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TO: Elana Rugh, President & CEO
Detroit Historical Society

FROM: David Whitaker, Director 
Legislative Policy Division Staff

DATE: March 11, 2024

RE: 2024-2025 Budget Analysis

Attached is our budget analysis regarding your agency's budget for the 2024-2025 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing on **Wednesday, March 13, 2024, at 11:00 a.m.** We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to 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
Historical Society budget pages in Non-Departmental

cc: Councilmembers
Auditor General's Office
Jay Rising, Chief Financial Officer
Tanya Stoudemire, Chief Deputy CFO
Steve Watson, Budget Director
James Williams, Agency CFO
Doug Ortiz, Budget Analyst
Malik Washington, Mayor's Office

Historical

FY 2024-2025 Budget Analysis by the Legislative Policy Division

The Detroit Historical Society (the “Society”) is an independent, Michigan non-profit Corporation whose purpose is to educate and inspire its community and visitors by preserving and portraying the region’s shared history through dynamic exhibits and experiences. Under an agreement with the City of Detroit (the “City”), the Society manages the daily operations of the Detroit Historical Museum, its gift shop, the Dossin Great Lakes Museum, and the Collections Resource Center. The Detroit Historical Society raises funds, recruits volunteers, and ensures that the Detroit Historical Museum, the Dossin Great Lakes Museum and Historic Fort Wayne (which opened as a City-owned and operated historical attraction in the 1970s) maintains a vibrant presence in Detroit’s cultural landscape.

The Mayor is recommending a \$1,000,000 subsidy for the Detroit Historical Museum for FY 2025, in appropriation **26350 - Cultural Institutions Support**, in cost center **350093 - Detroit Historical Museum**, located in the Non-Departmental budget (**Pg. B35 - 16**). The current FY 2024 subsidy of \$1,000,000 is unchanged for FY 2025 for the museum.

The Non-Departmental budget provides funds for activities which are not the responsibility of any other single agency. Non-Departmental is also the depository agency for General Fund subsidy appropriations, enterprise activities and for a wide variety of General Fund revenues that cannot be credited to any specific department.

Questions:

1. In the 2022-2023 annual report for the Detroit Historical Society¹ on its website, its total operating expenses were \$5.2 million, total revenue \$8.6 million, and net assets \$8.7 million. Although noteworthy, please explain why total revenue exceeded operation expenses by \$3.4 million in FY 2023.
2. Please provide the Detroit Historical Society’s FY 2024 annual report, if available.
3. Please provide the Detroit Historical Society’s annual financial statement as of June 30, 2023, if available.
4. Please provide the Detroit Historical Society’s FY 2024 operating and capital budget. Is total revenue expected to reach \$8.6 million in FY 2024 as was done in FY 2023? During the FY 2024 budget process, the City Council added \$1,000,000 for capital improvements for the Society. Please provide the planned capital projects this funding will accommodate.
5. The State of Michigan in its FY 2024 budget was awarded \$4 million. Please explain how the Society plans to use these funds in FY 2024.
6. In 2015, the Detroit Historical Society launched its transformational Detroit 67: Looking Back to Move Forward² project as a long-term effort to engage the Detroit community in its efforts to plan a meaningful commemoration of the tumultuous summer of 1967. What efforts is the museum making to advertise this exhibit and the rest that the museum has to offer to increase visitation?

¹ [2022-23 Annual Report converted.pdf \(detroithistorical.org\)](#)

² [Home - Detroit 67 \(detroit1967.org\)](#)

7. What major initiatives/capital expenses does the Detroit Historical Museum have planned for the upcoming FY 2025?
8. Please provide the Society’s FY 2024 budgeted positions and actual positions as of February 29, 2024. Please the difficulty of filling vacancies. Please provide the FY 2025 budgeted positions.
9. Are there any plans for the Detroit Historical Museum to modify its staff or visiting hours in the upcoming FY 2025?

Non-Departmental (35)

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, and other external agencies.

| General Fund Contributions | FY 2025 Mayor Proposed |
|--|------------------------|
| Coleman A. Young International Airport | \$4,039,608 |
| Detroit Department of Transportation | \$78,168,185 |
| Detroit Transportation Corporation (People Mover) | \$6,500,000 |
| Charles H. Wright Museum of African American History | \$2,600,000 |
| Detroit Historical Society | \$1,000,000 |
| Detroit Zoological Society | \$1,200,000 |
| Eastern Market | \$300,000 |
| Detroit Wayne Port Authority | \$400,000 |
| Detroit Land Bank Authority | \$11,000,000 |
| Department of Public Works – Solid Waste Management | \$3,388,315 |

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

| Department # - Department Name | | | | | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Fund # - Fund Name | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 |
| Appropriation # - Appropriation Name | Adopted | Mayor Proposed | Forecast | Forecast | Forecast |
| Cost Center # - Cost Center Name | | | | | |
| 35 - Non-Departmental | 173,178,252 | 205,279,062 | 189,989,576 | 196,704,033 | 200,921,442 |
| 1000 - General Fund | 166,663,889 | 181,957,521 | 186,626,415 | 193,107,992 | 197,282,100 |
| 25350 - Board of Police Commissioners | 3,779,322 | 4,558,541 | 3,739,176 | 3,804,187 | 3,870,446 |
| 350002 - Board of Police Commissioners | 3,779,322 | 4,558,541 | 3,739,176 | 3,804,187 | 3,870,446 |
| 26350 - Cultural Institutions Support | 4,470,000 | 5,100,000 | 5,100,000 | 5,100,000 | 5,100,000 |
| 350093 - Detroit Historical Museum | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| 350095 - Zoo Operations | 570,000 | 1,200,000 | 1,200,000 | 1,200,000 | 1,200,000 |
| 350097 - Eastern Market Corporation* | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| 350290 - Charles H. Wright Museum of African American History* | 2,600,000 | 2,600,000 | 2,600,000 | 2,600,000 | 2,600,000 |
| 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 |
| 26352 - Solid Waste Services Support | - | 3,388,315 | 5,261,072 | 10,018,839 | 11,094,514 |
| 350079 - Solid Waste Contribution for Operations | - | 3,388,315 | 5,261,072 | 10,018,839 | 11,094,514 |
| 27350 - Special Services | 1,905,713 | 1,567,775 | 1,585,354 | 1,603,258 | 1,621,492 |
| 350370 - Project Clean Slate Operations | 1,552,713 | 1,567,775 | 1,585,354 | 1,603,258 | 1,621,492 |
| 350371 - Immigration Task Force* | 3,000 | - | - | - | - |
| 350372 - Reparations Task Force* | 350,000 | - | - | - | - |
| 27351 - Transportation Services Support | 87,678,005 | 90,471,203 | 92,153,949 | 93,085,082 | 94,026,430 |
| 350040 - DTC Contribution for Operations | 6,500,000 | 6,500,000 | 6,500,000 | 6,500,000 | 6,500,000 |
| 350080 - DDoT Contribution for Operations | 74,368,185 | 78,168,185 | 79,856,469 | 80,764,337 | 81,682,996 |
| 350081 - DDoT Contribution for Legacy Debt | 2,456,348 | 1,363,410 | 1,346,117 | 1,330,994 | 1,314,736 |
| 350090 - Airport Contribution for Operations | 3,953,472 | 4,039,608 | 4,051,363 | 4,089,751 | 4,128,698 |
| 350140 - Detroit Port Authority* | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 |

*FY 2024 included one-time funding for these programs

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

| Department # - Department Name | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Fund # - Fund Name | Adopted | Mayor Proposed | Forecast | Forecast | Forecast |
| Appropriation # - Appropriation Name | | | | | |
| Cost Center # - Cost Center Name | | | | | |
| 4533 - City of Detroit Capital Projects | 4,350,000 | 20,000,000 | - | - | - |
| 20507 - CoD Capital Projects | 4,350,000 | 20,000,000 | - | - | - |
| 350093 - Detroit Historical Museum | 1,000,000 | - | - | - | - |
| 350095 - Zoo Operations | 1,000,000 | - | - | - | - |
| 350097 - Eastern Market Corporation | 350,000 | - | - | - | - |
| 350290 - Charles H. Wright Museum of African American Histor | 2,000,000 | - | - | - | - |
| 358047 - Capital Restructuring Initiative - GSD | - | 20,000,000 | - | - | - |
| Grand Total | 173,178,252 | 205,279,062 | 189,989,576 | 196,704,033 | 200,921,442 |

**CITY OF DETROIT
BUDGET DEVELOPMENT
LEGAL BUDGET BY DEPARTMENT, FUND, APPROPRIATION, & COST CENTER
EXPENDITURES**

| Department # - Department Name | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Fund # - Fund Name | Actual | Adopted | Mayor Proposed | Forecast | Forecast | Forecast |
| Appropriation # - Appropriation Name | | | | | | |
| Cost Center # - Cost Center Name | | | | | | |
| 350002 - Board of Police Commissioners | 2,546,569 | 3,779,322 | 4,558,541 | 3,739,176 | 3,804,187 | 3,870,446 |
| 26350 - Cultural Institutions Support | 4,450,000 | 4,470,000 | 5,100,000 | 5,100,000 | 5,100,000 | 5,100,000 |
| 350093 - Detroit Historical Museum | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| 350095 - Zoo Operations | 570,000 | 570,000 | 1,200,000 | 1,200,000 | 1,200,000 | 1,200,000 |
| 350097 - Eastern Market Corporation | 280,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| 350290 - Charles H. Wright Museum of African American Histor | 2,600,000 | 2,600,000 | 2,600,000 | 2,600,000 | 2,600,000 | 2,600,000 |
| 26351 - Blight Remediation Projects | 12,500,000 | 11,000,000 | 11,000,000 | 11,000,000 | 11,000,000 | 11,000,000 |
| 350014 - Land Bank Operations | 12,500,000 | 11,000,000 | 11,000,000 | 11,000,000 | 11,000,000 | 11,000,000 |
| 26352 - Solid Waste Services Support | - | - | 3,388,315 | 5,261,072 | 10,018,839 | 11,094,514 |
| 350079 - Solid Waste Contribution for Operations | - | - | 3,388,315 | 5,261,072 | 10,018,839 | 11,094,514 |
| 27350 - Special Services | (58) | 1,905,713 | 1,567,775 | 1,585,354 | 1,603,258 | 1,621,492 |
| 350370 - Project Clean Slate Operations | (58) | 1,552,713 | 1,567,775 | 1,585,354 | 1,603,258 | 1,621,492 |
| 350371 - Immigration Task Force | - | 3,000 | - | - | - | - |
| 350372 - Reparations Task Force | - | 350,000 | - | - | - | - |
| 27351 - Transportation Services Support | 75,481,118 | 87,678,005 | 90,471,203 | 92,153,949 | 93,085,082 | 94,026,430 |
| 350040 - DTC Contribution for Operations | 6,500,000 | 6,500,000 | 6,500,000 | 6,500,000 | 6,500,000 | 6,500,000 |
| 350080 - DDoT Contribution for Operations | 65,800,000 | 74,368,185 | 78,168,185 | 79,856,469 | 80,764,337 | 81,682,996 |
| 350081 - DDoT Contribution for Legacy Debt | - | 2,456,348 | 1,363,410 | 1,346,117 | 1,330,994 | 1,314,736 |
| 350090 - Airport Contribution for Operations | 2,931,118 | 3,953,472 | 4,039,608 | 4,051,363 | 4,089,751 | 4,128,698 |
| 350140 - Detroit Port Authority | 250,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 |
| 27352 - Community Programs Support | 429,900 | 2,963,716 | 500,000 | 500,000 | 500,000 | 500,000 |
| 350230 - Childhood Education & Enrichment Support | 220,000 | 2,750,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| 350240 - EITC Support | 209,900 | 213,716 | - | - | - | - |
| 28351 - Board of Ethics | 485,788 | 545,278 | 557,960 | 565,912 | 574,011 | 582,258 |
| 350165 - Board of Ethics | 485,788 | 545,278 | 557,960 | 565,912 | 574,011 | 582,258 |
| 28352 - Media Services & Communications | 1,268,744 | 1,751,094 | 1,509,418 | 1,537,034 | 1,565,194 | 1,593,907 |
| 350325 - Communications Services | 517,316 | 601,760 | 736,132 | 749,792 | 763,723 | 777,928 |
| 350326 - Media Services | 751,428 | 1,149,334 | 773,286 | 787,242 | 801,471 | 815,979 |

**CITY OF DETROIT
BUDGET DEVELOPMENT
LEGAL BUDGET BY DEPARTMENT, FUND, APPROPRIATION, & COST CENTER
EXPENDITURES**

| Department # - Department Name | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 |
|--|------------------|----------|----------------|----------|----------|----------|
| Fund # - Fund Name | Actual | Adopted | Mayor Proposed | Forecast | Forecast | Forecast |
| Appropriation # - Appropriation Name | | | | | | |
| Cost Center # - Cost Center Name | | | | | | |
| 350030 - Other Operations Services | 4,627,965 | - | - | - | - | - |
| 22011 - ARPA - Intergenerational Poverty 2 | 915,415 | - | - | - | - | - |
| 350030 - Other Operations Services | 915,415 | - | - | - | - | - |
| 22012 - ARPA - Intergenerational Poverty 3 | 513,407 | - | - | - | - | - |
| 350030 - Other Operations Services | 513,407 | - | - | - | - | - |
| 4502 - General Public Improvement - Tax, Revenue, & Grant | 46,242 | - | - | - | - | - |
| 11452 - Cobo Acquisition Fund 2003 | 46,242 | - | - | - | - | - |
| 350732 - Hart Plaza Improvements | 46,242 | - | - | - | - | - |
| 4503 - General Obligation Bond Fund | 2,202,921 | - | - | - | - | - |
| 21002 - 2018 UTGO Bonds - Series B | 1,254,686 | - | - | - | - | - |
| 350093 - Detroit Historical Museum | 1,254,686 | - | - | - | - | - |
| 90060 - Gasb 87 Leases | 948,236 | - | - | - | - | - |
| 359970 - Gasb 87 Leases | 948,236 | - | - | - | - | - |
| 4513 - General Obligation Bond Fund - Series 2010 | 576,100 | - | - | - | - | - |
| 20328 - COD Public Safety Facilities DOJ GO Bond Projects 20328 | 391,042 | - | - | - | - | - |
| 353710 - COD Public Safety Facilities DOJ GO Bond Projects 353 | 391,042 | - | - | - | - | - |
| 20331 - COD Transportation Facilities Vehicle Procurement GO B | 185,058 | - | - | - | - | - |
| 353900 - COD Transportation Facilities Vehicle Procurement GC | 185,058 | - | - | - | - | - |
| 4520 - Charles H. Wright Museum Improvements | 2,924 | - | - | - | - | - |
| 20311 - Charles H. Wright GO Bond Projects 20311 | 2,924 | - | - | - | - | - |
| 353100 - Charles H. Wright GO Bond Projects | 2,924 | - | - | - | - | - |
| 4527 - Public Safety Facilities Fund | 574,592 | - | - | - | - | - |
| 20318 - COD Public Safety Facilities GO Bond Projects 20318 | 574,592 | - | - | - | - | - |
| 353700 - COD Public Safety Facilities GO Bond Projects 353700 | 574,592 | - | - | - | - | - |
| 4528 - Public Safety Facilities - Police, Fire, EMS, Health | 616,448 | - | - | - | - | - |
| 20319 - COD Public Safety Facilities DOJ GO Bond Projects 20319 | 616,448 | - | - | - | - | - |
| 353710 - COD Public Safety Facilities DOJ GO Bond Projects 353 | 616,448 | - | - | - | - | - |
| 4531 - Transportation Facilities & Vehicle Procurement | 153,631 | - | - | - | - | - |

**CITY OF DETROIT
BUDGET DEVELOPMENT
LEGAL BUDGET BY DEPARTMENT, FUND, APPROPRIATION, & COST CENTER
EXPENDITURES**

| Department # - Department Name | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 |
|--|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Fund # - Fund Name | Actual | Adopted | Mayor Proposed | Forecast | Forecast | Forecast |
| Appropriation # - Appropriation Name | | | | | | |
| Cost Center # - Cost Center Name | | | | | | |
| 20322 - COD Transportation Facilities Vehicle Procurement GO B | 153,631 | - | - | - | - | - |
| 353900 - COD Transportation Facilities Vehicle Procurement GC | 153,631 | - | - | - | - | - |
| 4532 - Transportation Facilities | 46,208 | - | - | - | - | - |
| 20323 - COD Transportation Facilities GO Bond Projects 20323 | 46,208 | - | - | - | - | - |
| 353910 - COD Transportation Facilities GO Bond Projects | 46,208 | - | - | - | - | - |
| 4533 - City of Detroit Capital Projects | 116,909 | 4,350,000 | 20,000,000 | - | - | - |
| 20507 - CoD Capital Projects | 116,909 | 4,350,000 | 20,000,000 | - | - | - |
| 350030 - Other Operations Services | 13,650 | - | - | - | - | - |
| 350093 - Detroit Historical Museum | - | 1,000,000 | - | - | - | - |
| 350095 - Zoo Operations | - | 1,000,000 | - | - | - | - |
| 350097 - Eastern Market Corporation | - | 350,000 | - | - | - | - |
| 350290 - Charles H. Wright Museum of African American Histor | - | 2,000,000 | - | - | - | - |
| 358035 - Capital Restructuring Initiative - Non Departmental | 103,259 | - | - | - | - | - |
| 358047 - Capital Restructuring Initiative - GSD | - | - | 20,000,000 | - | - | - |
| 36 - Housing & Revitalization Department | 107,276,445 | 68,333,735 | 72,962,863 | 66,922,992 | 68,057,725 | 69,214,187 |
| 1000 - General Fund | 15,597,299 | 20,407,505 | 28,475,218 | 21,395,945 | 21,620,137 | 21,847,848 |
| 13168 - HRD Real Estate & GIS | (300) | - | - | - | - | - |
| 365080 - Immigration Affairs | (300) | - | - | - | - | - |
| 20517 - Neighborhood Improvement Fund | 487,339 | - | - | - | - | - |
| 360130 - Community Development | 487,339 | - | - | - | - | - |
| 26360 - Community Development | 1,650,838 | 1,645,624 | 1,150,236 | 1,166,337 | 1,182,756 | 1,199,502 |
| 360106 - Occupied Buyback Outreach | - | 430,000 | - | - | - | - |
| 360130 - Community Development | 1,017,730 | - | - | - | - | - |
| 360131 - Real Estate Services | 417,273 | - | - | - | - | - |
| 360146 - EITC Support | - | - | 213,716 | 213,967 | 214,221 | 214,477 |
| 365080 - Immigration Affairs | - | 437,009 | 413,273 | 419,375 | 425,600 | 431,949 |
| 365704 - Program Development & Implementation | 215,835 | 778,615 | 523,247 | 532,995 | 542,935 | 553,076 |
| 26361 - Detroit Housing Network | 442,447 | 290,650 | 5,941,756 | 6,007,154 | 6,073,335 | 6,140,308 |