



FY2023-24 Financial Report

Office of the Chief Financial Officer

For the 4 Months ended October 31, 2023

Submitted on December 14, 2023



Topic	Page(s)
Executive Summary	3
Budget vs. Actual	4
Annualized Budget vs. Projections	5
Amended Budget Reconciliation	6
Employee Count Monitoring	7
Income Tax	8-9
Cash	10-11
Accounts Payable	12

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 audit of the City's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023 is on schedule and will be published before December 31, 2023 and uploaded to the State Department of Treasury.
- Following strikes this fall, the United Auto Workers and the Detroit casino workers ratified new labor contracts providing substantial wage increases. While the strikes posed a risk of short-term disruption to City revenues, other revenue gains helped mitigate that risk. Further, the new higher wages provide potential upside to future City revenues.

<i>\$ in millions</i>	OCTOBER 2023				YEAR TO DATE			
	BUDGET	ACTUAL	VARIANCE		BUDGET	ACTUAL	VARIANCE	
	A	B	(\$) C = B - A	% D = (C/A)	E	F	(\$) G = F - E	% H = (G/E)
REVENUE:								
Municipal Income Tax	\$ 26.9	\$ 38.7	\$ 11.8	43.9%	\$ 109.3	\$ 118.5	\$ 9.2	8.4%
Property Taxes	1.3	2.5	1.2	92.3%	67.3	70.2	2.9	4.3%
Wagering Taxes	31.6	22.4	(9.2)	(29.1%)	90.9	78.1	(12.8)	(14.1%)
Utility Users' Tax	3.5	2.5	(1.0)	(28.6%)	11.1	9.5	(1.6)	(14.4%)
State Revenue Sharing	37.4	40.1	2.7	7.2%	37.4	40.1	2.7	7.2%
Other Revenues	11.5	20.3	8.8	76.5%	49.0	62.0	13.0	26.5%
TOTAL (I)	\$ 112.2	\$ 126.5	\$ 14.3	12.7%	\$ 365.0	\$ 378.4	\$ 13.4	3.7%
EXPENDITURES:								
Salaries and Wages	\$ 43.8	\$ 43.5	\$ 0.3	0.7%	\$ 163.8	\$ 171.7	\$ (7.9)	(4.8%)
Employee Benefits	11.6	10.1	1.5	12.9%	46.7	42.9	3.8	8.1%
Professional and Contractual Services	9.5	5.7	3.8	40.0%	53.9	24.6	29.3	54.4%
Operating Supplies	3.6	3.0	0.6	16.7%	20.2	12.9	7.3	36.1%
Operating Services	6.6	4.7	1.9	28.8%	39.0	34.7	4.3	11.0%
Capital Equipment and Outlays	0.1	0.1	-	-	0.5	0.7	(0.2)	(40.0%)
Debt Service	25.2	25.2	-	-	25.8	25.8	-	-
Other Expenses	2.5	1.7	0.8	32.0%	47.1	37.8	9.3	19.7%
TOTAL (J)	\$ 102.9	\$ 94.0	\$ 8.9	8.6%	\$ 397.0	\$ 351.1	\$ 45.9	11.6%
SURPLUS/(DEFICIT) (K= I + J)	\$ 9.3	\$ 32.5	\$ 23.2	249.5%	\$ (32.0)	\$ 27.3	\$ 59.3	185.3%

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

Revenues: Budget excludes Prior Year Surplus resources shown as revenue in adopted budget. Wagering Tax negative variance reflects unrealized revenue target supplement payments (factored into revised projections) and casino worker strike impact. Other revenues positive variance driven by investment earnings.

Expenditures: YTD Salaries and Wages negative variance due to Police and Fire payrolls greater than budget. Contractual Services positive variance due 1-month lag in accruals dating back to July and difference in timing for housing and Covid response balance forward spending.

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)
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	\$ 564.8	\$ 591.8	\$ (27.0)	(4.8%)
Employee Benefits	283.6	276.6	7.0	2.5%
Professional and Contractual Services	113.3	116.3	(3.0)	(2.6%)
Operating Supplies	48.3	48.3	-	-
Operating Services	90.1	93.1	(3.0)	(3.3%)
Capital Equipment and Outlays	0.4	0.4	-	-
Debt Service	81.5	81.5	-	-
Other Expenses	161.3	161.3	-	-
TOTAL (J)	\$ 1,343.3	\$ 1,369.3	\$ (26.0)	(1.9%)
REVENUES LESS EXPENDITURES (K= I + J)	\$ (89.8)	\$ (59.2)	\$ 30.6	(34.1%)
Budgeted Use of Retiree Protection Fund	57.2	57.2	-	-
Budgeted Use of Prior Year Surplus	10.1	10.1	-	-
Prior Year Continuing Appropriations	22.5	22.5	-	-
SURPLUS/(DEFICIT)	\$ -	\$ 30.6	\$ 30.6	-

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. Expenditures currently projected to exceed budget: Personnel driven by Police and Fire overtime; Contractual services due to new EMS contract service expansion; and Operating Services due to higher Detroit Detention Center contractual cost.

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)	-	22,497,576
Health	Prenatal Care Transportation Services	-	1,200,000
City Council	Legislative Administration	-	125,000
	Total Amended Budget per report	\$ 1,253,525,517	\$ 1,343,309,897

Dept	Continuing Appropriations (Fund 1000)	Amount
BSEED	Public Health Fund	\$ 88,967
CRIO	Homegrown Detroit	3,244,557
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	250,000
HRD	Workforce Development Programs	28,861
GSD	Wayne County Park Millage	244,611
GSD	Pistons Basketball Court Improvements	275,814
	Total	\$ 22,497,576

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 September 2023	Actual October 2023	Change Oct. 2023 vs. Sept. 2023	Adjusted Budget FY 2024 ⁽²⁾	Variance (Under)/Over Budget vs. October 2023	
Public Safety						
Police	3,133	3,149	16	3,442	(293)	(9%)
Fire	1,214	1,210	(4)	1,235	(25)	(2%)
Total Public Safety	4,347	4,359	12	4,677	(318)	(7%)
Non-Public Safety						
Office of the Chief Financial Officer	381	379	(2)	420	(41)	
Public Works - Full Time	408	396	(12)	507	(111)	
Health	192	188	(4)	248	(60)	
Human Resources	100	100	0	106	(6)	
Housing and Revitalization	126	128	2	183	(55)	
Innovation and Technology	135	135	0	144	(9)	
Law	119	118	(1)	112	6	
Mayor's Office	84	88	4	87	1	
Municipal Parking	80	79	(1)	97	(18)	
Planning and Development	35	35	0	39	(4)	
General Services - Full Time	524	523	(1)	737	(214)	
Legislative ⁽³⁾	259	268	9	314	(46)	
36th District Court	323	321	(2)	325	(4)	
Other ⁽⁴⁾	270	274	4	356	(82)	
Total Non-Public Safety	3,036	3,032	(4)	3,675	(643)	(17%)
Total General City (Full -Time)	7,383	7,391	8	8,352	(961)	(12%)
Enterprise (Full-Time)						
Airport	10	10	0	12	(2)	
BSEED	290	289	(1)	356	(67)	
Transportation	751	778	27	973	(195)	
Water and Sewerage	592	599	7	678	(79)	
Library	239	238	(1)	341	(103)	
Total Enterprise (Full-Time)	1,882	1,914	32	2,360	(446)	(19%)
Total (Full-time)	9,265	9,305	40	10,712	(1,407)	(13%)
ARPA / COVID Response	543	629	86	629	0	0%
Seasonal / Part Time⁽⁵⁾	181	125	(56)	524	(399)	(76%)
Grand Total	9,989	10,059	70	11,865	(1,806)	(15%)



Fiscal Years 2023 - 2024

FY24 YTD

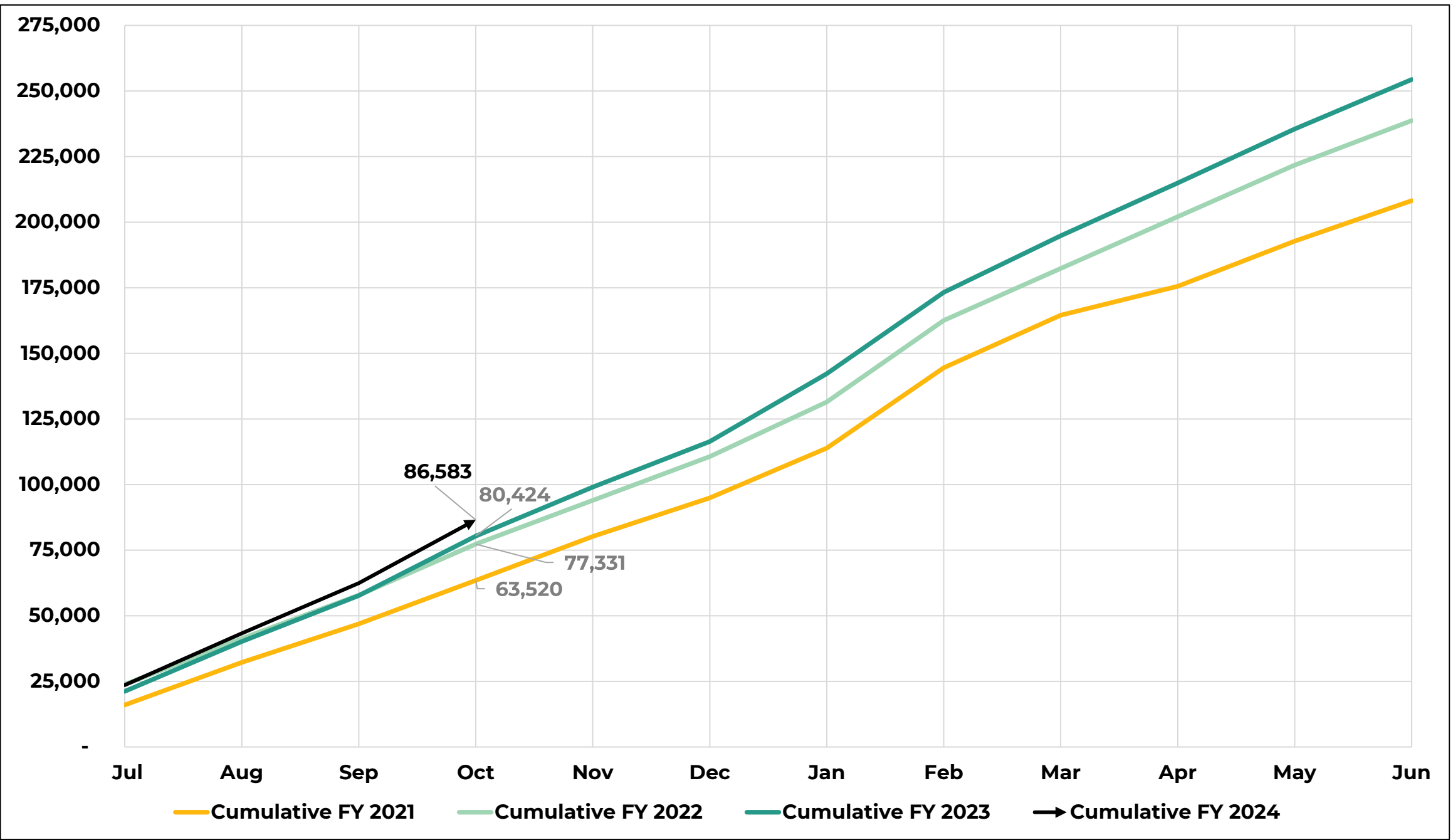
FY23 YTD

Income Tax Collections

October 2023

October 2022

Withholding	\$ 117,452,313	\$ 107,423,706
Individual	10,767,652	9,803,917
Corporate	7,120,860	8,728,472
Partnerships	895,028	965,568
Total Collections	\$ 136,235,854	\$ 126,921,663
Refunds claimed, disbursed and accrued	(17,704,840)	(20,698,721)
Collections Net of Refunds/Disbursements	\$ 118,531,014	\$ 106,222,942



(in millions)

	Unrestricted	Restricted	October 2023 Total	Prior Year October 2022 Total
General Fund				
General Accounts	\$ 405.8	\$ 219.1	\$ 624.9	\$ 486.2
Self Insurance	70.8	10.1	80.9	19.7
Quality of Life Fund	1.7	1.9	3.6	3.7
Retiree Protection Trust Fund	-	460.7	460.7	438.5
A/P and Payroll Clearing	0.5	-	0.5	0.7
Other Governmental Funds				
Capital Projects	5.0	215.1	220.1	205.8
Streets	91.8	-	91.8	88.9
Grants	101.2	8.0	109.2	66.7
Covid 19	-	-	-	-
ARPA	686.7	-	686.7	781.8
Solid Waste Management	12.4	-	12.4	26.2
Debt Service	-	79.2	79.2	59.2
Gordie Howe Bridge	7.7	-	7.7	10.3
Other	33.2	-	33.2	42.5
Enterprise Funds				
Enterprise Funds	27.0	-	27.0	21.2
Fiduciary Funds				
Undistributed Property Taxes	83.7	-	83.7	72.1
Fire Insurance Escrow	12.3	-	12.3	11.6
Other	56.8	-	56.8	55.9
Component Units				
Component Units	32.3	-	32.3	28.2
Total General Ledger Cash Balance	\$ 1,628.8	\$ 994.2	\$ 2,623.0	\$ 2,419.2

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	OCT 2023	NOV 2023	DEC 2023	JAN 2023	FEB 2023	MAR 2024	APR 2024	MAY 24 - OCT 24
Beginning Common Cash Pool	1,365.9	1,413.8	-	-	1,449.0	1,450.8	1,396.6	1,422.7	1,505.8	1,463.0	1,380.4	1,414.0
Sources of Cash												
Income Taxes	124.4	131.1	120.6	10.4	38.2	22.0	33.9	38.9	31.9	28.1	42.5	201.2
Property Taxes	341.5	368.7	359.1	9.6	21.9	12.5	114.4	175.0	12.6	5.2	3.7	395.3
Revenue Sharing	62.9	64.6	66.7	(2.1)	34.0	-	33.7	-	33.3	-	31.8	90.9
Wagering Taxes	99.8	107.1	104.1	3.1	22.8	9.1	29.4	29.0	16.4	16.4	18.9	115.4
Utility Users Taxes	11.8	9.8	10.5	(0.7)	2.7	3.2	4.4	4.4	5.2	4.8	4.8	17.0
Other Receipts	124.8	195.7	165.4	30.3	57.2	32.0	29.8	51.3	47.2	25.1	46.5	231.5
Net Interpool transfers	113.1	117.2	116.0	1.3	35.4	26.2	45.5	32.6	34.9	28.6	47.2	193.0
Bond Proceeds	48.5	48.5	48.5	(0.0)	17.2	12.3	8.3	12.5	10.1	14.8	7.0	75.5
Total Sources of Cash	926.9	1,042.8	990.8	51.9	229.4	117.4	299.5	343.5	191.7	123.0	202.4	1,319.8
Uses of Cash												
Wages and Benefits	(278.4)	(291.9)	(306.3)	14.4	(73.6)	(70.1)	(112.2)	(89.2)	(82.5)	(88.8)	(84.2)	(553.4)
Pension Contribution	(20.3)	(31.9)	(57.9)	26.0	(5.6)	(25.9)	(6.3)	(14.2)	(4.1)	(4.1)	(13.3)	(46.6)
Debt Service	(13.4)	(13.1)	(13.9)	0.8	-	-	-	-	-	(10.2)	-	(21.7)
Property Tax Distribution	(204.4)	(214.4)	(206.6)	(7.8)	(13.7)	(6.2)	(7.1)	(81.0)	(69.6)	-	(0.6)	(249.9)
TIF Distribution	-	-	-	-	-	-	(38.6)	-	-	-	-	(36.9)
Other Disbursements	(341.7)	(447.5)	(432.2)	(15.3)	(127.6)	(69.3)	(109.3)	(76.1)	(78.2)	(102.3)	(70.7)	(553.3)
Budget Reserve	-	(7.0)	(7.0)	-	(7.0)	-	-	-	-	-	-	-
Transfers to Retiree Protection Fund	(90.0)	-	-	-	-	-	-	-	-	-	-	-
Total Uses of Cash	(948.2)	(1,005.8)	(1,023.9)	18.1	(227.6)	(171.6)	(273.4)	(260.5)	(234.5)	(205.5)	(168.8)	(1,461.8)
Net Cash Flow	(21.3)	37.0	(33.0)	70.0	1.8	(54.2)	26.1	83.0	(42.8)	(82.5)	33.5	(142.0)
Ending Common Cash Pool	1,344.6	1,450.8	-	-	1,450.8	1,396.6	1,422.7	1,505.8	1,463.0	1,380.4	1,414.0	1,271.9
Budget Reserve Fund	107.3	150.0	150.0	-	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0



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

Total AP (Sep-23)	\$	43.6
Plus: Oct-23 invoices processed	\$	134.6
Less: Oct-23 Payments made	\$	(139.6)
Total AP month end (Oct-23)	\$	38.6
Less: Invoices on hold ⁽¹⁾	\$	(19.1)
Total AP not on Validation hold (Oct-23)	\$	19.5
Less: Installments/Retainage Invoices ⁽²⁾	\$	(4.6)
Net AP not on hold	\$	14.9

Net AP not on hold includes \$9m of invoices that are due after Oct-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	\$14.9	1.6	12.9	0.2	0.2
	% of Total	100%	11%	87%	1%	1%
	Previous Month	\$17.9	0.7	14.1	0.2	2.9
	% of Total	100%	4%	79%	1%	16%
Vs Previous Month		-\$3.0	0.9	(1.2)	0.0	(2.7)
Invoice Count	Current Month	1,567	182	1,315	43	27
	% of Total	100%	12%	84%	3%	2%
	Previous Month	952	60	848	8	36
	% of Total	100%	6%	89%	1%	4%
Vs Previous Month		615	122	467	35	(9)

