

CITY OF DETROIT

Office of the Chief Financial Officer

Financial Report for the 9 Months ended March 31, 2016

May 23, 2016



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Executive summary

- The Office of the CFO has had strong interest in its new positions as part of its restructuring. As of May 23rd, 310 offers have been accepted and approximately 10 offers are pending acceptance. Vacant positions for middle management, professional, and paraprofessional positions were reposted on April 4th and hiring interviews are underway.
- The City's Evaluation Committee for the Pension and Actuarial-related Services RFP recommended a vendor to the CFO the week of May 9th. The City is completing contract negotiations and will subsequently send the contract to the City Council.
- March YTD actuals continue to indicate that FY 2016 results are expected to be favorable to budget and that the liquidity situation is stable.
 - The primary tax revenues are based on the February 2016 Consensus Revenue Estimating Conference results.
 - Payroll and benefits related expenditures are projected to be below budget as a result of lower headcount, partially offset by a higher number of contract staff and wage increases to public safety employees.
 - Reinvestment related expenditures are moving forward consistent with the timing of project implementation as well as the amount of exit financing proceeds available.



Revised FY 2016 projection continues to result in a General Fund surplus

\$ in millions

| General Fund | Notes | FY 2016 Projection | | | FY 2016 EM's | |
|---|-------|--------------------|-----------------|----------------|----------------|----------------|
| | | Feb 2016 | Adjustments (1) | Mar 2016 | Budget | Difference |
| General Fund Property taxes | | \$ 117.0 | \$ - | \$ 117.0 | \$ 100.8 | \$ 16.2 |
| Net Income taxes | | 264.0 | - | 264.0 | 268.4 | (4.4) |
| Utility taxes | (2) | 37.0 | - | 37.0 | 15.9 | 21.1 |
| Gaming taxes | | 173.5 | - | 173.5 | 169.0 | 4.5 |
| Distributable State aid | | 194.9 | - | 194.9 | 197.4 | (2.5) |
| Other | (3) | 262.1 | - | 262.1 | 284.9 | (22.8) |
| Other operating revenues | (4) | - | - | - | 35.1 | (35.1) |
| Total Revenues | (5) | 1,048.5 | - | 1,048.5 | 1,071.5 | (23.0) |
| Payroll, taxes, & deductions | (6) | (314.0) | (9.2) | (323.2) | (329.8) | 6.6 |
| Benefits | (6) | (107.9) | (9.4) | (117.3) | (119.6) | 2.4 |
| Pension contributions | (7) | (26.1) | 2.7 | (23.4) | (28.6) | 5.2 |
| Subsidy payments | | (81.2) | - | (81.2) | (81.6) | 0.4 |
| Materials, contracts & other operating expenditures | (8) | (406.4) | 22.8 | (383.6) | (428.4) | 44.8 |
| Total Expenditures | | (935.5) | 6.9 | (928.6) | (988.0) | 59.4 |
| Operating Surplus | | 113.0 | 6.9 | 119.9 | 83.5 | 36.4 |
| Debt service | (9) | (78.9) | - | (78.9) | (83.5) | 4.6 |
| Surplus / (Deficit) | | \$ 34.1 | \$ 6.9 | \$ 41.0 | \$ 0.0 | \$ 41.0 |

Notes:

- (1) Adjustments were made to the projections based on YTD February activity as well as reclassifying reinvestment labor funding originally budgeted under other operating expenditures to payroll and benefits.
- (2) EM's Budget includes \$12.5m transfer to the Public Lighting Authority (PLA). FY 2016 Projection reflects transfer under expenditures.
- (3) FY 2016 Projection reflects lower reinvestment initiative revenues based on YTD results and anticipated project implementation.
- (4) EM's Budget includes Public Lighting Dept. (PLD) revenues from internal charges and reimbursements from DTE (\$26m) and grant receipts for blight (\$9m), which will not flow through the General Fund.
- (5) FY 2016 Projection reflects February 2016 Consensus Revenue Estimating Conference results.
- (6) Lower projected expenditures due to vacant positions, partially offset by projected public safety wage increases.
- (7) Lower projected contributions due to lower YTD and projected payroll.
- (8) EM's Budget includes PLD operating expenditures (\$26m) and payments related to blight (\$9m), which will not be incurred by the General Fund. FY 2016 Projection includes \$12.5m transfer to PLA.
- (9) Lower interest payment on Exit financing due to principal repayment.



The City's YTD net cash flows continue to be ahead of budget

\$ in millions

| General Fund | Actual | Prior Year | | Budget (1) | |
|---|----------------|----------------|----------------|----------------|----------------|
| | 9 months | 9 months | Difference | 9 months | Variance |
| General Fund Property taxes | \$ 113.3 | \$ 104.4 | \$ 8.8 | \$ 99.1 | \$ 14.2 |
| Net Income taxes | 187.4 | 194.1 | (6.7) (2) | 195.7 | (8.3) |
| Utility taxes | 14.7 | 16.8 | (2.1) | 17.2 | (2.4) |
| Gaming taxes | 132.6 | 130.6 | 2.0 | 127.6 | 5.1 |
| Distributable State aid | 162.4 | 162.4 | 0.0 | 165.3 | (2.9) |
| Other | 140.4 | 233.7 | (93.3) (3) | 135.1 | 5.4 (4) |
| Total Receipts | 750.9 | 842.0 | (91.1) | 739.9 | 11.0 |
| Payroll, taxes, & deductions | (271.7) | (261.4) | (10.3) | (289.8) | 18.1 |
| Benefits | (47.7) | (54.0) | 6.3 (5) | (51.4) | 3.7 |
| Pension contributions | - | - | - | - | - |
| Subsidy payments | (12.2) | (26.4) | 14.2 | (26.2) | 14.0 |
| Materials, contracts & other operating expenditures | (185.5) | (370.6) | 185.1 (3) | (184.2) | (1.3) (4) |
| Total Disbursements | (517.0) | (712.4) | 195.4 | (551.5) | 34.5 |
| Operating Surplus (before Reinvestment) | 233.9 | 129.6 | 104.3 | 188.4 | 45.4 |
| Financing Adjustments | (97.4) | (153.9) | 56.5 | (67.4) | (30.0) (6) |
| Non-Financing Adjustments | (66.4) | 64.3 | (130.7) | (99.2) | 32.8 (7) |
| Total Adjustments to arrive at Net Cash Flow | (163.8) | (89.6) | (74.1) | (166.6) | 2.8 |
| Net Cash Flow (8) | \$ 70.1 | \$ 40.0 | \$ 30.1 | \$ 21.9 | \$ 48.2 |

Memo:

| | | |
|---|-----------------|-----------------|
| Beginning cash balance (net of dist. owed) (9) | \$ 207.8 | \$ 156.8 |
| Net Cash Flow (8) | 70.1 | 40.0 |
| Lockbox reserves | (0.1) | (0.1) |
| Ending cash balance (net of dist. owed) (9) | \$ 277.9 | \$ 196.6 |

Notes:

- (1) Budget has been spread based on historical cash activity.
- (2) \$10.1m of income tax refunds were issued in FY'16 related to prior periods compared to \$3.6m issued in FY'15 related to prior periods YTD.
- (3) Negative trend in other receipts is offset by positive trend in materials, contracts & other operating expenditures and is primarily attributable to the segregation of DPW, BSEED, and Grants proceeds. In addition, the prior year included \$88m of professional fee expenditures.
- (4) Variance primarily due to cash actuals including non-Fund 1000 activity.
- (5) Difference primarily due to retiree healthcare payments made in the prior year, which will not occur post-bankruptcy.
- (6) Actuals include \$30m principal repayment on Exit Financing made in August 2015.
- (7) Actuals include the segregation of \$56m related to the Major and Local Street funds. Budget includes \$99.2m of reinvestment payments in excess of Exit proceeds.
- (8) Net Cash Flow was determined based on General Fund cash activity adjusted for known deposits in transit, prior period adjustments and classification differences.
- (9) The main operating account contains cash balances of the Risk Management Fund, Construction Fund, Street Funds, Solid Waste Fund, General Grants, and Motor Vehicle Fund.



Differences between cash and general ledger YTD are mostly due to the period in which activity was recorded

\$ in millions

| General Fund | Cash Activity | | | General Ledger | | | Difference |
|---|----------------|----------------|-----------------|----------------|------------------|----------------|------------------|
| | Actuals | Adjustments | Adjusted | Posted | To Be Posted (1) | Total | |
| General Fund Property taxes | \$ 113.3 | \$ - | \$ 113.3 | \$ 108.5 | \$ 5.0 | \$ 113.5 | \$ 0.2 |
| Net Income taxes | 187.4 | (14.0) | 173.4 (2) | 167.7 | 5.7 | 173.4 | (0.0) |
| Utility taxes | 14.7 | - | 14.7 | 7.7 | 7.0 | 14.7 | 0.0 |
| Gaming taxes | 132.6 | (0.8) | 131.9 (2) | 117.0 | 14.0 | 131.1 | (0.8) |
| Distributable State aid | 162.4 | (64.2) | 98.3 (2) | 65.8 | 32.4 | 98.2 | (0.0) |
| Other | 140.4 | (49.0) | 91.4 (3) | 70.5 | 12.7 | 83.2 | (8.2) |
| Total Receipts | 750.9 | (127.9) | 623.0 | 537.3 | 76.9 | 614.1 | (8.9) |
| Payroll, taxes, & deductions | (271.7) | 22.3 | (249.4) (4) | (250.4) | - | (250.4) | (1.0) |
| Benefits | (47.7) | - | (47.7) | (55.5) | - | (55.5) | (7.9) (5) |
| Pension contributions | - | - | - | - | - | - | - |
| Subsidy payments | (12.2) | - | (12.2) | (17.7) | (0.8) | (18.4) | (6.3) (6) |
| Materials, contracts & other operating expenditures | (185.5) | 48.0 | (137.5) (7) | (147.0) | - | (147.0) | (9.4) |
| Total Disbursements | (517.0) | 70.3 | (446.8) | (470.6) | (0.8) | (471.4) | (24.6) |
| Operating Surplus (before Reinvestment) | 233.9 | (57.6) | 176.2 | 66.7 | 76.1 | 142.8 | (33.5) |
| Financing Adjustments | (97.4) | 40.4 | (57.0) (8) | (39.3) | (17.7) | (57.0) | 0.0 |
| Non-Financing Adjustments | (66.4) | 66.4 | - (9) | - | - | - | - |
| Subtotal Adjustments | (163.8) | 106.8 | (57.0) | (39.3) | (17.7) | (57.0) | 0.0 |
| Net Surplus/(Deficit) | \$ 70.1 | \$ 49.1 | \$ 119.2 | \$ 27.4 | \$ 58.4 | \$ 85.8 | \$ (33.5) |

Notes:

(1) To be posted amounts represent collections and disbursements that have not yet been reconciled to the appropriate object code accounts. Certain to be posted amounts need to be further researched given data limitations due to the ERP implementation.

(2) \$14m of Income Tax, \$0.8m of Gaming Tax, and \$64m of DSA revenues were collected in FY 2016 related to activity in FY 2015.

(3) \$30m of revenues were collected in FY 2016 related to activity in FY 2015. \$6m of collections are cash specific transactions and \$13m are non-Fund 1000.

(4) Approximately \$9m of the difference is due to the timing and accrual of payroll. Approximately \$13m of disbursements are non-Fund 1000.

(5) Cash disbursements were lower than posted expenditures due to excess cash balance in the Benefits Fund account at the beginning of the fiscal year.

(6) General ledger includes a \$12m non-cash subsidy to DDOT in February partially offset by reversal of \$6m of estimated accrued expenses carried over from FY 2015 related to DDOT.

(7) Approximately \$20m of disbursements were paid in FY 2016 related to invoices from FY 2015 or prior. \$18m of disbursements are cash specific transactions and \$10m are non-Fund 1000.

(8) Cash actuals include \$30m Exit financing principal repayment as well as \$2.8m of Exit financing interest payments and \$7.6m Note C principal and interest payments being captured by the trustee.

(9) Cash actuals include the segregation of \$56m related to the Major and Local Street funds.



The collection rate for City property taxes YTD is higher than in the prior year

\$ in millions

| | FY 2016 | | | FY 2015 | | |
|-----------------------|-------------------|---------------------|-----------------|-------------------|---------------------|-----------------|
| | Adjusted tax roll | Collections YTD (1) | Collection rate | Adjusted tax roll | Collections YTD (1) | Collection rate |
| General City | \$ 131.8 | \$ 107.1 | 81.3% | \$ 132.6 | \$ 99.7 | 75.2% |
| Debt Service | 69.6 | 54.3 | 78.0% | 73.8 | 55.6 | 75.4% |
| Solid Waste | 59.6 | 31.6 | 53.0% | 57.0 | 28.1 | 49.4% |
| Total City (2) | \$ 260.9 | \$ 193.0 | 74.0% | \$ 263.3 | \$ 183.5 | 69.7% |

Note:

- (1) Amounts do not include collections from Wayne County settlement checks as a result of foreclosure activity.
- (2) Amounts are net of property taxes collected by the City on behalf of DPS, State Education Trust, Wayne County and other non-City taxing authorities.



Exit financing proceeds have been utilized to jump start improving technology, neighborhoods, and public safety

- In the month of March, no additional projects funded by exit financing had been approved, however, approximately \$1.5m of additional expenses were incurred from the prior month.

\$ in millions

| | Number of Projects | Amount Approved | Expense Incurred |
|--|-----------------------|--------------------|---------------------|
| Available Exit financing proceeds | | \$ 233.2 | |
| Project Allocation: | | | |
| Dept. of Innovation and Technology | 5 | \$ (34.2) | (34.2) |
| Blight | 7 | (29.7) | (24.0) |
| Police | 6 | (29.0) | (18.5) |
| Fire | 9 | (22.0) | (14.1) |
| General Services | 13 | (20.3) | (18.6) |
| OCFO | 7 | (15.8) | (15.2) |
| BSEED | 1 | (4.4) | (2.4) |
| Law | 1 | (2.2) | (0.6) |
| DDOT | 1 | (1.8) | (1.8) |
| Recreation | 1 | (1.2) | (1.2) |
| Human Resources | 2 | (0.8) | (0.7) |
| Other | 3 | (0.3) | (0.3) |
| Total | 56 | \$ (161.6) | \$ (131.8) |
| Interest/Fees | | (2.8) | (2.8) |
| Amount reserved for projects under review | | \$ 68.8 | |



General City headcount is increasing gradually and remains under budget

| | Actual Mar '15 | Actual Mar '16 (1) | Budget FY 2016 (2) | Variance | % Variance |
|---|-------------------|-----------------------|-----------------------|------------|------------|
| Public safety | | | | | |
| Police | 2,639 | 2,808 | 2,932 | 124 | 4% |
| Fire (3) | 1,275 | 1,183 | 1,329 | 146 | 11% |
| Total Uniform | 3,914 | 3,991 | 4,261 | 270 | 6% |
| Non-public safety | | | | | |
| Budget | 9 | 0 | 0 | 0 | |
| Finance | 187 | 0 | 0 | 0 | |
| Office of the Chief Financial Officer (4) | 0 | 363 | 477 | 114 | |
| Dept. of Public Works | 312 | 327 | 345 | 18 | |
| Health & Wellness | 7 | 9 | 8 | (1) | |
| Human Resources | 75 | 83 | 51 | (32) | |
| Housing & Revitalization/Planning & Development | 89 | 93 | 130 | 37 | |
| Dept. of Innovation and Technology | 33 | 34 | 47 | 13 | |
| Law | 89 | 95 | 100 | 5 | |
| Mayor | 53 | 59 | 62 | 3 | |
| Public Lighting Dept. | 7 | 5 | 13 | 8 | |
| Recreation (5) | 165 | 168 | 169 | 1 | |
| General Services (6) | 371 | 403 | 448 | 45 | |
| Legislative (7) | 109 | 158 | 150 | (8) | |
| 36th District Court | 353 | 353 | 353 | 0 | |
| Other (8) | 46 | 50 | 74 | 24 | |
| Total Civilian | 1,905 | 2,200 | 2,427 | 227 | 9% |
| Total General City | 5,819 | 6,191 | 6,688 | 497 | 7% |
| Enterprise | | | | | |
| Airport | 4 | 3 | 4 | 1 | |
| BSEED | 178 | 177 | 205 | 28 | |
| Transportation (9) | 890 | 1,056 | 917 | (139) | |
| Parking | 87 | 89 | 94 | 5 | |
| Water/Sewerage (10) | 1,413 | 502 | 425 | (77) | |
| Library | 315 | 285 | 334 | 49 | |
| Total Enterprise | 2,887 | 2,112 | 1,979 | (133) | -7% |
| Total City | 8,706 | 8,303 | 8,667 | 364 | 4% |

Notes:

- (1) Actual positions for OCFO reflects reclassifying positions from Finance and Budget to OCFO and new OCFO hires as part of the restructuring. Actual positions for non-OCFO departments have not been reclassified and remain in the departments.
- (2) Includes positions for reinvestment projects that have been approved for funding.
- (3) Budget reflects 1,189 FTE per Four Year Financial Plan and 150 funded by SAFER grants.
- (4) Budgeted positions for OCFO reflects FTE at the time of the OCFO budget amendment approved by the FRC.
- (5) Budget reflects FTE which was adjusted to convert the budget into a headcount equivalent.
- (6) Budget reflects headcount (not FTE). The department is in the process of hiring seasonal employees.
- (7) Includes: Auditor General, Zoning, City Council, Ombudsperson, City Clerk, and Elections. Board of Zoning actuals include 8 board of review members that are contract staff.
- (8) Includes: Human Rights, Administrative Hearings, Homeland Security, and Non-departmental.
- (9) Actual data includes non-active employees that are out on disability.
- (10) FY'16 actuals exclude GLWA employees. Actuals include employees who no longer work at DWSD, but are still on DWSD's payroll.



The City is leveraging funding from external sources

- Health & Wellness Promotion and Transportation received additional grant dollars for new and/or existing grant programs.

\$ in millions

| Department | Amount Awarded (1) | Number of Grants |
|---|-----------------------|---------------------|
| Transportation | \$ 333.8 | 23 |
| Housing & Revitlization | 241.7 | 19 |
| Fire Department | 56.1 | 9 |
| Public Works | 30.6 | 20 |
| Health & Wellness Promotion | 16.2 | 4 |
| Police | 15.4 | 25 |
| Coleman A. Young Airport (Airport) | 6.2 | 7 |
| Recreation | 4.6 | 18 |
| Homeland Security & Emergency Management (HSEM) | 1.8 | 7 |
| General Services | 1.5 | 2 |
| Other (2) | 1.0 | 5 |
| Active Federal/State grants (3) | \$ 708.9 | 139 |
| Active private grants | 27.8 | 21 |
| Active private donations | 27.0 | 38 |
| Total active grants and donations | \$ 763.7 | 198 |

Notes:

- (1) Reflects original amount awarded and amendments. Amount available to be spent will be lower for most departments.
- (2) Other includes BSEED and Historic Designation.
- (3) Total does not include Hardest Hit Fund grants, which are reflected in the Land Bank Authority



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UltiPro & ERP Implementation

May 2016



Ultipro HRIS: Example Key Target Value & Accomplishments

| Area | Value & Accomplishments |
|---|--|
| Enterprise wide, end to end integrated solution | <ul style="list-style-type: none">• Ultipro HRIS will become the single source of truth for employee data across all departments• The solution will help build an end to end integrated process from hire to retire• Future state processes based on leading practices; system helps to remove manual, labor intensive data maintenance, helps build automation, transparency, controls and data reliability |
| Clocking time and paying employees | <ul style="list-style-type: none">• The system gives flexibility to punch in time by individual employee; City is evaluating kiosk feasibility across locations• Time and attendance module is configured to rules in the CBAs• Employees to get paid accurately as per the CBAs• Automations to flow data from the HR/Payroll/Time & Attendance to other systems including Oracle Cloud ERP |



Ultipro HRIS: Example Key Target Value & Accomplishments

| Area | Value & Accomplishments |
|-------------------------------------|---|
| Automation of City's talent process | <ul style="list-style-type: none">• Talent Acquisition- robust recruiting and onboarding functionality of Ultipro along with a tightly integrated solution around Position Control• Talent Management- performance management functionality for goal setting and mid-year / annual performance reviews; compensation module to automate employee salary step increases; learning module to provide employees with online learning capabilities |
| Reporting capabilities | <ul style="list-style-type: none">• Visibility to key HR metrics including headcount, attrition, competencies, costs, time reporting including labor distribution across projects |
| Other key highlights | <ul style="list-style-type: none">• Self service capabilities to manage and update information• Supervisors have online visibility to subordinate's data |



UltiPro Implementation - Progress to date

- Core HR and Payroll configured and tested
- CBA requirements reviewed and approved for UTA time rules impacting payroll rules
- Employee Self- Service (ESS) configured and tested
- Manager Self - Service (MSS) design underway, followed by configuration and testing
- UTA module configuration in progress per CBA requirements
- UTA Functional Testing and Payroll Testing scheduled for each CBA through 7/8/16
- Integration of clocks with UTA to capture employee time punches
- Development of interfaces with 3rd party system and vendors
 - 21/36 interfaces developed
 - 15/36 interfaces unit tested
 - End to end testing pending
- Recruiting and Onboarding implementation in progress, finalizing future state processes
 - Position Control solution is being designed and built in conjunction with PBCS / BCEA
- Compensation Management solution design in progress to address City's salary step increase rules
- Talent Management module implementation in progress, currently working on the future state process to be configured utilizing UltiPro's Performance and Learning solutions



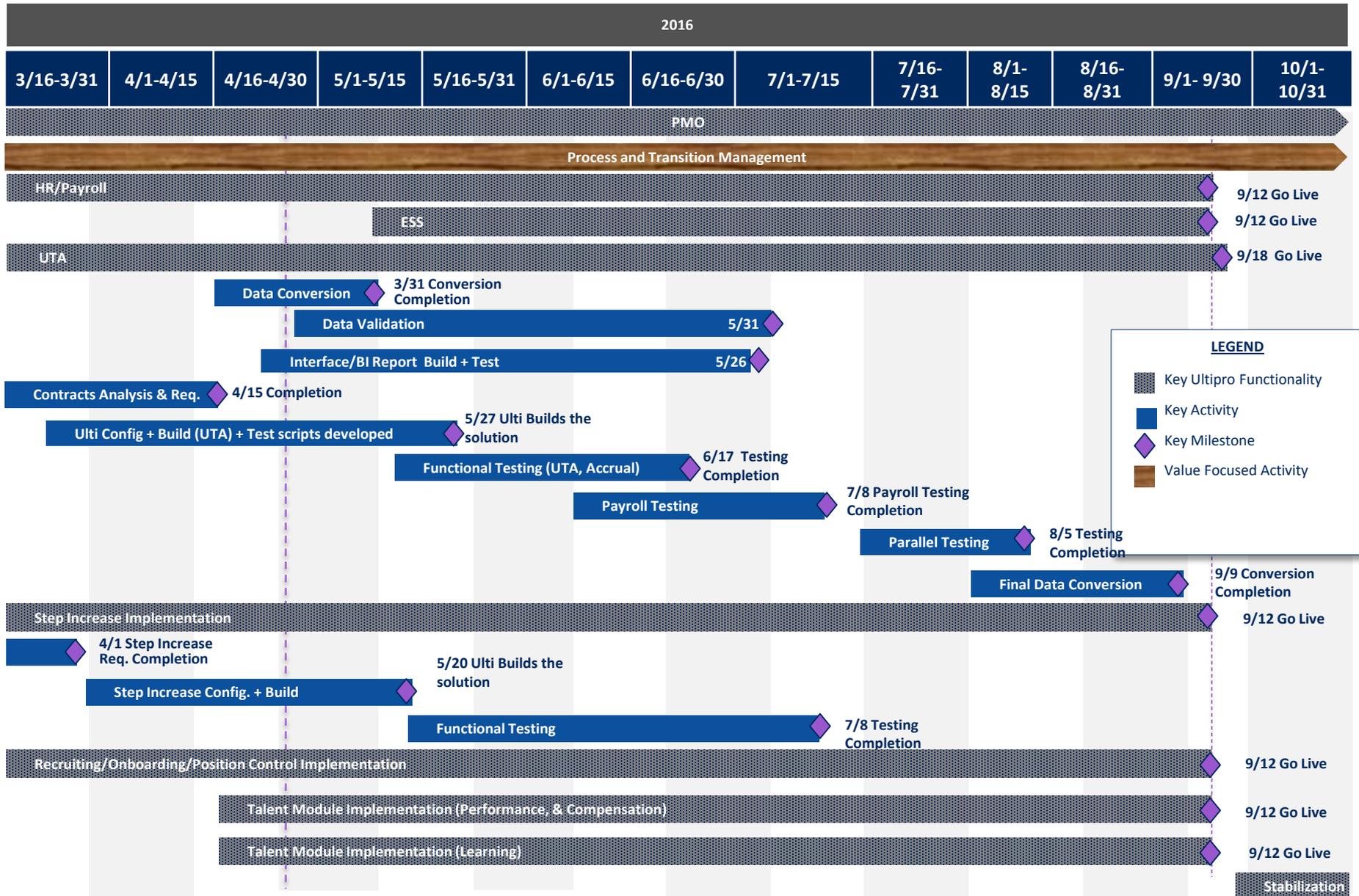
Reasons for new UltiPro go-live

- Unresolved HR data issues identified during parallel payroll run in February 2016- data validation and necessary corrections in legacy HR and Payroll systems required
- Analysis and reconciliation of all CBAs to finalize the requirements for UTA time rules and salary step rules
- Document detailed future state business processes based on leading practices
- Ensure seamless transition given significant change impact - complete understanding of policy changes
- All BI reports and interfaces not yet completed and tested
 - 21/36 interfaces developed
 - 15/36 interfaces unit tested
 - End to end testing pending
- Elongated Payroll and UTA testing timeframe to account for complexities and recent CBA changes



Revised project plan through October 31, 2016

DRAFT
As of April 22, 2016



HRIS Project Management & Implementation Costs

| | | | | Total |
|-----------------|-------------------------------|-----------------------------|----------------------------|--------------|
| EY HRIS | \$3,185,000 ₍₁₎₍₂₎ | \$520,500 ₍₂₎₍₃₎ | \$1,853,304 ₍₄₎ | \$5,558,804 |
| Ultimate | \$2,119,648 ₍₁₎ | --- | \$717,900 | \$2,837,548 |
| | \$5,304,648 | \$520,500 | \$2,571,204 | \$8,396,352 |

- (1) Approved by the Emergency Manager and State Treasurer in December 2014
- (2) Expenses not included.
- (3) Approved by the CFO, CIO, and FRC in November 2015
- (4) Includes estimated \$300,000 in expenses.



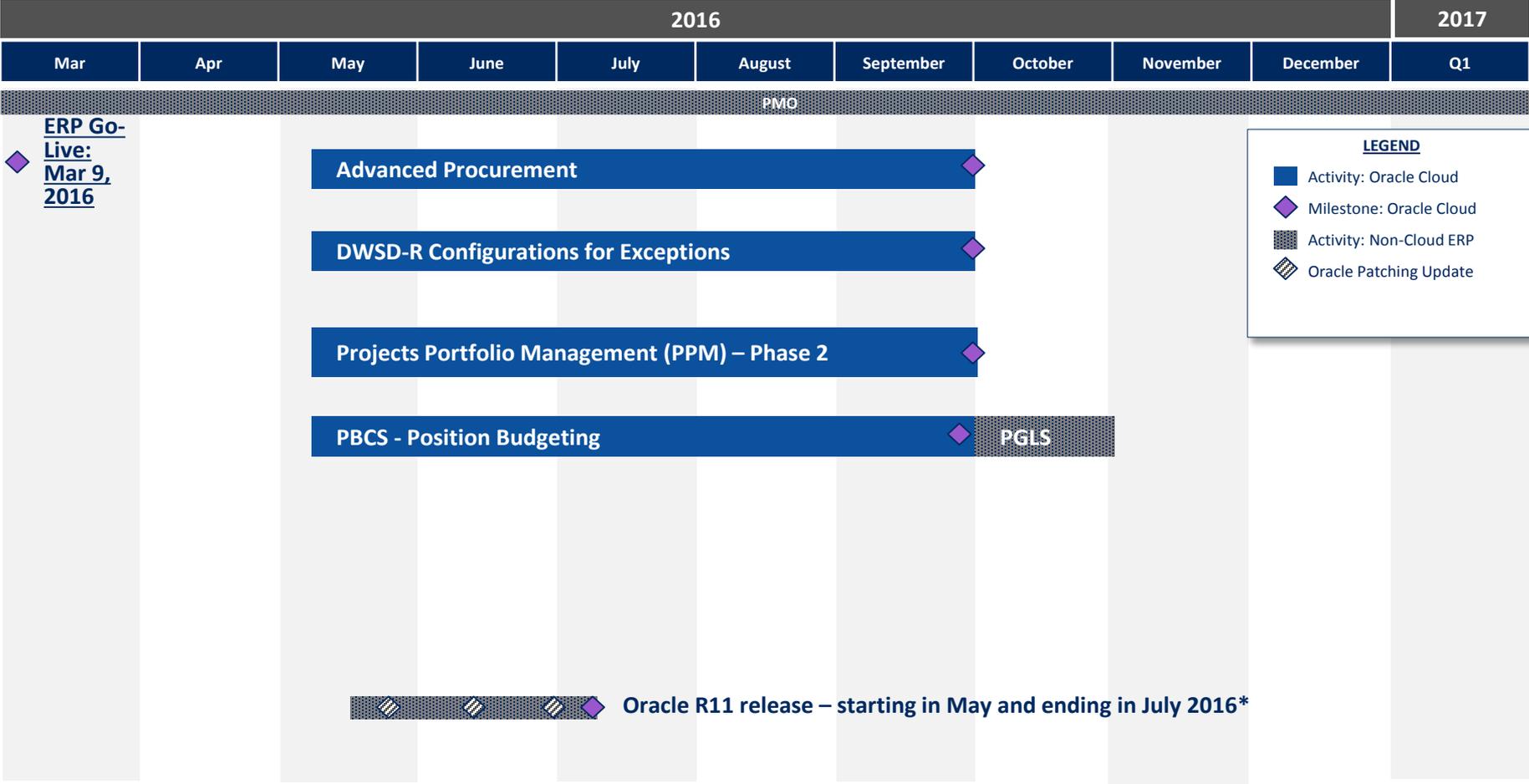
ERP Example Project Value & Key Accomplishments

| Area | ERP Project Value |
|-----------------------------|--|
| Cloud-based Technology | <ul style="list-style-type: none"> City required to continuously update system and processes based on new releases |
| Extensive Data Clean Up | <ul style="list-style-type: none"> Continued data clean up efforts throughout project OCFO continues clean up efforts during phase II and beyond |
| Business Process Redesign | <ul style="list-style-type: none"> Used leading practice system functionality to change business processes vs. customizing system to align to business processes Eliminated impress cash that departments used to circumvent procurement process and City Council approval |
| Go-live | <ul style="list-style-type: none"> Went live on March 9, 2016; comprehensive cutover plan closely tracked during a short black-out window |
| Phase I stabilization | <ul style="list-style-type: none"> System was checking for monthly budget, re-configured to check annually given City's current budget design OCFO working through monthly budget feasibility for FY17 |
| Month-end financial closing | <ul style="list-style-type: none"> City is closing books on a monthly basis for first time ever; OCFO is refining processes |
| Reporting capabilities | <ul style="list-style-type: none"> System enables visibility into key financial metrics on a real-time basis OCFO senior team developing priority, enterprise-wide reports ODFS & OFPA will work with depts. to get trained, build reports & create dashboards based on dept. needs |



ERP Phase II Implementation Timeline

DRAFT
As of April 22, 2016



LEGEND

- Activity: Oracle Cloud
- Milestone: Oracle Cloud
- Activity: Non-Cloud ERP
- Oracle Patching Update

*Tentative



▪ **Position Budgeting**

- Budget for each position at the cost center level
- Track Position Budgeting at salary grade and benefit level
- Add, eliminate, reallocate and transfer a position
- Define multiple GL allocations/distributions for each position
- Mass update features to update positions for a cost center
- Enhanced reporting capabilities

▪ **Advanced Procurement**

- City is evaluating functionality in BidSync vs. Oracle Cloud for sourcing, contracts, and supplier qualification management



▪ **Projects Portfolio Management (PPM)**

- Allow for project-based tracking/reporting
- Rollout to all departments beyond DPW and REC
- Add Project and Award Templates per agency
- Define additional Funding Sources
- Add more Expenditure Types
- Create Project Classifications as needed for reporting purposes
- Convert PPM data from Cloud GL instead of DRMS
- Train Users

▪ **DWSD-R**

- Unique procurement, G/L, and PPM configuration requirements are being evaluated



ERP Project Management, Implementation & Managed Services Costs

| | | | | | Total |
|--------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|---------------------|
| EY ERP | \$5,583,000 ⁽¹⁾⁽⁵⁾ | \$1,784,000 ⁽²⁾⁽⁵⁾ | --- | --- | \$7,367,000 |
| AST | \$17,530,670 ⁽¹⁾⁽⁵⁾ | \$4,961,800 ⁽²⁾⁽⁵⁾ | \$1,318,800 ⁽³⁾⁽⁵⁾ | \$1,062,720 ⁽⁴⁾⁽⁵⁾ | \$24,873,990 |
| Oracle | \$3,000,000 ⁽¹⁾ | --- | --- | --- | \$3,000,000 |
| | <u>\$26,113,670</u> | <u>\$6,745,800</u> | <u>\$1,318,800</u> | <u>\$1,062,720</u> | <u>\$35,240,990</u> |

(1) Approved by the Emergency Manager and State Treasurer in December 2014

(2) Approved by the CFO, CIO, and FRC in November 2015

(3) Post Go Live Support extended to July 1, 2016

(4) Managed Services for Oracle Cloud ERP

(5) Includes estimated expenses





CITY OF DETROIT
OFFICE OF THE CHIEF FINANCIAL OFFICER

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April 15, 2016

Detroit Financial Review Commission
3062 W. Grand Blvd
Detroit, Michigan 48202

Re: City of Detroit Debt Service Requirements and Certification
Fiscal Year 2016, Quarter 3

Dear Commissioners:

Enclosed with this letter you find the debt service requirements due on all bonds, leases, and other municipal debt of the city of Detroit in compliance with section 6 of the Michigan Financial Review Commission Act, Act 181, Public Acts of Michigan, 2014.

We hereby certify as of the date of this letter: (1) that the amounts specified herein are accurate statements of the City's debt service requirements; and (2) that the City of Detroit is financially able to meet the debt service requirements through the end of the current fiscal year.

With regards,

Mayor, City of Detroit

Chief Financial Officer, City of Detroit

Detroit Council President, on behalf of the Honorable Detroit City Council

**City of Detroit
Debt Obligation Summary**

| Debt Obligation | # of Series | Mar 31, 2016 Principal Balance | FY16 Debt | | | Amount |
|-----------------------------------|--------------------|---|----------------------|---------------------|---------------------|-------------------------------------|
| | | | Service | Amount Paid | At Trustee | Remaining/Credit Balance |
| UTGO (2010-A DSA) | 1 | \$96,130,000 | \$9,826,291 | \$5,932,587 | \$9,699,451 | (\$5,805,747) |
| UTGO (STUB) | 11 | 38,645,000 | 6,259,969 | 981,257 | 5,278,756 | (44) |
| UTGO (2014-A1 - 2014-K2) | 11 | 256,355,000 | 41,526,051 | 6,509,253 | 42,009,190 | (6,992,392) |
| LTGO (2010 & 2012-C DSA) | 5 | 357,295,000 | 29,212,063 | 20,376,781 | 14,755,281 | (5,920,000) |
| LTGO (Exit Financing) | 2 | – | 33,199,158 | 33,199,158 | – | – |
| LTGO (Exit Financing, Remarketed) | 2 | 245,000,000 | 6,360,524 | 908,646 | 7,331,475 | (1,879,597) |
| LTGO (B-Notes) | 2 | 631,964,145 | 24,970,484 | 12,331,201 | 12,639,283 | – |
| LTGO (C-Notes) | 1 | 85,343,547 | 9,977,154 | – | – | 9,977,154 |
| HUD Notes | 16 | 77,149,000 | 6,933,062 | 6,933,062 | – | – |
| Capital Leases | 1 | – | 2,037,704 | 2,037,704 | – | – |
| | 52 | \$1,787,881,692 | \$170,302,459 | \$89,209,649 | \$91,713,436 | (\$10,620,626) |

Note: Amounts Paid/At Trustee are as of March 31, 2016.

Note: LTGO (Exit Financing) - \$30 million Partial Redemption on August 31, 2015

Note: LTGO (Exit Financing) - Remarketed, Effective September 1, 2015

City of Detroit - Annual UTGO DEBT Debt Service Requirements

| ISSUE NAME: | Distributable State Aid Second Lien Bonds (Unlimited Tax General Obligation), Series 2010(A) (Taxable - Recovery Zone Economic development Bonds - Direct Payment) | | | Various (See "Stub UTGO Detail") | | | Distributable State Aid Fourth Lien Restructured Bonds, Series 2014-A1 - 2014-K2 | | | ALL | | |
|-----------------------------|--|----------------------|----------------------|---|--------------------|---------------------|---|---------------------|----------------------|----------------------|----------------------|----------------------|
| ISSUE NAME(2): | | | | STUB UTGO Bonds | | | | | | | | |
| REPAYMENT SOURCE: | Full faith and credit and resources of the City & State Shared Revenue payments Ad valorem taxes levied annually on all property | | | Full faith and credit and resources of the City Ad valorem taxes levied annually on all property | | | Full faith and credit and resources of the City & State Shared Revenue payments Ad valorem taxes levied annually on all property | | | | | |
| PURPOSE(S): | Financing capital improvements | | | Financing capital improvements | | | Restructuring of prior UTGO bonds | | | | | |
| ORIGINAL PAR: | \$100,000,000 | | | \$43,349,210 | | | \$287,560,790 | | | | | |
| DATED DATE: | December 16, 2010 | | | Various (See "Stub UTGO Detail") | | | December 10, 2014 | | | | | |
| PRINCIPAL DUE: | Annual: November | | | Annual: April | | | Annual: April | | | | | |
| INTEREST DUE: | Semi-Annual: November/May | | | Semi-Annual: October/April | | | Semi-Annual: October/April | | | | | |
| INTEREST RATE: | 5.429% to 8.369% | | | Various (See "Stub UTGO Detail") | | | 4.00% to 5.375% | | | | | |
| MATURITY DATE: | November 1, 2035 | | | Various (See "Stub UTGO Detail") | | | Various | | | | | |
| INSURANCE: | None | | | Various (See "Stub UTGO Detail") | | | Various | | | | | |
| CALL PROVISIONS: | Make Whole Optional Redemption (See OS) | | | Various (See "Stub UTGO Detail") | | | Various | | | | | |
| Fiscal Year Ending June 30, | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total |
| 2016 | - | \$3,893,704 | \$3,893,704 | \$4,297,455 | \$981,257 | \$5,278,712 | \$28,507,545 | \$6,509,253 | \$35,016,798 | \$32,805,000 | \$11,384,213 | \$44,189,213 |
| 2017 | \$2,105,000 | \$7,723,342 | \$9,828,342 | \$4,514,915 | \$1,740,556 | \$6,255,471 | \$29,950,085 | \$11,546,097 | \$41,496,182 | \$36,570,000 | \$21,009,995 | \$57,579,995 |
| 2018 | \$2,240,000 | \$7,588,302 | \$9,828,302 | \$4,596,135 | \$1,512,487 | \$6,108,622 | \$30,488,865 | \$10,033,187 | \$40,522,052 | \$37,325,000 | \$19,133,977 | \$56,458,977 |
| 2019 | \$2,395,000 | \$7,431,251 | \$9,826,251 | \$4,509,020 | \$1,278,392 | \$5,787,412 | \$29,910,980 | \$8,480,292 | \$38,391,272 | \$36,815,000 | \$17,189,935 | \$54,004,935 |
| 2020 | \$2,575,000 | \$7,252,630 | \$9,827,630 | \$4,645,260 | \$1,049,428 | \$5,694,688 | \$30,814,740 | \$6,961,443 | \$37,776,183 | \$38,035,000 | \$15,263,500 | \$53,298,500 |
| 2021 | \$2,765,000 | \$7,060,710 | \$9,825,710 | \$4,783,465 | \$813,697 | \$5,597,162 | \$31,731,535 | \$5,397,699 | \$37,129,234 | \$39,280,000 | \$13,272,106 | \$52,552,106 |
| 2022 | \$2,970,000 | \$6,854,594 | \$9,824,594 | \$3,066,055 | \$572,729 | \$3,638,784 | \$20,338,945 | \$3,799,217 | \$24,138,162 | \$26,375,000 | \$11,226,540 | \$37,601,540 |
| 2023 | \$3,195,000 | \$6,633,024 | \$9,828,024 | \$2,721,525 | \$415,677 | \$3,137,202 | \$18,053,475 | \$2,757,400 | \$20,810,875 | \$23,970,000 | \$9,806,101 | \$33,776,101 |
| 2024 | \$3,455,000 | \$6,373,621 | \$9,828,621 | \$2,238,790 | \$277,408 | \$2,516,198 | \$14,851,210 | \$1,840,181 | \$16,691,391 | \$20,545,000 | \$8,491,211 | \$29,036,211 |
| 2025 | \$3,755,000 | \$6,071,919 | \$9,826,919 | \$1,262,185 | \$163,619 | \$1,425,804 | \$8,372,815 | \$1,085,381 | \$9,458,196 | \$13,390,000 | \$7,320,919 | \$20,710,919 |
| 2026 | \$4,085,000 | \$5,743,854 | \$9,828,854 | \$637,970 | \$100,510 | \$738,480 | \$4,232,030 | \$666,740 | \$4,898,770 | \$8,955,000 | \$6,511,104 | \$15,466,104 |
| 2027 | \$4,440,000 | \$5,387,125 | \$9,827,125 | \$669,410 | \$68,611 | \$738,021 | \$4,440,590 | \$455,139 | \$4,895,729 | \$9,550,000 | \$5,910,875 | \$15,460,875 |
| 2028 | \$4,825,000 | \$4,999,431 | \$9,824,431 | \$702,815 | \$35,141 | \$737,956 | \$4,662,185 | \$233,109 | \$4,895,294 | \$10,190,000 | \$5,267,681 | \$15,457,681 |
| 2029 | \$5,250,000 | \$4,577,843 | \$9,827,843 | | | | | | | \$5,250,000 | \$4,577,843 | \$9,827,843 |
| 2030 | \$5,705,000 | \$4,119,431 | \$9,824,431 | | | | | | | \$5,705,000 | \$4,119,431 | \$9,824,431 |
| 2031 | \$6,205,000 | \$3,621,057 | \$9,826,057 | | | | | | | \$6,205,000 | \$3,621,057 | \$9,826,057 |
| 2032 | \$6,750,000 | \$3,078,955 | \$9,828,955 | | | | | | | \$6,750,000 | \$3,078,955 | \$9,828,955 |
| 2033 | \$7,335,000 | \$2,489,568 | \$9,824,568 | | | | | | | \$7,335,000 | \$2,489,568 | \$9,824,568 |
| 2034 | \$7,975,000 | \$1,848,921 | \$9,823,921 | | | | | | | \$7,975,000 | \$1,848,921 | \$9,823,921 |
| 2035 | \$8,675,000 | \$1,152,202 | \$9,827,202 | | | | | | | \$8,675,000 | \$1,152,202 | \$9,827,202 |
| 2036 | \$9,430,000 | \$394,598 | \$9,824,598 | | | | | | | \$9,430,000 | \$394,598 | \$9,824,598 |
| OUTSTANDING: | \$96,130,000 | \$104,296,084 | \$200,426,084 | \$38,645,000 | \$9,009,511 | \$47,654,511 | \$256,355,000 | \$59,765,139 | \$316,120,139 | \$391,130,000 | \$173,070,733 | \$564,200,733 |
| CALLABLE: | \$96,130,000 | | | | | | | | | | | |

NOTES:
TERM BONDS IN RED BOX

City of Detroit - Annual STUB UTGO Detail Debt Service Requirements

| ISSUE NAME: | General Obligation Bonds (Unlimited Tax), Series 1999A | | | General Obligation Bonds (Unlimited Tax), Series 2001A | | | General Obligation Bonds (Unlimited Tax), Series 2002 | | |
|-----------------------------|--|-----------|-------------|--|-------------|--------------|--|-----------|-------------|
| REPAYMENT SOURCE: | Full faith and credit and resources of the City. Ad valorem taxes levied annually on all property | | | Full faith and credit and resources of the City. Ad valorem taxes levied annually on all property | | | Full faith and credit and resources of the City. Ad valorem taxes levied annually on all property | | |
| PURPOSE(S): | Financing capital improvements | | | Financing capital improvements | | | Financing capital improvements | | |
| ORIGINAL PAR: | \$44,100,000 | | | \$100,000,000 | | | \$45,000,000 | | |
| DATED DATE: | April 1, 1999 | | | July 15, 2001 | | | August 8, 2002 | | |
| PRINCIPAL DUE: | Annual: April | | | Annual: April | | | Annual: April | | |
| INTEREST DUE: | Semi-Annual: October/April | | | Semi-Annual: October/April | | | Semi-Annual: October/April | | |
| INTEREST RATE: | 5.00% | | | 5.00% to 5.375% | | | 5.13% | | |
| MATURITY DATE: | April 1, 2019 | | | April 1, 2021 | | | April 1, 2022 | | |
| INSURANCE: | FSA | | | MBIA | | | MBIA | | |
| CALL PROVISIONS: | April 1, 2009 @ 101; 10 @ 100.5; 11 @ 100 | | | October 1, 2011 @ 100 | | | April 1, 2011 @ 100 | | |
| Fiscal Year Ending June 30, | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total |
| 2016 | \$392,345 | \$42,297 | \$434,642 | \$820,060 | \$232,114 | \$1,052,174 | | \$22,306 | \$22,306 |
| 2017 | \$411,995 | \$64,976 | \$476,971 | \$864,600 | \$420,150 | \$1,284,750 | | \$44,613 | \$44,613 |
| 2018 | \$432,955 | \$44,376 | \$477,331 | \$1,834,000 | \$373,678 | \$2,207,678 | | \$44,613 | \$44,613 |
| 2019 | \$454,570 | \$22,729 | \$477,299 | \$1,834,000 | \$275,100 | \$2,109,100 | | \$44,613 | \$44,613 |
| 2020 | | | | \$1,834,000 | \$183,400 | \$2,017,400 | | \$44,613 | \$44,613 |
| 2021 | | | | \$1,834,000 | \$91,700 | \$1,925,700 | \$424,440 | \$44,613 | \$469,053 |
| 2022 | | | | | | | \$446,055 | \$22,860 | \$468,915 |
| 2023 | | | | | | | | | |
| 2024 | | | | | | | | | |
| 2025 | | | | | | | | | |
| 2026 | | | | | | | | | |
| 2027 | | | | | | | | | |
| 2028 | | | | | | | | | |
| OUTSTANDING: | \$1,691,865 | \$174,377 | \$1,866,242 | \$9,020,660 | \$1,576,141 | \$10,596,801 | \$870,495 | \$268,231 | \$1,138,726 |
| CALLABLE: | | | | | | | | | |

NOTES:
TERM BONDS IN RED BOX

City of Detroit - Annual STUB UTGO Detail Debt Service Requirements

| ISSUE NAME: | General Obligation Bonds (Unlimited Tax), Series 2003-A | | | General Obligation Bonds (Unlimited Tax), Series 2004A1 | | | General Obligation Bonds (Unlimited Tax), Series 2004B 1 | | |
|-----------------------------|--|-----------|-------------|--|-------------|-------------|--|-----------|-------------|
| REPAYMENT SOURCE: | Full faith and credit and resources of the City. Ad valorem taxes levied annually on all property | | | Full faith and credit and resources of the City. Ad valorem taxes levied annually on all property | | | Full faith and credit and resources of the City. Ad valorem taxes levied annually on all property | | |
| PURPOSE(S): | Financing capital improvements | | | Financing capital improvements | | | Refunding | | |
| ORIGINAL PAR: | \$44,020,000 | | | \$39,270,000 | | | \$53,085,000 | | |
| DATED DATE: | October 21, 2003 | | | September 9, 2004 | | | September 9, 2004 | | |
| PRINCIPAL DUE: | Annual: April | | | Annual: April | | | Annual: April | | |
| INTEREST DUE: | Semi-Annual: October/April | | | Semi-Annual: October/April | | | Semi-Annual: October/April | | |
| INTEREST RATE: | 4.50% to 5.25% | | | 4.25% to 5.25% | | | 4.00% to 5.25% | | |
| MATURITY DATE: | April 1, 2023 | | | April 1, 2024 | | | April 1, 2018 | | |
| INSURANCE: | Syncora (Formerly XLCA) | | | AMBAC | | | AMBAC | | |
| CALL PROVISIONS: | April 1, 2013 @ 100 | | | April 1, 2014 @ 100 | | | April 1, 2014 @ 100 | | |
| Fiscal Year Ending June 30, | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total |
| 2016 | \$392,345 | \$98,058 | \$490,403 | | \$133,319 | \$133,319 | \$1,192,755 | \$70,898 | \$1,263,653 |
| 2017 | \$412,650 | \$175,517 | \$588,167 | | \$266,643 | \$266,643 | \$1,255,635 | \$79,176 | \$1,334,811 |
| 2018 | \$434,265 | \$153,853 | \$588,118 | | \$266,643 | \$266,643 | \$262,000 | \$13,755 | \$275,755 |
| 2019 | \$457,190 | \$131,054 | \$588,244 | \$589,500 | \$266,643 | \$856,143 | | | |
| 2020 | \$481,425 | \$107,052 | \$588,477 | \$821,370 | \$235,695 | \$1,057,065 | | | |
| 2021 | \$505,660 | \$82,268 | \$587,928 | \$864,600 | \$192,815 | \$1,057,415 | | | |
| 2022 | \$532,515 | \$55,721 | \$588,236 | \$907,830 | \$149,585 | \$1,057,415 | | | |
| 2023 | \$560,025 | \$28,173 | \$588,198 | \$955,645 | \$101,924 | \$1,057,569 | | | |
| 2024 | | | | \$1,005,425 | \$52,121 | \$1,057,546 | | | |
| 2025 | | | | | | | | | |
| 2026 | | | | | | | | | |
| 2027 | | | | | | | | | |
| 2028 | | | | | | | | | |
| OUTSTANDING: | \$3,776,075 | \$831,695 | \$4,607,770 | \$5,144,370 | \$1,665,389 | \$6,809,759 | \$2,710,390 | \$163,829 | \$2,874,219 |
| CALLABLE: | | | | | | | | | |

NOTES:
TERM BONDS IN RED BC

City of Detroit - Annual STUB UTGO Detail Debt Service Requirements

| ISSUE NAME: | General Obligation Refunding Bonds (Unlimited Tax), Series 2004B 2 | | | General Obligation Bonds (Unlimited Tax), Series 2005-B | | | General Obligation Refunding Bonds (Unlimited Tax), Series 2005-C | | | GO Bonds (Unlimited Tax), Series 2008-A | | | General Obligation Refunding Bonds (Unlimited Tax), Series 2008-B1 | | | ALL | | |
|-----------------------------|--|----------------|-----------------|--|--------------------|--------------------|--|------------------|--------------------|--|--------------------|--------------------|--|------------------|--------------------|---------------------|--------------------|---------------------|
| REPAYMENT SOURCE: | Full faith and credit and resources of the City. Ad valorem taxes levied annually on all property | | | Full faith and credit and resources of the City. Ad valorem taxes levied annually on all property | | | Full faith and credit and resources of the City. Ad valorem taxes levied annually on all property | | | Full faith and credit and resources of the City. Ad valorem taxes levied annually on all property | | | Full faith and credit and resources of the City. Ad valorem taxes levied annually on all property | | | ALL | | |
| PURPOSE(S): | Taxable, Refunding | | | Financing capital improvements | | | Advance refunding | | | Financing capital improvements | | | Current refunding | | | | | |
| ORIGINAL PAR: | \$17,270,000 | | | \$51,760,000 | | | \$30,805,000 | | | \$58,630,000 | | | \$66,475,000 | | | | | |
| DATED DATE: | September 9, 2004 | | | December 13, 2005 | | | December 13, 2005 | | | June 9, 2008 | | | June 9, 2008 | | | | | |
| PRINCIPAL DUE: | Annual: April | | | Annual: April | | | Annual: April | | | Annual: April | | | Annual: April | | | | | |
| INTEREST DUE: | Semi-Annual: October/April | | | Semi-Annual: October/April | | | Semi-Annual: October/April | | | Semi-Annual: October/April | | | Semi-Annual: October/April | | | | | |
| INTEREST RATE: | 5.24% | | | 4.30% to 5.00% | | | 4.30% to 5.25% | | | 4.00% to 5.00% | | | 5.00% | | | | | |
| MATURITY DATE: | April 1, 2018 | | | April 1, 2025 | | | April 1, 2020 | | | April 1, 2028 | | | April 1, 2018 | | | | | |
| INSURANCE: | AMBAC | | | FSA | | | FSA | | | Assured Guaranty | | | Assured Guaranty | | | | | |
| CALL PROVISIONS: | Noncallable | | | April 1, 2016 @ 100 | | | April 1, 2016 @ 100 | | | April 1, 2018 @ 100 | | | Noncallable | | | | | |
| Fiscal Year Ending June 30, | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total |
| 2016 | \$21,615 | \$1,442 | \$23,057 | \$315,055 | \$130,909 | \$445,964 | \$317,675 | \$43,049 | \$360,724 | \$394,965 | \$171,463 | \$566,428 | \$450,640 | \$35,403 | \$486,043 | \$4,297,455 | \$981,257 | \$5,278,712 |
| 2017 | \$22,270 | \$1,750 | \$24,020 | \$330,120 | \$246,065 | \$576,185 | \$333,395 | \$70,214 | \$403,609 | \$415,270 | \$323,177 | \$738,447 | \$468,980 | \$48,274 | \$517,254 | \$4,514,915 | \$1,740,556 | \$6,255,471 |
| 2018 | \$11,135 | \$583 | \$11,718 | \$345,185 | \$231,870 | \$577,055 | \$344,530 | \$55,878 | \$400,408 | \$435,575 | \$302,414 | \$737,989 | \$496,490 | \$24,825 | \$521,315 | \$4,596,135 | \$1,512,487 | \$6,108,622 |
| 2019 | | | | \$362,215 | \$214,611 | \$576,826 | \$358,285 | \$38,652 | \$396,937 | \$453,260 | \$284,991 | \$738,251 | | | | \$4,509,020 | \$1,278,392 | \$5,787,412 |
| 2020 | | | | \$655,000 | \$196,500 | \$851,500 | \$377,935 | \$19,842 | \$397,777 | \$475,530 | \$262,328 | \$737,858 | | | | \$4,645,260 | \$1,049,428 | \$5,694,688 |
| 2021 | | | | \$655,000 | \$163,750 | \$818,750 | | | | \$499,765 | \$238,551 | \$738,316 | | | | \$4,783,465 | \$813,697 | \$5,597,162 |
| 2022 | | | | \$655,000 | \$131,000 | \$786,000 | | | | \$524,655 | \$213,563 | \$738,218 | | | | \$3,066,055 | \$572,729 | \$3,638,784 |
| 2023 | | | | \$655,000 | \$98,250 | \$753,250 | | | | \$550,855 | \$187,330 | \$738,185 | | | | \$2,721,525 | \$415,677 | \$3,137,202 |
| 2024 | | | | \$655,000 | \$65,500 | \$720,500 | | | | \$578,365 | \$159,787 | \$738,152 | | | | \$2,238,790 | \$277,408 | \$2,516,198 |
| 2025 | | | | \$655,000 | \$32,750 | \$687,750 | | | | \$607,185 | \$130,869 | \$738,054 | | | | \$1,262,185 | \$163,619 | \$1,425,804 |
| 2026 | | | | | | | | | | \$637,970 | \$100,510 | \$738,480 | | | | \$637,970 | \$100,510 | \$738,480 |
| 2027 | | | | | | | | | | \$669,410 | \$68,611 | \$738,021 | | | | \$669,410 | \$68,611 | \$738,021 |
| 2028 | | | | | | | | | | \$702,815 | \$35,141 | \$737,956 | | | | \$702,815 | \$35,141 | \$737,956 |
| OUTSTANDING: | \$55,020 | \$3,775 | \$58,795 | \$5,282,575 | \$1,511,205 | \$6,793,780 | \$1,731,820 | \$227,634 | \$1,959,454 | \$6,945,620 | \$2,478,733 | \$9,424,353 | \$1,416,110 | \$108,501 | \$1,524,611 | \$38,645,000 | \$9,009,511 | \$47,654,511 |
| CALLABLE: | | | | | | | | | | | | | | | | | | |

NOTES:
TERM BONDS IN RED BC

City of Detroit - Annual LTGO DSA DEBT Debt Service Requirements

| ISSUE NAME: | Distributable State Aid Bonds (Limited Tax General Obligation), Series 2010 | | | Self-Insurance Distributable State Aid Third Lien Bonds (Limited Tax General Obligation), Series 2012(A2) ⁽¹⁾ | | | Self-Insurance Distributable State Aid Third Lien Refunding Bonds (Limited Tax General Obligation), Series 2012B2 | | |
|-----------------------------|---|----------------------|----------------------|--|---------------------|---------------------|---|---------------------|---------------------|
| ISSUE NAME(2): | | | | | | | | | |
| REPAYMENT | Full faith and credit and resources of the City, additionally Detroit's share of State Shared Revenue payments. | | | Full faith and credit and resources of the City, additionally Detroit's share of State Shared Revenue payments. | | | Full faith and credit and resources of the City, additionally Detroit's share of State Shared Revenue payments. | | |
| SOURCE: | Ad valorem taxes levied annually on all property | | | Ad valorem taxes levied annually on all property | | | Ad valorem taxes levied annually on all property | | |
| PURPOSE(S): | Fund Portion of Accumulated Deficit | | | Refinance Certain Obligations & Fund Risk Management Fund | | | Refinance Certain Obligations & Fund Risk Management Fund | | |
| ORIGINAL PAR: | \$249,790,000 | | | \$42,865,000 | | | \$30,730,000 | | |
| DATED DATE: | March 18, 2010 | | | March 29, 2012 Conversion Date: August 23, 2012 | | | March 29, 2012 Conversion Date: August 23, 2012 | | |
| PRINCIPAL DUE: | Annual: November | | | Annual: November | | | Annual: November | | |
| INTEREST DUE: | Semi-Annual: November/May | | | Semi-Annual: November/May | | | Semi-Annual: November/May | | |
| INTEREST RATE: | 4.25% to 5.25% | | | 4.00% to 5.00% | | | 4.00% to 5.00% | | |
| MATURITY DATE: | November 1, 2035 | | | November 1, 2032 | | | November 1, 2032 | | |
| INSURANCE: | Noninsured | | | Noninsured | | | Noninsured | | |
| CALL PROVISIONS: | November 1, 2020 @ 100 | | | November 1, 2019 @ 100 (2030 & 2031 on November 1, 2022 @ 100) | | | November 1, 2019 @ 100 (2030 & 2031 on November 1, 2022 @ 100) | | |
| Fiscal Year Ending June 30, | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total |
| 2016 | - | \$5,952,569 | \$5,952,569 | - | \$864,994 | \$864,994 | - | \$683,988 | \$683,988 |
| 2017 | \$7,120,000 | \$11,727,138 | \$18,847,138 | \$1,415,000 | \$1,694,613 | \$3,109,613 | \$1,120,000 | \$1,339,975 | \$2,459,975 |
| 2018 | \$7,485,000 | \$11,362,013 | \$18,847,013 | \$1,490,000 | \$1,621,988 | \$3,111,988 | \$1,175,000 | \$1,282,600 | \$2,457,600 |
| 2019 | \$7,870,000 | \$10,978,138 | \$18,848,138 | \$1,555,000 | \$1,553,638 | \$3,108,638 | \$1,230,000 | \$1,228,625 | \$2,458,625 |
| 2020 | \$8,275,000 | \$10,574,513 | \$18,849,513 | \$1,620,000 | \$1,490,138 | \$3,110,138 | \$1,280,000 | \$1,178,425 | \$2,458,425 |
| 2021 | \$8,700,000 | \$10,150,138 | \$18,850,138 | \$1,695,000 | \$1,415,363 | \$3,110,363 | \$1,340,000 | \$1,119,325 | \$2,459,325 |
| 2022 | \$9,115,000 | \$9,734,425 | \$18,849,425 | \$1,780,000 | \$1,328,488 | \$3,108,488 | \$1,410,000 | \$1,050,575 | \$2,460,575 |
| 2023 | \$9,525,000 | \$9,321,900 | \$18,846,900 | \$1,870,000 | \$1,237,238 | \$3,107,238 | \$1,480,000 | \$978,325 | \$2,458,325 |
| 2024 | \$9,965,000 | \$8,883,375 | \$18,848,375 | \$1,970,000 | \$1,141,238 | \$3,111,238 | \$1,555,000 | \$902,450 | \$2,457,450 |
| 2025 | \$10,465,000 | \$8,384,456 | \$18,849,456 | \$2,070,000 | \$1,040,238 | \$3,110,238 | \$1,635,000 | \$822,700 | \$2,457,700 |
| 2026 | \$11,015,000 | \$7,834,375 | \$18,849,375 | \$2,175,000 | \$934,113 | \$3,109,113 | \$1,720,000 | \$738,825 | \$2,458,825 |
| 2027 | \$11,580,000 | \$7,269,500 | \$18,849,500 | \$2,285,000 | \$822,613 | \$3,107,613 | \$1,810,000 | \$650,575 | \$2,460,575 |
| 2028 | \$12,170,000 | \$6,675,750 | \$18,845,750 | \$2,405,000 | \$705,363 | \$3,110,363 | \$1,900,000 | \$557,825 | \$2,457,825 |
| 2029 | \$12,795,000 | \$6,051,625 | \$18,846,625 | \$2,530,000 | \$581,988 | \$3,111,988 | \$2,000,000 | \$460,325 | \$2,460,325 |
| 2030 | \$13,450,000 | \$5,395,500 | \$18,845,500 | \$2,655,000 | \$452,363 | \$3,107,363 | \$2,100,000 | \$357,825 | \$2,457,825 |
| 2031 | \$14,140,000 | \$4,705,750 | \$18,845,750 | \$2,780,000 | \$330,388 | \$3,110,388 | \$2,200,000 | \$261,325 | \$2,461,325 |
| 2032 | \$14,885,000 | \$3,961,519 | \$18,846,519 | \$2,895,000 | \$213,269 | \$3,108,269 | \$2,290,000 | \$168,663 | \$2,458,663 |
| 2033 | \$15,690,000 | \$3,158,925 | \$18,848,925 | \$3,035,000 | \$75,875 | \$3,110,875 | \$2,400,000 | \$60,000 | \$2,460,000 |
| 2034 | \$16,535,000 | \$2,313,019 | \$18,848,019 | | | | | | |
| 2035 | \$17,425,000 | \$1,421,569 | \$18,846,569 | | | | | | |
| 2036 | \$18,365,000 | \$482,081 | \$18,847,081 | | | | | | |
| OUTSTANDING: | \$236,570,000 | \$146,338,275 | \$382,908,275 | \$36,225,000 | \$17,503,900 | \$53,728,900 | \$28,645,000 | \$13,842,350 | \$42,487,350 |
| CALLABLE: | \$197,120,000 | | | \$30,145,000 | | | \$23,840,000 | | |

NOTES:
TERM BONDS IN RED BOX

(1) City defeased \$4M in par in 7/2012

City of Detroit - Annual LTGO DSA DEBT Debt Service Requirements

| ISSUE NAME: | Distributable State Aid Third Lien Capital Improvement Refunding Bonds (Limited Tax General Obligation), Series 2012B | | | Self-Insurance Distributable State Aid Third Lien Bonds (Limited Tax General Obligation), Series 2012A2-B | | | | | |
|-----------------------------|---|--------------------|--------------------|---|---------------------|---------------------|----------------------|----------------------|----------------------|
| ISSUE NAME(2): | | | | | | | | | |
| REPAYMENT | Full faith and credit and resources of the City, additionally Detroit's share of State Shared Revenue payments. | | | Full faith and credit and resources of the City, additionally Detroit's share of State Shared Revenue payments. | | | | | |
| SOURCE: | Ad valorem taxes levied annually on all property | | | Ad valorem taxes levied annually on all property | | | | | |
| PURPOSE(S): | Refinance Certain Obligations & Fund Risk Management Fund | | | Fund Risk Management Fund | | | | | |
| ORIGINAL PAR: | \$6,405,000 | | | \$53,520,000 | | | ALL | | |
| DATED DATE: | March 29, 2012 Conversion Date: August 23, 2012 | | | August 23, 2012 | | | | | |
| PRINCIPAL DUE: | Annual: November | | | Annual: November | | | | | |
| INTEREST DUE: | Semi-Annual: November/May | | | Semi-Annual: November/May | | | | | |
| INTEREST RATE: | 4.00% to 5.00% | | | 4.00% to 5.00% | | | | | |
| MATURITY DATE: | November 1, 2032 | | | November 1, 2032 | | | | | |
| INSURANCE: | Noninsured | | | Noninsured | | | | | |
| CALL PROVISIONS: | November 1, 2019 @ 100 (2030 & 2031 on November 1, 2022 @ 100) | | | November 1, 2019 @ 100 (2030 & 2031 on November 1, 2022 @ 100) | | | | | |
| Fiscal Year Ending June 30, | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total |
| 2016 | - | \$142,569 | \$142,569 | - | \$1,191,163 | \$1,191,163 | - | \$8,835,281 | \$8,835,281 |
| 2017 | \$235,000 | \$279,263 | \$514,263 | \$1,950,000 | \$2,333,575 | \$4,283,575 | \$11,840,000 | \$17,374,563 | \$29,214,563 |
| 2018 | \$245,000 | \$267,263 | \$512,263 | \$2,050,000 | \$2,233,575 | \$4,283,575 | \$12,445,000 | \$16,767,438 | \$29,212,438 |
| 2019 | \$255,000 | \$256,038 | \$511,038 | \$2,145,000 | \$2,139,425 | \$4,284,425 | \$13,055,000 | \$16,155,863 | \$29,210,863 |
| 2020 | \$265,000 | \$245,638 | \$510,638 | \$2,230,000 | \$2,051,925 | \$4,281,925 | \$13,670,000 | \$15,540,638 | \$29,210,638 |
| 2021 | \$280,000 | \$233,338 | \$513,338 | \$2,335,000 | \$1,948,950 | \$4,283,950 | \$14,350,000 | \$14,867,113 | \$29,217,113 |
| 2022 | \$295,000 | \$218,963 | \$513,963 | \$2,450,000 | \$1,829,325 | \$4,279,325 | \$15,050,000 | \$14,161,775 | \$29,211,775 |
| 2023 | \$310,000 | \$203,838 | \$513,838 | \$2,580,000 | \$1,703,575 | \$4,283,575 | \$15,765,000 | \$13,444,875 | \$29,209,875 |
| 2024 | \$325,000 | \$187,963 | \$512,963 | \$2,710,000 | \$1,571,325 | \$4,281,325 | \$16,525,000 | \$12,686,350 | \$29,211,350 |
| 2025 | \$340,000 | \$171,338 | \$511,338 | \$2,850,000 | \$1,432,325 | \$4,282,325 | \$17,360,000 | \$11,851,056 | \$29,211,056 |
| 2026 | \$360,000 | \$153,838 | \$513,838 | \$2,995,000 | \$1,286,200 | \$4,281,200 | \$18,265,000 | \$10,947,350 | \$29,212,350 |
| 2027 | \$375,000 | \$135,463 | \$510,463 | \$3,150,000 | \$1,132,575 | \$4,282,575 | \$19,200,000 | \$10,010,725 | \$29,210,725 |
| 2028 | \$395,000 | \$116,213 | \$511,213 | \$3,310,000 | \$971,075 | \$4,281,075 | \$20,180,000 | \$9,026,225 | \$29,206,225 |
| 2029 | \$415,000 | \$95,963 | \$510,963 | \$3,480,000 | \$801,325 | \$4,281,325 | \$21,220,000 | \$7,991,225 | \$29,211,225 |
| 2030 | \$440,000 | \$74,588 | \$514,588 | \$3,660,000 | \$622,825 | \$4,282,825 | \$22,305,000 | \$6,903,100 | \$29,208,100 |
| 2031 | \$460,000 | \$54,388 | \$514,388 | \$3,825,000 | \$454,825 | \$4,279,825 | \$23,405,000 | \$5,806,675 | \$29,211,675 |
| 2032 | \$475,000 | \$35,094 | \$510,094 | \$3,990,000 | \$293,538 | \$4,283,538 | \$24,535,000 | \$4,672,081 | \$29,207,081 |
| 2033 | \$500,000 | \$12,500 | \$512,500 | \$4,175,000 | \$104,375 | \$4,279,375 | \$25,800,000 | \$3,411,675 | \$29,211,675 |
| 2034 | | | | | | | \$16,535,000 | \$2,313,019 | \$18,848,019 |
| 2035 | | | | | | | \$17,425,000 | \$1,421,569 | \$18,846,569 |
| 2036 | | | | | | | \$18,365,000 | \$482,081 | \$18,847,081 |
| OUTSTANDING: | \$5,970,000 | \$2,884,250 | \$8,854,250 | \$49,885,000 | \$24,101,900 | \$73,986,900 | \$357,295,000 | \$204,670,675 | \$561,965,675 |
| CALLABLE: | \$4,970,000 | | | \$41,510,000 | | | | | |

NOTES:
TERM BONDS IN RED BOX

(1) City defeased \$4M in par in 7/2012

City of Detroit - Annual LTGO Exit (Remarketed) Debt Service Requirements

ISSUE NAME:
ISSUE NAME(2):
REPAYMENT
SOURCE:
PURPOSE(S):
ORIGINAL PAR:
DATED DATE:
PRINCIPAL DUE:
INTEREST DUE:
INTEREST RATE:
MATURITY DATE:
INSURANCE:
CALL PROVISIONS:

Financial Recovery Income Tax Revenue and Refunding Bonds, Series 2014-A
Exit Financing (Remarketed)
Income Taxes & Full faith and credit and resources of the City
Income Taxes
Financial Recovery
\$134,725,000
September 1, 2015
Annual: October
Semi Annual: October/April
3.40% to 4.50%
October 1, 2029
Noninsured
None

Financial Recovery Income Tax Revenue and Refunding Bonds, Series 2014-B
Exit Financing (Remarketed)
Income Taxes & Full faith and credit and resources of the City
Income Taxes
Financial Recovery
\$110,275,000
September 1, 2015
Annual: October
Semi Annual: October/April
4.60%
October 1, 2022
Noninsured
None

ALL

| Fiscal Year Ending June 30, | Principal | Interest | Total |
|--------------------------------|----------------------|---------------------|----------------------|
| 2016 | - | \$2,915,553 | \$2,915,553 |
| 2017 | - | \$5,831,106 | \$5,831,106 |
| 2018 | - | \$5,831,106 | \$5,831,106 |
| 2019 | - | \$5,831,106 | \$5,831,106 |
| 2020 | - | \$5,831,106 | \$5,831,106 |
| 2021 | \$2,000,000 | \$5,797,106 | \$7,797,106 |
| 2022 | \$2,000,000 | \$5,727,106 | \$7,727,106 |
| 2023 | \$2,000,000 | \$5,653,106 | \$7,653,106 |
| 2024 | \$15,375,000 | \$5,317,216 | \$20,692,216 |
| 2025 | \$16,285,000 | \$4,693,625 | \$20,978,625 |
| 2026 | \$17,245,000 | \$3,979,913 | \$21,224,913 |
| 2027 | \$18,265,000 | \$3,180,938 | \$21,445,938 |
| 2028 | \$19,350,000 | \$2,334,600 | \$21,684,600 |
| 2029 | \$20,495,000 | \$1,438,088 | \$21,933,088 |
| 2030 | \$21,710,000 | \$488,475 | \$22,198,475 |
| OUTSTANDING: | \$134,725,000 | \$64,850,150 | \$199,575,150 |

| Principal | Interest | Total |
|----------------------|---------------------|----------------------|
| - | \$2,536,325 | \$2,536,325 |
| - | \$5,072,650 | \$5,072,650 |
| - | \$5,072,650 | \$5,072,650 |
| \$13,425,000 | \$4,763,875 | \$18,188,875 |
| \$23,605,000 | \$3,912,185 | \$27,517,185 |
| \$22,950,000 | \$2,841,420 | \$25,791,420 |
| \$24,390,000 | \$1,752,600 | \$26,142,600 |
| \$25,905,000 | \$595,815 | \$26,500,815 |
| \$110,275,000 | \$26,547,520 | \$136,822,520 |

| Principal | Interest | Total |
|----------------------|---------------------|----------------------|
| - | \$5,451,878 | \$5,451,878 |
| - | \$10,903,756 | \$10,903,756 |
| - | \$10,903,756 | \$10,903,756 |
| \$13,425,000 | \$10,594,981 | \$24,019,981 |
| \$23,605,000 | \$9,743,291 | \$33,348,291 |
| \$24,950,000 | \$8,638,526 | \$33,588,526 |
| \$26,390,000 | \$7,479,706 | \$33,869,706 |
| \$27,905,000 | \$6,248,921 | \$34,153,921 |
| \$15,375,000 | \$5,317,216 | \$20,692,216 |
| \$16,285,000 | \$4,693,625 | \$20,978,625 |
| \$17,245,000 | \$3,979,913 | \$21,224,913 |
| \$18,265,000 | \$3,180,938 | \$21,445,938 |
| \$19,350,000 | \$2,334,600 | \$21,684,600 |
| \$20,495,000 | \$1,438,088 | \$21,933,088 |
| \$21,710,000 | \$488,475 | \$22,198,475 |
| \$245,000,000 | \$91,397,670 | \$336,397,670 |

CALLABLE:

NOTES:

City of Detroit - Annual LTGO B-Notes Debt Service Requirements

| ISSUE NAME: | Financial Recovery Bonds, Series 2014-B1 (Federally Taxable) | | | Financial Recovery Bonds, Series 2014-B2 (Federally Taxable) | | | ALL | | |
|--------------------------------|---|----------------------|------------------------|---|---------------------|---------------------|----------------------|----------------------|------------------------|
| ISSUE NAME(2): | B-Notes | | | B-Notes | | | | | |
| REPAYMENT SOURCE: | Full faith and credit and resources of the City | | | Full faith and credit and resources of the City | | | | | |
| PURPOSE(S): | Financial Recovery | | | Financial Recovery | | | | | |
| ORIGINAL PAR: | \$616,560,047 | | | \$15,404,098 | | | | | |
| DATED DATE: | December 10, 2014 | | | December 10, 2014 | | | | | |
| PRINCIPAL DUE: | Annual: April | | | Annual: April | | | | | |
| INTEREST DUE: | Semi Annual: April/October | | | Semi Annual: April/October | | | | | |
| INTEREST RATE: | 4.00% to 6.00% | | | 4.00% to 6.00% | | | | | |
| MATURITY DATE: | April 1, 2044 | | | April 1, 2044 | | | | | |
| INSURANCE: | Noninsured | | | Noninsured | | | | | |
| CALL PROVISIONS: | None | | | None | | | | | |
| Fiscal Year Ending June 30, | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total |
| 2016 | - | \$12,331,201 | \$12,331,201 | - | \$308,082 | \$308,082 | - | \$12,639,283 | \$12,639,283 |
| 2017 | - | \$24,662,402 | \$24,662,402 | - | \$616,164 | \$616,164 | - | \$25,278,566 | \$25,278,566 |
| 2018 | - | \$24,662,402 | \$24,662,402 | - | \$616,164 | \$616,164 | - | \$25,278,566 | \$25,278,566 |
| 2019 | - | \$24,662,402 | \$24,662,402 | - | \$616,164 | \$616,164 | - | \$25,278,566 | \$25,278,566 |
| 2020 | - | \$24,662,402 | \$24,662,402 | - | \$616,164 | \$616,164 | - | \$25,278,566 | \$25,278,566 |
| 2021 | - | \$24,662,402 | \$24,662,402 | - | \$616,164 | \$616,164 | - | \$25,278,566 | \$25,278,566 |
| 2022 | - | \$24,662,402 | \$24,662,402 | - | \$616,164 | \$616,164 | - | \$25,278,566 | \$25,278,566 |
| 2023 | - | \$24,662,402 | \$24,662,402 | - | \$616,164 | \$616,164 | - | \$25,278,566 | \$25,278,566 |
| 2024 | - | \$24,662,402 | \$24,662,402 | - | \$616,164 | \$616,164 | - | \$25,278,566 | \$25,278,566 |
| 2025 | \$30,828,003 | \$24,662,402 | \$55,490,405 | \$770,205 | \$616,164 | \$1,386,369 | \$31,598,208 | \$25,278,566 | \$56,876,774 |
| 2026 | \$30,828,003 | \$23,429,282 | \$54,257,285 | \$770,205 | \$585,356 | \$1,355,561 | \$31,598,208 | \$24,014,637 | \$55,612,845 |
| 2027 | \$30,828,003 | \$22,196,162 | \$53,024,165 | \$770,205 | \$554,548 | \$1,324,753 | \$31,598,208 | \$22,750,709 | \$54,348,917 |
| 2028 | \$30,828,003 | \$20,963,042 | \$51,791,045 | \$770,205 | \$523,739 | \$1,293,944 | \$31,598,208 | \$21,486,781 | \$53,084,989 |
| 2029 | \$30,828,003 | \$19,729,921 | \$50,557,924 | \$770,205 | \$492,931 | \$1,263,136 | \$31,598,208 | \$20,222,853 | \$51,821,061 |
| 2030 | \$30,828,003 | \$18,496,801 | \$49,324,804 | \$770,205 | \$462,123 | \$1,232,328 | \$31,598,208 | \$18,958,924 | \$50,557,132 |
| 2031 | \$30,828,003 | \$17,263,681 | \$48,091,684 | \$770,205 | \$431,315 | \$1,201,520 | \$31,598,208 | \$17,694,996 | \$49,293,204 |
| 2032 | \$30,828,003 | \$16,030,561 | \$46,858,564 | \$770,205 | \$400,507 | \$1,170,712 | \$31,598,208 | \$16,431,068 | \$48,029,276 |
| 2033 | \$30,828,003 | \$14,797,441 | \$45,625,444 | \$770,205 | \$369,698 | \$1,139,903 | \$31,598,208 | \$15,167,139 | \$46,765,347 |
| 2034 | \$30,828,003 | \$13,564,321 | \$44,392,324 | \$770,205 | \$338,890 | \$1,109,095 | \$31,598,208 | \$13,903,211 | \$45,501,419 |
| 2035 | \$30,828,003 | \$18,496,801 | \$49,324,804 | \$770,205 | \$462,123 | \$1,232,328 | \$31,598,208 | \$18,958,924 | \$50,557,132 |
| 2036 | \$30,828,003 | \$16,647,121 | \$47,475,124 | \$770,205 | \$415,911 | \$1,186,116 | \$31,598,208 | \$17,063,031 | \$48,661,239 |
| 2037 | \$30,828,003 | \$14,797,441 | \$45,625,444 | \$770,205 | \$369,698 | \$1,139,903 | \$31,598,208 | \$15,167,139 | \$46,765,347 |
| 2038 | \$30,828,003 | \$12,947,760 | \$43,775,763 | \$770,205 | \$323,486 | \$1,093,691 | \$31,598,208 | \$13,271,246 | \$44,869,454 |
| 2039 | \$30,828,003 | \$11,098,080 | \$41,926,083 | \$770,205 | \$277,274 | \$1,047,479 | \$31,598,208 | \$11,375,354 | \$42,973,562 |
| 2040 | \$30,828,003 | \$9,248,400 | \$40,076,403 | \$770,205 | \$231,061 | \$1,001,266 | \$31,598,208 | \$9,479,462 | \$41,077,670 |
| 2041 | \$30,828,003 | \$7,398,720 | \$38,226,723 | \$770,205 | \$184,849 | \$955,054 | \$31,598,208 | \$7,583,569 | \$39,181,777 |
| 2042 | \$30,828,003 | \$5,549,040 | \$36,377,043 | \$770,205 | \$138,637 | \$908,842 | \$31,598,208 | \$5,687,677 | \$37,285,885 |
| 2043 | \$30,828,003 | \$3,699,360 | \$34,527,363 | \$770,205 | \$92,424 | \$862,629 | \$31,598,208 | \$3,791,784 | \$35,389,992 |
| 2044 | \$30,827,990 | \$1,849,679 | \$32,677,669 | \$770,203 | \$46,212 | \$816,415 | \$31,598,193 | \$1,895,892 | \$33,494,085 |
| OUTSTANDING: | \$616,560,047 | \$502,496,431 | \$1,119,056,478 | \$15,404,098 | \$12,554,339 | \$27,958,437 | \$631,964,145 | \$515,050,770 | \$1,147,014,915 |
| CALLABLE: | | | | | | | | | |

NOTES:

City of Detroit - Annual LTGO C-Notes Debt Service Requirements

| |
|--------------------------------|
| ISSUE NAME: |
| ISSUE NAME(2): |
| REPAYMENT |
| SOURCE: |
| PURPOSE(S): |
| ORIGINAL PAR: |
| DATED DATE: |
| PRINCIPAL DUE: |
| INTEREST DUE: |
| INTEREST RATE: |
| MATURITY DATE: |
| INSURANCE: |
| CALL PROVISIONS: |
| Fiscal Year Ending June 30, |
| 2016 |
| 2017 |
| 2018 |
| 2019 |
| 2020 |
| 2021 |
| 2022 |
| 2023 |
| 2024 |
| 2025 |
| 2026 |
| 2027 |

Financial Recovery Bonds, Series 2014-C
C-Notes
Parking Revenues & Full faith and credit of the City
Parking Revenues
Financial Recovery
\$88,430,021
December 10, 2014
Annual :June 30th
Annual :June 30th
5.00%
December 10, 2026
Noninsured
None

| Principal | Interest | Total |
|---------------------|---------------------|----------------------|
| \$5,709,977 | \$4,267,177 | \$9,977,154 |
| \$5,995,476 | \$3,981,679 | \$9,977,155 |
| \$6,295,250 | \$3,681,905 | \$9,977,155 |
| \$6,610,012 | \$3,367,142 | \$9,977,154 |
| \$6,940,513 | \$3,036,642 | \$9,977,155 |
| \$7,287,539 | \$2,689,616 | \$9,977,155 |
| \$7,651,916 | \$2,325,239 | \$9,977,155 |
| \$8,034,511 | \$1,942,643 | \$9,977,154 |
| \$8,436,237 | \$1,540,918 | \$9,977,155 |
| \$8,858,049 | \$1,119,106 | \$9,977,155 |
| \$9,300,951 | \$676,203 | \$9,977,154 |
| \$4,223,116 | \$93,847 | \$4,316,963 |
| \$85,343,547 | \$28,722,116 | \$114,065,663 |

OUTSTANDING:

NOTES:

City of Detroit - Annual HUD Notes Debt Service Requirements

ISSUE NAME:
REPAYMENT SOURCE:
PURPOSE(S):
ORIGINAL PAR:
DATED DATE:
PRINCIPAL DUE:
INTEREST DUE:
INTEREST RATE:
MATURITY DATE:
INSURANCE:
CALL PROVISIONS:

Woodward Garden Project 3
HUD 108 Note
Section 108 Loan Guaranty
Block Grant Funds
New Money
\$5,753,000
May 28, 2015 (Refunding)
Annual: August
Semi Annual: August/February
.83% to 3.55%
August 1, 2031
Noninsured
None

ALL

Fiscal Year Ending
June 30,

| | Principal | Interest | Total | Principal | Interest | Total |
|---------------------|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|
| 2016 | | - | - | - | - | - |
| 2017 | \$242,000 | \$154,178 | \$396,178 | \$5,639,000 | \$3,248,350 | \$8,887,350 |
| 2018 | \$254,000 | \$151,993 | \$405,993 | \$5,517,000 | \$3,014,970 | \$8,531,970 |
| 2019 | \$267,000 | \$149,036 | \$416,036 | \$6,501,000 | \$2,776,539 | \$9,277,539 |
| 2020 | \$281,000 | \$144,619 | \$425,619 | \$6,386,000 | \$2,515,838 | \$8,901,838 |
| 2021 | \$295,000 | \$139,057 | \$434,057 | \$6,648,000 | \$2,242,242 | \$8,890,242 |
| 2022 | \$310,000 | \$132,494 | \$442,494 | \$5,738,000 | \$1,972,877 | \$7,710,877 |
| 2023 | \$325,000 | \$124,870 | \$449,870 | \$6,459,000 | \$1,705,325 | \$8,164,325 |
| 2024 | \$342,000 | \$116,101 | \$458,101 | \$5,251,000 | \$1,436,975 | \$6,687,975 |
| 2025 | \$359,000 | \$106,197 | \$465,197 | \$5,705,000 | \$1,165,734 | \$6,870,734 |
| 2026 | \$377,000 | \$95,521 | \$472,521 | \$6,575,000 | \$860,795 | \$7,435,795 |
| 2027 | \$396,000 | \$83,822 | \$479,822 | \$6,466,000 | \$540,245 | \$7,006,245 |
| 2028 | \$417,000 | \$71,116 | \$488,116 | \$3,453,000 | \$313,145 | \$3,766,145 |
| 2029 | \$438,000 | \$57,431 | \$495,431 | \$3,495,000 | \$178,182 | \$3,673,182 |
| 2030 | \$460,000 | \$42,609 | \$502,609 | \$2,326,000 | \$73,865 | \$2,399,865 |
| 2031 | \$483,000 | \$26,451 | \$509,451 | \$483,000 | \$26,451 | \$509,451 |
| 2032 | \$507,000 | \$8,999 | \$515,999 | \$507,000 | \$8,999 | \$515,999 |
| 2033 | | - | - | - | - | - |
| 2034 | | - | - | - | - | - |
| 2035 | | - | - | - | - | - |
| 2036 | | - | - | - | - | - |
| 2037 | | - | - | - | - | - |
| 2038 | | - | - | - | - | - |
| 2039 | | - | - | - | - | - |
| 2040 | | - | - | - | - | - |
| 2041 | | - | - | - | - | - |
| 2042 | | - | - | - | - | - |
| 2043 | | - | - | - | - | - |
| 2044 | | - | - | - | - | - |
| OUTSTANDING: | \$5,753,000 | \$1,604,494 | \$7,357,494 | \$77,149,000 | \$22,080,530 | \$99,229,530 |

NOTES:



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

RESOLUTION 2016-9

**APPROVING THE CITY'S MAY 2016 FISCAL YEAR 2016 BUDGET
AMENDMENT REQUESTS**

WHEREAS, Public Act 181 of 2014, the Michigan Financial Review Commission Act (the "Act"), allows for the creation of the Detroit Financial Review Commission (the "Commission") within the Michigan Department of Treasury; and

WHEREAS, Section 6(1) of the Act empowers the Commission to provide oversight for the City of Detroit (the "City") beginning on the Effective Date of the Plan of Adjustment; and

WHEREAS, Section 7(c) of the Act provides that during the period of oversight, the Commission review, modify, and approve the City's proposed and amended operational budgets and that a proposed budget or budget amendment does not take effect unless approved by the Commission; and

WHEREAS, Section 6(3) of the Act further requires the Commission to ensure that the City complies with the requirements of the Uniform Budgeting and Accounting Act; and

WHEREAS, the Uniform Budgeting and Accounting Act prevents the City from deviating from its original general appropriations act without amending it and requires the City to amend its general appropriations act as soon as it becomes apparent that a deviation from the original general appropriations act is necessary and the amount of the deviation can be determined; and

WHEREAS, at the Commission meeting on May 23, 2016, the City presented fiscal year 2016 budget amendment requests, attached as **Exhibit A** to this Resolution, for the Commission's review and approval.

NOW THEREFORE, be it resolved by the Detroit Financial Review Commission as follows:

1. That the City's May 2016 fiscal year 2016 budget amendment requests, attached as **Exhibit A** to this Resolution but excluding any budget amendments a majority of Commission members present has agreed to exclude as noted in the minutes, are hereby approved.
2. That the minutes of the Detroit Financial Review Commission meeting at which this Resolution is adopted take notice of the adoption of this Resolution.
3. This Resolution shall have immediate effect.

IN WITNESS WHEREOF, the members of the Commission, or their designees, have signed and adopted this Resolution.

DETROIT FINANCIAL REVIEW COMMISSION

By _____
Darrell Burks, Detroit Financial Review Commission
Member

By _____
Michael Duggan, Detroit Financial Review Commission
Member

By _____
Stacy Fox, Detroit Financial Review Commission
Member

By _____
Lorron James, Detroit Financial Review Commission
Member

By _____
Brenda Jones, Detroit Financial Review Commission
Member

By _____
Nick A. Khouri, State Treasurer and Detroit Financial
Review Commission Member

By _____
William Martin, Detroit Financial Review Commission
Member

By _____
John S. Roberts, Detroit Financial Review Commission
Member

By _____
Tony Saunders, Detroit Financial Review Commission
Member

Date: _____
Detroit, Michigan

CITY OF DETROIT BUDGET AMENDMENTS

THE FOLLOWING BUDGET AMENDMENTS ARE BEING SENT TO THE FRC FOR REVIEW AND APPROVAL PURSUANT TO
 THE MICHIGAN FINANCIAL REVIEW COMMISSION ACT
 For May, 23, 2016 MEETING

Grant Budget Amendments

| No. | Department | Grantor | Brief Description | Revenue | Expense | Appr. # |
|-------------------|-------------------------------------|--|--|------------|-------------|---------|
| 1 | Health Department | Children's Hospital of Michigan Foundation | To conduct water lead testing in schools and daycare facilities in Detroit | 135,000.00 | 135,000.00 | 20271 |
| 2 | Health Department | Detroit Land Bank Authority | Reimbursement for support provided to DLBA for assistance in matters pertaining to public health | 45,000.00 | 45,000.00 | 13476 |
| 3 | Health Department | Michigan Public Health Institute | To help the Detroit Health Department build the capacity to apply for PHAB Accreditation | 10,000.00 | 10,000.00 | 20273 |
| 4 | Housing & Revitalization Department | U.S. Department of Housing and Urban Development (HUD) | Reprogramming CDBG/NOF: | | | |
| | | | Increase Neighborhood Service Organization Homeless Public Service | - | 126,730.28 | 11801 |
| | | | Decrease Effective Alternative Community Public Service | - | (76,442.76) | 05478 |
| | | | Decrease Care First Community Public Service | - | (34,784.72) | 11292 |
| | | | Decrease Catholic social Services of Wayne County Public Service | - | (15,502.80) | 12708 |
| Net Change | | | | - | - | |
| 5 | Mayor's Office | County of Macomb (Fiduciary - Homeland Security Grant Program) | Increase Homeland Security Grant for FY2014 Urban Area Security Initiative (UASI) | 35,805.00 | 35,805.00 | 14038 |
| 6 | Mayor's Office | U.S. Dept of Homeland Security | Urban Areas Security Initiative (UASI) | 596,953.00 | 596,953.00 | 20261 |
| | | | State Homeland Security Program (SHSP) | 50,854.00 | 50,854.00 | 20261 |
| 7 | Mayor's Office | Cities of Service | Salary towards a Chief Service Officer | 90,000.00 | 90,000.00 | 20272 |
| | | | In-kind technical support and training | 50,000.00 | 50,000.00 | 20272 |

CITY OF DETROIT BUDGET AMENDMENTS

THE FOLLOWING BUDGET AMENDMENTS ARE BEING SENT TO THE FRC FOR REVIEW AND APPROVAL PURSUANT TO THE MICHIGAN FINANCIAL REVIEW COMMISSION ACT
For May, 23, 2016 MEETING

Grant Budget Amendments

| No. | Department | Grantor | Brief Description | Revenue | Expense | Appr. # |
|-----|-----------------------|---|---|----------------------|----------------------|----------------|
| 8 | Police Department | U.S. Department of Justice | To create and implement a community engagement strategy with faith-based organizations | 70,000.00 | 70,000.00 | 20195 |
| 9 | Police Department | U.S. Department of Justice | To implement a Body Worn Camera Program | 2,000,000.00 | 2,000,000.00 | 20200 |
| 10 | Police Department | DTE Energy | To support the Detroit Police Department's Special Assignment Unit in reducing copper and energy theft in Detroit | 200,000.00 | 200,000.00 | 00119 |
| 11 | Recreation Department | Greenfields Outdoor Fitness | Purchase of outdoor equipment | 28,380.00 | 28,380.00 | 06536 |
| 12 | Recreation Department | The National Recreation and Parks Association | To support out of school time programs, to increase physical activity, starting a running club and introduce pickle ball, double dutch, and flag football | 20,000.00 | 20,000.00 | 20278 |
| 13 | Recreation Department | USA Swimming Foundation | To hire 21 swim instructors for summer 2016, prepare young children to be safer around bodies of water | 8,000.00 | 8,000.00 | 20274 |
| 14 | Recreation Department | NFL Foundation | To support an out of school time program that incorporates physical activities, sports and games Sports Equipment | 6,500.00 1,000.00 | 6,500.00 1,000.00 | 20277 20277 |
| 15 | Recreation Department | Michigan Dept. of Education | To serve meals without cost to children during the summer months | 400,000.00 | 400,000.00 | 20266 |

CITY OF DETROIT BUDGET AMENDMENTS

THE FOLLOWING BUDGET AMENDMENTS ARE BEING SENT TO THE FRC FOR REVIEW AND APPROVAL PURSUANT TO
THE MICHIGAN FINANCIAL REVIEW COMMISSION ACT

For May, 23, 2016 MEETING

Non-Grant Budget Amendments

| No. | Department | Brief Description | Revenue | Expense | Appr. # |
|-----|------------------------------------|--|--------------|--------------|---------|
| 16 | Detroit Public Library (Fund 3001) | To Appropriate Fund Balance and Excess Real Property Tax Revenues to cover various operating expenses throughout the library system. | 2,712,077.00 | 2,712,077.00 | 10454 |

Detroit Police set to become national leader in implementation of body worn cameras - 5/17/2016

- **City Council votes to approve \$5.2M contract with WatchGuard**
- **Contract calls for deployment of 1,500 body worn cameras and 450 in-vehicle units**
- **Implementation to begin next month, be complete in fall 2017**

Starting next month, the Detroit Police Department will begin the implementation of police body cameras and new in-car video across the entire department, thanks to city council approval today of a \$5.2 million contract with WatchGuard, an industry leader in the technology. Council's approval today caps a more-than yearlong due diligence process led by Chief James Craig and Mayor Mike Duggan as part of their efforts to make DPD more transparent.

WatchGuard was the preferred vendor based on several criteria:

- Cost
- Experience in deployment of the technology
- Video file access and file management capabilities
- Timeline for full integration between body-worn and in-vehicle cameras

The next leading proposal was from Taser, at a cost of \$8.9 million. Unlike WatchGuard, Taser is new to producing in-vehicle cameras and uses a more expensive cloud-based video storage system.

Chief Craig said that having all patrol and investigative officers wearing body cameras will further strengthen the bond DPD has developed with the community.

"The most important thing we can have as a police department is the trust of the citizens we serve," said Chief James Craig. "This new system will allow us to document every encounter our officers have with a member of the public. This was a process that was initiated and led by officers themselves and they are in full support of this new platform."

Last year, DPD was selected by the Department of Justice (DOJ) to be an example of a major city police department that implemented a BWC program through a competitive grant process; which will ultimately help other agencies around the country to develop their own BWC programs. To that end, DPD received a \$1,000,000 grant to fund this initiative. The remainder of the funding for the project is coming from the City of Detroit.

The WatchGuard contract calls for the deployment of 1,500 body-worn cameras to cover all patrol and investigative officers in the Department, as well as 450 in-vehicle cameras. Next month, DPD will

deploy the first 50 body cameras and 20 vehicle cameras in the 4th and 7th precincts. This 60-day assessment of the new system will be to assess its functionality in real-world conditions and be done at no cost to the city. Full deployment will begin in August and is expected to be completed within 14 months.

“When we are finished with this project, the City of Detroit will have one of the most transparent police departments in the country,” Mayor Duggan said. “The community should be very proud of what Chief Craig, his officers and City Council have accomplished today.”

The new system will provide three different points of view (officer’s point of view; front of patrol vehicle; back seat). The system will have multiple ways recording can be activated. Once fully integrated, both the body-worn and in-vehicle cameras will activate simultaneously:

- accelerometers (speed)
- Impact
- emergency lights activation
- opening of the rear doors
- body-worn camera
- manually

Here’s how the new system will work: Once an officer activates his or her lights or siren on their vehicle, both the dash cam and body camera systems for both partners would immediately begin recording. Similarly, once an officer activates his or her body camera system, the dash cam system in their vehicle and their partner’s body camera unit will begin recording to capture all views possible. That video will be stored and retrievable as needed.

The Chief and the Mayor are basing their decision to proceed on recommendation made by a selection committee, made up of DPD leadership, police officers, the city’s Chief Information Officer, Beth Niblock, and the city’s Office of Contracting and Procurement, which has been studying the issue for the past several months.

Officer-led process

In early 2015, 20 members of the 11th Precinct volunteered to participate in the pilot program that consisted of utilizing camera systems from three vendors for 30 days in succession for a total of 90 days. The vendor candidates were Data 911, Taser and Innovative Solutions. While a range of issues were considered during the trial, the three overriding factors officers identified as being critical to selecting the vendor will be:

- Comfort/ease of use
- Battery Life (full or partial shift)
- Integration with dashboard camera systems

WatchGuard's Other Agency Deployments

- Houston Police Department
- Oakland County Sheriff's Department
- California Highway Patrol
- Pennsylvania State Police
- Texas State Highway Patrol
- New York State Highway Patrol
- Minnesota Highway Patrol
- River Rouge Police Department



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

RESOLUTION 2016-10

APPROVING THE CITY'S MAY 2016 CONTRACT REQUESTS

WHEREAS, Public Act 181 of 2014, the Michigan Financial Review Commission Act (the "Act"), allows for the creation of the Detroit Financial Review Commission (the "Commission") within the Michigan Department of Treasury; and

WHEREAS, Section 6(1) of the Act empowers the Commission to provide oversight for the City of Detroit (the "City") beginning on the Effective Date of the Plan of Adjustment; and

WHEREAS, Section 6(6) of the Act provides that during the period of oversight, the Commission review and approve the City's applicable contracts, as defined by Section 3(a) of the Act, and that an applicable contract does not take effect unless approved by the Commission; and

WHEREAS, at the Commission meeting on May 23, 2016, the City presented applicable contracts, attached as **Exhibit A** to this Resolution, for the Commission's review and approval.

NOW THEREFORE, be it resolved by the Detroit Financial Review Commission as follows:

1. That the City's May 2016 contract requests, attached as **Exhibit A** to this Resolution but excluding any contracts a majority of Commission members present has agreed to exclude as noted in the minutes, are hereby approved.
2. That the minutes of the Detroit Financial Review Commission meeting at which this Resolution is adopted take notice of the adoption of this Resolution.
3. This Resolution shall have immediate effect.

IN WITNESS WHEREOF, the members of the Commission, or their designees, have signed and adopted this Resolution.

DETROIT FINANCIAL REVIEW COMMISSION

By _____
Darrell Burks, Detroit Financial Review Commission
Member

By _____
Michael Duggan, Detroit Financial Review Commission
Member

By _____
Stacy Fox, Detroit Financial Review Commission
Member

By _____
Lorron James, Detroit Financial Review Commission
Member

By _____
Brenda Jones, Detroit Financial Review Commission
Member

By _____
Nick A. Khouri, State Treasurer and Detroit Financial
Review Commission Member

By _____
William Martin, Detroit Financial Review Commission
Member

By _____
John S. Roberts, Detroit Financial Review Commission
Member

By _____
Tony Saunders, Detroit Financial Review Commission
Member

Date: _____
Detroit, Michigan

CITY OF DETROIT CONTRACT SUBMISSION TO FINANCIAL REVIEW COMMISSION
THE FOLLOWING CONTRACTS ARE BEING SENT TO THE FRC FOR REVIEW AND APPROVAL PURSUANT TO
SECTION 6, SUBSECTION 6 OF THE MICHIGAN FINANCIAL REVIEW COMMISSION ACT
For May 23, 2016 Meeting

Prepared By: Boysie Jackson, Chief Procurement Officer - 5/23/2016

City Council and Water Board Approvals Through May 17, 2016

| | Department | Contract Number | Description | Contract Request Type | Competitively Bid? If not a New contract, was the original contract competitively bid? | Lowest Bid? If not a New contract, was the original contract the lowest bid? | City Council Approval Date | Office of the Chief Financial Officer Approval Date | Comments |
|--------------------------------------|------------------|-----------------|---|---|--|--|----------------------------|---|---|
| CONTRACTS GREATER THAN \$750K | | | | | | | | | |
| 1 | GENERAL SERVICES | 6000034 | Contract Amount: \$1,200,000.00 Contract Period: Upon FRC Approval through 6/15/19 Source: 100% City Funding Purpose: To Provide Service, Parts and Repair of Pierce Fire Apparatus Contractor: Halt Fire, Inc. Location: 50168 Pontiac Trail, Wixom, MI 48393 | New | Yes | Yes | 5/10/2016 | 5/23/2016 | |
| 2 | GENERAL SERVICES | 6000037 | Contract Amount: \$1,200,000.00 Contract Period: Upon FRC Approval through 6/15/19 Source: 100% City Funding Purpose: To Provide Service Parts and Repair of Sutphen Fire Apparatus Contractor: Apollo Fire Equipment Location: 12584 Lakeside Drive, Romeo, I 48065 | New | Yes | Yes | 5/10/2016 | 5/23/2016 | |
| 3 | ITS | 2901822 | Contract Amount: \$1,318,800.00 Contract Period: 4/11/16 through 7/1/16 Source: 100% QOL Funding Purpose: To Extend Phase 1 Post ERP Go-Live Support for Core ERP Applications Contractor: Application Software Technology Corporation (AST) Locations: 1755 Park Street, Suite 100, Naperville, IL 60563 | Increase of Funds and Extension of Time | No (EM Order, 2014 fast track vendor evaluation) | N/A | 5/17/2016 | 5/23/2016 | Total Contract is \$6,280,600.00 The original contract amount is \$4,961,800.00 and original contract period is December 8, 2014 through December 31, 2019. Approved by Emergency Manager Order 39 and 41 in 2014. |
| 4 | ITS | 2916756 | Contract Amount: \$1,853,304.00 Contract Period: 3/29/16 through 10/31/16 Source: 100% QOL Funding Purpose: Continuation of Support of the HR (HRIS- Ultimate) System Implementation Contractor: Ernst & Young LLP Locations: 777 Woodward Avenue, Detroit, MI 48226 | Increase of Funds and Extension of Time | No (EM Order, 2014 fast track vendor evaluation) | N/A | 5/17/2016 | 5/23/2016 | Total Contract Amount: \$2,373,304.00 The original contract amount is \$520,500.00 and the original contract period is January 1, 2016 through March 28, 2016 |
| 5 | ITS | 6000030 | Contract Amount: \$1,062,720.00 Contract Period: Upon FRC Approval through One (1) year Source: 100% QOL Funding Purpose: To Provide Support to the City's Oracle Cloud ERP and Oracle Planning and Budgeting Cloud Service, which Includes Incident Management, Problem Management (Coordination of Patches), Change Management, Knowledge Management and Communication and Status Reporting Contractor: Applications Software Technology Corporation (AST) Location: 1755 Park Street, Suite 100, Naperville, IL 60563 | New | Yes | Yes | 5/17/2016 | 5/23/2016 | |
| 6 | ITS and POLICE | 6000075 | Contract Amount: \$5,187,850.00 Contract Period: 6/1/16 through 5/31/21 Source: 19.27% Federal, 80.73% City Funding Purpose: To Provide Body and In-Vehicle Cameras, Hardware and Software Contractor: Watchguard Video Location: 415 Century Parkway, Allen, TX 75013 | New | Yes | Yes | 5/17/2016 | 5/23/2016 | |

| Department | Contract Number | Description | Contract Request Type | Competitively Bid? If not a New contract, was the original contract competitively bid? | Lowest Bid? If not a New contract, was the original contract the lowest bid? | City Council Approval Date | Office of the Chief Financial Officer Approval Date | Comments |
|------------|-----------------|-------------|-----------------------|--|--|----------------------------|---|----------|
|------------|-----------------|-------------|-----------------------|--|--|----------------------------|---|----------|

WITH 1 ENTITY, WITHIN 1 YEAR, GREATER THAN \$750K

| | | | | | | | | | |
|----|---------------------|---------|--|---|---|-----|-----------|-----------|--|
| 7 | GENERAL SERVICES | 3000531 | <p>Contract Amount: \$35,028.00 Contract Period: 4/11/16 through 9/11/16 Source: 100% City Funding Purpose: To Provide a Portable Male and Female Bathroom Trailer Contractor: KEO and Associates Location: 18286 Wyoming, Detroit, MI 48221</p> | New | No (Emergency, temporary need) | N/A | 5/10/2016 | 5/23/2016 | This is an Emergency Order. Previous Contract for \$2,970,000.00 and approved by FRC on 3/28/16 |
| 8 | HEALTH AND WELLNESS | 3000252 | <p>Contract Amount: \$749,500.00 Contract Period: 3/1/16 through 6/30/16 Source: 100% Federal Funding Purpose: To Provide Payment of Invoices from March 1, 2016 through June 30, 2016 for Fiscal and Grant Administrative Services for the Ryan White Part A Program as authorized by Ryan White HIV/AIDS Treatment Extension Act of 2009 (Public Law 111-87) Contractor: Southeastern Michigan Health Association Location: 200 Fisher Building, 3011 W. Grand Blvd., Detroit, MI 48202</p> | Increase of Funds and Extension of Time | Yes | Yes | 5/10/2016 | 5/23/2016 | There is a previous contract #2898252 for \$11,605,660.00. City Council approved on 11/17/15 and approved by FRC on 11/23/15 |
| 9 | ITS | 2901809 | <p>Contract Amount: \$717,900.00 Contract Period: 4/4/16 through 11/30/16 Source: 100% QOL Funding Purpose: To Provide Technical and Functional Consulting Services, that Includes Post Activation Implementation Support, Customized Position Control Projects Contractor: Ultimate Software Group, Inc. Locations: 2000 Ultimate Way, Weston, FL 65069</p> | Increase of Funds | No (EM Order, 2014 fast track vendor evaluation) | N/A | 5/17/2016 | 5/23/2016 | Total Contract Amount: \$9,754,398.00 This Amendment #2 is for increase of funds only. The original contract amount is \$9,036,498.00 and original contract period is December 8, 2014 through December 31, 2017. |
| 10 | ITS and POLICE | 3001120 | <p>Contract Amount: \$621,740.00 Contract Period: One Time Purchase Source: 100% Federal Funding Purpose: To Provide 290TB Upgrade for Existing 3Par System Server Contractor: The OAS Group, Inc. Location: 1748 Northwood, Troy, MI 48084</p> | New | Yes | Yes | 5/17/2016 | 5/23/2016 | This is a One Time Purchase. There is a previous contract #2920152 for \$1,217,300.00, approved by City Council on 3/8/16 and approved by FRC on 3/28/16 |

CONTRACTS GREATER THAN 2 YEARS

| | | | | | | | | |
|--|--|--|--|--|--|--|--|--|
| | | No Contracts Submitted for this Category | | | | | | |
|--|--|--|--|--|--|--|--|--|

DEPARTMENT OF WATER AND SEWAGE CONTRACTS

CONTRACTS GREATER THAN \$750,000.00

| | | | | | | | | |
|--|--|--|--|--|--|--|--|--|
| | | | | | | | | |
|--|--|--|--|--|--|--|--|--|

CONTRACTS GREATER THAN 2 YEARS

| | | | | | | | | |
|--|--|--|--|--|--|--|--|--|
| | | No Contracts Submitted for this Category | | | | | | |
|--|--|--|--|--|--|--|--|--|

WITH 1 ENTITY, WITHIN 1 YEAR, GREATER THAN \$750K

| | | | | | | | | |
|--|--|--|--|--|--|--|--|--|
| | | No Contracts Submitted for this Category | | | | | | |
|--|--|--|--|--|--|--|--|--|



STATE OF MICHIGAN
DEPARTMENT OF TREASURY

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DATE: May 19, 2016

TO: Financial Review Commission members

FROM: Ronald L. Rose, Executive Director
Steven C. Watson, Senior Analyst
Financial Review Commission

SUBJECT: FRC May 2016 City of Detroit Contracts Review

The City is requesting 10 contract approvals at the FRC Meeting on May 23, 2016. The following is a summary of the requests, which were reviewed by and discussed with the FRC Advisory Subcommittee on Contracts and Procurement. The various contract categories and funding sources are summarized in the tables below:

| Contract Request Type | Count | Contract List Item #s | Competitively Bid? If not a New contract, was the original contract competitively bid? | Lowest Bid? If not a New contract, was the original contract the lowest bid? |
|-----------------------------------|-------|-----------------------|--|--|
| New Contracts | 5 | 1,2,5,6,10 | Yes | Yes |
| New Contracts | 1 | 7 | No (Emergency, temporary) | N/A |
| Funds Increase and Time Extension | 2 | 3,4 | No (EM Order, 2014 fast track vendor evaluation) | N/A |
| Funds Increase | 1 | 9 | No (EM Order, 2014 fast track vendor evaluation) | N/A |
| Funds Increase and Time Extension | 1 | 8 | Yes | Yes |

| Funding Source | Count | Contract List Item #s | Total Dollar Amount |
|---------------------------------------|-------|-----------------------|---------------------|
| General Fund | 6 | 3,4,5,6 (partial),7,9 | \$9,175,602 |
| Quality of Life Fund and General Fund | 2 | 1,2 | \$2,400,000 |
| Federal Funds | 3 | 6 (partial),8,10 | \$2,371,240 |

Additional details about each contract are discussed below:

New Contracts

- Service, Parts, and Repair of Fire Vehicles through 6/15/2019 (items #1-2)
 - Two contracts awarded for two different fire apparatus makes (Pierce and Sutphen)
 - Contracts were competitively bid, but only 1 bidder responded for each fire apparatus make as the authorized dealers for Pierce and Sutphen in Michigan are the sole sources
 - Includes two one-year renewal options

- Funded in FY16 from Quality of Life funds allocated for fire apparatus and is funded in remaining years from General Fund operating budget
- City estimates \$800,000 annualized spending (\$400,000 for each contract)
- Financial Management System Post Go-Live Support Contract for one year (item #5)
 - Competitively bid managed services contract to address system support and transition needs
 - Four bids were received, and contract was awarded to the same vendor that implemented the system for the City
 - Includes two one-year renewal options
 - Funds increase contract amendment request (item #3 below) is to temporarily extend the initial post go-live support with the same vendor and will be replaced by this new contract on 7/1/2016
 - Funded from General Fund restructuring budget for ERP system implementation
- Police Body and In-vehicle cameras, hardware, and software through 5/31/2021 (item #6)
 - Competitively contract includes 1,500 body cameras, 450 in-vehicle cameras, network equipment, software, licensing, warranties, and maintenance over 5 years
 - Includes 60-day risk mitigation period to verify functional status of initial deployment
 - Does not include installation, which will be a separately bid contract expected in June
 - Implementation expected to begin in June 2016 and finish by fall 2017
 - Funded from \$1 million federal grant for body camera implementation and remainder expected from General Fund
- Portable Bathroom Trailer through 9/11/2016 (temporary) (item #7)
 - Contract awarded to an existing City general contractor vendor on an emergency basis to address this temporary need (will be replaced with permanent solution during FY17)
 - Funded from General Fund
- Upgrade for Existing Police Server System (item #10)
 - Competitively bid one-time purchase for equipment necessary to implement the new computer aided dispatch system this summer
 - Funded from federal Justice Assistance Grant

Time Extensions and Funds Increases

- Additional Post Go-Live Support of Financial Management System through 7/1/2016 (item #3)
 - Provides for additional post go-live support from implementation vendor until new competitively bid support contract takes effect (see item #5 above)
 - Funded from General Fund restructuring budget for ERP system implementation
- Continuation of Human Resources System Implementation Project Support through 10/31/2016 (item #4)
 - Provides extension for consultants providing project support for HR system implementation to align with revised go-live timeframe (expected in the fall of 2016)
 - Funded from General Fund restructuring budget for ERP system implementation
- Ryan White HIV/AIDS Treatment program administration through 6/30/2016 (item #8)
 - Provides for continuation of program services with current vendor until new contract is awarded
 - City attempted to solicit bids through two previous rounds, but there were no responses
 - City's third bidding round is underway, contract award expected for FY17
 - Funded from federal Ryan White Part A program grant

- Additional Implementation Activities for Human Resources System through 11/30/2016 (item #9)
 - Provides for additional implementation and post-activation support from system vendor to align with revised go-live timeframe (expected in the fall of 2016) and additional system requirements
 - Funded from General Fund restructuring budget for ERP system implementation

RLR/SCW