



FY2025-26 Financial Report

Office of the Chief Financial Officer

For the 2 Months ended August 31, 2025

Submitted on October 15, 2025

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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 October 7, 2025, City Council approved the establishment of a Corporate Income Tax Reserve Fund.
 - This reserve assigns \$42m of FY 2025 unassigned fund balance to provide security against corporate income tax revenue uncertainty pertaining to current economic and trade conditions.
 - Any balances not needed in FY 2026 from the reserve will return to the City's unassigned fund balance at year-end.

	August 2025				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)
<i>\$ in millions</i>								
REVENUE:								
Municipal Income Tax	\$ 23.7	\$ 27.1	\$ 3.4	14.3%	\$ 59.8	\$ 59.5	\$ (0.3)	(0.5%)
Property Taxes	57.1	59.1	2.0	3.5%	68.0	72.2	4.2	6.2%
Wagering Taxes	30.1	33.4	3.3	11.0%	44.1	46.0	1.9	4.3%
Utility Users' Tax	1.9	2.1	0.2	10.5%	4.1	4.5	0.4	9.8%
State Revenue Sharing	-	-	-	-	-	-	-	-
Other Revenues	15.2	15.9	0.7	4.6%	25.8	24.5	(1.3)	(5.0%)
TOTAL (I)	\$ 128.0	\$ 137.6	\$ 9.6	7.5%	\$ 201.8	\$ 206.7	\$ 4.9	2.4%
EXPENDITURES:								
Salaries and Wages	\$ 53.3	\$ 51.9	\$ 1.4	2.6%	\$ 90.3	\$ 87.4	\$ 2.9	3.2%
Employee Benefits	17.3	13.6	3.7	21.4%	26.9	26.9	-	-
Professional and Contractual Services	16.7	7.5	9.2	55.1%	23.3	15.9	7.4	31.8%
Operating Supplies	6.1	2.1	4.0	65.6%	8.4	6.5	1.9	22.6%
Operating Services	18.3	16.2	2.1	11.5%	25.0	23.2	1.8	7.2%
Capital Equipment and Outlays	0.2	0.1	0.1	50.0%	0.3	0.3	-	-
Debt Service	5.9	7.0	(1.1)	(18.6%)	6.6	7.7	(1.1)	(16.7%)
Other Expenses	21.3	19.3	2.0	9.4%	63.6	61.1	2.5	3.9%
TOTAL (J)	\$ 139.1	\$ 117.7	\$ 21.4	15.4%	\$ 244.4	\$ 229.0	\$ 15.4	6.3%
SURPLUS/(DEFICIT) (K= I + J)	\$ (11.1)	\$ 19.9	\$ 31.0	(279.3%)	\$ (42.6)	\$ (22.3)	\$ 20.3	47.7%

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

YTD VARIANCE EXPLANATIONS:

Revenues:

- **Property Tax:** Budget assumed 3% growth; actual growth is 5%
- **Utility User Tax:** Increase due to usage/weather conditions

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

Expenditures:

- **Professional / Contractual Services:** Budget adjustment needed to reflect Detroit Detention Facility activity
- **Operating Supplies:** Timing of purchases versus budget
- **Debt Service:** Budget adjustment pending for the Installment Purchase Agreement (IPA)

<i>\$ in millions</i>	ANNUAL			
	BUDGET	PROJECTION	VARIANCE	
	A	B	(\$ C = B-A	% D= (C/A)
REVENUE:				
Municipal Income Tax	\$ 470.5	\$ 409.4	\$ (61.1)	(13.0%)
Property Taxes	164.9	171.1	6.2	3.8%
Wagering Taxes	292.4	315.8	23.4	8.0%
Utility Users' Tax	37.1	42.0	4.9	13.2%
State Revenue Sharing	246.0	245.3	(0.7)	(0.3%)
Other Revenues	237.4	232.5	(4.9)	(2.1%)
Use of Retiree Protection Fund	72.4	72.4	-	-
TOTAL (I)	\$ 1,520.7	\$ 1,488.5	\$ (32.2)	(2.1%)
EXPENDITURES:				
Salaries and Wages	\$ 660.1	\$ 660.1	\$ -	-
Employee Benefits	342.9	342.9	-	-
Professional and Contractual Services	148.0	148.0	-	-
Operating Supplies	57.1	57.1	-	-
Operating Services	113.8	113.8	-	-
Capital Equipment and Outlays	9.1	9.1	-	-
Debt Service	72.0	72.0	-	-
Other Expenses	210.3	210.3	-	-
TOTAL (J)	\$ 1,613.3	\$ 1,613.3	\$ -	-
REVENUES LESS EXPENDITURES (K= I + J)	\$ (92.6)	\$ (124.8)	\$ (32.2)	(34.8%)
Budgeted Use of Prior Year Surplus	67.0	67.0	-	-
Prior Year Continuing Appropriations	25.6	25.6	-	-
Prior Year Surplus - Corporate Income Tax Reserve Fund	-	42.0	42.0	-
SURPLUS/(DEFICIT)	\$ 0.0	\$ 9.8	\$ 9.8	-

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

Budget column reflects budget amendments approved by City Council through August 2025.

Revenues: Revenue Projection is updated based on the September 2025 Revenue Estimating Conference results. Excludes Prior Year Surplus resource shown as revenue in adopted budget.

Expenditures: Amended expenditure projections reflects current Amended FY 2026 Budget.

Budgeted Use of Prior Year Surplus: Unspent budget resource from prior year used to support one-time expenditures included in the FY26 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.

Prior Year Surplus – Corporate Income Tax Reserve Fund: \$42m of FY 2025 prior-year unassigned fund balance is placed in reserve to provide security against corporate income tax revenue uncertainty pertaining to current economic and trade conditions. Any balances not needed from the reserve will return to the City’s unassigned fund balance at year-end.

Amended Budget Reconciliation			
		Revenue	Expense
Dept	Total Adopted Budget	\$ 1,587,653,161	\$ 1,587,653,161
Non-Dept	Exclude Adopted Budget Use of Prior Year Surplus	(66,979,154)	-
Various	Continuing Appropriations (see list)	-	25,584,460
	Total Amended Budget per report	\$ 1,520,674,007	\$ 1,613,237,621

Dept	Continuing Appropriations (Fund 1000)	Amount
BSEED	Public Health Fund	\$ 641,290
CRIO	Homegrown Detroit	4,207,794
Non-Dept	Covid-19 Response	2,036,794
Non-Dept	Over-Assessment Program	4,437,797
Non-Dept	Special Services (Project Clean Slate, Immigration Task Force, Reparations Task Force)	666,235
Non-Dept	Utility Conversion Fund	6,352,799
HRD	Affordable Housing Development and Preservation Fund	3,092,113
HRD	Neighborhood Improvement Fund	1,942,746
HRD	Economic Development Programs	2,206,894
	Total	\$ 25,584,460

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 FY26 Adopted Budget resolution. Amounts are subject to change as year-end FY25 accruals, adjustments, and lapses are completed during the close-out period.

		Police	Fire	Office of the Chief Financial Officer	Public Works - Full Time	Health	Human Resources	Housing and Revitalization	Innovation and Technology	Law	Mayor's Office	Municipal Parking	Planning and Development	General Services - Full Time	Legislative ⁽³⁾	36th District Court	Other ⁽⁴⁾	Airport	BSEED	Transportation	Water and Sewerage	ARPA / COVID Response	Public Works - PT Headcount	General Services - PT Headcount	Elections - PT Headcount	Interns
MONTH-OVER-MONTH ACTUAL ⁽¹⁾	Current Month	3,390	1,273	384	362	260	100	190	141	117	62	78	36	658	295	321	311	10	305	953	662	241	29	246	0	22
	Previous Month	3,455	1,282	386	376	267	99	191	141	116	63	81	35	661	306	321	306	10	315	969	661	248	30	320	0	67
	Change*	(65)	(9)	(2)	(14)	(7)	1	(1)	0	1	(1)	(3)	1	(3)	(11)	0	5	0	(10)	(16)	1	(7)	(1)	(74)	0	(45)
BUDGET VS. ACTUAL	Adjusted Budget ⁽²⁾	3,618	1,313	435	496	310	110	250	155	125	70	95	40	824	329	325	384	12	363	1,201	678	241	31	419	0	71
	Position Variance Over/(Under) Budget	(228)	(40)	(51)	(134)	(50)	(10)	(60)	(14)	(8)	(8)	(17)	(4)	(166)	(34)	(4)	(73)	(2)	(58)	(248)	(16)	0	(2)	(173)	0	(49)
	% Variance [‡]	(5%)		(16%)													(14%)			0%	(43%)					
Categories		Public Safety		Non-Public Safety													Enterprise			ARPA	Seasonal/Part Time ⁽⁵⁾					

Monthly Totals	Current	Previous	Change
Public Safety	4,663	4,737	(74)
+ Non-Public Safety	3,315	3,349	(34)
Total General City (FT)	7,978	8,086	(108)
+ Enterprise	1,930	1,955	(25)
Total (Full Time)	9,908	10,041	(133)
ARPA/COVID	241	248	(7)
+ Seasonal/Part Time	297	417	(120)
Grand Total	10,446	10,706	(260)

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, reflect position amendments approved mid-year, and turnover savings.

(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 interns.

* Current Month minus Previous Month

‡ Sum of Positions Variance Over/Under Budget divided by sum of Adjusted Budget



Fiscal Years 2025 - 2026

FY26 YTD

FY25 YTD

Income Tax Collections

August 2025

August 2024

Withholding	\$ 59,704,028	\$ 56,252,030
Individual	5,474,164	9,535,545
Corporate	2,977,922	3,832,700
Partnerships	99,452	164,004
Total Collections	\$ 68,255,566	\$ 69,784,279
Refunds claimed, disbursed and accrued	(8,796,846)	(8,878,415)
Collections Net of Refunds/Disbursements	\$ 59,458,720	\$ 60,905,864

Income Tax - Collections



(in millions)

	Unrestricted	Restricted	Aug 2025 Total	Prior Year Aug 2024 Total	Variance
General Fund					
General Accounts	\$ 338.2	\$ 184.9	\$ 523.1	\$ 651.3	\$ (128.2)
Self Insurance	77.6	11.1	88.6	104.5	(15.9)
Quality of Life Fund	-	14.3	14.3	2.6	11.7
Retiree Protection Trust Fund	-	356.9	356.9	415.3	(58.4)
A/P and Payroll Clearing	(0.0)	-	(0.0)	0.1	(0.1)
Other Governmental Funds					
Capital Projects	0.2	115.9	116.1	167.6	(51.5)
Streets	79.0	-	79.0	82.7	(3.7)
Grants	61.8	0.0	61.8	67.9	(6.1)
Covid 19	-	-	-	-	-
ARPA	200.2	-	200.2	455.5	(255.3)
Solid Waste Management	28.9	-	28.9	14.0	14.9
Debt Service	-	82.3	82.3	85.8	(3.5)
Gordie Howe Bridge	6.7	-	6.7	6.1	0.6
Other	48.7	-	48.7	44.2	4.5
Enterprise Funds					
Enterprise Funds	16.2	-	16.2	38.6	(22.4)
Fiduciary Funds					
Undistributed Property Taxes	142.0	-	142.0	118.4	23.6
Fire Insurance Escrow	5.8	-	5.8	5.4	0.4
Other	38.6	-	38.6	62.9	(24.3)
Component Units					
Component Units	50.3	-	50.3	41.5	8.8
Total General Ledger Cash Balance	\$ 1,094.1	\$ 765.3	\$ 1,859.3	\$ 2,364.4	\$ (505.1)

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.



Accounts Payable (AP) as of Aug-25 [Millions]	
Total AP (Jul-25)	\$ 113.8
Plus: Aug-25 invoices processed	\$ 244.3
Less: Aug-25 Payments made	\$ (293.6)
Total AP month end (Aug-25)	\$ 64.5
Less: Invoices on hold ⁽¹⁾	\$ (46.7)
Total AP not on Validation hold (Aug-25)	\$ 17.8
Less: Installments/Retainage Invoices ⁽²⁾	\$ (4.0)
Net AP not on hold	\$ 13.8

Net AP not on hold includes \$12.4m of invoices that are due after Aug-25

(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	31-60	61+
			0-30		
Invoice \$ Value	Current Month	\$13.7	13.7	0.0	0.0
	% of Total	100%	100%	0%	0%
	Previous Month	\$84.7	84.7	0.0	0.0
	% of Total	100%	100%	0%	0%
Vs Previous Month		(\$71.0)	(71.0)	0.0	0.0
Invoice Count	Current Month	1,594	1,585	2	7
	% of Total	100%	99%	0%	0%
	Previous Month	3,351	3,332	3	16
	% of Total	100%	99%	0%	0%
Vs Previous Month		(1757)	(1747)	(1)	(9)

