



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

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April 8, 2024

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

Re: Fiscal Year 2024-2025 Budget Administration Closing Resolution (Revised)

Honorable Detroit City Council Members:

The Office of Budget is submitting the Administration's Fiscal Year 2024-2025 Budget Closing Resolution for your consideration and approval. We respectfully request approval with a waiver of reconsideration.

Best regards,

Steven Watson
Deputy CFO / Budget Director

Att: Fiscal Year 2024-2025 Administration Closing Resolution

Cc: Honorable Michael E. Duggan, Mayor
Jay B. Rising, Chief Financial Officer
John Naglick, Jr., Chief Deputy CFO/Finance Director
Tanya Stoudemire, Chief Deputy CFO/Policy & Administration Director
Janani Ramachandran Yates, Deputy Budget Director
Malik Washington, City Council Liaison

FISCAL YEAR 2024-2025 BUDGET CLOSING RESOLUTION

BY COUNCIL MEMBER _____

WHEREAS, The Annual Budget and Four-Year Financial Plan provides appropriations to support operations of the City of Detroit for the period July 1, 2024 through June 30, 2025, including salaries, wages, pension requirements, other employee benefits, debt service and other expenses, and it forecasts the same for the period July 1, 2025 through June 30, 2028; and

WHEREAS, The Annual Budget and Four-Year Financial Plan meets the requirements of Chapter 17 of the 2019 Detroit City Code, Article 8 of the 2012 Detroit City Charter, the Uniform Budgeting and Accounting Act (Public Act 2 of 1968), and Section 4t of the Home Rule City Act (Public Act 279 of 1909), as amended by Public Act 182 of 2014; and

WHEREAS, The City is committed to community outreach and engagement that promotes transparency and accountability and ensures community input on the Mayor's Recommended Budget, which has been, and shall continue to be, provided and reported in accordance with Article X of Chapter 12 of the 2019 Detroit City Code (the "Detroit Community Outreach Ordinance"); and

WHEREAS, The Fiscal Year 2024-2025 Adopted Budget includes \$3,400,000 to support capital improvements at the Charles H. Wright Museum of African American History toward a total need of \$6,700,000, the balance of which will be provided with a future supplemental appropriation; and

WHEREAS, The Fiscal Year 2024-2025 Adopted Budget supports a total of nine (9) staff for the operations of the Office of the Sustainability included in the following departments:

- Three (3) positions in General Service Department-Appropriation 29471-GSD Administration
- Three (3) positions DDOT-Appropriation 29200-DDOT Administration
- Three (3) positions in Housing and Rev -Grants Appropriations for Energy Efficiency Conservation Block Grant and Community Dev. Block Grant

WHEREAS, The Fiscal Year 2024-2025 Adopted Budget includes \$150,000 to create the Veterans Affairs Office within the Civil Rights, Inclusion, and Opportunity Department, which will work across City government and with the State of Michigan Department of Military and Veterans Affairs for the benefit of our veterans; and

WHEREAS, The City is exploring expansion opportunities for the Detroit Wayne County Port Authority, including the possibility of leveraging State of Michigan and Wayne County funding; and

WHEREAS, The City plans to use \$1 million in State grant funding for the Healthy Homes Hazard Reduction Program in the Jefferson-Chalmers neighborhood; and

WHEREAS, The Mayor presented his proposed Annual Budget and Four-Year Financial Plan to the City Council on March 7, 2024; and

WHEREAS, The City Council completed its consideration of the Mayor's proposed Fiscal Year 2024-2025 Annual Budget and Four-Year Financial Plan on April 8, 2024, along with approved changes included in the Errata Letter, Schedule A, Schedule B, and the provisions hereinbelow.

NOW, THEREFORE, BE IT:

1. **RESOLVED,** That employee benefits and retirement provisions for non-union employees shall be in accordance with the City Council Resolution of October 2, 1974, J.C.C., p. 2142; November 16, 1977, J.C.C., p. 2538; August 6, 1980, J.C.C. p. 2057; August 5, 1981, J.C.C., p. 1957; January 6, 1984, J.C.C., p. 45; April 15, 1987, J.C.C., p. 813; November 15, 1989, J.C.C., p. 2627; August 4, 1999, J.C.C.; p. 2375; November 30, 2001, J.C.C. p. 3810; July 30, 2003, J.C.C. p. 2470; September 13, 2006, J.C.C., p. 2341; and February 11, 2010, J.C.C.; p. 292, and otherwise as authorized by City Council through the 2024 – 2025 fiscal year; and be it further

2. **RESOLVED,** That the Chief Financial Officer, or their designee, and the Labor Relations Director continue the administration of salary and prevailing rates according to the rules as listed in the 2024 – 2025 Official Compensation Schedule, and otherwise according to the City Council Resolution of July 13, 1954, J.C.C., p. 1713; and be it further

3. **RESOLVED**, That employee benefits contained in this Closing Resolution are permissive rather than mandatory for unionized employees; and be it further
4. **RESOLVED**, That all contracts covering unionized employees may, upon approval of the Director of Labor Relations, be extended beyond their expiration dates; and be it further
5. **RESOLVED**, That where no effective date is given in a resolution involving personnel procedures approved by the City Council of the City of Detroit, the effective date shall be the second Wednesday subsequent to passage of the resolution at the regular session, in accordance with the resolution of December 12, 1944, J.C.C., p. 2983; and be it further
6. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized to honor payrolls for restoration of lost time by City employees as a result of a reduced or reversed suspension or discharge, provided such action is recommended by the Labor Relations Director, and otherwise in accordance with the resolution of March 11, 1969, J.C.C., p. 565; and be it further
7. **RESOLVED**, That employees be paid for out-of-class work according to negotiated agreements and in the absence of agreements upon recommendation of the department with approval of the Chief Financial Officer, or their designee, and the Civil Service Commission and otherwise in accordance with the resolution of September 17, 1968, J.C.C. p. 2269; and be it further
8. **RESOLVED**, That for inactive titles under the old Police and Fire pension system, changes shall apply proportionately with changes in the active titles according to the City Charter and the J.C.C. resolution of September 9, 1953, p. 2235; and be it further
9. **RESOLVED**, That rates of pay applied to positions in the 2024 – 2025 Budget be subject to maintenance charges as approved by the City Council for all employees furnished living accommodations; and be it further
10. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized to provide reimbursement to employees to the extent that they are subject to additional expense for insurance at commercial rates exclusively by virtue of driving vehicles on City business and otherwise according to the City Council Resolution of November 12, 1968, J.C.C. p. 2728; and be it further
11. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized to provide reimbursement of certain expenses to persons seeking or accepting employment with the City in accordance with the Resolution adopted by the City Council on February 7, 1996; and be it further
12. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized to continue honoring payrolls for payment of unused sick leave to retirees, and others who separate from service in the required manner; all according to the City Council resolution

of November 8, 1961; J.C.C. p. 2292, and July 20, 1971, p. 1686; August 5, 1981, p. 1957; and July 30, 2003, p. 2470; and be it further

13. **RESOLVED**, That reimbursement of private car mileage for non-union employees is authorized in accordance with the City Council resolution of October 2, 1974, J.C.C. p. 2142 and January 6, 1984, J.C.C. p. 45; August 4, 1999, J.C.C., p. 2375; and July 30, 2003, J.C.C. p. 2740; and September 13, 2006, J.C.C., p. 2341; September 18, 2012, J.C.C. p. 1711 and, be it further
14. **RESOLVED**, That the Labor Relations Director is hereby authorized and directed to amend the Official Compensation Schedule to incorporate changes covering title eliminations, specialties, and substitutions, and code number changes through Human Resources Department action when such changes do not necessitate additional appropriations or base rate changes; and be it further
15. **RESOLVED**, That uniformed Police and Fire personnel be provided with uniforms and/or allowances and such accessories as provided by the applicable collective bargaining agreements, approved by the departments and the Chief Financial Officer, or their designee, within appropriations provided therefore; and be it further
16. **RESOLVED**, That regular City employees with at least 90 days of service working in continuing assignments recommended for consideration by department heads may be reimbursed not to exceed the sum of either \$170 for a clothing allowance or \$350 for a uniform allowance in any fiscal year in accordance with the J.C.C. of June 21, 1966, p. 1908, the J.C.C. of October 2, 1974, p. 2142, and the J.C.C. of July 30, 2003, p. 2470 ; and bi-annually September 18, 2012 J.C.C. p. 1423, for expenses arising out of the purchase of necessary protective clothing and accessories as provided by the applicable collective bargaining agreements or City Employment Terms, as recommended by the departments and approved by the Labor Relations Director, provided finally that the above provisions and limitations shall not be applied to duplicate allowances or change existing policy or authorized practices with respect to other assignments or employees; and be it further
17. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized to provide supplemental pay for the fiscal year as requested by departments for authorized encampments for City employees in the armed forces in accordance with the City Council resolutions of February 13, 1963 J.C.C., p. 344, November 1, 1966, J.C.C., p. 3010; and February 13, 1980, J.C.C. p. 407; with the provision that the City shall not offset military pay and allowances for days the employee is not regularly assigned to work; and be it further
18. **RESOLVED**, That in the event of a hardship occasioned by an unexpected or untimely separation from service, the Chief Financial Officer, or their designee, upon recommendation of the Labor Relations Director, is hereby authorized to honor lump sum payments from available funds for vacation leave, compensatory time credit, and excused time credit, to which an employee is otherwise legally entitled; and be it further

19. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized to honor payrolls for the induction of employees in classifications designated with Step Code “D”, Step Code “K”, Step Code “Q” and Step Code “R” at advanced step levels within the pay range according to a formula to be established by the Human Resources Director and approved by the Labor Relations Director; and be it further
20. **RESOLVED**, That upon request of the department and the recommendation of the Labor Relations Director, that the Chief Financial Officer, or their designee, be authorized to permit the payment of salaried employees on an hourly basis and hourly employees paid on a salaried basis and to withdraw such permission as requested by the department; and be it further
21. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized to honor payrolls for employees affected by the change over from standard time to daylight savings time in accordance with the resolutions of April 24, 1973, p. 1073, provided that no overtime shall be paid to any employee affected until they shall actually have worked forty (40) hours per week; and be it further
22. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized to pay employees their regular paycheck on the previous Thursday when a holiday is generally observed on Friday and on the preceding Wednesday when both Thursday and Friday of the same work week are holidays and otherwise in accordance with standard payroll procedures; and be it further
23. **RESOLVED**, That the Chief Financial Officer, or their designee, upon recommendation of the Labor Relations Director is hereby authorized to continue reimbursement of employees for articles damaged in the course of employment according to the City Council resolutions of December 19, 1961, J.C.C., p. 2657, and November 21, 1972, J.C.C. p. 2829 and p. 2855 as implemented by rules established by the Chief Financial Officer, or their designee; and be it further
24. **RESOLVED**, That contractors hired under titles with pay ranges may receive pay increments within the range in accordance with their contracts with approval of the Chief Financial Officer, or their designee, provided funds are available; and be it further
25. **RESOLVED**, That the various departments are hereby authorized to hire and pay Special Service employees at any rate within the range based upon formula established by the Human Resources Director, and otherwise according to the resolution of August 20, 1963, J.C.C., p. 2190, with the provision that step increments for these employees may be granted by the department head with the approval of the Human Resources Director and Chief Financial Officer, or their designee, in accordance with rules established for general City employees; and be it further
26. **RESOLVED**, That Special Service employees upon approval of the Labor Relations Director and the Chief Financial Officer, or their designee, be granted fringe benefits in

accordance with the Charter, Ordinances, and the City Council resolution of August 23, 1966, J.C.C. p. 2433, provided that City Council reserves the right to adjust wages and fringes for Special Service employees during the 2024 – 2025 fiscal year, and provided further that employees temporarily transferred to Special Service positions from the Regular Service shall continue to receive their regular service fringes; and be it further

27. **RESOLVED**, That upon interdepartmental transfer of employees, departments may make lump sum payments with supporting documentation within appropriations for unliquidated vacation time in excess of twenty days (20), provided that the time cannot be properly liquidated, prior to the following month of August but not later than September 30th. Approval may be granted by the Chief Financial Officer, or their designee, and Labor Relations Director; and be it further
28. **RESOLVED**, That unless specifically covered by labor contract, when an employee is called to work an unscheduled shift or overtime, he shall receive the overtime for the hours worked or a minimum of four (4) hours on a straight time basis, whichever is greater, and otherwise according to the resolution of the City Council of May 29, 1962, J.C.C., p. 1186; and be it further
29. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized to pay \$10,000 to the beneficiaries or estate of employees who are killed or who die as a result of injuries sustained in the actual performance of their duties or who are permanently disabled in the line of duty and otherwise in accordance with the City Council Resolutions of August 3, 1977, J.C.C. page 1638; and be it further
30. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized to pay directly to the funeral service provider and/or cemetery an additional benefit up to \$12,000 for any City of Detroit employee who dies as a direct and proximate result of an injury sustained in the line of duty and otherwise in accordance with the City Council Resolutions of March 20, 2018; and be it further
31. **RESOLVED**, That apprentices will receive their designated pay increments every six (6) months upon recommendation of the department and approval of the Human Resources Department provided that they have been satisfactorily participating in related instruction and on-the-job training, in accordance with the standards established for that trade, during the six (6) month period immediately preceding the date of the increment, said increments will be paid effective on the date of the completion of the training period; and be it further
32. **RESOLVED**, That vacation time no matter how earned, shall not be allowed to accumulate in amounts exceeding twenty (20) days on any October 1st date, exclusive of any vacation time earned between July 1 and the following September 30, and otherwise in accordance with the City Council Resolution of May 27, 1969, J.C.C. P. 1258 as amended; and be it further
37. **RESOLVED**, That the Chief Financial Officer, or their designee(s), is hereby authorized to continue making the necessary accrual adjustments for

Compensated Employee Absences and Damage Claim Payments as a part of the 2023 - 2024 Fiscal Year closing process in compliance with the provisions of the National Council on Governmental Accounting Statement Number Four, "Accounting and Financial Reporting Principles for Claims and Judgments and Compensated Absences" and Governmental Accounting Standards Board Statement No. 16 "Accounting for Compensated Absences"; and be it further

38. **RESOLVED**, That the Chief Financial Officer, or their designee(s), be and is hereby authorized and directed to purchase, sell or exchange securities representing investments of cash balances as permitted by law, and in accordance with written policies established by the Chief Financial Officer, or their designee, and placed on file with the Office of the City Clerk, and that the Treasurer be and is hereby authorized and directed to disburse or deposit funds accordingly and to accept receipts for holding securities in lieu of definitive certificates; and be it further
39. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized to appropriate investment earnings on bond proceeds to fund the cost of bond issuance expenses; and be it further
40. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized to disburse funds, allocate bond proceeds and make any and all necessary declarations for the purpose of complying with applicable law and specifically with the reimbursement rules and regulations of the U.S. Department of Treasury pursuant to the Internal Revenue Code of 1986, as amended, with respect to projects identified herein, which projects are to be permanently financed from proceeds of debt to be incurred by the City; and be it further
41. **RESOLVED**, That as actual collections are received through June 30, 2025 from Account No. 13-7512 - Fire Insurance Escrow - P.A. 495, or from private recoveries of demolition expenses, they are hereby authorized to be appropriated in the proper fund or block grant account; and be it further
42. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized and directed to disburse the necessary funds as adopted and appropriated in the fiscal year 2024-2025 Budget for contributions to independent authorities, component units, and any other external agencies, as applicable; and be it further
43. **RESOLVED**, That the Chief Financial Officer, or their designee, is authorized and directed to establish processes, records, transfers and/or accounts necessary to implement and facilitate any reorganization of department functions or activities within the city budget; and be it further
44. **RESOLVED**, That all revenues generated by the Detroit Police Department's (DPD) towing and storage operations, namely, all towing, storage and administrative fees produced by the DPD's operations will be budgeted in a special revenue fund. These DPD revenues in the special fund will be restricted for use only in support of DPD's towing and

storage operations, or other uses that directly support DPD's public safety operations; and be it further

45. **RESOLVED**, That, notwithstanding any provisions of Article IX of the 2019 Detroit City Code to the contrary, the City may use the Risk Management Fund appropriations to support legal services expenses of the City, subject to the approval of the Chief Financial Officer, or their designee; and be it further
46. **RESOLVED**, That, notwithstanding any provisions of Section 22-3-7 of the 2019 Detroit City Code to the contrary, the annual appropriation to the Detroit Affordable Housing Development and Preservation Fund shall be based upon 40% of the actual net receipts of all real property sales during the previous fiscal year, subject to a reconciliation procedure as determined by the Chief Financial Officer or their designee; and be it further
47. **RESOLVED**, That any revenues received 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. Provided further, that the Chief Financial Officer, or their designee, shall provide quarterly reports on such appropriations to the City Council; and be it further
48. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized to appropriate investment earnings on bond proceeds for the same purposes as such bond proceeds approved by the voters and the City Council. Provided further, that the Chief Financial Officer, or their designee, shall provide quarterly reports on such appropriations to the City Council; and be it further
49. **RESOLVED**, That additional revenues received and fund balances available in excess of adopted budget amounts for special revenue, enterprise, and other restricted funds are hereby appropriated for the purposes of such funds, subject to the approval of the Chief Financial Officer, or their designee; except that, grant appropriations shall follow the procedure provided under Article IV of Chapter 17 of the 2019 Detroit City Code, as applicable. Provided further, that the Chief Financial Officer, or their designee, shall provide quarterly reports on such appropriations to the City Council; and be it further
50. **RESOLVED**, That the Chief Financial Officer, or their designee, may transfer unencumbered appropriation balances from one appropriation to another within a special revenue, enterprise, or other restricted fund for the purposes of such fund and subject to the restrictions of such fund. Provided further, that the Chief Financial Officer, or their designee, shall provide quarterly reports on such transfers to the City Council; and be it further
51. **RESOLVED**, That the Chief Financial Officer, or their designee, may transfer unencumbered appropriation balances from the Non-Departmental Workforce Investments appropriation to an appropriation within another agency for the purposes of

Workforce Investment expenditures, as applicable. Provided further, that the Chief Financial Officer, or their designee, shall provide quarterly reports on such transfers to the City Council; and be it further

52. **RESOLVED**, That the unexpended balances at the end of the preceding fiscal year in all special revenue, enterprise, and other restricted fund appropriations are hereby appropriated in fiscal year 2024-2025 for the same purposes, subject to the approval of the Chief Financial Officer, or their designee. Provided further, that the Chief Financial Officer, or their designee, shall provide quarterly reports on such appropriations to the City Council; and be it further;

53. **RESOLVED**, That the unexpended balances at the end of the preceding fiscal year in the following funds and appropriations are hereby appropriated in fiscal year 2024-2025 for the same purposes, subject to the approval of the Chief Financial Officer, or their designee:

- All appropriations in Fund 1001 – Risk Management
- All appropriations in Fund 1011 – PLD Decommissioning Reserve Fund
- All appropriations in Fund 1003 – Blight Remediation;
- All appropriations in Fund 3100 – Quality of Life;
- All appropriations in Fund 4533 – Capital Projects; and
- The following Fund 1000 appropriations:
 - 13969 Non Dept PLD Decommissioning Costs
 - 20435 Pistons Basketball Court Improvements
 - 20517 Neighborhood Improvement Fund
 - 20785 Covid-19 Response
 - 20861 Wayne County Park Millage Funding Fy2018/2019
 - 20866 Over-Assessment Program
 - 20946 Wayne County Park Millage Funding Fy2019-2021
 - 20951 Public Health Fund
 - 26363 Senior Home Repairs
 - 26364 Affordable Housing Development and Preservation Fund
 - 26365 Neighborhood Improvement Fund
 - 27292 Homegrown Detroit
 - 27350 Special Services
 - 27360 Economic Development Programs
 - 27361 Workforce Development Programs

Provided further, that the Chief Financial Officer, or their designee, shall provide quarterly reports on such appropriations to the City Council; and be it further;

54. **RESOLVED**, That the Chief Financial Officer, or their designee, may amend Fiscal Year 2024-2025 appropriations by such amounts as are necessary to record required accounting entries related specifically to Due To/Due From Balance Sheet Adjustments, Governmental Accounting Standards Board (GASB) Pronouncements, and blended

component unit activities to remain in compliance with the Uniform Budgeting and Accounting Act (Public Act 2 of 1968); and be it further

55. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized to reserve up to an additional \$5,000,000 of unassigned fund balance, if available, for the Risk Management Fund in fiscal year 2023-2024; and be it further
56. **RESOLVED**, That the Chief Financial Officer, Office of Budget and the Legislative Policy Division are authorized, subsequent to City Council's approval of this resolution, to adjust the forecasted budgets as needed in order to balance by fund for Fiscal Years 2025-2025, 2025-2026 and 2026-2027 so long as those adjustments are consistent with the Fiscal Year 2024-2025 Budget and completed prior to the submission of the Four-Year Financial Plan to the Financial Review Commission; and be it finally
57. **RESOLVED**, That the Chief Financial Officer, or their designee, is hereby authorized and directed to honor payrolls and take all appropriate actions necessary to implement the foregoing provisions and actions authorized by this resolution.