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TO: Elana A. Rugh, Executive Director/CFO
Historical Society

FROM: David Whitaker, Director
Legislative Policy Division

DATE: March 16, 2020

RE: 2020-2021 Budget Analysis

Attached is our budget analysis regarding your agency's budget for the upcoming 2020-2021 Fiscal Year.

As you know, your scheduled budget hearing on Thursday, March 19, 2020 at 11:00 am has been CANCELLED in order for City Council to reduce the number of budget hearings due to the coronavirus crisis. However, we would still appreciate a written response to the issues/questions raised in this budget analysis as soon as possible. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office as well.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

Attachments

cc: Councilmembers
Auditor General's Office
David Massaron, Chief Financial Officer
James George, Agency Chief Financial Officer
Tanya Stoudemire, Budget Department
Stephanie Washington, Mayor's Office

Historical Museum

FY 2020-2021 Budget Analysis by the Legislative Policy Division

Issues and Questions

- 1) Please briefly explain the new expense initiatives the Historical Museum plan to implement in FY 2021.
- 2) Please briefly explain the new capital funding requests the Historical Museum is planning to implement in FY 2021.
- 3) Please briefly explain the revenue initiatives, operational reform and savings proposals the Historical Museum is planning to implement in FY 2021.
- 4) Please provide your 2019 and 2020 operating budgets. Please provide your proposed 2021 operating budget, if available.
- 5) Provide your 2019 annual financial statements.
- 6) Please provide your budgeted positions for FY 2020 and 2021. Please provide the actual number of employees as of February 29, 2020. If there are any vacancies, please describe the difficulties in filling these positions.
- 7) Please describe any new exhibits the Historical Museum is planning to showcase in FY 2021.

NON-DEPARTMENTAL (35)

General Fund contributions to enterprise agencies, the Coleman A. Young International Airport and the Detroit Department of Transportation are recorded in the Non-Departmental agency. General Fund contributions to cultural agencies (listed below) are included in the Non-Departmental agency budget. Operating support from the General Fund is provided in Non-Departmental for the **Detroit Wayne Port Authority**, and the **Detroit Land Bank Authority**.

GENERAL FUND CONTRIBUTIONS	
Airport	\$ 1,675,458
DDOT	64,500,000
Charles W. Museum of African-American History	1,900,000
Detroit Historical Institute (does not include property insurance- \$100,000)	500,000
Detroit Zoological Institute	570,000
Eastern Market	225,000
Detroit Wayne Port Authority	250,000
Detroit Land Bank Authority	13,000,000

*

The Non-Departmental agency records the General Fund obligation to repay principal and interest on various Limited-Tax General Obligation debt including financial recovery bonds issued in connection with the city's 2014 exit from bankruptcy, refunding bonds issued in 2016 to lower interest costs over the life of the bonds, and the 2018 issuance of refunding bonds to purchase prior financial recovery bonds at a discount in order to reduce gross debt service in future years and achieve present value savings. The City's Limited-Tax General Obligation debt may, but is not required to, include a pledge of Distributable State Aid.

Other activities include capital initiatives which are recorded in Fund 4533 - City of Detroit - Capital Projects. Blight Remediation projects are shown in a separate department in FY 2021.

The City continues to increase its "Rainy Day" Fund in FY 2021 by assigning \$30 million in Prior Years' Surplus to the Budget Reserve account. Other uses of Prior Years' Surplus are \$5.3 million is budgeted in FY 2021 for the Affordable Housing Fund, which is included in the Housing & Revitalization Department.

Uses of Prior Year Surplus	
Blight Remediation	\$50,000,000
Budget Reserve	30,000,000
Retiree Protection Fund	20,000,000
Capital Projects	5,000,000
Total in Non-Departmental (see note above)	\$105,000,000

CITY OF DETROIT
 BUDGET DEVELOPMENT
 FINANCIAL DETAIL BY DEPARTMENT, FUND, APPROPRIATION, & COST CENTER - EXPENDITURES
 DEPARTMENT 35 - NON-DEPARTMENTAL

Department # - Department Name	FY2020	FY2021	FY2022	FY2023	FY2024
Fund # - Fund Name	Adopted	Mayor	Forecast	Forecast	Forecast
Appropriation # - Appropriation Name					
Cost Center # - Cost Center Name					
00870 - Non Dept Centralized Payments	18,251,413	25,082,806	24,292,589	24,785,656	23,291,062
350800 - Centralized Payments	18,251,413	25,082,806	24,292,589	24,785,656	23,291,062
04739 - Non Dept General Revenue	22,833,900	18,843,200	18,875,000	19,442,021	19,440,251
351020 - Non-Departmental	22,833,900	18,843,200	18,875,000	19,442,021	19,440,251
05414 - Non Dept African American History Museum	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
350290 - Charles H. Wright Museum of African American Histo	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
10397 - Non Dept Board of Ethics	448,228	496,113	502,851	509,724	516,735
350165 - Board of Ethics	448,228	496,113	502,851	509,724	516,735
12161 - Non Dept Zoo Operations	570,000	570,000	570,000	570,000	570,000
350095 - Zoo Operations	570,000	570,000	570,000	570,000	570,000
* 12162 - Non Dept Detroit Historical Museum	500,000	500,000	500,000	500,000	500,000
350093 - Detroit Historical Museum	500,000	500,000	500,000	500,000	500,000
13125 - Non Dept Media Services & Communications	1,548,237	1,528,623	1,549,583	1,570,963	1,592,769
350325 - Communications Services	506,784	588,369	595,508	602,790	610,216
350326 - Media Services	1,041,453	940,254	954,075	968,173	982,553
13141 - Non Dept Eastern Market Corporation	225,000	225,000	225,000	225,000	225,000
350097 - Eastern Market Corporation	225,000	225,000	225,000	225,000	225,000
13181 - Non Dept Distributable State Aid Bond	33,165,745	37,959,990	37,950,698	37,950,488	37,953,127
351030 - 2016 Series DSA Debt	33,165,745	37,959,990	37,950,698	37,950,488	37,953,127
13608 - Non Dept Pension & Employee Benefits Pension	3,704,243	3,432,107	3,500,749	3,570,764	3,642,179
350015 - Pension & Employee Benefits/Pension	3,704,243	3,432,107	3,500,749	3,570,764	3,642,179
13637 - Non Dept Elected Officials' Compensation	1,470,563	1,462,773	1,486,995	1,511,701	1,536,902
350007 - Elected Officials' Compensation	1,470,563	1,462,773	1,486,995	1,511,701	1,536,902