Water and Sewerage Department and the Public Lighting Authority to ensure that any investments planned by these respective entities are undertaken while the road surface is already removed.

CITY OF DETROIT
 FY19 BUDGET AND FY20-23 FOUR-YEAR PLAN
 GENERAL CITY CAPITAL IMPROVEMENTS

	FY2019 Adopted Budget	FY2019 Amended Budget ¹	FY19-20 Recommend Budget	FY20-21 Forecast Budget	FY21-22 Forecast Budget	FY22-23 Forecast Budget	Four-Year Plan Total
Charles H. Wright Museum							
Roof Replacement	-	1,700,000	-	-	-	-	-
Total Charles H. Wright Museum	-	1,700,000	-	-	-	-	-
Chief Financial Officer							
Office of Budget - Laptops/Computers	-	-	5,000	-	-	-	5,000
Contracting & Procurement - Laptops/Computers	-	-	17,500	-	-	-	17,500
Financial Planning & Analysis - Laptops/Computers	-	-	5,000	-	-	-	5,000
Total OCFO	-	-	27,500	-	-	-	27,500
City Clerk							
E-Scribe Software	-	-	99,000	-	-	-	99,000
Total City Clerk	-	-	99,000	-	-	-	99,000
CRIO							
Case management software	-	-	78,000	-	-	-	78,000
Total CRIO	-	-	78,000	-	-	-	78,000
Department of Appeals & Hearings							
Document scanning/new e-filing system	-	-	150,000	-	-	-	150,000
Software suite for document scanning	-	-	35,539	-	-	-	35,539
Total DAH	-	-	185,539	-	-	-	185,539
Department of Innovation & Technology							
Enterprise Asset Management System	6,000,000	6,000,000	2,250,000	-	-	-	2,250,000
Enterprise Document Management System	2,500,000	2,500,000	1,500,000	-	-	-	1,500,000
Enterprise Records Management System	2,500,000	2,500,000	-	-	-	-	-
Network Infrastructure & Security Improvements	539,687	539,687	2,000,000	-	-	-	2,000,000
Technology Upgrades & Additions - Public Safety	-	6,946,074	-	-	-	-	-
Technology Upgrades & Additions - PCs & Laptops	880,000	880,000	880,000	-	-	-	880,000
Total DoIT	12,419,687	19,365,761	6,630,000	-	-	-	6,630,000
Elections Department							
ReliaVote system for absentee voting	-	-	235,414	-	-	-	235,414
Konnect Poll Chief Software	-	-	145,672	-	-	-	145,672
Tablets	-	-	113,000	-	-	-	113,000
Total Elections	-	-	494,086	-	-	-	494,086
Fire Department							
Fire Facilities Capital Improvements	-	6,675,000	-	-	-	-	-
Technology Improvement	390,000	-	-	-	-	-	-
Total Fire	390,000	6,675,000	-	-	-	-	-
Fleet Management							
General City Fleet Replacement	15,000,000	15,000,000	8,914,305	-	-	-	8,914,305
Health Fleet Replacement	-	1,230,000	-	-	-	-	-
Police Fleet Replacement	-	13,825,000	-	-	-	-	-
Fire Fleet Replacement	-	14,280,000	-	-	-	-	-
Total Fleet Management	15,000,000	44,335,000	8,914,305	-	-	-	8,914,305

CITY OF DETROIT
 FY19 BUDGET AND FY20-23 FOUR-YEAR PLAN
 GENERAL CITY CAPITAL IMPROVEMENTS

	FY2019 Adopted Budget	FY2019 Amended Budget ¹	FY19-20 Recommend Budget	FY20-21 Forecast Budget	FY21-22 Forecast Budget	FY22-23 Forecast Budget	Four-Year Plan Total
General Services Department							
City Service Yard Improvements	6,715,485	6,715,485	-	-	-	-	-
Recreation Facilities Improvements	2,186,100	10,914,100	-	-	-	-	-
City Park Improvements	-	11,350,000	-	-	-	-	-
Elections Facility Improvements	387,000	387,000	-	-	-	-	-
Belle Isle - DWSD Improvement	500,000	500,000	-	-	-	-	-
City Golf Course Improvements	-	2,771,340	-	-	-	-	-
Aretha Franklin Park & Amphitheatre	-	5,000,000	-	-	-	-	-
Rouge Park Horse Stables	-	190,000	-	-	-	-	-
Tindal Recreation Center City Share	-	338,000	-	-	-	-	-
Studies for Hart Plaza, Spirit Plaza, and Marinas	-	1,000,000	-	-	-	-	-
Spirit Plaza Improvements	-	1,000,000	-	-	-	-	-
Office of Sustainability - Utility Bill Mgmt Software	-	-	1,265,000	-	-	-	1,265,000
Recreation Center Library Reading Rooms	-	500,000	-	-	-	-	-
Total GSD	9,788,585	40,665,925	1,265,000	-	-	-	1,265,000
Health Department							
Ultrasound Machine & Clinic Furniture	-	-	9,000	-	-	-	9,000
Sword Solutions Software	-	-	3,000	-	-	-	3,000
Computers & Equipment for New Staff	-	-	8,000	-	-	-	8,000
Computers, Tablets, & Inspection materials	-	-	15,070	-	-	-	15,070
Tablets & Clinical Furniture for Health locations	-	-	260,000	-	-	-	260,000
Clinic Capital Improvements	-	1,000,000	-	-	-	-	-
Total Health	-	1,000,000	295,070	-	-	-	295,070
Housing & Revitalization Department							
Laptops	-	-	7,000	-	-	-	7,000
Total HRD	-	-	7,000	-	-	-	7,000
Human Resources Department							
Laptops	-	-	5,000	-	-	-	5,000
Total Human Resources	-	-	5,000	-	-	-	5,000
Law Department							
Computers & Laptops for New Staff	-	-	33,000	-	-	-	33,000
Total Law	-	-	33,000	-	-	-	33,000
Mayor's Office							
Computers & Laptops for New Staff	-	-	10,000	-	-	-	10,000
Total Mayor's Office	-	-	10,000	-	-	-	10,000
Municipal Parking Department							
Garage & Meter Maintenance & Repairs	-	-	5,000,000	-	-	-	5,000,000
Lighting Towers for JLA	-	-	54,000	-	-	-	54,000
Video Cameras & Equipment	-	-	2,500	-	-	-	2,500
Total Parking	-	-	5,056,500	-	-	-	5,056,500
Non-Departmental							
Land Acquisition for Economic Development	-	26,072,161	7,500,000	-	-	-	7,500,000
Transportation Improvements-District 3	4,000,000	4,000,000	-	-	-	-	-
City of Detroit DWJBA Capital Share	3,060,103	3,060,103	-	-	-	-	-
Total Non-Departmental	7,060,103	33,132,264	7,500,000	-	-	-	7,500,000
Planning & Development							
Neighborhood Studies & Implementation	5,345,000	5,345,000	2,500,000	-	-	-	2,500,000
Total Planning & Development	5,345,000	5,345,000	2,500,000	-	-	-	2,500,000

CITY OF DETROIT
 FY19 BUDGET AND FY20-23 FOUR-YEAR PLAN
 GENERAL CITY CAPITAL IMPROVEMENTS

	FY2019 Adopted Budget	FY2019 Amended Budget ¹	FY19-20 Recommend Budget	FY20-21 Forecast Budget	FY21-22 Forecast Budget	FY22-23 Forecast Budget	Four-Year Plan Total
Police							
Police Lease Elimination Plan	-	4,500,000	-	-	-	-	-
20 Atwater Capital Improvements	-	800,000	-	-	-	-	-
Corridor Camera Expansion	-	1,100,000	-	-	-	-	-
Expansion of Realtime Crime Center	-	2,000,000	-	-	-	-	-
Establishment of Mini-Realtime Crime Centers	-	2,000,000	-	-	-	-	-
Bulletproof Vest Replacement	-	700,000	-	-	-	-	-
Unmanned Aerial Vehicles	-	350,000	-	-	-	-	-
Police PC Replacements	2,196,625	2,196,625	-	-	-	-	-
Total Police	2,196,625	13,646,625	-	-	-	-	-
Department of Public Works							
Equipment	3,002,000	3,002,000	1,500,000	1,500,000	1,500,000	1,500,000	6,000,000
Highway Bridges	1,977,000	2,540,009	3,458,450	-	2,100,000	2,142,000	7,700,450
Bridge Improvements	500,000	500,000	500,000	500,000	510,000	520,200	2,030,200
Street Resurfacing	10,878,709	37,899,885	30,369,697	18,279,075	20,439,625	20,848,000	89,936,397
Trunkline Improvements	-	720,522	1,962,478	4,000,000	2,000,000	2,040,000	10,002,478
Sidewalk Repair & Replacement	-	4,231,385	-	-	2,400,000	2,448,000	4,848,000
Traffic Control Improvements	2,586,000	6,056,000	2,050,000	2,050,000	2,050,000	2,091,000	8,241,000
Traffic Control Roadways - Federal & State Grants	7,456,000	18,156,000	14,050,000	14,050,000	14,331,000	14,617,000	57,048,000
Debt Service	1,205,755	1,205,755	3,160,973	13,828,912	13,785,557	13,731,376	44,506,818
Total DPW	27,605,464	74,311,556	57,051,598	54,207,987	59,116,182	59,937,576	230,313,343
Total General City Agencies	79,805,464	240,177,131	90,151,598	54,207,987	59,116,182	59,937,576	263,413,343

¹The only amendment included in the FY2019 Amended Budget is the \$136.6 million received as a result of the City's new UTGO bond issuance in December 2018.
 Note: Not reflected in FY21 is the nearly \$100 million anticipated from a second UTGO bond series under the 2018 authorization.

CITY OF DETROIT
 FY19 BUDGET AND FY20-23 FOUR-YEAR PLAN
 ENTERPRISE AGENCIES CAPITAL IMPROVEMENTS

	FY2019 Adopted Budget	FY2019 Amended Budget ¹	FY19-20 Recommend Budget	FY20-21 Forecast Budget	FY21-22 Forecast Budget	FY22-23 Forecast Budget	Four-Year Plan Total
Department of Transportation							
Coolidge Facility Rebuild - Federal/State Funding	-	5,000,000	20,000,000	25,000,000	27,156,763	-	72,156,763
Coolidge Facility Rebuild - City Funding	-	10,000,000	-	-	-	-	-
Fixed-Route Vehicle Replacement/Expansion	3,018,565	14,550,000	26,900,000	25,965,000	-	21,305,000	74,170,000
Non-Revenue Vehicle Replacement/Expansion	161,534	548,062	500,000	500,000	500,000	500,000	2,000,000
Mid-life Vehicle Acquisition/Overhaul	5,169,075	10,934,640	6,000,000	6,000,000	6,000,000	6,000,000	24,000,000
Facility Improvements	5,169,075	3,967,742	1,000,000	1,000,000	1,000,000	500,000	3,500,000
Information Technology	250,000	7,210,000	5,144,320	1,000,000	1,000,000	1,000,000	8,144,320
Operations Equipment	1,000,000	1,491,376	491,376	491,376	472,946	182,903	1,638,601
Total DDoT	14,768,249	53,701,820	60,035,696	59,956,376	36,129,709	29,487,903	185,609,684

Water & Sewerage Department - Retail²

<i>Water</i>							
Water Field Services	74,086,000	59,346,000	52,219,000	41,984,000	15,238,000	14,000,000	123,441,000
Metering	4,000,000	7,283,000	12,000,000	12,000,000	4,000,000	4,000,000	32,000,000
General Purpose	2,000,000	7,234,000	6,695,000	4,140,000	2,795,000	-	13,630,000
Water Central Services: Fleet	2,000,000	2,237,000	2,432,000	2,000,000	2,000,000	2,000,000	8,432,000
Water Central Services: Facilities	2,500,000	8,011,000	4,602,000	2,000,000	2,000,000	2,000,000	10,602,000
Water Central Services: Information Technology	793,000	6,158,000	5,316,000	3,287,000	1,788,000	1,618,000	12,009,000
Water Subtotal	85,379,000	90,269,000	83,264,000	65,411,000	27,821,000	23,618,000	200,114,000

<i>Sewerage</i>							
Sewer Field Services	47,500,000	23,665,000	35,063,000	25,363,000	-	-	60,426,000
Green Infrastructure	14,350,000	14,820,000	10,195,000	12,880,000	10,373,000	3,933,000	37,381,000
General Purpose	-	7,234,000	6,695,000	4,140,000	2,795,000	-	13,630,000
Sewer Central Services: Fleet	2,000,000	2,237,000	2,432,000	2,000,000	2,000,000	2,000,000	8,432,000
Sewer Central Services: Facilities	2,500,000	8,011,000	4,602,000	2,000,000	2,000,000	2,000,000	10,602,000
Sewer Central Services: Information Technology	793,000	6,158,000	5,316,000	3,287,000	1,788,000	1,618,000	12,009,000
Sewerage Subtotal	67,143,000	62,125,000	64,303,000	49,670,000	18,956,000	9,551,000	142,480,000

Water & Sewerage Total	152,522,000	152,394,000	147,567,000	115,081,000	46,777,000	33,169,000	342,594,000
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Total Enterprise Agencies	167,290,249	206,095,820	207,602,696	175,037,376	82,906,709	62,656,903	528,203,684
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¹The only amendment included in the FY2019 Amended Budget is the \$136.6 million received as a result of the City's new UTGO bond issuance in December 2018.

²DWSD capital amounts will not match placeholder used for legal budget.

Grand Total - General City & Enterprise Agencies	247,095,713	446,272,951	297,754,294	229,245,363	142,022,891	122,594,479	791,617,027
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CITY OF DETROIT
 FY19 BUDGET AND FY20-23 FOUR-YEAR PLAN
 TOTAL CAPITAL IMPROVEMENT REVENUES

	FY2019 Adopted Budget	FY2019 Amended Budget	FY19-20 Recommend	FY20-21 Forecast	FY21-22 Forecast	FY22-23 Forecast	Four-Year Plan Total
Revenues							
Revenues from Operations	152,522,000	153,470,162	148,067,000	115,581,000	47,277,000	33,669,000	344,594,000
Unlimited Tax General Obligation Bonds	-	136,627,192	-	-	-	-	-
Federal and State Grant Funds	14,768,249	61,309,758	73,585,696	73,506,376	49,960,709	43,604,903	240,657,684
General Fund Balance	52,200,000	38,710,283	33,100,000	-	-	-	33,100,000
Street Fund - Gas & Weight Taxes	27,605,464	56,155,556	43,001,598	40,157,987	44,785,182	45,320,576	173,265,343
Total Revenues	247,095,713	446,272,951	297,754,294	229,245,363	142,022,891	122,594,479	791,617,027

Prior General Obligation Bond Projects				
Authorization Category	Programmed as of 3/1/2019	FY19 Projected Spend by 6/30/2019	FY20 Projected Spend by 12/31/2019	Final Balance
Economic Development & Housing Rehabilitation	6,283,432	6,283,432	-	-
Public Safety Facilities Improvements	3,248,747	1,075,112	2,173,635	-
Public Lighting System Improvements	3,506,015	3,506,015	-	-
Charles H. Wright Museum	143,214	143,214	-	-
Detroit Historical Museum	359,337	359,337	-	-
Municipal Facilities	206,761	206,761	-	-
Transportation Facilities	2,808,865	2,808,865	-	-
Cultural Facilities	3,410,225	517,541	2,892,683	-
Total	19,966,596	14,900,277	5,066,319	-

Quality of Life Projects				
Authorization Category	Appropriated & Programmed as of 3/1/2019	FY19 Projected Spend by 6/30/2019	FY20 Projected Spend by 12/31/2019	Final Balance
20 - DDOT	155,258	155,258	-	-
23 - OCFO	29,252	29,252	-	-
24 - Fire	1,421,772	1,421,772	-	-
31 - DoIT	24,950	24,950	-	-
34 - Municipal Parking	6,700,000	3,500,000	3,200,000	-
35 - Non-Departmental	1,365,209	1,365,209	-	-
37 - Police	187,602	187,602	-	-
38 - Public Lighting Department	100,000	100,000	-	-
45 - Appeals & Hearings	1,098,000	450,000	648,000	-
47 - General Services	754,206	754,206	-	-
Total	11,836,250	7,988,250	3,848,000	-

Road Bond Project					
Improvements	Project Budget	FY19 Projected Spend by 6/30/2019	FY20 Projected Spend	FY21 Projected Spend	FY22 Projected Spend
Streetscapes	80,000,000	11,672,000	11,290,000	40,748,000	16,290,000
Sidewalk Repair & Replacement	20,000,000	17,186,207	-	2,813,793	-
Road Improvement	23,764,555	11,568,461	12,196,094	-	-
Bond Sale Expenses	735,445	735,445	-	-	-
Total	124,500,000	41,162,113	23,486,094	43,561,793	16,290,000

**Correction of Errors to the
2020 – 2023 Four – Year Financial Plan**

TRUE COPY CERTIFICATE

Form C of D-16-CE

STATE OF MICHIGAN, }
City of Detroit } ss.

CITY CLERK'S OFFICE, DETROIT

I, **JANICE M. WINFREY**, City Clerk of the City of Detroit, in said State, do hereby certify that the annexed paper is a **TRUE COPY OF RESOLUTION**

adopted (passed) by the City Council at session of

APRIL 8, 2019

and approved by Mayor

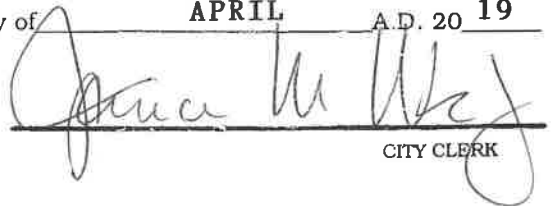
APRIL 9, 20 19

as appears from the Journal of said City Council in the office of the City Clerk of Detroit, aforesaid; that I have compared the same with the original, and the same is a correct transcript therefrom, and of the whole of such original.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City, at

Detroit, this 30TH

day of APRIL A.D. 20 19


CITY CLERK



①

April 8, 2019

HONORABLE CITY COUNCIL

Re: Amendments, Correction of Errors and Changes to the FY2020 – 2023 Four-Year Financial Plan

After further review of the 2020 - 2023 Four-Year Financial Plan presented on March 7, 2019, amendments, errors or changes have been discovered which should be corrected. There are three (3) categories of corrections. First, there are “substantive” errors, which must be corrected as an amendment to the Recommended Budget. Second, there are typographic and/or data entry errors, which do not affect appropriation totals or budget balancing. Third, there are changes which affect appropriation totals and require an amendment to the Recommended Budget.

2020 – 2023 Four -Year Financial Plan – Amendments, Corrections or Changes

Office of the Chief Financial Officer (23)

Pg.#	Appro. # / Name	Description	Current Recommendation	Proposed Recommendation	Variance
C8	00061 - Office of Contracting & Procurement	Cost Center 230080 - Procurement	\$ 5,515,187	\$ 5,615,187	\$ 100,000
C9	00245 - Office of the Controller	Cost Center 230130 - General Accounting	\$ 1,740,834	\$ 1,640,834	\$ (100,000)
Office of the Chief Financial Officer Net Expenditure Change					\$ -

Law (32)

Pg.#	Appro. # / Name	Description	Current Recommendation	Proposed Recommendation	Variance
C22	00527 - Law Administration & Operations	Cost Center 320010 - Law Administration	\$ 16,802,516	\$ 17,252,516	\$ 450,000
Law Net Expenditure Change					\$ 450,000

Non-Departmental (35)

Pg.#	Appro. # / Name	Description	Current Recommendation	Proposed Recommendation	Variance
C25	00870 - Non Departmental Centralized Payments	Cost Center 350800 - Centralized Payments	\$ 17,323,500	\$ 20,288,913	\$ 2,965,413
C27	13853 - Non Departmental - Note B Payment	Cost Center 351025 - Note B Payment	\$ 17,372,472	\$ 13,957,059	\$ (3,415,413)
Non Departmental Net Expenditure Change					\$ (450,000)

Housing & Revitalization (36)

Pg.#	Appro. # / Name	Description	Current Recommendation	Proposed Recommendation	Variance
C35	13837 - Summer Jobs Program & Motor City Match	Cost Center 365008 - Housing Econ. Dev. Small Bus. Dev.	\$ -	\$ 1,000,000	\$ 1,000,000
C37	20618 - EDC - Motor City Match	Cost Center 365008 - Housing Econ. Dev. Small Bus. Dev.	\$ 2,000,000	\$ 1,000,000	\$ (1,000,000)
Housing & Revitalization Net Expenditure Change					\$ -

Police (37)

Pg.#	Appro. # / Name	Description	Current Recommendation	Proposed Recommendation	Variance
C45	20599 - Towing Operations	Cost Center 370680 - Towing Operations	\$ 643,381	\$ 765,279	\$ 121,898
C39	00119 - Support Services	Cost Center 370675 - Resource Management	\$ 8,294,770	\$ 8,172,872	\$ (121,898)
Police Department Net Expenditure Change					\$ -

CITY CLERK 2019 APR 9 PM 02:12

Amendments, Correction of Errors and Changes to the 2020 – 2023 Four-Year Financial Plan

Planning (43)

Pg.#	Appro. # / Name	Description	Current		Proposed	Variance
			Recommendation	Recommendation		
C49	20507 - Capital Projects	Cost Center 433100 - Planning - City	\$ -	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000
Planning Net Expenditure Change						\$ 2,500,000

General Services (47)

Pg.#	Appro. # / Name	Description	Current		Proposed	Variance
			Recommendation	Recommendation		
C51	20507 - Capital Projects	Cost Center 470012 - General Services Park Development	\$ 2,500,000	\$ -	\$ (2,500,000)	\$ (2,500,000)
General Services Net Expenditure Change						\$ (2,500,000)

Library (72)

Pg.#	Appro. # / Name	Description	Current		Proposed	Variance
			Recommendation	Recommendation		
C59	10454 - Library Administrative Management	Cost Center 720502 - Technical Processing Services	\$ 1,793,044	\$ 1,862,111	\$ 69,067	\$ 69,067
C59	10454 - Library Administrative Management	Cost Center 720002 - Administrative Services	\$ 6,930,124	\$ 6,861,057	\$ (69,067)	\$ (69,067)
Library Net Expenditure Change						\$ -

Budget Summary Position Corrections

General Services (47)

Pg.#	Positions (by FTE)	1/1/2019	FY 2019 Adopted	FY 2020 Recommended	FY 2021 Forecast	FY2022 Forecast	FY2023 Forecast
B47-2	General Fund	657	826	788	788	788	788
	Non-General Fund	50	50	62	10	10	10
	Total Positions	707	876	850	798	798	798

Budget Narrative Changes

Updated Narratives for Human Resources. Attachment I

Detroit Water & Sewerage Updates

The Board of Water Commission approved DWSD’s budget subsequent to the submission of the 2020 2023 Four Year Plan.

The updated Budget Summary, Financial Detail by Department (Exp. & Rev.), Expenditures by Summary Category – All Funds (Exp. & Rev.) and position reports are attached. Attachment II & Attachment III

Capital Financial Plan

Updated with departmental detail. Attachment IV

Appropriation Name Changes

Pg. B36-13

Appr. 13837

From - HRD – Economic Development Summer Jobs Program

To: Summer Jobs Program & Motor City Match

SIGNATURE PAGE

Sincerely,

A handwritten signature in cursive script, appearing to read "Tanya Stoudemire".

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

cc: Michael E. Duggan, Mayor
David Massaron, Acting Chief Financial Officer
David Whitaker, Legislative Policy Division
Irvin Corley, Legislative Policy Division

BY COUNCIL MEMBER _____,

Ayers

WHEREAS, the 2020 - 2023 Four-Year Financial Plan submitted to the Detroit City Council on March 7, 2019 included items that require Amendments, Correction of Errors or Changes that must be corrected,
NOW BE IT FURTHER

RESOLVED, that the Deputy CFO – Budget Director be and is hereby authorized to:

Increase Appropriation #00061 – Office of Contracting & Procurement by \$100,000
Increase Appropriation #00527 – Law Administration & Operations by \$450,000
Increase Appropriation #00870 – Non - Departmental Centralized Payments - \$3,415,413
Increase Appropriation #13837 – Summer Jobs Program & Motor City Match by \$1,000,000
Increase Appropriation #20599 – Police Towing Operations by \$121,898
Increase Appropriation #20507 – Planning by \$2,500,000

Decrease Appropriation #00245 – Office of the Controllers by \$100,000
Decrease Appropriation #00870 – Non - Departmental Centralized Payments by \$450,000
Decrease Appropriation #13853 – Non Departmental – Note B Payment by \$3,415,413
Decrease Appropriation #20618 – HRD - EDC – Motor City Match by \$1,000,000
Decrease Appropriation #00119 – Police – Support Services by 121,898
Decrease Appropriation #20507 – General Services by \$2,500,000

NOW BE IT FURTHER,

RESOLVED, that the 2020 - 2023 Four-Year Financial Plan be and is hereby amended as outlined in the forgoing communication and; **NOW BE IT FURTHER**,

RESOLVED, that the Deputy CFO – Budget Director be and is hereby authorized to amend the Four-Year Financial Plan in accordance with the resolution.

**ADOPTED AS FOLLOWS
COUNCIL MEMBERS**

		YEAS	NAYS
Janee	AYERS		
Scott	BENSON		
Raquel	CASTANEDA-LOPEZ		
Gabe	LELAND		
Roy	MCCALISTER, JR.		
*Mary	SHEFFIELD		
Andre	SPIVEY		
James	TATE		
Brenda	PRESIDENT JONES		
*PRESIDENT PRO TEM			
		9	0
WAIVER OF RECONSIDERATION (No. <u>1</u>)			
Per motions before adjournment.			

Closing Resolution (Administration)

TRUE COPY CERTIFICATE

Form C of D-16-CE

STATE OF MICHIGAN, }
City of Detroit } ss.

CITY CLERK'S OFFICE, DETROIT

I, **JANICE M. WINFREY**, City Clerk of the City of Detroit, in said State, do hereby certify that the annexed paper is a **TRUE COPY OF** RESOLUTION

adopted (passed) by the City Council at session of

APRIL 8, 2019

and approved by Mayor

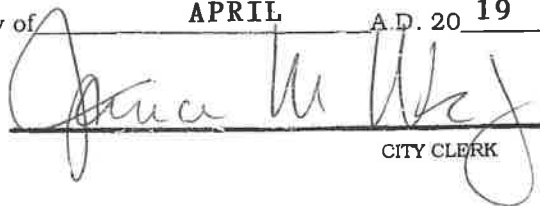
APRIL 9, 2019

as appears from the Journal of said City Council in the office of the City Clerk of Detroit, aforesaid; that I have compared the same with the original, and the same is a correct transcript therefrom, and of the whole of such original.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City, at

Detroit, this 30TH

day of APRIL A.D. 20 19


CITY CLERK

CLOSING RESOLUTION

BY COUNCIL MEMBER _____ :

WHEREAS, The Four Year Financial Plan provides appropriations to support operations of the City for the period July 1, 2020, through June 30, 2023, including salaries, wages, pension requirements, other employee benefits, debt service and other expenses, plus meets the requirements outlined in Home Rule City Act (Act 279 of 1909) 117.4t sec (b) (i-viii) and sec (c) (i-ix);

1. RESOLVED, That employee benefits and retirement provisions for non-union employees shall be in accordance with the City Council Resolution of October 2, 1974, J.C.C., p. 2142; November 16, 1977, J.C.C., p. 2538; August 6, 1980, J.C.C. p. 2057; August 5, 1981, J.C.C., p. 1957; January 6, 1984, J.C.C., p. 45; April 15, 1987, J.C.C., p. 813; November 15, 1989, J.C.C., p. 2627; August 4, 1999, J.C.C.; p. 2375; November 30, 2001, J.C.C. p. 3810; July 30, 2003, J.C.C. p. 2470; September 13, 2006, J.C.C., p. 2341; and February 11, 2010, J.C.C.; p. 292, and otherwise as authorized by City Council through the 2019 – 2020 fiscal year; and be it further
2. RESOLVED, That the Finance Director and the Labor Relations Director continue the administration of salary and prevailing rates according to the rules as listed in the 2019 – 2020 Official Compensation Schedule, and otherwise according to the City Council Resolution of July 13, 1954, J.C.C., p. 1713; and be it further

3. RESOLVED, That employee benefits contained in this Closing Resolution are permissive rather than mandatory for unionized employees; and be it further
4. RESOLVED, That all contracts covering unionized employees may, upon approval of the Director of Labor Relations, be extended beyond their expiration dates; and be it further
5. RESOLVED, That where no effective date is given in a resolution involving personnel procedures approved by the City Council of the City of Detroit, the effective date shall be the second Wednesday subsequent to passage of the resolution at the regular session, in accordance with the resolution of December 12, 1944, J.C.C., p. 2983; and be it further
6. RESOLVED, That the Finance Director is hereby authorized to honor payrolls for restoration of lost time by City employees as a result of a reduced or reversed suspension or discharge, provided such action is recommended by the Labor Relations Director, and otherwise in accordance with the resolution of March 11, 1969, J.C.C., p. 565; and be it further
7. RESOLVED, That employees be paid for out-of-class work according to negotiated agreements and in the absence of agreements upon recommendation of the department with approval of the Budget Director and the Civil Service Commission and otherwise in accordance with the resolution of September 17, 1968, J.C.C. p. 2269; and be it further

8. RESOLVED, That for inactive titles under the old Police and Fire pension system, changes shall apply proportionately with changes in the active titles according to the City Charter and the J.C.C. resolution of September 9, 1953, p. 2235; and be it further

9. RESOLVED, That rates of pay applied to positions in the 2019 – 2020 Budget be subject to maintenance charges as approved by the City Council for all employees furnished living accommodations; and be it further

10. RESOLVED, That the Finance Director is hereby authorized to provide reimbursement to employees to the extent that they are subject to additional expense for insurance at commercial rates exclusively by virtue of driving vehicles on City business and otherwise according to the City Council Resolution of November 12, 1968, J.C.C. p. 2728; and be it further

11. RESOLVED, That the Finance Director is hereby authorized to provide reimbursement of certain expenses to persons seeking or accepting employment with the City in accordance with the Resolution adopted by the City Council on February 7, 1996; and be it further

12. RESOLVED, That the Finance Director is hereby authorized to continue honoring payrolls for payment of unused sick leave to retirees, and others who separate from service in the required manner; all according to the City Council resolution of November 8, 1961; J.C.C. p. 2292, and July 20, 1971, p. 1686; August 5, 1981, p. 1957; and July 30, 2003, p. 2470; and be it further

13. RESOLVED, That reimbursement of private car mileage for non-union employees is authorized in accordance with the City Council resolution of October 2, 1974, J.C.C. p. 2142 and January 6, 1984, J.C.C. p. 45; August 4, 1999, J.C.C., p. 2375; and July 30, 2003, J.C.C. p. 2740; and September 13, 2006, J.C.C., p. 2341; September 18, 2012, J.C.C. p. 1711 and, be it further

14. RESOLVED, That the Labor Relations Director is hereby authorized and directed to amend the Official Compensation Schedule to incorporate changes covering title eliminations, specialties, and substitutions, and code number changes through Human Resources Department action when such changes do not necessitate additional appropriations or base rate changes; and be it further

15. RESOLVED, That uniformed Police and Fire personnel be provided with uniforms and/or allowances and such accessories as provided by the applicable collective bargaining agreements, approved by the departments and the Budget Director within appropriations provided therefore; and be it further

16. RESOLVED, That regular City employees with at least 90 days of service working in continuing assignments recommended for consideration by department heads may be reimbursed not to exceed the sum of either \$170 for a clothing allowance or \$350 for a uniform allowance in any fiscal year in accordance with the J.C.C. of June 21, 1966, p. 1908, the J.C.C. of October 2, 1974, p. 2142, and the J.C.C. of July 30, 2003, p. 2470 ; and bi-

annually September 18, 2012 J.C.C. p. 1423, for expenses arising out of the purchase of necessary protective clothing and accessories as provided by the applicable collective bargaining agreements or City Employment Terms, as recommended by the departments and approved by the Labor Relations Director, provided finally that the above provisions and limitations shall not be applied to duplicate allowances or change existing policy or authorized practices with respect to other assignments or employees; and be it further

17. RESOLVED, That the Finance Director is hereby authorized to provide supplemental pay for the fiscal year as requested by departments for authorized encampments for City employees in the armed forces in accordance with the City Council resolutions of February 13, 1963 J.C.C., p. 344, November 1, 1966, J.C.C., p. 3010; and February 13, 1980, J.C.C. p. 407; with the provision that the City shall not offset military pay and allowances for days the employee is not regularly assigned to work; and be it further

18. RESOLVED, That in the event of a hardship occasioned by an unexpected or untimely separation from service, the Finance Director upon recommendation of the Budget Director and the Labor Relations Director, is hereby authorized to honor lump sum payments from available funds for vacation leave, compensatory time credit, and excused time credit, to which an employee is otherwise legally entitled; and be it further

19. RESOLVED, That the Finance Director is hereby authorized to honor payrolls for the induction of employees in classifications designated with Step Code "D", Step Code "K" and Step Code "R" at advanced step levels within the pay range according to a formula to be

established by the Human Resources Director and approved by the Labor Relations Director;
and be it further

20. RESOLVED, That upon request of the department and the recommendation of the Labor Relations Director and Budget Director, that the Finance Director be authorized to permit the payment of salaried employees on an hourly basis and hourly employees paid on a salaried basis and to withdraw such permission as requested by the department; and be it further
21. RESOLVED, That the Finance Director is hereby authorized to honor payrolls for employees affected by the change over from standard time to daylight savings time in accordance with the resolutions of April 24, 1973, p. 1073, provided that no overtime shall be paid to any employee affected until they shall actually have worked forty (40) hours per week; and be it further
22. RESOLVED, That the Finance Director is hereby authorized to pay employees their regular paycheck on the previous Thursday when a holiday is generally observed on Friday and on the preceding Wednesday when both Thursday and Friday of the same work week are holidays and otherwise in accordance with standard payroll procedures; and be it further
23. RESOLVED, That the Finance Director, upon recommendation of the Labor Relations Director is hereby authorized to continue reimbursement of employees for articles damaged in the course of employment according to the City Council resolutions of December 19,

1961, J.C.C., p. 2657, and November 21, 1972, J.C.C. p. 2829 and p. 2855 as implemented by rules established by the Finance Director; and be it further

24. RESOLVED, That contractors hired under titles with pay ranges may receive pay increments within the range in accordance with their contracts with approval of the Finance Director, provided funds are available; and be it further

25. RESOLVED, That the various departments are hereby authorized to hire and pay Special Service employees at any rate within the range based upon formula established by the Human Resources Director, and otherwise according to the resolution of August 20, 1963, J.C.C., p. 2190, with the provision that step increments for these employees may be granted by the department head with the approval of the Human Resources Director and Budget Director in accordance with rules established for general City employees; and be it further

26. RESOLVED, That Special Service employees upon approval of the Labor Relations Director and the Finance Director, be granted fringe benefits in accordance with the Charter, Ordinances, and the City Council resolution of August 23, 1966, J.C.C. p. 2433, provided that City Council reserves the right to adjust wages and fringes for Special Service employees during 2019 - 2020, and provided further that employees temporarily transferred to Special Service positions from the Regular Service shall continue to receive their regular service fringes; and be it further

27. RESOLVED, That upon interdepartmental transfer of employees, departments may make lump sum payments with supporting documentation within appropriations for unliquidated vacation time in excess of twenty days (20), provided that the time cannot be properly liquidated, prior to the following month of August but not later than September 30th. Approval may be granted by the Budget Director and Labor Relations Director; and be it further

28. RESOLVED, That unless specifically covered by labor contract, when an employee is called to work an unscheduled shift or overtime, he shall receive the overtime for the hours worked or a minimum of four (4) hours on a straight time basis, whichever is greater, and otherwise according to the resolution of the City Council of May 29, 1962, J.C.C., p. 1186; and be it further

29. RESOLVED, That City departments are hereby authorized to provide for mailing of paychecks to employees not assigned to work on paydays; provided employees affected direct a written request to their department head or representative by noon two days prior to payday; and be it further

30. RESOLVED, That the Finance Director is hereby authorized to pay \$10,000 to the beneficiaries or estate of employees who are killed or who die as a result of injuries sustained in the actual performance of their duties or who are permanently disabled in the line of duty and otherwise in accordance with the City Council Resolutions of August 3, 1977, J.C.C. page 1638; and be it further

31. RESOLVED, That the Finance Director is hereby authorized to pay directly to the funeral service provider and/or cemetery an additional benefit up to \$12,000 for any City of Detroit employee who dies as a direct and proximate result of an injury sustained in the line of duty and otherwise in accordance with the City Council Resolutions of March 20, 2018; and be it further

32. RESOLVED, That apprentices will receive their designated pay increments every six (6) months upon recommendation of the department and approval of the Human Resources Department Training Division provided that they have been satisfactorily participating in related instruction and on-the-job training, in accordance with the standards established for that trade, during the six (6) month period immediately preceding the date of the increment, said increments will be paid effective on the date of the completion of the training period; and be it further

33. RESOLVED, That vacation time no matter how earned, shall not be allowed to accumulate in amounts exceeding twenty (20) days on any October 1st date, exclusive of any vacation time earned between July 1 and the following September 30, and otherwise in accordance with the City Council Resolution of May 27, 1969, J.C.C. P. 1258 as amended; and be it further

34. RESOLVED, That an administrative fee of one percent (1%) of property taxes shall continue to be imposed, to be used to offset the costs incurred in assessing and collecting the property tax and in the review and appeal process; and be it further

35. RESOLVED, that as required by the provisions of Public Act 399 of 1984, a one-half of one percent (1/2%) per month interest charge on delinquent real and personal property taxes shall continue to be imposed from the time such property tax became due and payable until such tax is paid in full, all in accordance with Section 18-9- 89 through 18-9-100 of the Detroit City Code; and be it further

36. RESOLVED, That as required by the provisions of Public Act 399 of 1984, a one percent (1%) per month penalty on delinquent real and personal property taxes shall continue to be imposed from the time that the property tax became due and payable, until such tax is paid in full, and the penalty shall not exceed a total of twenty-five percent (25%) of the unpaid tax, all in accordance with Section 18-9-89 through 18-9-100 of the 1984 Detroit City Code; and be it further

37. RESOLVED, That as permitted by the provisions of Public Act 399 of 1984, interest and penalty from February 15 to the last day of February on a summer property tax which has been deferred is hereby waived for the homestead property of a senior citizen, paraplegic, quadriplegic, eligible serviceman, eligible veteran, eligible widow, totally and permanently disabled person, or blind person as those persons are defined in Chapter 9 of Public Act 281 of 1967, as amended, if the person makes a claim before February 15 for a credit for such

homestead property as provided by Chapter 9 of Public Act 281 of 1967, as amended, presents a copy of the form filed for that credit with the City Treasurer, and if the person has not received the credit before February 15; and be it further

38. RESOLVED, That the Finance Director, or his/her designee(s) is hereby authorized to continue making the necessary accrual adjustments for Compensated Employee Absences and Damage Claim Payments as a part of the 2018 - 2019 Fiscal Year closing process in compliance with the provisions of the National Council on Governmental Accounting Statement Number Four, "Accounting and Financial Reporting Principles for Claims and Judgments and Compensated Absences" and Governmental Accounting Standards Board Statement No. 16 "Accounting for Compensated Absences"; and be it further

39. RESOLVED, That the Finance Director, or his/her designee(s), be and is hereby authorized and directed to purchase, sell or exchange securities representing investments of cash balances as permitted by law, and in accordance with written policies established by the Finance Director and placed on file with the Office of the City Clerk, and that the Treasurer be and is hereby authorized and directed to disburse or deposit funds accordingly and to accept receipts for holding securities in lieu of definitive certificates; and be it further

40. RESOLVED, That the Finance Director is hereby authorized to appropriate investment earnings on bond proceeds to fund the cost of bond issuance expenses; and be it further

41. RESOLVED, That the Finance Director is hereby authorized to disburse funds, allocate bond proceeds and make any and all necessary declarations for the purpose of complying with applicable law and specifically with the reimbursement rules and regulations of the U.S. Department of Treasury pursuant to the Internal Revenue Code of 1986, as amended, with respect to projects identified herein, which projects are to be permanently financed from proceeds of debt to be incurred by the City; and be it further

42. RESOLVED, That as actual collections are received through June 30, 2020 from Account No. 13-7512 - Fire Insurance Escrow - P.A. 495, they are hereby authorized to be appropriated in the proper general fund or block grant account; and be it further

43. RESOLVED, That the Finance Director is hereby authorized and directed to disburse the necessary funds as adopted and appropriated in the 2019 – 2020 Budget to the Charles H. Wright Museum of African American History, Zoological Institute, Detroit Institute of Arts, Detroit Port Authority, Detroit Historical Museum and the Eastern Market Corporation, be it further

44. RESOLVED, That the Budget Director is authorized and directed to establish processes, records, transfers and/or accounts necessary to implement and facilitate any reorganization of department functions or activities within the city budget; and be it finally

45. RESOLVED, That all revenues generated by the Detroit Police Department's (DPD) towing and storage operations, namely, all towing, storage and administrative fees produced by the

DPD's operations will be budgeted in a special revenue fund. These DPD revenues in the special fund will be restricted for use only in support of DPD's towing and storage operations, or other uses that directly support DPD's public safety operations.

46. RESOLVED, That, notwithstanding any provisions of section 14-12-7 of the 1984 Detroit City Code to the contrary, the annual appropriation to the Detroit Affordable Housing Development and Preservation Fund, shall be based upon 20% of the actual net receipts of all commercial property sales during the previous fiscal year, subject to a reconciliation procedure as determined by the Deputy CFO / Budget Director.
47. RESOLVED, That, effective July 1, 2019, the contract of lease between the City and the Detroit Building Authority providing for a separate enterprise system of parking revenues through the Automobile Parking Fund is hereby terminated and such parking revenues shall henceforth be part of the General Fund.
48. RESOLVED, That the Chief Financial Officer, Office of Budget and the Legislative Policy Division are authorized, subsequent to City Council's approval, to adjust the forecasted budgets as needed in order to balance by fund for FY 2020 – 2021, FY 2021 – 2022 and FY 2021 – 2022 so long as those adjustments are consistent with the FY 2019 – FY 2020 Budget and completed prior to the submission of the Four Year Financial Plan to the Financial Review Commission for approval, and therefore be it

49. RESOLVED, That the Finance Director is hereby authorized and directed to honor payrolls in accordance with this resolution.

Schedule A
Community Development
Block Grant (CDBG)

TRUE COPY CERTIFICATE

Form C of D-16-CE

STATE OF MICHIGAN, }
City of Detroit } ss.

CITY CLERK'S OFFICE, DETROIT

I, **JANICE M. WINFREY**, City Clerk of the City of Detroit, in said State, do hereby certify that the annexed paper is a **TRUE COPY OF** RESOLUTION

adopted (passed) by the City Council at session of

APRIL 8, 2019

and approved by Mayor

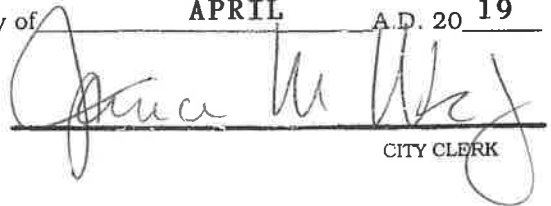
APRIL 9, 20 19

as appears from the Journal of said City Council in the office of the City Clerk of Detroit, aforesaid; that I have compared the same with the original, and the same is a correct transcript therefrom, and of the whole of such original.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City, at

Detroit, this 30TH

day of APRIL A.D. 20 19


CITY CLERK

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Tate

BY COUNCILMEMBER

WHEREAS, On February 12, 2019 the Detroit City Council concluded its deliberations on the FY 2019-2020 Neighborhood Opportunity Fund sub-recipient awards resulting in 33 non-profit organizations being recommended for funding under public service; and

WHEREAS, On April 5, 2019 the Housing and Revitalization Department brought to council's attention the inadvertent omission of \$237,775 of available fund under the 15% public service cap for the Neighborhood Opportunity Funds; and

WHEREAS, On April 5, 2019 the Detroit City Council opted to utilize the aforementioned funds to grant awards to three additional organizations which met the funding threshold and scoring criteria which were initially costed-out; those organizations and funding amounts being; Ser Metro in the amount of \$61,507; Greater Detroit Agency for the Blind and Visually Impaired in the amount of \$66,507; and My Community Dental Center in the amount of \$61,507; and

WHEREAS, the \$891,456 allocation for Public Facility Rehabilitation was not awarded in its entirety, noting that the Detroit City Council only recommended funding for two non-profit organizations in the amount of \$400,000; the City Council has opted to shift the balance of these funds in the amount of \$491,456 to Appropriation Number Conventional Home Repair which is to be utilized for Emergency Senior Home repair bring the Block Grant contribution to this line item to a total of \$2,053,247; and

WHEREAS, in order to fully fund Council's recommended appropriation for Conventional Home Repair in the amount of \$2,061,791; \$8,544 is being requested to be appropriated from HRD – Office of Administration (Appropriation Number 20234) and allocated to Conventional Home Repair (Appropriation Number 20153); and

WHEREAS, these aforementioned changes are reflected in a chart dated April 2, 2019 (Attachment B) which has been received by the Detroit City Clerk and placed on file. **NOW THEREFORE BE IT**

RESOLVED, That this Body having completed as of April 5, 2019, its consideration of the proposed Community Development Block Grant (CDBG) Budget of the City of Detroit for the fiscal year 2019-2020 as contemplated by the Charter and ordinances of the City of Detroit, by majority vote of all members elected thereto, adopts said CDBG Budget, as amended by the foregoing Schedule A (Attachment A), and transmits same to the City Clerk for recompilation and submission to his Honor, the Mayor, in accordance with the Charter and ordinances of the City of Detroit.

Adopted as follows:

Yeas _____

Nays _____

FY 19-20 SCHEDULE A
BUDGET ANALYSIS

Appr	Sponsor	MAYOR'S REC	COUNCIL'S REC	REVISED MAYOR'S REC	DIFF
CDBG					
20234	HRD - Office of Administration	1,806,258		1,797,714	(8,544)
20238	HRD - Office of Hsg Un - Supportive Hsg	556,479		556,479	
13170	HRD - Office of Programmatic Un - NOF & CDBG Initiatives	1,627,853		1,627,853	
05797	Eight Mile Blvd	25,000		25,000	
13635	City Plan Comm/Historic Designation Advisory Board	42,000		42,000	
	HRD SUB-TOTAL	4,057,590		4,049,046	(8,544)
PLANNING AND DEVELOPMENT					
14027	PDD - Planning - Staffing	2,500,000		2,500,000	
	PDD SUB-TOTAL	2,500,000		2,500,000	
ADMIN AND PLANNING SUB-TOTAL					
		6,557,590		6,549,046	
DEMOLITION					
13635	HRD - Demolition	2,320,000		2,320,000	
	DEMOLITION SUB-TOTAL	2,320,000		2,320,000	
ECONOMIC DEV					
13837	Economic Development Small Business Development				
20618	EDC - Motor City Match (NRSA)	1,000,000		1,000,000	
	ECON DEV SUB-TOTAL	1,000,000		1,000,000	
HOME REPAIR					
10409	CDBG Match - LEAD Grant	1,000,000		1,000,000	
20153	Conventional Home Repair	1,561,791		2,061,791	500,000
13609	0% Interest Home Repair Program	2,500,000		2,500,000	
	SUB-TOTAL	5,061,791		5,561,791	
20238	HRD - Multi Family Staffing	1,011,809		1,011,809	
20636	Community Development Housing Activities	1,165,375		1,165,375	
	SUB-TOTAL	2,177,184		2,177,184	
HOME REPAIR SUB-TOTAL					
		7,238,975		7,738,975	500,000

FY 19-20 SCHEDULE A
BUDGET ANALYSIS

Appr	Sponsor	MAYOR'S REC	COUNCIL'S REC	REVISED MAYOR'S REC	DIFF
	DEVELOPMENT				
20541	Pre-Development - Affordable Housing	1,000,000		1,000,000	
	DEVELOPMENT SUB-TOTAL	1,000,000		1,000,000	
11496	PUBLIC FACILITY REHAB				
11839	Operation Get Down		200,000	200,000	
11882	DRMM (Fairview)		200,000	200,000	
	PFR SUB-TOTAL	891,456	400,000	400,000	(491,456)
12168	HOMELESS PUBLIC SERVICE	2,475,417	2,475,417	2,475,417	0
	<i>EMERGENCY SHELTER</i>				
11784	Alternatives for Girls				
11838	Cass Community Social Services (Oasis Project)				
11785	Coalition on Temporary Shelter (COTS)				
12708	Community Social Services of Wayne County (Catholic Social Svcs.)				
11786	Covenant House Michigan				
20338	DRMM Genesis House II Chicago				
11882	Detroit Rescue Mission (DRMM Genesis House III) Fairview				
20336	Detroit Rescue Mission (DRMM Genesis House III) Mack				
20339	DRMM 3rd Street				
11791	Freedom House				
11798	Mariners Inn				
11801	Neighborhood Service Organization (NSO)				
13644	Salvation Army				
11809	YWCA Interim House				
	EMERGENCY SHELTER SUB-TOTAL				
	<i>WARMING CENTERS</i>				
11838	Cass Community Social Services				
11882	Detroit Rescue Mission (DRMM Genesis House III) Fairview				
	WARMING CENTER SUB-TOTAL				
	<i>HOMELESS PREVENTION</i>				
11806	United Community Housing Coalition				
06733	The Heat and Warmth Fund (THAW)				
	HOMELESS PREVENTION SUB-TOTAL				
	<i>RAPID REHOUSING</i>				
20340	Community Home Support				
10663	(Wayne County) Neighborhood Legal Services				
	RAPID REHOUSING SUB-TOTAL				

FY 19-20 SCHEDULE A
BUDGET ANALYSIS

Appr	Sponsor	MAYOR'S REC	COUNCIL'S REC	REVISED MAYOR'S REC	DIFF
	<i>STREET OUTREACH</i>				
11896	The Noah Project (Central United Methodist Church)				
11838	Cass Community Social Services				
	STREET OUTREACH SUB-TOTAL				
	TOTAL HOMESS PUBLIC SERVICE	2,475,417	2,475,417	2,475,417	0
	<i>PUBLIC SERVICE</i>				
13837	Summer Jobs Program (NRSA)	1,480,874		1,480,874	
20635	DESC Training Programs (NRSA)	1,500,000		1,500,000	
	TOTAL PUBLIC SERVICE NRSA ACTIVITIES	2,980,874		2,980,874	
12945	Unassigned Projects				
	EDUCATION				
07523	Accounting Aid Society		76,000	77,507	1,507
06713	Boys & Girls Club of Southeastern Michigan		66,000	67,507	1,507
20647	Center for Employment Opportunities		66,000	67,507	1,507
11499	Coleman A. Young Foundation		60,000	61,507	1,507
04139	DAPCEP		66,000	67,507	1,507
05983	Dominican Literacy Center		76,000	77,507	1,507
06698	Focus HOPE		61,000	62,507	1,507
06709	International Institute		76,000	77,537	1,537
11554	Mercy Education Project		66,000	67,507	1,507
04898	Ser Metro			61,507	61,507
20156	Sienna Literacy		61,000	62,507	1,507
10124	St. Vincent and Sarah Fisher Ctr		76,000	77,507	1,507
13562	The Youth Connection		61,000	62,507	1,507
13556	Urban Neighborhood Initiative		76,000	77,507	1,507
06186	Warren Conner Devepment Coalition		61,000	62,507	1,507
05178	Wellspring		76,000	77,507	1,507
13646	YMCA		66,000	67,507	1,507
	EDUCATION SUB-TOTAL		1,090,000	1,175,649	85,649

FY 19-20 SCHEDULE A
BUDGET ANALYSIS

Appr	Sponsor	MAYOR'S REC	COUNCIL'S REC	REVISED MAYOR'S REC	DIFF
	HEALTH				
12998	Greater Detroit Agency for the Blind & Visually Impaired			66,507	66,507
12420	Joy-Southfield CDC		80,000	81,507	1,507
20630	My Community Dental Center			61,507	61,507
13398	The Yunion		80,000	81,507	1,507
04178	World Medical Relief		70,000	71,507	1,507
	HEALTH SUB-TOTAL		230,000	362,535	132,535
	RECREATION				
10105	Alkebu-lan Village		70,000	71,507	1,507
10113	Detroit Police Athletic League		75,000	76,507	1,507
05544	Southwest Detroit Business Association		60,000	61,507	1,507
13397	Teen HYPE		80,000	81,507	1,507
20648	Cody Rouge Community Action Alliance		70,000	71,507	1,507
	RECREATION SUB-TOTAL		355,000	362,535	7,535
	PUBLIC SAFETY				
10663	(Wayne County) Neighborhood Legal Services		60,000	61,507	1,507
10620	Jefferson Business Association		60,000	61,507	1,507
	PUBLIC SAFETY SUB-TOTAL		120,000	123,014	3,014
	SENIORS				
10621	L&L Adult Day Care		60,000	61,507	1,507
05662	LASED		70,000	71,507	1,507
20488	Luella Hannan Memorial		70,000	71,507	1,507
05149	St. Patrick Senior Center		80,000	81,507	1,507
06403	Delray United Action Council		60,000	61,507	1,507
11893	Matrix Human Services		70,000	71,507	1,507
	SENIORS SUB-TOTAL		410,000	419,042	9,042
	TOTAL REGULAR PUBLIC SERVICE	2,442,775	2,205,000	2,442,775	237,775

FY 19-20 SCHEDULE A
BUDGET ANALYSIS

Appr	Sponsor	MAYOR'S REC	COUNCIL'S REC	REVISED MAYOR'S REC	DIFF
13529	SECTION 108 LOANS				
13529	Fort Shelby	1,864,538		1,864,538	
13529	Garfield II - Note 1 - Garfield Estates	729,189		729,189	
13529	Garfield II - Note 2 - N'namdi Ctr.	201,106		201,106	
13529	Garfield Geothermal	117,955		117,955	
13529	Garfield Sugar Hill	377,747		377,747	
13529	Mexicantown	350,024		350,024	
13529	Vernor Lawndale	140,251		140,251	
13529	Woodward Garden	2,100,049		2,100,049	
	SECTION 108 SUB-TOTAL	5,880,859		5,880,859	
	SUB-TOTAL HRD EXPENSES	30,287,946		30,287,946	
	SUB-TOTAL OTHER DEPARTMENTS EXPENSES	2,500,000		2,500,000	
	TOTAL	32,787,946		32,787,946	
	CDBG ALLOCATION, PROGRAM AND OTHER INCOME				
	TOTAL CDBG Line of Credit	32,787,946		32,787,946	
	TOTAL				
	CDBG SPENDING CAPS				
	Admin/Planning Cap	6,557,589		6,557,589	
	Total Admin/Plan Expenses	6,557,590		6,549,046	
	Difference	(1)		8,543	
	Public Service Cap	4,918,192		4,918,192	
	Total Public Service Expenses	7,899,066		7,899,066	
	Difference	(2,980,874)		(2,980,874)	

**ADOPTED AS FOLLOWS
COUNCIL MEMBERS**

	YEAS	NAYS
Janee AYERS		
Scott BENSON		
Raquel CASTANEDA-LOPEZ		
Gabe LELAND		
Roy MCCALISTER, JR.		
*Mary SHEFFIELD		
Andre SPIVEY		
James TATE		
Brenda PRESIDENT JONES		
*PRESIDENT PRO TEM		
	9	0
WAIVER OF RECONSIDERATION (No. <u>5</u>)		
Per motions before adjournment.		

Schedule B

City Council Changes to the 2019-2020 Budget

TRUE COPY CERTIFICATE

Form C of D—16-CE

STATE OF MICHIGAN, }
City of Detroit } ss.

CITY CLERK'S OFFICE, DETROIT

I, **JANICE M. WINFREY**, City Clerk of the City of Detroit, in said State, do hereby certify that the annexed paper is a **TRUE COPY OF RESOLUTION**

adopted (passed) by the City Council at session of

APRIL 8, 2019

and approved by Mayor

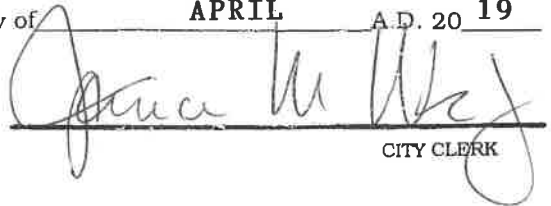
APRIL 9, 20 19

as appears from the Journal of said City Council in the office of the City Clerk of Detroit, aforesaid; that I have compared the same with the original, and the same is a correct transcript therefrom, and of the whole of such original.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City, at

Detroit, this 30TH

day of APRIL A.D. 20 19


CITY CLERK

4

**RESOLUTION TO ADOPT THE 2019-2020 CITY OF DETROIT BUDGET,
AS AMENDED BY SCHEDULE B**

Honorable City Council:

The Committee of the Whole has had under consideration the proposed Budget of the City of Detroit for the fiscal year 2019-2020 as submitted by the Mayor, and having completed its consideration, submits the following resolution and recommends its adoption.

Respectfully submitted,

Chairperson

RECEIVED APR 08 2019

BY COUNCILMEMBER Ayers

RESOLVED, That this Body having completed as of April 8, 2019, its consideration of the proposed Budget of the City of Detroit for the fiscal year 2019-2020 through 2023 as contemplated by the Charter and ordinances of the City of Detroit, by majority vote of all members, adopts said Budget, as amended by the attached Schedule B, and transmits same to the City Clerk for recompilation and submission to the Mayor, in accordance with the Charter and ordinances of the City of Detroit.

Adopted as follows:

Yeas _____

Nays _____

Waiver of Reconsideration Requested

SCHEDULE B
CITY COUNCIL CHANGES TO THE 2019-2020 BUDGET
APPROPRIATION AND REVENUE CHANGES
SUMMARY BY AGENCY, APPROPRIATION AND FUND

#	Agency	Action and Appropriation No.	Appropriation Name	FTEs	Appropriations	Revenues	Fund #
Mayor's Recommended Budget to City Council							
Recommended Budget				10,225	\$ 2,363,938,029	\$ 2,363,938,029	
29	Civil Rights, Inclusion and Opportunity	Increase Appropriation	00250 CRIO Protection of Human Rights		226,000		1000
35	Non-Departmental	Increase Appropriation	10397 Non-Departmental Board of Ethics		30,000		1000
35	Non-Departmental	Increase Appropriation	13637 Non-Departmental Elected Officials' Compensation		104,000		1000
35	Non-Departmental	Increase Appropriation	13125 Non-Departmental Media Services & Communication	1	55,000		1000
36	Housing & Revitalization Department	Increase Appropriation	20517 Neighborhood Improvement Fund		1,000,000		1000
36	Housing & Revitalization Department	Increase Appropriation	20518 Housing Affordability Fund		2,000,000		1000
36	Housing & Revitalization Department	Increase Appropriation	20389 Senior Home Repair		500,000		1000
43	Planning & Development Department	Increase Appropriation	14026 PLAN Planning City		58,100		1000
43	Planning & Development Department	Increase Appropriation	14026 PLAN Planning City		50,000		1000
51	Zoning Appeals	Increase Appropriation	00183 Zoning Land Use Controls		5,500		1000
53	Ombudsman	Increase Appropriation	00182 Ombudsman Investigation of Complaints	2	67,000		1000
35	Non-Departmental	Decrease Appropriation	04739 Non-Departmental Revenue/Expenditures		(2,058,100)		1000
35	Non-Departmental	Decrease Appropriation	00870 Non-Departmental Centralized Payments		(2,037,500)		1000
31	DoIT	Decrease Appropriation	00024 DoIT Central Data Processing	(2)	(174,276)		1000
33	Mayor's Office	Decrease Appropriation	13939 Mayor's Office of Homeland Security	(6)	(479,917)		1000
37	Police Department	Decrease Appropriation	11040 Police Office of Administrative Operations	(21)	(1,146,634)		1000
35	Non-Departmental	Increase Appropriation	20649 Surveillance Technology	29	1,800,827		1000
As Amended by City Council							
Final Budget				10,228	2,363,938,029	2,363,938,029	

**ADOPTED AS FOLLOWS
COUNCIL MEMBERS**

	YEAS	NAYS
Janee AYERS		
Scott BENSON		
Raquel CASTANEDA-LOPEZ		
Gabe LELAND		
Roy MCCALISTER, JR.		
*Mary SHEFFIELD		
Andre SPIVEY		
James TATE		
Brenda PRESIDENT JONES		
*PRESIDENT PRO TEM		
	9	0
WAIVER OF RECONSIDERATION (No. <u>3</u>)		
Per motions before adjournment.		

**2020-2023 Financial and Budgetary, Priorities, Public
Policy, Planning and Action Resolution
(City Council)**

TRUE COPY CERTIFICATE

Form C of D-16-CE

STATE OF MICHIGAN, }
City of Detroit } ss.

CITY CLERK'S OFFICE, DETROIT

I, **JANICE M. WINFREY**, City Clerk of the City of Detroit, in said State, do hereby certify that the annexed paper is a **TRUE COPY OF** RESOLUTION

adopted (passed) by the City Council at session of

APRIL 8, 2019

and approved by Mayor

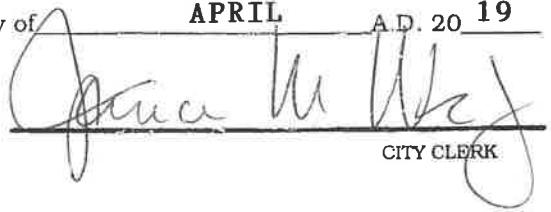
APRIL 9, 2019

as appears from the Journal of said City Council in the office of the City Clerk of Detroit, aforesaid; that I have compared the same with the original, and the same is a correct transcript therefrom, and of the whole of such original.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City, at

Detroit, this 30TH

day of APRIL A.D. 20 19


CITY CLERK

**THE DETROIT CITY COUNCIL
2019-2020 FINANCIAL AND BUDGETARY PRIORITIES,
PUBLIC POLICY, PLANNING AND ACTION RESOLUTION**

BY ALL COUNCIL MEMBERS:

WHEREAS, The Detroit City Council has held hearings and deliberations on the Executive Budget for FY 2019-2020 submitted by the Honorable Mayor Mike Duggan; and

WHEREAS, Following the City of Detroit’s (City) emergence from bankruptcy at the end of 2014, the City has been on an increasingly positive trajectory toward the future. Reinvestment in the City’s infrastructure is ongoing, with fiscal restraint remaining paramount; and, the alignment of expenditures and revenues continues to be balanced with improvements in service delivery to residents; and

WHEREAS, Michigan Public Act 181 of 2014 (Act 181) provided for the oversight of the City for at least thirteen years. The FY 2019-2020 budget process proceeded under a waiver of active oversight, granted by the Financial Review Commission (FRC) in April 2018, following three consecutive years of successful adherence to deficit-free budgets. The annually renewable waiver requires that the City submit its adopted budget and four-year financial plan to the FRC by April 30 of each year; and

WHEREAS, The Mayor submitted the Executive budget to City Council on March 7, 2019, and the Council conducted 44 hearings with City departments and allied City agencies over a one month period to consider if the proposed budget figures were sound, to consider where adjustments would be necessary or beneficial, and to identify and propose funding changes; and

WHEREAS, Pursuant to Sec. 8-213 of the 2012 City Charter and Public Act 181, the City’s Chief Financial Officer, Budget Director, Auditor General, and the City Council’s Legislative Policy Division, along with other top officials and financial consultants held a revenue estimating conference which determined reasonable, agreed upon revenue projections for the General Fund revenues for the upcoming fiscal year, of \$1.086 billion; and

WHEREAS, On this day, April 8, 2019, the Detroit City Council adopts a program budget that is based on sound and conservative budgetary principles for municipalities, well-reasoned financial assumptions and past performance, as well as stated goals and projections for City departments, divisions and agencies, as well as in consideration of the dictates of the “Plan for the Adjustment of Debts of the City of Detroit” (POA); and

WHEREAS, For several years now, the Administration has astutely recognized that the City’s Plan of Adjustment contained several questionable key assumptions that need to be addressed in order to manage the projected shortfall in the City’s pension obligations. The City has established a Retiree Protection Trust Fund that will allow the City to build up approximately \$335 Million in trust assets to offset the City’s annual required contributions that resume in FY 2024. In September 2017, for FY 2018, the City transferred the first \$105 Million in funding. In FY 2019, \$20 Million was contributed to the fund, and \$45 Million will be contributed in FY

2020. The trust is intended to ensure that pensioners who have already suffered a significant loss due to the City's bankruptcy will not be harmed further by a collapse of the pension system. The trust assets should allow for prudent financial planning sufficient to avoid a steep deficiency in pension payments and to stabilize the City's financial future; and

WHEREAS, The Plan of Adjustment required the Building, Safety Engineering and Environmental Department (BSEED), an enterprise department, to repay the General Fund an amount totaling \$18 Million for contributions made to the Department. As of June 30, 2018, the Department has a \$19.6 Million fund balance; \$8 Million is due according to the Plan of Adjustment's payment schedule. The Administration has undertaken an analysis of the usage of BSEED's fund balance to repay the General Fund, and moved \$15 Million for deposit into the City's budget reserve ("rainy day") fund; and \$2.5 Million was contributed for equipment acquisition related to the Department's Accela software; and

WHEREAS, In light of these factors the Detroit City Council, in adopting this budget, has incorporated the fiscal and public policy priorities outlined below in an effort to provide effective government operations and service delivery to the residents, institutions and businesses of this City; and

WHEREAS, The increase in the use of surveillance technology has the potential to violate the public's rights with respect to privacy and civil liberties and can easily be misused to target vulnerable communities. Thus, City Council is urging the Administration to develop and properly vet policies and procedures before instituting the use of new surveillance methods/technology, and before deploying personnel related to increased surveillance, prior to submitting funding requests and implementation. City Council also recommends having civilian oversight over surveillance technology through a policy/ordinance such as a Community Control Over Police Surveillance (CCOPS) ordinance which provides for an open and transparent process for the use and implementation of surveillance technology. As such, City Council has sequestered the \$1.8 Million budgeted for surveillance systems until such policies have been properly developed; and

WHEREAS, As the civilian oversight body for the Detroit Police Department, the Board of Police Commissioners' (BOPC) work sometimes requires late nights, long meetings, and extensive community outreach before engagement. The Detroit City Council directs all City of Detroit lobbyists to work collaboratively with State Legislators to amend state law to allow a municipality with at least two-hundred thousand (200,000) residents to provide an adequate stipend (compensation) and reimbursements to an elected municipal public safety oversight body; and

WHEREAS, The City of Detroit currently does not have a crime lab and continues to grapple with high rates of violent crime and delays in processing evidence from crime scenes by the Michigan State Police; the Detroit City Council urges the Administration to develop a partnership with the Michigan State Police that would allow a 3 to 4 person Detroit-dedicated unit to work out of the Michigan State Police crime lab facility in Detroit. It is intended for these funds to remain in the Detroit Police Department's budget pending a required change to the rules governing the Michigan State Police lab to be made by the Governor; and

WHEREAS, As a paramilitary agency, it is imperative that the members of the Detroit Police Department maintain a satisfactory level of physical fitness. As such, the Administration has agreed to remedy the shower and weight room deficiencies in the 9th Precinct through the expenditure of capital dollars in the upcoming fiscal year. The City Council applauds this effort; and

WHEREAS, The prosperity that can be seen in the parts of our community that are rapidly expanding is not shared throughout our community. In fact, with the City's shrinking housing stock, due largely to massive demolition efforts, adequate housing for the poor at or below the poverty line is at near crisis levels in the City. This segment of our population needs to be sustained and adequate accommodations provided; and

WHEREAS, The Board of Review will need additional resources in order to be efficient when processing the applications for the Homeowners Property Tax Assistance Program (HPTAP) since the passage of the HPTAP Ordinance. Therefore, City Council supports funding for the purchase of scanners and tablets, as well as a marketing plan for the Board of Review with an appropriation through the Assessor's Office, in an effort to more effectively service the residents of Detroit; and

WHEREAS, The Planning and Economic Development Committee is currently debating a proposed amendment to the Inclusionary Housing Ordinance that would include tax abatements and incentives as a trigger for the enforcement of the Ordinance. If passed, the amendment will require the City to monitor the income of residents in the affordable units of projects receiving tax abatements from the City of Detroit. The Civil Rights and Inclusion Office (CRIO) has been tasked with monitoring compliance of the affordable units, however there are serious questions as to whether their current or even proposed staffing levels could adequately manage the increased workload. Therefore, City Council is appropriating funding for CRIO to hire three additional Full-time employees (FTE) whose duties shall include monitoring the income verification requirements outlined in the Inclusionary Housing Ordinance and the hiring of Detroiters on publicly funded construction contracts in the proposed Local Hiring Ordinance; and

WHEREAS, Affordable housing is currently one of the greatest needs for Detroiters. This need is further amplified for those Detroiters with disabilities. According to the American Community Survey (ACS) from the U.S. Census Bureau, there are approximately 134,730 people in Detroit with a disability. Furthermore, it is unknown how many ADA compliant units currently exist in Detroit. Therefore, City Council is urging the Administration to fund a comprehensive study on the availability, quality, and affordability of ADA Compliant housing in Detroit. Furthermore, the study should provide an assessment of the distribution of ADA accessibility in parking lots, pedestrian crossings, and other public spaces; and

WHEREAS, The Housing and Revitalization Department (HRD) has provided an extensive and lengthy list of residential housing whose affordable housing restrictions are set to expire in 2023. HRD has indicated that it will prioritize and strongly advocate to renew affordable housing restrictions to the extent possible within the parameters of local, state, and federal law and will leverage funding and resources to ensure that residents that are impacted by this change are not displaced; and

WHEREAS, The Senior Home Repair Grant Program has traditionally provided opportunities for Detroit's senior citizens and most vulnerable populations to obtain minor, significant and often critical home repairs. Given the age of the housing stock in Detroit and the condition of a significant portion of our neighborhoods, home repair grants help stabilize neighborhoods and are a matter of public health. The Administration has budgeted \$1.56 Million for Conventional Home Repairs. City Council is allocating an additional \$1 Million to the conventional home repairs appropriation for Fiscal Year 2019-2020 for senior home repair grants, accomplished through the reallocation of \$500,000 in block grant funding and a General Fund appropriation of \$500,000. City Council also strongly urges the Administration to increase funding for Senior/Conventional Home Repairs in the future; and

WHEREAS, In 2016, City Council passed a resolution establishing the Neighborhood Improvement Fund (NIF) to be created in FY 2019 and remain in existence at least until all obligations related to the \$34.5 Million in bonds issued by the Downtown Development Authority (DDA) to support the Pistons' move to Detroit are satisfied. City Council is appropriating \$1 Million to the NIF based on an estimation of the income tax revenue to be generated by the Pistons and visiting team players as well as Palace Sports and Entertainment employees during home games in Detroit. City Council also urges the Administration to include income tax projections for the Pistons and visiting players as well as all employees covered by the Neighborhood Improvement Fund in future Revenue Estimating Conferences; and

WHEREAS, The new Pistons facility and the Henry Ford Health and Wellness Center are anticipated to increase both pedestrian and vehicular traffic. Therefore, to ensure the health and safety of all residents, the Department of Public Works has agreed to explore the option to utilize \$500,000 of federally-funded street improvement dollars to support street improvements around the development. Proposed improvements include: \$200,000 for the installation of a traffic light at 3rd St. and Amsterdam St.; \$175,000 for sidewalk improvement and repair on 3rd St. from Milwaukee St. to York St.; and \$125,000 for sidewalk improvement and repair on 2nd St. from Milwaukee St. to York St.; and

WHEREAS, In FY 2019, The Skilled Trades Readiness Fund provided significant financial support utilizing compliance fees to enhance the efforts of the Detroit Employment Solutions Corporation to eliminate basic skill, child care, and transportation barriers for residents interested in careers in the skilled trades. However, during FY 2019, the City of Detroit did not collect compliance fees at the same rate of collection as FY 2018 due to the value of current projects that have begun construction. As a result of the lack of collection of compliance fees in FY 2019, there was a lack of funding available for the Skilled Trades Readiness Fund. In order to optimize the viability of the Skilled Trades Readiness Fund, the Administration has agreed to appropriate at least \$340,000 if additional compliance fee dollars are collected or funded through other means. In future years, if these compliance fees remain uncollected and unallocated, then City Council urges the Administration to appropriate at least \$340,000 to the Skilled Trades Readiness Fund as unanticipated revenues are received by the City; and

WHEREAS, Furthermore, the City of Detroit has approved additional potential projects and announced several large development projects that have reported multi-million dollar investments into employment. Once those dollars have been received, at least 20% of those dollars should be appropriated to the Skilled Trades Readiness Fund. Additionally, as the City continues to support economic development, Council urges that at least 20% of all compliance fee dollars collected annually be allocated towards the Skilled Trades Readiness Fund; and

WHEREAS, The Administration has allocated \$73 Million for blight remediation with \$50 Million dedicated for demolition activities. Given the past problems with the Demolition Program and current federal investigations, City Council is urging the Administration to develop policies and procedures which ensure: Detroiters receive 51% of the jobs associated with the contracts; equalization credits are provided for certified Detroit-Headquartered, Detroit-Resident, Detroit-Based, Detroit Small Business, Detroit Disadvantaged Business Enterprises and Section 3 compliant businesses, as certified by the City of Detroit; plans are submitted to City Council establishing rules and protocols for the verification of backfill materials prior to expending funds; and plans are submitted to expend funds in all 7 Council Districts and outside of HHF areas; and

WHEREAS, There is a lack of up-to-date information coming from the Detroit Land Bank Authority (DLBA) regarding the sale of real property and the demolition program. Therefore in the interest of transparency, the Detroit City Council requests that the DLBA provide monthly reports to Council on all sales, property sales and demolitions; and

WHEREAS, City Council strongly urges the DLBA to create the Your Neighborhood Your Lot program that expands its side-lot sales program to permit neighboring property owners to purchase vacant lots, adjacent to, but not next door to their property, particularly where that property has been maintained by the prospective purchaser, and provide details of the program and a timeline for implementation; and

WHEREAS, Given the estimated backlog of over 1000 DLBA property holdings in need of maintenance, City Council strongly urges the General Services Department (GSD) to work with the DLBA to more efficiently respond to resident's property maintenance requests, with the goal of reducing response time to lower than the current 61 days on average; and

WHEREAS, In an ongoing effort to increase the sale of vacant land in the City, City Council urges the DBA to provide an updated process and procedure for outreach related to City-owned properties that are near or adjacent to occupied properties, including a process for notifying nearby residents that the parcel is available for purchase; and

WHEREAS, In order to address the multitude of questions raised by the community regarding residential and commercial real estate transactions, the Duggan Administration is requested to provide a pre-bankruptcy and post-bankruptcy comparison of real estate functions; a detailed process description, including any and all boards, committees, groups or individuals involved in disposition of City-owned real property in our inventory, as well as all scheduled meeting dates, minutes, and notes of all related discussions; and

WHEREAS, Economic development and redevelopment is occurring at a rapid pace in the City. City Council urges the Administration to support the Detroit Economic Growth Corporation (DEGC) in tracking the economic spin-off activity and impacts of publicly subsidized development projects on neighboring communities; and

WHEREAS, In an effort to ensure City residents are fully informed regarding the new ordinance amendments that impact property maintenance and ownership responsibilities, the Administration has agreed to allocate \$50,000 of the FY 2019 budget, recurring in future budgets, to fund citywide mailings to educate the public on housing and rental ordinances and the property maintenance code changes that are enforced by BSEED, CRIO, the Health Department and other City departments; and

WHEREAS, The City has recently implemented significant changes to the regulation of rental properties. To assist in monitoring the effects of these changes, City Council urges the 36th District Court to track the impact of the Rental Ordinance on landlord-tenant cases being processed by the Court - including the numbers of tenants that are utilizing the tools available to them through the ordinance, such as, escrowing rent payments when owners fail to properly register rental units, or properly maintain the property - and provide a semi-annual report to City Council; and

WHEREAS, Community Engagement and Outreach is proven to be beneficial to ensure that the needs of the community are heard, considered, and included within the decision making process. The Planning and Development Department has begun efforts on an extensive, multi-year planning effort to revitalize fifteen (15) Detroit neighborhoods and spur equitable development within those neighborhoods. To date, 15 neighborhood planning studies are either underway, completed or funded for future implementation. While these studies represent diverse neighborhoods across the City, there are still many communities that have yet to be targeted for study. Many community residents are eager to engage the City in the planning process and have a say in the future of development in their neighborhoods. PDD has pledged to implement a community engagement process prior to the selection of the final neighborhoods to ensure continued community engagement and outreach related to the Strategic Neighborhood Plan. City Council supports this community engagement process and will monitor the progress as it unfolds; and

WHEREAS, To stimulate development and improvement, City Council strongly urges the Planning and Development Department (PDD) to prioritize the funding of planning studies in Boynton, Midwest, and Chadsey-Condon in the near future; and

WHEREAS, To stimulate economic development in the areas adjacent to neighborhoods, City Council urges the DEGC to provide a plan to support ongoing retail corridor studies throughout the City; and

WHEREAS, With the huge uptick of development in the City, concern over the use of tax abatements has intensified. As such, Council will be taking a closer look at the abatements to determine whether the City has garnered the promised amount of investment, job creation and economic impact. Therefore, City Council is requesting that the Detroit Economic Growth

Corporation, Office of the Chief Financial Officer, and the Planning and Development Department complete a detailed analysis of all tax incentives approved within the last fifteen (15) years to determine the effectiveness of the current economic strategy involving tax abatements; and

WHEREAS, Many of the departments within City government have elected to utilize the new temporary administrative special services (TASS) employee classification to hire staff. This attractive and cost-cutting option allows the departments to offer a benefit package for hirees who are expected to stay under the City's employ for a short term. However, this has resulted in less transparency in the budgeting process because it is difficult to ascertain the number of positions and the associated pay ranges. Accordingly, City Council requests that each department submit a monthly report detailing the hiring or separation of TASS employees, including work title, basic responsibilities, and total compensation including any external funding or supplemental grant dollars to augment salary requirements; and

WHEREAS, To ensure transparency related to unused funds due to job vacancies and unfilled positions, beginning with the FY 2021 budget, the Office of the Chief Financial Officer has promised to submit a report, to accompany the proposed budget, detailing the total dollar amount of all departmental vacancies. Additionally, City Council requests that each department submit vacancy reports by December 1, 2019, detailing: (1) positions that were filled and the dollar amount associated with each filled position, and (2) positions that remain vacant and the dollar amount associated with each vacant position; and

WHEREAS, To continue efforts towards municipal transparency and fiscal responsibility, City Council urges immediate reporting of all special events or activities, such as the Grand Prix, PGA, boat races, parades, and various other events that utilize City-owned property or resources. Additionally, immediate reporting of all fee waivers and revenue paid to all City departments for services such as parking, public safety, concessions, or any other services should be included; and

WHEREAS, The Public Lighting Authority (PLA) is an authority created pursuant to state statute with the mission to improve, modernize and maintain the street lighting infrastructure in the City with brighter, more reliable, and more energy efficient lights. While the Authority is a separate legal entity from the City of Detroit, it receives a \$10.5 M subsidy from the General Fund to support its operations. Therefore, it is crucial that the PLA be responsive to requests for reports and appearances from the Detroit City Council to ensure that there is continued collaboration and community input regarding public lighting within the city; and

WHEREAS, In an effort to increase safety and enhance the quality of life for neighborhood residents and motorists, City Council urges the Administration to develop an overall strategy for lighting viaducts citywide, or alternatively, negotiating or partnering with the railroad companies to provide viaduct lighting; and

WHEREAS, The conditions of the alleyways in the City of Detroit have become a public nuisance and significantly contribute to the proliferation of blight, illegal dumping, crime, rodents and stray dogs and cats. As a result, Detroiters suffer a diminished quality of life and an

undue amount of stress caused by these conditions. As a matter of public safety and in service to our residents, it is incumbent upon the City of Detroit to remediate conditions placed on our Citizens by our alleys. Therefore, City Council strongly urges the Administration to devise and fund a comprehensive plan to address the conditions of alleys in the City of Detroit as a part of Blight Remediation activities. The plan should include the removal of debris, trees, weeds and other items contributing to blight. It should also include the maintenance of Detroit Water and Sewerage drains, pest control services and installation of alley lighting especially in areas where the alley is the primary entrance to residents' homes; and

WHEREAS, An increase in bus fares is slated for this year. In order to assure riders are properly informed, City Council urges the Administration to provide substantial investment to DDOT for increased marketing, community outreach and education, as well as sufficient staff and administration to implement new fare programs, IT improvements and other new initiatives; and

WHEREAS, The Rosa Parks Transit Center and Transit Station at the State Fair Grounds are heavily trafficked locations in the City of Detroit. Due to the high frequency of usage, these transit stations need additional equipment in order to be properly maintained for riders and residents. Therefore, City Council requests that dollars be identified for the installation of shower facilities at the Rosa Parks Transit Center and restrooms to be installed at the State Fair Grounds, and for immediate placement of portable restrooms at that location. City Council also requests that a reduced fare pass option be explored and implemented for low-income residents in the City of Detroit; and

WHEREAS, Over the last two years bike lanes have been installed all over the City. However, a much-needed campaign to educate the public about the rules surrounding bike lanes, bike courtesy, and bike safety has yet to be launched. Therefore, City Council urges PDD to provide a comprehensive plan around bike lane education and outreach; and

WHEREAS, Currently, the areas adjacent to the freeways are not being properly maintained. City Council urges the creation of an agreement between MDOT and the City regarding responsibility for the maintenance and cleanup of the berms, service drives and freeway areas throughout the City; and

WHEREAS, The Gordie Howe International Bridge project is progressing and is expected to result in a doubling of truck traffic into the future, beginning with the construction process. City Council urges the Detroit Police Department to add additional Weigh Masters in order to effectively monitor the increased truck traffic; and

WHEREAS, The Detroit Building Authority (DBA) has announced a \$4 Million investment into The Coleman A. Young Airport to replace the main runway. This investment makes a clear statement on the intent to continue aviation operations at the facility. The current operational structure of the airport does not utilize the full potential of this Detroit jewel. The Coleman A. Young Airport, with sufficient investment, upgrades, and policy changes (such as the reinstatement of commercial airlines for passenger flights), has the potential to lead to an increase in revenue to support the General Fund and investment into Neighborhood Initiatives.

City Council strongly urges the Duggan Administration to intensify efforts to seek funding to make requisite improvements to the airport; and

WHEREAS, As a result of complaints from City of Detroit residents regarding the demeanor and customer service challenges related to parking enforcement officers, the Administration has agreed to allocate dollars in FY 2021 of the 4-year financial plan to fund industry-specific training to improve the performance of Parking Enforcement Officers. City Council applauds this effort and would support more rapid deployment of this training effort; and

WHEREAS, Constituent feedback regarding price gouging at downtown and midtown parking lots demands a closer look into licensing and monitoring of City-owned and private parking lots and garages. City Council would urge the Administration to pay specific attention to whether these parking entities are equipped with adequate lighting to ensure maximum security and safety. Additionally, claims of parking fraud and excessive towing should be monitored for necessary enforcement actions and to enhance customer confidence and trust; and

WHEREAS, The accessibility of affordable and safe parking in the downtown area for citizens coming to conduct business, particularly in areas near and adjacent to court facilities, is essential. City Council urges the Municipal Parking Department (MPD) to examine how to reduce fees and safeguard against price gouging at parking stations and lots near 36th District Court when special event parking for concerts and games at Comerica Park, Ford Field, and other nearby venues compete with the needs of other residents seeking to access this busy courthouse; and

WHEREAS, The City's Health Department has indicated that it is developing a policy framework in order to establish programs to combat the effects of the nationwide mental health and opioid crisis on our City. The Detroit City Council strongly implores the City Administration to fully fund such programs once the framework is completed; and

WHEREAS, Nearly 37% of Detroit's population is age 45 and over, and the City has an overall poverty rate of 38%. Residents of the City of Detroit, especially seniors, also disproportionately suffer from obesity and chronic diseases such as diabetes and asthma. Thus, City Council strongly urges the Administration to establish a Senior Citizens Department and to develop adequate senior programming at all City of Detroit Recreation Centers in an effort to remove cost as a barrier to senior citizens' ability to recreate and achieve better health outcomes; and

WHEREAS, In order to maximize constituent engagement with Detroit Animal Care and Control (DACC) services, in support of recent amendments and enhancements to animal care and control laws, DACC recently launched an online tool for residents to report stray animals. DACC will continue to work with DoIT to design and implement a more robust electronic animal complaint mechanism and to research the ability to create an online searchable kennel inventory to enable residents to view photos and locate their lost pets during FY 2020; and

WHEREAS, The presence of wildlife throughout the City is becoming an increasing problem in some neighborhoods. When faced with these issues, residents are referred to the Michigan Department of Natural Resources for assistance. However, this seldom results in sufficient action by the agency, leaving the homeowners to address their concerns on their own, often at

very significant cost. City Council urges DACC to provide a plan for managing wildlife beyond referring animals to the Department of Natural Resources; and

WHEREAS, Fifty thousand dollars has been appropriated to DACC to fund a citywide mailing to inform residents of anti-tethering requirements, penalties, fees, and other crucial information to decrease risks related to dangerous animals. Legislation is pending to enhance current enforcement tools in order to protect our residents from dangerous animals; and

WHEREAS, In order to support and enhance efforts to mitigate bed bugs in rental units, BSEED has indicated it will utilize \$50,000 of the department's current budget to support marketing efforts to inform landlords and residents of laws related to the reporting, treatment, and prevention of bed bug infestation. Additionally, the Administration agrees to make a biennial appropriation of \$50,000 for marketing efforts to mitigate bed bugs in rental units beginning in FY 2021; and

WHEREAS, A maritime career has the potential to greatly expand the horizons of Detroit youth who may be seeking a non-traditional opportunity. It can also provide career alternatives and options specifically for young women. Therefore, Detroit City Council urges the Detroit Wayne County Port Authority to provide a report to Council outlining a viable plan to recruit and retain Detroit youth in the maritime industry; and

WHEREAS, The Master Concessionaire's Agreement is a major impediment to the development of the Port of Detroit. City Council strongly urges the Administration and the Port Authority's Board of Directors to explore options for terminating the Agreement, or minimally, removing some of the legal impediments posed by this Agreement; and

WHEREAS, Research has revealed that environmental pollution disproportionately impacts communities of color and low-income individuals. The reduction of greenhouse gases in the City of Detroit is imperative because without a significant reduction in greenhouse gas emissions, our area will continue to experience a considerable amount of variation in temperature and precipitation, which will negatively impact our local environment, economy and natural resources. As a start to finding mechanisms to mitigate environmental impacts, the Administration has indicated its intention to seek out and use grant dollars to facilitate a citywide greenhouse gas assessment and climate action study; and

WHEREAS, New bulk solid storage requirements were passed by City Council in late 2017 obligating facilities included within the scope of regulation to file compliance plans. City Council urges the BSEED to post the fugitive dust plans in a publicly available forum; and

WHEREAS, Illegal dumping continues to be a concern in some areas throughout the City, impacting the quality of life for surrounding residents. City Council urges DPW to increase surveillance on the known and frequent dump sites in each district; and

WHEREAS, The leadership of the library system has developed a capitol improvement plan and the voters have authorized the sale of bonds to fund the necessary capitol expenditures.

Therefore, City Council requests the improvements to the library system be included in the projects funded by the City's next sale of General Obligation Bonds; and

WHEREAS, The Detroit Institute of Arts (DIA) is a fundamental part of the community and its ongoing viability is essential to our City's vibrancy. With the well-being and vitality of the institution in mind, City Council urges the DIA, through its Board, to begin exploring renewal of the tri-county millage in 2023; and

WHEREAS, In exercising our authority to appoint members to boards and commissions, the Detroit City Council has always endeavored to appoint community representatives to ensure that there is well-balanced representation and a diversity of ideas on various governing and oversight bodies. Currently, the Detroit City Council does not have appointment authority to the Charles H. Wright Museum Board of Directors. In an effort to provide balanced, community representation, it is strongly urged that the Mayor and City Council jointly appoint two (2) community members to the Charles H. Wright Museum Board; and

WHEREAS, The City of Detroit is home to many individuals who have difficulty reading because either they are not native English speakers or have challenged literacy. Therefore to enable more residents to obtain vital City departmental information, City Council urges departments, including DPW, DWSD, BSEED, DLBA, and PLA, to create and disseminate infographics to assist residents with common issues; and

WHEREAS, In a City where literacy challenges exist, City government must take actions to provide reading, educational and comprehension opportunities for our residents. The location and hours of operation of City libraries must be examined to ensure access is maximized. In addition, modern library options that appeal to a changing technology climate are crucial to stimulate and engage a new generation in a "culture of reading" in order to reverse current literacy trends; and

WHEREAS, City Council urges all Departments to identify a lead staff member to implement the City's Limited English Proficiency/Language Access Plan (LEP/LAP) within their Department, and to appropriate sufficient resources to effectively actualize the City's LEP/LAP; and

WHEREAS, The City's Office of Immigrant Affairs is minimally staffed and programmed, following a significant timing gap between the departure of the original director and appointment of permanent leadership. Therefore, City Council urges the Administration to reinvigorate the office through increased investment, to increase staffing and funding for programming; and

WHEREAS, The need for recreational opportunities for the youth in our City is great and the availability of these resources are scarce or non-existent in some areas of our City. City Council urges the Administration to adopt an initiative to seek foundation and other private funds to bring new recreational centers to Districts 4 and 7, which currently have no City recreational facilities; and

WHEREAS, Because City Council District 7 has no recreation center, City Council strongly recommends that the General Services Department (GSD) utilize program dollars to enhance recreational opportunities within the District. The Department has indicated its intention to develop partnerships with schools, ecumenical facilities and other organizations to create recreational opportunities for the local residents. To encourage these efforts, City Council requests that GSD provide semiannual reports describing the district-focused activities in which it is engaging, the partnerships created, and an estimate of the number of resident participants; and

WHEREAS, Over the last ten years, a large number of schools have been closed in Detroit. These closures have had a deleterious impact in the areas surrounding the vacant schools. In an effort to mitigate the impact of shuttering of the Sherrill Elementary School, City Council urges the Administration to seek grants, philanthropic support, and private donations for park improvements at the school's location; and

WHEREAS, Recognizing the need to better address the issues and concerns of the City's large community of disabled residents, the Civil Rights, Inclusion and Opportunity Department (CRIO) has agreed to cross-train three current full-time employee staff members to specifically meet the needs of our disabled citizens. City Council requests that the three cross-trained employees as well as the three anticipated new TASS employees (Fair Housing Monitor/Inspector, Affordable Housing Monitor/Inspector and Tax Abatement Monitor/Inspector), provide quarterly reports to City Council, to include information on engagement and outreach efforts, the number of concerns addressed, and solutions that have been identified to address the concerns raised; and

WHEREAS, With a significant number of new City of Detroit hires annually, City Council encourages the Human Resources Department (HR) to develop a strategy to include disability sensitivity training, to be required when new hires are on-boarded and to ensure that every Detroit employee is trained on how to respectfully and effectively engage and interact with those citizens who may have a disability. Furthermore, working in conjunction with CRIO, City Council ask HR to provide a report identifying funding sources to provide such training to *all* City employees on an annual basis; and

WHEREAS, City Council urges CRIO to provide annual training to each Council office on the topics of sexual harassment, workplace harassment, cultural awareness and sensitivity. Additionally, Council requests training for anti-bullying and conflict resolution; and

WHEREAS, It is the right of all citizens to have access to the polls and to fully participate in elections. Members of the City's disability community have been increasingly vocal about voting experiences where polling places did not have adequate accessibility and sufficiently private voting facilities. Similarly, non-English speaking citizens require proper signage, etc., to fully participate in voting. City Council strongly urges the Department of Elections to increase its efforts to make all polling locations fully accessible to our disabled citizens as well as non-English speaking citizens; and

WHEREAS, City Council's Committee of the Whole chambers is slated to be renovated and retrofitted to support a new Legislative Management System this fiscal year. In order to make certain there is adequate funding to complete the project, the Administration will reprogram \$1 Million in GO Bonds from capital projects in Appropriation No. 4533, Fund No. 20507 for this purpose; and

WHEREAS, Section 7-1403 of the 2012 Charter of the City of Detroit requires that "all official meetings of the City Council shall be broadcast in their entirety, and where feasible in a live format." Far too often, citizens complain of difficulty or inability to access the programming due to technical problems. Additionally, Council Members have had to recess meetings while technical problems are addressed. City Council strongly urges Media Services, in conjunction with AT&T U-Verse and Comcast, to identify, repair, replace and upgrade the necessary equipment – as well as to find a means to provide 24/7 monitoring of the broadcast signal - to meet the Charter requirement of appropriate live broadcast of Council meetings, including upgrades to enhance sound quality, prevent blackouts, and replacement of essential converter box equipment; and

WHEREAS, For the second year in a row, City Council strongly urges the administration of 36th District Court to examine and reconsider its ban on citizens bringing basic writing utensils into the Court building. As explained by the Court, several attractive murals have been installed in an effort to enhance the surroundings; however, vandalism in the form of graffiti prompted the Court to prohibit the public from bringing writing utensils into the building. Although pens and/or pencils are made available in the courtrooms, the prohibition is nonetheless demeaning and disrespectful to members of the public who have come to the courthouse to deal with often stressful situations. The Court administration needs to seek alternative means to address this issue by exploring the possibility of treating the murals with a protective coating, installing glass or a similar clear covering over the murals, or another alternative, so that this policy – which is viewed as disrespectful by the very citizens and taxpayers who do business with the Court – can be discontinued. This unacceptable prohibition on personal writing utensils in a place where business is conducted needs to be rescinded and continued efforts made to promote a judicial environment that treats all members of the public with the dignity they deserve; and

WHEREAS, According to published studies, at least half of all tenants fighting eviction would not lose their cases if they had legal representation. Additionally, about 97% of cases in housing court are initiated by landlords, and almost all landlords have representation while the vast majority of tenants do not. This results in landlords evicting tenants because they have power, not necessarily because the law supports them, ultimately causing the City's population to decrease, resulting in increased need for supportive housing services. Therefore, City Council is urging the Administration to identify funding to support the proposed Right to Counsel Ordinance. If passed, the ordinance will ensure all residents have the ability to consult with an attorney prior to their eviction and that residents at or below 200% of the federal poverty level, receive representation throughout their case; and

WHEREAS, In order to strengthen the current budget process, the Detroit City Council and the Office of the Chief Financial Officer (OCFO) have agreed to collaborate on the following: (1) in October 2019, the convening of a community based budget informational conference to

actively engage the community and to ascertain their funding priorities for the coming fiscal year; and (2) inception of an Executive Session process in January to allow the Legislative body to present, discuss, and request individual, collective, and community budget initiatives to receive financial support within the upcoming budget; and

WHEREAS, The refocusing of the budget process would allow for early collaboration between the community, the Administration, and the Legislative body. This modification works to strengthen the community's understanding of, and respect for, the City's budget process, while also providing sufficient time for the Legislative body and the Administration to discuss, negotiate, and consider legislative initiatives prior to the presentation of the budget, thus paving the way for a strong collaborative budget as the foundation of the budget process; and

WHEREAS, City Council is providing necessary fiscal checks and balances to maintain a balanced budget and address the City's accumulated and structural deficits through this deliberative process. City Council strongly believes that through the implementation of its 2019-20 budget, coupled with the Plan of Adjustment, the City's recent financial dilemma will be appropriately addressed providing a brighter course toward future financial stability. **NOW THEREFORE BE IT**

RESOLVED, That City Council has added \$58,100 to the Planning and Development Department's budget to facilitate a historical survey to ensure an accurate study is conducted of historic neighborhoods, businesses and other amenities along 8 Mile Road; **BE IT FURTHER**

RESOLVED, Pursuant to the agreement with the Administration regarding affordable housing required under the Inclusionary Housing Ordinance, \$2,000,000 has been added to seed the Detroit Affordable Housing Development and Preservation Fund (DAHDP); **BE IT FURTHER**

RESOLVED, The Home Repair Grant Program has traditionally provided opportunities for the City's most vulnerable homeowners to obtain small but essential home repairs. City Council is adding \$500,000 to restore the program; **BE IT FURTHER**

RESOLVED, As a part of the Inclusionary Housing Ordinance passed by City Council, the Detroit Affordable Housing Development and Preservation Fund (DAHDP) was promulgated to develop and preserve affordable housing, primarily outside of downtown and midtown, for residents at or below 50% of the Area Median Income. Therefore, City Council is making the agreed upon \$2 Million appropriation to seed the fund in the Fiscal Year 2019-2020 budget. City Council is also appropriating 20% of commercial sales in FY 2019-20 and subsequent years to fund the DAHDP Fund. City Council urges the Administration to develop other revenue streams to help sustain the Detroit Affordable Housing Development and Preservation Fund and accomplish its mission; **BE IT FURTHER**

RESOLVED, That City Council has added \$30,000 to allow additional training for the Board of Ethics; **BE IT FURTHER**

RESOLVED, That City Council has added \$104,000 in anticipation of an increase of salaries for the City Clerk and City Council members; **BE IT FURTHER**

RESOLVED, That City Council has added \$266,000 for three additional TASS positions to CRIO's budget to provide compliance monitoring for the fair housing, affordable housing and tax incentive programs; **BE IT FURTHER**

RESOLVED, That the City Council has added \$56,000 for the hiring of an additional photographer in Media Services; **BE IT FURTHER**

RESOLVED, That City Council has added \$67,000 to the Office of the Ombudsperson to allow the current staff to be transitioned from TASS positions to full-time equivalent positions; **BE IT FURTHER**

RESOLVED, That City Council has added \$1,000,000 to account for the funding to the Neighborhood Improvement Fund that ties to the income tax revenue from the NBA; **BE IT FURTHER**

RESOLVED, That City Council has added \$5,500 for training for the Board of Zoning Appeals; **BE IT FURTHER**

RESOLVED, That the City Council has add \$50,000 to allow the Historic District Commission to provide outreach and educational program to better inform owners of property in historic districts about the rules and responsibilities related to ownership; **BE IT FURTHER**

RESOLVED, The Detroit City Council creates the Detroit Employment and Contractor Outreach Fund to support efforts to implement an aggressive strategy to attract and prepare Detroit-based businesses to bid on City contracts and to prepare Detroit residents to be hired by contractors that receive City of Detroit contracts utilizing tax payer dollars. This budget appropriates \$150,000 to object 628506; **BE IT FURTHER**

RESOLVED, That the City Council urges the Mayor to submit budget amendments to Council as legally required by the Detroit City Charter and state law, that reflect any required budgetary changes including, but not limited to: 1) expected revenues that are lower than anticipated, 2) cost increases significantly beyond budgeted amounts, 3) revenues that are higher than expected, or 4) cost decreases significantly below those reflected in the adopted 2019-2020 Budget; **BE IT FINALLY**

RESOLVED, That the City Clerk is directed to provide a copy of this resolution to the Financial Review Commission, Mayor Mike Duggan of the City of Detroit, the Chief Financial Officer, the Finance Director, the Budget Director, Wayne County Executive Warren Evans and all agencies, departments and divisions of the City of Detroit.

April 8, 2019

**ADOPTED AS FOLLOWS
COUNCIL MEMBERS**

	YEAS	NAYS
Janee AYERS		
Scott BENSON		
Raquel CASTANEDA-LOPEZ		
Gabe LELAND		
Roy MCCALISTER, JR.		
*Mary SHEFFIELD		
Andre SPIVEY		
James TATE		
Brenda PRESIDENT JONES		
*PRESIDENT PRO TEM		
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WAIVER OF RECONSIDERATION (No. <u>4</u>)		
Per motions before adjournment.		