

ANNUAL BUDGET

The City's annual budget constitutes a financial plan for the next fiscal year (July 1 through June 30), which is required to set forth estimated revenues from all sources and all appropriations. Capital appropriations are included.

The City Charter prescribes the general content and process of developing the City's annual budget. The budget for 2006-07 reflects City Council's amendment made to the Mayor's Executive Budget on May 24.

GOVERNMENT STRUCTURE

The City of Detroit is located in Southeastern Michigan and is the nation's tenth largest city based on the 2000 census. It is the central city of a metropolitan area with a population of 4.6 million. Detroit is the largest city in Michigan and comprises 46% of Wayne County's population. Settled in 1701 and incorporated in 1815, Detroit today encompasses 139.6 square miles.

Pursuant to the provisions of the State Constitution, Detroit is a home rule city with significant independent powers. In accordance with 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. In addition, the City now finances and administers the 36th District Court, Michigan's largest limited jurisdiction court. Under State legislation the Mayor is responsible to appoint 6 of 7 board members of the separate Detroit Public School jurisdiction, but this legislation sunsets in 2004.

The Mayor as chief executive of the City has control of and is accountable for the executive branch of City government. The Charter grants the Mayor broad managerial powers, including appointment of most department directors and deputy directors. The City Council, composed of nine members elected at large for 4-year terms, is the City's legislative body. The Council has the power to override a Mayoral veto with a two-thirds majority of its members.

By Charter, voters of the City reserve the power to enact City ordinances by initiative, and to nullify City ordinances by referendum. These powers do not extend to the budget or to any ordinance for the appropriation of money. Financial operations of the City are carried out through the appointed positions of Finance Director (the Chief Financial Officer) and Budget Director. The Finance Director oversees most financial functions of the City, including coordinating financial activities, collecting and disbursing funds, accounting procedures, purchasing goods and services, and assessing property. The Budget Director is responsible for

developing and monitoring program and service objectives, controlling and supervising expenditures of funds, long term financial planning, and assisting the Mayor in the preparation of the City's annual budget and biennial long-term capital agenda.

OPERATIONAL AND FINANCIAL POLICIES

In November 2005, the Mayor brought together individuals from Detroit's civic, government, non-profit and faith-based communities to form the **Next Detroit** Transformation Team, charged with developing plans for a sustainable and growth-oriented City. The core mission of the Team focused on restructuring or reorganizing City service delivery, and growing the City's economic base and revenue stream.

The Team stressed that finding new ways to deliver effective services to our citizens, maintaining Detroit's population, attracting new investments and new residents were all integral to the transformation to the **Next Detroit**. To do this means a long-term commitment to structural balance of the city finances, by comprehensively evaluating the cost of service delivery and find further ways of delivery effective services. The 2006-07 budget looks beyond short-term cuts and layoffs to a long-term commitment to lowering costs and improving services.

The **Next Detroit** guiding principles for the Kilpatrick Administration are:

- ❖ How do we provide the best service to our citizens?
- ❖ Does it cost the City more to provide this service than it would cost someone else to do it for us?
- ❖ Will the jobs be Union jobs?
- ❖ Are Detroiters doing the work?

VISION: Detroit is a vibrant, clean city where families have access to new opportunities, technological innovation, and dwell within safe, strong and smart communities.

Detroit City Council:

Kenneth V. Cockrel, Jr., President

Monica Conyers, Pres. Pro Tem

JoAnn Watson

Sheila M. Cockrel

Barbara Rose-Collins

Kwame Kenyatta

Alberta Tinsley-Talabi

Martha Reeves

Brenda Jones

For More Information, contact

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City of Detroit, Michigan

2006-2007 Fiscal Year Budget-in-Brief

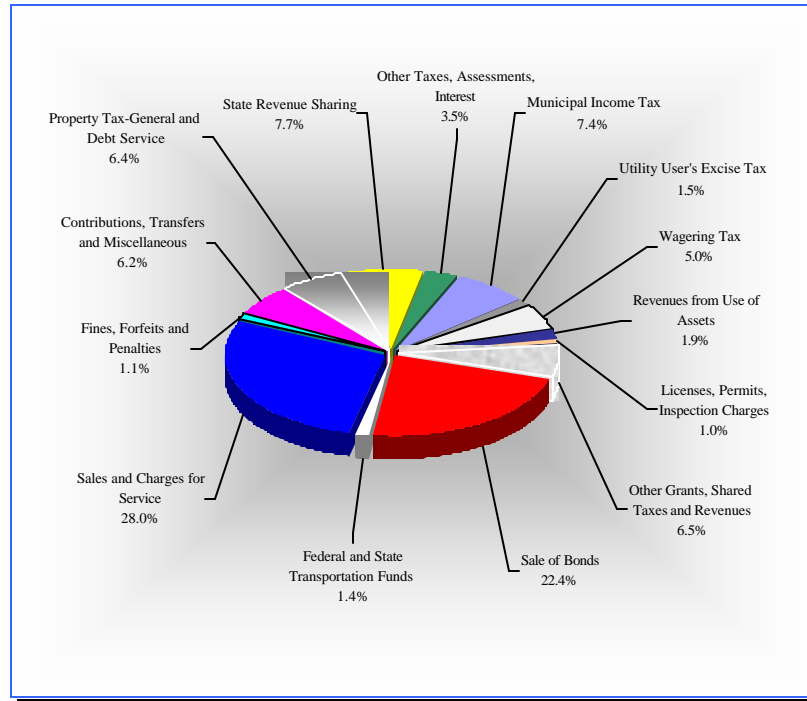


Kwame M. Kilpatrick, Mayor

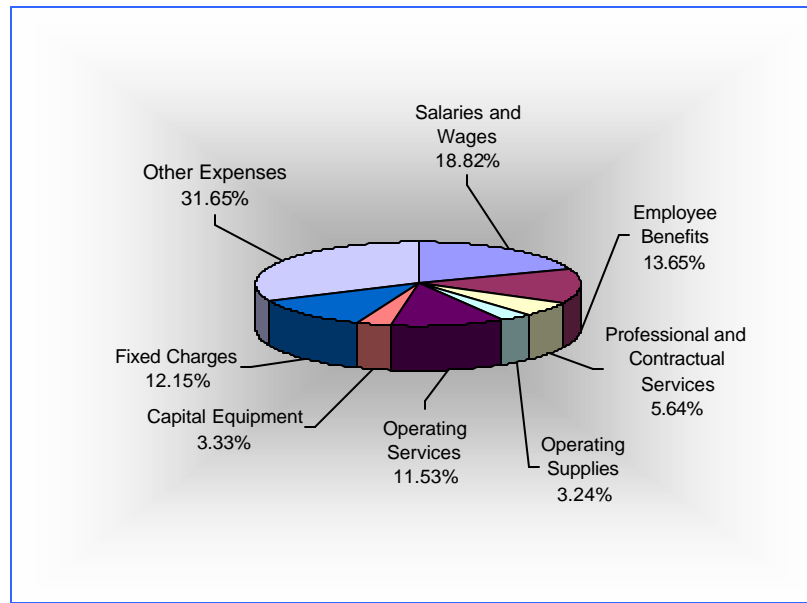
2006-2007 Budget
Appropriations and Revenues

	TOTAL APPRO.	TOTAL REVENUES	NET TAX COST
GENERAL CITY AGENCIES			
EXECUTIVE AGENCIES			
A12000 Budget.....	2,752,101	0	2,752,101
A14000 Civic Center.....	14,771,503	9,261,607	5,509,896
A19000 Department of Public Works.....	190,707,948	154,192,840	36,515,108
A21000 Detroit Workforce Development Dept....	55,345,696	55,343,696	2,000
A22000 Environmental Affairs.....	4,432,854	4,234,400	198,454
A23000 Finance.....	34,033,935	7,028,996	27,004,939
A24000 Fire.....	172,733,522	19,270,535	153,462,987
A25000 Dept of Health & Wellness Promotion....	86,659,254	71,652,976	15,006,278
A28000 Human Resources.....	21,396,446	11,151,042	10,245,404
A29000 Human Rights.....	874,029	0	874,029
A30000 Human Services.....	62,975,064	62,725,064	250,000
A31000 Information Technology Services.....	20,521,010	1,463,734	19,057,276
A32000 Law.....	21,994,741	3,149,357	18,845,384
A33000 Mayor's Office.....	11,807,865	1,008,068	10,799,797
A36000 Planning and Development.....	55,241,085	78,788,986	(23,547,901)
A37000 Police.....	414,407,798	89,730,462	324,677,336
A38000 Public Lighting.....	76,368,819	64,831,116	11,537,703
A39000 Recreation.....	35,233,261	20,255,109	14,978,152
A45000 Department of Administrative Hearings...	2,233,976	1,115,941	1,118,035
A46000 Office of Homeland Security.....	431,279	45,000	386,279
A47000 General Services.....	60,464,018	7,145,281	53,318,737
LEGISLATIVE AGENCIES			
A50000 Auditor General.....	3,002,162	250,000	2,752,162
A51000 Board of Zoning Appeals.....	843,651	105,000	738,651
A52000 City Council.....	15,135,359	210,000	14,925,359
A53000 Ombudsperson.....	1,014,957	0	1,014,957
A70000 City Clerk.....	3,860,724	0	3,860,724
A71000 Department of Elections.....	8,334,239	92,904	8,241,335
JUDICIAL AGENCY			
A60000 36th District Court.....	42,749,612	24,155,602	18,594,010
OTHER AGENCIES			
A35000 Non-Departmental.....	412,190,805	1,140,283,593	(728,092,788)
TOTAL GENERAL CITY AGENCIES.....	1,832,517,713	1,827,491,309	5,026,404
A18000 Debt Service.....	77,232,484	77,232,484	0
ENTERPRISE AGENCIES			
A10000 Airport.....	6,542,110	6,542,110	0
A13000 Buildings and Safety Engineering.....	36,025,248	36,025,248	0
A20000 Department of Transportation.....	160,769,059	160,769,059	0
A34000 Municipal Parking.....	42,689,748	47,716,152	(5,026,404)
A41000 Water.....	711,897,936	711,897,936	0
A42000 Sewerage.....	766,749,616	766,749,616	0
A72000 Library.....	47,083,808	47,083,808	0
TOTAL ENTERPRISE AGENCIES.....	1,771,757,525	1,776,783,929	(5,026,404)
GRAND TOTAL.....	\$3,681,507,722	\$3,681,507,722	\$0

2006-2007 Budget: Revenue by Major Sources



2006-2007 Budget: Appropriations by Major Object



2006-2007 Budget
Budgeted Positions

	CITY FINANCED	GRANT FINANCED	TOTAL
GENERAL CITY AGENCIES			
EXECUTIVE AGENCIES			
12 Budget.....	23		23
14 Civic Center.....	32		32
19 Department of Public Works.....	765		765
21 Detroit Workforce Development Dept....	0	95	95
22 Environmental Affairs.....	57		57
23 Finance.....	333		333
24 Fire - Civilian.....	366		366
Fire - Uniform.....	1,170		1,170
Fire - Total.....	1,536		1,536
25 Dept of Health and Wellness Promotion.	277	127	404
28 Human Resources.....	261		261
29 Human Rights.....	7		7
30 Human Services.....		137	137
31 Information Technology Services.....	117		117
32 Law.....	139		139
33 Mayor's Office.....	102		102
36 Planning & Development.....	32	152	184
37 Police - Civilian.....	378	11	389
Police - Uniform.....	3,216	36	3,252
Police - Total.....	3,594	47	3,641
38 Public Lighting.....	227		227
39 Recreation.....	199		199
45 Department of Administrative Hearings	6		6
46 Office of Homeland Security.....	4		4
46 General Services.....	628		628
LEGISLATIVE AGENCIES			
50 Auditor General.....	23		23
51 Board of Zoning Appeals.....	6		6
52 City Council.....	104		104
53 Ombudsperson.....	7		7
70 City Clerk.....	29		29
71 Department of Elections.....	72		72
JUDICIAL AGENCY			
60 36th District Court.....	392		392
OTHER AGENCIES			
35 Non-Departmental.....	34		34
TOTAL GENERAL CITY AGENCIES.....	9,006	558	9,564
ENTERPRISE AGENCIES			
10 Airport.....	8		8
13 Buildings and Safety.....	300	31	331
20 Department of Transportation.....	1,533		1,533
34 Municipal Parking.....	117		117
41 Water.....	1,900		1,900
42 Sewerage.....	1,176		1,176
72 Library.....	465		465
TOTAL ENTERPRISE AGENCIES.....	5,499	31	5,530
GRAND TOTAL.....	14,505	589	15,094