



**OFFICE OF THE  
CHIEF FINANCIAL OFFICER**

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April 14, 2025

The Honorable Detroit City Council  
Coleman A. Young Municipal Center  
2 Woodward Avenue  
Detroit, MI 48226

Re: Financial Report for the Eight Months ended February 28, 2025

Dear Honorable City Council Members:

The Office of the Chief Financial Officer (OCFO) respectfully submits its City of Detroit Financial Report for the Eight Months ended February 28, 2025. The OCFO also publishes this report on the City's website.

The OCFO is pleased to brief the City Council on the City's finances and respectfully requests to do so at one of the upcoming regularly scheduled Budget, Finance and Audit (BFA) Standing Committee meetings. The OCFO will also meet with the Legislative Policy Division prior to the BFA Committee meeting to further invite discussion on the report.

Best regards,

Tanya Stoudemire  
Acting CFO

Att: City of Detroit Financial Report for the Eight Months ended February 28, 2025

Cc: Mayor Michael E. Duggan, City of Detroit  
Marcus von Kapff, Chief Operating Officer  
John Naglick, Jr., Chief Deputy CFO/Finance Director /Controller  
Nikhil Patel, Deputy CFO/Treasurer  
Malik Washington, City Council Liaison



# **FY2024-25 Financial Report**

*Office of the Chief Financial Officer*

**For the 8 Months ended February 28, 2025**

**Submitted on April 14, 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 April 7, the Detroit City Council approved the City's [FY 2025-2026 Budget and Four-Year Financial Plan](#). Council's changes compared to the Mayor's proposed budget (all funds) totaled \$18.1 million in one-time expenses (\$10m from prior-year surplus and the remainder from appropriation reductions) and \$6 million in recurring expenses (fully offset by appropriation reductions). The City will transmit the approved Four-Year Financial Plan to the Financial Review Commission by April 30.
- City Council recently approved two FY25 supplemental appropriations in the amount of \$46.4m on March 18th and \$12m on April 7th. These supplementals will be supported by the \$71.9m General Fund revenue gains reflected in the February 2025 Revenue Estimating Conference. These supplementals have yet to be appropriated via budget amendment and will be reflected in future monthly financial reports.
- Judge Thomas J. Tucker, Eastern District of Michigan, has ruled in favor of a City of Detroit motion for authority to modify and enhance certain retirement benefits for beneficiaries of the Police and Fire Retirement System. The City negotiated a Memorandum of Understanding with the police and fire unions that would modify retirements to allow for adjustments including:
  - Average final compensation calculations for pension benefits
  - Full retirement benefits after 25 years of service regardless of age
  - DROP program changes from 75% to 85%
  - Changes to the multiplier on which pensions are based

\$ in millions

	February 2025			
	BUDGET	ACTUAL	VARIANCE	
	A	B	(\$ C = B-A	% D= (C/A)
<b>REVENUE:</b>				
Municipal Income Tax	\$ 30.4	\$ 34.0	\$ 3.6	11.8%
Property Taxes	2.5	1.5	(1.0)	(40.0%)
Wagering Taxes	19.9	25.1	5.2	26.1%
Utility Users' Tax	4.5	4.0	(0.5)	(11.1%)
State Revenue Sharing	39.3	41.6	2.3	5.9%
Other Revenues	17.6	13.4	(4.2)	(23.9%)
<b>TOTAL (I)</b>	<b>\$ 114.2</b>	<b>\$ 119.6</b>	<b>\$ 5.4</b>	<b>4.7%</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$ 47.5	\$ 45.7	\$ 1.8	3.8%
Employee Benefits	12.3	13.0	(0.7)	(5.7%)
Professional and Contractual Services	8.9	3.9	5.0	56.2%
Operating Supplies	3.7	2.0	1.7	45.9%
Operating Services	5.3	6.8	(1.5)	(28.3%)
Capital Equipment and Outlays	0.2	0.3	(0.1)	(50.0%)
Debt Service	0.1	0.1	-	-
Other Expenses	11.9	11.1	0.8	6.7%
<b>TOTAL (J)</b>	<b>\$ 89.9</b>	<b>\$ 82.9</b>	<b>\$ 7.0</b>	<b>7.8%</b>
<b>SURPLUS/(DEFICIT) (K= I + J)</b>	<b>\$ 24.3</b>	<b>\$ 36.7</b>	<b>\$ 12.4</b>	<b>51.0%</b>

	YEAR TO DATE			
	BUDGET	ACTUAL	VARIANCE	
	E	F	(\$ G = F-E	% H = (G/E)
	\$ 248.9	\$ 252.0	\$ 3.1	1.2%
	114.0	117.6	3.6	3.2%
	165.4	187.9	22.5	13.6%
	23.7	20.3	(3.4)	(14.3%)
	120.1	120.2	0.1	0.1%
	259.3	272.6	13.3	5.1%
	<b>\$ 931.4</b>	<b>\$ 970.6</b>	<b>\$ 39.2</b>	<b>4.2%</b>
	\$ 392.1	\$ 388.9	\$ 3.2	0.8%
	178.3	174.1	4.2	2.4%
	71.2	57.2	14.0	19.7%
	34.7	26.1	8.6	24.8%
	62.6	60.0	2.6	4.2%
	8.1	8.5	(0.4)	(4.9%)
	154.0	154.0	-	-
	109.4	102.5	6.9	6.3%
	<b>\$ 1,010.4</b>	<b>\$ 971.3</b>	<b>\$ 39.1</b>	<b>3.9%</b>
	<b>\$ (79.0)</b>	<b>\$ (0.7)</b>	<b>\$ 78.3</b>	<b>99.1%</b>

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

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

**Expenditures:** Non-personnel negative variances due, in part, to difference in timing of expenses vs. budget spread and continuing appropriations spending, which can span multiple fiscal years.

Other Revenues includes proceeds of \$85.4 million and Debt Service includes \$97.1 million of principal defeased in the issuance of Michigan Finance Authority Distributable State Aid Fifth Lien Refunding Bonds (LTGO) Series 2024A (Tax Exempt).

	ANNUAL			
	BUDGET	PROJECTION	VARIANCE	
	A	B	(\$) C = B-A	% D= (C/A)
<i>\$ in millions</i>				
<b>REVENUE:</b>				
Municipal Income Tax	\$ 433.9	\$ 455.2	\$ 21.3	4.9%
Property Taxes	152.9	159.8	6.9	4.5%
Wagering Taxes	256.6	286.6	30.0	11.7%
Utility Users' Tax	43.1	36.6	(6.5)	(15.1%)
State Revenue Sharing	236.7	241.0	4.3	1.8%
Other Revenues	326.3	342.2	15.9	4.9%
<b>TOTAL (I)</b>	<b>\$ 1,449.5</b>	<b>\$ 1,521.4</b>	<b>\$ 71.9</b>	<b>5.0%</b>
<b>EXPENDITURES:</b>				
Salaries and Wages	\$ 620.2	\$ 620.2	\$ -	-
Employee Benefits	323.6	323.6	-	-
Professional and Contractual Services	127.8	127.8	-	-
Operating Supplies	55.5	55.5	-	-
Operating Services	91.7	91.7	-	-
Capital Equipment and Outlays	19.9	19.9	-	-
Debt Service	181.4	181.4	-	-
Other Expenses	193.4	193.4	-	-
<b>TOTAL (J)</b>	<b>\$ 1,613.5</b>	<b>\$ 1,613.5</b>	<b>\$ -</b>	<b>-</b>
<b>REVENUES LESS EXPENDITURES (K= I + J)</b>	<b>\$ (164.0)</b>	<b>\$ (92.1)</b>	<b>\$ 71.9</b>	<b>43.8%</b>
Budgeted Use of Retiree Protection Fund	75.2	75.2	-	-
Release of Debt Service Reserve	12.6	12.6	-	-
Budgeted Use of Prior Year Surplus	35.0	35.0	-	-
Prior Year Continuing Appropriations	41.2	41.2	-	-
<b>SURPLUS/(DEFICIT)</b>	<b>\$ -</b>	<b>\$ 71.9</b>	<b>\$ 71.9</b>	<b>-</b>

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

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

**Revenues:** Revenue Projection is updated based on the February 2025 Revenue Estimating Conference results. Excludes Prior Year Surplus resource shown as revenue in adopted budget. Other Revenues include \$85.4m in proceeds from issuance of debt.

**Expenditures:** Amended expenditure projections reflects current Amended FY 2025 Budget.

**Budgeted Use of Prior Year Surplus:** Unspent budget resource from prior year used to support one-time expenditures included in the FY25 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.

**Other Revenues:** Includes proceeds of \$85.4 million and Debt Service includes \$97.1 million of principal defeased in the issuance of Michigan Finance Authority Distributable State Aid Fifth Lien Refunding Bonds (LTGO) Series 2024A (Tax Exempt).



Amended Budget Reconciliation			
		Revenue	Expense
Dept	Total Adopted Budget	\$ 1,474,146,820	\$ 1,474,146,820
DSLP	Exclude Adopted Budget Use of Retiree Protection Fund	(75,225,000)	-
Non-Dept	Exclude Adopted Budget Use of Prior Year Surplus	(34,962,704)	-
DSLP	Release of Debt Service Reserve	(12,490,375)	-
DSLP	Contribution Debt Service	12,590,375	12,590,375
DSLP	Proceeds from Issuance of Debt	85,424,349	85,424,349
GSD	Donation - Composting Pilot Program	-	100,000
Various	Continuing Appropriations (see list)	-	41,201,204
	<b>Total Amended Budget per report</b>	<b>\$ 1,449,483,465</b>	<b>\$ 1,613,462,748</b>

Dept	Continuing Appropriations (Fund 1000)	Amount
BSEED	Public Health Fund	\$ 873,070
Health	Resident Health Services	1,260,786
CRIO	Homegrown Detroit	2,807,805
Non-Dept	Covid-19 Response	3,540,851
Non-Dept	Over-Assessment Program	5,748,193
Non-Dept	Resident Health Services	629,989
Non-Dept	Utility Conversion Fund / PLD Decommissioning	2,562,127
HRD	Affordable Housing Development and Preservation Fund	1,809,850
HRD	Senior Home Repair	1,545,491
HRD	Neighborhood Improvement Fund	1,616,062
HRD	Economic Development Programs	339,321
GSD	Solar	18,400,000
GSD	Wayne County Park Millage	391
GSD	Pistons Basketball Court Improvements	67,267
	<b>Total</b>	<b>\$ 41,201,204</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 FY25 Adopted Budget resolution.

		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 <sup>(3)</sup>	36th District Court	Other <sup>(4)</sup>	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 <sup>(1)</sup>	Current Month	3,396	1,215	388	357	245	98	185	139	111	66	80	35	583	285	321	309	10	309	989	649	346	35	127	2	4
	Previous Month	3,381	1,226	395	360	232	98	176	137	112	65	77	35	582	289	321	306	10	310	973	660	368	38	114	4	3
	Change*	15	(11)	(7)	(3)	13	0	9	2	(1)	1	3	0	1	(4)	0	3	0	(1)	16	(11)	(22)	(3)	13	(2)	1
BUDGET VS. ACTUAL	Adjusted Budget <sup>(2)</sup>	3,392	1,303	420	458	307	103	213	140	114	67	93	37	748	325	325	400	12	355	989	678	346	56	409	8	17
	Position Variance Over/(Under) Budget	4	(88)	(32)	(101)	(62)	(5)	(28)	(1)	(3)	(1)	(13)	(2)	(165)	(40)	(4)	(91)	(2)	(46)	(0)	(29)	0	(21)	(282)	(6)	(13)
	% Variance <sup>‡</sup>	(2%)		(15%)														(4%)			0%	(66%)				
Categories		Public Safety		Non-Public Safety														Enterprise			ARPA	Seasonal/Part Time <sup>(5)</sup>				

Monthly Totals	Current	Previous	Change
Public Safety	4,611	4,607	4
+ Non-Public Safety	3,202	3,185	17
<b>Total General City (FT)</b>	<b>7,813</b>	<b>7,792</b>	<b>21</b>
+ Enterprise	1,957	1,953	4
<b>Total (Full Time)</b>	<b>9,770</b>	<b>9,745</b>	<b>25</b>
ARPA/COVID	346	368	(22)
+ Seasonal/Part Time	168	159	9
<b>Grand Total</b>	<b>10,284</b>	<b>10,272</b>	<b>12</b>

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 2024 - 2025

FY25 YTD

FY24 YTD

## Income Tax Collections

February 2025

February 2024

Withholding	\$ 241,767,627	\$ 233,285,849
Individual	23,199,756	24,080,408
Corporate	20,876,912	29,635,108
Partnerships	3,010,020	2,708,750
<b>Total Collections</b>	<b>\$ 288,854,315</b>	<b>\$ 289,710,115</b>
<b>Refunds claimed, disbursed and accrued</b>	<b>(36,860,507)</b>	<b>(35,276,703)</b>
<b>Collections Net of Refunds/Disbursements</b>	<b>\$ 251,993,808</b>	<b>\$ 254,433,412</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.

(in millions)	Unrestricted	Restricted	February 2025 Total	Prior Year February 2024 Total
<b>General Fund</b>				
General Accounts	\$ 428.3	\$ 175.3	\$ 603.5	\$ 624.4
Self Insurance	70.2	10.8	81.0	68.0
Quality of Life Fund	-	14.1	14.1	2.5
Retiree Protection Trust Fund	-	384.1	384.1	477.0
A/P and Payroll Clearing	0.0	-	0.0	0.1
<b>Other Governmental Funds</b>				
Capital Projects	0.2	139.5	139.7	162.8
Streets	72.9	-	72.9	90.0
Grants	60.1	2.3	62.4	89.6
Covid 19	-	-	-	-
ARPA	292.1	-	292.1	614.7
Solid Waste Management	2.5	-	2.5	4.5
Debt Service	-	100.5	100.5	94.4
Gordie Howe Bridge	7.0	-	7.0	7.6
Other	49.1	-	49.1	33.2
<b>Enterprise Funds</b>				
Enterprise Funds	37.7	-	37.7	59.6
<b>Fiduciary Funds</b>				
Undistributed Property Taxes	105.0	-	105.0	97.5
Fire Insurance Escrow	4.2	-	4.2	11.3
Other	56.5	-	56.5	64.0
<b>Component Units</b>				
Component Units	44.5	-	44.5	33.5
<b>Total General Ledger Cash Balance</b>	<b>\$ 1,230.1</b>	<b>\$ 826.6</b>	<b>\$ 2,056.7</b>	<b>\$ 2,534.2</b>

[illegible]

Accounts Payable (AP) as of Feb-25 [Millions]					
Total AP (Jan-25)			\$	34.7	
Plus: Feb-25 invoices processed			\$	155.1	
Less: Feb-25 Payments made			\$	(142.4)	
Total AP month end (Feb-25)			\$	47.4	
Less: Invoices on hold <sup>(1)</sup>			\$	(19.5)	
Total AP not on Validation hold (Feb-25)			\$	27.9	
Less: Installments/Retainage Invoices <sup>(2)</sup>			\$	(3.7)	
Net AP not on hold			\$	24.2	
Net AP not on hold includes \$18.0m of invoices that are due after Feb-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.					
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All invoices are processed and aged based on the <u>creation</u> date					
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AP Aging [Millions]					
(excludes invoices on hold & retainage)					
		Net AP	Current 0-30	31-60	61+
Invoice \$ Value	Current Month	\$24.2	24.2	0.0	0.0
	% of Total	100%	100%	0%	0%
	Previous Month	\$15.8	15.8	0.0	0.0
	% of Total	100%	100%	0%	0%
	Vs Previous Month	\$8.4	8.4	0.0	0.0
Invoice Count	Current Month	1,488	1,472	1	15
	% of Total	100%	99%	0%	1%
	Previous Month	1,433	1,411	5	17
	% of Total	100%	98%	0%	1%
	Vs Previous Month	55	61	(4)	(2)

