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City of Detroit
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TO: Elana A. Rugh, Executive Director
Detroit Historical Society

FROM: David Whitaker, Director 
Legislative Policy Division Staff

DATE: March 18, 2022

RE: 2022-2023 Budget Analysis

Attached is our budget analysis regarding your department's budget for the 2022-2023 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing on **Thursday, March 24, 2022, at 3:00 p.m.** We would then appreciate a written response to the issues/questions at your earliest convenience before or after your budget hearing. Please forward a copy of your responses to the Council members, the City Clerk's Office, and the Legislative Policy Division.

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

Thank you for your cooperation in this matter.

DW:dh:ss

Attachments:
Issues and Questions

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

Historical Museum

FY 2022-2023 Budget Analysis by the Legislative Policy Division

The Mayor is recommending a \$1,000,000 General Fund subsidy for the Historical Museum, in appropriation **26350 - Cultural Institutions Support**, in cost center **350093 - Detroit Historical Museum**, located in the Non Departmental budget (**Pg. B35-8**), a \$500,000 (100%) increase from the current FY 22. In addition to the annual General Fund subsidy for the MAAH in the Non Departmental budget, for FY 23 in appropriation **4533 - City of Detroit Capital Projects**, in cost center **350093 - Detroit Historical Museum**, the Mayor is recommending one-time capital spending¹ in the amount of \$1,000,000 for the MAAH (**Pg. B35-10**).

Issues and Questions

- 1) Please briefly explain the Historical Museum's new expense initiatives, new capital funding requests, operational reform and savings proposals, and new revenue initiatives/proposals to be implemented in FY 2023.
- 2) How will the \$1,000,000 General Fund subsidy be used to assist in the operations of the Historical and Dossin Great Lakes Museum?
- 3) The Mayor has recommended \$1,000,000 in one-time capital spending for the Historical Museum in FY 2023. How does the Historical Museum plan to use the capital funds? Is this amount sufficient to meet your capital needs for FY 2023? If not, what other funds can be utilized to address the shortfall.
- 4) Please briefly describe the Historical Museum's fund-raising goals and planned activity for the current and upcoming year. How has the pandemic impacted achieving these goals? Do you anticipate an increase in philanthropic contributions soon?
- 5) What affect has the pandemic had on the operations at the Historical Museum and the Dossin Great Lake Museum?
- 6) What exhibits/programs are planned for the rest of FY 2022 and for FY 2023?
- 7) Please provide the number of budgeted positions. Please indicate the number of vacancies at the Historical Museum as of February 28, 2022. If there are any vacancies, please briefly describe the museum's strategy to fill the vacant positions.
- 8) Please provide your current operating budget and your operating budget for FY 2023.

¹ The use of one-time prior year fund balance (surplus).

NON-DEPARTMENTAL (35)

Access Channel 22, Neighborhoods Channel 21 and Public Access Channel 68. Media Services interfaces with the Mayor’s Office; City Council; City departments and commissions; educational institutions; and community organizations to produce programming that is responsive to the public’s diverse information needs and interests.

- **Communications Services** staff promotes a positive city image with effective communications with the City’s customers - residents, business owners, employees, visitors and the media. As the communications arm, staff provides high-quality service to city agencies and elected officials in their efforts to communicate programs, initiatives and information to various audiences. Services include strategic communications planning and counseling, media relations, event planning, website management, writing, graphic design, photography and Total Copy Center services. Staff support Motor City Makeover and Halloween in the D, under the Mayor’s Communications Director.
- **Pension Administration** is responsible for the administration of the employee retirement systems, and it is the governing body for the Employee Benefit Plan. The Retirement Systems fully reimburses the City of Detroit for Pension Division personnel costs.

The Non-Departmental agency records the salaries and benefits for the 11 elected officials of the City of Detroit: Mayor, City Clerk, and City Council members, in the **Elected Officials Compensation** cost center. General Fund contributions are made to enterprise agencies, cultural agencies, other external agencies.

GENERAL FUND CONTRIBUTIONS	FY23 Recommend
Coleman A. Young International Airport	\$2,931,118
Detroit Department of Transportation	\$65,800,000
Detroit Transportation Corporation (People Mover)	\$6,500,000
Charles W. Museum of African-American History	\$2,600,000
Detroit Historical Society	\$1,000,000
Detroit Zoological Institute	\$570,000
Eastern Market	\$225,000
Detroit Wayne Port Authority	\$250,000
Detroit Land Bank Authority	\$11,000,000
Detroit Community Education Commission (Community Programs)	\$250,000

Through FY2022, Non-Departmental recorded the General Fund obligation to repay principal and interest on various Limited-Tax General Obligation debt. As of FY2023, these debt service budgets have been transferred to the Debt Service Department (18).

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

Department # - Department Name Fund # - Fund Name Appropriation # - Appropriation Name Cost Center # - Cost Center Name	FY2022 Adopted	FY2023 Mayor Recommend	FY2024 Forecast	FY2025 Forecast	FY2026 Forecast
35 - Non-Departmental	347,655,178	289,733,901	306,704,503	299,962,902	297,551,342
1000 - General Fund	345,615,178	277,019,921	304,582,087	297,798,038	295,343,180
14001 - Non Dept Budget Reserve	50,000,000	30,719,808	15,000,000	5,000,000	-
352101 - Budget Reserve	50,000,000	30,719,808	15,000,000	5,000,000	-
25350 - Board of Police Commissioners	3,622,374	3,872,579	3,888,617	3,965,354	4,013,368
350002 - Board of Police Commissioners	3,622,374	3,872,579	3,888,617	3,965,354	4,013,368
26350 - Cultural Institutions Support	3,195,000	4,395,000	3,195,000	3,195,000	3,195,000
350093 - Detroit Historical Museum	500,000	1,000,000	500,000	500,000	500,000
350095 - Zoo Operations	570,000	570,000	570,000	570,000	570,000
350097 - Eastern Market Corporation	225,000	225,000	225,000	225,000	225,000
350290 - Charles H. Wright Museum of African American Histor	1,900,000	2,600,000	1,900,000	1,900,000	1,900,000
26351 - Blight Remediation Projects.	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
350014 - Land Bank Operations	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
27351 - Transportation Services Support	42,119,288	75,481,118	76,888,340	79,462,365	81,092,654
350040 - DTC Contribution for Operations	-	6,500,000	6,500,000	6,500,000	6,500,000
350080 - DDOT Contribution for Operations	40,000,000	65,800,000	67,148,598	69,662,828	71,232,126
350090 - Airport Contribution for Operations	1,869,288	2,931,118	2,989,742	3,049,537	3,110,528
350140 - Detroit Port Authority	250,000	250,000	250,000	250,000	250,000
27352 - Community Programs Support	460,018	463,716	474,091	484,699	492,431
350230 - CEC Goal Line	250,000	250,000	256,000	262,144	267,387
350240 - EITC Support	210,018	213,716	218,091	222,555	225,044
28350 - Special Public Programs	122,925	-	-	-	-
350010 - Public Commemorations	2,925	-	-	-	-

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

Department # - Department Name Fund # - Fund Name Appropriation # - Appropriation Name Cost Center # - Cost Center Name	FY2022 Adopted	FY2023 Mayor Recommend	FY2024 Forecast	FY2025 Forecast	FY2026 Forecast
351032 - JLA Debt Service	106,028	-	-	-	-
3921 - Other Special Revenue Fund	2,040,000	2,113,980	2,122,416	2,164,864	2,208,162
28353 - Cable TV	2,040,000	2,113,980	2,122,416	2,164,864	2,208,162
350324 - P.E.G. Fees	2,040,000	2,113,980	2,122,416	2,164,864	2,208,162
4533 - City of Detroit Capital Projects	-	10,600,000	-	-	-
20507 - CoD Capital Projects	-	10,600,000	-	-	-
350093 - Detroit Historical Museum	-	1,000,000	-	-	-
350097 - Eastern Market Corporation	-	350,000	-	-	-
350290 - Charles H. Wright Museum of African American Histor	-	2,000,000	-	-	-
358010 - Capital Restructuring Initiative - Airport	-	2,250,000	-	-	-
358035 - Capital Restructuring Initiative - Non Departmental	-	5,000,000	-	-	-
Grand Total	347,655,178	289,733,901	306,704,503	299,962,902	297,551,342