



# **FY2023-24 Financial Report**

*Office of the Chief Financial Officer*

For the 1 Month ended July 31, 2023

Submitted on September 14, 2023



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**The financial information in this report is unaudited and represents the General Fund only (unless otherwise stated). For audited financial statements, visit the [OCFO Financial Reports page](#).**

- On September 11, the City held its September Revenue Estimating Conference. Conference principals approved new revenue estimates for FY24 and FY25-28, which will serve as the basis for developing the City's FY24 budget and FY 2025-2028 Four-Year Financial Plan. The revised FY24 estimates will be included in next month's financial report. The Conference report is available on the OCFO's Revenue Estimating Conference Reports [webpage](#). The information presented at the conference can also be accessed by reviewing the City's [press release](#).
- The City has begun its annual audit by Plante Moran for the year ended June 30, 2023 and anticipates issuing its financial report in December.
- The City of Detroit issued \$100 million Unlimited Tax General Obligation Bonds, consisting of \$52.5 million Series 2023A (Tax-Exempt) Neighborhood Improvement Bonds (Social Bonds), \$22.5 million Series 2023B (Taxable) Neighborhood Improvement Bonds (Social Bonds) for property rehabilitation, demolition, and remediation, and \$25.0 million Series 2023C (Tax-Exempt) for certain transportation and recreation projects.

	JULY 2023			
	BUDGET	ACTUAL	VARIANCE	
	A	B	(\$) C = B-A	% D= (C/A)
<i>\$ in millions</i>				
<b>REVENUE:</b>				
Municipal Income Tax	\$ 24.4	\$ 36.0	\$ 11.6	47.5%
Property Taxes	7.6	9.5	1.9	25.0%
Wagering Taxes	14.1	12.8	(1.3)	(9.2%)
Utility Users' Tax	1.6	3.0	1.4	87.5%
State Revenue Sharing	-	-	-	-
Other Revenues	15.2	12.1	(3.1)	(20.4%)
<b>TOTAL (I)</b>	<b>\$ 62.9</b>	<b>\$ 73.4</b>	<b>\$ 10.5</b>	<b>16.7%</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$ 33.2	\$ 34.4	\$ (1.2)	(3.6%)
Employee Benefits	12.2	10.4	1.8	14.8%
Professional and Contractual Services	27.2	2.4	24.8	91.2%
Operating Supplies	4.0	1.6	2.4	60.0%
Operating Services	10.1	8.4	1.7	16.8%
Capital Outlays	0.3	-	0.3	100.0%
Debt Service	0.7	0.7	-	-
Other Expenses	34.8	12.3	22.5	64.7%
<b>TOTAL (J)</b>	<b>\$ 122.5</b>	<b>\$ 70.2</b>	<b>\$ 52.3</b>	<b>42.7%</b>
<b>SURPLUS/(DEFICIT) (K= I + J)</b>	<b>\$ (59.6)</b>	<b>\$ 3.2</b>	<b>\$ 62.8</b>	<b>105.4%</b>

	YEAR TO DATE			
	BUDGET	ACTUAL	VARIANCE	
	E	F	(\$) G = F-E	% H = (G/E)
Municipal Income Tax	\$ 24.4	\$ 36.0	\$ 11.6	47.5%
Property Taxes	7.6	9.5	1.9	25.0%
Wagering Taxes	14.1	12.8	(1.3)	(9.2%)
Utility Users' Tax	1.6	3.0	1.4	87.5%
State Revenue Sharing	-	-	-	-
Other Revenues	15.2	12.1	(3.1)	(20.4%)
<b>TOTAL (I)</b>	<b>\$ 62.9</b>	<b>\$ 73.4</b>	<b>\$ 10.5</b>	<b>16.7%</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$ 33.2	\$ 34.4	\$ (1.2)	(3.6%)
Employee Benefits	12.2	10.4	1.8	14.8%
Professional and Contractual Services	27.2	2.4	24.8	91.2%
Operating Supplies	4.0	1.6	2.4	60.0%
Operating Services	10.1	8.4	1.7	16.8%
Capital Outlays	0.3	-	0.3	100.0%
Debt Service	0.7	0.7	-	-
Other Expenses	34.8	12.3	22.5	64.7%
<b>TOTAL (J)</b>	<b>\$ 122.5</b>	<b>\$ 70.2</b>	<b>\$ 52.3</b>	<b>42.7%</b>
<b>SURPLUS/(DEFICIT) (K= I + J)</b>	<b>\$ (59.6)</b>	<b>\$ 3.2</b>	<b>\$ 62.8</b>	<b>105.4%</b>

**Note:** Represents General Fund operating (Fund 1000) only.

**Revenues:** Budget excludes Prior Year Surplus resources shown as revenue in adopted budget.

**Expenditures:** Salaries and Wages negative variance due to Police and Fire overtime greater than budget. Contractual Services positive variance due to 1-month lag in invoicing July activity. Other expenses positive variance reflects difference in timing of actual DDOT contributions (monthly) vs. budgeted (quarterly).

Budget excludes \$23 million in PLD decommissioning reserve not yet expected to be spent.

<i>\$ in millions</i>	ANNUAL			
	BUDGET	PROJECTION	VARIANCE	
	A	B	(\$) C = B-A	% D= (C/A)
<b>REVENUE:</b>				
Municipal Income Tax	\$ 392.7	\$ 392.7	\$ -	-
Property Taxes	137.4	137.4	-	-
Wagering Taxes	258.1	258.1	-	-
Utility Users' Tax	46.3	46.3	-	-
State Revenue Sharing	224.4	224.4	-	-
Other Revenues	194.6	194.6	-	-
<b>TOTAL (I)</b>	<b>\$ 1,253.5</b>	<b>\$ 1,253.5</b>	<b>\$ -</b>	<b>-</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$ 563.2	\$ 563.2	\$ -	-
Employee Benefits	283.3	283.3	-	-
Professional and Contractual Services	118.8	118.8	-	-
Operating Supplies	42.5	42.5	-	-
Operating Services	91.2	91.2	-	-
Capital Outlays	0.4	0.4	-	-
Debt Service	81.5	81.5	-	-
Other Expenses	163.1	163.1	-	-
<b>TOTAL (J)</b>	<b>\$ 1,344.0</b>	<b>\$ 1,344.0</b>	<b>\$ -</b>	<b>-</b>
<b>REVENUES LESS EXPENDITURES (K= I + J)</b>	<b>\$ (90.5)</b>	<b>\$ (90.5)</b>	<b>\$ -</b>	<b>-</b>
Budgeted Use of Retiree Protection Fund	57.2	57.2	-	-
Budgeted Use of Prior Year Surplus	10.0	10.0	-	-
Prior Year Continuing Appropriations	23.3	23.3	-	-
<b>SURPLUS/(DEFICIT)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

**Note:** Represents General Fund operating (Fund 1000) only.

**Revenues:** Revenue Projection is updated based on the February 2023 Revenue Estimating Conference results. Excludes Prior Year Surplus resource shown as revenue in adopted budget.

**Expenditures:** Amended expenditure budget includes additional \$1.2 million for DHD Prenatal Care Transportation Services program and \$0.1 million for Legislative Administration, both approved by City Council in June 2023. Budget excludes \$23 million in PLD decommissioning reserve not yet expected to be spent.

**Budgeted Use of Prior Year Surplus:** Unspent budget resource from prior year used to support one-time expenditures included in the FY24 Amended Budget.

**Prior Year Continuing Appropriations:** Unspent budget resource from prior year used to support one-time expenditure budgets that carried over from prior fiscal year to current fiscal year. Itemized on the following page.

Amended Budget Reconciliation			
		Revenue	Expense
Dept	Total Adopted Budget	1,319,487,321	1,319,487,321
DSLPP	Exclude Budgeted Use of Retiree Protection Fund	\$ (57,225,000)	
Non-Dept	Exclude Budgeted Use of Prior Year Surplus	(8,736,804)	-
Various	Continuing Appropriations (see list)	-	23,285,429
Health	Prenatal Care Transportation Services	-	1,200,000
City Council	Legislative Administration	-	125,000
	<b>Total Amended Budget per report</b>	<b>\$ 1,253,525,517</b>	<b>\$ 1,344,097,750</b>

Dept	Continuing Appropriations (Fund 1000)	Amount
BSEED	Public Health Fund	\$ 88,967
CRIO	Homegrown Detroit	3,260,494
Non-Dept	Covid-19 Response	5,000,000
Non-Dept	Over-Assessment Program	2,000,000
Non-Dept	Community Programs Support	244,216
HRD	Affordable Housing Development and Preservation Fund	7,175,262
HRD	Senior Home Repair	2,500,000
HRD	Neighborhood Improvement Fund	1,468,120
HRD	Economic Development Programs	537,677
HRD	Workforce Development Programs	490,268
GSD	Wayne County Park Millage	244,611
GSD	Pistons Basketball Court Improvements	275,814
	<b>Total</b>	<b>\$ 23,285,429</b>

**Note:** Represents General Fund operating (Fund 1000) only. Continuing appropriations (i.e., "balance forwards") represent unexpended balances from certain appropriations authorized to be re-appropriated in the FY24 Adopted Budget resolution. Amounts are subject to change as year-end FY23 accruals, adjustments, and lapses are completed during the close-out period.





Notes:

(1), (2) Actuals are the headcount of all active employees at month-end. The Budgeted positions have been adjusted to convert full-time equivalents to headcount and to reflect position amendments approved mid-year.

(3) Includes Auditor General, Inspector General, Zoning, City Council, Ombudsperson, City Clerk, and Elections.

(4) Includes Civil Rights Inclusion & Opportunity, Appeals and Hearings, Public Lighting, Demolition, and Non-Departmental

(5) Includes Public Works, General Services, and Elections, and summer interns.

	MONTH-OVER-MONTH ACTUAL <sup>(1)</sup>			BUDGET VS. ACTUAL		
	Actual June 2023	Actual July 2023	Change July 2024 vs. June 2023	Adjusted Budget FY 2024 <sup>(2)</sup>	Variance (Under)/Over Budget vs. July 2023	
<b>General City (Full-Time)</b>						
<b>Public Safety</b>						
Police	3,076	3,080	4	3,440	(360)	(10%)
Fire	1,159	1,220	61	1,235	(15)	(1%)
<b>Total Public Safety</b>	<b>4,235</b>	<b>4,300</b>	<b>65</b>	<b>4,675</b>	<b>(375)</b>	<b>(8%)</b>
<b>Non-Public Safety</b>						
Office of the Chief Financial Officer	379	381	2	418	(37)	
Public Works - Full Time	398	386	(12)	506	(120)	
Health	158	214	56	224	(10)	
Human Resources	100	97	(3)	107	(10)	
Housing and Revitalization	128	129	1	173	(44)	
Innovation and Technology	131	131	0	145	(14)	
Law	128	118	(10)	113	5	
Mayor's Office	81	81	0	85	(4)	
Municipal Parking	67	68	1	97	(29)	
Planning and Development	35	35	0	39	(4)	
General Services - Full Time	530	494	(36)	704	(210)	
Legislative <sup>(3)</sup>	259	263	4	315	(52)	
36th District Court	323	324	1	325	(1)	
Other <sup>(4)</sup>	234	279	45	349	(70)	
<b>Total Non-Public Safety</b>	<b>2,951</b>	<b>3,000</b>	<b>49</b>	<b>3,600</b>	<b>(600)</b>	<b>(17%)</b>
<b>Total General City (Full-Time)</b>	<b>7,186</b>	<b>7,300</b>	<b>114</b>	<b>8,275</b>	<b>(975)</b>	<b>(12%)</b>
<b>Enterprise (Full-Time)</b>						
Airport	10	9	(1)	12	(3)	
BSEED	290	289	(1)	355	(66)	
Transportation	731	740	9	975	(235)	
Water and Sewerage	565	595	30	678	(83)	
Library	230	232	2	341	(109)	
<b>Total Enterprise (Full-Time)</b>	<b>1,826</b>	<b>1,865</b>	<b>39</b>	<b>2,361</b>	<b>(496)</b>	<b>(21%)</b>
<b>Total (Full-Time)</b>	<b>9,012</b>	<b>9,165</b>	<b>153</b>	<b>10,636</b>	<b>(1,471)</b>	<b>(14%)</b>
<b>ARPA / COVID Response</b>	<b>524</b>	<b>547</b>	<b>23</b>	<b>547</b>	<b>0</b>	<b>0%</b>
<b>Seasonal / Part-Time<sup>(5)</sup></b>	<b>277</b>	<b>306</b>	<b>29</b>	<b>570</b>	<b>(264)</b>	<b>(46%)</b>
<b>Grand Total</b>	<b>9,813</b>	<b>10,018</b>	<b>205</b>	<b>11,753</b>	<b>(1,735)</b>	<b>(15%)</b>



# Fiscal Years 2023 - 2024

## FY24 YTD

## FY23 YTD

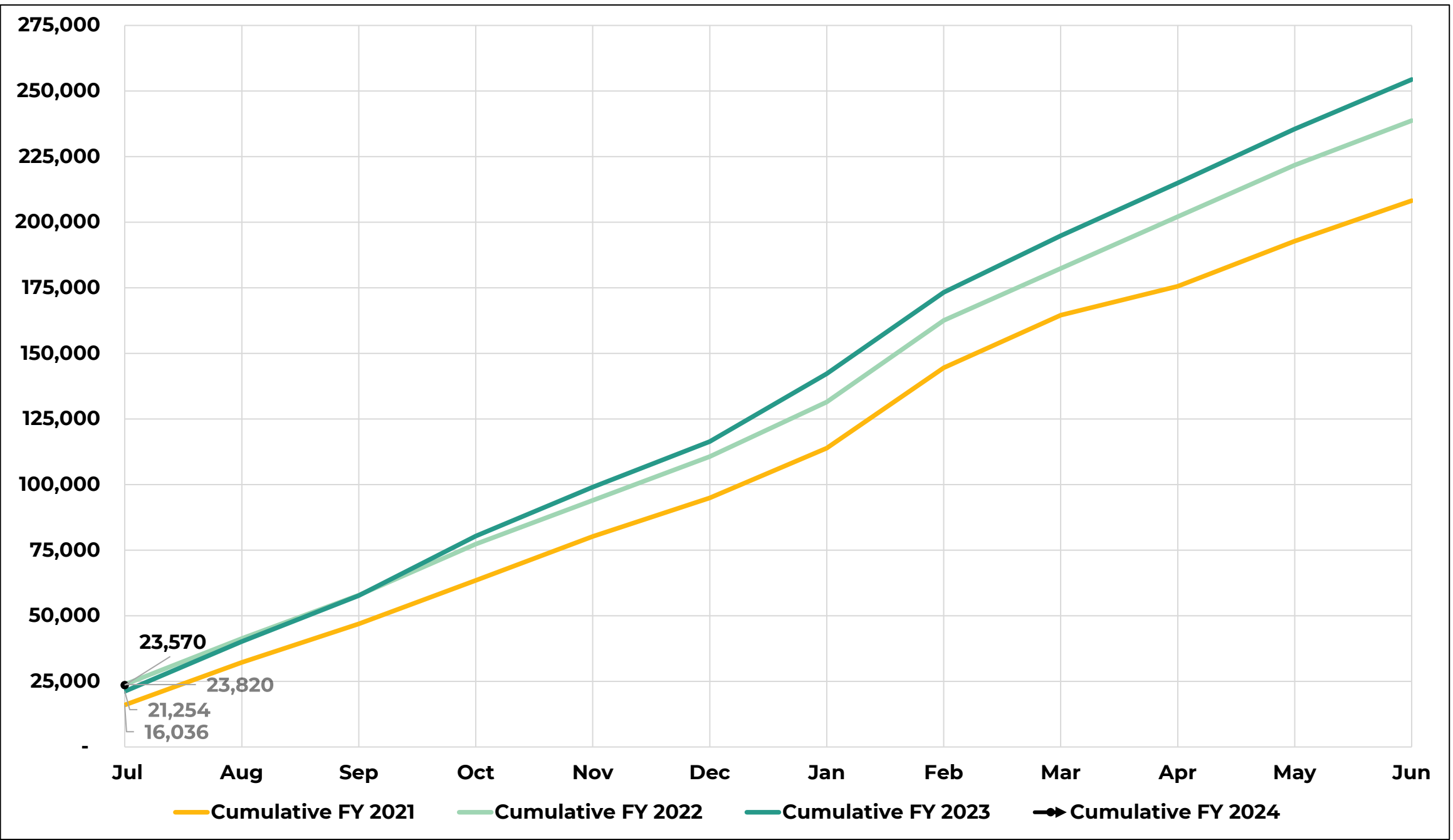
### Income Tax Collections

### July 2023

### July 2022

Withholding	\$ 31,069,655	\$ 25,805,669
Individual	1,580,729	2,214,199
Corporate	5,722,457	789,020
Partnerships	66,457	213,004
<b>Total Collections</b>	<b>\$ 38,439,298</b>	<b>\$ 29,021,893</b>
<b>Refunds claimed, disbursed and accrued</b>	<b>(2,444,466)</b>	<b>(5,951,534)</b>
<b>Collections Net of Refunds/Disbursements</b>	<b>\$ 35,994,832</b>	<b>\$ 23,070,359</b>





(in millions)

	Unrestricted	Restricted	June 2023 Total	Prior Year June 2022 Total
<b>General Fund</b>				
General Accounts	\$ 331.6	\$ 213.1	\$ 544.7	\$ 576.4
Self Insurance	58.9	10.0	68.9	19.6
Quality of Life Fund	1.7	1.9	3.6	4.3
Retiree Protection Trust Fund	-	465.8	465.8	360.3
A/P and Payroll Clearing	0.5	-	0.5	19.7
<b>Other Governmental Funds</b>				
Capital Projects	5.5	243.7	249.2	231.5
Streets	97.8	-	97.8	99.8
Grants	80.3	7.4	87.6	69.3
Covid 19	-	-	-	-
ARPA	726.4	-	726.4	786.4
Solid Waste Management	17.0	-	17.0	22.8
Debt Service	-	59.8	59.8	41.2
Gordie Howe Bridge	8.5	-	8.5	11.3
Other	40.5	-	40.5	30.2
<b>Enterprise Funds</b>				
Enterprise Funds	33.6	-	33.6	6.3
<b>Fiduciary Funds</b>				
Undistributed Property Taxes	38.9	-	38.9	39.1
Fire Insurance Escrow	12.0	-	12.0	11.5
Other	58.1	-	58.1	54.0
<b>Component Units</b>				
Component Units	23.1	-	23.1	19.0
<b>Total General Ledger Cash Balance</b>	<b>\$ 1,534.3</b>	<b>\$ 1,001.7</b>	<b>\$ 2,535.9</b>	<b>\$ 2,402.7</b>

Note: This schedule reports total City of Detroit (excludes DSWD) cash as recorded in the General Ledger. This report does not represent cash available for spending, liabilities and fund balance must be considered when determining excess cash.



(Millions of Dollars)

Fiscal Year Begins July 1

Operating Cash Activity

	FY23 YTD	FY24 YTD			Actual	Forecast						
	Actual	Actual	Forecast	Variance	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023	JAN 2024	FEB 24 - JUL 24
<b>Beginning Common Cash Pool</b>	<b>1,365.9</b>	<b>1,413.8</b>	-	-	<b>1,413.8</b>	<b>1,378.8</b>	<b>1,630.0</b>	<b>1,442.7</b>	<b>1,441.9</b>	<b>1,416.3</b>	<b>1,393.2</b>	<b>1,479.3</b>
<b>Sources of Cash</b>												
Income Taxes	31.0	39.7	28.0	11.6	39.7	30.8	27.3	25.5	24.9	27.3	45.7	200.2
Property Taxes	46.3	47.9	52.4	(4.5)	47.9	274.4	22.6	15.1	15.5	63.9	174.4	136.3
Revenue Sharing	-	-	-	-	-	31.7	-	38.7	-	25.3	-	91.5
Wagering Taxes	17.5	20.1	23.3	(3.2)	20.1	27.5	18.1	50.6	23.1	22.5	18.9	108.9
Utility Users Taxes	2.9	3.0	2.8	0.2	3.0	2.9	3.0	2.9	3.1	1.9	4.9	32.0
Other Receipts	27.8	32.2	30.8	1.4	32.2	26.1	34.5	15.2	34.9	22.6	23.7	236.3
Net Interpool transfers	33.7	35.0	33.3	1.8	35.0	36.1	29.7	54.6	36.8	21.2	56.9	201.7
Bond Proceeds	8.9	12.0	7.0	5.0	12.0	5.3	4.9	9.2	11.7	10.0	8.1	70.9
<b>Total Sources of Cash</b>	<b>168.2</b>	<b>190.0</b>	<b>177.7</b>	<b>12.3</b>	<b>190.0</b>	<b>434.8</b>	<b>140.0</b>	<b>211.8</b>	<b>150.1</b>	<b>194.7</b>	<b>332.5</b>	<b>1,077.6</b>
<b>Uses of Cash</b>												
Wages and Benefits	(85.3)	(85.5)	(83.3)	(2.2)	(85.5)	(61.4)	(67.8)	(92.9)	(77.0)	(85.4)	(82.6)	(454.8)
Pension Contribution	(8.0)	(14.9)	(36.8)	21.9	(14.9)	(9.1)	(4.0)	(28.0)	(4.9)	(5.1)	(19.1)	(71.6)
Debt Service	(4.7)	(4.4)	(7.9)	3.5	(4.4)	-	(10.2)	(0.0)	-	-	-	(22.7)
Property Tax Distribution	(20.6)	(25.2)	(26.5)	1.3	(25.2)	(22.2)	(99.5)	(9.4)	(2.8)	(3.1)	(74.4)	(125.9)
TIF Distribution	-	-	-	-	-	-	-	-	-	(38.6)	-	(36.9)
Other Disbursements	(64.6)	(95.1)	(63.8)	(31.3)	(95.1)	(90.8)	(145.8)	(75.3)	(91.0)	(85.7)	(70.5)	(531.3)
Budget Reserve	-	-	-	-	-	-	-	(7.0)	-	-	-	-
Transfers to Retiree Protection Fund	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Uses of Cash</b>	<b>(183.2)</b>	<b>(225.1)</b>	<b>(218.3)</b>	<b>(6.7)</b>	<b>(225.1)</b>	<b>(183.5)</b>	<b>(327.3)</b>	<b>(212.6)</b>	<b>(175.7)</b>	<b>(217.8)</b>	<b>(246.5)</b>	<b>(1,243.2)</b>
<b>Net Cash Flow</b>	<b>(15.0)</b>	<b>(35.0)</b>	<b>(40.7)</b>	<b>5.6</b>	<b>(35.0)</b>	<b>251.2</b>	<b>(187.3)</b>	<b>(0.8)</b>	<b>(25.6)</b>	<b>(23.1)</b>	<b>86.0</b>	<b>(165.5)</b>
<b>Ending Common Cash Pool</b>	<b>1,350.9</b>	<b>1,378.8</b>	-	-	<b>1,378.8</b>	<b>1,630.0</b>	<b>1,442.7</b>	<b>1,441.9</b>	<b>1,416.3</b>	<b>1,393.2</b>	<b>1,479.3</b>	<b>1,313.7</b>
<b>Budget Reserve Fund</b>	<b>107.3</b>	<b>143.0</b>	<b>143.0</b>	-	<b>143.0</b>	<b>143.0</b>	<b>143.0</b>	<b>150.0</b>	<b>150.0</b>	<b>150.0</b>	<b>150.0</b>	<b>150.0</b>



### Accounts Payable (AP) as of Jul-23 [Millions]

Total AP (Jun-23)	\$	15.4
Plus: Jul-23 invoices processed	\$	122.0
Less: Jul-23 Payments made	\$	(97.5)
Total AP month end (Jul-23)	\$	39.9
Less: Invoices on hold <sup>(1)</sup>	\$	(23.5)
Total AP not on Validation hold (Jul-23)	\$	16.4
Less: Installments/Retainage Invoices <sup>(2)</sup>	\$	(0.2)
Net AP not on hold	\$	16.2

Net AP not on hold includes \$8.3m of invoices that are due after Jul-23

(1) Invoices with system holds are pending validation. Some reasons include: pending receipt, does not match purchase order quantity/price and legal holds.

(2) Invoices on retainage are on hold until the supplier satisfies all contract obligations.

All invoices are processed and aged based on the invoice date

### AP Aging [Millions]

(excludes invoices on hold & retainage)

		Net AP	Current	Days Past Due		
				1-30	31-60	61+
Invoice \$ Value	Current Month	\$16.2	8.5	2.3	0.4	5.0
	% of Total	100%	52%	14%	2%	31%
	Previous Month	\$11.5	10.4	0.3	0.1	0.7
	% of Total	100%	90%	3%	1%	6%
Vs Previous Month		\$4.7	(1.9)	2.0	0.3	4.3
Invoice Count	Current Month	957	581	186	50	140
	% of Total	100%	61%	19%	5%	15%
	Previous Month	1,324	1,128	118	17	61
	% of Total	100%	85%	9%	1%	5%
Vs Previous Month		(367)	(547)	68	33	79

