



**To:** Mary Waters, Councilmember, At-Large  
**From:** Crystal Perkins, Director *CP*  
**Date:** March 28, 2023

**Re: Responses to Questions on General Services Department and Recreation FY 2024 Budget**

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Please find below responses to your questions sent on March 21, 2023, regarding the proposed Fiscal Year 2024 Proposed Budget for the General Services Department.

- 1. Please specify how the Operating Services budget will be decreased from \$10 million in FY23 to just over \$5 million in FY 24, detailing the exact costs that will be eliminated.**

The Operating Services budget decrease is not the result of the elimination of expenditure items but rather is due to the consolidation of utilities from the General Services Department (GSD) to the Non-Departmental Department and due to the transfer of the GSD Facilities budget to the Construction and Demolition Department.

- 2. Please explain the extra \$12 million in Professional and Contracted Services, and if these services will be performed by vendors who use union workers and pay prevailing wages.**

The increase of \$12 million in Professional and Contractual Services is due to the addition of freeway maintenance that GSD will be taking over from the State and costs associated with the Joe Louis Greenway including maintenance, equipment, and supplies as well as the City's contribution to the Detroit Riverfront Conservancy.

All contracts are subject to the bidding process that OCP has in place. We are unable to say if the suppliers who bid and are subsequently awarded contracts for these services will have union workers. We are committed to following the guidelines in place for the bidding process.

- 3. Why is Solid Waste management being reduced significantly when Detroiters have been promised that they will have more reliable trash service going forward, including once weekly curbside bulk pickup?**

The Solid Waste Fund overall is not being reduced, only GSD's share. The reduction in GSD's share of the Solid Waste Fund is due to the transfer of the Alley Cleanup Program and associated budget from the Solid Waste Fund to the Blight Fund. Curbside bulk pickup is funded in DPW's Solid Waste Fund Budget.



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**4. What is driving the YoY reduction in cost center 472200 – Recreation Operations – of nearly 50% compared to last year?**

The year-over-year reduction in Cost Center 472200 - Recreation Operations is due to the consolidation of utilities expenditures from the General Services Department to Non-Departmental.

**5. What kinds of equipment acquisition costs are anticipated for FY24, and why are they projected to fall over 90% going into FY25 and beyond?**

These are the funds for capital projects. Because capital projects are funded with one-time funds from the City's fund balance, we only show these in the year that Council is appropriating through the budget process. The forecast years are set to zero for all accounts utilizing one-time instead of recurring funds.