



FY2023-24 Financial Report

Office of the Chief Financial Officer

For the 2 Months ended August 31, 2023

Submitted on October 13, 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](#).

- The Office of Budget is holding the annual [Budget Priorities Forums](#) from October 10th to 26th. They occur in all 7 City Council districts to get resident input for the Mayor's FY2024-25 recommended budget. Additional resources can be found [here](#).
- On October 9th, City Council authorized a resolution to accept the Protecting MI Pension Grant from the Michigan Department of Treasury, in the amount of \$22,968,047.00, to assist with eligible principal payments for the City of Detroit General Retirement System (GRS) Component II Pension Plan.
- CHANGES TO SLIDE 12: Previously, invoice aging was based on the invoice date (date on invoice). This has now been changed to creation date (date the invoice was entered into the system) to more accurately reflect processing times. This change was applied to both current and previous months in this report.

<i>\$ in millions</i>	ANNUAL			
	BUDGET	PROJECTION	VARIANCE	
	A	B	(\$) C = B-A	% D= (C/A)
REVENUE:				
Municipal Income Tax	\$ 392.7	\$ 414.7	\$ 22.0	5.6%
Property Taxes	137.4	145.1	7.7	5.6%
Wagering Taxes	258.1	248.3	(9.8)	(3.8%)
Utility Users' Tax	46.3	42.3	(4.0)	(8.6%)
State Revenue Sharing	224.4	235.3	10.9	4.9%
Other Revenues	194.6	224.4	29.8	15.3%
TOTAL (I)	\$ 1,253.5	\$ 1,310.1	\$ 56.6	4.5%
EXPENDITURES:				
Salaries and Wages	\$ 564.2	\$ 564.2	\$ -	-
Employee Benefits	283.5	283.5	-	-
Professional and Contractual Services	118.5	118.5	-	-
Operating Supplies	42.5	42.5	-	-
Operating Services	91.2	91.2	-	-
Capital Outlays	0.5	0.5	-	-
Debt Service	81.5	81.5	-	-
Other Expenses	161.6	161.6	-	-
TOTAL (J)	\$ 1,343.5	\$ 1,343.5	\$ -	-
REVENUES LESS EXPENDITURES (K= I + J)	\$ (90.0)	\$ (33.4)	\$ 56.6	(62.9%)
Budgeted Use of Retiree Protection Fund	57.2	57.2	-	-
Budgeted Use of Prior Year Surplus	10.1	10.1	-	-
Prior Year Continuing Appropriations	22.7	22.7	-	-
SURPLUS/(DEFICIT)	\$ -	\$ 56.6	\$ 56.6	-

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

Revenues: Revenue Projection is updated based on the September 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
DSLPL	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)	-	22,699,245
Health	Prenatal Care Transportation Services	-	1,200,000
City Council	Legislative Administration	-	125,000
	Total Amended Budget per report	\$ 1,253,525,517	\$ 1,343,511,566

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	1,445,288
HRD	Economic Development Programs	435,732
HRD	Workforce Development Programs	28,861
GSD	Wayne County Park Millage	244,611
GSD	Pistons Basketball Court Improvements	275,814
	Total	\$ 22,699,245

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 ⁽¹⁾			BUDGET VS. ACTUAL		
	Actual July 2023	Actual August 2023	Change Aug 2023 vs. July 2023	Adjusted Budget FY 2024 ⁽²⁾	Variance (Under)/Over Budget vs. August 2023	
Public Safety						
Police	3,080	3,110	30	3,442	(332)	(10%)
Fire	1,220	1,200	(20)	1,235	(35)	(3%)
Total Public Safety	4,300	4,310	10	4,677	(367)	(8%)
Non-Public Safety						
Office of the Chief Financial Officer	381	376	(5)	420	(44)	
Public Works - Full Time	386	408	22	507	(99)	
Health	214	181	(33)	224	(43)	
Human Resources	97	98	1	107	(9)	
Housing and Revitalization	129	127	(2)	173	(46)	
Innovation and Technology	131	133	2	145	(12)	
Law	118	118	0	112	6	
Mayor's Office	81	83	2	85	(2)	
Municipal Parking	68	81	13	97	(16)	
Planning and Development	35	34	(1)	39	(5)	
General Services - Full Time	494	519	25	733	(214)	
Legislative ⁽³⁾	263	261	(2)	315	(54)	
36th District Court	324	323	(1)	325	(2)	
Other ⁽⁴⁾	279	271	(8)	352	(81)	
Total Non-Public Safety	3,000	3,013	13	3,634	(621)	(17%)
Total General City (Full -Time)	7,300	7,323	23	8,311	(988)	(12%)
Enterprise (Full-Time)						
Airport	9	10	1	12	(2)	
BSEED	289	298	9	355	(57)	
Transportation	740	762	22	974	(212)	
Water and Sewerage	595	589	(6)	678	(89)	
Library	232	240	8	341	(101)	
Total Enterprise (Full-Time)	1,865	1,899	34	2,360	(461)	(20%)
Total (Regular Full-time)	9,165	9,222	57	10,671	(1,449)	(14%)
ARPA / COVID Response	547	569	22	569	0	0%
Seasonal / Part Time⁽⁵⁾	306	228	(78)	528	(300)	(57%)
Grand Total	10,018	10,019	1	11,768	(1,749)	(15%)



Fiscal Years 2023 - 2024

FY24 YTD

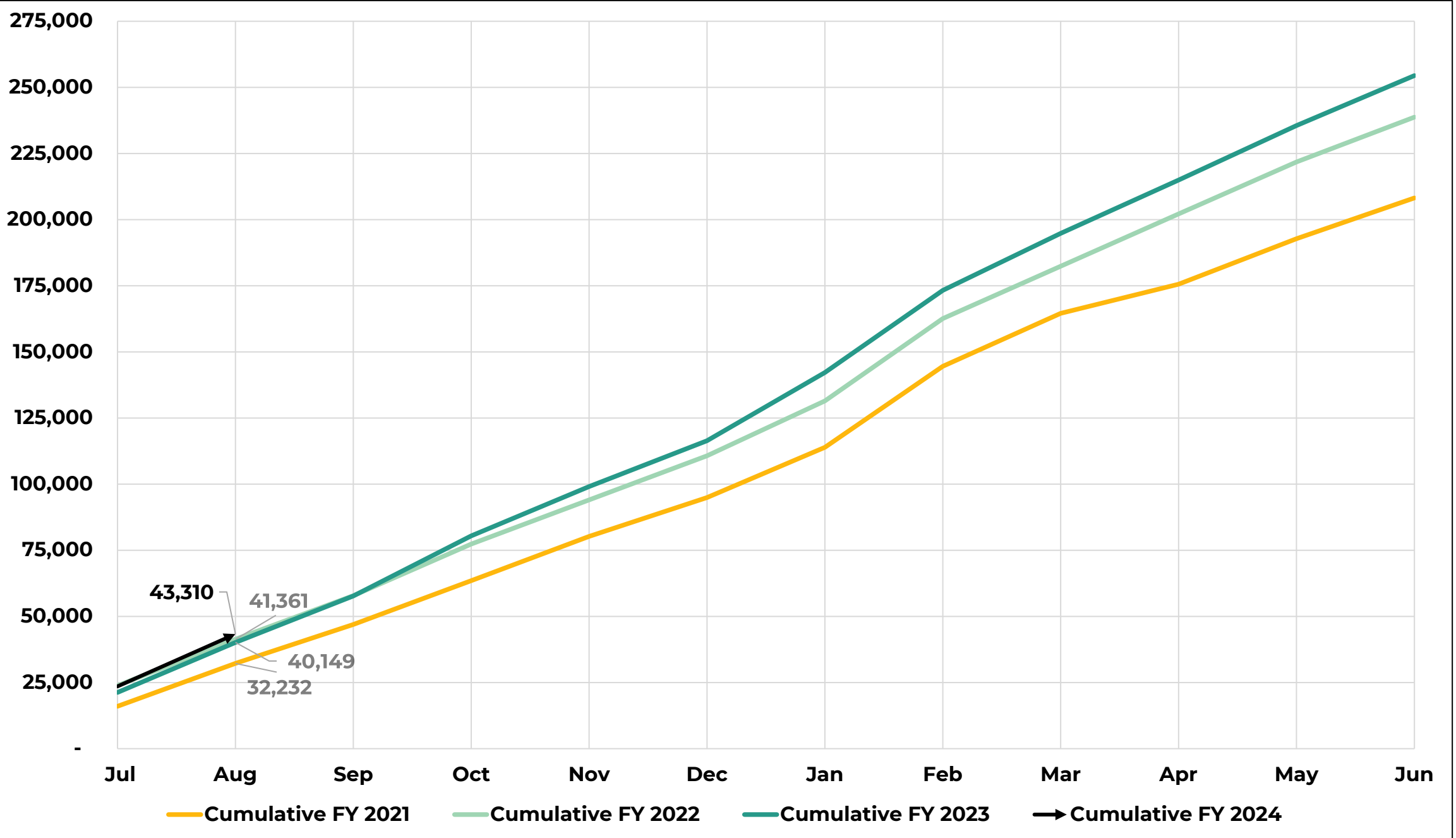
FY23 YTD

Income Tax Collections

August 2023

August 2022

Withholding	\$ 57,663,004	\$ 55,886,900
Individual	5,698,135	2,869,071
Corporate	3,468,978	525,680
Partnerships	190,132	84,420
Total Collections	\$ 67,020,249	\$ 59,366,071
Refunds claimed, disbursed and accrued	(10,355,583)	(12,542,176)
Collections Net of Refunds/Disbursements	\$ 56,664,666	\$ 46,823,895



(in millions)

	Unrestricted	Restricted	August 2023 Total	Prior Year August 2022 Total
General Fund				
General Accounts	\$ 371.8	\$ 221.7	\$ 593.5	\$ 539.5
Self Insurance	80.6	10.0	90.6	19.7
Quality of Life Fund	1.7	1.9	3.6	4.3
Retiree Protection Trust Fund	-	465.5	465.5	446.3
A/P and Payroll Clearing	0.5	-	0.5	2.9
Other Governmental Funds				
Capital Projects	5.4	235.0	240.4	225.9
Streets	95.8	-	95.8	98.9
Grants	81.3	8.0	89.2	75.8
Covid 19	-	-	-	-
ARPA	711.2	-	711.2	780.4
Solid Waste Management	19.3	-	19.3	29.0
Debt Service	-	78.8	78.8	59.4
Gordie Howe Bridge	8.3	-	8.3	11.3
Other	38.7	-	38.7	45.4
Enterprise Funds				
Enterprise Funds	26.4	-	26.4	11.6
Fiduciary Funds				
Undistributed Property Taxes	122.7	-	122.7	133.1
Fire Insurance Escrow	12.2	-	12.2	11.4
Other	54.7	-	54.7	53.8
Component Units				
Component Units	29.2	-	29.2	20.4
Total General Ledger Cash Balance	\$ 1,659.7	\$ 1,020.8	\$ 2,680.5	\$ 2,568.9

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	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023	JAN 2024	FEB 2024	MAR 24 - AUG 24
Beginning Common Cash Pool	1,365.9	1,413.8	-	-	1,378.8	1,482.9	1,430.6	1,421.7	1,396.1	1,373.0	1,465.9	1,418.4
Sources of Cash												
Income Taxes	63.9	64.8	58.8	6.0	25.1	27.3	25.5	24.9	27.3	45.7	23.4	203.8
Property Taxes	290.6	312.8	326.8	(14.0)	264.9	22.6	15.1	15.5	63.9	174.4	14.7	385.9
Revenue Sharing	30.5	30.6	31.7	(1.0)	30.6	-	38.7	-	25.3	-	31.7	83.5
Wagering Taxes	61.3	61.3	65.7	(4.4)	41.2	18.1	35.6	23.1	22.5	18.9	14.7	121.5
Utility Users Taxes	5.5	5.5	5.8	(0.3)	2.5	3.0	2.9	3.1	1.9	4.9	5.8	29.0
Other Receipts	64.7	70.7	63.8	6.9	38.4	34.5	22.1	34.9	22.6	30.5	44.1	236.2
Net Interpool transfers	55.8	62.0	69.4	(7.4)	27.0	29.7	54.6	36.8	21.2	56.9	33.4	212.7
Bond Proceeds	19.3	24.9	12.3	12.6	12.9	4.9	9.2	11.7	10.0	8.1	14.9	61.2
Total Sources of Cash	591.6	632.6	634.3	(1.7)	442.6	140.0	203.7	150.1	194.7	339.4	182.5	1,333.8
Uses of Cash												
Wages and Benefits	(149.5)	(158.2)	(144.7)	(13.5)	(72.7)	(67.8)	(92.9)	(77.0)	(85.4)	(82.6)	(81.2)	(447.3)
Pension Contribution	(10.3)	(20.6)	(45.9)	25.3	(5.7)	(4.0)	(28.0)	(4.9)	(5.1)	(19.1)	(3.7)	(79.5)
Debt Service	(4.7)	(4.4)	(7.9)	3.5	-	(10.2)	(0.0)	-	-	-	-	(22.7)
Property Tax Distribution	(133.9)	(153.7)	(133.7)	(20.0)	(128.5)	(14.5)	(9.4)	(2.8)	(3.1)	(74.4)	(69.4)	(77.8)
TIF Distribution	-	-	-	-	-	-	-	-	(38.6)	-	-	(36.9)
Other Disbursements	(156.3)	(226.6)	(204.6)	(22.0)	(131.6)	(95.8)	(75.3)	(91.0)	(85.7)	(70.5)	(75.7)	(579.4)
Budget Reserve	-	-	-	-	-	-	(7.0)	-	-	-	-	-
Transfers to Retiree Protection Fund	(90.0)	-	-	-	-	-	-	-	-	-	-	-
Total Uses of Cash	(544.7)	(563.5)	(536.9)	(26.7)	(338.5)	(192.3)	(212.6)	(175.7)	(217.8)	(246.5)	(230.1)	(1,243.6)
Net Cash Flow	46.9	69.1	97.4	(28.4)	104.1	(52.3)	(8.9)	(25.6)	(23.1)	92.9	(47.5)	90.2
Ending Common Cash Pool	1,412.8	1,482.9	-	-	1,482.9	1,430.6	1,421.7	1,396.1	1,373.0	1,465.9	1,418.4	1,508.6
Budget Reserve Fund	107.3	143.0	143.0	-	143.0	143.0	150.0	150.0	150.0	150.0	150.0	150.0



Accounts Payable (AP) as of Aug-23 [Millions]	
Total AP (Jul-23)	\$ 39.9
Plus: Aug-23 invoices processed	\$ 226.5
Less: Aug-23 Payments made	\$ (226.5)
Total AP month end (Aug-23)	\$ 39.9
Less: Invoices on hold ⁽¹⁾	\$ (20.4)
Total AP not on Validation hold (Jul-23)	\$ 19.5
Less: Installments/Retainage Invoices ⁽²⁾	\$ (1.4)
Net AP not on hold	\$ 18.1

Net AP not on hold includes \$9.5m of invoices that are due after Aug-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 creation date

AP Aging [Millions]						
(excludes invoices on hold & retainage)						
		Net AP	Current	Days Past Due		
				1-30	31-60	61+
Invoice \$ Value	Current Month	\$18.0	0.4	16.2	0.2	1.2
	% of Total	100%	2%	90%	1%	7%
	Previous Month	\$16.4	0.1	13.1	0.4	2.8
	% of Total	100%	1%	80%	2%	17%
Vs Previous Month		\$1.6	0.3	3.1	(0.2)	(1.6)
Invoice Count	Current Month	857	122	660	24	51
	% of Total	100%	14%	77%	3%	6%
	Previous Month	962	75	788	20	79
	% of Total	100%	8%	82%	2%	8%
Vs Previous Month		(105)	47	(128)	4	(28)

