



**OFFICE OF THE
CHIEF FINANCIAL OFFICER
OFFICE OF BUDGET**

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1106
Detroit, Michigan 48226

Phone 313•224•6260
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February 2, 2024

Honorable Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Avenue
Detroit, MI 48226

Re: Fiscal Year 2022-2023 Year-End Closing Budget Amendments and Transfers Report

Honorable Detroit City Council Members:

On June 27, 2023, City Council approved the annual year-end closing budget resolution authorizing the Office of Budget to implement various budget transfers, within certain limitations, to remedy projected and potential appropriation shortfalls for the fiscal year ending June 30, 2023 (fiscal year 2022-2023). An appropriation shortfall occurs when the City anticipates incurring expenditures in an appropriation account in excess of the amount appropriated by the City Council.

The resolution also required the Office of Budget to provide a final report on such actions taken. The report is attached. For your reference, the approved year-end closing budget resolution is also attached.

Sincerely,

Steven Watson
Budget Director & Deputy CFO

Att: Fiscal Year 2022-2023 Year-End Closing Budget Amendments and Transfers Report
Fiscal Year 2022-2023 Budget Transfers Resolution (approved June 27, 2023)

Cc: Jay B. Rising, Chief Financial Officer
John Naglick, Jr., Chief Deputy CFO/Finance Director
Tanya Stoudemire, Chief Deputy CFO/Policy & Administration Director
Regina Greear, Deputy CFO/Departmental Financial Services
Janani Ramachandran Yates, Deputy Budget Director
Malik Washington, City Council Liaison

Fiscal Year 2022-2023 Year-End Closing Budget Amendments and Transfers Report
OCFO - Office of Budget

Transfers out over \$1 million threshold (internal to department and fund) - 1st Resolved

Fund	Dept	Approp. No. and Name	Type	Amount
1000-General Fund	24-Fire	25242 Fire Fighting And Response	Expense	988,279
1000-General Fund	24-Fire	25241 Casino Customer Response Services	Expense	36,000
1000-General Fund	24-Fire	25243 Safer Neighborhoods - Hazmat Response	Expense	(69,849)
1000-General Fund	24-Fire	29240 Fire Department Administration	Expense	(656,799)
1000-General Fund	24-Fire	29241 Fire Services Infrastructure	Expense	(577,975)
1000-General Fund	24-Fire	25240 Fire - Ordinance Enforcement	Expense	280,344
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Transfers out up to \$1 million across departments, same fund - 2nd Resolved

Fund	Dept	Approp. No. and Name	Type	Amount
1000-General Fund	37-Police	25370 Criminal Code Enforcement	Expense	(900,000)
1000-General Fund	37-Police	29370 Police Department Administration	Expense	(714,596)
1000-General Fund	37-Police	29371 Policing Services Infrastructure	Expense	(900,000)
1000-General Fund	24-Fire	25242 Fire Fighting And Response	Expense	2,514,596
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1000-General Fund	25-Health	27250 Resident Health Services	Expense	1,900,000
1000-General Fund	43-PDD	29430 Pdd Administration	Expense	(900,000)
1000-General Fund	32-Law	29320 Efficient And Innovative Operations Support - Law	Expense	(1,000,000)
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1000-General Fund	38-PLD	29380 Public Lighting - Administration	Expense	57,000
1000-General Fund	47-GSD	26470 Parks And Public Space Management	Expense	(50,000)
1000-General Fund	43-PDD	29430 Pdd Administration	Expense	(7,000)
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1000-General Fund	70-Clerk	28700 City Clerk Administration	Expense	(255,056)
1000-General Fund	71-Elections	28710 Effective Governance - City Elections	Expense	255,056
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Transfers to Centralized Payments - 3rd Resolved -- NONE

Blight and Capital Fund Consolidation Transfers - 4th Resolved

Fund	Dept	Approp. No. and Name	Type	Amount
4513-GO Bonds	35-Non-Dept	20327 Cod Public Safety Facilities Go Bond Projects	Expense	(1,047,900)
4513-GO Bonds	35-Non-Dept	20328 Cod Public Safety Facilities Doj Go Bond Projects	Expense	(74,545)
4513-GO Bonds	35-Non-Dept	20330 Cod Recreation and Culture Go Bond Projects	Expense	1,122,445
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4533-Capital Projects	35-Non-Dept	04108 Mpd Operations & Maintenance	Expense	(573,383)
4533-Capital Projects	35-Non-Dept	12153 Gsd Fleet Management	Expense	(1,532,213)
4533-Capital Projects	35-Non-Dept	13712 Police Communications Bureau	Expense	(430,352)
4533-Capital Projects	35-Non-Dept	13982 Police Restructuring Projects.	Expense	(904,522)
4533-Capital Projects	35-Non-Dept	20251 Capital Restructuring Initiative	Expense	(1,443)
4533-Capital Projects	35-Non-Dept	20507 Cod Capital Projects	Expense	3,441,913
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Amendments to Record Year-End GASB Accounting Entries - 5th Resolved

Fund	Dept	Approp. No. and Name	Type	Amount
9201-DBA	35-Non-Dept	96010 Detroit Building Authority blended component unit activity	Revenue	(12,958,878)
9201-DBA	35-Non-Dept	96010 Detroit Building Authority blended component unit activity	Expense	12,958,878
9206-GDRRA	35-Non-Dept	96011 GDRRA blended component unit activity	Revenue	(13,387,732)
9206-GDRRA	35-Non-Dept	96011 GDRRA blended component unit activity	Expense	13,387,732
1000-General Fund	35-Non-Dept	90061 Gasb 96 Sbita	Revenue	(3,908,404)
1000-General Fund	35-Non-Dept	90061 Gasb 96 Sbita	Expense	3,908,404
2490-Construction Code Fund	35-Non-Dept	90061 Gasb 96 Sbita	Revenue	(528,728)
2490-Construction Code Fund	35-Non-Dept	90061 Gasb 96 Sbita	Expense	528,728
3921-Other SRF	35-Non-Dept	90061 Gasb 96 Sbita	Revenue	(872,241)
3921-Other SRF	35-Non-Dept	90061 Gasb 96 Sbita	Expense	872,241
1000-General Fund	35-Non-Dept	90060 Gasb 87 Leases	Revenue	(3,306,535)
1000-General Fund	35-Non-Dept	90060 Gasb 87 Leases	Expense	3,306,535
4503-GO Bond Fund	35-Non-Dept	90060 Gasb 87 Leases	Revenue	(948,236)
4503-GO Bond Fund	35-Non-Dept	90060 Gasb 87 Leases	Expense	948,236
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Amendment to Appropriate Affordable Housing Contributions - 6th Resolved

Fund	Dept	Approp. No. and Name	Type	Amount
1000-General Fund	36-HRD	26364 Affordable Housing Development And Preservation Fund	Revenue	(350,000)
1000-General Fund	36-HRD	26364 Affordable Housing Development And Preservation Fund	Expense	350,000
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June 27, 2023

Honorable Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Avenue
Detroit, MI 48226

**Re: FY 2022-2023 and FY 2023-2024 Transfers and Supplemental Appropriations Resolution
(REVISED)**

Honorable Detroit City Council Members:

The Administration is requesting approval of a resolution authorizing appropriation transfers and supplemental appropriations to facilitate a deficit-free year-end close for Fiscal Year 2022-2023 and authorize additional spending in Fiscal Year 2023-2024. Under Public Act 2 of 1968 (the "Uniform Budgeting and Accounting Act") and the 2012 Detroit City Charter, the City cannot incur expenditures in an appropriation account in excess of the amount appropriated by the Detroit City Council.

After reviewing projected year-end activity, the Office of Budget is requesting authority, under certain conditions and limitations, to transfer unencumbered appropriation balances and make budget entries in fiscal year 2022-2023 to ensure final expenditures do not exceed available appropriations. Transfers will net to zero across appropriations. The resolution also appropriates \$350,000 in anticipated developer donations to the Affordable Housing Development and Preservation Fund. We will transmit a final report of all fiscal year 2022-2023 actions taken under this resolution.

The requested fiscal year 2023-2024 supplemental appropriations include \$1,325,000 supported by the City's remaining \$2,423,446 unassigned fund balance (i.e., prior year surplus) from the fiscal year that ended June 30, 2022. They include the following:

- \$1,200,000 for the Health Department to provide transportation services for pregnant Detroit women seeking prenatal care
- \$125,000 for the City Council to hold a legislative policy retreat

We respectfully request your approval of the attached resolution, with a waiver of reconsideration, to authorize these supplemental appropriations and transfers.

Best regards,

Steven Watson
Deputy CFO / Budget Director

Att: FY 2022-2023 and FY 2023-2024 Transfers and Supplemental Appropriations Resolution

Cc: Jay B. Rising, Chief Financial Officer
Tanya Stoudemire, Chief Deputy CFO/Policy & Administration Director
Janani Ramachandran Yates, Deputy Budget Director
Malik Washington, City Council Liaison

RESOLUTION

BY COUNCIL MEMBER _____

WHEREAS, Section 17(1) of State of Michigan Public Act 2 of 1968 (the “Uniform Budgeting and Accounting Act”) states that a deviation from the original general appropriations act shall not be made without amending the general appropriations act; and

WHEREAS, Section 18(3) of State of Michigan Public Act 2 of 1968 (the “Uniform Budgeting and Accounting Act”) states that an administrative officer of the local unit shall not incur expenditures against an appropriation account in excess of the amount appropriated by the legislative body; and

WHEREAS, Section 19 of State of Michigan Public Act 2 of 1968 (the “Uniform Budgeting and Accounting Act”) states that the legislative body in a general appropriations act may permit the chief administrative officer to execute transfers within limits stated in the act between appropriations without the prior approval of the legislative body; and

WHEREAS, Section 8-210 of the 2012 Detroit City Charter authorizes that if during the fiscal year the Mayor advises the City Council that there are available for appropriation revenues in excess of those estimated in the budget, the City Council may make supplemental appropriations for the year up to the amount of the excess; and

WHEREAS, Section 8-211 of the 2012 Detroit City Charter authorizes that any time during the fiscal year upon written request by the Mayor, the City Council may, by resolution, transfer all or part of any unencumbered appropriation balance among the programs, services or activities within an agency or from one agency to another; and

WHEREAS, the OCFO-Office of Budget, on behalf of the Mayor, has submitted recommended supplemental appropriations and transfer authority to the Detroit City Council, as provided in this resolution.

- 1. NOW, THEREFORE, BE IT RESOLVED**, that the Chief Financial Officer, or their designee, may transfer, within the same department and fund, any unencumbered Fiscal Year 2022-2023 appropriation balance from one appropriation to another to address any Fiscal Year 2022-2023 expenditures in excess of appropriations that are identified subsequent to approval of this resolution; **AND BE IT FURTHER**
- 2. RESOLVED**, that the Chief Financial Officer, or their designee, may transfer, across departments within the same fund, any unencumbered Fiscal Year 2022-2023 appropriation balance, up to \$1 million each, from one appropriation to another to address any Fiscal Year 2022-2023 expenditures in excess of appropriations that are identified subsequent to approval of this resolution; **AND BE IT FURTHER**
- 3. RESOLVED**, that the Chief Financial Officer, or their designee, may transfer, across departments within the same fund, any unencumbered Fiscal Year 2022-2023 appropriation balance to Appropriation No. 29350 - Citywide Overhead to address any Fiscal Year 2022-2023 centralized

payments expenditures in excess of appropriations that are identified subsequent to approval of this resolution; **AND BE IT FURTHER**

4. **RESOLVED**, that the Chief Financial Officer, or their designee, may transfer, within Fund 1003 – Blight Remediation Fund, Fund 4533 – Capital Projects Fund, or the Capital Projects Fund category any unencumbered Fiscal Year 2022-2023 appropriation balance from one appropriation to another within such fund category to consolidate appropriation accounts; **AND BE IT FURTHER**
5. **RESOLVED**, that the Chief Financial Officer, or their designee, may amend Fiscal Year 2022-2023 appropriations by such amounts as are necessary to record year-end accounting entries related specifically to Due To/Due From Balance Sheet Adjustments, Governmental Accounting Standards Board (GASB) Statement No. 96 - Subscription-Based Information Technology Arrangements implementation, and blended component unit activities; **AND BE IT FURTHER**
6. **RESOLVED**, That any revenues received in fiscal year 2022-2023 for the Detroit Affordable Housing Development and Preservation Fund, created pursuant to Section 22-3-7 of the 2019 Detroit City Code, are hereby appropriated for the purposes of the Fund, subject to the approval of the Chief Financial Officer or their designee; **AND BE IT FURTHER**
7. **RESOLVED**, that, the Chief Financial Officer, or their designee, shall provide a final report on any such Fiscal Year 2022-2023 appropriation changes, authorized hereinabove, to the Detroit City Council; **AND BE IT FURTHER**
8. **RESOLVED**, that the Fiscal Year 2023-2024 Budget is hereby amended by increasing Fund 1000 Revenue Appropriation No. 20255 Prior Year Activity by \$1,200,000 and Fund 1000 Expenditure Appropriation No. 27250 - Resident Health Services by \$1,200,000 for the Health Department to provide transportation services for pregnant Detroit women seeking prenatal care; **AND BE IT FURTHER**
9. **RESOLVED**, that the Fiscal Year 2023-2024 Budget is hereby amended by increasing Fund 1000 Revenue Appropriation No. 20255 Prior Year Activity by \$125,000 and Fund 1000 Expenditure Appropriation 28520 - Legislative Administration by \$125,000 for the City Council to hold a legislative policy retreat; **AND BE IT FINALLY**
10. **RESOLVED**, that the Chief Financial Officer, or their designee, is hereby authorized and shall take all appropriate actions necessary to implement the foregoing provisions and actions authorized by this resolution.