City of Detroit Deficit Elimination Plan
January 2009
($000s)

	Description	Revenues	Eliminations	Concessions	Layoffs	Operations	Year 2010 Totals	Year 2011 Additions	Year 2011 Totals
Enhanced Collections of Fines and Taxes	This plan recommends the utilization of a collection firm for collection of delinquent fines and taxes.	$ 10,000	-	-	-	-	$ 10,000	-	$ 10,000
Increase in Fines	This plan recommends an increase in revenues from fines issued by the 36th District Court, Parking, Building and Safety Engineering, and the Department of Environmental Affairs.	4,000	-	-	-	-	4,000	-	4,000
Increase Towing Fees/Contract Management	This plan recommends the contracting of the management of the Police-authorized towing process to free Police officers to do Policing duties; to provide for the City to collect the towing fees, to take ownership of abandoned vehicles, and to pay the vendors from the proceeds.	5,000	-	-	-	-	5,000	-	5,000
Parking	The Parking system will implement a new boot program, and will also conduct a review of its operations to identify additional revenue opportunities.	600	-	-	-	-	600	-	600
Health	The Health Department will improve its processes for Medicaid reimbursements.	400	-	-	-	-	400	-	400
Police Crime Lab	Elimination of Cost Center	-	$ 4,400	-	-	-	4,400	-	4,400
Cobo Center Operations Reduction	Elimination of Cost Center	-	2,100	-	-	-	2,100	$ 9,000	11,100
Wage and Salary Concessions - Uniform	10% Wage and Salary Reduction	-	-	$ 25,000	-	-	25,000	-	25,000
Wage and Salary Concessions- Civilians	10% Wage and Salary Reduction	-	-	23,000	-	-	23,000	-	23,000
Appointees and Other Non-Union	10% Wage and Salary Reduction	-	-	600	-	-	600	-	600
Fire	Restructure administrative and managerial ranks. No fire fighters included among the layoffs	-	-	-	$ 1,500	-	1,500	-	1,500
ITS	Downsize	-	-	-	732	-	732	-	732
Human Rights	Downsize	-	-	-	206	-	206	-	206
Law	Downsize	-	-	-	176	-	176	-	176
Board of Zoning Appeals	Downsize	-		-	97	$ 11	108	-	108
Auditor General	Downsize	-	-	-	51	60	111	-	111
Ombudsman	Downsize	-	-	-	51	60	111	-	111
Human Resources	Eliminate HRMS DRMS Division, reduce OEDS, no class/comp review	-	-	-	1,594	532	2,126	-	2,126
Department of Transportation	Reduce subsidy, alter schedules for non-peak hours, fuel reduction strategies	-	-	-	-	10,000	10,000	-	10,000
GSD	Reduce seasonal grass-cutting for major parks to 10 day cycle; others 30 day	-	-	-	-	3,400	3,400	-	3,400
Mayor's Office	Downsize	-	-	-	-	2,000	2,000	-	2,000
City Council	Downsize	-	-	-	-	2,000	2,000	-	2,000
Police	Operational savings	-	-	-	-	1,570	1,570	-	1,570
36th District Court	Operational savings	-	-	-	-	1,500	1,500	-	1,500

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Recreation	Transfer funding of Crowell Rec Center to Block Grant	-	-	-	-	1,300	1,300	-	1,300
DPW -	Shift City engineering inspectors to seasonal	-	-	-	-	1,200	1,200	-	1,200
GSD	Reduce vacant lot cuts from 4 to 2	-	-	-	-	900	900	-	900
Airport Private Operator	Private operator	-	-	-	-	900	900	-	900
Planning and Development	Operational savings	-	-	-	-	700	700	-	700
GSD	Transfer 12 positions to Street Fund. Reduce contractors.	-	-	-	-	700	700	-	700
Non-department Subsidy Reductions	Zoo, Historical, Charles A Wright Museum of African American History	-	-	-	-	502	502	-	502
GSD	Operational savings	-	-	-	-	500	500	-	500
City Clerk	Operational savings	-	-	-	-	250	250	-	250
Elections	Operational savings	-	-	-	-	250	250	-	250
Board of Ethics	Operational savings	-	-	-	-	40	40	-	40
Cable Commission	Operational savings	-	-	-	-	19	19	-	19
Merge City income tax operatons w/State	Merger	-	-	-	-	-	-	1,000	1,000
Reduce Risk Management Costs	Establish accountability within departments	-	-	-	-	-	-	5,000	5,000
Less Reengineering Costs to Achieve Operational Savings	Estimated annual costs of reengineering to effect savings	-	-	-	-	(2,000)	(2,000)	(2,000)	(4,000)
Total Increased Revenues and Savings to Reduce Structural Imbalance		**$ 20,000**	**$ 6,500**	**$48,600**	**$ 4,407**	**$26,394**	**$ 105,901**	**$ 13,000**	**$ 118,901**
Monetization of Assets to Reduce Accumulated Deficit									
Tunnel		-	-	-	-	-	$ 100,000	-	-
Municipal Parking		-	-	-	-	-	75,000	-	-
Public Lighting		-	-	-	-	-	75,000	-	-
Totals from monetization of Assets		-	-	-	-	-	**$ 250,000**	-	-

Revenues

Collection Policy — This plan incorporates a revenue collection strategy for delinquent fines and taxes.

Increases in Fines — Fines and fees will be adjusted based on the consumer price index, consistent with surrounding communities.

Towing Management Contract — This plan recommends the contracting for the management of the Police-authorized towing process, and the raising of towing fees sufficient to cover the City's towing-related costs.

Eliminations — The Police crime laboratory has been closed. The City's obligation for subsidizing the cost of Cobo Center operations await City's Council's approval

Concessions — The City is requesting 10% wage and salary reductions from all employees to forestall the need for layoffs. The acceptance of the salary reductions would eliminate the necessity for layoffs of up to 1,000 employees and the resulting service cutbacks.

Layoffs — This deficit elimination plan includes 51 layoffs: Human Resources (21), Fire Department (non-firefighters) (15), ITS Department (9), Human Rights (2), Board of Zoning Appeals (2), Auditor General (1), Ombudsman (1).

Operations — DDOT operations will incur cutbacks after conducting route analyses and rider efficiency studies, and implementation of fuel savings and other cost-saving measures. Cutbacks in other department will result in decreased frequencies of seasonal services, as well as other external and internal service reductions.