



CITY OF DETROIT

2017-2018 Budget in Brief

A Message from City of Detroit Mayor Mike Duggan

The City's Four-Year Financial Plan focuses heavily on neighborhood revitalization, public safety and workforce development.

Our principle is this: one city for all of us.

Our beautification efforts include renovating the medians and upgrading our neighborhood parks throughout the city. For the first time since 2010, we have funded the use of residential street sweepers. 2,000 miles of residential streets now are being swept three times a year. More than 110,000 vacant lots are being cut 3-4 times per year and additional services will be provided for dangerous tree and stump removal, sidewalk repairs and 275 parks are being fully maintained, up from only 25 in 2013. Of those, 40 neighborhood parks are being completely renovated.



This budget also includes funding for enhanced weed and litter removal and a board up plan for 11,000 vacant and abandoned homes that demolition crews can't get to in the next two years. Artistic murals will grace the city's viaducts as another aspect of our ongoing efforts to rid the city of illegal graffiti. We also are installing "Welcome to Detroit" signs at the major gateway entry points into the city, as well as banners on light poles along the Highland Park and Hamtramck borders and elsewhere. Many of those banners will be in Spanish and Arabic to reflect our city's great cultural diversity.

Our children will benefit from having more after-school programs as we have nearly doubled our staff at 27 Recreation Centers, including 16 new Summer Fun Centers, in partnership with Detroit Public Schools Community District. We also are adding nine after school centers where children ages 6-13 will have a safe place to play and learn throughout the school year.

Funding for workforce training through our Detroit at Work initiative will prepare our residents for career opportunities in healthcare, construction, transportation, information technology and other sectors that are growing throughout the city. Thanks to efforts like these, 20,000 more Detroiters are working today than four years ago and the city's unemployment rate recently hit its lowest level in 17 years.

Police, Fire and Public Health account for 40% of the General Fund budget as Public Health and Safety continue to be our foremost priority. The Four-Year Financial Plan reflects the importance of increasing our Community Policing efforts, reducing EMS response times and rebuilding of the city's Health Department.

The city has strengthened its financial governance by implementing financial structures to ensure long-term financial sustainability. The city finished fiscal year 2017 with a balanced budget, and the year-end audit is underway. This will mark 3 straight years of balanced budgets and will trigger the beginning of the end of the Financial Review Commission.

DETROIT CITY COUNCIL

Brenda Jones, *President*
Mary Sheffield, *President Pro Tem*

Janeé Ayers
Scott Benson
Raquel Castañeda-López
Gabe Leland
Roy McCalister*
Andre L. Spivey
James Tate

* Elected to the Detroit City Council in November 2017

The Budget Development Process

The development of the Fiscal Year (FY) 2018 Budget is the first step to ensure that funding is provided to continue investment in improved service delivery, improved operating and control systems, updated vehicle fleets, more uniform officers and neighborhood stabilization. Both the Executive and the Legislative branches of government take part in the process. The governing principle for this budget is to provide well managed services which will ensure that the City's programs are effective, efficient, and customer focused. We went out to the community and asked residents about their priorities. The budget strives to address those priorities while helping the City continue to grow and thrive. This Budget in Brief provides a snapshot.

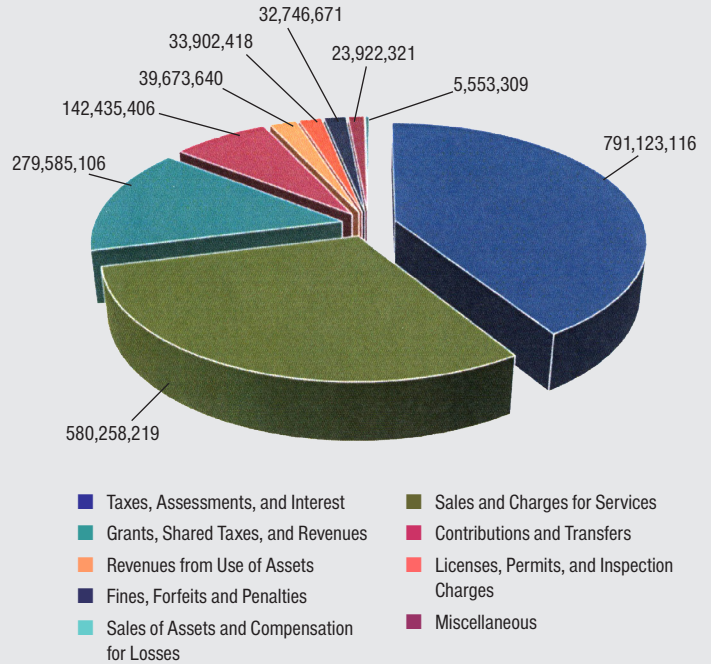
For an in-depth look at the City's budget, visit www.detroitmi.gov

BUDGET DEVELOPMENT PROCESS

OCTOBER	NOVEMBER	DECEMBER
Budget Instructions Distributed Public Budget Hearing	Budget Requests Submitted to the Office of Budget	The Office of Budget begins to review the requests
JANUARY	FEBRUARY	MARCH
Budget Director Submits Recommendation to the CFO CFO / Budget Director holds Hearings	Revenue Estimates Finalized CFO Submits Budget Recommendation to Mayor Mayor Reviews Budget Recommendation Mayor Holds Hearings Mayor, CFO and Budget Director Finalize Budget Mayor Presents Budget to City Council City Council Budget Hearings Begin	City Council Budget Hearing w/ Departments End City Council's Public Budget Hearing Held City Council Votes on Budget Mayor May Veto City Council Changes City Council Can Override Mayor's Veto Budget Submitted to the Financial Review Commission (FRC) for review
APRIL	MAY	JUNE
FRC Approves or Disapproves Budget	If Disapproved, the Budget Director Submits Revision of Budget	Tax Statement Approved

The Fiscal Year Begins (July 1st)

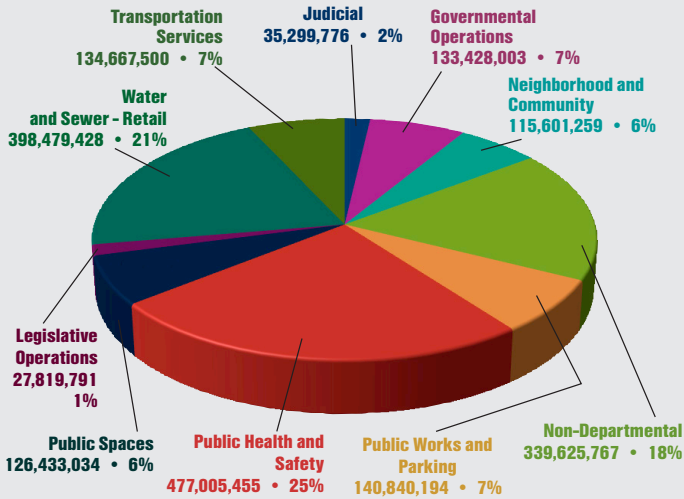
How are you paying for my services?



Revenue Source	Examples	\$
Taxes, Assessments and Interest	Income Taxes Property Taxes Wagering Taxes / Payments Gas & Weight Taxes	791.1M
Sales and Charges for Services	Solid Waste Fees Municipal Service Fees Transportation Revenue Other Reimbursements	580.3M
Grants, Shared Taxes and Revenues	Revenue Sharing Grant Reimbursements	279.6M
Contributions and Transfers	General Fund Contributions	142.4M
Miscellaneous	Miscellaneous Receipts	23.9M
Licenses, Permits and Inspection Charges	Safety Inspection Fees Business License Fees Permit Charges Construction Inspection Fees	33.9M
Fines, Forfeits and Penalties	Parking Fines Ordinance Fines Forfeits	32.7M
Sales of Assets and Compensation for Losses	Sales of Real Property Sale of Equipment	5.6M
Revenues from Use of Assets	Parking Facility Revenues Golf Course Concessions Airport Hangar Rental	39.7M

Total Revenues: \$1.92B

What is the money being used for?



SERVICES PROVIDED BY CATEGORY

Public Health & Safety - \$477,005,455 • 25%

Police

Enforcement of Laws
Criminal Investigation
Community Policing
Crime Prevention
Emergency Call Center

Fire

Fire Suppression
Emergency Medical Services (EMS)
Fire Investigation
Arson Investigation
Fire Dispatch

Board of Police Commissioners

Supervisory Control & Oversight of the Police Department
Establishment of Policies, Rules and Regulations
(In consultation w/ the Chief of Police & approval of the Mayor)
Review and Approval of the Police Department Budget
Receive and Resolve citizens' complaints

Health

Maternal – Child Health
Immunizations, Lead, Vision and Hearing Testing
HIV – Aids Program / Sexually Transmitted Disease Clinic
Promotion of Health Nutrition
Food & Environmental Health and Safety

Judicial Operations - \$35,299,776 • 2%

36th District Court

Has Jurisdiction Over:
General Civil Matters
Landlord / Tenant Matters
Civil Infractions (Incl. Traffic and some Parking Violations)
Preliminary Examinations (Misdemeanor and Felony Offenses)

Non-Departmental - \$339,625,767 • 18%

Department Neutral Activities

Legacy Pension Payments
Debt Service
Investigation of complaints regarding alleged violations of the Ethics Ordinance by public servants
The administration of capital projects
Strategic communications, television broadcasts and video production
Transfer to Other Funds

Blight Remediation

Returning vacant, abandoned and foreclosed property to production use.
Maximize the use of funds by concentrating on specific areas within the City.

Neighborhood and Community - \$115,601,259 • 6%

Housing and Revitalization

Identify / Promote Development
Target Neighborhood Investment
Allocation of HOME funds to create affordable housing
Allocation of CDBG funds to neighborhood result driven organizations

Planning

Provides project management for the creation of citywide plans by engaging local communities in participatory planning

Buildings, Safety Engineering and Environmental

Business Licenses
Construction Permits
Zoning Permits
Inspection Services
Coordinates License Approvals
Compliance Enforcement
Field Investigations
Show Cause Hearings

Environmental Affairs

Develop programs that improve and protect the City's water, air and land resources.

Administrative Hearings

Resolve Blight Violations
Adjudication of Municipal Violations
Fine Collections

Library

Provides access to collections of books, periodicals, journals, photographs, government documents and DVDs
Provides free community information and referral service
Provides literacy, workforce development, technology and learning support

Water & Sewer – Retail – \$398,479,428 • 21%

Management of the City of Detroit's Local System

Public Space - \$126,433,034 · 6%

Recreation

Recreation Centers
Parks
Recreational Programs
Cemetery Management

General Services

Ground Maintenance for City-owned grounds, parks, vacant lots
Procurement, maintenance and disposal of City vehicles
Building management and custodial services for City-owned facilities

Public Lighting

Support the Public Lighting Authority (PLA) as it upgrades the City's street light system
Provide reliable power to customers and assist with converting customers to DTE's system

Governmental Operations - \$133,428,003 · 7%

Mayor's Office

Chief Executive Officer
Development of Key Initiatives for the City of Detroit
Office of Homeland Security
Executive and Administrative authority for the implementation of programs, services and activities

DoIT*

IT and Consulting Services
Information Management
Application Development
System Maintenance
Data Security
Technology Acquisition
Telecommunications

Law Department

Legal Counsel for the City of Detroit
Ordinance Preparation
Preparation of Legal Opinions
Charter Compliance Enforcement
Contract Review
Advise on Liability Reduction Strategies

Human Resources

Employee Services
Recruitment Planning
Employee Development
Job Classification / Compensation
Labor Relations
Benefits Administration

Office of the CFO

Property Assessment
Budget Development & Execution
Contracting and Procurement
Financial Reporting
Departmental Financial Services
Financial Planning & Analysis
Grants Management
Tax Collection & Recording

Civil Rights, Inclusion & Opportunity

Inv. of Discriminatory Complaints
Business Certification:
Detroit Headquartered
Detroit Based
Small Business
Women and Minority Owned

*Department of Innovation & Technology

Public Works/Parking - \$140,840,194 · 7%

Public Works

Waste Collection & Disposal
Street:
Construction & Maintenance
Resurfacing
Cleaning
Snow Removal
Street Signs, Markings and Signals
General Inspection

Municipal Parking

Parking Enforcement
Parking Ticket Processing
Parking Fine Collections
Operation & Maintenance of On- and Off-Street Parking

Legislative Operations - \$27,819,791 · 1%

City Council

Accountable for the Legislative Branch of Government
Enactment & Amendment of Laws
Budget Approval & Monitoring
Contract Approval & Monitoring
Approval of Settlements

City Clerk

Chairs the Election Commission
Maintains Public Records
Certifies Official Documents
Administers Oaths of Office

Elections

Administer Elections
Maintain Voter Registration Records
Maintain Voting Equipment
Voter Education
Poll Worker Recruitment

Auditor General

Conducts independent Financial, Performance & Operational Audits
Analysis of the Mayor's Proposed Budget.

Inspector General

Conducts investigations to detect, and prevent waste, abuse, fraud and corruption by any public servant, city agency, program or official act, contractor and subcontractor, business entity seeking contracts and persons seeking certification of eligibility for participation in any City program.

Ombudsman

Receive, investigate, mediate and resolve citizen complaints against city government.
Review investigations and hearings conducted by other city departments.
Provide information, referrals, assistance and recommendations.

Zoning Appeals

Conducts investigations and hearings regarding variances, exceptions or modifications of approved regulated uses of land.

Transportation Services - \$134,667,500 · 7%

Department of Transportation

Public Transit Services

Airport

Airport Operations
Terminal & Hangar Management

Budget Overview

The development of the City's budget includes the analysis of historical data, current financial & budgetary data and the use of economic data to develop forecasts for future years.

2017-2018 BUDGET BY CATEGORY

Budget Category	Budgeted Amount
Salaries and Wages	\$553,447,035
Employee Benefits	243,266,064
Professional and Contractual Services	175,825,473
Operating Supplies	94,995,661
Operating Services	167,639,514
Capital Equipment	296,326,844
Capital Outlays	25,543,640
Debt Service	26,446,041
Other Expenses	295,709,935
Sub-Total Expenditures	\$1,879,200,206
<i>Surplus Funded Expenditures:</i>	
Blight Remediation	30,000,000
Capital Projects	10,704,174
Capital Expenditures	9,295,826
Total Surplus Funded Expenditures	50,000,000
Total Expenditures	\$1,929,200,206

BUDGETED POSITIONS BY DEPARTMENT

(As Adopted 7/01/17)

Public Health & Safety

Department	Pos. #
Police	3,146
Fire	1,274
Board of Police Commissioners	35
Health	76

Judicial Operations

Department	Pos. #
36th District Court	331

Non-Departmental

Department	Pos. #
Various	79

Neighborhood and Community

Department	Pos. #
Housing & Revitalization	81
Planning	41
Buildings, Safety Eng. and Environmental	226
Environmental Affairs	5
Administrative Hearings	7
Library	332

Water & Sewerage Retail

Department	Pos. #
DWSD - Retail	468

Public Spaces

Department	Pos. #
Recreation	326
General Services	454
Public Lighting	6

Governmental Operations

Department	Pos. #
Mayor's Office	70
Dept. of Innovation & Technology	134
Law Department	118
Human Resources	108
Office of the CFO	482
Civil Rights, Inclusion and Opportunity	8

BUDGETED POSITIONS BY DEPARTMENT Cont.
(As Adopted 7/01/17)

Public Works / Parking

Department	Pos. #
Public Works	419
Municipal Parking	95

Legislative Operations

Department	Pos. #
City Council	66
City Clerk	18
Elections	71
Auditor General	12
Inspector General	8
Ombudsman	7
Zoning Appeals	5

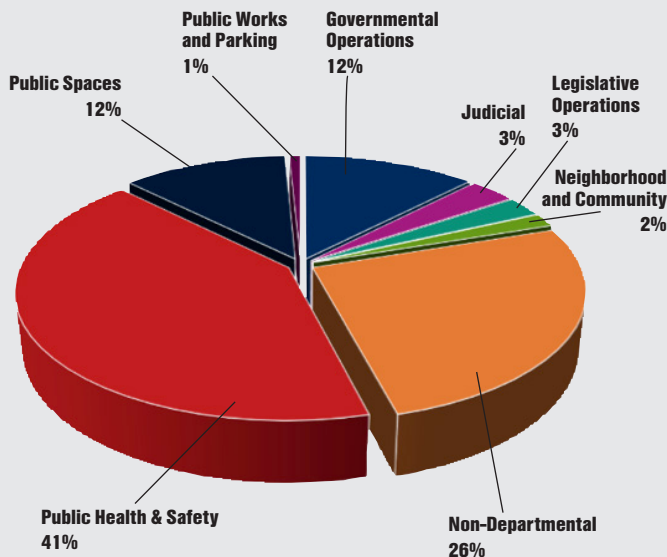
Transportation Services

Department	Pos. #
Transportation	927
Airport	4

**City of Detroit:
2017-2018 General Fund Budget**

Where does it go?

Total Expenditures: \$1.077B



DID YOU HEAR THAT...?

The **Health Department** has resumed its in-house Food Safety and Environmental Health Services programs. Inspectors in these programs inspect facilities, issue licenses and serve and respond to citizen food safety and environmental concerns.

The **Recreation Department** received an increase in funding to provide support for expanded hours for an After School Program.

The **Department of Public Works** resumed the Residential Street Sweeping program. This budget includes \$2.7M for operating expenses and \$2.6M for additional equipment.

The **General Services Department** received funding for several projects on our major corridors including Woodward Median Renovation between 6 Mile and 8 Mile and the installation of “Welcome to Detroit” (Gateway Banners) at major entry points to the City.

Sunday hours are back at your **Detroit Public Library**. The Main Library and two (2) branches, the Redford Branch and the Wilder Branch will open for Sundays between October and May.



I've heard about a Strategic Neighborhood Fund... What is it?

The Strategic Neighborhood Fund is a collaboration between the City, nonprofit, public, private and philanthropic sectors. The goal of this initiative is to bring residential and business development into neighborhoods throughout the City.

Phase I is a \$30M neighborhood redevelopment initiative that focuses on three areas: the West Village on the city's lower east side, Southwest Detroit, and Livernois-McNichols in Northwest Detroit. Commercial corridors and targeted neighborhoods in these areas will be enhanced by stabilizing and promoting real estate projects. The strategy includes development of mixed-income housing, and enhanced community infrastructure and services such as safety and security enhancements, pedestrian lighting, park improvements and bike-share programming.

Phase II will support redevelopment in seven additional areas: the Northwest Grand River area, the Warrendale / Cody Rouge area, The Villages, East English Village, Seven Mile & Gratiot area, Banglatown and the Jefferson-Chalmers area. Improvements will include six categories: Streetscapes, Parks, Greenways, Single Family Home Stabilization, Mixed Use / Multifamily Development and Retail Development.

SNF Phase II: Expanding to 7 more neighborhoods

