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March 10, 2022

TO: Tyrone Clifton, Director
Detroit Building Authority

FROM: David Whitaker, Director
Legislative Policy Division

SUBJECT: 2022-2023 Budget Analysis

Attached is our budget analysis regarding the Detroit Building Authority's budget for the 2022-2023 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing on **Wednesday, March 16, 2022 at 2:00 pm**. We would then appreciate a written response to the issues/questions at your earliest convenience **before or after** your budget hearing. Please forward a copy of your response 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.

Attachments

cc: Council Members
Auditor General's Office
Jay Rising, Chief Financial Officer
Tanya Stoudemire, Chief Deputy Chief Financial Officer
Steve Watson, Budget Director
Trisha Stein, Mayor's Office
Justin Buss, Budget Analyst
James George

Detroit Building Authority

FY 2022-2023 Budget Analysis by the Legislative Policy Division

Issues and Questions

Page B-234– In the Non-Departmental Budget, the Mayor has recommended to increase the General Fund Expenditure in cost center 350310 - Detroit Building Authority by \$29,366 (2.5%) in FY 2023, as illustrated below:

	FY 2022 Adopted Budget	FY 2023 Recommended Budget	FY 2023 Increase/ (Decrease)	FY 2023 Increase/ (Decrease)
Expenditures	\$1,174,579	\$1,203,945	\$29,366	2.5%

Page B-236 On the Revenue side, revenue cost center 350310 - Detroit Building Authority, the Mayor has recommended to increase the General Fund Revenues at \$199,378 (19.9%) in FY 2023, as illustrated below:

	FY 2022 Adopted Budget	FY 2023 Recommended Budget	FY 2023 Increase/ (Decrease)	FY 2023 Increase/ (Decrease)
Revenues	\$1,000,000	\$1,199,378	\$199,378	19.9%

Pages B-239 & B-240 In FY 2023, the number of FTE's in the Detroit Building Authority remains unchanged by the Mayor at eight (8).

- 1) Please briefly explain the new expense initiatives the Detroit Building Authority (DBA) is planning to implement in FY 2023. Please provide which appropriation/cost center the new initiatives will affect in FY 2023.
- 2) Please briefly explain the new capital funding requests the DBA is planning to implement in FY 2023. Please provide which appropriation/cost center the new requests will affect in FY 2023.
- 3) Please briefly explain the operational reform and savings proposals the DBA is planning to implement in FY 2023. Please provide which appropriation/cost center the new reforms/proposals will affect in FY 2023.
- 4) Please briefly explain the new revenue initiatives/proposals the DBA is planning to implement in FY 2023. Please provide which appropriation/cost center the new initiatives/proposals will affect in FY 2023.
- 5) Regarding the sale of City owned commercial properties, what percentage of the sale proceeds go to the City as general fund revenue and what percentage goes to the DBA as revenue?

- 6) What are your projected performance metrics for the current fiscal year? What are your target metrics for fiscal year 2023?

- 7) How do you make the public aware of commercial property for sale? Do you partner with any departments or outside agencies? Do you prioritize the sale of property to city residence and minority owned businesses? Do we have enough funds in the budget for public outreach?

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

Department # - Department Name Fund # - Fund Name Appropriation # - Appropriation Name Cost Center # - Cost Center Name	FY2022 Adopted	FY2023 Mayor Recommend	FY2024 Forecast	FY2025 Forecast	FY2026 Forecast
351250 - Charter Revision Commission	120,000	-	-	-	-
28351 - Board of Ethics	454,660	559,001	564,221	575,752	583,270
350165 - Board of Ethics	454,660	559,001	564,221	575,752	583,270
28352 - Media Services & Communications	1,427,842	1,464,961	1,470,397	1,499,262	1,517,113
350325 - Communications Services	585,590	564,913	567,737	579,044	586,247
350326 - Media Services	842,252	900,048	902,660	920,218	930,866
28354 - Elected Officials Compensation	1,466,994	1,467,680	1,446,187	1,451,598	1,455,957
350007 - Elected Officials' Compensation	1,466,994	1,467,680	1,446,187	1,451,598	1,455,957
29350 - Citywide Overhead	39,759,018	38,921,058	41,280,234	41,789,008	42,618,387
350020 - Dues & Memberships	386,235	386,235	395,505	404,997	413,097
350200 - CAYMC Building Rent & Rehabilitation	220,354	430,000	440,320	450,888	459,906
350220 - Claims Fund (Insurance Premiums)	12,100,000	12,100,000	12,390,400	12,687,770	12,941,525
350310 - Detroit Building Authority	1,174,579	1,203,945	1,206,889	1,230,255	1,244,300
350800 - Centralized Payments	25,877,850	24,800,878	26,847,120	27,015,098	27,559,559
29351 - Pension-Related Payments	106,945,409	108,675,000	149,375,000	149,375,000	149,375,000
350015 - Pension Benefits Administration	3,270,409	-	-	-	-
351026 - Retirement Systems	-	-	130,700,000	130,700,000	130,700,000
351051 - Retiree Protection Fund	85,000,000	90,000,000	-	-	-
351052 - Foundations - DIA Pension Contributions	18,675,000	18,675,000	18,675,000	18,675,000	18,675,000
29353 - Debt Repayment	85,041,650	-	-	-	-
351023 - Quality of Life Exit Financing Debt Service	33,028,702	-	-	-	-
351025 - Note B Payment	13,956,221	-	-	-	-
351030 - DSA Debt	37,950,699	-	-	-	-

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

Department # - Department Name Fund # - Fund Name Appropriation # - Appropriation Name Cost Center # - Cost Center Name	FY2022 Adopted	FY2023 Mayor Recommend	FY2024 Forecast	FY2025 Forecast	FY2026 Forecast
35 - Non-Departmental	1,002,680,850	1,125,471,842	1,087,859,614	1,100,478,882	1,113,719,204
1000 - General Fund	988,614,980	1,056,466,862	1,075,334,198	1,087,911,018	1,101,108,042
20255 - Prior Year Activity	140,000,000	67,982,308	-	-	-
351009 - Prior Year Surplus	140,000,000	67,982,308	-	-	-
28353 - Cable TV	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
350510 - Cable Franchise Fees	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
29350 - Citywide Overhead	1,000,000	1,199,378	1,199,378	1,199,378	1,199,378
350310 - Detroit Building Authority	1,000,000	1,199,378	1,199,378	1,199,378	1,199,378
29351 - Pension-Related Payments	21,945,409	18,675,000	76,375,000	73,375,000	70,455,799
350015 - Pension Benefits Administration	3,270,409	-	-	-	-
351026 - Retirement Systems	-	-	57,700,000	54,700,000	51,700,000
351052 - Foundations - DIA Pension Contributions	18,675,000	18,675,000	18,675,000	18,675,000	18,755,799
29352 - Major Taxes and Other Revenues	818,642,659	961,661,160	990,892,596	1,006,555,297	1,022,991,190
350350 - Property Tax & Other Related Revenue	120,066,000	128,165,000	129,521,000	132,506,841	135,544,535
350360 - State Shared Taxes	207,800,000	217,753,000	218,923,000	220,115,000	221,327,501
350380 - Investment & Other Interest Earnings	1,800,000	1,100,000	1,100,000	1,100,000	1,100,000
350620 - Income Tax	273,635,000	290,313,833	313,734,667	321,784,833	330,499,583
351020 - Non-Departmental	30,368,659	30,009,327	30,413,929	30,826,623	31,247,571
351050 - Wagering Tax	169,815,000	265,483,000	268,109,000	270,813,000	273,569,000
351056 - Motor City Casino - Municipal Services	4,964,000	9,625,000	9,707,000	9,817,000	9,915,000
351057 - Greektown Casino - Municipal Services	4,000,000	5,316,000	5,360,000	5,418,000	5,472,000
351058 - MGM Grand Casino - Municipal Services	6,194,000	13,896,000	14,024,000	14,174,000	14,316,000
29353 - Debt Repayment	2,026,912	1,949,016	1,867,224	1,781,343	1,461,675

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

Department # - Department Name					
Fund # - Fund Name					
Appropriation # - Appropriation Name	FY2022 Adopted	FY2023 Mayor Recommend	FY2024 Forecast	FY2025 Forecast	FY2026 Forecast
Cost Center # - Cost Center Name					
Job Code - Job Title					
929107 - Administrative Special Services Staff II - Exempt	0	1	1	1	1
28352 - Media Services & Communications	14	14	14	14	14
350325 - Communications Services	6	6	6	6	6
010918 - Manager I - Communications	1	1	1	1	1
037161 - Supervisor of Printing	1	1	1	1	1
193035 - Principal Graphic Designer	1	1	1	1	1
43309904 - Clerk IV	1	1	1	1	1
439131 - Photographer - General	1	1	1	1	1
439142 - Supervising Photographer	1	1	1	1	1
350326 - Media Services	8	8	8	8	8
931501 - Director - DCCC	1	1	1	1	1
931507 - Telecommunications Contract and Compliance Mar	1	0	0	0	0
931524 - Communications Specialist III - Media Services	4	4	4	4	4
931525 - Communications Specialist II - Media Services	2	2	2	2	2
931531 - Manager of Media Production	0	1	1	1	1
28354 - Elected Officials Compensation	11	11	11	11	11
350007 - Elected Officials' Compensation	11	11	11	11	11
010010 - City Clerk - Election Commission Chairperson	1	1	1	1	1
010030 - City Council Member	8	8	8	8	8
010031 - City Council President - Election Commissioner	1	1	1	1	1
010040 - Mayor	1	1	1	1	1
29350 - Citywide Overhead	8	8	8	8	8
350310 - Detroit Building Authority	8	8	8	8	8

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

Department # - Department Name					
Fund # - Fund Name					
Appropriation # - Appropriation Name	FY2022 Adopted	FY2023 Mayor Recommend	FY2024 Forecast	FY2025 Forecast	FY2026 Forecast
Cost Center # - Cost Center Name					
Job Code - Job Title					
013376 - Executive Administrative Assistant II	1	1	1	1	1
111003 - Project Manager & Analytics Specialist III	1	1	1	1	1
931324 - Special Area Maintenance Project Superintendent -	3	3	3	3	3
931626 - Administrative Assistant - Grade II - Detroit Building	1	1	1	1	1
932015 - Executive Management Team - DBA	2	2	2	2	2
29351 - Pension-Related Payments	30	30	30	30	30
350015 - Pension Benefits Administration	30	30	30	30	30
010809 - Manager II - Pension	1	1	1	1	1
11101111 - Assistant Executive Director - General Retirement	1	1	1	1	1
11101112 - Assistant Executive Director - Police and Fire Retirement	1	1	1	1	1
11101201 - Executive Director - Pension	1	1	1	1	1
11303091 - Chief Accounting Officer	1	1	1	1	1
13111004 - Project Manager Analytics Specialist IV	1	1	1	1	1
13201002 - Accountant II	0	1	1	1	1
13201042 - Supervisory Accountant IV Retirement Systems	1	1	1	1	1
13201052 - Accountant II Retirement Systems	3	2	2	2	2
13205102 - Financial Analyst II	1	1	1	1	1
13205141 - Chief Investment Officer	1	1	1	1	1
13205142 - Deputy Chief Investment Officer	1	1	1	1	1
13303162 - Supervisory Accounting Technician II Retirement	2	2	2	2	2
13601153 - Administrative Assistant III Retirement Systems	7	4	4	4	4
43309904 - Clerk IV	0	1	1	1	1
43309954 - Clerk IV - Retirement Systems	5	4	4	4	4
43601103 - Administrative Assistant III	0	2	2	2	2