

## BUDGET (12)

### AGENCY PLAN: MISSION, GOALS AND BUDGET SUMMARY

#### MISSION:

The Budget Department compiles and monitors all necessary financial planning information and makes recommendations so that the City Administration can efficiently deliver quality services to improve public safety, accelerate economic development and improve the financial health of the City.

#### AGENCY GOALS:

1. Develop quality Departmental and Citywide financial plans.
2. Monitor conformity of Departmental activities with financial and operations plan.
3. Assist in the ongoing formulation of the Administration's priorities through systematic communication of quality fiscal analyses.
4. Provide efficient quality and user-friendly services to departments and key stakeholders of the City.

#### AGENCY FINANCIAL SUMMARY:

2011-12 <u>Requested</u>		2010-11 <u>Budget</u>	2011-12 <u>Recommended</u>	Increase <u>(Decrease)</u>
\$ 2,869,175	City Appropriations	\$ 2,325,911	\$ 2,604,707	\$ 278,796
\$ 2,869,175	Total Appropriations	\$ 2,325,911	\$ 2,604,707	\$ 278,796
\$ 2,869,175	NET TAX COST:	\$ 2,325,911	<u>\$ 2,604,707</u>	\$ 278,796

#### AGENCY EMPLOYEE STATISTICS:

2011-12 <u>Requested</u>		2010-11 <u>Budget</u>	04-01-11 <u>Actual</u>	2011-12 <u>Recommended</u>	Increase <u>(Decrease)</u>
<u>21</u>		<u>19</u>	<u>19</u>	<u>18</u>	<u>(1)</u>
21	Total Positions	19	19	18	(1)

#### ACTIVITIES IN THIS AGENCY:

	2010-11 <u>Budget</u>	2011-12 <u>Recommended</u>	Increase <u>(Decrease)</u>
Budget Operations	\$ 2,325,911	\$ 2,604,707	\$ 278,796
Total Appropriations	\$ 2,325,911	\$ 2,604,707	\$ 278,796

## **BUDGET (12)**

### ***BUDGET OPERATIONS ACTIVITY INFORMATION***

#### **ACTIVITY DESCRIPTION:**

The Budget Department is primarily responsible for the preparation of the annual operating and capital improvement budgets; and the biennial five-year capital agenda. Critical functions are monitoring City revenues and expenditures throughout the fiscal year, and relating financial activity to the plan expressed by the budget and to the long-term strategic direction set for the City. Development, implementation, and coordination of management information systems are essential to all aspects of financial planning and control. Budget Department staff coordinates travel for city employees, and performs management audits of City operations as staffing levels permit.

#### **GOALS:**

1. Develop quality Departmental and Citywide Financial Plans.
  - Budget staff provides accurate and detailed information to departments.
  - Departments have meaningful involvement in development of Departmental plans.
  - Budget staff analyzes proposals and develops needed alternatives.
  - Citywide plans reflect a special focus on the Mayor's priorities and are consistent with the overall strategic direction set for the City.
2. Monitor conformity of Departmental activities with financial and operational plans.
  - Budget staff spends an adequate amount of time with Departmental representatives.
  - Budget variances are explained and, where possible, predicted.
  - Budget staff will perform monthly variance analysis for each department.
3. Assist in the ongoing formulation of the Administration's priorities through systematic communication of quality fiscal analyses.
  - Budget staff has special focus on the Mayor's service priorities in ongoing analysis (pro-active).
4. Provide efficient, quality and user-friendly services to departments and key stakeholders of the city.
  - The staff is trained and oriented to their responsibilities.
  - The Budget Department offers useful management information to Departments and the Administration.
  - The Department spends less time on processing activities.

#### **MAJOR INITIATIVES FOR FY 2010-11:**

December, 2010 the Non-Departmental division produced the Biennial Five-Year Capital Agenda. This process documents the entities in the City with capital programs, the capital needs of City agencies, and proposes a capital plan relating to the City's General Obligation Bond program.

Budget staff continues its more aggressive cost monitoring of the past few years. Budget Teams continue to hold regular meetings with each agency to monitor expenditures provide process improvement studies, support attempts to maximize revenue, or reduce program costs.

Budget Department staff will continue to be responsible for coordinating employee travel for most City departments and reconciling all employee travels. Budget Department staff also utilizes Personnel and Payroll System (PPS and HRMS) to manage positions and to make changes based on Budget Amendments or Redbook.

The Budget Department organizes the Annual Public Budget Meetings every fall, as part of a large informational outreach program. The 1997 Charter requires this meeting prior to November 1 with six departments. Total participation from 2006 to 2010 has been below long term program averages and goals. We will work with the schools to revive our efforts to get feedback from high school students.

The Budget Department continues to provide technical support to agencies through special organizational projects. These include the effort to get bond authorization in elections and, support for Labor Relations with analysis for the Act 312 Arbitration process for Police, Fire and fact finding proceeding.

## **BUDGET (12)**

Department staff periodically sits on RFP committees and are members or staff of numerous interagency working groups: the Vehicle Management Steering Committee, the Procurement Review Committee and the Risk Management Council. Ongoing training seminars for City agencies are held annually: BRASS, budget request development, and vehicle planning sessions. City staff participated in BRASS training in 2010.

The Office of Transformation Management Office (TMO) was established utilizing existing personnel from Budget, Mayor's Office and Finance Department to fulfill the following initiatives:

- Ensure the city and department level context are considered in analytics and communication.
- Design day-to-day and week to week communication to ensure buy-in for approach and longer term mindset changes.
- Operate as a permanent organization that owns and will support this process during and after this Administration.

### PLANNING FOR THE FUTURE FOR FY 2011-12 FY 2012-13 and BEYOND:

The Budget Department has received the GFOA Distinguished Budget Award for 13 years, and has a commitment to public sector standards for planning and reporting of financial information. Accordingly, we would like to redesign our Executive Budget, Adopted "Redbook" budget, and Five-Year Capital Agenda documents to make information more user-friendly. In 2010, we added CD-ROM options to our document distribution.

Budget will continue to focus on providing monthly variance analysis to departments. We will monitor appropriation status and address deficits. We will compare paycheck information to PPS and Oracle data to ensure accurate recording of information and compliance with budgeted positions. Budget information will be shown in Oracle on a monthly level to allow for better comparisons. Working with Finance we will change budget control levels to allow the system to better perform fund checking and reduce the need for our review of purchase requisitions and contracts.

The budget development process will be changed for the FY 2011-12. We will better connect our cash spending to budgeted allocations. Budget staff will provide more information to allow departments to make data driven decisions.

## BUDGET (12)

### BUDGET OPERATIONS MEASURES AND TARGETS

Type of Performance Measure List of Measures	2008-09 Actual	2009-10 Actual	2010-11 Projection	2011-12 Target
<b>Inputs: Resources Allocated or Service Demands Made</b>				
Personnel letters and requisitions evaluated and processed	1,246	592	1,250	1,000
Council and Finance Letters evaluated and processed	291	236	250	250
Personal/Professional Service Contracts reviewed, evaluated and processed	351	243	250	165
Team site visits to departments	100	100	100	100
<b>Outputs: Units of Activity directed toward Goals</b>				
Agencies attending Budget Request Seminar	32	39	37	39
Management Audit reports completed	5	20	6	6
Average number of days turnaround on Personal Service contracts	14	14	14	12
Average number of days turnaround on personnel letters	8	8	8	8
Average number of days turnaround on Finance/Council letters	11	11	11	11
Average number of days between travel request and approval	5	5	4	5
<b>Outcomes: Results or Impacts of Program Activities</b>				
Total citizen participation in the Citizen Budget Program	39	20	200	200
Department satisfaction ratings (1-5 scale)	4.22	4.22	3.74	5.0
<b>Activity Costs</b>	<b>\$2,850,987</b>	<b>\$2,624,469</b>	<b>\$2,325,911</b>	<b>\$2,604,707</b>

**CITY OF DETROIT**  
**Budget Department**  
**Financial Detail by Appropriation and Organization**

<b>Budget Operations</b>	<b>2010-11 Redbook</b>		<b>2011-12 Dept Final Request</b>		<b>2011-12 Mayor's Budget Rec</b>	
	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>
<b>Budget Department Operations</b>						
<i>APPROPRIATION</i>						
<i>ORGANIZATION</i>						
00226 - Budget Department Operations						
120010 - Budget Operations	19	\$2,325,911	21	\$2,869,175	18	\$2,604,707
<b>APPROPRIATION TOTAL</b>	<b>19</b>	<b>\$2,325,911</b>	<b>21</b>	<b>\$2,869,175</b>	<b>18</b>	<b>\$2,604,707</b>
<b>ACTIVITY TOTAL</b>	<b>19</b>	<b>\$2,325,911</b>	<b>21</b>	<b>\$2,869,175</b>	<b>18</b>	<b>\$2,604,707</b>

**CITY OF DETROIT**  
**Budget Development for FY 2011-2012**  
**Appropriations - Summary Objects**

	<b>2010-11 Redbook</b>	<b>2011-12 Dept Final Request</b>	<b>2011-12 Mayor's Budget Rec</b>
<b>AC0512 - Budget Operations</b>			
<i>A12000 - Budget Department</i>			
SALWAGESL - Salary & Wages	1,162,127	1,340,021	1,191,610
EMPBENESL - Employee Benef	906,980	1,261,035	1,147,782
OPERSUPSL - Operating Suppli	99,000	105,799	103,899
OPERSVCSL - Operating Servic	157,804	162,320	161,416
<i>A12000 - Budget Department</i>	<i>2,325,911</i>	<i>2,869,175</i>	<i>2,604,707</i>
<b>AC0512 - Budget Operations</b>	<b>2,325,911</b>	<b>2,869,175</b>	<b>2,604,707</b>
<b>Grand Total</b>	<b>2,325,911</b>	<b>2,869,175</b>	<b>2,604,707</b>

**CITY OF DETROIT  
MAYOR'S 2011-2012 RECOMMENDED BUDGET**

**Budget Department**

Appropriation	REDBOOK FY		DEPT REQUEST		MAYORS FY	
Organization	2010	2011 FTE	FY 2011	2012 FTE	2011	2012 FTE
Classification						
<b>00226 - Budget Department Operations</b>						
<b>120010 - Budget Operations</b>						
Budget Director	1		1		1	
Deputy Budget Director	1		1		1	
General Manager - Budget	1		1		1	
Manager II - Budget	1		1		1	
Mgr II- Budget (Local Mgt Sys)	1		0		0	
Business Analyst	1		1		1	
Manager I - Budget	3		3		2	
Principal Budget Analyst	2		2		2	
Senior Budget Analyst	6		6		5	
Administrative Specialist I	1		1		1	
Executive Secretary III	1		1		0	
Org Design and Process Analyst	0		3		3	
<b>Total Budget Operations</b>	<b>19</b>		<b>21</b>		<b>18</b>	
<b>Total Budget Department Operations</b>	<b>19</b>		<b>21</b>		<b>18</b>	
<b>Agency Total</b>	<b>19</b>		<b>21</b>		<b>18</b>	

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