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.

A Message from
City Council President Pro Tem
George Cushingberry

As Chairman of the Appropriations, Budget, Finance and Audit Committee, we have met all targets for exit from State control. We have created new methods to promote the City’s tax base growth.

We have implemented new procedures for the appropriation process and legislative oversight, which has fostered improved collections of all revenues. Work force development programs have been coordinated and building trades at A. Phillip Randolph allow opportunity for jobs in technology trades.

“The key is to read to succeed”, and literacy programs are a key component.

The City must become dedicated to literacy, growth and development of all residents, to continue to make Detroit a City where people want to come to do business, live and play, to continue the $7½ billion in development that’s been completed and $4 billion on the way.

Rigorous oversight, appropriation discipline, continued transparency and open portal to all financial information is required of the legislative branch.

We must have continued cooperation between the executive and legislative branches of government.
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

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?

**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

**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)

**Governmental Operations** - $133,428,003  •  7%

**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

**Non-Departmental** - $339,625,767  •  18%
- 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.
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

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.

*Department of Innovation & Technology
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

<table>
<thead>
<tr>
<th>Budget Category</th>
<th>Budgeted Amount</th>
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<tbody>
<tr>
<td>Salaries and Wages</td>
<td>$553,447,035</td>
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<tr>
<td>Employee Benefits</td>
<td>243,266,064</td>
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<tr>
<td>Professional and Contractual Services</td>
<td>175,825,473</td>
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<td>Operating Supplies</td>
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<td>Operating Services</td>
<td>167,639,514</td>
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<td>Capital Equipment</td>
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<td>Capital Outlays</td>
<td>25,543,640</td>
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<td>Debt Service</td>
<td>26,446,041</td>
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<td>Other Expenses</td>
<td>295,709,935</td>
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<tr>
<td><strong>Sub-Total Expenditures</strong></td>
<td><strong>$1,879,200,206</strong></td>
</tr>
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**Surplus Funded Expenditures:**

- 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**

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<thead>
<tr>
<th>Department</th>
<th>Pos. #</th>
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<tbody>
<tr>
<td>Police</td>
<td>3,146</td>
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<tr>
<td>Fire</td>
<td>1,274</td>
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<tr>
<td>Board of Police Commissioners</td>
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<tr>
<td>Health</td>
<td>76</td>
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**Judicial Operations**

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<thead>
<tr>
<th>Department</th>
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<tr>
<td>36th District Court</td>
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**Non-Departmental**

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<th>Department</th>
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<tr>
<td>Various</td>
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**Neighborhood and Community**

<table>
<thead>
<tr>
<th>Department</th>
<th>Pos. #</th>
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<tbody>
<tr>
<td>Housing &amp; Revitalization</td>
<td>81</td>
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<tr>
<td>Planning</td>
<td>41</td>
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<tr>
<td>Buildings, Safety Eng. and Environmental</td>
<td>226</td>
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<tr>
<td>Environmental Affairs</td>
<td>5</td>
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<tr>
<td>Administrative Hearings</td>
<td>7</td>
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<tr>
<td>Library</td>
<td>332</td>
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**Water & Sewerage Retail**

<table>
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<tr>
<th>Department</th>
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<tbody>
<tr>
<td>DWSD - Retail</td>
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**Public Spaces**

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<th>Department</th>
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<td>Recreation</td>
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<td>General Services</td>
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<td>Public Lighting</td>
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**Governmental Operations**

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<tr>
<th>Department</th>
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<tr>
<td>Mayor’s Office</td>
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<tr>
<td>Dept. of Innovation &amp; Technology</td>
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<td>Law Department</td>
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<td>Human Resources</td>
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<td>Office of the CFO</td>
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<tr>
<td>Civil Rights, Inclusion and Opportunity</td>
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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.

City of Detroit:
2017-2018 General Fund Budget
Where does it go?
Total Expenditures: $1.077B

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

<table>
<thead>
<tr>
<th>Department</th>
<th>Pos. #</th>
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<td>Public Works/Parking</td>
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<td>Public Works</td>
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<tr>
<td>Municipal Parking</td>
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<th>Department</th>
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<td>Legislative Operations</td>
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<td>City Council</td>
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<td>City Clerk</td>
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<td>Elections</td>
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<td>Auditor General</td>
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<td>Inspector General</td>
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<td>Ombudsman</td>
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<td>Zoning Appeals</td>
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<td>Transportation</td>
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<tr>
<td>Transportation</td>
<td>927</td>
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<tr>
<td>Airport</td>
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DETROIT CITY COUNCIL

Brenda Jones, President
George Cushingberry Jr., President Pro Tem
Janeé Ayers
Scott Benson
Raquel Castañeda-López
Gabe Leland
Mary Sheffield
Andre L. Spivey
James Tate
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**