

*CITY OF DETROIT*

**Police Department FY 2023 1<sup>st</sup> Quarter Budget Review & Other Financial  
Information**

**Board of Police Commissioners Presentation**

**Nevrus P. Nazarko, ACFO**

**September 30, 2022**



# Reports Submitted for the March 31, 2021

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- Budget to Actual Revenues & Expenses as of 9/30/2022
- Grant Activity Report (New Grants for the quarter ending 9/30/2022)
- Forfeiture Activity for the quarter ending 9/30/2022
- GSD Capital Expenditure Report
- Vehicle Purchase report



# Overview of FY23 Q1 Budget Variance

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	<b>Q1 YTD Amended Budget</b>	<b>Q1 YTD Actuals</b>	<b>Variance</b>	<b>Variance Percentage</b>
Total Revenues	\$12,955,778	\$16,376,712	\$3,420,934	26.4%
Total Expenditures	\$76,736,668	\$71,861,333	\$4,875,335	(6.4%)
<b>Net Tax Cost</b>	<b>(\$63,780,890)</b>	<b>(\$55,484,621)</b>	<b>(\$1,454,401)</b>	<b>(2.3%)</b>



# Overview FY23 Q1 vs. Annual Budget with Quarterly Variance

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	<b>Q1 YTD Actuals</b>	<b>FY23 Annual Amended Budget</b>	<b>Percentage of Annual Budget</b>
Total Revenues	\$16,376,712	\$64,948,167	25.2%
Total Expenditures	\$71,861,333	\$351,707,914	20.4%
<b>Net Tax Cost</b>	<b>\$55,484,621</b>	<b>\$286,759,747</b>	<b>19.3%</b>



# FY23 Annualized Revenue and Expenditure Projections

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	<b>Annualized Amended Budget</b>	<b>Annualized Budget Projections</b>	<b>Variance</b>
Total Revenues	\$64,948,167	\$68,002,967	\$3,054,800
Total Expenditures	\$351,707,914	\$377,115,994	(\$25,408,080)
<b>Net Tax Cost</b>	<b>\$286,759,747</b>	<b>\$309,113,027</b>	



# FY23 Annualized Revenue Summary Detail

	BUDGET	ACTUAL	VARIANCE (BUDGET VS. ACTUAL)
	AMENDED	YTD	YTD
<b>REVENUE:</b>			
Municipal Income Tax	6,030,218	7,217,964	1,187,746
Utility Users' Tax	5,365,060	8,330,125	2,965,065
Sales and Charges for Services	1,493,250	785,975	(707,275)
Licenses, Permits, and Inspection Charges	66,750	29,525	(37,225)
Fines, Forfeits and Penalties	—	12,775	12,775
Revenues from Use of Assets	—	348	348
Sales of Assets and Compensation for Losses	500	—	(500)
<b>TOTAL</b>	<b>12,955,778</b>	<b>16,376,712</b>	<b>3,420,934</b>



# FY23 Annualized Revenue Detail

	BUDGET	ACTUAL	VARIANCE (BUDGET VS. ACTUAL)
	AMENDED	YTD	YTD
<b>REVENUE:</b>			
<b>Municipal Income Tax</b>	<b>6,030,218</b>	<b>7,217,964</b>	<b>1,187,746</b>
<b>Utility Users' Tax</b>	<b>5,365,060</b>	<b>8,330,125</b>	<b>2,965,065</b>
<b>Sales and Charges for Services</b>	<b>1,493,250</b>	<b>785,975</b>	<b>(707,275)</b>
Water & Sewage Revenue	13,250	34	(13,216)
<i>Communications Revenue</i>	13,250	34	(13,216)
Other Reimbursements	6,250	—	(6,250)
Other Fees	126,250	163,879	37,629
<i>Other Fees</i>	126,250	163,879	37,629
Personal Services	892,500	174,933	(717,567)
<i>Personal Services IPO</i>	892,500	174,933	(717,567)
Other Departmental Sales	455,000	447,129	(7,871)
<i>Damage &amp; Loss</i>	5,000	3,338	(1,662)
<i>Sale of Materials</i>	—	207,305	207,305
<i>Towing Fee_Admin.</i>	450,000	236,486	(213,514)
<b>Licenses, Permits, and Inspection Charges</b>	<b>66,750</b>	<b>29,525</b>	<b>(37,225)</b>
Business Licenses	66,250	29,525	(36,725)
Inspection Charges	500	—	(500)
Other Licenses	—	—	—
<b>Fines, Forfeits and Penalties</b>	<b>—</b>	<b>12,775</b>	<b>12,775</b>
Forfeited Funds	—	12,775	12,775
<b>Revenues from Use of Assets</b>	<b>—</b>	<b>348</b>	<b>348</b>
Other Asset Use Revenue	—	348	348
<i>Investment Earnings</i>	—	348	348
<b>Sales of Assets and Compensation for Losses</b>	<b>500</b>	<b>—</b>	<b>(500)</b>
Other Sales of Assets and Compensation for Losses	500	—	(500)
<i>Other Operating Revenue</i>	500	—	(500)
<b>TOTAL</b>	<b>12,955,778</b>	<b>16,376,712</b>	<b>3,420,934</b>



# FY23 Annualized Expenditure Summary Detail

	BUDGET	ACTUAL	VARIANCE (BUDGET VS. ACTUAL)
	AMENDED	YTD	YTD
<b>EXPENDITURES:</b>			
<b>Salaries and Wages</b>	<b>56,763,601</b>	<b>53,878,192</b>	<b>2,885,409</b>
Salaries	47,775,315	44,677,191	3,098,124
Overtime - Non-Uniform	459,404	8,452,155	(7,992,751)
Overtime - Police Uniform	8,528,882	746,882	7,782,000
Overtime - Fire Uniform	-	1,965	(1,965)
<b>Employee Benefits</b>	<b>13,766,052</b>	<b>13,913,505</b>	<b>(147,453)</b>
<b>Professional and Contractual Services</b>	<b>777,486</b>	<b>53,286</b>	<b>724,200</b>
<b>Operating Supplies</b>	<b>764,178</b>	<b>202,697</b>	<b>561,481</b>
Fuel, Oil, Etc.	24,692	8,282	16,410
Repairs & Maintenance	256,052	79,362	176,690
Other Operating Supplies	483,434	115,054	368,380
<b>Operating Services</b>	<b>4,079,569</b>	<b>3,624,292</b>	<b>455,277</b>
Telecommunications	-	80,598	(80,598)
Utilities	577,534	372,680	204,854
Insurance Expense - Risk Mgmt Fund/Other	40,582	43,952	(3,370)
Purchased Services - Blight, Detention Ctr, Etc.	397,660	27,235	370,425
Rentals	3,027,944	3,095,476	(67,532)
Other Operating Services	35,849	4,352	31,497
<b>Capital Equipment</b>	<b>72,700</b>	<b>78,455</b>	<b>(5,755)</b>
<b>Other Expenses</b>	<b>513,082</b>	<b>110,904</b>	<b>402,178</b>
Training	84,573	71,617	12,956
Contribution Expense - Other	424,815	29,983	394,832
Other Operating Expense	3,694	4,055	(361)
<i>Travel</i>	3,694	4,055	(361)
<b>TOTAL</b>	<b>76,736,668</b>	<b>71,861,333</b>	<b>4,875,335</b>





# FY23 Annualized Expenditure Detail

	BUDGET	ACTUAL	VARIANCE (BUDGET VS. ACTUAL)
	AMENDED	YTD	YTD
<b>EXPENDITURES:</b>			
<b>Salaries and Wages</b>	<b>56,763,601</b>	<b>53,878,192</b>	<b>2,885,409</b>
Salaries	47,775,315	44,677,191	3,098,124
Overtime - Non-Uniform	459,404	8,452,155	(7,992,751)
Overtime - Police Uniform	8,528,882	746,882	7,782,000
Overtime - Fire Uniform	-	1,965	(1,965)
<b>Employee Benefits</b>	<b>13,766,052</b>	<b>13,913,505</b>	<b>(147,453)</b>
Pension Benefits	4,456,317	3,128,324	1,327,993
Hospitalization	6,478,859	5,645,377	833,482
FICA Expense	819,174	1,180,625	(361,451)
Workers' Compensation Benefits	526,465	(1,223)	527,688
Unused Sick Leave	657,722	187,931	469,791
Longevity	-	20,663	(20,663)
Bonus	-	-	-
Group Life Insurance	142,713	(200)	142,913
Eye Care	74,418	(17)	74,435
Income Protection	18,176	-	18,176
Dental	302,278	(232)	302,510
Health Care Reserve	134,694	-	134,694
Other Benefits Expense	155,236	3,752,258	(3,597,022)
<b>Professional and Contractual Services</b>	<b>777,486</b>	<b>53,286</b>	<b>724,200</b>
Contractual Services - Professional Services	372,635	(71,468)	444,103
Contractual Services - Personal Services	-	13,742	(13,742)
Contractual Services - Para-Transit/Other	-	11,680	(11,680)
Medical Expense	404,851	74,794	330,057
Other Professional/Contractual Services	-	24,538	(24,538)
<b>Operating Supplies</b>	<b>764,178</b>	<b>202,697</b>	<b>561,481</b>
Fuel, Oil, Etc.	24,692	8,282	16,410
Repairs & Maintenance	256,052	79,362	176,690
Other Operating Supplies	483,434	115,054	368,380
<b>Operating Services</b>	<b>4,079,569</b>	<b>3,624,292</b>	<b>455,277</b>
Telecommunications	-	80,598	(80,598)
Utilities	577,534	372,680	204,854
Insurance Expense - Risk Mgmt Fund/Other	40,582	43,952	(3,370)
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Rentals	3,027,944	3,095,476	(67,532)
Other Operating Services	35,849	4,352	31,497
<b>Capital Equipment</b>	<b>72,700</b>	<b>78,455</b>	<b>(5,755)</b>
Capital Equipment - Street Fund/Other	72,700	78,455	(5,755)
<b>Other Expenses</b>	<b>513,082</b>	<b>110,904</b>	<b>402,178</b>
Training	84,573	71,617	12,956
Contribution Expense - Other	424,815	29,983	394,832
Other Operating Expense	3,694	4,055	(361)
Travel	3,694	4,055	(361)
<b>TOTAL</b>	<b>76,736,668</b>	<b>71,861,333</b>	<b>4,875,335</b>



# Overview of FY23 Q1 Forfeiture Activity

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	Local Forfeiture	Federal Forfeiture
Total Revenues	\$237,705	\$4,383
Total Expenditures	\$277,400	\$13,268

*As of September 30, 2022*



# Overview of FY23 Q1 Contract Activity

Expiration	Contracts		
1-90 Days	JEFFERSPN CHEVROLET CO CYRACOM INTERNATIONAL INC RUTH CARTER LAW, PLLC Bill Jones Enterprises, Inc, dba, METRO AIRPORT TRUCK		
91-180 Days	CORE TECHNOLOGY CORP AXON ENTERPRISE INC PAT MILLIKEN FORD LDV, INC		
181+	AMERICAN CYCLE & FITNESS CGL Companies ENTERPRISE UNIFORM DETROIT BUILDING AUTHORITY THOMSON REUTERS BLACK FAMILY DEVELOPMENT INC WILLSCOT RollKall Technologies LLC INDUSTRIAL ORGANIZATIONAL SOLUTIONS, INC Thomas Dawson Lori Dawson MICHIGAN STATE UNIVERSITY Greiner Hay & Straw GREAT LAKES AVIATION SERVICES LLC RADARSIGN LLC AVE Solutions GREAT LAKES AVIATION SERVICES LLC Worldwide Equipment Sales of Michigan, LLC	STATE OF MICHIGAN DETROIT BUILDING AUTHORITY CARAHSOFT TECHNOLOGY CORP PET SUPPLIES PLUS DETROIT LLC JEFFERSON CHEVROLET CO MOTOROLA SOLUTIONS INC SHOTSPOTTER, INC ATLANTIC DIVING SUPPLY INC THE BLACKBOTTOM GROUP dba BLAST DETROIT BOB MAXEY FORD INC JEFFERSON CHEVROLET CO PAT MILLIKEN FORD JAY'S AUTO REPAIR EVOLV TECHNOLOGY SKY GROUP GRAND LLC WAYNE COUNTY COMMUNITY COLLEGE BBK TOWING & RECOVERY INC TROYS TOWING INC	WAYNE'S SERVICE INC. NICE Systems, Inc. BOBBYS T.C.B. TOWING SERVICE 7 D'S TOWING & STORAGE INC ABA IMPOUND INC CentralSquare Technologies, LLC INTIME SOLUTIONS INC H & B LAND TOWING INC PENLINK DATAWORKS PLUS LLC GRAYSHIFT, LLC RIVERBEND PROPERTIES, INC MACK AND ALTER LLC DETROIT BUILDING AUTHORITY FOCUS HOPE GOCH & SONS TOWING





# FY23 Q1 Capital Improvements

DPD FACILITIES 1st Quarter								
Flag	Dept.	Facility	Contractor	Contract Amount	Funding Source	Project Description	Milestone Phase (1-7)	% of Budget Spent
	DPD	Rouge Gun Range Renovation		\$860,000.00	ARPA	State of Good Repairs	2 - Bid	0%
	DPD	Training Academy		\$9,490,030.00	ARPA	SOG, Locker room renovation, lighting, paint, FA upgrades, replace electrical panels	2 - Bid	0%
	DPD	Hangar Renovation		\$253,000.00	ARPA	State of Good Repairs	2 - Bid	0%
	DPD	All (4) Fleet Garages and 11th PCT	Gandol	\$69,893.00	CARES	Improve the HVAC system in order to support the COVID-19 Return to Work efforts	7 - Complete	100%
	DPD	Engine 1, 37, 41, 46, 50, 51, 53, 55, 53, Squad 3, 7th PCT	W-3	\$144,138.00	CARES	Improve the HVAC system in order to support the COVID-19 Return to Work efforts	7 - Complete	100%
	DPD	GENERATOR INSTALLATIONS (phase 2)	Power Lighting & Technical Services	\$1,120,240.00	FEMA	Generator Installation at 10 Firehouses and 3 Police Precincts. Locations E9, E39, E40, E44, E48, E57, E60, L20, S5, HazMat. 1st pct., 3rd pct., 7th pct.	7 - Complete	100%
	DPD	DPDNORTHEASTERN 11TH PCT.	Cross Renovations	\$1,652,600.00	GO Bonds	11th Pct. Improvements	7 - Complete	100%
	DPD	DPDNORTHWESTERN 6th PCT.	Cross Renovations	\$1,168,900.00	GO Bonds	6th Pct. Improvements	7 - Complete	100%
	DPD	POLICE AS NEEDED GC.	W-3	\$500,000.00	GO Bonds	Various GC Improvements at multiple Police sites. Locations (WIP) Special Operations (Dpd-Forfeiture), Caniff Impound Yard, 2nd Precinct	7 - Complete	100%
	DPD	DPD SPECIAL CRIMES 10TH PCT.	W-3	\$878,500.00	GO Bonds	10th Pct. Improvements	7 - Complete	100%
	DPD	MT. ELLIOT TRAFFIC CONTROL / TOWYARD		\$1,851,500	UTGO Bonds	Interior and Exterior renovation to bring the building to state of good repair	6 - Construction	0%
	DPD	FIREARMS BUILD OUT (Security)	Shaw	\$218,297.00	UTGO Bonds	Secure Firearms inventory at 1180 Oakman	6 - Construction	93%
	DPD	20 ATWATER	Gandol Construction	\$800,000.00	UTGO Bonds	20 Atwater renovations	7 - Complete	93%
	DPD	9TH PCT Locker RM	DeAngelis Diamond	\$300,000.00	UTGO Bonds	Locker facilities	7 - Complete	100%
	DPD	DPD 6TH PRECINCT	GANDOL	\$5,050.00	UTGO Bonds	Install Door and Counter	7 - Complete	100%
	DPD	1180 OAKMAN RENOVATION		\$5,041,703.00	UTGO Bonds Series 1 & 2	Complete Renovation Interior work, electrical upgrade, HVAC, site work, roof replacement	1 - Planning	0%
	DPD	GRAND RIVER TOW YARD	DMC Construction	\$2,215,150.36	UTGO Bonds Series 1 & 2		6 - Construction	72%
	DPD	7th PCT RENOVATION		\$2,250,000.00	UTGO Bonds Series 2		1 - Planning	
	DPD	1180 OAKMAN - Roofing			UTGO Bonds Series 2		2 - Bid	
	DPD	9th PCT RENOVATION	W3	\$4,600,000.00	UTGO Bonds Series 2	To perform design, engineering, and construction services to do a full interior and exterior renovation at 9th Precinct.  Demo drawings 4/11 out for permits, start middle of May for DEMO.	6 - Construction	0%
	DPD	1180 OAKMAN - Electrical Service	MGIC ELECTRIC INC.	\$350,000.00	UTGO Bonds Series 2	Provide electrical services and a new DTE meter for DPD Oakman	6 - Construction	36%
	DPD	1180 OAKMAN - Boiler	SYSTEMP INC.	\$190,000.00	UTGO Bonds Series 2	Install a new boiler within our facility	7 - Complete	100%



# FY23 Q1 Grants Report

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See attached reports titled:  
“Grant\_Report\_Sept-22”



