

## BUDGET (12)

### AGENCY PLAN: STATEMENT OF PURPOSE, GOALS AND BUDGET SUMMARY

#### STATEMENT OF PURPOSE:

The Budget Department compiles and monitors all necessary financial planning information and makes recommendations so that the City Administration can efficiently deliver quality services to improve public safety, accelerate economic development and improve the financial health of the City.

#### AGENCY GOALS:

1. Develop quality Departmental and Citywide financial plans.
2. Monitor conformity of Departmental activities with financial and operations plan.
3. Assist in the ongoing formulation of the Administration's priorities through systematic communication of quality fiscal analyses.
4. Provide efficient quality and user-friendly services to departments and key stakeholders of the City.

#### AGENCY FINANCIAL SUMMARY:

2009-10 <u>Requested</u>		2008-09 <u>Budget</u>	2009-10 <u>Recommended</u>	Increase <u>(Decrease)</u>
\$ 2,954,482	City Appropriations	\$ 2,850,987	\$ 2,650,666	\$ (200,321)
\$ 2,954,482	Total Appropriations	\$ 2,850,987	\$ 2,650,666	\$ (200,321)
\$ 2,954,482	NET TAX COST:	\$ 2,850,987	<u>\$ 2,650,666</u>	\$ (200,321)

#### AGENCY EMPLOYEE STATISTICS:

2009-10 <u>Requested</u>		2008-09 <u>Budget</u>	04-02-09 <u>Actual</u>	2009-10 <u>Recommended</u>	Increase <u>(Decrease)</u>
<u>23</u>		<u>24</u>	<u>22</u>	<u>22</u>	<u>(2)</u>
23	Total Positions	24	22	22	(2)

#### ACTIVITIES IN THIS AGENCY:

	2008-09 <u>Budget</u>	2009-10 <u>Recommended</u>	Increase <u>(Decrease)</u>
Budget Operations	\$ 2,850,987	\$ 2,650,666	\$ (200,321)
Total Appropriations	\$ 2,850,987	\$ 2,650,666	\$ (200,321)

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### ***BUDGET OPERATIONS ACTIVITY INFORMATION***

#### ACTIVITY DESCRIPTION:

The Budget Department is primarily responsible for the preparation of the annual operating and capital improvement budgets; and the biennial five-year capital agenda. Critical functions are monitoring City revenues and expenditures throughout the fiscal year, and relating financial activity to the plan expressed by the budget and to the long-term strategic direction set for the City. Development, implementation, and coordination of management information systems are essential to all aspects of financial planning and control. Budget Department staff coordinates travel for city employees, processes telecommunication payments, and performs management audits of City operations as staffing levels permit.

#### GOALS:

1. Develop quality Departmental and Citywide Financial Plans.
  - Departments have meaningful involvement in development of Departmental plans.
  - Budget staff analyzes proposals and develops needed alternatives.
  - Citywide plans reflect a special focus on the Mayor's priorities and are consistent with the overall strategic direction set for the City.
2. Monitor conformity of Departmental activities with financial and operational plans.
  - Budget staff spends an adequate amount of time with Departmental representatives.
  - Budget variances are explained and, where possible, predicted.
3. Assist in the ongoing formulation of the Administration's priorities through systematic communication of quality fiscal analyses.
  - Budget leadership is in regular/ongoing and useful dialogue with Administration about its policy directions.
  - Budget staff has special focus on the Mayor's service priorities in ongoing analysis (pro-active).
4. Provide efficient, quality and user-friendly services to departments and key stakeholders of the city.
  - The staff is trained and oriented to their responsibilities.
  - The Budget Department offers useful management information to Departments and the Administration.
  - The Department spends less time on processing activities.

#### MAJOR INITIATIVES FOR FY 2008-09:

Budget staff continues its more aggressive cost monitoring of the past few years. Budget Teams continue to hold regular meetings with each agency to control expenditures, process improvement studies, support attempts to maximize revenue, or reduce program costs.

In FY 2009-10, Finance accounts payable division will assume responsibility for telecommunications management. Budget Department staff will continue to be responsible for coordinating employee travel for most City departments and reconciling all employee travels. Budget Department staff also utilizes Personnel and Payroll System (PPS) to manage positions and to make changes based on Budget Amendments or Redbook.

The Budget Department organizes the Annual Public Budget Meetings every fall, as part of a large informational outreach program. Total direct costs of administering the program continue to be roughly \$5,000 for mailing and advertising. Total participation from 2006 to 2008 has been below long term program averages and goals. In 2009, we hope to revive the Public Schools' outreach component and to increase the involvement of the Mayor's Office other city departments in the outreach.

The Budget Department continues to provide technical support to agencies through special organizational projects. These include the effort to get bond authorization in the election and, support for Labor Relations with analysis for the Act 312 Arbitration process for Police, Fire and retiree benefits.

Department staff periodically sits on RFP committees and are members or staff of numerous interagency working groups: the Vehicle Management Steering Committee, the Procurement Review Committee and the Risk

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Management Council. Ongoing training seminars for City agencies are held annually: BRASS, budget request development, and vehicle planning sessions. Sixty-one (61) city staff participated in BRASS training in 2008.

The Budget Department is in the process of revising the Travel Directive. The Budget Department will also begin to conduct regular training sessions to acquaint all Department Travel Coordinators with new policies and procedures.

During the transition of Mayoral power in 2008, staff met with each department to discuss upgrading of management information. Agencies were asked to elaborate their organization chart and document their business processes, and were asked to collect a broader palette of performance statistics. This information is intended to support long term restructuring of the city's bureaucracy. In 2009-10, one budget team will be reassigned to the Policy Analysis Division in order to more aggressively pursue these initiatives.

### PLANNING FOR THE FUTURE FOR FY 2009-10, FY 2010-11 and BEYOND:

The Non-Departmental division produced the Biennial Five-Year Capital Agenda in December 2008. This process documents the entities in the City with capital programs, the capital needs of City agencies, and proposes a capital plan relating to the City's General Obligation Bond program.

The Budget Department is considering switching its Budget application from BRASS (Budget Reporting and Analysis Support System) to Oracle Public Sector Budgeting (PSB). The advantage to switching to Oracle PSB is that it would allow the Budget Department to interface the data that will be stored in the Oracle HR module. This will assist the Budget Department in developing more accurate salary and fringe benefit projections. Another advantage is eliminating the need for manually importing and exporting of data between BRASS and Oracle (i.e. loading the Budget into Oracle and loading Actual into BRASS).

The Budget Department has received the GFOA Distinguished Budget Award for 12 consecutive years, and has a commitment to public sector standards for planning and reporting of financial information. Accordingly, we would like to redesign our Executive Budget, Adopted "Redbook" budget, and Five-Year Capital Agenda documents to make information more user-friendly. In coming years, we will add CD-ROM options to our document distribution. We are also developing standards for document archiving and retention.

In conjunction with renewed efforts at long-term planning, we will further integrate Geographic Information Systems (GIS) capability into our processes.

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### BUDGET OPERATIONS MEASURES AND TARGETS

Type of Performance Measure List of Measures	2006-07 Actual	2007-08 Actual	2008-09 Projection	2009-10 Target
<b>Inputs: Resources Allocated or Service Demands Made</b>				
Personnel letters and requisitions evaluated and processed	1,500	1,500	1,330	1,250
Council and Finance Letters evaluated and processed	300	310	300	300
Personal Service Contracts reviewed, evaluated and processed	210	400	210	250
Team site visits to departments	100	100	100	100
<b>Outputs: Units of Activity directed toward Goals</b>				
Agencies attending Budget Request Seminar	32	32	32	32
Management Audit reports completed	6	6	5	6
Average number of days turnaround on Personal Service contracts	14.5	14.5	14	14
Average number of days turnaround on personnel letters	11.1	10.6	8	8
Average number of days turnaround on Finance/Council letters	11.9	14	11	11
Average number of days between travel request and approval	6	5	5	4
<b>Outcomes: Results or Impacts of Program Activities</b>				
Total citizen participation in the Citizen Budget Program	184	336	184	500
Department satisfaction ratings (1-5 scale)	3.99	3.99	4.22	5.00
<b>Activity Costs</b>	<b>\$2,752,101</b>	<b>\$2,834,834</b>	<b>\$2,850,987</b>	<b>\$2,650,666</b>

**CITY OF DETROIT**  
**Budget Department**  
**Financial Detail by Appropriation and Organization**

<b>Budget Operations</b>	<b>2008-09 Redbook</b>		<b>2009-10 Dept Final Request</b>		<b>2009-10 Mayor's Budget Rec</b>	
	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>
<b>Budget Department Operations</b>						
<i>APPROPRIATION</i>						
<i>ORGANIZATION</i>						
00226 - Budget Department Operations						
120010 - Budget Operations	24	\$2,850,987	23	\$2,954,482	22	\$2,650,666
<b>APPROPRIATION TOTAL</b>	<b>24</b>	<b>\$2,850,987</b>	<b>23</b>	<b>\$2,954,482</b>	<b>22</b>	<b>\$2,650,666</b>
<b>ACTIVITY TOTAL</b>	<b>24</b>	<b>\$2,850,987</b>	<b>23</b>	<b>\$2,954,482</b>	<b>22</b>	<b>\$2,650,666</b>

**CITY OF DETROIT**  
**Budget Development for FY 2009-2010**  
**Appropriations - Summary Objects**

	<b>2008-09</b>	<b>2009-10</b>	<b>2009-10</b>
	<b>Redbook</b>	<b>Dept Final</b>	<b>Mayor's</b>
		<b>Request</b>	<b>Budget Rec</b>
<b>AC0512 - Budget Operations</b>			
<i>A12000 - Budget Department</i>			
SALWAGESL - Salary & Wages	1,561,005	1,524,786	1,408,882
EMPBENESL - Employee Benef	979,491	1,058,773	967,758
PROFSVCSL - Professional/Cor	5,000	5,000	0
OPERSUPSL - Operating Suppli	101,454	113,522	99,098
OPERSVCSL - Operating Servic	191,082	192,076	168,968
CAPEQUPSL - Capital Equipme	0	52,365	0
OTHEXPSSL - Other Expenses	5,960	7,960	5,960
FIXEDCHGSL - Fixed Charges	6,995	0	0
<i>A12000 - Budget Department</i>	<i>2,850,987</i>	<i>2,954,482</i>	<i>2,650,666</i>
<b>AC0512 - Budget Operations</b>	<b>2,850,987</b>	<b>2,954,482</b>	<b>2,650,666</b>
<b>Grand Total</b>	<b>2,850,987</b>	<b>2,954,482</b>	<b>2,650,666</b>

**CITY OF DETROIT  
MAYOR'S 2009-2010 RECOMMENDED BUDGET**

**Budget Department**

<b>Appropriation</b>	<b>REDBOOK FY</b>		<b>DEPT REQUEST</b>		<b>MAYORS FY</b>	
<b>Organization</b>	<b>2008</b>	<b>2009 FTE</b>	<b>FY 2009</b>	<b>2010 FTE</b>	<b>2009</b>	<b>2010 FTE</b>
<b>Classification</b>						
<b>00226 - Budget Department Operations</b>						
<b>120010 - Budget Operations</b>						
Budget Director	1		1		1	
Deputy Budget Director	1		1		1	
General Manager - Budget	1		1		1	
Manager II - Budget	3		3		3	
Manager I - Budget	5		5		5	
Principal Budget Analyst	2		2		2	
Senior Budget Analyst	7		7		7	
Administrative Specialist I	2		1		1	
Executive Secretary III	1		1		1	
Office Assistant II	1		1		0	
<b>Total Budget Operations</b>	<b>24</b>		<b>23</b>		<b>22</b>	
<b>Total Budget Department Operations</b>	<b>24</b>		<b>23</b>		<b>22</b>	
<b>Agency Total</b>	<b>24</b>		<b>23</b>		<b>22</b>	