

FY2023-24 Financial Office of the Chief Financial Officer Report

For the 5 Months ended November 30, 2023

Submitted on January 12, 2024



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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 City's February Revenue Estimating Conference will be held Monday, February 12, 2024 at 1pm. The conference is held to review the economic outlook and approve revised revenue estimates.
- The City completed its audit and filing requirements for the Fiscal Year 2023 Annual Comprehensive Financial Report (ACFR) and associated information with the State Department of Treasury and the Municipal Securities Rulemaking Board (MSRB) before December 31, 2023, meeting all required deadlines. The report can be found on the OCFO Financial Report page.
- Due to the City's stronger and faster than originally expected economic and revenue recovery, and its conservative budget and fiscal management, the City's FY23 results show a \$1.197 billion fund balance in the General Fund, of which \$146 million is unassigned. With these results, FY23 marks the ninth consecutive year the City ended with a surplus and unassigned fund balance since the exit from bankruptcy in December 2014.



	NOVEMBER 2023						
\$ in millions				CTUAL	VARIANCE		ANCE
·		Α		В	(\$)	C = B-A	% D= (C/A)
REVENUE:							
Municipal Income Tax	\$	23.9	\$	24.9	\$	1.0	4.2%
Property Taxes		0.5		1.2		0.7	140.0%
Wagering Taxes		21.6		17.8		(3.8)	(17.6%)
Utility Users' Tax		1.9		2.4		0.5	26.3%
State Revenue Sharing		_		_		-	-
Other Revenues		15.6		29.4		13.8	88.5%
TOTAL (I)	\$	63.5	\$	75.7	\$	12.2	19.2%
EXPENDITURES:							
Salaries and Wages	Ś	43.3	\$	46.7	\$	(3.4)	(7.9%)
Employee Benefits	'	11.5	·	10.6	•	0.9	7.8%
Professional and Contractual Services		8.0		7.9		0.1	1.3%
Operating Supplies		3.3		4.6		(1.3)	(39.4%)
Operating Services		6.5		7.3		(0.8)	(12.3%)
Capital Equipment and Outlays		0.1		0.3		(0.2)	(200.0%)
Debt Service		29.2		29.2		· -	· –
Other Expenses		20.3		20.0		0.3	1.5%
TOTAL (J)	\$	122.2	\$	126.6	\$	(4.4)	(3.6%)
SURPLUS/(DEFICIT) (K= I + J)	\$	(58.7)	\$	(50.9)	\$	7.8	13.3%

			YEAR T	O DA	TE	
ВІ	UDGET	A	CTUAL	VARIANCE		
	E		F	(\$)	G = F-E	% H = (G/E)
\$	133.3	\$	143.4	\$	10.1	7.6%
	67.8		71.4		3.6	5.3%
	100.6		95.8		(4.8)	(4.8%)
	11.0		11.8		8.0	7.3%
	37.4		40.1		2.7	7.2%
	64.1		91.2		27.1	42.3%
\$	414.2	\$	453.7	\$	39.5	9.5%
\$	207.0	\$	218.4	\$	(11.4)	(5.5%)
	58.2		53.4		101	
					4.8	8.2%
	61.3		32.4		28.9	47.1%
	23.5		32.4 17.5		28.9 6.0	47.1% 25.5%
	23.5 45.5		32.4 17.5 40.5		28.9 6.0 5.0	47.1% 25.5% 11.0%
	23.5 45.5 0.6		32.4 17.5 40.5 1.0		28.9 6.0	47.1% 25.5%
	23.5 45.5 0.6 55.0		32.4 17.5 40.5 1.0 55.0		28.9 6.0 5.0 (0.4)	47.1% 25.5% 11.0% (66.7%)
	23.5 45.5 0.6 55.0 63.3		32.4 17.5 40.5 1.0 55.0 57.8		28.9 6.0 5.0 (0.4) - 5.5	47.1% 25.5% 11.0% (66.7%) - 8.7%
\$	23.5 45.5 0.6 55.0	\$	32.4 17.5 40.5 1.0 55.0	\$	28.9 6.0 5.0 (0.4)	47.1% 25.5% 11.0% (66.7%)
\$	23.5 45.5 0.6 55.0 63.3		32.4 17.5 40.5 1.0 55.0 57.8		28.9 6.0 5.0 (0.4) - 5.5	47.1% 25.5% 11.0% (66.7%) - 8.7%

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 casino worker strike impact, net of gains from internet gaming. Wagering tax monthly budget spread corrected vs. prior reports for correct timing of internet gaming receipts. 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 amount excludes assigned fund balance reserves not expected to be spent.



	ANNUAL						
\$ in millions		BUDGET	PR	OJECTION		VARI	ANCE
¥		Α		В	(\$	S) 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:							
	\$	564.7	Ś	591.7	\$	(27.0)	(4.0%)
Salaries and Wages Employee Benefits	Ş	283.6	Ş	276.6	Ş	7.0	(4.8%) 2.5%
Professional and Contractual Services		113.5		116.5		(3.0)	(2.6%)
Operating Supplies		48.2		48.2		(3.0)	(2.0%)
Operating Supplies Operating Services		90.1		93.1		(3.0)	(3.3%)
Capital Equipment and Outlays		0.4		0.4		(3.0)	(3.3%)
Debt Service		81.5		81.5		_	_
Other Expenses		165.1		165.1		_	_
TOTAL (J)	\$	1,347.1	\$	1,373.1	\$	(26.0)	(1.9%)
	•	,		,		(,	()
REVENUES LESS EXPENDITURES (K= I + J)	\$	(93.6)	\$	(63.0)	\$	30.6	(32.7%)
Budgeted Use of Retiree Protection Fund		57.2		57.2		1	-
Budgeted Use of Prior Year Surplus		10.1		10.1		-	_
Prior Year Continuing Appropriations		26.3		26.3		-	_
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 amount excludes assigned fund balance reserves not 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						
DSLP	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)	-	26,309,002						
Health	Prenatal Care Transportation Services	-	1,200,000						
City Council	Legislative Administration	-	125,000						
	Total Amended Budget per report	\$ 1,253,525,517	\$ 1,347,121,323						

Dept	Continuing Appropriations (Fund 1000)	Amount
BSEED	Public Health Fund	\$ 88,967
CRIO	Homegrown Detroit	3,253,061
Non-Dept	Covid-19 Response	5,000,000
Non-Dept	Over-Assessment Program	6,000,000
Non-Dept	Community Programs Support	33,816
HRD	Affordable Housing Development and Preservation Fund	7,175,262
HRD	Senior Home Repair	2,500,000
HRD	Neighborhood Improvement Fund	1,463,677
HRD	Economic Development Programs	250,000
HRD	Workforce Development Programs	28,861
GSD	Wayne County Park Millage	190,391
GSD	Pistons Basketball Court Improvements	324,967
	Total	\$ 26,309,002

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. Budget amount excludes assigned fund balance reserves not expected to be spent.

Notes:

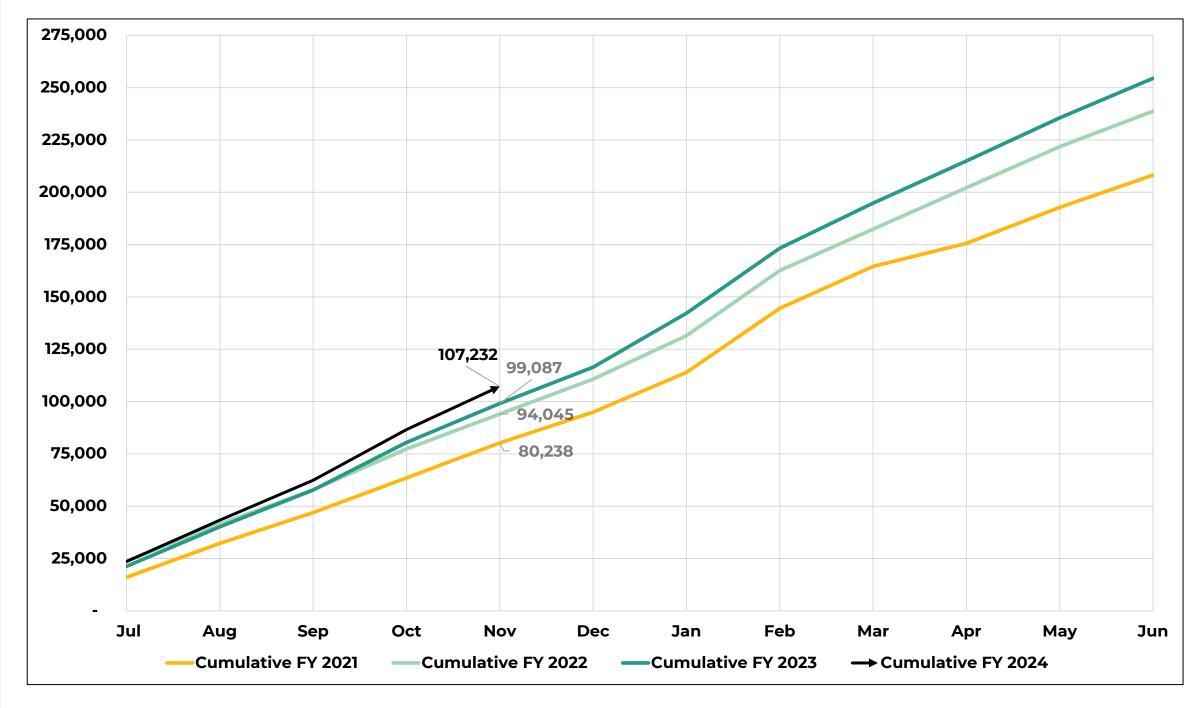
- (1), (2) Actuals are the headcount of all active employees at month-end. The Budgeted positions have been adjusted to convert full-time equivalents to headcount and to reflect position amendments approved mid-year.
- (3) Includes Auditor General, Inspector General, Zoning, City Council, Ombudsperson,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

	Actual October 2023 Actual November 2023 Actual October 2023 Change Nov. 2023 vs. Oct. 2023 3,149 3,178 29 1,210 1,203 (7) 4,359 4,381 22 379 380 1 396 416 20 188 193 5 100 100 0 128 130 2 135 135 0 118 116 (2) 88 83 (5) 79 74 (5) 35 35 0 523 526 3 268 270 2 321 322 1 274 274 0 3,032 3,054 22 7,391 7,435 44		BUDGET VS. ACTUAL			
			Nov. 2023 vs.	Adjusted Budget FY 2024 ⁽²⁾	Varian (Under)/ Budget Novembel	Over vs.
Public Safety					()	()
Police				3,469	(291)	(8%)
Fire				1,235	(32)	(3%)
Total Public Safety	4,359	4,381	22	4,704	(323)	(7%)
Non-Public Safety						
Office of the Chief Financial Officer	379	380	1	420	(40)	
Public Works - Full Time	396	416	20	507	(91)	
Health	188	193	5	248	(55)	
Human Resources	100	100	0	106	(6)	
Housing and Revitalization	128	130	2	187	(57)	
Innovation and Technology	135	135	0	144	(9)	
Law	118	116	(2)	112	4	
Mayor's Office	88	83		87	(4)	
Municipal Parking	79	74		97	(23)	
Planning and Development	35	35	0	39	(4)	
General Services - Full Time	523	526	3	737	(211)	
Legislative ⁽³⁾	268	270	2	314	(44)	
36th District Court	321	322	1	325	(3)	
Other ⁽⁴⁾	274	274	0	363	(89)	
Total Non-Public Safety	3,032	3,054	22	3,686	(632)	(17%)
Total General City (Full -Time)	7,391	7,435	44	8,390	(955)	(11%)
Enterprise (Full-Time)						
Airport	10	10	0	12	(2)	
BSEED	289	287	(2)	356	(69)	
Transportation	778	815	37	973	(158)	
Water and Sewerage	599	612	13	678	(66)	
Library	238	240	2	341	(101)	
Total Enterprise (Full-Time)	1,914	1,964	50	2,360	(396)	(17%)
Total (Full-time)	9,305	9,399	94	10,750	(1,351)	(13%)
ARPA / COVID Response	629	591	(38)	591	0	0%
Seasonal / Part Time ⁽⁵⁾	125	119	(6)	520	(401)	(77%)
Grand Total	10,059	10,109	50	11,861	(1,752)	(15%)

Fiscal Years 2023 - 2024	FY24 YTD	FY23 YTD			
Income Tax Collections	November 2023	November 2022			
Withholding	\$ 142,695,075	\$ 131,961,104			
Individual	12,640,281	12,369,867			
Corporate	8,449,361	9,993,223			
Partnerships	1,076,260	1,024,257			
Total Collections	\$ 164,860,977	\$ 155,348,451			

Total Collections Refunds claimed, disbursed	\$ 164,860,977 (21,435,716)	\$	155,348,451 (25,078,241)
and accrued Collections Net of		.	, , ,
Collections Net of Refunds/Disbursements	\$ 143,425,261	\$	130,270,210





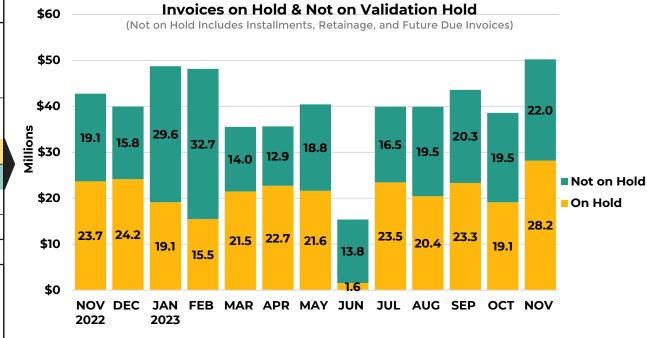
Note: This schedule reports total City of Detroit (excludes DSWD) cash as recorded in the General Ledger. This report does not represent cash available for spending, liabilities and fund balance must be considered when determining excess cash.

(in millions)	Unrestricted	Restricted	November 2023 Total	Prior Year November 2022 Total	
General Fund					
General Accounts	\$ 351.3	\$ 191.8	\$ 543.1	\$ 483.0	
Self Insurance	68.8	10.2	78.9	19.7	
Quality of Life Fund	1.7	0.8	2.5	3.8	
Retiree Protection Trust Fund	-	469.5	469.5	445.1	
A/P and Payroll Clearing	0.5	-	0.5	1.4	
Other Governmental Funds					
Capital Projects	3.4	190.9	194.4	198.2	
Streets	87.0	-	87.0	82.2	
Grants	76.1	8.1	84.2	64.5	
Covid 19	-	-	-	-	
ARPA	660.3	-	660.3	777.6	
Solid Waste Management	13.5	-	13.5	23.4	
Debt Service	-	78.0	78.0	60.2	
Gordie Howe Bridge	7.6	-	7.6	9.8	
Other	32.8	-	32.8	38.3	
Enterprise Funds					
Enterprise Funds	40.7	-	40.7	20.1	
Fiduciary Funds					
Undistributed Property Taxes	76.1	-	76.1	71.4	
Fire Insurance Escrow	12.3	-	12.3	11.7	
Other	50.0	-	50.0	58.5	
Component Units					
Component Units	31.1	-	31.1	28.1	
	\$ 1,513.2	\$ 949.3	\$ 2,462.5	\$ 2,397.0	
Total General Ledger Cash Balance	Ф 1,313.2	ў 3 43 .3	⊅ 2,402.5	φ 2,397. 0	

(Millions of Dollars)	FY23 YTD		FY24 YTD		Actual				Forecast			
Fiscal Year Begins July 1	A atural	Actual	Favaaaat	Varionas	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN 24 -
	Actual	Actual	Forecast	Variance	2023	2023	2024	2024	2024	2024	2024	NOV 24
Beginning Common Cash Pool	1,365.9	1,413.8	-	-	1,450.8	1,325.2	1,353.3	1,445.4	1,402.6	1,320.1	1,363.7	1,294.2
Sources of Cash												
Income Taxes	147.1	155.7	142.6	13.0	24.6	33.9	38.9	31.9	28.1	42.5	35.6	188.3
Property Taxes	353.6	376.5	371.6	5.0	7.8	114.4	175.0	12.6	5.2	3.7	2.7	404.7
Revenue Sharing	62.9	64.6	66.7	(2.1)	-	33.7	-	33.3	-	31.8	-	99.5
Wagering Taxes	129.2	116.0	113.2	2.9	8.9	29.4	29.0	16.4	16.4	18.9	16.7	122.7
Utility Users Taxes	13.9	12.1	13.7	(1.6)	2.4	4.4	4.4	5.2	4.8	4.8	3.1	16.6
Other Receipts	155.7	235.3	197.4	37.9	39.6	29.8	51.3	47.2	25.1	46.5	40.9	214.1
Net Interpool transfers	146.2	138.5	142.2	(3.7)	21.3	45.5	32.6	34.9	28.6	47.2	65.0	155.4
Bond Proceeds	60.8	72.5	60.8	11.7	24.0	8.3	12.5	10.1	14.8	7.0	10.0	77.7
Total Sources of Cash	1,069.4	1,171.3	1,108.2	63.1	128.5	299.5	343.5	191.7	123.0	202.4	174.1	1,279.0
Uses of Cash												
Wages and Benefits	(336.7)	(367.1)	(376.4)	9.4	(75.2)	(112.2)	(89.2)	(82.5)	(88.8)	(84.2)	(128.4)	(512.7)
Pension Contribution	(22.0)	(60.6)	(38.1)	(22.5)	(28.7)	(4.3)	(5.1)	(4.1)	(4.1)	(3.2)	(3.4)	(114.3)
Debt Service	(13.4)	(13.1)	(13.9)	0.8	-	-	-	-	(10.2)	-	-	(21.7)
Property Tax Distribution	(209.9)	(226.2)	(212.8)	(13.4)	(11.7)	(7.1)	(81.0)	(69.6)	-	(0.6)	(1.4)	(254.7)
TIF Distribution	-	-	-	-	-	(38.6)	-	-	-	-	-	(36.9)
Other Disbursements	(411.8)	(586.1)	(600.8)	14.7	(138.6)	(109.3)	(76.1)	(78.2)	(102.3)	(70.7)	(110.5)	(515.6)
Budget Reserve	(30.7)	(7.0)	(7.0)	-	-	-	-	-	-	-	-	-
Transfers to Retiree Protection Fund	(90.0)	-	_	-	-	-	-	-	-	-	-	-
Total Uses of Cash	(1,114.5)	(1,260.0)	(1,249.0)	(11.0)	(254.2)	(271.4)	(251.4)	(234.5)	(205.5)	(158.7)	(243.6)	(1,455.8)
Net Cash Flow	(45.1)	(88.7)	(140.8)	52.1	(125.6)	28.1	92.1	(42.8)	(82.5)	43.6	(69.6)	(176.8)
Ending Common Cash Pool	1,320.8	1,325.2	-	-	1,325.2	1,353.3	1,445.4	1,402.6	1,320.1	1,363.7	1,294.2	1,117.4
Budget Reserve Fund	138.0	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 Nov-23 [Millions]										
Total AP (Oct-23) \$ 38.6										
Р	lus: Nov-23 invoice	\$	148.7							
Le	ess: Nov-23 Payme	ents ma	de		\$	(137.1)				
Tot	al AP month end	(Nov-23)		\$	50.2				
Les	s: Invoices on hold	(1)			\$	(28.2)				
Tot	al AP not on Valid	ation ho	old (Nov-	-23)	\$	22.0				
Les	s: Installments/Re	tainage	e Invoice	s (2)	\$	(4.1)				
Net	AP not on hold	_			\$	17.9				
Net /	AP not on hold includes S	\$13.5m of ir	nvoices that	are due a	ıfter Nov-2	3				
oblig		d aged bas P Aging		reation da n s] retainage	 ate 					
		Net AP	Current -	1-30	ys Past D 31-60	61+				
	Current Month	\$17.9	4.0	13.5	0.2	0.2				
⊕ ⊕ ⊕	% of Total	100%	23%	75%	1%	1%				
nvoice Value	Previous Month	\$14.4	1.6	12.4	0.2	0.2				
	% of Total	100%	12%	86%	1%	1%				
	Vs Previous Month	\$3.5	2.4	1.1	0.0	0.0				
	Current Month	1,828	305	1,479	18	26				
ice	% of Total	100%	17%	81%	1%	1%				
nvoice Count	Previous Month	1,566	182	1,313	43	28				
	% of Total	100%	11%	84%	3%	2%				
	Vs Previous Month	262	123	166	(25)	(2)				



Supplier Payment Metric

