



CITY OF DETROIT  
OFFICE OF THE CHIEF FINANCIAL OFFICER

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November 14, 2018

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

Re: Monthly Financial Report for the Three Months ended September 30, 2018

Dear Honorable City Council Members:

The Office of the Chief Financial Officer (OCFO) respectfully submits its monthly City of Detroit Financial Report for the Three Months ended September 30, 2018. 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,

A handwritten signature in black ink, appearing to read "John W. Hill". The signature is fluid and cursive.

John W. Hill  
Chief Financial Officer

Att: City of Detroit Financial Report for the Three Months ended September 30, 2018

Cc: Mayor Michael E. Duggan, City of Detroit  
David P. Massaron, Chief Operating Officer and Senior Counsel to the Mayor  
John Naglick, Chief Deputy CFO/Finance Director  
Tanya Stoudemire, Deputy CFO/Budget Director  
Christa McLellan, Deputy CFO/Treasurer  
Stephanie Washington, City Council Liaison

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# FY 2019 Financial Report

For the 3 Months ended September 30, 2018

Office of the Chief Financial Officer

November 14, 2018



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# Executive Summary

- On October 22, the OCFO and the Departments of Human Resources (HR) and Innovation and Technology (DoIT) participated in the launch of UltiPro, the City's new all-in-one payroll and HR system that will improve and simplify the payroll process.
- On November 1, the Mayor submitted the recommended FY20-FY24 Capital Agenda to City Council for consideration. Development of the Agenda was supported by the OCFO-Office of Budget.
  - The Capital Agenda reflects the City's return to the bond market on its own credit.
  - Capital investments included focus on public safety, recreation and museums, economic development, and transportation.
- FY 2019 is currently projected to end with an operating surplus of approximately \$42.3M. (page 5)
  - This is in spite of an anticipated overtime shortfall of \$22.6M attributable solely to the Police Department's overtime usage being in excess of budget.
- Within the City's active grant portfolio, the most significant new awards in September were two grants from the Federal Transit Administration: (1) a \$14.2M grant to purchase replacement buses and communications equipment, and make facility renovations for DDOT; and (2) a \$5.9M grant to purchase up to 13 buses to replace those beyond their useful life. (page 9)
- Net Accounts Payable that are not on hold had a decrease of \$1.5M. The number of open invoices not on hold decreased by 127. (page 14)
- The OFCO is continuing to evaluate various UTGO and LTGO debt initiatives.



# YTD Budget Amendments – General Fund

FY 2018-2019 GENERAL FUND BUDGET AMENDMENTS (Through September 2018)		
Department	Reason for Amendment	Amount
<b>FY 2018 - 2019 Adopted Budget</b>		<b>\$ 1,073,598,491</b>
<b>Carry Forward Use of Assigned Fund Balance</b>		
City Council	City Planning Commission Project <sup>(1)</sup>	699,975
Non-Departmental	Restructuring Projects <sup>(2)</sup>	1,697,194
Recreation	Wayne County Millages / Parks	1,660,548
Non-Departmental	Capital PO Encumbrances	13,216,435
<b>Total</b>		<b>17,274,152</b>
<b>FY 2018 - 2019 Amended Budget (Through September 2018)</b>		<b>\$ 1,090,872,643</b>

<sup>(1)</sup> Multi-year, multi-phase project which will result in an updated Zoning Ordinance.

<sup>(2)</sup> EM appropriated.



# YTD Budget vs. YTD Actual – General Fund

\$ in millions

YTD ANALYSIS						
MAJOR CLASSIFICATIONS	BUDGET	ACTUAL + ADJUSTMENTS + ENCUMBRANCES			VARIANCE (BUDGET VS. ACTUAL)	
	YEAR TO DATE	ACTUAL	ADJUSTMENTS + ENCUMBRANCES	TOTAL		
A	B	C	D	E = C + D	(\$ F = E-B	% G = (F/B)
<b>REVENUE:</b>						
Municipal Income Tax	\$62.7	\$88.8	–	\$88.8	\$26.1	41.6%
Property Taxes	54.3	61.2	–	61.2	6.8	12.6%
Wagering Taxes	44.1	46.9	–	46.9	2.8	6.3%
Utility Users' Tax	10.0	6.0	–	6.0	(4.0)	(40.2%)
State Revenue Sharing	0.2	–	–	–	(0.2)	(100.0%)
Other Revenues	58.0	39.2	–	39.2	(18.8)	(32.5%)
<b>Sub-Total</b>	<b>\$229.2</b>	<b>\$242.0</b>	<b>–</b>	<b>\$242.0</b>	<b>\$12.7</b>	<b>5.5%</b>
Budgeted Use of Prior Year Fund Balance	\$2.6	–	\$2.6	\$2.6	\$0.0	0.0%
<b>TOTAL</b>	<b>\$231.8</b>	<b>\$242.0</b>	<b>\$2.6</b>	<b>\$244.5</b>	<b>\$12.7</b>	<b>5.5%</b>
<b>EXPENDITURES:</b>						
Salary and Wages	(\$108.0)	(\$89.6)	–	(\$89.6)	\$18.4	(17.0%)
Overtime	(8.4)	(14.6)	–	(14.6)	(6.3)	75.0%
Employee Benefits	(49.1)	(26.9)	–	(26.9)	22.2	(45.2%)
Legacy Pension Payments	(20.0)	(20.0)	–	(20.0)	–	–
Retiree Protection Fund	(20.0)	(20.0)	–	(20.0)	–	–
Debt Service	–	–	–	–	–	–
Other Expenses <sup>(1)</sup>	(72.4)	(97.9)	(21.3)	(119.2)	(46.7)	64.5%
<b>TOTAL</b>	<b>(\$277.9)</b>	<b>(\$269.1)</b>	<b>(\$21.3)</b>	<b>(\$290.3)</b>	<b>(\$12.4)</b>	<b>4.5%</b>

<sup>(1)</sup> Includes: \$27M contribution to DDOT, \$20M transfer to PLA, Prior Year carry/balance forward, \$12M contribution to Risk Management Fund, \$3.5M contribution to DLBA, plus all purchases of goods and services.



# Annualized Projection vs. Budget – General Fund

\$ in millions

ANNUAL ANALYSIS				
SUMMARY CLASSIFICATIONS	BUDGET	PROJECTION	VARIANCE (BUDGET VS. PROJECTION)	
	ANNUAL AMENDED	ANNUAL ESTIMATED	ANNUAL ESTIMATED	
A	B	C	(\$) D = C-B	% E = (D/B)
<b>REVENUE:</b>				
Municipal Income Tax	\$299.4	\$310.3	\$10.9	3.7%
Property Taxes*	133.8	128.1	(5.7)	(4.3%)
Wagering Taxes	180.8	180.9	0.2	0.1%
Utility Users' Tax*	40.0	43.0	3.0	7.5%
State Revenue Sharing	201.3	201.5	0.1	0.1%
Other Revenues	215.8	210.2	(5.6)	(2.6%)
<b>Sub-Total</b>	<b>\$1,071.0</b>	<b>\$1,074.0</b>	<b>\$2.9</b>	<b>0.3%</b>
Budgeted Use of Prior Year Fund Balance	2.6	2.6	–	–
Carry forward-Use of Assigned Fund Balance	17.3	17.3	–	–
<b>TOTAL (F)</b>	<b>\$1,090.9</b>	<b>\$1,093.8</b>	<b>\$2.9</b>	<b>0.3%</b>
<b>EXPENDITURES:</b>				
Salary and Wages	(\$423.6)	(\$384.7)	\$38.9	(9.2%)
Overtime	(33.0)	(55.6)	(22.6)	68.6%
Employee Benefits	(140.7)	(129.9)	10.9	(7.7%)
Legacy Pension Payments	(38.6)	(38.6)	–	–
Retiree Protection Fund	(20.0)	(20.0)	–	–
Debt Service	(69.4)	(69.4)	–	–
Other Expenses	(365.5)	(353.3)	12.2	(3.4%)
<b>TOTAL (G)</b>	<b>(\$1,090.9)</b>	<b>(\$1,051.5)</b>	<b>\$39.4</b>	<b>(3.6%)</b>
<b>VARIANCE (H = F+G)</b>	<b>–</b>	<b>\$42.3</b>	<b>\$42.3</b>	

Note: Projected annual revenues are based on the September 2018 Revenue Estimating Conference.

\* Property Taxes and Utility Users' Tax revenue projects are presented as gross totals to align with FY19 budget presentation.





# Employee Count Monitoring

	MONTH-OVER-MONTH ACTUAL <sup>(1)</sup>			BUDGET VS. ACTUAL		
	Actual August 2018	Actual Sept. 2018	Change Sept. 2018 vs. August 2018	Adjusted Budget FY 2019 <sup>(2)</sup>	Variance Under/(Over) Budget vs. September 2018	
<b>Public Safety</b>						
Police	3,071	3,092	21	3,322	230	7%
Fire	1,221	1,212	(9)	1,274	62	5%
<b>Total Public Safety</b>	<b>4,292</b>	<b>4,304</b>	<b>12</b>	<b>4,596</b>	<b>292</b>	<b>6%</b>
<b>Non-Public Safety</b>						
Office of the Chief Financial Officer	439	439	0	479	40	
Public Works - Full Time	368	368	0	423	55	
Health and Wellness Promotion	84	90	6	119	29	
Human Resources	97	97	0	106	9	
Housing and Revitalization	87	87	0	85	(2)	
Innovation and Technology	118	121	3	136	15	
Law	109	111	2	120	9	
Mayor's Office (includes Homeland Security)	72	72	0	79	7	
Planning and Development	31	33	2	41	8	
Recreation - Full Time <sup>(3)</sup>	0	0	0	0	0	
General Services - Full Time <sup>(3)</sup>	603	523	(80)	535	12	
Legislative <sup>(4)</sup>	176	176	0	170	(6)	
36th District Court	320	326	6	326	0	
Other <sup>(5)</sup>	112	114	2	133	19	
<b>Total Non-Public Safety</b>	<b>2,616</b>	<b>2,557</b>	<b>(59)</b>	<b>2,752</b>	<b>195</b>	<b>7%</b>
<b>Total General City-Full Time</b>	<b>6,908</b>	<b>6,861</b>	<b>(47)</b>	<b>7,348</b>	<b>487</b>	<b>7%</b>
<b>Seasonal/ Part Time<sup>(6)</sup></b>	<b>629</b>	<b>622</b>	<b>(7)</b>	<b>904</b>	<b>282</b>	<b>31%</b>
<b>Enterprise</b>						
Airport	4	4	0	4	0	
BSEED	249	248	(1)	280	32	
Transportation	911	926	15	927	1	
Municipal Parking	87	86	(1)	90	4	
Water and Sewerage	526	526	0	618	92	
Library	302	303	1	322	19	
<b>Total Enterprise</b>	<b>2,079</b>	<b>2,093</b>	<b>14</b>	<b>2,241</b>	<b>148</b>	<b>7%</b>
<b>Total City</b>	<b>9,616</b>	<b>9,576</b>	<b>(40)</b>	<b>10,493</b>	<b>917</b>	<b>9%</b>

Notes:

- (1) Actuals are based on active employees only (both permanent and temporary) and include full-time, part-time, seasonal employees and PSCs if funded by vacant budgeted positions.
- (2) Adjusted Budget reflects amendments and other adjustments impacting approved position counts compared to the original budget. It excludes personal services contractors (PSCs).  
The FY 19 Budget increased the total FTE appropriation by 464 over the FY 18 Budget.
- (3) The Parks and Recreation Department and General Services Department merged effective FY 2019, and the merger is still in progress.
- (4) Includes: Auditor General, Inspector General, Zoning, City Council, Ombudsperson, City Clerk, and Elections.
- (5) Includes: Civil Rights Inclusion & Opportunity, Administrative Hearings, Public Lighting Department, and Non-departmental.
- (6) Includes DPW, General Services, Recreation, and Elections



# Income Tax - Collections

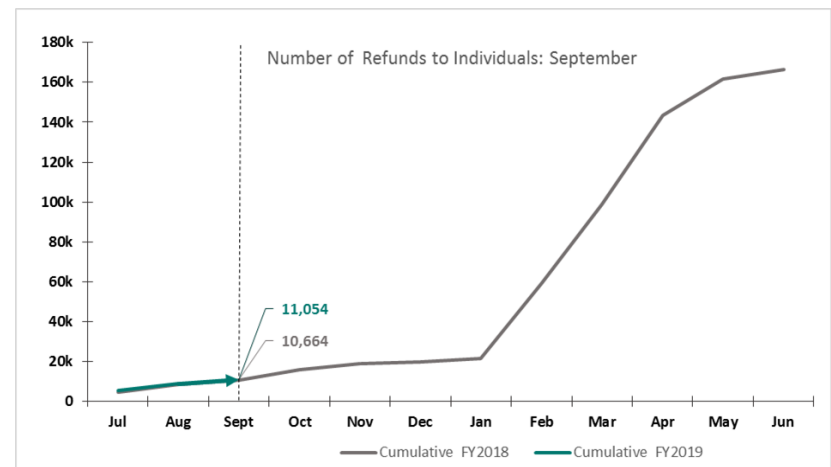
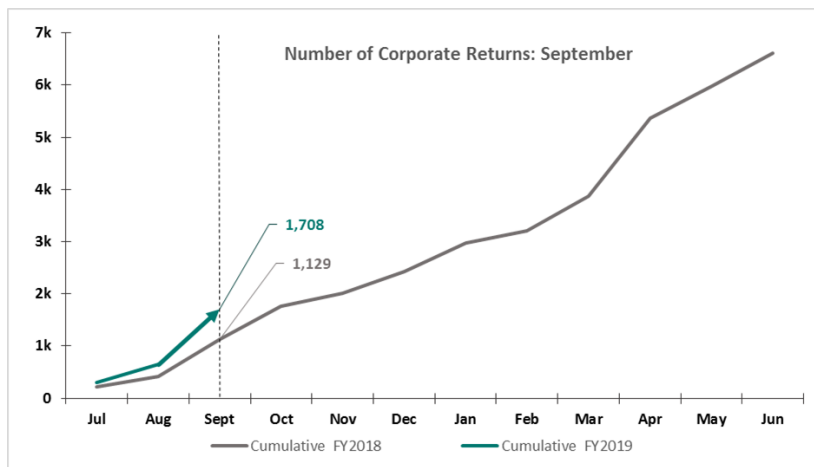
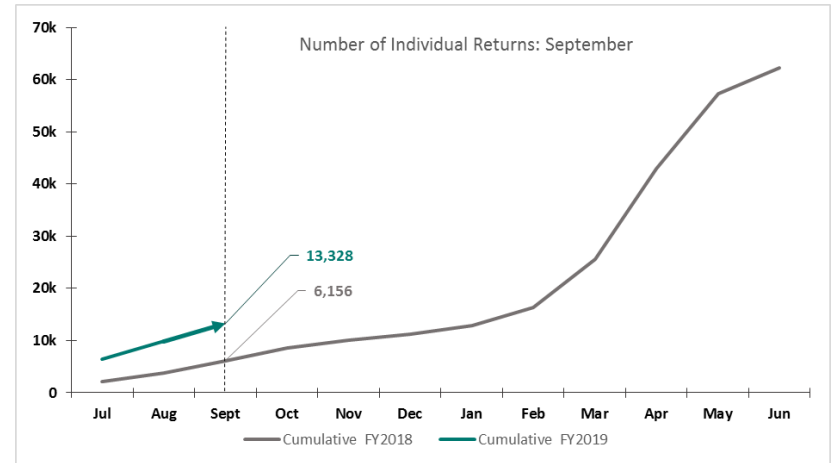
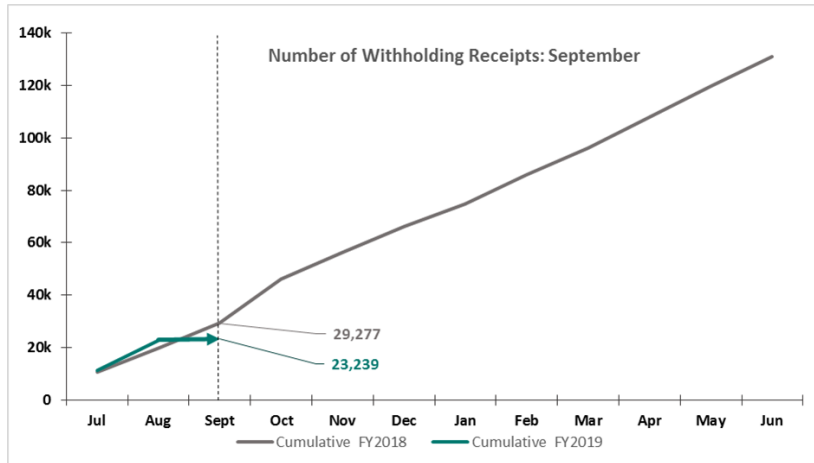
## Fiscal Year 2019

Municipal Income Tax Collections	September 2018 YTD	September 2017 YTD
Withholdings	\$ 74,871,654	\$ 52,752,965
Individuals (1099/1040 Filers)	5,520,840	13,802,356
Corporations	8,361,233	4,446,978
Partnerships	133,376	428,753
Assessments	938,102	992,678
Interest on Cash Held	-	36,881
<b>Total Collections</b>	<b>\$ 89,825,205</b>	<b>\$ 72,460,611</b>
<b>(Refunds)/ Disbursements<sup>(1)</sup></b>	<b>(1,350,954)</b>	<b>(2,098,626)</b>
<b>Collections Net of Refunds/Disbursements</b>	<b>\$ 88,474,251</b>	<b>\$ 70,361,985</b>

<sup>(1)</sup> The State holds an estimated amount of municipal income tax for potential refunds, and has in the past disbursed funds to the City that were not ultimately refunded.



# Income Tax – Volume of Returns and Withholdings





# Development and Grants

## Active Grants and Donations as of September 30, 2018 (\$ in millions)

	Amount Awarded – City <sup>(1)</sup>	Amount Awarded – Partners <sup>(2)</sup>
<b>Total Active</b>	\$850.0	\$119.9
Net Change from last month <sup>(3)</sup>	\$35.6	(\$3.5)

## New Funds – January 1 to Present (\$ in millions)

	Amount Awarded
Documented	\$167.8
Committed <sup>(4)</sup>	\$135.2
<b>Total New Funding</b>	<b>\$303.0</b>
Net New to the City <sup>(5)</sup>	\$17.4

<sup>(1)</sup> Reflects public and private funds directly to City departments.

<sup>(2)</sup> Reflects public and private funds for City projects via fiduciaries, and to third-party partners and agencies for projects prioritized by the City for which the OCFO-Office of Development and Grants has provided active support.

<sup>(3)</sup> The most significant new awards in September were the two grants from the Federal Transit Administration, totaling \$20.2 M, highlighted in the Executive Summary. For “Amount Awarded – Partners”, a number of grants to DESC ended this month, resulting in a net negative change.

<sup>(4)</sup> Reflects verbal and informal commitments which are secure, but for which formal agreements have not yet been finalized.

<sup>(5)</sup> Reflects new funds to the City from organizations which have not given to the City of Detroit before.



# Development and Grants

## New Funds – January 1 to Present – By Priority Category

Priority Category	Documented	Committed	Total
Administration/General Services	\$ 1,460,000	\$ 1,149,634	\$ 2,609,634
Community/Culture	\$ 572,409	-	\$ 572,409
Economic Development	\$ 100,000	\$ 50,302,957	\$ 50,402,957
Health	\$ 25,292,033	\$ 2,773,332	\$ 28,065,365
Housing	\$ 1,774,300	\$ 61,939,544	\$ 63,713,844
Infrastructure	\$ 250,000	-	\$ 250,000
Parks and Recreation	\$ 4,447,200	-	\$ 4,447,200
Planning	\$ 246,950	\$ 300,000	\$ 546,950
Public Safety	\$ 5,806,813	\$ 1,442,000	\$ 7,248,813
Technology/Education	\$ 249,442	\$ 4,569,858	\$ 4,819,300
Transit	\$ 117,300,756	\$ 9,051,000	\$ 126,351,756
Workforce	\$ 10,258,743	\$ 3,750,000	\$ 14,008,743
<b>Grand Total</b>	<b>\$ 167,758,646</b>	<b>\$ 135,278,325</b>	<b>\$ 303,036,971</b>



# Development and Grants

New Funds and City Leverage<sup>(1)</sup> – January 1 to Present – By Priority Category

Priority Category	Total Funds	City Leverage
Administration/General Services	\$ 2,609,634	\$ 2,143,281
Community/Culture	\$ 572,409	\$ 24,622
Economic Development	\$ 50,402,957	\$ 60,143,281
Health	\$ 28,065,365	\$ 2,467,525
Housing	\$ 63,713,844	(2)
Infrastructure	\$ 250,000	-
Parks and Recreation	\$ 4,447,200	\$ 9,341,753
Planning	\$ 546,950	\$ 9,075
Public Safety	\$ 7,248,813	\$ 1,075,867
Technology/Education	\$ 4,819,300	-
Transit	\$ 126,351,756	\$ 42,182,500
Workforce	\$ 14,008,743	\$ 2,000,000
<b>Grand Total</b>	<b>\$ 303,036,971</b>	<b>\$ 119,387,904</b>

<sup>(1)</sup> Leverage includes both match and parallel investment by the City that help make the case to external funders to co-invest.

<sup>(2)</sup> While no General Funds dollars directly contribute to leverage external funds for Housing, there is \$50M in HUD funding allocated to the Affordable Housing Leverage Fund that has been critical to securing these commitments.



# Cash Position

(\$ in millions)

	Unrestricted	Restricted	September 2018 Total
<b>Bank Balance</b>	\$ 261.7	\$ 840.6	\$ 1,102.3
Plus/minus: Reconciling items	2.0	4.5	6.5
<b>Reconciled Bank Balance</b>	<b>263.7</b>	<b>845.1</b>	<b>1,108.8</b>
<b>General Ledger Cash Balances</b>			
<b>General Fund</b>			
General Accounts	\$ 160.0	\$ 136.3	\$ 296.3
Self Insurance Escrow	-	18.6	18.6
Undistributed Delinquent Taxes	-	29.3	29.3
Other	-	3.1	3.1
<b>Other Governmental Funds</b>			
Risk Management	-	96.5	96.5
Capital Projects	-	37.3	37.3
Street Fund	-	77.5	77.5
Grants	-	52.9	52.9
Solid Waste Management Fund	53.5	-	53.5
Debt Service	-	64.0	64.0
Gordie Howe Bridge Fund	-	19.5	19.5
Quality of Life Fund	-	28.3	28.3
Other	19.2	11.7	30.9
<b>Enterprise Funds</b>			
Enterprise Funds	12.9	21.4	34.3
<b>Fiduciary Funds</b>			
Undistributed Property Taxes	-	59.7	59.7
Fire Insurance Escrow	-	18.8	18.8
Retiree Protections Trust Funds	-	123.3	123.3
Other	-	46.9	46.9
<b>Component Units</b>			
Component Units	18.0	-	18.0
<b>Total General Ledger Cash Balance</b>	<b>\$ 263.7</b>	<b>\$ 845.1</b>	<b>\$ 1,108.8</b>



# Operating Cash Activity: YTD Actual vs Forecast

For 3 Months Ending September 30, 2018

<i>\$ in Millions</i>	YTD Forecast	YTD Actual	YTD Variance	Prior YTD Actual
<b>Cash Receipts</b>				
Property Taxes	\$ 63.4	\$ 71.7	\$ 8.3	\$ 66.5
Income Taxes	80.0	82.3	2.3	70.6
Wagering	46.2	46.6	0.4	44.9
State Shared Revenue	33.6	33.9	0.3	33.3
Utility Taxes	7.5	6.0	(1.5)	2.2
Other Revenue	60.3	57.8	(2.5)	69.5
<b>Total Cash Receipts</b>	<b>\$ 291.0</b>	<b>\$ 298.3</b>	<b>\$ 7.3</b>	<b>\$ 287.0</b>
<b>Cash Disbursements</b>				
Salaries & Wages	\$ (123.9)	\$ (126.4)	\$ (2.5)	\$ (115.3)
Benefits	(65.1)	(65.8)	(0.7)	(31.9)
Accounts Payable	(122.7)	(119.6)	3.1	(91.5)
Debt Service	(21.2)	(21.2)	0.0	(24.0)
<b>Total Cash Disbursements</b>	<b>\$ (332.9)</b>	<b>\$ (333.0)</b>	<b>\$ (0.1)</b>	<b>\$ (262.7)</b>
<b>Net Cash Flow</b>	<b>\$ (41.9)</b>	<b>\$ (34.7)</b>	<b>\$ 7.2</b>	<b>\$ 24.3</b>





# Operating Cash Activity: Actual vs. Forecast to Year End

For 3 Months Ending September 30, 2018

\$ in millions	2018						2019						FY2019 Total
	July	August	September	October	November	December	January	February	March	April	May	June	
	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
<b>Cash Receipts</b>													
Property Taxes	\$ 24.3	\$ 7.0	\$ 40.4	\$ 5.6	\$ 1.4	\$ 0.8	\$ 3.4	\$ 24.0	\$ 1.1	\$ 1.7	\$ 1.4	\$ 18.8	\$ 129.8
Income Taxes	35.1	23.7	23.5	30.8	24.0	22.0	25.0	22.0	25.0	31.0	25.5	26.2	313.9
Wagering	15.1	18.1	13.4	15.6	20.7	15.6	14.6	13.1	13.5	14.7	13.4	11.5	179.3
State Shared Revenue	-	33.9	-	34.4	-	33.8	-	32.9	-	33.6	-	33.1	201.7
Utility Taxes	2.3	1.8	1.9	1.8	2.0	2.4	2.6	3.0	4.0	3.0	2.0	2.0	28.8
Other Revenue	13.1	34.6	10.0	28.9	18.7	11.0	20.6	11.3	22.4	26.9	35.6	44.3	277.7
<b>Total Cash Receipts</b>	<b>\$ 89.9</b>	<b>\$ 119.1</b>	<b>\$ 89.2</b>	<b>\$ 117.2</b>	<b>\$ 66.8</b>	<b>\$ 85.6</b>	<b>\$ 66.3</b>	<b>\$ 106.4</b>	<b>\$ 66.1</b>	<b>\$ 110.9</b>	<b>\$ 77.9</b>	<b>\$ 135.9</b>	<b>\$ 1,131.2</b>
<b>Cash Disbursements</b>													
Salaries & Wages	\$ (39.1)	\$ (49.7)	\$ (37.7)	\$ (37.7)	\$ (37.5)	\$ (34.9)	\$ (40.4)	\$ (31.3)	\$ (37.8)	\$ (32.1)	\$ (39.2)	\$ (36.1)	\$ (453.4)
Benefits	(33.8)	(26.6)	(5.5)	(12.7)	(6.4)	(10.1)	(14.0)	(6.2)	(6.5)	(16.1)	(6.5)	(3.8)	(148.1)
Accounts Payable	(39.3)	(46.5)	(33.8)	(54.4)	(34.1)	(30.7)	(41.9)	(17.3)	(26.1)	(22.9)	(35.2)	(26.4)	(408.6)
Debt Service	(2.0)	(4.5)	(14.7)	(6.9)	(2.8)	(6.9)	(2.8)	(6.9)	(2.8)	(19.5)	(2.8)	(10.1)	(82.6)
<b>Total Cash Disbursements</b>	<b>\$ (114.2)</b>	<b>\$ (127.2)</b>	<b>\$ (91.6)</b>	<b>\$ (111.6)</b>	<b>\$ (80.8)</b>	<b>\$ (82.6)</b>	<b>\$ (99.1)</b>	<b>\$ (61.7)</b>	<b>\$ (73.2)</b>	<b>\$ (90.6)</b>	<b>\$ (83.6)</b>	<b>\$ (76.4)</b>	<b>\$ (1,092.7)</b>
<b>Net Cash Flow</b>	<b>\$ (24.3)</b>	<b>\$ (8.1)</b>	<b>\$ (2.4)</b>	<b>\$ 5.6</b>	<b>\$ (14.0)</b>	<b>\$ 2.9</b>	<b>\$ (32.9)</b>	<b>\$ 44.7</b>	<b>\$ (7.1)</b>	<b>\$ 20.2</b>	<b>\$ (5.7)</b>	<b>\$ 59.6</b>	<b>\$ 38.6</b>



# Accounts Payable

All Funds  
\$ in millions

Accounts Payable (AP) as of Sep-18	
Total AP (Aug-18)	\$ 39.9
Plus: Sep-18 invoices processed	\$ 235.9
Less: Sep-18 Payments made	\$ (234.0)
Total AP month end (Sep-18)	\$ 41.8
Less: Invoices on hold <sup>(1)</sup>	\$ (25.3)
Less: Installments/Retainage Invoices <sup>(2)</sup>	\$ (0.8)
Net AP not on hold	\$ 15.7

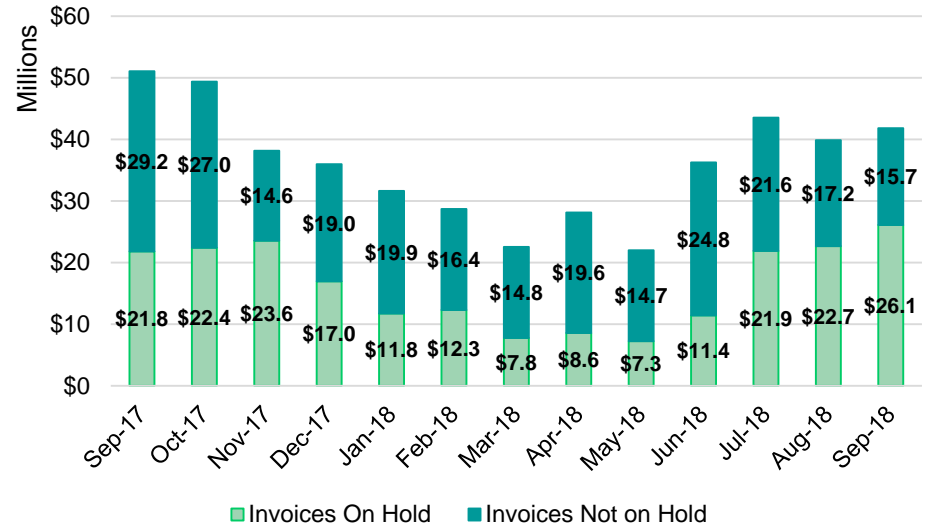
## AP Aging (excluding invoices on hold)

	Net AP	Current	Days Past Due		
			1-30	31-60	61+
<b>Sep-18. Total</b>	\$ 15.7	\$ 9.9	\$ 3.6	\$ 1.5	\$ 0.7
% of total	100%	63%	23%	10%	4%
Change vs. Aug-18	\$ (1.5)	\$ (0.1)	\$ (0.7)	\$ (0.4)	\$ (0.3)
Total Count of Invoices	1,334	987	230	39	78
% of total	100%	74%	17%	3%	6%
Change vs. Aug-18	(127)	42	(56)	(28)	(85)
<b>Aug-18. Total</b>	\$ 17.2	\$ 10.0	\$ 4.3	\$ 1.9	\$ 0.9
% of total	100%	58%	25%	11%	5%
Total Count of Invoices	1,461	945	286	67	163
% of total	100%	65%	20%	5%	11%

Notes:

- (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 invoice date

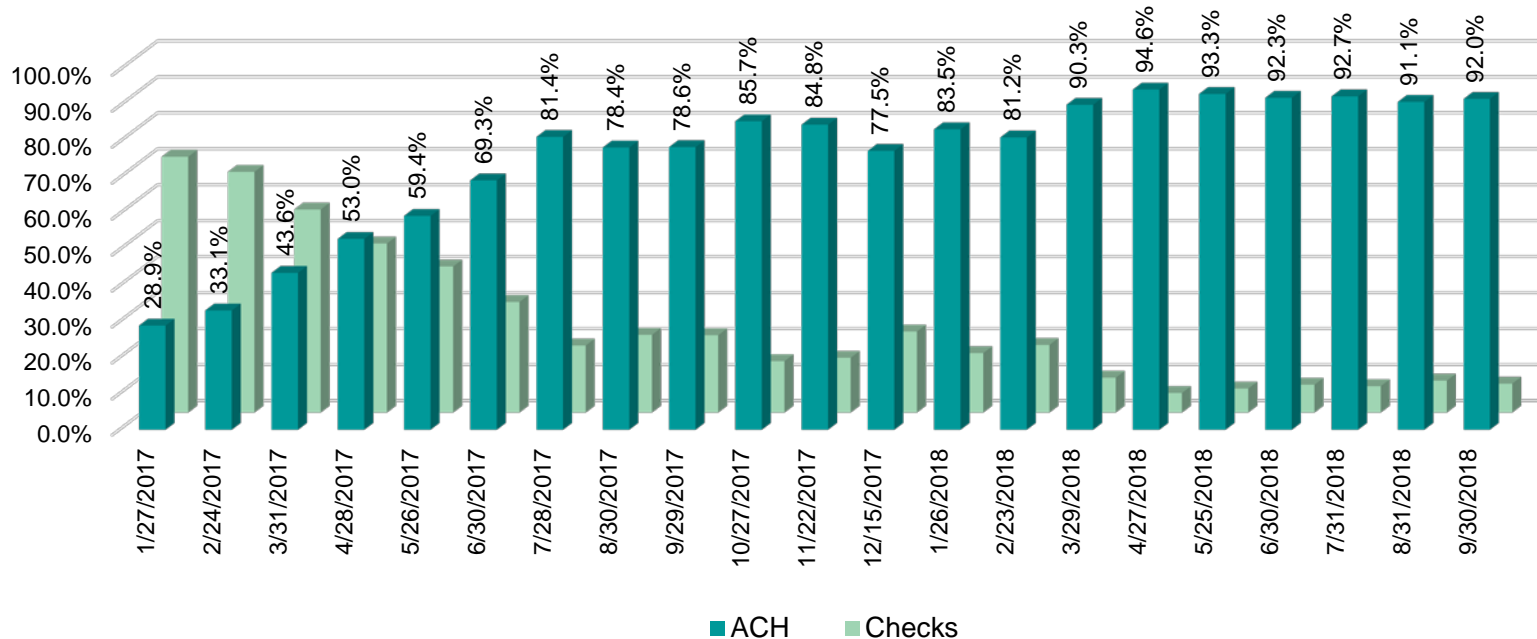
## Accounts Payable





# Supplier Payments – ACH vs. Checks

## Supplier Payment Methods



In January 2017, an initiative was launched to have all suppliers adhere to CFO Directive No. 2016-001.  
**Phase 1 – includes all suppliers that do business with the City of Detroit.**  
**Phase 2 – June 2018. Includes 3<sup>rd</sup> party payroll suppliers and employee expense reimbursements.**  
 Not included in scope: Jurors, Poll Worker, Property Tax, Payroll, 3<sup>rd</sup> Party Supplies, Utilities, Government Agency.



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