



CITY OF DETROIT

Four-Year Financial Plan

FY 2022-FY 2025



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**CFO MEMORANDUM
NO. 2021-101-003**

TO: Financial Review Commission

FROM: Jay B. Rising, Acting Chief Financial Officer, City of Detroit

SUBJECT: Certification of the FY 2021-22 Budget Pursuant to State of Michigan Public Act 279 of 1909, Section 4s(2)(c)

DATE: April 29, 2021

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 2021-22 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 2021-22 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



Jay B. Rising

Acting Chief Financial Officer, City of Detroit



**CITY OF DETROIT
FY 2022-2025
FOUR-YEAR FINANCIAL PLAN**



TABLE OF CONTENTS

EXECUTIVE SUMMARY

Overview.....	A1
Financial Plan Requirements.....	A4
Budget Development Calendar	A7
Outcome Budgeting	A8
City of Detroit Revenue Estimating Conference	A10
Tax Statement.....	A20
Budget Reserve Schedule.....	A25
General Fund 5-Year Cash Flow Forecast.....	A26
City of Detroit 2022-2025 Financial Plan	
Expenditures and Revenues by Agency.....	A27
Expenditures and Revenues by Major Classifications – All Funds	A28
Expenditures and Revenues by Major Classifications – General Fund	A29
Expenditures & Revenues by Outcome Budgeting Category	A30
Budgeted Positions	A33
Debt Service	A36
Retiree Protection Fund	A39
Capital Financial Plan	A40
Changes and Corrections of Errors to the Proposed 2021 – 2022 Budget.....	A54
Closing Resolution (Administration).....	A59
Schedule A – Community Development Block Grant (CDBG).....	A75
Schedule B – City Council Changes to the Fiscal Year 2021 – 2022 Budget.....	A82
Fiscal Year 2021 – 2022 Financial and Budgetary Priorities, Public Policy, Planning and Action Resolution (City Council).....	A86

DEPARTMENTAL BUDGET INFORMATION

Dept. No.	Department Name	
(10)	Airport	B1
(13)	Buildings, Safety Engineering and Environmental Department.....	B11
(16)	Demolition Department	B35
(18)	Sinking Interest and Redemption	B47
(19)	Department of Public Works	B56
(20)	Department of Transportation	B82
(23)	Office of the Chief Financial Officer.....	B102
(24)	Fire Department.....	B143
(25)	Health Department.....	B166
(28)	Human Resources Department.....	B197
(29)	Civil Rights, Inclusion and Opportunity Department	B215
(31)	Department of Innovation and Technology.....	B225
(32)	Law Department.....	B238
(33)	Mayor's Office.....	B250
(34)	Municipal Parking Department	B266
(35)	Non-Departmental (<i>Board of Ethics, Board of Police Commissioners, Detroit Building Authority, Detroit Land Bank Authority Media Services and Communications, Pension Administration, Detroit Charter Revision Commission</i>)	B279
(36)	Housing and Revitalization Department	B303
(37)	Police Department	B330
(38)	Public Lighting Department	B402
(43)	Planning Department	B412
(45)	Department of Appeals and Hearings	B425
(47)	General Services Department.....	B435
(48)	Water Retail	B462
(49)	Sewerage Retail.....	B482
(50)	Auditor General.....	B493
(51)	Zoning Appeals Board.....	B500
(52)	City Council.....	B510
(53)	Ombudsperson	B526
(54)	Office of Inspector General	B536
(60)	36 th District Court	B543
(70)	City Clerk	B553
(71)	Department of Elections.....	B564
(72)	Detroit Public Library.....	B578
	LEGAL BUDGET	C1

OVERVIEW

The City of Detroit is located in southeastern Michigan, in Wayne County, with a land area of approximately 139 square miles. The City is the center of the nation's 14th largest metropolitan statistical area and is the 24th largest city with an estimated population of 670,031 as of 2019, according to the U.S. Census Bureau. Detroit is the commercial capital of Michigan and a major economic and industrial center of the nation. Although Detroit is known internationally for automobile manufacturing and trade, the City also has major companies in the financial and technology sectors, educational and health care institutions, and entertainment venues with four major sports teams and three casinos located within the City limits. There are eight diverse industrial parks, and four Fortune 500 companies have world headquarters within the City.

Detroit is a home rule city with significant independent powers, pursuant to the provisions of the Constitution of the State of Michigan (the "State"). 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 solely 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.

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.

Michigan Public Act 181 of 2014 established the Financial Review Commission (the “FRC”) to monitor the City’s compliance with the Plan of Adjustment, as confirmed by the Bankruptcy Court on November 12, 2014, and to provide State oversight of the City’s financial activities. The FRC’s oversight of the City lasts 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 its first waiver of active oversight. The FRC continues to monitor the City and reviews the waiver annually and, by July 1 of each year, makes a determination as to whether to renew the waiver for the subsequent year.

In 2014, the Home Rule City Act (Michigan Public Act 219 of 1909) was amended and established the Chief Financial Officer (the “CFO”) position in the 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”). 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. The City adopts a budget annually for the next fiscal year, in accordance with the Uniform Budgeting and Accounting Act (Michigan Public Act 2 of 1968). Pursuant to Section 4t of the Home Rule City Act, the budget process also includes independent biannual 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 total of expenditures cannot exceed the total of estimated revenue, so that the budget as adopted is a balanced budget. Through its four-year financial plan, the City ensures ongoing expenditures are supported by ongoing revenue.

On or before March 7, the Mayor submits to the City Council a proposed budget and four-year financial plan for the fiscal year beginning July 1. After public hearings, the City Council adopts the budget and four-year financial plan, with or without amendment, no later than April 7. The mayor can veto amendments made by the City Council, and the City Council can then override the veto with a two-thirds majority vote.

The City’s budget and four-year financial plan cannot exceed revenue certified by the independent Revenue Estimating Conference. The CFO must certify the budget is balanced and

complies with the Uniform Budgeting and Accounting Act. The City must transmit the adopted budget and four-year financial plan to the FRC by April 30. However, it is not subject to FRC approval while the City is under a waiver of active oversight.

The City's budget has been prepared in accordance with U.S. generally accepted accounting principles, except that transfers to/from other funds have been included in revenue and expenditures. Budgetary appropriations are made at the function level, the legal level of budgetary control. Expenditures for a specific function cannot exceed its appropriation.

In accordance with the requirements of the Home Rule City Act, this Four-Year Financial Plan includes the Adopted Budget for FY 2022 plus three forecasted years (FY 2023, FY 2024, and FY 2025).



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 each fiscal year, 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.

REQUIREMENT		RESPONSE
(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 the Financial Plan.
(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.
(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 Revenue 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. The Financial Plan reflects the resumption of legacy pension contributions in FY 2024.
(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	As new debt is issued, the proceeds are appropriated in accordance with the authorizing resolution and in compliance with applicable law. The Financial Plan includes this information in the Capital section.
(1)(c)(iv)	Provide for the payment in full of debt service on all debt issued or incurred by or on behalf of the city	The Financial Plan includes funding for all current and anticipated debt service.

REQUIREMENT		RESPONSE
(l)(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.
(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 not less than 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 based on the estimates approved at the Revenue Estimating Conference held February 16, 2021. 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.

**FY 2022-2025 FOUR-YEAR FINANCIAL PLAN
BUDGET DEVELOPMENT CALENDAR**

SEPTEMBER ₂₀₂₀	<ul style="list-style-type: none"> September Revenue Estimating Conference 	<ul style="list-style-type: none"> 09/10
OCTOBER ₂₀₂₀	<ul style="list-style-type: none"> Budget Instructions Sent to Departments and Agency CFOs Public Budget Meeting 	<ul style="list-style-type: none"> 10/19 10/22
NOVEMBER ₂₀₂₀	<ul style="list-style-type: none"> Access to Planning and Budgeting Cloud Service Module 	<ul style="list-style-type: none"> 11/09
DECEMBER ₂₀₂₀	<ul style="list-style-type: none"> Departmental Budget Request Submissions Due Office of Budget Begins Review of Budget Requests 	<ul style="list-style-type: none"> 12/07 12/07
JANUARY ₂₀₂₁	<ul style="list-style-type: none"> Budget Director’s Hearings with Departments Council District Budget Priorities Meetings 	<ul style="list-style-type: none"> 01/14-2/3 01/14-1/27
FEBRUARY ₂₀₂₁	<ul style="list-style-type: none"> February Revenue Estimating Conference Budget Director and CFO Make Final Recommendations to Mayor Mayor Finalizes Budget 	<ul style="list-style-type: none"> 02/16 02/26 02/26
MARCH ₂₀₂₁	<ul style="list-style-type: none"> Mayor's Budget Address City Council Begins Budget Hearings City Council Begins Executive Sessions City Council Public Hearing on Budget 	<ul style="list-style-type: none"> 03/05 03/08 03/29 03/29
APRIL ₂₀₂₁	<ul style="list-style-type: none"> City Council Executive Sessions Continue City Council Votes on Budget City Clerk Transmits Budget to Mayor City Council Approves Tax and Bond Statement Mayor Approves or Vetoes Budget City Council Votes on Veto Override (if applicable) City Transmits Four-Year Financial Plan to FRC 	<ul style="list-style-type: none"> 04/01-04/06 04/07 04/08 04/13 04/13 04/16 04/30
JUNE ₂₀₂₁	<ul style="list-style-type: none"> Fiscal Year 2021 Ends 	<ul style="list-style-type: none"> 06/30
JULY ₂₀₂₁	<ul style="list-style-type: none"> Fiscal Year 2022 Begins 	<ul style="list-style-type: none"> 07/01

OUTCOME BUDGETING FRAMEWORK

The FY21 budget introduced a new method of resource planning, outcome budgeting, in the form of pilot analysis of GSD and DoIT budgets. In FY22, a strategic framework for the full catalog of city services is introduced across all agencies, in order to foster broader results-oriented decisions that can assure an effective budget and long-term City financial solvency.

Outcome budgets connect appropriations to the results that matter to Detroit and Detroiters. The system makes department service delivery models transparent so that resources are managed toward these results. Accounting for strategic outcomes, measuring performance and integrating public feedback will shift budget decisions from the traditional incremental line item basis, to broader results that can be anchored in national standards and best practices.

Outcome Budgeting was developed by the City of Baltimore in 2010. Other jurisdictions have followed, with strategic outcomes and measures; operating budget tied to other resource planning processes; “business line” services with results.

Strategies. The City, in FY2020-2021, engaged a dialogue about strategies within five major outcomes that guide the current budget.

- ***Safer Neighborhoods*** in which residents are and feel safe in homes, workplaces, and communities. Largely General Funded, safety includes law enforcement and fire safety, as well as crime prevention, safe streets, resiliency and response to health emergencies.
- ***Vibrant and Beautiful City*** characterized by city assets that are healthy and inclusive. Housing stabilization is a priority strategy, as is inclusive and walkable neighborhoods, a beautiful, sustainable physical environment, and access to cultural amenities.
- ***Economic Equity and Opportunity*** in which supports are provided to Detroiters so they can benefit from efforts to build a vital neighborhood business climate and a robust city economy. These activities are largely grant funded and operated under partnerships.
- ***Effective Governance*** occurs when the City works collaboratively with the community for equitably shared progress. This involves accountability of elected leadership and employees, and oversight agencies and outreach to all stakeholders.
- ***Efficient and Innovative Operations*** are those internal-faced activities that constitute the overhead of city government, such as finance, personnel, IT, facilities, fleet and Law. It involves containing costs of departmental administration and citywide appropriations (not assigned to one department), while supporting all other service delivery.

Accounting for Services. The Recommended FY22 budget reclassifies all agency appropriations, except for grants, capital, and DWSD and the Demolition Department. Renumbered appropriations link to the overall strategic outcome served and begin a process of

service level analysis within agencies – what costs drive our results? Cost Centers are preserved without change in FY22 to provide visibility under the new appropriations.

Metrics and Dashboards. To be effective, the outcome budgeting system will require measurements at the service delivery level as well as in the community broadly. The chart below illustrates a cascade of service delivery metrics included in the FY21 pilot narratives. In the coming year, agencies will further develop key service delivery models to better track these metrics in the future.

4-Year Strategy	Services	Key Target Outcomes (Budget metrics)	Management Metrics (sample)
Efficient & Innovative Operations	<ul style="list-style-type: none"> Industry standard occupancy cost for Municipal Facilities Target vehicle count available daily for city services Security of enterprise technology assets 	<ul style="list-style-type: none"> Occupancy \$ per sq ft of municipal space Daily vehicle needs met in industry avg \$ per vehicle # breaches per year 	<ul style="list-style-type: none"> Facilities Condition Index Cost per vehicle Service request turnaround time

Broad community level indicators will be tracked on dashboards. Results measures for an Efficient & Innovative Operations dashboard might take the following form:

- Fiscal sustainability: cost of government per capita; reserves as % of budget; bond rating
- Employees equipped: % of city facilities “Good” condition
- Streamlined processes: Cost of support agencies as % of total city budget
- Economical department administration: Cost as % of budget managed

Public Engagement System. The City’s 2020 Community Outreach Ordinance requires, and best practices suggest, that the City should adopt “mechanisms to identify stakeholder concerns, needs, and priorities” (GFOA.org). Building on other tools, FY22 will feature:

- Public education about the budget and budget process
 - Simpler more accessible Exhibits explaining what is in the budget
 - Coordinated reporting of city planning initiatives using one strategic framework
- Public input on service delivery and priorities:
 - Interactives such as Citizen Priorities Survey or an exercise making own budgets
 - Annual Public Budget Meetings communication of major department priorities
 - Community Budget Priorities Forum and Meeting feedback on priorities

The impacts of outcome budgeting are beneficial for the public, for policymakers and for agency leaders. Once these systems are in place, City expenditures will be transparent, and the results focus will facilitate priority-setting that can chart for the City a sustainable course along all resource planning.

REVENUES

February 2021 Revenue Estimating Conference

Overview

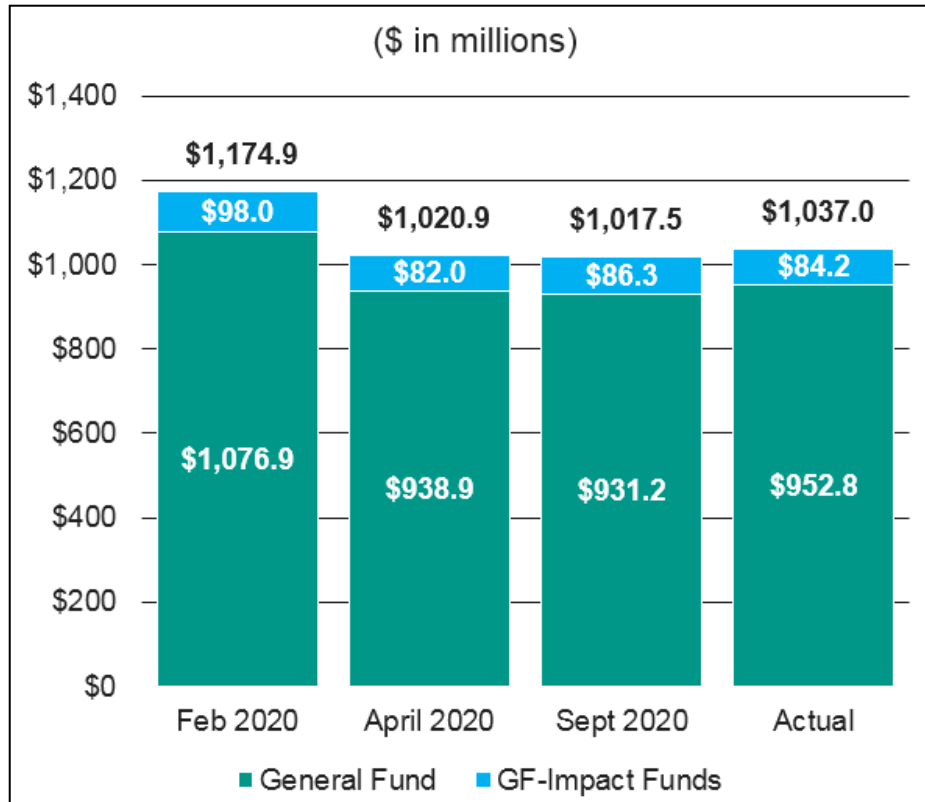
- Michigan PA 279 of 1909, Section 117.4t(1)(d), as amended by PA 182 of 2014, states the City of Detroit shall hold independent biannual revenue estimating conferences (in September and February) that establish the official economic forecast and forecast of anticipated City revenues

- Revenue estimates must be approved by the voting principals:
 - **Jay B. Rising:** Acting Chief Financial Officer, City of Detroit
 - **Eric Bussis:** Chief Economist and Director, Office of Revenue and Tax Analysis, Michigan Department of Treasury
 - **George A. Fulton, PhD:** Director Emeritus, Research Professor Emeritus, Research Seminar In Quantitative Economics (RSQE), Department of Economics, University of Michigan

- The estimates include the current fiscal year (FY2021) and the next four years (FY2022–FY2025).

- They set the revenues for the City’s FY2022 budget and FY2022–FY2025 Four Year-Financial Plan

**FY 2020 Revenue Shortfall
General Fund and Funds with GF-Impact**



Note: GF-Impact Funds include funds that may require General Fund contributions to offset revenue shortfalls (Construction Code, Transportation, and Airport).

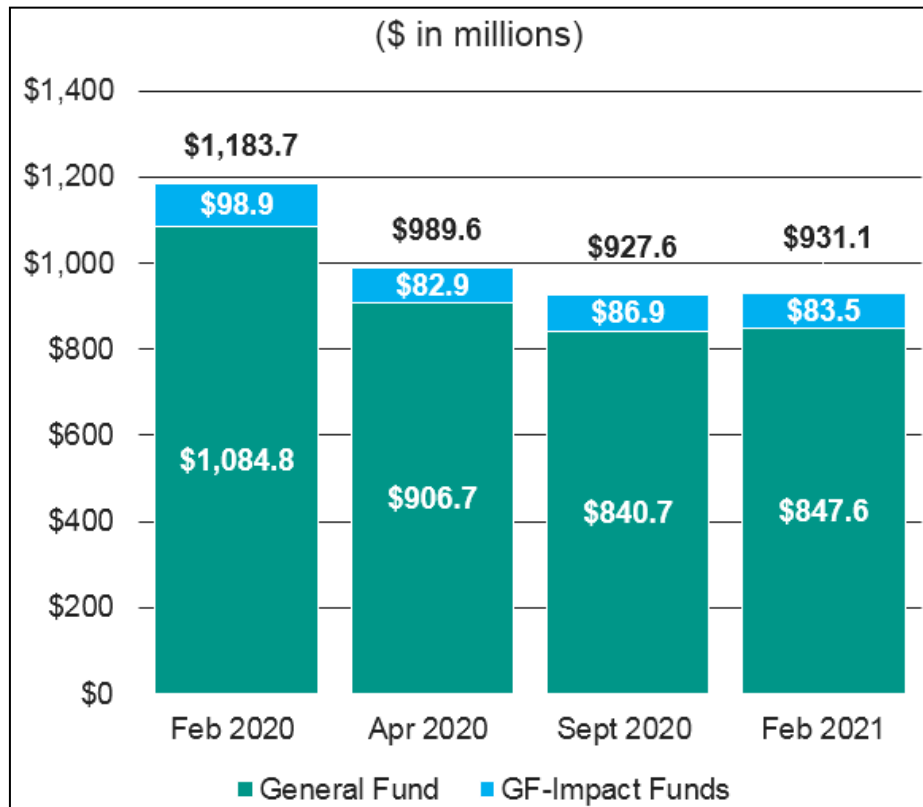
In April 2020, we projected a \$154M shortfall vs. our pre-pandemic Feb 2020 estimates

In Sept 2020, preliminary year-end results showed a shortfall of \$157.4M; our original estimate was very close

Final results improved by \$12M for a **total shortfall of \$145.5M**, driven by:

- Stronger income tax than expected after final accruals from tax filing extension
- Various one-time revenues

**FY 2021 Revenue Shortfall
General Fund and Funds with GF-Impact**



Note: GF-Impact Funds include funds that may require General Fund contributions to offset revenue shortfalls (Construction Code, Transportation, and Airport).

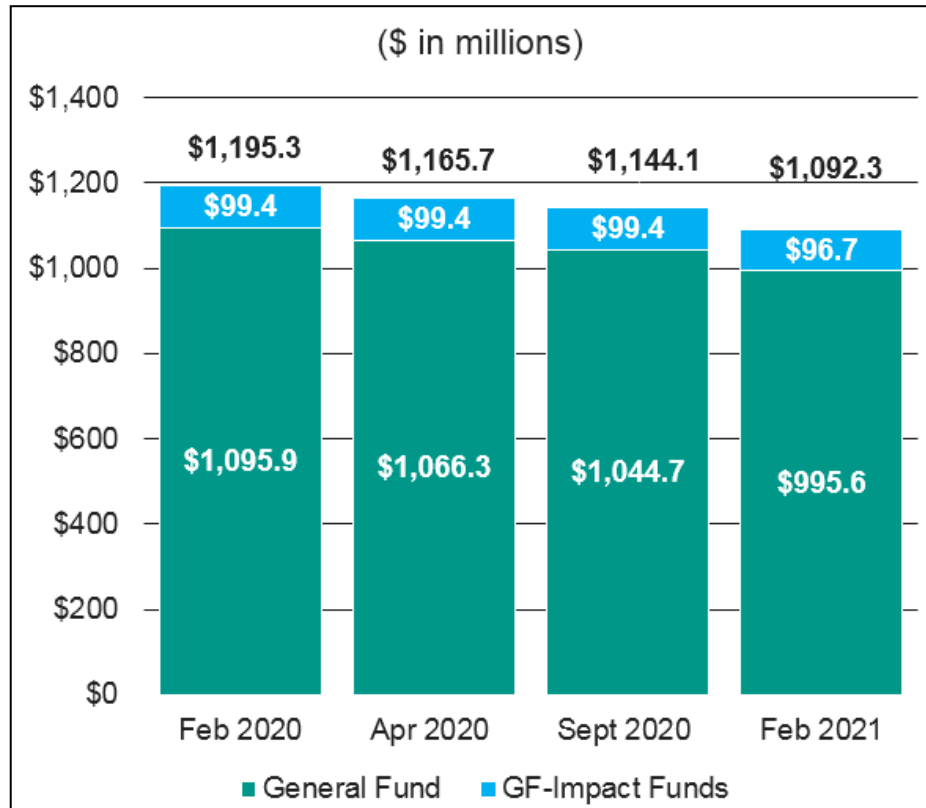
In April 2020, we projected a \$194M shortfall vs. our pre-pandemic Feb 2020 estimates

In Sept 2020, we projected the shortfall to increase \$62M to a total of \$256M, driven by slower casino reopening and at reduced capacity

We now project the shortfall to improve by \$3.5M to a **total of \$253M**, driven by the net effect of:

- Gains from stronger than expected casino performance when open under restrictions
- Losses from longer period of nonresident remote work (income tax)

**FY 2022 Revenue Shortfall
General Fund and Funds with GF-Impact**



Note: GF-Impact Funds include funds that may require General Fund contributions to offset revenue shortfalls (Construction Code, Transportation, and Airport).

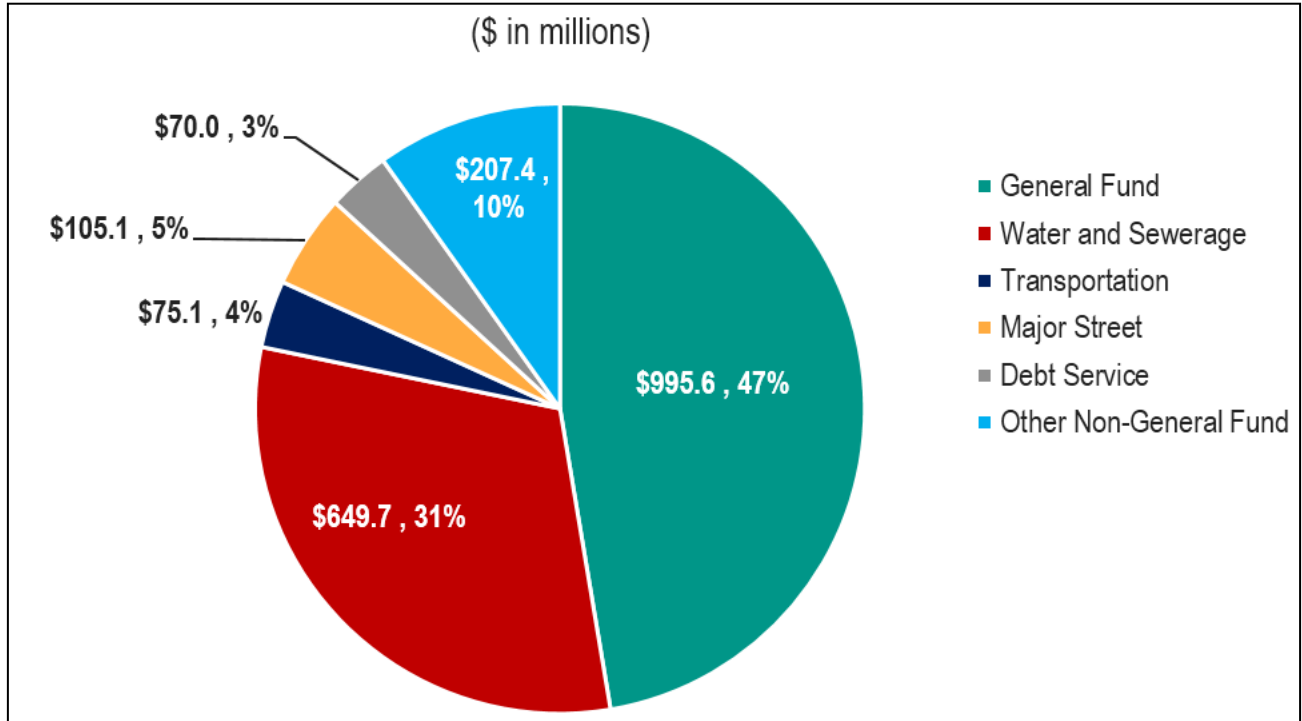
In April 2020, we projected a \$30M shortfall vs. our pre-pandemic Feb 2020 estimates

In Sept 2020, we projected the shortfall to increase \$21M to a total of \$51M, driven by various COVID impacts on revenue continuing longer than expected

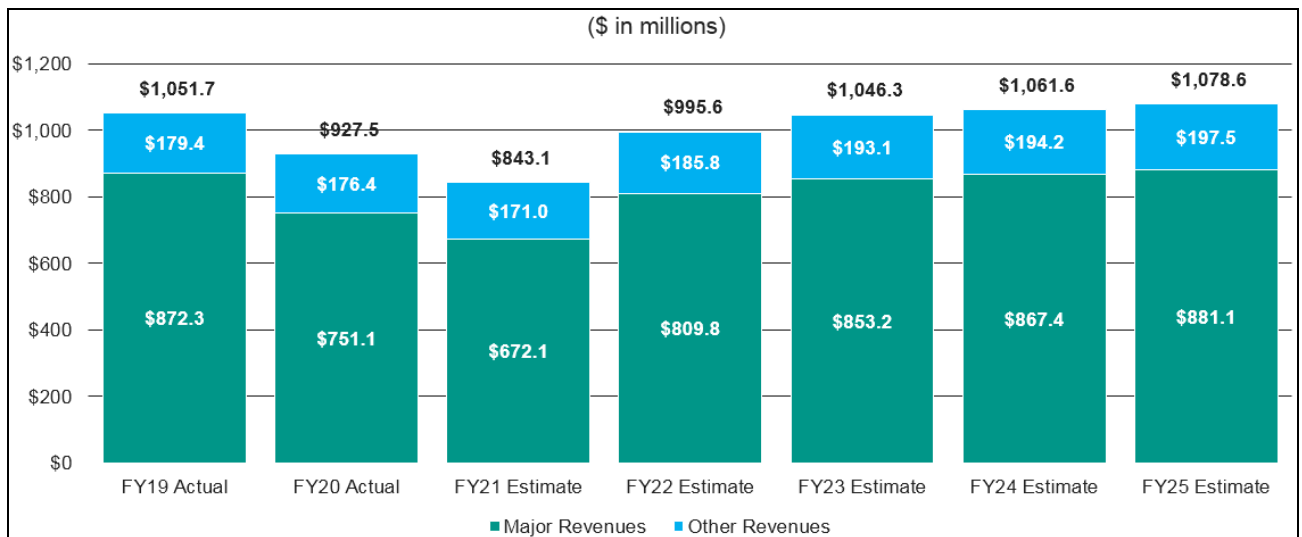
We now project the shortfall to increase by \$52M to a total of \$103M, driven by:

- Losses from longer period of nonresident remote work (income tax)
- Losses from longer period of casino capacity restrictions (wagering tax)

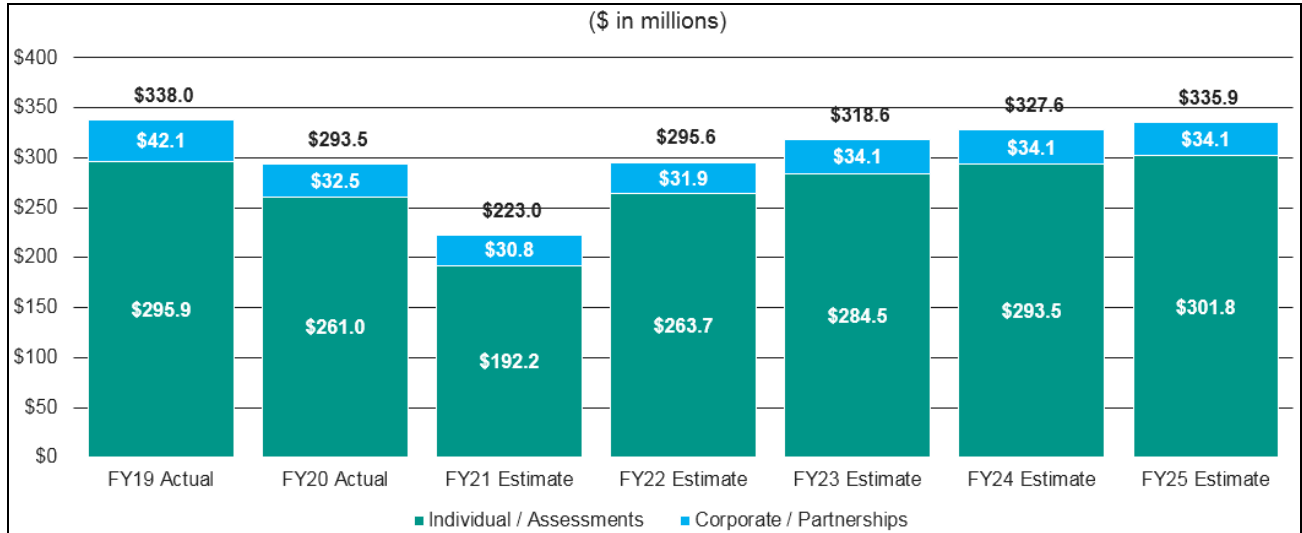
FY 2022 Revenue Summary, All Funds



Recurring General Fund Revenue

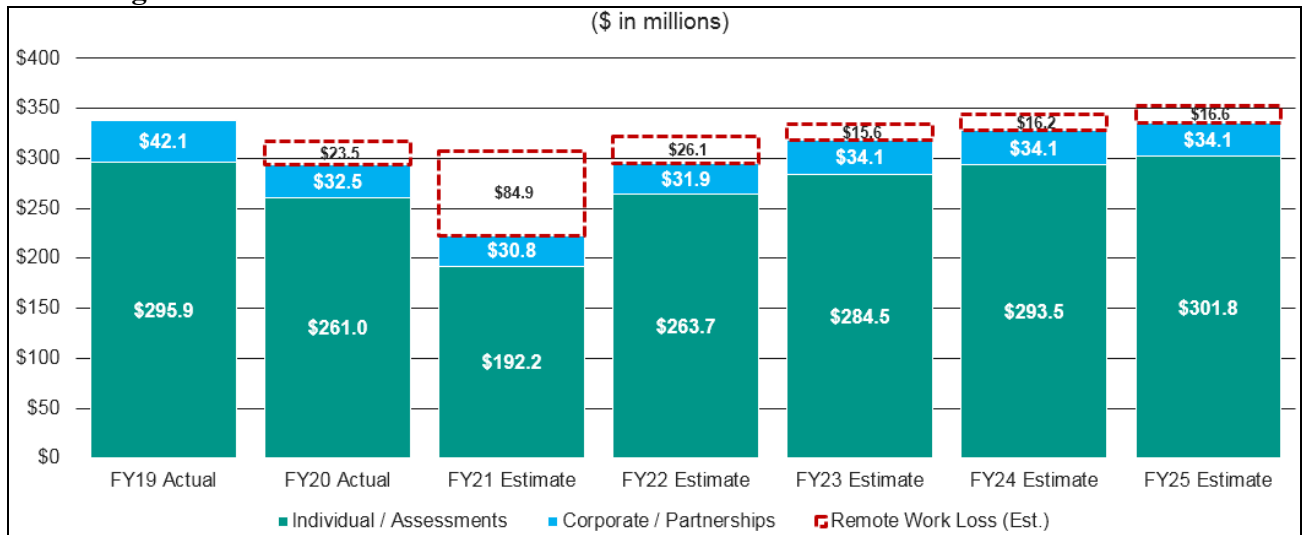


Recurring Income Tax



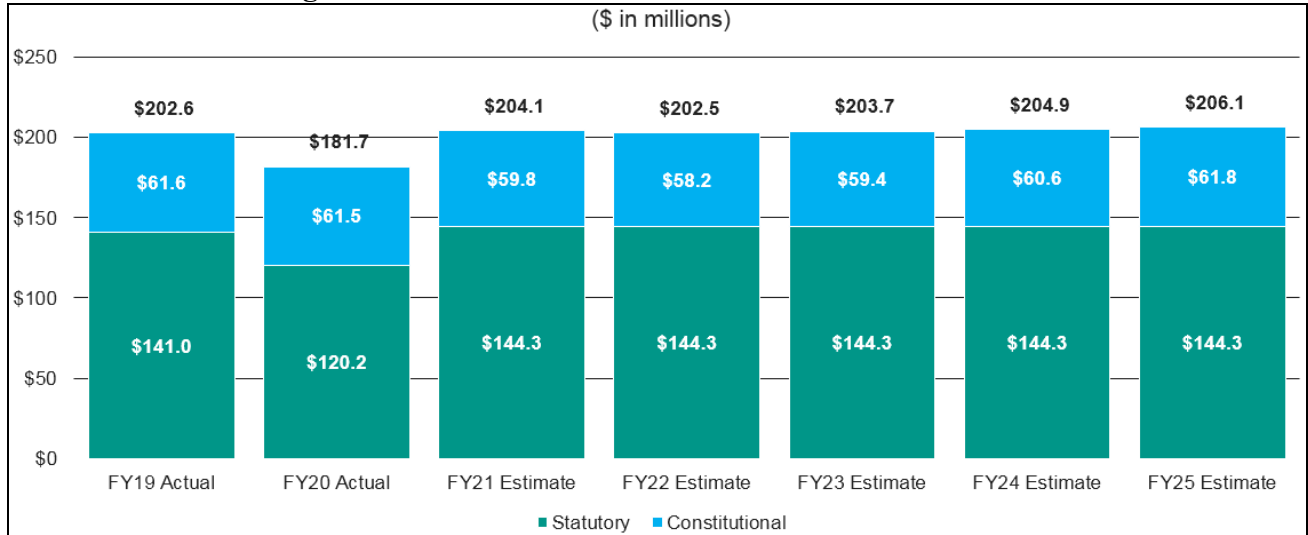
Note: FY19 Actual excludes \$23m one-time corporate collections. FY20 Actual excludes (\$3.5m) in one-time corporate refunds

Recurring Income Tax with Remote Work Losses



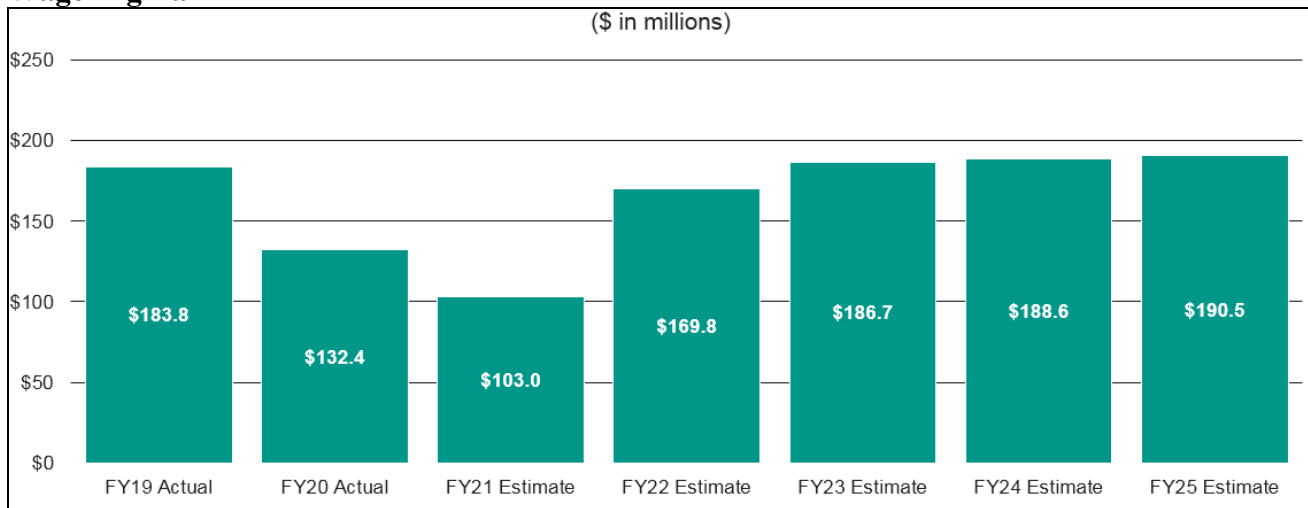
Note: FY19 Actual excludes \$23m one-time corporate collections. FY20 Actual excludes (\$3.5m) in one-time corporate refunds.

State Revenue Sharing



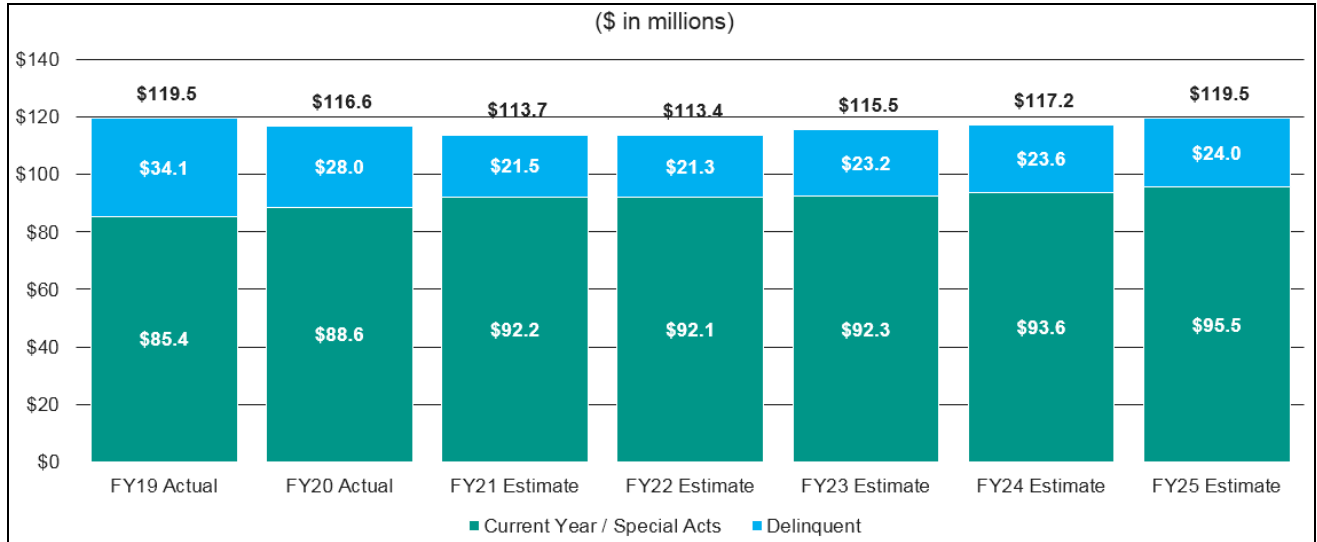
Note: FY20 Actual includes one-time \$24M reduction in statutory revenue sharing that the State replaced with a one-time Coronavirus Relief Fund grant outside the General Fund.

Wagering Tax



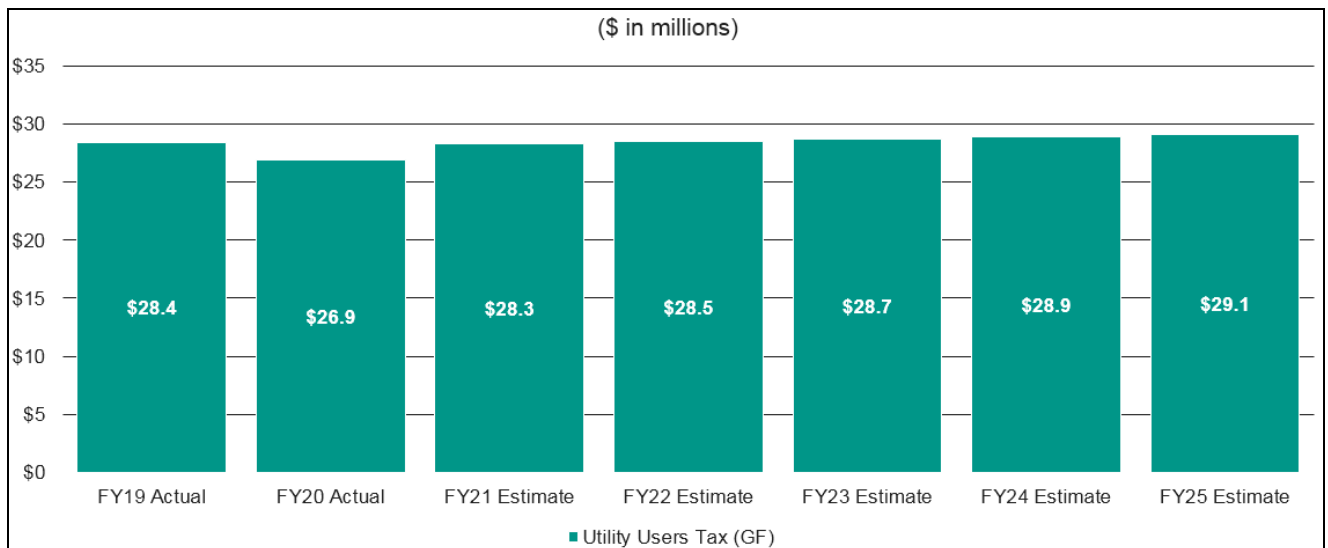
Note: FY20-FY22 impacted by casino closures and capacity restrictions due to COVID-19 pandemic. Does not include new revenues from internet gaming and sports betting.

Property Tax



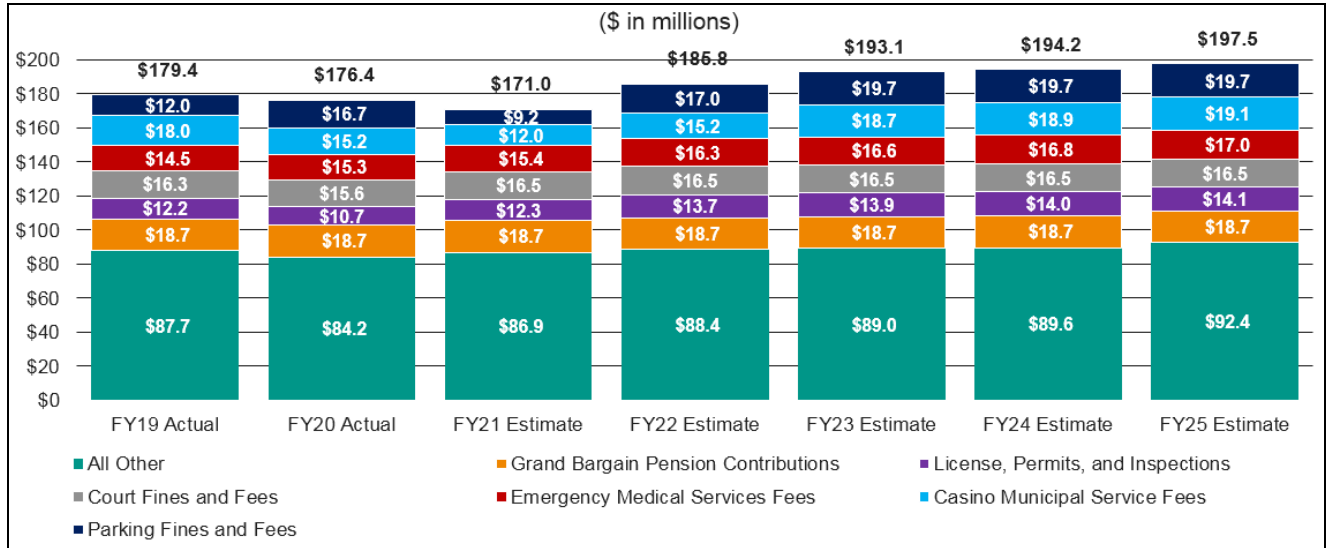
Note: Includes ad valorem taxes and special act taxes (e.g., Neighborhood Enterprise Zone, Industrial Facilities Exemption, and Obsolete Property Rehabilitation Act).

Utility Users Tax



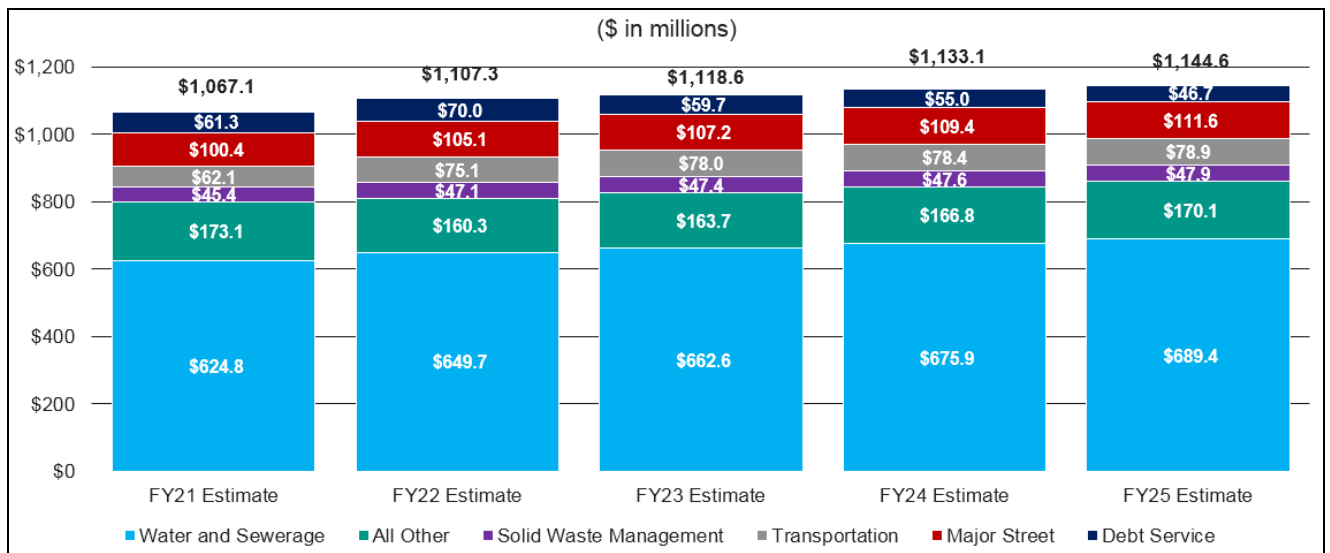
Note: Utility Users Tax for the General Fund is net of annual \$12.5M dedicated to Public Lighting Authority debt service.

Recurring Other Revenues (General Fund)



Note: The Parking enterprise fund and its associated fees were consolidated into the General Fund in FY20. Recurring revenues exclude one-time items like asset sales and bond proceeds.

Non-General Fund Revenues



Note: Does not include contributions and transfers across funds (e.g., General Fund contribution to Transportation).

Revenue Risks and Potential Upside**Downside Risks**

- Slower casino recovery than expected
- Slower than anticipated recovery from recession
- Larger than anticipated nonresident remote work impact
- Longer lasting changes in economic activity due to workplace and behavior changes
- Future state and federal budget pressures causing reductions in local funding

Potential Upside (not counted in current revenue estimates)

- Residential, commercial, and industrial development activity throughout the City
- Workforce development and labor force participation gains
- Internet gaming and sports betting taxes (launched Jan 2021)
- State-shared excise tax from adult-use marijuana (City authorized in Nov 2020, implementation underway)
- Additional federal fiscal relief and economic stimulus



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

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1106
Detroit, Michigan 48226

Phone 313•224•6260
www.detroitmi.gov

April 6, 2021

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

Re: Tax Statement for Fiscal Year 2021-2022

Honorable Detroit City Council Members:

In accordance with Section 17-2-10 of the 2019 Detroit City Code, the Office of Budget is submitting a statement of the amounts to be raised by taxation in Fiscal Year 2021-2022, formally known as the Tax Statement, for your consideration and approval. A copy was also submitted with the Mayor’s Proposed Fiscal Year 2021-2022 Budget on March 5, 2021.

We request a waiver of reconsideration.

Respectfully submitted,

Steven Watson
Deputy CFO / Budget Director

Attachments

Cc: Honorable Michael E. Duggan, Mayor
Jay B. Rising, Acting Chief Financial Officer
John Naglick, Jr., Chief Deputy CFO / Finance Director
Tanya Stoudemire, Chief Deputy CFO / Policy & Administration Director
Alvin Horhn, Deputy CFO / Assessor
Christa McLellan, Deputy CFO / Treasurer
Avery Peoples, City Council Liaison

CFO MEMORANDUM**NO. 2021-103-002****TO:** Honorable Michael E. Duggan, Mayor; Honorable Detroit City Council**FROM:** Steven Watson, Deputy CFO / Budget Director, City of Detroit**SUBJECT:** Fiscal Year 2021-2022 Tax Statement**DATE:** March 5, 2021**1. AUTHORITY**

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

2. OBJECTIVE

- 2.1. To set forth the total number of mills of ad valorem property taxes to be levied and the purposes for which that millage is to be levied, as authorized by the adopted budget for Fiscal Year 2021-2022.

3. PURPOSE

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

4. SCOPE

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

5. STATEMENT

5.1. The Office of Budget is submitting the attached Tax Statement of the amounts to be raised by taxation in Fiscal Year 2021-2022 and requesting its approval.

5.2. The Tax Statement represents amounts included in the proposed budget for Fiscal Year 2021-2022.

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

5.4. The Tax Statement is based on the forecast of anticipated revenues approved by the Revenue Estimating Conference principals on February 16, 2021, in accordance with State of Michigan Public Act 279 of 1909, Section 117.4t(1)(d), as amended by Public Act 182 of 2014.

City of Detroit
Fiscal Year 2021-2022

Tax Statement

Taxable Value:

Ad Valorem Roll less Renaissance Zones

Real Property	\$	4,835,361,116
Personal Property		1,400,938,364
Total	\$	6,236,299,480

Renaissance Zones (RZ)⁽¹⁾

RZ - Real Property	\$	222,815,427
RZ - Real Property (75%)		1,252,154
RZ - Real Property (50%)		-
RZ - Real Property (25%)		-
RZ - Personal Property		42,794,110
RZ - Personal Property (75%)		1,231,583
RZ - Personal Property (50%)		-
RZ - Personal Property (25%)		-
RZ - Tool & Die - Real Property		-
RZ - Tool & Die - Personal Property		-
Total	\$	268,093,274

Total Ad Valorem Roll

Real Property	\$	5,059,428,697
Personal Property		1,444,964,056
Total	\$	6,504,392,754

Tax Rates:

General City		19.9520
Debt Service		9.0000
Total		28.9520

Tax Levies:

General City	\$	124,463,814
Debt Service		58,539,535
Total Amount to be Raised by Taxation	\$	183,003,349

Notes:

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

RESOLUTION

BY COUNCIL MEMBER _____

RESOLVED, that the foregoing Tax Statement for Fiscal Year 2021-2022 be hereby and is approved in accordance with Section 17-2-10 of the 2019 Detroit City Code.

BUDGET RESERVE SCHEDULE

City of Detroit Budget Reserve Schedule					
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Beginning Balance	\$ 107,280,192	\$ 57,280,192	\$ 107,280,192	\$ 107,280,192	\$ 107,280,192
Transfer In / Out	(50,000,000)	50,000,000			
Ending Balance	\$ 57,280,192	\$ 107,280,192	\$ 107,280,192	\$ 107,280,192	\$ 107,280,192
<i>% of Recurring Expenditures</i>	5.6%	10.2%	10.3%	9.1%	9.0%
Minimum Balance (5% of Recurring Expenditures)	\$ 51,198,844	\$ 52,756,962	\$ 52,298,826	\$ 59,210,850	\$ 59,557,652
PA 182 Sec 4t (1) (c) (vi) - Four-Year Financial Plan Requirement: 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						
*Common Cash Pool 5 Year Cash Flow Forecast - FY 2021 to FY 2025						
	Actual	Forecast				
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Beginning Common Cash Pool Balance	\$ 553.6	\$ 564.2	\$ 525.9	\$ 419.5	\$ 407.2	\$ 416.9
Sources:						
Receipts/Transfers	\$ 1,813.1	\$ 1,650.2	\$ 1,672.6	\$ 1,764.1	\$ 1,830.8	\$ 1,852.7
Uses:						
Disbursements	\$ (1,757.5)	\$ (1,638.5)	\$ (1,694.0)	\$ (1,716.4)	\$ (1,821.1)	\$ (1,836.9)
Retirement Protection Trust	(45.0)	(50.0)	(85.0)	(60.0)	0.0	0.0
Total Uses:	(1,802.5)	(1,688.5)	(1,779.0)	(1,776.4)	(1,821.1)	(1,836.9)
Net Cash Flow	\$ 10.6	\$ (38.3)	\$ (106.4)	\$ (12.3)	\$ 9.7	\$ 15.8
Ending Common Cash Pool Balance	\$ 564.2	\$ 525.9	\$ 419.5	\$ 407.2	\$ 416.9	\$ 432.7
Budget Reserve Fund	107.3	57.3	107.3	107.3	107.3	107.3
Total Common and Reserve Balance	\$ 671.5	\$ 583.2	\$ 526.8	\$ 514.5	\$ 524.2	\$ 540.0
<i>Note: The Common Cash Pool is a group of accounts that transact, hold and invest the majority of City's cash assets. The pooling of cash allows the City to maximize investment earning on available cash. Each contributing fund's balance is treated as equity in the pool.</i>						

FY2022 - FY2025 Expenditures & Revenues by Agency Table

City of Detroit
 FY2022 - FY2025 Financial Plan
 Expenditures & Revenues by Agency (in millions)

Category	Department	FY2022 Adopted			FY2023 Forecast			FY2024 Forecast			FY2025 Forecast		
		Exp	Rev	NTC	Exp	Rev	NTC	Exp	Rev	NTC	Exp	Rev	NTC
Executive Agencies	16 Demolition	8.0	8.0	-	-	-	-	-	-	-	-	-	-
	19 Public Works	149.2	165.2	(16.0)	151.1	167.4	(16.3)	153.7	170.0	(16.4)	156.1	172.8	(16.7)
	23 Chief Financial Officer	56.1	4.9	51.2	53.9	5.0	48.9	54.6	5.2	49.4	55.2	5.3	49.9
	24 Fire	128.6	23.6	105.0	128.7	24.0	104.7	130.3	24.4	105.9	132.0	24.8	107.2
	25 Health	42.8	33.1	9.7	42.9	33.7	9.3	43.7	34.3	9.4	44.5	35.0	9.5
	28 Human Resources	13.4	1.2	12.2	12.9	1.2	11.7	13.1	1.2	11.9	13.3	1.3	12.0
	29 Civil Rights, Inclusion, & Opportunity	5.9	3.4	2.5	5.3	3.5	1.8	5.4	3.5	1.9	5.5	3.6	1.9
	31 Innovation & Technology	22.6	-	22.6	21.9	-	21.9	22.2	-	22.2	22.4	-	22.4
	32 Law	18.2	2.1	16.1	17.2	2.1	15.1	17.4	2.2	15.3	17.6	2.2	15.4
	33 Mayor's Office	10.5	1.1	9.4	10.3	1.1	9.1	10.4	1.2	9.3	10.6	1.2	9.4
	34 Municipal Parking	10.1	17.0	(6.9)	9.6	19.6	(10.1)	9.6	19.6	(10.0)	9.7	19.6	(9.9)
	36 Housing & Revitalization	69.9	53.0	16.9	65.5	51.3	14.3	66.6	52.2	14.3	67.6	53.2	14.4
	37 Police	341.0	70.1	270.9	327.9	72.6	255.3	328.7	73.9	254.9	329.6	75.1	254.5
	38 Public Lighting	17.5	1.7	15.7	17.5	1.5	15.9	17.5	1.3	16.1	17.5	1.1	16.3
43 Planning & Development	5.2	2.1	3.1	5.1	2.2	3.0	5.2	2.2	3.0	5.3	2.3	3.0	
45 Appeals & Hearings	1.2	3.1	(2.0)	0.9	3.1	(2.2)	0.9	3.1	(2.2)	0.9	3.1	(2.2)	
47 General Services	116.4	19.7	96.7	103.1	19.7	83.4	103.8	19.8	84.0	99.0	14.1	84.9	
Legislative Agencies	50 Auditor General	3.9	-	3.9	4.0	-	4.0	4.0	-	4.0	4.0	-	4.0
	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	12.0	0.1	11.9	11.7	0.1	11.6	11.8	0.1	11.7	11.8	0.1	11.7
	53 Ombudsman	1.1	0.0	1.1	1.1	0.0	1.1	1.2	0.0	1.1	1.2	0.0	1.2
	54 Inspector General	1.3	-	1.3	1.3	-	1.3	1.3	-	1.3	1.4	-	1.4
	70 City Clerk	2.5	0.0	2.5	2.6	0.0	2.6	2.6	0.0	2.6	2.6	0.0	2.6
71 Elections	12.3	0.0	12.3	12.4	0.0	12.4	12.5	0.0	12.5	12.6	2.3	10.3	
Judicial Agency	60 36th District Court	31.1	18.3	12.8	31.4	18.3	13.1	31.8	18.3	13.5	32.2	18.3	13.9
Non-Departmental	35 Non-Departmental	347.7	1,002.7	(655.0)	282.5	896.3	(613.7)	415.7	1,033.2	(617.5)	417.5	1,036.7	(619.2)
Debt Service – UTGO	18 Debt Service	70.0	70.0	-	59.7	59.7	-	55.0	55.0	-	46.7	46.7	-
Enterprise Agencies	10 Airport	2.4	2.4	-	2.5	2.5	-	2.5	2.5	-	2.5	2.5	-
	13 BSE&ED	30.5	28.9	1.5	29.1	27.7	1.4	29.7	28.2	1.4	30.2	28.8	1.5
	20 Transportation	135.1	135.1	-	144.5	144.5	-	144.9	144.9	-	145.4	145.4	-
	48 Water – Retail	202.2	202.2	-	217.7	217.7	-	222.1	222.1	-	226.5	226.5	-
	49 Sewerage – Retail	441.0	441.0	-	445.1	445.1	-	454.0	454.0	-	463.0	463.0	-
72 Public Library	27.8	27.8	-	28.3	28.3	-	28.8	28.8	-	29.3	29.3	-	
Total General City Agencies (Exec/Leg/Jud/Non-Dept)		1,429.0	1,430.5	(1.5)	1,321.5	1,322.9	(1.4)	1,464.5	1,465.9	(1.4)	1,470.6	1,472.1	(1.5)
Total Debt Service		70.0	70.0	-	59.7	59.7	-	55.0	55.0	-	46.7	46.7	-
Total Enterprise Agencies		838.9	837.4	1.5	867.2	865.8	1.4	881.9	880.5	1.4	897.0	895.5	1.5
Grand Total		2,337.9	2,337.9	-	2,248.4	2,248.4	-	2,401.4	2,401.4	-	2,414.3	2,414.3	-

Expenditures & Revenues by Major Classifications

City of Detroit
Budget Development
All Funds

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Expenditures	Actual	Adopted	Adopted	Forecast	Forecast	Forecast
Salaries & Wages	603,058,501	574,407,164	629,160,152	613,602,280	621,461,152	627,298,124
Employee Benefits	230,254,118	300,119,463	304,644,024	309,976,909	451,994,479	451,761,042
Professional & Contractual Services	246,739,679	319,408,111	310,815,983	315,568,161	319,596,127	321,097,229
Operating Supplies	126,942,430	90,966,287	89,475,414	88,819,841	89,253,389	89,342,429
Operating Services	170,735,942	161,680,805	171,443,670	170,287,073	170,546,602	170,811,321
Equipment Acquisition	104,587,817	35,536,040	30,035,362	48,584,418	57,873,590	67,323,999
Capital Outlays	76,098,340	26,658,167	27,704,655	9,682,997	11,586,391	13,497,338
Fixed Charges	160,351,225	183,203,337	191,520,383	178,750,788	161,399,340	155,301,705
Other Expenses	630,995,614	484,793,808	479,827,947	513,168,095	517,666,549	517,877,243
Total Expenditures - Recurring	2,349,763,665	2,176,773,181	2,234,627,590	2,248,440,562	2,401,377,619	2,414,310,430
Expenditures - Non-Recurring						
Blight Remediation	-	10,000,000	14,500,000	-	-	-
Capital Improvements	-	-	5,500,000	-	-	-
Reserves	-	-	80,000,000	-	-	-
Other One-Time Expenditures	-	-	3,274,123	-	-	-
Total Expenditures - Non-Recurring	-	10,000,000	103,274,123	-	-	-
Grand Total Expenditures	2,349,763,665	2,186,773,181	2,337,901,713	2,248,440,562	2,401,377,619	2,414,310,430

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Revenues	Actual	Adopted	Adopted	Forecast	Forecast	Forecast
Grants, Shared Taxes, & Revenues	436,890,977	286,866,589	307,944,730	311,492,066	314,488,012	317,544,112
Revenues from Use of Assets	124,520,253	161,150,862	165,127,704	153,131,603	154,925,765	156,729,444
Sales of Assets & Compensation for Losses	24,987,873	62,000	62,000	62,000	62,000	62,000
Sales & Charges for Services	598,832,231	677,939,078	677,594,221	694,634,024	705,897,146	719,752,304
Fines, Forfeits, & Penalties	36,282,637	31,599,911	27,253,918	29,462,476	29,602,626	29,745,568
Licenses, Permits, & Inspection Charges	32,388,407	31,085,000	37,743,000	38,383,020	38,999,662	39,630,007
Taxes, Assessments, & Interest	768,508,757	718,636,122	809,172,597	843,916,480	854,660,075	861,320,214
Contributions & Transfers	207,426,267	79,148,661	85,570,820	90,038,106	90,272,770	84,838,987
Miscellaneous	56,575,453	72,903,300	64,158,600	87,320,787	89,469,563	91,687,794
Total Revenues - Recurring	2,286,412,855	2,059,391,523	2,174,627,590	2,248,440,562	2,278,377,619	2,301,310,430
Revenues - Non-Recurring						
Contributions and Transfers	-	127,381,658	163,274,123	-	123,000,000	113,000,000
Total Revenues - Non-Recurring	-	127,381,658	163,274,123	-	123,000,000	113,000,000
Grand Total Revenues	2,286,412,855	2,186,773,181	2,337,901,713	2,248,440,562	2,401,377,619	2,414,310,430

Expenditures & Revenues by Major Classifications

City of Detroit
Budget Development
Fund 1000 - General Fund

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Expenditures	Actual	Adopted	Adopted	Forecast	Forecast	Forecast
Salaries & Wages	386,333,466	446,180,656	464,140,199	444,559,475	449,780,578	455,106,105
Employee Benefits	113,027,890	201,267,084	216,464,891	221,484,286	363,501,281	363,518,614
Professional & Contractual Services	66,463,571	79,359,755	73,983,717	73,624,062	73,624,062	73,624,062
Operating Supplies	35,882,117	42,025,235	43,312,662	43,311,462	43,311,462	43,311,462
Operating Services	85,940,286	84,606,237	87,409,243	86,036,108	86,036,108	86,036,108
Equipment Acquisition	2,076,449	37,950	-	-	-	-
Capital Outlays	117,541	250,000	190,800	190,800	190,800	190,800
Fixed Charges	79,657,672	85,046,628	85,056,650	85,898,752	73,283,661	75,501,217
Other Expenses	237,720,838	85,203,334	84,581,069	90,871,570	94,489,053	93,864,679
Total Expenditures - Recurring	1,007,219,830	1,023,976,879	1,055,139,231	1,045,976,515	1,184,217,005	1,191,153,047
Expenditures - Non-Recurring						
Reserves	-	-	80,000,000	-	-	-
Other One-Time Expenditures	-	-	3,274,123	-	-	-
Total Expenditures - Non-Recurring	-	-	83,274,123	-	-	-
Grand Total Expenditures	1,007,219,830	1,023,976,879	1,138,413,354	1,045,976,515	1,184,217,005	1,191,153,047

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Revenues	Actual	Adopted	Adopted	Forecast	Forecast	Forecast
Grants, Shared Taxes, & Revenues	187,233,648	192,182,000	205,265,000	206,466,000	207,654,000	208,866,000
Revenues from Use of Assets	46,385,022	32,781,199	27,154,912	27,059,016	26,337,224	25,574,633
Sales of Assets & Compensation for Losses	11,769,515	62,000	62,000	62,000	62,000	62,000
Sales & Charges for Services	103,840,815	107,378,022	106,544,319	111,152,499	112,142,781	115,413,370
Fines, Forfeits, & Penalties	21,127,279	25,491,000	20,776,000	22,855,000	22,863,000	22,871,150
Licenses, Permits, & Inspection Charges	10,692,111	13,075,000	13,692,000	13,851,000	13,977,000	14,106,894
Taxes, Assessments, & Interest	573,495,129	522,959,000	613,656,000	656,003,000	669,077,000	681,541,000
Contributions & Transfers	61,132,716	5,100,000	-	-	-	-
Miscellaneous	8,099,723	7,567,000	7,989,000	8,528,000	9,104,000	9,718,000
Total Revenues - Recurring	1,023,775,958	906,595,221	995,139,231	1,045,976,515	1,061,217,005	1,078,153,047
Revenues - Non-Recurring						
Contributions and Transfers	-	117,381,658	143,274,123	-	123,000,000	113,000,000
Total Revenues - Non-Recurring	-	117,381,658	143,274,123	-	123,000,000	113,000,000
Grand Total Revenues	1,023,775,958	1,023,976,879	1,138,413,354	1,045,976,515	1,184,217,005	1,191,153,047

FY2022 - FY2025 Expenditures & Revenues by Agency Table

**City of Detroit
FY2022 - FY2025 Financial Plan
Expenditures & Revenues by Outcome Budgeting Category**

	FY2022 Adopted		FY2023 Forecast		FY2024 Forecast		FY2025 Forecast	
	Exp	Rev	Exp	Rev	Exp	Rev	Exp	Rev
Safer Neighborhoods	444,299,617	161,446,600	434,201,790	164,453,572	436,634,766	167,017,364	433,661,069	163,916,748
Vibrant and Beautiful City	110,624,296	61,267,498	104,132,760	57,915,905	104,344,791	58,317,466	104,449,253	58,827,112
Economic Equity and Opportunity	163,387,309	168,889,462	177,682,859	178,087,647	178,400,100	179,014,975	179,132,465	179,961,857
Effective Governance	56,850,824	7,893,362	55,202,391	7,942,349	55,604,851	7,992,317	56,015,356	10,304,282
Efficient and Innovative Operations	698,338,293	1,022,691,392	658,790,107	1,062,259,551	790,914,114	1,195,840,467	788,214,494	1,192,374,151
Not Yet Reclassified	864,401,374	915,713,399	818,430,655	777,781,538	835,478,997	793,195,030	852,837,793	808,926,280
	2,337,901,713	2,337,901,713	2,248,440,562	2,248,440,562	2,401,377,619	2,401,377,619	2,414,310,430	2,414,310,430

*Not Yet Reclassified includes capital accounts mostly in DWSD, DPW, and for fleet; grant accounts mostly in DDOT, HRD, Police; and the Budget Reserve contribution

FY2022 - FY2025 Expenditures & Revenues by Agency Table

**City of Detroit
FY2022 - FY2025 Financial Plan
Expenditures & Revenues by Outcome Budgeting Category**

			FY2022 Adopted		FY2023 Forecast		FY2024 Forecast		FY2025 Forecast		
			Exp	Rev	Exp	Rev	Exp	Rev	Exp	Rev	
10	Airport	10	Economic Equity and Opportunity	2,381,711	2,381,711	2,516,416	2,516,416	2,529,360	2,529,360	2,542,561	2,542,561
13	BSEED	13	Safer Neighborhoods	8,061,239	7,427,000	7,979,423	7,575,540	8,103,030	7,727,052	8,229,109	7,881,591
		13	Vibrant and Beautiful City	2,974,518	303,000	2,993,274	303,000	3,038,155	303,000	3,083,932	303,000
		13	Economic Equity and Opportunity	11,123,720	21,021,700	11,083,764	19,682,980	11,252,167	20,038,940	11,423,937	20,402,018
		13	Efficient and Innovative Operations	8,299,529	166,000	7,038,194	169,320	7,266,028	172,706	7,498,416	176,161
16	Demolition	16	Not Yet Reclassified	7,974,130	7,974,130	-	-	-	-	-	-
18	Debt Service	18	Efficient and Innovative Operations	69,996,613	69,996,613	59,749,317	59,749,317	55,006,228	55,006,228	46,684,170	46,684,170
19	Public Works	19	Safer Neighborhoods	52,882,344	102,050,000	53,039,730	104,250,000	53,321,779	106,250,000	53,609,470	108,250,000
		19	Vibrant and Beautiful City	49,955,455	52,440,875	49,804,563	52,361,875	50,131,231	52,761,875	50,342,625	53,269,930
		19	Economic Equity and Opportunity	5,008,485	7,689,000	5,016,561	7,784,200	5,096,449	7,846,624	5,177,935	7,910,296
		19	Efficient and Innovative Operations	1,471,174	-	1,429,495	-	1,450,751	-	1,472,432	-
		19	Not Yet Reclassified	39,904,589	3,015,875	41,815,731	2,965,875	43,650,581	3,165,875	45,491,614	3,379,362
20	Transportation	20	Economic Equity and Opportunity	52,368,899	118,455,051	60,849,489	127,844,051	60,958,812	128,276,051	61,070,325	128,716,692
		20	Efficient and Innovative Operations	68,986,152	2,900,000	69,894,562	2,900,000	70,217,239	2,900,000	70,546,367	2,900,000
		20	Not Yet Reclassified	13,735,853	13,735,853	13,735,853	13,735,853	13,735,853	13,735,853	13,735,853	13,735,853
23	OCFO	23	Efficient and Innovative Operations	56,118,502	4,937,729	53,910,136	5,048,122	54,554,659	5,159,900	55,212,070	5,274,416
24	Fire	24	Safer Neighborhoods	114,482,515	21,048,000	114,587,874	21,379,000	116,090,252	21,717,000	117,622,680	22,061,894
		24	Effective Governance	542,288	-	542,288	-	549,513	-	556,883	-
		24	Efficient and Innovative Operations	11,047,210	18,000	10,918,226	18,000	11,014,723	18,000	11,113,151	18,000
		24	Not Yet Reclassified	2,553,742	2,553,742	2,604,817	2,604,817	2,656,913	2,656,913	2,710,051	2,710,051
25	Health	25	Safer Neighborhoods	4,903,811	2,815,000	4,794,791	2,847,000	4,849,336	2,878,000	4,904,971	2,911,000
		25	Economic Equity and Opportunity	3,428,861	13,000	3,347,184	13,000	3,388,839	13,000	3,431,327	13,000
		25	Efficient and Innovative Operations	4,198,898	-	3,970,317	-	4,017,320	-	4,065,263	-
		25	Not Yet Reclassified	30,225,969	30,225,969	30,830,489	30,830,489	31,447,099	31,447,099	32,076,041	32,076,041
28	Human Resources	28	Efficient and Innovative Operations	13,360,299	1,185,512	12,935,335	1,209,223	13,098,321	1,233,408	13,264,568	1,258,075
29	CRIO	29	Economic Equity and Opportunity	4,000,000	3,000,000	4,060,000	3,060,000	4,121,000	3,121,000	4,184,000	3,184,000
		29	Effective Governance	1,911,160	402,000	1,251,472	402,000	1,265,373	402,000	1,279,552	402,000
31	Innovation & Technology	31	Safer Neighborhoods	4,827,268	-	4,671,773	-	4,751,076	-	4,831,965	-
		31	Efficient and Innovative Operations	17,780,527	-	17,244,694	-	17,411,314	-	17,581,271	-
32	Law	32	Effective Governance	1,412,971	-	997,772	-	1,005,523	-	1,013,429	-
		32	Efficient and Innovative Operations	16,757,464	2,079,000	16,206,626	2,120,000	16,408,634	2,161,000	16,614,682	2,202,797
33	Mayor's Office	33	Safer Neighborhoods	2,695,408	126,500	2,613,764	128,030	2,657,744	129,591	2,702,602	131,182
		33	Vibrant and Beautiful City	76,500	76,500	78,030	78,030	79,591	79,591	81,182	81,182
		33	Economic Equity and Opportunity	540,896	-	421,383	-	429,909	-	438,605	-
		33	Effective Governance	5,712,494	-	5,652,725	-	5,735,307	-	5,819,541	-
		33	Efficient and Innovative Operations	555,557	-	558,857	-	567,492	-	576,300	-
33	Not Yet Reclassified	909,253	909,253	927,438	927,438	945,987	945,987	964,907	964,907		
34	Municipal Parking	34	Economic Equity and Opportunity	6,221,668	8,050,000	5,979,506	8,905,000	5,997,522	8,905,000	6,015,899	8,905,000
		34	Efficient and Innovative Operations	3,838,969	8,900,000	3,573,103	10,700,000	3,626,658	10,700,000	3,681,284	10,700,000

*Not Yet Reclassified includes capital accounts mostly in DWSD, DPW, and for fleet; grant accounts mostly in DDOT, HRD, Police; and the Budget Reserve contribution

FY2022 - FY2025 Expenditures & Revenues by Agency Table

**City of Detroit
FY2022 - FY2025 Financial Plan
Expenditures & Revenues by Outcome Budgeting Category**

		FY2022 Adopted		FY2023 Forecast		FY2024 Forecast		FY2025 Forecast			
		Exp	Rev	Exp	Rev	Exp	Rev	Exp	Rev		
35	Non-Departmental	35	Safer Neighborhoods	3,622,374	-	3,666,635	-	3,711,781	-	3,757,830	-
		35	Vibrant and Beautiful City	14,195,000	-	14,195,000	-	13,695,000	-	13,195,000	-
		35	Economic Equity and Opportunity	42,579,306	-	49,079,306	-	49,079,306	-	49,079,306	-
		35	Effective Governance	5,512,421	7,040,000	5,442,857	7,080,800	5,507,119	7,122,416	5,572,665	7,164,864
		35	Efficient and Innovative Operations	231,746,077	843,614,980	210,145,424	889,190,160	343,730,703	1,026,105,687	345,908,429	1,029,534,391
	35	Not Yet Reclassified	50,000,000	152,025,870	-	-	-	-	-	-	
36	Housing & Revitalization	36	Vibrant and Beautiful City	12,782,542	4,149,123	6,979,416	875,000	7,037,557	875,000	7,096,862	875,000
		36	Economic Equity and Opportunity	7,279,489	-	7,279,489	-	7,279,489	-	7,279,489	-
		36	Efficient and Innovative Operations	3,683,434	2,707,010	3,587,837	2,707,010	3,605,665	2,707,010	3,623,850	2,707,010
		36	Not Yet Reclassified	46,190,697	46,190,697	47,696,644	47,696,644	48,651,418	48,651,418	49,625,288	49,625,288
37	Police	37	Safer Neighborhoods	245,009,714	5,480,100	235,095,662	5,774,002	235,359,000	5,815,721	235,627,604	5,858,277
		37	Effective Governance	8,602,390	406,302	8,318,651	414,428	8,334,155	422,717	8,349,968	431,171
		37	Efficient and Innovative Operations	73,249,142	51,917,000	70,098,315	53,892,000	70,422,016	54,864,000	70,752,191	55,744,000
		37	Not Yet Reclassified	14,139,732	12,290,471	14,385,542	12,536,281	14,632,241	12,782,980	14,883,876	13,034,615
38	Public Lighting	38	Efficient and Innovative Operations	17,452,174	1,718,240	17,453,482	1,524,605	17,462,553	1,331,097	17,471,805	1,137,719
43	Planning & Development	43	Vibrant and Beautiful City	327,343	-	316,912	-	322,232	-	327,658	-
		43	Efficient and Innovative Operations	2,736,738	-	2,634,692	-	2,675,705	-	2,717,538	-
		43	Not Yet Reclassified	2,122,270	2,122,270	2,164,715	2,164,715	2,208,010	2,208,010	2,252,170	2,252,170
45	Appeals & Hearings	45	Vibrant and Beautiful City	1,168,688	3,148,000	918,391	3,148,000	931,384	3,148,000	944,637	3,148,000
47	General Services	47	Safer Neighborhoods	7,814,944	10,000,000	7,752,138	10,000,000	7,790,768	10,000,000	2,374,838	4,322,804
		47	Vibrant and Beautiful City	26,234,466	1,150,000	25,895,609	1,150,000	26,115,458	1,150,000	26,339,703	1,150,000
		47	Economic Equity and Opportunity	22,556,150	3,708,000	22,074,434	3,711,000	22,213,174	3,714,000	22,354,689	3,717,290
		47	Efficient and Innovative Operations	46,334,665	3,390,000	45,991,350	3,394,000	46,228,864	3,398,000	46,471,130	3,402,174
		47	Not Yet Reclassified	13,425,870	1,450,000	1,428,000	1,478,000	1,456,560	1,506,560	1,485,691	1,535,691
48	Water	48	Not Yet Reclassified	202,150,959	202,150,959	217,742,089	217,742,089	222,093,850	222,093,850	226,532,648	226,532,648
49	Sewerage	49	Not Yet Reclassified	441,026,310	441,026,310	445,057,337	445,057,337	453,958,485	453,958,485	463,037,654	463,037,654
50	Auditor General	50	Effective Governance	3,927,093	-	3,952,628	-	3,978,664	-	4,005,220	-
51	Zoning Appeals	51	Economic Equity and Opportunity	599,871	110,000	605,825	110,000	611,898	110,000	618,092	110,000
52	City Council	52	Vibrant and Beautiful City	36,103	-	36,103	-	36,103	-	36,103	-
		52	Effective Governance	11,925,975	19,000	11,618,237	19,000	11,674,166	19,000	11,731,213	19,000
		52	Not Yet Reclassified	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000
53	Ombudsman	53	Effective Governance	1,131,528	10,000	1,141,155	10,000	1,156,080	10,000	1,171,304	10,000
54	Inspector General	54	Effective Governance	1,318,235	-	1,333,316	-	1,348,699	-	1,364,389	-
60	36th District Court	60	Safer Neighborhoods	-	12,500,000	-	12,500,000	-	12,500,000	-	12,500,000
		60	Economic Equity and Opportunity	40,000	4,461,000	40,000	4,461,000	40,000	4,461,000	40,000	4,461,000
		60	Efficient and Innovative Operations	31,021,795	1,326,000	31,383,315	1,326,000	31,752,065	1,326,000	32,128,190	1,326,000
70	City Clerk	70	Effective Governance	2,539,240	8,000	2,559,425	8,000	2,580,013	8,000	2,601,013	8,000
71	Elections	71	Effective Governance	12,315,029	8,060	12,391,865	8,121	12,470,239	8,184	12,550,179	2,269,247
72	Library	72	Vibrant and Beautiful City	2,873,681	-	2,915,462	-	2,958,080	-	3,001,551	-
		72	Economic Equity and Opportunity	5,258,253	-	5,329,502	-	5,402,175	-	5,476,300	-
		72	Efficient and Innovative Operations	19,703,374	27,835,308	20,066,830	28,311,794	20,397,176	28,757,431	20,831,387	29,309,238
				2,337,901,713	2,337,901,713	2,248,440,562	2,248,440,562	2,401,377,619	2,401,377,619	2,414,310,430	2,414,310,430

*Not Yet Reclassified includes capital accounts mostly in DWSD, DPW, and for fleet; grant accounts mostly in DDOT, HRD, Police; and the Budget Reserve contribution

FY2022 - FY2025 Budgeted Positions by Department

**City of Detroit
FY2022 - FY2025 Financial Plan
Total Positions by FTE – All Funds**

Category	Department	FY2021 Adopted	FY2022 Adopted	Variance FY20 vs FY21	FY2023 Forecast	FY2024 Forecast	FY2025 Forecast	
Executive Agencies	16 Demolition	35	73	38	73	73	73	
	19 Public Works	494	496	2	496	496	496	
	23 Chief Financial Officer	459	435	(24)	435	435	435	
	24 Fire – Uniform		939	934	(5)	934	934	934
		Fire – Civilian	332	337	5	337	337	337
	25 Health	138	165	27	165	165	165	
	28 Human Resources Dept	111	105	(6)	105	105	105	
	29 Civil Rights, Inclusion, & Opportunity	11	7	(4)	7	7	7	
	31 Innovation & Technology	144	147	3	147	147	147	
	32 Law	127	121	(6)	121	121	121	
	33 Mayor's Office	83	83	-	83	83	83	
	34 Municipal Parking	92	91	(1)	91	91	91	
	36 Housing & Revitalization	97	97	-	97	97	97	
	37 Police – Uniform		2,671	2,691	20	2,691	2,691	2,691
		Police – Civilian	742	750	8	750	750	750
	38 Public Lighting	4	3	(1)	3	3	3	
	43 Planning & Development	42	42	-	42	42	42	
45 Appeals & Hearings	9	9	-	9	9	9		
47 General Services	873	836	(37)	836	836	836		
Legislative Agencies	50 Auditor General	14	14	-	14	14	14	
	51 Zoning Appeals	4	4	-	4	4	4	
	52 City Council	70	64	(6)	64	64	64	
	53 Ombudsman	8	8	-	8	8	8	
	54 Inspector General	8	8	-	8	8	8	
	70 City Clerk	20	20	-	20	20	20	
71 Elections	110	102	(8)	102	102	102		
Judicial Agency	60 36th District Court	325	325	-	325	325	325	
Non-Departmental	35 Non-Departmental	128	124	(4)	124	124	124	
Total General City Agencies		8,090	8,091	1	8,091	8,091	8,091	
Enterprise Agencies	10 Airport	4	4	-	4	4	4	
	13 BSE&ED	305	304	(1)	304	304	304	
	20 Transportation	978	941	(37)	941	941	941	
	48 Water – Retail	633	634	1	634	634	634	
	49 Sewerage – Retail	17	25	8	25	25	25	
72 Public Library	327	325	(2)	325	325	325		
Total Enterprise Agencies		2,264	2,233	(31)	2,233	2,233	2,233	
Grand Total		10,354	10,324	(30)	10,324	10,324	10,324	

FY2022 - FY2025 Budgeted Positions by Department

**City of Detroit
FY2022 - FY2025 Financial Plan
Total Positions by FTE – General Fund**

Category	Department	FY2021 Adopted	FY2022 Adopted	Variance FY20 vs FY21	FY2023 Forecast	FY2024 Forecast	FY2025 Forecast
Executive Agencies	16 Demolition	-	-	-	-	-	-
	19 Public Works	33	33	-	33	33	33
	23 Chief Financial Officer	450	422	(28)	422	422	422
	24 Fire – Uniform	939	934	(5)	934	934	934
		Fire – Civilian	332	337	5	337	337
	25 Health	115	118	3	118	118	118
	28 Human Resources Dept	111	105	(6)	105	105	105
	29 Civil Rights, Inclusion, & Opportunity	5	7	2	7	7	7
	31 Innovation & Technology	144	147	3	147	147	147
	32 Law	127	121	(6)	121	121	121
	33 Mayor's Office	80	80	-	80	80	80
	34 Municipal Parking	92	91	(1)	91	91	91
	36 Housing & Revitalization	46	35	(11)	35	35	35
	37 Police – Uniform	2,638	2,659	21	2,659	2,659	2,659
		Police – Civilian	623	631	8	631	631
	38 Public Lighting	4	3	(1)	3	3	3
	43 Planning & Development	24	24	-	24	24	24
45 Appeals & Hearings	9	9	-	9	9	9	
47 General Services	719	689	(30)	689	689	689	
Legislative Agencies	50 Auditor General	14	14	-	14	14	14
	51 Zoning Appeals	4	4	-	4	4	4
	52 City Council	70	64	(6)	64	64	64
	53 Ombudsman	8	8	-	8	8	8
	54 Inspector General	8	8	-	8	8	8
	70 City Clerk	20	20	-	20	20	20
71 Elections	110	102	(8)	102	102	102	
Judicial Agency	60 36th District Court	325	325	-	325	325	325
Non-Departmental	35 Non-Departmental	106	101	(5)	101	101	101
Total General City Agencies		7,157	7,091	(65)	7,091	7,091	7,091
Enterprise Agencies	10 Airport	-	-	-	-	-	-
	13 BSE&ED	17	17	-	17	17	17
	20 Transportation	-	-	-	-	-	-
	48 Water – Retail	-	-	-	-	-	-
	49 Sewerage – Retail	-	-	-	-	-	-
	72 Public Library	-	-	-	-	-	-
Total Enterprise Agencies		17	17	-	17	17	17
Grand Total		7,174	7,108	(65)	7,108	7,108	7,108

FY2022 - FY2025 Budgeted Positions by Department

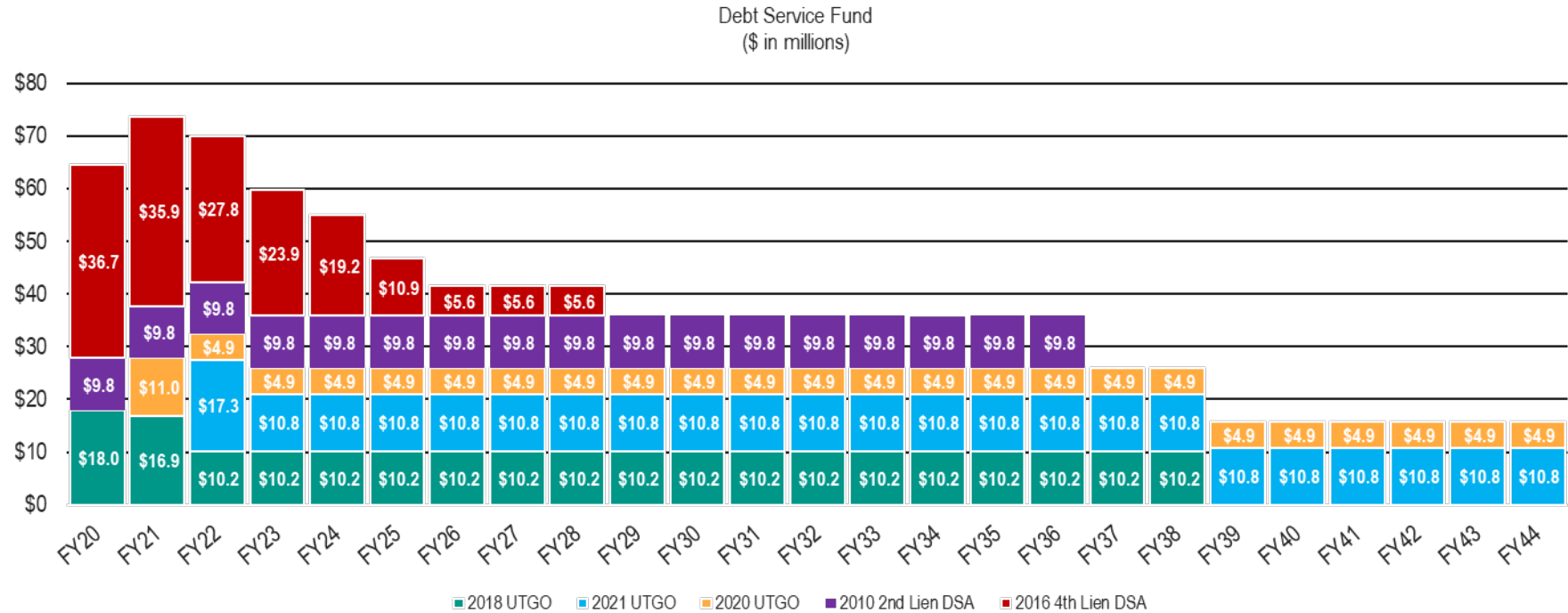
**City of Detroit
FY2022 - FY2025 Financial Plan
Total Positions by FTE – Non-General Funds**

Category	Department	FY2021 Adopted	FY2022 Adopted	Variance FY20 vs FY21	FY2023 Forecast	FY2024 Forecast	FY2025 Forecast
Executive Agencies	16 Demolition	35	73	38	73	73	73
	19 Public Works	461	463	2	463	463	463
	23 Chief Financial Officer	9	13	4	13	13	13
	24 Fire – Uniform	-	-	-	-	-	-
	24 Fire – Civilian	-	-	-	-	-	-
	25 Health	23	47	24	47	47	47
	28 Human Resources Dept	-	-	-	-	-	-
	29 Civil Rights, Inclusion, & Opportunity	6	-	(6)	-	-	-
	31 Innovation & Technology	-	-	-	-	-	-
	32 Law	-	-	-	-	-	-
	33 Mayor's Office	3	3	-	3	3	3
	34 Municipal Parking	-	-	-	-	-	-
	36 Housing & Revitalization	51	62	11	62	62	62
	37 Police – Uniform	33	32	(1)	32	32	32
	37 Police – Civilian	119	119	-	119	119	119
	38 Public Lighting	-	-	-	-	-	-
43 Planning & Development	18	18	-	18	18	18	
45 Appeals & Hearings	-	-	-	-	-	-	
47 General Services	154	147	(7)	147	147	147	
Legislative Agencies	50 Auditor General	-	-	-	-	-	-
	51 Zoning Appeals	-	-	-	-	-	-
	52 City Council	-	-	-	-	-	-
	53 Ombudsman	-	-	-	-	-	-
	54 Inspector General	-	-	-	-	-	-
	70 City Clerk	-	-	-	-	-	-
71 Elections	-	-	-	-	-	-	
Judicial Agency	60 36th District Court	-	-	-	-	-	-
Non-Departmental	35 Non-Departmental	22	23	1	23	23	23
Total General City Agencies		934	1,000	67	1,000	1,000	1,000
Enterprise Agencies	10 Airport	4	4	-	4	4	4
	13 BSE&ED	288	287	(1)	287	287	287
	20 Transportation	978	941	(37)	941	941	941
	48 Water – Retail	633	634	1	634	634	634
	49 Sewerage – Retail	17	25	8	25	25	25
	72 Public Library	327	325	(2)	325	325	325
Total Enterprise Agencies		2,247	2,216	(31)	2,216	2,216	2,216
Grand Total		3,181	3,216	36	3,216	3,216	3,216

DEBT SERVICE

Unlimited Tax General Obligation (UTGO) Debt Service

- UTGO bonds are authorized by voters and repaid from the City’s debt millage
- They support capital improvement projects throughout Detroit

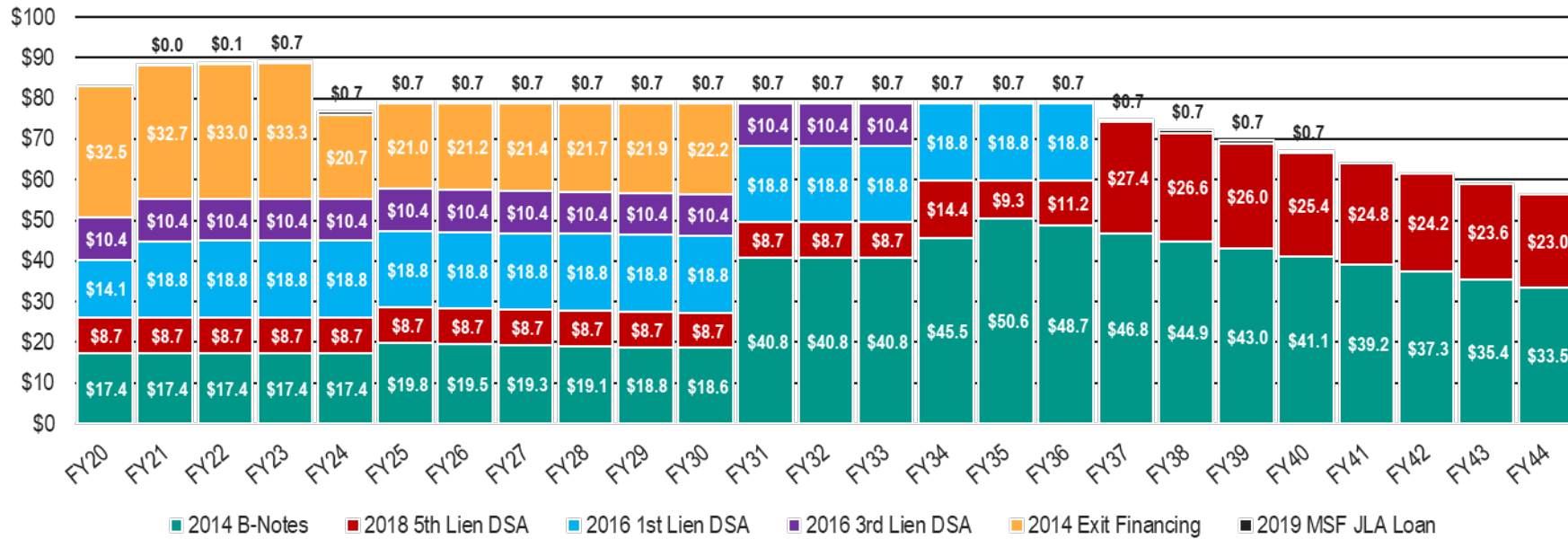


* Does not include projected debt service for remaining authorizations for \$40M in Capital Improvement UTGO bonds and \$75M in Neighborhood Improvement Plan UTGO bonds.

Limited Tax General Obligation (LTGO) Debt Service

- LTGO bonds are primarily repaid from the City’s General Fund revenues
- They supported settlements with creditors and reinvestment projects after the City’s bankruptcy

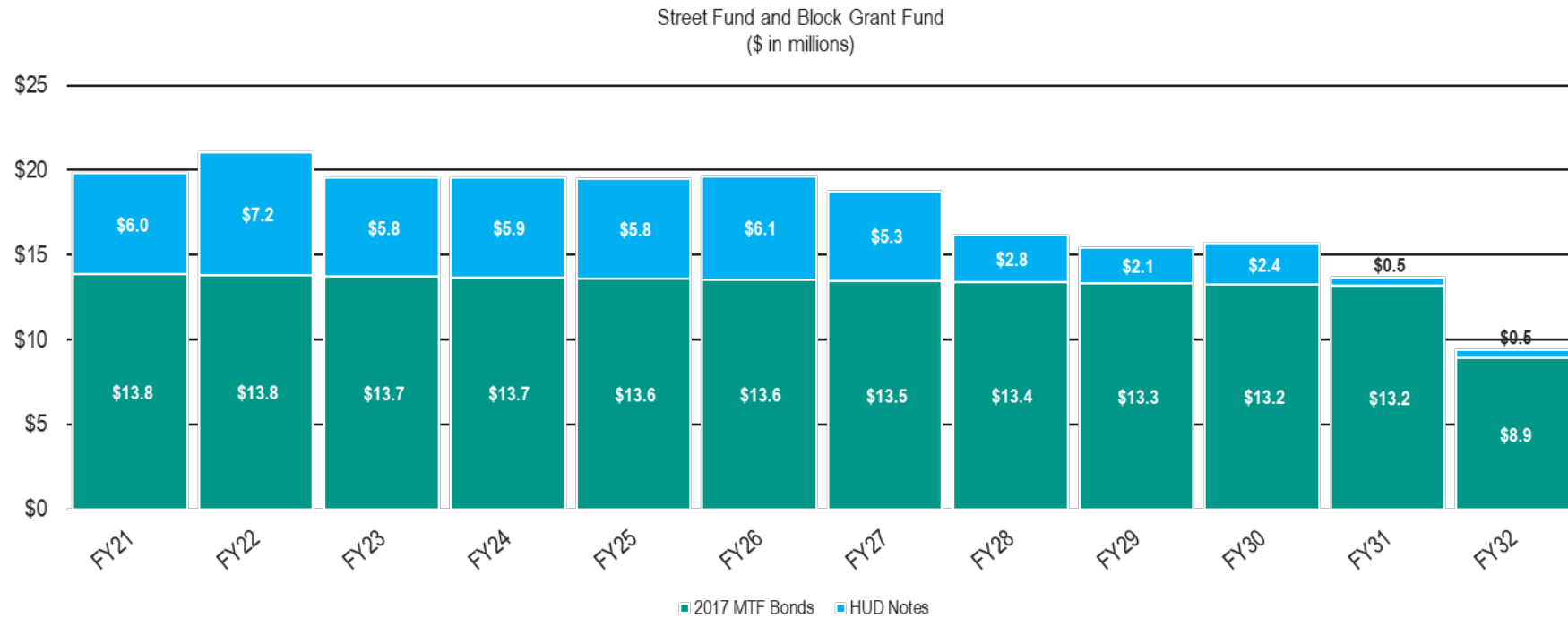
General Fund and Enterprise Funds*
(\$ in millions)



* 2014 B-Notes are split approximately 80% General Fund and 20% Enterprise Funds.

Michigan Transportation Fund Bonds and HUD Notes Debt Service

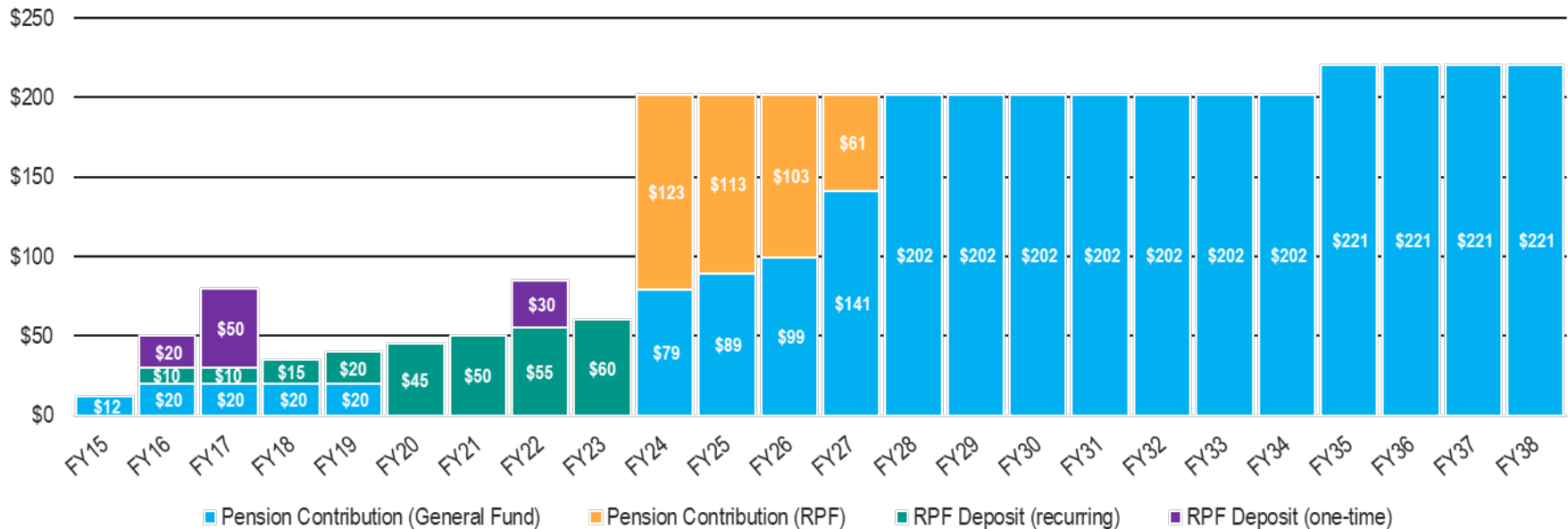
- MTF Bonds support streetscape improvement projects and are repaid from gas and weight taxes distributed to Detroit under Public Act 51 of 1951
- HUD Notes financed local development projects under the federal Section 108 Loan Guarantee Program and are secured by the City’s annual Community Development Block Grant



Retiree Protection Fund

In 2017, the Mayor and City Council created the Retiree Protection Fund (RPF) by ordinance as a long-term strategy for the City’s legacy pension funding when annual contributions resume in FY 2024 per the Plan of Adjustment. The RPF is an irrevocable trust for legacy pension obligations. The City will use RPF deposits, plus investment earnings, to partially offset annual pension contributions beginning in FY 2024. This will gradually build up budget capacity for future annual required contributions. The FY 2022 Budget includes the scheduled \$55 million deposit into the RPF, plus a supplemental \$30 million deposit, for a total of \$85 million. The Four-Year Financial Plan includes the scheduled \$60 million deposit in FY 2023 and \$202 million in projected annual pension contributions resuming in FY 2024 and FY 2025. The RPF is critical to our pension funding strategy, and more funding will be needed to sustain annual pension contributions after FY 2026.

General Fund Legacy Pension Contributions
(\$ in millions)



CITY OF DETROIT CAPITAL PLAN

INTRODUCTION

Since exiting bankruptcy, 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 to relight the City, demolished over 21,000 dangerous vacant houses, replaced 120 buses to improve transportation service, replaced public safety vehicles to reduce Police and EMS response times, renovated over 155 parks, and continue to invest in our recreation centers.

Due to the financial impacts of the COVID-19 pandemic and reduced availability of cash capital, this City's capital plan relies primarily the City's bond funding on infrastructure investments that support critical services for Detroiters and neighborhood improvements that fundamentally advance Detroiters' lived environment without increasing taxes above current levels. This plan prioritizes projects that promote a state of good repair for essential facilities, vehicles, and IT equipment. It also continues the City's focus on improving our neighborhoods through residential rehab and demo, park improvements, greenways, and commercial corridors. Our strong public-private partnerships will continue to create unprecedented financial impact and investment opportunities, with programs like the Strategic Neighborhood Fund (SNF) and the Affordable Housing Leverage Fund (AHLF) creating over \$1 billion dollars in investments into our neighborhoods.

FY22-FY25 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. 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.

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

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

Neighborhood & Economic Development

Revitalizing our neighborhoods and promoting continued economic development is one of the core focuses of the City's capital planning process. The City is proposing and implementing strategies that touch every neighborhood from neighborhood plans to residential demolition and rehab to thriving commercial corridors to affordable housing. The City is also focused on economic development investments that bring jobs and employ Detroiters. The City is able to make these investments by leveraging the City's bond funds to raise philanthropic, state, and federal grants.

The Neighborhood Improvement Bonds, issued in February 2021, will fund our comprehensive plan to address vacant houses in Detroit through rehabilitation or demolition. This plan would preserve and renovate homes and remove other blighted homes that make our neighborhoods unsafe and lower property values across the city.

Although much of 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 (SNF) and the Affordable Housing Leverage Fund (AHLF). These funds are a critical component of the Capital Plan. The exception to this is the funding provided by the sale of bonds under Proposition N authorization. This funding was appropriated in Fiscal Year 2020-2021 directly in the City's budget and will balance forward until the program is completed.

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/Cadieux, and Jefferson Chalmers. These philanthropic commitments will allow the Funds to leverage a total of \$1 billion dollars in neighborhood investments.

The AHLF was established to achieve the City's multifamily housing strategy to preserve 10,000 existing affordable housing units and create 2,000 new affordable housing units. The 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 capital plan period. A notable accomplishment in this area is 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. Since the 2018 Capital Agenda, the City has also completed economic development deals with FCA to build a new Assembly plant in Detroit to bring almost 5,000 jobs to Detroit, auto suppliers that will support the FCA plant, and with new developers of the former Michigan State Fairgrounds site for construction of an Amazon.com Inc. distribution center. As part of the Fairgrounds sale, the Detroit Building Authority and Detroit Department of Transportation will construct a replacement transit center on the fairgrounds property.

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.

Open Spaces & Recreation

Our 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.

The City will make transformative investments into recreational assets. Through the pandemic, Detroit residents have enjoyed the 155 parks that have been renovated with City bonds and other funds since 2015, a vast change from 2013 when only 26 City parks were actively maintained. Parks across the City will continue to receive improvements, and in some cases expansions, with

modern play equipment, safe walking paths, ample lighting, and inviting landscaping. 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, ensuring they remain efficient and welcoming. 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 when it is safe again to do so.

Through strong community involvement, the City has identified areas that can be transformed into greenways, including the Joe Louis Greenway, 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 investments that will shape Detroit's recreational landscape for generations to come.

Health & Public Safety

To continue promoting positive health outcomes in our community, the plan expands the City's mobile clinic fleet. 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 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 the 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 low.

Public safety information technology will continue undergoing an extensive 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.

The City's firehouses will receive capital investment and repairs, allowing our first responders to operate effectively and safely within the buildings that often serve as second homes for many long shifts. Police precincts will continue to undergo the repairs and improvements that began at the start of FY2019. Additionally, the Police Department will complete its lease consolidation initiative that will see the department centralize a number of units into one new City-owned location at 1180 Oakman Avenue. 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.

Finally, the City's Animal Care & Control building will receive investments to increase capacity and allow 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 continues our 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.

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. One our biggest anticipated projects 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 & Government Infrastructure

Technological advancement is continuous 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. These technology investments will ensure that the City can continue to provide services and operate efficiently during this challenging time when many of our employees are working remotely.

Accessibility and equity will continue to be a driver of City capital planning processes, ensuring that as we improve City facilities and infrastructure, we make the necessary modifications to ensure access for persons with disabilities and persons with limited English proficiency.

Bringing assets critical to city government operations into a state of good repair remains a priority. 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 its robust capital investment campaign. These 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 storm water infrastructure.

Investments into the City service yards begun in FY2019 will continue through 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.

Finally, the Public Lighting Department (PLD) will continue the process of transitioning customers to the DTE electrical grid while also decommissioning old power generation and transmission assets. The Public Lighting Authority will continue to partner with PLD and the City to maintain our system of street lights.

FINANCING THE FY21-24 CAPITAL PLAN

The City annually implements its capital plan by appropriating funds for capital projects through either the budget development process or via midyear appropriations of funds received through the sale of bonds. The Plan is supplemented by prior years' surpluses, state and federal funds, and grants.

This capital plan relies primarily upon the City's issuance of bonds to fund its public capital investments. This shift back to issuing bonds is enabling the City to reprogram more of its General Fund surpluses previously dedicated to capital projects to other City funding priorities, including Coronavirus (COVID-19) pandemic response, increased contributions to the Retiree Protection Fund, and reserves to protect against any further pandemic driven revenue shortfalls.

Debt Financing

The City adheres to a Debt Issuance and Management Policy that establishes the conditions for debt issuance and management (see Appendix A). In September 2020, the policy was strengthened by adding debt affordability limits and requiring the tracking of certain debt metrics to inform decision-making when considering the long-term impact of issuing new debt. The policy specifies that long-term debt can only be used for capital purchases, construction, demolition, rehabilitation and other legally-permitted uses and as identified through the City's capital improvement/budget processes. Long-term debt cannot be used to finance current operations.

In October 2018, the City Council authorized the issuance of \$255 million in Unlimited Tax General Obligation (UTGO) bonds. The voters authorized these bonds through the ballot proposal process in prior elections. Since then, the City has issued two series of bonds from this authorization, with the first being in December 2018 in the amount of \$135 million and the second in October 2020 in the amount of \$80 million. These bond proceeds have been and continue to be used to fund projects identified in the City's Capital Agenda. The City expects to issue the remaining \$40 million in authorization.

In November 2020, the residents of Detroit voted to approve Proposition N and authorized the City to issue up to \$250 million in UTGO bonds for the purpose of paying the costs of neighborhood improvements in the City through property rehabilitation, demolition, and other blight remediation activities. In February 2021, the City sold the Proposition N bonds and received proceeds of \$205.7 million, due to incredible demand for our bonds resulting in a sizeable bond premium.

UTGO bonds are an important method for funding our capital investment priorities, because they allow the City to fund projects that previously would have required the use of General Fund surpluses. It also allows the City to do long-term strategic capital planning. After exhausting remaining voter authorization, future capital projects will require the city to seek additional authorization.

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.

DWSD uses separate 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, and the Great Lakes Water Authority issues bonds to fund the DWSD projects in the plan.

External Sources

As is the case with other cities, Detroit receives revenue transfers, through grants and aid, from the federal and state governments. 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.

To ensure regular review and supplementation as the future unfolds, the City 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.

The Infrastructure Coordinating Committee ensures that infrastructure 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
FY21 BUDGET AND FY22-25 FOUR-YEAR PLAN
GENERAL CITY CAPITAL IMPROVEMENTS**

	FY2021 Adopted Budget	FY2021 Amended Budget with Bonds¹	FY21-22 Recommend Budget	FY22-23 Forecast Budget	FY23-24 Forecast Budget	FY24-25 Forecast Budget	Four-Year Plan Total
Charles H. Wright Museum							
Capital Improvements to Museum	-	2,500,000	-	-	-	-	-
Total Charles H. Wright Museum	-	2,500,000	-	-	-	-	-
Detroit Historical Museum							
Capital Improvements to Museum	-	1,500,000	-	-	-	-	-
Total City Clerk	-	1,500,000	-	-	-	-	-
Department of Innovation & Technology							
Technology Upgrades & Additions - Public Safety	-	7,174,255	-	-	-	-	-
Total DoIT	-	7,174,255	-	-	-	-	-
Fire Department							
Fire Facilities Capital Improvements	-	3,000,000	-	-	-	-	-
Fire Inventory Management System	-	500,000	-	-	-	-	-
Total Fire	-	3,500,000	-	-	-	-	-
Fleet Management							
General City Fleet Replacement	-	-	3,250,000	-	-	-	3,250,000
Health Fleet Replacement	-	220,000	-	-	-	-	-
Police Fleet Replacement	-	6,650,000	-	-	-	-	-
Fire Fleet Replacement	-	6,255,745	-	-	-	-	-
Total Fleet Management	-	13,125,745	3,250,000	-	-	-	3,250,000

**CITY OF DETROIT
FY21 BUDGET AND FY22-25 FOUR-YEAR PLAN
GENERAL CITY CAPITAL IMPROVEMENTS**

FY2021 Adopted Budget	FY2021 Amended Budget with Bonds¹	FY21-22 Recommend Budget	FY22-23 Forecast Budget	FY23-24 Forecast Budget	FY24-25 Forecast Budget	Four-Year Plan Total
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General Services Department						
Recreation Facilities Improvements	-	8,900,000	-	-	-	-
City Park Improvements	-	11,700,000	-	-	-	-
Joe Louis Greenway - Segment 1	-	20,000,000	-	-	-	-
Detroit Public Library Main Branch HVAC Improvement	-	-	2,000,000	-	-	2,000,000
Park Preconstruction Costs	-	-	250,000	-	-	250,000
Total GSD	-	40,600,000	2,250,000	-	-	2,250,000

Health Department						
Medical Records Enterprise System	-	1,000,000	-	-	-	-
Total Health	-	1,000,000	-	-	-	-

Municipal Parking Department						
Commercial Corridor Parking Expansion	-	3,000,000	-	-	-	-
Total Parking	-	3,000,000	-	-	-	-

**CITY OF DETROIT
FY21 BUDGET AND FY22-25 FOUR-YEAR PLAN
GENERAL CITY CAPITAL IMPROVEMENTS**

	FY2021 Adopted Budget	FY2021 Amended Budget with Bonds¹	FY21-22 Recommend Budget	FY22-23 Forecast Budget	FY23-24 Forecast Budget	FY24-25 Forecast Budget	Four-Year Plan Total
Police							
Police Lease Elimination Plan	-	3,200,000	-	-	-	-	-
Police Facilities Capital Improvements	-	7,700,000	-	-	-	-	-
Bulletproof Vest Replacement	-	700,000	-	-	-	-	-
Total Police	-	11,600,000	-	-	-	-	-
Department of Public Works							
Contribution to DDOT Operations			-	20,000,000	20,000,000	20,000,000	60,000,000
Road, Bridge, and Sidewalk Improvements ²	43,001,598	43,001,598	26,119,032	8,030,174	9,865,024	11,706,057	55,720,287
Total DPW	43,001,598	43,001,598	26,119,032	28,030,174	29,865,024	31,706,057	115,720,287
Total General City Agencies	43,001,598	127,001,598	31,619,032	28,030,174	29,865,024	31,706,057	121,220,287

¹Due to the coronavirus pandemic, the \$80 million in anticipated bonds from the second UTGO bond series were issued in Fall 2020.

**CITY OF DETROIT
FY21 BUDGET AND FY22-25 FOUR-YEAR PLAN
ENTERPRISE AGENCIES CAPITAL IMPROVEMENTS**

	FY2021 Adopted Budget	FY2021 Amended Budget with Bonds¹	FY21-22 Recommend Budget	FY22-23 Forecast Budget	FY23-24 Forecast Budget	FY24-25 Forecast Budget	Four-Year Plan Total
Department of Transportation							
Coolidge Facility Rebuild - Federal/State Funding	25,000,000	-	27,000,000	30,000,000	8,000,000	-	65,000,000
Coolidge Facility Rebuild - City Funding	-	-	-	-	-	-	-
Fixed-Route Vehicle Replacement/Expansion	25,965,000	-	-	21,305,000	-	21,305,000	42,610,000
Non-Revenue Vehicle Replacement/Expansion	500,000	-	500,000	500,000	500,000	500,000	2,000,000
Mid-life Vehicle Acquisition/Overhaul	6,000,000	-	6,000,000	6,000,000	6,000,000	6,000,000	24,000,000
Facility Improvements	1,000,000	-	1,000,000	500,000	500,000	500,000	2,500,000
Information Technology	1,000,000	-	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
Operations Equipment	491,376	-	472,946	182,903	182,903	182,903	1,021,655
Total DDoT	59,956,376	-	35,972,946	59,487,903	16,182,903	29,487,903	141,131,655
Water & Sewerage Department - Retail							
Water							
Water Field Services	52,219,000	-	41,984,000	15,238,000	14,000,000	-	71,222,000
Metering	12,000,000	-	12,000,000	4,000,000	4,000,000	-	20,000,000
General Purpose	6,695,000	-	4,140,000	2,795,000	-	-	6,935,000
Water Central Services: Fleet	2,432,000	-	2,000,000	2,000,000	2,000,000	-	6,000,000
Water Central Services: Facilities	4,602,000	-	2,000,000	2,000,000	2,000,000	-	6,000,000
Water Central Services: Information Technology	5,316,000	-	3,287,000	1,788,000	1,618,000	-	6,693,000
Water Subtotal	83,264,000	-	65,411,000	27,821,000	23,618,000	-	116,850,000
Sewerage							
Sewer Field Services	35,063,000	-	25,363,000	-	-	-	25,363,000
Green Infrastructure	10,195,000	-	12,880,000	10,373,000	3,933,000	-	27,186,000
General Purpose	6,695,000	-	4,140,000	2,795,000	-	-	6,935,000
Sewer Central Services: Fleet	2,432,000	-	2,000,000	2,000,000	2,000,000	-	6,000,000
Sewer Central Services: Facilities	4,602,000	-	2,000,000	2,000,000	2,000,000	-	6,000,000
Sewer Central Services: Information Technology	5,316,000	-	3,287,000	1,788,000	1,618,000	-	6,693,000
Sewerage Subtotal	64,303,000	-	49,670,000	18,956,000	9,551,000	-	78,177,000
Water & Sewerage Total	147,567,000	-	115,081,000	46,777,000	33,169,000	-	195,027,000
Total Enterprise Agencies	207,523,376	-	151,053,946	106,264,903	49,351,903	29,487,903	336,158,655
¹ Due to the coronavirus pandemic, the \$80 million in anticipated bonds from the second UTGO bond series were issued in Fall 2020.							
Grand Total - General City & Enterprise Agencies	250,524,974	127,001,598	182,672,978	134,295,077	79,216,927	61,193,960	457,378,942

**CHANGES AND CORRECTIONS OF ERRORS TO THE
PROPOSED FISCAL YEAR 2021 – 2022 BUDGET**





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

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1106
Detroit, Michigan 48226

Phone 313•224•6260
www.detroitmi.gov

April 6, 2021

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

Re: Changes and Corrections of Errors to the Proposed Fiscal Year 2021-2022 Budget

Honorable Detroit City Council Members:

After further review of the Proposed Fiscal Year 2021-2022 Budget presented by the Mayor on March 5, 2021, we are requesting changes and corrections of errors as summarized in the attached table and provided herein by the attached resolution.

We request a waiver of reconsideration.

Respectfully submitted,

Steven Watson
Deputy CFO / Budget Director

Attachments

Cc: Honorable Michael E. Duggan, Mayor
Jay B. Rising, Acting Chief Financial Officer
John Naglick, Jr., Chief Deputy CFO / Finance Director
Tanya Stoudemire, Chief Deputy CFO / Policy & Administration Director
Avery Peeples, City Council Liaison

Changes and Corrections of Errors to the Proposed Fiscal Year 2021-2022 Budget - Revenues

Fund/Agency/Appropriation/Cost Center	Mayor's Original	Mayor's Revised	Change	Page	Note
1000 - General Fund					
35 - Non-Departmental	988,614,980	988,614,980	-		
29352 - Major Taxes & Other Revenues	804,511,571	818,642,659	14,131,088	C113	
350360 - State Shared Taxes	206,800,000	207,800,000	1,000,000	C113	State-Shared Marijuana Excise Tax (revised account code)
351025 - Note B Payment	1,553,493	-	(1,553,493)	C114	Enterprise Fund debt redemption (revised account code)
351036 - Note C Debt	473,419	-	(473,419)	C114	Enterprise Fund debt redemption (revised account code)
351056 - Motor City Casino - Municipal Services	-	4,964,000	4,964,000	C113	Casino Municipal Service Fees (revised account code)
351057 - Greektown Casino - Municipal Services	-	4,000,000	4,000,000	C113	Casino Municipal Service Fees (revised account code)
351058 - MGM Grand Casino - Municipal Services	-	6,194,000	6,194,000	C113	Casino Municipal Service Fees (revised account code)
29353 - Debt Repayment	-	2,026,912	2,026,912	C114	
351025 - Note B Payment	-	1,553,493	1,553,493	C114	Enterprise Fund debt redemption (revised account code)
351036 - Note C Debt	-	473,419	473,419	C114	Enterprise Fund debt redemption (revised account code)
06925 - Non Dept Casino Site Support & Infrastructure Improvement	15,158,000	-	(15,158,000)	C112	
351056 - Motor City Casino - Municipal Services	4,964,000	-	(4,964,000)	C112	Casino Municipal Service Fees (revised account code)
351057 - Greektown Casino - Municipal Services	4,000,000	-	(4,000,000)	C112	Casino Municipal Service Fees (revised account code)
351058 - MGM Grand Casino - Municipal Services	6,194,000	-	(6,194,000)	C112	Casino Municipal Service Fees (revised account code)
29350 - Citywide Overhead	2,000,000	1,000,000	(1,000,000)	C113	
350030 - Other Operations Services	1,000,000	-	(1,000,000)	C113	State-Shared Marijuana Excise Tax (revised account code)
Total - Fund 1000 / 35 - Non-Departmental	988,614,980	988,614,980	-		
2001 - Block Grant					
52 - City Council	36,103	-	(36,103)		
26520 - Historic Property Designation	36,103	-	(36,103)	C131	
520120 - Historic Designation Advisory Board	36,103	-	(36,103)	C131	Not included in Schedule A, moving to General Fund
Total - Fund 2001 / 52 - City Council	36,103	-	(36,103)		
4000 - Sinking Interest & Redemption					
18 - Debt Service	69,996,612	69,996,613	1		
29180 - Debt Service - General Bond Redemption	69,996,612	69,996,613	1	C91	
180040 - Sinking Interest & Redemption	69,996,612	69,996,613	1	C91	Correcting rounding error
Total - Fund 4000 / 18 - Debt Service	69,996,612	69,996,613	1		

Changes and Corrections of Errors to the Proposed Fiscal Year 2021-2022 Budget - Expenditures

Fund/Agency/Appropriation/Cost Center	Mayor's Original	Mayor's Revised	Change	Page	Note
1000 - General Fund					
35 - Non-Departmental	347,534,655	347,534,655	-		
29352 - Major Taxes & Other Revenues	85,041,650	-	(85,041,650)	C40	
351023 - Quality of Life Exit Financing Debt Service	33,028,702	-	(33,028,702)	C40	LTGO Debt Service (revised account code)
351025 - Note B Payment	13,956,221	-	(13,956,221)	C40	LTGO Debt Service (revised account code)
351030 - 2016 Series DSA Debt	37,950,699	-	(37,950,699)	C40	LTGO Debt Service (revised account code)
351032 - JLA Debt Service	106,028	-	(106,028)	C40	LTGO Debt Service (revised account code)
29353 - Debt Repayment	-	85,041,650	85,041,650	C40	
351023 - Quality of Life Exit Financing Debt Service	-	33,028,702	33,028,702	C40	LTGO Debt Service (revised account code)
351025 - Note B Payment	-	13,956,221	13,956,221	C40	LTGO Debt Service (revised account code)
351030 - 2016 Series DSA Debt	-	37,950,699	37,950,699	C40	LTGO Debt Service (revised account code)
351032 - JLA Debt Service	-	106,028	106,028	C40	LTGO Debt Service (revised account code)
Total - Fund 1000 / 35 - Non-Departmental	347,534,655	347,534,655	-		
1000 - General Fund					
52 - City Council	11,498,457	11,498,457	-		
26520 - Historic Property Designation	-	36,103	36,103	C81	
520120 - Historic Designation Advisory Board	-	36,103	36,103	C81	Not included in Schedule A, moving to General Fund
28520 - Legislative Administration	5,371,537	5,335,434	(36,103)	C81	
520005 - Legislative Policy Division	3,826,683	3,790,580	(36,103)	C81	Not included in Schedule A, moving to General Fund
Total - Fund 1000 / 52 - City Council	11,498,457	11,498,457	-		
2001 - Block Grant					
52 - City Council	36,103	-	(36,103)		
26520 - Historic Property Designation	36,103	-	(36,103)	C82	
520120 - Historic Designation Advisory Board	36,103	-	(36,103)	C82	Not included in Schedule A, moving to General Fund
Total - Fund 2001 / 52 - City Council	36,103	-	(36,103)		
4000 - Sinking Interest & Redemption					
18 - Debt Service	69,996,612	69,996,613	1		
29180 - Debt Service - General Bond Redemption	69,996,612	69,996,613	1	C3	
180010 - General Bond Redemption	69,996,612	69,996,613	1	C3	Correcting rounding error
Total - Fund 4000 / 18 - Debt Service	69,996,612	69,996,613	1		

RESOLUTION

BY COUNCIL MEMBER _____

WHEREAS, the Proposed Fiscal Year 2021-2022 Budget presented by the Mayor on March 5, 2021 requires changes and corrections of errors;

NOW, THEREFORE, BE IT RESOLVED, that the Deputy CFO/Budget Director be and is hereby authorized to increase and decrease appropriations by the following amounts:

<u>Revenues</u>		<u>Expenditures</u>	
Fund/Agency/Appropriation	Change	Fund/Agency/Appropriation	Change
1000 - General Fund		1000 - General Fund	
35 - Non-Departmental		35 - Non-Departmental	
29352 - Major Taxes & Other Revenues	14,131,088	29352 - Major Taxes & Other Revenues	(85,041,650)
29353 - Debt Repayment	2,026,912	29353 - Debt Repayment	85,041,650
06925 - Non Dept Casino Site Support	(15,158,000)		
29350 - Citywide Overhead	(1,000,000)		
Total - Fund 1000 / 35 - Non-Departmental	-	Total - Fund 1000 / 35 - Non-Departmental	-
		1000 - General Fund	
		52 - City Council	
		26520 - Historic Property Designation	36,103
		28520 - Legislative Administration	(36,103)
		Total - Fund 1000 / 52 - City Council	-
2001 - Block Grant		2001 - Block Grant	
52 - City Council		52 - City Council	
26520 - Historic Property Designation	(36,103)	26520 - Historic Property Designation	(36,103)
Total - Fund 2001 / 52 - City Council	(36,103)	Total - Fund 2001 / 52 - City Council	(36,103)
4000 - Sinking Interest & Redemption		4000 - Sinking Interest & Redemption	
18 - Debt Service		18 - Debt Service	
29180 - Debt Service - General Bond	1	29180 - Debt Service - General Bond	1
Total - Fund 4000 / 18 - Debt Service	1	Total - Fund 4000 / 18 - Debt Service	1

AND BE IT FURTHER,

RESOLVED, that the Fiscal Year 2021-2022 Budget be and is hereby amended as outlined in the forgoing communication and; **AND BE IT FINALLY,**

RESOLVED, that the Deputy CFO/Budget Director be and is hereby authorized to amend the Fiscal Year 2021-2022 Budget in accordance with this resolution.

**CLOSING RESOLUTION
(ADMINISTRATION)**



CLOSING RESOLUTION**BY COUNCIL MEMBER _____**

WHEREAS, The Budget and Four-Year Financial Plan provides appropriations to support operations of the City for the period July 1, 2021, through June 30, 2025, including salaries, wages, pension requirements, other employee benefits, debt service and other expenses, plus meets the requirements of Chapter 17 of the 2019 Detroit City Code, Article 8 of the 2012 Detroit City Charter, of Public Act 2 of 1968, and Section 4t of the Home Rule City Act (Public Act 279 of 1909), as amended by Public Act 182 of 2014; and

WHEREAS, The City is committed to community outreach and engagement that promotes transparency and accountability and ensures community input on the Mayor's Recommended Budget, which has been, and shall continue to be, provided and reported in accordance with Article X of Chapter 12 of the 2019 Detroit City Code (the "Detroit Community Outreach Ordinance"); and

WHEREAS, The Administration wishes to work collaboratively with the City Council in advance of submitting future budget amendments to appropriate federal funds received from the American Rescue Plan Act of 2021 and other federal stimulus bills that may be enacted; and

WHEREAS, The Administration commits to convening a working group consisting of staff from the Administration and the Detroit City Council for the purpose of discussing eligible uses of such federal stimulus funds; and

WHEREAS, The Detroit Public Library was established under Local Act 223 of 1869, which local act as subsequently amended by Local Act 314 of 1881 authorizes the Detroit Board of Education to appoint the Board of Library Commissioners with the power to supervise the Detroit Public Library; and

WHEREAS, subsequent state statutes have vested certain responsibilities for financial and budgetary matters of the Detroit Public Library with the City of Detroit notwithstanding the Board of Library Commissioners being appointees of the Detroit Board of Education; and

WHEREAS, this organizational and governance structure has left the Detroit Public Library with inadequate resources for operating and capital purposes and with neither the City of Detroit nor the Detroit Board of Education having clear authority or responsibility.

NOW, THEREFORE, BE IT:

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 2021 – 2022 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 2021 – 2022 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 2021 – 2022 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”, Step Code “Q” 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 the 2021 – 2022 fiscal year, 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 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

30. 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

31. 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 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

32. 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

33. 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

34. 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 44-4-61 through 44-4-71 of the 2019 Detroit City Code; and be it further

35. 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 44-4-61 through 44-4-71 of the 2019 Detroit City Code; and be it further

36. 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

37. 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 2020 - 2021 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

38. 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

39. 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

40. 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

41. RESOLVED, That as actual collections are received through June 30, 2022 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

42. RESOLVED, That the Finance Director is hereby authorized and directed to disburse the necessary funds as adopted and appropriated in the 2021 – 2022 Budget to the Charles H. Wright Museum of African American History, Zoological Institute, Detroit Port Authority, Detroit Historical Museum and the Eastern Market Corporation; and be it further

43. 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 further

44. 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 ; and be it further

45. RESOLVED, That, notwithstanding any provisions of Section 22-3-7 of the 2019 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; and be it further

46. RESOLVED, That the Deputy CFO / Budget Director is hereby authorized to appropriate investment earnings on bond proceeds for the same purposes as such bond proceeds approved by the voters and the City Council. Provided further, that the Deputy CFO / Budget Director shall provide quarterly reports on such appropriations to the City Council; and be it further

47. RESOLVED, That since the organizational and governance structure of the Detroit Public Library has left the Detroit Public Library with inadequate resources for operating and capital purposes and with neither the City of Detroit nor the Detroit Board of Education having clear authority or responsibility, the City of Detroit, with the support and encouragement of the Detroit City Council, will engage the Detroit Public Schools Community District and the Detroit Public Library to jointly develop a plan to restructure the organizational structure and responsibilities of the Detroit Public Library in an effort to

enhance the operational and fiscal capacities of, and attract new capital investments in, the Detroit Public Library.

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 Fiscal Years 2022-2023, 2023-2024 and 2024-2025 so long as those adjustments are consistent with the Fiscal Year 2021-2022 Budget and completed prior to the submission of the Four-Year Financial Plan to the Financial Review Commission; and be it finally

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)



Lauren Hood, MCD
Chairperson
Donavan Smith
Vice Chair/Secretary

Marcell R. Todd, Jr.
Director

City of Detroit
CITY PLANNING COMMISSION
208 Coleman A. Young Municipal Center
Detroit, Michigan 48226
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Brenda Goss Andrews
Kenneth R. Daniel
Damion W. Ellis
David Esparza, AIA, LEED
Gwen Lewis
Frederick E. Russell, Jr.
Henry Williams

April 7, 2021

HONORABLE CITY COUNCIL

RE: Amended Schedule A reflecting City Council Changes to the Mayor's 2022 Community Development Block Grant (CDBG) Proposed Budget

Attached is the Amended Schedule A and corresponding resolution for City Council action on the Mayor's recommended 2022 CDBG budget. The Schedule A was prepared by the Housing and Revitalization Department, then reviewed and revised by the City Planning Commission (CPC) staff in conjunction with HRD.

The Schedule A reflects the City Council changes to the Mayor's recommended CDBG budget including Your action on the Neighborhood Opportunity Fund (NOF) awards as well as the remaining portions of the CDBG budget that Your Honorable Body is supporting via Your review of this budget. The column heading that previously read "Council Rec" now reads "City Council Final." The cells below that heading carry the allocations determined by Your Honorable for adoption under the 2022 CDBG Program.

The single change made to the Schedule is to move the \$42,000.00 for City Planning Commission/Historic Designation Advisory Board staffing from listing under the Housing and Revitalization Department to a new line item, "Historic Designation Advisory Board – Staffing" under City Council. This is being done simply to properly reflect the expenditure as a legislative cost.

Please let us know if you have any questions regarding this revised Schedule A or the CDBG program.

Respectfully submitted,



Marcell R. Todd, Jr., Director

Attachments

cc: Steven Watson, Director, Budget
Julie Schneider, Director, HRD

**RESOLUTION TO ADOPT THE 2022 CITY OF DETROIT BUDGET,
AS AMENDED BY SCHEDULE A**

Honorable City Council:

Your Committee of the Whole has had under consideration the proposed Community Development Block Grant Budget of the City of Detroit for the fiscal year 2022 as submitted by His Honor, the Mayor, and having completed its consideration of same, herein submits the following resolution and recommends its adoption.

Respectfully submitted,

Chairperson

BY COUNCILMEMBER _____

RESOLVED, That this Body having completed its consideration of the proposed Community Development Block Grant (CDBG) Budget of the City of Detroit for the fiscal year 2022 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, 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 2022-2025 FOUR-YEAR FINANCIAL PLAN
CDBG SCHEDULE A
 FY 21-22

City of Detroit, Michigan
 FY

Appr	Cost Center Num	Program/Activity Name	MAYOR'S REC	PROPOSED REVISED MAYOR'S REC	CITY COUNCIL FINAL
CDBG EXPENDITURES					
20234	365701	HRD - Office of Administration	2,206,462	2,206,462	2,206,462
20238	365706	HRD - Office of Hsg Un - Supportive Hsg	463,836	432,080	432,080
13170	365707	HRD - Office of Programmatic Un - NOF & CDBG Initiatives	1,814,275	1,739,275	1,739,275
5797	360600	Eight Mile Blvd	25,000	25,000	25,000
10355	362705	Fair Housing Awareness	25,000	25,000	25,000
20234	361111	Policy Staffing - CDBG	410,623	410,623	410,623
13635	365003	City Plan Comm/Historic Designation Advisory Board	42,000	42,000	
		HRD SUB-TOTAL	4,987,196	4,880,440	4,838,440
PLANNING AND DEVELOPMENT					
14027	433110	PDD - Planning - Staffing	2,122,270	2,122,270	2,122,270
		PDD SUB-TOTAL	2,122,270	2,122,270	2,122,270
CITY COUNCIL					
5081	520120	City Plan Comm/Historic Designation Advisory Board			42,000
		CC-HDAB SUB-TOTAL			42,000
ADMIN AND PLANNING TOTAL			7,109,466	7,002,710	7,002,710
DEMOLITION					
13635	365006	HRD - Demolition	1,026,044	1,026,044	1,026,044
		DEMOLITION TOTAL	1,026,044	1,026,044	1,026,044
HOME REPAIR					
10409	362742	CDBG Match - LEAD Grant	1,000,000	1,000,000	1,000,000
20153	364113	Conventional Home Repair	1,500,000	1,500,000	1,500,000
13609	364067	0% Interest Home Repair Program	2,500,000	2,500,000	2,500,000
		SUB-TOTAL	5,000,000	5,000,000	5,000,000
20238	365705	HRD - Multi Family Staffing	914,490	914,490	914,490
20636	365110	Community Development Housing Activities	2,744,508	2,744,508	2,744,508
		SUB-TOTAL	3,658,998	3,658,998	3,658,998
HOME REPAIR TOTAL			8,658,998	8,658,998	8,658,998
DEVELOPMENT					
20541	361111	Pre-Development - Affordable Housing	1,500,000	942,633	942,633
		DEVELOPMENT TOTAL	1,500,000	942,633	942,633
PUBLIC FACILITY REHAB					
11496	364040		1,000,000	1,000,000	1,000,000
		PFR TOTAL	1,000,000	1,000,000	1,000,000
20931	361111	Down Payment Assistance Program	2,408,064	2,408,064	2,408,064
12168	364050	HOMELESS PUBLIC SERVICE	2,665,135	2,585,064	2,585,064
		TOTAL HOMELESS PUBLIC SERVICE	2,665,135	2,585,064	2,585,064
PUBLIC SERVICE					
13837	365007	Summer Jobs Program (NRSA)	1,500,000	1,500,000	1,500,000
20635	361111	DESC Training Programs (NRSA)			
		SUBTOTAL PS NRSA	1,500,000	1,500,000	1,500,000
12945	362009	Unassigned Projects	2,666,968	(2,666,968)	(2,666,968)

FY 2022-2025 FOUR-YEAR FINANCIAL PLAN
 CDBG SCHEDULE A
 FY 21-22

City of Detroit, Michigan
 FY

Appr	Cost Center Num	Program/Activity Name	MAYOR'S REC	PROPOSED REVISED MAYOR'S REC	CITY COUNCIL FINAL
		EDUCATION			
7523	360901	Accounting Aid Society		82,950	82,950
20647	361111	Center for Employment Opportunities		77,945	77,945
11499	365559	Coleman A. Young Foundation		61,813	61,813
4139	360238	DAPCEP		62,945	62,945
5983	360634	Dominican Literacy Center		82,950	82,950
20953	361111	Fair Housing Center of Metro Detroit		72,945	72,945
6698	360767	Focus HOPE		77,945	77,945
11167	363124	Greening of Detroit		77,945	77,945
6709	360772	International Institute		77,950	77,950
11554	361741	Mercy Education Project		72,945	72,945
4898	360427	Ser Metro		72,945	72,945
20156	364116	Sienna Literacy		77,945	77,945
20954	361111	Southwest Economic Solution Corporation		77,945	77,945
13562	367237	The Youth Connection		77,945	77,945
13556	367232	Urban Neighborhood Initiative		72,945	72,945
05178	360469	Wellspring		77,945	77,945
13646	364103	YMCA		77,945	77,945
		EDUCATION SUB-TOTAL		1,283,948	1,283,948
		HEALTH			
12420	367156	Joy-Southfield CDC		72,945	72,945
20630	361111	My Community Dental		77,945	77,945
20792	361111	Project Healthy Community		82,950	82,950
4178	360263	World Medical Relief		77,945	77,945
		HEALTH SUB-TOTAL		311,785	311,785
		RECREATION			
11547	366996	Clark Park Coalition		77,945	77,945
20648	361111	Cody Rouge Community Action Alliance		62,945	62,945
20793	361111	Heritage Works		62,945	62,945
5897	360619	Mosaic Youth Services		67,945	67,945
5544	360558	Southwest Detroit Business Association		50,000	50,000
13397	367227	Teen Hype		67,945	67,945
		RECREATION SUB-TOTAL		389,725	389,725
		PUBLIC SAFETY			
10663	363079	(Wayne County) Neighborhood Legal Services		72,945	72,945
10620	363059	Jefferson Business Association		72,945	72,945
		PUBLIC SAFETY SUB-TOTAL		145,890	145,890
		SENIORS			
10154	362660	Bridging Communities		77,945	77,945
6403	360705	Delray United Action Council		72,945	72,945
10621	363060	L&L Adult Day Care		72,945	72,945
5662	360574	LASED		72,945	72,945
20488	361111	Luella Hannan Memorial		77,945	77,945
11893	366905	Matrix Human Services		77,945	77,945
5149	360454	St. Patrick Senior Center		82,950	82,950
		SENIORS SUB-TOTAL		535,620	535,620
		TOTAL PUBLIC SERVICE (EXCLUDING NRSA PA)	2,666,968	2,666,968	2,666,968

FY 2022-2025 FOUR-YEAR FINANCIAL PLAN
CDBG SCHEDULE A
 FY 21-22

City of Detroit, Michigan
 FY

Appr	Cost Center Num	Program/Activity Name	PROPOSED		
			MAYOR'S REC	REVISED MAYOR'S REC	CITY COUNCIL FINAL
13529		SECTION 108 LOANS			
13529	364089	Book Cadillac	930,936	933,099	933,099
13529	364090	Fort Shelby	1,958,981	1,963,185	1,963,185
13529	364087	Garfield II - Note 1 - Garfield Estates	824,131	826,068	826,068
13529	364087	Garfield II - Note 2 - N'namdi Ctr.	191,285	191,285	191,285
13529	364092	Garfield Geothermal	128,164	128,556	128,556
13529	364093	Garfield Sugar Hill	408,033	408,776	408,776
13529	364086	Mexicantown	349,964	350,906	350,906
13529	364091	Woodward Garden	2,221,174	2,421,194	2,421,194
		SECTION 108 TOTAL	7,012,668	7,223,069	7,223,069
		SUB-TOTAL HRD EXPENSES	33,425,073	32,891,280	32,849,280
		SUB-TOTAL OTHER DEPARTMENTS EXPENSES	2,122,270	2,122,270	2,164,270
		TOTAL	35,547,343	35,013,550	35,013,550
CDBG ALLOCATION					
		TOTAL CDBG LINE OF CREDIT	35,547,351	35,013,550	35,013,550
		Difference	8	0	0
		CDBG SPENDING CAPS			
		Admin/Planning Cap	7,109,470	7,002,710	7,002,710
		Total Admin/Plan Expenses	7,109,466	7,002,710	7,002,710
		Difference	4	0	0
		Public Service Cap	5,332,103	5,252,033	5,252,033
		Total Public Service Expenses	6,832,103	6,752,032	6,752,032
		Difference	(1,500,000)	(1,500,000)	(1,500,000)

**SCHEDULE B - CITY COUNCIL CHANGES TO THE
FISCAL YEAR 2021-2022 BUDGET**



**RESOLUTION TO ADOPT THE 2021-2022 CITY OF DETROIT BUDGET,
AS AMENDED BY SCHEDULE B**

Honorable City Council:

Your Committee of the Whole has had under consideration the proposed Budget of the City of Detroit for the fiscal year 2021-2022 as submitted by his Honor, the Mayor, and having completed its consideration of same, herein submits the following resolution and recommends its adoption.

Respectfully submitted,

Chairperson

BY COUNCILMEMBER _____

RESOLVED, That this Body having completed as of April 7, 2021, its consideration of the proposed Budget of the City of Detroit for the fiscal year 2021-2022 as contemplated by the Charter and ordinances of the City of Detroit, by majority vote of all members elected thereto, adopts said Budget, as amended by the foregoing schedule B, 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 _____

Waiver of Reconsideration Requested

#	Agency	Council Action	Approp. No.	Appropriation Name	FTEs	Appropriations	Revenues	Increase/Decrease	Fund #
	Mayor's Recommended Budget to								
	City Council				10,320	\$ 2,338,471,608	\$ 2,338,471,608	\$ -	
23	Office of the Chief Financial Officer	Decrease Appropriation	29235	Accounting Controls		(100,000)			1000
23	Office of the Chief Financial Officer	Increase Appropriation -add 2 new CC - CC 230083-\$50,000 - "Detroit Procurement Opportunity Administration" and CC 230084 -\$50,000 - "Detroit Procurement Opportunity Marketing and Outreach"	29233	Supplier Analysis		100,000			1000
29	Civil Rights, Inclusion and Opportunity	Increase Appropriation - CC 290070 - change name to Skilled Trade Readiness - Barrier Removal & Gender Diversification	27291	Development Support - Skilled Trade Readiness		10,000			3217
29	Civil Rights, Inclusion and Opportunity	Increase Appropriation - CC 290080 - change name to Skilled Trade Readiness - Detroit Opportunity Training	27291	Development Support - Skilled Trade Readiness		650,000			3217
29	Civil Rights, Inclusion and Opportunity	Decrease Appropriation	27290	Development Support - CRIO		(660,000)			3217
29	Civil Rights, Inclusion and Opportunity	Increase Appropriation - add new CC - 290011 Detroit Opportunity Certification	28290	Human Rights Advocacy		60,000			1000
29	Civil Rights, Inclusion and Opportunity	Increase Appropriation - add new CC - 290012 Detroit Opportunity Monitoring	28290	Human Rights Advocacy		60,000			1000
29	Civil Rights, Inclusion and Opportunity	Increase Appropriation - One TASS to better monitor low housing commitments tied to tax abatements	28290	Development Support - CRIO		85,000			1000
35	Non-Departmental	Decrease Appropriation	29350	Citywide Overhead		(2,000,000)			1000
35	Non-Departmental	Increase Appropriation - Add 1 position (TASS)	28351	Board of Ethics		77,023			1000
35	Non-Departmental	Increase Appropriation - CC 351250 - Charter Revision Commission	28350	Special Public Programs		3,500			1000
36	Housing & Revitalization Department	Reduce Cost Center 365008 by \$250,000	27362	Motor City Match		(250,000)			1000
36	Housing & Revitalization Department	Create New Cost Center 365011 - HRD Ec Dev & Sm Bus Development - City of Detroit Supplier Opportunity Support - Add \$250,000	27362	Motor City Match		250,000			1000
36	Housing & Revitalization Department	Increase Appropriation - CC 364136 - Sr. Home Repair	26363	Senior Home Repairs		2,000,000			1000
36	Housing & Revitalization Department	Decrease Appropriation	26364	Affordable Housing Development & Preservation Fund		(85,000)			1000
37	Police Department	Decrease Appropriation	29370	Police Cadet Program		(994,216)			1000
47	General Services Department	Increase Appropriation - increase cc 470010 replace HVAC at Main Library	20507	COD Capital Projects		2,000,000			4533
47	General Services Department	Decrease Appropriation - reduce Fleet Management CC 470100	20507	COD Capital Projects		(2,000,000)			4533
50	Office of the Auditor General	Increase Appropriation - Add 2 ftes - Auditor III & Auditor IV - CC 500020 - Auditing Operations	28500	Internal Controls Auditing	2	197,335			1000
52	City Council	Increase Appropriation - CC 520005 - Add 2 FTEs - 1 LPD Planner 2; 1 LPD Planner 3	28520	Legislative Administration	2	161,014			1000
52	City Council	Increase Appropriation	28521	City Council Member at Large 1		37,039			1000
52	City Council	Increase Appropriation	28522	City Council Member at Large 2		37,039			1000
52	City Council	Increase Appropriation	28523	City Council Member - District 1		32,647			1000
52	City Council	Increase Appropriation	28524	City Council Member - District 2		32,647			1000
52	City Council	Increase Appropriation	28525	City Council Member - District 3		32,647			1000
52	City Council	Increase Appropriation	28526	City Council Member - District 4		32,647			1000
52	City Council	Increase Appropriation	28527	City Council Member - District 5		32,647			1000
52	City Council	Increase Appropriation	28528	City Council Member - District 6		32,647			1000
52	City Council	Increase Appropriation	28529	City Council Member - District 7		32,647			1000
54	Office of the Inspector General	Increase Appropriation for supplies	28540	OIG Investigations & Accountability		12,500			1000
70	City Clerk	Increase Appropriation - CC 700010 - Add funding for unfunded staff - 1 AA IV; 2 Urban Government Intern II - Limited Service	28700	City Clerk Administration		120,237			1000

As Amended by City Council			Final Budget	10,324	2,338,471,608	2,338,471,608			

**FISCAL YEAR 2021 – 2022 FINANCIAL AND
PRIORITIES, PUBLIC POLICY, PLANNING AND
ACTION RESOLUTION
(CITY COUNCIL)**



**THE DETROIT CITY COUNCIL
2021-2022 FINANCIAL AND BUDGETARY PRIORITIES,
PUBLIC POLICY, PLANNING AND ACTION RESOLUTION**

BY ALL COUNCIL MEMBERS:

WHEREAS, The Honorable Mayor Mike Duggan presented a Recommended FY 2022 – FY 2025 Four–Year Financial Plan for the City of Detroit to the Honorable Detroit City Council on March 5, 2021, and in fulfillment of its Charter-mandated role and in keeping with past practice, City Council held hearings and deliberations on the proposed Executive Budget for FY 2021-2022 as submitted by the Mayor, with all hearings held “virtually” by electronic means due to the continuing worldwide COVID-19 pandemic, declared by the World Health Organization in March 2020; and

WHEREAS, The gradual return to more normalized commercial and civic life in this city and around the country, as well as the anticipation of recently approved federal funds, has allowed for a more conventional 2022 budget process, despite an ongoing outflow of resources required to maintain our community through this crisis; 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 has been 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 2021-2022 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, Pursuant to Sec. 8-213 of the 2012 City Charter and Public Act 182 of 2014, the City’s Chief Financial Officer, Budget Director, Auditor General, and the City Council’s Legislative Policy Division, along with other top officials held a revenue estimating conference which determined reasonable, agreed upon revenue projections for the General Fund revenues for the upcoming fiscal year, of \$995.6 billion; and

WHEREAS, The FY 2022-2025 four-year financial plan, as presented to City Council, shows employee benefits increasing from \$81.2 Million in FY 2023 to \$223.2 Million in FY 2024, an increase of \$142 Million. More specifically, discretionary pension contributions will go from zero to \$202 Million in FY 2024. The FY 2024 \$202 Million pension payment is based on a 30-year amortization period. The OCFO estimates the FY 2024 pension payment to be \$217 Million based on a 25-year amortization period, and \$241 Million on a 20-year amortization period. The Retiree Protection Trust Fund (RPTF) was projected to grow to \$365 Million to soften the pension blow in FY 2024; and

WHEREAS, In FY 2024, the pension payment could approach 20% of the general fund budget under a 30-year amortization period. The pension payment could approach 24% of the general fund budget under a 20-year amortization period. The amount of the City's annual pension payment fluctuates depending on how the stock market and the pension investments perform, the pension payback period (payment amortization period) and how much the City owes in pensions (unfunded actuarial liability). Conservative budgeting needs to be continued to reflect fiscal realities and avoid a reversion into bankruptcy and to diminish the City's ability to provide critical services. Pension costs will need extremely close monitoring; and

WHEREAS, On this day, April 7, 2021, the Detroit City Council adopts a program budget that is based on sound 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 \$365 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, \$45 Million in FY 2020, \$50 Million in FY 2021 and will contribute \$85 Million in FY 2022 and \$60 Million in FY 2023. 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, Prudent financial planning to lessen the impact of the large looming pension payment starting in FY 2024 on the City's finances include: 1) developing a plan to grow general fund revenue through developing new revenue sources, instituting increased collection efforts of existing revenue sources, generating more economic development projects and increasing workforce development opportunities in the City to grow the tax base; 2) identifying additional funding for the Retiree Protection Trust Fund; and 3) exploring ways to operate more efficiently by reducing administrative and other City costs to lower expenditures and create more room to better absorb the increase in pension costs; and

WHEREAS, In response to the COVID-19 pandemic, Congress adopted the American Rescue Plan Act of 2021, which allocated \$879 Million to the City of Detroit to remedy fiscal shortfalls caused by mandatory shut-downs. The first tranche of 50%, or \$440 Million, is expected in May 2021, and the remaining half is expected in a year. Considering the influx of additional funding from the federal government, City Council urges the Administration to collaborate with Council to form a working group or task force to examine the restrictions and availability of the federal funds, as well as, to determine how those funds can be used, within federal spending guidelines, to finance ideas proposed during the budget process that were unable to be funded due to lack of available capital; and

WHEREAS, Evictions also have a profound effect on the social, physical and emotional welfare of low-income families, especially senior citizens and children. Children are oftentimes uprooted from friends, schools and many times parents and family due to evictions, having a profoundly negative impact on their future, safety and mental health. Seniors similarly experience depression and anxiety due to the threat of eviction and ultimate loss of their homes, severely hampering their ability to obtain stable quality housing in the future. Thus, City Council strongly urges the Administration to dedicate funding for the Right to Counsel Ordinance which will guarantee a right to counsel for low-income residents involved in landlord-tenant litigation; and

WHEREAS, Homeownership is the foundation of personal wealth and the bedrock for a municipality's sustainability. The annual over-assessment of residential properties in course of several years in Detroit has caused harm to Detroiters and our chartered City. Thus, City Council strongly urges the Administration to develop a program to address the over-assessment during the years of 2008-2017 and fund it with \$6 Million to provide compensation to affected Detroit homeowners. Council urges the appropriation of \$10 Million from the American Rescue Plan monies to establish a fund for families to support those impacted with additional social services and resources; and

WHEREAS, Multiple academic studies have raised concerns that properties valued at \$25,000 or less continue to be over-assessed which warrants further analysis by the City. City Council urges the Administration to conduct an assessment ratio study immediately, specifically reviewing the properties valued at \$25,000 or less to determine any ongoing overassessment; and

WHEREAS, The need for safe, clean, affordable housing for Detroiters of all economic levels is vitally important for the growth the City. Therefore, City Council urges the Administration to continue funding the Affordable Housing and Preservation Trust Fund through proceeds of commercial land sales, while also actively pursuing additional funding sources. With commercial land sales continuing at a robust pace, it is imperative that a long-term funding source be identified. Further, the Administration should submit yearly reports outlining current funding levels as well as a comprehensive breakdown of all projects funded by the Affordable Housing and Preservation Trust Fund; and

WHEREAS, Due to the age of the housing stock, the over-assessment of property, the low average median income in the City of Detroit, and a historic pandemic, there is an abundance of need for home repair grants for Detroit homeowners. Therefore, City Council urges the Administration to fully fund the Senior Home Repair Grant program at the proposed \$6 Million funding level. Further, the FY 2021-2022 level of funding for the program should NOT be reduced to cover other budget shortfalls; and

WHEREAS, Given ongoing complaints about the conditions of senior housing complexes, with respect to pests, cleanliness, elevator access, and other building maintenance issues, the Detroit City Council is requesting that BSEED increase inspections from every two years to quarterly or annually for senior buildings; and

WHEREAS, For too long, development in Detroit has been centered on revitalizing Downtown and Midtown, while largely ignoring the needs of the residential neighborhoods. The Neighborhood Improvement Fund was originally created to support smaller development projects entirely outside of the downtown and midtown areas. City Council urges the Administration to fully fund and support the Neighborhood Improvement Fund (NIF) and outline a public process for identifying and funding projects; and

WHEREAS, Small businesses are key components of thriving neighborhoods, and the City of Detroit must invest in programming and staffing to support small and minority-owned businesses. City Council urges the Administration to expand the DEGC Business Liaison program and increase the funding by \$800,000 to enhance its ability to serve neighborhood businesses by providing resources, technical assistance, and mentorship opportunities to small business owners; and

WHEREAS, Housing costs continue to rise and long-time Detroit residents are suffering as they are priced out of apartments they long occupied. While new housing projects incorporate affordable units, based on the county AMI, they are often too expensive for most Detroiters. Council urges the appropriation of \$10 Million from American Rescue Plan monies to the Affordable Housing and Preservation Trust Fund to continue to support the preservation of affordable housing projects that use Detroit's AMI; and

WHEREAS, Many of the blighted Land Bank properties, which continue to create safety issues for nearby residents, are not slated to be demolished until the final round of demolitions in four to five years nor is there any current funding appropriated for cleaning out, securing and conducting a title clearance on these properties. Therefore, Council urges the appropriation of \$4 Million from the American Rescue Plan monies to fund the title clearance, clean-out and boarding up of these properties; and

WHEREAS, Drag racing and speeding down residential streets continues to be a safety issue, and life has been lost on residential and other streets from hit and runs or other deadly crashes. City Council is requesting that the Department of Public Works (DPW) increase the funding for speed humps; and

WHEREAS, To ensure the safety and well-being of all City residents and to reduce incidents caused by speeding, particularly on residential streets, City Council urges the Detroit Police Department (DPD) to increase traffic enforcement in neighborhoods and in school zones; and

WHEREAS, City alleys are filled with debris and illegal dumping continues to occur, and the task of cleaning alleys is arduous and cumbersome. Some residents use alleys as driveways, and other alleys provide access to backyards. Given the potential danger to children and Detroit residents, the City Council is requesting that the alley cleaning budget be increased; and

WHEREAS, City Council recognizes the value of supporting community safety through education and outreach, and urges DPW to educate residents on bike lanes and how they should be utilized. Council also urges the Administration to allocate additional funds to the Sidewalk Repair/Replacement program when funding becomes available; and

WHEREAS, In reimagining its image as the Motor City, the City has increased its non-motorized transportation with the installation of 240 miles of bike lanes and the 24.5 mile Joe Louis Greenway which connect residents with residential neighborhoods, commercial corridors, transit, employment and recreational activities. Since the installation of bike lanes, there has been a marked increase in vehicular accidents involving cyclists and complaints from cyclists, business owners and residents regarding illegal parking and poor maintenance—especially during increment weather. As cycling and other modes of non-motorized transportation become a way of life for Detroiters, more education and community outreach is needed; therefore, the Detroit City Council urges PDD and DPW to provide a comprehensive plan around bike lane education that includes usage, courtesy and bike safety for residents and business owners; and

WHEREAS, Dangerous trees on private property remain a problem in several Detroit neighborhoods. During severe weather events, these trees have caused significant bodily harm and property damage. Despite necessity, the removal of dead and dying trees on private property can be astronomical for residents, especially for seniors. Therefore, City Council encourages the Administration to provide additional funding in the Senior Home Repair Grant program to address tree removal for resident senior citizens.

WHEREAS, Gun violence continues to plague the city of Detroit. As such, City Council is requesting that the Administration set aside funding in the Health Department budget to adequately address the issue. The City should also consider declaring gun violence as a state of emergency so that the City can receive Federal funds for programming; and

WHEREAS, There are a number of resources and programs available to Detroit Residents which are under-utilized due to the failure to properly promote and advertise the availability of services and opportunities to educate the public. City Council passed a Detroit Parking Discount for Detroit residents that only a small number of Detroiters registered to receive. Therefore, City Council is urging the Municipal Parking Department to add information about the program on ticket envelopes, the Parking App, and on meters. In addition, City Council is urging the MPD to record videos about the Detroit Parking Discount program and educate the public about the process to register; and

WHEREAS, City Council urges the Administration, as funding becomes available, to provide additional funds to the Municipal Parking Department for a print campaign explaining new meters and policies to ensure Detroit residents stay up to date on changes throughout the City relative to parking enforcement; and

WHEREAS, Education and professional development enhance an individual and the work place when new skills are acquired, and expertise is obtained. The City should expand its investment in its workforce through a complete reinstatement of the employee tuition reimbursement program; and

WHEREAS, In recognition of the need to monitor compliance relative to demolition activities, City Council urges the Administration to prioritize the hiring of two additional CRIO compliance officers to enforce rules and regulations associated with the Proposal N blight remediation

activities. City Council further urges that the bond proceeds associated with Prop N be employed to fund the hiring of the additional personnel; and

WHEREAS, City Council urges the Administration to prioritize the filling of currently vacant inspector positions at the Buildings, Safety Engineering and Environmental Department, and to utilize funds from the construction enforcement fund, which has a positive balance, to make these positions more competitive and attractive to applicants; and

WHEREAS, Calls for police assistance frequently stem from a mental health crisis. City Council urges the Administration to allocate significant dollars to expand the use of social workers qualified to address mental and behavioral health and substance abuse issues to assist on runs where City residents might be experiencing mental health challenges. The objective would be that these services would be made available for both police runs and those seeking assistance directly from the Health Department; and

WHEREAS, The pandemic has highlighted the need to significantly increase the amount of funding to the Health Department to support critical programs that Detroiters desperately need to maintain their mental and physical health. While we are still learning the toll the pandemic has taken on people's well-being, we know there is a need for additional Mobile health units and increased funding for maternal health, mental health, substance abuse, HIV/AIDS prevention, support for victims of domestic violence & human trafficking, and children's well-being. Council urges the appropriation of \$10 Million from American Rescue Plan monies initially, and an increase in the Department's General Fund subsidy henceforth; and

WHEREAS, City Council urges the Administration to utilize American Rescue Plan funds to assist in Detroit Water and Sewerage Department's repair or replacement of needed underground water infrastructure, approximately \$4 Million per year over the next decade. Additionally, Council urges the Administration to support the use of federal funds to establish a Low Income Home Energy Assistance Program (LIHEAP), to ensure all water shutoffs are ended in the City; and

WHEREAS, City Council urges the Board of Police Commissioners to fill currently vacant positions (such as the Chief Investigator position and Board Attorney) and restore reduced salaries prior to hiring for newly created positions; and

WHEREAS, Detroit's Board of Police Commissioners (BOPC) plays a critical role in ensuring transparency in policing, and providing opportunities for Detroiters to provide input about police performance. City Council urges the BOPC to conduct annual surveys to gauge community experiences and perceptions of the police, and then use the information collected to inform police department policies and practices, police officer evaluations, and police officer pay incentives. Additionally, we urge the BOPC to hold at least one public hearing before adopting the police budget to allow for greater public input into this process; and

WHEREAS, City Council encourages the Detroit Department of Transportation (DDOT), as well as all City agencies, to fill entry level positions and avoid paying people out of class, and avoid filling higher level positions before filling entry level positions; and

WHEREAS, City Council urges the Administration to allocate funding to the Entertainment Commission via the Legislative Policy Division to fund personnel activities for the Commission. This will help the Commission ramp up its activities to bring entertainment and enhance the City's attractiveness to tourists; and

WHEREAS, City Council urges the Office of the Chief Financial Officer to continue implementing Outcome Budgeting to ensure comprehensive community engagement when identifying City budget priorities, and further urges the City to work with its partners in the labor movement to ensure that the working families of Detroit are at the table when deliberating over the budget; and

WHEREAS, The Charles H. Wright Museum of African American History is an important institution in Detroit, the State of Michigan and this nation. In order to enhance the educational and cultural opportunities, new revenue streams must be identified and secured to help finance needed capital improvements and to upgrade the facility with respect to technology and exhibits. City Council urges the Administration to support a millage for museum operations, to help identify additional revenue streams for the Wright Museum and to utilize the Office of Development and Grants to aid in its fundraising efforts; and

WHEREAS, City Council recognizes the importance of interactive learning and cultural enrichment provided by the Detroit Zoo. Consequently, City Council urges the Administration, the Grants Department, and the Office of the Chief Financial Officer to assist the Detroit Zoological Society in identifying additional funds for marketing and educational materials to ensure Detroit residents are aware of, and have access to, all of the programs offered by the Detroit Zoo; and

WHEREAS, The Detroit City Council supports the Detroit Historical Society and its mission to operate the Detroit Historical Museum, to collect and preserve the history of the City, and educate the public. Council urges the Administration to work to create a millage for the museum, as well as increasing the City's annual contribution from \$500,000 to \$1,000,000; and

WHEREAS, The mission of the Office of the Ombudsman, serving as a liaison between the City of Detroit and persons who have a complaint or inquiry into the operations of a City department or conduct of a City employee, is an indispensable service providing an important avenue of redress for citizens. When additional funding becomes available, City Council urges the allocation of an additional \$150,000 to hire more staff to carry out the significant work of the Office of the Ombudsman; and

WHEREAS, The construction of the Gordie Howe International Bridge will lead to an additional 10,000 trucks in the area surrounding the new bridge, causing a negative impact on the residents living near the service drive. City Council urges the appropriation of \$250,000 of money from the American Rescue Plan to conduct a study and an additional \$1 Million to implement the recommendations to install additional noise and pollution barriers above the I-75 Service Drive between Clark and Springwells St. to mitigate the sound and air pollution that will come with increased truck traffic; and

WHEREAS, The entrance gate to the Detroit Intermodal Freight Terminal from W. Vernor Hwy and Waterman St., and the corresponding truck traffic, have wreaked havoc on the surrounding businesses, residents and public infrastructure. Not only do backups at the entrance cause traffic problems and contribute to air and sound pollution, the City has had to expend Millions of dollars over the years to repair the road, sweep the streets, and clean out the water basins nearby. Council urges the Administration to actively work to close this entrance and work with the railway companies to relocate the entrance to Livernois Avenue, install additional vegetative buffering along the route, and modify the truck routes to prevent truck traffic from traveling on W. Vernor Hwy; and

WHEREAS, Air pollution is a significant public health issue in Detroit and environmentally-related diseases are at a high level in the City. Impoverished and minority peoples disproportionately bear the burden of industry as frontline communities. Council urges the appropriation of \$2 Million from the American Rescue Plan funds to the Public Health fund as seed money to support buffering, air monitoring, health impact assessments, and other activities to mitigate the negative health impacts of pollution; and

WHEREAS, The Office of Sustainability launched the Sustainability Action agenda in 2019, laying the groundwork for a healthier and more sustainable City. However, due to the pandemic, the entire office was furloughed and not fully restored. Council urges the Administration to restore funding to the Office of Sustainability to return to its pre-pandemic staffing and programmatic levels, so that the Office can continue this important work and move forward the City's climate justice goals; and

WHEREAS, The pandemic highlighted the need to invest more resources into our parks, greenways, and outdoor recreational amenities. Many Detroiters that don't have access to neighborhood pocket parks or safe urban greenspace. Research shows that investing in parks and urban greenspace has a positive impact on people's physical and mental health and overall quality of life. Council, therefore, urges the appropriation of \$10 Million of American Rescue Plan funds to support park, urban greenspace, and outdoor recreation facilities to improve Detroiters well-being and quality of life; and

WHEREAS, In addition to outdoor recreational facilities, investment in the City's recreational centers is essential to enrich the quality of life for all Detroiters. As there are large areas in the City that offer **no** publicly owned year-round recreational facilities, City Council strongly urges much needed renovation or rebuilding of recreation centers in Districts 7, 4, and 3, as anticipated federal funding allows; and

WHEREAS, In recent years, the Administration has prioritized approving development projects throughout the City of Detroit to boost job creation and the local economy. However, many of these development projects have further strained the public health and safety of the surrounding communities. Council urges the Administration to immediately fund and hire the position of an Industrial Use Planner to help develop strategies and policies to mitigate some of these health and safety issues and prioritize community well-being throughout the development projects; and

WHEREAS, In order to meet the needs of low-income transit riders and ensure that all Detroiters have access to mobility, Council urges the appropriation of \$5 Million of money from the American Rescue Plan to implement a low-income fare pilot program using recommendations provided in the Low Income Fare Analysis Report, as well as additional improvements to bus shelters and Wi-Fi service on buses; and

WHEREAS, In order to promote a welcoming, safe and equitable work environment, the City of Detroit Human Resources Department and CRIO must provide diversity and equity training to proactively educate City employees about topics, including but not limited to: unconscious bias, micro-aggressions, diversity and inclusion, sexual harassment, workplace hostility, sexism and ageism in the workplace. Council urges the Administration to begin implementing these trainings immediately on an annual basis and mandating participation by all City employees, including elected officials and their staff; and

WHEREAS, The COVID-19 pandemic has highlighted the importance of prioritizing the needs of individuals with disabilities within the City of Detroit to ensure equity and access to services. Council urges the Administration to increase funding to \$700,000 for the new Office of Disability Affairs to adequately staff and host programming to meet and be inclusive of the needs of Detroit residents with disabilities; and

WHEREAS, The importance of having a robust language access plan in the city, and the need for legislation and additional resources to effectively implement the current plan has been highlighted during this time. In order for the City of Detroit to provide meaningful access to City services, resources, and programs, City Council urges the Administration to designate a language access coordinator in each public facing department, increase the Language Access Coordinator positions to two within CRIO, and allocate additional funds to the current Language Access Plan (LAP) through Civil Rights, Inclusion, and Opportunity Department; and

WHEREAS, With more than 35,000 foreign-born residents and nearly 100,000 households with immigrant family members, the Administration must invest resources into ensuring these new and existing immigrant communities have access to resources and programs. As the City pursues its national certification to become a *welcoming city*, we urge the appropriation of \$500,000 of funds from the American Rescue Plan to address the negative findings from the welcoming cities evaluation and to allocate additional funding to the Office of Immigrant Affairs to increase staff and programming capacity; and

WHEREAS, Detroiters cast their votes in historic numbers in the last general election, underscoring the importance of supporting our City Clerk, Department of Elections, and the Election Commission. City Council urges the Administration to fund the requested Customer Affairs position, as well as provide robust funding for election workers to further strengthen the infrastructure of Detroit's voting process and promote accessibility to all Detroiters. Council further urges additional funding for the City's Election Commission; and

WHEREAS, City libraries provide invaluable services to Detroit residents, from supporting literacy to helping with job preparation. While the libraries may not be operated by the City, they are an invaluable asset to our communities and warrant additional investment. We urge the

appropriation of \$9.5 Million of American Rescue Plan dollars to provide funding for much-needed capital repairs at Detroit Public Library branches to allow them to re-open safely and provide residents with quality services and programming; and

WHEREAS, Additionally, City Council supports a restructuring of the governance structure of the library system that includes the City of Detroit. The City will have greater comfort in provided significant public capital investment in the system's property; and

WHEREAS, Library improvements were identified to be funded by various voter-approved capital improvement bond initiatives. Thus far none of the bond proceeds have been utilized for the libraries and as such, City Council urges the Administration utilized \$2 Million in the remaining funds for repairs the Detroit Main Library's HVAC system; and

WHEREAS, City Council urges the Administration to appropriate capital improvement funds along with private dollars when funds are available, for necessary repairs and renovations to the Detroit Police Department's outdoor firing range at Rouge Park and the acquisition and renovation of an indoor facility; and

WHEREAS, The Board of Police Commissioners (BOPC) has struggled with a lack of office space for its staff. City Council supports adding funding to the Board's budget to acquire adequate space, when funds become available; and

WHEREAS, The Employee Assistance Program (EAP), housed in the Human Resources Department, is a crucial component of any human resources, but particularly now during an ongoing pandemic. Adequate funding is therefore a necessity and City Council urges the Administration to fully fund the City's EAP program; and

WHEREAS, As the City's youth move into the workforce and a career path, opportunities for training, networking, and continued hands-on education often present in the form of internships, many of which tend to be unpaid. While interns provide valuable services and fresh perspective to the employer in the work setting, many young people cannot afford to avail themselves of the opportunity because they must earn money. In recognition of these factors, City Council urges the Administration to adopt a citywide policy that all internships for the City of Detroit will be paid positions; and

WHEREAS, Too often, mothers and fathers are forced to return to work without adequate time to recuperate from giving birth or for bonding time with their new infant because of the lack of financial resources. City Council proposes and strongly urges the City of Detroit to implement a parental leave policy that will pay employees 100% of their salaries for six weeks during a maternity or paternity leave for Detroit employees, bringing Detroit in line with thousands of forward-thinking, competitive cities and private sector companies across the country; and

WHEREAS, The City Planning Commission dedicates long hours to ensure the zoning ordinance protects the residents and reflects the needs of the entities within the city boundaries. City Council requests that the proper ordinance and policy amendments be made to provide for stipend for the City Planning Commissioners; and

WHEREAS, Approximately \$150,000 of General Fund dollars had been earmarked for mental health services. City Council urges the Administration to restore this funding, which were intended to increase the behavioral health staff to expand the team's capacity throughout the community, at the earliest possible date. City Council also urges the Administration to explore, research and develop food pharmacies within the community to enhance mental health through the improvement of physical health; 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 a deliberative process. City Council strongly believes that through the implementation of its 2021-2022 budget, coupled with the Plan of Adjustment, and anticipated forthcoming budget amendments from the Administration, the City's recent financial dilemma will be appropriately addressed providing a brighter course toward future financial stability. **NOW, THEREFORE, BE IT**

RESOLVED, That \$85,000 be transferred by Housing and Revitalization Department (HRD) transfer from the Affordable Housing and Preservation Trust Fund to the Civil Rights, Inclusion and Opportunity Department (CRIO) to support the hiring of a FTE position to monitor low-income housing commitments made by developers that use public tax incentives or abatements; **AND, BE IT FURTHER**

RESOLVED, Despite the downturn in the financial conditions cause by the COVID-19 pandemic, the City of Detroit will continue to need host recurring services including tree removal services, janitorial services, and security services. Due to these service needs, which cost the City approximately \$600M-\$1B annually, and the economic impact of COVID-19, the City of Detroit stands to be the number one employer in Detroit making it crucial that the City implement policies that leverage City of Detroit contracts to the benefit of Detroit residents and businesses. To accomplish these goals, a \$470,000 investment will be targeted to guarantee access to equity and opportunity on City contracts while prioritizing the circulation of Detroit dollars within Detroit communities, to be divided as follows:

- \$250,000 will be appropriated for investment into Detroit businesses interested in bidding on city contracts to build capacity by accessing funding for equipment, startup costs and other business development needs;
- \$120,000 will be appropriated for investment into enhanced Detroit Opportunity Certification and monitoring, specifically to increase verification of Detroit businesses and resident participation on city contracts; and
- \$100,000 will be appropriated for investment into target reporting, outreach and marketing to inform Detroit residents and businesses of city contract opportunities; **AND BE IT FURTHER**

RESOLVED, The Skilled Trades Readiness Fund was created for the investment of compliance fee dollars into programs, activities and initiatives to prepare Detroiters for jobs within the skilled trades, which have not to date resulted in a Ready-to-Work Detroit resident workforce. The City of Detroit is committed to collaborate and partner with skilled trades unions in order to guarantee direct investment of its \$1 million appropriation into the Skilled Trades Readiness Fund, appropriated as follows:

- \$240,000 will be appropriated to the Skilled Trades Readiness Fund for investment into basic skills testing to prepare Detroit residents for the basic skills test required for entry into the unions skilled trades apprenticeship programs.
- \$60,000 will be appropriated to the Skilled Trades Readiness Fund for investment into transportation, child care costs, outreach to increase the number of women in the skilled trades, and other initiatives to support barrier removal and gender diversification within the skilled trades.
- \$700,000 will be appropriated to the Skilled Trades Readiness Fund for direct investments into programs that guarantee a pathway to employment specifically within the skilled trades through, (1) guaranteed job placement in Detroit following program completion, and (2) guaranteed job placement in Detroit tracking and monitoring following program completion; **AND BE IT FURTHER**

RESOLVED, The Skilled Trades Task Force will create the Skilled Trades Readiness Roundtable as a subcommittee of the Skilled Trades Taskforce with representatives from each of skilled trades unions and/or Wayne County Trade Alliance representatives and Management & Unions Serving Together (MUST) Careers, the chair of the Detroit City Council Skilled Trades Taskforce, representatives from Detroit-At-Work, city contractors, developers and other licensed skilled trades professionals. A meeting of the Skilled Trades Readiness Roundtable will convene July 1, 2021, and will continue monthly until all dollars within the Skilled Trades Readiness Fund have been expended; **AND, BE IT FURTHER**

RESOLVED, Library improvements were identified to be funded by various voter-approved capital improvement bond initiatives. Therefore, \$2 million has been allocated to fund for repairs the Detroit Main Library's HVAC system; **AND, BE IT FURTHER**

RESOLVED, City Council allocated \$197,335 to the Auditor General's Office to allow for the hiring of two additional auditors; **AND, BE IT FURTHER**

RESOLVED, City Council has appropriated \$161,014 for the restoration of two planner positions; **AND, 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 2021-2022 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 7, 2021



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