



CITY OF DETROIT  
OFFICE OF THE CHIEF FINANCIAL OFFICER

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November 14, 2018

Detroit Financial Review Commission  
Cadillac Place  
3062 West Grand Boulevard  
Detroit, MI 48202

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

Dear Commissioners:

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

This report is provided in accordance with the requirements included in Detroit Financial Review Commission (FRC) Resolution 2018-13, which granted the City its waiver of active FRC oversight through June 30, 2019. The OCFO has separately submitted this report to the Detroit City Council and posted it on the City's website.

Best regards,

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

John W. Hill  
Chief Financial Officer

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

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

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# FY 2019 Financial Report

For the 3 Months ended September 30, 2018

Office of the Chief Financial Officer

November 14, 2018



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# Executive Summary

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



# YTD Budget Amendments – General Fund

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

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

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



# YTD Budget vs. YTD Actual – General Fund

\$ in millions

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

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



# Annualized Projection vs. Budget – General Fund

\$ in millions

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

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

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





# Employee Count Monitoring

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

Notes:

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



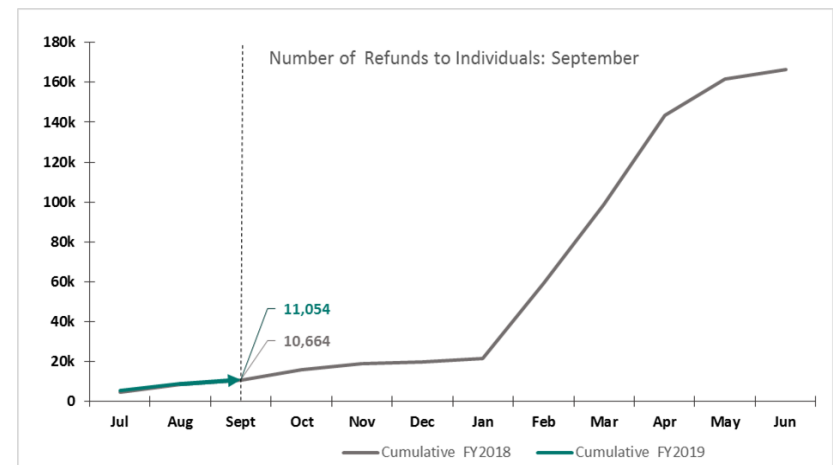
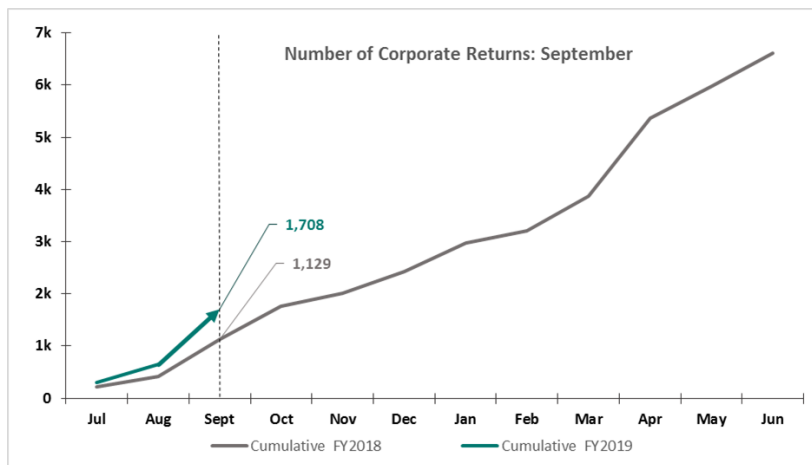
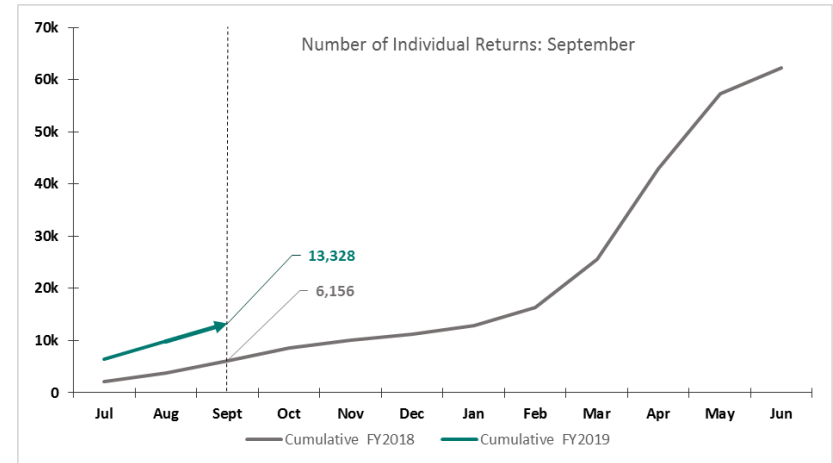
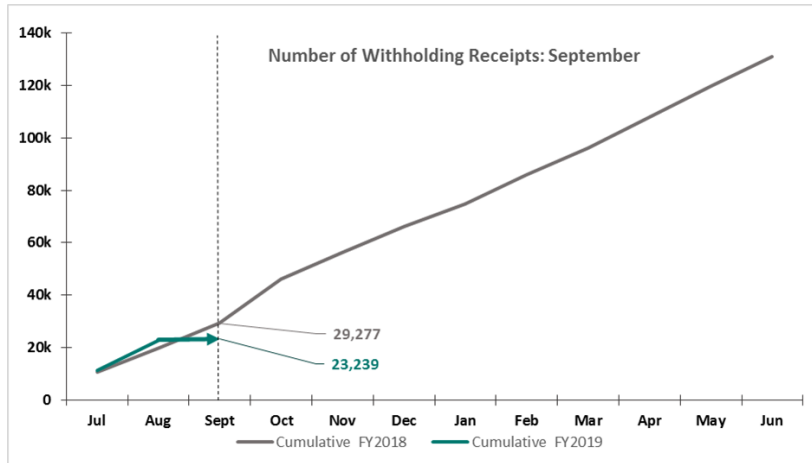
**Fiscal Year 2019**

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

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



# Income Tax – Volume of Returns and Withholdings





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

|   |        |  |
|---|--------|--|
|   |        |  |
|   |        |  |
| Net Change from last month <sup>(3)</sup> | \$35.6 |  |

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

|                                    |                |
|------------------------------------|----------------|
|                                    |                |
|                                    |                |
| Committed <sup>(4)</sup>           |                |
| <b>Total New Funding</b>           | <b>\$303.0</b> |
|                                    |                |
| Net New to the City <sup>(5)</sup> | \$17.4         |

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

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

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

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

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



# Development and Grants

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

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





# Cash Position

(\$ in millions)

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



# Operating Cash Activity: YTD Actual vs Forecast

For 3 Months Ending September 30, 2018

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





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

For 3 Months Ending September 30, 2018

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



# Accounts Payable

All Funds  
\$ in millions

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

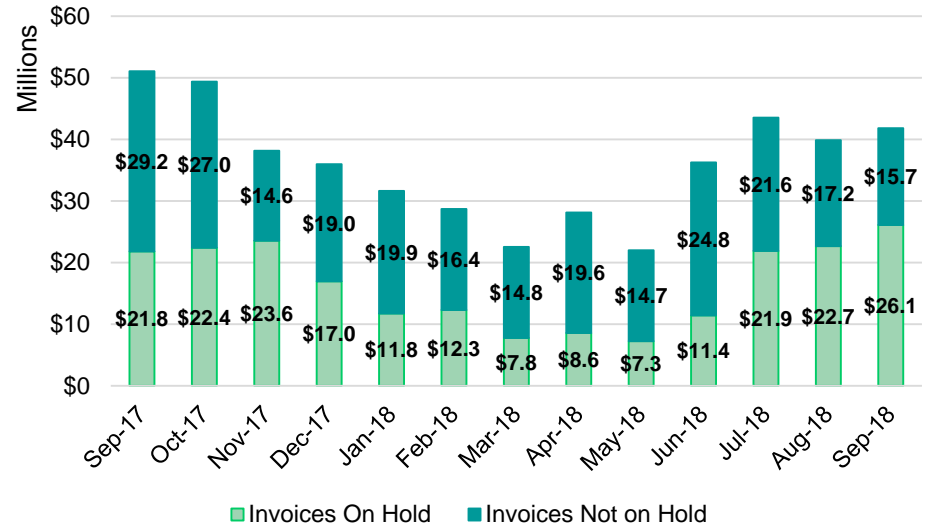
## AP Aging (excluding invoices on hold)

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

Notes:

- (1) Invoices with system holds are pending validation. Some reasons include: pending receipt, does not match purchase order quantity/price and legal holds.
  - (2) Invoices on retainage are on hold until the supplier satisfies all contract obligations.
- All invoices are processed and aged based on the invoice date

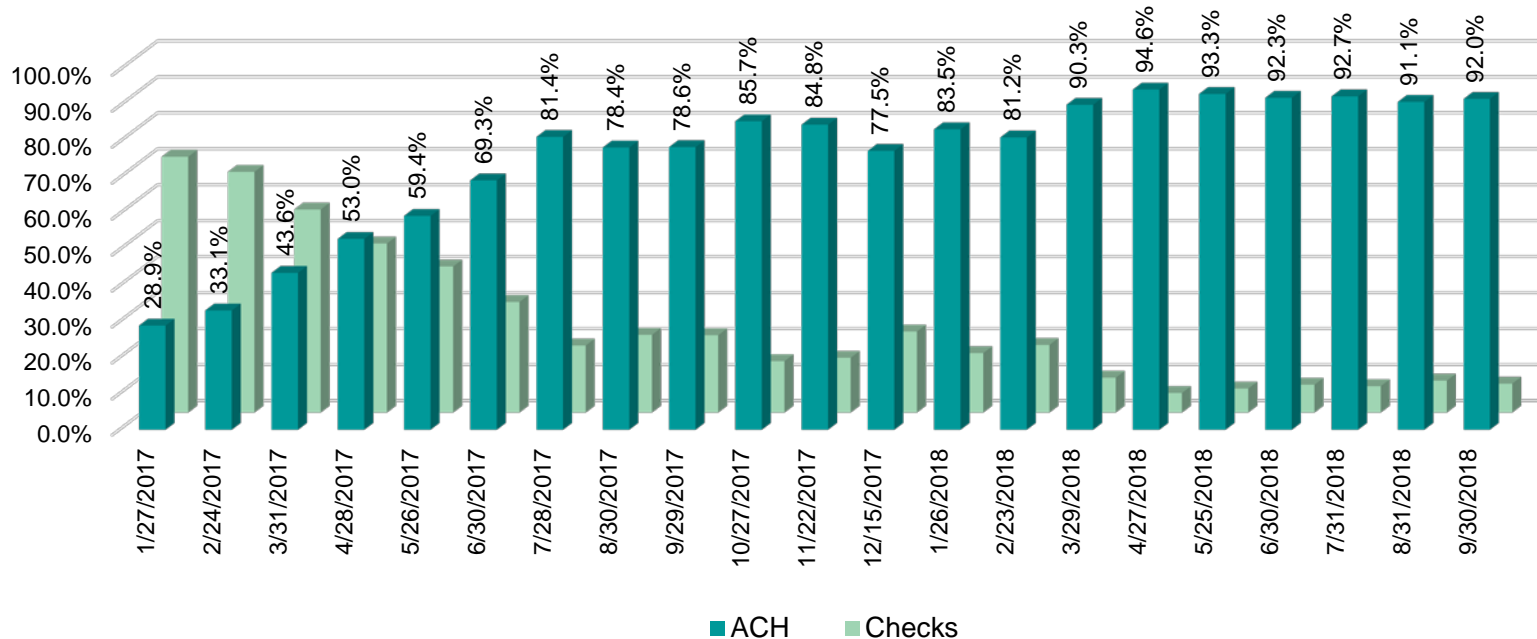
## Accounts Payable





# Supplier Payments – ACH vs. Checks

## Supplier Payment Methods



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



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CITY OF DETROIT  
OFFICE OF THE CHIEF FINANCIAL OFFICER

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVE., SUITE 1100  
DETROIT, MICHIGAN 48226  
PHONE: 313-628-2535  
FAX: 313-224-2135  
WWW.DETROITMI.GOV

November 14, 2018

Detroit Financial Review Commission  
Cadillac Place  
3062 West Grand Boulevard  
Detroit, MI 48202

Re: Quarterly Financial Report for the One Quarter ended September 30, 2018

Dear Commissioners:

The Office of the Chief Financial Officer (OCFO) respectfully submits its Quarterly Financial Report for the One Quarter ended September 30, 2018.

In addition to information of debt service and pension payments, this report includes information on the City's investments and is provided to the City Council consistent with State of Michigan Public Act 20 of 1943 (Investment of Surplus Funds of Political Subdivisions) and CFO Directive 2018-101-008, Investments and Investment Management. The investment information will be included in all future Quarterly Financial Reports.

This report is provided in accordance with the requirements included in Detroit Financial Review Commission (FRC) Resolution 2018-13, which granted the City its waiver of active FRC oversight through June 30, 2019. The OCFO has separately submitted this report to the Detroit City Council and posted it on the City's website.

Best regards,

A handwritten signature in black ink, appearing to read "John W. Hill".

John W. Hill  
Chief Financial Officer

Att: City of Detroit Quarterly Financial Report for the One Quarter ended September 30, 2018

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

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# Q1 FY 2019 Financial Report

For the 1st Quarter ended September 30, 2018

Office of the Chief Financial Officer

November 14, 2018



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| Pension Payments       | 3        |
| Debt Service           | 4        |
| Appendix: Debt Details | 1A – 12A |





# Investments

## Investment Portfolio Summary First Quarter Ending September 30, 2018

| Operating Pool                   | Par Value              | Market Value          | Book Value            | % of Portfolio | Term         | Days to Maturity |
|----------------------------------|------------------------|-----------------------|-----------------------|----------------|--------------|------------------|
| Local Government Investment Pool | \$ 199,455,173.45      | \$ 199,455,173.45     | \$ 199,455,173.45     | 66.61          | 1            | 1                |
| Certificates of Deposit          | 100,000,000.00         | 100,000,000.00        | 100,000,000.00        | 33.39          | 180          | 176              |
|                                  | <b>299,455,173.45</b>  | <b>299,455,173.45</b> | <b>299,455,173.45</b> | <b>100.00</b>  | <b>61</b>    | <b>59</b>        |
| <b>Total Earnings</b>            | <b>\$ 1,305,193.22</b> |                       |                       |                |              |                  |
| <b>Effective Rate of Return</b>  | <b>2.12%</b>           |                       |                       |                |              |                  |
| Retiree Protection Trust Fund    | Par Value              | Market Value          | Book Value            | % of Portfolio | Term         | Days to Maturity |
| Federal Agency Securities        | 103,940,000.00         | 102,622,093.20        | 103,298,004.70        | 83.57          | 3,252        | 3,143            |
| Trust Money Markets              | 20,305,524.32          | 20,305,524.32         | 20,305,524.32         | 16.43          | 1            | 1                |
|                                  | <b>124,245,524.32</b>  | <b>122,927,617.52</b> | <b>123,603,529.02</b> | <b>100.00</b>  | <b>2,718</b> | <b>2,627</b>     |
| <b>Total Earnings</b>            | <b>\$ 887,376.54</b>   |                       |                       |                |              |                  |
| <b>Effective Rate of Return</b>  | <b>3.18%</b>           |                       |                       |                |              |                  |
| Debt Service                     | Par Value              | Market Value          | Book Value            | % of Portfolio | Term         | Days to Maturing |
| Trustee Money Markets            | 89,409,160.00          | 89,409,160.00         | 89,409,160.00         | 100.00         | 1            | 1                |
| <b>Total Earnings</b>            | <b>\$ 213,612.98</b>   |                       |                       |                |              |                  |
| <b>Effective Rate of Return</b>  | <b>1.53%</b>           |                       |                       |                |              |                  |
| Bond Proceeds                    | Par Value              | Market Value          | Book Value            | % of Portfolio | Term         | Days to Maturing |
| Trustee Money Markets            | 56,985,738.23          | 56,985,738.23         | 56,985,738.23         | 100.00         | 1            | 1                |
| <b>Total Earnings</b>            | <b>\$ 193,843.96</b>   |                       |                       |                |              |                  |
| <b>Effective Rate of Return</b>  | <b>1.50%</b>           |                       |                       |                |              |                  |
| Budget Reserve                   | Par Value              | Market Value          | Book Value            | % of Portfolio | Term         | Days to Maturing |
| Local Government Investment Pool | 62,391,515.07          | 62,391,515.07         | 62,391,515.07         | 100.00         | 1            | 1                |
| <b>Total Earnings</b>            | <b>\$ 341,263.52</b>   |                       |                       |                |              |                  |
| <b>Effective Rate of Return</b>  | <b>2.17%</b>           |                       |                       |                |              |                  |
| <b>Total Quarter Earnings</b>    | <b>\$ 2,941,290.22</b> |                       |                       |                |              |                  |



# Pension Payments

**City of Detroit**  
**Pension Payment Report for the Quarter ended September 30, 2018**  
(unaudited)

| YTD Payments to Plan/Fund                   | FY 2019 YTD Payments by Source |                                       |                             |                        |                 |   | Total                |
|---|--------------------------------|---------------------------------------|-----------------------------|------------------------|-----------------|---|----------------------|
|   | City of Detroit                | Detroit Water and Sewerage Department | Great Lakes Water Authority | Detroit Public Library | COBO Authority  | Detroit Institute of Arts and Foundations |                      |
| PFRS Hybrid Plan (Component I) <sup>1</sup> | \$ 4,622,583                   | \$ -                                  | \$ -                        | \$ -                   | \$ -            | \$ -                                      | \$ 4,622,583         |
| PFRS Legacy Plan (Component II)             | -                              | -                                     | -                           | -                      | -               | -   | -                    |
| GRS Hybrid Plan (Component I) <sup>1</sup>  | 2,608,968                      | 342,086                               | -                           | 136,681                | 3,617           | -   | 3,091,352            |
| GRS Legacy Plan (Component II)              | 20,000,000                     | -                                     | -                           | -                      | -               | -   | 20,000,000           |
| RPF (IRC Section 115 Trust)                 | 20,000,000                     | -                                     | -                           | -                      | -               | -   | 20,000,000           |
| <b>Total</b>                                | <b>\$ 47,231,551</b>           | <b>\$ 342,086</b>                     | <b>\$ -</b>                 | <b>\$ 136,681</b>      | <b>\$ 3,617</b> | <b>\$ -</b>                               | <b>\$ 47,713,935</b> |

**Acronyms:**

PFRS: Police and Fire Retirement System  
GRS: General Retirement System  
RPF: Retiree Protection Fund

**Notes:**

1. Hybrid Plan payments reflect amounts invoiced as of 9/30/2018. Payments are made within 30 days of invoice. DWSD payment made 11/2/2018.



# Debt Service

## City of Detroit Debt Service Report for the Quarter ended September 30, 2018 (unaudited)

| Debt Obligation                                | # of Series | September 30, 2018<br>Principal Balance | FY19                  | Amount                     | At Trustee<br>(as of 9/30) | Set-Aside             |                      |
|--|-------------|---|-----------------------|----------------------------|----------------------------|-----------------------|----------------------|
|  |             |   | Debt Service          | Paid                       |                            | Balance Due           | Balance Requirement  |
| LTGO DSA First Lien Bonds                      | 1           | \$ 240,965,000                          | \$ 7,745,446          | –                          | \$ 7,745,446               | \$ 3,874,409          | \$ 3,872,723         |
| UTGO DSA Second Lien Bonds                     | 1           | 91,785,000                              | 9,826,251             | –                          | 9,826,251                  | 10,404,495            | 6,153,664            |
| LTGO DSA Third Lien Bonds                      | 1           | 119,485,000                             | 7,319,672             | –                          | 7,319,672                  | 5,549,238             | 5,544,861            |
| UTGO DSA Fourth Lien Bonds                     | 2           | 175,630,000                             | 37,374,751            | –                          | 37,374,751                 | 53,367,106            | 18,687,375           |
| LTGO (Exit Financing, Remarketed) <sup>1</sup> | 2           | 245,000,000                             | 24,019,981            | –                          | 24,019,981                 | 19,184,799            | 18,876,878           |
| LTGO (B-Notes) <sup>2</sup>                    | 2           | 631,964,145                             | 25,278,566            | –                          | 25,278,566                 | 12,639,283            | –                    |
| MTF Bonds <sup>3</sup>                         | 1           | 34,000,000                              | 1,072,285             | –                          | 1,072,285                  | 649,941               | 647,745              |
| HUD Notes <sup>4</sup>                         | 11          | 46,444,000                              | 5,272,680             | 4,236,779                  | 1,035,901                  | 4,703,697             | –                    |
|  | <u>21</u>   | <u>\$ 1,585,273,145</u>                 | <u>\$ 117,909,632</u> | <u>\$ 4,236,779</u>        | <u>\$ 113,672,853</u>      | <u>\$ 110,372,968</u> | <u>\$ 53,783,246</u> |
| <b>Fund 1000 - General Fund-LTGO</b>           |             | <b>\$ 1,237,414,145</b>                 |                       | –                          |                            |                       |                      |
| <b>Fund 4000 - Debt Service Fund-UTGO</b>      |             | <b>\$ 267,415,000</b>                   |                       | –                          |                            |                       |                      |
| <b>Fund 2001 - CDBG Fund-HUD Notes</b>         |             | <b>\$ 46,444,000</b>                    |                       | <b>\$ 4,236,779</b>        |                            |                       |                      |
| <b>Fund 3301 - Street Funds-MTF Bonds</b>      |             | <b>\$ 34,000,000</b>                    |                       | –                          |                            |                       |                      |
|  |             | <u><b>\$ 1,585,273,145</b></u>          |                       | <u><b>\$ 4,236,779</b></u> |                            |                       |                      |

<sup>1</sup> Associated with this bond issue is a debt service reserve fund of \$27,500,000 held by the Trustee. This amount is not reflected in the "At Trustee" amounts above.

<sup>2</sup> Amount held by trustee is for debt service due 10-1-18

<sup>3</sup> MTF Bonds - On November 16, 2017, the Michigan Finance Authority issued \$124,500,000 in revenue bonds on behalf of the City for Major and Local Street improvements. A scheduled draw of \$1,000,000 was made in November 2017 and of \$33,000,000 was made in April 2018. Remaining draws are scheduled to occur in each October and April, with the final draw on October 1, 2020. As draws are made, the debt service repayment schedule is updated accordingly.

<sup>4</sup> HUD Notes - FY17, funds to pay the remaining payments for the New Amsterdam project were placed with the trustee and the Note was defeased in substance; these funds are held by trustee to make all remaining payments. In April 2018 the Ferry St. project was fully defeased, and the Mexicantown and Garfield Note 1 projects were partially defeased.



## Appendix: Debt Details

**City of Detroit  
Debt Obligation Summary for the Quarter Ended September 30, 2018**

|                                    |   |                      |                       |
|------------------------------------|---|----------------------|-----------------------|
| <b>ISSUE NAME:</b>                 | Distributable State Aid First Lien Bonds (Limited Tax General Obligation), Series 2016B-1 (Taxable - Refunding Local Project Bonds) |                      |                       |
| <b>ISSUE NAME(2):</b>              | LTGO DSA First Lien Bonds   |                      |                       |
| <b>REPAYMENT</b>                   | Full faith and credit and resources of the City, additionally Detroit's share of State Shared Revenue payments.                     |                      |                       |
| <b>SOURCE:</b>                     | Ad valorem taxes levied annually on all property  |                      |                       |
| <b>PURPOSE:</b>                    | Restructing of prior indebtedness (whole or in part)  |                      |                       |
| <b>ORIGINAL PAR:</b>               | \$240,965,000   |                      |                       |
| <b>DATED DATE:</b>                 | August 11, 2016   |                      |                       |
| <b>PRINCIPAL DUE:</b>              | Annual: November  |                      |                       |
| <b>INTEREST DUE:</b>               | Semi-Annual: November/May   |                      |                       |
| <b>INTEREST RATE:</b>              | 1.94% to 5.00%  |                      |                       |
| <b>MATURITY DATE:</b>              | November 1, 2035  |                      |                       |
| <b>INSURANCE:</b>                  | Noninsured  |                      |                       |
| <b>CALL PROVISIONS:</b>            | Make-Whole  |                      |                       |
| <b>Fiscal Year Ending June 30,</b> | <b>Principal</b>  | <b>Interest</b>      | <b>Total</b>          |
| 2019                               | -   | 7,745,446            | 7,745,446             |
| 2020                               | 6,480,000   | 7,583,446            | 14,063,446            |
| 2021                               | 11,720,000  | 7,128,446            | 18,848,446            |
| 2022                               | 12,130,000  | 6,717,724            | 18,847,724            |
| 2023                               | 12,385,000  | 6,461,043            | 18,846,043            |
| 2024                               | 12,675,000  | 6,170,364            | 18,845,364            |
| 2025                               | 12,990,000  | 5,855,619            | 18,845,619            |
| 2026                               | 13,330,000  | 5,518,638            | 18,848,638            |
| 2027                               | 13,690,000  | 5,159,182            | 18,849,182            |
| 2028                               | 14,100,000  | 4,743,853            | 18,843,853            |
| 2029                               | 14,565,000  | 4,276,613            | 18,841,613            |
| 2030                               | 15,050,000  | 3,793,889            | 18,843,889            |
| 2031                               | 15,550,000  | 3,295,109            | 18,845,109            |
| 2032                               | 16,065,000  | 2,779,784            | 18,844,784            |
| 2033                               | 16,625,000  | 2,219,922            | 18,844,922            |
| 2034                               | 17,235,000  | 1,612,981            | 18,847,981            |
| 2035                               | 17,860,000  | 983,903              | 18,843,903            |
| 2036                               | 18,515,000  | 331,881              | 18,846,881            |
| 2037                               |   |                      |                       |
| 2038                               |   |                      |                       |
| 2039                               |   |                      |                       |
| 2040                               |   |                      |                       |
| 2041                               |   |                      |                       |
| 2042                               |   |                      |                       |
| 2043                               |   |                      |                       |
| 2044                               |   |                      |                       |
| <b>OUTSTANDING AT 7/1/2018</b>     | <b>\$ 240,965,000</b>   | <b>\$ 82,377,843</b> | <b>\$ 323,342,843</b> |
| <b>PAID DURING FISCAL YEAR</b>     | <b>-</b>  | <b>-</b>             | <b>-</b>              |
| <b>OUTSTANDING AT 9/30/18</b>      | <b>\$ 240,965,000</b>   | <b>\$ 82,377,843</b> | <b>\$ 323,342,843</b> |

Debt Obligation Summary for the Quarter Ended September 30, 2018

|  |   |                      |                       |
|--|---|----------------------|-----------------------|
| <b>ISSUE NAME:</b>                     | Distributable State Aid Second Lien Bonds (Unlimited Tax General Obligation), Series 2010 (Taxable - Recovery Zone Economic development Bonds - Direct Payment) |                      |                       |
| <b>ISSUE NAME(2):</b>                  | UTGO DSA 2nd Lien   |                      |                       |
| <b>REPAYMENT SOURCE:</b>               | Full faith and credit and resources of the City & State Shared Revenue payments<br>Ad valorem taxes levied annually on all property                             |                      |                       |
| <b>PURPOSE:</b>                        | Financing capital improvements  |                      |                       |
| <b>ORIGINAL PAR:</b>                   | \$100,000,000   |                      |                       |
| <b>DATED DATE:</b>                     | December 16, 2010   |                      |                       |
| <b>PRINCIPAL DUE:</b>                  | Annual: November  |                      |                       |
| <b>INTEREST DUE:</b>                   | Semi-Annual: November/May   |                      |                       |
| <b>INTEREST RATE:</b>                  | 5.429% to 8.369%  |                      |                       |
| <b>MATURITY DATE:</b>                  | November 1, 2035  |                      |                       |
| <b>INSURANCE:</b>                      | None  |                      |                       |
| <b>CALL PROVISIONS:</b>                | Make-Whole  |                      |                       |
| <b>Fiscal Year Ending<br/>June 30,</b> | <b>Principal</b>  | <b>Interest</b>      | <b>Total</b>          |
| 2019                                   | 2,395,000   | 7,431,251            | 9,826,251             |
| 2020                                   | 2,575,000   | 7,252,630            | 9,827,630             |
| 2021                                   | 2,765,000   | 7,060,710            | 9,825,710             |
| 2022                                   | 2,970,000   | 6,854,594            | 9,824,594             |
| 2023                                   | 3,195,000   | 6,633,024            | 9,828,024             |
| 2024                                   | 3,455,000   | 6,373,621            | 9,828,621             |
| 2025                                   | 3,755,000   | 6,071,919            | 9,826,919             |
| 2026                                   | 4,085,000   | 5,743,854            | 9,828,854             |
| 2027                                   | 4,440,000   | 5,387,125            | 9,827,125             |
| 2028                                   | 4,825,000   | 4,999,431            | 9,824,431             |
| 2029                                   | 5,250,000   | 4,577,843            | 9,827,843             |
| 2030                                   | 5,705,000   | 4,119,431            | 9,824,431             |
| 2031                                   | 6,205,000   | 3,621,057            | 9,826,057             |
| 2032                                   | 6,750,000   | 3,078,955            | 9,828,955             |
| 2033                                   | 7,335,000   | 2,489,568            | 9,824,568             |
| 2034                                   | 7,975,000   | 1,848,921            | 9,823,921             |
| 2035                                   | 8,675,000   | 1,152,202            | 9,827,202             |
| 2036                                   | 9,430,000   | 394,598              | 9,824,598             |
| <b>OUTSTANDING AT 7/1/2018</b>         | <b>\$ 91,785,000</b>  | <b>\$ 85,090,736</b> | <b>\$ 176,875,736</b> |
| <b>PAID DURING FISCAL YEAR</b>         | <b>-</b>  | <b>-</b>             | <b>-</b>              |
| <b>OUTSTANDING AT 9/30/18</b>          | <b>\$ 91,785,000</b>  | <b>\$ 85,090,736</b> | <b>\$ 176,875,736</b> |

Debt Obligation Summary for the Quarter Ended September 30, 2018

|  |   |                      |                       |
|--|---|----------------------|-----------------------|
| <b>ISSUE NAME:</b>                     | Distributable State Aid Third Lien Bonds (Limited Tax General Obligation), Series 2016B-2 (Taxable - Refunding Local Project Bonds) |                      |                       |
| <b>ISSUE NAME(2):</b>                  | LTGO DSA Thirds Lien Bonds  |                      |                       |
| <b>REPAYMENT</b>                       | Full faith and credit and resources of the City, additionally Detroit's share of State Shared Revenue payments.                     |                      |                       |
| <b>SOURCE:</b>                         | Ad valorem taxes levied annually on all property  |                      |                       |
| <b>PURPOSE:</b>                        | Restructing of prior indebtedness (whole or in part)  |                      |                       |
| <b>ORIGINAL PAR:</b>                   | \$123,175,000   |                      |                       |
| <b>DATED DATE:</b>                     | August 11, 2016   |                      |                       |
| <b>PRINCIPAL DUE:</b>                  | Annual: November  |                      |                       |
| <b>INTEREST DUE:</b>                   | Semi-Annual: November/May   |                      |                       |
| <b>INTEREST RATE:</b>                  | 1.39% to 3.61%  |                      |                       |
| <b>MATURITY DATE:</b>                  | November 1, 2032  |                      |                       |
| <b>INSURANCE:</b>                      | Noninsured  |                      |                       |
| <b>CALL PROVISIONS:</b>                | Make-Whole  |                      |                       |
| <b>Fiscal Year Ending<br/>June 30,</b> | <b>Principal</b>  | <b>Interest</b>      | <b>Total</b>          |
| 2019                                   | 3,740,000   | 3,579,672            | 7,319,672             |
| 2020                                   | 6,870,000   | 3,487,207            | 10,357,207            |
| 2021                                   | 7,015,000   | 3,351,451            | 10,366,451            |
| 2022                                   | 7,160,000   | 3,197,882            | 10,357,882            |
| 2023                                   | 7,335,000   | 3,024,353            | 10,359,353            |
| 2024                                   | 7,535,000   | 2,827,671            | 10,362,671            |
| 2025                                   | 7,745,000   | 2,613,538            | 10,358,538            |
| 2026                                   | 7,975,000   | 2,384,754            | 10,359,754            |
| 2027                                   | 8,215,000   | 2,142,267            | 10,357,267            |
| 2028                                   | 8,495,000   | 1,864,475            | 10,359,475            |
| 2029                                   | 8,810,000   | 1,552,120            | 10,362,120            |
| 2030                                   | 9,130,000   | 1,228,303            | 10,358,303            |
| 2031                                   | 9,470,000   | 892,573              | 10,362,573            |
| 2032                                   | 9,815,000   | 544,478              | 10,359,478            |
| 2033                                   | 10,175,000  | 183,659              | 10,358,659            |
| <b>OUTSTANDING AT 7/1/2018</b>         | <b>\$ 119,485,000</b>   | <b>\$ 32,874,403</b> | <b>\$ 152,359,403</b> |
| <b>PAID DURING FISCAL YEAR</b>         | <b>-</b>  | <b>-</b>             | <b>-</b>              |
| <b>OUTSTANDING AT 9/30/18</b>          | <b>\$ 119,485,000</b>   | <b>\$ 32,874,403</b> | <b>\$ 152,359,403</b> |

Debt Obligation Summary for the Quarter Ended September 30, 2018

|                                    |   |
|------------------------------------|---|
| <b>ISSUE NAME:</b>                 | Distributable State Aid Fourth Lien Bonds (Unlimited Tax General Obligation), Series 2016A-1 (Tax-Exempt - Refunding Local Project Bonds) |
| <b>ISSUE NAME(2):</b>              | UTGO DSA 4th Lien   |
| <b>REPAYMENT SOURCE:</b>           | Full faith and credit and resources of the City & State Shared Revenue payments<br>Ad valorem taxes levied annually on all property       |
| <b>PURPOSE:</b>                    | Refunding of prior indebtedness   |
| <b>ORIGINAL PAR:</b>               | \$222,185,000   |
| <b>DATED DATE:</b>                 | August 11, 2016   |
| <b>PRINCIPAL DUE:</b>              | Annual: April   |
| <b>INTEREST DUE:</b>               | Semi-Annual: October/April  |
| <b>INTEREST RATE:</b>              | 4.00% to 5.00%  |
| <b>MATURITY DATE:</b>              | April 1, 2028   |
| <b>INSURANCE:</b>                  | None  |
| <b>CALL PROVISIONS:</b>            | October 1, 2026 @ 100%  |
| <b>Fiscal Year Ending June 30,</b> |   |
| 2019                               |   |
| 2020                               |   |
| 2021                               |   |
| 2022                               |   |
| 2023                               |   |
| 2024                               |   |
| 2025                               |   |
| 2026                               |   |
| 2027                               |   |
| 2028                               |   |

OUTSTANDING AT 7/1/2018  
PAID DURING FISCAL YEAR  
OUTSTANDING AT 9/30/18

**CALLABLE:**

| Principal             | Interest             | Total                 |
|-----------------------|----------------------|-----------------------|
| 27,610,000            | 8,040,250            | 35,650,250            |
| 28,280,000            | 6,659,750            | 34,939,750            |
| 28,950,000            | 5,245,750            | 34,195,750            |
| 22,185,000            | 3,798,250            | 25,983,250            |
| 19,465,000            | 2,689,000            | 22,154,000            |
| 15,695,000            | 1,715,750            | 17,410,750            |
| 8,160,000             | 931,000              | 9,091,000             |
| 3,320,000             | 523,000              | 3,843,000             |
| 3,485,000             | 357,000              | 3,842,000             |
| 3,655,000             | 182,750              | 3,837,750             |
| <b>\$ 160,805,000</b> | <b>\$ 30,142,500</b> | <b>\$ 190,947,500</b> |
| -                     | -                    | -                     |
| <b>\$ 160,805,000</b> | <b>\$ 30,142,500</b> | <b>\$ 190,947,500</b> |

**\$7,140,000**

| Principal            | Interest            | Total                |
|----------------------|---------------------|----------------------|
| 1,260,000            | 464,501             | 1,724,501            |
| 1,290,000            | 435,937             | 1,725,937            |
| 1,320,000            | 403,803             | 1,723,803            |
| 1,420,000            | 367,621             | 1,787,621            |
| 1,465,000            | 325,817             | 1,790,817            |
| 1,510,000            | 279,757             | 1,789,757            |
| 1,560,000            | 230,531             | 1,790,531            |
| 1,610,000            | 178,115             | 1,788,115            |
| 1,665,000            | 122,409             | 1,787,409            |
| 1,725,000            | 63,135              | 1,788,135            |
| <b>\$ 14,825,000</b> | <b>\$ 2,871,626</b> | <b>\$ 17,696,626</b> |
| -                    | -                   | -                    |
| <b>\$ 14,825,000</b> | <b>\$ 2,871,626</b> | <b>\$ 17,696,626</b> |

| Principal             | Interest             | Total                 |
|-----------------------|----------------------|-----------------------|
| 28,870,000            | 8,504,751            | 37,374,751            |
| 29,570,000            | 7,095,687            | 36,665,687            |
| 30,270,000            | 5,649,553            | 35,919,553            |
| 23,605,000            | 4,165,871            | 27,770,871            |
| 20,930,000            | 3,014,817            | 23,944,817            |
| 17,205,000            | 1,995,507            | 19,200,507            |
| 9,720,000             | 1,161,531            | 10,881,531            |
| 4,930,000             | 701,115              | 5,631,115             |
| 5,150,000             | 479,409              | 5,629,409             |
| 5,380,000             | 245,885              | 5,625,885             |
| <b>\$ 175,630,000</b> | <b>\$ 33,014,126</b> | <b>\$ 208,644,126</b> |
| -                     | -                    | -                     |
| <b>\$ 175,630,000</b> | <b>\$ 33,014,126</b> | <b>\$ 208,644,126</b> |



Debt Obligation Summary for the Quarter Ended September 30, 2018

| ISSUE NAME:<br>ISSUE NAME(2):<br>REPAYMENT<br>SOURCE:<br>PURPOSE:<br>ORIGINAL PAR:<br>DATED DATE:<br>PRINCIPAL DUE:<br>INTEREST DUE:<br>INTEREST RATE:<br>MATURITY DATE:<br>INSURANCE:<br>CALL PROVISIONS: | Financial Recovery Income Tax Revenue and Refunding Bonds, Series 2014-A (Tax-Exempt)<br>Exit Financing (Remarketed) |               |                | Financial Recovery Income Tax Revenue and Refunding Bonds, Series 2014-B (Taxable)<br>Exit Financing (Remarketed) |               |                | ALL            |               |                |
|--|--|---------------|----------------|---|---------------|----------------|----------------|---------------|----------------|
|  | Principal  | Interest      | Total          | Principal   | Interest      | Total          | Principal      | Interest      | Total          |
| Fiscal Year Ending June 30,  |  |               |                |   |               |                |                |               |                |
| 2019   | -  | 5,831,106     | 5,831,106      | 13,425,000  | 4,763,875     | 18,188,875     | 13,425,000     | 10,594,981    | 24,019,981     |
| 2020   | -  | 5,831,106     | 5,831,106      | 23,605,000  | 3,912,185     | 27,517,185     | 23,605,000     | 9,743,291     | 33,348,291     |
| 2021   | 2,000,000  | 5,797,106     | 7,797,106      | 22,950,000  | 2,841,420     | 25,791,420     | 24,950,000     | 8,638,526     | 33,588,526     |
| 2022   | 2,000,000  | 5,727,106     | 7,727,106      | 24,390,000  | 1,752,600     | 26,142,600     | 26,390,000     | 7,479,706     | 33,869,706     |
| 2023   | 2,000,000  | 5,653,106     | 7,653,106      | 25,905,000  | 595,815       | 26,500,815     | 27,905,000     | 6,248,921     | 34,153,921     |
| 2024   | 15,375,000   | 5,317,216     | 20,692,216     |   |               |                | 15,375,000     | 5,317,216     | 20,692,216     |
| 2025   | 16,285,000   | 4,693,625     | 20,978,625     |   |               |                | 16,285,000     | 4,693,625     | 20,978,625     |
| 2026   | 17,245,000   | 3,979,913     | 21,224,913     |   |               |                | 17,245,000     | 3,979,913     | 21,224,913     |
| 2027   | 18,265,000   | 3,180,938     | 21,445,938     |   |               |                | 18,265,000     | 3,180,938     | 21,445,938     |
| 2028   | 19,350,000   | 2,334,600     | 21,684,600     |   |               |                | 19,350,000     | 2,334,600     | 21,684,600     |
| 2029   | 20,495,000   | 1,438,088     | 21,933,088     |   |               |                | 20,495,000     | 1,438,088     | 21,933,088     |
| 2030   | 21,710,000   | 488,475       | 22,198,475     |   |               |                | 21,710,000     | 488,475       | 22,198,475     |
| OUTSTANDING AT 7/1/2018  | \$ 134,725,000   | \$ 50,272,384 | \$ 184,997,384 | \$ 110,275,000  | \$ 13,865,895 | \$ 124,140,895 | \$ 245,000,000 | \$ 64,138,279 | \$ 309,138,279 |
| PAID DURING FISCAL YEAR  | -  | -             | -              | -   | -             | -              | -              | -             | -              |
| OUTSTANDING AT 9/30/18   | \$ 134,725,000   | \$ 50,272,384 | \$ 184,997,384 | \$ 110,275,000  | \$ 13,865,895 | \$ 124,140,895 | \$ 245,000,000 | \$ 64,138,279 | \$ 309,138,279 |

Debt Obligation Summary for the Quarter Ended September 30, 2018

|                                    |  |
|------------------------------------|--|
| <b>ISSUE NAME:</b>                 | Financial Recovery Bonds, Series 2014-B1 (Federally Taxable) |
| <b>ISSUE NAME(2):</b>              | B-Notes  |
| <b>REPAYMENT SOURCE:</b>           | Full faith and credit and resources of the City              |
| <b>PURPOSE:</b>                    | Financial Recovery   |
| <b>ORIGINAL PAR:</b>               | \$616,560,047  |
| <b>DATED DATE:</b>                 | December 10, 2014  |
| <b>PRINCIPAL DUE:</b>              | Annual: April  |
| <b>INTEREST DUE:</b>               | Semi Annual: April/October                                   |
| <b>INTEREST RATE:</b>              | 4.00% to 6.00%   |
| <b>MATURITY DATE:</b>              | April 1, 2044  |
| <b>INSURANCE:</b>                  | Noninsured   |
| <b>CALL PROVISIONS:</b>            | None   |
| <b>Fiscal Year Ending June 30,</b> |  |
| 2019                               |  |
| 2020                               |  |
| 2021                               |  |
| 2022                               |  |
| 2023                               |  |
| 2024                               |  |
| 2025                               |  |
| 2026                               |  |
| 2027                               |  |
| 2028                               |  |
| 2029                               |  |
| 2030                               |  |
| 2031                               |  |
| 2032                               |  |
| 2033                               |  |
| 2034                               |  |
| 2035                               |  |
| 2036                               |  |
| 2037                               |  |
| 2038                               |  |
| 2039                               |  |
| 2040                               |  |
| 2041                               |  |
| 2042                               |  |
| 2043                               |  |
| 2044                               |  |

|                       | Principal             | Interest                | Total                   |
|-----------------------|-----------------------|-------------------------|-------------------------|
| -                     | -                     | 24,662,402              | 24,662,402              |
| -                     | -                     | 24,662,402              | 24,662,402              |
| -                     | -                     | 24,662,402              | 24,662,402              |
| -                     | -                     | 24,662,402              | 24,662,402              |
| -                     | -                     | 24,662,402              | 24,662,402              |
| -                     | -                     | 24,662,402              | 24,662,402              |
| 30,828,003            | 30,828,003            | 24,662,402              | 55,490,405              |
| 30,828,003            | 30,828,003            | 23,429,282              | 54,257,285              |
| 30,828,003            | 30,828,003            | 22,196,162              | 53,024,165              |
| 30,828,003            | 30,828,003            | 20,963,042              | 51,791,045              |
| 30,828,003            | 30,828,003            | 19,729,921              | 50,557,924              |
| 30,828,003            | 30,828,003            | 18,496,801              | 49,324,804              |
| 30,828,003            | 30,828,003            | 17,263,681              | 48,091,684              |
| 30,828,003            | 30,828,003            | 16,030,561              | 46,858,564              |
| 30,828,003            | 30,828,003            | 14,797,441              | 45,625,444              |
| 30,828,003            | 30,828,003            | 13,564,321              | 44,392,324              |
| 30,828,003            | 30,828,003            | 18,496,801              | 49,324,804              |
| 30,828,003            | 30,828,003            | 16,647,121              | 47,475,124              |
| 30,828,003            | 30,828,003            | 14,797,441              | 45,625,444              |
| 30,828,003            | 30,828,003            | 12,947,760              | 43,775,763              |
| 30,828,003            | 30,828,003            | 11,098,080              | 41,926,083              |
| 30,828,003            | 30,828,003            | 9,248,400               | 40,076,403              |
| 30,828,003            | 30,828,003            | 7,398,720               | 38,226,723              |
| 30,828,003            | 30,828,003            | 5,549,040               | 36,377,043              |
| 30,828,003            | 30,828,003            | 3,699,360               | 34,527,363              |
| 30,827,990            | 30,827,990            | 1,849,679               | 32,677,669              |
| <b>\$ 616,560,047</b> | <b>\$ 440,840,427</b> | <b>\$ 1,057,400,474</b> | <b>\$ 1,057,400,474</b> |

OUTSTANDING AT 7/1/2018  
 PAID DURING FISCAL YEAR  
 OUTSTANDING AT 9/30/18

|                      | Principal            | Interest             | Total                |
|----------------------|----------------------|----------------------|----------------------|
| -                    | -                    | 616,164              | 616,164              |
| -                    | -                    | 616,164              | 616,164              |
| -                    | -                    | 616,164              | 616,164              |
| -                    | -                    | 616,164              | 616,164              |
| -                    | -                    | 616,164              | 616,164              |
| -                    | -                    | 616,164              | 616,164              |
| 770,205              | 770,205              | 616,164              | 1,386,369            |
| 770,205              | 770,205              | 585,356              | 1,355,561            |
| 770,205              | 770,205              | 554,548              | 1,324,753            |
| 770,205              | 770,205              | 523,739              | 1,293,944            |
| 770,205              | 770,205              | 492,931              | 1,263,136            |
| 770,205              | 770,205              | 462,123              | 1,232,328            |
| 770,205              | 770,205              | 431,315              | 1,201,520            |
| 770,205              | 770,205              | 400,507              | 1,170,712            |
| 770,205              | 770,205              | 369,698              | 1,139,903            |
| 770,205              | 770,205              | 338,890              | 1,109,095            |
| 770,205              | 770,205              | 462,123              | 1,232,328            |
| 770,205              | 770,205              | 415,911              | 1,186,116            |
| 770,205              | 770,205              | 369,698              | 1,139,903            |
| 770,205              | 770,205              | 323,486              | 1,093,691            |
| 770,205              | 770,205              | 277,274              | 1,047,479            |
| 770,205              | 770,205              | 231,061              | 1,001,266            |
| 770,205              | 770,205              | 184,849              | 955,054              |
| 770,205              | 770,205              | 138,637              | 908,842              |
| 770,205              | 770,205              | 92,424               | 862,629              |
| 770,203              | 770,203              | 46,212               | 816,415              |
| <b>\$ 15,404,098</b> | <b>\$ 11,013,929</b> | <b>\$ 26,418,027</b> | <b>\$ 26,418,027</b> |

|                       | Principal             | Interest                | Total                   |
|-----------------------|-----------------------|-------------------------|-------------------------|
| -                     | -                     | 25,278,566              | 25,278,566              |
| -                     | -                     | 25,278,566              | 25,278,566              |
| -                     | -                     | 25,278,566              | 25,278,566              |
| -                     | -                     | 25,278,566              | 25,278,566              |
| -                     | -                     | 25,278,566              | 25,278,566              |
| -                     | -                     | 25,278,566              | 25,278,566              |
| 31,598,208            | 31,598,208            | 25,278,566              | 56,876,774              |
| 31,598,208            | 31,598,208            | 24,014,637              | 55,612,845              |
| 31,598,208            | 31,598,208            | 22,750,709              | 54,348,917              |
| 31,598,208            | 31,598,208            | 21,486,781              | 53,084,989              |
| 31,598,208            | 31,598,208            | 20,222,853              | 51,821,061              |
| 31,598,208            | 31,598,208            | 18,958,924              | 50,557,132              |
| 31,598,208            | 31,598,208            | 17,694,996              | 49,293,204              |
| 31,598,208            | 31,598,208            | 16,431,068              | 48,029,276              |
| 31,598,208            | 31,598,208            | 15,167,139              | 46,765,347              |
| 31,598,208            | 31,598,208            | 13,903,211              | 45,501,419              |
| 31,598,208            | 31,598,208            | 18,958,924              | 50,557,132              |
| 31,598,208            | 31,598,208            | 17,063,031              | 48,661,239              |
| 31,598,208            | 31,598,208            | 15,167,139              | 46,765,347              |
| 31,598,208            | 31,598,208            | 13,271,246              | 44,869,454              |
| 31,598,208            | 31,598,208            | 11,375,354              | 42,973,562              |
| 31,598,208            | 31,598,208            | 9,479,462               | 41,077,670              |
| 31,598,208            | 31,598,208            | 7,583,569               | 39,181,777              |
| 31,598,208            | 31,598,208            | 5,687,677               | 37,285,885              |
| 31,598,208            | 31,598,208            | 3,791,784               | 35,389,992              |
| 31,598,193            | 31,598,193            | 1,895,892               | 33,494,085              |
| <b>\$ 631,964,145</b> | <b>\$ 451,854,356</b> | <b>\$ 1,083,818,501</b> | <b>\$ 1,083,818,501</b> |

Debt Obligation Summary for the Quarter Ended September 30, 2018

|  |  |                     |                      |
|--|--|---------------------|----------------------|
| <b>ISSUE NAME:</b>                     | City of Detroit Transportation Project                     |                     |                      |
| <b>ISSUE NAME(2):</b>                  | MTF Bonds  |                     |                      |
| <b>REPAYMENT</b>                       | Act 51 dollars   |                     |                      |
| <b>SOURCE:</b>                         | Act 51 dollars   |                     |                      |
| <b>ORIGINAL PAR:</b>                   | \$124,500,000* (of which \$34,000,000 has been drawn down) |                     |                      |
| <b>DATED DATE:</b>                     | November 16, 2017  |                     |                      |
| <b>PRINCIPAL DUE:</b>                  | April 1  |                     |                      |
| <b>INTEREST DUE:</b>                   | April 1  |                     |                      |
| <b>INTEREST RATE:</b>                  | 2.38% to 3.49%   |                     |                      |
| <b>MATURITY DATE:</b>                  | April 1, 2032  |                     |                      |
| <b>INSURANCE:</b>                      | None   |                     |                      |
| <b>CALL PROVISIONS:</b>                | 7 year   |                     |                      |
| <b>Fiscal Year Ending<br/>June 30,</b> | <b>Principal</b>   | <b>Interest</b>     | <b>Total</b>         |
| 2019                                   | -  | 1,072,285           | 1,072,285            |
| 2020                                   | -  | 1,072,285           | 1,072,285            |
| 2021                                   | 9,145,000  | 1,072,285           | 10,217,285           |
| 2022                                   | 9,345,000  | 807,720             | 10,152,720           |
| 2023                                   | 9,585,000  | 513,539             | 10,098,539           |
| 2024                                   | 5,925,000  | 200,206             | 6,125,206            |
| 2025                                   | -  | -                   | -                    |
| 2026                                   | -  | -                   | -                    |
| 2027                                   | -  | -                   | -                    |
| 2028                                   | -  | -                   | -                    |
| 2029                                   | -  | -                   | -                    |
| 2030                                   | -  | -                   | -                    |
| 2031                                   | -  | -                   | -                    |
| 2032                                   | -  | -                   | -                    |
| <b>OUTSTANDING AT 7/1/2018</b>         | <b>\$ 34,000,000</b>                                       | <b>\$ 4,738,320</b> | <b>\$ 38,738,320</b> |
| <b>PAID DURING FISCAL YEAR</b>         | -  | -                   | -                    |
| <b>OUTSTANDING AT 9/30/18</b>          | <b>\$ 34,000,000</b>                                       | <b>\$ 4,738,320</b> | <b>\$ 38,738,320</b> |

There are five scheduled draws remaining. These draws are in pre-determined amounts and on pre-determined dates (two occur in FY19, two more in FY20, and the last one in FY21). With each draw, the debt schedule will be updated. The total principal to be paid is \$124,500,000 and the total interest is \$37,545,372.57.

**City of Detroit**  
**Debt Obligation Summary for the Quarter Ended September 30, 2018**

**HUD Notes**

| ISSUE NAME:                    | Mexicantown Welcome Center<br>HUD 108 Note     |            |              | Book Cadillac Project Note 2<br>HUD 108 Note   |            |              | Garfield II Project Note 1<br>HUD 108 Note     |              |              | Garfield II Project Note 2<br>HUD 108 Note     |            |              |
|--------------------------------|--|------------|--------------|--|------------|--------------|--|--------------|--------------|--|------------|--------------|
|                                | Principal                                      | Interest   | Total        | Principal                                      | Interest   | Total        | Principal                                      | Interest     | Total        | Principal                                      | Interest   | Total        |
| REPAYMENT SOURCE:              | Section 108 Loan Guaranty<br>Block Grant Funds |            |              | Section 108 Loan Guaranty<br>Block Grant Funds |            |              | Section 108 Loan Guaranty<br>Block Grant Funds |              |              | Section 108 Loan Guaranty<br>Block Grant Funds |            |              |
| PURPOSE:                       | New Money                                      |            |              | New Money                                      |            |              | New Money                                      |              |              | New Money                                      |            |              |
| ORIGINAL PAR:                  | \$7,789,000                                    |            |              | \$10,700,000                                   |            |              | \$6,522,000                                    |              |              | \$2,058,000                                    |            |              |
| DATED DATE:                    | September 14, 2006                             |            |              | June 12, 2008                                  |            |              | June 12, 2008                                  |              |              | September 14, 2006                             |            |              |
| PRINCIPAL DUE:                 | Annual: August                                 |            |              | Annual: August                                 |            |              | Annual: August                                 |              |              | Annual: August                                 |            |              |
| INTEREST DUE:                  | Semi Annual: August/February                   |            |              | Semi Annual: August/February                   |            |              | Semi Annual: August/February                   |              |              | Semi Annual: August/February                   |            |              |
| INTEREST RATE:                 | 5.09% to 5.70%                                 |            |              | 4.33% to 5.38%                                 |            |              | 4.33% to 5.30%                                 |              |              | 5.09% to 5.77%                                 |            |              |
| MATURITY DATE:                 | August 1, 2024                                 |            |              | August 1, 2024                                 |            |              | August 1, 2025                                 |              |              | August 1, 2026                                 |            |              |
| INSURANCE:                     | Noninsured                                     |            |              | Noninsured                                     |            |              | Noninsured                                     |              |              | Noninsured                                     |            |              |
| CALL PROVISIONS:               | None   |            |              | None   |            |              | None   |              |              | None   |            |              |
| Fiscal Year Ending<br>June 30, |  |            |              |  |            |              |  |              |              |  |            |              |
| 2019                           | -  | 91,873     | 91,873       | -  | 227,297    | 227,297      | -  | 271,041      | 271,041      | 100,000  | 96,794     | 196,794      |
| 2020                           | 270,000  | 80,024     | 350,024      | 716,000  | 209,862    | 925,862      | 480,000  | 249,189      | 729,189      | 110,000  | 91,106     | 201,106      |
| 2021                           | 280,000  | 64,952     | 344,952      | 716,000  | 174,671    | 890,671      | 520,000  | 224,605      | 744,605      | 120,000  | 84,803     | 204,803      |
| 2022                           | 280,000  | 49,440     | 329,440      | 716,000  | 138,835    | 854,835      | 620,000  | 196,054      | 816,054      | 130,000  | 77,876     | 207,876      |
| 2023                           | 350,000  | 31,807     | 381,807      | 716,000  | 102,391    | 818,391      | 720,000  | 161,931      | 881,931      | 140,000  | 70,322     | 210,322      |
| 2024                           | 360,000  | 11,784     | 371,784      | 716,000  | 65,445     | 781,445      | 780,000  | 123,222      | 903,222      | 150,000  | 62,143     | 212,143      |
| 2025                           | 28,000   | 798        | 28,798       | 716,000  | 28,070     | 744,070      | 950,000  | 78,044       | 1,028,044    | 240,000  | 51,058     | 291,058      |
| 2026                           | -  | -          | -            | 175,000  | 4,638      | 179,638      | 1,002,000                                      | 26,553       | 1,028,553    | 320,000  | 35,034     | 355,034      |
| 2027                           | -  | -          | -            | -  | -          | -            | -  | -            | -            | 448,000  | 12,925     | 460,925      |
| 2028                           | -  | -          | -            | -  | -          | -            | -  | -            | -            | -  | -          | -            |
| 2029                           | -  | -          | -            | -  | -          | -            | -  | -            | -            | -  | -          | -            |
| 2030                           | -  | -          | -            | -  | -          | -            | -  | -            | -            | -  | -          | -            |
| 2031                           | -  | -          | -            | -  | -          | -            | -  | -            | -            | -  | -          | -            |
| 2032                           | -  | -          | -            | -  | -          | -            | -  | -            | -            | -  | -          | -            |
| OUTSTANDING AT 7/1/2018        | \$ 1,568,000                                   | \$ 330,678 | \$ 1,898,678 | \$ 4,471,000                                   | \$ 951,209 | \$ 5,422,209 | \$ 5,072,000                                   | \$ 1,330,639 | \$ 6,402,639 | \$ 1,758,000                                   | \$ 582,059 | \$ 2,340,059 |
| PAID DURING FISCAL YEAR        | -  | 48,183     | 48,183       | -  | 113,649    | 113,649      | -  | 140,603      | 140,603      | 100,000  | 49,742     | 149,742      |
| OUTSTANDING AT 9/30/18         | \$ 1,568,000                                   | \$ 282,495 | \$ 1,850,495 | \$ 4,471,000                                   | \$ 837,561 | \$ 5,308,561 | \$ 5,072,000                                   | \$ 1,190,036 | \$ 6,262,036 | \$ 1,658,000                                   | \$ 532,317 | \$ 2,190,317 |

Note: Book Cadillac Project Note 2 debt schedule in FY18 Q4 Debt Certification should have reflected prior defeasement of August 1, 2018 principal payment.

**City of Detroit**  
**Debt Obligation Summary for the Quarter Ended September 30, 2018**

**HUD Notes**

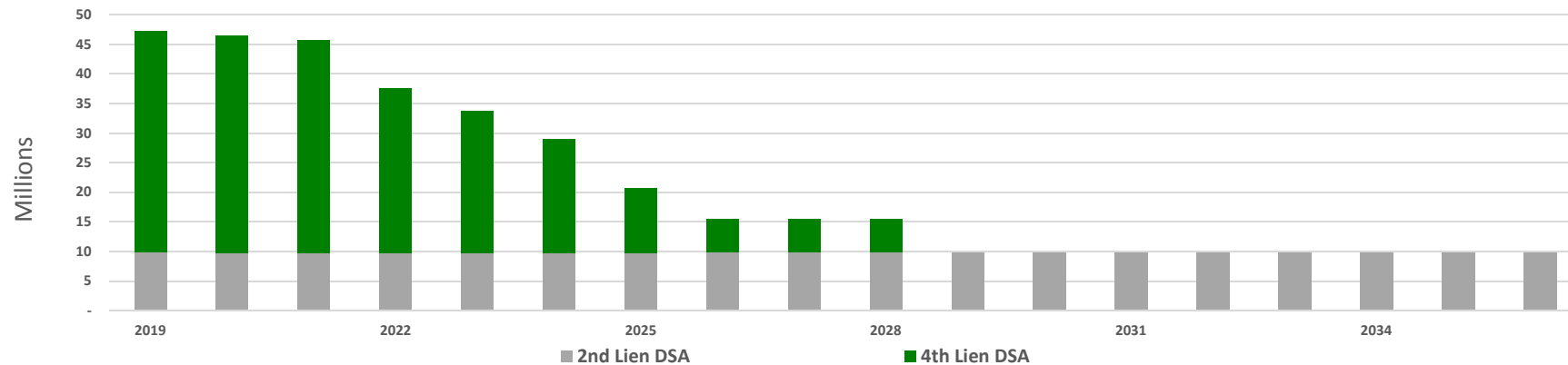
| ISSUE NAME:<br>REPAYMENT SOURCE:<br>PURPOSE:<br>ORIGINAL PAR:<br>DATED DATE:<br>PRINCIPAL DUE:<br>INTEREST DUE:<br>INTEREST RATE:<br>MATURITY DATE:<br>INSURANCE:<br>CALL PROVISIONS: | Garfield II Project Note 3<br>HUD 108 Note<br>Section 108 Loan Guaranty<br>Block Grant Funds<br>New Money<br>\$1,393,000<br>May 28, 2015 (Refunding)<br>Annual: August<br>Semi Annual: August/February<br>.28% to 3.35%<br>August 1, 2029<br>Noninsured<br>None |            |              | Garfield II Project Note 4<br>HUD 108 Note<br>Section 108 Loan Guaranty<br>Block Grant Funds<br>New Money<br>\$6,697,000<br>May 28, 2015 (Refunding)<br>Annual: August<br>Semi Annual: August/February<br>.93% to 3.35%<br>August 1, 2029<br>Noninsured<br>None |              |              | Fort Shelby Project<br>HUD 108 Note<br>Section 108 Loan Guaranty<br>Block Grant Funds<br>New Money<br>\$18,700,000<br>June 12, 2008<br>Annual: August<br>Semi Annual: August/February<br>4.33% to 5.34%<br>August 1, 2026<br>Noninsured<br>None |              |               | Woodward Garden Project 1<br>HUD 108 Note<br>Section 108 Loan Guaranty<br>Block Grant Funds<br>New Money<br>\$7,050,000<br>June 12, 2008<br>Annual: August<br>Semi Annual: August/February<br>4.48% to 5.05%<br>August 1, 2021<br>Noninsured<br>None |            |              |
|---|---|------------|--------------|---|--------------|--------------|---|--------------|---------------|--|------------|--------------|
|   | Principal   | Interest   | Total        | Principal   | Interest     | Total        | Principal   | Interest     | Total         | Principal  | Interest   | Total        |
| Fiscal Year Ending<br>June 30,  |   |            |              |   |              |              |   |              |               |  |            |              |
| 2019  | 90,000  | 29,400     | 119,400      | 160,000   | 196,541      | 356,541      | 1,250,000   | 673,850      | 1,923,850     | 1,150,000  | 162,155    | 1,312,155    |
| 2020  | 90,000  | 27,955     | 117,955      | 184,000   | 193,747      | 377,747      | 1,250,000   | 614,538      | 1,864,538     | 1,200,000  | 106,370    | 1,306,370    |
| 2021  | 95,000  | 26,169     | 121,169      | 190,000   | 190,137      | 380,137      | 1,250,000   | 553,100      | 1,803,100     | 1,250,000  | 46,150     | 1,296,150    |
| 2022  | 95,000  | 24,112     | 119,112      | 200,000   | 185,906      | 385,906      | 1,500,000   | 484,225      | 1,984,225     | 300,000  | 7,575      | 307,575      |
| 2023  | 100,000   | 21,771     | 121,771      | 220,000   | 180,861      | 400,861      | 1,500,000   | 407,875      | 1,907,875     | -  | -          | -            |
| 2024  | 100,000   | 19,146     | 119,146      | 230,000   | 174,946      | 404,946      | 1,500,000   | 330,475      | 1,830,475     | -  | -          | -            |
| 2025  | 100,000   | 16,321     | 116,321      | 260,000   | 168,021      | 428,021      | 1,500,000   | 252,175      | 1,752,175     | -  | -          | -            |
| 2026  | 100,000   | 13,421     | 113,421      | 400,000   | 158,416      | 558,416      | 2,000,000   | 159,800      | 2,159,800     | -  | -          | -            |
| 2027  | 100,000   | 10,396     | 110,396      | 600,000   | 143,216      | 743,216      | 2,000,000   | 53,400       | 2,053,400     | -  | -          | -            |
| 2028  | 100,000   | 7,271      | 107,271      | 900,000   | 119,741      | 1,019,741    | -   | -            | -             | -  | -          | -            |
| 2029  | 100,000   | 4,071      | 104,071      | 1,400,000   | 82,816       | 1,482,816    | -   | -            | -             | -  | -          | -            |
| 2030  | 73,000  | 1,223      | 74,223       | 1,793,000   | 30,033       | 1,823,033    | -   | -            | -             | -  | -          | -            |
| 2031  | -   | -          | -            | -   | -            | -            | -   | -            | -             | -  | -          | -            |
| 2032  | -   | -          | -            | -   | -            | -            | -   | -            | -             | -  | -          | -            |
| OUTSTANDING AT 7/1/2018   | \$ 1,143,000  | \$ 201,256 | \$ 1,344,256 | \$ 6,537,000  | \$ 1,824,376 | \$ 8,361,376 | \$ 13,750,000   | \$ 3,529,438 | \$ 17,279,438 | \$ 3,900,000   | \$ 322,250 | \$ 4,222,250 |
| PAID DURING FISCAL YEAR   | 90,000  | 14,999     | 104,999      | 160,000   | 98,802       | 258,802      | 1,250,000   | 351,363      | 1,601,363     | 1,150,000  | 94,360     | 1,244,360    |
| OUTSTANDING AT 9/30/18  | \$ 1,053,000  | \$ 186,257 | \$ 1,239,257 | \$ 6,377,000  | \$ 1,725,574 | \$ 8,102,574 | \$ 12,500,000   | \$ 3,178,075 | \$ 15,678,075 | \$ 2,750,000   | \$ 227,890 | \$ 2,977,890 |

Debt Obligation Summary for the Quarter Ended September 30, 2018

| ISSUE NAME:<br>REPAYMENT SOURCE:<br>PURPOSE:<br>ORIGINAL PAR:<br>DATED DATE:<br>PRINCIPAL DUE:<br>INTEREST DUE:<br>INTEREST RATE:<br>MATURITY DATE:<br>INSURANCE:<br>CALL PROVISIONS: | Woodward Garden Project 2<br>HUD 108 Note<br>Section 108 Loan Guaranty<br>Block Grant Funds<br>New Money<br>\$6,197,000<br>June 12, 2008<br>Annual: August<br>Semi Annual: August/February<br>2.66% to 4.35%<br>August 1, 2028<br>Noninsured<br>None |              |              | Woodward Garden Project 3<br>HUD 108 Note<br>Section 108 Loan Guaranty<br>Block Grant Funds<br>New Money<br>\$5,753,000<br>May 28, 2015 (Refunding)<br>Annual: August<br>Semi Annual: August/February<br>.83% to 3.55%<br>August 1, 2031<br>Noninsured<br>None |              |              | ALL           |               |               |
|---|--|--------------|--------------|--|--------------|--------------|---------------|---------------|---------------|
|   | Principal  | Interest     | Total        | Principal  | Interest     | Total        | Principal     | Interest      | Total         |
| Fiscal Year Ending June 30,   |  |              |              |  |              |              |               |               |               |
| 2019  | 106,000  | 251,694      | 357,694      | 267,000  | 149,036      | 416,036      | \$ 3,123,000  | \$ 2,149,680  | 5,272,680     |
| 2020  | 120,000  | 248,060      | 368,060      | 281,000  | 144,619      | 425,619      | \$ 4,701,000  | \$ 1,965,470  | 6,666,470     |
| 2021  | 148,000  | 243,542      | 391,542      | 295,000  | 139,057      | 434,057      | \$ 4,864,000  | \$ 1,747,185  | 6,611,185     |
| 2022  | 170,000  | 237,833      | 407,833      | 310,000  | 132,494      | 442,494      | \$ 4,321,000  | \$ 1,534,350  | 5,855,350     |
| 2023  | 200,000  | 230,833      | 430,833      | 325,000  | 124,870      | 449,870      | \$ 4,271,000  | \$ 1,332,659  | 5,603,659     |
| 2024  | 300,000  | 221,108      | 521,108      | 342,000  | 116,101      | 458,101      | \$ 4,478,000  | \$ 1,124,369  | 5,602,369     |
| 2025  | 400,000  | 207,153      | 607,153      | 359,000  | 106,197      | 465,197      | \$ 4,553,000  | \$ 907,835    | 5,460,835     |
| 2026  | 650,000  | 185,670      | 835,670      | 377,000  | 95,521       | 472,521      | \$ 5,024,000  | \$ 679,052    | 5,703,052     |
| 2027  | 1,100,000  | 149,093      | 1,249,093    | 396,000  | 83,822       | 479,822      | \$ 4,644,000  | \$ 452,851    | 5,096,851     |
| 2028  | 1,360,000  | 96,834       | 1,456,834    | 417,000  | 71,116       | 488,116      | \$ 2,777,000  | \$ 294,961    | 3,071,961     |
| 2029  | 1,557,000  | 33,865       | 1,590,865    | 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       |
| OUTSTANDING AT 7/1/2018   | \$ 6,111,000   | \$ 2,105,681 | \$ 8,216,681 | \$ 5,257,000   | \$ 1,298,323 | \$ 6,555,323 | \$ 49,567,000 | \$ 12,475,908 | \$ 62,042,908 |
| PAID DURING FISCAL YEAR   | 106,000  | 126,674      | 232,674      | 267,000  | 75,406       | 342,406      | 3,123,000     | 1,113,779     | 4,236,779     |
| OUTSTANDING AT 9/30/18  | \$ 6,005,000   | \$ 1,979,008 | \$ 7,984,008 | \$ 4,990,000   | \$ 1,222,917 | \$ 6,212,917 | \$ 46,444,000 | \$ 11,362,129 | \$ 57,806,129 |

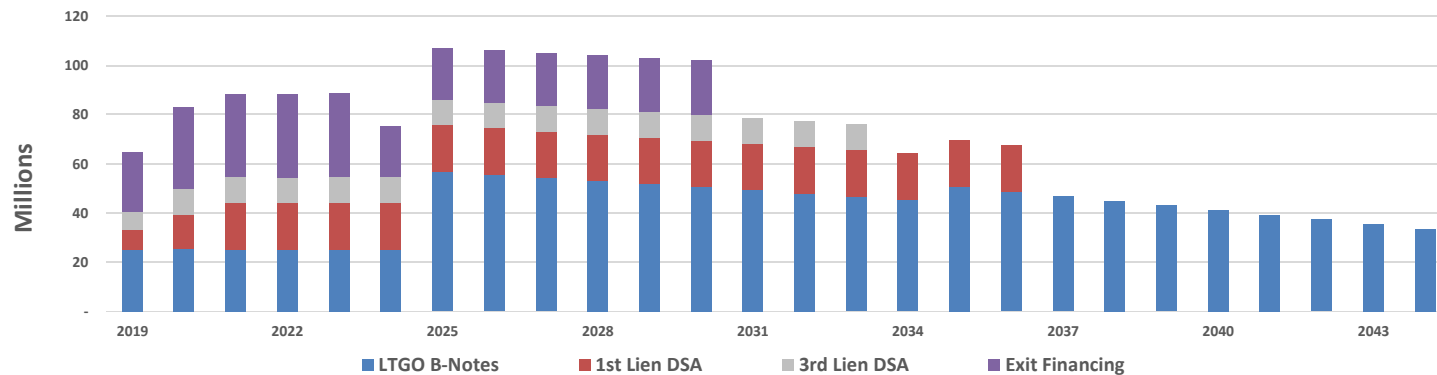
**City of Detroit**  
**Debt Obligation Summary for the Quarter Ended September 30, 2018**

| Fiscal Year Ending<br>June 30 | 2nd Lien<br>DSA       | 4th Lien<br>DSA       | UTGO<br>Obligations   |
|-------------------------------|-----------------------|-----------------------|-----------------------|
| 2019                          | 9,826,251             | 37,374,751            | 47,201,002            |
| 2020                          | 9,827,630             | 36,665,687            | 46,493,317            |
| 2021                          | 9,825,710             | 35,919,553            | 45,745,263            |
| 2022                          | 9,824,594             | 27,770,871            | 37,595,465            |
| 2023                          | 9,828,024             | 23,944,817            | 33,772,841            |
| 2024                          | 9,828,621             | 19,200,507            | 29,029,128            |
| 2025                          | 9,826,919             | 10,881,531            | 20,708,450            |
| 2026                          | 9,828,854             | 5,631,115             | 15,459,969            |
| 2027                          | 9,827,125             | 5,629,409             | 15,456,534            |
| 2028                          | 9,824,431             | 5,625,885             | 15,450,316            |
| 2029                          | 9,827,843             | -                     | 9,827,843             |
| 2030                          | 9,824,431             | -                     | 9,824,431             |
| 2031                          | 9,826,057             | -                     | 9,826,057             |
| 3032                          | 9,828,955             | -                     | 9,828,955             |
| 3033                          | 9,824,568             | -                     | 9,824,568             |
| 2034                          | 9,823,921             | -                     | 9,823,921             |
| 2035                          | 9,827,202             | -                     | 9,827,202             |
| 2036                          | 9,824,598             | -                     | 9,824,598             |
| <b>Total</b>                  | <b>\$ 176,875,736</b> | <b>\$ 208,644,126</b> | <b>\$ 385,519,862</b> |



Debt Obligation Summary for the Quarter Ended September 30, 2018

| Fiscal Year Ending<br>June 30 | LTGO<br>B-Notes         | 1st Lien<br>DSA       | 3rd Lien<br>DSA       | Exit<br>Financing     | LTGO<br>Obligations     |
|-------------------------------|-------------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| 2019                          | 25,278,566              | 7,745,446             | 7,319,672             | 24,019,981            | 64,363,665              |
| 2020                          | 25,278,566              | 14,063,446            | 10,357,207            | 33,348,291            | 83,047,510              |
| 2021                          | 25,278,566              | 18,848,446            | 10,366,451            | 33,588,526            | 88,081,989              |
| 2022                          | 25,278,566              | 18,847,724            | 10,357,882            | 33,869,706            | 88,353,878              |
| 2023                          | 25,278,566              | 18,846,043            | 10,359,353            | 34,153,921            | 88,637,883              |
| 2024                          | 25,278,566              | 18,845,364            | 10,362,671            | 20,692,216            | 75,178,816              |
| 2025                          | 56,876,774              | 18,845,619            | 10,358,538            | 20,978,625            | 107,059,556             |
| 2026                          | 55,612,845              | 18,848,638            | 10,359,754            | 21,224,913            | 106,046,150             |
| 2027                          | 54,348,917              | 18,849,182            | 10,357,267            | 21,445,938            | 105,001,304             |
| 2028                          | 53,084,989              | 18,843,853            | 10,359,475            | 21,684,600            | 103,972,917             |
| 2029                          | 51,821,061              | 18,841,613            | 10,362,120            | 21,933,088            | 102,957,881             |
| 2030                          | 50,557,132              | 18,843,889            | 10,358,303            | 22,198,475            | 101,957,799             |
| 2031                          | 49,293,204              | 18,845,109            | 10,362,573            | -                     | 78,500,886              |
| 2032                          | 48,029,276              | 18,844,784            | 10,359,478            | -                     | 77,233,538              |
| 2033                          | 46,765,347              | 18,844,922            | 10,358,659            | -                     | 75,968,928              |
| 2034                          | 45,501,419              | 18,847,981            | -                     | -                     | 64,349,400              |
| 2035                          | 50,557,132              | 18,843,903            | -                     | -                     | 69,401,035              |
| 2036                          | 48,661,239              | 18,846,881            | -                     | -                     | 67,508,121              |
| 2037                          | 46,765,347              | -                     | -                     | -                     | 46,765,347              |
| 2038                          | 44,869,454              | -                     | -                     | -                     | 44,869,454              |
| 2039                          | 42,973,562              | -                     | -                     | -                     | 42,973,562              |
| 2040                          | 41,077,670              | -                     | -                     | -                     | 41,077,670              |
| 2041                          | 39,181,777              | -                     | -                     | -                     | 39,181,777              |
| 2042                          | 37,285,885              | -                     | -                     | -                     | 37,285,885              |
| 2043                          | 35,389,992              | -                     | -                     | -                     | 35,389,992              |
| 2044                          | 33,494,085              | -                     | -                     | -                     | 33,494,085              |
| <b>Total</b>                  | <b>\$ 1,083,818,501</b> | <b>\$ 323,342,843</b> | <b>\$ 152,359,403</b> | <b>\$ 309,138,279</b> | <b>\$ 1,868,659,027</b> |



<sup>1</sup>LTGO C-Notes were redeemed in FY18. The Enterprise agencies' allocated portions of this note, totalling \$17,839,157 (of which approximately \$13.7 million is principal) with an original maturity date of 2027, will now be due to the City each June.