



**Opportunity
Rising**

Proposed Four-Year Financial Plan

FY 2023-2026



Michael E. Duggan
Mayor



Mayor's Office

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1126
Detroit, Michigan 48226

Phone 313•224•3400
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March 7, 2022

Detroit City Council
2 Woodward Avenue
Detroit, Michigan 48226

To the Honorable Detroit City Council:

I am pleased to transmit my Proposed Fiscal Year 2023 Budget and Four-Year Financial Plan for Fiscal Years 2023 through 2026 for your review and approval. Prepared in accordance with the Home Rule City Act (Public Act 279 of 1909, as amended), the Uniform Budgeting and Accounting Act (Public Act 2 of 1968, as amended), and the City Charter, the Fiscal Year 2023 Budget totals \$1.215 billion for General Fund operations and \$2.453 billion across all City funds.

This Financial Plan is balanced over four years and builds on our work together to deliver Opportunity, Safety, and Beauty for Detroiters.

Sincerely,

Michael E. Duggan
Mayor



Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1100
Detroit, Michigan 48226

Phone: 313 -628-2535
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March 7, 2022

Detroit City Council
2 Woodward Avenue
Detroit, Michigan 48226

To the Honorable Detroit City Council:

The Proposed Fiscal Year 2023 Budget and Fiscal Years 2023-2026 Four-Year Financial Plan builds on the Mayor and the City Council's collaboration to set a fiscally sustainable course for Detroit. Our economy continues to recover from the pandemic, with **Opportunities Rising** for good-paying jobs for Detroiters.

The City's revenue outlook continues to improve following two challenging fiscal years of revenue losses driven by the pandemic. Recurring City revenues are forecasted to exceed pre-pandemic levels due to stronger income tax collections and the implementation of internet gaming and sports betting last year. Income taxes continue to drive revenue growth in future years, in line with the City's economic recovery and despite an ongoing loss from nonresidents expected to continue working remotely through hybrid work models. All other revenues are expected to see stable but more modest growth. However, risks remain from continued remote work, ongoing pandemic effects, and legacy pension liabilities. This **Fiscally Responsible Budget** manages these risks with contributions to reserves and spending restraint. Recurring spending is balanced with recurring revenues across the Four-Year Financial Plan.

(\$ in millions)	FY2022 Adopted Budget	FY2023 Proposed Budget	Change
General Fund			
Recurring Budget	\$ 1,055.1	\$ 1,146.5	\$ 91.4
One-Time Budget	83.3	68.5	(14.8)
Total	\$ 1,138.4	\$ 1,215.0	\$ 76.6
Other Funds			
Recurring Budget	\$ 1,179.5	\$ 1,171.4	\$ (8.1)
One-Time Budget	20.0	66.9	46.9
Total	\$ 1,199.5	\$ 1,238.3	\$ 38.8
All Funds			
Recurring Budget	\$ 2,234.6	\$ 2,317.9	\$ 83.3
One-Time Budget	103.3	135.4	32.1
Total	\$ 2,337.9	\$ 2,453.3	\$ 115.4
Budgeted Positions*	10,576	10,501	(75)

* FY22 adjusted for comparison purposes to FY23. Both years newly include all budgeted Administrative Special Services positions in the count.

Our revenue recovery puts us **Back on Track** and allows us to restore our pre-pandemic status quo budget. The Budget also makes targeted new investments to deliver **Opportunity, Safety, and Beauty** for Detroiters, ensure **Fiscal Stability**, and keep our promise to our **Retirees**. The Budget was informed by multiple rounds of **Public Engagement**, including the Annual Public Budget Meeting in October, Community Budget Priorities Forums held with each City Council District in January and February, and the yourbudget@detroitmi.gov inbox.

Highlights from the **Proposed FY2023 Budget** are listed below. Budget details are available at detroitmi.gov/budget.

General Fund Recurring Budget

- \$67 million increase across departments to restore our budget from pandemic cost-cutting
 - \$26.5 million to restore DDOT and People Mover support covered by federal relief
 - \$29 million to restore funding for Police and Fire positions
 - \$11.5 million to restore all other General Fund positions
- \$16 million increase across departments for scheduled City employee wage increases
 - \$11.4 million for Police and Fire employees
 - \$4.6 million all other General Fund department employees
- \$90 million for Retiree Protection Fund (\$5 million recurring increase, \$30 million one-time)
 - Brings total balance to \$460 million for annual pension contributions in FY2024
- \$86 million for existing Debt Service (\$0.8 million increase)
- \$72.3 million in General Fund support for DDOT transit service and the People Mover
 - \$5.8 million increase, on top of \$26.5 million restoration, to improve Paratransit Service and Vehicle Operations
- \$14.3 million to administer the 2022 Elections (\$2.2 million increase)

Other One-Time Items Funded in the Budget

- \$30.7 million deposit into the Rainy Day Fund, for a total balance of \$138 million
 - Plus \$20 million in additional deposits planned after FY2023 to maintain reserve rate
- \$17.5 million for Blight Remediation and Beautification Programs
- \$14 million for Municipal Facilities Improvements
- \$10.7 million for Parks and Recreation Improvements
- \$10.4 million per year for Public Safety, Parks, and General Vehicle Replacements
- \$2.7 million extra for the Charles H. Wright Museum of African American History
- \$1.5 million extra for the Detroit Historical Museum

- \$2.3 million for Coleman A. Young International Airport Improvements
 - Plus \$1 million increase in operations to implement Airport Layout Plan
- \$5 million for match funds to leverage new state, federal, and private grant opportunities
- \$2 million for Neighborhood Planning Studies

Mayor Duggan has worked hand in hand with the City Council over the last eight years to get where we are today. With our shared commitment to Detroit and its long-term fiscal stability, we look forward to reviewing the Mayor's Proposed Budget and Four-Year Financial Plan with the City Council.

Sincerely,



Jay B. Rising
Chief Financial Officer



Tanya Stoudemire
Chief Deputy CFO/
Policy & Administration Director



Steven Watson
Deputy CFO/Budget Director

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DEPARTMENTAL BUDGET INFORMATION

Dept. No.	Department Name	
(10)	Airport	B10-1
(13)	Buildings, Safety Engineering and Environmental Department	B13-1
(16)	Demolition Department	B16-1
(18)	Debt Service	B18-1
(19)	Department of Public Works	B19-1
(20)	Department of Transportation	B20-1
(23)	Office of the Chief Financial Officer.....	B23-1
(24)	Fire Department.....	B24-1
(25)	Health Department.....	B25-1
(28)	Human Resources Department.....	B28-1
(29)	Civil Rights, Inclusion and Opportunity Department	B29-1

(31)	Department of Innovation and Technology.....	B31-1
(32)	Law Department	B32-1
(33)	Mayor’s Office.....	B33-1
(34)	Municipal Parking Department	B34-1
(35)	Non-Departmental (<i>Board of Ethics, Board of Police Commissioners, Detroit Building Authority, Detroit Land Bank Authority Media Services and Communications, and various other External Agencies</i>)	B35-1
(36)	Housing and Revitalization Department	B36-1
(37)	Police Department	B37-1
(38)	Public Lighting Department.....	B38-1
(43)	Planning Department	B43-1
(45)	Department of Appeals and Hearings	B45-1
(47)	General Services Department.....	B47-1
(48)	Water Retail.....	B48-1
(49)	Sewerage Retail	B49-1
(50)	Auditor General.....	B50-1
(51)	Zoning Appeals Board	B51-1
(52)	City Council	B52-1
(53)	Ombudsperson	B53-1
(54)	Office of Inspector General	B54-1
(60)	36 th District Court	B60-1
(70)	City Clerk.....	B70-1
(71)	Department of Elections.....	B71-1
(72)	Detroit Public Library	B72-1

LEGAL BUDGET C1

OVERVIEW

The City of Detroit is located in southeastern Michigan, in Wayne County, with a land area of approximately 139 square miles. The City is the center of the nation's 14th largest metropolitan statistical area and is the 27th largest city with a reported population of 639,111 as of 2020, according to the U.S. Census Bureau. Detroit is the commercial capital of Michigan and a major economic and industrial center of the nation. Although Detroit is known internationally for automobile manufacturing and trade, the City also has major companies in the financial and technology sectors, educational and health care institutions, and entertainment venues with four major sports teams and three casinos located within the City limits. The southeastern border of the City lies on the Detroit River, an international waterway, which is linked by the St. Lawrence Seaway to seaports around the world. It is the busiest border crossing in North America, carrying a substantial share of international trade between the United States and Canada. There are seven major employment districts, and four Fortune 500 companies have world headquarters within the City.

Detroit is a home rule city with significant independent powers, pursuant to the provisions of the Constitution of the State of Michigan (the "State"). In accordance with the City Charter (the "Charter"), the governance of the City is organized in two branches: the Executive Branch, which is headed by the Mayor, and the Legislative Branch, which is composed of the City Council and its agencies. The Mayor and the members of the City Council are elected every four years unless a special election is required, as provided for in the Charter.

The Mayor is the chief executive of the City and has control of and is accountable for the Executive Branch of City government. The Charter grants the Mayor broad managerial powers, including the authority to appoint all department directors and deputy directors. The Charter also delegates the responsibility for the implementation of most programs, services, and activities solely to the Executive Branch. The City Council, composed of seven members elected by district and two members elected at large for four-year terms, is the City's legislative body.

In addition to the Executive and Legislative Branches, the City also includes the 36th District Court, which is responsible for adjudicating certain legal matters that arise within the City, including state felony arraignments and preliminary examinations, state misdemeanor and City ordinance violations, civil litigation for claims of \$25,000 or less, and landlord/tenant

disputes. The City is responsible for all funding of the 36th District Court in excess of fines collected by the Court, except for judicial salaries, which are funded by the State.

Michigan Public Act 181 of 2014 established the Financial Review Commission (the “FRC”) to monitor the City’s compliance with the Plan of Adjustment, as confirmed by the Bankruptcy Court on November 12, 2014, and to provide State oversight of the City’s financial activities. The FRC’s oversight of the City lasts no less than 13 years. However, once the City meets certain criteria, the nature of the oversight is scaled back. On April 30, 2018, the FRC granted the City its first waiver of active oversight. The FRC continues to monitor the City and reviews the waiver annually and, by July 1 of each year, makes a determination as to whether to renew the waiver for the subsequent year.

In 2014, the Home Rule City Act (Michigan Public Act 219 of 1909) was amended and established the Chief Financial Officer (the “CFO”) position in the City. The CFO is vested with authority over all financial and budget activities of the City. As a result, all finance, budget, procurement, property assessment, and grants management functions were restructured under a new centralized financial management organization called the Office of the Chief Financial Officer (the “OCFO”). All departmental financial functions are under the authority of the OCFO, which increases control over all City financial activities.

The City’s budget process is informed by a comprehensive planning process that includes departmental, procurement, grant, staffing, technology, capital, and long-term financial planning. The City adopts a budget annually for the next fiscal year, in accordance with the Uniform Budgeting and Accounting Act (Michigan Public Act 2 of 1968). Pursuant to Section 4t of the Home Rule City Act, the budget process also includes independent biannual revenue estimating conferences that establish the revenue estimates for the budget and an annually balanced four-year financial plan that includes the City’s adopted budget plus an additional three forecasted years. The total of expenditures cannot exceed the total of estimated revenue, so that the budget as adopted is a balanced budget. Through its four-year financial plan, the City ensures ongoing expenditures are supported by ongoing revenue.

On or before March 7, the Mayor submits to the City Council a proposed budget and four-year financial plan for the fiscal year beginning July 1. After public hearings, the City Council adopts the budget and four-year financial plan, with or without amendment. The mayor can veto amendments made by the City Council, and the City Council can then override the veto with a two-thirds majority vote.

The City's budget and four-year financial plan cannot exceed revenue certified by the independent Revenue Estimating Conference. The CFO must certify the budget is balanced and complies with the Uniform Budgeting and Accounting Act. The City must transmit the adopted budget and four-year financial plan to the FRC. However, it is not subject to FRC approval while the City is under a waiver of active oversight.

The City's budget has been prepared in accordance with U.S. generally accepted accounting principles, except that transfers to/from other funds have been included as revenues and expenditures. Budgetary appropriations are made at the function level, the legal level of budgetary control. Expenditures for a specific function cannot exceed its appropriation.

In accordance with the requirements of the Home Rule City Act, this Four-Year Financial Plan includes Mayor Duggan's proposed budget for FY 2023 plus three forecasted years (FY 2024, FY 2025, and FY 2026).

The Budget Book and other budget publications and information are available online at: detroitmi.gov/budget



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FY 2023-2026 FOUR-YEAR FINANCIAL PLAN BUDGET DEVELOPMENT CALENDAR

SEPTEMBER ₂₀₂₁	<ul style="list-style-type: none"> September Revenue Estimating Conference 	<ul style="list-style-type: none"> 09/15
OCTOBER ₂₀₂₁	<ul style="list-style-type: none"> Public Budget Meeting Budget Instructions Sent to Departments and Agency CFOs 	<ul style="list-style-type: none"> 10/21 10/25
NOVEMBER ₂₀₂₁	<ul style="list-style-type: none"> Access to Oracle PBCS Budget Module Departmental Budget Request Submissions Due Office of Budget Begins Review of Budget Requests 	<ul style="list-style-type: none"> 11/08 11/30 11/30
DECEMBER ₂₀₂₁	<ul style="list-style-type: none"> Budget Director's Hearings with Departments Begin 	<ul style="list-style-type: none"> 12/13
JANUARY ₂₀₂₂	<ul style="list-style-type: none"> Budget Director's Hearings with Departments Continue Council District Community Budget Priorities Forums 	<ul style="list-style-type: none"> 01/05 01/18-02/08
FEBRUARY ₂₀₂₂	<ul style="list-style-type: none"> February Revenue Estimating Conference 	<ul style="list-style-type: none"> 2/25
MARCH ₂₀₂₂	<ul style="list-style-type: none"> Mayor's Budget Address City Council Begins Budget Hearings 	<ul style="list-style-type: none"> 03/07 03/14
APRIL ₂₀₂₂	<ul style="list-style-type: none"> City Council Begins Executive Sessions Public Hearing on Budget City Council Votes on Budget City Council Approves Tax and Bond Statement (tentative) City Clerk Transmits Budget to Mayor Mayor Approves or Vetoes Budget City Council Votes on Veto Override (if applicable) 	<ul style="list-style-type: none"> 04/04 04/04 04/14 04/14 04/18 04/21 04/25
MAY ₂₀₂₂	<ul style="list-style-type: none"> City Transmits Four-Year Financial Plan to FRC Office of Budget Loads Budget in Oracle 	<ul style="list-style-type: none"> 05/07 05/20
JUNE ₂₀₂₂	<ul style="list-style-type: none"> Fiscal Year 2022 Ends 	<ul style="list-style-type: none"> 06/30
JULY ₂₀₂₂	<ul style="list-style-type: none"> Fiscal Year 2023 Begins 	<ul style="list-style-type: none"> 07/01



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FOUR-YEAR FINANCIAL PLAN REQUIREMENTS

The City balances its budget over four years to ensure fiscal stability

Each year, the City adopts a balanced annual budget and four-year financial plan for the upcoming fiscal year and the three that will follow. This ensures ongoing expenditures are supported by ongoing revenues, and that future needs will be met. Per Section 4t of the Home Rule City Act, the four-year financial plan must include and meet the following:

1. Projection of all revenues and expenditures of the city for each fiscal year, including debt service.
2. Projection of cash flow for each fiscal year.
3. Schedule of projected capital commitments for each fiscal year.
4. Measures to assure that projected employment levels, collective bargaining agreements, and other employee costs are consistent with projected expenditures and available revenue.
5. Measures to assure compliance with mandates under state and federal law consistent with projected expenditures and available revenue.
6. Measures to assure adequate reserves for mandated and other essential programs and activities in the event of an overestimation of revenue, an underestimation of expenditures, or both.
7. Statement of significant assumptions and methods of estimation used for projections included in the financial plan.
8. Any other information the mayor, governing body, or chief financial officer of the city considers appropriate.
9. Projected revenues and expenditures for each fiscal year covered by the financial plan shall result in a balanced budget according to generally accepted accounting principles, including compliance with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.
10. Include contributions necessary to assure that pension systems for employees and retirees of the city are adequately funded.
11. Provide for the issuance of or incurring of debt by the city only in compliance with the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, and the Michigan financial review commission act, if applicable.
12. Provide for the payment in full of debt service on all debt issued or incurred by or on behalf of the city.
13. Provide for operations of the city to be conducted with projected cash resources based upon projected cash flow for each fiscal year.
14. Include a general reserve fund for each fiscal year to cover potential reductions in projected revenues or increases in projected expenditures equal to not less than 5% of the projected expenditures for the fiscal year.
15. For each fiscal year, provide for the elimination of any deficit incurred in the prior fiscal year according to generally accepted accounting principles.
16. Rely upon revenue and expenditure projections based upon reasonable and appropriate assumptions and methods of estimation.
17. Rely upon cash flow projections based upon reasonable and appropriate assumptions as to sources and uses of cash, including timing.



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OUTCOME BUDGETING

Beginning with the Fiscal Year 2020-2021 Budget, the City of Detroit introduced a method of resource planning, **Outcome Budgeting**, to better align the budget with strategic priorities and align resources with results. The City's budgets for the General Fund and many special revenue and enterprise funds are now organized around **Strategic Outcomes**. The Fiscal Year 2022-2023 Budget continues to build on that framework as we move the annual budget process from an incremental line-item approach to results that can be anchored in national standards and best practices.

Strategies. The FY 2023 budget classifies agency appropriations to a strategic outcome or one of its components. The strategic outcomes are:

- **Safer Neighborhoods** in which residents are and feel safe. This includes safe streets, fire safety, law enforcement, crime prevention, resiliency, and health emergency response.
- **Vibrant and Beautiful City** characterized by healthy and accessible assets. This includes housing stabilization, inclusive and walkable neighborhoods, a beautiful, sustainable physical environment, and access to cultural amenities.
- **Economic Equity and Opportunity** with programs to reduce barriers and fight intergenerational poverty so Detroiters benefit from a vital neighborhood business climate and robust city economy.
- **Effective Governance** occurs through City-community collaboration for equitable progress. This involves accountability of leadership, oversight, and outreach to all.
- **Efficient and Innovative Operations** largely comprises the City's government operations and internal-facing administration: finance, personnel, information technology, facilities, fleet, legal, and agency administration. It also includes funding for debt service and fiscal stability reserves.

Programs and Performance. In each departmental section, the budget includes operating programs, and wherever possible, performance metrics. As the City builds out an outcome budgeting framework, this focus on programs and performance will continue to develop and become a more visible part of the annual budget process.

Public Engagement. The City conducts multiple rounds of public education, engagement, and input on the budget, including the Annual Public Budget Meeting in October, the Community Budget Priorities Forums with each City Council District in January and February, and the City Council Budget Hearings in March and April.



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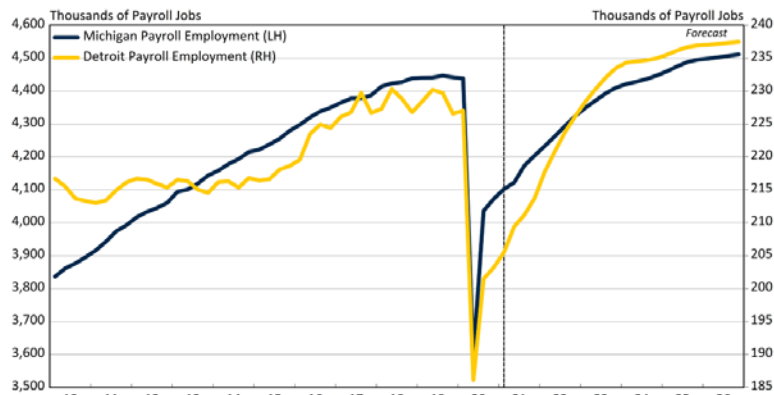


REVENUE AND ECONOMIC OVERVIEW

Detroit Economic Forecast

- The [Detroit Economic Outlook for 2021-2026](#) reports that “Detroit’s economy continues to recover from the COVID-19 recession despite the Omicron variant-related resurgence in new caseloads.”
- The forecast predicts a faster recovery for Detroit than the State overall. Resident employment will recover to pre-pandemic levels by the end of 2022. Meanwhile, jobs at establishments within the city boundaries will recover by early 2023.
- The City’s economy continues to grow through 2026 with blue-collar jobs leading the way. These job gains are driven by major City-led projects, such as the Stellantis and General Motors automotive plant expansions and Amazon’s new distribution center.
- The forecast is prepared by the City of Detroit University Economic Analysis Partnership, which is a collaboration of economic researchers at the City, Wayne State University, Michigan State University, and the University of Michigan.

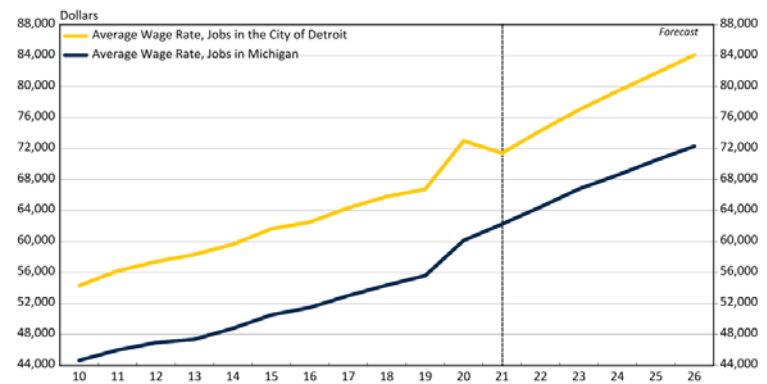
Seasonally Adjusted Quarterly Average Payroll Employment, City of Detroit and Michigan



RSQE: February 2022



Annual Wage and Salary Income per Worker, City of Detroit and Michigan



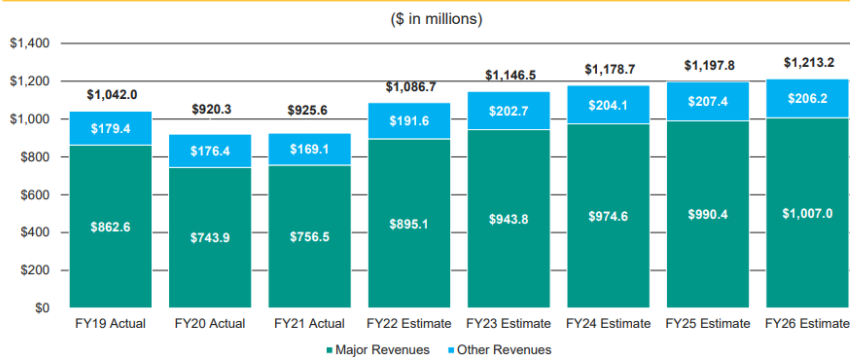
RSQE: February 2022



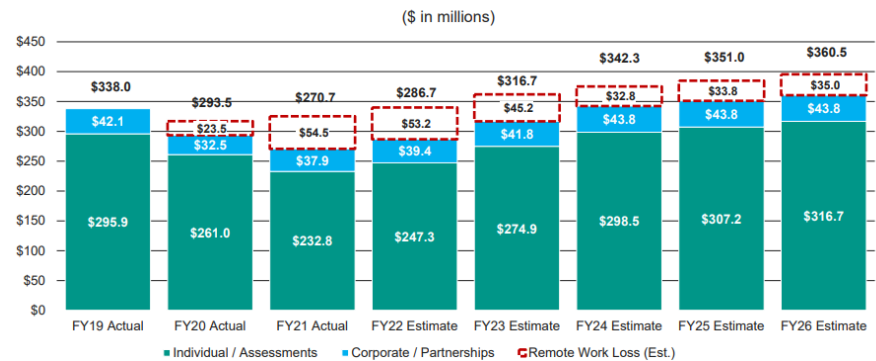
Detroit Revenue Estimating Conference

- The City holds independent biannual revenue estimating conferences, per Section 4t of the Home Rule City Act, in September and February to establish the revenue estimates for the City’s annual budget and four-year financial plan.
- The City’s revenue outlook continues to improve following two challenging fiscal years of revenue losses driven by the pandemic. Recurring City revenues are forecasted to exceed pre-pandemic levels in FY 2022, primarily due to stronger income tax collections and the implementation of internet gaming and sports betting last year. Income taxes continue to drive revenue growth in future years, in line with the City’s economic recovery and despite an ongoing loss from nonresidents expected to continue working remotely through hybrid work models. All other revenues are expected to see stable but more modest growth. For the full Revenue Estimating Conference report, go to: detroitmi.gov/budget
- FY 2022 General Fund recurring revenues are projected at \$1.087 billion, up \$23.8 million (2.2%) from the previous conference estimate in September 2021. The increase is driven by stronger income tax collections and State Revenue Sharing from sales taxes. New internet gaming and sports betting taxes were already added to the forecast in September 2021. In addition, the City is projecting nearly \$50 million in non-recurring revenues for FY 2022.
- General Fund recurring revenues for FY 2023 are now forecasted at \$1.147 billion, an increase of \$60 million (5.5%) over the revised FY 2022 estimates. The projected increase is driven by income and wagering taxes, as the local economy continues to recover and as on-site gaming activity returns to pre-pandemic levels. The conservative General Fund revenue forecasts for FY 2024 through FY 2026 show continued, but modest, revenue growth of around 2% per year on average. Note that all revenue estimates exclude the use of fund balance, which may otherwise appear in the City budget.

Recurring General Fund Revenue



Recurring Income Tax with Remote Work Loss





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**CFO MEMORANDUM
NO. 2022-103-002**

TO: Honorable Michael E. Duggan, Mayor; Honorable Detroit City Council

FROM: Steven Watson, Deputy CFO / Budget Director, City of Detroit

SUBJECT: Fiscal Year 2022-2023 Tax Statement

DATE: March 7, 2022

1. AUTHORITY

- 1.1. State of Michigan Public Act 279 of 1909, Section 117.4s(2), as amended by Public Act 182 of 2014, states the chief financial officer shall supervise all financial and budget activities of the city and coordinate the city's activities relating to budgets, financial plans, financial management, financial reporting, financial analysis, and compliance with the budget and financial plan of the city.
- 1.2. CFO Directive No. 2018-101-016 Budget Development, Execution & Monitoring states that the Deputy CFO / Budget Director shall be responsible for the City's budget processes.
- 1.3. The 2012 Charter of the City of Detroit, Article 8, Chapter 2, provides requirements for annual budget adoption. Specifically, Section 8-209 states adoption of the budget shall constitute a levy of the property tax specified therein.
- 1.4. The 2012 Charter of the City of Detroit, Article 8, Chapter 4, provides requirements for property taxation. Specifically, Section 8-401 authorizes the City to levy property taxes up to the rate of 2% (20 mills) of taxable value of all real and personal property in the city for General City purposes, consistent with State of Michigan Public Act 279 of 1909, Section 117.3(g). Pursuant to State of Michigan Public Acts 34 of 2001 and 164 of 1877, the City's levies for Debt Service purposes are not subject to the 2% limitation.
- 1.5. The 2019 Detroit City Code, Chapter 17, Article II, provides procedures for annual budget adoption. Specifically, Section 17-2-10 states after the budget is approved, the budget director shall make an itemized statement of amounts to be raised by taxation (the "Tax Statement"). The City Council shall cause to be levied and collected by general tax the amount of the Tax Statement so approved.

2. OBJECTIVE

- 2.1. To set forth the total number of mills of ad valorem property taxes to be levied and the purposes for which that millage is to be levied, as authorized by the adopted budget for Fiscal Year 2022-2023.

3. PURPOSE

- 3.1. To submit the annual Tax Statement to the Mayor and the City Council for consideration and approval.

4. SCOPE

4.1. This Memorandum and the attached report are intended solely to fulfill the requirements for the annual Tax Statement.

5. STATEMENT

5.1. The Office of Budget is submitting the attached Tax Statement of the amounts to be raised by taxation in Fiscal Year 2022-2023 and requesting its approval.

5.2. The Tax Statement represents amounts included in the proposed budget for Fiscal Year 2022-2023.

5.3. The Tax Statement was developed in coordination with the Offices of the Assessor and the Treasury.

5.4. The Tax Statement is based on the forecast of anticipated revenues approved by the Revenue Estimating Conference principals on February 25, 2022, in accordance with State of Michigan Public Act 279 of 1909, Section 117.4t(1)(d), as amended by Public Act 182 of 2014.

City of Detroit
Fiscal Year 2022-2023
Tax Statement

Taxable Value:

Ad Valorem Roll less Renaissance Zones

Real Property	\$ 5,022,459,304
Personal Property	1,454,661,981
Total	\$ 6,477,121,285

Renaissance Zones (RZ)⁽¹⁾

RZ - Real Property	\$ 228,095,025
RZ - Real Property (75%)	-
RZ - Real Property (50%)	-
RZ - Real Property (25%)	-
RZ - Personal Property	38,967,145
RZ - Personal Property (75%)	-
RZ - Personal Property (50%)	-
RZ - Personal Property (25%)	-
RZ - Tool & Die - Real Property	-
RZ - Tool & Die - Personal Property	-
Total	\$ 267,062,169

Total Ad Valorem Roll

Real Property	\$ 5,250,554,329
Personal Property	1,493,629,125
Total	\$ 6,744,183,454

Tax Rates:

General City	19.9520
Debt Service	9.0000
Total	28.9520

Tax Levies:

General City	\$ 129,231,524
Debt Service	60,697,651
Total Amount to be Raised by Taxation	\$ 189,929,175

Notes:

(1) Renaissance Zones are exempt from General City millage, except for designated percentage phase-out for applicable property.



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FY2023 - FY2026 Expenditures & Revenues by Agency Table

City of Detroit
 FY2023 - FY2026 Financial Plan
 Expenditures & Revenues by Agency (in millions)

Category	Department	FY2023 Mayor Recommend			FY2024 Forecast			FY2025 Forecast			FY2026 Forecast		
		Exp	Rev	NTC	Exp	Rev	NTC	Exp	Rev	NTC	Exp	Rev	NTC
Executive Agencies	16 Demolition	11.8	-	11.8	-	-	-	-	-	-	-	-	-
	19 Public Works	151.2	168.6	(17.5)	154.3	171.9	(17.6)	157.8	175.7	(17.9)	161.0	179.1	(18.0)
	23 Chief Financial Officer	58.7	4.7	54.0	59.9	4.8	55.1	61.2	4.9	56.3	62.1	5.0	57.1
	24 Fire	131.9	22.9	109.0	132.8	23.3	109.5	136.2	23.7	112.5	139.4	24.1	115.3
	25 Health	43.8	33.4	10.4	44.5	34.0	10.6	45.4	34.6	10.8	46.3	35.3	11.0
	28 Human Resources	14.8	1.2	13.6	14.9	1.2	13.6	15.2	1.3	13.9	15.4	1.3	14.1
	29 Civil Rights, Inclusion, & Opportunity	6.7	3.6	3.1	6.8	3.6	3.2	7.0	3.7	3.2	7.1	3.8	3.3
	31 Innovation & Technology	35.6	-	35.6	36.0	-	36.0	36.8	-	36.8	37.4	-	37.4
	32 Law	22.8	2.3	20.6	20.3	2.3	18.0	20.7	2.3	18.4	21.0	2.4	18.6
	33 Mayor's Office	11.5	1.1	10.4	11.6	1.1	10.4	11.8	1.1	10.7	11.9	1.2	10.8
	34 Municipal Parking	12.0	18.7	(6.7)	12.2	19.0	(6.8)	12.5	19.0	(6.5)	12.7	19.0	(6.3)
	36 Housing & Revitalization	61.8	48.6	13.2	59.9	49.0	11.0	61.2	49.9	11.3	62.3	50.8	11.6
	37 Police	368.1	80.0	288.0	370.2	82.7	287.6	379.9	83.9	296.0	386.5	85.2	301.3
	38 Public Lighting	18.8	2.7	16.1	18.2	1.7	16.5	18.4	1.5	16.9	18.6	1.3	17.2
43 Planning & Development	7.3	2.2	5.1	5.4	2.2	3.2	5.5	2.3	3.2	5.5	2.3	3.2	
45 Appeals & Hearings	2.1	3.0	(0.9)	1.8	3.0	(1.2)	1.9	3.0	(1.2)	1.9	3.0	(1.1)	
47 General Services	150.9	20.4	130.5	124.2	20.7	103.5	121.6	15.9	105.7	123.3	16.1	107.2	
Legislative Agencies	50 Auditor General	4.0	-	4.0	4.1	-	4.1	4.2	-	4.2	4.3	-	4.3
	51 Zoning Appeals	0.6	0.1	0.5	1.2	0.1	1.0	1.6	0.1	1.5	1.6	0.1	1.5
	52 City Council	12.4	0.0	12.4	12.6	0.0	12.6	12.9	0.0	12.8	13.1	0.0	13.1
	53 Ombudsman	1.2	0.0	1.2	1.2	0.0	1.2	1.2	0.0	1.2	1.2	0.0	1.2
	54 Inspector General	1.4	-	1.4	1.4	-	1.4	1.4	-	1.4	1.4	-	1.4
	70 City Clerk	3.1	0.0	3.1	3.1	0.0	3.1	3.2	0.0	3.1	3.2	0.0	3.2
71 Elections	14.3	0.0	14.2	14.5	0.0	14.5	14.8	2.3	12.5	15.0	0.0	15.0	
Judicial Agency	60 36th District Court	31.6	17.0	14.6	32.2	17.0	15.2	32.8	17.0	15.8	33.2	17.0	16.2
Non-Departmental	35 Non-Departmental	289.7	1,125.5	(835.7)	306.7	1,087.9	(781.2)	300.0	1,100.5	(800.5)	297.6	1,113.7	(816.2)
Debt Service	18 Debt Service	145.6	59.7	85.9	128.5	55.0	73.5	122.4	46.7	75.7	117.1	41.4	75.7
Enterprise Agencies	10 Airport	3.4	3.4	-	3.5	3.5	-	3.6	3.6	-	3.7	3.7	-
	13 BSE&ED	34.5	32.5	2.0	34.7	32.7	2.0	35.4	33.3	2.1	35.9	33.7	2.2
	20 Transportation	138.9	138.9	-	146.5	146.5	-	149.4	149.4	-	151.4	151.4	-
	48 Water – Retail	219.5	219.3	0.2	223.8	223.6	0.1	228.6	228.4	0.2	233.4	233.2	0.2
	49 Sewerage – Retail	409.7	409.8	(0.2)	418.3	418.5	(0.1)	427.7	427.8	(0.2)	435.6	435.8	(0.2)
72 Public Library	33.6	33.6	-	33.9	33.9	-	34.6	34.6	-	35.8	35.8	-	
Total General City Agencies (Exec/Leg/Jud/Non-Dept)		1,468.0	1,556.0	(87.9)	1,450.0	1,525.5	(75.5)	1,464.9	1,542.7	(77.8)	1,482.8	1,560.6	(77.9)
Total Debt Service		145.6	59.7	85.9	128.5	55.0	73.5	122.4	46.7	75.7	117.1	41.4	75.7
Total Enterprise Agencies		839.6	837.6	2.0	860.7	858.7	2.0	879.2	877.1	2.1	895.7	893.6	2.2
Grand Total		2,453.3	2,453.3	-	2,439.2	2,439.2	-	2,466.5	2,466.5	-	2,495.7	2,495.7	-

Expenditures & Revenues by Major Classifications

City of Detroit
Budget Development
All Funds

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Expenditures	Actual	Adopted	Mayor Recommend	Forecast	Forecast	Forecast
Salaries & Wages	582,167,029	629,160,152	685,404,142	706,180,544	720,781,044	734,062,061
Employee Benefits	275,827,234	304,644,024	248,499,659	369,275,341	372,545,141	374,233,287
Professional & Contractual Services	277,919,693	310,815,983	261,966,410	272,847,035	277,069,946	282,588,918
Operating Supplies	105,438,045	89,475,414	87,250,487	88,477,294	90,403,232	91,700,828
Operating Services	166,003,344	171,443,670	167,477,588	170,913,646	174,952,768	178,454,067
Equipment Acquisition	85,315,599	30,035,362	18,236,949	16,929,303	17,599,151	18,934,732
Capital Outlays	79,820,010	27,704,655	28,503,355	31,674,951	32,562,415	33,259,664
Fixed Charges	190,378,963	191,520,383	176,447,721	159,221,258	153,255,447	147,893,542
Other Expenses	632,147,952	479,827,947	644,097,287	598,247,262	611,889,217	624,127,374
Total Expenditures - Recurring	2,395,017,869	2,234,627,590	2,317,883,598	2,413,766,634	2,451,058,361	2,485,254,473
Expenditures - Non-Recurring						
Blight Remediation	-	14,500,000	17,500,000	-	-	-
Capital Improvements	-	5,500,000	49,391,000	10,403,000	10,403,000	10,403,000
Reserves	-	80,000,000	60,719,808	15,000,000	5,000,000	-
Other One-Time Expenditures	-	3,274,123	7,782,500	-	-	-
Total Expenditures - Non-Recurring	-	103,274,123	135,393,308	25,403,000	15,403,000	10,403,000
Grand Total Expenditures	2,395,017,869	2,337,901,713	2,453,276,906	2,439,169,634	2,466,461,361	2,495,657,473

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Revenues	Actual	Adopted	Mayor Recommend	Forecast	Forecast	Forecast
Grants, Shared Taxes, & Revenues	478,605,428	307,944,730	316,515,006	318,567,916	321,425,170	324,336,421
Revenues from Use of Assets	104,064,713	165,127,704	170,866,667	172,445,087	174,358,397	176,135,766
Sales of Assets & Compensation for Losses	20,872,523	62,000	618,000	618,000	618,000	618,000
Sales & Charges for Services	617,886,563	677,594,221	677,416,472	694,366,676	709,442,828	718,598,158
Fines, Forfeits, & Penalties	22,036,764	27,253,918	28,093,654	29,403,570	29,509,360	29,617,274
Licenses, Permits, & Inspection Charges	41,939,805	37,743,000	40,252,980	40,908,761	41,580,328	42,264,495
Taxes, Assessments, & Interest	815,062,242	809,172,597	928,410,480	956,729,075	965,958,214	979,007,323
Contributions & Transfers	255,727,376	85,570,820	131,081,439	133,518,591	133,035,007	136,576,308
Miscellaneous	336,114,537	64,158,600	24,628,900	24,508,958	25,431,057	26,400,728
Total Revenues - Recurring	2,692,309,950	2,174,627,590	2,317,883,598	2,371,066,634	2,401,358,361	2,433,554,473
Revenues - Non-Recurring						
Contributions and Transfers	-	163,274,123	135,393,308	68,103,000	65,103,000	62,103,000
Total Revenues - Non-Recurring	-	163,274,123	135,393,308	68,103,000	65,103,000	62,103,000
Grand Total Revenues	2,692,309,950	2,337,901,713	2,453,276,906	2,439,169,634	2,466,461,361	2,495,657,473

Expenditures & Revenues by Major Classifications

City of Detroit
Budget Development
Fund 1000 - General Fund

Expenditures	FY2021 Actual	FY2022 Adopted	FY2023 Mayor Recommend	FY2024 Forecast	FY2025 Forecast	FY2026 Forecast
Salaries & Wages	418,176,563	464,140,199	518,035,613	528,863,887	542,290,866	553,720,890
Employee Benefits	129,979,055	216,464,891	165,329,886	288,984,166	291,583,804	291,756,974
Professional & Contractual Services	60,270,674	73,983,717	81,158,835	88,226,056	90,270,466	92,015,876
Operating Supplies	30,223,331	43,312,662	39,089,736	39,974,706	40,932,718	41,241,385
Operating Services	78,125,093	87,409,243	85,853,171	87,322,418	89,414,663	91,195,183
Equipment Acquisition	1,239,170	-	102,500	104,550	106,641	108,774
Capital Outlays	300,271	190,800	290,800	297,779	304,926	311,024
Fixed Charges	84,704,404	85,056,650	85,883,752	73,459,321	75,667,844	75,707,101
Other Expenses	139,307,266	84,581,069	170,794,460	114,152,643	116,964,424	118,801,575
Total Expenditures - Recurring	942,325,827	1,055,139,231	1,146,538,753	1,221,385,526	1,247,536,352	1,264,858,782
Expenditures - Non-Recurring						
Reserves	-	80,000,000	60,719,808	15,000,000	5,000,000	-
Other One-Time Expenditures	-	3,274,123	7,782,500	-	-	-
Total Expenditures - Non-Recurring	-	83,274,123	68,502,308	15,000,000	5,000,000	-
Grand Total Expenditures	942,325,827	1,138,413,354	1,215,041,061	1,236,385,526	1,252,536,352	1,264,858,782

Revenues	FY2021 Actual	FY2022 Adopted	FY2023 Mayor Recommend	FY2024 Forecast	FY2025 Forecast	FY2026 Forecast
Grants, Shared Taxes, & Revenues	224,782,579	205,265,000	215,830,000	216,927,000	218,044,000	219,180,000
Revenues from Use of Assets	24,524,357	27,154,912	27,229,016	26,497,224	25,722,633	24,753,962
Sales of Assets & Compensation for Losses	6,858,152	62,000	618,000	618,000	618,000	618,000
Sales & Charges for Services	99,902,946	106,544,319	115,851,737	116,855,302	120,201,825	119,019,388
Fines, Forfeits, & Penalties	16,371,568	20,776,000	22,743,000	23,049,000	23,055,000	23,061,128
Licenses, Permits, & Inspection Charges	11,888,509	13,692,000	13,734,000	13,860,000	13,989,894	14,122,393
Taxes, Assessments, & Interest	612,126,594	613,656,000	742,005,000	771,775,000	786,487,000	802,030,501
Contributions & Transfers	7,421,720	-	-	-	-	-
Miscellaneous	19,149,492	7,989,000	8,528,000	9,104,000	9,718,000	10,373,410
Total Revenues - Recurring	1,023,025,919	995,139,231	1,146,538,753	1,178,685,526	1,197,836,352	1,213,158,782
Revenues - Non-Recurring						
Contributions and Transfers	-	143,274,123	68,502,308	57,700,000	54,700,000	51,700,000
Total Revenues - Non-Recurring	-	143,274,123	68,502,308	57,700,000	54,700,000	51,700,000
Grand Total Revenues	1,023,025,919	1,138,413,354	1,215,041,061	1,236,385,526	1,252,536,352	1,264,858,782

FY2023 - FY2026 Expenditures & Revenues by Agency Table

City of Detroit

FY2023 - FY2026 Financial Plan

Expenditures & Revenues by Outcome Budgeting Category

	FY2023 Mayor Recommend		FY2024 Forecast		FY2025 Forecast		FY2026 Forecast	
	Exp	Rev	Exp	Rev	Exp	Rev	Exp	Rev
Safer Neighborhoods	490,783,828	162,530,120	495,541,836	166,201,163	503,289,817	164,183,960	512,352,955	166,977,442
Vibrant and Beautiful City	113,587,895	62,055,556	113,947,759	62,566,946	116,162,691	63,859,550	117,848,364	64,863,434
Economic Equity and Opportunity	206,050,031	175,925,116	215,999,337	183,717,573	221,834,080	187,305,685	225,234,612	189,725,444
Effective Governance	60,688,141	7,977,529	61,303,773	7,994,317	62,583,701	10,306,282	63,566,050	8,097,267
Efficient and Innovative Operations	707,092,819	1,169,155,780	733,416,052	1,253,460,884	736,555,311	1,259,338,009	739,580,857	1,269,580,928
Not Yet Reclassified	875,074,192	875,632,805	818,960,877	765,228,751	826,035,761	781,467,875	837,074,635	796,412,958
	2,453,276,906	2,453,276,906	2,439,169,634	2,439,169,634	2,466,461,361	2,466,461,361	2,495,657,473	2,495,657,473

*Not Yet Reclassified includes capital accounts mostly in DWSD, DPW, and for fleet; grant accounts mostly in DDOT, HRD, Police; and the Budget Reserve contribution

FY2023 - FY2026 Expenditures & Revenues by Agency Table

**City of Detroit
FY2023 - FY2026 Financial Plan
Expenditures & Revenues by Outcome Budgeting Category**

		FY2023 Mayor Recommend		FY2024 Forecast		FY2025 Forecast		FY2026 Forecast		
		Exp	Rev	Exp	Rev	Exp	Rev	Exp	Rev	
10	Airport	Economic Equity and Opportunity	3,447,141	3,447,141	3,516,085	3,516,085	3,586,406	3,586,406	3,658,136	3,658,136
13	BSEED	Economic Equity and Opportunity	12,317,613	24,330,787	12,331,056	24,345,278	12,575,147	24,821,877	12,712,522	25,062,834
		Efficient and Innovative Operations	8,037,107	169,320	8,191,963	172,706	8,381,452	176,161	8,533,361	179,685
		Safer Neighborhoods	11,033,106	7,575,540	11,037,306	7,727,052	11,255,363	7,881,591	11,377,844	8,039,221
		Vibrant and Beautiful City	3,140,964	420,000	3,146,132	420,000	3,208,891	420,000	3,245,076	420,000
16	Demolition	Not Yet Reclassified	11,772,167	-	-	-	-	-	-	-
18	Debt Service	Efficient and Innovative Operations	145,633,069	59,749,317	128,465,549	55,006,228	122,352,014	46,684,170	117,143,152	41,436,051
19	Public Works	Economic Equity and Opportunity	5,158,739	7,826,200	5,240,898	7,888,624	5,346,500	7,952,296	5,438,424	8,017,241
		Efficient and Innovative Operations	1,708,792	-	1,712,779	-	1,745,898	-	1,765,750	-
		Not Yet Reclassified	41,469,262	3,903,375	42,760,001	3,165,875	43,809,248	3,379,362	45,130,922	3,607,245
		Safer Neighborhoods	50,142,941	101,650,000	50,824,485	104,550,000	51,884,651	106,750,000	52,671,613	108,850,000
		Vibrant and Beautiful City	52,686,319	55,257,556	53,766,838	56,298,946	55,015,162	57,600,550	56,034,291	58,614,434
20	Transportation	Economic Equity and Opportunity	56,871,219	122,287,988	63,678,318	129,870,586	64,971,300	132,781,816	65,638,050	134,756,063
		Efficient and Innovative Operations	68,316,769	2,900,000	69,092,268	2,900,000	70,710,516	2,900,000	72,018,013	2,900,000
		Not Yet Reclassified	13,735,853	13,735,853	13,735,853	13,735,853	13,735,853	13,735,853	13,735,853	13,735,853
23	OCFO	Efficient and Innovative Operations	58,672,436	4,653,122	59,912,802	4,762,900	61,179,586	4,875,266	62,070,896	4,990,412
24	Fire	Effective Governance	612,499	-	592,884	-	609,489	-	626,447	-
		Efficient and Innovative Operations	11,664,591	18,000	11,771,071	18,000	12,032,387	18,000	12,233,745	18,000
		Not Yet Reclassified	2,175,000	1,850,000	1,887,000	1,887,000	1,924,000	1,924,000	1,962,000	1,962,000
		Safer Neighborhoods	117,472,611	21,065,000	118,572,895	21,404,000	121,652,354	21,748,894	124,558,891	22,099,452
25	Health	Economic Equity and Opportunity	3,884,716	13,000	3,929,445	13,000	4,006,939	13,000	4,069,318	13,000
		Efficient and Innovative Operations	4,825,053	-	4,887,667	-	4,983,842	-	5,068,946	-
		Not Yet Reclassified	29,813,467	30,505,467	30,409,736	31,101,736	31,017,932	31,709,932	31,638,288	32,330,288
		Safer Neighborhoods	5,284,970	2,847,000	5,319,662	2,878,000	5,427,094	2,911,000	5,497,145	2,944,673
28	Human Resources	Efficient and Innovative Operations	14,777,376	1,209,223	14,866,054	1,233,408	15,163,902	1,258,075	15,354,706	1,283,236
29	CRIO	Economic Equity and Opportunity	4,180,954	3,060,000	4,259,551	3,121,000	4,347,504	3,184,000	4,430,269	3,248,272
		Effective Governance	2,542,635	402,000	2,553,300	402,000	2,603,718	402,000	2,635,302	402,000
		Not Yet Reclassified	-	120,000	-	120,000	-	120,000	-	120,000
31	Innovation & Technology	Efficient and Innovative Operations	19,598,515	-	19,733,358	-	20,134,575	-	20,400,735	-
		Safer Neighborhoods	16,034,665	-	16,315,390	-	16,684,497	-	16,975,823	-
32	Law	Effective Governance	992,399	-	1,002,423	-	1,022,299	-	1,033,841	-
		Efficient and Innovative Operations	21,821,031	2,260,000	19,324,409	2,304,000	19,715,368	2,348,781	19,970,369	2,394,436
33	Mayor's Office	Economic Equity and Opportunity	-	-	-	-	-	-	-	-
		Effective Governance	7,509,339	-	7,541,148	-	7,689,389	-	7,780,799	-
		Efficient and Innovative Operations	-	-	-	-	-	-	-	-
		Not Yet Reclassified	933,139	933,139	951,801	951,801	970,838	970,838	990,255	990,255
		Safer Neighborhoods	3,010,661	105,000	3,013,394	106,000	3,070,426	107,000	3,104,486	109,000
		Vibrant and Beautiful City	55,000	55,000	56,000	56,000	58,000	58,000	59,000	59,000
34	Municipal Parking	Economic Equity and Opportunity	7,600,633	8,265,000	7,831,005	8,265,000	8,012,253	8,265,000	8,159,784	8,265,000
		Efficient and Innovative Operations	4,352,267	10,400,000	4,370,155	10,700,000	4,455,165	10,700,000	4,505,777	10,700,000

*Not Yet Reclassified includes capital accounts mostly in DWSD, DPW, and for fleet; grant accounts mostly in DDOT, HRD, Police; and the Budget Reserve contribution

FY2023 - FY2026 Expenditures & Revenues by Agency Table

**City of Detroit
FY2023 - FY2026 Financial Plan
Expenditures & Revenues by Outcome Budgeting Category**

		FY2023 Mayor Recommend		FY2024 Forecast		FY2025 Forecast		FY2026 Forecast		
		Exp	Rev	Exp	Rev	Exp	Rev	Exp	Rev	
35	Non-Departmental	Economic Equity and Opportunity	75,944,834	-	77,362,431	-	79,947,064	-	81,585,085	-
		Effective Governance	5,605,622	7,113,980	5,603,221	7,122,416	5,691,476	7,164,864	5,764,502	7,208,162
		Efficient and Innovative Operations	147,596,058	983,484,554	190,655,627	1,070,334,198	191,164,804	1,082,911,018	191,994,186	1,096,108,042
		Not Yet Reclassified	41,319,808	134,873,308	15,000,000	10,403,000	5,000,000	10,403,000	-	10,403,000
		Safer Neighborhoods	3,872,579	-	3,888,617	-	3,965,354	-	4,013,368	-
		Vibrant and Beautiful City	15,395,000	-	14,195,000	-	14,195,000	-	14,195,000	-
36	Housing & Revitalization	Economic Equity and Opportunity	4,779,489	-	2,846,197	-	2,914,505	-	2,972,795	-
		Efficient and Innovative Operations	3,797,253	2,046,687	3,859,672	2,046,687	3,946,110	2,046,687	4,013,347	2,046,687
		Not Yet Reclassified	45,427,984	44,427,984	45,316,543	45,316,543	46,222,875	46,222,875	47,147,331	47,147,331
		Vibrant and Beautiful City	7,837,252	2,140,000	7,921,381	1,609,000	8,087,622	1,598,000	8,203,120	1,587,000
37	Police	Effective Governance	7,153,930	414,428	7,251,302	422,717	7,444,201	431,171	7,634,207	439,794
		Efficient and Innovative Operations	72,083,618	61,284,167	71,380,669	63,637,333	73,012,736	64,594,167	74,382,434	65,613,417
		Not Yet Reclassified	12,536,281	12,536,281	12,782,980	12,782,980	13,034,615	13,034,615	13,291,285	13,291,285
		Safer Neighborhoods	276,278,374	5,787,580	278,802,555	5,817,751	286,420,190	5,848,527	291,189,981	5,879,917
38	Public Lighting	Efficient and Innovative Operations	18,823,890	2,695,921	18,231,931	1,731,097	18,417,863	1,537,719	18,576,962	1,344,473
43	Planning & Development	Efficient and Innovative Operations	3,142,665	-	3,150,811	-	3,211,918	-	3,248,782	-
		Not Yet Reclassified	4,164,270	2,164,270	2,207,555	2,207,555	2,251,707	2,251,707	2,296,741	2,296,741
		Vibrant and Beautiful City	-	-	-	-	-	-	-	-
45	Appeals & Hearings	Not Yet Reclassified	280,000	-	-	-	-	-	-	-
		Vibrant and Beautiful City	1,824,441	3,033,000	1,831,183	3,033,000	1,867,139	3,033,000	1,889,408	3,033,000
47	General Services	Economic Equity and Opportunity	22,761,512	4,411,000	25,348,603	4,414,000	25,835,625	4,417,290	26,191,502	4,420,898
		Efficient and Innovative Operations	48,188,054	3,394,000	48,857,129	3,398,000	49,939,771	3,402,174	50,763,269	3,406,529
		Not Yet Reclassified	42,313,833	1,450,000	11,831,000	1,478,000	11,859,560	1,506,560	11,888,691	1,535,691
		Safer Neighborhoods	7,653,921	10,000,000	7,767,532	10,218,360	2,929,888	5,436,948	2,963,804	5,555,179
		Vibrant and Beautiful City	30,010,151	1,150,000	30,387,568	1,150,000	31,035,370	1,150,000	31,496,003	1,150,000
48	Water	Not Yet Reclassified	219,465,300	219,315,200	223,757,795	223,608,596	228,554,130	228,402,201	233,357,425	233,203,884
49	Sewerage	Not Yet Reclassified	409,667,828	409,817,928	418,320,613	418,469,812	427,655,003	427,806,932	435,635,844	435,789,385
50	Auditor General	Effective Governance	4,045,280	-	4,100,015	-	4,189,965	-	4,257,752	-
51	Zoning Appeals	Economic Equity and Opportunity	618,449	110,000	1,156,890	110,000	1,625,169	110,000	1,612,964	110,000
52	City Council	Effective Governance	12,384,343	19,000	12,572,103	19,000	12,823,158	19,000	13,032,771	19,000
		Not Yet Reclassified	-	-	-	-	-	-	-	-
		Vibrant and Beautiful City	42,000	-	42,840	-	43,697	-	44,134	-
53	Ombudsman	Effective Governance	1,168,071	12,000	1,171,884	12,000	1,194,560	12,000	1,208,472	12,000
54	Inspector General	Effective Governance	1,357,801	-	1,364,525	-	1,391,336	-	1,407,655	-
60	36th District Court	Economic Equity and Opportunity	40,000	2,174,000	40,960	2,174,000	41,944	2,174,000	42,782	2,174,000
		Efficient and Innovative Operations	31,530,306	1,326,000	32,120,526	1,326,000	32,723,147	1,326,000	33,107,780	1,326,000
		Safer Neighborhoods	-	13,500,000	-	13,500,000	-	13,500,000	-	13,500,000
70	City Clerk	Effective Governance	3,059,493	8,000	3,090,403	8,000	3,154,048	8,000	3,196,134	8,000
71	Elections	Effective Governance	14,256,729	8,121	14,460,565	8,184	14,770,062	2,269,247	14,988,168	8,311
72	Library	Economic Equity and Opportunity	8,444,732	-	8,457,898	-	8,623,724	-	8,722,981	-
		Efficient and Innovative Operations	22,523,969	33,565,469	22,831,612	33,890,327	23,284,257	34,559,791	24,428,647	35,833,960
		Vibrant and Beautiful City	2,596,768	-	2,600,817	-	2,651,810	-	2,682,332	-
		2,453,276,906	2,453,276,906	2,439,169,634	2,439,169,634	2,466,461,361	2,466,461,361	2,495,657,473	2,495,657,473	

*Not Yet Reclassified includes capital accounts mostly in DWSD, DPW, and for fleet; grant accounts mostly in DDOT, HRD, Police; and the Budget Reserve contribution

FY2023 - FY2026 Budgeted Positions by Department

City of Detroit
 FY2023 - FY2026 Financial Plan
 Total Positions by FTE – All Funds

Category	Department	FY2023			FY2024 Forecast	FY2025 Forecast	FY2026 Forecast
		FY2022 Adopted	Mayor Recommend	Variance FY20 vs FY21			
Executive Agencies	16 Demolition	73	83	10	83	83	83
	19 Public Works	496	496	-	496	496	496
	23 Chief Financial Officer	435	387	(48)	387	387	387
	24 Fire – Uniform	934	918	(16)	918	918	918
	Fire – Civilian	337	314	(23)	314	314	314
	25 Health	165	167	2	167	167	167
	28 Human Resources Dept	105	105	-	105	105	105
	29 Civil Rights, Inclusion, & Opportunity	7	35	28	35	35	35
	31 Innovation & Technology	147	145	(3)	145	145	145
	32 Law	121	122	1	122	122	122
	33 Mayor's Office	83	79	(4)	79	79	79
	34 Municipal Parking	91	97	6	97	97	97
	36 Housing & Revitalization	97	157	60	157	157	157
	37 Police – Uniform	2,691	2,669	(22)	2,669	2,669	2,669
	Police – Civilian	750	782	32	782	782	782
	38 Public Lighting	3	2	(1)	2	2	2
	43 Planning & Development	42	39	(3)	39	39	39
45 Appeals & Hearings	9	15	6	15	15	15	
47 General Services	836	885	49	885	885	885	
Legislative Agencies	50 Auditor General	14	14	-	14	14	14
	51 Zoning Appeals	4	4	-	4	4	4
	52 City Council	64	105	41	105	105	105
	53 Ombudsman	8	8	-	8	8	8
	54 Inspector General	8	10	2	10	10	10
	70 City Clerk	20	30	10	30	30	30
71 Elections	102	125	23	125	125	125	
Judicial Agency	60 36th District Court	325	325	-	325	325	325
Non-Departmental	35 Non-Departmental	124	127	3	127	127	127
Total General City Agencies		8,091	8,244	153	8,244	8,244	8,244
Enterprise Agencies	10 Airport	4	11	7	11	11	11
	13 BSE&ED	304	341	37	341	341	341
	20 Transportation	941	960	19	960	960	960
	48 Water – Retail	634	594	(40)	594	594	594
	49 Sewerage – Retail	25	26	1	26	26	26
72 Public Library	325	325	-	325	325	325	
Total Enterprise Agencies		2,233	2,257	24	2,257	2,257	2,257
Grand Total		10,324	10,501	177	10,501	10,501	10,501

Beginning with FY2023, the budgeted position count now reflects all Administrative Special Services positions funded within each department's budget. In FY2022 and prior years, these positions were not included in the budgeted position count. This change will help with comparing the budget to actual position counts.

FY2023 - FY2026 Budgeted Positions by Department

City of Detroit
 FY2023 - FY2026 Financial Plan
 Total Positions by FTE – General Fund

Category	Department	FY2023			FY2024 Forecast	FY2025 Forecast	FY2026 Forecast
		FY2022 Adopted	Mayor Recommend	Variance FY20 vs FY21			
Executive Agencies	16 Demolition	-	-	-	-	-	-
	19 Public Works	33	33	-	33	33	33
	23 Chief Financial Officer	422	374	(48)	374	374	374
	24 Fire – Uniform	934	918	(16)	918	918	918
	Fire – Civilian	337	314	(23)	314	314	314
	25 Health	118	124	6	124	124	124
	28 Human Resources Dept	105	105	-	105	105	105
	29 Civil Rights, Inclusion, & Opportunity	7	25	18	25	25	25
	31 Innovation & Technology	147	145	(3)	145	145	145
	32 Law	121	122	1	122	122	122
	33 Mayor's Office	80	76	(4)	76	76	76
	34 Municipal Parking	91	97	6	97	97	97
	36 Housing & Revitalization	35	42	7	42	42	42
	37 Police – Uniform	2,659	2,637	(22)	2,637	2,637	2,637
	Police – Civilian	631	662	31	662	662	662
	38 Public Lighting	3	2	(1)	2	2	2
	43 Planning & Development	24	21	(3)	21	21	21
45 Appeals & Hearings	9	15	6	15	15	15	
47 General Services	689	635	(54)	635	635	635	
Legislative Agencies	50 Auditor General	14	14	-	14	14	14
	51 Zoning Appeals	4	4	-	4	4	4
	52 City Council	64	105	41	105	105	105
	53 Ombudsman	8	8	-	8	8	8
	54 Inspector General	8	10	2	10	10	10
	70 City Clerk	20	30	10	30	30	30
71 Elections	102	125	23	125	125	125	
Judicial Agency	60 36th District Court	325	325	-	325	325	325
Non-Departmental	35 Non-Departmental	101	102	1	102	102	102
Total General City Agencies		7,091	7,069	(22)	7,069	7,069	7,069
Enterprise Agencies	10 Airport	-	-	-	-	-	-
	13 BSE&ED	17	21	4	21	21	21
	20 Transportation	-	-	-	-	-	-
	48 Water – Retail	-	-	-	-	-	-
	49 Sewerage – Retail	-	-	-	-	-	-
	72 Public Library	-	-	-	-	-	-
Total Enterprise Agencies		17	21	4	21	21	21
Grand Total		7,108	7,090	(18)	7,090	7,090	7,090

Beginning with FY2023, the budgeted position count now reflects all Administrative Special Services positions funded within each department's budget. In FY2022 and prior years, these positions were not included in the budgeted position count. This change will help with comparing the budget to actual position counts.

FY2023 - FY2026 Budgeted Positions by Department

City of Detroit
 FY2023 - FY2026 Financial Plan
 Total Positions by FTE – Non-General Funds

Category	Department	FY2023			FY2024 Forecast	FY2025 Forecast	FY2026 Forecast
		FY2022 Adopted	Mayor Recommend	Variance FY20 vs FY21			
Executive Agencies	16 Demolition	73	83	10	83	83	83
	19 Public Works	463	463	-	463	463	463
	23 Chief Financial Officer	13	13	-	13	13	13
	24 Fire – Uniform	-	-	-	-	-	-
	Fire – Civilian	-	-	-	-	-	-
	25 Health	47	43	(4)	43	43	43
	28 Human Resources Dept	-	-	-	-	-	-
	29 Civil Rights, Inclusion, & Opportunity	-	10	10	10	10	10
	31 Innovation & Technology	-	-	-	-	-	-
	32 Law	-	-	-	-	-	-
	33 Mayor's Office	3	3	-	3	3	3
	34 Municipal Parking	-	-	-	-	-	-
	36 Housing & Revitalization	62	115	53	115	115	115
	37 Police – Uniform	32	32	-	32	32	32
	Police – Civilian	119	120	1	120	120	120
	38 Public Lighting	-	-	-	-	-	-
	43 Planning & Development	18	18	-	18	18	18
45 Appeals & Hearings	-	-	-	-	-	-	
47 General Services	147	250	103	250	250	250	
Legislative Agencies	50 Auditor General	-	-	-	-	-	-
	51 Zoning Appeals	-	-	-	-	-	-
	52 City Council	-	-	-	-	-	-
	53 Ombudsman	-	-	-	-	-	-
	54 Inspector General	-	-	-	-	-	-
	70 City Clerk	-	-	-	-	-	-
Judicial Agency	60 36th District Court	-	-	-	-	-	-
Non-Departmental	35 Non-Departmental	23	25	2	25	25	25
Total General City Agencies		1,000	1,175	175	1,175	1,175	1,175
Enterprise Agencies	10 Airport	4	11	7	11	11	11
	13 BSE&ED	287	320	33	320	320	320
	20 Transportation	941	960	19	960	960	960
	48 Water – Retail	634	594	(40)	594	594	594
	49 Sewerage – Retail	25	26	1	26	26	26
72 Public Library	325	325	-	325	325	325	
Total Enterprise Agencies		2,216	2,236	20	2,236	2,236	2,236
Grand Total		3,216	3,411	195	3,411	3,411	3,411

Beginning with FY2023, the budgeted position count now reflects all Administrative Special Services positions funded within each department's budget. In FY2022 and prior years, these positions were not included in the budgeted position count. This change will help with comparing the budget to actual position counts.



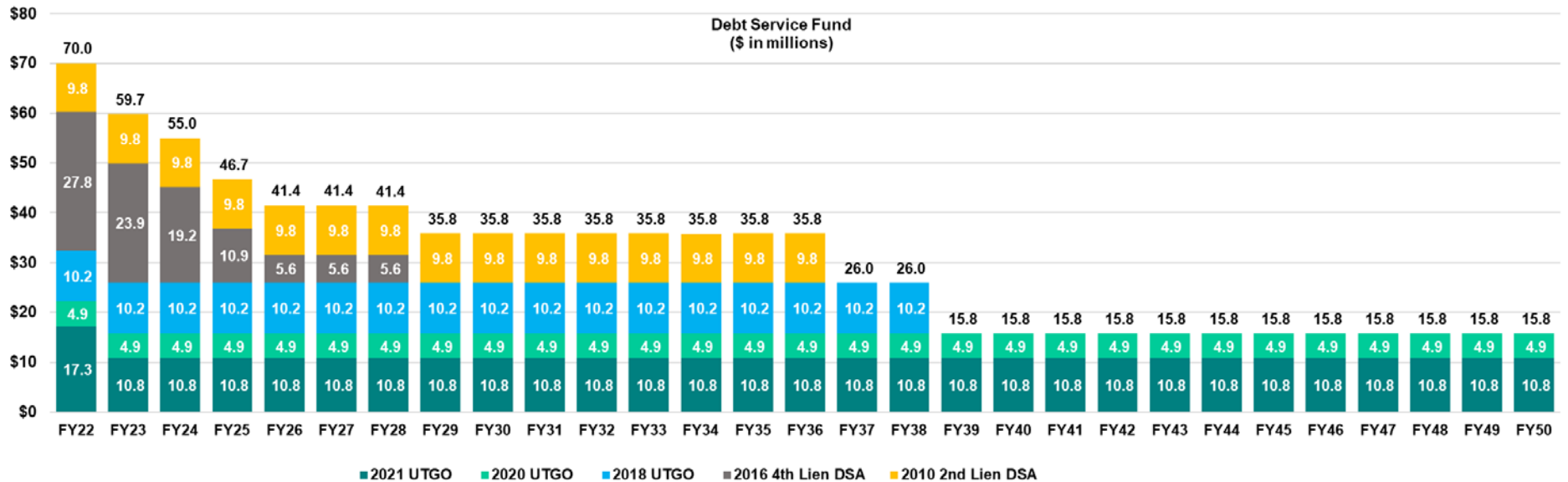
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DEBT SERVICE OVERVIEW

Unlimited Tax General Obligation (UTGO) Debt Service

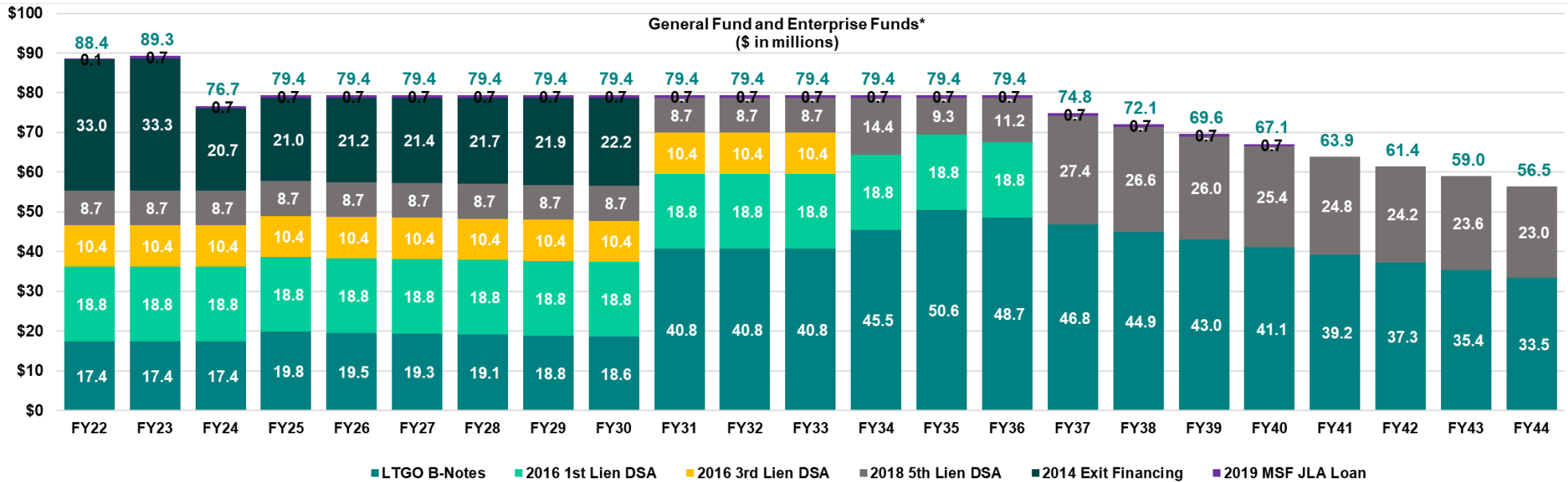
- UTGO bonds are authorized by voters and repaid from the City's debt millage
- They support capital improvement projects throughout Detroit



* Does not include projected debt service for remaining authorizations for \$40M in Capital Improvement UTGO bonds and \$75M in Neighborhood Improvement Plan UTGO bonds.

Limited Tax General Obligation (LTGO) Debt Service

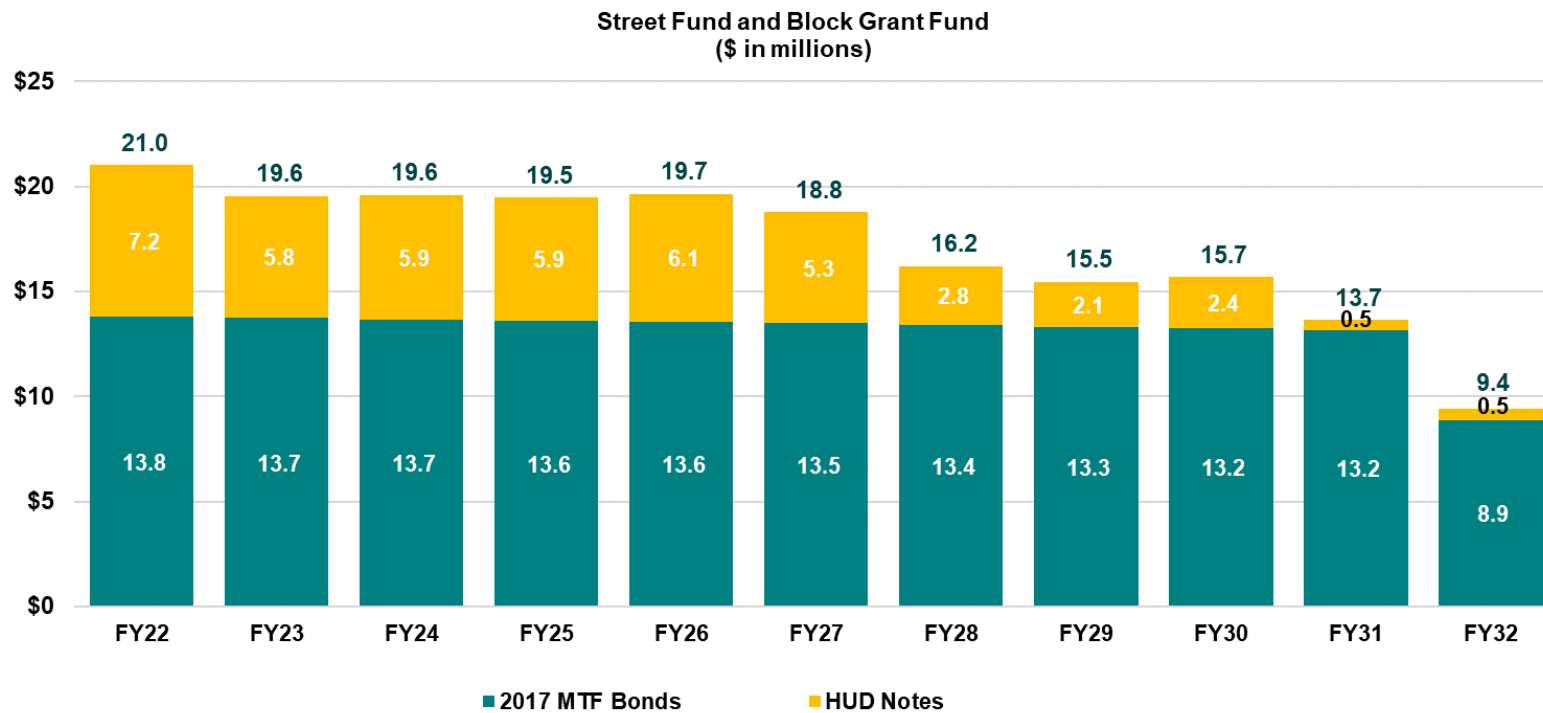
- LTGO bonds are primarily repaid from the City's General Fund revenues
- They supported settlements with creditors and reinvestment projects after the City's bankruptcy



* 2014 B-Notes are split approximately 80% General Fund and 20% Enterprise Funds.

Michigan Transportation Fund Bonds and HUD Notes Debt Service

- MTF Bonds support streetscape improvement projects and are repaid from gas and weight taxes distributed to Detroit under Public Act 51 of 1951
- HUD Notes financed local development projects under the federal Section 108 Loan Guarantee Program and are secured by the City's annual Community Development Block Grant





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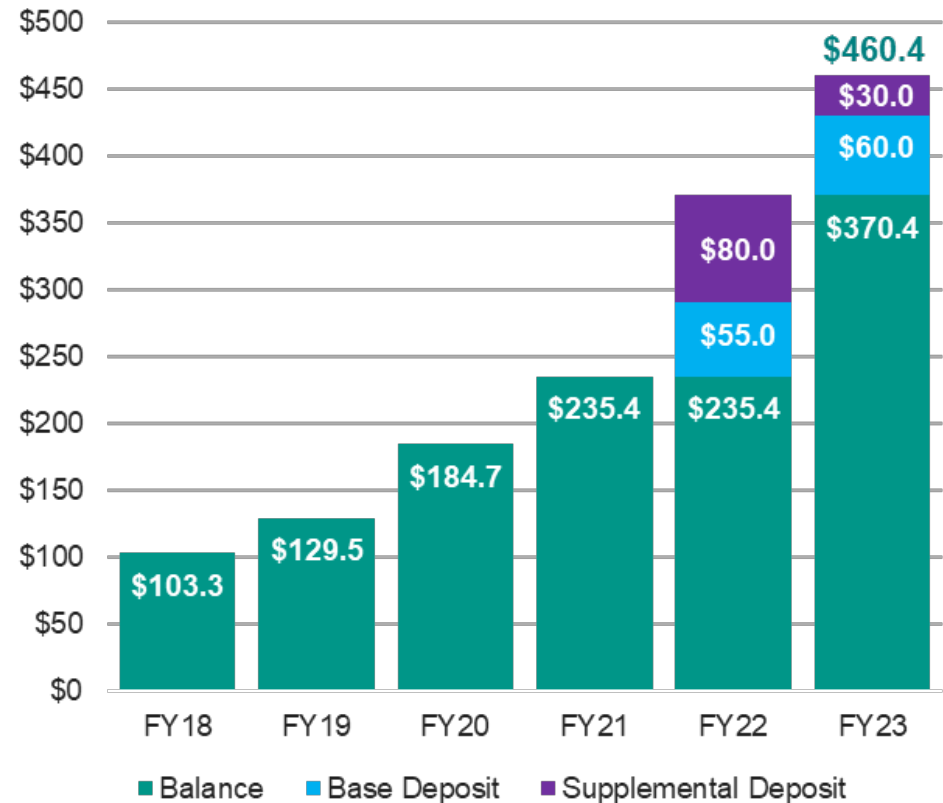


RETIREE PROTECTION FUND OVERVIEW

Retiree Protection Fund (RPF)

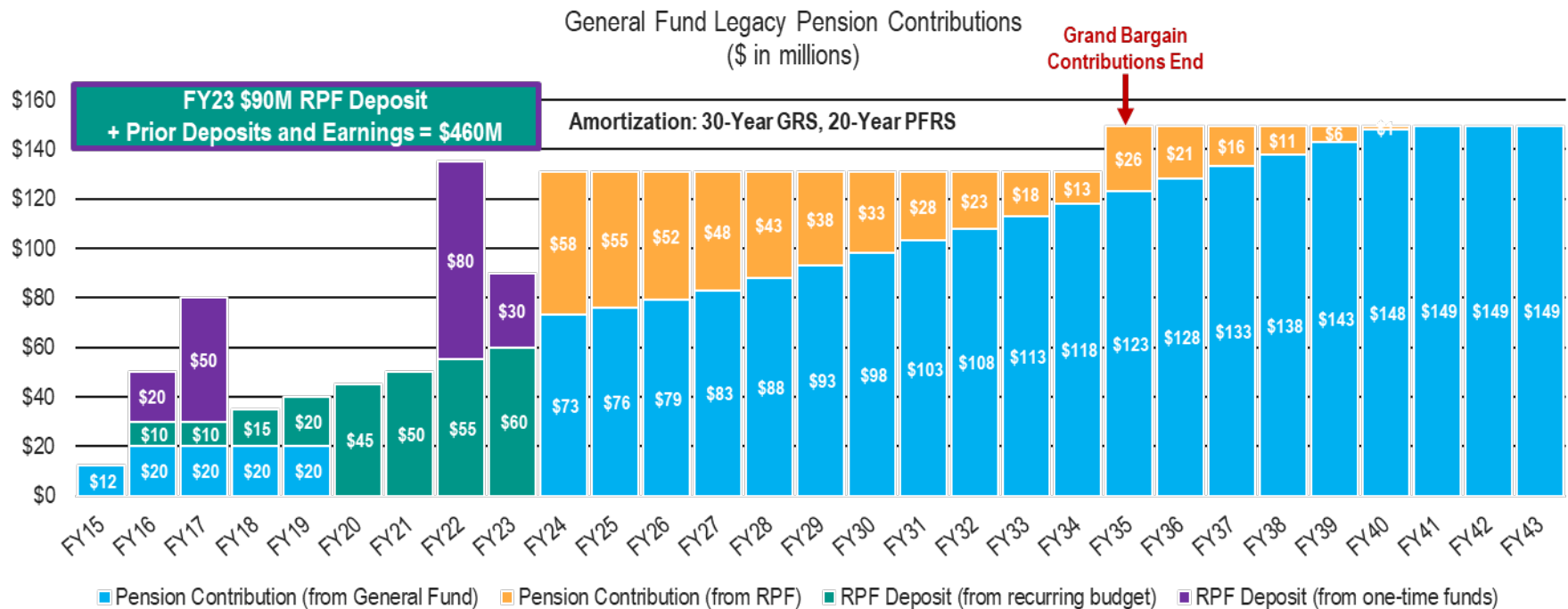
- Beginning in FY24, the City will resume annual pension contributions, totaling between \$130M and \$200M every year (up to 20% of the budget) for its closed and frozen legacy pension plans per the bankruptcy Plan of Adjustment
- The City has prepared for a return to actuarially based funding of its pension obligations by analyzing the projected future contribution requirements and setting aside funds into the Retiree Protection Fund (RPF), an Irrevocable IRC Section 115 Trust
- The proposed FY23 Budget includes our scheduled \$60M deposit into the RPF, plus another \$30M in supplemental deposits, for a total of \$90M
- All in, RPF assets will total at least \$460M by the end of FY23 in advance of annual pension contributions resuming in FY24

Retiree Protection Fund
(\$ in millions)



Retiree Protection Fund – Revised Long-Term Plan

- Strong investment returns and other actuarial gains in FY21 significantly reduced Unfunded Actuarial Accrued Liability (UAAL) for both legacy pension plans
- Previously scheduled \$60 million deposit plus supplemental \$30 million deposit into RPF in FY23 will bring accumulated balance to \$460 million providing a significant buffer for City pension contributions beginning in FY24 and downside risk from future pension plan investment performance and funding policy actions
- All of the amounts below for FY23 through FY26 are reflected in the City’s Four-Year Financial Plan

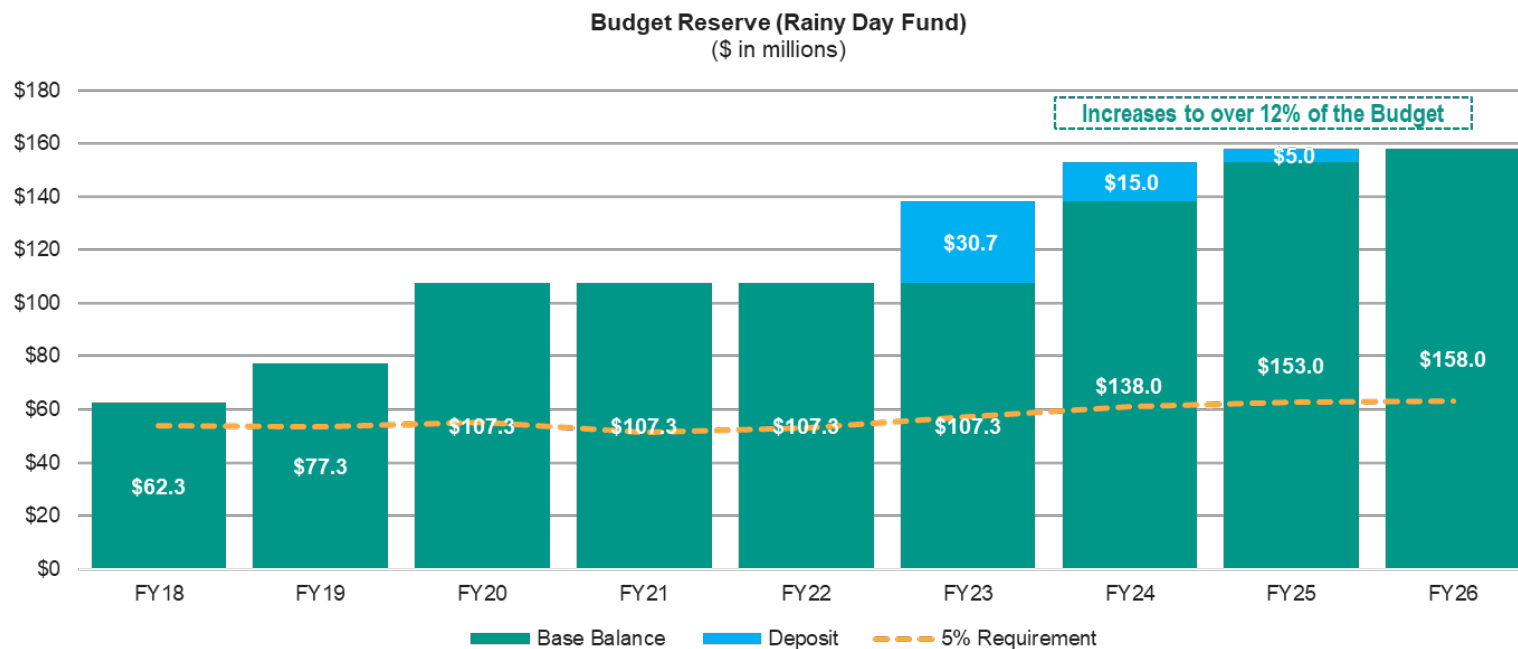


* Projections of annual legacy pension contributions based on FY21 Actuarial Valuation with Experience Study Changes. Excludes “Grand Bargain” contributions from State of Michigan, Foundation for Detroit’s Future (FDF), and Detroit Institute of Arts (DIA). DWSD and Library liabilities and contributions are separate.

BUDGET RESERVE (“RAINY DAY FUND”) OVERVIEW

Increasing the General Fund Budget Reserve (“Rainy Day Fund”)

- The City maintains a Rainy Day Fund at no less than 5% of projected recurring expenditures each fiscal year, per Section 4t of the Home Rule City Act
- Pre-pandemic, the City pro-actively increased the Rainy Day Fund to \$107.3M (10% of projected expenditures), and ultimately no draw on the fund was needed to maintain a balanced budget
- The FY23 Budget includes a new \$30.7M deposit into the Rainy Day Fund, and the FY23-26 Four-Year Financial Plan forecasts an additional \$15M in FY24 and \$5M in FY25 (over 12% of projected expenditures)





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CASH FLOW FORECAST

Common Cash Pool Five-Year Forecast, FY 2022-2026

- Cash balances remain strong due to the City's reserve balances and a short-term boost from the City's \$826 million allocation of American Rescue Plan Act fiscal recovery funds.
- The City will begin spending down a portion of its Retiree Protection Fund in FY24, meanwhile the Budget Reserve ("Rainy Day Fund") continues to grow. The City continues to spend down balances allocated for capital improvements.

City of Detroit

Common Cash Pool 5 Year Cash Flow Forecast - FY 2022 to FY 2026

	Actual	Forecast				
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Beginning Common Cash Pool Balance	\$ 560.6	\$ 1,010.2	\$ 1,434.1	\$ 1,307.9	\$ 1,222.9	\$ 1,105.8
Sources:						
Receipts/Transfers	\$ 2,202.2	\$ 2,303.9	\$ 1,797.8	\$ 1,988.6	\$ 2,015.0	\$ 2,066.5
Uses:						
Disbursements	\$ (1,702.5)	\$ (1,745.0)	\$ (1,834.0)	\$ (2,073.6)	\$ (2,132.1)	\$ (2,137.1)
Retirement Protection Trust	(50.0)	(135.0)	(90.0)	-	-	-
Total Uses:	\$ (1,752.5)	\$ (1,880.0)	\$ (1,924.0)	\$ (2,073.6)	\$ (2,132.1)	\$ (2,137.1)
Net Cash Flow	\$ 449.6	\$ 423.9	\$ (126.2)	\$ (85.0)	\$ (117.1)	\$ (70.7)
Ending Common Cash Pool Balance	\$ 1,010.2	\$ 1,434.1	\$ 1,307.9	\$ 1,222.9	\$ 1,105.8	\$ 1,035.2
Budget Reserve Fund	107.3	107.3	138.0	153.0	158.0	158.0
Retirement Protection Trust Fund	235.4	370.4	460.4	402.7	348.0	296.3
Total Common, Reserve and RPTF Balance	\$ 1,352.9	\$ 1,911.8	\$ 1,906.3	\$ 1,778.6	\$ 1,611.8	\$ 1,489.5

Note: The Common Cash Pool is a group of accounts that transact, hold and invest the majority of City's cash assets. The pooling of cash allows the City to maximize investment earnings on available cash. Each contributing fund balance is treated as equity in the pool



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CAPITAL BUDGET OVERVIEW

Capital Budgeting

- The FY23 Budget and FY23-26 Four-Year Financial Plan includes the General Fund capital budget and various capital programs supported by special revenue and enterprise funds (e.g., Street Fund, Transportation Grants).
- Separate from this budget, the City supports a substantial amount of its capital spending from previously issued and appropriated bond proceeds, grant funding, and philanthropy.
- The summary below lists all the General Fund capital (Fund 4533) items spread throughout the departmental budgets. These items are supported by the use of one-time prior year fund balance (surplus) for one-time capital spending.

Department	FY23	FY24	FY25	FY26	Total
24 - Detroit Fire Department					
Fire Radio Replacement and EMS Equipment	\$ 325,000	\$ -	\$ -	\$ -	\$ 325,000
35 - Non-Departmental					
Infrastructure Grants Match	5,000,000	-	-	-	5,000,000
Coleman A. Young Municipal Airport	2,250,000	-	-	-	2,250,000
Charles H. Wright Museum of African American History	2,000,000	-	-	-	2,000,000
Detroit Historical Museum	1,000,000	-	-	-	1,000,000
Eastern Market Corporation	350,000	-	-	-	350,000
36 - Housing & Revitalization Department					
Property Acquisition and Housing Capital	1,000,000	-	-	-	1,000,000
43 - Planning & Development Department					
Neighborhood Planning Studies	2,000,000	-	-	-	2,000,000
45 - Department of Appeals & Hearings					
Digitization and Document Management	280,000	-	-	-	280,000
47 - General Services Department					
Facilities Management	14,108,000	-	-	-	14,108,000
Parks and Recreation	10,675,000	-	-	-	10,675,000
Fleet Management	10,403,000	10,403,000	10,403,000	10,403,000	41,612,000
Total	\$ 49,391,000	\$ 10,403,000	\$ 10,403,000	\$ 10,403,000	\$ 80,600,000