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City of Detroit

CITY COUNCIL

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TO: Miriam Blanks-Smart, Director
Department of Appeals & Hearings

FROM: David Whitaker, Director 
Legislative Policy Division

DATE: March 8, 2021

RE: 2021-2022 Budget Analysis

Attached is our budget analysis regarding your department's budget for the upcoming 2021-2022 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing on **Wednesday, March 10 at 2:00 pm**. We would then appreciate a written response to the issues/questions prior to your budget hearing. 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
Issues and Questions

cc: Councilmembers
Auditor General
Jay Rising, Acting Chief Financial Officer
Tanya Stoudemire, Chief Deputy Chief Financial Officer
Steve Watson, Budget Director
Justin Buss, Budget Analyst
Avery Peoples, Mayor's Office
Hakim Berry, Group Executive
James George, Agency, CFO

Department of Appeals and Hearings (45)

FY 2021-22 Budget Analysis by the Legislative Policy Division

Issues and Questions

- 1) Please briefly explain the department's new expense initiatives, new capital funding requests, operational reform and savings proposals, and new revenue initiatives/proposals to be implemented in FY 2022. Please provide which appropriation/cost center the new initiative/request/proposal is impacting in FY 2022.
- 2) According to the Office of the Chief Financial Officer (OCFO), the DAH had two employees over budget (11 actual versus nine budgeted) through December 2020. Please indicate the number of employees DAH had as of February 28, 2021. What positions did the extra employees occupy? What are the duties of the extra employees? Is DAH planning to increase its FTE's for FY 2022?
- 3) Please briefly explain the rationale regarding the \$83,168 increase (17%) in Salaries and Wages from \$490,049 in FY 2021 to \$573,217 in FY 2022.
- 4) Please explain the increase of \$591,000 or 23% in department revenues for FY 2022. What is DAH's strategy for improving collection of fines and fees?

DEPARTMENT OF APPEALS AND HEARINGS (45)**AGENCY PLAN****MISSION:**

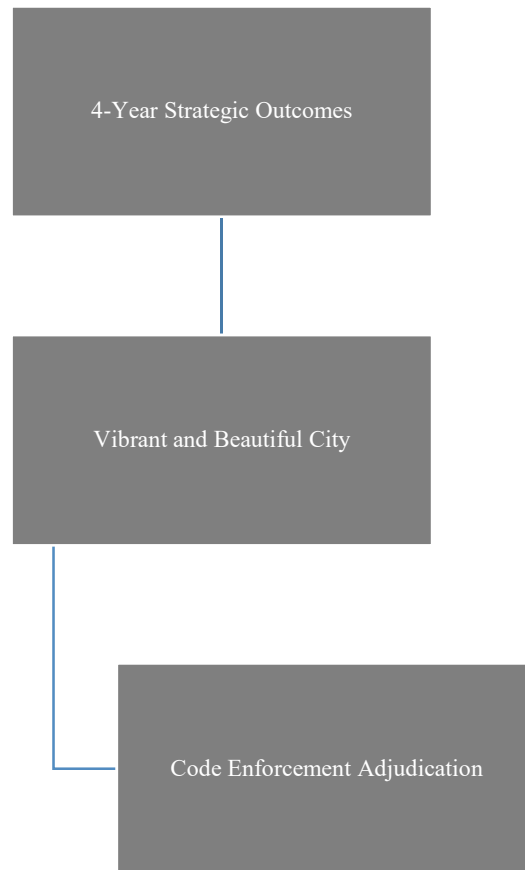
The Department of Appeals and Hearings (DAH) provides quality administrative hearings in a timely, efficient and cost-effective manner, with respect for the dignity of individuals and their due process rights.

The DAH is an independent administrative hearings bureau that adjudicates blight violations and assesses civil fines and costs pursuant to the schedule in the anti-blight ordinances and reviews administrative decisions of City departments and agencies and makes the final agency decisions. Since its opening in 2005, the DAH has conducted over 450,000 hearings. The tribunal is run by a director, manager, support staff, informational technology staff, and the hearings officers.

STRATEGIC PRIORITIES:

- Adjudicate blight code violations issued by authorized City agents with sensitivity to the violations' impact on the escalating problem of blight in Detroit.
- Enhance collectability of fines and fees through garnishments and liens utilizing the Department's decisions and orders.
- Review and make final decisions on administrative decisions of City departments and agencies.

DEPARTMENT OF APPEALS AND HEARINGS (45)



Department Name: Department of Appeals & Hearings

Department #: 45

Budget Summary:

	FY2020 Actual		FY2021 Adopted		FY2022 Mayor	
	General Fund	All Funds	General Fund	All Funds	General Fund	All Funds
Total Revenues	3,177,451	3,177,451	2,557,000	2,557,000	3,148,000	3,148,000
Total Expenditures	1,051,470	1,051,470	1,072,973	1,072,973	1,168,688	1,168,688
Net Tax Cost	(2,125,981)	(2,125,981)	(1,484,027)	(1,484,027)	(1,979,312)	(1,979,312)

	FY2023 Forecast		FY2024 Forecast		FY2025 Forecast	
	General Fund	All Funds	General Fund	All Funds	General Fund	All Funds
Total Revenues	3,148,000	3,148,000	3,148,000	3,148,000	3,148,000	3,148,000
Total Expenditures	918,391	918,391	931,384	931,384	944,637	944,637
Net Tax Cost	(2,229,609)	(2,229,609)	(2,216,616)	(2,216,616)	(2,203,363)	(2,203,363)

Positions (by FTE):	1/1/2021 Actual	FY2021 Adopted	FY2022 Mayor	FY2023 Forecast	FY2024 Forecast	FY2025 Forecast
General Fund	11	9	9	9	9	9
Non-General Fund	-	-	-	-	-	-
Total Positions	11	9	9	9	9	9

**CITY OF DETROIT
BUDGET DEVELOPMENT
EXPENDITURES BY SUMMARY CATEGORY - ALL FUNDS
DEPARTMENT 45 - DEPARTMENT OF APPEALS & HEARINGS**

Department # - Department Name Summary Category	FY2021 Adopted	FY2022 Mayor	FY2023 Forecast	FY2024 Forecast	FY2025 Forecast
45 - Department of Appeals & Hearings	1,072,973	1,168,688	918,391	931,384	944,637
Salaries & Wages	490,049	573,217	547,740	560,733	573,986
Employee Benefits	218,649	217,680	217,680	217,680	217,680
Professional & Contractual Services	218,231	218,231	2,931	2,931	2,931
Operating Supplies	12,208	11,715	11,715	11,715	11,715
Operating Services	131,336	145,470	135,950	135,950	135,950
Other Expenses	2,500	2,375	2,375	2,375	2,375
Grand Total	1,072,973	1,168,688	918,391	931,384	944,637

**CITY OF DETROIT
BUDGET DEVELOPMENT
REVENUES BY SUMMARY CATEGORY - ALL FUNDS
DEPARTMENT 45 - DEPARTMENT OF APPEALS & HEARINGS**

Department # - Department Name Summary Category	FY2021 Adopted	FY2022 Mayor	FY2023 Forecast	FY2024 Forecast	FY2025 Forecast
45 - Department of Appeals & Hearings	2,557,000	3,148,000	3,148,000	3,148,000	3,148,000
Revenues from Use of Assets	207,000	345,000	345,000	345,000	345,000
Sales & Charges for Services	2,350,000	2,803,000	2,803,000	2,803,000	2,803,000
Grand Total	2,557,000	3,148,000	3,148,000	3,148,000	3,148,000

**CITY OF DETROIT
BUDGET DEVELOPMENT
EXPENDITURES BY SUMMARY CATEGORY - FUND DETAIL
DEPARTMENT 45 - DEPARTMENT OF APPEALS & HEARINGS**

Department # - Department Name Fund # - Fund Name Summary Category	FY2021 Adopted	FY2022 Mayor	FY2023 Forecast	FY2024 Forecast	FY2025 Forecast
45 - Department of Appeals & Hearings	1,072,973	1,168,688	918,391	931,384	944,637
1000 - General Fund	1,072,973	1,168,688	918,391	931,384	944,637
Salaries & Wages	490,049	573,217	547,740	560,733	573,986
Employee Benefits	218,649	217,680	217,680	217,680	217,680
Professional & Contractual Services	218,231	218,231	2,931	2,931	2,931
Operating Supplies	12,208	11,715	11,715	11,715	11,715
Operating Services	131,336	145,470	135,950	135,950	135,950
Other Expenses	2,500	2,375	2,375	2,375	2,375
Grand Total	1,072,973	1,168,688	918,391	931,384	944,637

**CITY OF DETROIT
BUDGET DEVELOPMENT
REVENUES BY SUMMARY CATEGORY - FUND DETAIL
DEPARTMENT 45 - DEPARTMENT OF APPEALS & HEARINGS**

Department # - Department Name Fund # - Fund Name Summary Category	FY2021 Adopted	FY2022 Mayor	FY2023 Forecast	FY2024 Forecast	FY2025 Forecast
45 - Department of Appeals & Hearings	2,557,000	3,148,000	3,148,000	3,148,000	3,148,000
1000 - General Fund	2,557,000	3,148,000	3,148,000	3,148,000	3,148,000
Revenues from Use of Assets	207,000	345,000	345,000	345,000	345,000
Sales & Charges for Services	2,350,000	2,803,000	2,803,000	2,803,000	2,803,000
Grand Total	2,557,000	3,148,000	3,148,000	3,148,000	3,148,000

**CITY OF DETROIT
BUDGET DEVELOPMENT
FINANCIAL DETAIL BY DEPARTMENT, FUND, APPROPRIATION, & COST CENTER - EXPENDITURES
DEPARTMENT 45 - DEPARTMENT OF APPEALS & HEARINGS**

Department # - Department Name	FY2021	FY2022	FY2023	FY2024	FY2025
Fund # - Fund Name	Adopted	Mayor	Forecast	Forecast	Forecast
Appropriation # - Appropriation Name					
Cost Center # - Cost Center Name					
45 - Department of Appeals & Hearings	1,072,973	1,168,688	918,391	931,384	944,637
1000 - General Fund	1,072,973	1,168,688	918,391	931,384	944,637
11159 - DAH Blight Violation Adjudication	1,072,973	-	-	-	-
450010 - DAH Administration	1,072,973	-	-	-	-
26450 - Code Enforcement Adjudication	-	1,168,688	918,391	931,384	944,637
450010 - DAH Administration	-	1,168,688	918,391	931,384	944,637
Grand Total	1,072,973	1,168,688	918,391	931,384	944,637

**CITY OF DETROIT
BUDGET DEVELOPMENT
FINANCIAL DETAIL BY DEPARTMENT, FUND, APPROPRIATION, & COST CENTER - REVENUES
DEPARTMENT 45 - DEPARTMENT OF APPEALS & HEARINGS**

Department # - Department Name					
Fund # - Fund Name	FY2021	FY2022	FY2023	FY2024	FY2025
Appropriation # - Appropriation Name	Adopted	Mayor	Forecast	Forecast	Forecast
Cost Center # - Cost Center Name					
45 - Department of Appeals & Hearings	2,557,000	3,148,000	3,148,000	3,148,000	3,148,000
1000 - General Fund	2,557,000	3,148,000	3,148,000	3,148,000	3,148,000
11159 - DAH Blight Violation Adjudication	2,557,000	-	-	-	-
450010 - DAH Administration	2,557,000	-	-	-	-
26450 - Code Enforcement Adjudication	-	3,148,000	3,148,000	3,148,000	3,148,000
450010 - DAH Administration	-	3,148,000	3,148,000	3,148,000	3,148,000
Grand Total	2,557,000	3,148,000	3,148,000	3,148,000	3,148,000

**CITY OF DETROIT
BUDGET DEVELOPMENT
POSITION DETAIL BY DEPARTMENT, FUND, APPROPRIATION, & COST CENTER
DEPARTMENT 45 - DEPARTMENT OF APPEALS & HEARINGS**

Department # - Department Name					
Fund # - Fund Name					
Appropriation # - Appropriation Name	FY2021	FY2022	FY2023	FY2024	FY2025
Cost Center # - Cost Center Name	Adopted	Mayor	Forecast	Forecast	Forecast
Job Code - Job Title					
45 - Department of Appeals & Hearings	9	9	9	9	9
1000 - General Fund	9	9	9	9	9
11159 - DAH Blight Violation Adjudication	9	0	0	0	0
450010 - DAH Administration	9	0	0	0	0
010170 - Director of Administrative Hearings	1	0	0	0	0
010908 - Manager I - Administrative Hearings	1	0	0	0	0
012051 - Head Clerk	4	0	0	0	0
012234 - Administrative Assistant - Grade II - Administrative	1	0	0	0	0
091198 - Manager of Administrative Hearings	1	0	0	0	0
15112102 - Sys Analyst II (Info Tech Spc II)	1	0	0	0	0
26450 - Code Enforcement Adjudication	0	9	9	9	9
450010 - DAH Administration	0	9	9	9	9
010170 - Director of Administrative Hearings	0	1	1	1	1
010908 - Manager I - Administrative Hearings	0	1	1	1	1
012234 - Administrative Assistant - Grade II - Administrative	0	1	1	1	1
091198 - Manager of Administrative Hearings	0	1	1	1	1
15112102 - Information Technology Specialist Systems Analy	0	1	1	1	1
81012051 - Head Clerk	0	4	4	4	4
Grand Total	9	9	9	9	9