

SUMMARY – ALL FUNDS INTRODUCTION

The City of Detroit budget is a financial plan guiding all of the municipality's activities. The FY2006-07 Executive Budget Summary sorts the activities proposed for FY2006-07 according to overall functions of city government, organizational units of administration, funds, budgetary objects, and major types of revenue. It explains capital, operating and staffing proposals in the context of historical trends.

A variety of exhibits follow:

- ❖ *Funds* are fiscal entities that segregate revenues and expenses for the purpose of carrying out a specific purpose or activity. A description of the 13 city funds shown in the budget is included, along with an explanation of the relationship of other funds to the General Fund.
- ❖ The overall city budget can be compared historically by sorting appropriations according to general city, enterprise, non-departmental line items and subsidies, and debt service. These areas can be further broken down using city departments.
- ❖ *Objects* are the lowest and most detailed level of expenditure classifications. There are 8 major object categories: salaries and wages, benefits, professional and contractual services, supplies, operating services, capital, fixed charges, and other expenses.
- ❖ Another way to analyze the budget is in the context of actual expenditures. Annual surpluses or deficits are the first items addressed in the annual budget, and the Budget Stabilization Fund can be a tool for this.
- ❖ *Personal services*, the salaries, wages, and fringe benefits associated with positions, are trended out over the last decade for tax-supported and grant-supported

activities. Changes in staffing are summarized by department.

- ❖ Revenues can be classified in 9 ways: taxes, assessments and interest; licenses, permits and inspection charges; fines, forfeits and penalties; revenues from use of assets; grants, shared taxes and revenues; sales and charges for services; sales of assets and compensation for losses; contributions and transfers; miscellaneous
- ❖ Revenues can also be understood in terms of their sources (local, federal or state). Changes in major local sources are tracked historically.
- ❖ The capital budget relates capital plans to debt management, through voter authorization, bond ratings, the city's debt margin and debt service requirements. The capital project proposals consider the impact on operating requirements.
- ❖ Tax rates are related to taxable valuations for property tax and for special districts. This relationship produces the tax levies that individuals and other entities pay to the city of Detroit and other local jurisdictions.

Funds shown in the City of Detroit budget:

General Fund – This fund provides for the general governmental operations of the City. It is funded through a variety of local taxes - Property, Income and Utility Users, shared taxes from the State, and Sales and Charges for Services.

Block Grant – The Community Development Block Grant (C.D.B.G.) program was established under Title I of the Housing and Community Development Act of 1974. Funds can be used to benefit low/moderate income people, reduce slums and blight, or other

SUMMARY – ALL FUNDS INTRODUCTION

urgent needs. The Federal Department of Housing and Urban Development distributes this grant.

Drug Law Enforcement – This fund accounts for forfeited narcotics proceeds that are used for the enhancement of narcotics enforcement.

Library – The Detroit Public Library is administered by the Detroit Library Commission, a separate municipal corporation existing by virtue of State Law. Under the law, the budgetary transactions of the Detroit Public Library are subject to the financial controls of the City of Detroit.

Federal Employment and Training – The Federal Employment and Training Funds were established to account for employment and training program grants received from governmental sources. On October 1, 1983, the Jobs Training Partnership Act (J.T.P.A.), enacted on October 13, 1982 was implemented. Programs under the J.T.P.A. are financed by the Department of Labor. The State of Michigan receives and administers J.T.P.A. funds. The Governor approves and provides funding to qualified service delivery area grant recipients.

The City of Detroit has been designated a J.T.P.A. service delivery area, grant recipient and administrative entity. The purpose of this act is to establish programs to prepare youth and unskilled adults for entry into the labor force and to afford job training to those economically disadvantaged individuals and other individuals facing serious barriers to employment who are in need of such training to obtain productive employment. Other program funds include the Senior Aides Program of the National Council of Senior Citizen's (N.C.S.C.) and the grants of the Department of Labor related to the provisions of the Emergency Employment Act of 1971, the Michigan Neighborhood Corps, Youth Employment Services Program, and Corrections Parolee Program as funded by the Michigan Department of Labor.

Major and Local Streets – The Major and Local Street Funds were established to account for Michigan State Gas and Weight Tax revenues as required by law under Act 51, Public Acts of Michigan of 1951, and other related grants. Expenditures are restricted to construction and maintenance of major and local streets. Much of this work is performed by other City agencies.

Human Services – The Neighborhood Services Fund was established to administer certain social service programs financed by the Federal and State Grants.

General Grants – This is a mix of funding sources, Federal, State and other. Consisting primarily of Health Department grants.

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General Debt Service – Debt service on unlimited tax general obligation bonds is funded from ad valorem property taxes levied without limitation as to rate or amount specifically for that purpose. Debt service on limited tax general obligations is funded from property taxes levied within constitutional, statutory and charter limitations or other unrestricted moneys of the City. The City, by State law, must provide a separate fund for debt retirement moneys. All general City property taxes are collected by the treasurer and deposited in the general and debt service accounts according to the proper distribution percentage.

General Capital Projects – The Capital Projects Fund has been established to account for all funds used for the construction, acquisition, and renovation of capital facilities by the General Fund. These projects are generally funded by City's general obligation bond issues.

Urban Renewal Fund – This fund accounts for funding received from the City of Detroit and the Federal Government earmarked for the acquisition and site preparation of property for future development.

Internal Service Fund – This fund handles the lease purchase of all General Fund vehicles with limited obligation bonds.

Enterprise Funds – Enterprise Funds account for operations of governmental facilities operated in a manner similar to commercial enterprises where the intent is to recover, in whole or in part, through user charges, the costs or expenses (including depreciation) of providing goods or services to general public on a continuing basis. Including component units, the City currently has 9 enterprise funds of which 4 are self-supporting and 5 generally need (or will need) some level of General Fund support. The self-supporting funds

include Water, Sewage Disposal, Housing and Parking. Of the nine enterprise funds, six are fully incorporated in the budget presentation. The remaining three (Detroit Transportation Corporation, Housing and the Greater Resource Recovery Authority) are reflected only to the extent of the City's payment for services (GDRRA) or subsidy contribution (DTC).

- ❖ The Sewage Disposal and Water Supply Systems serves the Detroit metropolitan area. The General Fund bears no liability for funding any expenses not covered by self-generated revenues for these systems and has never made a subsidy payment to either System, although the General Fund has made temporary advances to the Sewage System in connection with the financing of capital projects, which were promptly repaid with proceeds of a revenue bond issue.

- ❖ Since 1984, the City's Parking System has been totally self-sufficient. Although the City is legally responsible for payment of operation and maintenance expenses of the system, sufficient funds have been (and are expected to continue to be) generated to reimburse the General Fund for payment of such expenses.

- ❖ Housing Department is the local administrative agency for public housing programs. Housing receives Federal rental subsidies for operations, leased rental housing, and a housing assistance payment program. The Housing and Urban Development Act provides that the rent of a public housing tenant may not exceed 30% of the family income.

Numerous funds receive General Fund support, including: Transportation, Airport

SUMMARY – ALL FUNDS INTRODUCTION

Construction Code Fund and Detroit Transportation Corporation. The Greater Detroit Resource Recovery Authority receives moneys from the General Fund through tipping fees paid for disposal of waste collected by the City. The City's obligation to pay such tipping fees is a full faith and credit limited tax general obligation of the City.

❖ The Transportation Fund, which operates the bus-oriented mass transit system, receives a substantial portion of its operating revenues from regional allocation of Federal and State moneys and from self-generated revenues. However, as a result of a continuing gap between stagnant operating revenues and rising expenditures, the fund has also received General Fund subsidization. Prior to 1986, the General Fund advanced moneys to the Transportation Fund to ease cash flow problems created by the lag in receipt of moneys from the State and federal government. In recent years, because of the significant amount of General Fund subsidy, no "cash flow" advances were required.

❖ The City's Airport Fund accounts for the operation of Detroit City Airport. In fiscal 1989 the Airport was expanded to accommodate commercial jet carrier service

Today, the Airport provides general aviation and limited commuter service. Without service, the 2004-05 Recommended Budget includes million in General Fund contributions.

❖ The Detroit Transportation Corporation is responsible for the Downtown People Mover, which began operations in downtown Detroit in 1987. The People Mover has not been and is not expected to be self-sufficient in the future.

❖ Construction Code Fund includes services performed by Buildings and Safety Engineering Department. Effective January 1, 2001, Public Act 245 of 1999 was approved to amend Act 230 of 1972 of the State of Michigan. The act requires the State of Michigan's local governments to establish reasonable fees which are required to operate the department responsible for building permits, examination of plans and specifications, inspection of construction undertaken pursuant to a building permit, and the issuance of certificates used for occupancy, and hearing appeals in accordance with this act. To comply with this act, in fiscal year 2001 the City established the Construction Code Fund for operational and financial reporting purposes.

SUMMARY-ALL FUNDS

<p>CITY OF DETROIT COMPARATIVE BUDGET SUMMARY 2006-2007 MAYOR'S RECOMMENDATIONS</p>
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<u>APPROPRIATIONS</u>	<u>2005-06</u> <u>BUDGET</u>	<u>2006-07</u> <u>RECOMMENDED</u>	<u>INCREASE</u> <u>(DECREASE)</u>
General City Agencies	\$1,330,628,667	\$1,397,797,876	\$67,169,209
Non-Departmental	427,944,716	415,053,565	(12,891,151)
Debt Service	62,934,661	77,232,484	14,297,823
Enterprise Agencies	999,500,237	1,771,757,505	772,257,268
TOTAL	\$2,821,008,281	\$3,661,841,430	\$840,833,149

<u>REVENUES</u>			
General City Agencies	\$633,292,766	\$673,794,660	40,501,894
Non-Departmental	1,121,597,174	1,134,280,377	12,683,203
Debt Service	62,934,661	77,232,484	14,297,823
Enterprise Agencies	1,003,183,680	1,776,533,909	773,350,229
TOTAL	\$2,821,008,281	\$3,661,841,430	\$840,833,149

<u>BUDGETED POSITIONS</u>			
City Funded	10,878	10,149	(729)
Grant Funded	940	902	(38)
Enterprise Funded	3,933	3,913	(20)
TOTAL	15,751	14,964	(787)

GENERAL CITY AGENCIES: This includes all General Fund and General Grant City Departments.

NON-DEPARTMENTAL: This Agency (Number 35) provides funds for activities which are not the responsibility of any other single agency. This Agency provides funding for expenditures which are not specifically associated with any single department's activities, and is the depository for General fund subsidy appropriations for enterprise activities. Non-Departmental also serves as the depository agency for a wide variety of General Fund revenues which cannot be credited to any specific department.

DEBT SERVICE: This represents Agency 18-Sinking Interest and Redemption. The purpose of this Agency is to meet the principal and interest of the bonded indebtedness of the City of Detroit.

ENTERPRISE AGENCIES: This includes Airport, Buildings and Safety Engineering, Municipal Parking, Water, Sewerage, Transportation and Library.

CITY OF DETROIT
COMPARATIVE BUDGET HISTORY

APPROPRIATIONS

GENERAL CITY AGENCIES	NON-DEPARTMENTAL	DEBT SERVICE	ENTERPRISE AGENCIES	TOTAL
1999-00	1,430,422,231	60,699,019	1,160,144,505	2,916,643,397
2000-01	1,507,923,439	66,682,944	953,934,438	2,783,967,856
2001-02	1,587,587,374	70,953,651	1,378,608,736	3,382,788,633
2002-03	1,506,908,334	64,153,936	1,902,476,444	3,782,597,055
2003-04	1,579,832,816	67,125,114	1,160,878,596	3,105,314,619
2004-05	1,604,758,544	70,599,475	1,736,498,660	3,742,225,075
2005-06	1,330,628,667	62,934,661	999,500,237	2,821,008,281
2006-07	1,397,797,876	77,232,484	1,771,757,505	3,661,841,430

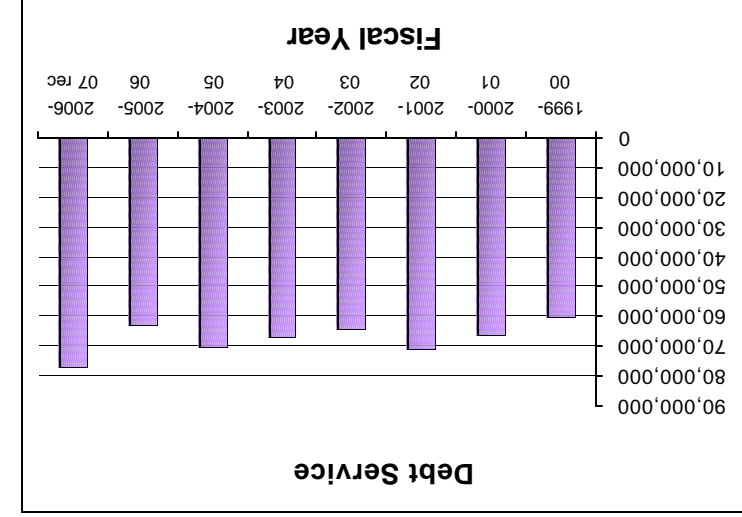
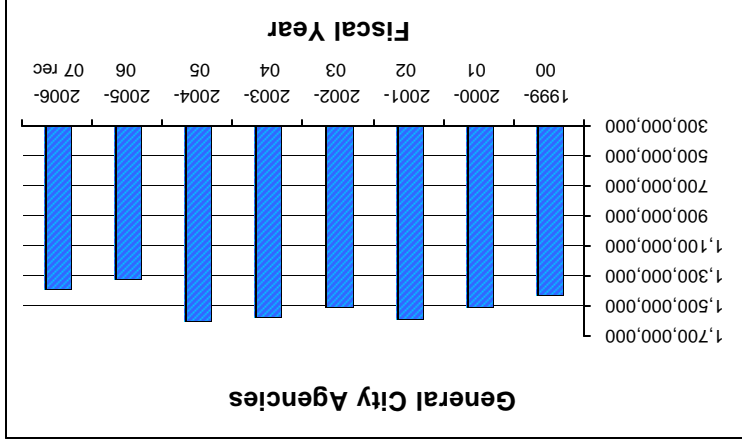
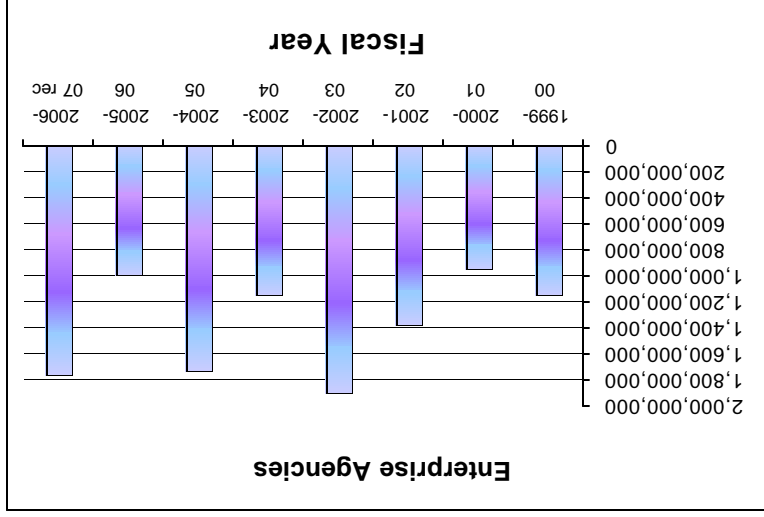
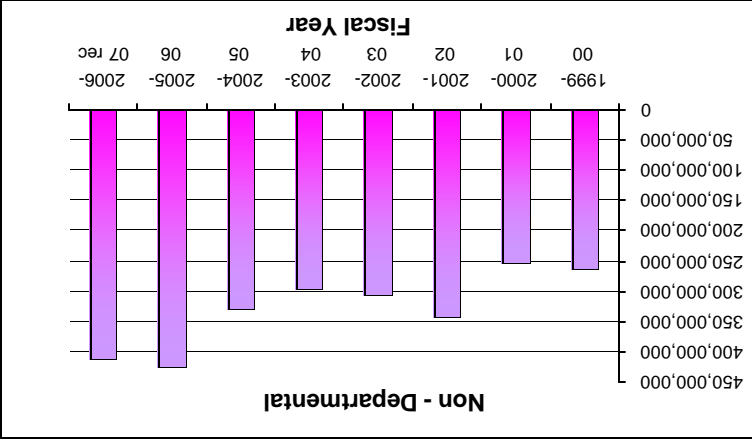
REVENUES

GENERAL CITY AGENCIES	NON-DEPARTMENTAL	DEBT SERVICE	ENTERPRISE AGENCIES	TOTAL
1999-00	610,668,058	60,699,019	1,159,572,715	2,916,643,397
2000-01	644,560,690	66,682,944	954,297,404	2,783,967,856
2001-02	700,225,285	70,953,651	1,378,906,366	3,382,788,633
2002-03	666,257,381	64,153,936	1,903,663,926	3,782,597,055
2003-04	627,674,443	67,125,114	1,163,485,982	3,105,314,619
2004-05	616,685,280	70,599,475	1,739,166,448	3,742,225,075
2005-06	633,292,766	62,934,661	1,003,183,680	2,821,008,281
2006-07	673,794,660	77,232,484	1,776,533,909	3,661,841,430

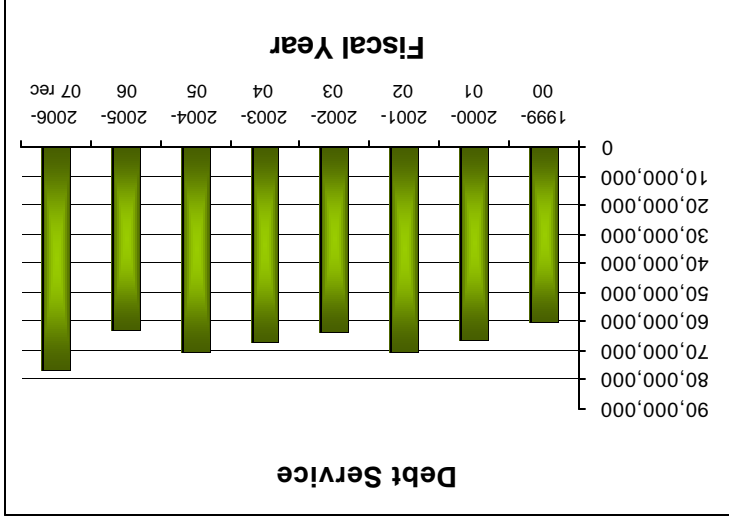
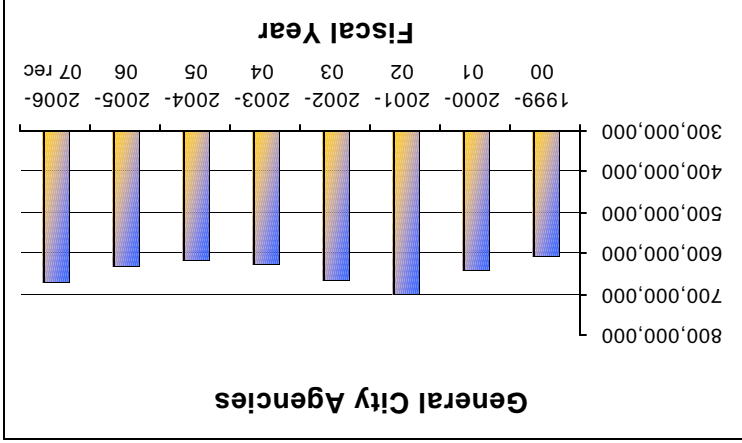
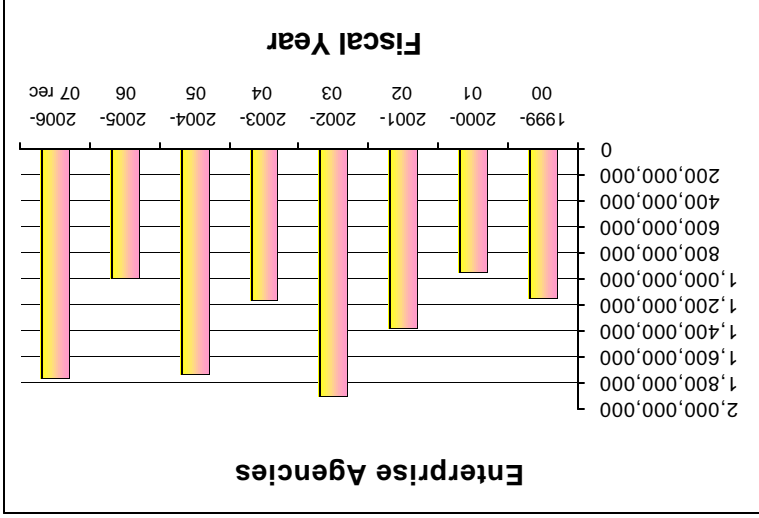
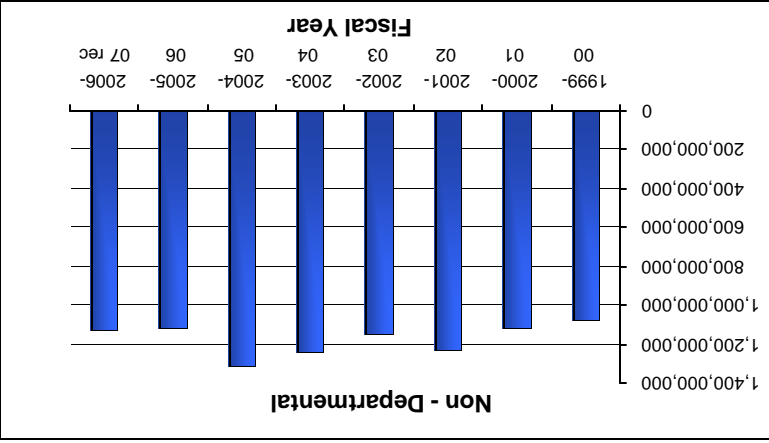
POSITIONS

	CITY FUNDED	GRANT FUNDED	TOTAL
1999-00	19,179	968	20,147
2000-01	19,205	1,437	20,642
2001-02	19,941	1,049	20,990
2002-03	19,577	864	20,441
2003-04	18,965	737	19,702
2004-05	18,074	669	18,743
2005-06	15,107	644	15,751
2006-07	14,062	902	14,964

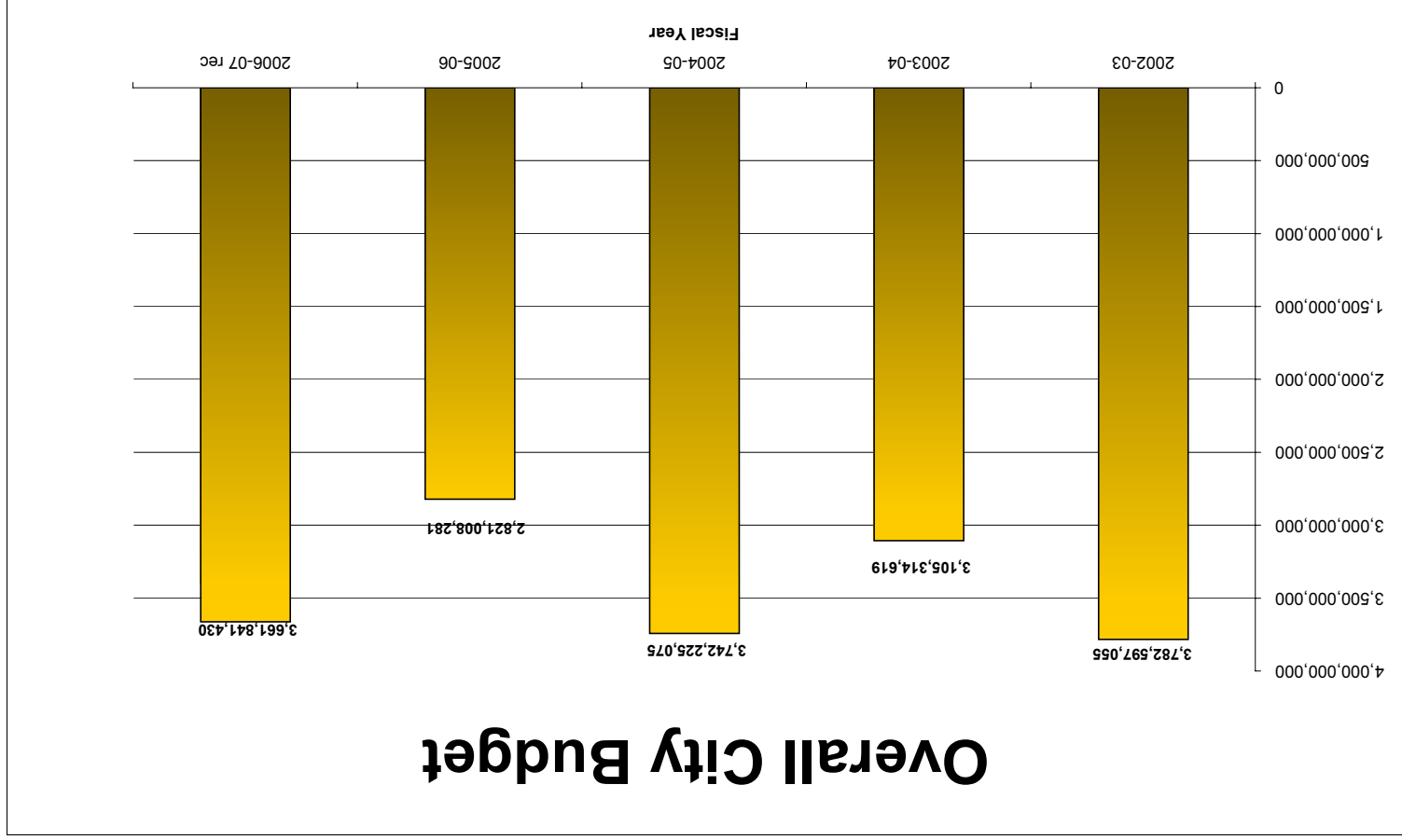
**CITY OF DETROIT
COMPARATIVE APPROPRIATION HISTORY**



**CITY OF DETROIT
COMPARATIVE REVENUE HISTORY**



**CITY OF DETROIT
OVERALL BUDGET HISTORY**



CITY OF DETROIT
SUMMARY OF APPROPRIATIONS AND REVENUES
2006-2007 MAYOR'S RECOMMENDATION

GENERAL CITY AGENCIES	TOTAL APPROPRIATIONS	TOTAL REVENUES	NET TAX COST
<u>Executive Agencies</u>			
12 Budget	2,752,101	0	2,752,101
14 Civic Center	14,771,503	9,261,607	5,509,896
19 Department of Public Works	182,905,508	152,770,048	30,135,460
21 Detroit Workforce Development Department	55,345,696	55,343,696	2,000
22 Environmental Affairs	3,882,022	4,234,400	(352,378)
23 Finance	33,683,935	7,028,996	26,654,939
24 Fire	172,733,522	19,270,535	153,462,987
25 Department of Health and Wellness Promotion	86,659,254	71,652,976	15,006,278
28 Human Resources	21,396,446	11,151,042	10,245,404
29 Human Rights	874,029	0	874,029
30 Human Services	62,975,064	62,725,064	250,000
31 Information Technology Services	21,181,971	1,463,734	19,718,237
32 Law	21,994,741	3,149,357	18,845,384
33 Mayor's Office	8,994,530	0	8,994,530
36 Planning and Development Department	55,426,085	78,973,986	(23,547,901)
37 Police	414,214,798	88,336,982	325,877,816
38 Public Lighting	79,368,819	64,831,116	14,537,703
39 Recreation Department	25,864,836	10,366,393	15,498,443
45 Department of Administrative Hearings	2,233,976	1,115,941	1,118,035
46 Detroit Office of Homeland Security	431,279	45,000	386,279
47 General Services Department	59,849,018	7,445,281	52,403,737
<u>Legislative Agencies</u>			
50 Auditor General	2,646,162	250,000	2,396,162
51 Zoning	843,651	105,000	738,651
52 City Council	12,100,359	25,000	12,075,359
53 Ombudsperson	964,957	0	964,957
70 City Clerk	3,390,724	0	3,390,724
71 Election Commission	7,813,278	92,904	7,720,374
<u>Judicial Agencies</u>			
60 36th District Court	42,499,612	24,155,602	18,344,010
<u>Other Agencies</u>			
35 Non-Departmental	415,053,565	1,134,280,377	(719,226,812)
TOTAL GENERAL CITY AGENCIES	\$1,812,951,441	\$1,808,075,037	\$4,776,404
18 Debt Service Fund	77,232,484	77,232,484	0
<u>Enterprise Agencies</u>			
10 Airport	6,542,110	6,542,110	0
13 Buildings and Safety Engineering	36,025,228	36,025,228	0
20 Department of Transportation	160,769,059	160,769,059	0
34 Municipal Parking	42,689,748	47,466,152	(4,776,404)
41 D.W.S.D. - Water Supply	711,897,936	711,897,936	0
42 D.W.S.D. - Sewerage Disposal	766,749,616	766,749,616	0
72 Library	47,083,808	47,083,808	0
TOTAL ENTERPRISE AGENCIES	\$1,771,757,505	\$1,776,533,909	(\$4,776,404)
GRAND TOTAL	<u>\$3,661,841,430</u>	<u>\$3,661,841,430</u>	<u>\$0</u>

**CITY OF DETROIT
General Fund Appropriation History**

	2006-07 Recommended	2005-06 Budget	2004-05 Budget	2003-04 Budget
GENERAL CITY AGENCIES				
EXECUTIVE AGENCIES				
Arts.....	\$0	\$0	\$0	\$642,975
Budget.....	2,752,101	2,684,088	3,355,110	3,312,519
Civic Center.....	13,521,503	21,943,715	26,142,976	26,448,906
Communication and Creative Services.....	0	0	2,971,190	2,164,131
Consumer Affairs.....	--	1,054,989	1,306,180	1,638,216
Department of Culture, Arts and Tourism.....	--	--	1,333,616	1,446,383
Department of Public Works.....	112,825,922	125,372,593	174,618,832	171,575,539
Detroit Workforce Development Department.....	2,000	2,000	2,000	2,000
Environmental Affairs.....	3,882,022	1,951,726	2,278,559	2,710,571
Finance.....	33,683,935	34,568,613	46,229,773	47,211,334
Fire.....	170,833,522	162,870,431	205,434,197	182,678,782
Department of Health and Wellness Promotion.....	27,693,780	32,012,683	41,509,689	41,756,211
Historical.....	0	2,036,181	3,255,865	3,170,951
Human Resources.....	21,396,446	22,510,186	31,894,667	29,799,976
Human Rights.....	874,029	812,897	2,193,726	2,267,722
Human Services.....	250,000	1,296,760	1,346,463	1,346,463
Information Technology Services.....	21,181,971	23,944,504	29,238,454	35,304,945
Law.....	21,994,741	18,226,547	25,269,165	28,116,087
Mayor's Office.....	8,994,530	6,372,540	10,510,110	10,670,474
Planning & Development.....	7,010,429	7,490,300	10,949,632	12,113,471
Police.....	394,799,994	337,093,667	470,875,916	418,008,528
Public Lighting.....	66,468,819	67,487,351	61,463,435	64,733,321
Recreation.....	18,488,272	32,740,750	46,710,581	51,631,905
Senior Citizens.....	0	1,184,049	1,192,709	1,290,599
Zoological Institute.....	0	11,250,584	13,699,738	14,124,132
Department of Administrative Hearings.....	2,233,976	2,535,851	2,321,167	--
Office of Homeland Security.....	431,279	--	730,254	--
General Services Department.....	58,349,018	--	--	--
LEGISLATIVE AGENCIES				
Auditor General.....	2,646,162	2,357,775	3,095,475	3,294,648
Board of Zoning Appeals.....	843,651	706,709	904,120	973,276
City Clerk.....	3,390,724	3,676,246	4,350,957	4,196,957
City Council.....	12,075,359	12,677,672	16,905,373	16,492,759
Election Commission.....	7,725,374	10,136,131	10,914,277	8,895,023
Ombudsman.....	964,957	818,870	1,451,687	1,547,288
JUDICIAL AGENCY				
36th District Court.....	42,499,612	42,958,202	49,354,273	47,716,997
OTHER AGENCIES				
Non-Departmental.....	367,985,815	401,455,216	274,093,102	251,426,088
TOTAL GENERAL CITY AGENCIES.....	1,425,799,943	1,390,933,066	1,577,913,565	1,488,709,177
Debt Service Fund.....	--	--	--	--
ENTERPRISE AGENCIES				
Airport.....	--	--	--	--
Housing.....	--	--	--	--
Municipal Parking.....	9,323,596	9,456,557	9,592,212	9,092,614
Department of Transportation.....	--	--	--	--
D.W.S.D.- Water Supply.....	--	--	--	--
D.W.S.D.- Sewage Disposal.....	--	--	--	--
Library.....	--	--	--	--
TOTAL ENTERPRISE AGENCIES.....	9,323,596	9,456,557	9,592,212	9,092,614
TOTAL TRANSFERS.....	--	--	--	--
GRAND TOTAL.....	\$1,435,123,539	\$1,400,389,623	\$1,587,505,777	\$1,497,801,791

Sources: Comprehensive Annual Financial Report, Redbook

**CITY OF DETROIT
SUMMARY OF 2006-2007 MAYOR'S RECOMMENDED BUDGET - APPROPRIATIONS BY FUND**

Fund	General Fund	Community Development	Internal Service	Library	Federal Employment & Training	Major and Local Streets	Human Services	General Grants	Service	General Capital	Enterprise Funds	Funds	Grand Total
EXECUTIVE AGENCIES	\$2,752,101												\$2,752,101
GENERAL CITY AGENCIES	\$1,435,123,539												\$1,435,123,539
Budget Department													
Civic Center													
Consumer Affairs Department													
A14000	13,521,503												13,521,503
A16000										1,250,000			1,250,000
Department of Public Works													
A19000	112,825,922												112,825,922
Department of Public Works													
A19000	70,079,586												70,079,586
Department of Public Works													
A20000	55,343,696												55,343,696
Environment and Planning Department													
A22000	3,882,022												3,882,022
Environment and Planning Department													
A22000	33,683,935												33,683,935
Finance Department													
A24000	170,833,522												170,833,522
Finance Department													
A24000	27,693,780												27,693,780
Dept of Health and Wellness Promotion													
A26000													
Historical													
A26000	21,396,446												21,396,446
Human Resources Department													
A28000	874,029												874,029
Human Resources Department													
A29000	250,000												250,000
Human Services Department													
A30000	2,007,000												2,007,000
Human Services Department													
A31000	21,181,971												21,181,971
Information Technology Services Department													
A31000	21,994,741												21,994,741
Law Department													
A32000	8,994,530												8,994,530
Mayor's Office													
A33000	7,010,429												7,010,429
Planning & Development Department													
A36000	36,392,856												36,392,856
Planning & Development Department													
A36000	394,799,994												394,799,994
Police Department													
A37000	66,468,819												66,468,819
Police Department													
A38000	18,488,272												18,488,272
Recreation Department													
A39000													
Senior Citizens Department													
A40000													
Senior Citizens Department													
A40000													
Zoological Institute													
A44000													
Zoological Institute													
A44000	2,233,976												2,233,976
Department of Administrative Hearings													
A45000	431,279												431,279
Department of Homeland Security													
A46000													
Department of Homeland Security													
A47000	58,349,018												58,349,018
General Services													
A47000	2,646,162												2,646,162
Auditor General													
A60000	843,651												843,651
Board of Zoning Appeals													
A51000	12,075,359												12,075,359
City Council													
A52000	964,957												964,957
Ombudsman													
A53000	3,390,724												3,390,724
City Clerk													
A70000	7,725,374												7,725,374
Department of Elections													
A71000	57,904												57,904
Department of Elections													
A71000	30,000												30,000
JUDICIAL AGENCY													
A60000	42,499,612												42,499,612
36th District Court													
A60000													
OTHER AGENCIES													
A55000	367,985,815												367,985,815
Non-Departmental													
A55000	\$36,475,760												\$36,475,760
TOTAL GENERAL CITY AGENCIES	\$1,425,799,943												\$1,425,799,943
Debt Service													
A18000	77,232,484												77,232,484
ENTERPRISE AGENCIES													
A10000	6,542,110												6,542,110
Airport													
A10000	5,000,000												5,000,000
Buildings and Safety Engineering Department													
A13000	28,781,473												28,781,473
Buildings and Safety Engineering Department													
A13000	36,025,228												36,025,228
Department of Transportation													
A20000	160,769,059												160,769,059
Department of Transportation													
A20000	42,689,748												42,689,748
Municipal Parking Department													
A34000	9,323,596												9,323,596
Municipal Parking Department													
A41000													
Water Department													
A41000	711,897,936												711,897,936
Water Department													
A42000	766,749,616												766,749,616
Sewerage Department													
A42000													
Library													
A72000	47,083,808												47,083,808
Library													
A72000	46,333,808												46,333,808
TOTAL ENTERPRISE AGENCIES	\$9,323,596												\$9,323,596
GRAND TOTAL	\$1,435,123,539												\$1,435,123,539

GENERAL CITY AGENCIES	Salaries and Wages	Employee Benefits	Professional & Contractual Services	Operating Supplies	Operating Services	Capital Equipment, Outlays and Major Repairs	Fixed Charges	Other Expenses	Grand Total
A12000 Budget Department.....	\$1,426,699	\$1,044,085	\$5,000	\$77,635	\$188,607	\$6,995	\$3,080	\$2,752,101	
A14000 Civic Center.....	1,553,723	1,075,178	54,000	26,000	8,346,376		2,063,938	402,288	14,771,503
A16000 Consumer Affairs Department.....	24,134,900	17,728,127	6,950,420	12,903,382	93,766,274	21,886,766	36,375	5,499,264	182,905,508
A19000 Department of Public Works.....	5,400,412	3,277,996	577,196	129,290	6,865,043		47,396	39,048,363	55,345,696
A21000 Detroit Workforce Development Department.....	1,845,614	1,358,535	276,811	112,276	2,772,202	13,000	3,584	3,882,022	3,882,022
A22000 Environmental Affairs Department.....	14,127,962	10,407,018	3,705,618	540,216	4,280,497	21,381	153,241	448,002	33,683,935
A23000 Finance Department.....	87,433,724	72,610,948	3,030,880	2,937,691	3,161,202	1,993,177	1,566,900	1,727,333,522	1,727,333,522
A24000 Dept of Health and Wellness Promotion.....	14,222,142	10,370,562	47,506,159	2,858,613	6,249,023	1,052,018	161,403	4,239,334	86,659,254
A26000 Historical.....									0
A28000 Human Resources Department.....	11,330,984	8,273,561	444,466	82,036	1,093,688	24,900	27,357	119,454	21,396,446
A29000 Human Rights Department.....	431,867	308,894	3,500	1,080	1,175,510		8,770	2,408	874,029
A30000 Human Services Department.....	5,304,727	3,898,532	492,583,358	463,353	2,385,694	32,000	8,227	1,624,173	62,975,064
A31000 Information Technology Services Department.....	5,979,519	4,383,023	1,576,470	4,710,574	4,421,332		79,321	31,732	21,181,971
A32000 Law Department.....	9,216,410	6,712,898	3,005,963	408,432	2,551,639	87,500	1,999	9,900	21,994,741
A33000 Mayor's Office.....	4,408,861	3,182,012	164,000	84,951	978,316	10,000	14,038	152,352	8,994,530
A36000 Planning & Development Department.....	8,879,272	6,515,983	1,368,631	312,950	5,983,268	50,350	3,006,307	29,309,324	55,426,085
A37000 Police Department.....	203,202,474	171,562,983	4,633,198	3,474,285	8,334,166	8,334,166	3,006,307	10,679,639	414,214,798
A38000 Public Lighting Department.....	12,386,975	9,070,297	4,966,111	32,213,317	12,638,261	12,926,074	(362,716)	79,368,819	414,214,798
A39000 Recreation Department.....	6,453,928	4,752,611	1,462,478	221,752	6,353,335	6,152,000	468,732	25,864,836	25,864,836
A40000 Senior Citizens Department.....									0
A44000 Zoological Institute.....									0
A45000 Department of Administrative Hearings.....	362,117	264,045	10,000	10,000	331,510	20,000		2,233,976	2,233,976
A46000 Detroit Office of Homeland Security.....	235,566	173,193	8,100	14,420					431,279
A47000 General Services.....	20,962,225	15,589,469	7,772,968	10,967,031	3,193,622	417,867		945,836	59,849,018
A50000 Auditor General.....	1,138,854	825,908	526,000	14,637	129,070		3,797	7,966	2,646,162
A51000 Board of Zoning Appeals.....	383,759	282,565	4,000	69,879	69,879		1,998	950	843,651
A52000 City Council.....	5,601,630	4,077,165	1,017,046	171,387	1,223,515			9,616	12,100,359
A53000 City Clerk.....	513,144	370,643	100	1,000	799,672	208	3,398	792	964,957
A53000 Onbudsprocessor.....	1,179,408	871,754	46,988	40,000	1,249,546		3,028	3,390,724	3,390,724
A71000 Department of Elections.....	2,524,583	1,770,894	2,595,319	89,761	799,361	500		32,860	7,813,278
A60000 36th District Court.....	18,019,461	1,852,520	465,812	9,963,579	67,000			859,499	42,499,612
OTHER AGENCIES	2,640,770	1,920,150	773,072	126,631	104,726,019	26,648,550	92,052,117	186,166,256	415,053,565
A35000 Non-Departmental.....									
TOTAL GENERAL CITY AGENCIES.....	\$471,301,710	\$373,950,770	\$140,448,156	\$73,458,612	\$293,756,513	\$80,987,457	\$97,676,677	\$281,271,546	\$1,812,851,441
A18000 Debt Service.....								65,953,045	77,232,484
ENTERPRISE AGENCIES									
A10000 Airport.....	394,893	254,842	59,201	118,188	443,758	5,008,769		262,459	6,542,110
A13000 Buildings and Safety Engineering Department.....	14,485,958	8,183,604	5,192,402	243,800	6,316,649		46,824	1,555,991	36,025,228
A20000 Department of Transportation.....	57,878,857	44,845,076	7,595,000	13,849,656	25,933,434	3,000		4,139,316	160,769,059
A24000 Department of Parking.....	4,024,684	2,957,048	101,637,411	389,892	3,837,240	74,000		4,854,390	42,689,748
A41000 Water Department.....	49,289,459	25,866,794	26,836,818	14,260,950	45,877,671	7,558,164	116,507,564	425,700,516	711,897,936
A42000 Sewerage Department.....	72,010,366	33,854,563	17,691,465	15,174,389	41,898,080	8,525,000	156,413,794	421,181,959	766,749,616
A72000 Library.....	17,459,375	8,422,762	1,280,000	688,500	6,345,104	7,661,226		5,226,841	47,083,808
TOTAL ENTERPRISE AGENCIES.....	\$215,543,592	\$124,384,689	\$68,818,627	\$44,725,375	\$130,651,936	\$28,830,159	\$281,961,888	\$876,841,239	\$1,771,757,505
GRAND TOTAL.....	\$686,845,302	\$498,335,459	\$209,266,783	\$118,183,987	\$424,408,449	\$109,817,616	\$445,591,610	\$1,169,392,224	\$3,661,841,430

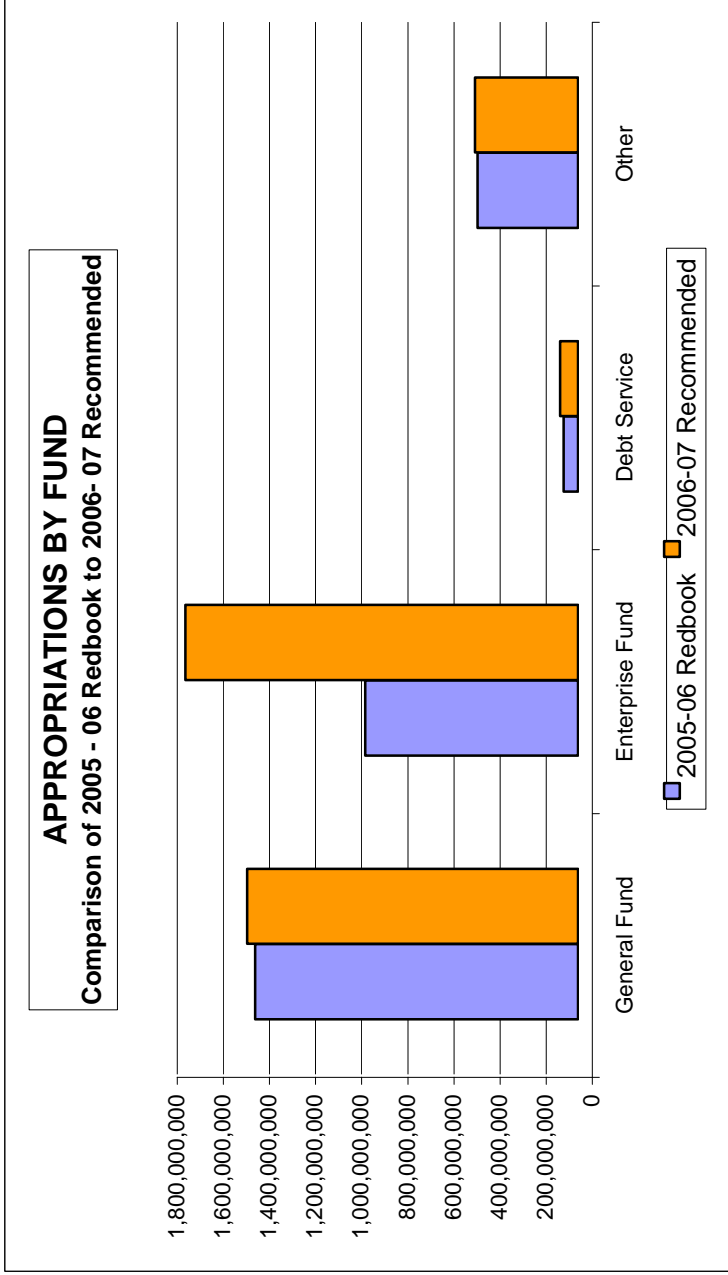
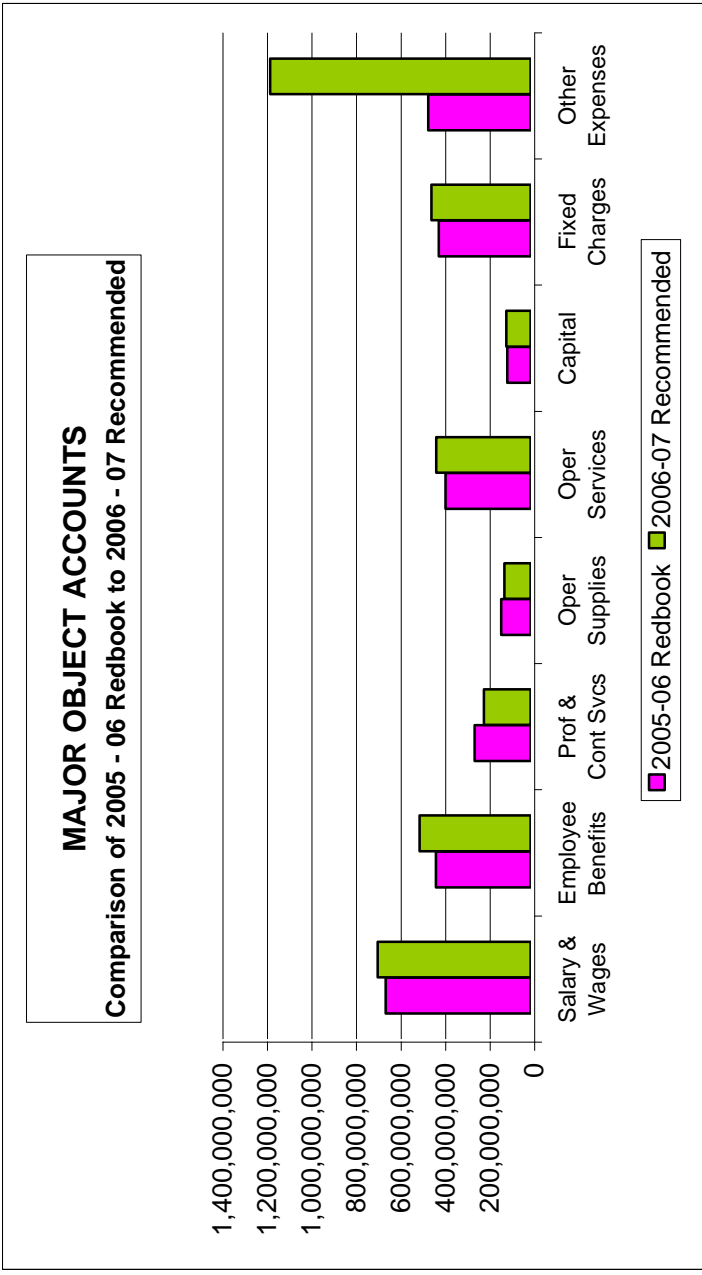
CITY OF DETROIT
SUMMARY OF 2006-2007 MAYOR'S RECOMMENDED BUDGET - APPROPRIATION BY MAJOR OBJECT

**CITY OF DETROIT
SUMMARY OF 2006-2007 MAYOR'S RECOMMENDED BUDGET - APPROPRIATION BY MAJOR OBJECT GENERAL FUND**

GENERAL CITY AGENCIES	Salaries and Wages	Employee Benefits	Professional & Contractual Services	Operational Supplies	Operational Services	Capital Equipment, Outlays and Major Repairs	Fixed Charges	Other Expenses	Grand Total
A12000 Budget Department.....	\$1,426,699	\$1,044,085	\$5,000	\$77,635	\$188,607	\$6,995	\$3,080	\$2,752,101	
A14000 Civic Center.....	1,553,723	1,075,178	54,000	26,000	8,346,376		2,063,938	402,288	13,521,503
A16000 Consumer Affairs Department.....	13,710,805	10,001,901	368,500	117,038	88,234,841	346,034	36,375	10,428	112,825,922
A19000 Department of Public Works.....	1,845,614	1,358,535	276,811	112,276	2,272,027	13,000	3,584	3,882,022	8,882,022
A21000 Detroit Workforce Development Department.....	14,127,662	10,407,018	3,705,618	540,216	4,280,497	21,381	153,241	448,002	33,683,935
A22000 Environmental Affairs Department.....	87,433,724	72,610,948	3,030,880	2,937,691	3,161,202	93,177	1,565,900	170,833,522	170,833,522
A24000 Fire Department.....	10,887,152	7,995,195	1,996,935	2,112,408	3,134,517	52,018	161,403	1,354,152	27,693,780
A25000 Dept of Health and Wellness Promotion.....									
A26000 Historical.....	11,330,984	8,273,561	444,466	82,036	1,093,688	24,900	27,357	119,454	21,396,446
A29000 Human Resources Department.....	431,867	308,894	1,080	3,500	117,510		8,770	2,408	874,029
A30000 Human Services Department.....	5,979,519	4,383,023	1,576,470	4,710,574	4,421,332		79,321	31,732	21,181,971
A31000 Information Technology Services Department.....	9,216,410	6,712,898	3,005,963	408,432	2,551,639	87,500	1,999	9,900	21,994,741
A32000 Law Department.....	4,408,861	3,182,012	164,000	84,951	978,316	10,000	14,038	152,352	8,994,530
A33000 Mayor's Office.....	1,320,485	981,358	251,740	200,000	233,778	50,000		3,973,068	7,010,429
A36000 Planning & Development Department.....	200,843,830	169,609,897	4,457,101	3,457,885	11,784,657	1,393,166	3,253,458	394,799,994	394,799,994
A37000 Police Department.....	12,386,975	9,070,297	496,611	32,213,317	12,638,261	26,074	(362,716)	66,468,819	66,468,819
A38000 Public Lighting Department.....	6,361,951	4,671,019	747,129	200,212	6,056,749	102,000	349,212	18,488,272	18,488,272
A40000 Senior Citizens Department.....	362,117	264,045	10,000	331,510	14,420	20,000		2,233,976	2,233,976
A44000 Zoological Institute.....	235,566	173,193	8,100					431,279	431,279
A45000 Department of Administrative Hearings.....									
A46000 Detroit Office of Homeland Security.....	20,213,157	15,043,625	7,663,046	10,967,031	3,193,622	322,701	945,836	58,349,018	58,349,018
A47000 General Services.....	1,138,854	825,908	526,000	14,637	129,070		3,797	7,996	2,646,162
A51000 Board of Zoning Appeals.....	383,759	282,565	4,000	69,879	1,998		950	843,651	843,651
A52000 City Council.....	5,601,630	4,075,252	993,959	171,387	1,223,315		9,616	12,075,359	12,075,359
A53000 Ombudsperson.....	513,144	370,643	100	1,000	75,672	208	3,398	964,957	964,957
A53000 City Clerk.....	1,179,408	46,988	40,000	1,249,546	3,028	500	3,028	3,390,724	3,390,724
A71000 Department of Elections.....	2,508,932	1,759,475	2,579,108	86,353	788,146		2,860	7,725,374	7,725,374
JUDICIAL AGENCY	18,019,461	11,271,741	1,852,520	465,812	9,963,579	67,000		859,499	42,499,612
A60000 36th District Court.....	2,640,770	1,920,150	773,072	126,631	104,726,019	6,550	71,776,367	186,016,256	367,985,815
OTHER AGENCIES									
A35000 Non-Departmental.....	\$436,063,359	\$348,544,170	\$36,613,901	\$59,179,122	\$269,261,150	\$2,636,209	\$74,338,997	\$199,163,035	\$1,425,799,943
TOTAL GENERAL CITY AGENCIES.....	\$2,035,015	\$1,498,731	\$3,875,000	\$144,911	\$1,267,104	\$0	\$0	\$502,835	\$9,323,596
TOTAL ENTERPRISE AGENCIES.....									
A10000 Airport.....									
A13000 Buildings and Safety Engineering Department.....									
A20000 Department of Transportation.....									
A34000 Municipal Parking Department.....	2,035,015	1,498,731	3,875,000	144,911	1,267,104			502,835	9,323,596
A41000 Water Department.....									
A42000 Sewerage Department.....									
A72000 Library.....									
GRAND TOTAL.....	\$438,098,374	\$350,042,901	\$40,488,901	\$59,324,033	\$270,528,254	\$2,636,209	\$74,338,997	\$199,665,870	\$1,435,123,539

CITY OF DETROIT

Summary of Appropriations



SUMMARY – ALL FUNDS

**SUMMARY OF APPROPRIATIONS-EXPLANATIONS OF CHANGES
APPROPRIATIONS BY OBJECT
(All Funds & General Fund)**

All Funds	2005-06 Budget	2006-2007 Recommended	Difference	Percent Change
Salary and Wages	650,463,264	686,845,302	36,382,038	6%
Employee Benefits	425,905,553	498,335,460	72,429,907	17%
Prof and Contr Services	252,113,254	209,266,783	(42,846,471)	(17%)
Operating Supplies	131,990,299	118,183,987	(13,806,312)	(10%)
Operating Services	382,329,329	424,408,448	42,079,119	11%
Capital Equipment	47,655,166	74,129,108	26,473,942	56%
Capital Outlays	57,753,534	35,688,508	(22,065,026)	(38%)
Other Expenses	460,158,970	1,169,392,224	709,233,254	154%
Fixed Charges	412,638,912	445,591,610	32,952,698	8%
Total	2,821,008,281	3,661,841,430	840,833,149	30%

Of the \$3.6 billion budget, the General Fund Budget is \$1.4 billion or 39% as indicated below.

General Fund	2005-06 Budget	2006-2007 Recommended	Difference	Percent Change
Salary and Wages	415,789,566	438,098,378	22,308,808	5%
Employee Benefits	290,880,810	350,042,902	59,162,092	20%
Prof and Contr Services	72,941,067	40,488,901	(32,452,166)	(44%)
Operating Supplies	75,692,926	59,324,033	(16,368,893)	(22%)
Operating Services	236,358,423	270,528,253	34,169,830	14%
Capital Equipment	2,457,826	2,312,330	(145,496)	(6%)
Capital Outlays	459,279	323,879	(135,400)	(29%)
Other Expenses	63,534,463	74,338,997	10,804,534	17%
Fixed Charges	242,275,261	199,665,870	(42,609,391)	(18%)
Total	1,400,389,621	1,435,123,539	34,733,918	2%

SUMMARY – ALL FUNDS

- ❖ **Salary and Wages** – This category represents all expenses associated with compensating an employee who maybe classified as full-time salaried, hourly or part-time. Overtime is also a part of this category. The 2006-2007 Recommended Budget increased overall by \$36.3 million of which \$22.3 million represents the General Fund. There are 787 fewer positions than the current budget. A 10% wage reduction for union personnel is reflected in the recommended budget. The recommendation does not include wage increases for uniform or general city employees.
- ❖ **Employee Benefits** – The City's employee benefit package comprises of pension, hospitalization, social security, workers' compensation, eye care, dental and life insurance. The 2006-2007 Recommended Budget includes an overall \$72.4 million increase or 17% increase. The General Fund portion is \$59.1 million or 20% over the current budget for employee benefit package for active and retired employees including police and fire.
 - Pensions benefits are made up of two components, the normal cost or the current services cost and the unfunded actuarial accrued liability (UAAL), which is the difference between the amount of the retirement system assets and the amount needed to fund future benefits for services already rendered. \$92.7 million is included in the Recommended budget.
 - The Pension-UAAL account includes the annual repayment of the Pension Obligation Certificates (POCs) and the remainder of the unfunded actuarial accrued liability not covered by the certificates. The Recommended budget includes \$76.9 million. The Recommended Budget assumes a refinancing of the POCs due to an amortization change. This will save \$20 million.
 - Hospitalization – Active: The Recommended Budget includes \$98.8 million, an increase of \$16.3 million. This increase is a result of an extensive benchmarking study on the city's benefit package that recommended a number of cost reduction proposals.
 - Hospitalization – Retirees: The Recommended Budget includes \$119.6 million, an increase of \$17.4 million. This increase is a result of an extensive benchmarking study on the city's benefit package that recommended a number of cost reduction proposals.
- The City plans to implement a New Benefit Plan with changes to the Plan Design and Employee Contribution levels. The New Plan changes should save the City \$35 million. Additional savings from Medicare Part D subsidy and Administrative Fee reductions.
- ❖ **Professional and Contractual Services** – This category is mainly for compensating contractual or consultant employees who provide services that are not available internally. The 2006-2007 Recommended Budget includes an overall decrease of (\$42.8) million of which (\$32.4) million or 44% represents the General Fund. Contractual Services-Information Technology reduced by (\$25.5) million primarily due to the HR Payroll Project funded in the current budget. Other

SUMMARY – ALL FUNDS

reductions of (\$12) million in contractual services-other account is reflected in the Department of Human Services (\$7.4) million and DWSD (\$4.6) million. The ADA Paratransit Contractual Services reduced by \$1.5 million. Overall, contractual services-other building maintenance account reduced by (\$1.4) million.

❖ **Operating Supplies** - Essentially, this category is earmarked for purchasing offices supplies and all essential items and/or necessary tools to enable city employees to perform their respective tasks. For example, office supplies, janitorial supplies, automotive supplies for the mechanics, fuel, natural gas, electricity purchase, operating supplies – medical supplies for EMS and Health employees, repair and maintenance of office equipment such as: printers, copiers, fax machines, hardware and software maintenance, uniforms, laundry, and cleaning for police and fire.

The 2006-07 Recommended Budget for the General Fund reflects a decrease of (\$17.5) million natural gas costs, a decrease of (\$4.3) million in repairs and maintenance equipment, offset by a net increase of \$5.3 million in the electricity purchase account for a total reduction of (\$16.3) million or 22%.

❖ **Operating Services** – This category is best described as paying for insurance premiums, advertising, printing, rentals of buildings, office equipment, dues and miscellaneous, postage, telecommunications, utilities, purchase services-central staff services, tipping fees for Greater Detroit Resource Recovery

Authority (GDRRA), building operating expenses and for employee uniform expenses. The 2006-2007 Recommended Budget is \$34.1 million higher than the current budget. GDRRA tipping fees is up by \$5.2 million. In addition, the Supplemental Fee Payment for GDRRA is up by \$19.8 million over the current budget of \$33.0 million. A total of \$52.9 million is recommended. The remaining variance of \$7.2 million is related to an increase in Purchase Services-Other account from the Street Fund within the Department of Public Works.

❖ **Capital Equipment** – This category is mainly for acquisitions of equipment, vehicles, land, buildings or library reference materials. The 2006-2007 Recommended Budget increased by 56% or \$26.4 million over the current total budget of \$47.6 million. This increase is mainly from the Internal Service Fund in Non-Departmental for a total of \$20 million to purchase vehicle acquisitions. In addition, \$5 million is included in this category for the Minitake Land Acquisition in Airport. An increase of \$1.8 million in Street Fund construction projects is reflected as well.

❖ **Capital Outlays & Major Repairs** – Listed under this category are major – buildings and major repairs-improvements mainly for bond allocation activity. The 2006-2007 Recommended Budget is 38% or \$22 million less than the current budget. The decrease is attributed to a reduction of \$15.9 million in the major repair buildings-bond account for the Police Department. D-DOT reduced by \$10 million for acquisition of buses in Fiscal Year 2005-06. There is no funding

SUMMARY – ALL FUNDS

provided for the 2006-07 Recommended Budget. The decreases are offset by a net increase of \$1.8 million in DPW Street Fund for Construction Projects. The recommended budget includes an increase of \$2.0 million in Bond Fund Investment Earnings.

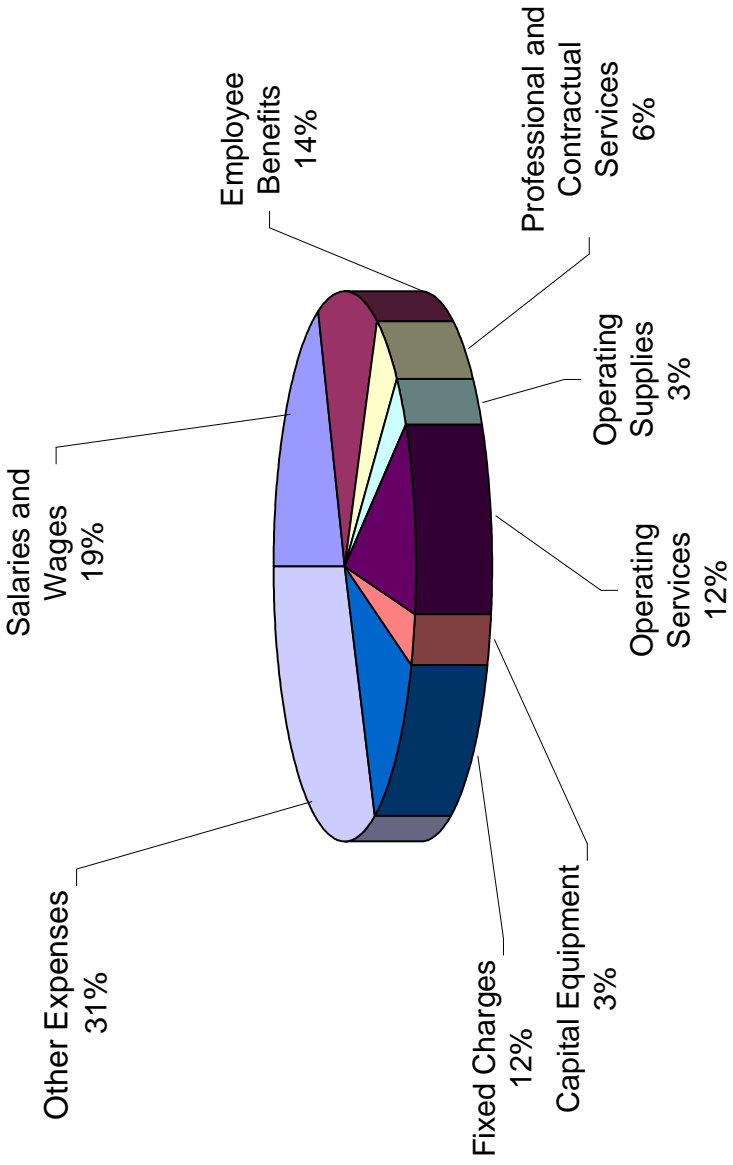
- ❖ **Fixed Charges** – Overall, the 2006-2007 Recommended Budget is up by 8% or \$32.9 million higher than the current budget. This category consists of legal obligations for interest on bonded debt, interest on other indebtedness, retirement of debt-principal to cover the costs for the following:
 - \$4.1 million increase for the 800 Megahertz
 - \$7.4 million increase for the HR/Payroll Project.
 - \$3.0 million increase for ITS-Unisys Project
 - \$3.0 million increase for block grant

projects

- \$12.4 million increases in principal and interest for outstanding debt for DWSD.

- ❖ **Other Expenses** – The overall Recommended Budget for the 2006-2007 includes an increase of \$709 million or 154%. An increase of \$398 million in Water and \$353 million increase in Sewerage for revenue bond allocation. DWSD sells these bonds biannually. An increase of \$5.0 million in the Fund Targeted Business Development is recommended. These increases are offset by decreases in the following:
 - (\$38) million in the Prior Year Deficit.
 - (\$2.5) million in Airport support.
 - (\$7.0) million in DOT's subsidy.

CITY OF DETROIT
Summary of 2006-2007 Mayor's Recommended Budget
Appropriations by Major Object



MAJOR OBJECT	AMOUNT
Salaries and Wages	\$686,845,302
Employee Benefits	498,355,459
Professional and Contractual Services	209,266,783
Operating Supplies	118,183,987
Operating Services	424,408,449
Capital Equipment	109,817,616
Fixed Charges	445,591,610
Other Expenses	1,169,392,224
TOTAL	\$3,661,861,430

BUDGET STABILIZATION FUND HISTORY			
	Deposits	Withdrawals	Fund Balance on June 30
1990-91		53,894,025	22,134,628
1991-92		22,134,628	0
1992-93			0
1993-94			0
1994-95			0
1995-96	9,988,324		9,988,324
1996-97	9,219,027		19,207,351
1997-98	6,209,081		25,416,432
1998-99	6,690,030		32,106,462
1999-00	827,937		32,934,399
2000-01	1,150,987		34,085,386
2001-02	0	26,395,130	7,690,256
2002-03	777,797		8,468,053
2003-04		8,468,053	0
2004-05	0	0	0
2005-06 (est)	0	0	0
2006-07(bud)	0	0	0

GENERAL FUND SURPLUS/(DEFICIT) HISTORY				
Fiscal Year	Total Expenditures	Final Operating Results		Surplus/(Deficit) As a Percent of Total Expenditures
		Surplus	Deficit	
1990-91	1,187,721,203		105,928,296	-8.92%
1991-92	1,151,648,623		106,089,304	-9.21%
1992-93	1,066,685,029		26,203,862	-2.46%
1993-94	1,431,169,479		53,388,747	-3.73%
1994-95	1,140,795,935	19,976,648		1.75%
1995-96	1,448,326,141	18,430,053		1.27%
1996-97	1,322,693,636	12,418,161		0.94%
1997-98	1,406,349,518	13,380,061		0.95%
1998-99	1,438,235,097	1,655,874		0.12%
1999-00	1,511,077,783	2,301,976		0.15%
2000-01	1,488,739,205		26,395,130	-1.77%
2001-02	1,576,041,291	1,555,594		.10%
2002-03	1,601,368,138		69,063,211	-4.3%
2003-04	1,577,561,963		95,032,523	-6.02%
2004-05	1,587,505,777		144,948,805	-9.78
2005-06 (est)	1,482,251,538		62,839,031	-4.24
2006-07 (bud)	1,435,123,539			N/A

**General Fund and General Grants
Statement of Revenue, Expenditures and Changes in Fund Balance**

	2006-07	2005-06	2004-05
	Recommended	Estimate (144,948,805)	Budget
Fund Balance at Beginning of Year			Unaudited 69,216,269
Revenues:			
Taxes, Assessment, Interest and Penalties.....	688,146,903	678,179,342	688,172,282
Licenses, Permits, and Inspection Charges.....	9,275,708	8,750,973	15,361,973
Shared Taxes.....	283,938,683	283,034,568	284,860,783
Grants.....	0	903,200	903,200
Sales and Charges for Services.....	256,165,189	177,932,859	193,900,779
Ordinance Fines.....	29,496,400	28,055,135	28,055,135
Revenues from Use of Assets.....	44,600,355	69,323,703	55,117,893
Other Revenues.....	98,745,833	74,920,112	79,233,010
Total Revenues.....	1,410,369,071	1,321,099,892	1,345,605,055
Other Financing Sources:			
Proceeds from Bonds, Notes, and Loans-Net.....	11,700,000	38,728,591	38,728,591
Transfers:			
Special Revenue Fund.....	13,054,465	7,335,980	16,055,980
Capital Projects Fund.....	--	--	0
Trust and Agency Funds.....	--	--	0
Premium on Capital Related Debt			
Proceeds of Capital Leases.....	--	--	5,974,832
Budget Stabilization Reserve.....	--	--	315,351
Component Units.....	--	--	--
Total Other Financing Sources.....	24,754,465	54,784,571	54,784,571
Total Revenues and Other Financing Sources.....	1,435,123,536	1,375,884,463	1,400,389,626
Expenditures:			
Public Protection:			
Consumer Affairs.....	0	965,001	1,054,989
Fire.....	170,788,522	161,203,697	162,345,017
Human Rights.....	865,259	833,985	810,722
Ombudsman.....	961,559	800,811	818,870
Parking Enforcement.....	9,323,596	9,000,557	9,456,557
Police.....	392,766,308	336,611,486	336,175,274
36th District Court.....	42,499,612	47,226,308	42,958,202
Office of Homeland Security.....	431,279	36,107	0
Total Public Protection.....	617,656,135	556,677,952	553,619,631
Department of Health and Wellness Promotion.....	26,212,377	30,692,684	30,692,684
Recreation and Culture:			
Arts.....	--	--	0
Department of Culture, Arts and Tourism.....	--	0	0
Historical.....	0	1,351,688	2,012,819
Recreation.....	18,388,272	34,275,822	32,740,758
Senior Citizens.....	--	442,657	1,064,049
Zoological Park.....	0	8,750,584	11,250,584
Total Recreation and Culture.....	18,388,272	44,820,751	47,068,210
Economic Development-Civic Center.....	11,457,565	23,231,210	19,879,775
Housing Supply and Conditions:			
Economic Development.....	7,010,429	7,384,080	7,490,300
Total Housing Supply and Conditions.....	7,010,429	7,384,080	7,490,300
Physical Environment			
Environmental Affairs.....	3,882,022	1,882,866	1,951,726
Public Lighting.....	66,844,219	72,827,821	67,976,929
Public Works.....	112,789,547	134,910,848	125,372,589
Total Physical Environment.....	183,515,788	209,621,535	195,301,244
Total Expenditures.....	1,435,123,536	1,375,884,463	1,400,389,626
Change in Fund Balance.....	0	0	0
Fund Balance at End of Year.....	69,216,269	69,216,269	69,216,269

**General Fund and General Grants
Statement of Revenue, Expenditures and Changes in Fund Balance**

	2006-07	2005-06	2005-06	2004-05
	Recommended	Estimate	Budget	Unaudited
Development and Management:				
Auditor General.....	2,642,365	1,903,861	2,357,775	2,669,338
Budget.....	2,745,106	2,570,860	2,684,088	3,084,852
City Clerk.....	3,390,726	3,789,948	3,676,246	3,768,505
City Council.....	12,075,359	11,562,469	12,631,485	14,436,020
Election Commission.....	7,725,372	9,034,656	9,849,011	10,520,308
Finance.....	33,570,694	29,623,210	34,408,489	40,502,075
Law.....	21,992,742	19,495,737	18,226,547	28,557,208
Mayor's Office.....	8,980,492	6,148,819	6,364,189	9,645,453
Human Resources.....	21,369,089	19,687,740	22,510,186	25,903,331
Information Technology Services.....	21,102,650	23,049,275	23,900,357	24,294,443
Communication Department.....	0	0	0	2,430,740
Zoning Appeals Board.....	841,653	724,682	706,709	844,025
Department of Administrative Hearings.....	2,233,976	2,144,128	2,535,851	798,643
General Services Department.....	58,349,018	--	--	--
Non Departmental.....	173,583,563	189,455,332	216,364,692	12,600,080
Total Development and Management.....	370,602,805	319,190,717	356,215,625	180,055,021
Capital Outlay				124,644,362
Debt Service:				
Interest				
Bond Issuance Costs				
Total Expenditures.....	1,234,823,371	1,191,618,929	1,210,267,469	1,482,250,414
Other Financing Uses - Transfers				
Other Funds:				
Major Street Fund.....	--	--	--	--
Community Development Block Grant Fund.....	--	--	--	461,106
Construction Code Fund.....	--	--	--	132,618
Detroit Building Authority.....	--	--	--	5,559,609
Human Services Fund.....	250,000	0	0	1,124
Federal Employment and Training Funds.....	2,000	2,000	2,000	--
Capital Projects Fund.....	--	--	--	--
General Debt Service Fund.....	0	0	0	38,830,859
Airport Fund.....	0	0	0	2,568,402
Urban Renewal Fund.....	--	--	--	--
Transportation Fund.....	12,061,609	11,318,367	11,318,367	77,441,898
Trust and Agency Funds.....	--	--	--	--
Housing.....	74,298,997	63,509,971	63,509,971	--
Targeted Business Development				2,500,000
Components Units.....	25,572,270	27,325,422	27,325,422	--
Payment to Refunded Debt Escrow				4,213,845
Total Other Financing Uses.....	112,184,876	102,155,760	102,155,760	131,709,461
Total Expenditures and Other Financing Uses	1,347,008,247	1,293,774,689	1,312,423,229	1,613,959,875
Excess (Deficiency) of Revenues and Other Financing				
Sources Over/(Under) Expenditures and Other				
Financing Uses.....		82,109,774		(135,001,731)
Cumulative Effect of Change in Accounting Principle.....	--	--	--	38,250,000
Net Change in Fund Balance.....	--	--	--	(87,433,342)
Increase in Inventories.....	--	--	--	6,878,030
Fund Balance at End of Year.....	0	(62,839,031)	0	(108,090,774)

Source: Comprehensive Annual Financial Report, Budget

Note: See the Surplus/Deficit Schedule and Budget Fund History for more information on General Fund Balance History and Budget Stabilization Fund History.

**CITY OF DETROIT
PERSONAL SERVICES
COMPARISON OF 2005-06 BUDGET TO 2006-07 RECOMMENDED BUDGET**

	2004-05 Actual	2005-06 Budget	2006-07 Recom Positions			05-06 to 06-07 INCREASE (DECREASE)
			CITY	GRANT	TOTAL	
<u>GENERAL CITY AGENCIES</u>						
<u>EXECUTIVE AGENCIES</u>						
12 Budget	29	27	23		23	(4)
14 Civic Center	70	83	32		32	(51)
15 Communications and Creative Services	20	0	0		0	0
16 Consumer Affairs	16	15	0		0	(15)
17 Cultural Affairs	9	0	0		0	0
19 Department of Public Works	1,260	988	375	310	685	(303)
21 Detroit Workforce Development Department	76	95	0	95	95	0
22 Environmental Affairs	23	22	47	0	47	25
23 Finance	399	394	329	0	329	(65)
24 Fire-Civilian	419	442	363	0	363	(79)
Fire-Uniformed	1,232	1,059	1,170	0	1,170	111
Fire-Total	1,651	1,501	1,533	0	1,533	32
25 Dept of Health and Wellness Promotion	503	531	274	127	401	(130)
26 Historical	21	19	0		0	(19)
28 Human Resources	310	317	261		261	(56)
29 Human Rights	19	8	7		7	(11)
30 Department of Human Services	147	138	0	137	137	(1)
31 Information Technology Services	114	146	123		123	(23)
32 Law	176	146	139		139	(7)
33 Mayor's Office	94	69	70		70	1
36 Planning and Development Department	231	233	31	153	184	(49)
37 Police-Civilian	485	427	378	11	389	(38)
Police-Uniformed	3,584	3,449	3,216	36	3,252	(197)
Police-Total	4,069	3,876	3,594	47	3,641	(235)
38 Public Lighting	235	244	227	0	227	(17)
39 Recreation	1,107	491	200	2	202	(289)
40 Senior Citizens	8	9	0	0	0	(9)
44 Zoological Institute	155	153	0	0	0	(153)
45 Department of Administrative Hearings	4	6	6	0	6	0
46 Detroit Office of Homeland Security	6	0	4	0	4	4
47 General Services Department	0	0	629		629	629
<u>LEGISLATIVE AGENCIES</u>						
50 Auditor General	16	23	21	0	21	(2)
51 Zoning	9	13	6	0	6	(7)
52 City Council	92	104	82	0	82	(22)
53 Ombudsperson	9	6	7	0	7	1
70 City Clerk	27	29	25	0	25	(4)
71 Election Commission	100	89	66	0	66	(23)
<u>JUDICIAL AGENCY</u>						
60 36th District Court	461	397	392	0	392	(5)
<u>OTHER AGENCIES</u>						
35 Non-Departmental	47	31	59	0	59	28
TOTAL GENERAL CITY AGENCIES	11,513	10,203	8,562	871	9,433	(770)
<u>ENTERPRISE AGENCIES</u>						
10 Airport	22	5	8	0	8	3
13 Buildings and Safety Engineering	302	322	300	31	331	9
20 Department of Transportation	1,570	1,534	1,534	0	1,534	0
34 Municipal Parking	111	117	117	0	117	0
41 D.W.S.D. - Water Supply	1,589	1,916	1,900	0	1,900	(16)
42 D.W.S.D. - Sewerage Disposal	923	1,189	1,176	0	1,176	(13)
72 Library	462	465	465	0	465	0
TOTAL ENTERPRISE AGENCIES	4,979	5,548	5,500	31	5,531	(17)
GRAND TOTAL	16,492	15,751	14,062	902	14,964	(787)

**SUMMARY – ALL FUNDS
PERSONAL SERVICES**

There are 787 fewer positions in the 2006-07 Recommended Budget than the 2005-06 Budget. In general filled positions and some vacant positions were deleted due to fiscal constraints. The major changes are:

Airport – 3 FTE

- ❖ Airport Operations increased by three (3).

Budget – (4) FTE

- ❖ Budget Operations was reduced by four (4).

Auditor General – (2) FTE

- ❖ Auditing Operations was reduced by two (2).

Buildings and Safety Engineering – 9 FTE

- ❖ A net increase of ten (10) positions recommended for Consumer Affairs personnel for the business license function.
- ❖ One (1) position was transferred to Computer Operations of the ITS Department.

City Clerk – (4) FTE

- ❖ Office of the City Clerk was reduced by two (2).
- ❖ City Council Support Staff was reduced by two (2).

City Council – (22) FTE

- ❖ Research and Analysis was reduced by six (6).
- ❖ Administration was reduced by one (1).
- ❖ City Planning Commission was reduced by three (3).
- ❖ City Council President Office was reduced by four (4).
- ❖ Each City Council Members Office was reduced by one, a total of eight (8).

Civic Center – (51) FTE

- ❖ Thirty-one (31) positions were eliminated from various divisions.

- ❖ A total of twenty (20) positions were transferred to the General Services Department.

Consumer Affairs – (15) FTE

All positions were transferred to other agencies.

- ❖ Consumer Advocacy three (3) positions to Senior Citizens Advocacy, which has been merged with the Recreation Department.
- ❖ Licenses & Permits ten (10) positions to Buildings and Safety Engineering.
- ❖ Weights & Measures two (2) positions to the Police Department Vehicle Management Division.

Department of Health and Wellness Promotion – (130) FTE

- ❖ A total of one hundred twenty-four (124) City positions were eliminated within various divisions.
- ❖ Six (6) Grant positions were eliminated.

Detroit Office of Homeland Security - 4 FTE

- ❖ Four (4) positions are included in the budget, as this Department is restored.

Department of Public Works - (303) FTE

- ❖ Two hundred fifty-three (253) positions were transferred to the General Services Department. A net of an additional fifty (50) positions were deleted in various divisions in the agency.

DWSD – Water System – (16) FTE

- ❖ Reduced Engineering Division total positions by nineteen (19).
- ❖ Eliminated two (2) positions in Southwest Plant Operations and added one (1).
- ❖ Three (3) were transferred from Sewerage.

**SUMMARY – ALL FUNDS
PERSONAL SERVICES**

- ❖ One (1) position was added in Administration.
- DWSD – Sewerage Disposal – (13) FTE**
- ❖ Reduced Engineering Division total positions by eleven (11).
- ❖ Three (3) positions were transferred to Water.
- ❖ One (1) position added to Office of Program Management Assistance.
- Planning and Development – (49) FTE**
- ❖ Seven (7) General Fund positions reduced.
- ❖ Forty-two (42) Grant positions were reduced.
- Elections – (23) FTE**
- ❖ Administration was reduced by three (3).
- ❖ Computer Systems Support was reduced by seven (7), one deleted and six (6) were transferred to ITS Department.
- ❖ Registration was reduced by nine (9).
- ❖ Technical Service Equipment and Supply was reduced by four (4).
- Environmental Affairs – 25 FTE**
- ❖ Twenty-four (24) were transferred from the Department of Health and Wellness Promotion Rodent Impact Program.
- ❖ One (1) position was transferred from DPW.
- Finance – (65) FTE**
- ❖ A total of seventy-six (76) positions were deleted in various divisions. Five (5) positions were added to Income Tax and six (6) were added to Treasury.
- Fire – 32 FTE**
- ❖ Budgeted uniform positions have increased by one hundred and eleven (111). This increase is offset by the reduction of seventy-nine (79) civilian positions.
- ❖ Forty-four (44) of the civilian positions were transferred to the General Services Department.
- General Services – 629 FTE**
- ❖ Six hundred twenty-nine (629) positions were transferred from various agencies throughout the City for the centralization of facilities and grounds, skilled trades and vehicle management, security and inventory management functions.
- Historical – (19) FTE**
- ❖ Department eliminated.
- Human Services – (1) FTE**
- ❖ A net decrease of one (1) position.
- Human Resources – (56) FTE**
- ❖ A total of fifty-nine (59) positions were reduced. Twenty-three (23) in the Apprenticeship Training Program. Thirty-six (36) positions were reduced in other divisions.
- ❖ Two (2) positions were added in Employment Services and one (1) in Employee Services.
- Human Rights– (1) FTE**
- ❖ Reduced by one (1).
- Information Technology Services – (23) FTE**
- ❖ Twenty (20) positions were transferred from various departments for ITS consolidation. Four (4) were added in Public Safety. Three (3) were added in Publishing Services. These additional positions were offset by a reduction of fifty (50) positions.
- Law – (7) FTE**
- ❖ Five (5) positions were added in Administration. One (1) position was transferred to ITS consolidation. Eleven (11) positions were deleted.

**SUMMARY – ALL FUNDS
PERSONAL SERVICES**

- ❖ Seven (7) positions were transferred from the Senior Citizens Department. Four (4) positions were added to recreation Operations.

Senior Citizens – (9) FTE

- ❖ Seven (7) positions were transferred to the Recreation Department and two (2) were deleted.

Zoning – (7) FTE

- ❖ Seven (7) positions were reduced.

Zoological – (153) FTE

- ❖ All positions formerly in Zoo have been eliminated.

36th District Court – (5) FTE

- ❖ Five (5) positions were reduced in District Court Operations.

Public Lighting – (17) FTE

- ❖ Ten (10) positions were transferred to General Services Department.
- ❖ Three (3) positions were added. Two (2) in Electrical System Control and One (1) in Administration.
- ❖ Positions were reduced in Electrical System Control, Testing and Instrument Maintenance and Claims Office for a total of three (3). Seven (7) positions were eliminated.

Mayor's Office – 1 FTE

- ❖ A net of one (1) position added to Neighborhood City Halls.

Non-Departmental – 28 FTE

- ❖ Twenty-five (25) positions were transferred from DPW 311 Call Center.
- ❖ Board of Ethics two (2) positions were restored.
- ❖ Two (2) positions were added to Program Management offset by one (1) position was reduced in the Cable Commission Office.

Ombudsperson – (1) FTE

- ❖ An additional Assistant Ombudsperson was

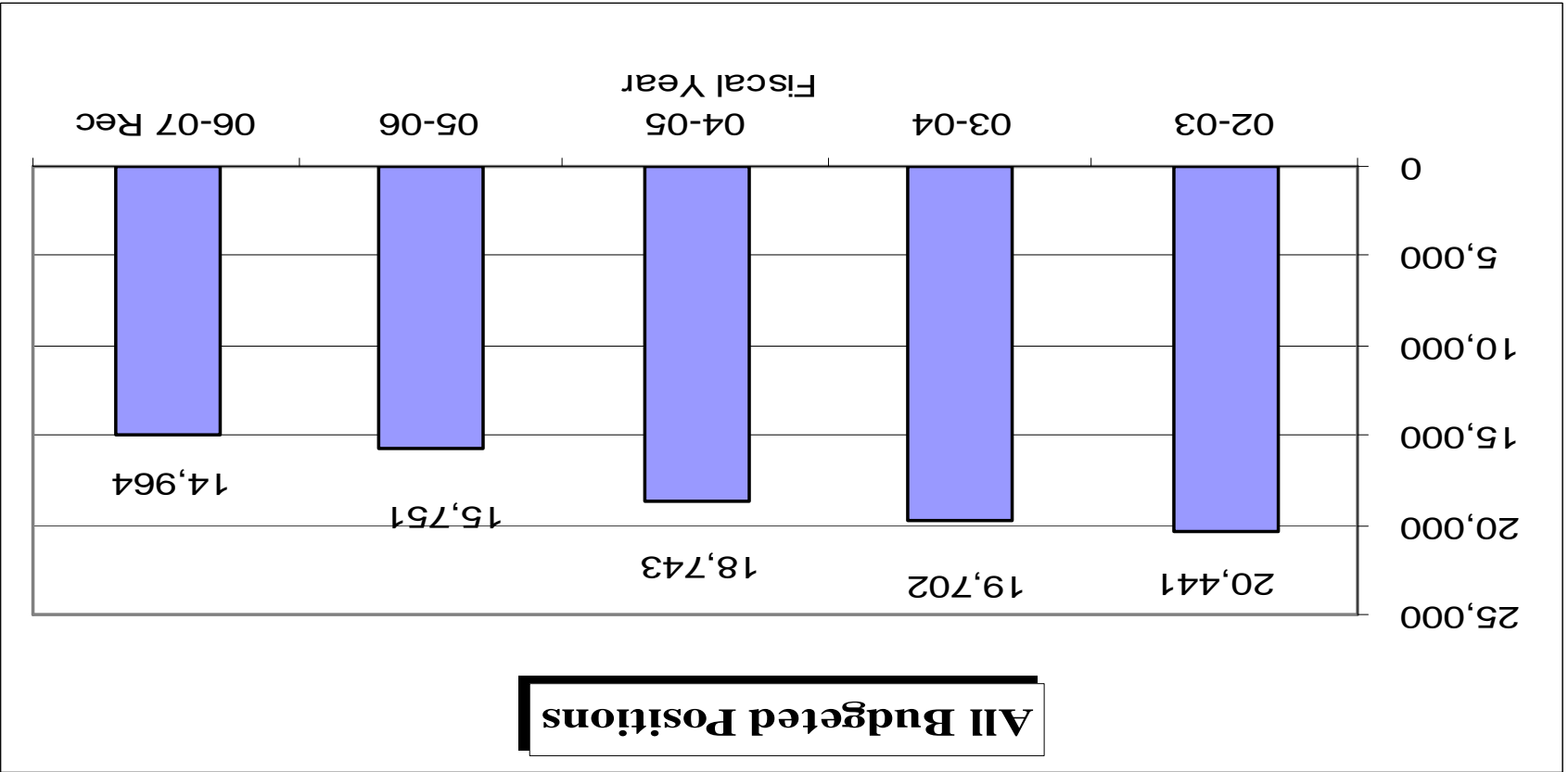
Police – (235) FTE

- ❖ Two hundred thirty five (235) positions were deleted from various divisions in the agency. This includes one hundred ninety seven (197) uniform positions and thirty-eight (38) civilian positions.
- ❖ Thirty (30) of the civilian positions were transferred to the General Services Department.

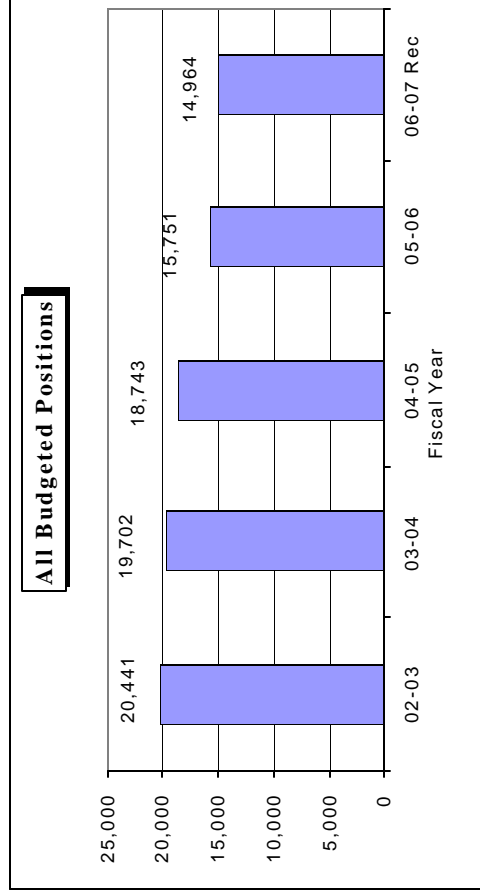
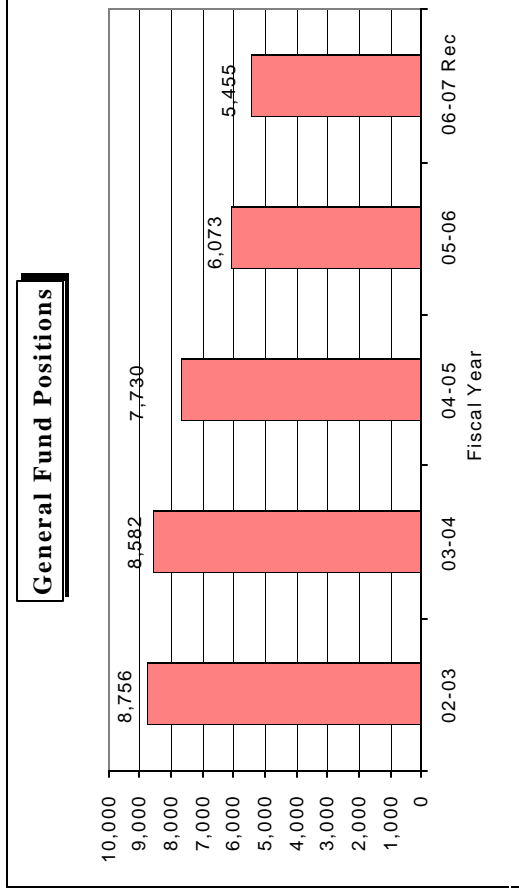
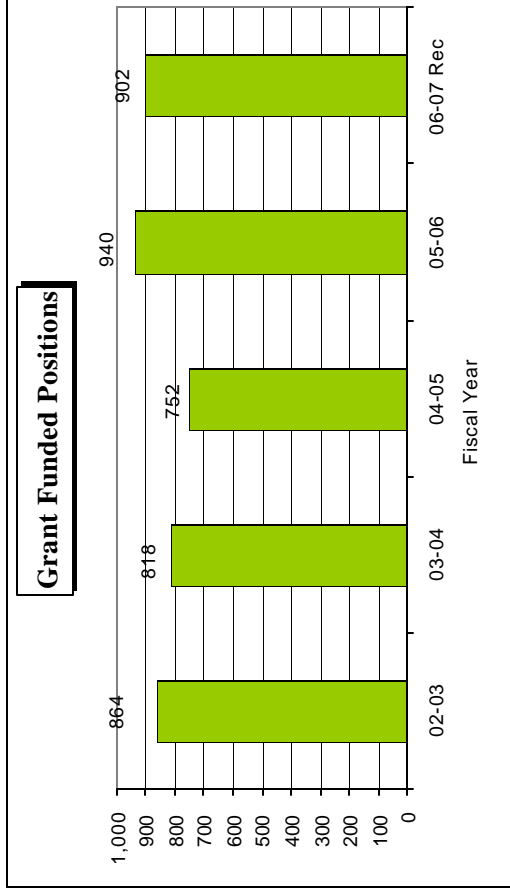
Recreation – (289) FTE

- ❖ Three hundred (300) positions were transferred to the General Services Department.

**City of Detroit
Total Number of Budgeted Positions**



**CITY OF DETROIT
HISTORY OF BUDGETED POSITIONS**



CITY OF DETROIT
General Fund Revenue History

	2006-07 Recommended	2005-06 Budget	2004-05 Budget	2003-04 Budget
GENERAL CITY AGENCIES				
EXECUTIVE AGENCIES				
11 Arts.....	\$.....	\$.....	\$.....	\$.....
12 Budget.....	-	-	-	-
14 Civic Center.....	8,011,607	8,503,809	9,217,661	9,059,659
15 Communication and Creative Services.....	-	-	220,821	-
16 Consumer Affairs.....	-	1,675,000	890,124	1,706,180
17 Department of Culture, Arts and Tourism.....	-	-	1,040,653	818,700
19 Department of Public Works.....	82,690,462	22,342,966	44,601,990	41,895,521
21 Detroit Workforce Development Department.....	-	-	-	-
22 Environmental Affairs.....	4,234,400	3,285,136	3,442,453	2,885,517
23 Finance.....	7,028,996	7,488,059	8,232,610	7,840,913
24 Fire.....	17,370,535	17,718,064	13,271,720	9,858,223
25 Department of Health and Wellness Promotion.....	12,687,502	15,435,368	17,679,491	13,060,383
26 Historical.....	-	423,984	414,134	607,265
28 Human Resources.....	11,151,042	12,311,588	14,803,856	12,488,589
29 Human Rights.....	-	-	61,200	61,200
30 Human Services.....	-	300,000	300,000	-
31 Information Technology Services.....	1,463,734	1,506,201	747,305	3,069,747
32 Law.....	3,149,357	3,114,357	3,114,357	3,588,689
33 Mayor's Office.....	-	-	-	-
36 Planning & Development.....	30,558,330	41,299,315	34,516,582	14,299,041
37 Police.....	68,922,178	66,133,554	72,713,106	76,755,158
38 Public Lighting.....	51,931,116	50,938,116	54,958,300	53,919,200
39 Recreation.....	2,989,829	3,171,044	2,957,602	2,774,333
40 Senior Citizens.....	-	200,000	200,000	200,000
43 Youth.....	-	-	-	-
44 Zoological Institute.....	-	11,250,584	9,666,530	9,294,047
45 Department of Administrative Hearings.....	1,115,941	1,644,000	579,190	-
46 Office of Homeland Security.....	45,000	-	-	-
47 General Services Department.....	5,945,281	-	-	-
LEGISLATIVE AGENCIES				
50 Auditor General.....	250,000	173,000	240,000	200,000
51 Board of Zoning Appeals.....	105,000	171,500	120,000	120,000
52 City Council.....	-	-	2,175	2,175
53 Ombudsman.....	-	-	-	-
70 City Clerk.....	-	-	-	-
71 Election Commission.....	5,000	3,000	3,000	1,131,660
JUDICIAL AGENCY				
60 36th District Court.....	24,155,602	23,353,304	21,752,339	19,488,516
OTHER AGENCIES				
35 Non-Departmental.....	1,087,212,627	1,095,107,674	1,259,498,578	1,200,977,075
TOTAL GENERAL CITY AGENCIES.....	1,421,023,539	1,387,249,623	1,575,245,777	1,486,101,791
18 Debt Service Fund.....	-	-	-	-
ENTERPRISE AGENCIES				
10 Airport.....	-	-	-	-
27 Housing.....	-	-	-	-
20 Department of Transportation.....	-	-	-	-
34 Municipal Parking.....	14,100,000	13,140,000	12,260,000	11,700,000
41 D.W.S.D.- Water Supply.....	-	-	-	-
42 D.W.S.D.- Sewage Disposal.....	-	-	-	-
72 Library.....	-	-	-	-
TOTAL ENTERPRISE AGENCIES.....	14,100,000	13,140,000	12,260,000	11,700,000
TOTAL TRANSFERS.....	-	-	-	-
GRAND TOTAL.....	\$1,435,123,539	\$1,400,389,623	\$1,587,505,777	\$1,497,801,791

Sources: Comprehensive Annual Financial Report, Redbook

**SUMMARY – ALL FUNDS
REVENUES BY MAJOR CLASSIFICATION**

TAXES, ASSESSMENT AND INTEREST

2005-06 Budget	2006-07 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$832,519,710	\$870,309,195	\$37,789,485	4.54%

This classification contains Real and Personal Property Tax, Municipal Income Tax, Utility Users Tax, Special Assessments, Industrial Facilities Tax and other Miscellaneous Taxes.

from (3% to 2%) and for non-residents (from 1.5% to 1%). In December 2003, December 2004, and December 2005, the City applied for and received from the State Board of Administration a suspension of its income tax rate reduction. This is permitted under PA 500 of 1998 if 3 of 4 conditions are met. The suspension remains in effect for 1 year, currently until July 1, 2007. The income tax rates currently in effect for residents are 2.5% (non-residents 1.25%). In conjunction with the resident/non-resident income tax rate reduction, the City has implemented a phase out of the corporate income tax over the same time frame. This tax rate is currently at 1.0%. Beginning with the FY 2006 budget the personal exemption amount was lowered from \$750 to \$600. This action is estimated to generate \$2.5 million in revenues.

Municipal Income Tax - The 2006-07 budgeted projection is \$271.4 million, \$2.1 million decrease from current budget. This recommendation is based on actual collections and growth rates of:

Fiscal Year	Collections (in millions)	% inc/dec
94-95	312.7	
95-96	335.8	7.4%
96-97	332.9	-0.9%
97-98	361.6	8.6%
98-99	370.4	2.4%
99-00	378.3	2.1%
00-01	341.0	-9.9%
01-02	323.5	-4.1%
02-03	310.9	-3.9%
03-04	290.3	-6.6%
04-05	282.5	-5.1%
05-06 (est)	273.5	-3.19%
06-07 (bud)	271.4	N/A

Property Tax - The Recommended current year property tax collections for FY 2006-07 is \$17 million lower than the current budget. Proposed for the FY 2006-07 budget is the elimination of the garbage mills of 2.9928, to be replaced with a fee for service. The following factors have the largest influence on this account:

- o Taxable Valuation Estimates for FY 2006-07 have increased by 3.8% on the ad valorem roll and increased by .6% when the special acts tax rolls, which includes industrial facilities and neighborhood enterprise zone are included.

Methods included in analyzing this account include the input of two local economists Dana Johnson (Chief Economist, COMERICA) and David Sowerby (VP, Chief Market Analyst, LOOMIS SAYLES).

P.A. 500 of 1998 provides for the reduction of income tax rates in the City of Detroit over a 10 year period (7/1/99-7/1/08) for residents

**SUMMARY – ALL FUNDS
REVENUES BY MAJOR CLASSIFICATION**

- o The recommended collection factor for FY 2006-07 remains at 95%, which reflects the transfer of current year delinquent real property taxes to Wayne County for collection after March 1st of the fiscal year. The City receives payment in advance for the delinquent property transferred to Wayne County from the revolving fund.
- o The following is a history of general fund property tax collections:

(in millions)

FY	Curr Yr Coll	Delinq Coll	Total Coll	% Inc/ (Dec)
95	119.3	8.6	127.9	
96	121.7	8.6	130.3	1.8%
97	128.2	10.2	138.4	6.2%
98	132.8	11.2	144.0	4.0%
99	135.6	9.8	145.4	0.9%
00	143.7	12.0	155.7	7.0%
01	141.2	11.6	152.8	1.9%
02	151.6	18.1	169.7	11.2%
03	153.3	12.9	166.2	(2.1)%
04	171.8	12.9	184.8	11.2%
05	178.0	3.5	181.5	(1.8%)
06(e)	182.9	2.2	185.1	(2.0%)
07(b)	166.0	2.8	168.8	N/A

Note: Fiscal Year 2003-04 through 2005-06 includes delinquent tax collections from Wayne County and from professional collectors.

Prior Years Real Property Tax – The Recommended Budget includes \$2.0 million, the same as the previous year. Effective March 2004, the County began collecting delinquent real property tax for the City.

Prior Years Personal Property Tax – The Recommended Budget includes \$.8 million for collection of personal property tax. This is an increase of \$.6 million. The Assessor’s Office has completed a personal property audit which should increase taxable valuations in the future.

Utility Users Tax -The Recommended Budget includes \$56.0 million for Utility User’s Tax. The estimate of Utility Users Tax receipts reflect current utility utilization levels and rates. Collection of amounts owed but under dispute was resolved without any gain or loss to the City. The Utility Users Tax Act permits a city with a population over 750,000 to impose a tax on public utility usage at a rate up to 5% of the usage on a monthly basis. The funds collected are restricted to the exclusive use of the hiring and retaining of police officers.

Wagering Taxes - The Recommended Budget includes \$178.2 million, an increase of \$25.3 million for a Gaming Excise Tax and additional revenues collected from licensed Casinos. This is based on 9.9 percent of total wagers less winnings paid daily (adjusted gross receipts). In September 2004, the State imposed an additional 2% on each casino; the current tax is 11.9 percent. On January 1, 2006, the City began receiving an additional 1% of adjusted gross receipts as percentage payment revenue. In addition, the City will receive \$4 million from each casino when the casino reached a target amount of \$400 million in adjusted gross receipts. For FY 2006-07, the budget includes \$8 million of additional revenue, as we estimate 2 of the 3

**SUMMARY – ALL FUNDS
REVENUES BY MAJOR CLASSIFICATION**

casino will reach the target amount during the fiscal year.

Gas and Weight Taxes - The Recommended Budget includes \$64 million, a \$19.5 million increase from current budget. This revenue is from the State for resurfacing of streets. The increase is due to a higher unallocated portion of these funds.

Sidewalk Construction Assessments - The City does not plan a sidewalk assessment program for the 2006-2007 fiscal year.

LICENSES, PERMITS AND INSPECTION CHARGES

2005-06 Budget	2006-07 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$41,140,885	\$36,356,708	(\$4,784,177)	-11.63%

This classification contains various permits and licenses, Safety Inspection Charges and Construction Inspection Charges.

for construction inspection fees, a decrease of \$1.7 million.

Safety Inspection Charges - The Recommended Budget includes \$13.6 million, a decrease of \$5 million. This estimate is based on actual collections and an enhanced computerized billing system. These inspections are performed by Buildings and Safety.

Business Licenses - The Recommendation includes \$2 million for Business Licenses and Permits, a decrease of \$493,100 based on actual collections.

Other Licenses and Permits - \$13.3 million is included in the recommendation, a decrease of \$3.1 million. This includes building trade licenses and permits.

Construction Inspection Charges - The Recommended Budget includes \$3.8 million

FINES, FORFEITS, PENALTIES

2005-06 Budget	2006-07 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$44,120,654	\$38,330,950	(\$5,789,704)	-13.12%

**SUMMARY – ALL FUNDS
REVENUES BY MAJOR CLASSIFICATION**

This classification contains Ordinance, Court and Parking Fines, Property Tax Penalties and various Fines, Forfeits and Penalties.

Other Forfeits and Penalties – The Recommended Budget includes \$ 3.9 million, a decrease of \$1.8 million.

Parking Fines - The Recommended Budget includes \$14.1 million for Parking Violation Fines, an increase of \$1 million.

Property Tax Penalty - The Recommended Budget includes \$2.0 million, a decrease of \$4.6 million for penalty on delinquent property taxes.

Ordinance Fines - The Recommended Budget includes \$10.8 million for ordinance fines collected from Traffic Court, an increase of \$250,000.

Court Fines – The Recommended Budget includes \$1,290,000 for Court Fines.

Other Fines –\$200,000 is collected in Police for fines, a reduction of \$800,000 based on history.

Civil Infraction Fines – The Recommended Budget includes an additional \$473,128 for fines associated with property maintenance and zoning fines.

REVENUE FROM USE OF ASSETS

2005-06 Budget	2006-07 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$72,755,530	\$66,085,052	(\$6,670,478)	-9.17%

This classification contains Earnings on Investments, various Interest Earnings, Building Rentals, Parking Facility Revenue, Marina Rentals, Concessions, Equipment Rentals.

advance during the current year for the Zoo capital projects.

- **Earnings on Investments** - \$29 million is included in the Recommended Budget a decrease of \$2.2 million from current Budget.
- General Fund operations - \$3.2 million, an increase of \$1.45 million.
- General Public Improvements Fund –the Recommended Budget includes no Reinvestment funds. These dollars are specified for capital improvements. Funds of \$3.6 million were authorized in

- Library Fund – The Recommended Budget includes \$71,000, no change from the current year.
- Water and Sewerage Funds – The Recommended Budget includes \$13.5 million, a decrease of \$3.1 million for Sewerage and \$10.3 million, a decrease of \$506,000 for Water.

Parking Facility Revenue - \$15.5 million (a \$1.6 million decrease) is recommended for revenues from parking facilities.

**SUMMARY – ALL FUNDS
REVENUES BY MAJOR CLASSIFICATION**

Rental Public Buildings- The Recommended Budget includes \$2.35 million for rental proceeds of various city facilities, a decrease of \$120,011.

Ticket Service Charge- Joe Louis – The Recommended Budget includes a decrease of \$1.1 million

Misc. Concessions – The Recommended Budget includes \$3.1 million, an increase of \$319,856.

GRANTS, SHARED TAXES AND REVENUES

2005-06 Budget	2006-07 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$541,053,305	\$523,622,123	(\$17,431,182)	-3.22

This classification contains State Shared Taxes, and Miscellaneous Grants.

State Revenue Sharing - P.A. 532 of 1998 was passed which will freeze payments to the City of Detroit (cities in the State of Michigan with a population of over 750,000) at \$333.9 million (of which \$1.9 million will go to the Library) for 8 years from FY 1998-99 through FY 2006-07. This act also stipulates that for fiscal years in which State sales tax collections decrease from the previous fiscal year, the City's payments will also decrease in a like amount.

**History of State Revenue Sharing Collections
General Fund (in millions)**

Fiscal Year	Budget	Collections	% Inc/Dec
88	251.3	247.9	
89	255.1	263.3	6.21%
90	289.2	282.2	7.18%
91	268.6	266.1	-5.71%
92	313.9	279.1	4.89%
93	253.3	256.2	-8.20%
94	281.9	266.4	3.98%
95	280.1	291.2	9.31%
96	303.1	316.1	8.55%
97	332.3	328.5	3.90%
98	333.9	330.1	0.50%
99	335.8	332.0	0.60%
00	332.0	332.7	0.20%
01	332.0	333.3	0.20%
02	332.0	334.3	0.30%
03	332.0	319.7	(4.16%)
04	310.8	286.5	(9.41%)
05	286.1	282.9	(1.20%)
06(est)	283.5	280.8	(0.95%)
07(bud)	282.6	N/A	N/A

State Revenue Sharing Decreases

Date	% Cut	Amount
Dec. 2002	3.5%	\$11.7
Oct. 2003 Reduction - Sale Tax Decline		2.5
Oct. 2003 (Budget)	3.0%	9.6
Dec. 2003	5.2%	19.9
2004 Budget Reductions		1.0
2004 Budget Cut	.7%	1.9
Dec 2004 Reduction		2.2
2005 Reduction		2.7
Total		\$51.5

Since December 2002, the City has experienced several decreases in revenue sharing payments to municipalities amounting to a \$48.8 million reduction. The legislation

**SUMMARY – ALL FUNDS
REVENUES BY MAJOR CLASSIFICATION**

to amend Detroit’s revenue sharing agreement was also enacted December 2002.

Currently under discussion in Lansing is a proposal to increase Revenue Sharing for FY 2006-07 for municipalities. The recommended budget includes Detroit proposed share of the increase of \$2 million.

Grants - The Recommended Budget includes an increase of \$9.9 million for grants.

- o **Community Development Block Grant**
 - The Recommended Budget includes \$43.7 million for CDBG. A decrease of \$3.7 million from current budget. This program is funded by Federal Government Grants under Title I of the Housing and Community Development Act of 1974.

- o **Health Grants** – Included in the recommendation is \$56.3 million for a variety of health grants, an increase of \$147,352

- o **Employment and Training Grants** - The Recommended Budget includes a net decrease of \$3.7 million for a variety of employability skills training grants.

- o **Headstart Program** - The Recommended Budget includes a decrease of \$5.4 million for expansion of Head Start related Programs.

- o **HOME Program** – The Recommended Budget includes \$10.2 million for this program. The HOME program was created under Title II of the National Affordable Housing Act of 1990 in order to expand the supply of decent and affordable housing for low and very low income Americans.

- o **Police Grants** – The Recommended Budget includes funds at the same levels as the previous fiscal year.

SALES AND CHARGES FOR SERVICE

2005-06 Budget	2006-07 Mayor’s Recommendation	Difference Budget to Recom	Percent Change
\$943,446,448	\$1,028,809,442	\$85,362,994	9.05%

This classification contains Hospitals and Clinics revenue, Maintenance and Construction, Electrical, Steam, Utility Revenue, Transportation, Sale of Miscellaneous Supplies, Library Fees, Sewage Disposal, Admission Fees, Recreation Fees, Golf Course, Administration Fees, other Fees, Cultural Reimbursement and other Reimbursements.

Water Rates - This recommendation includes \$296.3 million for the sale of water, an increase of \$8.7 million from current year. This translates into 0.33 percent (on average) increase for city customers and a 4.02 percent increase for wholesale customers. The methodology used to determine water rates has been consistent for the last seventeen years and consists of the following major steps:

SUMMARY – ALL FUNDS REVENUES BY MAJOR CLASSIFICATION

- Determine Revenue Requirements - the amount of money needed to finance the financial plan.
- Project Units of Service. This is a measure of the amount of service provided to each customer or customer class. The units include water volume, water demand during peak periods, distance, elevation; and number and size of meters.
- Determine Unit Costs - the cost for a single unit of each kind of service provided.
- Distribute Costs to Customers.
- Calculate Rates.

Sewage Rates - This recommendation includes \$370.6 million for sewage treatment sales. This is a \$9.6 million increase from current year and a 5.86 percent (on average) increase for city customers and percent increase for wholesale customers. The methodology used to determine sewage rate for customers has been consistent for the last seventeen years. It was developed in conjunction with several rate settlement agreements and consists of the same five steps as the water rate methodology. However there are some differences in the way the steps are accomplished.

- In developing sewer rates there are not eleven cost categories that are common to all customers as there are in water; there is basically only one factor that influences costs for all customers, and that is contributed wastewater volume.
- The approach in developing sewer rates is to identify costs of unique services or facilities with the benefiting customers, and then to

allocate the remaining common costs on the basis of volume.

Transportation Revenue-The Recommended Budget includes \$26.9 million for farebox revenue, an increase of \$5.8 million.

Public Lighting - The Recommended Budget includes \$46.9 million for sale of electricity, This is based on actual collections and a reduction in rate to certain major customers.

Street Fund Reimbursement - The Recommended Budget includes \$13 million for Street Fund Programs, a decrease of \$3.0 million. This is funded by Michigan State Gas and Weight Tax Revenues and other related grants used for the construction and maintenance of major and local streets. The reduction is due to activities being directly charged to the Street Fund.

Personal Services - This category represents reimbursements from other city agencies for services. The Recommended Budget includes \$62 million, an increase of \$2.3 million. The increase is due to increased central staff service reimbursements.

Other Reimbursements - The Recommended Budget reflects a \$255,460 decrease from current budget due to Health grants, reimbursements from Water and reduced 36th District Court reimbursements.

Other Fees – The Recommended Budget includes a decrease of \$108,736 for Other Fees.

**SUMMARY – ALL FUNDS
REVENUES BY MAJOR CLASSIFICATION**

Municipal Service Fee – The Recommended Budget includes \$15.3 million for municipal service fee, an increase of \$50,000. This fee is collected from casino operators for additional costs of the casinos to the city.

Solid Waste Fee – The Recommended Budget includes a proposed fee to generate \$67.2 million for refuse collection that was previously funded with a property tax millage. PA. 127 of 1976 authorized the levying of up to 3 mills for the operation of a garbage

collection and/or disposal system. This millage generated an estimated \$26 million in the current fiscal year, which did not cover all the costs of the City’s refuse collection.

Cultural Reimbursement - These funds are provided by the State for reimbursement of cultural activities within the city. The current recommendation includes no funding for this activity, a reduction of \$600,000 due to the transfer of the Zoo operations to a non-profit entity.

SALES OF ASSETS AND COMPENSATION FOR LOSSES

2005-06 Budget	2006-07 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$68,710,093	\$57,402,375	(\$11,307,718)	-16.46

This classification contains Insurance, compensation for losses, Recoveries, Sales of City Property and Sale of Equipment.

Sales of City Real Property - The Recommended Budget includes \$30.75 million for surplus property sales, a decrease of \$10.25 million from the current year. The recommendation is based on normal yearly sales by Planning and Development plus surplus property. This classification contains

Transfers from other Funds, Miscellaneous contributions and Prior Year Surplus.

Recoveries - The Recommended Budget includes \$26 million for recoveries, a \$650,883 decrease.

Land Contract Principal Foreclosure – The Recommended Budget includes no funding a decrease of \$15,000.

CONTRIBUTION AND TRANSFERS

2005-06 Budget	2006-07 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$185,134,786	\$197,144,627	\$12,009,841	6.49%

**SUMMARY – ALL FUNDS
REVENUES BY MAJOR CLASSIFICATION**

Sale of Equipment – The Recommended budget includes \$660,000 for the sale of surplus equipment, an increase of \$108,165.

General Fund Contributions - The Recommended Budget includes \$96.7 million, a decrease of \$7.1 million.

- o **DOT Subsidy** - The Recommended Budget includes \$76.4 million, a \$7.1 million decrease from current budget, for the operation of the Transportation System and Downtown People Mover.
- o **Airport Subsidy** - The Recommended Budget includes no subsidy for operations at City Airport,
- o **Internal Service Fund** – The Recommended Budget includes \$20.3 million. These funds are used to pay the debt service on limited GO Bonds that financed vehicle purchases. The Recommended Budget also includes \$20 million for the sale of bonds for vehicle purchase.

Transfer from Other Funds – \$20.9 million increase from current budget.

- o **Supplemental Fees GDRRA** - The Recommended Budget includes a \$19.8 million increase from current Budget. The supplemental fees relate to the sales-leaseback transaction involving the sale of the Resource Recovery Facility. The city

sold the facility to private investors on October 23, 1991. As part of the transaction, the city agreed to pay an outside operator of the facility a supplemental fee equal to the amount of the lease payment the outside operator pays to the private investors. As part of the purchase price, the private investors took on a mortgage. The mortgage payment to the city equals the amount of the lease payment, which equals the supplemental fee.

- o **Parking System Operating Advance** - \$12.1 million budgeted in the General Fund. This is a \$743,000 increase from current budget.
- o **Parking Operations and Maintenance** - Advance for Auto Parking System, \$ million budgeted in the Parking Fund. This is a \$1.2 million decrease from current budget.

Grant Contributions - Cash – The Recommended Budget includes \$3.3 million for contributions, a \$1.1 million increase over the current year.

Miscellaneous Contribution – The Recommended Budget includes \$16.4 million, a decrease of \$million.

MISCELLANEOUS

	Difference Budget to Recom	Percent Change
2005-06 Budget \$92,126,870	2006-07 Mayor's Recommendation \$843,780,958	\$751,654,088 815.89%

This classification contains miscellaneous receipts, Project Borrowings and Interagency Receipts.

Miscellaneous Receipts - The Recommended Budget is a \$751.6 million increase from current budget.

**SUMMARY – ALL FUNDS
REVENUES BY MAJOR CLASSIFICATION**

- **Water and Sewerage** - The Recommended Budget includes \$ for Sewerage and \$1.4 million for Water.
- **E911 Surcharge** - The Recommended Budget includes \$ million for 28 cents per month surcharge to phone bills so the City can continue to improve Police 911 and related communication systems.

Project Borrowings – The Recommended Budget includes no funding for project borrowings, a decrease of \$33 million from the current year.

Sale of Bonds - The Recommended Budget is \$835 million, a \$784.1 million increase from the current budget.

- The Recommended Budget includes \$40 million in General Obligation Bond Proceeds. These funds will be used for capital projects in Airport, DIA, the Charles H. Wright Museum of African American History, Health, Historical, Public Lighting, Recreation, Zoo, Police and Fire.
- The Recommended Budget includes funding for Sewerage Revenue Bond Sale of \$375 million.
- The Recommended Budget includes funding for Water Revenue Bond Sale of \$400 million.
- The Recommended Budget includes funding for the sale of limited GO Bonds to finance new vehicle purchases of \$20 million.

CITY OF DETROIT
COMPARATIVE BUDGET SUMMARY - INCOME
2005-06 BUDGET to 2006-07 MAYOR'S RECOMMENDED BUDGET
(in millions of dollars)

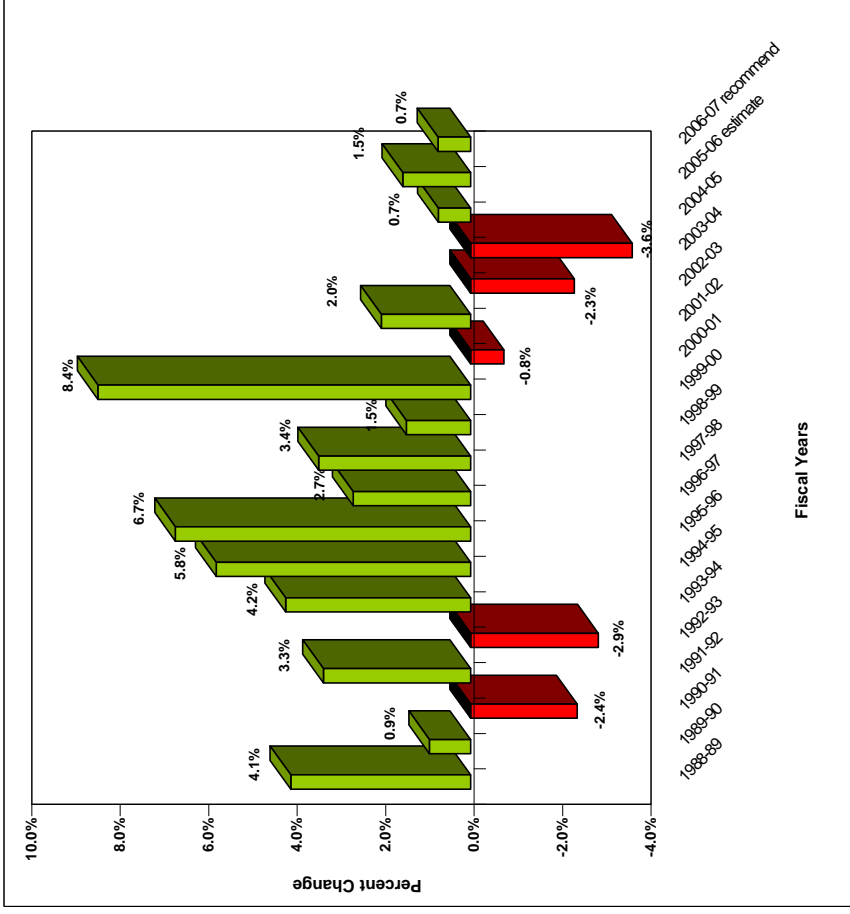
	FY 2005-06 Budget	FY 2006-07 Mayor's Recommendation	Increase (Decrease)
LOCAL SOURCES			
Gross Property Tax (excludes Library).....	\$262.8	\$257.4	(\$5.4)
Less: Estimated Delinquencies	(13.1)	(12.9)	0.2
Less: Adjustments.....	-	(3.70)	(3.7)
Net Property Tax.....	\$249.7	\$240.8	(\$8.9)
Less: Uncollectible Accounts Reserve	-	(3.60)	(3.6)
Delinquent Taxes (includes Interest & Penalty).....	14.4	7.6	(6.8)
Administrative Fees.....	\$7.4	\$7.1	(\$0.3)
Downtown Development Authority.....	1.4	1.4	0.0
Earnings on Investments.....	2.7	4.3	1.6
General Obligation Bond Program.....	50.4	40.0	(10.4)
Inspection Charges and License Fees.....	14.4	9.3	(5.1)
Internal Reserve Fund (Vehicles).....	20.3	40.3	20.0
Limited/Pledged Debt Expense.....	13.6	13.6	0.0
Municipal Income Tax.....	272.6	270.0	(2.6)
Prior Years Municipal Income Tax.....	2.5	1.4	(1.1)
Ordinance Fines.....	19.4	19.3	(0.1)
Parking Fines.....	13.1	14.1	1.0
Risk Management Fund (Workers' Compensation Pass T	18.1	16.4	(1.7)
Sale of Assets.....	40.2	30.0	(10.2)
Sale of Electricity and Steam.....	46.7	46.9	0.2
Sales & Charges for Services.....	105.2	98.6	(6.6)
Solid Waste Fees.....	-	67.2	67.2
Supplemental Fee (GDRRA).....	33.1	52.9	19.8
Utility Users' Excise Tax.....	49.7	56.0	6.3
Municipal Service Fee (Casinos).....	15.3	15.3	0.0
Wagering Tax (Casinos).....	153.0	157.5	4.5
Casino Percentage Payment.....	-	20.8	20.8
Other Revenues.....	99.0	78.4	(20.6)
Enterprise Agencies			
Library Revenues (excluding Federal & State Sources)....	46.7	44.7	(2.0)
Revenue from Operations.....	772.1	783.4	11.3
Revenue Bonds.....	0.0	775.0	775.0
Subsidy from General Fund.....	83.5	76.3	(7.2)
SUB-TOTAL - MAJOR LOCAL REVENUES.....	\$2,144.5	\$2,985.0	\$840.5

CITY OF DETROIT
COMPARATIVE BUDGET SUMMARY - INCOME
2005-06 BUDGET to 2006-07 MAYOR'S RECOMMENDED BUDGET
(in millions of dollars)

FEDERAL SOURCES			
Community Development Block Grant.....	\$47.4	\$43.7	(\$3.7)
Community Service Block Grant.....	7.7	6.9	(0.8)
Crime Bill- Police.....	1.7	1.8	0.1
Department of Energy Weatherization Grant.....	4.1	3.8	(0.3)
Head Start Grant.....	54.9	46.1	(8.8)
Health Grants.....	39.8	38.9	(0.9)
Home Investment Grant.....	11.1	10.2	(0.9)
Work Force Investment Act Grant.....	25.9	21.6	(4.3)
Medicare Reimbursement - EMS.....	3.9	5.3	1.4
Michigan Occupational Skills Training Grant.....	33.2	33.7	0.5
Other Revenues.....	12.6	13.2	0.6
SUB-TOTAL - MAJOR FEDERAL REVENUES.....	\$242.3	\$225.2	(\$17.1)
STATE OF MICHIGAN SOURCES			
Equity Package - Cultural.....	\$0.6	-	(\$0.6)
Equity Package - Police.....	0.1	-	(0.1)
Gas and Weight Taxes.....	52.0	68.4	16.4
Library Community Programs.....	0.8	0.8	0.0
Mass Transportation Funds.....	50.0	51.4	1.4
Medicaid Reimbursements.....	7.1	8.2	1.1
Public Health Programs.....	20.9	21.4	0.5
State Revenue Sharing- General Fund.....	283.5	282.5	(1.0)
State Revenue Sharing - Library.....	1.6	1.6	0.0
Other Revenues.....	17.6	17.3	(0.3)
SUB-TOTAL - MAJOR STATE REVENUES.....	\$434.2	\$451.6	\$17.4
TOTAL REVENUES - ALL SOURCES.....	\$2,821.0	\$3,661.8	\$840.8

CITY OF DETROIT- GENERAL FUND

Percent Change in Major Revenue Sources

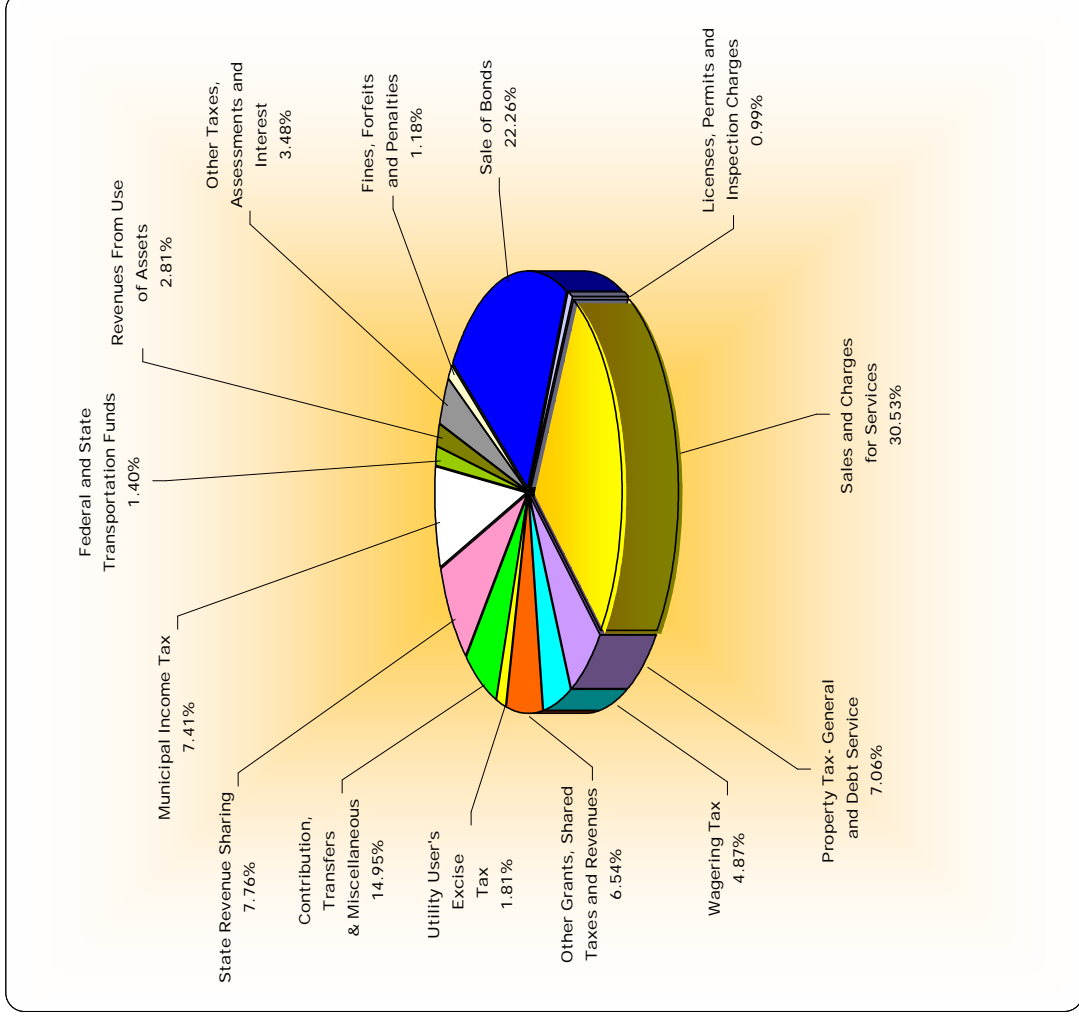


FISCAL YEAR	PROPERTY TAX	INCOME TAX	UTILITY USERS TAX	STATE REVENUE SHARING	CASINO WAGERING TAX	TOTAL	% Change
1988-89	119,876,137	283,749,003	51,228,062	263,336,813		718,190,015	4.1%
1989-90	118,682,602	267,665,618	56,295,133	282,210,803		724,874,156	0.9%
1990-91	119,879,456	273,173,278	48,271,765	265,091,970		707,416,459	-2.4%
1991-92	128,796,462	272,445,477	50,583,264	279,145,924		730,971,127	3.3%
1992-93	125,355,656	279,697,020	48,650,320	256,186,342		709,889,338	-2.9%
1993-94	122,717,732	296,888,378	53,593,661	266,369,531		739,569,302	4.2%
1994-95	128,628,234	312,710,316	49,632,997	291,159,098		782,130,645	5.8%
1995-96	128,617,493	335,755,333	53,906,871	316,055,989		834,335,686	6.7%
1996-97	140,446,673	332,899,906	54,641,394	328,507,496		856,495,469	2.7%
1997-98	144,067,977	361,602,189	50,144,609	330,115,576		885,930,351	3.4%
1998-99	145,459,046	370,417,475	50,924,267	332,003,165		898,803,953	1.5%
1999-00	155,665,928	378,256,650	54,504,747	332,662,624		974,519,810	8.4%
2000-01	152,810,738	341,003,997	54,270,230	333,318,615	\$53,429,861	967,196,754	-0.8%
2001-02	169,675,894	323,515,510	52,105,772	332,000,000	109,461,713	986,758,889	2.0%
2002-03	166,287,590	310,935,044	55,329,177	319,742,078	111,341,292	963,635,181	-2.3%
2003-04	184,765,334	290,614,837	50,473,815	286,479,535	116,145,598	928,479,119	-3.6%
2004-05	178,957,461	282,501,876	52,939,839	282,914,217	137,970,347	935,283,740	0.7%
2005-06 estimate	182,872,137	273,500,000	56,000,000	280,757,695	156,500,000	949,629,832	1.5%
2006-07 recommend	168,457,000	271,405,000	56,000,000	282,559,208	178,250,000	956,671,208	0.7%

Note: Data based on actual collections (audited), except where indicated.

- * Beginning with the 2003 taxes, the City transfers its current year real property delinquent tax roll to Wayne County for collection.
- * In December 2003, December 2004, and most recently December 2005, the City received approval to suspend its income tax rate reduction. The current suspension expires July 1, 2007.
- * FY2002-03 and FY2003-04 Casino Enhancement revenues received were \$55.250 million and \$46.750 million, respectively. The first Casino-MGM opened in July 1999, followed by Motor City in December 1999 and Greektown in November 2000.
- As of September 1, 2004, the State increased the wagering tax for Detroit an additional 2%, to the current rate of 11.9%. As of January 1, 2006, the City began receiving an additional one percent (1% of adjusted gross receipts) payment as provided for in the operating agreements. The City will also receive \$4 million per casino upon the casino reaching \$400 million in adjusted gross receipts.
- * Property Tax revenues are reduced in FY 2007 due to the elimination of the garbage mills (2.9928) to be replaced with a garbage fee.

**CITY OF DETROIT
SUMMARY OF 2006-07 MAYOR'S RECOMMENDED BUDGET
REVENUE SOURCES BY TYPE**



REVENUE SOURCE	AMOUNT
Property Tax- General and Debt Service.....	\$237,310,946
Municipal Income Tax.....	271,405,000
Wagering Tax.....	178,250,000
Utility User's Excise Tax.....	56,000,000
Other Taxes, Assessments and Interest.....	127,343,249
State Revenue Sharing.....	284,159,208
Other Grants, Shared Taxes and Revenues.....	239,462,915
Contribution, Transfers and Miscellaneous.....	225,925,585
Fines, Forfeits and Penalties.....	38,330,950
Federal and State Transportation Funds.....	51,380,216
Revenues From Use of Assets.....	66,085,052
Sale of Bonds (General Obligation Bonds).....	815,000,000
Licenses, Permits and Inspection Charges.....	36,356,708
Sales and Charges for Services.....	1,034,831,601
TOTAL	\$3,661,841,430

SUMMARY - ALL FUNDS CAPITAL FINANCING

Capital Agenda - The City Charter requires the Mayor to submit a proposed capital agenda for the next 5 fiscal years to the City Council on or before December 1 each even numbered year. The capital agenda shall state:

- All physical improvements and related studies and surveys, all property of a permanent nature, and all equipment for any improvement when first erected or acquired, to be financed during the next 5 fiscal years in whole or in part from funds subject to control or appropriation by the city, along with information as to the necessity for these facilities;
- Capital expenditures which are planned for each of the next 5 fiscal years;
- The estimated annual cost of operating the facilities to be constructed or acquired; and
- Other information pertinent to the evaluation of the capital agenda.

For each separate purpose, project, facility, or other property there shall be shown the amount and the source of any money that has been spent or encumbered, or is intended to be spent or encumbered before the beginning of the next fiscal year and also the amount and the source of any money that is intended to be spent during

each of the next five years. This information may be revised and extended each year for capital improvements still pending or in process of construction or acquisition.

The City Council may delete projects from the capital agenda as submitted to it, but it may not otherwise amend the capital agenda until it has requested the recommendations of the Planning Director. The City Council is not bound by those recommendations and may act without them if they are not received within 30 days from the date requested.

The City Council shall publish in 1 or more daily newspapers of general circulation in the city a general summary of the capital agenda and a notice stating the times and places where copies of the proposed capital agenda are available for public inspection and the time and place, not less than 2 weeks after the publication, for a public hearing on the proposed capital agenda.

At the conclusion of its deliberation, but not later than March 1 of the following year, the City Council is required to approve a 5-year capital agenda for the city. If the City Council fails to take action by March 1, the proposed capital agenda is deemed approved.

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

**CITY OF DETROIT
SUMMARY OF CAPITAL IMPROVEMENTS- GENERAL CITY AGENCIES
2006-2007 MAYOR'S RECOMMENDATIONS**

	<u>BOND SALE</u>	<u>CAPITAL REINVESTMENT</u>	<u>STREET FUND</u>	<u>TOTAL</u>
COLEMAN A. YOUNG MUNICIPAL AIRPORT				
Mimitake Land Acquisition	\$ 5,000,000			\$ 5,000,000
ARTS				
DIA Improvements	\$ 150,000	\$ 142,000		\$ 292,000
C.H. WRIGHT MUSEUM OF AFRICAN AMERICAN HISTORY				
Facility Improvements	\$ 1,000,000			\$ 1,000,000
DEPARTMENT OF HEALTH & WELLNESS PROMOTION				
Herman Keifer – Capital Improvements	\$ 1,000,000			\$ 1,000,000
DEPARTMENT OF PUBLIC WORKS				
New Street Construction			\$ 2,900,000	\$ 2,900,000
Highway Bridges			3,162,000	3,162,000
Road and Bridges – City Parks			340,000	340,000
Street Resurfacing – Contractual			3,275,000	3,275,000
Traffic Control Improvements			3,389,822	3,389,822
Traffic Control Improvements State			4,869,874	4,869,874
Traffic Control Roadways – (Fed. Aid)			500,000	500,000
Department Sub-total			<u>\$ 18,436,696</u>	<u>\$ 18,436,696</u>
FIRE				
Fire Training Facility	\$ 1,900,000			\$ 1,900,000
HISTORICAL				
Main Museum – Capital Improvements	\$ 500,000			\$ 500,000
POLICE				
1) Forensic Laboratory	\$ 2,000,000			\$ 2,000,000
2) District, Headquarters, other Facilities	3,000,000			3,000,000
Department Sub-total	<u>\$ 5,000,000</u>			<u>\$ 5,000,000</u>

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

**CITY OF DETROIT
SUMMARY OF CAPITAL IMPROVEMENTS- GENERAL CITY AGENCIES
2006-2007 MAYOR'S RECOMMENDATIONS**

	BOND SALE	REINVESTMENT	CAPITAL STREET FUND	TOTAL
PUBLIC LIGHTING				
Capital Abatement	\$ 1,800,000			\$ 1,800,000
1) Mistersky Unit #7 Control System	1,500,000			1,500,000
2) Mistersky Unit #7 Overhaul	1,800,000			1,800,000
3) Distribution System Improvements	1,000,000			1,000,000
4) Street Lighting Modernizations	1,000,000			1,000,000
5) Electric Service Extensions	500,000			500,000
6) Substation Transformer Replacement	500,000			500,000
7) VAR Compensation Device	4,800,000			4,800,000
Department Sub-total	\$ 12,900,000			\$ 12,900,000
RECREATION				
1) Park Development	\$ 1,500,000			\$ 1,500,000
2) Parks & Landscapes	1,750,000			1,750,000
3) Belle Isle Park Improvement	1,300,000			1,300,000
4) Recreation Facilities Improvements	3,000,000			3,000,000
Department Sub-total	\$ 7,550,000			\$ 7,550,000
ZOO				
Facility Improvements	\$ 5,000,000			\$ 5,000,000
APPROPRIATION TOTALS	\$ 40,000,000	\$ 142,000	\$ 18,436,696	\$ 58,578,696
REVENUES:				
Sale of General Obligation Bonds	\$ 40,000,000			\$ 40,000,000
Street Fund Reimbursement- Gas & Weight		\$ 18,436,696		\$ 18,436,696
Capital Reinvestment		\$ 142,000		\$ 142,000
REVENUES TOTAL	\$ 40,000,000	\$ 142,000	\$ 18,436,696	\$ 58,578,696

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

2006-07 CAPITAL PROJECT INFORMATION AND EFFECT ON OPERATING BUDGET

The following is a description by department of the capital projects included in the 2006-07 Recommended Capital Program. The IMPACT on the budget is denoted by a code as follows:

Impact on Operating Budget:

AF=additional funding required

RF=results in reduction of funding

NOI=no operating IMPACT

Impact on Staff in the Operating Budget:

AS=additional staffing required

RS=results in reduction of staffing

NSI=no staffing IMPACT

COLEMAN A. YOUNG MUNICIPAL AIRPORT

Minitake Land Acquisition– These funds will be used as part of an ongoing project that began in 1995. The Federal Aviation Administration (FAA) funds land acquisition projects at 95%. The remaining 5% will be funded by the City of Detroit. The FAA on a reimbursement basis provides these funds, which may be loaned to the Airport by the General Fund contingent upon FAA reimbursement. IMPACT ON BUDGET: NOI/NSI

ARTS

D.I.A. Improvements - Capital funds will be used to implement projects as outlined in the agency's Master Plan. Funds for FY 2006-07 represent the balance of the remaining voter authorized bonds from the November 2000 election. IMPACT ON BUDGET: NOI/NSI

CHARLES H. WRIGHT MUSEUM OF AFRICAN AMERICAN HISTORY

Facility Improvements – Funding is requested to address residual problems stemming from design flaws and original construction issues. IMPACT ON BUDGET: NOI/NSI

DEPARTMENT OF PUBLIC WORKS

New Construction and Street Resurfacing-Contractual, – This continuing program allocates funds for resurfacing streets and repairing curbs. IMPACT ON BUDGET: RF/NSI

Traffic Control Improvements and Traffic Control Improvements-State and Federal– This continuing program allocates funds for traffic control repair, maintenance and upgrades. IMPACT ON BUDGET: RF/NSI

Highway Bridges and Roads and Bridges-City Parks – Projects included in the State's Transportation Improvement Plan for FY 2005-06. IMPACT ON BUDGET: RF/NSI

FIRE

Fire Training Facility (Detroit) - Funding will be used to develop and construct a Fire Training Facility. IMPACT ON BUDGET: NOI/NSI

HEALTH & WELLNESS PROMOTION

Herman Keifer: Capital Improvements - Capital funds requested for FY2006-07 will be used for ongoing capital improvements at this facility. IMPACT ON BUDGET: NOI/NSI

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

HISTORICAL

Main Museum: Capital Improvements – Funding is requested for needed upgrades to the museum’s security and audio/visual systems, including intercom and access control systems. Funds will also be used to complete energy efficiency related improvements. IMPACT ON BUDGET: NOI/NSI

POLICE

Forensic Laboratory: Funding is requested for a replacement facility that will provide sufficient laboratory space including storage and meet accepted industry standards. IMPACT ON BUDGET: NOI/NSI

District, headquarters, Other Facilities: Funding is requested for capital improvements at the department’s various facilities as part of its on-going capital improvement program and to meet requirements under the DOJ consent decree. IMPACT ON BUDGET: NOI/NSI

PUBLIC LIGHTING DEPARTMENT

Various Projects: Funding is requested to alleviate repair issues at the Mistersky Plant, Unit #7 due to obsolete parts and the need to overhaul the steam turbines. In addition, funding is needed to finance the VARS power capacity and management equipment to be installed at the Mistersky plant. Funding is also requested for the department’s continuing capital improvement projects of distribution system improvements, its’ street lighting modernization program; service extensions; and transformer replacements. The VARS project will save \$8 million in utility costs. IMPACT ON BUDGET: RF/NSI

RECREATION

Park Development - Funding is requested for this continuous capital improvement program which utilizes city employees (General Services Department) to construct and rehabilitate neighborhood parks, playfields, tot-lots and playgrounds. IMPACT ON BUDGET: NOI/NSI
Parks & Landscapes – DRD would like to continue its’ major redevelopment program of completing renovation to five (5) parks and the demolition of unsafe play equipment. IMPACT ON BUDGET: NOI/NSI

Belle Isle Park Improvement – The Master Plan for Belle Isle provides direction for future Belle Isle Park improvements; however, the cost to implement the Master Plan is well in excess of \$200 million. DRD continues to perform on-going improvements to Belle Isle based on priority needs. Projects for FY 2007 include architectural assessment, new comfort station and infrastructure repairs. IMPACT ON BUDGET: NOI/NSI
Recreation Facilities Improvements – Funding will be used for renovations and improvements to the Northwest Activities Center and improvements to the Farwell Center to create a family fun center. IMPACT ON BUDGET: NOI/NSI

ZOO

Facility Improvements – Funding is provided to the Zoo for FY 2006-07 as specified in the operating agreement approved March 1, 2006. The Zoo is also moving forward with its plans for the Belle Isle Nature Zoo. IMPACT ON BUDGET: NOI/NSI

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

General Obligation Bonds (Unlimited Tax Bonds) - In accordance with the State Constitution, unlimited tax general obligation bonds, if issued after December 22, 1978, must be voter approved before issuance. The authority to issue bonds approved by the electors continues until revoked by the electors. General fund departments and certain enterprise funds have traditionally relied on unlimited tax general obligation bonds of the City for capital programs. In accordance with State law, the City is obligated to levy and collect taxes without regard to any constitutional, statutory or Charter tax rate limitations for payment of such obligations. As such, city operations are not affected by the payment of these obligations. The City has followed a policy of scheduling bond referenda to coincide with regularly scheduled elections.

Limited Tax Bonds - The City may issue limited tax general obligation bonds or other obligations without the vote of the electors. However, taxes may not be levied in excess of constitutional, statutory or Charter

limitations for the payment thereof. Such bonds are payable from general non-restricted moneys of the City. Certain of such limited tax obligations are secured with a first lien on specific revenues such as

Distributable Aid or tax increment funds. The City has utilized limited tax obligations to finance such projects as the Central Industrial Park Project (General Motors Plant Project), the Jefferson/Conner Redevelopment Project (Chrysler/Jefferson North Assembly Plant Project), the outstanding debt relating to the Resource Recovery Facility and the Madison Center Courthouse Project. To the extent debt service on this category of obligations is not provided from a special revenue source, the payment is provided from City's General Fund, which reduces the amounts that otherwise would be available to support operations.

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

**Bonds Authorized - Unissued
(in millions)
As of April 1, 2006**

General Obligation Bonds (Tax Supported):	Authority	Date	Authorized Amount	Issued	Remaining Authorization
Sewer Construction*	Electorate	8/2/60	\$50.000	\$26.000	\$24.000
Institute of Arts (PLD) Betterments, Improvements and Extensions	Electorate	11/7/00	25.000	20.150	4.850
Public Lighting – System Improvements	Electorate	11/7/00	30.000	22.065	7.935
Economic Development	Electorate	11/2/04	22.000	0.000	22.000
[Planning, includes Airport]	Electorate	11/7/00	30.000	25.895	4.105
Economic Development [Planning]	Electorate	11/2/04	19.000	0.000	19.000
Cultural Facilities: Recreation, Zoo, Historical, C. Wright MAAH and Eastern Market	Electorate	11/7/00	56.000	36.805	19.195
C. Wright MAAH	Electorate	11/2/04	22.000	0.000	22.000
Historical Museum	Electorate	4/29/03	6.000	5.500	.500
Municipal Facilities: Public Works, Health, DOT and Civic Center	Electorate	11/6/01	20.000	2.800	17.200
Transportation Improvements: DOT, DTC and Airport	Electorate	11/7/00	18.000	12.880	5.120
Public Safety: Police and Fire Facilities	Electorate	11/2/04	32.000	0.000	32.000
Public Safety: Police, Fire and EMS Facilities, Health, Civic Center, DPW, and Recreation	Electorate	11/4/97	15.000	14.375	.6250
	Electorate	11/7/00	12.000	10.500	1.500
	Electorate	11/2/04	120.00	0.000	120.00

TOTALS \$477.000 \$176.970 \$300.03

* Not expected to be issued

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

Revenue Bonds - There are generally no voter approval requirements for the issuance of revenue bonds. The City issues revenue bonds to finance various capital projects for water, sewage, convention facility and parking and to refund such bonds. Generally, additional revenue bonds may be issued for these systems provided certain specific coverage ratios of net revenues to maximum annual debt service are met. Payment of debt service on revenue bonds does not IMPACT general City operations.

amount of general obligation debt (both unlimited tax and limited tax) the City may have outstanding at any time is limited by State law. The limit is set at 10% of the City's State Equalized Valuation (adjusted for certain assessed value equivalents) or 15% if that portion which exceeds 10% is used solely for construction or renovations of hospital facilities. However, certain general obligation debt (such as the Greater Resource Recovery Authority debt) is excluded from the limit. The limit and the outstanding general obligation debt subject to it are shown in the following table:

Legal Debt Margin - The maximum

**LEGAL DEBT MARGIN SUBJECT TO STATE LIMITATION
April 1, 2006**

Assessed Value Fiscal Year 2004-05 (State equalized):	\$12,713,648,477
Add: Allowance under Act 228, Mich. 1975.	718,498,590
Allowance under Act 198, Mich. 1974	361,731,928
Allowance under Act 147, Mich. 1992	26,933,794
Allowance under Act 376, Mich. 1996	86,672,803
General Purpose Limit	
(10% x \$13,907,485,592)	\$13,907,485,592
Less Outstanding Debt:	
General Obligation Bonds	\$543,095,000
Distributable State Aid Bonds	47,295,000
Limited Tax Bonds	140,835,000
Detroit Building Authority (District Court Madison Center Bonds)	<u>10,012,425</u>
General Debt Margin	741,237,425
Additional Hospital Limit	
(5% x \$13,907,485,592)	<u>695,374,280</u>
Total Legal Debt Margin (General and Hospital)	<u>\$1,344,885,414</u>

SOURCE: Finance Department

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

Current bond ratings as of April 1, 2006 on various bonds issued by the City and its related authorities are as follows:

	Moody's Investor Service	Standard & Poors	Fitch Investors Service
General Obligation Bonds (Unlimited Tax)	Baa1	BBB+	A
* General Obligation Bonds (Unlimited Tax)	Aaa	AAA	AAA
General Obligation Bonds (Limited Tax**):			
Self Insurance Bonds	Baa2	BBB+	A
General Obligation Distributable State Aid Bonds	Aaa	AAA	Not Rated
Greater Detroit Resource Recovery Authority:			
Revenue Bonds	Baa1	A	A+
<u>Economic Development Corporation:</u>			
Resource Recovery Revenue Bonds	Aa3	A+	A+
* Resource Recovery Revenue Bonds	Aaa	AAA	AAA
Water System Revenue Bonds (Senior Lien)	A1	A	A+
Water System Revenue Bonds (Second Lien)	A2	A-	A
* Water System Revenue Bonds	Aaa	AAA	AAA
Sewage Disposal System Revenue Bonds (Senior Lien)	A1	A	A+
Sewage Disposal System Revenue Bonds (Second Lien)	A2	A-	A
* Sewage Disposal System Revenue Bonds	Aaa	AAA	AAA
* Detroit Building Authority Parking and Arena System Revenue Bonds	Aaa	AAA	AAA
* Detroit Building Authority (District Court Madison Center)	Not Rated	A	Not Rated
Convention Facility Limited Tax Revenue Bonds - Cobo Center	Not Rated	A	Not Rated
Local Development Finance Authority Tax Increment Bonds (Jefferson/ Conner Project)	A1	Ba1	Not Rated
Downtown Development Authority Tax Increment Bonds	Aaa	A-	A-

Note: * Payment guaranteed by municipal bond insurance policy or letter of credit.

** General Obligation Limited Tax bonds include Stadium, Self-insurance, Fiscal Stabilization and Capital Improvement bonds.

Source: Finance Department

TOTAL OUTSTANDING DEBT SERVICE REQUIREMENT SCHEDULE
As of April 1, 2006

Fiscal Year Ending	Unlimited Tax		Limited Tax		Revenue and Other (1)		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2007	34,330,000	30,535,102	95,007,163	26,805,766	121,812,929	82,689,128	209,255,379
2008	38,230,000	28,804,747	99,970,000	21,842,585	121,812,585	91,045,000	204,087,087
2009	42,515,000	26,851,072	135,380,000	16,159,700	151,539,700	95,680,000	199,743,951
2010	44,825,000	24,676,382	10,593,881	31,015,000	41,608,881	99,840,000	195,906,125
2011	44,345,000	22,459,252	32,365,000	9,231,399	41,596,399	104,130,000	191,460,836
2012	41,920,000	20,331,984	33,850,000	7,789,943	41,639,943	104,316,660	190,904,070
2013	41,350,000	18,226,250	35,360,000	6,220,816	41,580,816	110,735,726	184,441,072
2014	35,130,000	16,109,301	18,420,000	4,533,172	22,953,172	113,807,013	181,052,266
2015	32,700,000	14,305,916	5,695,000	3,667,022	9,362,022	118,509,893	176,388,878
2016	29,435,000	12,614,269	5,925,000	3,408,287	9,333,287	123,677,328	171,818,544
2017	30,950,000	11,088,398	6,195,000	3,135,894	9,330,894	128,460,467	166,929,949
2018	31,370,000	9,523,170	6,475,000	2,835,920	9,310,920	133,783,531	161,717,067
2019	30,960,000	7,888,679	6,800,000	2,522,326	9,322,326	139,014,543	156,663,626
2020	31,830,000	6,313,866	7,130,000	2,192,266	9,322,274	142,954,356	150,548,274
2021	32,700,000	4,695,891	7,865,000	1,847,470	9,712,470	147,100,662	146,103,923
2022	24,400,000	3,047,191	6,570,000	1,445,873	8,015,873	161,290,000	132,336,836
2023	16,570,000	1,743,073	6,840,000	1,109,018	7,949,018	169,150,000	125,418,801
2024	12,675,000	897,835	7,210,000	758,318	7,968,318	175,790,000	118,232,148
2025	5,000,000	250,000	7,580,000	388,645	7,968,645	183,680,000	109,908,355
2026						192,950,000	101,826,120
2027						201,980,000	92,316,815
2028						211,765,000	82,631,204
2029						222,240,000	72,311,886
2030						230,425,000	62,469,443
2031						239,630,000	52,667,436
2032						249,885,000	41,625,607
2033						260,920,000	31,632,074
2034						206,495,000	20,516,180
2035						206,495,000	20,516,180
2036						216,820,000	10,353,970

Note: Totals may not add due to rounding.
 (1) Includes debt service for the Water and Sewerage Systems and for the Detroit Building Authority (Parking System) which is paid from revenues of the individual systems.
 Of the total Revenue and Other Debt Service Requirement Water and Sewerage accounted for approximately 87%.

\$ 601,235,000 \$ 260,362,378 \$ 861,597,378 \$ 555,652,163 \$ 126,488,961 \$ 682,141,124 \$ 4,658,764,307 \$ 3,741,268,029 \$ 8,400,032,336 \$ 9,943,770,836

**City of Detroit
Total Outstanding Debt Service Requirement by Fund
As of April 1, 2006**

Funds:	<u>PRINCIPAL</u>							Total Principal
	Fiscal Year	General Fund (Unlimited)	General Fund (Limited)	Water	Sewage	Parking	Block Grant	
2007	34,330,000	95,007,163	27,970,000	53,109,128	1,610,000	1,333,000	212,026,291	
2008	38,230,000	99,970,000	33,070,000	56,305,000	1,670,000	1,396,000	230,641,000	
2009	42,515,000	135,380,000	34,655,000	59,195,000	1,830,000	1,742,000	275,317,000	
2010	44,825,000	31,015,000	36,320,000	61,630,000	1,890,000	1,763,000	176,305,000	
2011	44,345,000	32,365,000	38,290,000	63,890,000	1,950,000	665,000	181,505,000	
2012	41,920,000	33,850,000	40,375,000	61,821,660	2,120,000	800,000	180,886,660	
2013	41,350,000	35,360,000	42,425,000	66,120,726	2,190,000	5,084,000	192,529,726	
2014	35,130,000	18,420,000	44,345,000	67,097,013	2,365,000	1,380,000	168,737,013	
2015	32,700,000	5,695,000	46,705,000	69,259,893	2,545,000	1,300,000	158,204,893	
2016	29,435,000	5,925,000	49,210,000	71,842,328	2,625,000	1,415,000	160,452,328	
2017	30,950,000	6,195,000	51,505,000	74,140,467	2,815,000	1,110,000	166,715,467	
2018	31,370,000	6,475,000	53,905,000	76,868,531	3,010,000	1,115,000	172,743,531	
2019	30,960,000	6,800,000	56,425,000	79,384,543	3,205,000	1,665,000	178,439,543	
2020	31,830,000	7,130,000	59,030,000	82,724,356	1,200,000	1,360,000	183,274,356	
2021	32,700,000	7,865,000	61,790,000	84,010,662	1,300,000	1,430,000	189,095,662	
2022	24,400,000	6,570,000	64,675,000	95,215,000	1,400,000	1,555,000	193,815,000	
2023	16,570,000	6,840,000	68,010,000	99,640,000	1,500,000	1,820,000	194,380,000	
2024	12,675,000	7,210,000	71,310,000	102,880,000	1,600,000	360,000	196,035,000	
2025	5,000,000	7,580,000	74,870,000	107,010,000	1,800,000	360,000	196,620,000	
2026	-	-	78,500,000	112,550,000	1,900,000	-	192,950,000	
2027	-	-	82,410,000	117,570,000	2,000,000	-	201,980,000	
2028	-	-	86,475,000	123,090,000	2,200,000	-	211,765,000	
2029	-	-	90,645,000	129,195,000	2,400,000	-	222,240,000	
2030	-	-	95,200,000	135,225,000	-	-	230,425,000	
2031	-	-	100,075,000	139,555,000	-	-	239,630,000	
2032	-	-	105,325,000	144,560,000	-	-	249,885,000	
2033	-	-	110,600,000	150,320,000	-	-	260,920,000	
2034	-	-	115,790,000	90,705,000	-	-	206,495,000	
2035	-	-	121,580,000	95,240,000	-	-	216,820,000	
2036	-	-	-	-	-	-	-	
	\$ 601,235,000	\$ 555,652,163	\$ 1,941,485,000	\$ 2,670,154,307	\$ 47,125,000	\$ 26,515,000	\$ 5,840,833,470	

INTEREST

Funds:	<u>INTEREST</u>							Total Interest
	Fiscal Year	General Fund (Unlimited)	General Fund (Limited)	Water	Sewage	Parking	Block Grant	
2007	30,535,102	26,805,766	93,570,063	112,518,579	3,166,737	1,044,414	266,596,247	
2008	28,804,747	21,842,585	108,974,211	108,974,211	2,867,668	986,023	255,720,442	
2009	26,851,072	16,159,700	90,681,681	106,291,869	2,770,401	914,951	243,669,674	
2010	24,676,382	10,593,881	89,040,072	104,008,848	2,857,205	857,002	232,033,390	
2011	22,459,252	9,231,399	87,278,118	101,618,067	2,564,651	820,003	223,971,490	
2012	20,331,984	7,789,943	85,086,542	103,188,251	2,629,277	776,222	219,802,219	
2013	18,226,250	6,220,816	83,095,883	99,010,876	2,334,313	723,981	209,612,119	
2014	16,109,301	4,533,172	81,227,589	97,446,327	2,378,350	664,832	202,359,571	
2015	14,305,916	3,667,022	78,890,239	95,426,664	2,072,082	600,453	194,962,376	
2016	12,614,269	3,408,287	76,402,512	93,345,353	2,070,679	529,491	188,370,591	
2017	11,088,398	3,135,894	74,162,453	90,992,877	1,774,619	465,434	181,619,675	
2018	9,523,170	2,835,920	71,817,838	88,293,592	1,605,637	413,023	174,489,180	
2019	7,888,679	2,522,326	69,357,761	85,742,431	1,563,434	343,852	167,418,483	
2020	6,313,866	2,192,926	66,825,080	82,486,667	1,236,527	268,675	159,323,741	
2021	4,895,891	1,847,470	64,143,487	80,689,252	1,271,184	201,857	152,849,141	
2022	3,047,191	1,445,873	61,335,812	69,940,111	1,060,913	128,660	136,958,560	
2023	1,743,073	1,109,018	58,400,687	65,962,894	1,055,220	44,982	128,315,874	
2024	897,835	758,318	55,159,060	62,220,056	853,032	-	119,888,301	
2025	250,000	388,645	51,654,594	57,515,423	736,338	-	110,547,000	
2026	-	-	48,102,010	53,051,222	672,888	-	101,826,120	
2027	-	-	44,254,553	47,589,152	473,110	-	92,316,815	
2028	-	-	40,253,272	42,015,692	362,240	-	82,631,204	
2029	-	-	36,177,191	35,967,642	167,053	-	72,311,886	
2030	-	-	31,691,846	30,777,597	-	-	62,469,443	
2031	-	-	26,857,395	25,810,041	-	-	52,667,436	
2032	-	-	21,647,044	19,978,563	-	-	41,625,607	
2033	-	-	16,476,089	15,155,985	-	-	31,632,074	
2034	-	-	11,453,930	9,062,250	-	-	20,516,180	
2035	-	-	5,711,970	4,642,000	-	-	10,353,970	
2036	-	-	-	-	-	-	-	
	\$ 260,362,378	\$ 126,488,961	\$ 1,712,999,979	\$ 1,989,722,492	\$ 38,545,558	\$ 9,783,855	\$ 4,136,858,809	

Source Finance Department - Debt Management

**SUMMARY - ALL FUNDS
CAPITAL**

FINANCING

**STATEMENT OF DIRECT TAX SUPPORTED AND REVENUE INDEBTEDNESS
April 1, 2006**

Tax Supported Debt:		
Unlimited Tax:		
General Obligation Bonds (General Purpose)	\$543,095,000	
Distributable State Aid General Obligation. Bonds	<u>47,295,000</u>	\$590,390,000
Limited Tax:		
Self-Insurance Bonds	161,180,000	
General Obligation Bonds (Limited Tax)	140,835,000	
Greater Detroit Resource Recovery Authority Bonds	183,000,000	
Detroit Building Authority Bonds (Madison Center)	10,012,425	
Economic Development-Resource Recovery Bonds	<u>77,350,000</u>	<u>572,377,425</u>
Total Tax Supported Debt		<u>\$1,162,767,425</u>
Revenue and Other Debt (2):		
Water Supply System Bonds	2,117,600,000	
Sewage Disposal System Bonds	2,057,327,574	
Detroit Building Authority. Bonds (Parking & Arena System)	60,845,000	
Federal Section 108 Loans	20,006,000	
Convention Facility Revenue Bonds (Cobo Hall Expansion)	125,013,138	
DDA Tax Increment Bonds	166,473,198	
LDFA Tax Increment Bonds (Chrysler Project)	<u>88,400,000</u>	
Total Revenue and Other Projects		4,635,664,910
Gross Direct Debt		<u>\$5,798,432,335</u>
Deductions:		
Revenue and Other Debt	\$4,635,664,910	
Greater Detroit Resource Recovery Authority Bonds - Bonds – Reserve Account Balance		
Total Deductions	<u>26,249,740</u>	
Net Direct Debt		<u>4,661,914,650</u> <u>\$1,136,517,685</u>

Source: Finance Department

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

**CITY OF DETROIT
STREET FUND SUMMARY
COMPARISON OF 2005-06 BUDGET WITH 2006-07 MAYOR'S RECOMMENDED BUDGET**

<u>2006-07 Requested</u>	<u>2005-06 Budget</u>	<u>2006-07 Recommended</u>	<u>Increase Decrease</u>
<u>Operation and Maintenance</u>			
\$ 79,370	\$ 79,370	\$ 79,370	-
34,768	83,853	34,768	(\$ 49,085)
-	-	600,000	600,000
-	-	1,084,757	1,084,757
-	-	2,335,570	2,335,570
-	3,500,000	800,000	(2,700,000)
-	4,000,000	-	(4,000,000)
2,300,000	4,730,000	2,300,000	(2,430,000)
1,000,000	1,000,000	1,000,000	-
26,342,012	9,335,000	23,277,770	13,942,770
-	3,900,000	-	(3,900,000)
11,687,740	7,324,236	9,931,655	2,607,419
*****	*****	*****	*****
\$41,443,890	\$33,952,459	\$41,443,890	\$7,491,431
<u>Capital</u>			
-	\$ 990,700	-	(\$990,700)
2,900,000	2,550,000	2,900,000	350,000
3,162,000	650,000	3,162,000	2,512,000
-	350,000	-	(350,000)
340,000	412,000	340,000	(72,000)
-	7,900,000	-	(7,900,000)
3,275,000	1,300,000	3,275,000	1,975,000
3,389,822	1,050,000	3,389,822	2,339,822
4,869,874	9,548,641	4,869,874	(4,678,767)
500,000	0	500,000	500,000
*****	*****	*****	*****
\$18,436,696	\$24,751,341	\$18,436,696	(\$6,314,645)
<u>Construction and Maintenance</u>			
\$5,120,000	\$ 4,960,000	\$5,120,000	\$ 160,000
2,279,000	2,279,000	2,279,000	-
*****	*****	*****	*****
\$ 7,399,000	\$ 7,239,000	\$ 7,399,000	(\$ 160,000)
\$67,279,586	\$65,942,800	\$67,279,586	(\$1,336,786)
<u>Revenue</u>			
\$40,586	\$ 53,100	\$40,586	(\$12,514)
2,279,000	2,279,000	2,279,000	-
960,000	620,000	960,000	340,000
-	990,700	-	(990,700)
64,000,000	62,000,000	64,000,000	2,000,000
*****	*****	*****	*****
\$67,279,586	\$65,942,800	\$67,279,586	(\$1,336,786)
<u>GRAND TOTAL-APPROPRIATIONS</u>			
	\$0	\$0	\$0
<u>Net Tax Cost</u>			
	\$0	\$0	\$0

**CITY OF DETROIT
2006-07 MAYOR'S RECOMMENDED BUDGET
VALUATIONS, TAX LEVIES AND TAX RATES**

	2005-06 Budget	2006-07 Recommended	Increase - (Decrease)
<u>Valuations:</u>			
<u>Ad Valorem *</u>			
Real Estate	\$7,168,722,994	\$7,533,437,436	\$364,714,442
Personal Property	1,581,107,167	1,547,570,578	(33,536,589)
TOTAL	\$8,749,830,161	\$9,081,008,014	\$331,177,853

<u>Tax Levies:</u>			
General City	\$174,576,611	\$181,184,272	\$6,607,661
Garbage Disposal	26,186,492	0	(26,186,492)
Debt Service	61,907,673	76,235,970	14,328,297
Library	40,517,839	42,051,424	1,533,585
GRAND TOTAL	\$303,188,615	\$299,471,666	(\$3,716,949)

<u>Tax Rates: ⁽¹⁾</u>			
General City	\$19.9520	\$19.9520	\$0.0000
Garbage Disposal ⁽²⁾	2.9928	0.0000	(2.9928)
Debt Service	7.0753	8.3951	1.3198
Library **	4.6307	4.6307	0.0000
GRAND TOTAL	\$34.6508	\$32.9778	(\$1.6730)

* P.A. 376 Renaissance Zone provides for the taxation of property within the Zone for debt service purposes. The Renaissance Zone Ad Valorem taxable valuation for 2006 is \$ \$199,126,938.

** Note: November 2, 2004, voters approved a millage renewal and a 1 mill increase for the Detroit Public Library, effective July 1, 2005.

(1) As of July 1, 2005, tax rates (excluding debt service) were rolled back by a factor of 0.9995 (MCL211.23d (Headlee))

(2) Garbage mills were recommended for elimination in FY 2006-07 to be replaced with a fee.

CITY OF DETROIT
2006-07 MAYOR'S RECOMMENDED BUDGET
 Tax Rates Per Thousand
 of State Equalized Valuation
 City of Detroit Properties

Fiscal Year	General City	Detroit Board of Education (1)	State Education Tax (5)	County	Total
1965-66.....	20.291	17.110		7.389	44,790
1970-71.....	26.460	23.500		7.100	57,060
1975-76.....	27.872	28.440		8.890	65,202
1980-81.....	33.781	36.700		9.760	80,241
1985-86.....	32.321	41.400		9.470	83,191
1990-91.....	30.908	46.400		10.870	88,178
1994-95 (Homestead Properties).....	33.467 (4)	4.660 (5)	6.000 (5)	11.200	55,327
1994-95 (Non-Homestead Properties).....	33.467 (4)	22.660 (5)	6.000 (5)	11.200	73,327
1995-96 (Homestead Properties).....	34.146	7.040	6.000	11.200	58,386
1995-96 (Non-Homestead Properties).....	34.146	25.040	6.000	11.200	76,386
1996-97 (Homestead Properties).....	33.923	7.500	6.000	11.380	58,803
1996-97 (Non-Homestead Properties).....	33.923	25.500	6.000	11.380	76,803
1997-98 (Homestead Properties).....	33.878	7.590	6.000	11.370	58,838
1997-98 (Non-Homestead Properties).....	33.878	25.590	6.000	11.370	76,838
1998-99 (Homestead Properties).....	33.815	6.450	6.000	11.320	57,585
1998-99 (Non-Homestead Properties).....	33.815	24.450	6.000	11.320	75,585
1999-00 (Homestead Properties).....	33.735	5.900	6.000	11.139	56,774
1999-00 (Non-Homestead Properties).....	33.735	23.900	6.000	11.139	74,774
2000-01 (Homestead Properties).....	35.3114 (7.8)	7.0000	6.0000	11.0565	59,3679
2000-01 (Non-Homestead Properties).....	35.3114 (7.8)	25.0000	6.0000	11.0565	77,3679
2001-02 (Homestead Properties).....	35.5331	10.5000	6.0000	12.5395	64,5726
2001-02 (Non-Homestead Properties).....	35.5331	28.5000	6.0000	12.5395	82,5726
2002-03 (Homestead Properties).....	34.5111	13.1900	6.0000	13.9895	67,6906
2002-03 (Non-Homestead Properties).....	34.5111	31.1900	6.0000	13.9895	85,6906
2003-04 (Homestead Properties).....	34.5139	13.8000	5.0000 (11)	13.9886	67,3025
2003-04 (Non-Homestead Properties).....	34.5139	31.8000	5.0000 (11)	13.9886	85,3025
2004-05 (Homestead Properties).....	34.0690	13.0000	6.0000	13.9861	67,0551
2004-05 (Non-Homestead Properties).....	34.0690	31.0000	6.0000	13.9861	85,0551
2005-06 (Homestead Properties).....	34.6508	13.0700	6.0000	13.9778	67,6986
2005-06 (Non-Homestead Properties).....	34.6508	30.6236	6.0000	13.9778	85,2522
2006-07 (Non-Homestead Properties).....	32.9778 (12, 13)	(9)	6.0000	(10)	
2006-07 (Non-Homestead Properties).....	32.9778 (12, 13)	(9)	6.0000	(10)	

(1) Includes Detroit Public Library at 0.640 mills through 1993-94.

(2) Includes Detroit Public Library at 1.000 mills, commencing on 12-1-84.

(3) Includes Detroit Public Library at 2.000 mills, commencing on 7-1-91.

(4) Includes 0.640 mills for the Detroit Public Library allocated by the Wayne County Tax Allocation Board, commencing on 7-1-94.

(5) Statewide Education Tax commencing on 7-1-94.

(6) P.A. 38 of 1999 requires tax rates to be rounded down to 4 decimal places effective 8/1/99.

(7) Includes Detroit Public Library at 2.9943 mills, commencing on 7-1-00.

(8) Tax Rates (excluding debt service and state education) were rolled back by a factor of 0.9981 (MCL211.23d)

(9) Rate not determined until June 2006.

(10) Rate not determined until December 1, 2006.

(11) P.A. 243 of 2002 provided for a 1 mill decrease in the SET for a period of 1-year.

(12) Includes Detroit Public Library additional 1.000 mill commencing on 7-1-05.

(13) Tax Rates (excluding debt service and state education) were rolled back by a factor of 0.9995 (MCL211.23d)

CITY OF DETROIT
2006-07 MAYOR'S RECOMMENDED BUDGET
 State Equalized Valuations
 Taxable Valuations (beginning with FY1995-96)

Fiscal Year	Real Property	Personal Property	Leased Real Estate (Act 189)	Total
1970-71	3,875,476,834	1,427,562,198	3,245,148	5,306,284,180
1975-76	4,276,286,830	1,499,479,950	16,339,520	5,792,106,300
1980-81*	4,243,561,850	956,231,600	27,653,950	5,227,447,400
1981-82*	4,300,406,440	1,020,683,980	**	5,321,090,420
1982-83*	4,400,575,423	966,178,190	**	5,366,753,613
1983-84*	4,286,957,070	940,538,360	**	5,227,495,430
1984-85*	4,318,560,670	963,156,060	**	5,271,716,730
1985-86*	4,220,267,845	1,010,475,230	**	5,230,743,075
1986-87*	4,166,788,950	1,073,574,560	**	5,240,363,510
1987-88*	4,180,049,175	1,143,890,240	**	5,323,939,415
1988-89*	4,215,160,730	1,165,164,930	**	5,380,325,660
1989-90*	4,223,057,235	1,175,151,350	**	5,398,208,585
1990-91*	4,352,042,900	1,227,761,520	**	5,579,804,420
1991-92*	4,417,351,340	1,237,444,600	**	5,654,795,940
1992-93*	4,422,924,900	1,281,200,980	**	5,704,125,880
1993-94*	4,554,668,625	1,260,742,960	**	5,815,411,585
1994-95*	4,565,439,900	1,330,336,390	**	5,895,776,290
1995-96*	4,631,121,900	1,281,065,150	**	5,912,187,050
1995-96*,(Taxable)***	4,606,258,474	1,281,065,150	**	5,887,323,624
1996-97*	4,943,226,600	1,443,983,280	**	6,387,209,880
1996-97*,(Taxable)***	4,703,634,599	1,443,983,280	**	6,147,617,879
1997-98*	5,351,874,550	1,603,340,500	**	6,955,215,050
1997-98*,(Taxable)***	4,847,235,699	1,603,340,500	**	6,450,576,199
1998-99*	5,940,200,550	1,626,585,350	**	7,566,785,900
1998-99*,(Taxable)***	5,005,030,961	1,626,585,350	**	6,631,616,311
1999-00*	6,990,962,278	1,637,481,660	**	8,628,443,938
1999-00*,(Taxable)***	5,219,200,241	1,637,481,660	**	6,856,681,901
2000-01*	8,106,178,450	1,718,118,920	**	9,824,297,370
2000-01*,(Taxable)***	5,486,262,205	1,718,118,920	**	7,204,381,125
2001-02*	9,319,364,300	1,656,437,990	**	10,975,802,290
2001-02*,(Taxable)***	5,983,367,293	1,656,437,990	**	7,639,805,283
2002-03*	10,298,344,200	1,749,983,210	**	12,048,327,410
2002-03*,(Taxable)***	6,226,065,313	1,749,983,210	**	7,976,048,523
2003-04*	10,668,533,845	1,391,662,381	**	12,060,196,226
2003-04*,(Taxable)***	6,470,987,182	1,373,222,411	**	7,844,209,593
2004-05*	11,177,226,045	1,536,422,432	**	12,713,648,477
2004-05*,(Taxable)***	6,828,590,407	1,507,199,386	**	8,335,789,793
2005-06*	11,645,063,707	1,611,481,475	**	13,256,545,182
2005-06*,(Taxable)***	7,168,722,994	1,581,107,167	**	8,749,830,161
2006-07*	11,641,371,811	1,430,963,337	**	13,072,335,148
2006-07*,(Taxable)***	7,533,437,436	1,547,570,578	**	9,081,008,014

* Excludes inventories valued at \$718,498,590, and exempted by Act No. 234 of 1975.

Reimbursement for this loss is provided to local units of government under Act 228 of 1975.

** Included in Commercial and Industrial Real Estate totals.

*** Beginning with FY1995-96 taxable values cannot exceed the statewide rate of inflation of the prior year (3.2%) on a per parcel basis, except where increases are due to physical changes in the parcel (P.A. 415 of 1994).

Note: For FY2007 Renaissance Zone Valuations are: \$364,767,777 (SEV) and \$199,126,938 (taxable)

**CITY OF DETROIT
2006-07 MAYOR'S RECOMMENDED BUDGET
Tax Levies City of Detroit Properties**

Fiscal Year	General City	Detroit Board of Education (1)	State Education Tax (5)	County	Total
1960-61.....	\$ 121,077,858	\$ 94,205,332	\$	33,940,776	\$ 249,223,966
1965-66.....	105,448,845	88,918,529		38,397,987	232,765,361
1970-71.....	140,400,031	124,697,667		38,061,102	303,158,800
1975-76.....	161,428,791	164,727,503		51,491,825	377,648,119
1980-81.....	176,581,644	191,847,319		51,019,886	419,448,849
1985-86.....	169,062,847	216,552,763		49,535,137	435,150,747
1990-91.....	172,460,594	258,902,925	60,652,474		492,015,993
1991-92.....	190,905,912	262,382,532	60,562,865		513,851,308
1992-93.....	186,176,966	276,079,693	61,091,188		523,347,847
1993-94.....	188,297,212	272,626,495	65,539,689		526,463,396
1994-95.....	197,313,945	95,334,578	35,374,658		394,055,875
1995-96 (6).....	201,028,552	108,176,585	35,323,942		410,467,104
1996-97 (6).....	208,545,642	116,327,948	36,885,707		431,719,188
1997-98 (6).....	218,532,621	123,999,287	38,703,457		454,578,416
1998-99 (6).....	224,248,105	119,112,851	39,789,698		458,220,551
1999-00 (6).....	231,310,164	119,281,201	41,140,091		468,106,664
2000-01 (6).....	254,396,783	132,788,296	43,226,287		510,066,606
2001-02 (6).....	271,465,964	166,267,827	45,838,832		579,371,962
2002-03 (6).....	275,262,208	193,401,318	47,856,291		628,100,748
2003-04 (6) (11).....	270,734,265	202,131,084	39,221,048		621,815,907
2004-05 (6).....	283,992,022	229,515,641	50,014,739		680,107,591
2005-06 (12) (13)	303,188,614	242,125,199	52,498,981	122,303,376	720,116,170
2006-07 (12) (13)	299,471,666	(9)	54,486,048	(10)	

(1) Includes Detroit Public Library at 0.640 mills through 1993-94.
(2) Includes Detroit Public Library at 1.000 mills, commencing on 12-1-84.
(3) Includes Detroit Public Library at 2.000 mills, commencing on 7-1-91.
(4) Includes 0.640 mills for the Detroit Public Library allocated by the Wayne County Tax Allocation Board commencing on 7-1-94.
(5) Statewide Education Tax at 6.000 mills commencing on 7-1-94.
(6) Levies are based on taxable valuations commencing on 7-1-95 (P.A. 415 of 1994).
(7) Includes Detroit Public Library at 2.9943 mills, commencing on 7-1-00.
(8) Tax Rates (excluding debt service and state education) were rolled back by a factor of 0.9981 (MCL211.23d)
(9) Levy not determined until June 2006.
(10) Levy not determined until December 1, 2006. County levy is based on the original tax valuation within the City
(11) P.A. 243 of 2002 provided for a 1 mill decrease in the SFT for a period of 1-year.
(12) Includes Detroit Public Library additional 1.000 mill, commencing on 7-1-2005.
(13) Tax Rates (excluding debt service and state education) were rolled back by a factor of 0.9995 (MCL211.23d)

CITY OF DETROIT
2006-07 MAYOR'S RECOMMENDED BUDGET
 Taxable Valuations - Special Districts
 Public Acts 198, 255, 147 and 146

	Rehabilitation or Restoration of Existing Facilities	New or Replacement Facilities	Total
Public Act 198 of 1974 - Industrial Facilities Tax			
1975-76.....	\$14,086,590	\$0	\$14,086,590
1981-82.....	57,319,032	17,319,950	74,638,982
1982-83.....	80,422,632	24,127,120	104,549,752
1983-84.....	68,276,032	37,379,560	105,655,592
1984-85.....	66,515,302	69,162,660	135,677,962
1985-86.....	64,359,362	134,115,340	198,474,702
1986-87.....	63,709,552	206,031,060	269,740,612
1987-88.....	42,546,696	225,466,610	268,013,306
1988-89.....	41,536,926	205,444,220	246,981,146
1989-90.....	40,263,096	196,764,000	237,027,096
1990-91.....	32,062,196	185,406,690	217,468,886
1991-92.....	19,052,176	234,121,140	253,173,316
1992-93.....	8,278,806	373,214,290	381,493,096
1993-94.....	6,373,500	357,096,010	363,469,510
1994-95.....	6,217,390	360,350,389	366,567,779
1995-96.....	5,788,640	291,002,750	296,791,390
1996-97.....	5,333,420	182,999,947	188,333,367
1997-98.....	5,316,270	226,429,992	231,746,262
1998-99.....	17,607,540	453,502,146	471,109,686
1999-00.....	17,312,840	654,205,868	671,518,708
2000-01.....	15,973,850	748,602,462	764,576,312
2001-02.....	15,900,470	784,862,307	800,762,777
2002-03.....	16,622,370	871,439,815	888,062,185
2003-04.....	12,814,560	718,896,766	731,711,326
2004-05.....	12,820,740	697,822,376 *	710,643,116
2005-06.....	12,545,850	616,504,542 *	629,050,392
2006-07.....	12,545,850	558,086,811 *	570,632,661

*Includes Renaissance Zone taxable values of \$27,608,775 ; \$29,497,914 and \$27,733,783 for FY2005, FY2006 and FY 2007, respectively.

Public Act 255 of 1978 - Commercial Facilities Tax

1980-81.....	\$117,572	\$711,050	\$828,622
1981-82.....	504,722	11,072,100	11,576,822
1982-83.....	948,572	18,802,600	19,751,172
1983-84.....	967,822	23,746,250	24,714,072
1984-85.....	1,969,372	25,963,350	27,932,722
1985-86.....	1,980,522	36,296,750	38,277,272
1986-87.....	2,874,522	45,175,400	48,049,922
1987-88.....	2,750,772	47,683,150	50,433,922
1988-89.....	2,723,822	48,117,570	50,841,392
1989-90.....	2,723,822	45,396,960	48,120,782
1990-91.....	2,474,522	48,223,450	50,697,972
1991-92.....	2,312,072	45,117,450	47,429,522
1992-93.....	2,312,072	45,039,400	47,351,472

2006-07 MAYOR'S RECOMMENDED BUDGET

Taxable Valuations - Special Districts

Public Acts 198, 255, 147 and 146

	Rehabilitation or Restoration of Existing Facilities	New or Replacement Facilities	Total
Public Act 255 of 1978 - Commercial Facilities Tax (Continue)			
1993-94.....	2,129,764	41,434,020	43,563,784
1994-95.....	1,652,832	35,787,049	37,439,881
1995-96.....	1,534,282	8,884,939	10,419,221
1996-97.....	1,515,032	8,588,367	10,103,399
1997-98.....	820,882	9,409,017	10,229,899
1998-99.....	246,532	0	246,532
1999-00.....	88,132	0	88,132
2000-01.....	0	0	0

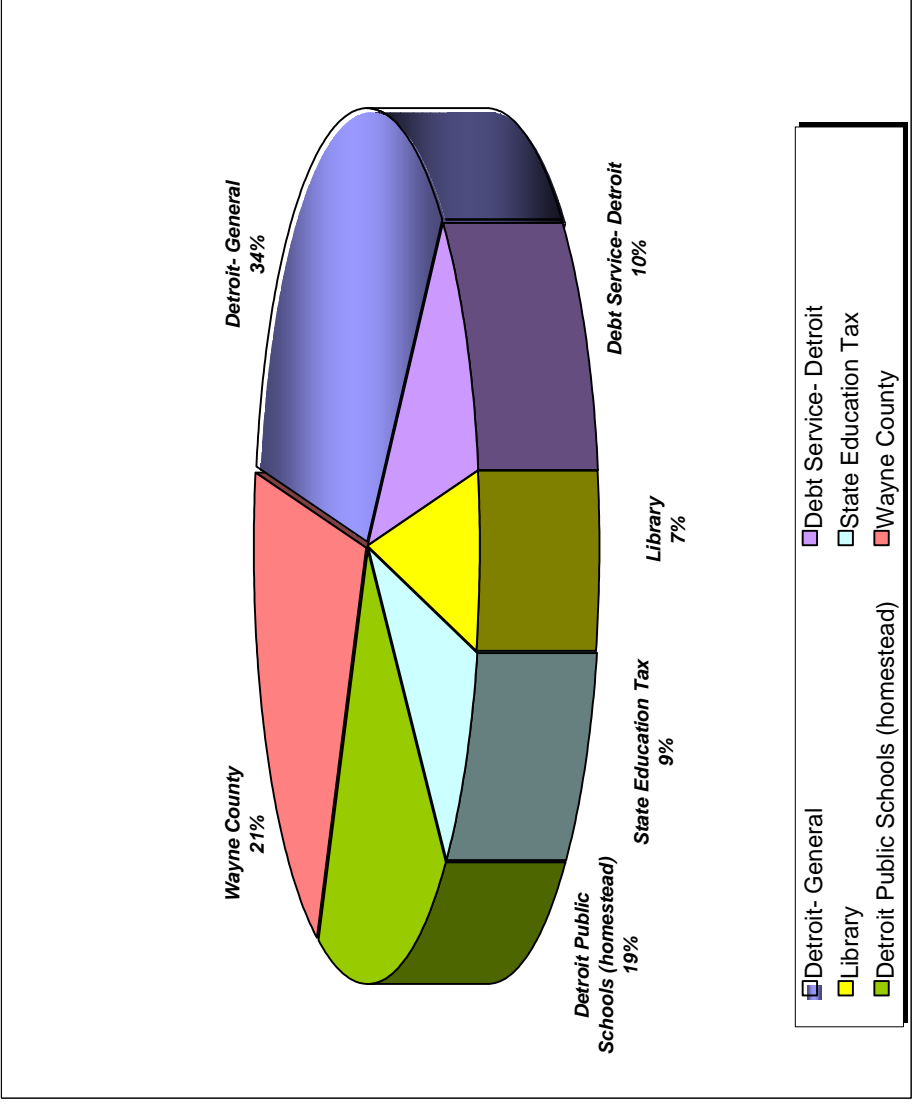
Public Act 147 of 1992 - Neighborhood Enterprise Zone Tax

1994-95.....	\$0	\$2,291,550	\$2,291,550
1995-96.....	0	2,640,000	2,640,000
1996-97.....	0	3,921,600	3,921,600
1997-98.....	0	9,026,700	9,026,700
1998-99.....	0	14,171,944	14,171,944
1999-00.....	0	33,312,900	33,312,900
2000-01.....	0	25,534,800	25,534,800
2001-02.....	143,600	26,460,400	26,604,000
2002-03.....	82,850	38,548,350	38,631,200
2003-04.....	83,179	46,284,909	46,368,088
2004-05.....	140,158	53,587,271	53,727,429
2005-06.....	1,637,606	62,456,061	64,093,667
2006-07.....	4,530,861	76,282,161	80,813,022

Public Act 146 of 2000- Obsolete Property Rehabilitation Act

	Obsolete-Rehab	Obsolete-Frozen
2004-05.....	1,922,226	1,922,226
2005-06.....	1,924,734	1,924,734
2006-07.....	25,711,591	3,438,289

CITY OF DETROIT COMBINED PROPERTY TAXES



**** Of the property taxes a City of Detroit resident pays, 34% of the total goes to City services.

Taxing Entities	FY07 Tax Rates		Taxes on a		% of Total
	per \$1,000 of Taxable Valuation	Valuation	\$100,000 Home		
Detroit- General	19.9520 *	\$	1,147.82		33.93%
Debt Service- Detroit	8.3951	\$	353.77		10.46%
Library	4.6307	\$	231.66		6.85%
State Education Tax	6.0000	\$	300.00		8.87%
Detroit Public Schools (homestead)	13.0700	\$	650.00		19.22%
Wayne County	13.9778	\$	699.31		20.67%
Total	66.0256	\$	3,382.54		100.00%

Note: Detroit Public School also levies 17.5536 mills for non-homestead property.

* Garbage mills of 2.9928 are eliminated in FY 2006-07, to be replaced with a garbage fee. As of July 1, 2005, tax rates (excluding debt service and state education) were rolled back by a factor of 0.9995 (MCL211.23 (Headlee))