

# CITY OF DETROIT COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED  
JUNE 30, 2020



# DETROIT CITY OF DETROIT DETROIT CITY OF





*"We hope for better things."*

*"It shall rise again from the ashes."*

**FOUNDED 1701**  
**INCORPORATED 1806**  
**AREA (Square Miles) 138.75**  
**POPULATION 670,031**

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# City of Detroit, Michigan

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**Comprehensive Annual Financial Report  
for the Fiscal Year Ended June 30, 2020  
Michael E. Duggan, Mayor**

**Introductory Section**

<b>Letter of Transmittal</b>	i-vii
<b>GFOA Certificate of Achievement</b>	viii
<b>Auditor General's Letter</b>	ix
<b>List of City of Detroit, Michigan Principal Officials</b>	x-xi
<b>City of Detroit, Michigan Organization Chart</b>	xii

**Financial Section**

<b>Independent Auditor's Report</b>	1-3
<b>Management's Discussion and Analysis</b>	4-18

**Basic Financial Statements**

Government-wide Financial Statements:	
Statement of Net Position	19-20
Statement of Activities	21-22

Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	23-24
Reconciliation of the Balance Sheet to the Statement of Net Position	25
Statement of Revenue, Expenditures, and Changes in Fund Balances	26-27
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances to the Statement of Activities	28

Proprietary Funds:	
Statement of Net Position	29-30
Statement of Revenue, Expenses, and Changes in Net Position	31-32
Statement of Cash Flows	33-34

Fiduciary Funds:	
Statement of Fiduciary Net Position	35
Statement of Changes in Fiduciary Net Position	36

Component Units:	
Statement of Net Position	37-38
Statement of Activities	39-40

Notes to Financial Statements	41-128
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**Required Supplemental Information** 129

Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	130-133
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Schedules of Changes in the Net Pension Liability (Asset) and Related Ratios:	
General Retirement System (GRS) Component II	134
Police and Fire Retirement System (PFRS) Component II	135
GRS Component I	136
PFRS Component I	137

Schedules of Pension Contributions:	
GRS Component II	138
PFRS Component II	139
GRS Component I	140
PFRS Component I	141



**Required Supplemental Information (Continued)**

Schedule of Actuarial Assumptions	142-145
Open Death Benefit Plan:	
Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios	146
Schedule of OPEB Contributions	147
Schedule of Changes in the Net OPEB Liability and Related Ratios - Closed Death Benefit Plan	148
Schedule of OPEB Investment Returns - Open and Closed Death Benefit Plans	149
Notes to Required Supplemental Information	150-151

**Other Supplemental Information**

	152
Nonmajor Governmental Funds:	
Fund Descriptions	153-154
Combining Balance Sheet	155-156
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances	157
Special Revenue Funds:	
Combining Balance Sheet	158-159
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances	160-161
Street Funds:	
Combining Balance Sheet	162
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances	163
Permanent Funds:	
Combining Balance Sheet	164
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances	165
Budgetary Comparison Schedules - Nonmajor Governmental Funds:	
Community Development Block Grant Fund	166-167
Construction Code Fund	168
Urban Development Fund	169
Non-Compliance Fees Fund	170
Drug Law Enforcement Fund	171
General Grants Fund	172-177
Bridging Neighborhoods Fund	178
Solid Waste Management Fund	179
Major Street Fund	180
Local Street Fund	181
Targeted Business Development Fund	182
Telecommunication Fund	183
Renewable Energy Fund	184
Dedicated Fees and Donations Fund	185
COVID-19 Revenue Fund	186
Debt Service Fund	187
Capital Projects Fund	188
Nonmajor Enterprise Funds:	
Fund Descriptions	189
Combining Statement of Net Position	190
Combining Statement of Revenue, Expenses, and Changes in Net Position	191
Combining Statement of Cash Flows	192

**Other Supplemental Information (Continued)**

Internal Service Funds:	
Fund Descriptions	193
Combining Statement of Net Position	194
Combining Statement of Revenue, Expenses, and Changes in Net Position	195
Combining Statement of Cash Flows	196
Pension and Other Employee Benefit Trusts:	
Combining Statement of Fiduciary Net Position	197-198
Combining Statement of Changes in Fiduciary Net Position	199-200
Agency Funds:	
Combining Statement of Assets and Liabilities	201
Combining Statement of Changes in Assets and Liabilities	202-203

**Statistical Section** 204

**Description of Statistical Section** 205

**Financial Trend Information**

Schedule 1 - Net Position by Component	206-207
Schedule 2 - Changes in Net Position	208-211
Schedule 3 - Fund Balances of Governmental Funds	212-213
Schedule 4 - Changes in Fund Balances of Governmental Funds	214-217

**Revenue Capacity Information**

Schedule 5 - Assessed Value and Estimated Value of Taxable Property	218
Schedule 6 - Direct and Overlapping Property Tax Rates	219
Schedule 7 - Principal Property Tax Payers	220
Schedule 8 - Property Tax Levies and Collections	221

**Debt Capacity Information**

Schedule 9 - Ratios of Outstanding Debt by Type	222-223
Schedule 10 - Ratios of General Bonded Debt Outstanding	224
Schedule 11 - Direct and Overlapping Governmental Activities Debt	225
Schedule 12 - Legal Debt Margin Information	226
Schedule 13 - Pledged Revenue Coverage	227

**Demographic and Economic Information**

Schedule 14 - Demographic and Economic Statistics	228
Schedule 15 - Principal Employers	229

**Operating Information**

Schedule 16 - Full-time Equivalent City Government Employees by Function/Program	230-231
Schedule 17 - Miscellaneous Operating Indicators by Function/Program	232-235

**Federal Awards Supplemental Information**

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Separate  
Cover

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December 17, 2020

City of Detroit, Michigan  
Honorable Mayor Michael Duggan and  
The Honorable City Council

We are pleased to submit the City of Detroit, Michigan's (the "City") Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020 along with the Independent Auditor's Report. This report is prepared for the purpose of disclosing the City's financial condition to its residents, elected officials, and other interested parties. It is also prepared in accordance with U.S. generally accepted accounting principles (GAAP), as established by the Governmental Accounting Standards Board (GASB), and meets all requirements of state finance law of the State of Michigan.

The Office of the Chief Financial Officer (OCFO) prepares the City's CAFR and is responsible for the accuracy, completeness, and fairness of the data presented, including all disclosures. We believe the data presented is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City's primary government and component units for which it is financially accountable, and that the disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

All local units of government within the State of Michigan must comply with the Uniform Budgeting and Accounting Act, Public Act 2 of 1968, as amended, which requires an annual audit of the financial records and transactions of the City by independent certified public accountants. The City of Detroit, Michigan's financial statements have been audited by Plante & Moran, PLLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2020 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall presentation of the financial statements. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Detroit, Michigan's financial statements for the fiscal year ended June 30, 2020 are fairly presented in conformity with GAAP. The independent auditor's report is presented in the financial section of this report.

Management's Discussion and Analysis (MD&A) follows the independent auditors' report and provides a narrative introduction, overview, and analysis to accompany the basic financial statements as required by GAAP. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

### **Profile of the Government**

The City is located in southeastern Michigan in Wayne County with a land area of approximately 139 square miles. The City of Detroit is a home rule city with significant independent powers, pursuant to the provisions of the Constitution of the State of Michigan (the "State"). In accordance with the City Charter (the "Charter"), the governance of the City is organized in two branches: the Executive Branch, which is headed by the Mayor, and the Legislative Branch, which is composed of the City Council and its agencies. The Mayor and the members of the City Council are elected every four years unless a special election is required, as provided for in the Charter.

The Mayor is the chief executive of the City and has control of and is accountable for the Executive Branch of City government. The Charter grants the Mayor broad managerial powers, including

the authority to appoint all department directors and deputy directors. The Charter also delegates the responsibility for the implementation of most programs, services, and activities solely to the Executive Branch.

Mayor Mike Duggan was reelected to a second term that began in January 2018 and runs through January 2022. In his first term, Mayor Duggan restored basic city services for all Detroiters. Under his leadership, the City installed more than 60,000 new LED street lights to streets, removed 21,000 blighted and abandoned buildings and dramatically improved police and emergency medical services (EMS) response times, bringing them down to the national average. He also returned financial accountability to the City, working with City Council to pass annual balanced budgets which led to significant upgrades in the City's bond rating. Now in his second term, Mayor Duggan has turned his attention to building "One Detroit for Everyone." This mission of an equitable revitalization has included creating and preserving affordable housing, revitalizing long-neglected neighborhoods, and ensuring every Detroiters has access to jobs and job trainings through the Detroit at Work program. Throughout the term of Mayor Duggan's administration, the Mayor and City Council have demonstrated historic levels of cooperation and collaboration.

The City Council, composed of seven members elected by district and two members elected at large for four-year terms, is the City's legislative body. The City Council is aided in carrying out its mission by agencies such as the Legislative Policy Division, the City Planning Commission, the Auditor General, and the Ombudsman. By Charter, the principal duty of the Auditor General is to audit the financial transactions of all City agencies, however, since 1980, the City has retained independent accounting firms to perform that function. The Auditor General may investigate the administration and operation of any City agency and prepares various reports, including an annual analysis for the City Council of the Mayor's proposed budget.

The 36th District Court is responsible for adjudicating certain legal matters that arise within the City, including state felony arraignments and preliminary examinations, state misdemeanor and city ordinance violations, civil litigation for claims of \$25,000 or less, and landlord/tenant disputes. The City is responsible for all funding of the 36th District Court in excess of fines collected by the Court, except for judicial salaries, which are funded by the State.

Other entities have been established by the City, in certain cases with the County of Wayne, Michigan, or by the State, principally for the purpose of providing capital financing (normally through the sale of bonds or through special tax levies) for various improvements, services, or major construction projects.

### **Local Economy**

The City is the center of the nation's 14<sup>th</sup> largest metropolitan statistical area. As of 2019, the City was the 24<sup>th</sup> largest city, with an estimated census population of approximately 670,031, according to the U.S. Census Bureau. Detroit is the commercial capital of Michigan and a major economic and industrial center of the nation. Although Detroit is known internationally for automobile manufacturing and trade, the City also has major companies in the financial and technology sectors, educational and health care institutions, and entertainment venues with four major sports teams and three casinos located within the City limits. The southeastern border of the City lies on the Detroit River, an international waterway, which is linked by the St. Lawrence Seaway to seaports around the world. It is the busiest border crossing in North America, carrying a substantial share of international trade between the United States and Canada. A new international crossing, the "Gordie Howe International Bridge," broke ground in October 2018. The \$5.7 billion project has added 2,500 jobs to the local economy and is currently the largest infrastructure venture in North America. The Detroit Metro Airport is one of the nation's major hubs. There are seven major employment districts, and four Fortune 500 companies have world headquarters within the City.

Under the leadership of Mayor Duggan, the City is proactively attracting new companies and supporting the expansion of existing businesses and local entrepreneurs to create job opportunities for residents with the goal of ensuring that all Detroiters benefit from the City's revival. Since the Great



Recession, Detroit has benefitted from a period of economic growth. Small businesses emerged, large corporate attractions flourished, and Detroit gained a reputation as the Comeback City. The City's economic development strategic priorities align both geographic and industry advantages to grow and diversify Detroit's economy. The City has developed a suite of programmatic initiatives to address every sector, business size, and neighborhood throughout our community. The strategic priorities are: business retention, corporate attraction, economic diversification, industrial development, small business development, neighborhood and downtown revitalization, and post-COVID economic realignment.

In the last three years, Detroit's industrial sector dramatically expanded, with automotive manufacturers ramping up their production capacity and investing in state-of-the-art, future-focused facilities. In 2019, Fiat Chrysler Automobiles (FCA) announced its intent to invest \$2.5 billion in the construction of its new Mack Avenue Assembly Plant and to retool and modernize their existing Jefferson North Assembly Plant (JNAP) into a new assembly site. In 2020, General Motors (GM) announced a \$2.2 billion investment in its Detroit-Hamtramck Assembly Plant to become the company's first all-electric vehicle plant and will focus on producing electric and self-driving vehicles. At the Michigan Central Train Station, Ford is constructing a 1.2 million square-foot facility that will serve as an innovation hub to develop, design and test mobility solutions as the company reimagines its business for a new century. Finally, Detroit's extensive manufacturing experience and highly skilled workforce have encouraged an increasing number of partnerships between the industrial manufacturing and tech sectors.

Through its economic development strategy, the City is also fostering growth of other sectors as well. The city continues to invest in infrastructure projects and attracting businesses that can benefit from Detroit's strategic location. In early August 2020, Amazon announced that it would be making a \$400 million investment in a 3.8 million square-foot fulfillment center on the site of the former Michigan State Fairgrounds. The trend of financial services moving into Detroit began in 2011 with Quicken Loans relocating operations into the city. Today, the Rock Family of Companies, the parent company of Quicken Loans, has over 17,000 team members working in downtown Detroit. In 2018, the largest Michigan-headquartered bank, Chemical Bank, announced that it would relocate to Detroit and conclude a merger with Minnesota-based TCF Bank. With the merger completed on August 1, 2020, TCF Bank will soon occupy its new headquarters in downtown Detroit in a \$104 million, 20-story building currently under construction.

The City has a track record of creating innovative economic development tools to support businesses of all sizes. Motor City Match launched in 2015 as a small business and real estate matching program. Motor City Restore followed in 2017 as a similar program to grow existing businesses. The combined awards of \$1 million each quarter accelerate entrepreneurial pursuits ranging from small manufacturing to retail.

Below is a listing of the top 10 employers by company and by number of employees estimated to be employed full-time as of July 2019 within the City of Detroit (includes Detroit, Hamtramck, and Highland Park) and within southeast Michigan (includes Wayne, Oakland, Macomb, Washtenaw, and Livingston counties).

**Table 1 – Top Ten Employers**

<b><u>City of Detroit</u></b>		<b><u>Southeast Michigan</u></b>	
Rock Ventures	17,887	Ford Motor Co.	46,000
Henry Ford Health System	11,784	University of Michigan	35,350
City of Detroit	9,749	FCA US LLC	34,452
Detroit Medical Center	8,683	General Motors Co.	32,770
U.S. Government	6,352	Beaumont Health	27,491
Wayne State University	5,913 <sup>(1)</sup>	Henry Ford Health System	26,929
Detroit Public Schools Community District	5,850	U.S. Government	18,893
Blue Cross Blue Shield of Michigan/ Blue Care Network	5,577	Rock Ventures	17,887
Ilitch Companies	5,340	Trinity Health	16,403
FCA US LLC	5,157	Ascension Michigan	12,616

SOURCE: Crain’s 2020 Book of Lists, Detroit’s Largest Employers (July 2019) and Largest Southeast Michigan Employers (July 2019) (defined to include Wayne, Macomb, Oakland, Livingston and Washtenaw counties).

(1) As of Jan 1, 2019.

With the attraction of employers to Detroit, the City through Detroit at Work has linked Detroiters with job opportunities. Due to Detroit at Work’s collaboration with FCA, FCA hired 4,100 Detroit residents for its new plant expansion located on Detroit’s east side as of October 21, 2020. Detroit at Work is partnering with the City of Detroit, State of Michigan’s Labor and Economic Opportunity-Workforce Development Agency (LEO-WD), Michigan Department of Transportation (MDOT) Windsor-Detroit Bridge Authority (WDBA) and various education and labor organizations to fill a variety of jobs for the Gordie Howe Bridge program initiative. Detroit at Work is co-piloting with DEGC an initiative to reach neighborhood Detroit business owners who need COVID-19 business solutions and workforce strategies, Detroit Means Business. Finally, Detroit at Work leads a Healthcare Training Partnership, where three hospital systems have joined together to develop healthcare career pathways for Detroiters.

In addition to getting Detroiters into careers, there is a need to remove the many barriers preventing Detroiters from being job ready. This includes obtaining an ID, obtaining a high school diploma, enhancing reading and writing skills and accessing transportation and stable childcare support. The City is reducing those barriers by assisting Detroiters enter the Driver Responsibility Fee forgiveness program, access transportation through a “First Mile, Last Mile” job transportation program, and earn criminal record expungements.

Finally, primarily through the City’s Strategic Neighborhood Fund (SNF) Initiative, the City has made significant streetscape, commercial and mixed use housing developments in various city neighborhoods and areas (for more information on the SNF see “Strategic Neighborhood Fund and Affordable Housing Leverage Fund”). SNF takes on a multi-faceted strategy of improving neighborhoods – all outside of Detroit’s greater downtown – based on community input. The City, Invest Detroit, and philanthropic partners have completed many SNF milestones with the completion of neighborhood plans, the commencement of commercial corridor streetscape projects, the opening of new mixed use developments and the groundbreaking of new park projects.

## **Financial Overview and Budgetary Control**

The City of Detroit entered Fiscal Year 2020 with improved finances and the stated goal to prepare for the next recession. The five years of work to stabilize and strengthen the City's fiscal situation prepared the City for the COVID-19 pandemic, which shaped the second half of Fiscal Year 2020. The City of Detroit quickly responded financially and operationally to the pandemic.

In the spring of 2020, the Office of Budget projected a \$348 million revenue shortfall over 15 months. In response, the OCFO acted quickly to address the revenue shortfall. The CFO canceled all cash capital projects that were not yet under construction and all demolitions that were not an urgent life safety matter. On April 3, the CFO issued a directive to freeze hiring and limit discretionary spending. Under this directive, departments were ordered to cancel discretionary contracts and purchases, make every attempt to limit overtime and limit new contracts to only those deemed critical by the CFO. On April 20, the City instituted a number of workforce changes to reduce spending for fiscal years 2020 and 2021, preserve core City services, and treat employees fairly. This included laying off over 200 temporary employees and temporarily reducing the hours of over 2,000 employees. The City assisted these permanent employees by filing for their unemployment insurance and preserving their health benefits.

In addition, the Chief Procurement Officer renegotiated contracts with major vendors to achieve savings. The City also requested and received cost savings from authorities like the Detroit Land Bank Authority and the DEGC to reduce appropriations. The OCFO also planned for the CARES Transit Grant to cover lost DDOT Fares revenue due to the COVID-19 pandemic. With these changes, the Office of Budget submitted a budget amendment to City Council to reduce almost all departments' appropriations (to reflect the workforce and other budgetary actions taken) and balance the fiscal year 2020 budget. City Council approved the budget amendment on June 30, 2020. The City also enacted a balanced Fiscal Year 2021 Budget and Four Year Financial Plan based on workforce savings implemented in April, reductions to new budget initiatives, public authority appropriation cuts, use of CARES Transit funding to preserve DDOT operations, and reliance on fund balance from prior years.

Operationally, the City of Detroit acted quickly to address the City's COVID-19 health emergency that peaked in the spring of 2020. The City set up COVID-19 testing sites and quickly made testing broadly available. The City also responded with food distribution, additional cleaning and disinfection, personal protective equipment, safe workplace improvements, work from home needs for City employees, services for people who are housing insecure, safety measures for the public transportation system, small business grants, and workforce support. The OCFO worked diligently to maximize federal CARES Act funding, donations, and corporate and philanthropic partnerships to pay for costs associated with the City's COVID-19 pandemic response. As of December 7, 2020 the City has been awarded \$307.8 million in grants that originate from federal stimulus sources, and projects an additional \$4.1 million. In some cases, the City has received or projects to receive sub-awards from the State of Michigan.

In fiscal year 2020, the OCFO documented over \$109 million in expenses responsive to COVID-19 that were charged to the City's CARES Act Coronavirus Relief Fund (CRF) grant. This included payroll costs such as: public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 pandemic; hazard pay for first responders and employees in public-facing positions who worked in direct proximity to the general public and have heightened exposure to COVID-19; and workers' compensation and unemployment benefit costs related to COVID-19. These expenses were charged to the City's CRF grant in fiscal year 2020, removing that additional burden from the General Fund and other related funds. The Detroit Department of Transportation (DDOT) charged \$8 million of its fiscal year 2020 expenses to the CARES Transit Grant due to lost bus fare revenue. The City also documented fiscal year 2020 costs for grants that were received after June 30, 2020, and thus will be reimbursed in fiscal year 2021.

Due to the City's actions to reduce expenditures and properly account for spending in response to COVID-19, the City's fiscal year 2020 results show a \$746.3 million fund balance in the General Fund, of which approximately \$109 million is unassigned. From the unassigned fund balance, it is anticipated

that at least \$20 million will be deployed to address new COVID-19 driven revenue exposures identified in fiscal year 2021, and an additional \$30 million will be deposited in the Retiree Protection Fund in fiscal year 2021 with City Council consent and approval. With these results, fiscal year 2020 marks the sixth consecutive year the City ended with a surplus and unassigned fund balance since the exit from bankruptcy in December 2014.

The City was better situated to respond financially to the pandemic due to the fiscally responsible actions of the Mayor and City Council with guidance from the OCFO over the five years since bankruptcy. The City enacted annual balanced budgets and created a budget reserve fund at nearly 10% of annual expenditures. Based on these financial improvements along with steps to address long-term liabilities, the City has seen three ratings agencies upgrades in less than three years. In 2018, after the City met statutory requirements demonstrating an improvement in the City’s management of its finances, the State granted a waiver of active financial oversight over the City of Detroit.

As a major reform leaving bankruptcy, State law established a Chief Financial Officer (CFO) position vested with authority over all financial and budget activities. The legislation restructured all finance, budget, procurement, property assessment, and grants management functions and created a new centralized financial management organization called the Office of the Chief Financial Officer (OCFO) based on leading government practices and industry standards. The reform increased control over all City financial activities and supports a long-term budget balance.

The City’s restructured budget process is informed by a comprehensive planning process that includes departmental, procurement, grant, staffing, technology, capital and long-term financial planning. The Mayor submits to the City Council a proposed four-year financial plan that includes the annual budget for the next fiscal year, as well as projections for the three subsequent fiscal years. After public hearings, the City Council adopts the budget and four-year financial plan, with or without amendment. The City’s four-year financial plan cannot exceed revenues certified by the independent Revenue Estimating Conference, and the CFO must certify the annual budget complies with the Uniform Budgeting and Accounting Act, 1968 PA 2 MCL 141.421 to 141.440a.

### **Long Term Financial Planning**

To complement the City's Budget and Four Year Financial Plan, the City developed a 10-year forecast model to support comprehensive, long-term financial planning. The model informed proactive initiatives that helped prepare the City's finances for the COVID-19 pandemic recession, including: increasing the City’s budget reserve (or “Rainy Day Fund”) prior to the recession; creation of the Retiree Protection Trust Fund; initiating a repurchase and refunding debt transaction to reduce recurring debt service and eliminate the prior debt cliff; investing capital in the vehicle replacement plan which has reduced costs for repairs and maintenance; and utilizing data-driven modeling and analysis to support decision-makers. In 2019, the City announced a partnership with Michigan's top three public research universities to provide the City with Detroit-specific economic data analysis and forecasting services. In August 2020, the University of Michigan issued its latest Detroit economic forecast from this partnership (“The Detroit Economic Outlook for 2019-2024”), including estimated impacts of the COVID-19 recession.

The City has also improved capital planning through its biennial Capital Agenda. The 2018 Capital Agenda reflects a collaboration between the Administration, the members of City Council, and the Detroit community. (The recommended 2020 Capital Agenda was published on November 1, 2020 for City Council Review, as required by the Charter.) It also shows a long-term strategy to leverage city sources, state and federal funding, and philanthropy to make targeted investments that improve quality of life for Detroiters. During fiscal years 2019-2024, this plan anticipated a total investment of \$1.8 billion to improve the City's critical infrastructure, expand economic growth, and continue to revitalize our neighborhoods. The City's strong public-private partnerships will continue to create positive financial and economic impact over the course of this five-year period, with programs like the Strategic Neighborhood Fund and the Affordable Housing Leverage Fund creating over \$1 billion dollars in investments into our neighborhoods. Upon the City’s return to the bond market on its own credit in 2018 and 2020, the



proceeds of the City’s Unlimited Tax General Obligation Bonds and the Bonds has supported the Capital Agenda’s plan for investments in public safety, recreation & museums, economic development, and transportation.

### Internal Control Structure

Management of the City is responsible to establish and maintain an internal control structure that ensures the assets of the government are protected from loss, theft, or misuse and that adequate accounting data are compiled to allow for preparation of financial statements in conformity with U.S. generally accepted accounting principles. The City adheres to the GASB (Governmental Accounting Standards Board) standards for financial reporting and internal accounting purposes. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

The OCFO Administrative Issuance System is the system for documenting, issuing, and implementing key policies, process flows, standard operating procedures, and detailed work instructions for all operations within the OCFO. Please visit <https://detroitmi.gov/departments/office-chief-financial-officer/administrative-issuance-system> for a current listing of all policies.

### Awards

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Detroit for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the second consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report meets the Certificate of Achievement Program’s requirements, and we are submitting it to GFOA to determine its eligibility for a certificate.

### Acknowledgements

We wish to express our appreciation to the City’s OCFO, other City personnel, and the fiscal staff at each of our component units whose professionalism, dedication, and efficiency contributed to the preparation of this report. We also would like to extend our thanks to the Mayor’s Office, Members of City Council and their staff, and the Auditor General’s Office for their support.

Sincerely,



David P. Massaron

Katherine R. Hammer



John Naglick, Jr.



Eric S. Higgs

**Chief Financial  
Officer**

**Chief Deputy CFO/  
Policy & Administration  
Director**

**Chief Deputy CFO/  
Finance Director**

**Deputy CFO –  
Controller/ Chief  
Accounting Officer**



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Detroit  
Michigan**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO



CITY OF  
**DETROIT**

**Office of the Auditor General**

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**Mark W. Lockridge, Auditor General**

**AUDITOR GENERAL'S LETTER**

December 17, 2020

The Honorable Mayor Michael E. Duggan  
And Members of the City Council  
City of Detroit, Michigan

The basic financial statements included in the City's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020, were audited by Plante Moran PLLC, under contract with the City of Detroit's, Office of the Auditor General. The audit of these financial statements and the resulting Auditors' opinion satisfies the requirements of the City Charter under Section 7.5-105.

Respectfully,

Mark W. Lockridge  
Auditor General

# PRINCIPAL OFFICIALS OF THE CITY OF DETROIT, MICHIGAN

## Executive (Elected)



Mayor  
**MIKE DUGGAN**

## Legislative (Elected)

### City Council



**BRENDA JONES**  
President



**MARY SHEFFIELD**  
President Pro Tem



**JANEÉ AYERS**



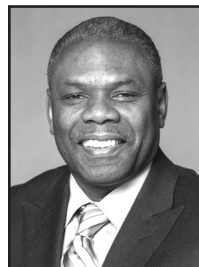
**SCOTT BENSON**



**RAQUEL  
CASTAÑEDA-LÓPEZ**



**GABE LELAND**



**ROY McCALISTER JR.**



**ANDRE SPIVEY**



**JAMES TATE**



# PRINCIPAL OFFICIALS OF THE CITY OF DETROIT, MICHIGAN

## Legislative (Elected)



City Clerk  
**JANICE WINFREY**

## Other Executive Officials (Appointed)



**DAVID MASSARON**  
Chief Financial Officer



**JOHN NAGLICK**  
Chief Deputy CFO/  
Finance Director



**KATHERINE HAMMER**  
Chief Deputy CFO/  
Policy & Administration Director



## Artist Hubert Massey Leads Installation of Woodward Art Mural

Famed artist Hubert Massey designed the Power to the People mural that carries a message of resilience and power.

Massey completed the painting with support from 20 student artists from Detroit Heals Detroit and the Detroit Public Schools Community District over five days in June 2020.

The mural was painted along a block-long span of Woodward Avenue leading to Spirit Plaza. The mural was unveiled during the Juneteenth

celebration on June 19, 2020 at Spirit Plaza, capping off a weeklong celebration of solidarity and reflection across the city.

The street mural project was led by Director of Arts and Culture Rochelle Riley and made possible by the Knight Foundation, Bedrock, Eastern Market Corp., Motor City Paint, General Motors, The Knight Foundation, Mint Artist Guild, University Prep and Hubert Massey and team.





## Detroit Convention Center Renamed TCF Center

CITY OF DETROIT

The Cobo Center was officially renamed TCF Center, as state and local government, bank and community leaders gathered to announce the change in August 2019.

Chemical Bank, as part of a \$33-million deal for building maintenance and improvements, purchased the naming rights in February 2019, which stays in place for 22 years. Chemical Bank also merged with TCF bank.

Over the last several years, there was a growing call to change the name because of former Mayor Albert Cobo's past policies, which many characterized as racist.

Following the naming rights announcement, the Detroit Regional Convention Facility Authority removed the bold red letters on the building and a bust of Mayor Cobo.





## Crews Complete Installation of \$3-Million Tiger Dam on Detroit’s Lower East Side

The City of Detroit installed a \$3-million temporary dam along the Detroit River and canal seawalls on the lower east side in spring 2020. With water levels expected to be higher than last year, the dam is a preventive measure to reduce flooding of homes and streets and protect the Conner Creek wet weather treatment facility from being overwhelmed.

This Tiger Dam™ System consists of elongated flexible tubes that can be stacked as high as 32 feet, joined end to end for miles, and filled with water. The tubes form a barrier to protect property when flooding occurs.

The installation project involved a team of City employees, U.S. Army Corps of Engineers and contractors following the City’s COVID-19 safe workplace policy.







## City Makes Improvements to Business Corridors

The Detroit Department of Public Works kicked off construction on the first set of streetscape projects in 2019. The projects, funded through a \$125-million bond sale, are part of a plan to revitalize key commercial corridors in the city through 2022.

The roadway capital improvements are intended to strengthen business corridors, attract new businesses and customers and improve quality of life for the surrounding neighborhoods. Each project is unique, but many include updates like new lighting and sidewalks, street furniture, safer crossings, and more landscaping.

The City has completed construction on the following six streetscapes:

- Livernois from Clarita to Eight Mile
- Joseph Campau from E. Jefferson to the Riverfront
- Bagley from I-96 Service Drive to 24th Street
- Riopelle from I-75 service Drive to Division
- Grand River from Evergreen to Glastonbury
- West Vernor Hwy. from Newark to Clark

Construction is underway on the following corridors:

- Conant from Davison to Carpenter
- McNichols from Greenlawn to Livernois
- Kercheval from Grand Blvd to Parker
- The Grand Parklet at Grand River and Puritan







## BSEED Streamlines Permitting and Inspection Process

Small business owners, entrepreneurs and homeowners will have an easier time navigating the City of Detroit's permitting process, thanks to a series of advancements including simplified forms, processes and wayfinding signage.

The improvements, which were unveiled in December 2019, are the result of a partnership between the City of Detroit Buildings, Safety Engineering & Environmental Department and the Quicken Loans Community Fund.

The changes include:

### Wayfinding Signage

Vibrant, color-coded signage and directional pathways were painted onto the floor to guide individuals to the right counter or office.

### Simplified forms

BSEED also has a Quick Start Permitting Guide to help business owners understand

the process and documents needed. New color-coded forms also were developed to match the wayfinding signage.

### Online

BSEED implemented eLAPS (Electronic Licenses and Permits System) and ePlans (Electronic Plan Review), to manage occupational and business licensing, building application drawings and permit issuance activities, as well as support rental and vacant property registrations and property inspections.

### Permit Portal

BSEED also implemented an online permitting tool that allows business owners and developers to understand the full scope of their project before getting started.





## Detroit Youth Choir Proudly Represented Detroit

CITY OF DETROIT

The Detroit Youth Choir captured the hearts of America during its run on America's Got Talent in 2019. Although the Detroit choir finished second on the NBC talent show, the Detroit Youth Choir were winners in the eyes of Detroiters and received \$1 million after all.

Several Detroit-based foundations and local business leaders announced a \$1-million endowment for the choir at the group's Detroit homecoming in September 2019. Hundreds of people wearing purple, the choir's signature color, packed Campus Martius to show their support at the event organized by NBC affiliate WDIV-TV, the City of Detroit and the Downtown Detroit Partnership.

In addition, Mayor Mike Duggan presented the choir with a Key to the City, which was yet another surprise for choir members. Each choir member received an individual replica Key to the City.

Mayor Duggan worked with Wendy Lewis Jackson, the Detroit Program managing director for the Kresge Foundation, and Tonya Allen, president & CEO of the Skillman Foundation, to create the endowment. Detroit Youth Choir endowment contributors included: Skillman Foundation, The Kresge Foundation, W. K. Kellogg Foundation, Ballmer Group, Community Foundation for Southeast Michigan, DTE Energy Foundation, Max M. & Marjorie S. Fisher Foundation, Bank of America, Huntington Bank and Dakkota Integrated Systems.







CITY OF DETROIT

## 2020 Census

The 2020 Census was like no other since the US began the first population count in 1790. Leading through the pandemic, civil unrest and economic hardship, the City of Detroit managed to mobilize hundreds of partner organizations, recruit an army of neighborhood leaders to volunteer and put in place a comprehensive communications plan and data drive field effort to count Detroiters.

The Census effort kicked off in April 2019 and ended in October 2020, two weeks earlier than expected. The self-response rate was 51 percent as of early October, but Detroit Census officials expect the official count released next spring to be much higher once vacancies are eliminated. Yet, the effort to count Detroiters was no less than remarkable.

### 2020 Census by the Numbers

#### Funding

- Raised **\$3 million** to support a robust communications and data driven field outreach effort that made use of new technology and employed trusted local messengers.
- Deployed **48** census kiosks across city for residents to complete the Census at local businesses, government offices, health clinics
- Developed **2** new apps for collecting data in the field
- Recruited and trained **12** community groups for canvassing and **110** Census captains to work at Census sign-up events
- Created a virtual phone bank to contact **65,000** Detroiters that became a model the State used to train groups statewide

#### Field Operation

- **450,000** Doors Knocked
- **\$2.17 million** or **70.9%** of funds raised returned to Detroit residents, community groups and business in the form of contracts, stipends, and purchase orders
- **175** partner organizations engaged in outreach
- **348,000** pieces mailed out to residents in targeted low response areas

- **117,000** text messages sent
- **730,000** pieces of literature distributed at events and door to door
- **4,100** lawn signs distributed

#### Neighborhood Census Challenge

- **80** groups participated in the challenge with a total of **\$25,000** going to **25** groups for highest census response
- Weekly updates sent to **720** neighborhood groups

#### Other Outreach Events

- **187** events held between May 30-Oct. 15, 2020
- **3000** Census sign-ups at grocery stores, food distribution sites, church parking lots and other outdoor events

#### Communications

- **164** Billboards placed across City
- **32** videos produced
- **1836** radio spots and **17,582** TV spots aired bet. March-July 2020
- **6.1 million** impressions on social media through paid ads, and City of Detroit Facebook, Twitter, Instagram accounts
- **269** earned media stories about the Detroit Census campaign







## Detroiters Celebrate Another Successful Halloween in the D

It was cold, and it was rainy, but that didn't stop thousands of Detroit kids and their families from dressing up in costumes and heading to a variety of venues for some Halloween fun October 31, 2019.

Detroit Police officers, along with volunteers and City employees, decorated their cars and handed out candy during trunk-or-treat events at all 11 precincts, attended by 18,200 individuals. The Fire Department also got in on the action, distributing candy at its fire stations. The Parks & Recreation Division also hosted Halloween parties as 15,500 individuals flocked to the centers.

The City was able to pass out lots and lots of candy to Detroit children thanks, in part, to Detroit businesses that donated thousands and thousands of pieces of candy.

The Department of Neighborhoods, which led the effort, received donations of \$86,525 in cash and \$18,600 in in-kind support. The top sponsors were DTE and The Diamond Firm at \$10,000. DivDat, First independence Bank, Ford Motor Company, Premier Group Associates and TV Store Online donated \$5000 each.





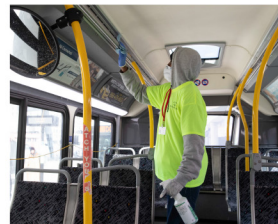
## City of Detroit Effectively Responds to COVID-19 Crisis

CITY OF DETROIT

Even before the first coronavirus case was reported in Detroit, the City of Detroit was preparing in March 2020 to address the virus and minimize its impact on Detroiters. The City's response included: drive-through testing, on-site testing at nursing homes and senior facilities; food distribution at recreation centers; meals for frontline workers; COVID safety guidelines and measures for businesses, City departments and DDOT buses; assisting restaurants with establishing outdoor dining and pickup zones; distribution of personal protective equipment; grants to businesses; and support to the homeless and residents facing delinquent taxes and eviction and needing water service restored.

Detroit was one of the first in the nation to stand up testing working with area health systems and Wayne, Oakland and Macomb counties for drive-through testing at the State Fairgrounds. The City focused on testing first responders and healthcare workers. Nearly 70,000 have received tests thus far. The Detroit Health Department also began testing at nursing homes and senior buildings to address the virus among those most vulnerable.

The Parks and Recreation Division surpassed 1.1 million meals provided to children and their families at seven recreation centers. Seniors were able to pick up frozen meals provided by the Detroit Area Agency on Aging at five recreation centers. The City also worked with Gleaners and utilizing three recreation locations for families to pick up groceries for two weeks.



**FEE**   
THE FRONTLINES  
DETROIT



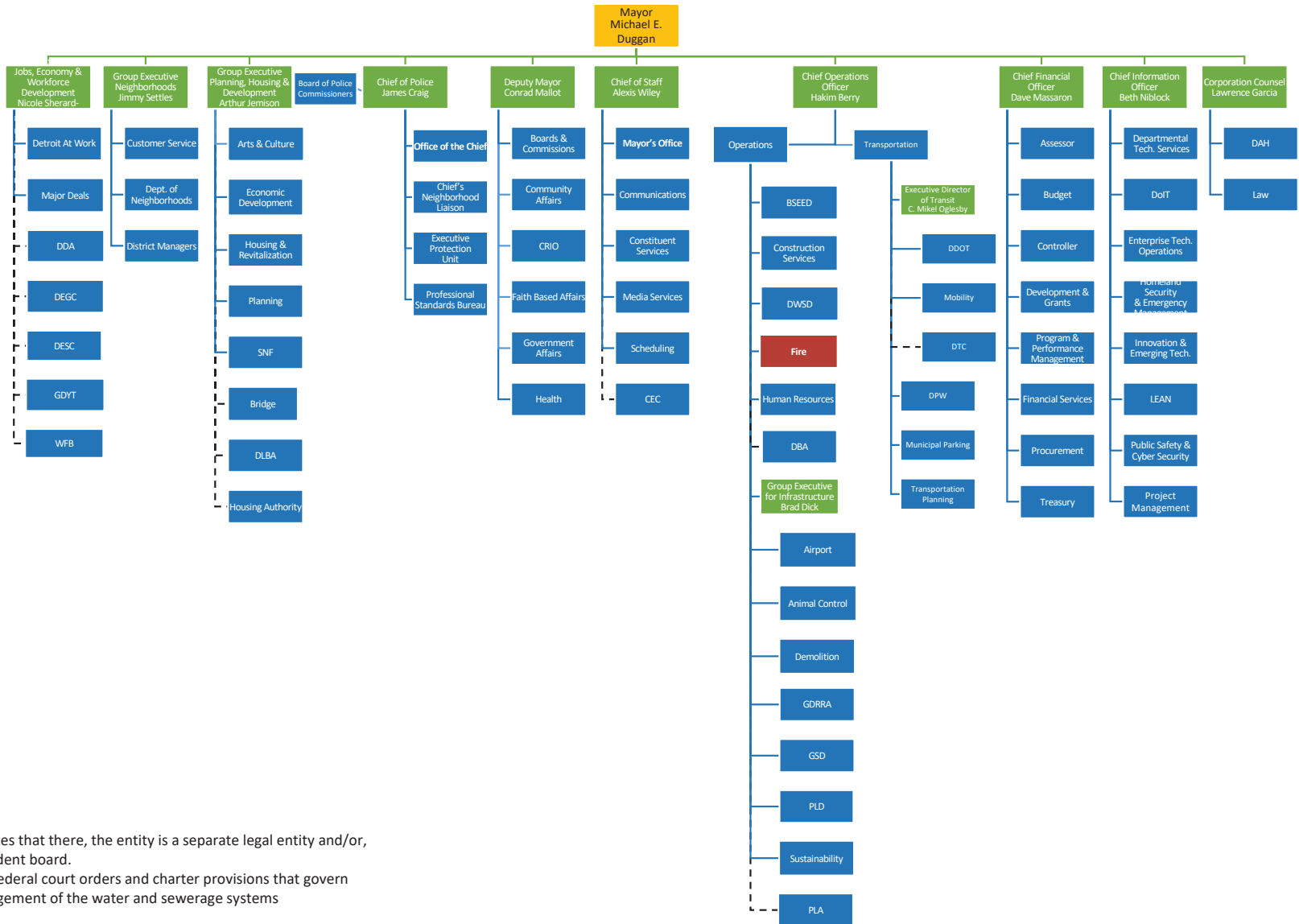
# City of Detroit Effectively Responds to COVID-19 Crisis

CITY OF DETROIT

The Office of the Chief Financial Officer (OCFO) worked diligently to maximize federal CARES Act funding, donations, and corporate and philanthropic partnerships to pay for costs associated with the City's COVID-19 pandemic response. So far, the City has been awarded \$307.8 million in grants from federal stimulus sources.

The City's efforts were broadcast to the world as Detroit held the nation's first citywide memorial honoring victims of COVID-19 August 31 and September 1. The memorial included bells ringing throughout the city, 15 funeral processions for families and a display of more than 900 large photos representing the 1,500-plus Detroiters who had died of the coronavirus since March.





Updated October 2020

- A dashed line indicates that there, the entity is a separate legal entity and/or, is or has an independent board.
- DWSD is subject to federal court orders and charter provisions that govern aspects of the management of the water and sewerage systems



## **Independent Auditor's Report**

To the Honorable Mayor Michael E. Duggan and  
the Honorable Members of the City Council  
City of Detroit, Michigan

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Detroit, Michigan (the "City") as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the City of Detroit, Michigan's basic financial statements, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the following discretely presented component units: Detroit Brownfield Redevelopment Authority, Detroit Public Library, Detroit Transportation Corporation, Downtown Development Authority, Eastern Market Corporation, Economic Development Corporation, Local Development Finance Authority, Museum of African American History, Detroit Land Bank Authority, Eight Mile/Woodward Corridor Improvement Authority, and Community Education Commission, which collectively represent 76.36 percent, 74.10 percent, and 59.49 percent of the assets, net position, and revenue, respectively, of the discretely presented component units. We also did not audit the financial statements of the following blended component units: Public Lighting Authority, which is a major enterprise fund with assets, net position, and revenue of \$225.8 million, \$39.5 million, and \$26.5 million, respectively, and the Detroit Building Authority and Greater Detroit Resource Recovery Authority, which collectively represent 1.12 percent, 0.32 percent, and 4.94 percent of the assets, net position/fund balance, and revenue, respectively, of the aggregate remaining fund information. Those financial statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the business-type activities, aggregate discretely presented component units, Public Lighting Authority as a major enterprise fund, and aggregate remaining fund information, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the General Retirement System and Police and Fire Retirement System, as well as the Greater Detroit Resource Recovery Authority, Detroit Public Library, and Community Education Commission, were not audited under *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

To the Honorable Mayor Michael E. Duggan and  
the Honorable Members of the City Council  
City of Detroit, Michigan

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Opinions***

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Detroit, Michigan as of June 30, 2020 and the respective changes in its financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 1 to the basic financial statements, the beginning of year net position of the governmental activities was reduced by approximately \$99 million related to capital assets. Our opinion is not modified with respect to this matter.

***Other Matters***

***Required Supplemental Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplemental information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Detroit, Michigan's basic financial statements. The other supplemental information, as identified in the table of contents, and introductory and statistical sections are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

To the Honorable Mayor Michael E. Duggan and  
the Honorable Members of the City Council  
City of Detroit, Michigan

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2020 on our consideration of the City of Detroit, Michigan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Detroit, Michigan's internal control over financial reporting and compliance.

*Plante & Moran, PLLC*

December 17, 2020

**Management's Discussion and Analysis**

**(MD&A)**

**(Unaudited)**

As management of the City of Detroit (the “City”), we offer readers of the City’s Comprehensive Annual Financial Report (CAFR) this narrative overview and analysis of the financial activities of the City for the year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

**COVID-19**

The COVID-19 pandemic began during the second half of the City’s fiscal year 2020. COVID-19 had a significant impact on the City’s financial activity, including revenue reductions and expenditure increases to respond to the pandemic. The City’s leadership took quick action to reduce other expenditures and to maximize grant funding to mitigate the impact. The fiscal year 2020 financial results illustrate how the City leadership’s actions kept the City in a sound financial position as of June 30, 2020.

**FINANCIAL HIGHLIGHTS**

The following are the City’s financial highlights For the Year Ended June 30, 2020:

**Government Wide**

- At June 30, 2020, the City’s total net position was \$844 million.
- The City’s unrestricted net position reflected a deficit of \$1.03 billion as of June 30, 2020.
- The City had revenue of \$2.16 billion, and expenses of \$2.18 billion for the year ended June 30, 2020.

**Fund Level**

- The General Fund assets exceeded its liabilities and deferred inflows of resources by \$746.3 million, and cash and investments on hand, including restricted balances, totaling \$621.3 million was \$16.8 million lower than the \$638.1 million at June 30, 2019.

	2020 (In thousands)			2019 (In thousands)		
	General Fund	Other Governmental Funds	Totals	General Fund	Other Governmental Funds	Totals
Cash and investments	\$ 340,900	\$ 390,526	\$ 731,426	\$ 335,494	\$ 286,977	\$ 622,471
Restricted cash and investments	280,377	145,442	425,819	302,601	176,462	479,063
Total Cash and investments	\$ 621,277	\$ 535,968	\$ 1,157,245	\$ 638,095	\$ 463,439	\$ 1,101,534

- The General Fund had a fund balance of \$746.3 million, a \$54.2 million increase from the \$692.1 million fund balance at June 30, 2019.
- The General Fund had unassigned cumulative fund surplus of \$109.1 million at June 30, 2020, a \$14.1 million decrease from the \$123.2 million surplus at June 30, 2019. The City’s enterprise funds had a net position of

\$1.28 billion at June 30, 2020, an increase of \$20 million from \$1.26 billion at June 30, 2019. The enterprise funds cumulative unrestricted net position was \$759.7 million at June 30, 2020.

### **Long-term Debt Activities**

- The City's total bonded debt at June 30, 2020 was \$2.10 billion, an increase of \$55.1 million from the June 30, 2019 balance.
- Total primary government long-term obligations were \$4.9 billion, at June 30, 2020, an increase of \$222.0 million from the \$4.7 billion at June 30, 2019.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is an introduction to the City's basic financial statements, which has been comprised of three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the basic financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

#### **Government-wide Financial Statements**

Government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business. The financial statements include the Statement of Net Position and the Statement of Activities. These statements are prepared using the economic resources measurement focus and accrual basis of accounting. They take into account all revenues and expenses connected with the fiscal year, regardless of when the City received or paid the cash. The Statement of Net Position and the Statement of Activities are two financial statements that report information about the City as a whole, and about its activities. This statement should help answer how has the City's financial position, as a whole, changed as a result of this year's activities. These statements include all non-fiduciary assets and liabilities.

The Statement of Net Position presents all of the City's assets, deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases and decreases in net position measure whether the City's financial position is improving or eroding.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying events giving rise to the change occur, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both statements report three activities:

- **Governmental Activities** – Most of the City's basic services such as public protection (police and fire) and public works are reported under this category. Taxes and intergovernmental revenues generally fund these services.
- **Business-Type Activities** – The City charges fees to customers to help it cover all or most of the cost of services it provides such as water and transportation.
- **Discretely Presented Component Units** – Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. There are fourteen legally separate organizations presented as discretely presented component units including the Economic Development Corporation, Museum of African American History, Detroit Employment Solutions Corporation and Housing Commission that are reported as discretely presented component units.

### Fund Financial Statements

The fund financial statements provide detailed information regarding the major individual funds. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the City uses to keep track of specific sources of funding and spending for a particular purpose. The City's funds are divided into three categories; governmental, business-type and fiduciary which use different accounting approaches.

- **Governmental Funds** - Most of the City's basic services are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for future spending. The governmental fund financial statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Governmental funds include the General Fund and other governmental funds.
- **Business-type Funds** - When the City charges customers for services it provides, whether to outside customers or to other agencies within the City, these services are generally reported in business-type funds. Business-Type (e.g., Enterprise) funds utilize accrual accounting, the same method used by private sector businesses. Enterprise funds report activities that provide supplies and services to the general public (e.g., Transportation Fund).
- **Internal Service Funds**— The City uses internal service funds to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City and to other governmental units, on a cost-reimbursement basis.
- **Fiduciary Funds** - The City acts as a trustee or fiduciary for its employee pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. The City's fiduciary activities are reported in the Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. These funds, which include pension, other employee benefits, and agency funds are reported using accrual accounting. The government-wide statements exclude fiduciary fund activities and balances because these assets are restricted in purpose and do not represent discretionary assets of the City to finance its operations.

### Notes to the Basic Financial Statements

The Notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found immediately following the basic financial statements.

### Additional Required Supplementary Information

The required supplementary information that follows the basic financial statements further explains and supports the information in the financial statements.

### Other Supplementary Information

Other supplementary information includes combining financial statements for non-major governmental, proprietary, internal service, agency, and fiduciary funds. These funds are added together, by fund type, and are presented in single columns in the basic financial statements, but are not reported individually, as are the major funds on the government-wide statements.



**FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

**Government-wide Net Position**

Net Position (assets and deferred outflows less liabilities and deferred inflows) serves as a useful indicator of a government’s financial position. The City’s assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$844 million at June 30, 2020, resulting in unrestricted net deficit of \$1.03 billion at June 30, 2020.

**Total Primary Government**

The City’s net investment in capital assets (e.g. land, buildings, equipment, infrastructure, and others), net of any related debt outstanding that was needed to acquire or construct the assets was \$1.62 billion at June 30, 2020, which was \$10 million more than the \$1.61 billion at June 30, 2019. The City uses capital assets to provide services to citizens, consequently, these assets are not available for future spending.

Summary of Net Position						
June 30, 2020 and 2019 (In Thousands)						
	Governmental Activities		Business Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
<b>Assets</b>						
Current and other non-current assets	\$ 1,655,143	\$ 1,592,933	\$ 1,516,330	\$ 1,476,162	\$ 3,171,473	\$ 3,069,095
Capital assets	1,415,652	1,474,138	1,481,982	1,445,989	2,897,634	2,920,127
Total assets	3,070,795	3,067,071	2,998,312	2,922,151	6,069,107	5,989,222
<b>Deferred Outflows of Resources</b>	170,202	100,880	29,511	19,519	199,713	120,399
<b>Liabilities</b>						
Current and other liabilities	324,610	276,794	141,429	133,907	466,039	410,701
Long-term obligations	3,311,898	3,147,167	1,599,111	1,542,151	4,911,009	4,689,318
Total liabilities	3,636,508	3,423,961	1,740,540	1,676,058	5,377,048	5,100,019
<b>Deferred Inflows of Resources</b>	43,658	32,510	4,176	6,869	47,834	39,379
<b>Net position:</b>						
Net investment in capital assets	1,102,806	1,131,791	514,427	476,726	1,617,233	1,608,517
Restricted	243,879	251,174	8,963	8,835	252,842	260,009
Unrestricted (deficit)	(1,785,855)	(1,671,484)	759,717	773,182	(1,026,138)	(898,302)
Total net position (deficit)	\$ (439,169)	\$ (288,519)	\$ 1,283,107	\$ 1,258,743	\$ 843,937	\$ 970,224

Restricted net position totaling \$252.8 million, at June 30, 2020 are resources subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used. The City presents restricted net position for Highway and Street Improvement (\$64.2 million), Construction Code (\$6.0 million), Debt Service (\$72.4 million), Improvements and Extensions (\$1.5 million), Budget Stabilization (\$7.5 million), Endowments and Trusts (\$1.7 million), Grants (\$31.9 million), Police (\$5.8 million), Rubbish Collection and Disposal (\$43.5 million), Community and Economic Development (\$18.3 million).

The remaining balance is an unrestricted accumulated deficit of \$1.03 billion at June 30, 2020. A deficit represents a shortage of assets available to meet all City’s obligations if they were immediately due and payable.

**Governmental Activities**

At June 30, 2020, the City's governmental activities had a net deficit of \$439.2 million, a deficit increase of \$150.7 million from the \$288.5 million net deficit at June 30, 2019.

Net Investment in Capital assets totaled \$1.10 billion. Restricted net position totaled \$243.9 million at June 30, 2020. The unrestricted net deficit totaled \$1.79 billion at June 30, 2020, a \$120 million increase from the \$1.67 billion deficit at June 30, 2019.

**Business-type Activities**

The business-type activities had a net position of \$1.28 billion at June 30, 2020, an increase of \$20 million from the \$1.26 billion net position at June 30, 2019. The unrestricted net position totaled \$759.7 million at June 30, 2020, a \$13.5 million decrease from net position of \$773.2 million at June 30, 2020.

The Water Fund had a \$564.9 million net surplus at June 30, 2020. The Sewage Disposal Fund had a net surplus of \$763.9 million at June 30, 2020. The Transportation, Public Lighting Authority and Other Enterprise Fund Airport, had net deficit totaling \$45.7 million at June 30, 2020.

**Government-wide Changes in Net Position**

The following condensed financial information was derived from the government-wide statement of activities and reflects how the City's net position changed during the fiscal year:

**Summary of Changes in Net Position  
June 30, 2020 and 2019 (In Thousands)**

	<u>Governmental Activities</u>		<u>Business Type Activities</u>		<u>Total Primary Government</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$ 306,128	\$ 283,986	\$ 477,103	\$ 442,862	\$ 783,231	\$ 726,848
Operating Grants and Contributions	288,342	193,930	57,375	55,791	345,717	249,721
Capital Grants and Contributions	-	303	34,526	25,210	34,526	25,513
General Revenues:						
Property Taxes	189,639	181,384	-	-	189,639	181,384
Municipal Income Tax	304,292	376,668	-	-	304,292	376,668
Utility Users Tax	26,866	28,359	-	-	26,866	28,359
Wagering Tax	132,404	183,816	-	-	132,404	183,816
Other taxes and assessments	2,535	5,036	-	-	2,535	5,036
Other Local Taxes	-	-	-	-	-	-
Interest and Penalties on Taxes	3,153	3,221	-	-	3,153	3,221
State Shared Taxes	194,143	211,657	-	-	194,143	211,657
State Returnable Liquor License Fees	-	-	-	-	-	-
Investment Earnings	25,920	22,785	3,197	4,164	29,117	26,949
Miscellaneous	48,656	66,867	43,556	46,469	92,212	113,336
<b>Total Revenues</b>	<b>1,522,078</b>	<b>1,558,012</b>	<b>615,757</b>	<b>574,496</b>	<b>2,137,835</b>	<b>2,132,508</b>
<b>Expenses:</b>						
Public Protection	618,928	578,833	-	-	618,928	578,833
Health	63,926	35,945	-	-	63,926	35,945
Recreation and Culture	37,826	29,412	-	-	37,826	29,412
Economic Development	78,756	99,866	-	-	78,756	99,866
Housing Supply and Conditions	41,892	34,111	-	-	41,892	34,111
Physical Environment	83,210	168,739	-	-	83,210	168,739
Transportation Facilitation	96,824	63,778	-	-	96,824	63,778
Development and Management	472,186	395,668	-	-	472,186	395,668
Interest on Long-term Debt	63,639	34,021	-	-	63,639	34,021
Capital Outlay	-	-	-	-	-	-
Sewage Disposal	-	-	323,539	297,055	323,539	297,055
Transportation	-	-	162,061	178,880	162,061	178,880
Water	-	-	115,817	104,479	115,817	104,479
Automobile Parking	-	-	-	16,142	-	16,142
Airport	-	-	1,025	5,072	1,025	5,072
Public Lighting Authority	-	-	22,917	22,214	22,917	22,214
<b>Total Expenses</b>	<b>1,557,187</b>	<b>1,440,373</b>	<b>625,359</b>	<b>623,842</b>	<b>2,182,546</b>	<b>2,064,215</b>
<b>Excess (Deficiency) Before Asset Impairment</b>	<b>(35,109)</b>	<b>117,639</b>	<b>(9,602)</b>	<b>(49,346)</b>	<b>(44,711)</b>	<b>68,293</b>
Gain on Sale of Capital Assets	16,892	-	413	(176)	17,305	(176)
Transfers - Net	(33,553)	(68,320)	33,553	68,320	-	-
<b>Increase (Decrease) in Net Position</b>	<b>(51,770)</b>	<b>49,319</b>	<b>24,364</b>	<b>18,798</b>	<b>(27,406)</b>	<b>68,117</b>
<b>Net Position, July 1 (as restated Note 1)</b>	<b>(387,399)</b>	<b>(337,838)</b>	<b>1,258,743</b>	<b>1,239,945</b>	<b>871,344</b>	<b>902,107</b>
<b>Net Position, June 30</b>	<b>\$ (439,169)</b>	<b>\$ (288,519)</b>	<b>\$ 1,283,107</b>	<b>\$ 1,258,743</b>	<b>\$ 843,938</b>	<b>\$ 970,224</b>

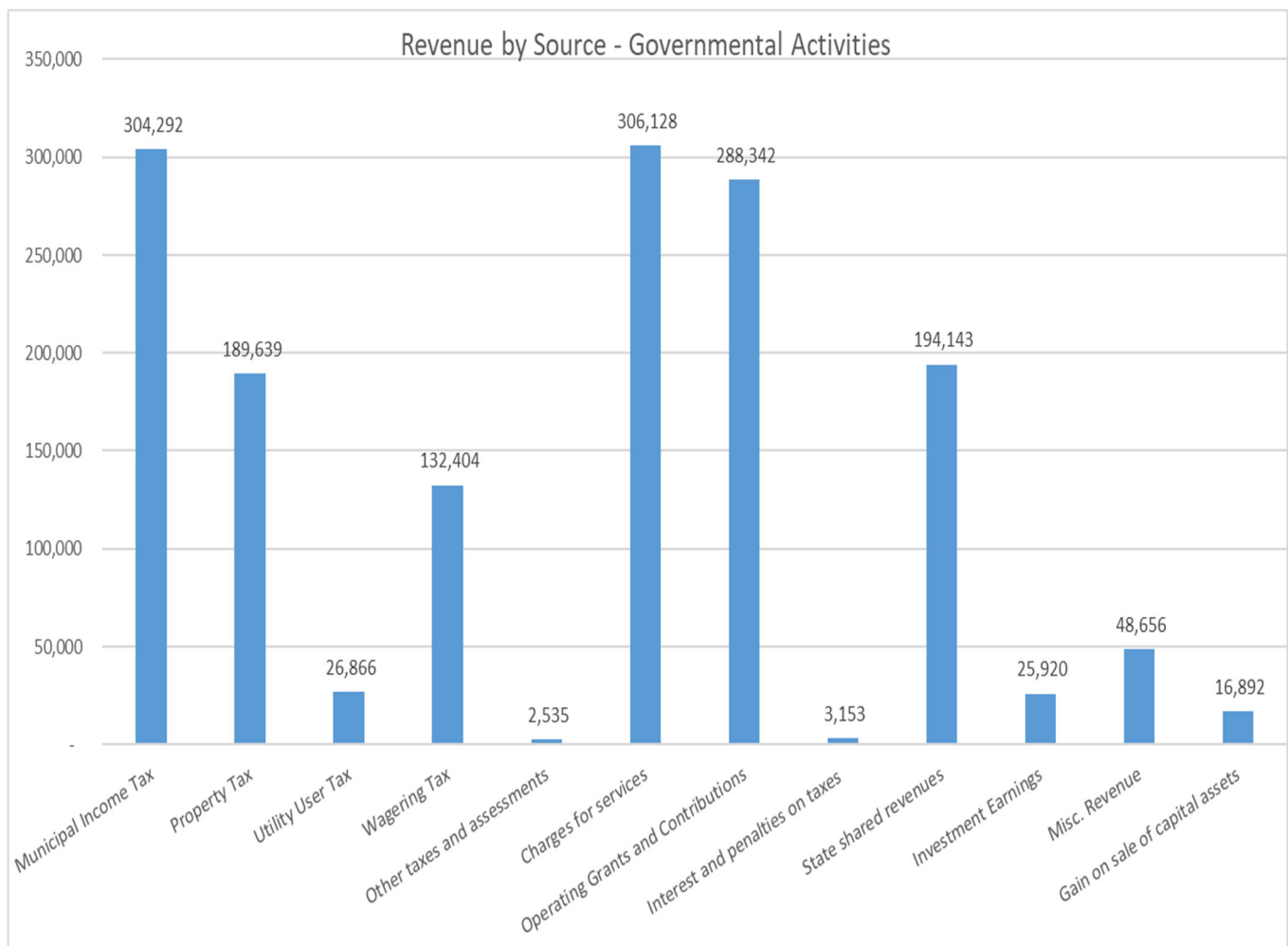
**Total Primary Government**

Total revenues for the year ended June 30, 2020 were \$2.16 billion an increase of \$22.8 million from prior year.

Total expenses for the year ended June 30, 2020 were \$2.18 billion an increase of \$118.3 million from the prior fiscal year.

**Governmental Activities**

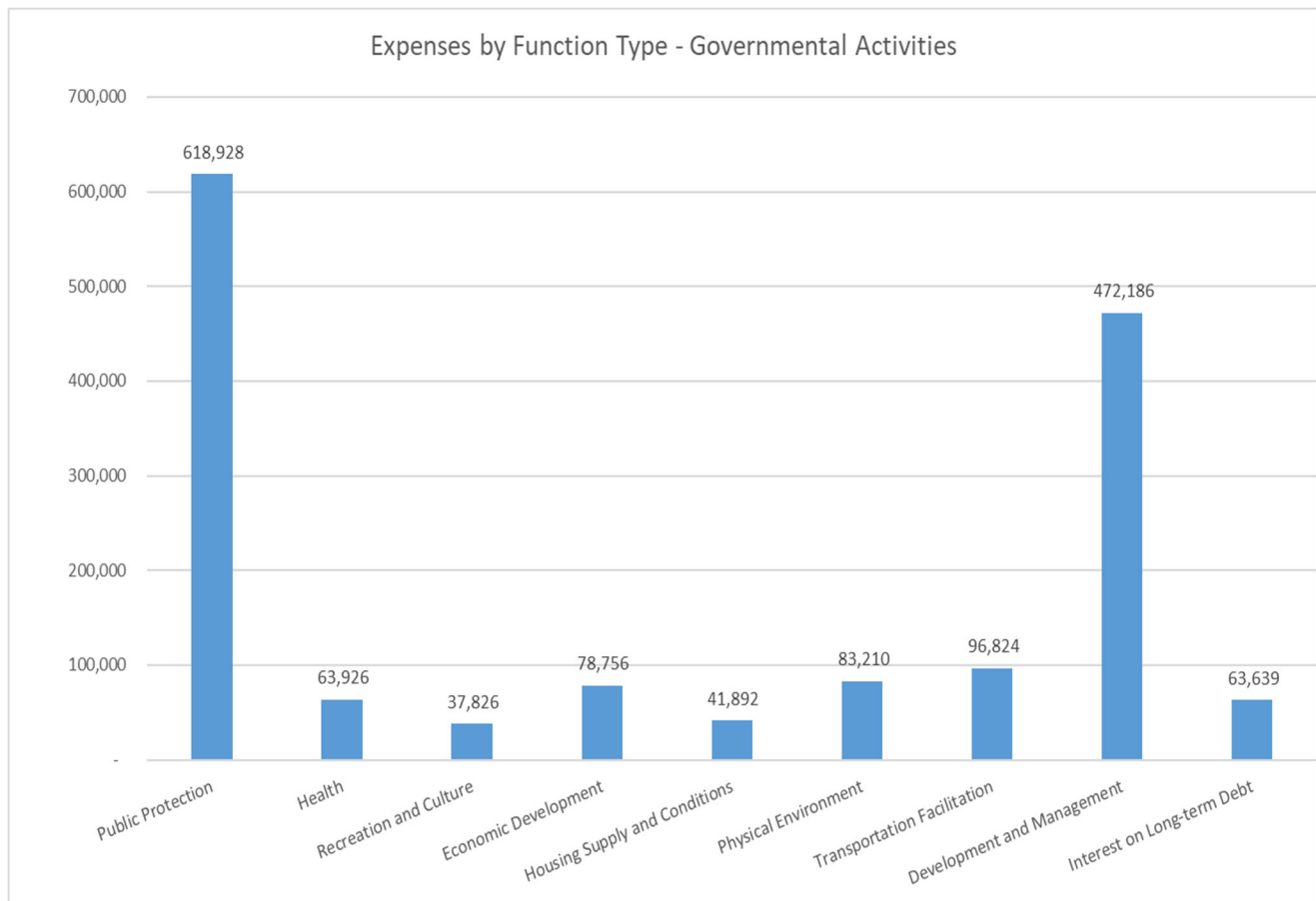
The following chart depicts revenue of the governmental activities for the year ended June 30, 2020 (in thousands):



The governmental activities revenues totaled \$1.54 billion for the year ended June 30, 2020. The amount that taxpayers paid for these activities through City taxes was \$655.7 million or 42.6% of total revenues, a \$119.5 million decrease from the prior fiscal year amount, mainly resulting from a decrease in Municipal Income Tax and Wagering Tax. Property taxes were \$8.3 million more than the prior fiscal year, and Municipal income taxes were \$72.4 million less than the prior fiscal year amount. Utility user taxes decreased by \$1.5 million. Wagering (casino) tax revenues decreased by \$51.4 million. Other Tax & assessments revenues decreased by \$2.5 million. Other funding for governmental activities was provided from the following sources:

- Charges for services paid by those who directly benefited totaled \$306.1 million or 20.0% of total revenues. These services included permits, parking fines, licenses, and solid waste fees. Charges for services were \$22.1 million more than the \$284.0 million for the year ended June 30, 2019.
- Other governments and organizations subsidized programs such as health related activities and community development projects with grants and contributions totaling \$288.3 million or 18.7% of total revenue.
- Other revenues such as state aid (revenue sharing), interest, and miscellaneous income funded the “public benefit” portion of various programs and totaled \$271.9 million or 17.7% of total revenue. This was \$32.7 million less than the \$304.5 million for the year ended June 30, 2019.
- Gain on sale of capital assets totaled \$16.9 million or 1.1% of total revenue. This was \$16.9 million more than the year ended June 30, 2019.

The following chart depicts expenses of the governmental activities for the year ended June 30, 2020 (in thousands):



The governmental activities expenditures totaled \$1.56 billion for the year ended June 30, 2020, an increase of \$116.8 million from the prior fiscal year.

The increase is primarily related to additional expenditures for Development and Management of \$76.5 million, Public Protection of \$40.1 million, Transportation Facilitation of \$33.0 million, and Interest on Long-term Debt of \$29.6 million. The increase spending was partially offset by decreased spending for Physical Environment by \$85.5 million, and Economic Development by \$21.1 million.

### **Business-type Activities**

The total net position for business-type activities was \$1.28 billion at June 30, 2020, an increase of \$20.0 million in net position of \$1.26 billion from fiscal year 2019. Detailed below are the results for the major business-type funds:

#### **Water Fund**

The Water Fund had a net position of \$564.9 million at June 30, 2020, an increase of \$21.7 million from the prior year net position of \$543.3 million.

The change in the Water Fund's net position was primarily due to changes from the pension actuarial report which had an increase in pension recovery revenue of \$17 million. The Water fund also receive principal forgiveness from their State Revolving Fund Loans equal to \$4.7 million.

The total operating revenues were \$114.8 million for the year ended June 30, 2020, a increase of \$13.3 million from the prior fiscal year. The total operating revenue increase was primarily due to actuarial changes in pension evaluation. The total operating expenses were \$91.2 million for the year ended June 30, 2020, a increase of \$9.1 million from the prior fiscal year. The operating expenses change was primarily caused by bad debt, which increased by \$9 million compared to the prior year. The other category of expenses that influence the change in operating expenses was pension expense, in year ended June 30, 2019, there was a credit of \$13.4 million, in year ended June 30, 2020, there was an expense of \$12 million. The total operating income was \$23.6 million for the year ended June 30, 2020, an increase of 4.3 million.

#### **Sewage Disposal Fund**

The Sewage Disposal Fund had a net position of \$763.9 million at June 30, 2020, an increase of \$31.5 million from the prior year net position of \$732.4 million.

The total operating revenues were \$331.7 million for the year ended June 30, 2020, an increase of \$33.3 million from the prior fiscal year, this increase was caused by increases in all categories of operating revenue. Commodity revenues increased by \$13 million and the pension recovery revenue increased by \$20 million. The total operating expenses were \$304.0 million for the year ended June 30, 2020, an increase of \$28.2 million from the prior fiscal year, mainly caused by increased pension expense of \$25 million from year ended June 30, 2019. The total operating income was \$27.7 million for the year ended June 30, 2020, an increase of \$5.1 million.

#### **Transportation Fund**

The Transportation Fund (DDOT) reported a net deficit of \$107.0 million as of June 30, 2020, a deficit increase of \$10.3 million from the prior fiscal year's net deficit of \$96.7 million.

Notwithstanding the significance of the increased deficit, DDOT reflected an \$8.9 million improvement in the change in the net deficit as compared to a year earlier. Such improvement was generated by a \$9.6 million reduction in fiscal year Operating Losses and a \$3.3 million increase in Non-Operating Income, offset by a \$4.1 million reduction in the combination Capital Contributions and net Transfers from Other Funds.

**Public Lighting Authority (the "PLA")**

Because the PLA is in substance a part of the City's operation, its financial statements are blended (Blended Component Unit) with the City's financial statements in the CAFR's Enterprise Funds section. The PLA had a \$39.5 million net position at June 30, 2020, a \$3.6 million increase from \$35.9 million net position at June 30, 2019. The General Fund contribution to the PLA was \$10.5 million for the year ended June 30, 2020, which was equivalent to the prior year contribution.

**Airport (Other Enterprise Funds)**

Other Enterprise Funds include the Airport Fund. The Airport Fund had a \$21.8 million net position as of June 30, 2020, a \$5.7 million increase from June 30, 2019. The General Fund contribution to the Airport Fund was \$5.3 million for the fiscal year ended June 30, 2020, which was \$3.1 million more than the prior year's appropriation of \$2.2 million.

**Automobile Parking Fund (Former Other Enterprise Fund)**

Effective July 1, 2019, the Automobile Parking Fund was merged into the General, as a result, all of its FY 20 activity is now included in the General Fund. The transfer on July 1, 2019 amounted to approximately \$11.8 million. In addition, net assets of \$16 million were transferred to governmental activities.

For more details on transfers, see Note 5.

**FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS**

The City's governmental funds reported a combined ending fund balance of \$1.10 billion at June 30, 2020, a \$14 million increase from the \$1.09 billion fund balance at June 30, 2019.

**General Fund**

The General Fund is the chief operating fund of the City. The General Fund had a \$746.3 million fund balance at June 30, 2020, a \$54.2 million increase from the \$692.1 million at June 30, 2019. The fund balance includes unassigned fund balance of \$109.1 million, a \$14.2 million decrease from the \$123.2 million unassigned balance at June 30, 2019. The General Fund remaining fund balance includes:

(1) Restricted for Quality of Life \$2.7 million, (2) Restricted for Debt Service \$27.5 million, (3) Restricted for Pension \$184.7 million, (4) Assigned for Budget Reserve \$107.3 million, (5) Assigned for Continuing Appropriations \$85.7 million, (6) Assigned for Subsequent Year Budget \$77.4 million, and (7) Committed and Assigned for Risk Management Operations \$74.0 million.



General Fund Balance Sheet  
 June 30, 2020 and 2019  
 (In Millions)

	2020	2019
<b>Assets</b>	<b>\$ 1,124</b>	<b>\$ 1,088</b>
<b>Liabilities and Deferred Inflows of Resources</b>	<b>378</b>	<b>396</b>
<b>Fund Balance</b>		
Nonspendable	78	72
Restricted	215	181
Committed	20	20
Assigned	324	296
Unassigned for:		
Unassigned for General Fund	109	123
Total Fund Balance	746	692
<b>Total Liabilities and Fund Balance</b>	<b>\$ 1,124</b>	<b>\$ 1,088</b>

**COVID -19 IMPACT - GENERAL FUND**

Municipal Income Taxes - Due to the COVID-19 pandemic, there was a significant reduction in Municipal Income Tax revenue as employers closed their establishments and laid off or furloughed many of their employees. Unemployment compensation, including the recent Federal Pandemic Unemployment Compensation under the CARES Act, is not subject to the City’s income tax. Nonresidents may be eligible for additional income tax refunds for work now performed remotely due to COVID-19. The City has reduced its fiscal year 2020 income tax revenue by \$23.5 million for this liability.

Wagering Taxes - Due to the COVID-19 pandemic, Governor Whitmer issued Executive Order 2020-9 on March 16, 2020, temporarily closing bars, theaters, casinos, and other public spaces. The three Detroit casinos closed, suspending all activities that generate wagering tax revenue. The casino closures remained in effect through June 30, 2020. Thus, the City collected minimal wagering taxes in the final three months of fiscal year 2020. The financial impact resulted in an approximately \$51.4 million reduction in Wagering Taxes when compared to fiscal year 2019.

State Aid (State Revenue Sharing) - In fiscal year 2020, the State enacted Public Act 123 of 2020 in July 2020 to rebalance the State budget following estimated revenue losses due to COVID-19. Among other things, it eliminated the August 2020 statutory payment for all cities, villages, and townships (\$24 million for the City Detroit) and appropriated Coronavirus Relief Fund grants as replacement revenue to local governments from the State’s CARES Act funds (\$37.4 million for the City of Detroit). The City received these funds in fiscal year 2021.

Salaries and Wages Expense - In response to the pandemic during fiscal year 2020, the City took quick action to reduce employee expenses. The City initiated workforce actions on April 20, 2020. This included laying off over 200 employees and temporarily reducing the hours of over 2,000 employees. This action reduced Salaries and Wages expenses in the General Fund by approximately \$9.8 million. The City also documented over \$109 million in expenses responsive to COVID-19 that were charged to its federal CARES Act Coronavirus Relief Fund grant. This included payroll costs such as: public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 pandemic.

**General Fund Budgetary Highlights**

The City’s fiscal year 2020 General Fund amended budget was \$1.25 billion.

Actual revenues were less than the budget by \$323.6 million for the year ended June 30, 2020. However, this is attributable to budgeted uses of fund balance included as revenues in the budget presentation but not actual revenues. In June 2020, the City Council approved a budget amendment recognizing the estimated revenue losses caused by the COVID-19 pandemic and the corresponding appropriation reductions to maintain a balanced budget. Actual revenues also include interfund adjustments that were not included in the budget.

Actual expenditures were less than budgeted expenditures by \$236.0 million for the year ended June 30, 2020. The reduction in General Fund expenditures is primarily attributable to COVID-19 responsive spending that was charged to the federal CARES Act Coronavirus Relief Fund. In addition, an increase in the Budget Reserve is included in expenditures in the budget presentation but not actual expenditures, as it is assigned in fund balance instead. Lastly, actual expenditures also include interfund adjustments that were not included in the budget.

The difference in the Net Change in Fund Balances between the Original Budget and the Final Amended Budget of \$141.8 million consisted of a net increase in budgeted revenues of \$144.0 million offset by a net increase in budgeted expenditures of \$2.2 million. The net increase in budgeted revenues is primarily attributable to changes in the budgeted uses of fund balance and the recognition of budgeted transfers for risk management. The net increase in budgeted expenditures is attributable to the same recognition of budgeted transfers for risk management, net of appropriation reductions approved by the City Council to maintain a balanced budget.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

**Total Government**

At June 30, 2020, the City had invested \$2.90 billion, net of accumulated depreciation, in a broad range of capital assets (see table below). This was very comparable to the \$2.82 billion from the prior year.

Summary of Capital Assets  
June 30, 2020 and 2019  
(In Thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019 (as restated)	2020	2019	2020	2019 (as restated)
Land and Land Rights	\$ 274,248	\$ 271,007	\$ 24,232	\$ 27,973	\$ 298,480	\$ 298,980
Land Improvements			16,114	14,178	16,114	14,178
Buildings, Structures, and Improvements	581,247	583,621	653,488	679,452	1,234,735	1,263,073
Sewer and Water Lines			389,846	386,291	389,846	386,291
Equipment and Fixtures	118,355	114,874	236,701	235,437	355,056	350,311
Works of Art	29,788	29,788			29,788	29,788
Infrastructure	334,696	339,898	-	-	334,696	339,898
Construction in Progress	77,318	36,070	161,602	102,657	238,920	138,727
<b>Total</b>	<b>\$ 1,415,652</b>	<b>\$ 1,375,258</b>	<b>\$ 1,481,983</b>	<b>\$ 1,445,988</b>	<b>\$ 2,897,635</b>	<b>\$ 2,821,246</b>

### Governmental Activities

Governmental Activities capital assets at June 30, 2020 were \$1.42 billion which was slightly more than the \$1.38 (as restated) billion at June 30, 2019. The City acquired \$30.1 million in new depreciable assets. Depreciation expenses totaled \$99.4 million for the year ended June 30, 2020, which was \$0.5 million more than the prior fiscal year. A portion of the changes are attributable to the merger of the Automobile Parking capital assets into the Governmental activities, effective July, 1 2019.

At June 30, 2020, the City governmental activities had commitments for future capital asset construction contracts of \$56.6 million, and construction in progress for \$77.3 million.

Major capital assets acquired and projects completed or in progress during the year ended June 30, 2020 included the following:

- \$35.0 million for road construction and resurfacing
- \$13.3 million for renovation of parks and recreation centers
- \$11.0 million for Public Works machinery, trucks and equipment
- \$6.2 million for Police purchases of 92 vehicles, machinery and communication equipment
- \$4.3 million for Police purchase of new building and precinct capital improvements
- \$4.2 million for Recreation and General service department machinery and equipment
- \$4.1 million for General service department machinery vehicles and equipment
- \$3.3 million for Fire Department purchase of seven Ambulances, 31 vehicles and lifesaving equipment
- \$1.5 million for Fire department installation of generators and transfer switches
- \$1.5 million for City Council chamber renovations
- \$1.4 million for DPW facility Generator improvements

### Business-type Activities

Business-type activities capital assets at June 30, 2020 were \$1.48 billion, an increase of \$36.0 million from the balance at June 30, 2020.

Construction work in progress, major capital assets acquired, and projects completed during the year ended June 30, 2020 included the following:

The Water and Sewerage Department is engaged in a variety of projects that are part of its five-year capital improvements program, including water main replacements, fire hydrant replacements, sewer system rehabilitation, vehicle and equipment purchases, and information technology upgrades. The program is being financed primarily from lease payments from the Great Lakes Water Authority and proceeds from the issuance of revenue bonds by Great Lakes Water Authority. The total amount of construction contract commitments outstanding at June 30, 2020 was approximately \$57 million and \$17 million for the Water Fund and Sewage Disposal Fund, respectively.

For additional details on Capital Assets see Note 6.

**Long-term Debt**

At June 30, 2020, the City had total bonded debt of \$2.10 billion outstanding, \$1.70 billion of which are general obligation bonds backed by the full faith and credit of the City, and \$395.5 million in revenue bonds or other indebtedness.

**Outstanding Bonded Debt  
June 30, 2020 and 2019  
(In Thousands)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
General Obligation Bonds	\$ 1,417,771	\$ 1,495,540	\$ 286,904	\$ 273,853	\$ 1,704,675	\$ 1,769,393
Revenue bonds and Other Indebtedness	163,425	129,506	232,077	146,138	395,502	275,644
Total	<b>\$ 1,581,196</b>	<b>\$ 1,625,046</b>	<b>\$ 518,981</b>	<b>\$ 419,991</b>	<b>\$ 2,100,177</b>	<b>\$ 2,045,037</b>

Total primary government general obligation bonded debt decreased by \$64.7 million during the year ended June 30, 2020. The decrease relates to payment of \$77.5 million in principal and \$4.2 million in new capital improvement bonds.

Revenue bonds and other indebtedness increased by \$119.9 million during the year ended June 30, 2020. The reason for the increase was the drawdown of approximately of \$38.5 million in Michigan Transportation Bonds, Water Revenue Bonds with a Par value of 85.6 million were sold to address Water Infrastructure maintenance and repair, and the payment of approximately \$5 million in principal in HUD Notes.

For additional details on Long-term Debt see Note 7.

The City’s credit ratings on uninsured general obligation bonds as of June 30, 2020 were:

<b>Moody’s Investors Service, Inc.</b>	<b>Ba3</b>
<b>Standard &amp; Poor’s Corporation</b>	<b>BB-</b>

The City’s credit ratings were below investment grade, primarily due to weakness in its economic base relative to peers. An impact of the City’s credit ratings below investment grade status comes in the form of higher borrowing costs.

**CONTACTING THE CITY’S OFFICE OF THE CHIEF FINANCIAL OFFICER**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City’s finances and to demonstrate the City’s accountability for the money it receives. Additional copies of this report and other financial information can be obtained by visiting the Office of the Chief Financial Officer’s website at <http://www.detroitmi.gov/How-Do-I/City-of-Detroit-CAFR-Find-How-Do-I-City-of-Detroit-MI>. You can also contact the office by phone at (313) 628-2535. The City’s component units issue their own audited financial statements. These statements may be obtained by directly contacting the component unit.



June 30, 2020

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and investments	\$ 744,350,045	\$ 176,895,569	\$ 921,245,614	\$ 293,693,773
Receivables - Net	279,216,573	106,000,035	385,216,608	12,219,853
Due from component units	818,665	-	818,665	-
Internal balances	3,123,359	(3,123,359)	-	-
Due from primary government	-	-	-	7,486,499
Inventory	-	10,353,067	10,353,067	3,314,480
Prepaid expenses and other assets	14,994,559	1,648,962	16,643,521	41,661,909
Loans, notes, and pledges receivable	-	-	-	14,403,705
Due from fiduciary funds	707,146	-	707,146	-
Internal advances	46,423,800	(46,423,800)	-	-
Receivables from Great Lakes Water Authority - Current	-	43,167,335	43,167,335	-
Due from other governmental agencies	68,241,386	15,192,164	83,433,550	22,952,950
Restricted assets:				
Restricted cash and investments	425,819,041	192,304,615	618,123,656	50,103,031
Other restricted assets	10,870,395	-	10,870,395	21,356,895
Net pension asset	37,262,730	-	37,262,730	-
Advances to component units	23,315,637	-	23,315,637	-
Capital assets:				
Assets not subject to depreciation	381,354,263	185,833,523	567,187,786	148,088,488
Assets subject to depreciation - Net	1,034,298,038	1,296,148,573	2,330,446,611	1,151,934,963
Receivables from Great Lakes Water Authority - Noncurrent	-	1,020,315,834	1,020,315,834	-
<b>Total assets</b>	<b>3,070,795,637</b>	<b>2,998,312,518</b>	<b>6,069,108,155</b>	<b>1,767,216,546</b>
<b>Deferred Outflows of Resources</b>				
Deferred charges on bond refunding	11,018,651	-	11,018,651	-
Deferred pension costs	158,593,626	29,375,919	187,969,545	9,336,739
Deferred death benefit costs	590,013	134,819	724,832	-
<b>Total deferred outflows of resources</b>	<b>170,202,290</b>	<b>29,510,738</b>	<b>199,713,028</b>	<b>9,336,739</b>
<b>Liabilities</b>				
Accounts and contracts payable	123,113,401	22,967,667	146,081,068	35,883,688
Due to fiduciary funds	-	1,687,489	1,687,489	-
Due to other governmental agencies	27,518,493	3,477,509	30,996,002	3,004,848
Due to component units	108	7,486,391	7,486,499	-
Due to primary government	-	-	-	818,665
Deposits	7,522,307	9,283,915	16,806,222	-
Other liabilities:				
Accrued salaries and wages	40,961,312	5,846,751	46,808,063	1,006,327
Accrued interest payable	14,896,612	5,223,957	20,120,569	35,196,209
Accrued liabilities	28,505,170	27,479,378	55,984,548	37,344,495
Income tax refunds payable	40,876,632	-	40,876,632	-
Due to Great Lakes Water Authority	-	32,041,306	32,041,306	-
Unearned revenue	16,216,973	25,934,791	42,151,764	5,921,232
Settlement credit liability	25,000,000	-	25,000,000	-

Statement of Net Position (Continued)

June 30, 2020

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Liabilities (Continued)</b>				
Noncurrent liabilities:				
Due within one year:				
Compensated absences	\$ 40,734,756	\$ 4,169,431	\$ 44,904,187	\$ -
Accrued workers' compensation and claims and judgments	12,747,941	1,172,758	13,920,699	-
Current portion of shortfall loan payable to Great Lakes Water Authority	-	18,206,431	18,206,431	-
Current portion of bonds and contracts payable	105,463,780	33,580,948	139,044,728	20,599,951
Due in more than one year:				
Compensated absences	49,908,180	3,784,388	53,692,568	-
Accrued workers' compensation and claims and judgments	139,589,379	15,471,542	155,060,921	-
Advance from primary government	-	-	-	23,315,637
Shortfall loan payable to Great Lakes Water Authority - Net of current portion	-	8,296,579	8,296,579	-
Net pension liability	1,485,885,118	306,793,003	1,792,678,121	23,398,876
Net death benefit obligation	362,594	82,853	445,447	-
Bonds and contracts payable - Net of current portion	1,475,786,667	1,207,553,004	2,683,339,671	419,427,661
Asset retirement obligations	1,419,880	-	1,419,880	-
<b>Total liabilities</b>	<b>3,636,509,303</b>	<b>1,740,540,091</b>	<b>5,377,049,394</b>	<b>605,917,589</b>
<b>Deferred Inflows of Resources</b>				
Deferred benefit on bond refunding	24,301,764	-	24,301,764	-
Deferred pension cost reductions	19,355,931	4,176,475	23,532,406	2,596,283
<b>Total deferred inflows of resources</b>	<b>43,657,695</b>	<b>4,176,475</b>	<b>47,834,170</b>	<b>2,596,283</b>
<b>Net Position (Deficit)</b>				
Net investment in capital assets	1,102,806,297	514,426,754	1,617,233,051	818,629,494
Restricted:				
Highway and street improvement	64,228,518	-	64,228,518	-
Construction code	6,063,745	-	6,063,745	-
Endowment and trust - Expendable	684,944	-	684,944	11,729,157
Endowment and trust - Nonexpendable	1,005,096	-	1,005,096	1,094,780
Capital projects and acquisitions	-	-	-	84,425,965
Debt service	72,369,078	-	72,369,078	-
Water affordability	-	1,463,004	1,463,004	-
Budget stabilization	-	7,500,000	7,500,000	-
Community and economic development	18,283,186	-	18,283,186	180,754,651
Grants	31,937,805	-	31,937,805	-
Police	5,848,903	-	5,848,903	-
Rubbish collection and disposal	43,458,071	-	43,458,071	-
Program activities	-	-	-	14,415,884
Unrestricted (deficit)	(1,785,854,714)	759,716,932	(1,026,137,782)	56,989,482
<b>Total net position (deficit)</b>	<b>\$ (439,169,071)</b>	<b>\$ 1,283,106,690</b>	<b>\$ 843,937,619</b>	<b>\$ 1,168,039,413</b>

# City of Detroit, Michigan

Functions/Programs	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities:				
Public protection	\$ 618,928,434	\$ 79,340,103	\$ 88,226,169	\$ -
Health	63,925,533	1,440,641	57,368,977	-
Recreation and culture	37,826,345	1,442,388	437,223	-
Economic development	78,756,473	19,386,799	38,164,605	-
Housing supply and conditions	41,892,422	864,612	2,170,560	-
Physical environment	83,210,022	44,372,872	1,201,471	-
Transportation facilitation	96,823,521	35,452,937	92,248,098	-
Development and management	472,185,625	123,827,642	8,524,742	-
Interest on long-term debt	63,638,561	-	-	-
<b>Total governmental activities</b>	<b>1,557,186,936</b>	<b>306,127,994</b>	<b>288,341,845</b>	<b>-</b>
Business-type activities:				
Water	115,816,967	114,814,401	-	-
Sewage Disposal	323,538,794	331,693,766	-	-
Transportation	162,061,355	15,116,575	57,375,449	33,554,554
Airport	1,025,146	451,812	-	971,429
Public lighting authority	22,916,884	15,026,574	-	-
<b>Total business-type activities</b>	<b>625,359,146</b>	<b>477,103,128</b>	<b>57,375,449</b>	<b>34,525,983</b>
<b>Total primary government</b>	<b>\$ 2,182,546,082</b>	<b>\$ 783,231,122</b>	<b>\$ 345,717,294</b>	<b>\$ 34,525,983</b>
<b>Component units:</b>				
Detroit Brownfield Redevelopment Authority	\$ 73,636,019	\$ 434,808	\$ -	\$ 28,363,109
Detroit Public Library	30,435,599	275,605	1,066,347	-
Detroit Transportation Corporation	19,378,310	606,864	12,763,870	1,274,714
Detroit Housing Commission	99,975,851	18,722,494	70,874,063	-
Downtown Development Authority	63,322,792	-	-	3,437,624
Eastern Market Corporation	3,027,330	909,336	557,847	-
Economic Development Corporation	16,097,277	11,998,353	-	-
Local Development Finance Authority	922,019	-	-	-
Museum of African American History	6,361,238	2,197,546	2,820,108	-
Detroit Land Bank Authority	60,936,566	-	61,979,707	-
Eight Mile/Woodward Corridor Imp. Authority	624,700	-	-	-
Detroit Employment Solutions Corporation	55,388,298	-	58,994,262	-
Community Education Commission	2,011,589	156,904	2,264,019	-
Joint Employment and Procurement Advisory Board	1,425	-	-	-
<b>Total component units</b>	<b>\$ 432,119,013</b>	<b>\$ 35,301,910</b>	<b>\$ 211,320,223</b>	<b>\$ 33,075,447</b>
<b>General revenue:</b>				
Taxes:				
Property taxes				
Municipal income taxes				
Utility users' tax				
Wagering tax				
Other taxes and assessments				
Interest and penalties on taxes				
Unrestricted state-shared revenue				
Unrestricted investment income				
Contributions				
Gain on sale of capital assets				
Other miscellaneous income				
<b>Total general revenue</b>				
<b>Transfers</b>				
<b>Change in Net Position</b>				
<b>Net Position (Deficit) - Beginning of year, as restated (Note 1)</b>				
<b>Net Position (Deficit) - End of year</b>				

# Statement of Activities

Year Ended June 30, 2020

Net (Expense) Revenue and Changes in Net Position			
Primary Government		Total	Component Units
Governmental Activities	Business-type Activities		
\$ (451,362,162)	\$ -	\$ (451,362,162)	\$ -
(5,115,915)	-	(5,115,915)	-
(35,946,734)	-	(35,946,734)	-
(21,205,069)	-	(21,205,069)	-
(38,857,250)	-	(38,857,250)	-
(37,635,679)	-	(37,635,679)	-
30,877,514	-	30,877,514	-
(339,833,241)	-	(339,833,241)	-
(63,638,561)	-	(63,638,561)	-
(962,717,097)	-	(962,717,097)	-
-	(1,002,566)	(1,002,566)	-
-	8,154,972	8,154,972	-
-	(56,014,777)	(56,014,777)	-
-	398,095	398,095	-
-	(7,890,310)	(7,890,310)	-
-	(56,354,586)	(56,354,586)	-
(962,717,097)	(56,354,586)	(1,019,071,683)	-
-	-	-	(44,838,102)
-	-	-	(29,093,647)
-	-	-	(4,732,862)
-	-	-	(10,379,294)
-	-	-	(59,885,168)
-	-	-	(1,560,147)
-	-	-	(4,098,924)
-	-	-	(922,019)
-	-	-	(1,343,584)
-	-	-	1,043,141
-	-	-	(624,700)
-	-	-	3,605,964
-	-	-	409,334
-	-	-	(1,425)
-	-	-	(152,421,433)
189,638,983	-	189,638,983	85,368,812
304,292,369	-	304,292,369	-
26,866,308	-	26,866,308	-
132,404,085	-	132,404,085	1,251,322
2,534,911	-	2,534,911	-
3,152,940	-	3,152,940	-
194,142,893	-	194,142,893	442,609
25,920,307	3,197,285	29,117,592	4,904,947
-	-	-	6,566,111
16,891,576	413,330	17,304,906	4,616,653
48,655,154	43,554,672	92,209,826	1,116,663
944,499,526	47,165,287	991,664,813	104,267,117
(33,552,737)	33,552,737	-	-
(51,770,308)	24,363,438	(27,406,870)	(48,154,316)
(387,398,763)	1,258,743,252	871,344,489	1,216,193,729
<b>\$ (439,169,071)</b>	<b>\$ 1,283,106,690</b>	<b>\$ 843,937,619</b>	<b>\$ 1,168,039,413</b>



Governmental Funds  
Balance Sheet

June 30, 2020

	General Fund	Nonmajor Funds	Total Governmental Funds
<b>Assets</b>			
Cash and investments	\$ 340,900,125	\$ 390,526,478	\$ 731,426,603
Receivables:			
Estimated withheld income taxes receivable	20,360,873	36,945	20,397,818
Utility users' taxes receivable	2,827,227	-	2,827,227
Income tax assessments	133,503,591	-	133,503,591
Special assessments receivable	24,669,919	541,890	25,211,809
DIA and foundation receivable	165,798,602	-	165,798,602
Property taxes receivable	17,292,125	6,923,588	24,215,713
Loans receivable	-	230,306,248	230,306,248
Trade receivables	204,784,096	44,568,454	249,352,550
Total receivables	569,236,433	282,377,125	851,613,558
Allowance for doubtful accounts	(301,485,622)	(270,911,363)	(572,396,985)
Total	267,750,811	11,465,762	279,216,573
Due from component units	585,730	-	585,730
Due from other funds	130,471,733	7,166,366	137,638,099
Advances to other funds	46,423,800	-	46,423,800
Prepaid expenses and other assets:			
Prepaid expenses	8,199,760	5,274	8,205,034
Other assets	92,595	6,696,930	6,789,525
Due from fiduciary funds	707,146	-	707,146
Due from other governmental agencies	14,657,977	52,583,409	67,241,386
Restricted assets:			
Restricted cash and investments	280,376,564	145,442,477	425,819,041
Other restricted assets	10,870,395	-	10,870,395
Advances to component units	23,315,637	-	23,315,637
Total assets	<b>\$ 1,124,352,273</b>	<b>\$ 613,886,696</b>	<b>\$ 1,738,238,969</b>
<b>Liabilities</b>			
Accounts and contracts payable	\$ 49,745,420	\$ 57,943,039	\$ 107,688,459
Due to component units	-	108	108
Due to other funds	2,689,809	136,663,362	139,353,171
Due to other governmental agencies	10,604,347	16,201,686	26,806,033
Deposits	6,525,443	996,864	7,522,307
Other liabilities:			
Accrued salaries and wages	38,034,746	2,916,466	40,951,212
Accrued liabilities	16,875,882	11,587,759	28,463,641
Income tax refunds payable	40,876,632	-	40,876,632
Unearned revenue	-	16,216,973	16,216,973
Total liabilities	165,352,279	242,526,257	407,878,536
<b>Deferred Inflows of Resources - Unavailable revenue</b>	<b>212,746,134</b>	<b>12,938,426</b>	<b>225,684,560</b>
Total liabilities and deferred inflows of resources	378,098,413	255,464,683	633,563,096

Governmental Funds  
Balance Sheet (Continued)

June 30, 2020

	General Fund	Nonmajor Funds	Total Governmental Funds
<b>Fund Balances</b>			
Nonspendable:			
Prepays	\$ 8,199,760	\$ 5,274	\$ 8,205,034
Long-term advances	69,739,437	-	69,739,437
Permanent fund principal - Nonexpendable	-	1,005,096	1,005,096
Restricted:			
Highway and street improvements	-	117,378,794	117,378,794
Police	-	5,848,903	5,848,903
Debt service	27,500,000	43,937,840	71,437,840
Grants	-	23,344,384	23,344,384
Construction code	-	6,063,745	6,063,745
Rubbish collection and disposal	-	43,458,071	43,458,071
Endowments and trusts - Expendable	-	684,944	684,944
Capital acquisitions	-	88,812,806	88,812,806
Community and economic development	-	16,527,307	16,527,307
Retiree Protection Trust	184,724,028	-	184,724,028
QOL program	2,727,880	-	2,727,880
Committed:			
Risk management	20,000,000	-	20,000,000
Committed for community service	-	3,516,136	3,516,136
Police	-	928,545	928,545
Assigned:			
Budget reserve	107,280,192	-	107,280,192
Capital acquisitions	-	8,573,330	8,573,330
Continuing appropriations	85,678,097	-	85,678,097
Subsequent year budget	77,381,658	-	77,381,658
Risk management operations	53,959,620	-	53,959,620
Unassigned	109,063,188	(1,663,162)	107,400,026
Total fund balances	746,253,860	358,422,013	1,104,675,873
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,124,352,273	\$ 613,886,696	\$ 1,738,238,969

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2020

<b>Fund Balances Reported in Governmental Funds</b>	<b>\$ 1,104,675,873</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds:	
Cost of capital assets	3,405,447,818
Accumulated depreciation	<u>(1,989,795,517)</u>
Net capital assets used in governmental activities	1,415,652,301
Certain revenue of the government-wide financial statements is earned but not considered available in the governmental funds and is, therefore, reported as deferred inflows of resources	
	225,684,560
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds; interest on long-term debt is not accrued in the governmental funds and is recognized as an expenditure to the extent due; and all liabilities, both current and long term, are reported in the statement of net position:	
Net pension liability	(1,485,885,118)
Net pension asset	37,262,730
Net deferred outflows related to net pension liability	158,593,626
Net deferred inflows related to pension cost reductions	(19,355,931)
Net deferred outflows related to death benefit obligation	590,013
Net deferred outflows related to bond refunding	11,018,651
Net deferred inflows related to bond redemption	(24,301,764)
Accrued interest payable on bonds and other long-term obligations	(14,896,612)
Accrued interest and penalties on escheatment payable	(712,460)
General obligation bonds	(1,531,364,627)
Notes payable	(39,925,000)
Settlement credit liability	(25,000,000)
Unamortized premiums	(9,906,195)
Accrued compensated absences	(90,642,936)
Accrued workers' compensation	(54,528,000)
Death benefit obligation	(362,594)
Claims and judgments	(97,809,320)
Asset retirement obligations	(1,419,880)
Accrued pollution remediation	(54,625)
Internal service funds are included as part of governmental activities	<u>3,518,237</u>
<b>Net Position (Deficit) of Governmental Activities</b>	<b><u>\$ (439,169,071)</u></b>

Governmental Funds  
Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2020

	General Fund	Nonmajor Funds	Total Governmental Funds
<b>Revenue</b>			
Taxes:			
Property taxes	\$ 116,616,661	\$ 51,803,113	\$ 168,419,774
Municipal income tax	290,017,002	-	290,017,002
Utility users' tax	26,864,531	-	26,864,531
Interest and penalties on taxes	3,021,076	131,864	3,152,940
Other taxes and assessments	2,534,911	-	2,534,911
Wagering tax	132,404,085	-	132,404,085
Intergovernmental:			
Federal grants	2,674,439	178,536,568	181,211,007
State sources:			
State-shared revenue	181,745,030	-	181,745,030
Gas and weight tax	-	89,098,356	89,098,356
Local Community Stabilization Authority	8,728,340	3,669,523	12,397,863
Other	601,867	12,711,259	13,313,126
Revenue from use of assets	18,033,887	1,040,001	19,073,888
Sales and charges for services	84,002,852	87,235,805	171,238,657
Ordinance fines and forfeitures	18,108,264	2,470,759	20,579,023
Licenses, permits, and inspection charges	11,400,495	20,878,760	32,279,255
Investment earnings	21,144,638	4,735,784	25,880,422
Other revenue:			
DIA and foundation revenue	18,675,000	-	18,675,000
Other revenue	23,864,932	24,116,903	47,981,835
Total revenue	960,438,010	476,428,695	1,436,866,705
<b>Expenditures</b>			
Current services:			
Development and management	295,828,839	2,884,110	298,712,949
Health	8,004,659	55,798,298	63,802,957
Public protection	384,263,893	117,058,700	501,322,593
Physical environment	11,662,382	63,945,861	75,608,243
Economic development	12,813,870	59,471,226	72,285,096
Transportation facilitation	17,280,471	45,382,322	62,662,793
Recreation and culture	14,901,060	9,605,770	24,506,830
Housing supply and conditions	41,683,286	-	41,683,286
Capital outlay	28,835,506	118,709,899	147,545,405
Debt service:			
Principal	36,240,000	45,886,000	82,126,000
Interest and fiscal charges	43,417,313	27,423,027	70,840,340
Total expenditures	894,931,279	546,165,213	1,441,096,492
<b>Excess of Revenue Over (Under) Expenditures</b>	65,506,731	(69,736,518)	(4,229,787)



**Governmental Funds**  
**Statement of Revenue, Expenditures, and Changes in Fund Balances**  
**(Continued)**

**Year Ended June 30, 2020**

	<u>General Fund</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	\$ 32,365,895	\$ 11,891,554	\$ 44,257,449
Transfers out	(72,618,106)	(21,155,354)	(93,773,460)
Face amount of bonds and notes issued	4,159,104	38,500,000	42,659,104
Sale of capital assets	24,768,323	107,635	24,875,958
Total other financing (uses) sources	<u>(11,324,784)</u>	<u>29,343,835</u>	<u>18,019,051</u>
<b>Net Change in Fund Balances</b>	54,181,947	(40,392,683)	13,789,264
<b>Fund Balances - Beginning of year</b>	<u>692,071,913</u>	<u>398,814,696</u>	<u>1,090,886,609</u>
<b>Fund Balances - End of year</b>	<u><b>\$ 746,253,860</b></u>	<u><b>\$ 358,422,013</b></u>	<u><b>\$ 1,104,675,873</b></u>

**Governmental Funds**

**Reconciliation of the Statement of Revenue, Expenditures, and Changes in  
Fund Balances to the Statement of Activities**

**Year Ended June 30, 2020**

<b>Net Change in Fund Balances Reported in Governmental Funds</b>	<b>\$ 13,789,264</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capital outlay	125,395,756
Depreciation expense	(99,396,198)
Net book value of assets disposed of	(8,525,257)
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the funds until it is available	(7,177,016)
Change in accrued interest on escheatment payable not recorded on the modified accrual statements	894,011
Issuing debt provides current financial resources to governmental funds but increases long-term liabilities in the statement of net position	(42,659,104)
Repayment of bond principal is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt)	82,126,000
Certain pension-related expenses do not require the use of current resources and, therefore, are not reported in the governmental funds	(153,202,316)
Certain death benefit obligation-related expenses do not require the use of current resources and, therefore, are not reported in the governmental funds	(139,817)
Some expenses recorded in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:	
Change in accrued interest payable	2,391,516
Amortization of bond premiums	4,864,780
Amortization of defeasement	(54,519)
Change in accrued compensated absences	7,179,379
Change in accrued workers' compensation claims	3,336,000
Change in accrued claims and judgments liability	4,425,818
Change in asset retirement obligations	(1,419,880)
Net assets contributions from the Automobile Parking Fund	15,963,274
Internal service funds are included as part of governmental activities	438,001
<b>Change in Net Position of Governmental Activities</b>	<b>\$ (51,770,308)</b>

# City of Detroit, Michigan

	Enterprise Funds		
	Water Fund	Sewage Disposal Fund	Transportation Fund
<b>Assets</b>			
Current assets:			
Cash and investments	\$ 68,855,277	\$ 43,407,854	\$ 3,655,555
Receivables:			
Other receivables - Trade	49,410,156	199,433,621	49,679
Allowance for doubtful accounts	(27,388,355)	(115,493,465)	(27,257)
Due from component units	-	-	-
Due from other funds	5,592,229	2,056	4,240,738
Inventory	3,903,680	944,777	5,504,610
Prepaid expenses	1,079,791	460,134	6,007
Receivables from Great Lakes Water Authority - Current	17,857,345	25,309,990	-
Due from other governmental agencies	-	-	15,192,164
Total current assets	119,310,123	154,064,967	28,621,496
Noncurrent assets:			
Restricted assets - Cash and investments	110,105,299	82,199,316	-
Capital assets:			
Assets not subject to depreciation	62,262,540	86,910,684	19,757,698
Assets subject to depreciation - Net	506,039,202	454,250,105	161,275,467
Receivables from Great Lakes Water Authority - Noncurrent	451,406,620	568,909,214	-
Total noncurrent assets	1,129,813,661	1,192,269,319	181,033,165
Total assets	1,249,123,784	1,346,334,286	209,654,661
<b>Deferred Outflows of Resources</b>			
Deferred pension costs	11,855,402	8,684,909	8,739,836
Deferred death benefit costs	30,858	20,572	82,995
Total deferred outflows of resources	11,886,260	8,705,481	8,822,831
<b>Liabilities</b>			
Current liabilities:			
Accounts and contracts payable	8,274,237	5,317,127	7,898,017
Due to fiduciary funds	128,249	1,559,240	-
Due to other governmental agencies	-	-	3,475,275
Due to component units	-	-	7,486,391
Due to other funds	369,705	9,001,967	932,610
Deposits	9,283,915	-	-
Other liabilities:			
Accrued salaries and wages	2,707,940	323,782	2,782,161
Accrued interest payable	681,274	7,325	299,335
Accrued liabilities	12,902,762	13,305,500	1,240,466
Due to Great Lakes Water Authority	7,334,733	24,706,573	-
Unearned revenue	11,250,000	13,750,000	922,937
Compensated absences	600,107	1,400,249	2,128,676
Accrued workers' compensation and claims and judgments	758,000	195,000	219,758
Advance from General Fund	315,614	526,024	521,715
Current portion of shortfall loan payable to Great Lakes Water Authority	-	18,206,431	-
Current portion of bonds and contracts payable	15,620,163	14,041,327	-
Total current liabilities	70,226,699	102,340,545	27,907,341
Noncurrent liabilities:			
Advance from General Fund	10,308,738	17,181,220	16,947,795
Compensated absences	900,563	2,101,315	782,510
Accrued workers' compensation and claims and judgments	5,946,000	6,345,000	659,722
Shortfall loan payable to Great Lakes Water Authority - Net of current portion	-	8,296,579	-
Net pension liability	34,086,124	23,114,059	248,519,559
Net death benefit obligation	18,964	12,642	51,005
Bonds and contracts payable - Net of current portion	573,187,689	429,764,639	29,933,518
Total noncurrent liabilities	624,448,078	486,815,454	296,894,109
Total liabilities	694,674,777	589,155,999	324,801,450
Deferred Inflows of Resources - Related to pension	1,412,761	2,007,968	713,887
<b>Net Position</b>			
Net investment in capital assets	104,381,591	204,463,152	181,033,165
Restricted:			
Water affordability	1,463,004	-	-
Budget stabilization	2,000,000	5,500,000	-
Unrestricted (deficit)	457,077,911	553,912,648	(288,071,010)
Total net position (deficit)	\$ 564,922,506	\$ 763,875,800	\$ (107,037,845)

# Proprietary Funds Statement of Net Position

**June 30, 2020**

Enterprise Funds			Governmental Activities
Public Lighting Authority Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 58,327,170	\$ 2,649,713	\$ 176,895,569	\$ 12,923,442
7,493	137,794	249,038,743	-
-	(129,631)	(143,038,708)	-
-	-	-	232,935
-	-	9,835,023	5,658,596
-	-	10,353,067	-
102,895	135	1,648,962	-
-	-	43,167,335	-
-	-	15,192,164	1,000,000
<b>58,437,558</b>	<b>2,658,011</b>	<b>363,092,155</b>	<b>19,814,973</b>
-	-	192,304,615	-
-	16,902,601	185,833,523	-
167,313,300	7,270,499	1,296,148,573	-
-	-	1,020,315,834	-
<b>167,313,300</b>	<b>24,173,100</b>	<b>2,694,602,545</b>	<b>-</b>
<b>225,750,858</b>	<b>26,831,111</b>	<b>3,057,694,700</b>	<b>19,814,973</b>
-	95,772	29,375,919	-
-	394	134,819	-
-	96,166	29,510,738	-
1,177,306	300,980	22,967,667	15,424,942
-	-	1,687,489	-
-	2,234	3,477,509	-
-	-	7,486,391	-
2,600,816	53,284	12,958,382	820,165
-	-	9,283,915	-
-	32,868	5,846,751	10,100
4,230,500	5,523	5,223,957	-
-	30,650	27,479,378	41,529
-	-	32,041,306	-
-	11,854	25,934,791	-
-	40,399	4,169,431	-
-	-	1,172,758	-
-	-	1,363,353	-
-	-	18,206,431	-
3,919,458	-	33,580,948	-
<b>11,928,080</b>	<b>477,792</b>	<b>212,880,457</b>	<b>16,296,736</b>
-	622,694	45,060,447	-
-	-	3,784,388	-
-	2,520,820	15,471,542	-
-	-	8,296,579	-
-	1,073,261	306,793,003	-
-	242	82,853	-
174,287,544	379,614	1,207,553,004	-
<b>174,287,544</b>	<b>4,596,631</b>	<b>1,587,041,816</b>	<b>-</b>
<b>186,215,624</b>	<b>5,074,423</b>	<b>1,799,922,273</b>	<b>16,296,736</b>
-	41,859	4,176,475	-
375,746	24,173,100	514,426,754	-
-	-	1,463,004	-
-	-	7,500,000	-
39,159,488	(2,362,105)	759,716,932	3,518,237
<b>\$ 39,535,234</b>	<b>\$ 21,810,995</b>	<b>\$ 1,283,106,690</b>	<b>\$ 3,518,237</b>



# City of Detroit, Michigan

	Enterprise Funds		
	Water Fund	Sewage Disposal Fund	Transportation Fund
<b>Operating Revenue</b>			
Sales and other charges for services	\$ 95,595,232	\$ 301,241,795	\$ 13,234,847
Rentals, fees, and surcharges	4,694,875	16,488,317	239,037
Miscellaneous	7,258,738	927,635	60,003
Great Lakes Water Authority's share of collective pension recovery	7,284,622	13,037,559	-
Reimbursements	-	-	-
Charges to other funds	-	-	-
<b>Total operating revenue</b>	<b>114,833,467</b>	<b>331,695,306</b>	<b>13,533,887</b>
<b>Operating Expenses</b>			
Salaries, wages, and benefits	14,142,166	26,198,711	44,510,968
Contractual services	16,388,168	13,000,426	23,340,848
Operating	3,397,840	7,220,886	-
Professional fees	-	-	11,950,291
Streetscape project	-	-	-
Claims and insurance	536,799	755,694	10,107,856
Health care expense	-	-	-
Wholesale charges	21,295,500	187,245,019	-
Pension expense	12,162,374	15,925,412	34,256,049
Maintenance	761,463	861,862	10,587,315
Materials, supplies, and other expenses	3,068,882	2,069,981	11,133,648
Bad debt	2,051,106	38,934,906	-
Claims recovery	-	-	-
Depreciation and amortization	17,414,441	11,778,839	14,214,905
<b>Total operating expenses</b>	<b>91,218,739</b>	<b>303,991,736</b>	<b>160,101,880</b>
<b>Operating Income (Loss)</b>	<b>23,614,728</b>	<b>27,703,570</b>	<b>(146,567,993)</b>
<b>Nonoperating Revenue (Expense)</b>			
Investment earnings	793,320	1,666,162	74,060
Federal and state grants	-	-	57,375,449
Interest on bonds, notes payable, and loans	(24,598,228)	(19,547,058)	(1,959,475)
Interest revenue on lease with the Great Lakes Water Authority	17,156,003	21,686,725	-
Gain on sale of assets	-	-	45,720
Principal forgiveness on state revolving fund loans	4,711,944	-	-
Net asset contributions to governmental activities	-	-	-
Miscellaneous	(19,066)	(1,540)	1,582,688
<b>Total nonoperating (expense) revenue</b>	<b>(1,956,027)</b>	<b>3,804,289</b>	<b>57,118,442</b>
<b>Income (Loss) - Before capital contributions</b>	<b>21,658,701</b>	<b>31,507,859</b>	<b>(89,449,551)</b>
<b>Capital Contributions</b>	-	-	33,554,554
<b>Transfers In</b>	-	-	45,901,494
<b>Transfers Out</b>	-	-	(307,587)
<b>Change in Net Position</b>	<b>21,658,701</b>	<b>31,507,859</b>	<b>(10,301,090)</b>
<b>Net Position (Deficit) - Beginning of year</b>	<b>543,263,805</b>	<b>732,367,941</b>	<b>(96,736,755)</b>
<b>Net Position (Deficit) - End of year</b>	<b>\$ 564,922,506</b>	<b>\$ 763,875,800</b>	<b>\$ (107,037,845)</b>

Proprietary Funds  
Statement of Revenue, Expenses, and Changes in Net Position

Year Ended June 30, 2020

Enterprise Funds			Governmental
Public Lighting Authority Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 12,500,000	\$ 26,566	\$ 422,598,440	\$ -
-	424,672	21,846,901	-
96,396	574	8,343,346	659,651
-	-	20,322,181	-
2,430,178	-	2,430,178	-
-	-	-	78,606,621
<hr/>	<hr/>	<hr/>	<hr/>
15,026,574	451,812	475,541,046	79,266,272
1,573,777	448,931	86,874,553	-
-	308,693	53,038,135	-
2,856,761	2,191,818	15,667,305	-
855,049	-	12,805,340	-
2,495,088	-	2,495,088	-
-	-	11,400,349	-
-	-	-	78,868,156
-	-	208,540,519	-
-	105,608	62,449,443	-
-	38,255	12,248,895	-
604,077	5,802	16,882,390	-
-	-	40,986,012	-
-	(2,500,000)	(2,500,000)	-
6,445,591	403,947	50,257,723	-
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14,830,343	1,003,054	571,145,752	78,868,156
196,231	(551,242)	(95,604,706)	398,116
660,591	3,152	3,197,285	39,885
-	-	57,375,449	-
(8,086,541)	(22,092)	(54,213,394)	-
-	-	38,842,728	-
367,610	-	413,330	-
-	-	4,711,944	-
-	(15,963,274)	(15,963,274)	-
-	-	1,562,082	-
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(7,058,340)	(15,982,214)	35,926,150	39,885
(6,862,109)	(16,533,456)	(59,678,556)	438,001
-	971,429	34,525,983	-
10,453,826	5,265,463	61,620,783	-
-	(11,797,185)	(12,104,772)	-
<hr/>	<hr/>	<hr/>	<hr/>
3,591,717	(22,093,749)	24,363,438	438,001
35,943,517	43,904,744	1,258,743,252	3,080,236
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<b>\$ 39,535,234</b>	<b>\$ 21,810,995</b>	<b>\$ 1,283,106,690</b>	<b>\$ 3,518,237</b>

	Enterprise Funds		
	Water Fund	Sewage Disposal Fund	Transportation Fund
<b>Cash Flows from Operating Activities</b>			
Receipts from customers	\$ 97,156,919	\$ 266,870,793	\$ 14,092,789
(Payments to) receipts from other funds	-	208,465	-
Payments to suppliers	(26,460,291)	(192,315,281)	(42,653,408)
Payments to employees and fringes	(35,204,362)	(48,605,565)	(57,209,581)
Payments to other funds	(2,974,744)	(4,769,308)	(22,835,600)
Claims paid	(2,341,799)	(537,694)	(7,009,030)
Other receipts	796,439	-	-
Net receipts from GLWA, including shared services	(1,646,496)	2,274,686	-
Net cash and cash equivalents provided by (used in) operating activities	29,325,666	23,126,096	(115,614,830)
<b>Cash Flows from Noncapital Financing Activities</b>			
Receipts from GLWA for financial recovery bonds	875,508	1,969,296	-
Grants and contributions from other governments	-	-	52,951,887
Transfers from other funds	-	-	64,868,490
Principal and interest paid on bonds, notes, and capital leases	(1,493,702)	(21,331,217)	(2,456,346)
Receipts on GLWA contract receivable	22,500,000	27,500,000	-
Transfers to other funds	-	-	-
Net cash and cash equivalents provided by (used in) noncapital financing activities	21,881,806	8,138,079	115,364,031
<b>Cash Flows from Capital and Related Financing Activities</b>			
Issuance of bonds	106,777,671	-	-
Federal, state, and local grants	59,337	-	34,301,554
Proceeds from sale of capital assets	-	-	76,826
Acquisition and construction of capital assets	(35,499,105)	(36,486,273)	(36,350,671)
Principal and interest paid on bonds, notes, and capital leases	(41,235,019)	(31,301,071)	-
Other receipts	-	-	1,582,688
Net cash and cash equivalents provided by (used in) capital and related financing activities	30,102,884	(67,787,344)	(389,603)
<b>Cash Flows from Investing Activities</b>			
Earnings from investment securities	793,320	1,666,162	74,060
Purchases of investment securities	-	-	-
Proceeds from sale and maturities of investment securities	-	-	11,288
Receipts from renting activities	8,077	-	-
Net cash and cash equivalents provided by investing activities	801,397	1,666,162	85,348
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	82,111,753	(34,857,007)	(555,054)
<b>Cash and Cash Equivalents - Beginning of year</b>	96,848,823	160,464,177	4,210,609
<b>Cash and Cash Equivalents - End of year</b>	<b>\$ 178,960,576</b>	<b>\$ 125,607,170</b>	<b>\$ 3,655,555</b>
<b>Classification of Cash and Cash Equivalents</b>			
Cash and investments	\$ 68,855,277	\$ 43,407,854	\$ 3,655,555
Restricted cash	110,105,299	82,199,316	-
Total cash and cash equivalents	<b>\$ 178,960,576</b>	<b>\$ 125,607,170</b>	<b>\$ 3,655,555</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities</b>			
Operating income (loss)	\$ 23,614,728	\$ 27,703,570	\$ (146,567,993)
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation and amortization	17,414,441	11,778,839	14,214,905
Changes in assets and liabilities:			
Accounts and contracts receivable	(2,180,760)	(2,859,526)	558,902
Due to and from other funds	(3,940,489)	(4,560,843)	(1,951,446)
Accrued liabilities and other	4,584,192	1,753,793	-
Deposits	796,439	-	-
Prepaid expenses and other assets	(815,963)	(75,522)	(4,648)
Net pension and net death benefit liability	(3,738,008)	(3,427,121)	-
Accounts and contracts payable	-	-	(3,479,333)
Estimated claims liability	(1,805,000)	218,000	-
Net death benefit obligations	-	-	-
Accrued compensated absences	-	-	-
Accrued salaries and wages	-	-	21,591,498
Inventory	(8,279)	(101,900)	23,285
Changes to assets and liabilities with GLWA	(4,595,635)	(7,303,194)	-
Total adjustments	5,710,938	(4,577,474)	30,953,163
Net cash and cash equivalents provided by (used in) operating activities	<b>\$ 29,325,666</b>	<b>\$ 23,126,096</b>	<b>\$ (115,614,830)</b>

# Proprietary Funds Statement of Cash Flows

**Year Ended June 30, 2020**

Enterprise Funds			Governmental Activities
Public Lighting Authority Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
\$ 14,945,546	\$ 469,851	\$ 393,535,898	\$ 20,583,456
-	(2,065,935)	(1,857,470)	79,311,554
(6,806,018)	(2,457,806)	(270,692,804)	(91,739,654)
(1,579,429)	(428,430)	(143,027,367)	-
-	-	(30,579,652)	31,622
-	-	(9,888,523)	-
88,903	-	885,342	-
-	12,200	640,390	-
<u>6,649,002</u>	<u>(4,470,120)</u>	<u>(60,984,186)</u>	<u>8,186,978</u>
-	-	2,844,804	-
-	-	52,951,887	-
10,453,826	5,265,463	80,587,779	-
-	-	(25,281,265)	-
-	-	50,000,000	-
-	(33,198,374)	(33,198,374)	-
<u>10,453,826</u>	<u>(27,932,911)</u>	<u>127,904,831</u>	<u>-</u>
-	-	106,777,671	-
4,000,000	-	38,360,891	-
-	-	76,826	-
(5,920,093)	(745,975)	(115,002,117)	-
(4,230,499)	(22,092)	(76,788,681)	-
-	-	1,582,688	-
<u>(6,150,592)</u>	<u>(768,067)</u>	<u>(44,992,722)</u>	<u>-</u>
594,765	3,152	3,131,459	39,885
(5,460,094)	-	(5,460,094)	-
5,525,917	-	5,537,205	-
-	-	8,077	-
<u>660,588</u>	<u>3,152</u>	<u>3,216,647</u>	<u>39,885</u>
11,612,824	(33,167,946)	25,144,570	8,226,863
<u>46,714,346</u>	<u>35,817,659</u>	<u>344,055,614</u>	<u>4,696,579</u>
<b><u>\$ 58,327,170</u></b>	<b><u>\$ 2,649,713</u></b>	<b><u>\$ 369,200,184</u></b>	<b><u>\$ 12,923,442</u></b>
\$ 58,327,170	\$ 2,649,713	\$ 176,895,569	\$ 12,923,442
-	-	192,304,615	-
<b><u>\$ 58,327,170</u></b>	<b><u>\$ 2,649,713</u></b>	<b><u>\$ 369,200,184</u></b>	<b><u>\$ 12,923,442</u></b>
\$ 196,231	\$ (551,242)	\$ (95,604,706)	\$ 398,116
6,445,591	403,947	50,257,723	-
58,438	18,036	(4,404,910)	-
1,122,369	(2,065,935)	(11,396,344)	643,612
-	721	6,338,706	-
-	-	796,439	-
32,545	(7)	(863,595)	-
-	105,064	(7,060,065)	-
(1,206,172)	85,546	(4,599,959)	7,138,760
-	(2,487,800)	(4,074,800)	-
-	88	88	-
-	8,812	8,812	-
-	12,650	21,604,148	6,490
-	-	(86,894)	-
-	-	(11,898,829)	-
<u>6,452,771</u>	<u>(3,918,878)</u>	<u>34,620,520</u>	<u>7,788,862</u>
<b><u>\$ 6,649,002</u></b>	<b><u>\$ (4,470,120)</u></b>	<b><u>\$ (60,984,186)</u></b>	<b><u>\$ 8,186,978</u></b>

**Significant Noncash Transactions** - During the year, the Automobile Parking Fund was consolidated into the General Fund and governmental activities. As a result, \$(21,636,951) and \$15,963,274 of noncash balances were transferred to the General Fund and governmental activities, respectively, for all the assets and liabilities previously reported by the Automobile Parking Fund.



Fiduciary Funds  
Statement of Fiduciary Net Position

June 30, 2020

	Pension and Other Employee Benefit Trust Funds	Agency Funds
<b>Assets</b>		
Cash and investments	\$ 169,987,777	\$ 20,025,630
Investments at fair value:		
Real estate investment trust	1,525,205	-
Repurchase agreements	431,100,338	-
Short-term investments	1,815,277,363	-
Money market funds	800,509,563	-
Bonds and stocks	690,466,929	-
Pooled investments	365,299,408	36,569,771
Multiasset mutual funds	4,730,774	-
Receivables:		
Accrued interest receivable	7,554,797	-
ASF recoupment receivable	99,368,970	-
Notes receivable from participants	10,065,760	-
Contribution receivable	7,019,758	-
Other accounts receivable	877,374	-
Receivables from investment sales	61,785,404	-
Due from primary government	-	1,687,489
Cash and investments held as collateral for securities lending	250,672,346	-
Due from other governmental agencies	-	3,714,609
Capital assets - Net	6,138,804	-
Total assets	4,722,380,570	\$ 61,997,499
<b>Liabilities</b>		
Accounts and contracts payable	3,114,740	\$ 28,070
Due to primary government	707,146	-
Due to other funds	-	25,192
Refundable deposits	-	12,685,539
Other liabilities	2,947,285	49,258,698
Claims payable to retirees and beneficiaries	361,013	-
Payables for investment purchases	77,011,015	-
Amount due to broker for securities lending	247,335,846	-
Total liabilities	331,477,045	\$ 61,997,499
<b>Net Position Restricted for Pension and Other Employee Benefits</b>	<b>\$ 4,390,903,525</b>	

Fiduciary Funds  
Statement of Changes in Fiduciary Net Position

Year Ended June 30, 2020

	Pension and Other Employee Benefit Trust Funds
<b>Additions</b>	
Investment income (loss):	
Interest and dividends	\$ 149,141,139
Net decrease in fair value of investments	(112,452,190)
Investment-related expenses	(21,375,886)
Net investment income	15,313,063
Securities lending income:	
Interest and dividends	1,508,317
Net loss on collateral securities	(425,954)
Total securities lending income	1,082,363
Contributions:	
Employer contributions	78,557,939
Plan member contributions	26,394,997
Total contributions	104,952,936
Other income	3,431,371
State and foundations	18,675,000
ASF recoupment interest	6,214,543
Total additions	149,669,276
<b>Deductions</b>	
Benefit payments	524,094,489
Refunds of contributions	26,612,583
Administrative expenses	7,961,312
ASF recoupment write-off	1,710,757
Total deductions	560,379,141
<b>Net Decrease in Net Position</b>	(410,709,865)
<b>Net Position Restricted for Pension and Other Employee Benefits - Beginning of year</b>	4,801,613,390
<b>Net Position Restricted for Pension and Other Employee Benefits - End of year</b>	<b>\$ 4,390,903,525</b>

# City of Detroit, Michigan

	Detroit Brownfield Redevelopment Authority	Detroit Public Library	Detroit Transportation Corporation	Detroit Housing Commission	Downtown Development Authority	Eastern Market Corporation
<b>Assets</b>						
Cash and investments	\$ 38,973,713	\$ 37,565,719	\$ 406,276	\$ 30,715,153	\$ 114,320,671	\$ 1,908,623
Receivables - Accounts and contracts receivable, taxes, interest, and penalties receivable - Net	150,881	493,428	58,289	4,161,166	3,173,025	2,473,877
Due from primary government	-	108	7,486,391	-	-	-
Inventory	-	-	3,276,069	-	-	2,713
Prepaid expenses and other assets:						
Prepaid expenses	18,400	248,809	555,050	721,791	166,324	1,588,770
Other assets	4,647,189	-	-	1,544,611	11,400,000	98,561
Loans, notes, and pledges receivable	-	-	-	2,984,286	4,864,159	-
Due from other governmental agencies	-	2,070,913	777,431	1,239,294	-	-
Restricted assets:						
Restricted cash and investments	-	-	3,606,278	38,909,527	-	-
Other restricted assets	-	-	-	21,356,895	-	-
Capital assets:						
Assets not subject to depreciation	-	1,813,829	4,821,938	85,529,391	55,344,670	-
Assets subject to depreciation - Net	-	21,656,458	21,964,482	216,134,609	879,983,534	10,313,090
<b>Total assets</b>	<b>43,790,183</b>	<b>63,849,264</b>	<b>42,952,204</b>	<b>403,296,723</b>	<b>1,069,252,383</b>	<b>16,385,634</b>
<b>Deferred Outflows of Resources - Related to pension</b>	<b>-</b>	<b>6,096,976</b>	<b>2,150,594</b>	<b>1,089,169</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>						
Accounts and contracts payable	2,930,714	203,388	1,807,742	9,048,386	5,269,501	459,150
Due to other governmental agencies	-	2,700,588	-	223,855	-	-
Due to primary government	-	818,665	-	-	-	-
Other liabilities:						
Accrued salaries and wages	-	331,007	287,819	170,374	-	73,301
Accrued interest payable	-	64,387	-	24,287,830	10,772,559	-
Accrued liabilities	11,273,212	2,555,499	4,209,201	19,033,783	-	17,296
Unearned revenue	-	-	-	593,902	17,305	240,438
Noncurrent liabilities:						
Due within one year - Current portion of bond and contracts payable	195,000	873,266	-	1,293,159	6,442,986	755,981
Due in more than one year:						
Advance from primary government	7,500,000	3,815,637	-	-	-	-
Net pension liability	-	12,147,082	10,602,788	649,006	-	-
Bonds and contracts payable - Net of current portion	20,535,000	13,739,053	524,668	54,358,365	325,190,291	874,695
<b>Total liabilities</b>	<b>42,433,926</b>	<b>37,248,572</b>	<b>17,432,218</b>	<b>109,658,660</b>	<b>347,692,642</b>	<b>2,420,861</b>
<b>Deferred Inflows of Resources - Deferred pension cost reductions</b>	<b>-</b>	<b>494,354</b>	<b>1,223,467</b>	<b>878,462</b>	<b>-</b>	<b>-</b>
<b>Net Position (Deficit)</b>						
Net investment in capital assets	-	23,470,287	26,786,420	106,777,946	650,450,977	8,682,414
Restricted:						
Endowment and trust (expendable)	-	11,729,157	-	-	-	-
Endowment and trust (nonexpendable)	-	195,000	-	-	-	-
Capital projects and acquisitions	-	-	3,606,278	-	64,638,767	-
Community and economic development	-	-	-	173,167,425	-	-
Program activities	-	-	-	-	-	4,568,136
Unrestricted	1,356,257	(3,191,130)	(3,945,585)	13,903,399	6,469,997	714,223
<b>Total net position (deficit)</b>	<b>\$ 1,356,257</b>	<b>\$ 32,203,314</b>	<b>\$ 26,447,113</b>	<b>\$ 293,848,770</b>	<b>\$ 721,559,741</b>	<b>\$ 13,964,773</b>

## Component Units Statement of Net Position

June 30, 2020

Economic Development Corporation	Local Development Finance Authority	Museum of African American History	Detroit Land Bank Authority	Eight Mile/Woodward Corridor Imp. Authority	Detroit Employment Solutions Corporation	Community Education Commission	Joint Employment and Procurement Advisory Board	Total
\$ 29,170,391	\$ 7,092,990	\$ 1,815,088	\$ 20,661,675	\$ 137,030	\$ 9,081,119	\$ 1,087,352	\$ 757,973	\$ 293,693,773
1,696,920	-	9,787	-	-	2,480	-	-	12,219,853
-	-	-	-	-	-	-	-	7,486,499
-	-	35,698	-	-	-	-	-	3,314,480
-	-	68,654	89,119	8,363	321,748	3,973	-	3,791,001
-	-	-	20,150,888	-	29,659	-	-	37,870,908
6,555,260	-	-	-	-	-	-	-	14,403,705
-	-	-	13,727,468	-	4,762,944	374,900	-	22,952,950
-	-	-	7,587,226	-	-	-	-	50,103,031
-	-	-	-	-	-	-	-	21,356,895
-	-	578,660	-	-	-	-	-	148,088,488
-	-	1,311,051	530,842	-	40,897	-	-	1,151,934,963
37,422,571	7,092,990	3,818,938	62,747,218	145,393	14,238,847	1,466,225	757,973	1,767,216,546
-	-	-	-	-	-	-	-	9,336,739
4,965,089	14,437	712,278	6,601,338	6,350	3,850,222	15,093	-	35,883,688
80,405	-	-	-	-	-	-	-	3,004,848
-	-	-	-	-	-	-	-	818,665
-	-	143,826	-	-	-	-	-	1,006,327
2,310	69,123	-	-	-	-	-	-	35,196,209
-	-	-	-	29,346	182,366	43,792	-	37,344,495
-	-	34,300	5,035,287	-	-	-	-	5,921,232
43,213	7,340,000	975,168	2,000,000	-	681,178	-	-	20,599,951
-	-	-	12,000,000	-	-	-	-	23,315,637
-	-	-	-	-	-	-	-	23,398,876
540,467	2,500,000	-	-	-	1,070,422	94,700	-	419,427,661
5,631,484	9,923,560	1,865,572	25,636,625	35,696	5,784,188	153,585	-	605,917,589
-	-	-	-	-	-	-	-	2,596,283
-	-	1,889,711	530,842	-	40,897	-	-	818,629,494
-	-	-	-	-	-	-	-	11,729,157
-	-	899,780	-	-	-	-	-	1,094,780
9,719,896	6,461,024	-	-	-	-	-	-	84,425,965
-	-	-	7,587,226	-	-	-	-	180,754,651
-	-	808,955	-	-	8,413,762	625,031	-	14,415,884
22,071,191	(9,291,594)	(1,645,080)	28,992,525	109,697	-	687,609	757,973	56,989,482
<b>\$ 31,791,087</b>	<b>\$ (2,830,570)</b>	<b>\$ 1,953,366</b>	<b>\$ 37,110,593</b>	<b>\$ 109,697</b>	<b>\$ 8,454,659</b>	<b>\$ 1,312,640</b>	<b>\$ 757,973</b>	<b>\$ 1,168,039,413</b>



# City of Detroit, Michigan

	Program Revenue				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Detroit Brownfield Redevelopment Authority	Detroit Public Library	Detroit Transportation Corporation	Detroit Housing Commission
<b>Functions/Programs</b>								
Detroit Brownfield Redevelopment Authority	\$ 73,636,019	\$ 434,808	\$ -	\$ 28,363,109	\$ (44,838,102)	\$ -	\$ -	\$ -
Detroit Public Library	30,435,599	275,605	1,066,347	-	-	(29,093,647)	-	-
Detroit Transportation Corporation	19,378,310	606,864	12,763,870	1,274,714	-	-	(4,732,862)	-
Detroit Housing Commission	99,975,851	18,722,494	70,874,063	-	-	-	-	(10,379,294)
Downtown Development Authority	63,322,792	-	-	3,437,624	-	-	-	-
Eastern Market Corporation	3,027,330	909,336	557,847	-	-	-	-	-
Economic Development Corporation	16,097,277	11,998,353	-	-	-	-	-	-
Local Development Finance Authority	922,019	-	-	-	-	-	-	-
Museum of African American History	6,361,238	2,197,546	2,820,108	-	-	-	-	-
Detroit Land Bank Authority	60,936,566	-	61,979,707	-	-	-	-	-
Eight Mile/Woodward Corridor Imp. Authority	624,700	-	-	-	-	-	-	-
Detroit Employment Solutions Corporation	55,388,298	-	58,994,262	-	-	-	-	-
Community Education Commission	2,011,589	156,904	2,264,019	-	-	-	-	-
Joint Employment and Procurement Advisory Board	1,425	-	-	-	-	-	-	-
<b>Total component units</b>	<b>\$ 432,119,013</b>	<b>\$ 35,301,910</b>	<b>\$ 211,320,223</b>	<b>\$ 33,075,447</b>	<b>(44,838,102)</b>	<b>(29,093,647)</b>	<b>(4,732,862)</b>	<b>(10,379,294)</b>
General revenue:								
Taxes - Property taxes					5,618,100	25,996,377	-	-
Penal fines					-	442,609	-	-
Contributions					-	-	-	-
Investment earnings					352,137	885,918	82,664	3,377,584
Gain on sale of capital assets					-	-	-	4,615,653
Other miscellaneous income					-	15,471	330,436	-
<b>Total general revenue</b>					<b>5,970,237</b>	<b>27,340,375</b>	<b>413,100</b>	<b>7,993,237</b>
<b>Change in Net Position</b>					<b>(38,867,865)</b>	<b>(1,753,272)</b>	<b>(4,319,762)</b>	<b>(2,386,057)</b>
<b>Net Position (Deficit) - Beginning of year, as restated (Note 1)</b>					<b>40,224,122</b>	<b>33,956,586</b>	<b>30,766,875</b>	<b>296,234,827</b>
<b>Net Position (Deficit) - End of year</b>					<b>\$ 1,356,257</b>	<b>\$ 32,203,314</b>	<b>\$ 26,447,113</b>	<b>\$ 293,848,770</b>

# Component Units Statement of Activities

**Year Ended June 30, 2020**

Net (Expense) Revenue and Changes in Net Position

Downtown Development Authority	Eastern Market Corporation	Economic Development Corporation	Local Development Finance Authority	Museum of African American History	Detroit Land Bank Authority	Eight Mile/ Woodward Corridor Imp. Authority	Detroit Employment Solutions Corporation	Community Education Commission	Joint Employment and Procurement Advisory Board	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (44,838,102)
-	-	-	-	-	-	-	-	-	-	(29,093,647)
-	-	-	-	-	-	-	-	-	-	(4,732,862)
(59,885,168)	-	-	-	-	-	-	-	-	-	(10,379,294)
-	(1,560,147)	-	-	-	-	-	-	-	-	(59,885,168)
-	-	(4,098,924)	-	-	-	-	-	-	-	(1,560,147)
-	-	-	(922,019)	-	-	-	-	-	-	(4,098,924)
-	-	-	-	(1,343,584)	-	-	-	-	-	(922,019)
-	-	-	-	-	1,043,141	-	-	-	-	(1,343,584)
-	-	-	-	-	-	(624,700)	-	-	-	1,043,141
-	-	-	-	-	-	-	3,605,964	-	-	(624,700)
-	-	-	-	-	-	-	-	409,334	-	3,605,964
-	-	-	-	-	-	-	-	-	-	409,334
-	-	-	-	-	-	-	-	-	(1,425)	(1,425)
<b>(59,885,168)</b>	<b>(1,560,147)</b>	<b>(4,098,924)</b>	<b>(922,019)</b>	<b>(1,343,584)</b>	<b>1,043,141</b>	<b>(624,700)</b>	<b>3,605,964</b>	<b>409,334</b>	<b>(1,425)</b>	<b>(152,421,433)</b>
49,317,731	-	-	5,063,226	-	-	624,700	-	-	-	86,620,134
-	-	-	-	-	-	-	-	-	-	442,609
-	3,080,992	2,045,204	-	1,439,915	-	-	-	-	-	6,566,111
-	64,387	7,068	132,963	-	-	-	-	-	2,226	4,904,947
-	1,000	-	-	-	-	-	-	-	-	4,616,653
760,400	8,300	-	-	-	-	-	2,056	-	-	1,116,663
<b>50,078,131</b>	<b>3,154,679</b>	<b>2,052,272</b>	<b>5,196,189</b>	<b>1,439,915</b>	<b>-</b>	<b>624,700</b>	<b>2,056</b>	<b>-</b>	<b>2,226</b>	<b>104,267,117</b>
(9,807,037)	1,594,532	(2,046,652)	4,274,170	96,331	1,043,141	-	3,608,020	409,334	801	(48,154,316)
<b>731,366,778</b>	<b>12,370,241</b>	<b>33,837,739</b>	<b>(7,104,740)</b>	<b>1,857,035</b>	<b>36,067,452</b>	<b>109,697</b>	<b>4,846,639</b>	<b>903,306</b>	<b>757,172</b>	<b>1,216,193,729</b>
<b>\$ 721,559,741</b>	<b>\$ 13,964,773</b>	<b>\$ 31,791,087</b>	<b>\$ (2,830,570)</b>	<b>\$ 1,953,366</b>	<b>\$ 37,110,593</b>	<b>\$ 109,697</b>	<b>\$ 8,454,659</b>	<b>\$ 1,312,640</b>	<b>\$ 757,973</b>	<b>\$ 1,168,039,413</b>

**Note 1 - Significant Accounting Policies**

***Reporting Entity***

The City of Detroit, Michigan (the "City"), incorporated in 1806, is a home rule city under State of Michigan (MI) law. The City is organized into two separate branches: (1) the executive branch, which is headed by the mayor, and (2) the legislative branch, which is composed of the City Council and its agencies. The City provides the following services as authorized by its charter: public protection, public works, recreation and culture, health, economic development, public lighting, transportation, water and sewage, airport, and parking.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable or the relationship to the City is such that exclusion would cause the City's financial statements to be misleading or incomplete. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. Blended component units, although legally separate entities, are, in substance, part of the City's operations. Thus, blended component units are appropriately presented as funds of the City. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the City.

**Blended Component Units**

***Detroit Building Authority (DBA)\****

The DBA is governed by a board, and the City appoints the voting majority of the DBA's board members and is able to impose its will. Although legally separate, the DBA is included in the operations and activities of the City because it was entirely incorporated for the purpose of acquiring, furnishing, equipping, owning, improving, enlarging, operating, or maintaining buildings, automobile parking lots or structures, and recreational facilities for the use of any legitimate public purpose of the City. Financing is provided by the issuance of bonds secured by lease agreements with the City and from grants received by the City.

***Greater Detroit Resource Recovery Authority (GDRRA)***

The GDRRA was established by the cities of Detroit and Highland Park, Michigan for the acquisition, construction, and operation of a waste-to-energy facility. The GDRRA is a legally separate entity. However, the City appoints the voting majority of the board members and may impose its will. Operating revenue consists of tipping fees received from the City of Detroit, Michigan to be used for the hauling and disposal of the municipal solid waste. GDRRA is blended into the Solid Waste Management Fund, as services are provided almost entirely to the City and city resources are used to service the debt.

***Public Lighting Authority (PLA)\****

The PLA, under the provisions of Michigan Public Act 392 of 2012, is governed by a board, and the City appoints the voting majority of the PLA's board members and is able to impose its will. The PLA is a legally separate entity and was formed to develop and implement a plan to improve the City's public lighting system. The PLA is funded through the issuance of bonds, which will be paid back with revenue from the City's utility tax, which meets the criteria for the PLA to be a blended component unit.

**Discretely Presented Component Units**

***Detroit Brownfield Redevelopment Authority (DBRA)\****

The DBRA was created by a City Council resolution and approved by the mayor in April 1998 under the provisions of Act 381, Michigan Public Act of 1996. The City appoints the majority of the DBRA's board members and is able to impose its will. The DBRA was established to create brownfield redevelopment zones and promote the revitalization, redevelopment, and reuse of certain property, including, but not limited to, tax-reverted, blighted, or functionally obsolete property.

**Note 1 - Significant Accounting Policies (Continued)**

*Detroit Public Library (DPL)*

The DPL is a statutory body created by the State, which is legally separate from the City. The DPL was created to provide reference materials, research information, and publications to residents of the City and Wayne County, Michigan (the "County"). Funding is provided by an ad valorem tax of 4.63 mills in real and personal property taxes in the City. In addition, the DPL receives grants and endowments from private organizations. The City Council is responsible for approving the DPL's annual budget. Due to the DPL's relationship with the City, it would be misleading to exclude its financial information from the City's financial statements.

*Detroit Transportation Corporation (DTC)\**

The DTC was established in 1985 to oversee construction and operation of the Central Automated Transit System (People Mover) in downtown Detroit. The DTC is a legally separate entity. However, the City appoints the voting majority of the board members and may impose its will. The DTC is primarily funded by means of grants from the City.

*Detroit Housing Commission (DHC)\**

The DHC is a Michigan public body corporation operating as a public housing authority under the Michigan Housing Facilities Act, MCL 125.653. The DHC was established in 1933 under the Public Facilities Act by the City of Detroit, Michigan. The DHC had been designated as a "Sub Standard Management Agency" performer by the U.S. Department of Housing and Urban Development (HUD) under the public housing assessment system. On July 5, 2005, an agreement was entered into with HUD, under which a HUD recovery administrator was designated to act as the DHC's board of commissioners to handle the day-to-day administration of the DHC. On March 13, 2015, HUD released the DHC from the authority of a HUD recovery administrator. Under the Michigan Housing Facilities Act, the Detroit Housing Commission is governed by a five-member board of commissioners (the "Board"). At least one of the board members must be a resident of public or subsidized housing. The mayor of the City of Detroit, Michigan appointed the five-member Board in accordance with Michigan law. The DHC now operates as a standard performer governed by the five-member Board.

*Downtown Development Authority (DDA)\**

The DDA was created to promote and develop economic growth in the City's downtown business district. The DDA is a legally separate entity. However, the City appoints the voting majority of the board members and may impose its will. Funding is provided by an ad valorem tax of 1.0 mill (reduced to 0.9887 by the Headlee amendment) on real and personal property in the downtown development district, a levy on the increased taxable value of a tax increment district, and issuance of revenue and tax increment bonds.

*Eastern Market Corporation (EMC)\**

The EMC was established to develop, maintain, and promote the Eastern Market district of the City. The EMC manages the market in the City known as Eastern Market. The EMC is a legally separate entity. However, the City appoints the voting majority of the board members and may impose its will. The EMC is primarily funded by means of private grants and contributions.

*Economic Development Corporation (EDC)\**

The EDC was established to create and implement project plans for designated project areas within the City and, thus, encourage the location and expansion of industrial and commercial enterprises within the City. The EDC is a legally separate entity. However, the City appoints the voting majority of the board members and may impose its will. The EDC is primarily funded by means of grants from the City.

**Note 1 - Significant Accounting Policies (Continued)**

*Local Development Finance Authority (LDFA)\**

The LDFA was created to finance certain improvements for local public roads in the vicinity of the Chrysler Jefferson Avenue Assembly Plant. The LDFA is a legally separate entity. However, the City appoints the voting majority of the board members and may impose its will. Incremental portions of the City's and the County's property taxes fund the LDFA.

*Museum of African American History (MAAH)\**

The MAAH was created to provide research, compilation, presentation, publication, and dissemination of knowledge relating to the history, growth, development, heritage, and culture of people of African descent and the human struggle for freedom. The MAAH is a legally separate entity. However, the City appoints the voting majority of the board members and may impose its will. The MAAH is primarily funded by means of private grants and grants from the City.

*Detroit Land Bank Authority (DLBA)\**

The DLBA was created to stimulate neighborhood stabilization and economic growth through the acquisition, management, and disposition of tax-reverted and acquired properties by working collaboratively with community stakeholders, developers, and other governmental agencies in a transparent and fiscally responsible manner to promote conscientious stewardship of land. The DLBA is a legally separate entity. However, the City appoints the voting majority of the board members and may impose its will. The DLBA is primarily funded through federal and local grants.

*Eight Mile/Woodward Corridor Improvement Authority (EMWCIA)\**

The EMWCIA was established to correct and prevent deterioration in the Eight Mile/Woodward area. The EMWCIA is a legally separate entity. However, the City appoints the voting majority of the board members and may impose its will.

*Community Education Commission (CEC)*

The CEC was created in May 2018 to provide resources to ensure access to high-quality schools, transportation, after-school programming, and community information. The CEC is a legally separate entity. However, the City appoints all 11 board members and may impose its will.

*Detroit Employment Solutions Corporation (DESC)\**

The DESC was established to be the administrative and fiscal agency responsible for providing workforce programs and services to the citizens and businesses of Detroit. The DESC is a legally separate entity. However, the City appoints the voting majority of the board members and may impose its will. The DESC is primarily funded by grants.

*Joint Employment and Procurement Advisory Board (JEPAB)\**

On November 1, 2005, the City and the EDC entered into a funding agreement establishing the EDC as the administrator of casino development fund moneys and programs. The casino development funds were contributed from the three casinos in Detroit (MGM Grand Casino, Motor City Casino, and Greektown Casino) for business development purposes in the City in accordance with the revised casino development agreements.

This City/EDC funding agreement provided for the expenditure of business development funds (casino development funds) for a number of programs and purposes, one of which was JEPAB. JEPAB is a separate legal entity. However, the City appoints the voting majority of board members and may impose its will.

\*Audit conducted in accordance with *Government Auditing Standards*, as promulgated by the Comptroller General of the United States.



**Note 1 - Significant Accounting Policies (Continued)**

**Financial Statements of Component Units**

Complete financial statements of the individual blended and discretely presented component units can be obtained directly from the following administrative offices:

**Blended Component Units**

Detroit Building Authority  
1301 Third Street, Suite 328  
Detroit, MI 48226  
(313) 224-0174

Public Lighting Authority  
65 Cadillac Square, Suite 3100  
Detroit, MI 48226  
(313) 324-8290

Greater Detroit Resource Recovery Authority  
5700 Russell Street  
Detroit, MI 48211  
(313) 876-0449

**Discretely Presented Component Units**

Detroit Brownfield Redevelopment Authority  
500 Griswold, Suite 2200  
Detroit, MI 48226  
(313) 963-2940

Community Education Commission  
18100 Meyers Road  
Detroit, MI 48226  
(313)-224-1222

Detroit Public Library  
5201 Woodward Avenue  
Detroit, MI 48202  
(313) 833-1000

Joint Employment and Procurement Advisory Board  
7310 Woodward, Suite 740  
Detroit, MI 48202

Detroit Transportation Corporation  
535 Griswold, Suite 400  
Detroit, MI 48226  
(313) 224-2160

Economic Development Corporation  
500 Griswold, Suite 2200  
Detroit, MI 48226  
(313) 237-4616

Detroit Housing Commission  
1301 East Jefferson  
Detroit, MI 48207  
(313) 877-8000

Local Development Finance Authority  
500 Griswold, Suite 2200  
Detroit, MI 48226  
(313) 237-4616

Downtown Development Authority  
500 Griswold, Suite 2200  
Detroit, MI 48226  
(313) 237-4616

Museum of African American History  
315 East Warren Avenue  
Detroit, MI 48201  
(313) 494-5800

Eastern Market Corporation  
2934 Russell Street  
Detroit, MI 48207  
(313) 833-9300

Detroit Land Bank Authority  
65 Cadillac Square, Suite 3200  
Detroit, MI 48226  
(313) 974-6869

Eight Mile/Woodward Corridor Improvement Authority  
500 Griswold, Suite 2200  
Detroit, MI 48226  
(313) 237-4616

Detroit Employment Solutions Corporation  
440 East Congress Street  
Detroit, MI 48226  
(313) 876-0674

**Related Organizations**

The City has in place Memoranda of Understanding (i.e., contracts) for the operations of certain city-owned assets with the following private nonprofit corporations:

- Detroit Historical Society
- Detroit Zoological Society

**Note 1 - Significant Accounting Policies (Continued)**

The City’s accountability for these organizations does not extend beyond these contracts.

The mayor is responsible for appointing the majority of members of the board of the following nonprofit entities:

- Northwest Community Programs, Inc.
- Detroit Economic Growth Corporation

The City’s accountability for these organizations does not extend beyond making the appointments.

**Joint Venture**

A joint venture is a legal entity or other organization that results from a contractual agreement and that is owned, operated, or governed by two or more participants as a separate and specific activity, subject to joint control in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. The City participates in the following joint venture:

The Detroit-Wayne Joint Building Authority (DWJBA) was created as a corporate instrumentality in 1948 by an agreement between the City and Wayne County, Michigan. The DWJBA receives its revenue through a lease agreement with the City and the County, which expires on March 1, 2028. The lease provides that the DWJBA shall maintain and operate the building at 2 Woodward Ave., Detroit, Michigan (known as the Coleman A. Young Municipal Center), the expenditures of which are to be reimbursed by the City and County on the basis of the building space allocations specified in the lease. All revenue or other moneys received by the DWJBA must be disbursed for specific purposes in accordance with agreements with the incorporating units and holders of the bonds.

The City is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. The DWJBA is not included in the financial statements of the City. Complete financial statements of the DWJBA may be obtained by writing to the DWJBA at the following address:

Detroit-Wayne Joint Building Authority  
1316 Coleman A. Young Municipal Center (CAYMC)  
Detroit, MI 48226

***Basis of Presentation***

**Accounting and Reporting Principles**

The City follows accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board.

The basic financial statements include both government-wide and fund financial statements.

***Government-wide Financial Statements***

The government-wide statement of net position and statement of activities report the overall financial activity of the primary government, excluding fiduciary activities, and its component units. Eliminations have been made to minimize the double counting of internal activities of the City. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenue, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

**Note 1 - Significant Accounting Policies (Continued)**

The statement of activities presents a comparison between direct expenses and program revenue for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenue includes: (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue.

***Fund Financial Statements***

The fund financial statements provide information about the City's funds, including its fiduciary fund types. Separate financial statements for each fund category (governmental, proprietary - enterprise and internal service, and fiduciary) are presented. The emphasis in fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor governmental or nonmajor enterprise funds.

The City reports the following major funds:

**Governmental Fund**

- General Fund - Accounts for several of the City's primary services (police, fire, parking, public works, community, and youth services, etc.) and is the primary operating unit of the City.

**Proprietary - Enterprise Funds**

- Water Fund - Accounts for the operations of the water treatment plants, booster stations, transmission and distribution system, and reservoirs. The fund provides service to Detroit retail customers.
- Sewage Disposal Fund - Accounts for the operations of the wastewater treatment plant; sewers, including sanitary and combined sewers; combined sewer outfalls; and interceptors. The facility provides service to Detroit retail customers.
- Transportation Fund - Accounts for the City's mass transit system with a fleet of 462 coaches. The fund operates an administration building, which includes a heavy repair facility and plant maintenance building, as well as three other satellite terminals with light repair garages and storage bays.
- Public Lighting Authority Fund - The City's Public Lighting Authority Fund (PLA) is a blended component unit of the City and was created pursuant to Michigan Public Act 392 of 2012. PLA was formed to develop and implement a plan to improve the City's public lighting system.

Additionally, the City reports the following fund types:

**Proprietary - Internal Service Funds**

- Employees Benefit Plan and Disability Income Protection Plan - Account for services provided to other departments or agencies of the government or to other governments on a cost-reimbursement basis.

**Fiduciary Funds**

- Pension and other employee benefit trust funds - Account for moneys held in trust by the City for pension benefits and other employee benefits. The City uses pension trust funds to account for the retirement plans for civilian employees, firefighters, and police officers. The other employee benefit funds account for various health, long-term disability, and death benefits for employees and retirees.
- Agency funds - Account for transactions for assets held by the City as agent for certain activities or for various entities. Payroll deductions and special deposits are the primary transactions accounted for in these funds.

**Note 1 - Significant Accounting Policies (Continued)**

**Interfund Activity**

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Furthermore, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

**Measurement Focus and Basis of Accounting**

The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include income taxes, sales taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes are recognized in the fiscal year in which the taxes are levied. Revenue from self-assessed taxes, including income taxes and sales tax, is recognized in the fiscal year in which the underlying exchange transaction occurs. Revenue from grants, entitlements, and similar items is recognized in the fiscal year for which all eligibility requirements imposed by the provider have been met. Eligibility requirements include timing requirements, which specify the year in which the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Agency funds account for assets held by the City in a trustee capacity. Agency funds are custodial in nature and do not involve the measurement of results of operations.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenue to be available if it is collected within 60 days of the end of the current fiscal year, except for grants and trade receivables, for which the period of availability is 90 days. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, principal and interest on general long-term debt, claims and judgments, compensated absences, and other long-term obligations are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. The face value of governmental long-term debt and acquisitions under capital leases are reported as other financing sources. Significant revenue sources that are susceptible to accrual include property taxes, income taxes, utility taxes, state-shared revenue, state gas and weight tax revenue, interest, and certain grants associated with the current fiscal period. All other revenue sources are considered to be measurable and available only when cash is received.

**Specific Balances and Transactions**

**Cash and Cash Equivalents**

For the purposes of the statement cash flows, cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

**Note 1 - Significant Accounting Policies (Continued)**

**Investments**

Investments of the City are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sale price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments. The fair value of real estate investments is based on periodic appraisals, as well as the judgment of independent real estate advisors and management. The only investments outside the fiduciary funds that do not have an established market are certificates of deposit, which are reported at par value plus accrued interest.

Investments for which market quotations are readily available are generally priced by the custodian using nationally recognized pricing services and practices. For investments that do not have readily observable market prices, including but not limited to private equity, public and private real estate, alternatives, and direct loans, management's estimate of their fair value is based on information provided by investment managers, general partners, real estate advisors, and other means. These sources are held to a standard of reasonable care in verifying that the valuations presented reasonably reflect the underlying fair value of the investments. A variety of factors is considered in the valuation process, including the nature of the investment, local market conditions, trading values on public exchanges for comparable investments, and current and projected operating performance. However, due to the inherent uncertainty and the degree of judgment involved in determining fair value for such investments, the values reflected in the financial statements may differ significantly from values that would have been used had a readily determinable market value for the investments existed, and the difference could be material.

**Due from/to Other Governmental Agencies**

Due from/to other governmental agencies consists primarily of sales, grant reimbursement, and charges for services to/from the County, the State, and the federal government.

**Inventory**

Inventory is stated at the lower of cost or market using the average cost method. Inventory of governmental and enterprise funds is recorded as expenditures when consumed rather than when purchased.

**Interfund Transactions**

The City has the following types of interfund transactions:

*Advances* - Amounts provided with a requirement for long-term repayment. Interfund advances are reported as advances to other funds in lender funds and advances from other funds in borrower funds.

*Services provided and used* - Sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenue in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as interfund receivables and payables in the fund balance sheets or fund statements of net position.

*Reimbursements* - Repayments from the funds responsible for particular expenditures or expenses to the funds initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

*Transfers* - Flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers are reported after nonoperating revenue and expenses.



**Note 1 - Significant Accounting Policies (Continued)**

**Capital Assets**

Capital assets, which include land, buildings, improvements, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased capital assets are reported at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated assets are recorded at estimated acquisition value at the date of donation. The City’s capitalization levels relate to those assets with an estimated useful life in excess of one year and an initial cost of \$5,000 on tangible personal property and for improvements other than buildings and are \$50,000 on infrastructure, including sewer and storm water lines. All acquisitions of land and land improvements are capitalized regardless of cost.

Interest incurred during the construction phase of capital assets of business-type activities is reflected in the capitalized value of the asset constructed. Capitalized interest for the year ended June 30, 2020 for the Water Fund and Sewage Disposal Fund was \$0 and \$1,937,811, respectively. Costs of assets sold or retired (and related amounts of accumulated depreciation) are eliminated from the accounts in the year of sale or retirement, and the resulting gain or loss is included in the operating statement of the related fund. In governmental funds, the sale of general capital assets is included in the statement of revenue, expenditures, and changes in fund balances as proceeds from sale. Other costs incurred for repairs and maintenance are expensed as incurred.

Capital assets are depreciated using the straight-line method over the following useful lives:

	Depreciable Life - Years
Land improvements	5-67
Buildings, structures, and improvements	5-50
Interceptors and regulators	100
Mains	67
Services and meters	20-87
Land improvements	5-50
Machinery, equipment, and fixtures	3-20
Vehicles other than buses	3-10
Buses	12
Other infrastructure	7-60

The City has a collection of artwork presented both in buildings and public outdoor spaces. The true value of the art is expected to either be maintained at cost or appreciate over time, and, thus, the art is not depreciated. If individual pieces are lost or destroyed, the loss is recorded. Further information regarding city-owned art can be found in Note 6.

**Bond Premiums and Discounts**

In the government-wide and proprietary fund financial statements, bond premiums and discounts are recorded as liabilities and amortized using the effective interest method.

In the governmental fund financial statements, bond premiums and discounts and gains are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then.

**Note 1 - Significant Accounting Policies (Continued)**

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

The City reports the following deferred outflows of resources and deferred inflows of resources:

	Outflows	Inflows
Unavailable revenue (those not collected within the period of availability) - Reported only at the modified accrual level		✓
Deferred benefit on bond refunding		✓
Deferred charge on bond refunding	✓	
Deferred death benefit costs (outflows) or cost reductions (inflows)	✓	
Deferred pension costs (outflows) or cost reductions (inflows)	✓	✓

**Net Position**

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

*Net investment in capital assets* - This consists of capital assets, net of accumulated depreciation, less the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted* - This consists of net position that is restricted by outside parties or by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available, generally it is the City’s policy to use restricted resources first and then unrestricted resources when they are needed.

*Unrestricted* - This consists of net position that does not meet the definition of restricted or net investment in capital assets.

**Fund Balance Policies**

In the fund financial statements, governmental funds report the following components of fund balance:

*Nonspendable* - Amounts that are not in spendable form or are legally or contractually required to be maintained intact.

*Restricted* - Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use of a specific purpose.

*Committed* - Amounts that can be used only for specific purposes determined by a formal action of the government’s highest level of decision-making authority. Commitments are made and can be rescinded only by a formal action of the government’s highest level of decision-making authority. The City Council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit or uncommit fund balance.

*Assigned* - Intent to spend resources on specific purposes expressed by the governing body. The City Council is authorized to assign fund balance by making or modifying appropriations through the adoption of a resolution prior to the end of the fiscal year.

**Note 1 - Significant Accounting Policies (Continued)**

*Unassigned* - Amounts that do not fall into any other category above. This is the residual classification for amounts in the General Fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any, and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

If there is an expenditure incurred for purposes for which both restricted and unrestricted fund balance are available, the City will consider restricted fund balance to have been spent before unrestricted fund balance. Furthermore, if there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the City will consider committed fund balance to be spent before assigned fund balance and consider assigned fund balance to be spent before unassigned fund balance.

**Property Taxes**

The City's property taxes are levied each July 1 of the fiscal year and are payable without penalty either on or before August 31 in full, or one-half on or before August 15, with the balance then being payable on or before the following January 15. Property taxes attach as a lien on the property as of July 1 of the year of levy.

Uncollected real property taxes as of March 1 each fiscal year are turned over to Wayne County, Michigan for collection. Collection of delinquent personal property remains the responsibility of the City. Taxes levied and received are recognized as revenue in the fiscal year they are levied.

The 2019 taxable valuation of the City totaled approximately \$6.7 billion (a portion of which is abated and a portion of which is captured by the EMWCIA, LDFA, DDA, and DBRA), on which taxes consisted of 19.952 mills for operating purposes and 9.000 mills for debt service. This resulted in approximately \$105.6 million for operations and approximately \$51.9 million for debt service. These amounts are recognized in the respective General Fund and Debt Service Fund financial statements as tax revenue.

**Municipal Income Taxes**

The City levies an annual income tax. The rate in effect for fiscal year 2020 (calendar year 2019) consists of an annualized tax of 2.40 percent on the income of resident individuals, 1.20 percent on income earned in the City by nonresidents, and 2.00 percent for corporations. Municipal income taxes are recognized as revenue when the underlying compensation is earned by the taxpayer. Estimated refunds for income tax returns received and in progress, in which payment has not been made, are recorded as a reduction of revenue. Income tax assessments receivable represent estimated additional taxes assessed as a result of tax return audits or failure to file a return.

**Wagering Tax**

In accordance with the Michigan Gaming Control and Revenue Act (Initiated Law 1 of 1996, as amended), a tax on adjusted gross receipts is applied to the three casinos operating in Detroit. The current city wagering tax rate is 11.9 percent (10.9 percent in state law, plus 1 percent pursuant to the casinos' development agreements with the City). The casinos also pay the City a supplemental lump sum of \$4 million if their gross receipts exceed \$400 million in a calendar year. The City also assesses a municipal service fee from each casino at a rate of 1.25 percent of adjusted gross receipts or \$4 million, whichever is greater. Additionally, beginning in fiscal year 2021, the casinos will remit an effective tax of 4.62 percent on retail sports betting. Wagering tax revenue is accrued to the period in which the underlying income was earned by the casinos.

**Note 1 - Significant Accounting Policies (Continued)**

**State-shared Revenue**

Revenue-sharing payments from the State of Michigan are composed of two primary components: constitutional (30 percent) and statutory (70 percent). The State Constitution of 1963, Article IX, Section 10, as amended, requires constitutional revenue-sharing payments to municipalities based on 15 percent of the 4 percent portion of Michigan's sales tax collections. The State allocates amounts to municipalities based on population as of the last decennial census, adjusted by 50 percent for any institutional population. Statutory revenue-sharing payments have an underlying formal distribution. However, they effectively are set annually in the state budget. State-shared revenue is accrued to the period that it was intended to fund, provided it is received within 60 days of fiscal year end.

**Utility User Tax**

In accordance with the City Utility Users Tax Act (Public Act 100 of 1990, as amended), the City levies a 5 percent tax on consumption of electricity, gas, steam, and telephone services. Unless revenue has otherwise been pledged to pay bonds issued by a lighting authority, the revenue generated from this tax is budgeted to the police department. Utility users taxes are accrued to the period in which they were collected by the utility.

**Pension**

The City offers defined benefit pension plans to its employees. The City records a net pension liability (asset) for the difference between the total pension liability calculated by the actuary and the pension plans' fiduciary net positions. For the purpose of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from the pension plans' fiduciary net positions have been determined on the same basis as they are reported by the pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost. The General Fund, General Grants Fund, Community Development Block Grant Fund, Urban Development Fund, and the funds that report the pension liability are used to liquidate the obligations.

**Net Death Benefit Liability**

The City offers retiree death benefits to retirees. The City records a net death benefit liability for the difference between the total death benefit liability calculated by the actuary and the death benefit plans' fiduciary net positions. For the purpose of measuring the net death benefit liability, deferred outflows of resources and deferred inflows of resources related to death benefit, and death benefit expense, information about the fiduciary net position of the death benefit plans and additions to/deductions from the death benefit plans' fiduciary net positions have been determined on the same basis as they are reported by the death benefit plans. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost. Generally, the funds that report the net death benefit liability obligations are used to liquidate the obligations.

**Note 1 - Significant Accounting Policies (Continued)**

**Compensated Absences**

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Vacation leave is accrued as benefits are earned by employees and it is probable the City will compensate the employees for the benefits through paid time off or other means, such as cash payments at termination or retirement. The liability has been calculated based on the employees' current salary level and includes salary-related costs (e.g., Social Security and Medicare tax). The current year accruals are based on estimates, and payments are based on actual amounts. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

For employees other than those of the Transportation Fund, unused vacation pay and banked overtime accumulate up to a maximum level until termination of employment, while there is no vesting of sick pay until an employee reaches age 60 or completes 25 years of service. Furlough time is awarded to uniformed police and fire employees at the beginning of two semiannual periods. Any unused furlough time remaining at the end of each semiannual period is forfeited. For the Transportation Fund, unused vacation pay accumulates for each employee up to a maximum level. Once this level is attained, unused vacation must be used or the employee loses a portion of the vacation pay.

Generally, the funds that report each employee's compensation are used to liquidate the obligations.

**Proprietary Funds Operating Classification**

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of proprietary funds is charges to customers for sales or services. Operating expenses for these funds include the cost of sales or services and administrative expenses and may include depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

**Unbilled Revenue**

The Water and Sewage Disposal funds record unbilled revenue for services provided prior to year end by accruing actual revenue billed in the subsequent month.

**Receivables from Great Lakes Water Authority**

On January 1, 2016, the City of Detroit, Michigan entered into lease agreements and related service agreements with the Great Lakes Water Authority (GLWA) under which GLWA will operate the regional water and sewage system for the term of 40 years. The agreements transfer all then-outstanding bonded indebtedness to GLWA, along with a leasehold interest in certain capital assets, cash, investments, and receivables in exchange for an annual lease payment of \$22,500,000 to the Water Fund and \$27,500,000 to the Sewage Disposal Fund. Interest is charged on the lease payments at an annual rate of 3.70 percent. The lease receivable is recorded as the present value of all future lease payments.

The current portion of the lease receivable represents the 12 monthly payments required from July 1, 2020 through June 30, 2021.



June 30, 2020

**Note 1 - Significant Accounting Policies (Continued)****Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

**Prior Period Adjustment**

*Capital Assets* - Beginning net position in the governmental activities was restated by approximately \$99 million to correct a misstatement resulting from land parcels that were not removed from the City's capital assets upon sale or transfer.

*Detroit Public Library* - During the year, Detroit Public Library adjusted its beginning net position to reflect changes made to property taxes and miscellaneous expenses for the year ended June 30, 2019. As a result, the beginning net position was adjusted from \$35,003,273 to \$33,956,586.

**Upcoming Accounting Pronouncements**

In January 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. The City is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement were originally effective for the City's financial statements for the year ended June 30, 2020 but were extended to June 30, 2021 with the issuance of GASB Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*.

In June 2017, the GASB issued Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The City is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement were originally effective for the City's financial statements for the year ending June 30, 2021 but were extended to June 30, 2022 with the issuance of GASB Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which simplifies accounting for interest cost incurred before the end of construction and requires those costs to be expensed in the period incurred. As a result, interest cost incurred before the end of a construction period will not be capitalized and included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of the standard will be applied prospectively and result in increased interest expense during periods of construction. The provisions of this statement were originally effective for the City's financial statements for the June 30, 2021 fiscal year but were extended to June 30, 2022 with the issuance of GASB Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*.

**Note 1 - Significant Accounting Policies (Continued)**

In August 2018, the Governmental Accounting Standards Board issued Statement No. 90, *Majority Equity Interests*. This statement improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. The City is currently evaluating the impact this standard will have on the financial statements when adopted for the year ending June 30, 2021 due to the extension with the issuance of GASB Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*, which clarifies the existing definition of conduit debt, provides a single method of reporting conduit debt obligations by issuers, and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. As a result, issuers should not recognize a liability for items meeting the definition of conduit debt; however, a liability should be recorded for additional or voluntary commitments to support debt service if certain recognition criteria are met. The standard also addresses the treatment of arrangements where capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by a third-party obligor. The requirements of the standard will be applied retrospectively and were originally effective for the City's financial statements for the June 30, 2022 fiscal year but were extended to June 30, 2023 with the issuance of GASB Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. This statement addresses eight unrelated practice issues and technical inconsistencies in authoritative literature. The standard addresses leases, intraentity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The standard has various effective dates. The City does not believe this pronouncement will have a significant impact on its financial statements but is still making a full evaluation.

In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. With the London Interbank Offered Rate (LIBOR) expecting to cease existence in its current form at the end of 2021, this statement addresses accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR) in hedging derivative instruments and leases. The removal of LIBOR as an appropriate benchmark interest rate for a hedging derivative instrument is effective for the City's financial statements for the June 30, 2022 fiscal year. All other requirements of the statement are effective for the City's financial statements for the June 30, 2021 fiscal year. Lease modification requirements are effective one year later. The City does not believe this pronouncement will have a significant impact on its financial statements but is still making a full evaluation.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, to bring a uniform guidance on how to report public-private and public-public partnership arrangements. As a result, transferors in public-private or public-public arrangements will recognize receivables for installment payments, deferred inflows of resources, and, when applicable, capital assets. Operators will recognize liabilities for installment payments and intangible right-to-use assets and, when applicable, deferred outflows of resources and liabilities for assets being transferred. This statement also provides guidance for accounting and financial reporting for availability payment arrangements, in which a government compensates an operator for services such as designing, constructing, financing, maintaining, or operating an underlying asset for a period of time in an exchange or exchange-like transaction. The provisions of this statement are effective for the City's financial statements for the year ending June 30, 2023.

June 30, 2020

**Note 1 - Significant Accounting Policies (Continued)**

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The City is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the City's financial statements for the year ending June 30, 2023.

In June 2020, the Governmental Accounting Standards Board issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. While this standard had certain aspects impacting defined contribution pension and OPEB plans and other employee benefit plans that were effective immediately, it also clarifies when a 457 should be considered a pension plan or an other employee benefit plan to assist in the application of GASB Statement No. 84 to these types of plans. The City is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement related to 457 plans are effective for the City's financial statements for the year ending June 30, 2022.

**Note 2 - Stewardship, Compliance, and Accountability**

**Deficit in Fund Equity/Net Position**

Fund	Classification	Unassigned/ Unrestricted Deficit Amount
COVID-19 Revenue Fund	Special revenue fund	\$ (1,663,162) (1)
Detroit Transportation Corporation	Component unit	(3,945,585) (2)
Local Development Finance Authority	Component unit	(9,291,594) (2)
Museum of African American History	Component unit	(1,645,080) (2)
Detroit Public Library	Component unit	(3,191,130) (2)
Transportation Fund	Enterprise fund	(288,071,010) (2)
Airport Fund	Enterprise fund	(2,362,105) (2)
Total		<u>\$ (310,169,666)</u>

Management’s plans to address significant deficits are as follows:

(1) As permitted by the Treasury deficit instructions, a governmental fund deficit exists when the unassigned fund deficit exceeds deferred inflows of resources. The COVID-19 Revenue Fund's deferred inflows of resources equal the unassigned fund deficit. Therefore, no deficit plan is necessary.

(2) As permitted by the Treasury deficit instructions, a proprietary fund and a component unit deficit exists when current assets minus current liabilities (excluding the current portion of long-term obligations) is a negative amount. For the Transportation Fund, Airport Fund, Detroit Transportation Corporation, Detroit Public Library, Local Development Finance Authority, and Museum of African American History, current assets exceed current liabilities. Therefore, no deficit plan is necessary.

**Compliance with Finance-related Legal and Contractual Provisions**

The City was not in compliance with the State of Michigan’s Uniform Unclaimed Property Act, Public Act 29 of 1995. The City failed to properly escheat balances to the State as required. As a result, the City is subject to interest and penalties on the amount that should have been escheated.

**Note 2 - Stewardship, Compliance, and Accountability (Continued)**

The City was not in compliance with the State of Michigan Public Act 2 of 1968, Uniform Budgeting and Accounting Act, Section 141.435 (2), which requires total budgeted expenditures not to exceed estimated revenue plus accumulated fund balance. The City's final budget for several nonmajor special revenue funds resulted in a projected deficit. The City was not in compliance with the State of Michigan Public Act 2 of 1968, Uniform Budgeting and Accounting Act, Section 141.438 (3), which requires the City to not incur expenditures against an appropriation account in excess of the amount appropriated by the City Council. In addition, all funds must have a legally adopted budget.

**Note 3 - Deposits and Investments**

The City has deposits and investments that are maintained for its primary government, component unit, and fiduciary fund types.

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes the City to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The City is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications that matures no more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The General Retirement System, the Police and Fire Retirement System, and the other employee benefit funds are managed by the Retirement System of the City of Detroit (the "System" or the "Pension System"). The System is authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, real estate, debt or equity of certain small businesses, certain state and local government obligations, and certain other specified investment vehicles. The investment policy adopted by the board of trustees is in accordance with Public Act 196 of 1997 and has authorized the investments according to Michigan Public Act 314 of 1965, as amended. The System's deposits and investment policies are in accordance with this statutory authority. The City's Retiree Protection Fund is also subject to investments authorized by Michigan Public Act 314 of 1965. Refer to Note 13 for additional details.

Cash held by fiscal agents or by trustees is secured in accordance with the requirements of the agency or trust agreement.

The City's cash and investments are subject to several types of risk, which are examined in more detail below:

***Custodial Credit Risk of Bank Deposits***

Custodial credit risk is the risk that, in the event of bank failure, the bank may not return the City's deposits. The City does not have a deposit policy for custodial credit risk. As of June 30, 2020, the bank balances of the City's primary government deposits (certificates of deposit and checking and savings accounts) were \$540,591,472, of which \$538,652,010 was exposed to custodial credit risk, as it was uninsured and uncollateralized.

At June 30, 2020, the General Retirement System and the Police and Fire Retirement System had approximately \$3 million and \$1.8 million, respectively, in checking account balances that were uninsured and uncollateralized. The System believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the pension funds evaluate each financial institution with which they deposit funds and assess the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

June 30, 2020

**Note 3 - Deposits and Investments (Continued)**

At June 30, 2020, the Employee Death Benefits Fund had a balance of approximately \$2.8 million in a checking account that was uninsured and uncollateralized.

**Interest Rate Risk**

Interest rate risk is the risk that, over time, the value of investments will decrease as a result of a rise in interest rates. The City’s investment policy does not specifically restrict investment maturities other than commercial paper, which can only be purchased with a 270-day maturity. The City’s policy minimizes interest rate risk by requiring that the City attempt to match its debt investments with anticipated cash flow requirements. Unless related to a specific cash flow, the City generally is not permitted to directly invest in debt securities maturing more than 10 years from the original date of purchase. The Pension System’s investment policies do not restrict investment maturities.

At year end, the City had the following investments and maturities:

	Less Than 1 Year	1-5 Years	6-10 Years	Over 10 Years	Fair Value
<b>Primary Government</b>					
Federal agency	\$ -	\$ 20,028,850	\$ -	\$ -	\$ 20,028,850
Fixed-income funds	-	91,655,607	90,062,116	-	181,717,723
Money market mutual funds	54,084,332	-	-	-	54,084,332
U.S. government funds	185,124,144	-	-	-	185,124,144
Total	<u>\$ 239,208,476</u>	<u>\$ 111,684,457</u>	<u>\$ 90,062,116</u>	<u>\$ -</u>	<u>\$ 440,955,049</u>
<b>Agency Funds</b>					
Municipal bonds - Detroit financial recovery bonds	\$ -	\$ -	\$ -	\$ 27,652,726	\$ 27,652,726
U.S. government funds	8,915,044	-	-	-	8,915,044
Total	<u>\$ 8,915,044</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,652,726</u>	<u>\$ 36,567,770</u>
<b>Other Employee Benefits Fund</b>					
Fixed-income funds	\$ -	\$ -	\$ 2,104,404	\$ -	\$ 2,104,404
Mutual funds	135	-	-	-	135
Total	<u>\$ 135</u>	<u>\$ -</u>	<u>\$ 2,104,404</u>	<u>\$ -</u>	<u>\$ 2,104,539</u>
<b>General Retirement System</b>					
Corporate bonds	\$ 5,196,000	\$ 94,957,000	\$ 32,344,000	\$ 6,095,000	\$ 138,592,000
U.S. government mortgage-backed securities	1,695,000	5,960,000	-	749,000	8,404,000
Total	<u>\$ 6,891,000</u>	<u>\$ 100,917,000</u>	<u>\$ 32,344,000</u>	<u>\$ 6,844,000</u>	<u>\$ 146,996,000</u>
<b>Police and Fire Retirement System</b>					
U.S. government	\$ -	\$ 18,383,000	\$ 19,391,000	\$ 29,497,000	\$ 67,271,000
U.S. government mortgage-backed securities	-	2,495,000	12,929,000	89,723,000	105,147,000
Government securities	567,000	1,472,000	4,062,000	5,642,000	11,743,000
Corporate bonds	10,109,000	113,000,000	80,705,000	96,729,000	300,543,000
Total	<u>\$ 10,676,000</u>	<u>\$ 135,350,000</u>	<u>\$ 117,087,000</u>	<u>\$ 221,591,000</u>	<u>\$ 484,704,000</u>



June 30, 2020

**Note 3 - Deposits and Investments (Continued)**

Not all fixed-income securities are subject to interest rate risk. For the General Retirement System's mutual funds, valued at \$31.6 million, the effective duration was three years.

Mutual funds and U.S. government funds are categorized by the weighted-average maturity of their underlying investments.

**Credit Risk**

Credit risk is the risk that the City will not recover its investments due to the inability of the counterparty to fulfill its obligations. The City's investment policy complies with state law, which limits its investments in commercial paper, mutual funds, and external investment pools to the top two rating classifications issued by two nationally recognized statistical rating organizations (NRSROs): Standard & Poor's (S&P) and Moody's Investors Service (Moody's).

As of June 30, 2020, the investments have the following ratings, as rated by S&P and Moody's:

	AAA	AAAm	AA+	AA-	A+	A	A-	BBB+ and Below	Not Rated
<b>Primary Government</b>									
Corporate bonds	\$ -	\$ -	\$ 20,028,850	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fixed-income fund	49,150,417	-	17,136,879	1,695,396	5,453,265	10,717,121	30,595,575	45,543,751	21,425,318
Local government investment pool	-	152,875,607	-	-	-	-	-	-	14,499,900
Money market funds	-	-	-	-	-	-	-	-	47,168,068
Mutual funds	-	53,206,383	-	-	-	-	-	-	-
U.S. government funds	-	185,124,144	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 49,150,417</b>	<b>\$ 391,206,134</b>	<b>\$ 37,165,729</b>	<b>\$ 1,695,396</b>	<b>\$ 5,453,265</b>	<b>\$ 10,717,121</b>	<b>\$ 30,595,575</b>	<b>\$ 45,543,751</b>	<b>\$ 83,093,286</b>
<b>Agency Funds</b>									
U.S. government funds	\$ -	\$ 8,915,044	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal bonds - Detroit financial recovery bonds	-	-	-	-	-	-	-	-	27,652,726
<b>Total</b>	<b>\$ -</b>	<b>\$ 8,915,044</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27,652,726</b>
<b>Other Employee Benefits Fund</b>									
Fixed income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,104,404
Mutual funds	-	135	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 135</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,104,404</b>

The General Retirement System and the Police and Fire Retirement System debt securities (other than U.S. government) have the following ratings at June 30, 2020, as rated by S&P and Moody's, respectively (amounts presented in \$000):

	AA	A	BBB	BB	B	CCC	Not Rated
<b>General Retirement System</b>							
Corporate bonds	\$ -	\$ 14,041	\$ 11,674	\$ 38,993	\$ 19,508	\$ 2,126	\$ 52,250
U.S. government mortgage-backed securities	8,404	-	-	-	-	-	-
Mutual funds	-	-	-	-	-	-	31,591
<b>Total</b>	<b>\$ 8,404</b>	<b>\$ 14,041</b>	<b>\$ 11,674</b>	<b>\$ 38,993</b>	<b>\$ 19,508</b>	<b>\$ 2,126</b>	<b>\$ 83,841</b>

June 30, 2020

**Note 3 - Deposits and Investments (Continued)**

	AAA	AA	A	BBB	BB	B	CCC	Not Rated
<b>Police and Fire Retirement System</b>								
Corporate bonds	\$ 17,343	\$ 7,088	\$ 54,480	\$ 121,041	\$ 31,565	\$ 15,891	\$ 917	\$ 52,218
U.S. government mortgage-backed securities	954	87,724	-	-	-	-	-	10,012
Government securities	2,376	5,966	678	1,596	-	-	-	1,128
Total	<u>\$ 20,673</u>	<u>\$ 100,778</u>	<u>\$ 55,158</u>	<u>\$ 122,637</u>	<u>\$ 31,565</u>	<u>\$ 15,891</u>	<u>\$ 917</u>	<u>\$ 63,358</u>

**Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's policy specifies a number of limitations to minimize concentration of credit risk, including prohibiting investing in more than 5 percent of the portfolio in securities (excluding U.S. government securities) of any one issuer. At June 30, 2020, there were no such investments held by the City.

**Foreign Currency Risk**

Foreign currency risk is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value as a result of changes in foreign currency exchange rates. State law and the City's investment policy prohibit investments in foreign currency. However, the General Retirement System and Police and Fire Retirement System do not restrict the amount of investments in foreign currency.

June 30, 2020

**Note 3 - Deposits and Investments (Continued)**

The foreign currency risk for cash and investments of the pension funds at June 30, 2020 is as follows (in thousands):

	General Retirement System				Police and Fire Retirement System				
	Equity	Cash	Forward Contracts	Net Other Investment Receivable (Payable)	Equity	Fixed Income	Cash	Forward Contracts Unrealized Gain (Loss)	Net Other Investment Receivable (Payable)
Australian dollar	\$ -	\$ 5	\$ -	\$ -	\$ 8,853	\$ -	\$ 12	\$ 3,424	\$ 70
Brazilian real	1,439	-	-	-	494	-	-	-	-
British pound sterling	3,152	-	-	-	-	-	-	-	-
Canadian dollar	2,368	6	-	(46)	4,707	-	64	4,289	(31)
Czech koruna	-	11	-	-	-	-	-	-	-
Danish krone	-	-	-	-	4,010	-	64	-	-
Euro currency	15,086	225	(21)	21	65,674	-	798	(5,135)	46
Hong Kong dollar	1,825	-	-	-	14,252	-	-	(36)	36
Indian rupee	-	-	-	-	1,069	-	2	-	-
Israeli shekel	-	-	-	-	142	-	-	-	-
Japanese yen	5,467	61	-	-	37,699	-	524	5,548	(44)
Mexican peso	925	-	-	-	194	1,337	-	-	-
New Taiwan dollar	1,865	-	-	-	677	-	-	-	-
New Zealand dollar	-	-	-	-	144	-	-	-	-
Norwegian krone	1,889	43	-	-	576	-	9	-	-
Polish zloty	-	-	-	-	437	-	-	-	-
Pound sterling	-	-	-	-	31,648	-	45	(11,131)	(272)
Singapore dollar	871	-	-	-	785	-	9	10	(19)
South African rand	-	-	-	-	363	-	-	-	-
South Korean won	906	-	-	-	1,593	-	-	-	-
Swedish krona	-	-	-	-	2,963	-	9	9	(9)
Swiss franc	1,406	132	-	-	5,532	-	374	3,269	-
Ukraine hryvnia	1	-	-	-	-	-	-	-	-
Uruguayan peso	-	-	-	-	-	208	-	-	-
<b>Total</b>	<b>\$ 37,200</b>	<b>\$ 483</b>	<b>\$ (21)</b>	<b>\$ (25)</b>	<b>\$ 181,812</b>	<b>\$ 1,545</b>	<b>\$ 1,910</b>	<b>\$ 247</b>	<b>\$ (223)</b>

**Securities Lending**

As permitted by state statutes and under the provisions of a securities lending authorization agreement, the Pension System lends securities to broker-dealers and banks for collateral that will be returned for the same securities in the future. The Pension System's custodial bank manages the securities lending program and receives cash, government securities, or irrevocable bank letters of credit as collateral. The custodial banks do not have the ability to pledge or sell collateral securities unless the borrower defaults. Borrowers are required to deliver collateral for each loan equal to not less than 102 percent of the market value of the loaned securities. At June 30, 2020, the collateral provided for the General Retirement System and the Police and Fire Retirement System was 101.67 and 101.86 percent, respectively, of the market value of the loaned securities.

The Pension System did not impose any restrictions during the fiscal year on the amount of loans made on their behalf by the custodial bank. There were no failures by any borrowers to return loaned securities or pay distributions thereon during the fiscal year. Moreover, there were no losses during the fiscal year resulting from a default of the borrowers or custodial bank.

The Pension System and the borrower maintain the right to terminate all securities lending transactions on demand. The cash collateral received on each loan was invested, together with the cash collateral of other lenders, in an investment pool. The average duration of this investment pool as of June 30, 2020 was 28 days and 27 days for the General Retirement System and the Police and Fire Retirement System, respectively. Because the loans are terminable on demand, their duration did not generally match the duration of the investments made with cash collateral.

June 30, 2020

**Note 3 - Deposits and Investments (Continued)**

The collateral held (at cost) and the fair market value of the underlying securities on loan for the General Retirement System at June 30, 2020 were \$70,818,480 and \$69,958,375, respectively. The collateral held (at cost) and the fair value of the underlying securities on loan for the Police and Fire Retirement System at June 30, 2020 were \$176,517,366 and \$173,293,542, respectively.

The following represents the balances relating to the securities lending transactions as of June 30, 2020; investments are reported at fair value:

Securities Lent	General Retirement System	Police and Fire Retirement System
U.S. government and agencies	\$ -	\$ 57,865,047
U.S. equities	40,199,022	66,150,986
U.S. corporate fixed income	27,347,000	45,451,776
Non-U.S. equities	2,112,353	3,825,733
Total	<u>\$ 69,658,375</u>	<u>\$ 173,293,542</u>

At June 30, 2020, the fair value of the collateral pool related to securities lending for the General Retirement System and the Police and Fire Retirement System was \$71,702,654 and \$178,969,692, respectively. The collateral was invested in commercial paper, asset-backed securities, notes (floating rate), certificates of deposit, money funds, and repurchase agreements. Approximately 88 percent of the General Retirement System securities had a duration less than 1 year, 8 percent had a duration between 1 and 3 years, and 4 percent had a duration over 15 years. Approximately 92 percent of the Police and Fire Retirement System securities had a duration less than 1 year, 5 percent had a duration between 1 and 3 years, and 3 percent had a duration over 15 years.

The credit ratings of the securities lending collateral pool held at June 30, 2020, as rated by S&P, are as follows:

Ratings	General Retirement System	Police and Fire Retirement System
AAA	\$ 8,436,032	\$ 27,452,041
AA	9,922,356	25,785,034
A	16,762,759	45,758,088
A-1	18,526,055	41,253,091
CC	1,988,657	4,520,515
CCC	-	389,568
D	922,510	-
Not rated	15,144,285	33,811,355
Total	<u>\$ 71,702,654</u>	<u>\$ 178,969,692</u>

**Fair Value Measurements**

The City and Pension System categorize their fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value (NAV) per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

June 30, 2020

**Note 3 - Deposits and Investments (Continued)**

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The City’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The City has the following recurring fair value measurements as of June 30, 2020:

	Assets Measured at Carrying Value on a Recurring Basis at June 30, 2020			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2020
<b>Primary Government</b>				
Negotiable certificates of deposit	\$ -	\$ 25,591,150	\$ -	\$ 25,591,150
Corporate bonds	-	20,028,850	-	20,028,850
Fixed-income funds	-	181,717,723	-	181,717,723
Total primary government	-	227,337,723	-	227,337,723
<b>Agency Funds</b>				
Municipal bonds - Detroit financial recovery bonds	-	27,652,726	-	27,652,726
<b>Other Employee Benefits Fund</b>				
Equity funds	3,041,865	-	9,802,667	12,844,532
Global asset allocation funds	4,730,774	-	-	4,730,774
REIT	1,525,205	-	-	1,525,205
Fixed-income funds	-	2,104,404	-	2,104,404
Private equity funds	-	-	541,389	541,389
Total agency funds	9,297,844	2,104,404	10,344,056	21,746,304
Total	\$ 9,297,844	\$ 257,094,853	\$ 10,344,056	276,736,753
<b>Investments Measured at NAV - Primary government - Local government investment pool</b>				
				165,323,365
Total investments				\$ 442,060,118

A total of \$299,906,973 of bank pools in the primary government are recorded at amortized cost in accordance with GASB Statement No. 79 and are not included in the fair value tables above. These investments are not subject to any limitations or restrictions on withdrawals.



June 30, 2020

**Note 3 - Deposits and Investments (Continued)**

Assets Measured at Carrying Value on a Recurring Basis at June 30, 2020				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2020
<b>General Retirement System</b>				
<b>Investments by Fair Value Level</b>				
Equity securities:				
Common stock	\$ 498,102,695	\$ -	\$ -	\$ 498,102,695
Preferred stock	4,695,012	4,449,781	-	9,144,793
Total equity securities	502,797,707	4,449,781	-	507,247,488
Debt securities:				
U.S. government mortgage-backed	-	8,403,650	-	8,403,650
Corporate bonds	-	138,591,799	-	138,591,799
Asset-backed securities	-	11,366,231	-	11,366,231
Corporate floating-rate notes	-	27,610,138	-	27,610,138
Certificate of deposit	-	9,378,966	-	9,378,966
Commercial paper	-	9,147,089	-	9,147,089
Mutual funds	-	31,590,991	-	31,590,991
Total debt securities	-	236,088,864	-	236,088,864
Private equity funds	-	-	2,800,000	2,800,000
Partnership investments	-	-	3,464,000	3,464,000
Real estate private equity funds	-	-	6,000,000	6,000,000
Real estate-related investments	-	-	40,894,699	40,894,699
Total investments fair value	<u>\$ 502,797,707</u>	<u>\$ 240,538,645</u>	<u>\$ 53,158,699</u>	796,495,051
<b>Investments Measured at NAV</b>				
International equity funds				247,614,288
Fixed-income funds				91,095,415
Hedge funds				179,800,741
Private equity funds				107,830,263
Real estate funds				194,879,188
Total investments measured at NAV				<u>821,219,895</u>
Total investments measured at fair value				<u>\$ 1,617,714,946</u>

A total of \$14,200,230 of repurchase agreements that are recorded at amortized cost for the General Retirement System are not included in the fair value table above.

June 30, 2020

**Note 3 - Deposits and Investments (Continued)**

	Assets Measured at Carrying Value on a Recurring Basis at June 30, 2020			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2020
<b>Police and Fire Retirement System</b>				
<b>Investments by Fair Value Level</b>				
Equity securities:				
Common stock	\$ 770,088,021	\$ -	\$ -	\$ 770,088,021
Preferred stock	21,179,736	4,571,483	-	25,751,219
Total equity securities	791,267,757	4,571,483	-	795,839,240
Debt securities:				
Government securities (U.S. and other)	67,275,415	11,738,668	-	79,014,083
U.S. government mortgage-backed securities	-	105,147,331	-	105,147,331
Privately negotiated debt	-	-	6,908,781	6,908,781
Corporate bonds	-	300,542,857	-	300,542,857
Asset-backed securities	-	32,417,555	-	32,417,555
Corporate floating-rate notes	-	74,743,223	-	74,743,223
Certificate of deposit	-	21,760,786	-	21,760,786
Commercial paper	-	19,492,303	-	19,492,303
Total debt securities	67,275,415	565,842,723	6,908,781	640,026,919
Private equity funds	-	-	2,800,000	2,800,000
Partnership investments	-	-	2,634,000	2,634,000
Real estate private equity funds	-	-	9,500,000	9,500,000
Real estate-related investments	-	-	4,357,767	4,357,767
Total investments by fair value level	\$ 858,543,172	\$ 570,414,206	\$ 26,200,548	1,455,157,926
<b>Investments Measured at NAV</b>				
International equity funds				192,973,448
Global equity funds				142,043,381
Hedge funds				185,498,667
Private equity funds				311,030,686
Real estate funds				388,660,515
Total investments measured at NAV				1,220,206,697
Total investments measured at fair value				\$ 2,675,364,623

A total of \$30,555,823 of repurchase agreements that are recorded at amortized cost for the Police and Fire Retirement System are not included in the fair value table above.

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

June 30, 2020

**Note 3 - Deposits and Investments (Continued)**

The fair value of preferred stock and debt securities at June 30, 2020 was determined primarily based on Level 2 inputs. The City and the System estimate the fair value of these investments using other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals for identical or similar assets.

The fair value of remaining investments at June 30, 2020 was determined primarily based on Level 3 inputs. The City and the System estimate the fair value of these investments using the City’s and System’s own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

The valuation method for investments measured at net asset value per share (or its equivalent) is presented in the following table.

**Investments in Entities that Calculate Net Asset Value per Share**

The City and the System hold shares or interests in investment companies where the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

At June 30, 2020, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
<b>Primary Government</b>				
Local government investment pool	\$ 165,323,365	\$ -	Daily	1 day
<b>General Retirement System</b>				
International equity funds	247,614,288	-	Monthly	Up to 30 days
Fixed-income funds	91,095,415	-	Daily	10 business days
Hedge funds	179,800,741	-	Quarterly	100 days
Private equity funds	107,830,263	50,807,344	N/A	N/A
Real estate funds	194,879,188	635,461	Quarterly	90 days
Total GRS investments measured at NAV	<u>821,219,895</u>	<u>51,442,805</u>		
<b>Police and Fire Retirement System</b>				
International equity funds	192,973,448	-	Monthly	Up to 30 days
Global equity funds	142,043,381	-	Monthly	Up to 30 days
Hedge funds	185,498,667	-	Annually	Up to 100 days
Private equity funds	311,030,686	181,754,982	N/A	N/A
Real estate funds	388,660,515	73,631,030	Quarterly	Up to 90 days
Total PFRS investments measured at NAV	<u>1,220,206,697</u>	<u>255,386,012</u>		
Total	<u>\$ 2,206,749,957</u>	<u>\$ 306,828,817</u>		

Multiple funds are held in each category. For reporting purposes, the redemption frequency and redemption notice period provided are the most restrictive of any of the funds in the category.

**Note 3 - Deposits and Investments (Continued)**

***Primary Government***

**NAV Investment Disclosures**

The local government investment pools invest in obligations of the United States government and its agencies, high-quality fixed-income securities of U.S. companies, and obligations of financial institutions.

***Retirement Systems***

**NAV Investment Disclosures**

The international equity funds class includes investments in funds that invest predominantly in equity securities of non-U.S. companies. The funds invest in developed and emerging market countries and utilize investments across the capitalization spectrum from large to small companies. The fair values of the investments in this class have been estimated using net asset value per share of the investments.

The fixed-income funds class includes investments in funds that invest predominantly in fixed-income instruments in the U.S. and developed and emerging-market countries. The funds invest across a diverse group of security types, including government, corporate, and mortgage-backed debt and across the credit quality spectrum of investment grade and high yield. The fair values of the investments in this class have been estimated using net asset value per share of the investments.

The global equity funds class includes investments in funds that are designed to achieve a return volatility considerably less than the global equity market while providing market-like or above-market returns over a full market cycle. The fair values of the investments in this class have been estimated using net asset value per share of the investments.

The hedge funds class includes investments in funds that achieve capital appreciation through multimanaged and/or multistrategy investments. Within this group of funds, there is exposure to investment strategies, including, but not limited to, credit, event-driven, equity, and relative value. The funds have the ability to invest across all markets and across all asset classes to implement their various strategies. The fair values of the investments in this class have been estimated using net asset value per share of the investments. Approximately 1 percent of the value of the investment in the hedge fund class above is in the process of being liquidated by the fund manager. Distributions from each fund will be received as the underlying investments of the fund are liquidated. It is estimated that the underlying investments of the fund will be liquidated over the next 12 to 18 months and 18 to 24 months for the General Retirement System and Police and Fire Retirement System, respectively.

The private equity funds class is an alternative investment class and consists of investments in companies that are not listed on a public exchange. The General Retirement System and Police and Fire Retirement System maintain a diversified portfolio of private equity investments by both style (buyout, turnaround, venture capital, etc.) and vintage year exposure. With its private equity allocation, the General Retirement System and Police and Fire Retirement System seek to take advantage of the illiquidity premium associated with these private equity investments. The fair values of the investments in this class have been estimated using net asset value per share of the investments (or its equivalents).

The real estate funds class includes investments in funds whose objective is to operate a core portfolio of real estate investments predominantly located in the U.S. The funds acquire ownership in underlying investments either through direct real estate ownership or ownership in real estate companies or the equity of real estate investment trusts. The funds predominantly target purchases in office, industrial, retail, or multifamily real estate classes. The fair values of the investments in this class have been estimated using net asset value per share of the investments (or its equivalents).

June 30, 2020

**Note 3 - Deposits and Investments (Continued)**

***Component Units - Downtown Development Authority***

**Custodial Credit Risk of Bank Deposits**

The DDA does not have a deposit policy for custodial credit risk. At June 30, 2020, the DDA had deposits of \$1,345,980 that were exposed to custodial credit risk, as they were uninsured and uncollateralized.

**Credit Risk**

Credit risk is the risk that the DDA will not recover its investments due to the inability of the counterparty to fulfill its obligations. State statutes authorize the DDA to invest in obligations and certain repurchase agreements of the U.S. Treasury and related governmental agencies, commercial paper rated prime at the time of purchase and maturing no more than 270 days from the date of purchase, bankers' acceptances and certificates of deposit issued or created by any state or national bank insured with the applicable federal agency, investment pools authorized by the Surplus Funds Investment Act, and mutual funds composed entirely of the above investments. The DDA has no investment policy that would further limit its investment options.

The DDA's investments have the following ratings at June 30, 2020, as rated by S&P or Moody's:

	AAAmf	AAAm	Not Rated	Total
Money market mutual funds	\$ 69,475,571	\$ -	\$ -	\$ 69,475,571
Municipal bonds	-	21,795,418	-	21,795,418
U.S. Treasury bonds	-	2,938,722	-	2,938,722
U.S. Treasury fund	-	38,583	-	38,583
Comerica J Fund	-	-	13,230,221	13,230,221
Repurchase agreements	-	-	5,000,000	5,000,000
Total	<u>\$ 69,475,571</u>	<u>\$ 24,772,723</u>	<u>\$ 18,230,221</u>	<u>\$ 112,478,515</u>

**Fair Value**

The DDA categorizes investments in the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are quoted prices for similar assets in active markets, and Level 3 inputs are unobservable in the market and are the least reliable. The DDA had the following recurring fair value measurements as of June 30, 2020:

	Level 1	Level 2	Level 3	Total
<b>Investments by Fair Value</b>				
Money market mutual funds	\$ 104,539,793	\$ -	\$ -	\$ 104,539,793
U.S. Treasury bond	-	2,938,722	-	2,938,722
Repurchase agreements	-	5,000,000	-	5,000,000
Total	<u>\$ 104,539,793</u>	<u>\$ 7,938,722</u>	<u>\$ -</u>	<u>\$ 112,478,515</u>

***Component Units - Economic Development Corporation***

**Custodial Credit Risk of Bank Deposits**

The EDC does not have a deposit policy for custodial credit risk. As of June 30, 2020, the EDC had checking and escrow bank balances of \$9,663,027, of which \$8,915,804 was uninsured and uncollateralized.

**Note 3 - Deposits and Investments (Continued)**

**Investments**

The EDC uses fair value measurements in the preparation of its financial statements, which utilize various inputs, including those that can be readily observable or corroborated or are generally unobservable. The EDC utilizes market-based data and valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Additionally, the EDC applies assumptions that market participants would use in pricing an asset or liability, including assumptions about risk.

The measurement of fair value includes a hierarchy based on the quality inputs used to measure fair value. Financial assets and liabilities are categorized into this three-level fair value hierarchy based on the inputs to the valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable inputs. Level 1 financial assets and liabilities are based on unadjusted quoted market prices for identical assets and liabilities in active markets that the EDC has the ability to access, Level 2 financial assets and liabilities are based on quoted prices in markets that are not active or model inputs that are observable for substantially the full term of the asset or liability, and Level 3 financial assets and liabilities whole values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. The EDC’s fair value hierarchy for those assets measured at fair value on a recurring basis as of June 30, 2020 is summarized as follows:

	Level 1	Level 2	Level 3	Total
<b>Investments by Fair Value -</b>				
Money market funds	\$ 20,279,620	\$ -	\$ -	\$ 20,279,620

The EDC does not have a formal investment policy that limits investments maturities as a means of managing exposure to fair value losses arising from increasing interest rates. Individual investments that represent 5 percent or more of the EDC’s total investments have the following ratings at June 30, 2020, as rated by S&P Global:

	AAAmf	AAAm	Total
U.S. Gov Money Market Fund	\$ 19,025,000	\$ -	\$ 19,025,000
Prime Money Market Fund	-	1,104,620	1,104,620
U.S. Treasury Plus Money Market Fund	-	150,000	150,000
Total	<u>\$ 19,025,000</u>	<u>\$ 1,254,620</u>	<u>\$ 20,279,620</u>



June 30, 2020

**Note 4 - Restricted Assets**

At June 30, 2020, restricted assets of the primary government and component units are restricted for the following purposes:

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Unspent bond proceeds and related interest	\$ 141,140,978	\$ 183,341,611	\$ 324,482,589	\$ -
Other debt-related reserves and escrow balances	70,981,550	-	70,981,550	-
Amounts legally restricted to fund pension benefits	184,724,028	-	184,724,028	-
Amounts held in escrow from various restricted sources	22,226,773	-	22,226,773	423,146
Amounts required to be set aside by oversight agencies for grants	142,915	-	142,915	-
Restricted cash held at the State for income taxes	10,870,395	-	10,870,395	-
Other various assets restricted by source and irrevocable held in trust or escrow	6,602,797	7,500,000	14,102,797	3,221,223
Housing projects	-	-	-	30,142,312
Funded reserves	-	-	-	11,611,681
Development program activities	-	-	-	24,987,521
Other	-	1,463,004	1,463,004	1,074,043
<b>Total</b>	<b>\$ 436,689,436</b>	<b>\$ 192,304,615</b>	<b>\$ 628,994,051</b>	<b>\$ 71,459,926</b>

**Note 5 - Interfund Receivables, Payables, and Transfers**

During the course of operations, numerous transactions occur between the City's funds for goods provided and services rendered and for the reimbursement of expenditures. Related interfund receivables and payables are classified as due from other funds and due to other funds on the balance sheet and statement of net position and will be settled within one year. Interfund receivables and payables at June 30, 2020 are as follows:

Fund Recording From	Fund Recording Due To					
	General Fund	Nonmajor Governmental Funds	Sewage Disposal Fund	Transportation Fund	Water Fund	Public Lighting Authority Fund
General Fund	\$ -	\$ 124,766,992	\$ 2,377,214	\$ 500,834	\$ 186,627	\$ 2,600,816
Nonmajor governmental funds	1,781,670	5,384,696	-	-	-	-
Sewage Disposal Fund	-	2,056	-	-	-	-
Transportation Fund	-	3,420,573	-	-	-	-
Water Fund	-	397,165	5,195,064	-	-	-
Internal service funds	908,139	2,691,880	1,429,689	431,776	183,078	-
<b>Total liabilities</b>	<b>\$ 2,689,809</b>	<b>\$ 136,663,362</b>	<b>\$ 9,001,967</b>	<b>\$ 932,610</b>	<b>\$ 369,705</b>	<b>\$ 2,600,816</b>

Fund Recording From	Fund Recording Due To		
	Nonmajor Enterprise Funds	Internal Service Funds	Total Assets
General Fund	\$ 39,250	\$ -	\$ 130,471,733
Nonmajor governmental funds	-	-	7,166,366
Sewage Disposal Fund	-	-	2,056
Transportation Fund	-	820,165	4,240,738
Water Fund	-	-	5,592,229
Internal service funds	14,034	-	5,658,596
<b>Total liabilities</b>	<b>\$ 53,284</b>	<b>\$ 820,165</b>	<b>\$ 153,131,718</b>

June 30, 2020

**Note 5 - Interfund Receivables, Payables, and Transfers (Continued)**

The City has made the following long-term advances between funds and discretely presented component units:

Fund Borrowed From	Fund Loaned To	Amount
General Fund	Sewage Disposal Fund	\$ 17,707,244
	Transportation Fund	17,469,510
	Water Fund	10,624,352
	Nonmajor enterprise funds	622,694
	Total advances to other funds	46,423,800
General Fund	Detroit Public Library	3,815,637
	Detroit Land Bank Authority	12,000,000
	Detroit Brownfield Redevelopment Authority	7,500,000
	Total advances to component units	23,315,637
	Total General Fund	<u>\$ 69,739,437</u>

During the year ended June 30, 2018, the City entered into a memorandum of understanding with DWSD (the Water and Sewage Disposal funds), DDOT (the Transportation Fund), and the Detroit Public Library with respect to the Financial Recovery Bonds, Series 2014-C, that were redeemed by the City during that year. During the year ended June 30, 2019, the City entered into a memorandum of understanding with DWSD, DDOT, the Airport Department, the Municipal Parking Department, and the Detroit Public Library with respect to a portion of the Financial Recovery Bonds, Series 2014 B(1) and Series 2014 B(2), that had been purchased and canceled by the City (see further information regarding the purchase and cancellation in the Financial Recovery Bonds section of Note 7).

Under both memorandums of understanding, each party agreed to repay the General Fund for its respective portion of the 2014-C bonds that were redeemed and the 2014-B bonds that were purchased and canceled by continuing to make payments to the City in accordance with the original amortization schedules.

As a result of the agreement above, the Water Fund, Sewage Disposal Fund, Transportation Fund, and Detroit Public Library each recognized a reduction of its share of the general obligation debt and recorded a long-term advance payable to the City in accordance with the same interest rates and amortization schedule applicable to the 2014-C bonds. As of June 30, 2020, the amounts owed to the General Fund by DWSD, DDOT, and the Detroit Public Library were \$2,329,678 (Water Fund), \$3,882,797 (Sewage Disposal Fund), \$3,850,992 (Transportation Fund), and \$888,649 (Detroit Public Library). The current portions of these long-term advances are \$315,614 (Water Fund), \$526,024 (Sewage Disposal Fund), \$521,715 (Transportation Fund), and \$120,390 (Detroit Public Library). These long-term advances are considered direct borrowings.

As a result of the agreement above, the Water Fund, Sewage Disposal Fund, Transportation Fund, Parking Fund, Airport Fund, and Detroit Public Library each recognized a reduction of its share of the general obligation debt and recorded a long-term advance payable to the City in accordance with the same interest rates and amortization schedule applicable to the general obligation debt purchased and canceled. As of June 30, 2020, the amounts owed by each of the debtor parties were \$8,294,674 (Water Fund), \$13,824,447 (Sewage Disposal Fund), \$13,618,518 (Transportation Fund), \$172,694 (Airport Fund), and \$2,926,987 (Detroit Public Library).

June 30, 2020

**Note 5 - Interfund Receivables, Payables, and Transfers (Continued)**

During the course of the fiscal year, transactions occur between the City’s funds for operating subsidies. Related interfund receipts and disbursements are classified as transfers in and transfers out on the statements of revenue, expenditures/expenses, and changes in fund balances/net position. The transfers are routine and consistent with the activities of the funds. Transfers between funds during the year ended June 30, 2020 are as follows:

Paying Fund (Transfer Out)	Receiving Fund (Transfer In)	Amount
General Fund	Transportation Fund	\$ 45,901,494
	Public Lighting Authority Fund	10,453,826
	Nonmajor enterprise funds	5,265,463
	Nonmajor governmental funds	<u>10,997,323</u>
	Total General Fund	72,618,106
Nonmajor governmental funds	Nonmajor governmental funds	586,644
	General Fund	<u>20,568,710</u>
	Total nonmajor governmental funds	21,155,354
Transportation Fund	Nonmajor governmental funds	307,587
Nonmajor enterprise funds	General Fund	<u>11,797,185</u>
	Total	<u><u>\$ 105,878,232</u></u>

The General Fund transferred \$72.6 million to other funds. The largest transfer from the General Fund was made to the Transportation Fund for \$45.9 million, followed by transfers totaling \$11 million to nonmajor governmental funds attributable to the settlement of legacy interfund balances. The transfer was of unrestricted funds for operating purposes. The nonmajor governmental funds transferred \$21.2 million to other funds. Included in this is a transfer from the Solid Waste Management Fund to the General Fund to repay an operating loan. The Transportation Fund transferred out \$45.9 million to support operations. The Automobile Parking Fund transferred \$11.8 million to the General Fund to complete the merger of the Automobile Parking Fund into the General Fund that was effective July 1, 2019.

June 30, 2020

**Note 6 - Capital Assets**

Capital asset activity of the City's governmental and business-type activities was as follows:

**Governmental Activities**

	Balance July 1, 2019 (As Restated)	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2020
Capital assets not being depreciated:					
Land	\$ 271,007,395	\$ -	\$ -	\$ 3,240,874	\$ 274,248,269
Works of art	29,788,133	-	-	-	29,788,133
Construction in progress	36,070,497	(44,343,756)	85,230,127	360,993	77,317,861
<b>Total nondepreciable capital assets</b>	<b>336,866,025</b>	<b>(44,343,756)</b>	<b>85,230,127</b>	<b>3,601,867</b>	<b>381,354,263</b>
Capital assets being depreciated:					
Buildings and improvements	1,171,839,735	12,721,948	6,614,991	44,500,526	1,235,677,200
Machinery, equipment, and fixtures	366,991,619	4,898,497	21,926,002	8,634,398	402,450,516
Infrastructure	1,351,936,222	26,723,311	1,525,940	5,780,366	1,385,965,839
<b>Total depreciable assets</b>	<b>2,890,767,576</b>	<b>44,343,756</b>	<b>30,066,933</b>	<b>58,915,290</b>	<b>3,024,093,555</b>
Accumulated depreciation:					
Buildings and improvements	588,218,419	-	32,068,063	34,143,539	654,430,021
Machinery, equipment, and fixtures	252,118,497	-	28,095,876	3,880,793	284,095,166
Infrastructure	1,012,038,071	-	39,232,259	-	1,051,270,330
<b>Total accumulated depreciation</b>	<b>1,852,374,987</b>	<b>-</b>	<b>99,396,198</b>	<b>38,024,332</b>	<b>1,989,795,517</b>
<b>Net capital assets being depreciated</b>	<b>1,038,392,589</b>	<b>44,343,756</b>	<b>(69,329,265)</b>	<b>20,890,958</b>	<b>1,034,298,038</b>
<b>Net governmental activities capital assets</b>	<b>\$ 1,375,258,614</b>	<b>\$ -</b>	<b>\$ 15,900,862</b>	<b>\$ 24,492,825</b>	<b>\$ 1,415,652,301</b>

During the year, the Automobile Parking Fund transferred assets with a net book value of approximately \$22.9 million to governmental activities. This is reflected above as part of the disposals and adjustments column.

June 30, 2020

**Note 6 - Capital Assets (Continued)**

***Business-type Activities***

	Balance July 1, 2019	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2020
<b>Water Fund</b>					
Capital assets not being depreciated:					
Land and land rights	\$ 1,327,637	\$ -	\$ -	\$ -	\$ 1,327,637
Construction in progress	39,108,655	(14,737,077)	36,563,325	-	60,934,903
Total nondepreciable capital assets	40,436,292	(14,737,077)	36,563,325	-	62,262,540
Capital assets being depreciated:					
Land improvements	4,843,199	80,485	-	-	4,923,684
Buildings and structures	55,525,740	33,218	-	-	55,558,958
Mains	534,316,345	11,352,144	-	-	545,668,489
Services	50,845,806	559,699	-	-	51,405,505
Meters	128,652,642	726,740	-	-	129,379,382
Machinery, equipment, and fixtures	83,299,554	920,571	-	(542,879)	83,677,246
Total depreciable assets	857,483,286	13,672,857	-	(542,879)	870,613,264
Accumulated depreciation:					
Land improvements	1,231,792	-	75,326	-	1,307,118
Buildings and structures	43,343,187	-	609,472	-	43,952,659
Mains	148,025,254	-	7,796,752	-	155,822,006
Services	31,212,248	-	535,302	-	31,747,550
Meters	79,306,447	-	4,723,818	-	84,030,265
Machinery, equipment, and fixtures	44,556,429	-	3,673,771	(515,736)	47,714,464
Total accumulated depreciation	347,675,357	-	17,414,441	(515,736)	364,574,062
Net capital assets being depreciated	509,807,929	13,672,857	(17,414,441)	(27,143)	506,039,202
Net Water Fund capital assets	<u>\$ 550,244,221</u>	<u>\$ (1,064,220)</u>	<u>\$ 19,148,884</u>	<u>\$ (27,143)</u>	<u>\$ 568,301,742</u>

June 30, 2020

**Note 6 - Capital Assets (Continued)**

*Business-type Activities (Continued)*

	Balance July 1, 2019	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2020
<b>Sewage Disposal Fund</b>					
Capital assets not being depreciated:					
Land and land rights	\$ 72,326	\$ -	\$ -	\$ -	\$ 72,326
Construction in progress	57,531,981	(9,406,588)	38,712,965	-	86,838,358
Total nondepreciable capital assets	57,604,307	(9,406,588)	38,712,965	-	86,910,684
Capital assets being depreciated:					
Land improvements	10,467,244	2,123,755	-	-	12,590,999
Buildings and structures	507,783,372	49,826	-	-	507,833,198
Interceptors and regulators	221,968	-	-	-	221,968
Machinery, equipment, and fixtures	102,157,722	3,068,504	-	(222,586)	105,003,640
Total depreciable assets	620,630,306	5,242,085	-	(222,586)	625,649,805
Accumulated depreciation:					
Land improvements	1,497,182	-	108,561	-	1,605,743
Buildings and structures	103,138,215	-	7,150,085	-	110,288,300
Interceptors and regulators	56,326	-	3,328	-	59,654
Machinery, equipment, and fixtures	55,150,184	-	4,516,865	(221,046)	59,446,003
Total accumulated depreciation	159,841,907	-	11,778,839	(221,046)	171,399,700
Net capital assets being depreciated	460,788,399	5,242,085	(11,778,839)	(1,540)	454,250,105
Net Sewage Disposal Fund capital assets	\$ 518,392,706	\$ (4,164,503)	\$ 26,934,126	\$ (1,540)	\$ 541,160,789



June 30, 2020

**Note 6 - Capital Assets (Continued)**

***Business-type Activities (Continued)***

	Balance July 1, 2019	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2020
<b>Transportation Fund</b>					
Capital assets not being depreciated:					
Land and land rights	\$ 6,809,693	\$ -	\$ -	\$ -	\$ 6,809,693
Construction in progress	3,259,027	-	9,688,978	-	12,948,005
Total nondepreciable capital assets	10,068,720	-	9,688,978	-	19,757,698
Capital assets being depreciated:					
Buildings and structures	145,212,736	-	541,202	(49,222)	145,704,716
Vehicles and buses	135,574,198	-	25,971,425	(12,128,735)	149,416,888
Machinery, equipment, and fixtures	30,770,426	-	149,066	-	30,919,492
Total depreciable assets	311,557,360	-	26,661,693	(12,177,957)	326,041,096
Accumulated depreciation:					
Buildings and structures	67,694,615	-	2,818,448	(26,762)	70,486,301
Vehicles	69,814,973	-	10,232,571	(12,120,089)	67,927,455
Furniture and equipment	25,187,987	-	1,163,886	-	26,351,873
Total accumulated depreciation	162,697,575	-	14,214,905	(12,146,851)	164,765,629
Net capital assets being depreciated	148,859,785	-	12,446,788	(31,106)	161,275,467
Net Transportation Fund capital assets	<u>\$ 158,928,505</u>	<u>\$ -</u>	<u>\$ 22,135,766</u>	<u>\$ (31,106)</u>	<u>\$ 181,033,165</u>
	Balance July 1, 2019	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2020
<b>Public Lighting Authority Fund</b>					
Capital assets being depreciated:					
Structures	\$ 184,459,571	\$ -	\$ 4,671,512	\$ (3,974,880)	\$ 185,156,203
Machinery, equipment, and fixtures	847,396	-	53,778	-	901,174
Total depreciable assets	185,306,967	-	4,725,290	(3,974,880)	186,057,377
Accumulated depreciation:					
Structures	12,125,680	-	6,302,740	(364,364)	18,064,056
Machinery, equipment, and fixtures	537,170	-	142,851	-	680,021
Total accumulated depreciation	12,662,850	-	6,445,591	(364,364)	18,744,077
Net Public Lighting Authority Fund capital assets	<u>\$ 172,644,117</u>	<u>\$ -</u>	<u>\$ (1,720,301)</u>	<u>\$ (3,610,516)</u>	<u>\$ 167,313,300</u>

June 30, 2020

**Note 6 - Capital Assets (Continued)**

*Business-type Activities (Continued)*

	Balance July 1, 2019	Transfers	Additions	Disposals and Adjustments	Balance June 30, 2020
<b>Nonmajor Proprietary Funds - Automobile Parking Fund</b>					
Capital assets not being depreciated:					
Land and land rights	\$ 3,741,273	\$ -	\$ -	\$ (3,741,273)	\$ -
Construction in progress	1,059,017	-	-	(1,059,017)	-
Total nondepreciable capital assets	4,800,290	-	-	(4,800,290)	-
Capital assets being depreciated:					
Land improvements	194,795	-	-	(194,795)	-
Buildings and structures	138,808,350	-	-	(138,808,350)	-
Vehicles and buses	1,542,675	-	-	(1,542,675)	-
Machinery, equipment, and fixtures	10,460,610	-	-	(10,460,610)	-
Total depreciable assets	151,006,430	-	-	(151,006,430)	-
Accumulated depreciation:					
Land improvements	193,189	-	-	(193,189)	-
Buildings and structures	127,170,679	-	-	(127,170,679)	-
Vehicles and buses	1,204,227	-	-	(1,204,227)	-
Machinery, equipment, and fixtures	4,319,239	-	-	(4,319,239)	-
Total accumulated depreciation	132,887,334	-	-	(132,887,334)	-
Net capital assets being depreciated	18,119,096	-	-	(18,119,096)	-
Net nonmajor proprietary funds - Automobile Parking Fund capital assets	<u>\$ 22,919,386</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22,919,386)</u>	<u>\$ -</u>

During the year, the Automobile Parking Fund transferred all of its assets to governmental activities, as a result of being consolidated with the General Fund.

June 30, 2020

**Note 6 - Capital Assets (Continued)**

*Business-type Activities (Continued)*

	Balance July 1, 2019	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2020
<b>Nonmajor Proprietary Funds - Airport Fund</b>					
Capital assets not being depreciated:					
Land	\$ 16,021,972	\$ -	\$ -	\$ -	\$ 16,021,972
Construction in progress	1,698,024	-	880,629	(1,698,024)	880,629
Total nondepreciable capital assets	17,719,996	-	880,629	(1,698,024)	16,902,601
Capital assets being depreciated:					
Infrastructure	2,368,295	-	698,020	-	3,066,315
Land improvements	9,830,941	-	-	-	9,830,941
Buildings and structures	6,615,899	-	971,429	-	7,587,328
Vehicles and buses	282,994	-	854,266	-	1,137,260
Machinery, equipment, and fixtures	1,664,855	-	11,084	-	1,675,939
Total depreciable assets	20,762,984	-	2,534,799	-	23,297,783
Accumulated depreciation:					
Infrastructure	-	-	157,885	-	157,885
Land improvements	8,235,594	-	83,649	-	8,319,243
Buildings and structures	5,481,238	-	79,943	-	5,561,181
Vehicles and buses	256,974	-	68,721	-	325,695
Machinery, equipment, and fixtures	1,649,531	-	13,749	-	1,663,280
Total accumulated depreciation	15,623,337	-	403,947	-	16,027,284
Net capital assets being depreciated	5,139,647	-	2,130,852	-	7,270,499
Net nonmajor proprietary funds - Airport Fund capital assets	<u>\$ 22,859,643</u>	<u>\$ -</u>	<u>\$ 3,011,481</u>	<u>\$ (1,698,024)</u>	<u>\$ 24,173,100</u>

June 30, 2020

**Note 6 - Capital Assets (Continued)**

Capital asset activity for certain component units of the City's for the year ended June 30, 2020 was as follows:

**Component Units**

	Balance July 1, 2019	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2020
<b>Detroit Housing Commission</b>					
Capital assets not being depreciated:					
Land	\$ 71,113,651	\$ -	\$ 2,446,930	\$ (14,378,420)	\$ 59,182,161
Construction in progress	2,954,964	-	871,952	(2,954,964)	871,952
Total nondepreciable capital assets	74,068,615	-	3,318,882	(17,333,384)	60,054,113
Depreciable capital assets:					
Structures and improvements	79,164,836	-	463,713	508,035	80,136,584
Equipment	7,561,494	-	40,958	(135,986)	7,466,466
Total depreciable assets	86,726,330	-	504,671	372,049	87,603,050
Accumulated depreciation:					
Structures and improvements	45,627,285	-	4,186,662	-	49,813,947
Equipment	7,604,034	-	156,067	(135,986)	7,624,115
Total accumulated depreciation	53,231,319	-	4,342,729	(135,986)	57,438,062
Net capital assets being depreciated	33,495,011	-	(3,838,058)	508,035	30,164,988
Net Detroit Housing Commission capital assets	<u>\$ 107,563,626</u>	<u>\$ -</u>	<u>\$ (519,176)</u>	<u>\$ (16,825,349)</u>	90,219,101
Detroit Housing Commission component unit net capital assets					<u>211,444,899</u>
Total Detroit Housing Commission net capital assets					<u>\$ 301,664,000</u>

June 30, 2020

**Note 6 - Capital Assets (Continued)**

**Component Units (Continued)**

	Balance July 1, 2019	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2020
<b>Downtown Development Authority</b>					
Capital assets not being depreciated - Land - Other Nondepreciable assets	\$ 55,344,670	\$ -	\$ -	\$ -	\$ 55,344,670
Depreciable capital assets:					
Buildings	979,625,360	-	-	-	979,625,360
Equipment	68,446	-	-	-	68,446
Land improvements	2,579,515	-	-	(1,973,755)	605,760
Total depreciable assets	982,273,321	-	-	(1,973,755)	980,299,566
Accumulated depreciation:					
Buildings	71,424,583	-	28,227,631	-	99,652,214
Equipment	68,446	-	-	-	68,446
Land improvements	2,543,415	-	25,712	(1,973,755)	595,372
Total accumulated depreciation	74,036,444	-	28,253,343	(1,973,755)	100,316,032
Net capital assets being depreciated	908,236,877	-	(28,253,343)	-	879,983,534
Net Downtown Development Authority capital assets	<u>\$ 963,581,547</u>	<u>\$ -</u>	<u>\$ (28,253,343)</u>	<u>\$ -</u>	<u>\$ 935,328,204</u>

Depreciation expense was charged to programs of the primary government as follows:

Governmental activities:	
Public protection	\$ 21,408,721
Health	77,127
Economic development	6,293,147
Recreation and culture	13,419,575
Housing supply and conditions	439,793
Physical environment	6,525,354
Transportation facilitation	36,828,916
Development and management	14,403,565
Total governmental activities	<u>\$ 99,396,198</u>

**Construction Commitments**

See Note 12 for discussion of commitment related to construction activities.

June 30, 2020

**Note 7 - Long-term Debt**

Long-term debt activity for the year ended June 30, 2020 can be summarized as follows:

**Governmental Activities**

	Beginning Balance	Additions*	Reductions	Refunded and Remarketed	Ending Balance	Due within One Year
Other debt:						
General obligations bonds	\$ 483,424,257	\$ 481,266	\$ (9,160,000)	\$ -	\$ 474,745,523	\$ 10,620,000
Unamortized bond premiums	14,770,975	-	(4,864,780)	-	9,906,195	4,864,780
Total other debt	498,195,232	481,266	(14,024,780)	-	484,651,718	15,484,780
Direct placements and borrowings:						
Revenue bonds payable	85,000,000	38,500,000	-	-	123,500,000	9,145,000
Notes payable	44,506,000	-	(4,581,000)	-	39,925,000	4,864,000
General obligations bonds	997,345,000	4,159,104	(68,385,000)	-	933,119,104	75,970,000
Total direct placements and borrowings	1,126,851,000	42,659,104	(72,966,000)	-	1,096,544,104	89,979,000
Other long-term liabilities:						
Compensated absences	97,587,010	33,790,682	(40,734,756)	-	90,642,936	40,734,756
Workers' compensation	57,864,000	7,881,977	(11,217,977)	-	54,528,000	10,020,000
Claims and judgments	101,959,138	7,078,796	(11,228,614)	-	97,809,320	2,727,941
Pollution remediation	54,625	-	-	-	54,625	-
Total other long-term liabilities	257,464,773	48,751,455	(63,181,347)	-	243,034,881	53,482,697
Total governmental activities long-term debt	<u>\$ 1,882,511,005</u>	<u>\$ 91,891,825</u>	<u>\$ (150,172,127)</u>	<u>\$ -</u>	<u>\$ 1,824,230,703</u>	<u>\$ 158,946,477</u>

\*During the year, the Automobile Parking Fund was consolidated into the General Fund. As a result, general obligations and other long-term liabilities of the Automobile Parking Fund in the amount of \$992,571 were added to the governmental activities general obligations and other long-term liabilities as current year additions.



June 30, 2020

**Note 7 - Long-term Debt (Continued)**

*Business-type Activities*

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Water Fund</b>					
Direct borrowings and direct placements - Revenue obligations:					
Revenue bonds payable	\$ 50,740,000	\$ 85,580,000	\$ -	\$ 136,320,000	\$ -
State revolving loans	13,802,868	6,791,655	(5,062,844)	15,531,679	355,900
Contractual obligation to GLWA	412,140,600	-	(13,820,900)	398,319,700	14,478,800
<b>Total direct borrowings and direct placements - Revenue obligations</b>	<b>476,683,468</b>	<b>92,371,655</b>	<b>(18,883,744)</b>	<b>550,171,379</b>	<b>14,834,700</b>
Other debt:					
General obligation - Financial recovery bonds	18,245,406	-	-	18,245,406	-
Unamortized bond discounts	6,126,619	14,406,016	(141,568)	20,391,067	785,463
<b>Total obligations - Net</b>	<b>501,055,493</b>	<b>106,777,671</b>	<b>(19,025,312)</b>	<b>588,807,852</b>	<b>15,620,163</b>
Other long-term liabilities:					
Compensated absences	1,544,205	349,898	(393,433)	1,500,670	600,107
Workers' compensation	4,979,000	-	(885,000)	4,094,000	758,000
Claims and judgments	3,530,000	-	(920,000)	2,610,000	-
<b>Total other long-term liabilities</b>	<b>10,053,205</b>	<b>349,898</b>	<b>(2,198,433)</b>	<b>8,204,670</b>	<b>1,358,107</b>
<b>Total Water Fund long-term debt</b>	<b>\$ 511,108,698</b>	<b>\$ 107,127,569</b>	<b>\$ (21,223,745)</b>	<b>\$ 597,012,522</b>	<b>\$ 16,978,270</b>

June 30, 2020

**Note 7 - Long-term Debt (Continued)**

**Business-type Activities (Continued)**

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Sewage Disposal Fund</b>					
Direct borrowings and direct placements:					
Contractual revenue obligation to GLWA	\$ 335,574,500	\$ -	\$ (11,741,100)	\$ 323,833,400	\$ 12,249,500
Revenue bonds	81,595,000	-	(1,370,000)	80,225,000	1,415,000
Shortfall payable to GLWA	44,045,679	-	(17,542,669)	26,503,010	18,206,431
Total direct borrowings and direct placements - Revenue obligations	461,215,179	-	(30,653,769)	430,561,410	31,870,931
Other debt:					
General obligation - Financial recovery bonds	30,409,013	-	-	30,409,013	-
Unamortized bond premiums	9,687,232	-	(348,679)	9,338,553	376,827
Total obligations - Net	501,311,424	-	(31,002,448)	470,308,976	32,247,758
Other long-term liabilities:					
Compensated absences	3,603,144	816,430	(918,010)	3,501,564	1,400,249
Workers' compensation	1,132,000	-	(217,000)	915,000	195,000
Claims and judgments	5,190,000	435,000	-	5,625,000	-
Total other long-term liabilities	9,925,144	1,251,430	(1,135,010)	10,041,564	1,595,249
Total Sewage Disposal Fund long-term debt	<u>\$ 511,236,568</u>	<u>\$ 1,251,430</u>	<u>\$ (32,137,458)</u>	<u>\$ 480,350,540</u>	<u>\$ 33,843,007</u>
	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Transportation Fund</b>					
Other debt - General obligation - Financial recovery bonds	\$ 29,933,518	\$ -	\$ -	\$ 29,933,518	\$ -
Other long-term liabilities:					
Compensated absences	3,277,709	2,030,157	(2,396,680)	2,911,186	2,128,676
Disability obligation	921,424	199,397	(241,341)	879,480	219,758
Total other long-term liabilities	4,199,133	2,229,554	(2,638,021)	3,790,666	2,348,434
Total Transportation Fund long-term debt	<u>\$ 34,132,651</u>	<u>\$ 2,229,554</u>	<u>\$ (2,638,021)</u>	<u>\$ 33,724,184</u>	<u>\$ 2,348,434</u>

June 30, 2020

**Note 7 - Long-term Debt (Continued)**

**Business-type Activities (Continued)**

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Public Lighting Authority</b>					
Direct borrowings and direct placements - General obligation bonds (including \$9,735,918 premium)	\$ 178,581,460	\$ -	\$ (374,458)	\$ 178,207,002	\$ 3,919,458
	Beginning Balance	Additions	Reductions*	Ending Balance	Due within One Year
<b>Nonmajor Proprietary Funds - Automobile Parking Fund</b>					
Other debt - General obligations - Financial recovery bonds	\$ 481,266	\$ -	\$ (481,266)	\$ -	\$ -
Other long-term liabilities:					
Compensated absences	178,699	-	(178,699)	-	-
Workers' compensation	327,000	-	(327,000)	-	-
Claims and judgments	5,606	-	(5,606)	-	-
Total other long-term liabilities	511,305	-	(511,305)	-	-
Total nonmajor proprietary funds - Automobile Parking Fund long-term debt	\$ 992,571	\$ -	\$ (992,571)	\$ -	\$ -

\*During the year, the Automobile Parking Fund was consolidated into the General Fund. As a result, general obligations of the Automobile Parking Fund were reduced to zero, and the remaining balance was added to the governmental activities general obligations balance.

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Nonmajor Proprietary Funds - Airport Fund</b>					
Other debt - General obligations - Financial recovery bonds	\$ 379,614	\$ -	\$ -	\$ 379,614	\$ -
Other long-term liabilities:					
Compensated absences	31,587	8,812	-	40,399	40,399
Claims and judgments	5,000,000	-	(2,500,000)	2,500,000	-
Workers' compensation	-	20,820	-	20,820	-
Total other long-term liabilities	5,031,587	29,632	(2,500,000)	2,561,219	40,399
Total nonmajor proprietary funds - Airport Fund long-term debt	\$ 5,411,201	\$ 29,632	\$ (2,500,000)	\$ 2,940,833	\$ 40,399

June 30, 2020

**Note 7 - Long-term Debt (Continued)**

**Component Units**

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Detroit Public Library</b>					
Other debt - General obligations - Financial recovery bonds	\$ 6,438,711	\$ -	\$ -	\$ 6,438,711	\$ -
Other long-term liabilities:					
Retiree settlement	4,869,500	-	(304,500)	4,565,000	304,500
Accrued compensated absences	4,199,867	-	(667,259)	3,532,608	534,766
Accrued workers' compensation	85,000	-	(9,000)	76,000	34,000
Total other long-term liabilities	9,154,367	-	(980,759)	8,173,608	873,266
Total Detroit Public Library long-term debt	\$ 15,593,078	\$ -	\$ (980,759)	\$ 14,612,319	\$ 873,266
	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Downtown Development Authority</b>					
Direct borrowing and direct placement debt obligations:					
Contracts payable	\$ 2,800,000	\$ -	\$ -	\$ 2,800,000	\$ -
Notes payable	2,121,894	-	(221,894)	1,900,000	1,900,000
Bonds payable	331,189,307	-	(1,361,991)	329,827,316	4,698,678
Bond discount	(3,061,766)	-	167,727	(2,894,039)	(155,692)
Total Downtown Development Authority long-term debt	\$ 333,049,435	\$ -	\$ (1,416,158)	\$ 331,633,277	\$ 6,442,986

**Long-term Advances**

During the year ended June 30, 2018, the City entered into a memorandum of understanding with DWSD (the Water and Sewage Disposal funds), DDOT (the Transportation Fund), and the Detroit Public Library with respect to the Financial Recovery Bonds, Series 2014-C, that were redeemed by the City during that year. During the year ended June 30, 2019, the City entered into a memorandum of understanding with DWSD, DDOT, the Airport Department, the Municipal Parking Department, and the Detroit Public Library with respect to a portion of the Financial Recovery Bonds, Series 2014 B(1) and Series 2014 B(2), that had been purchased and canceled by the City (see further information regarding the purchase and cancellation in the Financial Recovery Bonds section of this note).

Under both memorandums of understanding, each party agreed to repay the General Fund for its respective portion of the 2014-C bonds that were redeemed and the 2014-B bonds that were purchased and canceled by continuing to make payments to the City in accordance with the original amortization schedules.

June 30, 2020

**Note 7 - Long-term Debt (Continued)**

As a result of the agreement above, the Water Fund, Sewage Disposal Fund, Transportation Fund, and Detroit Public Library each recognized a reduction of its share of the general obligation debt and recorded a long-term advance payable to the City in accordance with the same interest rates and amortization schedule applicable to the 2014-C bonds. As of June 30, 2020, the amounts owed to the General Fund by DWSD, DDOT, and the Detroit Public Library were \$2,329,678 (Water Fund), \$3,882,797 (Sewage Disposal Fund), \$3,850,992 (Transportation Fund), and \$888,649 (Detroit Public Library). The current portions of these long-term advances are \$315,614 (Water Fund), \$526,024 (Sewage Disposal Fund), \$521,715 (Transportation Fund), and \$120,390 (Detroit Public Library). These long-term advances are considered direct borrowings.

As a result of the agreement above, the Water Fund, Sewage Disposal Fund, Transportation Fund, Parking Fund, Airport Fund, and Detroit Public Library each recognized a reduction of its share of the general obligation debt and recorded a long-term advance payable to the City in accordance with the same interest rates and amortization schedule applicable to the general obligation debt purchased and canceled. As of June 30, 2020, the amounts owed by each of the debtor parties were \$8,294,674 (Water Fund), \$13,824,447 (Sewage Disposal Fund), \$13,618,518 (Transportation Fund), \$218,938 (Parking Fund), \$172,694 (Airport Fund), and \$2,926,987 (Detroit Public Library). These long-term advances are considered direct borrowings. During the year, the Municipal Parking Department was consolidated into the General Fund, and, thus, the advance between the City and the Municipal Parking Department has been eliminated.

***General Obligation Bonds*****Governmental Activities**

The City issues general obligation bonds to provide for the acquisition and construction of major capital facilities and equipment. General obligation bonds were also issued for financial recovery costs, as well as quality-of-life initiatives. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds are backed by the full faith and, in some cases, unlimited taxing power of the City or are unsecured and will be paid by other specific revenue sources of the City. The debt for governmental activities will be retired by future property tax levies, Michigan Transportation Fund distributions, distributable state aid, and other resources accumulated in the General Fund and the Debt Service Fund (other governmental). The debt for business-type activities will be retired by revenue from those operations.

In 2010, the City issued Recovery Zone Economic Development Bonds in the amount of \$100 million. These bonds are direct-pay qualified bonds that provide a federal subsidy through a refundable tax credit allowed under Internal Revenue Code Section 6431. The subsidy is equal to 45 percent of the interest payable by the bond issuer to investors. Beginning in 2013, these refund payments became subject to a federal sequestration reduction rate. During the year ended June 30, 2020 the City received approximately \$3.0 million in federal interest subsidy related to the interest on these bonds. The schedule of future interest payments is presented gross of any federal subsidy related to these bonds. Over the remaining life of the Recovery Zone Economic Development Bonds, the City anticipates that it will receive approximately \$29.8 million of federal interest subsidy.

**2019 Capital Improvement Bonds (Michigan Strategic Fund)**

On June 10, 2019, the City entered into a loan agreement with the Michigan Strategic Fund and issued its 2019 Capital Improvement Bond in an amount not to exceed \$10 million for the purpose of demolishing the Joe Louis Arena. As of June 30, 2020, drawdowns totaling \$4,159,104 had occurred. The final drawdown request is due no later than December 31, 2020. The loan is secured by a limited tax pledge of the full faith and credit of the City. The interest rate is 1 percent in the first two years and 2 percent thereafter. The loan matures on July 9, 2039.

June 30, 2020

**Note 7 - Long-term Debt (Continued)**

**Series 2018 Unlimited Tax General Obligation Bonds**

On December 10, 2018, the City issued its \$135,000,000 Unlimited Tax General Obligation Bonds, Series 2018 (the "2018 UTGO Bonds"), for the purpose of financing the cost of certain capital projects of the City and paying costs of issuance associated with the 2018 UTGO Bonds. The 2018 UTGO Bonds are secured by a pledge of the full faith and credit of the City. The 2018 UTGO Bonds are tax exempt and mature on April 1, 2038.

**2016-C Distributable State Aid Bonds**

On August 11, 2016, the City issued the following series of City of Detroit Distributable State Aid Bonds in the aggregate principal amount of \$606,180,000:

Issue	Amount
2016 C1 - First Lien LTGO	\$ 240,965,000
2016 C2 - Third Lien LTGO	123,175,000
2016 C3 - Fourth Lien UTGO	222,185,000
2016 C4 - Fourth Lien UTGO	19,855,000

The bonds were issued for the purpose of refunding all of the City's Distributable State Aid Fourth Lien Restructured Bonds (Unlimited Tax General Obligation), Series 2014 A/G; various outstanding Unlimited Tax General Obligation Bonds, the debt service payments of which had been assigned under the plan of adjustment to the General Retirement System and the Police and Fire Retirement System (the "Stub Bonds"); and portions of its 2010 First Lien General Obligation Limited Bonds, Distributable State Aid Third Lien Bonds (Limited Tax General Obligation), Series 2012 (A/B). The refunding of the Stub Bonds resulted in the prepayment or defeasance of the City's remaining obligations to GRS and PFRS from the assigned debt service in respect of the Stub Bonds, with final payment from the refunding escrow made in April 2018.

**Financial Recovery Bonds**

**2014-B(1) and B(2)**

The Financial Recovery Bonds, Series 2014-B(1) and Series 2014-B(2), total \$616,560,047 and \$15,404,128, respectively. They are federally taxable. The bonds' interest rate is 4.0 percent per annum from December 10, 2014 to and including March 31, 2034 and 6.0 percent per annum thereafter until the maturity date of April 1, 2044. The bonds were delivered to classes of creditors in satisfaction of: (1) Class 12 OPEB claims (the bonds were distributed to the new Voluntary Employee Beneficiary Associations (VEBA) for the general retirees and police and fire retirees); (2) Class 9 Pension Obligation Certificate (POC) claims; and (3) Class 14 other unsecured bankruptcy claims. The distribution of the 2014-B(1) and B(2) bonds is detailed as follows:

Use	Series B(1)	Series B(2)	Total
GRS VEBA	\$ 233,414,249	\$ 5,365,940	\$ 238,780,189
PFRS VEBA	248,245,662	5,655,337	253,900,999
LTGO Class 9 Settlement	13,138,835	4,163,026	17,301,861
Class 14 Other Unsecured Claims	20,376,922	219,825	20,596,747
FGIC Settlement DDA Recovery	3,691,591	-	3,691,591
POC Settlement with Syncora	23,500,000	-	23,500,000
POC Settlement with FGIC	74,192,788	-	74,192,788
Total	<u>\$ 616,560,047</u>	<u>\$ 15,404,128</u>	<u>\$ 631,964,175</u>



**Note 7 - Long-term Debt (Continued)**

On December 13, 2018, the City issued its \$175,985,000 Distributable State Aid Fifth Lien Financial Recovery Refunding Bonds (Limited Tax General Obligation) Series 2018 Bonds (the "2018 DSA Bonds") to the Michigan Finance Authority for the purpose of purchasing a portion of its Financial Recovery Bonds, Series 2014-B(1), and its Financial Recovery Bonds, Series 2014-B(2) (together, the "Financial Recovery Bonds, Series 2014-B"), and paying the costs of issuance associated with the 2018 DSA Bonds. The 2018 DSA Bonds are secured by a pledge of the City's Distributable State Aid on a statutory fifth lien priority basis and a pledge of the limited tax full faith and credit of the City.

On December 13, 2018, the City purchased and canceled, at a discount from par, \$197,652,356 of its Financial Recovery Bonds, Series 2014B (specifically \$192,227,454 of Financial Recovery Bonds, Series 2014-B(1) at a purchase price of \$87 per \$100 in principal amount and \$5,424,902 of Financial Recovery Bonds, Series 2014-B(2) at a purchase price of \$85 per \$100 in principal amount), which had been tendered pursuant to the City's December 5, 2018 acceptance of offers.

On December 13, 2018, the City deposited into escrow funds to redeem \$3,075,000 of its Financial Recovery Income Tax Revenue and Refunding Bonds, Series 2014-B. The redemption occurred on January 22, 2019.

The above debt issuances were completed by the City in order to reduce the gross debt service for the fiscal years 2025-2030 by approximately \$155 million. Debt service beginning in fiscal year 2025 would have increased by approximately \$31 million per year through fiscal year 2030. In addition to the reduced debt service, the City will also save approximately \$10 million as a result of these issuances.

**2014-C Bonds**

The Financial Recovery Bonds, Series 2014-C, totaled \$88,430,021 and carried an interest rate of 5.0 percent per annum. The bonds, which were scheduled to mature on December 10, 2026, have been fully redeemed by the City. The 2014-C Bonds were issued as part of the Syncora settlement and FGIC/POC settlement in the plan, and, on the effective date, the bonds were distributed as follows:

Use	Series C Bonds
POC Settlement with Syncora	\$ 21,271,804
POC Settlement with FGIC	67,158,217
Total	<u>\$ 88,430,021</u>

As part of the bifurcation of DWSD, as described in Note 13, the Great Lakes Water Authority agreed to pay a portion of the Financial Recovery Bonds (2014-B(1), 2014-B(2), and 2014-C) that were allocated to DWSD. DWSD's allocation outstanding as of June 30, 2020 is approximately \$77 million, and GLWA has agreed to pay approximately \$55 million.

**Note 7 - Long-term Debt (Continued)**

**2014-A and 2014-B Bonds**

The Financial Recovery Income Tax Revenue and Refunding Bonds, Series 2014-A and Series 2014-B, totaled \$134,725,000 and \$140,275,000, respectively. The bonds' interest rate at issuance was variable but was converted to a fixed rate in September 2015 when the Michigan Finance Authority publicly reoffered its bonds as Series F(1) for \$134,725,000 and Series F(2) for \$110,275,000. The Series 2014-A bonds are tax exempt and mature on October 1, 2029, and the Series 2014-B bonds are taxable and mature on October 1, 2022. The City's income tax revenue is pledged to and secures the payment of debt service on these bonds. The bond proceeds were used to: (1) redeem the Series 2014 Financial Recovery Bonds, "Quality of Life," issued in April 2014; (2) fund a debt service reserve for the bonds; (3) provide additional funding for the City's reinvestment and revitalization initiatives; (4) pay the final installment of the settlement of the Class 5 POC Swap Claims; and (5) pay the costs of issuance of the bonds. The use of proceeds for each original series is detailed as follows:

Use	Series A	Series B	Total
Redeem quality-of-life financing	\$ 61,353,638	\$ 58,751,362	\$ 120,105,000
Debt service reserve	13,472,500	14,027,500	27,500,000
Issuance and other costs	1,834,028	1,906,319	3,740,347
Restructuring initiatives (RRI)	58,064,834	27,619,890	85,684,724
Derivatives (swap settlement payoff)	-	37,969,929	37,969,929
Total	<u>\$ 134,725,000</u>	<u>\$ 140,275,000</u>	<u>\$ 275,000,000</u>

June 30, 2020

**Note 7 - Long-term Debt (Continued)**

**Schedule of General Obligation Bonds**

The following is a schedule of general obligation bonds outstanding at June 30, 2020:

Purpose	Bond Date	Interest Rates	Maturing	Outstanding
<b>Governmental Activities</b>				
General Obligation Bonds - Unlimited Tax:				
City of Detroit, Michigan, Distributable State Aid Second Lien Bonds (Unlimited Tax General Obligation), Series 2010(A) (Taxable-Recovery Zone Economic Development Bonds - Direct Payment) Amount issued - \$100,000,000	12/16/10	5.129 to 8.369%	11/1/17-35	\$ 86,815,000
City of Detroit, Michigan, Distributable State Aid Fourth Lien Refunding Bonds (Unlimited Tax General Obligation) Series 2016A-1 (Tax-Exempt) Amount issued - \$222,185,000	8/11/16	1.941 to 5.00	11/1/19-35	104,915,000
City of Detroit, Michigan, Distributable State Aid Fourth Lien Refunding Bonds (Unlimited Tax General Obligation) Series 2016A-2 (Federally Taxable) Amount issued - \$19,855,000	8/11/16	1.39 to 3.61	11/1/17-32	12,275,000
City of Detroit, Michigan, Unlimited Tax General Obligation Bonds, Series 2018 Amount issued - \$135,000,000	12/31/18	5.00	4/1/20-38	125,840,000
Total General Obligation Bonds - Unlimited Tax				<u>\$ 329,845,000</u>
General Obligation Bonds - Limited Tax:				
City of Detroit, Michigan, Financial Recovery Bonds, Series 2014B(1) Amount issued - \$494,095,548	12/10/14	4.00 to 6.00%	4/1/25-44	\$ 340,552,181
City of Detroit, Michigan, Financial Recovery Bonds, Series 2014B(2) Amount issued - \$12,924,806	12/10/14	4.00 to 6.00	4/1/25-44	8,353,342
City of Detroit, Michigan, Financial Recovery Income Tax Revenue and Refunding Bonds, Series 2014A Amount issued - \$134,725,000	9/1/15	3.40 to 4.00	10/1/20-29	134,725,000
City of Detroit, Michigan, Financial Recovery Income Tax Revenue and Refunding Bonds, Series 2014B (Taxable) Amount issued - \$110,275,000	9/1/15	4.60	10/1/29	70,885,000
Distributable State Aid First Lien Refunding Bonds (Limited Tax General Obligation) Series 2016B-1 (Federally Taxable) Amount issued - \$240,965,000	8/11/16	1.941 to 5.00	11/1/19-35	234,485,000
City of Detroit, Michigan, Distributable State Aid Third Lien Refunding Bonds (Limited Tax General Obligation) Series 2016B-2 (Federally Taxable) Amount issued - \$123,175,000	8/11/16	1.39 to 3.61	11/1/17-32	108,875,000
City of Detroit, Michigan, Distributable State Aid Fifth Lien Bonds, Series 2018 Amount issued - \$175,985,000	12/13/18	4.29 to 5.02	6/30/19-44	175,985,000
City of Detroit, Michigan, Capital Improvement Bonds, Series 2019 Amount issued - \$10,000,000	6/10/19	1.00 to 2.00	7/9/22-40	4,159,104
Total General Obligation Bonds - Limited Tax				<u>\$ 1,078,019,627</u>

June 30, 2020

**Note 7 - Long-term Debt (Continued)**

Purpose	Bond Date	Interest Rates	Maturing	Outstanding
<b>Business-type Activities</b>				
<b>Water Fund</b>				
General Obligation Bonds - Limited Tax:				
City of Detroit, Michigan, Financial Recovery Bonds, Series 2014B(1) Amount issued - \$26,041,025	12/10/14	4.00 to 6.00%	4/1/25-44	\$ 17,922,105
City of Detroit, Michigan, Financial Recovery Bonds, Series 2014B(2) Amount issued - \$499,054	12/10/14	4.00 to 6.00	4/1/25-44	323,301
<b>Sewage Disposal Fund</b>				
General Obligation Bonds - Limited Tax:				
City of Detroit, Michigan, Financial Recovery Bonds, Series 2014B(1) Amount issued - \$43,401,707	12/10/14	4.00 to 6.00%	4/1/25-44	\$ 29,870,179
City of Detroit, Michigan, Financial Recovery Bonds, Series 2014B(2) Amount issued - \$831,756	12/10/14	4.00 to 6.00	4/1/25-44	538,834
<b>Transportation Fund</b>				
General Obligation Bonds - Limited Tax:				
City of Detroit, Michigan, Financial Recovery Bonds, Series 2014B(1) Amount issued - \$42,558,907	12/10/14	4.00 to 6.00%	4/1/25-44	\$ 29,290,141
City of Detroit, Michigan, Financial Recovery Bonds, Series 2014B(2) Amount issued - \$993,130	12/10/14	4.00 to 6.00	4/1/25-44	643,377
<b>Public Lighting Authority Fund</b>				
General Obligation Bonds	7/2/14	3.00 to 5.00%	4/1/25 - 44	\$ 178,207,002
<b>Nonmajor Proprietary Funds - Airport Fund</b>				
General Obligation Bonds - Limited Tax:				
City of Detroit, Michigan, Financial Recovery Bonds, Series 2014B(1) Amount issued - \$539,953	12/10/14	4.00 to 6.00%	4.00 to 6.00%	\$ 371,610
City of Detroit, Michigan, Financial Recovery Bonds, Series 2014B(2) Amount issued - \$12,355	12/10/14	4.00 to 6.00	4.00 to 6.00	8,004
<b>Component Unit - Detroit Public Library</b>				
General Obligation Bonds - Limited Tax:				
City of Detroit, Michigan, Financial Recovery Bonds, Series 2014B(1) Amount issued - \$9,192,291	12/10/14	4.00 to 6.00%	4/1/25-44	\$ 6,326,373
City of Detroit, Michigan, Financial Recovery Bonds, Series 2014B(2) Amount issued - \$173,408	12/10/14	4.00 to 6.00	4/1/25-44	\$ 112,339

**Revenue Bonds**

**Governmental Activities**

On November 16, 2017, the City issued the City of Detroit, Michigan Transportation Fund Bonds, Series 2017, in the amount of \$124,500,000. The Michigan Finance Authority (MFA) purchased the City's bonds using the proceeds of its MFA Revenue Bonds (City of Detroit Transportation Project), Series 2017A. The bonds were a private placement (i.e., direct purchase).

**Note 7 - Long-term Debt (Continued)**

The City is using the bond proceeds to finance certain road improvement projects. The bonds mature on April 1, 2032 and are subject to optional redemption prior to maturity at par on any date on or after April 1, 2024.

As security for repayment of the bonds, the City pledged and assigned its Michigan Transportation Fund distributions that are received on a monthly basis from the State of Michigan. The City entered into a Transportation Fund Pledge and Intercept Agreement (the "Agreement") with US Bank (the "Trustee"), MFA, and the State Treasurer. Under the Agreement, MTF distributions due to the City are sent directly to the Trustee, from which the Trustee sets aside principal and interest amounts, according to a set aside schedule, in advance of the payment dates. The remaining portion of the MTF distributions that exceed the monthly set aside requirement are transferred to the City. The Agreement remains in effect as long as the bonds are outstanding.

As outlined in Schedule 1 to the Trust Indenture, the bonds are to be drawn down over time, with the final amount paid out on or before October 1, 2020. As of June 30, 2020, draws totaling \$123,500,000 were submitted and received by the City.

**Water Fund and Sewage Disposal Fund**

As a result of the lease agreement and resulting bifurcation discussed in Note 13, revenue bonds and SRF debt issuances that were issued by the City prior to January 1, 2016 have been assigned to and assumed by the Great Lakes Water Authority. The liability of the Detroit retail class for its calculated share of this debt is reflected as part of the Contractual Obligation to the Great Lakes Water Authority.

As part of the lease transaction in which the City leased the regional water and sewer system of the Detroit Water and Sewerage Department (DWSD) to the Great Lakes Water Authority, all DWSD revenue bonds outstanding as of December 31, 2015, including those purchased by the Michigan Finance Authority under its state revolving loan program, were assumed by GLWA with the consent of bond holders.

Per the Water and Sewer Services Agreement between DWSD and GLWA dated June 12, 2015 and the Master Bond Ordinances dated October 7, 2015, as amended, the Detroit retail class continues to pay its common-to-all share of debt service and its allocated share of debt service associated with improvements to the local water and sewer systems. Payments on the debt service incurred by the Great Lakes Water Authority on the outstanding revenue bonds assumed as of December 31, 2015 are allocated using an agreed-upon percentage of total debt service associated with bond-financed local improvements over the life of such bonds, though the bonds themselves continue to be secured by the net revenue of GLWA, which includes all revenue payable by the Detroit retail class.

On June 27, 2018, DWSD and GLWA executed a memorandum of understanding (MOU), which outlined the requirements for the reconciliation committee (originally defined by the WSSA) to meet quarterly to "expand the level of communication between the two entities related to financial, operational, legal, capital planning, and other matters and opportunities for improved management and coordination of both entities and foster a positive relationship in the water services sector." The MOU further describes a specific function of the reconciliation committee to address any "cumulative negative variance of more than two percent of the total budget for either GLWA or DWSD."

For the years ended June 30, 2018 and 2017, GLWA reported a negative variance (receipts less than costs) for DWSD's Sewage Disposal Fund, which exceeded the 2 percent variance threshold. Based on the terms outlined in the MOU, a budget shortfall not cured by the end of the fiscal year (following the year in which it arises) shall be repaid in full in installments over a period not to exceed three fiscal years, with a surcharge based on the three-year U.S. Treasury Note rate plus 150 basis points. DWSD recorded a shortfall loan payable of \$53,413,034 for the cumulative 2018 and 2017 negative variance reported by GLWA as a result of this agreement. The shortfall loan payable outstanding as of June 30, 2020 is \$26,503,010.

June 30, 2020

**Note 7 - Long-term Debt (Continued)**

The Water Fund received loans from the State of Michigan Revolving Loan Fund totaling \$6,791,655 during the year ended June 30, 2020. The proceeds of the loans were used to pay the costs of making certain repairs and improvements to the water system and are reported as a long-term liability on the statement of net position.

In 2020, DWSD received \$99,986,016 in proceeds from the issuance of the Water Supply System Revenue Senior Lien Bonds, Series 2020A and 2020B, by GLWA on behalf of DWSD. Water Fund revenue bonds provided financing for improvements to the local water system. The par amount of the bonds was \$85,580,000, with a bond premium of \$14,406,016. The bonds are secured by the net revenue of GLWA and the DWSD. GLWA's master bond ordinance requires collections of DWSD receipts to be deposited into trust accounts controlled by the master bond ordinance (through GLWA), which will be used, among other things, to fund debt principal and interest. Principal payments on the Series 2016 Water Fund revenue bonds will commence on July 1, 2042. Interest-only payments are made semiannually until July 1, 2042, at which time principal payments will commence. Principal payments on the Series 2020 Water Fund revenue bonds will commence on July 1, 2023. Interest-only payments are made semiannually until July 1, 2023, at which time principal payments will commence.

**Notes and Loans Payable**

The City issues installment notes and loans to provide funds for various public improvement projects.

The following is a schedule of notes payable at June 30, 2020:

Purpose	Year Issued	Interest Rates	Maturing	Outstanding
<b>Governmental Activities</b>				
(All notes are secured by future Block Grant revenue)				
Mexicantown Welcome Center Project	9/14/06	5.09 to 5.70%	08/01/19-24	\$ 1,298,000
Book Cadillac Project Note II	6/12/08	4.33 to 5.38	08/01/19-27	3,755,000
Garfield II Note 1	9/14/06	4.33 to 5.30	08/01/19-25	4,592,000
Garfield II Note 2	9/14/06	5.09 to 5.77	08/01/19-26	1,548,000
Garfield II Note 3	9/16/09	0.28 to 3.35	08/01/19-29	6,287,000
Garfield II Note 4	9/16/09	0.93 to 3.35	08/01/19-29	869,000
Fort Shelby Project	6/12/08	4.33 to 5.34	08/01/19-26	11,250,000
Woodward Garden Project 1	6/12/08	4.48 to 5.05	08/01/19-21	1,550,000
Woodward Garden Project 2	7/21/10	2.66 to 4.35	08/01/19-28	4,067,000
Woodward Garden Project 3	4/20/12	0.83 to 3.55	08/01/19-31	4,709,000
Total governmental activities				<u>\$ 39,925,000</u>



June 30, 2020

**Note 7 - Long-term Debt (Continued)**

**Debt Service Requirements to Maturity**

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Years Ending June 30	Governmental Activities					
	Direct Borrowings and Direct Placements			Other Debt		Total
	Principal	Interest (Less Subsidy)	Interest Subsidy	Principal	Interest	
2021	\$ 89,979,000	\$ 43,289,951	\$ 2,996,212	\$ 10,620,000	\$ 20,428,221	\$ 167,313,384
2022	85,136,000	39,615,033	2,908,750	4,460,000	19,717,221	151,837,004
2023	84,975,270	36,340,169	2,814,724	4,680,000	19,494,221	148,304,384
2024	70,761,155	33,340,580	2,704,646	4,915,000	19,260,221	130,981,602
2025	65,364,912	30,721,664	2,576,619	7,095,024	19,014,471	124,772,690
2026-2030	323,380,685	116,228,290	10,535,628	37,804,962	89,866,799	577,816,364
2031-2035	178,329,378	64,200,782	5,173,125	148,861,293	77,642,553	474,207,131
2036-2040	111,987,704	34,321,902	167,448	154,765,142	56,139,406	357,381,602
2041-2045	86,630,000	8,820,642	-	101,544,102	15,231,614	212,226,358
2046-2050	-	-	-	-	-	-
<b>Total</b>	<b>\$ 1,096,544,104</b>	<b>\$ 406,879,013</b>	<b>\$ 29,877,152</b>	<b>\$ 474,745,523</b>	<b>\$ 336,794,727</b>	<b>\$ 2,344,840,519</b>

Years Ending June 30	Business-type Activities				
	Direct Borrowings and Direct Placements		Other Debt*		Total
	Principal	Interest	Principal	Interest	
2021	\$ 51,613,984	\$ 55,080,175	\$ -	\$ 3,158,703	\$ 109,852,862
2022	43,518,056	53,052,844	-	3,158,703	99,729,603
2023	36,828,497	51,296,545	-	3,158,703	91,283,745
2024	40,175,351	49,611,025	-	3,158,703	92,945,079
2025	47,251,918	47,748,608	440,096	3,158,703	98,599,325
2026-2030	258,977,564	204,934,170	1,786,506	15,534,346	481,232,586
2031-2035	292,927,858	142,433,485	25,045,905	14,653,544	475,060,792
2036-2040	239,577,800	71,266,576	28,719,473	12,062,177	351,626,026
2041-2045	125,109,000	33,121,895	22,975,571	3,446,336	184,652,802
2046-2050	59,773,867	5,118,747	-	-	64,892,614
<b>Total</b>	<b>\$ 1,195,753,895</b>	<b>\$ 713,664,070</b>	<b>\$ 78,967,551</b>	<b>\$ 61,489,918</b>	<b>\$ 2,049,875,434</b>

Years Ending June 30	Component Unit Activities				
	Direct Borrowings and Direct Placements		Other Debt		Total
	Principal	Interest	Principal	Interest	
2021	\$ 6,598,678	\$ 18,975,921	\$ -	\$ 257,548	\$ 25,832,147
2022	8,525,127	18,712,097	-	257,548	27,494,772
2023	8,864,136	18,339,713	-	257,548	27,461,397
2024	11,915,495	17,948,479	-	257,548	30,121,522
2025	8,119,111	17,571,989	35,947	257,548	25,984,595
2026-2030	44,219,769	70,447,007	145,920	1,267,924	116,080,620
2031-2035	37,490,000	57,108,750	2,042,280	1,194,661	97,835,691
2036-2040	50,750,000	46,132,500	2,341,424	983,398	100,207,322
2041-2045	66,750,000	31,532,500	1,873,140	280,971	100,436,611
2046-2050	91,295,000	11,009,875	-	-	102,304,875
<b>Total</b>	<b>\$ 334,527,316</b>	<b>\$ 307,778,831</b>	<b>\$ 6,438,711</b>	<b>\$ 5,014,694</b>	<b>\$ 653,759,552</b>

\*2014-B bonds reflected in the Water and Sewage Disposal funds will be partially paid by the GLWA (71.42 percent allocated to GLWA) and, therefore, are offset by a receivable in the Water and Sewage Disposal funds.

**Note 7 - Long-term Debt (Continued)**

***Assets Pledged as Collateral***

The City has \$39,925,000 of HUD Section 108 loans payable for which it has pledged certain assets as collateral. Relative to these loans, the City generally has pledged any mortgage interest and assignment of leases and rents. Relative to one specific HUD Section 108 loan, the City has also pledged (a) its long-term leasehold interest in excess of 50 years held by a third party for subsurface rights to certain geothermal fields located in the City; (b) all geothermal, solar, and wind energy-generating equipment owned by a third party in, on, and underground at certain locations in the City; (c) any and all construction equipment purchased with Section 108 Loan Guarantee Funds; and (d) net income, as defined in accordance with generally accepted accounting principles, from the sale of energy produced by geothermal improvements and rental of the geothermal, solar, and wind energy-generating equipment owned by a third party.

***Debt Limit***

The Michigan Constitution established the authority, subject to constitutional and statutory prohibition, for municipalities to incur debt for public purposes. The City is subject to the Home Rule Act, Act 279 Public Acts of Michigan, 1909, as amended, which, with limited exceptions, limits the net indebtedness incurred for all public purposes to as much as, but not to exceed, the greater of the following: (a) 10 percent of the assessed value of all the real and personal property in the City or (b) 15 percent of the assessed value of all the real and personal property in the City if that portion of the total amount of indebtedness incurred that exceeds 10 percent is, or has been, used solely for the construction or renovation of hospital facilities.

June 30, 2020

**Note 7 - Long-term Debt (Continued)**

***Detroit Housing Commission - Component Unit***

A summary of Detroit Housing Commission's discretely presented component units' debt outstanding and maturity dates is as follows:

	Lender	Interest Rate	Maturity Date	Balance - Beginning of Year	(Payments) Additions	Balance - End of Year
Woodbridge Estates Apartments I, LLC	SA Affordable Housing, LLC	7.06%	2035	\$ 1,186,116	\$ (19,957)	\$ 1,166,159
	Detroit Housing Commission	AFR	2048	1,279,824	-	1,279,824
Woodbridge Estates Apartments II, LLC	Detroit Housing Commission	0.00%	2048	840,500	-	840,500
	SA Affordable Housing, LLC	7.06%	2035	1,714,204	(29,342)	1,684,862
	Detroit Housing Commission	AFR	2048	1,888,460	-	1,888,460
Woodbridge Estates Apartments III, LDHA LLC	Detroit Housing Commission	0.00%	2048	797,954	-	797,954
	SA Affordable Housing, LLC	6.04%	2047	1,368,776	(20,216)	1,348,560
	Detroit Housing Commission	4.61%	2042	1,559,212	-	1,559,212
Woodbridge Estates Apartments IV, LDHA LLC	City of Detroit, Michigan	0.00%	2036	429,505	(7,290)	422,215
	SA Affordable Housing, LLC	6.04%	2047	1,820,661	(27,091)	1,793,570
	Detroit Housing Commission	4.61%	2051	1,763,593	-	1,763,593
Woodbridge Estates Apartments V, LDHA LLC	City of Detroit, Michigan	0.00%	2036	429,497	(7,289)	422,208
	SA Affordable Housing, LLC	6.04%	2047	2,945,879	(44,005)	2,901,874
	Detroit Housing Commission	4.61%	2051	2,056,904	-	2,056,904
Woodbridge Estates Apartments VI, LDHA LLC	City of Detroit, Michigan	0.00%	2036	429,598	(7,494)	422,104
	Detroit Housing Commission	3.75%	2063	2,444,652	1,731	2,446,383
	Detroit Housing Commission	0.00%	2067	3,405,457	294,543	3,700,000
Woodbridge Estates Apartments IX, LDHA LLC	Citizens	5.00%	2067	4,282,289	3,760,849	8,043,138
	Detroit Housing Commission	5.20%	2049	3,681,381	988	3,682,369
	Detroit Housing Commission	0.45%	2038	22,930,193	-	22,930,193
Woodbridge ILF Associates LDHA LP The Villages at Parkside II LLC	Detroit Housing Commission	7.00%	2038	2,584,579	-	2,584,579
	Detroit Housing Commission	0.45%	2038	20,990,363	-	20,990,363
	Detroit Housing Commission	AFR	2047	265,780	-	265,780
The Villages at Parkside IV LLC Alexandrine Square Apartments LDHA LP Gardenview Homes I LDHA LLC	MSHDA	6.00%	2046	1,567,846	(23,853)	1,543,993
	MSHDA - HOME Note	3.00%	2058	272,207	(3,326)	268,881
	Detroit Housing Commission	0.00%	2053	9,783,354	-	9,783,354
Gardenview Homes II, III, IV, V, VI, VII, VIII, and IX LDHA LLC	MSHDA - Section 1602 TCAP funds	0.00%	(a)	13,122,960	-	13,122,960
	MSHDA	3.00%	2062	20,261,000	-	20,261,000
	Detroit Housing Commission	0.00%	2054-2064	19,146,359	(69,817)	19,076,542
	Detroit Housing Commission	0.75%	2060	3,887,485	-	3,887,485
Gardenview Homes X LDHA LLC	Detroit Housing Commission	2.50%	2067	5,840,800	917,137	6,757,937
	MSHDA	4.95%	2020	9,924,403	(8,499,403)	1,425,000
	MSHDA	2.50%	2067	119,760	705,240	825,000
Emerald Springs IA and IB LDHA LP Emerald Springs II LDHA LP	Detroit Housing Commission	0.50%	2056	9,906,746	780	9,907,526
	Detroit Housing Commission	0.50%	2058	7,218,952	21,752	7,240,704
Cornerstone I LDHA LLC	Detroit Housing Commission	3.79%	2060	3,691,806	1,023	3,692,829
Cornerstone II LDHA LLC	Detroit Housing Commission	0.00%	2060	9,072,082	325	9,072,407
Cornerstone III LDHA LLC	Detroit Housing Commission	4.25%	2061	3,028,226	1,406	3,029,632
Totals				<u>\$ 197,939,363</u>	<u>\$ (3,053,309)</u>	194,886,054
Amount due to DHC primary government						<u>(139,234,530)</u>
Net long-term debt reported						<u>\$ 55,651,524</u>

***DDA Bonds Payable***

On August 10, 2017, the DDA issued \$36,000,000 in Series 2017 bonds, with the proceeds to be used toward construction changes and enhancements to Little Caesars Arena (the "Arena"). These changes were necessary in order to make the Arena compliant with National Basketball Association requirements and to incentivize the Detroit Pistons to relocate to the City of Detroit, Michigan. Similar to the Series 2014A bonds, these bonds will be repaid through Catalyst Development Project tax increment revenue captured by the DDA.

**Note 7 - Long-term Debt (Continued)**

In 2014, the Michigan Strategic Fund (MSF) issued \$250,000,000 in Series 2014A bonds and \$200,000,000 in Series 2014B bonds, with the proceeds to be used toward the construction of the downtown events center. The Series 2014A bonds will be serviced primarily through Catalyst Development Project tax revenue captured by the DDA. Beginning in 2019, there will also be a variable contribution toward the debt service from the DDA's general tax revenue that is captured. The Series 2014B bonds will be serviced by a variable concession management payment from Olympia to the DDA and have a variable interest rate. Series 2014A bonds were disbursed entirely at the outset of the project. Series 2014B bond proceeds are drawn down as required.

On December 30, 2018, the DDA issued \$287,425,000 in Series 2018A bonds to refund the 2014 and 2017 bonds. These bonds will be repaid through the same revenue stream that was to repay the original 2014 and 2017 bonds. Payments on these bonds will be made primarily from the stadium fund.

The DDA entered into a swap novation transaction with Garden Trust on November 9, 2017 for the purpose of removing the DDA from the swap transaction. As part of this transaction, the entire outstanding amount of Series 2014B drawn down, \$188,500,000, was retired through a prepayment of the base concession fees payable by Garden Trust to the DDA under the Concession Management Agreement relating to the Arena.

As the bonds were issued, the DDA entered into a loan agreement with the MSF. The proceeds from the bonds are loaned to the DDA by the MSF, and the DDA is obligated to pay the aforementioned revenue to the MSF to service the bonds. A bond issued by the DDA to the MSF secures this obligation. As of June 30, 2020, the loans have been fully repaid.

***DDA Contracts Payable***

In 1989, the DDA issued \$15,225,000 in Series 1989A tax-exempt bonds and \$71,000,000 in Series 1989B taxable bonds. In 1996, the DDA issued \$75,014,000 in Series 1996A taxable bonds, \$13,330,000 in Series 1996B tax-exempt bonds, \$64,883,198 in Series 1996C tax-exempt bonds, and \$14,185,000 in Series 1996D tax-exempt bonds. In 1998, the DDA issued \$68,900,000 in Series 1998A tax-exempt bonds, \$32,195,000 in Series 1998B taxable bonds, and \$21,425,000 in Series 1998C junior lien bonds. The principal and interest on the bonds are primarily payable from, and secured by, certain incremental property tax revenue to be received by the DDA from Development Area No. 1 within the downtown business district. Payments on the bonds contract payable are made from the other debt service fund under the general bond resolution.

A portion of the 1996 bond proceeds, \$87,996,800, was put into an escrow account to repay the 1989 bonds. A portion of the 1998 bond proceeds, \$65,124,175, was also put into an escrow account to repay the Series 1996C (partial refund) and the Series 1996D bonds. The escrow agent was responsible for monitoring and making the required debt service payments on those bonds, which were removed as liabilities from the DDA's financial statements. The 1989 bonds, the Series 1996C (partial refund) bonds, and the Series 1996D bonds have been fully repaid.

June 30, 2020

**Note 7 - Long-term Debt (Continued)**

**City Bonds Authorized and Unissued**

The following is the schedule of the City's bonds authorized and unissued at June 30, 2020:

	Authority	Date	Authorized Amount	Unissued Amount
General obligation bonds (tax supported):				
Public safety	Electorate	11/2/2004	\$ 120,000,000	\$ 32,714,819
Neighborhood/Economic development	Electorate	11/2/2004	19,000,000	-
Transportation	Electorate	11/2/2004	32,000,000	24,501,849
Public lighting	Electorate	2/24/2009	22,000,000	22,000,000
Neighborhood/Economic development	Electorate	2/24/2009	25,000,000	-
Museums, libraries, recreation, and other	Electorate	2/24/2009	97,000,000	62,047,002
Transportation	Electorate	2/24/2009	12,000,000	1,863,398
Public safety	Electorate	2/24/2009	72,000,000	4,951,218
Total			<u>\$ 399,000,000</u>	<u>\$ 148,078,286</u>

The electorate approved an amendment to the State Constitution (the Headlee Amendment) on November 7, 1978 that requires voter approval for the issuance of general obligation bonds effective December 22, 1978. The authority to issue bonds approved by the electors continues until revoked by the electors.

**Note 8 - Pension Plans**

**Plan Description**

The City of Detroit Retirement System consists of the General Retirement System (GRS) and the Police and Fire Retirement System (PFRS) (collectively, the "Systems"). Each system comprises two single-employer plans composed of a defined benefit plan component and a defined contribution annuity plan component (the "Combined Plan"). The plans provide retirement, disability, and survivor benefits to plan members and beneficiaries. Each plan is administered by its own board of trustees. Plan members include active employees, retirees, and beneficiaries from various departments within the City. Benefit terms have been established by contractual agreements between the City and the employees' collective bargaining units; amendments are subject to the same process.

The City filed for bankruptcy in June 2013 and subsequently exited bankruptcy on December 10, 2014. This resulted in the adoption of the Eighth Amended Plan for Adjustment of Debts of the City of Detroit (the "Plan of Adjustment" or the "POA").

In June 2014, separate and apart from the bankruptcy proceedings and resulting POA, the emergency manager directed the City and its professional pension advisors to undertake efforts to prepare documentation and emergency manager orders necessary to freeze the existing plans for GRS and PFRS as of June 30, 2014 and establish a new hybrid plan for GRS and PFRS effective July 1, 2014. The emergency manager effectuated this action pursuant to authority under PA 436, separate and apart from those pension changes requiring bankruptcy court approval. The plan in existence for each system as of June 30, 2014 is known as the legacy plan or Component II. As of July 1, 2014, all eligible employees began participating in the new hybrid pension plan, or Component I. Eligible city employees will receive the benefits they have earned under the legacy Component II plan for services performed through June 30, 2014 plus an additional benefit under the new hybrid plan formula for services after June 30, 2014.

**Note 8 - Pension Plans (Continued)**

For GRS, with respect to Component II benefit adjustments resulting from the POA, the pension settlement (for which benefit levels were and are contingent on other factors, including receipt of outside contributions), provided: for a loss of cost of living adjustments, or escalators (COLAs), paid after July 1, 2014; for a 4.5 percent reduction to the remaining accrued pension benefit after the COLA loss; and, for GRS members who participated in the Annuity Savings Fund (ASF) plan between 2003 and 2013, subject to certain caps, recoupment of certain amounts of interest deemed by the City to be in excess of that which should have been credited to individual ASF accounts, referred to as "ASF Recoupment." ASF Recoupment, like other provisions of the pension settlement, was not optional. Most members will pay their ASF Recoupment by a monthly deduction from their future pension benefits for a set term of months, including interest calculated at 6.75 percent. All members were offered a lump-sum cash option, which was limited in the aggregate to \$30 million in member recoupment. The POA also included the possibility of restoration of certain pension benefit reductions, based on a program for the most financially vulnerable pensioners and beneficiaries through the Michigan Department of Treasury, as well as a new feature of Component II allowing restoration of benefits depending on GRS' funding level over time.

For PFRS, with respect to benefit adjustments resulting from the POA, the pension settlement (for which benefit levels were and are contingent on other factors, including receipt of outside contributions) did not reduce PFRS legacy plan pension benefits but provided for a 55 percent reduction in cost of living adjustments, or escalators, paid after June 30, 2014. The Plan of Adjustment also includes the possibility of restoration of certain pension benefit reductions based on a program for the most financially vulnerable pensioners and beneficiaries through the Michigan Department of Treasury, as well as a new feature of the legacy plan allowing restoration of benefits depending on PFRS' funding level over time.

***Benefits Provided*****Component II**

Component II is the legacy plan, the original defined benefit plan for each system, which includes a defined benefit component and a defined contribution component. Component II generally applies to benefits accrued by members prior to July 1, 2014. The plan provides retirement, disability, and survivor benefits to plan members and beneficiaries. Except as specifically provided in the Combined Plan, benefits provided under Component II are frozen effective June 30, 2014. Component II also includes the Income Stabilization Fund. The fund was established as a provision of the POA for the sole purpose of paying the Income Stabilization Benefits and Income Stabilization Benefits Plus to eligible pensioners.

The Income Stabilization Fund is outlined in Section G-3 of the POA. The annual supplemental pension income stabilization benefit is equal to the lesser of either (i) the amount needed to restore an eligible retiree's reduced annual pension benefit to 100 percent of the amount of the annual pension benefit that the eligible retiree was receiving from the Systems in 2013 or (ii) the amount needed to bring the total annual 2013 household income of the eligible retiree up to 130 percent of the federal poverty level for 2013. The Income Stabilization Fund did not have an impact on total pension liability as of the measurement date of June 30, 2018 because the assets held by the Income Stabilization Fund are not considered to be available to fund the normal retirement benefit provisions under the pension plan but instead are restricted to paying Income Stabilization Benefits and Income Stabilization Benefits Plus. No liability currently exists for these benefits.



June 30, 2020

**Note 8 - Pension Plans (Continued)**

GRS Component II plan members who retire post-bankruptcy will receive an annuity that shall be the actuarial equivalent of the member's accumulated contributions in the 1973 Defined Contribution Annuity Savings Fund at the time of retirement. In addition, each member will receive a basic service and a membership service pension. The basic service pension will consist of \$12.00 per annum multiplied by the number of years and fractions of years of credited service, not to exceed 10 years. The membership service pension will be calculated as follows:

- For members who retired on or before June 30, 1992, a membership service pension of 1.5 percent of average final compensation for the first 10 years of service and 1.63 percent for service in excess of 10 years
- For members who retired on or after July 1, 1992 but prior to July 1, 1998, a membership service pension of 1.5 percent of average final compensation for each year of service for the first 10 years, plus 1.7 percent of average final compensation for each year of service in excess of 10 years up to 20 years of service, plus 1.9 percent of average final compensation for each year of service in excess of 20 years. In no event shall benefits paid by the Systems exceed 90 percent of average final compensation.
- For members who retire on or after July 1, 1998, a membership service pension for service rendered prior to July 1, 2012 of 1.6 percent of average final compensation for each year of service for the first 10 years; plus 1.8 percent of average final compensation for each year of service in excess of 10 years, up to 20 years of service; plus 2 percent of average final compensation for each year of service in excess of 20 years up to 25 years; plus 2.2 percent of average final compensation for each year of service in excess of 25 years; plus, for service rendered after July 1, 2012 and prior to July 1, 2014, 1.5 percent of average final compensation for each year of service; plus \$12 for each year of city service not to exceed \$120. Notwithstanding the foregoing, for members of the Michigan Council 25 of the American Federation of State, County and Municipal Employees, AFL-CIO Local 2920 and the Detroit Senior Water Systems Chemists Association bargaining units, the effective date of the 1.5 percent multiplier was April 1, 2013 for all years of service rendered after that date. In no case shall benefits paid by the Systems exceed 90 percent of average final compensation.

Upon retirement, PFRS Component II plan members will receive a straight life retirement allowance. The benefits consist of an annuity that is the actuarial equivalent of the member's accumulated contributions credit in the Annuity Savings Fund at the time of retirement. In addition, a pension is added to the member's annuity providing a straight life retirement allowance equal to: 2.0 percent of his or her average final compensation, multiplied by the number of years, and fraction of a year, of his or her creditable service, not to exceed 25 years, provided that the retirement allowance of a police employee shall in no case exceed 15/22 of the maximum earnable compensation of a patrolman and the retirement allowance of a firefighter shall not exceed 15/22 of the maximum earnable compensation of a firefighter (and, if either or both of the said ranks shall be hereafter abolished, the equivalent thereof). The foregoing pension limitation shall not apply to any police employee or fire employee who, on July 1, 1941, shall be entitled to a certificate for 20 years or more of prior service and who remains under the provisions of Chapter XV or Chapter XXI of Title IV of the 1918 Detroit City Charter.

In the event the eligible retiree's estimated adjusted annual household income in any calendar year after the first year that the eligible retiree receives a benefit from the Income Stabilization Fund is less than 105 percent of the federal poverty level in that year, the eligible retiree will receive an additional Income Stabilization Benefit Plus benefit commencing as of the next following July 1.

**Note 8 - Pension Plans (Continued)**

**Component I**

Component I is considered a hybrid plan because it includes a defined benefit component and a defined contribution component. Component I of the plan document applies to benefits accrued by members of the GRS and PFRS on and after July 1, 2014. The Component I plans provide retirement, disability, and survivor benefits to plan members and beneficiaries. Upon retirement, PFRS Component I plan members will receive a straight life retirement allowance that shall be equal to 2 percent of the member’s average final compensation multiplied by the member’s years of credited service earned after June 30, 2014. For GRS, plan members will receive a straight life retirement allowance that shall be equal to 1.5 percent of the member’s average final compensation multiplied by the member’s years of credited service earned after June 30, 2014.

***Employees Covered by Benefit Terms***

The following members were covered by the benefit terms:

	GRS Component I	GRS Component II	PFRS Component I	PFRS Component II
Date of member count	June 30, 2019	June 30, 2019	June 30, 2019	June 30, 2019
Inactive plan members or beneficiaries currently receiving benefits	314	11,557	117	8,102
Inactive plan members entitled to but not yet receiving benefits	961	3,209	659	394
Active plan members (includes DROP members)	5,794	2,793	2,612	2,315

***Employer Contributions***

**Component II**

GRS: During fiscal year 2020, employer contributions were determined by the provisions of the POA detailed under Exhibit II.B.3.r.ii.A. Included within contributions recognized by the pension plan for fiscal year 2020 in Component II are contributions from the Foundation for Detroit's Future (the "Foundation") in the amount of \$375,000 and \$47,900,000 of contributions from the City-related entities and the Great Lakes Water Authority.

PFRS: During fiscal year 2020, employer contributions were determined by the provisions of the POA detailed under Exhibit II.B.3.q.ii.A. Included in employer contributions in Component II are contributions from the Foundation for Detroit's Future in the amount of \$18,300,000. Going forward, until 2024, the only contributions to be made to Component II will be those received from the Foundation, as specified in the POA.

**Component I**

GRS: Per Section 9.3 of the Combined Plan, commencing on July 1, 2014 and ending on June 30, 2023, the City is required to contribute 5 percent of compensation. During the fiscal year ended June 30, 2020, the City and related entities contributed \$12,503,309.

PFRS: During fiscal year 2020, employer contributions are not actuarially determined but are determined by the provisions of the Combined Plan. Contributions from the City into Component I range from 11.2 percent to 12.25 percent of base compensation for eligible employees. These contributions rates are fixed by the POA through June 30, 2023 and may be increased if required according to the fiscal responsibility provision in the plan. During fiscal year 2020, employer contributions to Component I were \$18,028,236.

**Note 8 - Pension Plans (Continued)*****Employee Contributions***

Contribution requirements of plan members are established and may be amended by the board of trustees in accordance with the City Charter, union contracts, and plan provisions. For the year ended June 30, 2020, there were no employee contributions into Component II, as the plan was frozen as of June 30, 2014. Effectively, employee contributions were allowed only until August 1, 2014.

Contributions into Component I began with the members' first payroll date occurring in August 2014. With respect to GRS Component I, nonuniformed employees who are members of GRS are now required to make mandatory contributions of 4 percent of pay toward their defined benefit. Additionally, employees can make voluntary contributions of 3, 5, or 7 percent of annual pay. During fiscal year 2020, the GRS Component I plan received mandatory and voluntary employee contributions of \$15,929,751. With respect to PFRS Component I, members hired on or before June 30, 2014 contribute 6 percent of base compensation, and all employees hired on or after July 1, 2014 contribute 8 percent of compensation. During fiscal year 2020, the PFRS Component I plan received mandatory and voluntary employee contributions of \$10,366,173.

***Net Pension Liability (Asset)***

As permitted by GASB Statement No. 68, the City has chosen to use June 30, 2019 as its measurement date for the net pension liability (asset) for its fiscal year 2020 financial statements. The net pension liability (asset) was calculated using the total pension liability and the Systems' fiduciary net position as of June 30, 2019. The June 30, 2019 total pension liability was determined by an actuarial valuation performed as of June 30, 2018, which used update procedures to roll forward the estimated liability to June 30, 2019. In determining the fiduciary net position, the balances of the Income Stabilization Fund have not been included. The Income Stabilization Fund balances as of June 30, 2019 are approximately \$12.4 million and \$4.8 million for Component II for the GRS and PFRS, respectively.

Effective January 1, 2016, Great Lakes Water Authority was launched. Accordingly, the prior DWSD division in Component II was split into two - one representing the ongoing DWSD department, now referenced as DWSD-Retail (DWSD-R), and another to represent the GLWA serving water and sewer customers in areas outside of the City. On December 1, 2015, a triparty agreement between the City of Detroit, Michigan; the General Retirement System of the City of Detroit; and GLWA was signed. Per the POA and Section 4.3 of the lease agreements, GLWA is required to pay a portion of the pension obligation that will be allocable to the Detroit Water and Sewer Department. The purpose of the pension reporting agreement is to set forth determining the funding status for the DWSD pension pool and for GRS to agree to provide GLWA with certain actuarial and other reports to enable GLWA to properly manage and pay its portion of the pension obligation that is allocable to DWSD. In accordance with the pension reporting agreement, the net position and liabilities of DWSD were allocated between DWSD-R and GLWA. Per the agreement, GLWA is to be allocated 70.3 percent of the net position and liabilities of DWSD. Because GLWA has no employees or retirees in the Combined Plan, GLWA is considered a nonemployer contributing entity in accordance with GASB Statement No. 67.

The net pension liability (asset), total deferred outflows of resources, and total deferred inflows of resources included in the following tables include the portion allocable to GLWA. GLWA's portion of the total Component II net pension liability of \$934,695,854 at June 30, 2019 was \$132,909,890, with the remainder allocable to the City and related entities. GLWA's portion of the total Component II deferred outflow was \$42,839,481. There were no deferred inflows reported for Component II. As this arrangement meets the definition of a special funding situation per GASB Statement No. 68, GLWA's pension expense is recognized by the City.

**Note 8 - Pension Plans (Continued)**

Changes in the net pension liability (asset) during the measurement year were as follows:

**GRS Component I**

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
<b>Balance at July 1, 2018</b>	\$ 96,879,111	\$ 95,632,326	\$ 1,246,785
Changes for the year:			
Service cost	25,975,870	-	25,975,870
Interest	7,531,400	-	7,531,400
Differences between expected and actual experience	7,556,858	-	7,556,858
Contributions - Employer	-	12,205,700	(12,205,700)
Contributions - Employee	-	15,570,185	(15,570,185)
Net investment income	-	3,270,861	(3,270,861)
Benefit payments, including refunds	(3,539,384)	(3,539,384)	-
Administrative expenses	-	(1,942,063)	1,942,063
Other	-	9,066,287	(9,066,287)
Net changes	37,524,744	34,631,586	2,893,158
<b>Balance at June 30, 2019</b>	<u>\$ 134,403,855</u>	<u>\$ 130,263,912</u>	<u>\$ 4,139,943</u>

The plan's fiduciary net position represents 96.9 percent of the total pension liability.

**GRS Component II**

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
<b>Balance at July 1, 2018</b>	\$ 2,773,306,153	\$ 1,940,623,642	\$ 832,682,511
Changes for the year:			
Interest	195,489,643	-	195,489,643
Differences between expected and actual experience	13,596,900	-	13,596,900
Contributions - Employer	-	68,275,000	(68,275,000)
Net investment income	-	47,170,007	(47,170,007)
Benefit payments, including refunds	(248,790,015)	(248,790,015)	-
Administrative expenses	-	(3,023,943)	3,023,943
Other (ASF recoupment)	-	(5,347,864)	5,347,864
Net changes	(39,703,472)	(141,716,815)	102,013,343
<b>Balance at June 30, 2019</b>	<u>\$ 2,733,602,681</u>	<u>\$ 1,798,906,827</u>	<u>\$ 934,695,854</u>

The plan's fiduciary net position represents 65.8 percent of the total pension liability.

June 30, 2020

**Note 8 - Pension Plans (Continued)**

**PFRS Component I**

Changes in Net Pension Asset	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Asset
<b>Balance at July 1, 2018</b>	\$ 94,784,240	\$ 127,971,386	\$ (33,187,146)
Changes for the year:			
Service cost	26,942,435	-	26,942,435
Interest	7,633,137	-	7,633,137
Changes in benefits	(518,835)	-	(518,835)
Differences between expected and actual experience	(3,122,804)	-	(3,122,804)
Contributions - Employer	-	17,832,015	(17,832,015)
Contributions - Employee	-	9,768,284	(9,768,284)
Net investment income	-	5,384,693	(5,384,693)
Benefit payments, including refunds	(4,013,358)	(4,013,358)	-
Administrative expenses	-	(2,017,961)	2,017,961
Other income	-	4,042,486	(4,042,486)
Net changes	26,920,575	30,996,159	(4,075,584)
<b>Balance at June 30, 2019</b>	<u>\$ 121,704,815</u>	<u>\$ 158,967,545</u>	<u>\$ (37,262,730)</u>

The plan's fiduciary net position represents 130.6 percent of the total pension liability.

**PFRS Component II**

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
<b>Balance at July 1, 2018</b>	\$ 3,725,455,416	\$ 2,866,303,805	\$ 859,151,611
Changes for the year:			
Interest	256,873,504	-	256,873,504
Changes in benefits	(3,111,623)	-	(3,111,623)
Differences between expected and actual experience	(3,862,962)	-	(3,862,962)
Contributions - Employer	-	18,300,000	(18,300,000)
Contributions - Employee	-	3,600	(3,600)
Net investment income	-	98,891,894	(98,891,894)
Benefit payments, including refunds	(305,611,683)	(305,611,683)	-
Administrative expenses	-	(3,180,514)	3,180,514
Other expense	-	(3,863,746)	3,863,746
Net changes	(55,712,764)	(195,460,449)	139,747,685
<b>Balance at June 30, 2019</b>	<u>\$ 3,669,742,652</u>	<u>\$ 2,670,843,356</u>	<u>\$ 998,899,296</u>

The plan's fiduciary net position represents 72.8 percent of the total pension liability.

June 30, 2020

**Note 8 - Pension Plans (Continued)**

***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

For the year ended June 30, 2020, pension expense was \$2,163,250 for the General Retirement System Component I, \$123,282,684 for the General Retirement System Component II, \$10,120,361 for the Police and Fire Retirement System Component I, and \$118,402,883 for the Police and Fire Retirement System Component II.

At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	GRS - Component I		GRS - Component II	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 12,083,428	\$ (3,879,683)	\$ -	\$ -
Changes in assumptions	2,521,774	(4,532,759)	-	-
Net difference between projected and actual earnings on pension plan investments	106,537	-	59,951,744	-
Employer contributions to the plan subsequent to the measurement date	12,503,309	-	48,274,984	-
<b>Total</b>	<b>\$ 27,215,048</b>	<b>\$ (8,412,442)</b>	<b>\$ 108,226,728</b>	<b>\$ -</b>

	PFRS - Component I		PFRS - Component II	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (14,458,892)	\$ -	\$ -
Changes in assumptions	1,275,977	(819,820)	-	-
Net difference between projected and actual earnings on pension plan investments	1,860,232	-	61,664,161	-
Employer contributions to the plan subsequent to the measurement date	18,028,236	-	18,300,000	-
<b>Total</b>	<b>\$ 21,164,445</b>	<b>\$ (15,278,712)</b>	<b>\$ 79,964,161</b>	<b>\$ -</b>



**Note 8 - Pension Plans (Continued)**

A total of \$12,503,309 for the General Retirement System Component I, \$48,274,984 for the General Retirement System Component II, \$18,028,236 for the Police and Fire Retirement System Component I, and \$18,300,000 for the Police and Fire Retirement System Component II are reported as deferred outflows of resources resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Included in those amounts are amounts sourced from the sale of city-owned artwork with proceeds from the Foundation for Detroit's Future, as outlined in the POA (also referred to as the "Grand Bargain"). The deferred outflows of resources and deferred inflows of resources related to the change in actuarial assumptions and the net differences between projected and actual earnings on pension plan investments will be amortized and recognized as an addition to or a reduction of pension expense as follows:

Years Ending June 30	GRS - Component I	GRS - Component II	PFRS - Component I	PFRS - Component II
2021	\$ (533,559)	\$ 31,498,725	\$ (2,170,893)	\$ 35,808,753
2022	(326,484)	(2,019,409)	(2,593,761)	(4,988,461)
2023	1,704,740	12,656,812	(1,720,411)	11,521,193
2024	2,146,751	17,815,616	(1,516,340)	19,322,676
2025	1,176,527	-	(2,245,186)	-
Thereafter	2,131,322	-	(1,895,912)	-
Total	\$ 6,299,297	\$ 59,951,744	\$ (12,142,503)	\$ 61,664,161

**Actuarial Assumptions**

The total pension liability in each actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

	GRS Component I	GRS Component II	PFRS Component I	PFRS Component II
Salary increases (including inflation)	2.0 - 3.0%	N/A	2.0 - 3.0%	N/A
Investment rate of return (net of investment expenses)	7.38%	7.38%	7.19%	7.19%

Based on an experience study from 2008-2013 issued in February 2015, the mortality table assumption was based on the RP-2014 Blue Collar Annuitant Table for males and females. The tables are projected to be fully generational, based on the two-dimensional sex-distinct mortality scale MP-2014. Other than mortality and the investment rate of return, the actuarial assumptions used in the valuation to calculate the total pension liability at June 30, 2019 were based on the results of an actuarial experience study for the period from 2002-2007 modified as necessary to account for the difference in eligibility of this new plan. While the Systems routinely have an experience study performed by an actuary every five years, the last experience study for the period from July 1, 2007 through June 30, 2012 was started but not completed due to the City's bankruptcy. To avoid any distortions from the bankruptcy period, the Systems have chosen to have the next experience study performed for the period from July 1, 2015 through June 30, 2020.

**Cost of Living Adjustments**

GRS Component I plan has a postretirement COLA feature, known as the Variable Pension Improvement Factor (VPIF), of a 2 percent simple COLA. It can be granted beginning on July 1, 2018 only if the five-year projection shows the plan funded status at 100 percent based upon 6.75 percent future investment return. For the purpose of the total pension liability, the actuary assumed a 0.50 percent simple COLA beginning on July 1, 2019 to model the potential average COLA over time. Had no COLA been assumed, the net pension asset would have been \$(198,532). Had the full 2 percent COLA been assumed, the net pension liability would have been \$17,209,500.

**Note 8 - Pension Plans (Continued)**

PFRS Component I plan also has a VPIF of a 1 percent compound COLA. It can be granted beginning on July 1, 2015 only if the five-year projection shows the plan's funded status above 90 percent based upon 6.75 percent future investment return. For the purpose of the total pension liability, the actuary assumed a 0.50 percent compound COLA beginning on July 1, 2019 to model the potential average COLA over time. Had no COLA been assumed, the net pension asset would have been \$(43,566,713). Had the full 1 percent COLA been assumed, the net pension asset would have been \$(30,370,692).

***Discount Rates***

The discount rate used to measure the total pension liability as of June 30, 2019 was 7.38 percent for both General Retirement System plans and 7.19 percent for both Police and Fire Retirement System plans. This was also the discount rate used at the beginning of the year. For the Component II plans, the projection of cash flows used to determine the discount rates assumed that employee contributions will cease as of June 30, 2014 and that city contributions, including contributions sourced from the proceeds of the sale of artwork from the State of Michigan and the Foundation for Detroit's Future, will be made at rates equal to those set by the final Plan of Adjustment through June 30, 2023 and a 30-year closed level dollar amortization thereafter followed by actuarially determined contributions beginning in 2024. For the Component I plans, the projection of cash flows used to determine the discount rates assumed that employee contributions will be made at the current contribution rate. Contributions to the Combined Plan are projected to be at the minimum amounts required by the Plan of Adjustment through 2023, followed by actuarially determined contributions beginning in 2024. While no funding policy has been adopted by the City of Detroit, Michigan, the projection of cash flows assumes full funding of contributions such that the plan's net position will be sufficient to make all benefit payments. The Combined Plans' management believes that the funding practice adopted by the City will be consistent with the underlying objective used in the projection to develop the single discount rate.

***Investment Rate of Return***

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return as of June 30, 2019 for each major asset class, including the pension plan's target asset allocation are summarized in the following table.

**GRS Component I and II**

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global equity	43.00 %	5.26 %
Global fixed income	20.00	3.73
Private equity	8.00	7.97
Hedge funds	5.00	4.26
Diversifying strategies	8.00	3.03
Real estate	15.00	4.56
Cash	1.00	0.39

June 30, 2020

**Note 8 - Pension Plans (Continued)**

**PFRS Component I and II**

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global equity	34.00 %	5.27 %
Global fixed income	35.00	3.21
Real estate	10.00	4.29
Private equity	10.00	7.97
Hedge funds	5.00	4.26
Master limited partnerships	5.00	5.09
Cash	1.00	0.39

***Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate***

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.38 percent for both General Retirement System plans and 7.19 percent for both Police and Fire Retirement System plans, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.38% for GRS and 6.19% for PFRS)	Current Discount Rate (7.38% for GRS and 7.19% for PFRS)	1 Percentage Point Increase (8.38% for GRS and 8.19% for PFRS)
Net pension liability (asset) of the GRS Component I	\$ 22,662,194	\$ 4,139,943	\$ (10,876,114)
Net pension liability of the GRS Component II	1,170,300,202	934,695,854	732,845,325
Net pension asset of the PFRS Component I	(14,771,762)	(37,262,730)	(55,240,098)
Net pension liability of the PFRS Component II	1,368,667,287	998,899,296	687,507,556

***Pension Plan Fiduciary Net Position***

Detailed information about the plan's fiduciary net position is available in the separately issued financial report. The report can be obtained from City of Detroit Retirement Systems, One Detroit Center, 500 Woodward Ave., Suite 3000, Detroit, MI 48226 or obtained from the Systems' website ([www.rscd.org](http://www.rscd.org)). For the purpose of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the plan's fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

***Benefit Changes***

During the current year, new DROP plan provisions for PFRS Component I and II were adopted. The new provisions allow DPLSA (Detroit Police Lieutenants and Sergeants Association) members to participate in the DROP program for a maximum of 10 years, up from the prior maximum of 5 years. This change resulted in a \$3.1 million and \$0.5 million decrease in the total pension liability for PFRS Component II and I, respectively.

**Note 8 - Pension Plans (Continued)**

***Deferred Retirement Option Program (DROP)***

The contribution and benefits provisions of GRS Component I and PFRS Component I plans may not be amended by the City prior to July 1, 2023, other than as required to comply with (i) applicable federal law, or (ii) the Plan of Adjustment. However, on September 13, 2018, the City filed a Motion for Authority to Modify the Confirmed Plan of Adjustment to revise the Deferred Retirement Option Program (DROP) for certain PFRS Component I Plan members. The motion was filed pursuant to recently negotiated collective bargaining agreements and sought to extend the DROP from a maximum period of 5 years to 10 years for eligible command officers, lieutenants, and sergeants. Under the DROP, eligible PFRS Component I members may defer the receipt of their full retirement benefit and instead continue active service, while collecting 75 percent of their monthly retirement benefit into a third-party account. DROP participants no longer accrue additional service credit in the PFRS Component I Plan during their remaining active service. The DROP allocations continue if the member continues to be actively employed as a police officer or a firefighter with the City. The member is eligible to withdraw the amounts deposited with the third-party administrator upon retirement. In addition, upon retirement, the retiree receives 100 percent of his or her retirement benefits. On October 31, 2018, the Bankruptcy Court granted the City's motion to extend the DROP for command officers, lieutenants, and sergeants. On April 19, 2019, the City filed a similar motion to extend the DROP for all other police officers pursuant to a similar provision in a negotiated collective bargaining agreement approved in October 2018. This motion was also granted by the Bankruptcy Court on May 9, 2019.

June 30, 2020

**Note 9 - Pension Allocations**

The calculation of key pension elements was performed by the actuary based on underlying census data for governmental activities, transportation, DWSD (water and sewage disposal), library, airport, and parking. DWSD was further allocated between water and sewer based on budgeted payroll expense. One hundred percent of PFRS amounts is reported in governmental activities. Pension amounts for each reporting unit are as follows:

	Governmental Activities		Total Governmental Activities	Water Fund	Sewage Disposal Fund	Transportation Fund
	Police and Fire System	General System				
Proportionate share of the net pension liability (1)	100.00 %	51.88 %		3.63 %	2.46 %	26.47 %
Net pension liability	\$ 998,899,296	\$ 486,985,822	\$ 1,485,885,118	\$ 34,086,124	\$ 23,114,059	\$ 248,519,559
Net pension asset	37,262,730	-	37,262,730	-	-	-
Pension expense	128,523,244	72,828,615	201,351,859	4,500,499	2,523,235	22,184,828
Deferred outflows of resources representing contributions subsequent to the measurement date	36,328,236	11,844,839	48,173,075	8,233,958	5,954,697	1,682,666
Deferred outflows of resources representing the net difference between projected and actual earnings on pension plan investments	63,524,393	32,977,843	96,502,236	3,114,904	2,010,262	6,315,255
Deferred outflows of resources representing assumption changes related to economic and demographic factors	1,275,977	1,562,072	2,838,049	174,930	248,630	369,045
Deferred inflows of resources representing assumption changes related to economic and demographic factors	(819,820)	(3,047,469)	(3,867,289)	(224,129)	(318,556)	(687,307)
Deferred outflows of resources representing difference between expected and actual experience	-	10,745,126	10,745,126	331,610	471,320	372,870
Deferred inflows of resources representing difference between expected and actual experience	(14,458,892)	(729,195)	(15,188,087)	(1,188,632)	(1,689,412)	(26,580)
Deferred outflows of resources representing changes in proportion and differences between employer contributions and share of contributions	-	335,140	335,140	-	-	-
Deferred inflows of resources representing changes in proportion and differences between employer contributions and share of contributions	-	(300,555)	(300,555)	-	-	-
Amortization of deferred amounts (exclusive of deferred outflows of resources resulting from contributions subsequent to measurement date):						
2021	\$ 33,637,860	\$ 18,785,097	\$ 52,422,957	\$ 912,288	\$ 124,642	\$ 3,639,067
2022	(7,582,222)	(859,971)	(8,442,193)	(423,157)	(599,803)	(436,295)
2023	9,800,782	8,361,191	18,161,973	737,556	521,177	1,376,027
2024	17,806,336	11,930,634	29,736,970	981,996	676,229	1,788,035
2025	(2,245,186)	1,241,228	(1,003,958)	-	-	(50,244)
Thereafter	(1,895,912)	2,084,783	188,871	-	-	26,694
<b>Total</b>	<b>\$ 49,521,658</b>	<b>\$ 41,542,962</b>	<b>\$ 91,064,620</b>	<b>\$ 2,208,683</b>	<b>\$ 722,245</b>	<b>\$ 6,343,284</b>
Sensitivity analysis:						
Net pension liability at 6.38 (GRS) and 6.19 (PFRS) percent discount rate	\$ 1,353,895,525	\$ 618,804,454		\$ 44,507,273	\$ 31,540,201	\$ 317,982,073
Net pension liability at 8.38 (GRS) and 8.19 (PFRS) percent discount rate	632,267,458	374,494,423		25,247,186	16,021,911	189,341,228

June 30, 2020

Note 9 - Pension Allocations (Continued)

	Other Enterprise Funds	Total Business-type Activities	Total Reporting Entity	Detroit Public Library - Component Unit	GLWA (1)	Total General Retirement System
Proportionate share of the net pension liability (1)	0.11 %		- %	1.29 %	14.16 %	
Net pension liability	\$ 1,073,261	\$ 306,793,003	\$ 1,792,678,121	\$ 12,147,082	\$ 132,909,890	\$ 938,835,797
Net pension asset	-	-	37,262,730	-	-	-
Pension expense	159,036	29,367,598	230,719,457	2,927,940	20,321,781	125,445,934
Deferred outflows of resources representing contributions subsequent to the measurement date	543	15,871,864	64,044,939	2,902,906	30,158,700	60,778,309
Deferred outflows of resources representing the net difference between projected and actual earnings on pension plan investments	72,572	11,512,993	108,015,229	2,886,664	12,680,781	60,058,281
Deferred outflows of resources representing assumption changes related to economic and demographic factors	2,817	795,422	3,633,471	164,280	-	2,521,774
Deferred inflows of resources representing assumption changes related to economic and demographic factors	(5,495)	(1,235,487)	(5,102,776)	(249,803)	-	(4,532,759)
Deferred outflows of resources representing difference between expected and actual experience	19,376	1,195,176	11,940,302	143,126	-	12,083,428
Deferred inflows of resources representing difference between expected and actual experience	(1,315)	(2,905,939)	(18,094,026)	(244,551)	-	(3,879,685)
Deferred outflows of resources representing changes in proportion and differences between employer contributions and share of contributions	464	464	335,604	-	-	335,604
Deferred inflows of resources representing changes in proportion and differences between employer contributions and share of contributions	(35,049)	(35,049)	(335,604)	-	-	(335,604)
Amortization of deferred amounts (exclusive of deferred outflows of resources resulting from contributions subsequent to measurement date):						
2021	\$ 6,296	\$ 4,682,293	\$ 57,105,250	\$ 1,348,813		\$ 24,816,203
2022	(2,260)	(1,461,515)	(9,903,708)	(15,839)		(2,337,325)
2023	17,819	2,652,579	20,814,552	582,231		11,596,001
2024	25,518	3,471,778	33,208,748	785,110		16,187,522
2025	2,238	(48,006)	(1,051,964)	(16,682)		1,176,540
Thereafter	3,759	30,453	219,324	16,083		2,131,319
Total	\$ 53,370	\$ 9,327,582	\$ 100,392,202	\$ 2,699,716		
Sensitivity analysis:						
Net pension liability at 6.38 (GRS) and 6.19 (PFRS) percent discount rate	\$ 1,363,774	\$ -		\$ 15,435,087		
Net pension liability at 8.38 (GRS) and 8.19 (PFRS) percent discount rate	825,343	-		9,341,164		

1. In accordance with the lease agreement with GLWA (see Note 13), portions of the General Retirement System - Component II net pension liability are allocated to Great Lakes Water Authority and deemed to be a special funding situation.



June 30, 2020

**Note 10 - Other Postemployment Benefit Plan**

Prior to the City's bankruptcy in 2014, the City had offered retiree health care, life insurance, and a supplemental death benefit plan. Under the City's plan of adjustment approved in the bankruptcy case, the City did the following:

- Restructured retiree health benefits through the creation of two new voluntary employee beneficiary associations (or VEBAs), which include the General Retiree Health Care Trust and the Police and Fire Retiree Health Care Trust.
- Terminated the Employee Health and Life Insurance Benefit Plan effective December 31, 2014.
- Closed the existing supplemental death benefits plan to new members effective December 10, 2014; benefits to be paid to individuals retiring prior to that date are limited to the assets allocated to that closed plan. There are no further contribution requirements for the City for plan members who were retired as of that date.

Remaining plans as of June 30, 2020 are as follows:

- Defined benefit plans:
  - o Death Benefit Plan - Open to all employees providing services after December 10, 2014
  - o Closed Death Benefit Plan
- Defined contribution plans:
  - o General Retiree Health Care Trust (VEBA)
  - o Police and Fire Retiree Health Care Trust (VEBA)
  - o Post-2014 Non-Safety Employee Retiree Health Care Trust (VEBA)
  - o Coalition of Detroit Public Safety Unions Trust (VEBA)

***Death Benefit Plan***

**Plan Description**

The Death Benefit Plan is a prefunded single-employer defined benefit plan administered by the employee benefit board of trustees and is accounted for in the Employee Death Benefits Fund. The Death Benefit Plan does not issue a separate stand-alone financial statement. The money is held in the City of Detroit Employee Benefit Trust, and the City uses the trust fund to account for the Death Benefit Plan.

Management of the plan is vested in the pension board, which consists of 10 members. Five members of the board are elected by the active membership to serve six-year terms. One member is elected by the retiree membership to serve a two-year term. One member is appointed by the mayor of the City from the citizens of the City to serve a six-year term. Three members serve ex officio, these members being the mayor of the City (or designee), the city treasurer, and one representative from the City Council. Expirations of terms of elected trustees are staggered.

**Benefits Provided**

In accordance with Section 13, Article 8 of the Code of Ordinances, effective July 1, 1999 and prior to the member's retirement from the City, a death benefit of \$10,000 will be paid. After retirement of the member from the City, the amount of death benefits paid is based upon the retiree's years of city service ranging from \$1,860 (for 8 to 10 years of service) to \$3,720 (for 30 years of service). For years of service beyond 30 years, \$93 will be added per year for each additional year of service.

June 30, 2020

**Note 10 - Other Postemployment Benefit Plan (Continued)**

***Employees Covered by Benefit Terms***

The following members were covered by the benefit terms:

	<u>Death Benefit Plan</u>
Date of member count	June 30, 2020
Retirees and beneficiaries	2,389
Active plan members	<u>8,282</u>
Total plan members	<u><u>10,671</u></u>

**Contributions**

The City is under no legal obligation to prefund the plan benefits. Plan members have no contribution requirements. During the year ended June 30, 2020, there were employer contributions of \$113,842 and employee contributions of \$86,147.

**Net OPEB Liability (Asset)**

The City has chosen to use the June 30, 2020 measurement date as its measurement date for the net OPEB asset. The June 30, 2020 fiscal year end reported net OPEB liability (asset) was determined using a measure of the total OPEB liability and the OPEB net position as of the June 30, 2020 measurement date. The June 30, 2020 total OPEB liability was determined by an actuarial valuation performed as of June 30, 2019, which used update procedures to roll forward the estimated liability to June 30, 2020.

Changes in the net OPEB (asset) liability during the measurement year were as follows:

<u>Changes in Net OPEB (Asset) Liability</u>	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Net Position</u>	<u>Net OPEB (Asset) Liability</u>
<b>Balance at July 1, 2019</b>	\$ 4,050,730	\$ 4,073,349	\$ (22,619)
Changes for the year:			
Service cost	142,198	-	142,198
Interest	281,348	-	281,348
Differences between expected and actual experience	215,945	-	215,945
Contributions - Employer	-	113,842	(113,842)
Contributions - Employee	-	86,147	(86,147)
Net investment income	-	11,617	(11,617)
Benefit payments, including refunds	(205,148)	(205,148)	-
Administrative expenses	-	(55,108)	55,108
Net changes	<u>434,343</u>	<u>(48,650)</u>	<u>482,993</u>
<b>Balance at June 30, 2020</b>	<u><u>\$ 4,485,073</u></u>	<u><u>\$ 4,024,699</u></u>	<u><u>\$ 460,374</u></u>

The plan's fiduciary net position represents 89.74 percent of the total OPEB liability.

June 30, 2020

**Note 10 - Other Postemployment Benefit Plan (Continued)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2020, the City recognized OPEB expense of \$260,021.

At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 529,621	\$ -
Net difference between projected and actual earnings on OPEB plan investments	<u>219,499</u>	<u>-</u>
Total	<u>\$ 749,120</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Years Ending June 30</u>	<u>Amount</u>
2021	\$ 150,539
2022	150,539
2023	157,063
2024	151,923
2025	80,141
Thereafter	<u>58,915</u>
Total	<u>\$ 749,120</u>

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of June 30, 2019, which used update procedures to roll forward the estimated liability to June 30, 2020. The valuation used an inflation assumption of 2.5 percent, an investment rate of return (net of investment expenses) of 7.0 percent, and the RP-2014 mortality tables. These assumptions were applied to all periods included in the measurement.

Based on an experience study from 2008-2013 issued in February 2015, the mortality table assumption for general, EMS, and D.O.T. was 100 percent of the RP-2014 Blue Collar Annuitant Table set forward one year for males and 100 percent of the RP-2014 Blue Collar Annuitant Table set forward one year for females. For police and fire, the mortality tables used in evaluating death benefits to be paid to retired members was 100 percent of the RP-2014 Blue Collar Annuitant Table with no set-forward for males or females. Tables were extended below age 50 with a cubic spline to the published juvenile rates.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate.

Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

June 30, 2020

**Note 10 - Other Postemployment Benefit Plan (Continued)**

**Investment Rate of Return**

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The board has not adopted a formal investment policy; however, the pension board approved a formal investment allocation in August 2014. The target allocation and best estimates of geometric real rates of return as of the June 30, 2020 measurement date for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	17.00 %	5.00 %
International equities	11.00	5.90
Bonds	8.00	2.55
Private equity	5.00	7.81
REITs	9.00	5.53
Global multisector fixed income	25.00	2.46
Risk parity	25.00	3.89

**Sensitivity of the Net OPEB Asset to Changes in the Discount Rate**

The following presents the net OPEB asset of the City, calculated using the discount rate of 7.0 percent, as well as what the City's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.0%)	Current Discount Rate (7.0%)	1 Percentage Point Increase (8.0%)
Net OPEB liability (asset)	\$ 1,231,194	\$ 460,374	\$ (150,143)

**Rate of Return**

For the year ended June 30, 2020, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was 0.3 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Closed Death Benefit Plan**

**Plan Description**

The Closed Death Benefit Plan is a prefunded single-employer defined benefit plan administered by the employee benefit board of trustees and is accounted for in the Employee Death Benefits Fund. The Closed Death Benefit Plan does not issue separate stand-alone financial statements. The money is held in the City of Detroit Employee Benefit Trust, and the City uses the trust fund to account for the Closed Death Benefit Plan. Management of the Closed Death Benefit Plan is vested with the employee benefit board of trustees.

**Note 10 - Other Postemployment Benefit Plan (Continued)**

**Benefits Provided**

In accordance with Section 13, Article 8 of the Code of Ordinances, effective July 1, 1999 and prior to the member's retirement from the City, a death benefit of \$10,000 will be paid. After retirement of the member from the City, the amount of death benefits paid is based upon the retiree's years of city service ranging from \$1,860 (for 8 to 10 years of service) to \$3,720 (for 30 years of service). For years of service beyond 30 years, \$93 will be added per year for each additional year of service. The Closed Death Benefit Plan covers those retirees who retired on or before December 31, 2014.

**Contributions**

The City of Detroit, Michigan allocated \$30,423,997 to the Closed Death Benefit Plan as of December 31, 2014 to fully fund the plan. There are no required additional contributions.

**Total OPEB Liability**

The Closed Death Benefit Plan will provide future benefits only to the extent that plan assets are available to pay them. After the contribution in 2014, no further employer contributions will be made to the Plan. As such, the total OPEB liability as of June 30, 2020 is equal to the plan net position of \$20,470,176.

The majority of net position of the Closed Death Benefit Plan is in investments. Valuation of these investments is at current market value.

**Other Retiree Health Care Plans - Defined Contribution**

**Plan Description**

The City provides retiree health care benefits to eligible retirees, spouses, and dependents through four plans: the General Retiree Health Care Trust, the Police and Fire Retiree Health Care Trust, the Post-2014 Non-Safety Employee Retiree Health Care Trust, and the Coalition of Public Safety Employees' Health Care Trust (the "C.O.P.S. Trust"). All four trusts are established as governmental voluntary employee beneficiary associations (VEBAs) pursuant to Section 501(c)(9) of the Internal Revenue Code of 1986, as amended, and all four are governed by a separate board of trustees responsible for administering benefits.

During the fiscal year ended June 30, 2019, the Detroit Fire Fighters Association (DFFA), the Detroit Police Officers Association (DPOA), the Detroit Police Lieutenants and Sergeants Associations (DPLSA), and the Detroit Police Command Officers Association (DPCOA) agreed to create a separate tax-exempt VEBA to provide postretirement health care reimbursement arrangement (HRA) benefits to eligible city retired public safety employees and their qualifying dependents. The Coalition of Detroit Public Safety Unions (CDPSU) was established pursuant to Section 501(c)(9) of the Internal Revenue Code of 1986, as amended, and is governed by a separate board of trustees responsible for administering benefits. The assets with the Coalition of Public Safety Employees' Health Care Trust were transferred to fund this new trust in May 2019.

**Plan Provisions**

Benefits provisions and contribution requirements for the General Retiree Health Care Trust and the Police and Fire Retiree Health Care Trust were established under the Plan of Adjustment. These trusts provide retiree health care to retirees who retired prior to December 31, 2014. The trusts were distributed proceeds from the City's financial recovery bonds. These bonds represent the entire funding responsibility of the City. City contributions of \$43,750 to each trust will continue to be made annually until 2034 under a grant agreement with the Foundation for Detroit's Future. Required member contributions are based on the benefit plans selected. Retiree contributions during the most recent plan year ended December 31, 2019 were \$3,847,415 and \$4,976,696 for the General Retiree Health Care Trust and Police and Fire Retiree Health Care Trust, respectively.

**Note 10 - Other Postemployment Benefit Plan (Continued)**

Benefit provisions and contribution requirements for the Post-2014 Non-Safety Employee Retiree Health Care Trust, the CDPSU, and the C.O.P.S. Trust, three defined contribution plans, were established under collective bargaining agreements with the City and its unions. The Post-2014 Non-Safety Employee Retiree Health Care Trust Fund established health reimbursement arrangements (HRA) accounts for City of Detroit, Michigan nonsafety employee retirees who retired on or after January 1, 2015 on a service retirement. The C.O.P.S. Trust is a nonprofit statewide health and welfare fund established by the Michigan Association of Police Organizations in 1994 with the City of Detroit, Michigan as a member organization. As mentioned above, the assets with the C.O.P.S. Trust were transferred to the newly created CDPSU trust during the fiscal year ended June 30, 2019. CDPSU provides HRA accounts for City of Detroit, Michigan public safety employees covered under labor agreements and/or collective bargaining agreements with the DFFA, DPOA, DPLSA, and DPCOA unions.

The City is required to contribute 2 percent of base pay of eligible employees to the Post-2014 Non-Safety Employee Retiree Health Care Trust. The City was required to contribute 1 percent of base pay of eligible employees to the C.O.P.S. Trust. With the new CDPSU trust, the City will be required to contribute a total sum of \$1 million to the CDPSU trust to fund retiree medical benefits for members represented by the DPLSA, DFFA, DPCOA, and DPOA unions. Members are required to contribute 0 percent of base pay. For the fiscal year ended June 30, 2020, the City contributed a combined \$6,874,363. There were no member contributions for the fiscal year ended June 30, 2020.

**Note 11 - Risk Management**

The City is exposed to various types of risk of loss, including torts; theft of, damage to, or destruction of assets; errors or omissions; job-related illnesses or injuries to employees; natural disasters; and environmental occurrences. Also included is risk of loss associated with providing health, dental, and life insurance benefits to employees. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The City provides health and dental insurance benefits to employees through self-insured health plans that are administered by third-party administrators. The City does not purchase excess or stop-loss insurance for its self-insured health plans. The City currently is also self-insured for losses such as workers' compensation, legal, disability benefits, and vehicular liabilities and does not purchase stop-loss insurance except for workers' compensation with a \$7,000,000 specific retention.

The City purchases public official liability insurance, property insurance for certain DWSD properties, and general liability insurance for accidents occurring at certain DWSD properties. The City assumes a \$250,000 self-insured retention for any one loss or occurrence under its self-insured public official liability program. The City purchases excess liability insurance for its general liability for certain DWSD properties that provides per occurrence and aggregate protection. The City is fully self-insured for environmental-related liabilities and purchases no excess environmental liability insurance.

There were no significant changes in the insurance coverage from coverage provided in the prior year for any of the above-described risks.

A liability for claims is reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of recent claim settlement trends, including frequency and amount of payouts and other economic and social factors. The claim liabilities also include estimated costs for claim administration fees and outside legal and medical assistance costs.



**Note 11 - Risk Management (Continued)**

The City currently reports the risk management activities (excluding health and dental) of nonenterprise funds and the Transportation Fund (an enterprise fund) in its General Fund. Each fund pays insurance premiums to the General Fund based on past claims activities. Because the Transportation Fund is included in the General Fund’s risk management activities, it does not record a liability in its financial statements for risk management activities that are expected to be paid by the General Fund. Risk management activities for the other enterprise funds are recorded and reported separately in those funds. The Detroit Public Library (the "Library"), a discretely presented component unit, reimburses the City for all costs incurred related to workers’ compensation. The Library records the liability in its financial statements.

The liability for self-insured health and dental benefits is reported with accrued liabilities for each of the applicable funds. The liability for workers’ compensation current year claims is based on estimates, and payments are based on actual amounts.

Changes in the reported liabilities for workers' compensation, legal, disability benefits, general, and vehicular liabilities for the past two fiscal years were as follows:

	Governmental Activities		Business-type Activities	
	2020	2019	2020	2019
Balance - Beginning of year	\$ 159,823,138	\$ 124,563,855	\$ 21,085,030	\$ 23,679,800
Current year claims and changes in estimates	17,758,965	67,405,376	655,217	12,861,022
Claim payments	(25,244,783)	(32,146,093)	(5,095,947)	(15,455,792)
Balance - End of year	<u>\$ 152,337,320</u>	<u>\$ 159,823,138</u>	<u>\$ 16,644,300</u>	<u>\$ 21,085,030</u>

Changes in the accrued liabilities for health and dental claims for the past two fiscal years are as follows:

	Governmental Activities		Business-type Activities	
	2020	2019	2020	2019
Balance - Beginning of year	\$ 6,837,067	\$ 3,702,164	\$ 1,441,348	\$ 818,535
Current year claims and changes in estimates	75,034,025	88,079,890	17,107,465	18,568,460
Claim payments	(76,886,842)	(84,944,987)	(17,591,300)	(17,945,647)
Balance - End of year	<u>\$ 4,984,250</u>	<u>\$ 6,837,067</u>	<u>\$ 957,513</u>	<u>\$ 1,441,348</u>

The General Fund reported committed fund balance of \$20 million and assigned fund balance of approximately \$54 million at June 30, 2020 for the purpose of funding future claim liabilities.

**Note 12 - Commitments and Contingencies**

***Lawsuits and Claims***

The City is a defendant in numerous lawsuits and is also subject to other claims, including claims for workers’ compensation payments. The City uses in-house and, where necessary, outside counsel to adjudicate lawsuits. Each case is initially rated by the City’s supervising or senior attorney handling or overseeing the case with respect to its viability for success against the City. Only cases rated probable for recovery from the City are reported for financial statement purposes. The dollar value reserved for any eventual payout on any said case is based upon the facts of the case, industry standards relative to the type of injury or damage involved, and the experience of the supervising or senior attorney. The legal reserve as of June 30, 2020 is a product of this analysis.

**Note 12 - Commitments and Contingencies (Continued)**

The City notes that nine wrongful incarceration lawsuits, filed within the past several years, are currently pending against current or former Detroit Police officers, some of whom the City is obligated to defend and indemnify. The City is vigorously defending those cases. Any estimated liability meeting accrual requirements is included in accrued claims and judgments.

The City used a third-party actuary to perform a workers' compensation reserve analysis (estimated loss reserve) at June 30, 2020. The actuary used a general approach that relied upon actual loss development patterns for the City of Detroit, Michigan to the extent they are available, and the estimated loss reserve is augmented with industry benchmark loss development patterns based on insurance industry sources and patterns to project ultimate losses. While it is not possible to project the final outcome of these lawsuits and claims, the City and its legal department have estimated that the liability for all such litigation and claims totaled approximately \$169 million for the primary government as of June 30, 2020 (see Note 11).

**Grant Audits**

Several of the City's funds participate in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. These program compliance audits are regularly performed. The amount, if any, of expenditures that may be disallowed by the granting agencies in future compliance audits cannot be determined as of June 30, 2020. Since the City believes such adjustments, if any, will not be material, no provision for possible adjustments has been made.

**Other Contingencies**

The General Fund has a contingent liability for the obligations of all other city funds should such funds be unable to generate sufficient funds to liquidate their liabilities. In particular, the Airport Fund (other enterprise fund), Detroit Transportation Corporation, Detroit Land Bank Authority, and Transportation Fund have received varying levels of subsidy from the General Fund to fund operating requirements.

**Construction and Other Contractual Commitments**

The City has active construction projects and other commitments at year end. Construction to date and remaining commitments at June 30, 2020 were as follows:

	Spent as of June 30, 2020	Remaining
Recreation and culture	\$ 890,783	\$ 261,111
Public protection	12,398,835	18,689,704
Municipal facilities	2,397,391	2,602,609
Development and management	13,193,768	3,624,014
Transportation facilities	43,135,368	31,410,151
Total	<u>\$ 72,016,145</u>	<u>\$ 56,587,589</u>

DWSD is engaged in numerous projects that are part of its five-year capital improvement program, including water main replacements, fire hydrant replacements, sewer system rehabilitation, vehicle and equipment purchases, and information technology upgrades. The program is being financed primarily from lease payments from the Great Lakes Water Authority and proceeds from the issuance of revenue bonds by the Great Lakes Water Authority. The total amount of construction contract commitments outstanding at June 30, 2020 was approximately \$57 million and \$17 million for Water Fund and Sewage Disposal Fund, respectively.

**Note 12 - Commitments and Contingencies (Continued)**

**Operating Leases**

The City has entered into various operating leases for equipment. The commitments under such lease agreements provide for minimum annual rental payments as follows:

Years Ending	Amount
2021	\$ 14,852,451
2022	13,719,669
2023	12,341,265
2024	11,480,456
2025	3,313,610
2026 - 2030	8,649,320
Total minimum payments	<u>\$ 64,356,771</u>

Rental expense for all operating leases approximated \$24.1 million for the year ended June 30, 2020.

**Note 13 - Bankruptcy**

Governor Snyder placed the City under emergency management in March 2013, conferring the powers of the mayor and City Council on the emergency manager. In July 2013, the emergency manager, with the approval of the governor, filed a petition for relief pursuant to Chapter 9 of the United States Bankruptcy Code (the "Bankruptcy Case") on behalf of the City in the United States Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court").

On October 22, 2014, the City filed its *Eighth Amended Plan for the Adjustment of Debts of the City of Detroit (October 22, 2014)* at docket number 8045 (the "Plan of Adjustment"). The Bankruptcy Court issued an oral ruling confirming the Plan of Adjustment on November 7, 2014. On November 12, 2014, the Bankruptcy Court entered the *Order Confirming Eighth Amended Plan for the Adjustment of the Debts of the City of Detroit* (the "Confirmation Order"). The Plan of Adjustment comprises a series of settlements with claimants, as more fully set forth in the Confirmation Order. The Plan of Adjustment became effective on December 10, 2014 (the "Effective Date"). The Plan of Adjustment and Confirmation Order contained an injunction. As set forth in the injunction, on the Effective Date, all entities that were or may have been holders of claims against the City, among others, were permanently enjoined from taking actions against or affecting the City or its property, among others, with respect to such claims, as more delineated in the Confirmation Order.

Pursuant to multiple settlement agreements with certain city creditors and the Plan of Adjustment, the City implemented a massive realignment of city debt and operations. On the Effective Date, in accordance with the Plan of Adjustment, the City (1) issued \$1.3 billion of debt, of which \$1.1 billion was delivered to various classes of creditors in satisfaction of their claims; (2) paid \$110.1 million of cash, including \$73.1 million to various classes of creditors in satisfaction of their claims, \$36.5 million to establish a professional fee reserve account to pay the bankruptcy and restructuring professionals, and \$0.5 million to satisfy debt issuance costs; (3) assigned debt service payments on the remaining \$43.3 million of unrefunded UTGO bonds primarily to the income stabilization funds for the General Retirement System and Police and Fire Retirement System; (4) issued settlement credits totaling \$25.0 million to the insurers of the pension obligation certificates; and (5) irrevocably transferred the assets of the Detroit Institute of Arts (DIA) having a net book value of \$86.6 million to the DIA, as trustee, to be held in perpetual charitable trust, subject to dispositions in accordance with applicable national ethical standards for museums, and within the City's limits, for the primary benefits of residents of the City and residents of the State. None of the City's obligations secured by a pledge of distributable state aid and/or sold to the Michigan Finance Authority was impaired in the City's bankruptcy or Plan of Adjustment.

June 30, 2020

**Note 13 - Bankruptcy (Continued)**

The bonds issued on the Effective Date included (a) \$287,560,790 of UTGO bonds secured by a fourth lien on distributable state aid (the "2014 UTGO Bonds") to refund an equivalent amount of UTGO bonds; (b) \$631,964,145 of Financial Recovery Bonds, Series 2014B (B Notes) delivered to various claimants, primarily the two voluntary employees' beneficiary associations established pursuant to the Plan of Adjustment, in satisfaction of allowed claims; (c) \$88,430,021 of Financial Recovery Bonds, Series 2014C (C Notes) delivered to Syncora Guarantee Inc. and Syncora Capital Assurance Inc. (collectively, Syncora) and the Financial Guaranty Insurance Company (FGIC) in partial satisfaction of claims in respect of Pension Obligation Certificates and related swaps; and (d) \$275,000,000 of Financial Recovery Income Tax Revenue and Refunding Bonds, Series 2014A and B (Exit Financing), to finance capital and operational improvements in the City.

In connection with the Plan of Adjustment, the City entered into various agreements, including the following: (1) the GRS and PFRS pension settlements, which froze the defined benefit GRS and PFRS (the "Prior GRS" and the "Prior PFRS," respectively) plans and established new hybrid plans; (2) matters relating to the Great Lakes Water Authority; (3) the Syncora Settlement, including the Syncora Development Agreement and the other Syncora Settlement Documents; and (4) the FGIC/Pension Obligation Certificates (POC) Settlement, including the FGIC Development Agreement and the other FGIC/POC Settlement Documents.

The Plan of Adjustment may be obtained via the following link:

<http://www.kccllc.net/detroit/document/1353846141022000000000007>

The bankruptcy exit and settlement and discharge of claims under the Plan of Adjustment provided the City a total of \$6.8 billion in aggregate debt relief. A number of parties filed appeals of the Confirmation Order. All of these appeals were dismissed or otherwise resolved in favor of the City. Two sets of appellants filed petitions with the United States Supreme Court, seeking writs of certiorari (i.e., asking the Supreme Court to hear their appeal). One petition, filed on February 9, 2017, was denied by the Supreme Court on April 17, 2017. The other petition, filed on April 14, 2017, was denied by the Supreme Court on June 19, 2017. In deciding the appeals, the Sixth Circuit held that the Plan of Adjustment had been substantially consummated.

**Post-Effective Date Events**

Since the Effective Date, the City has (i) partially redeemed and participated in a public reoffering of the balance of its Exit Financing; (ii) retired, through timely payment or early redemption, all of its C Notes; (iii) refunded or defeased all of its 2014 UTGO Bonds through the issuance of its Distributable State Aid Fourth Lien Refunding Bonds (Unlimited Tax General Obligation) Series 2016A-1 (Tax-Exempt) and its Distributable State Aid Fourth Lien Refunding Bonds (Unlimited Tax General Obligation) Series 2016A-2 (Federally Taxable); (iv) refunded its Distributable State Aid General Obligation Limited Tax Bonds, Series 2010 through the issuance of its Distributable State Aid First Lien Refunding Bonds (Limited Tax General Obligation) Series 2016B-1 (Federally Taxable); (v) refunded its Self Insurance Distributable State Aid Third Lien Bonds (Limited Tax General Obligation), Series 2012(A2), Self Insurance Distributable State Aid Third Lien Refunding Bonds (Limited Tax General Obligation), Series 2012(A2-B), General Obligation Distributable State Aid Third Lien Capital Improvement Refunding Bonds (Limited Tax General Obligation) Series 2012B, and its Self Insurance Distributable State Aid Third Lien Refunding Bonds (Limited Tax General Obligation), Series 2012(B2) through the issuance of its Distributable State Aid Third Lien Refunding Bonds (Limited Tax General Obligation) Series 2016B-2 (Federally Taxable); (vi) issued its \$124,500,000 Michigan Transportation Fund Bond, Series 2017 to fund road improvements in the City; (vii) issued its \$135,000,000 Unlimited Tax General Obligation Bonds, Series 2018 to fund certain capital improvements in the City; (viii) issued its \$10,000,000 Capital Improvement Bonds (Limited Tax General Obligation), Series 2019 to fund certain capital improvements in the City; (ix) and issued its \$80,000,000 Unlimited Tax General Obligation Bonds, Series 2020 to fund certain capital improvements in the City.

June 30, 2020

**Note 13 - Bankruptcy (Continued)*****Bond Insurer Settlements***

Syncora owned, and was an insurer of certain of, the City's POC debt (insurer of \$351.9 million prepetition balance). Syncora also insured certain interest rate swap agreements and UTGO debt (\$34.4 million prepetition balance). The City and Syncora reached an agreement effecting a global settlement of all matters and litigation between the parties related to the Bankruptcy Case, as set forth in the Syncora settlement documents. Among other actions taken in connection with the agreement, the parties entered into the Development Agreement, (the "Development Agreement"), as of December 10, 2014, by and between the City and Pike Pointe Holdings, LLC (Pike Pointe). The Development Agreement provided Pike Pointe with an option to acquire four contiguous parcels of land located in the City by certain dates. Pike Pointe exercised its option on two of four contiguous parcels of land in 2018. On November 13, 2019, Pike Pointe filed a Motion to Enforce Development Agreement (the "Motion") in the Bankruptcy Case asserting, among other things, that the City unreasonably withheld its consent to Pike Pointe's request for an extension of the option period on one of the two remaining contiguous parcels of land. After the Motion was filed, Pike Pointe exercised its option on this parcel of land, and the Motion was withdrawn. The City and Grand Circus Holdings, LLC, an affiliate of Pike Pointe and Syncora, have also negotiated and executed a long-term master lease for the Grand Circus Park Garage upon terms consistent with the Option Agreement.

FGIC was an insurer of certain of the City's POC debt (\$1.1 billion prepetition balance). The City and FGIC reached an agreement effecting a global settlement of all matters and litigation between the parties related to the Bankruptcy Case, as set forth in the FGIC/POC settlement documents. Among other actions taken in connection with the settlement agreement, the City and a developer, for the benefit of FGIC and the FGIC/POC holders, entered into the FGIC Development Agreement. Representatives of FGIC presented the Planning and Development Department (PDD) and Economic Development Corporation with an initial development proposal. PDD and the Downtown Development Authority led a planning engagement with FGIC and adjacent property owners to look at options for a more integrated development plan for the Near West Riverfront. The FGIC Development Agreement allowed FGIC a 2-year extension under certain conditions. FGIC sued for a 2-year extension and the parties settled on a 1.5-year extension. Before the expiration of the extension period, FGIC conveyed its rights to develop the former Joe Louis Arena (the "Arena") site to First & Congress Management, LLC (First & Congress). In conjunction with that conveyance, the City entered into an agreement of purchase and sale with First & Congress (the "Agreement"), pursuant to which the City agreed to convey the Arena site, the related parking garage, and certain easements and licenses to First & Congress for a total sale price of approximately \$14 million in a series of closings. The closing on the parking garage occurred in January 2020, and the closing on the Arena site is expected to occur before the end of December 2020.

On the effective date, pursuant to the Syncora Settlement and the FGIC/POC Settlement, the City transferred settlement credits to a trustee (on behalf of Syncora and FGIC) in the aggregate amount of \$25.0 million that may be applied to 50 percent of the purchase price of certain eligible city assets, subject to the terms and conditions of those settlement credits. Syncora was credited with a total of \$6.0 million, and FGIC was credited with \$19.0 million. To date, Syncora has exercised \$0 and FGIC has exercised \$0 of those credits, which expire in 2054.

***Progress on Resolution of Unsecured Bankruptcy Claims***

After confirmation of the Plan of Adjustment, the City began working on resolving the approximately 3,845 filed proofs of claim by general unsecured creditors in Class 14 in the Bankruptcy Case. Of these, approximately 1,400 were claims related to litigation. The approximately 2,500 other proofs of claim include trade claims, labor-related claims, tax claims, pension-related claims, and others.



**Note 13 - Bankruptcy (Continued)**

The City has resolved approximately 3,300 of the approximately 3,845 proofs of claim. The City believes that all claimants holding potentially unresolved proofs of claim have been served with stay modification notices. These stay modification notices require the claimant to promptly liquidate the claim in an appropriate forum. These notices have prompted the reopening of many lawsuits that were administratively closed during the bankruptcy; however, some remaining claimants and/or their attorneys have not taken the appropriate steps yet to pursue these claims.

The City has been and is currently negotiating with several significant claimants with complex prepetition claims, including the State of Michigan, in an effort to resolve claims without the necessity of litigation. The majority of the nonlitigation unsecured claims have been resolved, including many of the largest. For example, certain unions filed claims against the City asserting a face value of nearly \$9 billion in unsecured prepetition obligations. These claims have been voluntarily resolved and allowed in face amounts totaling \$110 million and, on that basis, will share pro rata in \$20.6 million in B Notes along with other creditors holding allowed Class 14 claims. The \$20.6 million in B Notes is a fixed amount, regardless of the total amount of allowed Class 14 claims.

**Great Lakes Water Authority**

On September 8, 2014, the City executed a Memorandum of Understanding (the “MOU”) regarding the formation of the Great Lakes Water Authority with the county executives of Wayne, Oakland, and Macomb counties (the “Counties”) and the governor of the State, establishing a framework for the creation of a regional water and sewer authority.

On June 12, 2015, the City and GLWA approved and executed two separate leases (the “Leases”) of the regional facilities comprising regional systems (the “Leased Facilities”) and a Water and Sewer Services Agreement for the provision by GLWA of water supply and sewage disposal services to city retail customers (the “Water and Sewer Services Agreement”). Under the Leases, which became effective on January 1, 2016, the City leased the Leased Facilities and assigned all Detroit Water and Sewerage Department bonds and assigned and transferred its interest in all revenue derived from the sale of sewage disposal and water supply services to the wholesale and retail customers and the retail customers of the regional and local water and sewer systems to GLWA for an initial term of 40 years. The City, through DWSD, continues to own, operate, and be responsible for the operation and maintenance of all water supply and sewage disposal facilities that provide water supply and sewage disposal services directly to the City’s retail customers (the “Local Facilities”).

On December 15, 2015, effective as of the date the Leases became effective (January 1, 2016), the federal court, in United States of America vs. City of Detroit, et al., Case No. 77-71100, approved the transactions and arrangements contemplated by the Leases.

The annual debt service related to the portion of the DWSD bonds that was used to construct in-city capital assets continues to be allocated to DWSD directly as part of the rate structure. Any bonds to finance regional system improvements or DWSD local infrastructure are now issued by the GLWA and are secured by GLWA’s net revenue. At any time GLWA issues bonds with a maturity date after the initial term of the Leases, the term of the Leases automatically extends to coincide with the date on which the last of the GLWA bonds are required to be paid or at such time as they are defeased.

The Leases provide for annual lease payments totaling \$50 million per year (the “Lease Payment”) funded from a portion of the common-to-all revenue requirements for the regional systems. The lease payments may be applied by the City, solely at the City’s direction and discretion, to the cost of improvements to the local water and sewer system infrastructure located within the City, the payment of debt service on GLWA bonds associated with such improvements, or the City’s share of debt service on GLWA bonds.



June 30, 2020

**Note 13 - Bankruptcy (Continued)*****Reduction of Pension and OPEB Liabilities***

Under the Plan of Adjustment, both the Prior PFRS and the Prior GRS plans were frozen. The cost of living adjustments in the Prior PFRS were reduced by 55 percent and eliminated in the Prior GRS. For Prior PFRS retirees, base pension benefits did not change, while the base pension benefits for Prior GRS retirees were reduced by 4.5 percent. In addition, Prior GRS members (other than surviving beneficiaries of retirees who died prior to June 30, 2014) with annuity savings accounts were subject to recoupment. The recoupment covers amounts paid between July 1, 2003 and July 30, 2013 to individuals which represented the portions of payments made in one of those years to individual annuity savings accounts in excess of the Prior GRS' actual return on investments in that year.

On the Effective Date, the City assumed the obligations related to the already accrued benefits under the Prior GRS pension plan and the Prior PFRS pension plan as those benefits were modified in the Plan of Adjustment. The Prior GRS and Prior PFRS plans (which were frozen on July 1, 2014) are closed to new participants, and vested active employees have not accrued additional pension benefits under the terms and conditions of those plans since that date. As of the Effective Date, the City retained the responsibility to fund all amounts necessary to provide the adjusted (reduced) pension benefits to its employees and retirees who accrued benefits in either of the Prior GRS or Prior PFRS pension plans. GLWA and DWSD have responsibility for their respective employees and retirees, making scheduled payments on an accelerated basis through 2024. The City's required contributions are fixed through the fiscal year ending June 30, 2023 and are supplemented by funding from the Foundation for Detroit's Future and the Detroit Institute of Arts (DIA) in settlement of certain issues affecting the City and its retirees (the "Outside Funding"). As of the Effective Date, the Outside Funding comprised \$466 million payable through the fiscal year ending June 30, 2034. Of that amount, the DIA prepaid approximately \$70.7 million in the fiscal year ended June 30, 2016, representing a 6.75 percent present value discount on a portion of the remaining payable amount.

The Plan of Adjustment also restructured the City's retiree health legacy obligations by eliminating \$4.3 billion in unfunded retiree health obligations through the creation of two voluntary employee beneficiary associations (or VEBAs), which will be exclusively responsible for retiree health programs and payments for city employees who retired prior to January 1, 2015. A total allocation of \$492.7 million of B Notes plus an additional contribution from private foundations of approximately \$5.0 million (paid over time) have been used to fund the VEBAs.

***Financial Review Commission***

Michigan Public Act 181 of 2014, M.C.L. §§ 141.1631, *et seq.* (Act 181) established the Detroit Financial Review Commission (the "Commission") as of the Effective Date (December 10, 2014) to monitor the City's compliance with the Plan of Adjustment and Public Act 181 and to provide oversight of the City's financial activities. The Commission has broad authority to obtain and review the City's financial records on an ongoing basis, approve budgets and contracts, and conduct financial audits of the City. Michigan Public Act 182 of 2014, M.C.L. 117.4s-t, imposes further requirements, including that the City adopt a multiyear financial plan and appoint a chief financial officer (CFO).

Beginning with fiscal year 2016, Public Act 182 requires the City to adopt a financial plan covering the current fiscal year and the next three succeeding fiscal years (the "Financial Plan"). The Financial Plan is the basis for the City's required budget under Act 2. The Financial Plan is proposed by the mayor and approved by the City Council. Unless the City is under a waiver of active oversight, the Financial Plan must be approved by the Commission before it takes effect.

**Note 13 - Bankruptcy (Continued)**

Act 181 provides for the oversight of the City for no less than 13 years. However, if the City meets certain criteria, the nature of the oversight is scaled back. Those criteria include: the City’s adoption and adherence to a balanced budget for three consecutive years; certification by the state treasurer and the City’s CFO that all debt obligations sold in the public market by or for the benefit of the City in the immediately preceding and current fiscal years satisfied the City’s capital needs for those periods; the City’s current four-year financial plan projecting a balanced budget in each year of the plan; the Commission concurring that the City has sufficient ability to borrow in the capital markets; the City not violating and not currently being in violation of the plan; and state treasurer confirmation that the City is in compliance with the Uniform Budgeting and Accounting Act.

On April 30, 2018, the City met the criteria above, and the Commission granted the City a waiver of active oversight. The annual waiver extended through June 30, 2019. The Commission subsequently granted its second annual waiver on June 24, 2019 and its third annual waiver on June 29, 2020, which extends through June 30, 2021. The Commission will continue to monitor the City and will review the waiver annually and, by July 1 of each year, will make a determination as to whether to renew the waiver for the subsequent year. As a condition of renewing the waiver, the Commission requires the City to submit monthly, quarterly, and annual reports related to the City’s financial condition, which include (but are not limited to) information related to the City’s ability to make payments on the City’s debt and pension obligations. The City is providing these reports and is in compliance with the waiver resolution. The City must also, by April 30 of each year, submit its adopted budget and four-year financial plan to the Commission. However, the City’s adopted budget and four-year financial plan is not subject to commission approval while the City remains under the waiver.

**Note 14 - Tax Abatements**

The City of Detroit, Michigan, Michigan enters into various agreements with taxpayers to promote economic development or social welfare within the City. Below is a summary of those programs and the estimated amount of taxes abated during the most recent year:

Program Description	Legislation	Performance by Taxpayer	General Taxes Abated	Detroit Debt Service Taxes Abated	Total City Taxes Abated
Brownfield Redevelopment Authority (BRA) provides local governmental units ways to enhance local economic development capacities and market difficult sites based on private investment incentives. Taxpayers are reimbursed eligible costs related to environmental cleanup. Reimbursement amount is limited to the property taxes collected on related property in any given year.	Act 381 of 1996	Cleanup of environmental issues at old industrial site	\$ 1,402,168	\$ -	\$ 1,402,168
Industrial Facilities Tax (IFT) provides a tax incentive to manufacturers for renovation and expansion of aging facilities, building of new facilities, and the establishment of high-tech facilities. Exemptions allow businesses to be taxed at 50 percent of the usual property tax rates (for rehabilitation properties, the taxable value is instead frozen at the previous level and full tax rates are applied).	Act 198 of 1974	(Re)development of facility and creation of jobs	397,878	248,473	646,351
Commercial Rehabilitation Act (CRA) provides tax incentive for the rehabilitation of vacant/aging commercial property for the primary purpose and use as a commercial business or multifamily residential facility. Exemptions are approved for a term of 1-10 years by the local governmental unit. Restoration property taxes are based on the taxable value frozen in the year prior to rehabilitation for the duration.	Act 210 of 2005	Rehabilitation of qualified facility	1,822,364	822,360	2,644,724

June 30, 2020

Note 14 - Tax Abatements (Continued)

Program Description	Legislation	Performance by Taxpayer	General Taxes Abated	Detroit Debt Service Taxes Abated	Total City Taxes Abated
Commercial Redevelopment Act (CFT) encourages the replacement, restoration, and new construction of real commercial property. Exemptions are approved for a term of 1-12 years by the local governmental unit. Restoration property taxes are based on the taxable value frozen in the year prior to rehabilitation for the duration.	Act 255 of 1978	Redevelopment of commercial property	\$ 171,911	\$ 77,546	\$ 249,457
Renaissance Zone Act (RZ) provides tax incentives to individuals and businesses to encourage economic stability and development within designated urban areas. Properties are exempt from city income and utility user tax, most city and county property taxes (except debt), and state income tax.	Act 376 of 1996	To qualify, taxpayer must not be delinquent in any state or local taxes abated by RZ law and file annual MI and city income tax returns	7,509,854	944,518	8,454,372
Obsolete Property Rehabilitation Act (OPRA) provides tax incentives to encourage redevelopment of obsolete/blighted buildings. Property taxes are based on the taxable value frozen in the year prior to redevelopment for the duration. (State treasurer can exempt one-half of the school mileage for up to six years on 25 projects per year.)	Act 146 of 2000	Redevelopment of obsolete and blighted buildings	1,972,444	892,160	2,864,604
Neighborhood Enterprise Zone (NEZ) provides for development and rehabilitation of residential housing located within eligible distressed communities. Property tax exemptions are generally approved for a term of 6-15 years by the local governmental unit. Calculation of NEZ special tax depends on the type of facility and date of issuance of the certificate.	Act 147 of 1992	Financial investment in property	5,366,817	1,745,709	7,112,526
Land Bank Fast Track (LB) enables land banks to acquire, manage, maintain, and repurpose vacant, abandoned, and foreclosed properties. Land banks in Michigan are allowed to receive 50 percent of the specific property tax generated on all properties sold by the land bank for five years after the transfer of the property.	Act 258-263 of 2003	Improvement of property to receive a portion of specific taxes paid	738,479	333,190	1,071,669
The New Personal Property Exemption, PA 328 of 1998, (MCL 211.9 f) as amended, affords a 100 percent property tax exemption for specific businesses located within eligible distressed communities. This exemption is for all new personal property placed in a district that has been established by the local unit of government. The local unit of government determines the number of years granted and may grant any number of years for the exemption. Applications are filed, reviewed and approved by the local unit of government but are also subject to review at the state level by the Property Services Division and the state Tax Commission. The State treasurer, with the written concurrence of the president of the Michigan Strategic Fund, is responsible for final approval. Exemptions are not effective until approved by the state treasurer.	Act 328 of 1998, as amended	Meet the 50 percent threshold and submit a one-time exemption affidavit with the Assessor by February 10 in the year the property is first exempt based on the phase-out table.	5,990,818	2,585,290	8,576,108
Senior Citizen/Disabled Family Housing exemption applies to HUD Section 202, 235, and 811 approved nonprofit or limited dividend housing facilities with at least eight units. Program allows municipalities to be reimbursed by the MI Dept of Treasury for property tax lost due to the exemption of eligible senior citizen/disabled family housing facilities (except school operating, hold harmless, SET, admin fees, special assessments, penalty/interest fees, other fee-related charges, or utility charges).	Act 78 of 2016 (formerly Act 66 of 2012)	Provide and manage senior citizen and disabled family housing. Responsible for payment of assessments, fees, and charges not paid by MI Dept of Treasury	41,505	84,547	126,052

June 30, 2020

**Note 14 - Tax Abatements (Continued)**

Program Description	Legislation	Performance by Taxpayer	General Taxes Abated	Detroit Debt Service Taxes Abated	Total City Taxes Abated
The Michigan State Housing Development Authority (MSHDA) enhances economic and community vitality through housing and historic preservation activities. MSDHA provides direct lending to low-income housing projects with PILOT-based tax abatements. Housing projects pay an annual service charge (equal to a percentage of annual shelter rents or contract rents actually collected by the housing project during the operating year) in lieu of property taxes.	Act 346 of 1966	Provide and manage low-income housing facilities	\$ 4,133,413	\$ 1,864,511	\$ 5,997,924
Total			<u>\$ 29,547,651</u>	<u>\$ 9,598,304</u>	<u>\$ 39,145,955</u>

The programs do not include provisions to recapture taxes for nonperformance. However, the Industrial Facilities Tax abatement program may be eliminated if taxes are not paid timely.

There are no significant abatements made by other governments that reduce the City’s tax revenue.

**Note 15 - COVID-19**

Since the World Health Organization’s identification of COVID-19 as a global health emergency and the subsequent implementation of national, state, and local emergency declarations, significant dislocations in normal economic activity have occurred at all levels. On March 10, 2020, the Michigan Department of Health and Human Services identified the first two presumptive-positive cases of COVID-19, in the state of Michigan (the “State”). Since then, the governor has issued a series of executive orders declaring a state of emergency and a state of disaster in the State in response to COVID-19, indicating that the state of emergency and state of disaster will terminate on the earlier of a specified date or when emergency and disaster conditions no longer exist. The duration, severity, and degree of any impact of COVID-19 is uncertain and difficult to predict at this time due to the dynamic nature of the COVID-19 outbreak. The City has experienced a loss in revenue and an increase in costs associated with mitigating the impacts of the COVID-19 pandemic on the residents of the City, including public health, emergency response, support to homeless and vulnerable populations, small businesses support, and food assistance, among others.

In April 2020, the City estimated revenue shortfalls of \$154 million in its fiscal year 2020 and \$194 million in its fiscal year 2021 due to casino closures; income tax reductions due to layoffs and furloughs; anticipated state revenue-sharing reductions; and reduced transportation, parking, and permitting revenue. The City reduced spending through laying off over 200 employees and temporarily reducing the hours of over 2,000 employees, as well as issuing other spending controls. Following these spending reductions, the City enacted budget amendments to bring the fiscal year 2020 General Fund into balance and completed a balanced fiscal year 2021 budget. To date, the City has been awarded \$306 million in grants that originate from federal stimulus sources, and it projects to receive an additional \$22 million. In its September 2020 Revenue Estimating Conference, the City estimated an additional \$66 million General Fund revenue shortfall in its fiscal year 2021 due to the continued duration of the pandemic. In order to maintain a balanced budget, the City plans to offset the projected revenue shortfall entirely with identified savings and other adjustments to the City’s fiscal year 2021 budget.

**Note 16 - Subsequent Events**

***Debt Issuance***

On October 27, 2020, the City issued its \$80,000,000 Unlimited Tax General Obligation Bonds, Series 2020 (the “2020 UTGO Bonds”), for the purpose of financing the cost of certain capital projects of the City and paying costs of issuance associated with the 2020 UTGO Bonds. The 2020 UTGO Bonds are secured by a pledge of the full faith and credit of the City. The 2020 UTGO Bonds are tax-exempt and mature on April 1, 2040.

During 2020, HUD offered Section 108 loan relief nationally for borrowers impacted by COVID-19. The program provided a mechanism for deferring Section 108 principal payments due on August 1, 2020. Subsequent to June 30, 2020, the City participated in the program by issuing 10 HUD promissory notes in the total amount of \$4.864 million, the proceeds of which were used to pay the City’s August 1, 2020, Section 108 loan principal payments. The new 108 loans are variable rate and can be converted to fixed rate through inclusion in a future HUD public offering.

***Debt Policy***

In September 2020, the City revised its Debt Issuance and Management Policy by setting specific debt affordability limits based on the ratio of debt service to expenditures. In addition to setting debt limits, the policy requires the tracking of debt metrics and sets forth targets to consider the long-term impact of proposed borrowings. Finally, the policy states that as General Fund debt service as a percentage of the General Fund decreases over time, the City should use General Fund revenue to support legacy pension obligations, make contributions to the budget reserve, and/or support capital investment on a pay-go basis.

***Prospective Indebtedness***

On July 21, 2020, the City Council authorized the issuance of \$250 million of Neighborhood Improvement Bonds, and it was approved by the City’s electors on November 3, 2020. As a result of these approvals, the City expects to issue approximately a \$175 million portion of the authorized Neighborhood Improvement Bonds in 2021.

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## Required Supplemental Information

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Required Supplemental Information  
 Schedule of Revenue, Expenditures, and Changes in Fund Balance  
 Budget and Actual - General Fund  
 Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Revenue by Appropriation</b>				
Other	\$ -	\$ -	\$ 450,356	\$ 450,356
HRD Community Development	2,035,000	9,747,000	11,881,143	2,134,143
DoIT Administration & Operations	-	-	5,354	5,354
DPW Administration	319,000	-	-	-
OCFO Office of the Chief Financial Officer	4,457,000	4,457,000	-	(4,457,000)
OCFO Office of the Assessor	470,000	374,903	407,451	32,548
OCFO Office of the Treasury	246,000	573,329	3,393	(569,936)
Fire Executive Management & Support	18,000	13,000	(3,123)	(16,123)
Fire Ordinance Enforcement	4,851,000	2,289,975	3,432,422	1,142,447
Fire Emergency Medical Services	14,607,000	10,296,000	15,398,802	5,102,802
Health Department Administration	75,000	52,871	254,186	201,315
MPD Parking Violations Bureau	12,700,000	8,035,000	10,468,104	2,433,104
HR Personnel Selection	184,374	184,374	218,246	33,872
HR Labor Relations	128,680	128,680	102,236	(26,444)
Police Human Resources Bureau	30,000	25,000	11,520	(13,480)
Police Criminal Investigation Bureau	2,870,000	2,408,320	3,112,016	703,696
Police Support Services Bureau	55,668,000	49,652,335	43,681,696	(5,970,639)
Public Lighting Administration	1,200,000	1,800,000	56,867	(1,743,133)
PLD Heat and Power Plant Operations	-	-	(1,118)	(1,118)
Elections Conduct of Elections	5,000	5,000	2,314	(2,686)
Ombudsperson Investigation of Complaints	-	-	3,565	3,565
Zoning Land Use Controls	90,000	63,445	94,756	31,311
Other Operations Services	-	-	20,186	20,186
OCFO Office of the Controller	239,000	239,000	58,466	(180,534)
CRIO Department Administration	402,000	283,389	287,603	4,214
City Clerk Operations	3,000	4,000	7,872	3,872
City Legislative Functions	19,000	13,394	11,925	(1,469)
Non Dept Detroit Building Authority	500,000	10,500,000	5,537,128	(4,962,872)
36th District Court Direct Costs	1,372,000	1,372,000	1,310,075	(61,925)
Law Administration & Operations	1,977,000	1,977,000	1,662,307	(314,693)
Police Public Acts 301	448,000	400,000	377,288	(22,712)
HR Employee Services	847,946	847,946	709,103	(138,843)
Non Dept Claims Fund (Insurance Premium)	17,100,000	17,100,000	12,000,000	(5,100,000)
Non Dept Centralized Payments	-	-	103,402	103,402
DPW City Engineer	3,977,000	2,125,199	4,377,866	2,252,667
MPD Operations & Maintenance	-	-	6,800,584	6,800,584
PLD General Revenue Public Lighting	-	-	1,688,362	1,688,362
Non Dept General Revenue	873,259,040	775,489,794	700,627,544	(74,862,250)
Non Dept Cable Franchise Fee	5,000,000	5,000,000	4,924,208	(75,792)
Non Dept Risk Management	-	41,182,645	24,431,545	(16,751,100)
36th District Court State Transferred Functions	16,628,000	11,978,000	15,781,781	3,803,781
MPD Auto Parking Operations	9,238,000	6,993,000	25,257,617	18,264,617
Development - Replace & Improve	-	-	32,587	32,587
Non Dept Casino Site Support & Infrastructure Improvement	18,231,000	18,360,000	15,201,521	(3,158,479)
Police Operations	220,000	142,846	220,620	77,774
Health Department Animal Care	97,000	68,380	38,689	(29,691)
Community and Industrial Hygiene	648,000	454,691	661,942	207,251
Food Sanitation	1,731,000	1,385,494	1,346,394	(39,100)
Police Office of Administrative Operations	700,000	454,510	633,435	178,925
DAH Blight Violation Adjudication	1,800,000	1,863,628	3,177,451	1,313,823
GSD Administration	81,000	81,000	75,904	(5,096)
GSD Facilities & Grounds Maintenance	767,000	767,000	179,784	(587,216)
BSEED Business License Center	1,923,000	963,631	1,015,046	51,415
GSD Fleet Management	1,757,000	1,290,818	3,435,376	2,144,558
GSD General Services	10,195,000	10,195,000	6,700,031	(3,494,969)
Non Dept Media Services & Communications	-	-	106,729	106,729
GSD Street Maintenance Garage	2,342,000	2,342,000	1,661,731	(680,269)
BSEED Environmental Affairs	2,455,457	2,620,457	1,748,694	(871,763)
Non Dept Distributable State Aid Bond	-	-	102,660	102,660
GSD Ground Maintenance	1,800,000	1,800,000	1,881,687	81,687
OIG Office of the Inspector General	-	-	300	300
Non Dept Pension & Employee Benefits Pension	3,704,000	3,704,000	-	(3,704,000)
Non Dept Towing Fees Administration	957,000	-	30,900	30,900
HRD FRM Indirect Staffing Costs	2,103,384	2,103,384	2,523,090	419,706
Exit Financing	-	34,368,416	5,459,204	(28,909,212)
Non Dept Wireless Tower Site Committee	-	-	(22,737)	(22,737)
Non Dept Note B Payment	-	1,553,493	1,553,493	-
Non Dept Retirement Systems	-	-	55,183,703	55,183,703
Mayor's Office of Homeland Security	50,000	50,000	-	(50,000)
PLD Decommissioning Reserve	312,000	504,715	189,264	(315,451)
Note C Debt Service	-	618,261	618,260	(1)
GSD Restructuring Projects	3,633,100	2,110,189	3,290,779	1,180,590
Non Dept Budget Reserve	45,000,000	45,000,000	-	(45,000,000)
OCFO Office of Departmental Financial Services	-	-	2,762,673	2,762,673
Capital Restructuring Initiative	-	8,699	-	(8,699)
PLA Revenue Bond Transfer	-	-	10,416,667	10,416,667
Blight Remediation Projects	73,000,000	53,542,581	626,115	(52,916,466)

Required Supplemental Information  
Schedule of Revenue, Expenditures, and Changes in Fund Balance  
Budget and Actual - General Fund

	Budgeted Amounts			Year Ended June 30, 2020
	Original Budget	Amended Budget	Actual Amounts	Variance with Final Budget
	\$	\$	\$	\$
Prior Year Activity	44,600,000	224,060,540	-	(224,060,540)
Transfers in (out)	-	-	39,855,791	39,855,791
PDD Special	25,000	-	49,310	49,310
Wayne County Park Milage Funding FY2013/2014	-	154,000	154,000	-
Wayne County Park Milage Funding FY2015/2016	-	118,772	118,772	-
Pistons Basketball Court Improvements	-	416,667	416,667	-
CoD Capital Projects 2019	600,000	13,600,000	13,000,000	(600,000)
Wayne County Park Milage Funding FY2016/2017	-	64,135	64,135	-
Motor City Match	-	2,700,000	-	(2,700,000)
Ghib Utility Relocation Work	-	578,679	-	(578,679)
<b>Total Revenue</b>	<b>1,249,695,981</b>	<b>1,393,657,585</b>	<b>1,070,065,715</b>	<b>(323,591,870)</b>
<b>Expenditures by Appropriation</b>				
HRD Community Development	2,412,474	2,412,474	2,022,736	389,738
HRD Real Estate	526,291	526,291	419,495	106,796
DoIT Administration & Operations	27,931,233	23,181,233	19,439,650	3,741,583
DPW Administration	1,832,387	1,832,387	1,228,581	603,806
Yard Operation	-	-	(10)	10
OCFO Office of the Chief Financial Officer	1,729,002	1,729,002	1,134,692	594,310
OCFO Office of Budget	3,308,811	3,303,811	2,534,931	768,880
OCFO Office of the Assessor	7,101,003	6,601,003	6,324,038	276,965
OCFO Office of Contracting & Procurement	6,439,568	4,696,144	3,214,877	1,481,267
OCFO Office of the Treasury	15,104,979	15,104,981	12,998,281	2,106,700
Fire Executive Management & Support	5,867,031	4,467,031	3,686,784	780,247
Fire Ordinance Enforcement	5,348,069	5,038,070	4,329,345	708,725
Fire Emergency Medical Services	26,318,992	23,808,992	18,232,138	5,576,854
Health Department Administration	7,391,701	6,869,164	5,347,624	1,521,540
Mayor's Executive Office	7,449,293	7,449,293	5,954,771	1,494,522
MPD Parking Violations Bureau	7,027,869	5,525,369	4,935,228	590,141
HR Administration	6,069,968	5,569,968	4,439,761	1,130,207
HR Personnel Selection	2,013,928	2,013,928	1,487,462	526,466
HR Labor Relations	3,339,735	3,339,735	1,938,191	1,401,544
Police Commission	-	3,731	(40,908)	44,639
Police Executive	14,973,277	14,163,277	12,962,986	1,200,291
Police Human Resources Bureau	7,749,233	6,149,233	5,638,192	511,041
Police Criminal Investigation Bureau	70,483,620	52,253,620	48,666,122	3,587,498
Police Support Services Bureau	32,257,918	28,287,918	28,039,235	248,683
Public Lighting Administration	18,255,267	18,255,267	17,519,304	735,963
PLD Street Lighting Management 133	-	-	(585,928)	585,928
Elections Conduct of Elections	9,264,286	9,264,286	7,955,342	1,308,944
Ombudsperson Investigation of Complaints	1,086,758	1,086,759	1,030,685	56,074
Zoning Land Use Controls	606,001	606,001	529,589	76,412
Non Dept Public Commemorations	2,925	2,925	-	2,925
Other Operations Services	606,235	606,235	350,102	256,133
Budget Department Operations	-	-	(729)	729
OCFO Office of the Controller	9,922,019	7,422,019	7,109,536	312,483
CRIO Department Administration	1,269,711	1,269,711	1,049,876	219,835
OAG Auditing Operations	2,022,116	2,022,116	1,690,961	331,155
City Clerk Operations	2,424,592	2,424,592	2,164,673	259,919
City Legislative Functions	5,026,108	4,701,536	4,654,048	47,488
Non Dept Detroit Building Authority	3,749,532	9,771,957	7,076,828	2,695,129
Police Secret Service Fund	150,000	150,000	19,082	130,918
Non Dept Parking Programs	97,500	97,500	-	97,500
Non Dept Tax Support	63,500,000	63,500,000	63,500,000	-
Non Dept Airport Support	1,605,737	1,824,739	1,814,079	10,660
Police Grant Contributions	2,008,851	2,008,851	1,693,761	315,090
36th District Court Direct Costs	3,836,199	3,836,199	2,742,022	1,094,177
Non Dept World Trade Program	250,000	250,000	250,000	-
Law Administration & Operations	17,252,516	16,252,516	14,179,990	2,072,526
Police Rape Counseling Unit	748,979	748,979	255,704	493,275
Police Public Acts 301	413,684	1,012,151	224,707	787,444
HRD Economic Development Corporation	275,000	275,000	275,000	-
HRD Economic Growth Corporation	1,936,304	1,936,304	1,936,304	-
36th District Court Security Reimbursement	800,000	900,000	409,429	490,571
Non Dept CAYMC Building Rent & Rehabilitation	279,217	279,217	279,215	2
Fire Vehicle Management & Supply	557,492	547,492	120,620	426,872
Fire Fighting Operations	77,710,489	82,710,489	64,947,478	17,763,011
Fire Communications & Systems Support	3,573,641	3,463,641	2,718,618	745,023
HR Employee Services	2,785,762	2,785,762	1,925,533	860,229
Charter Commission	576,000	576,000	350,586	225,414
Non Dept Claims Fund (Insurance Premium)	24,100,000	24,100,000	24,100,000	-
Non Dept Centralized Payments	18,251,413	18,251,413	18,250,185	1,228
DPW City Engineer	1,607,417	1,607,417	924,369	683,048
Fire Environmental Response Hazard Material	130,000	130,000	22,908	107,092
MPD Operations & Maintenance	10,740,313	5,900,176	5,295,847	604,329
Non Dept Adjustments and Undistributed Costs	-	-	-	-
Non Dept General Revenue	22,833,900	32,598,899	(36,727,339)	69,326,238
Non Dept Risk Management	-	41,182,645	28,613,690	12,568,955

Required Supplemental Information  
Schedule of Revenue, Expenditures, and Changes in Fund Balance  
Budget and Actual - General Fund

Year Ended June 30, 2020

	Budgeted Amounts			Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget			
Non Dept African American History Museum	\$ 1,900,000	\$ 1,900,000	\$ 1,900,000	\$ -	
36th District Court State Transferred Functions	28,024,001	27,104,001	24,855,222	2,248,779	
MPD Auto Parking Operations	-	-	(25,873)	25,873	
Police Enhanced E-911	-	-	(101,738)	101,738	
Police Operations	147,576,112	152,576,112	127,360,365	25,215,747	
Fire Casino Municipal Services Fire	2,834,840	2,744,840	1,905,254	839,586	
Police Casino Municipal Services Police	5,320,457	320,457	59,050	261,407	
Non Dept Board of Ethics	448,228	448,228	342,915	105,313	
Health Department Animal Care	3,286,394	2,796,394	2,085,400	710,994	
Community and Industrial Hygiene	478,561	398,561	213,393	185,168	
Food Sanitation	1,510,972	1,230,972	871,944	359,028	
Police Office of Administrative Operations	8,440,256	6,070,256	5,152,667	917,589	
Police Technology Bureau	11,282,239	10,212,239	8,780,335	1,431,904	
Police Administrative Services Bureau	-	-	(11,701)	11,701	
DAH Blight Violation Adjudication	1,108,666	1,108,666	1,051,471	57,195	
36th District Court - Drug Court	89,500	99,500	93,014	6,486	
Recreation Operations Appropriation	-	45	(4,588)	4,633	
GSD Administration	3,722,547	3,722,547	3,410,731	311,816	
GSD Facilities & Grounds Maintenance	21,168,022	17,668,469	17,581,807	86,662	
GSD Inventory Management	-	-	(3,662)	3,662	
BSEED Business License Center	646,195	646,195	543,333	102,862	
GSD Fleet Management	19,645,371	19,657,195	19,657,192	3	
GSD General Services	9,833,009	7,083,009	6,563,538	519,471	
Non Dept Zoo Operations	570,000	570,000	570,000	-	
Non Dept Detroit Historical Museum	500,000	500,000	500,000	-	
OAG Auditing	1,950,000	1,950,000	1,950,000	-	
Non Dept Media Services & Communications	1,548,237	1,548,237	1,070,697	477,540	
Non Dept Eastern Market Corporation	225,000	225,000	225,000	-	
GSD Street Maintenance Garage	4,067,851	4,067,851	3,636,098	431,753	
BSEED Environmental Affairs	2,739,596	2,739,596	2,201,877	537,719	
HRD Real Estate & GIS	855,692	855,692	619,314	236,378	
Non Dept Distributable State Aid Bond	33,165,745	33,165,745	33,165,745	-	
GSD Ground Maintenance	15,588,671	13,088,670	12,677,526	411,144	
GSD 36th District Madison Center	4,560,066	4,560,066	4,499,583	60,483	
OIG Office of the Inspector General	1,271,171	1,271,171	1,125,676	145,495	
Police Animal Control	-	-	(1,750)	1,750	
Non Dept Pension & Employee Benefits Pension	3,704,243	3,704,243	94,569	3,609,674	
Non Dept Elected Officials' Compensation	1,470,563	1,470,563	1,323,200	147,363	
City Council Council Member At Large 1	725,032	725,032	582,333	142,699	
City Council Council Member At Large 2	725,032	725,032	718,690	6,342	
City Council District 1 Council Member	639,052	639,052	527,855	111,197	
City Council District 2 Council Member	639,052	639,052	521,814	117,238	
City Council District 3 Council Member	639,052	639,052	627,789	11,263	
City Council District 4 Council Member	639,052	639,052	603,708	35,344	
City Council District 5 Council Member	639,052	639,052	588,905	50,147	
City Council District 6 Council Member	639,052	639,052	628,822	10,230	
City Council District 7 Council Member	639,052	639,052	508,503	130,549	
Police Communications Bureau	14,627,015	14,789,047	13,449,501	1,339,546	
Police Budget Fiscal Operations Bureau	968,663	948,663	939,399	9,264	
HRD FRM Indirect Staffing Costs	1,263,872	1,263,872	1,131,579	132,293	
Exit Financing	-	16,780,057	21,575,541	(4,795,484)	
Non Dept Note B Payment	13,957,059	13,957,059	13,936,971	20,088	
Non Dept Retirement Systems	45,000,000	45,000,000	45,000,000	-	
OCFO Office of Development and Grants	3,695,105	3,695,105	2,411,225	1,283,880	
Mayor's Office of Homeland Security	2,194,305	2,194,305	1,877,594	316,711	
PLD Decommissioning Reserve	312,000	809,000	-	809,000	
Non Dept Quality of Life Exit Financing Debt Service	32,508,286	32,508,286	32,508,286	-	
Police Restructuring Projects	-	-	(144,380)	144,380	
GSD Restructuring Projects	22,487,365	14,987,366	14,024,151	963,215	
Non Dept Budget Reserve	45,000,000	45,000,000	-	45,000,000	
PDD Administration & Operations	5,702,671	3,202,671	2,843,013	359,658	
OCFO Office of Departmental Financial Services	11,770,286	9,929,791	9,072,104	857,687	
OCFO Office of Program & Performance Management	1,883,969	1,883,969	1,441,517	442,452	
HRD Administration (Indirect) - Records/Audit & Admin Support	3,629,329	3,629,329	3,133,857	495,472	
HRD OPPP Direct - Tax Incentives, Policy, & Development	2,309,767	2,309,767	1,692,482	617,285	
HRD Housing Underwriting - Single Family	509,229	509,229	310,014	199,215	
Consolidated Legislative Services	312,000	312,000	312,000	-	
Capital Restructuring Initiative	-	1,015,386	1,003,999	11,387	
Blight Remediation Projects	83,242,581	59,412,302	59,412,280	22	
Interfund Adjustments	-	-	10,430,606	(10,430,606)	
PDD Special	25,000	25,000	17,382	7,618	
Wayne County Park Milage Funding FY2013/2014	-	154,000	154,000	-	
Senior Home Repair	500,000	500,000	215,059	284,941	
Wayne County Park Milage Funding FY2015/2016	-	118,772	118,768	4	
Pistons Basketball Court Improvements	-	399,317	399,317	-	
HRD General Fund Summer Jobs Program	2,000,000	2,000,000	2,000,000	-	
CoD Capital Projects 2019	25,516,000	29,289,560	21,789,559	7,500,001	
Wayne County Park Milage Funding FY2016/2017	-	64,135	31,363	32,772	
Neighborhood Improvement Fund	1,000,000	1,000,000	500,000	500,000	

Required Supplemental Information  
 Schedule of Revenue, Expenditures, and Changes in Fund Balance  
 Budget and Actual - General Fund

Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
HRD Housing Affordability Fund	\$ 3,620,000	\$ 1,620,000	\$ -	\$ 1,620,000
City Council President Admin Support	38,215	38,215	34,424	3,791
Non Dept Board of Police Commissioners	3,734,458	3,734,458	2,829,174	905,284
Wayne County Park Millage Funding FY2017/2018	-	158,150	158,150	-
Summer Food Service Program 2020	-	-	-	-
Motor City Match	1,000,000	5,300,000	5,300,000	-
Job Development & Employer Outreach	700,000	700,000	700,000	-
Surveillance Technology	1,800,827	1,800,827	274,612	1,526,215
GHIB Utility Relocation Work	-	578,679	-	578,679
COVID-19 Response	-	10,163,668	10,163,671	(3)
Detroit Demolition	-	-	3	(3)
Vibrant and Beautiful City - GSD	-	-	(211)	211
Increase Opportunity and Decrease Poverty - GSD	-	-	(20)	20
Effective Governance - GSD	-	-	(9,450)	9,450
<b>Total Expenditures</b>	<b>1,249,695,981</b>	<b>1,251,895,382</b>	<b>1,015,883,768</b>	<b>236,011,614</b>
<b>Net Change</b>	<b>-</b>	<b>141,762,203</b>	<b>54,181,947</b>	<b>(87,580,256)</b>
<b>Fund Balance - Beginning of year</b>	<b>692,071,913</b>	<b>692,071,913</b>	<b>692,071,913</b>	<b>-</b>
<b>Fund Balance - End of year</b>	<b>\$ 692,071,913</b>	<b>\$ 833,834,116</b>	<b>\$ 746,253,860</b>	<b>\$ (87,580,256)</b>

Required Supplemental Information  
 Schedule of Changes in the Net Pension Liability and Related Ratios  
 General Retirement System (GRS) Component II

**Last Six Fiscal Years\*\***

	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>						
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,736,019
Interest	195,489,643	192,359,745	201,919,235	214,011,164	263,007,329	242,611,073
Changes in benefit terms	-	-	-	-	(731,824,895)	(113,311,571)
Differences between expected and actual experience	13,596,900	33,805,327	(27,508,380)	(43,719,112)	24,644,531	-
Changes in assumptions	-	(110,274,515)	76,925,957	90,034,927	(101,559,893)	(271,190,194)
Benefit payments, including refunds	(248,790,015)	(253,442,630)	(266,900,539)	(292,282,179)	(297,538,990)	(397,733,807)
<b>Net Change in Total Pension Liability</b>	(39,703,472)	(137,552,073)	(15,563,727)	(31,955,200)	(843,271,918)	(506,888,480)
<b>Total Pension Liability - Beginning of year</b>	<u>2,773,306,153</u>	<u>2,910,858,226</u>	<u>2,926,421,953</u>	<u>2,958,377,153</u>	<u>3,801,649,071</u>	<u>4,308,537,551</u>
<b>Total Pension Liability - End of year</b>	<u><b>\$ 2,733,602,681</b></u>	<u><b>\$ 2,773,306,153</b></u>	<u><b>\$ 2,910,858,226</b></u>	<u><b>\$ 2,926,421,953</b></u>	<u><b>\$ 2,958,377,153</b></u>	<u><b>\$ 3,801,649,071</b></u>
<b>Plan Fiduciary Net Position</b>						
Contributions - Employer	\$ 68,275,000	\$ 68,275,000	\$ 90,889,402	\$ 104,792,657	\$ 189,282,095	\$ 25,126,131
Contributions - Member	-	-	-	-	609,074	10,241,761
Net investment income (loss)	47,170,007	155,423,193	206,896,567	(12,450,547)	93,054,978	289,789,607
Administrative expenses	(3,023,943)	(3,313,418)	(6,021,837)	(3,742,618)	(7,556,822)	(11,237,767)
Benefit payments, including refunds	(248,790,015)	(253,442,630)	(266,900,539)	(292,282,179)	(297,538,990)	(397,733,807)
Other (includes ASF recoupment)	(5,347,864)	6,952,522	8,324,075	5,945,783	138,219,997	-
<b>Net Change in Plan Fiduciary Net Position</b>	(141,716,815)	(26,105,333)	33,187,668	(197,736,904)	116,070,332	(83,814,075)
<b>Plan Fiduciary Net Position - Beginning of year</b>	<u>1,940,623,642</u>	<u>1,966,728,975</u>	<u>1,933,541,307</u>	<u>2,131,278,211</u>	<u>2,015,207,879</u>	<u>2,099,021,954</u>
<b>Plan Fiduciary Net Position - End of year</b>	<u><b>\$ 1,798,906,827</b></u>	<u><b>\$ 1,940,623,642</b></u>	<u><b>\$ 1,966,728,975</b></u>	<u><b>\$ 1,933,541,307</b></u>	<u><b>\$ 2,131,278,211</b></u>	<u><b>\$ 2,015,207,879</b></u>
<b>Plan's Net Pension Liability - Ending</b>	<u><b>\$ 934,695,854</b></u>	<u><b>\$ 832,682,511</b></u>	<u><b>\$ 944,129,251</b></u>	<u><b>\$ 992,880,646</b></u>	<u><b>\$ 827,098,942</b></u>	<u><b>\$ 1,786,441,192</b></u>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	65.81 %	69.98 %	67.57 %	66.07 %	72.04 %	53.01 %
<b>Covered Payroll*</b>	\$ 141,646,750	\$ 246,173,916	\$ 199,307,987	\$ 185,147,364	\$ 188,210,536	\$ 238,669,871
<b>Plan's Net Pension Liability as a Percentage of Covered Payroll</b>	659.88 %	338.25 %	473.70 %	536.27 %	439.45 %	748.50 %

\*Covered payroll excludes overtime and longevity pay, which was included as compensation for the purpose of determining employer contributions.

\*\*These fiscal years are based on the City's measurement date.

Schedule will be built prospectively from GASB Statement No. 68 adoption until 10 full years are presented.

Required Supplemental Information  
 Schedule of Changes in the Net Pension Liability and Related Ratios  
 Police and Fire Retirement System (PFRS) Component II

Last Six Fiscal Years\*\*

	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>						
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,967,708
Interest	256,873,504	257,841,119	261,449,503	264,233,822	306,063,331	304,737,369
Changes in benefit terms	(3,111,623)	-	-	-	(555,898,068)	(102,236,878)
Differences between expected and actual experience	(3,862,962)	32,674,674	(10,648,606)	45,955,554	(59,621,651)	-
Changes in assumptions	-	(6,975,457)	(4,082,068)	114,463,361	(95,014,469)	540,356,835
Benefit payments, including refunds	(305,611,683)	(308,390,724)	(306,098,871)	(304,467,163)	(313,816,916)	(323,540,473)
<b>Net Change in Total Pension Liability</b>	(55,712,764)	(24,850,388)	(59,380,042)	120,185,574	(718,287,773)	454,284,561
<b>Total Pension Liability - Beginning of year</b>	<u>3,725,455,416</u>	<u>3,750,305,804</u>	<u>3,809,685,846</u>	<u>3,689,500,272</u>	<u>4,407,788,045</u>	<u>3,953,503,484</u>
<b>Total Pension Liability - End of year</b>	<u><b>\$ 3,669,742,652</b></u>	<u><b>\$ 3,725,455,416</b></u>	<u><b>\$ 3,750,305,804</b></u>	<u><b>\$ 3,809,685,846</b></u>	<u><b>\$ 3,689,500,272</b></u>	<u><b>\$ 4,407,788,045</b></u>
<b>Plan Fiduciary Net Position</b>						
Contributions - Employer	\$ 18,300,000	\$ 18,300,000	\$ 18,300,000	\$ 37,787,744	\$ 114,300,000	\$ -
Contributions - Member	3,600	42,114	14,055	24,801	42,576	7,783,141
Net investment income	98,891,894	237,991,220	282,398,412	24,618,573	122,736,820	568,760,793
Administrative expenses	(3,180,514)	(4,933,928)	(4,433,657)	(3,103,689)	(7,630,692)	(11,373,226)
Benefit payments, including refunds	(305,611,683)	(308,390,724)	(306,098,871)	(304,467,163)	(313,816,916)	(323,540,473)
Transfers out	-	-	(20,000,000)	-	-	-
Other	(3,863,746)	1,153,145	1,491,589	855,743	2,919,354	-
<b>Net Change in Plan Fiduciary Net Position</b>	(195,460,449)	(55,838,173)	(28,328,472)	(244,283,991)	(81,448,858)	241,630,235
<b>Plan Fiduciary Net Position - Beginning of year</b>	<u>2,866,303,805</u>	<u>2,922,141,978</u>	<u>2,950,470,450</u>	<u>3,194,754,441</u>	<u>3,276,203,299</u>	<u>3,034,573,064</u>
<b>Plan Fiduciary Net Position - End of year</b>	<u><b>\$ 2,670,843,356</b></u>	<u><b>\$ 2,866,303,805</b></u>	<u><b>\$ 2,922,141,978</b></u>	<u><b>\$ 2,950,470,450</b></u>	<u><b>\$ 3,194,754,441</b></u>	<u><b>\$ 3,276,203,299</b></u>
<b>Plan's Net Pension Liability - Ending</b>	<u><b>\$ 998,899,296</b></u>	<u><b>\$ 859,151,611</b></u>	<u><b>\$ 828,163,826</b></u>	<u><b>\$ 859,215,396</b></u>	<u><b>\$ 494,745,831</b></u>	<u><b>\$ 1,131,584,746</b></u>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	72.78 %	76.94 %	77.92 %	77.45 %	86.59 %	74.33 %
<b>Covered Payroll*</b>	\$ 111,407,220	\$ 116,288,356	\$ 137,250,599	\$ 130,510,339	\$ 131,220,124	\$ 157,622,578
<b>Plan's Net Pension Liability as a Percentage of Covered Payroll</b>	896.62 %	738.81 %	603.40 %	658.35 %	377.04 %	717.91 %

\*Covered payroll excludes overtime and longevity pay, which was included as compensation for the purpose of determining employer contributions.

\*\*These fiscal years are based on the City's measurement date.

Schedule will be built prospectively from GASB Statement No. 68 adoption until 10 full years are presented.



Required Supplemental Information  
Schedule of Changes in the Net Pension Liability and Related Ratios  
GRS Component I

	Last Five Fiscal Years*				
	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>					
Service cost	\$ 25,975,870	\$ 22,359,382	\$ 18,417,037	\$ 18,302,706	\$ 19,318,576
Interest	7,531,400	5,438,061	4,084,391	2,495,896	695,469
Differences between expected and actual experience	7,556,858	4,546,865	(4,667,487)	(1,263,760)	-
Changes in assumptions	-	(5,758,189)	2,780,462	2,111,451	(1,202,109)
Voluntary contributions	-	-	5,043,346	5,213,744	5,775,885
Benefit payments, including refunds	(3,539,384)	(2,390,592)	(2,134,809)	(2,287,214)	-
<b>Net Change in Total Pension Liability</b>	37,524,744	24,195,527	23,522,940	24,572,823	24,587,821
<b>Total Pension Liability - Beginning of year</b>	96,879,111	72,683,584	49,160,644	24,587,821	-
<b>Total Pension Liability - End of year</b>	<b>\$ 134,403,855</b>	<b>\$ 96,879,111</b>	<b>\$ 72,683,584</b>	<b>\$ 49,160,644</b>	<b>\$ 24,587,821</b>
<b>Plan Fiduciary Net Position</b>					
Contributions - Employer	\$ 12,205,700	\$ 14,673,644	\$ 9,484,992	\$ 9,048,831	\$ 8,811,368
Contributions - Member	15,570,185	8,837,967	7,752,058	7,345,515	6,970,544
Net investment income (loss)	3,270,861	8,445,590	9,100,741	(76,608)	20,690
Benefit payments, including refunds	(3,539,384)	(2,390,592)	(2,134,809)	(1,031,060)	-
Benefit payments and refunds based on voluntary contributions	-	-	-	(1,256,154)	-
Administrative expenses	(1,942,063)	(2,171,693)	(2,639,392)	(3,094,197)	(1,481,590)
Voluntary contributions	-	5,302,650	5,043,346	5,213,744	5,775,885
Other (includes ASF recoupment)	9,066,287	12,436	61,834	6,586	-
<b>Net Change in Plan Fiduciary Net Position</b>	34,631,586	32,710,002	26,668,770	16,156,657	20,096,897
<b>Plan Fiduciary Net Position - Beginning of year</b>	95,632,326	62,922,324	36,253,554	20,096,897	-
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 130,263,912</b>	<b>\$ 95,632,326</b>	<b>\$ 62,922,324</b>	<b>\$ 36,253,554</b>	<b>\$ 20,096,897</b>
<b>Plan's Net Pension Liability - Ending</b>	<b>\$ 4,139,943</b>	<b>\$ 1,246,785</b>	<b>\$ 9,761,260</b>	<b>\$ 12,907,090</b>	<b>\$ 4,490,924</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	96.92 %	98.71 %	86.57 %	73.75 %	81.74 %
<b>Covered Payroll</b>	\$ 224,726,503	\$ 461,773,916	\$ 199,307,987	\$ 185,147,364	\$ 180,069,852
<b>Plan's Net Pension Liability as a Percentage of Covered Payroll</b>	1.84 %	0.05 %	4.90 %	6.97 %	2.49 %

\*These fiscal years are based on the City's measurement date.

Schedule will be built prospectively from GASB Statement No. 68 adoption until 10 full years are presented.

Required Supplemental Information  
 Schedule of Changes in the Net Pension (Asset) Liability and Related Ratios  
 PFRS Component I

	Last Five Fiscal Years*				
	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>					
Service cost	\$ 26,942,435	\$ 24,907,507	\$ 25,414,182	\$ 24,068,808	\$ 24,835,814
Interest	7,633,137	5,787,404	4,474,574	2,743,066	894,089
Changes in benefit terms	(518,835)	-	-	-	-
Differences between expected and actual experience	(3,122,804)	(3,622,053)	(10,708,737)	(4,077,124)	-
Changes in assumptions	-	(305,021)	(221,533)	2,424,058	(1,008,119)
Voluntary contributions	-	-	34,134	15,459	14,370
Benefit payments, including refunds	(4,013,358)	(561,561)	(223,826)	(101,251)	-
<b>Net Change in Total Pension Liability</b>	26,920,575	26,206,276	18,768,794	25,073,016	24,736,154
<b>Total Pension Liability - Beginning of year</b>	94,784,240	68,577,964	49,809,170	24,736,154	-
<b>Total Pension Liability - End of year</b>	<b>\$ 121,704,815</b>	<b>\$ 94,784,240</b>	<b>\$ 68,577,964</b>	<b>\$ 49,809,170</b>	<b>\$ 24,736,154</b>
<b>Plan Fiduciary Net Position</b>					
Contributions - Employer	\$ 17,832,015	\$ 19,244,806	\$ 16,448,246	\$ 15,831,763	\$ 14,606,971
Contributions - Member	9,768,284	9,170,876	8,554,893	7,958,271	7,390,335
Net investment income	5,384,693	8,634,498	8,897,790	252,125	21,019
Benefit payments, including refunds	(4,013,358)	(561,561)	(223,826)	(63,882)	(19,554)
Administrative expenses	(2,017,961)	(1,928,606)	(2,648,040)	(3,000,369)	(685,677)
Refunds	-	-	-	(37,369)	-
Voluntary contributions	-	-	34,134	15,459	14,370
Other (includes ASF recoupment)	4,042,486	55,353	20,009,060	301	-
<b>Net Change in Plan Fiduciary Net Position</b>	30,996,159	34,615,366	51,072,257	20,956,299	21,327,464
<b>Plan Fiduciary Net Position - Beginning of year</b>	127,971,386	93,356,020	42,283,763	21,327,464	-
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 158,967,545</b>	<b>\$ 127,971,386</b>	<b>\$ 93,356,020</b>	<b>\$ 42,283,763</b>	<b>\$ 21,327,464</b>
<b>Plan's Net Pension (Asset) Liability - Ending</b>	<b>\$ (37,262,730)</b>	<b>\$ (33,187,146)</b>	<b>\$ (24,778,056)</b>	<b>\$ 7,525,407</b>	<b>\$ 3,408,690</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	130.62 %	135.01 %	136.13 %	84.89 %	86.22 %
<b>Covered Payroll</b>	\$ 146,689,948	\$ 141,225,328	\$ 137,250,599	\$ 130,510,339	\$ 121,627,871
<b>Plan's Net Pension Liability (Asset) as a Percentage of Covered Payroll</b>	(25.40)%	(23.50)%	(18.05)%	5.77 %	2.80 %

\*These fiscal years are based on the City's measurement date.

Schedule will be built prospectively from GASB Statement No. 68 adoption until 10 full years are presented.

Required Supplemental Information  
Schedule of Pension Contributions  
GRS Component II

Last Ten Fiscal Years  
Years Ended June 30

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially/contractually determined contribution*	\$ 48,274,984	\$ 68,275,000	\$ 68,275,000	\$ 91,238,402	\$ 104,792,657	\$ 189,282,095	\$ 72,643,307	\$ 62,297,432	\$ 64,065,214	\$ 55,138,044
Contributions in relation to the actuarially determined contribution	48,274,984	68,275,000	68,275,000	91,238,402	104,792,657	189,282,095	25,126,131	26,515,782	64,065,214	55,138,044
<b>Contribution Deficiency</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (47,517,176)</b>	<b>\$ (35,781,650)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Covered Payroll</b>	<b>\$ 141,646,750</b>	<b>\$ 143,882,722</b>	<b>\$ 143,882,722</b>	<b>\$ 143,882,722</b>	<b>\$ 200,722,197</b>	<b>\$ 203,507,079</b>	<b>\$ 238,669,871</b>	<b>\$ 213,291,083</b>	<b>\$ 257,992,240</b>	<b>\$ 303,379,482</b>
<b>Contributions as a Percentage of Covered Payroll</b>	<b>34.08 %</b>	<b>47.45 %</b>	<b>47.45 %</b>	<b>63.41 %</b>	<b>52.21 %</b>	<b>93.01 %</b>	<b>10.53 %</b>	<b>12.43 %</b>	<b>24.83 %</b>	<b>18.17 %</b>

\*Starting with fiscal year 2015, the contributions were determined by the provisions of the POA.

Required Supplemental Information  
 Schedule of Pension Contributions  
 PFRS Component II

Last Ten Fiscal Years  
 Years Ended June 30

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially/contractually determined contribution*	\$ 18,300,000	\$ 18,300,000	\$ 18,300,000	\$ 18,300,000	\$ 37,787,744	\$ 114,300,000	\$ 50,642,443	\$ 42,005,173	\$ 49,760,229	\$ 81,642,112
Contributions in relation to the actuarially determined contribution	18,300,000	18,300,000	18,300,000	18,300,000	37,787,744	114,300,000	-	-	20,733,429	81,642,112
<b>Contribution Deficiency</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (50,642,443)</b>	<b>\$ (42,005,173)</b>	<b>\$ (29,026,800)</b>	<b>\$ -</b>
<b>Covered Payroll</b>	\$ 111,407,220	\$ 116,288,356	\$ 126,865,176	\$ 134,758,956	\$ 132,566,687	\$ 186,694,166	\$ 157,622,578	\$ 186,694,166	\$ 205,800,278	\$ 220,461,691
<b>Contributions as a Percentage of Covered Payroll</b>	16.43 %	15.74 %	14.42 %	13.58 %	28.50 %	61.22 %	- %	- %	10.07 %	37.03 %

\*Starting with fiscal year 2015, the contributions were determined by the provisions of the POA.

## City of Detroit, Michigan

### Required Supplemental Information Schedule of Pension Contributions GRS Component I

	<b>Last Six Fiscal Years Years Ended June 30</b>					
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually determined contribution	\$ 12,503,309	\$ 12,195,432	\$ 14,673,644	\$ 9,484,992	\$ 9,048,831	\$ 8,811,369
Contributions in relation to the contractually determined contribution	<u>12,503,309</u>	<u>12,195,432</u>	<u>14,673,644</u>	<u>9,484,992</u>	<u>9,048,831</u>	<u>8,811,369</u>
<b>Contribution Excess</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Covered Payroll</b>	\$ 245,732,111	\$ 224,726,503	\$ 246,173,916	\$ 199,307,987	\$ 185,147,364	\$ 180,069,852
<b>Contributions as a Percentage of Covered Payroll</b>	5.09 %	5.43 %	5.96 %	4.76 %	4.89 %	4.89 %

There were no contributions prior to 2015, as the POA was effective starting on July 1, 2014.

**City of Detroit, Michigan**

Required Supplemental Information  
Schedule of Pension Contributions  
PFRS Component I

	<b>Last Six Fiscal Years</b>					
	<b>Years Ended June 30</b>					
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 18,028,236	\$ 17,832,015	\$ 19,244,806	\$ 16,448,246	\$ 15,831,763	\$ 14,606,971
Contributions in relation to the contractually required contribution	<u>18,028,236</u>	<u>17,832,015</u>	<u>19,244,806</u>	<u>16,448,246</u>	<u>15,831,763</u>	<u>14,606,971</u>
<b>Contribution Excess</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Covered Payroll</b>	\$ 150,648,322	\$ 133,730,109	\$ 145,936,144	\$ 137,250,599	\$ 130,510,339	\$ 121,627,871
<b>Contributions as a Percentage of Covered Payroll</b>	11.97 %	13.33 %	13.19 %	11.98 %	12.13 %	12.01 %

There were no contributions prior to 2015, as the POA was effective starting on July 1, 2014.



**Notes to Schedule of Contributions (Component II of GRS and PFRS)**

Actuarial valuation information relative to the determination of contributions:

<b>GRS Component II</b>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Valuation date	See Note 1	See Note 1	See Note 1	See Note 1	See Note 1	See Note 1

Methods and assumptions used to determine contribution rates:

Actuarial cost method

Amortization method

Remaining amortization period

Asset valuation method

Inflation

Salary increases

Investment rate of return

Retirement age

Mortality

Other information

Note 1: Actuarially determined contribution rates were calculated as of June 30, two years prior to the end of fiscal year in which the contributions were reported. From 2015 until 2024, annual contributions are based on specific provisions of the Plan of Adjustment.

## Required Supplemental Information Schedule of Actuarial Assumptions

**Last Ten Fiscal Years  
Years Ended June 30**

2014	2013	2012	2011
June 30, 2011	June 30, 2010	June 30, 2009	June 30, 2008
Entry Age	Entry Age	Entry Age	Entry Age
Level Percent	Level Percent	Level Percent	Level Percent
30 years, Open	30 years, Open	30 years, Open	30 years, Open
7-year Smoothed Market	7-year Smoothed Market	5-year Smoothed Market	3-year Smoothed Market
4.0%	4.0%	4.0%	4.0%
4.0% - 8.9%	4.0% - 8.9%	4.0% - 8.9%	4.0% - 8.9%
7.9%	7.9%	7.9%	7.9%
Experience-based table of rates are specific to the type of eligibility condition	Experience-based table of rates are specific to the type of eligibility condition	Experience-based table of rates are specific to the type of eligibility condition	Experience-based table of rates are specific to the type of eligibility condition
110% of the RP-2000 Combined Table, set back zero years for males and two years for females	110% of the RP-2000 Combined Table, set back zero years for males and two years for females	90% (150% for disabled members) of the 1983 Group Annuity Mortality Table	90% (150% for disabled members) of the 1983 Group Annuity Mortality Table
Cost of living adjustments are 2.25% of original pension amounts at retirement	Cost of living adjustments are 2.25% of original pension amounts at retirement	Cost of living adjustments are 2.25% of original pension amounts at retirement	Cost of living adjustments are 2.25% of original pension amounts at retirement

See notes to required supplemental information.

<b>PFRS Component II</b>	2020	2019	2018	2017	2016	2015
Valuation date	See Note 1	See Note 1	See Note 1	See Note 1	See Note 1	See Note 1
Methods and assumptions used to determine contribution rates:						
Actuarial cost method						
Amortization method						
Remaining amortization period						
Asset valuation method						
Inflation						
Salary increases						
Investment rate of return						
Retirement age						
Mortality						
Other information						

Note 1: Actuarially determined contribution rates were calculated as of June 30, two years prior to the end of fiscal year in which the contributions were reported. From 2015 until 2024, annual contributions are based on specific provisions of the Plan of Adjustment.

Required Supplemental Information  
Schedule of Actuarial Assumptions (Continued)

**Last Ten Fiscal Years  
Years Ended June 30**

2014	2013	2012	2011
June 30, 2012	June 30, 2011	June 30, 2010	June 30, 2009
Entry Age	Entry Age	Entry Age	Entry Age
Level Dollar, Closed	Level Dollar, Closed	Level Percent	Level Percent
29 years, Closed	30 years, Closed	30 years, Closed	26 years, Closed
7-year Smoothed Market	7-year Smoothed Market	7-year Smoothed Market	3-year Smoothed Market
0% for two years, 4.0% thereafter	0% for three years, 4.0% thereafter	4.0%	4.0%
5.0% - 9.2%	5.0% - 9.2%	5.0% - 9.2%	5.0% - 9.2%
8.00%	8.00%	8.00%	7.5%
Experience-based table of rates are specific to the type of eligibility condition	Experience-based table of rates are specific to the type of eligibility condition	Experience-based table of rates are specific to the type of eligibility condition	Experience-based table of rates are specific to the type of eligibility condition
95% of the RP-2000 Combined Table for males and 100% of the RP-2000 Combined Table set back two years for females	95% of the RP-2000 Combined Table for males and 100% of the RP-2000 Combined Table set back two years for females	95% of the RP-2000 Combined Table for males and 100% of the RP-2000 Combined Table set back two years for females	95% of the RP-2000 Combined Table for males and 100% of the RP-2000 Combined Table set back two years for females
Cost of living adjustments are 2.25% of original pension amounts at retirement	Cost of living adjustments are 2.25% of original pension amounts at retirement	Cost of living adjustments are 2.25% of original pension amounts at retirement	Cost of living adjustments are 2.25% of original pension amounts at retirement

See notes to required supplemental information.

Required Supplemental Information  
 Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios  
 Open Death Benefit Plan

	Last Four Fiscal Years			
	2020	2019	2018	2017
<b>Total OPEB Liability</b>				
Service cost	\$ 142,198	\$ 129,558	\$ 114,919	\$ 103,457
Interest	281,348	255,501	223,231	215,053
Differences between expected and actual experience	215,945	197,652	325,148	-
Benefit payments, including refunds	(205,148)	(234,422)	(184,826)	(230,000)
<b>Net Change in Total OPEB Liability</b>	434,343	348,289	478,472	88,510
<b>Total OPEB Liability - Beginning of year</b>	4,050,730	3,702,441	3,223,969	3,135,459
<b>Total OPEB Liability - End of year</b>	<b>\$ 4,485,073</b>	<b>\$ 4,050,730</b>	<b>\$ 3,702,441</b>	<b>\$ 3,223,969</b>
<b>Plan Fiduciary Net Position</b>				
Contributions - Employer	\$ 113,842	\$ 92,990	\$ 107,627	\$ 88,709
Contributions - Employee	86,147	73,457	96,337	80,151
Net investment income	11,617	246,685	296,957	315,310
Administrative expenses	(55,108)	(61,160)	(32,001)	(61,755)
Benefit payments, including refunds	(205,148)	(234,422)	(184,826)	(230,000)
Other	-	-	(221,948)	-
<b>Net Change in Plan Fiduciary Net Position</b>	(48,650)	117,550	62,146	192,415
<b>Plan Fiduciary Net Position - Beginning of year</b>	4,073,349	3,955,799	3,893,653	3,701,238
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 4,024,699</b>	<b>\$ 4,073,349</b>	<b>\$ 3,955,799</b>	<b>\$ 3,893,653</b>
<b>Net OPEB Liability (Asset) - Ending</b>	<b>\$ 460,374</b>	<b>\$ (22,619)</b>	<b>\$ (253,358)</b>	<b>\$ (669,684)</b>
<b>Plan Fiduciary Net Position as a Percentage of Total OPEB Liability</b>	89.74 %	100.56 %	106.84 %	120.77 %
<b>Covered-employee Payroll</b>	\$ 471,081,385	\$ -	\$ -	\$ -
<b>Net OPEB Liability as a Percentage of Covered-employee Payroll</b>	0.10 %	- %	- %	- %

GASB Statement No. 74 was implemented for the fiscal year ended June 30, 2017 and does not require retrospective implementation. Data will be added as information is available until 10 years of such information is reported.

GASB Statement No. 74, as amended, requires covered-employee payroll to be presented, as well as the net OPEB liability as a percentage of covered-employee payroll. Covered-employee payroll for years 2017 - 2019 is not available.

Required Supplemental Information  
Schedule of OPEB Contributions  
Open Death Benefit Plan

	<b>Last Four Fiscal Years</b>			
	<b>Years Ended June 30</b>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 113,842	\$ 92,990	\$ 93,797	\$ 104,659
Contributions in relation to the actuarially determined contribution	<u>113,842</u>	<u>92,990</u>	<u>107,627</u>	<u>88,709</u>
<b>Contribution Excess (Deficiency)</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 13,830</u></b>	<b><u>\$ (15,950)</u></b>
<b>Covered-employee Payroll</b>	\$ 471,081,385	\$ -	\$ -	\$ -
<b>Contributions as a Percentage of Covered-employee Payroll</b>	0.02 %	- %	- %	- %

GASB Statement No. 74 was implemented for the fiscal year ended June 30, 2017 and does not require retrospective implementation. Data will be added as information is available until 10 years of such information is reported.

GASB Statement No. 74, as amended, requires covered-employee payroll to be presented, as well as the contributions as a percentage of covered-employee payroll. Covered-employee payroll for years 2017 - 2019 is not available.

**Notes to Schedule of Contributions**

Actuarial valuation information relative to the determination of contributions:

Valuation date                      June 30, 2019

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age, individual
Amortization method	Level dollar, open
Remaining amortization period	30 years, board policy
Asset valuation method	3-year smoothed market, no corridor
Inflation	N/A
Investment rate of return	7.00 percent, including price inflation at 2.5 percent
Retirement age	Experience-based table of rates are specific to the type of eligibility condition
Mortality	General, EMS, and DDOT: 100 percent of the RP-2014 Blue Collar Annuitant Table set forward one year for males and females Police and Fire: 100 percent of the RP-2014 Blue Collar Annuitant table with no set forward
Other information	There were no benefit changes during the year



Required Supplemental Information  
Schedule of Changes in the Net OPEB Liability and Related Ratios  
Closed Death Benefit Plan

	Last Four Fiscal Years			
	2020	2019	2018	2017
<b>Total OPEB Liability</b>				
(Decrease) increase in total OPEB liability due to availability of assets	\$ (944,616)	\$ 12,295	\$ 38,822	\$ (15,035)
<b>Net Change in Total OPEB Liability</b>	(944,616)	12,295	38,822	(15,035)
<b>Total OPEB Liability - Beginning of year</b>	21,414,792	21,402,497	21,363,675	21,378,710
<b>Total OPEB Liability - End of year</b>	<u>\$ 20,470,176</u>	<u>\$ 21,414,792</u>	<u>\$ 21,402,497</u>	<u>\$ 21,363,675</u>
<b>Plan Fiduciary Net Position</b>				
Retiree contribution	\$ 12,925	\$ 9,080	\$ 9,528	\$ -
Net investment income	63,605	1,295,090	1,416,686	1,996,352
Benefit payments, including refunds	(1,074,935)	(1,230,715)	(1,355,391)	(1,949,612)
Other	53,789	(61,160)	(32,001)	(61,775)
<b>Net Change in Plan Fiduciary Net Position</b>	(944,616)	12,295	38,822	(15,035)
<b>Plan Fiduciary Net Position - Beginning of year</b>	21,414,792	21,402,497	21,363,675	21,378,710
<b>Plan Fiduciary Net Position - End of year</b>	<u>\$ 20,470,176</u>	<u>\$ 21,414,792</u>	<u>\$ 21,402,497</u>	<u>\$ 21,363,675</u>
<b>Net OPEB Liability - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Plan Fiduciary Net Position as a Percentage of Total OPEB Liability</b>	100.00 %	100.00 %	100.00 %	100.00 %

GASB Statement No. 74 was implemented for the fiscal year ended June 30, 2017 and does not require retrospective implementation. Data will be added as information is available until 10 years of such information is reported.

As the plan will provide future benefits only to the extent that plan assets are available to pay them, the total OPEB liability is the plan's ending net position.

There is no applicable payroll; therefore, no covered payroll is presented.

Required Supplemental Information  
Schedule of OPEB Investment Returns  
Open and Closed Death Benefit Plans

**Last Four Fiscal Years  
Years Ended June 30**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return - Net of investment expense	0.30 %	2.97 %	5.93 %	7.23 %

GASB Statement No. 74 was implemented for the fiscal year ended June 30, 2017 and does not require retrospective implementation. Data will be added as information is available until 10 years of such information is reported.

***Budgeting Policy***

The City's budget process is informed by a comprehensive planning process that includes departmental, procurement, grant, staffing, technology, capital, and long-term financial planning. The City adopts a budget annually for the next fiscal year, in accordance with the Uniform Budgeting and Accounting Act, 1968 PA 2 MCL 141.421 to 141.440a; the City Charter; and Chapter 17, Article II of the 2019 Detroit City Code. Pursuant to Section 4t of the Home Rule City Act 1909 PA 279 MCL 117.4t, the budget process also includes independent biannual consensus revenue estimating conferences that establish the revenue estimates for the budget and an annually balanced four-year financial plan that includes the City's adopted budget plus an additional three forecasted years. The total of expenditures cannot exceed the total of estimated revenue, so that the budget as adopted is a balanced budget. Through its four-year financial plan, the City ensures ongoing expenditures are supported by ongoing revenue.

**Budgetary Compliance**

On or before March 7 of each year, the mayor submits to the City Council a proposed annual budget and four-year financial plan for the next fiscal year. After public hearings, the City Council adopts the annual budget and four-year financial plan, with or without amendment, no later than April 7. The mayor can veto amendments made by the City Council, and the City Council can then override the veto with a two-thirds majority vote.

The City's annual budget and four-year financial plan cannot exceed revenue certified by the independent Revenue Estimating Conference. The chief financial officer must certify the annual budget complies with the Uniform Budgeting and Accounting Act, 1968 PA 2 MCL 141.421 to 141.440a. Pursuant to the Michigan Financial Review Commission Act, 2014 PA 181 MCL 141.1631 to 141.1643, the City is under oversight by the Financial Review Commission (the "FRC"). However, once the City met certain criteria, the nature of the oversight was scaled back. In April 2018, the FRC determined that the City had satisfied the conditions and granted the City its first waiver of active oversight. The FRC continues to monitor the City, reviews the waiver annually, and, by July 1 of each year, makes a determination as to whether to renew the waiver for the subsequent year. Under the terms of the waiver, the City must transmit the adopted annual budget and four-year financial plan to the Financial Review Commission, established under 2014 PA 181, by April 30 of each year. However, it is not subject to commission approval while the City is under a waiver of active oversight.

The budget is prepared in accordance with U.S. generally accepted accounting principles, except that transfers from and to other funds are included in revenue and expenditures, and budgeted uses of fund balance are included in revenue (generally shown in the "Prior Year Activity" revenue line). Budgetary appropriations are made at the function level, the legal level of budgetary control. The budget and actual comparison schedules that follow are shown at the appropriation level by fund. Expenditures for a specific function cannot exceed its appropriation. Revenue also is reported by appropriation, although actual revenue is not limited by its budgeted amounts.

The mayor may propose budget amendments during the fiscal year, which are subject to the City Council's approval. If the mayor advises the City Council during the fiscal year that there are available appropriations and revenue in excess of those estimated in the budget, the City Council may make supplemental appropriations for the year up to the amount of the excess. In the case of estimated revenue shortfalls, the City must maintain a balanced budget, and the mayor may request that the City Council decrease certain appropriations to do so. In any case, the mayor is under no obligation to spend an entire appropriation. Also, at any time during the fiscal year, the City Council, upon written request by the mayor, may transfer all or part of any unencumbered appropriation balance among programs, services, or activities within an agency or from one agency to another.

June 30, 2020

A reconciliation of the budgetary comparison schedules to the fund-based statement of changes in fund balance is as follows:

General Fund	Total Revenue	Total Expenditures	Change in Fund Balance
Amounts per operating statement	\$ 1,021,731,332	\$ 967,549,385	\$ 54,181,947
Non-GAAP gross up of revenue/expenditures on the budgetary basis	<u>48,334,383</u>	<u>48,334,383</u>	<u>-</u>
Amounts per budget statement	<u>\$ 1,070,065,715</u>	<u>\$ 1,015,883,768</u>	<u>\$ 54,181,947</u>

**Pension Information**

**Benefit Changes**

*Component II*

As of June 30, 2014, the Component II pension plans were frozen. No new employees are allowed to participate in the Component II plans. All benefits for active employees are frozen as of June 30, 2014 based on service and average final compensation accrued as of that date.

In fiscal year 2015, for GRS, benefits were reduced by 4.5 percent, and the cost of living adjustments were eliminated. For PFRS, the cost of living adjustments decreased to 1.0125 percent.

In fiscal year 2019, new DROP plan provisions were adopted for PFRS. The new provisions allow DPLSA (Detroit Police Lieutenants and Sergeants Association), DPCOA (Detroit Police Command Officers Association), and DPOA (Detroit Police Officers Association) members to participate in the DROP program for a maximum of 10 years, up from the prior maximum of 5 years.

*Component I*

As of July 1, 2014, all current and future employees participate in the new hybrid pension plans. Component I of the plan document applies to benefits accrued by members on or after July 1, 2014.

In fiscal year 2019, new DROP plan provisions were adopted for PFRS. The new provisions allow DPLSA (Detroit Police Lieutenants and Sergeants Association), DPCOA (Detroit Police Command Officers Association), and DPOA (Detroit Police Officers Association) members to participate in the DROP program for a maximum of 10 years, up from the prior maximum of 5 years.

**Changes in Assumptions**

The discount rate used to calculate the June 30, 2018 total pension liability was 7.19 percent for PFRS and 7.38 percent for GRS. The discount rate used to calculate the total pension liability as of June 30, 2017 was 7.17 percent for PFRS and 6.91 percent for GRS.

The discount rate used to calculate the June 30, 2016 total pension liability was 7.15 percent for PFRS and 7.23 percent for GRS. The discount rate used to calculate the total pension liability as of June 30, 2015 was 7.47 percent for PFRS and 7.61 percent for GRS.

For GRS, the amounts reported as changes of assumptions in 2014 resulted from adjustment of the discount rate from 5.88 to 7.2 percent, updating the mortality tables from RP-2000 Combined Table to RP-2014 Blue Collar Annuitant Table, and adjustments for longevity and unused sick leave being eliminated.

For PFRS, the amounts reported as changes in assumptions in 2014 resulted from adjustment of the discount rate from 8 to 7.2 percent and updating the mortality tables from RP-2000 Combined Table to RP-2014 Blue Collar Annuitant Table.

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## Other Supplemental Information

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***Special Revenue Funds***

Special revenue funds are established to account for the proceeds of specific revenue sources (other than certain major capital facilities) that are restricted by law and administrative action to expenditures for specified purposes.

**Community Development Block Grant Fund**

To account for activities financed by federal governmental grants under Title I of the Housing and Community Development Act of 1974.

**Construction Code Fund**

In accordance with State of Michigan Public Act No. 245 of 1999, to account for financing activities related to the acts and services performed by the Building and Safety Fund, including, without limitation, issuance of building permits, examination of plans and specifications, inspection of construction undertaken pursuant to a building permit, the issuance of certificates of use, and occupancy and hearing appeals in accordance with this act.

**Urban Development Fund**

To account for funding received from the federal government earmarked for the acquisition and site preparation of property for future development.

**Drug Law Enforcement Fund**

To account for forfeited narcotics proceeds that are used for the enhancement of narcotics enforcement.

**General Grants Fund**

To account for various activities financed by federal, state, and local grants.

**Solid Waste Management Fund**

To account for local revenue collected for curbside rubbish pickup and discard restricted under Chapter 22 of the Detroit city code.

**Street Funds**

To account for Michigan State Gas and Weight Tax revenue and other related grants used for the construction and maintenance of major and local streets.

**Targeted Business Development Fund**

To account for revenue received via the casino development agreements restricted to foster the presence of minority businesses in the City.

**Telecommunication Fund**

To account for state grant revenue as a result of Public Act 48 of 2002 (Metropolitan Extension Telecommunication Rights-of-Way Oversight Act), which was designed to promote expanded telecommunication services in Michigan.

**Renewable Energy Fund**

To account for Public Act 295 of 2008, Clean, Renewable, and Efficient Energy Act activities of the Public Lighting Authority.

**Dedicated Fees and Donations Fund**

To account for various fees and donations that are restricted for a specified purpose.

**Non-Compliance Fees Fund**

To account for all activity related to noncompliance fee collection and disbursement committed by the City Council for community service.

**Bridging Neighborhoods Fund**

To account for resources restricted by interlocal agreement to the relocation of homeowners near the Gordie Howe International Bridge and the improvement of houses that may be affected by elevated truck traffic upon completion of the bridge.

**COVID-19 Revenue Fund**

To account for COVID-19 activities financed through federal and state funding.

**Debt Service Fund**

The Debt Service Fund is established to account for the accumulation of resources for the payment of principal and interest of certain general obligations.

**Capital Projects Fund**

The Capital Projects Fund is established to account for financial resources to be used for the acquisition of construction of major capital facilities (other than those financed by special revenue funds and proprietary funds).

**Permanent Funds**

The permanent funds account for principal trust amounts received and related interest income. The interest portion of the trust is used to maintain the community cemetery.



Other Supplemental Information  
Combining Balance Sheet  
Nonmajor Governmental Funds

June 30, 2020

	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Permanent Funds	Total
<b>Assets</b>					
Cash and investments	\$ 370,845,094	\$ 1,956	\$ 17,682,836	\$ 1,996,592	\$ 390,526,478
Receivables:					
Estimated withheld income taxes receivable	36,945	-	-	-	36,945
Property taxes receivable	-	6,923,588	-	-	6,923,588
Special assessments receivable	-	-	541,890	-	541,890
Loans receivable	230,306,248	-	-	-	230,306,248
Trade receivables	42,928,937	1,525,877	113,640	-	44,568,454
Total receivables	273,272,130	8,449,465	655,530	-	282,377,125
Allowance for doubtful accounts	(264,377,122)	(5,992,351)	(541,890)	-	(270,911,363)
Net receivables	8,895,008	2,457,114	113,640	-	11,465,762
Due from other funds	6,902,214	-	244,600	19,552	7,166,366
Prepaid expenses	6,702,204	-	-	-	6,702,204
Due from other governmental agencies	36,316,026	-	16,267,383	-	52,583,409
Restricted cash and investments	6,528,293	46,158,911	92,755,273	-	145,442,477
Total assets	<b>\$ 436,188,839</b>	<b>\$ 48,617,981</b>	<b>\$ 127,063,732</b>	<b>\$ 2,016,144</b>	<b>\$ 613,886,696</b>
<b>Liabilities</b>					
Accounts and contracts payable	\$ 34,428,406	\$ -	\$ 23,514,633	\$ -	\$ 57,943,039
Due to other governmental agencies	11,133,116	1,000,096	4,068,474	-	16,201,686
Due to component units	108	-	-	-	108
Due to other funds	135,601,653	-	1,061,709	-	136,663,362
Deposits	996,864	-	-	-	996,864
Other liabilities:					
Accrued salaries and wages	2,916,466	-	-	-	2,916,466
Accrued liabilities	7,909,073	2,748,807	603,775	326,104	11,587,759
Unearned revenue	15,141,973	-	1,075,000	-	16,216,973
Total liabilities	208,127,659	3,748,903	30,323,591	326,104	242,526,257
<b>Deferred Inflows of Resources -</b>					
Unavailable revenue	12,007,188	931,238	-	-	12,938,426
Total liabilities and deferred inflows of resources	220,134,847	4,680,141	30,323,591	326,104	255,464,683

Other Supplemental Information  
Combining Balance Sheet (Continued)  
Nonmajor Governmental Funds

June 30, 2020

	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Permanent Funds	Total
<b>Fund Balances</b>					
Nonspendable:					
Prepaid expenditures	\$ 5,274	\$ -	\$ -	\$ -	\$ 5,274
Permanent fund principal - Nonexpendable	-	-	-	1,005,096	1,005,096
Restricted:					
Highway and street improvements	117,378,794	-	-	-	117,378,794
Police	5,848,903	-	-	-	5,848,903
Debt service	-	43,937,840	-	-	43,937,840
Grants	23,344,384	-	-	-	23,344,384
Construction code	6,063,745	-	-	-	6,063,745
Rubbish collection and disposal	43,458,071	-	-	-	43,458,071
Endowments and trusts - Expendable	-	-	-	684,944	684,944
Capital acquisitions	-	-	88,812,806	-	88,812,806
Community and economic development	16,527,307	-	-	-	16,527,307
Committed for community service	4,444,681	-	-	-	4,444,681
Assigned - Capital acquisitions	645,995	-	7,927,335	-	8,573,330
Unassigned	(1,663,162)	-	-	-	(1,663,162)
Total fund balances	<u>216,053,992</u>	<u>43,937,840</u>	<u>96,740,141</u>	<u>1,690,040</u>	<u>358,422,013</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 436,188,839</u></u>	<u><u>\$ 48,617,981</u></u>	<u><u>\$ 127,063,732</u></u>	<u><u>\$ 2,016,144</u></u>	<u><u>\$ 613,886,696</u></u>

Other Supplemental Information  
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds

**Year Ended June 30, 2020**

	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Permanent Funds	Total
<b>Revenue</b>					
Taxes:					
Property taxes	\$ -	\$ 51,803,113	\$ -	\$ -	\$ 51,803,113
Interest and penalties on taxes	-	131,864	-	-	131,864
Intergovernmental:					
Federal grants	178,536,568	-	-	-	178,536,568
State sources:					
Gas and weight tax	89,098,356	-	-	-	89,098,356
Local Community Stabilization Authority	-	3,669,523	-	-	3,669,523
Other	12,711,259	-	-	-	12,711,259
Revenue from use of assets	1,040,001	-	-	-	1,040,001
Sales and charges for services	70,871,767	-	16,364,038	-	87,235,805
Ordinance fines and forfeitures	2,470,759	-	-	-	2,470,759
Licenses, permits, and inspection charges	20,878,760	-	-	-	20,878,760
Investment earnings	2,135,386	926,840	1,631,876	41,682	4,735,784
Other revenue	14,041,595	3,076,076	6,999,122	110	24,116,903
<b>Total revenue</b>	<b>391,784,451</b>	<b>59,607,416</b>	<b>24,995,036</b>	<b>41,792</b>	<b>476,428,695</b>
<b>Expenditures</b>					
Current services:					
Development and management	2,884,110	-	-	-	2,884,110
Health	55,798,298	-	-	-	55,798,298
Public protection	117,058,700	-	-	-	117,058,700
Physical environment	63,945,861	-	-	-	63,945,861
Economic development	35,700,478	-	23,770,748	-	59,471,226
Transportation facilitation	45,382,322	-	-	-	45,382,322
Recreation and culture	7,317,521	-	2,238,888	49,361	9,605,770
Capital outlay	83,831,118	-	34,878,781	-	118,709,899
Debt service:					
Principal	4,581,000	41,305,000	-	-	45,886,000
Interest and fiscal charges	4,262,211	23,160,816	-	-	27,423,027
<b>Total expenditures</b>	<b>420,761,619</b>	<b>64,465,816</b>	<b>60,888,417</b>	<b>49,361</b>	<b>546,165,213</b>
<b>Excess of Expenditures Over Revenue</b>	<b>(28,977,168)</b>	<b>(4,858,400)</b>	<b>(35,893,381)</b>	<b>(7,569)</b>	<b>(69,736,518)</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in	11,583,967	-	307,587	-	11,891,554
Transfers out	(20,717,552)	(408,542)	(29,260)	-	(21,155,354)
Face amount of bonds and notes issued	38,500,000	-	-	-	38,500,000
Sale of capital assets	107,635	-	-	-	107,635
<b>Total other financing sources (uses)</b>	<b>29,474,050</b>	<b>(408,542)</b>	<b>278,327</b>	<b>-</b>	<b>29,343,835</b>
<b>Net Change in Fund Balances</b>	<b>496,882</b>	<b>(5,266,942)</b>	<b>(35,615,054)</b>	<b>(7,569)</b>	<b>(40,392,683)</b>
<b>Fund Balances - Beginning of year</b>	<b>215,557,110</b>	<b>49,204,782</b>	<b>132,355,195</b>	<b>1,697,609</b>	<b>398,814,696</b>
<b>Fund Balances - End of year</b>	<b>\$ 216,053,992</b>	<b>\$ 43,937,840</b>	<b>\$ 96,740,141</b>	<b>\$ 1,690,040</b>	<b>\$ 358,422,013</b>

# City of Detroit, Michigan

	Community Development Block Grant Fund	Construction Code Fund	Urban Development Fund	Non- Compliance Fees Fund	Drug Law Enforcement Fund	General Grants Fund
<b>Assets</b>						
Cash and investments	\$ 10,508,892	\$ 4,742,307	\$ 7,352,693	\$ 2,778,975	\$ 5,276,557	\$ 27,397,794
Receivables:						
Estimated withheld income taxes receivable	-	-	-	-	-	36,945
Loans receivable	68,066,929	-	162,239,319	-	-	-
Trade receivables	881,327	15,529	1,423,635	776,600	28,439	347,329
Total receivables	68,948,256	15,529	163,662,954	776,600	28,439	384,274
Allowance for doubtful accounts	(68,066,929)	-	(162,239,319)	(11,251)	-	-
Net receivables	881,327	15,529	1,423,635	765,349	28,439	384,274
Due from other funds	215,227	3,907,120	12,275	-	4,049	3,822
Prepaid expenses and other assets	6,696,930	-	-	-	-	-
Due from other governmental agencies	5,980,319	-	192,686	-	-	11,761,946
Restricted assets - Restricted cash and investments	142,915	-	-	-	-	-
Total assets	<b>\$ 24,425,610</b>	<b>\$ 8,664,956</b>	<b>\$ 8,981,289</b>	<b>\$ 3,544,324</b>	<b>\$ 5,309,045</b>	<b>\$ 39,547,836</b>
<b>Liabilities</b>						
Accounts and contracts payable	\$ 5,104,821	\$ 223,888	\$ 35,796	\$ -	\$ -	\$ 5,913,445
Due to other governmental agencies	829,559	-	122,325	-	-	8,332,281
Due to component units	-	-	-	-	-	-
Due to other funds	6,881,202	125,168	288,375	1,065	74,264	10,648,965
Deposits	740,868	-	55,555	-	200,441	-
Other liabilities:						
Accrued salaries and wages	443,761	859,720	30,811	27,123	21,855	157,813
Accrued liabilities	409,770	1,392,435	3,124,151	-	87,752	553,756
Unearned revenue	224,328	-	-	-	14,843	6,607,825
Total liabilities	14,634,309	2,601,211	3,657,013	28,188	399,155	32,214,085
<b>Deferred Inflows of Resources</b>	1,905,665	-	-	-	-	6,687,756
Total liabilities and deferred inflows of resources	16,539,974	2,601,211	3,657,013	28,188	399,155	38,901,841
<b>Fund Balances</b>						
Nonspendable - Prepaid expenditures	-	-	-	-	-	-
Restricted:						
Highway and street improvements	-	-	-	-	-	-
Police	-	-	-	-	4,909,890	-
Grants	7,885,636	-	5,324,276	-	-	-
Construction code	-	6,063,745	-	-	-	-
Rubbish collection and disposal	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-
Committed:						
Committed for community service	-	-	-	3,516,136	-	-
Police	-	-	-	-	-	-
Assigned - Capital acquisitions	-	-	-	-	-	645,995
Unassigned	-	-	-	-	-	-
Total fund balances (deficit)	7,885,636	6,063,745	5,324,276	3,516,136	4,909,890	645,995
Total liabilities, deferred inflows of resources, and fund balances	<b>\$ 24,425,610</b>	<b>\$ 8,664,956</b>	<b>\$ 8,981,289</b>	<b>\$ 3,544,324</b>	<b>\$ 5,309,045</b>	<b>\$ 39,547,836</b>

Other Supplemental Information  
Combining Balance Sheet  
Nonmajor Governmental Funds  
Special Revenue Funds

June 30, 2020

Bridging Neighborhoods Fund	Solid Waste Management Fund	Street Funds	Targeted Business Development Fund	Telecommunication Fund	Renewable Energy Fund	Dedicated Fees and Donations Fund	COVID-19 Revenue Fund	Total Special Revenue Funds
\$ 17,364,091	\$ 50,729,597	\$ 121,710,756	\$ -	\$ -	\$ -	\$ 6,068,189	\$ 116,915,243	\$ 370,845,094
-	-	-	-	-	-	-	-	36,945
-	-	-	-	-	-	-	-	230,306,248
1,883,333	33,407,737	2,147,772	-	-	-	2,017,236	-	42,928,937
1,883,333	33,407,737	2,147,772	-	-	-	2,017,236	-	273,272,130
-	(33,407,737)	(651,886)	-	-	-	-	-	(264,377,122)
1,883,333	-	1,495,886	-	-	-	2,017,236	-	8,895,008
-	1,205,956	1,539,843	-	-	13,922	-	-	6,902,214
5,274	-	-	-	-	-	-	-	6,702,204
550,605	-	16,167,308	-	-	-	-	1,663,162	36,316,026
-	-	-	-	6,385,378	-	-	-	6,528,293
<b>\$ 19,803,303</b>	<b>\$ 51,935,553</b>	<b>\$ 140,913,793</b>	<b>\$ -</b>	<b>\$ 6,385,378</b>	<b>\$ 13,922</b>	<b>\$ 8,085,425</b>	<b>\$ 118,578,405</b>	<b>\$ 436,188,839</b>
\$ 10,683	\$ 5,414,624	\$ 17,565,944	\$ -	\$ 75,932	\$ -	\$ 83,273	\$ -	\$ 34,428,406
-	1,848,951	-	-	-	-	-	-	11,133,116
-	-	-	-	-	-	-	108	108
403,027	773,499	4,249,119	-	-	-	842,225	111,314,744	135,601,653
-	-	-	-	-	-	-	-	996,864
72,628	415,940	842,889	-	-	-	43,926	-	2,916,466
2,355	24,468	877,047	-	11,309	-	1,426,030	-	7,909,073
1,031,424	-	-	-	-	-	-	7,263,553	15,141,973
1,520,117	8,477,482	23,534,999	-	87,241	-	2,395,454	118,578,405	208,127,659
1,750,605	-	-	-	-	-	-	1,663,162	12,007,188
3,270,722	8,477,482	23,534,999	-	87,241	-	2,395,454	120,241,567	220,134,847
5,274	-	-	-	-	-	-	-	5,274
-	-	117,378,794	-	-	-	-	-	117,378,794
-	-	-	-	-	-	939,013	-	5,848,903
-	-	-	-	6,298,137	13,922	3,822,413	-	23,344,384
-	-	-	-	-	-	-	-	6,063,745
-	43,458,071	-	-	-	-	-	-	43,458,071
16,527,307	-	-	-	-	-	-	-	16,527,307
-	-	-	-	-	-	-	-	3,516,136
-	-	-	-	-	-	928,545	-	928,545
-	-	-	-	-	-	-	-	645,995
-	-	-	-	-	-	-	(1,663,162)	(1,663,162)
16,532,581	43,458,071	117,378,794	-	6,298,137	13,922	5,689,971	(1,663,162)	216,053,992
<b>\$ 19,803,303</b>	<b>\$ 51,935,553</b>	<b>\$ 140,913,793</b>	<b>\$ -</b>	<b>\$ 6,385,378</b>	<b>\$ 13,922</b>	<b>\$ 8,085,425</b>	<b>\$ 118,578,405</b>	<b>\$ 436,188,839</b>

# City of Detroit, Michigan

	Community Development Block Grant Fund	Construction Code Fund	Urban Development Fund	Non- Compliance Fees Fund	Drug Law Enforcement Fund	General Grants Fund
<b>Revenue</b>						
Intergovernmental:						
Federal grants	\$ 33,157,656	\$ -	\$ 5,609,635	\$ -	\$ -	\$ 29,633,215
State sources:						
Gas and weight tax	-	-	-	-	-	-
Other	-	-	-	-	-	7,328,423
Revenue from use of assets						
Operating grants	-	-	-	-	-	-
Sales and charges for services	-	-	-	3,022,761	-	-
Ordinance fines and forfeitures	-	751,079	-	-	1,719,680	-
Licenses, permits, and inspection charges	-	20,682,128	-	-	-	196,632
Investment earnings	47,471	87,213	1,580	6,948	-	1,660
Other revenue	27,954	804,426	352,850	-	-	4,181,117
<b>Total revenue</b>	<b>33,233,081</b>	<b>22,324,846</b>	<b>5,964,065</b>	<b>3,029,709</b>	<b>1,719,680</b>	<b>41,341,047</b>
<b>Expenditures</b>						
Current services:						
Development and management	-	-	-	-	-	2,884,110
Health	-	-	-	-	-	24,947,063
Public protection	-	23,589,402	-	-	1,939,711	6,083,730
Physical environment	-	-	-	-	-	-
Economic development	27,460,305	-	5,664,614	898,742	-	1,676,817
Transportation facilitation	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	354,213
Capital outlay	14,835	118,419	5,072	-	120,628	9,039,707
Debt service:						
Principal	4,581,000	-	-	-	-	-
Interest and fiscal charges	1,101,238	-	-	-	-	-
<b>Total expenditures</b>	<b>33,157,378</b>	<b>23,707,821</b>	<b>5,669,686</b>	<b>898,742</b>	<b>2,060,339</b>	<b>44,985,640</b>
<b>Excess of Revenue Over (Under) Expenditures</b>	<b>75,703</b>	<b>(1,382,975)</b>	<b>294,379</b>	<b>2,130,967</b>	<b>(340,659)</b>	<b>(3,644,593)</b>
<b>Other Financing Sources (Uses)</b>						
Transfers in	24,821	1,311,339	-	-	180,237	8,406,204
Transfers out	-	-	-	-	-	(70,278)
Face amount of bonds and notes issued	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	107,635
<b>Total other financing sources (uses)</b>	<b>24,821</b>	<b>1,311,339</b>	<b>-</b>	<b>-</b>	<b>180,237</b>	<b>8,443,561</b>
<b>Net Change in Fund Balances</b>	<b>100,524</b>	<b>(71,636)</b>	<b>294,379</b>	<b>2,130,967</b>	<b>(160,422)</b>	<b>4,798,968</b>
<b>Fund Balances (Deficit) - Beginning of year</b>	<b>7,785,112</b>	<b>6,135,381</b>	<b>5,029,897</b>	<b>1,385,169</b>	<b>5,070,312</b>	<b>(4,152,973)</b>
<b>Fund Balances (Deficit) - End of year</b>	<b>\$ 7,885,636</b>	<b>\$ 6,063,745</b>	<b>\$ 5,324,276</b>	<b>\$ 3,516,136</b>	<b>\$ 4,909,890</b>	<b>\$ 645,995</b>

Other Supplemental Information  
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
Special Revenue Funds

**Year Ended June 30, 2020**

Bridging Neighborhoods Fund	Solid Waste Management Fund	Street Funds	Targeted Business Development Fund	Telecommunication Fund	Renewable Energy Fund	Dedicated Fees and Donations Fund	COVID-19 Revenue Fund	Total Special Revenue Funds
\$ -	\$ -	\$ 484,373	\$ -	\$ -	\$ -	\$ -	\$ 109,651,689	\$ 178,536,568
-	-	89,098,356	-	-	-	-	-	89,098,356
1,515,996	97,370	619,728	-	3,149,742	-	-	-	12,711,259
1,040,001	-	-	-	-	-	-	-	1,040,001
1,000,000	64,604,907	-	-	-	-	2,244,099	-	70,871,767
-	-	-	-	-	-	-	-	2,470,759
-	-	-	-	-	-	-	-	20,878,760
50,416	454,076	1,264,086	-	18,736	-	203,200	-	2,135,386
-	404,964	378,395	-	-	-	7,891,889	-	14,041,595
3,606,413	65,561,317	91,844,938	-	3,168,478	-	10,339,188	109,651,689	391,784,451
-	-	-	-	-	-	-	-	2,884,110
182,915	-	-	-	-	-	-	30,668,320	55,798,298
-	-	-	-	-	-	4,799,326	80,646,531	117,058,700
-	63,945,861	-	-	-	-	-	-	63,945,861
-	-	-	-	-	-	-	-	35,700,478
-	-	45,382,322	-	-	-	-	-	45,382,322
5,119,362	-	-	-	-	-	1,843,946	-	7,317,521
-	5,627,492	66,912,198	-	1,860,863	-	131,904	-	83,831,118
-	-	-	-	-	-	-	-	4,581,000
-	-	3,160,973	-	-	-	-	-	4,262,211
5,302,277	69,573,353	115,455,493	-	1,860,863	-	6,775,176	111,314,851	420,761,619
(1,695,864)	(4,012,036)	(23,610,555)	-	1,307,615	-	3,564,012	(1,663,162)	(28,977,168)
21,134	-	1,638,154	-	-	-	2,078	-	11,583,967
-	(19,979,621)	-	(478,084)	-	(189,569)	-	-	(20,717,552)
-	-	38,500,000	-	-	-	-	-	38,500,000
-	-	-	-	-	-	-	-	107,635
21,134	(19,979,621)	40,138,154	(478,084)	-	(189,569)	2,078	-	29,474,050
(1,674,730)	(23,991,657)	16,527,599	(478,084)	1,307,615	(189,569)	3,566,090	(1,663,162)	496,882
18,207,311	67,449,728	100,851,195	478,084	4,990,522	203,491	2,123,881	-	215,557,110
<b>\$ 16,532,581</b>	<b>\$ 43,458,071</b>	<b>\$ 117,378,794</b>	<b>\$ -</b>	<b>\$ 6,298,137</b>	<b>\$ 13,922</b>	<b>\$ 5,689,971</b>	<b>\$ (1,663,162)</b>	<b>\$ 216,053,992</b>



Other Supplemental Information  
Combining Balance Sheet  
Nonmajor Governmental Funds  
Street Funds

June 30, 2020

	Major Street	Local Street	Total
<b>Assets</b>			
Cash and investments	\$ 119,657,015	\$ 2,053,741	\$ 121,710,756
Receivables:			
Accounts and contracts receivable - Trade	2,147,772	-	2,147,772
Allowance for doubtful accounts	(651,886)	-	(651,886)
Due from other funds	999,842	540,001	1,539,843
Due from other governmental agencies	13,523,580	2,643,728	16,167,308
	<u>135,676,323</u>	<u>5,237,470</u>	<u>140,913,793</u>
Total assets	<b>\$ 135,676,323</b>	<b>\$ 5,237,470</b>	<b>\$ 140,913,793</b>
<b>Liabilities</b>			
Accounts and contracts payable	\$ 16,248,430	\$ 1,317,514	\$ 17,565,944
Due to other funds:	1,283,151	2,965,968	4,249,119
Other liabilities:			
Accrued liabilities	872,353	4,694	877,047
Accrued salaries and wages	842,889	-	842,889
	<u>19,246,823</u>	<u>4,288,176</u>	<u>23,534,999</u>
Total liabilities	19,246,823	4,288,176	23,534,999
<b>Fund Balances - Restricted for street improvements</b>	<u>116,429,500</u>	<u>949,294</u>	<u>117,378,794</u>
	<b>\$ 135,676,323</b>	<b>\$ 5,237,470</b>	<b>\$ 140,913,793</b>
Total liabilities and fund balances	<b>\$ 135,676,323</b>	<b>\$ 5,237,470</b>	<b>\$ 140,913,793</b>

**City of Detroit, Michigan**

Other Supplemental Information  
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
Street Funds

	<b>Year Ended June 30, 2020</b>		
	<u>Major Street</u>	<u>Local Street</u>	<u>Total</u>
<b>Revenue</b>			
Intergovernmental:			
Federal grants	\$ 484,373	\$ -	\$ 484,373
State sources:			
Gas and weight tax	69,563,300	19,535,056	89,098,356
Other	619,728	-	619,728
Investment earnings	1,264,086	-	1,264,086
Other revenue	378,395	-	378,395
	<hr/>	<hr/>	<hr/>
Total revenue	72,309,882	19,535,056	91,844,938
<b>Expenditures</b>			
Current services - Transportation facilitation	30,602,020	14,780,302	45,382,322
Capital outlay	61,568,393	5,343,805	66,912,198
Debt service - Interest and fiscal charges	3,160,973	-	3,160,973
	<hr/>	<hr/>	<hr/>
Total expenditures	95,331,386	20,124,107	115,455,493
<b>Excess of Expenditures Over Revenue</b>	(23,021,504)	(589,051)	(23,610,555)
<b>Other Financing Sources</b>			
Transfers in	1,638,154	-	1,638,154
Face amount of bonds and notes issued	38,500,000	-	38,500,000
	<hr/>	<hr/>	<hr/>
Total other financing sources	40,138,154	-	40,138,154
<b>Net Change in Fund Balances</b>	17,116,650	(589,051)	16,527,599
<b>Fund Balances - Beginning of year</b>	99,312,850	1,538,345	100,851,195
	<hr/>	<hr/>	<hr/>
<b>Fund Balances - End of year</b>	<b>\$ 116,429,500</b>	<b>\$ 949,294</b>	<b>\$ 117,378,794</b>

Other Supplemental Information  
Combining Balance Sheet  
Nonmajor Governmental Funds  
Permanent Funds

**June 30, 2020**

	Other Trust	Cemetery Trust	Total
<b>Assets</b>			
Cash and investments	\$ 375,455	\$ 1,621,137	\$ 1,996,592
Due from other funds	-	19,552	19,552
	<u>\$ 375,455</u>	<u>\$ 1,640,689</u>	<u>\$ 2,016,144</u>
Total assets			
<b>Liabilities - Accrued liabilities</b>			
	\$ 326,104	\$ -	\$ 326,104
<b>Fund Balances</b>			
Nonspendable - Permanent fund principal	40,349	964,747	1,005,096
Restricted for endowments and trusts	9,002	675,942	684,944
	<u>49,351</u>	<u>1,640,689</u>	<u>1,690,040</u>
Total fund balances			
	<u>\$ 375,455</u>	<u>\$ 1,640,689</u>	<u>\$ 2,016,144</u>
Total liabilities and fund balances			

**City of Detroit, Michigan**

Other Supplemental Information  
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
Permanent Funds

**Year Ended June 30, 2020**

	<u>Other Trust</u>	<u>Cemetery Trust</u>	<u>Total</u>
<b>Revenue</b>			
Investment earnings	\$ -	\$ 41,682	\$ 41,682
Other revenue	-	110	110
Total revenue	-	41,792	41,792
<b>Expenditures</b> - Recreation and culture	-	49,361	49,361
<b>Net Change in Fund Balances</b>	-	(7,569)	(7,569)
<b>Fund Balances</b> - Beginning of year	49,351	1,648,258	1,697,609
<b>Fund Balances</b> - End of year	<u>\$ 49,351</u>	<u>\$ 1,640,689</u>	<u>\$ 1,690,040</u>

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 Community Development Block Grant Fund

Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Revenue by Appropriation</b>				
Non Dept General Revenue	\$ -	\$ -	\$ 24,821	\$ 24,821
HRD PDD Administration BG	-	(195,891)	(4,952)	190,939
HRD Letter of Credit BG Old	30,287,946	37,664,917	23,758,184	(13,906,733)
HRD Garfield II Section 108	-	(157,281)	47,471	204,752
HRD Emergency Solutions Grant	2,676,126	3,028,435	3,528,080	499,645
HRD Section 108 Loans	-	(8,716,312)	5,682,239	14,398,551
HRD NSP III Admin	-	295,282	-	(295,282)
Planning & Development Department CDBG	2,500,000	7,316,587	-	(7,316,587)
14098-Appropriation	-	108,922	198,781	89,859
ESG-CV CARES ACT Funds	-	-	23,278	23,278
<b>Total Revenue</b>	<b>35,464,072</b>	<b>39,344,659</b>	<b>33,257,902</b>	<b>(6,086,757)</b>
<b>Expenditures by Appropriation</b>				
HRD Detroit Area Pre-College Engineering Program NOF	67,507	59,214	90,451	(31,237)
HRD World Medical Relief	71,507	77,037	79,866	(2,829)
Alzheimer Association Detroit Area NOF	-	6,691	6,691	-
HRD Adult Well-Being Services NOF	-	(15,761)	7,690	(23,451)
HRD Ser Metro	61,507	-	13,011	(13,011)
HRD St Patrick Senior Center	81,507	93,229	101,040	(7,811)
HRD Wellspring	77,507	118,421	104,950	13,471
HRD People's Community Services Metro Detroit NOF	-	37,170	37,170	-
HRD SWDBA	61,507	6,895	6,895	-
Elmhurst Home Incorporated NOF	-	250,790	250,790	-
HRD LASED	71,507	52,211	73,246	(21,035)
HRD Eight Mile Boulevard BG	25,000	93,410	41,400	52,010
HRD Mosaic Youth Theatre	-	-	-	-
HRD Dominican Literacy Youth Center	77,507	61,904	74,700	(12,796)
HRD PDD Administration BG	-	39,004	-	39,004
HRD Warren Conner Development Coalition II	62,507	5,759	5,759	-
HRD Delray United Action Council	61,507	33,577	46,655	(13,078)
Franklin Wright Building Rehabilitation NOF	-	62,570	77,570	(15,000)
Community Development Planning BG	-	(3,133)	34,965	(38,098)
HRD Focus Hope	62,507	364,307	379,316	(15,009)
HRD International Institute	77,537	94,489	76,204	18,285
Boys and Girls Club of SE Michigan	67,507	-	-	-
HRD Accounting Aid Society	77,507	77,507	77,507	-
HRD Alkebu-Lan Village	71,507	55,347	55,347	-
HRD Police Athletic League	76,507	57,945	57,945	-
St. Vincent and Sarah Fisher Center	77,507	76,477	76,477	-
Bridging Communities	-	12	-	12
HRD Economic Development Small Business Development	1,000,000	1,437,358	94,951	1,342,407
HRD Jefferson East Business Association	61,507	458,587	458,586	1
HRD L&L Adult Daycare	61,507	68,072	68,072	-
Southwest Counseling and Development Services	-	77,147	77,147	-
HRD Neighborhood Legal Services Michigan	61,507	435,899	435,898	1
HRD Eastern Market Development Corporation	-	323,906	323,906	-
HRD Greening of Detroit	-	182,322	182,322	-
HRD Educational Services	61,507	24,753	24,753	-
HRD Clark Park	-	39,911	39,911	-
HRD Mercy Education Project	67,507	81,443	80,831	612
Alternatives for Girls	-	235,379	216,189	19,190
HRD COTS	-	169,685	169,685	-
HRD Covenant House	-	35,203	35,203	-
HRD Detroit Central City	-	74,631	74,631	-
HRD Freedom House	-	90,421	90,421	-
HRD Mariner's Inn	-	91,400	91,400	-
HRD NSO 24 Hr Walk In Center	-	77,508	96,205	(18,697)
HRD United Community Housing Coalition	-	219,971	219,971	-
HRD YWCA - Interim House	-	39,890	39,890	-
Oasis Detroit	-	158,001	159,425	(1,424)
HRD Operation Get Down	200,000	-	-	-
HRD DRMM Genesis House	200,000	-	-	-
HRD Matrix Human Services	71,507	215,526	18,257	197,269
HRD NOAH	-	70,222	100,000	(29,778)
HRD Homeless Public Services	2,475,417	567,044	661,405	(94,361)
HRD Joy-Southfield CDC	81,507	59,642	80,219	(20,577)
HRD Kendall CDC	-	546	546	-
HRD Catholic Social Services	-	16,623	34,252	(17,629)
HRD Greater Detroit Agency for the Blind	66,507	2,819	2,819	-
PW Community Development Nonprofit Housing Corporation	-	15,081	16,470	(1,389)
HRD Planning	-	203,913	363,681	(159,768)

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 Community Development Block Grant Fund

Year Ended June 30, 2020

	Budgeted Amounts			Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget			
HRD Neighborhood Outreach & Administration	\$ 1,627,853	\$ 2,422,019	\$ 503,643	\$ 1,918,376	
HRD Emergency Solutions Grant	2,676,126	3,206,024	3,205,789	235	
HRD Teen Hype	81,507	5,747	35,642	(29,895)	
HRD The Yunion	81,507	62,637	68,896	(6,259)	
HRD Section 108 Loans	5,880,859	5,682,238	5,682,238	-	
HRD Urban Neighborhood Initiatives	77,507	57,412	57,412	-	
HRD The Youth Connection	62,507	160,980	166,984	(6,004)	
HRD CDBG Housing Rehabilitation	2,500,000	2,031,396	2,031,396	-	
HRD CDBG Department Allocations	2,362,000	4,871,422	3,543,664	1,327,758	
HRD The Salvation Army	-	45,415	45,415	-	
HRD YMCA	67,507	126,602	126,602	-	
HRD Summer Jobs Program & Motor City Match	2,480,874	985,359	916,480	68,879	
HRD Liberty Temple Baptist Church Senior Project	-	202,478	202,476	2	
SEED	-	78,531	78,531	-	
Planning & Development Department CDBG	2,500,000	2,931,704	2,144,708	786,996	
14098-Appropriation	-	(111,773)	197,136	(308,909)	
HRD Conventional Home Repairs	2,061,791	494,641	494,641	-	
Siena Literacy Center	62,507	60,006	60,000	6	
HRD Administration Direct - Reporting & Compliance	1,797,714	2,005,183	1,633,952	371,231	
HRD Housing Underwriting - Multi Family	1,568,288	2,865,131	962,336	1,902,795	
Detroit Rescue Mission (DRMM Genesis House III) Mack	-	71,329	71,329	-	
DRMM Genesis House II Chicago Appr	-	10,492	10,486	6	
DRMM 3rd Street Appr	-	78,956	78,956	-	
Community Home Support Appr	-	35,959	175,000	(139,041)	
Housing Pre-Development Construction Appr	-	2,415	2,415	-	
Detroit Hispanic Development Corp Appr	-	100,000	100,000	-	
Holy Cross Services, Inc. Appr	-	100,000	100,000	-	
Restaurant Opportunity Center of Michigan Appr	-	41,642	41,642	-	
CDBG Relocation	-	9,918	9,918	-	
Matrix Human Svcs-Youth Leadership	-	76,656	76,656	-	
Luella Hannan Memorial	71,507	76,404	86,438	(10,034)	
FY 18 Pre-Development Affordable Housing	1,000,000	1,986,135	1,986,135	-	
FY 18 for Single Family Ownership Plan	-	70,000	159,297	(89,297)	
FY 18 Ruth Ellis Public Service Program	-	35,760	35,760	-	
Midtown West Project	-	174,428	486,381	(311,953)	
Lifebuilders Project	-	350,000	350,000	-	
My Community Dental Center	61,507	35,696	35,696	-	
DESC Training	1,500,000	-	-	-	
Community Development Housing Activities	1,165,375	1,165,375	1,120,307	45,068	
Cody Rouge Community Action Alliance	71,507	-	-	-	
ESG-CV CARES ACT funds	-	-	23,277	(23,277)	
Center For Employment Opportunities	67,507	-	17,053	(17,053)	
<b>Total Expenditures</b>	<b>35,464,072</b>	<b>39,782,292</b>	<b>33,157,378</b>	<b>6,624,914</b>	
<b>Net Change</b>	<b>-</b>	<b>(437,633)</b>	<b>100,524</b>	<b>538,157</b>	
<b>Fund Balance - Beginning of year</b>	<b>7,785,112</b>	<b>7,785,112</b>	<b>7,785,112</b>	<b>-</b>	
<b>Fund Balance - End of year</b>	<b>\$ 7,785,112</b>	<b>\$ 7,347,479</b>	<b>\$ 7,885,636</b>	<b>\$ 538,157</b>	

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 Construction Code Fund  
 Year Ended June 30, 2020

	Budgeted Amounts			Variance with Final Budget
	Original Budget	Amended Budget	Actual Amounts	
<b>Revenue by Appropriation</b>				
BSEED Administration	\$ 166,000	\$ 9,930,999	\$ 142,500	\$ (9,788,499)
BSEED Mechanical	8,802,000	6,206,364	11,452,784	5,246,420
BSEED Property Maintenance	5,935,000	3,658,896	4,022,761	363,865
BSEED Construction	12,077,000	7,183,741	6,706,801	(476,940)
Interfund Adjustments	-	-	1,311,339	1,311,339
<b>Total Revenue</b>	<b>26,980,000</b>	<b>26,980,000</b>	<b>23,636,185</b>	<b>(3,343,815)</b>
<b>Expenditure by Appropriation</b>				
BSEED Mechanical	9,917,565	9,917,575	8,389,205	1,528,370
BSEED Administration	7,327,151	7,472,312	6,718,798	753,514
BSEED Property Maintenance	7,546,455	7,546,455	6,873,189	673,266
BSEED Construction	2,188,829	2,188,829	1,726,629	462,200
<b>Total Expenditures</b>	<b>26,980,000</b>	<b>27,125,171</b>	<b>23,707,821</b>	<b>3,417,350</b>
<b>Net Change</b>	-	(145,171)	(71,636)	73,535
<b>Fund Balance - Beginning of year</b>	<b>6,135,381</b>	<b>6,135,381</b>	<b>6,135,381</b>	<b>-</b>
<b>Fund Balance - End of year</b>	<b>\$ 6,135,381</b>	<b>\$ 5,990,210</b>	<b>\$ 6,063,745</b>	<b>\$ 73,535</b>



Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 Urban Development Fund  
 Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Revenue by Appropriation</b>				
HRD Investor Owned Rehabilitation	\$ -	\$ (3,816,930)	\$ 2,317,285	\$ 6,134,215
HRD HOME 02 03	6,192,899	3,587,951	3,607,803	19,852
HRD HOME Administration	688,100	135,437	37,397	(98,040)
UDAG Acquisition	-	-	1,580	1,580
<b>Total Revenue</b>	<b>6,880,999</b>	<b>(93,542)</b>	<b>5,964,065</b>	<b>6,057,607</b>
<b>Expenditure by Appropriation</b>				
HRD Investor Owned Rehabilitation	-	36,000	12,000	24,000
HRD HOME 02 03	6,192,899	(7,739,274)	4,638,040	(12,377,314)
HRD HOME Administration	688,100	982,518	1,019,646	(37,128)
<b>Total Expenditures</b>	<b>6,880,999</b>	<b>(6,720,756)</b>	<b>5,669,686</b>	<b>(12,390,442)</b>
<b>Net Change</b>	<b>-</b>	<b>6,627,214</b>	<b>294,379</b>	<b>(6,332,835)</b>
<b>Fund Balance - Beginning of year</b>	<b>5,029,897</b>	<b>5,029,897</b>	<b>5,029,897</b>	<b>-</b>
<b>Fund Balance - End of year</b>	<b>\$ 5,029,897</b>	<b>\$ 11,657,111</b>	<b>\$ 5,324,276</b>	<b>\$ (6,332,835)</b>

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 Non-Compliance Fees Fund  
 Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Revenue by Appropriation</b>				
Noncompliance Fees	\$ 1,000,000	\$ 1,000,000	\$ 3,029,709	\$ 2,029,709
<b>Total Revenue</b>	1,000,000	1,000,000	3,029,709	2,029,709
<b>Expenditures by Appropriation</b>				
Noncompliance Fees	1,000,000	1,065,553	898,742	166,811
<b>Total Expenditures</b>	1,000,000	1,065,553	898,742	166,811
<b>Net Change</b>	-	(65,553)	2,130,967	2,196,520
<b>Fund Balance - Beginning of year</b>	1,385,169	1,385,169	1,385,169	-
<b>Fund Balance - End of year</b>	<b>\$ 1,385,169</b>	<b>\$ 1,319,616</b>	<b>\$ 3,516,136</b>	<b>\$ 2,196,520</b>

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 Drug Law Enforcement Fund  
 Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Revenue by Appropriation</b>				
Police Enhanced Drug Enforcement Program	\$ 2,225,000	\$ 2,007,414	\$ 1,679,459	\$ (327,955)
Police Federal Forfeiture	-	-	40,221	40,221
Interfund Adjustments	-	-	180,237	180,237
<b>Total Revenue</b>	<b>2,225,000</b>	<b>2,007,414</b>	<b>1,899,917</b>	<b>(107,497)</b>
<b>Expenditures by Appropriation</b>				
Police Enhanced Drug Enforcement Program	2,225,000	3,287,638	2,060,339	1,227,299
Police Federal Forfeiture	-	353,990	-	353,990
<b>Total Expenditures</b>	<b>2,225,000</b>	<b>3,641,628</b>	<b>2,060,339</b>	<b>1,581,289</b>
<b>Net Change</b>	<b>-</b>	<b>(1,634,214)</b>	<b>(160,422)</b>	<b>1,473,792</b>
<b>Fund Balance - Beginning of year</b>	<b>5,070,312</b>	<b>5,070,312</b>	<b>5,070,312</b>	<b>-</b>
<b>Fund Balance - End of year</b>	<b>\$ 5,070,312</b>	<b>\$ 3,436,098</b>	<b>\$ 4,909,890</b>	<b>\$ 1,473,792</b>

Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Revenue by Appropriation</b>				
Recreation Gift Catalogue Donations	\$ -	\$ (212,823)	\$ 52,085	\$ 264,908
EA Environmental Response	-	-	1,413	1,413
Recreation 2011 Exchange Revenue for DRD Demo. Use	-	118,057	107,635	(10,422)
Police COPS Technology Program	-	(1,574)	-	1,574
2014 Wayne County 13	-	70,000	-	(70,000)
2014 Coca	-	(12,071)	-	12,071
DHWP Fetal Infant Mortality Review 9/2015	-	(454)	-	454
HOPWA Aids Housing 6_2015_13937	-	-	(630,804)	(630,804)
Coleman A. Young Playground Improvements Grant	-	236,576	-	(236,576)
2015 Summer Food Program	-	39,399	-	(39,399)
Environmental Assess Riverside Park	-	28,432	28,432	-
20150-Appropriation	-	608,662	(167,638)	(776,300)
FY2016 MDNR Appropriations-Earmarks and Special Grants	-	(80,981)	-	80,981
2015-17 Body Worn Camera Policy and Implementation Program	-	(872,252)	-	872,252
Detroit Domestic Violence Reduction	-	50,375	50,375	-
Police Preventing Auto Theft 2016-17	-	234,258	-	(234,258)
Police Oakland County Auto Theft Squad 2016-17	-	19,912	-	(19,912)
Police East Side Action Team 2016-17	-	28,218	-	(28,218)
Police Victim Assistance 2016-17	-	4,640	-	(4,640)
Police JAG 2016-17	-	96,483	952,357	855,874
Declared Disaster Recovery	-	2,739,713	2,331,624	(408,089)
Mayor's 2016 Urban Area Security Initiative	-	(129,588)	129,588	259,176
2016-18 Howarth Playground Improvement Project	-	15,000	-	(15,000)
Elections Voter Education Donations Appropriation	3,000	5,500	-	(5,500)
Scrap Tires Grant	-	50,000	-	(50,000)
2015-16 CHASS Grant	-	34,524	367	(34,157)
2016 Summer Food Program	-	132,069	-	(132,069)
2017 Automobile Theft Prevention Authority 04-17	-	107	107	-
FY17 Learn to Swim Program	-	(2,797)	2,797	5,594
FY2016 Hazard Mitigation Grant	-	421,052	147,368	(273,684)
FY2016 Smart Policing Initiative Grant	-	192,502	192,502	-
FY2016 COPS Hiring Program Grant	-	140,832	140,832	-
FY2016 Violent Gang & Gun Crime Reduction (PSN)	-	(2,835)	-	2,835
PUB Summer Food Service Program FY 2017	-	91,599	-	(91,599)
WIC Resident Services 9/2018	-	240,305	-	(240,305)
WIC Breastfeeding 9/2018	-	9,573	-	(9,573)
Lead Poisoning Prev 9/2018	-	-	-	-
Lead Intervention - EBL 9/2018	-	1,050,093	-	(1,050,093)
ELPHS Other 9/2018	-	125,180	-	(125,180)
Bioterrorism Emerg Prep 9/2018	-	3,566	-	(3,566)
Cities Readiness Initiatives 9/2018	-	18,697	-	(18,697)
Ebola Virus Phase II 9/2018	-	10,750	-	(10,750)
CSHCS Outreach & Advocacy 9/2018	-	34,274	-	(34,274)
Fetal Infant Mortality Review 9/2018	-	675	-	(675)
HIV Intergrated Planning 9/2018	-	6,975	-	(6,975)
Immunization Action Plan 9/2018	-	14	-	(14)
Local Maternal & Child Hlth 9/2018	-	103,343	-	(103,343)
Local Tobacco Reduction 9/2018	-	20,062	-	(20,062)
Hearing-MDCH 9/2018	-	69,907	-	(69,907)
Vision-MDCH 9/2018	-	77,093	-	(77,093)
HIV Emerg Supp Relief 2/2019	-	(2,523,786)	-	2,523,786
HOPWA Aids Housing 6/2018	-	(358,753)	-	358,753
iTeam Program Grant FY17	-	605,694	421,733	(183,961)
FY 18 Historic Fort Wayne Strategic Planning 2016/18	-	65,126	58,646	(6,480)
Legislative Pre-Disaster Mitigation Program	-	1,118,816	753,422	(365,394)
FY 18 HIV Data to Care	-	1,576	-	(1,576)
FY 18 Ryan White MAI	-	332	-	(332)
FY 18 West Nile Virus	-	656	-	(656)
FY 18 ZIKA Virus Community Support	-	8,754	-	(8,754)
FY18 ZIKA Virus Mosquito Surveillance	-	8,790	-	(8,790)
FY 18 Climate Health Adaptation	-	80	-	(80)
FY18 Smart City Grant	-	(188,640)	188,640	377,280
FY 2018 Auto Theft Prevention Authority PAT 21-18	-	(264,046)	5,794	269,840
FY 18 STOP Violence Against Women	-	72,121	72,121	-
FY 16 AFG Operations and Safety	-	1,915,807	1,915,807	-
FY 2018 Auto Theft Prevention Authority OCAT 08-18	-	10,520	-	(10,520)
FY 18 Port Security Grant	-	70,427	176,895	106,468
FY 2018 Auto Theft Prevention Authority SEATT 17-18	-	(16,800)	-	16,800
ATPA East Side ACTION Team FY 19	-	91,791	49,713	(42,078)
ATPA Oakland County Auto Theft Team FY 19	-	57,810	-	(57,810)
ATPA South East Auto Theft Team FY 19	-	45,919	-	(45,919)
ATPA Preventing Auto Theft FY 19	-	1,082,404	728,564	(353,840)
Strategic Traffic Enforcement FY 19	-	17,399	17,399	-
Youth and Alcohol Enforcement FY 19	-	8,142	8,142	-
Operation Stone Garden FY 18	-	-	-	-
Port Security Grant FY 18	-	300,000	-	(300,000)
Victims of Crime Assistance FY18/19	-	218,860	218,860	-

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
Volunteer Coordination	\$ 66,205	\$ 40,643	\$ 55,495	\$ 14,852
WIC Resident Services 9/2019	-	1,345,740	1,377,936	32,196
WIC Breastfeeding 9/2019	-	35,976	39,551	3,575
Lead Poison Prevention 9/2019	-	76,773	85,481	8,708
Lead Intervention/EBL 9/2019	-	466,581	29,585	(436,996)
ELPHS MDCH Other 9/2019	-	1,011,256	715,412	(295,844)
Bioterrorism Emerg Prep 9/2019	-	37,205	53,528	16,323
Cities Readiness Initiatives 9/2019	-	95,094	27,771	(67,323)
CSHCS Outreach & Advocacy 9/2019	-	239,258	156,608	(82,650)
Fetal Infant Mortality Review 9/2019	-	999	149	(850)
HIV Ryan White Data to Care 9/2019	-	194,154	188,408	(5,746)
Immunization Action Plan 9/2019	-	94,335	83,740	(10,595)
Infant Safe Sleep 9/2019	-	23,275	22,820	(455)
Local Maternal & Child Hlth 9/2019	-	716,372	564,465	(151,907)
Hearing 9/2019	-	81,632	41,943	(39,689)
Vision 9/2019	-	86,208	35,764	(50,444)
HIV Ryan White Part B MAI 9/2019	-	32,573	28,824	(3,749)
West Nile Virus 9/2019	-	6,000	4,363	(1,637)
Zika Community Support 9/2019	-	2,500	-	(2,500)
Zika Virus Surveillance 9/2019	-	2,500	-	(2,500)
Climate Adaptation Health 9/2019	-	3,750	-	(3,750)
Local Tobacco Reduction 9/2019	-	9,109	4,592	(4,517)
HIV Emerg Supp Relief 2/2020	-	9,873,770	6,844,059	(3,029,711)
HOPWA Aids Housing 6/2019	-	790,551	1,268,804	478,253
HIV & STD Testing and Prev 9/2019	-	116,755	111,207	(5,548)
Sudden Unexplained Infant Death	-	7,000	6,745	(255)
FY18 ATPA East Side Action Team	-	5,470	-	(5,470)
FY18 Sudden Unexplained Infant Death (SUID)	-	300	-	(300)
FY18 2017 COPS Hiring	-	839,851	839,851	-
Financial Empowerment Coordination	81,997	2,000	1,074	(926)
HSEM UASI 2019	236,722	386,397	302,656	(83,741)
Make A Splash 2019	5,000	10,000	-	(10,000)
Summer Food Service Program 2020	-	266,575	266,575	-
Child and Adult Care Food Program 2019	-	5,699	-	(5,699)
O'Hair Memorial Park	-	100,000	26,000	(74,000)
FY18 Child Lead Exposure Elimination Innovation	-	21,483	-	(21,483)
FY18 Child Lead Exposure Elimination Innovation Grant: Head Start	-	5,577	-	(5,577)
FY19 Rouge Park Sorenson Renovation Grant	-	-	60,188	60,188
FY17 Rouge Park - Brennan Pool Splash Pad Grant	-	-	(327)	(327)
FY2018 Planning Assistance Program	-	10,211	6,187	(4,024)
FY19 Hepatitis A Response Program	-	120,177	20,831	(99,346)
2017 Clean Diesel Funding Assistance Program	-	472,109	1,229,923	757,814
FY19 First Responders Comprehensive Addiction & Recovery Act Grant	-	1,060,241	(103,824)	(1,164,065)
FY19 Medicaid Children's Health Insurance Program (CHIP) Grant	-	(125,851)	125,851	251,702
FY18 Health Education and Community Benefits Grant	-	17,344	65,450	48,106
FY18 ATPA 04-19	-	36,749	36,749	-
FY18 Comprehensive Opioid Abuse Site-base Grant	-	33,427	33,427	-
FY17 LWCF Mariner Park	-	-	50,000	50,000
FY18 Coastal Zone Management	-	54,800	54,800	-
WIC Resident Services 9/2020	5,100,000	3,299,066	3,299,066	-
WIC Breastfeeding 9/2020	144,000	144,000	101,964	(42,036)
Lead Poison Prevention 9/2020	273,750	114,888	114,888	-
Lead Intervention/EBL 9/2020	250,000	101,593	39,752	(61,841)
ELPHS MDCH Other 9/2020	2,675,000	2,675,000	1,589,085	(1,085,915)
Bioterrorism Emerg Prep 9/2020	230,000	138,743	138,744	1
Cities Readiness Initiatives 9/2020	250,000	185,981	185,981	-
CSHCS Outreach & Advocacy 9/2020	640,000	640,000	387,336	(252,664)
Fetal Infant Mortality Review 9/2020	2,700	2,700	1,103	(1,597)
HIV Ryan White Data to Care 9/2020	422,000	422,000	468,130	46,130
Immunization Action Plan 9/2020	330,000	330,000	1,101,651	771,651
Infant Safe Sleep 9/2020	90,000	90,000	55,987	(34,013)
Local Maternal & Child Health 9/2020	1,710,000	1,710,000	881,627	(828,373)
Hearing 9/2020	310,000	310,000	224,251	(85,749)
Vision 9/2020	310,000	310,000	219,035	(90,965)
HIV Ryan White Part B MAI 9/2020	80,000	20,000	-	(20,000)
West Nile Virus 9/2020	10,000	10,000	-	(10,000)
Hepatitis A Response 9/2020	15,000	3,750	-	(3,750)
Local Tobacco Reduction 9/2020	30,000	7,500	-	(7,500)
HIV Emerg Supp Relief 2/2021	10,300,000	3,800,000	514,898	(3,285,102)
HOPWA Aids Housing 6/2020	3,000,000	2,512,031	1,889,289	(622,742)
HIV & STD Testing and Prev 9/2020	250,000	250,000	80,705	(169,295)
Sudden Unexplained Infant Death 9/2020	7,000	7,000	3,208	(3,792)
FY19 Detroit Safe Routers Ambassador PS-19-02	-	33,202	33,202	-
Port Security Grant Program FY20	750,000	-	-	-
ATPA East Side Action Team FY20	208,850	142,775	142,775	-
ATPA Oakland County Auto Theft Unit FY20	94,926	50,160	50,160	-
ATPA Preventing Auto Theft FY20	2,877,469	1,940,437	1,940,056	(381)
ATPA South East Auto Theft Team(SEATT)	86,483	26,482	21,423	(5,059)
Strategic Traffic Enforcement Program FY20	185,000	14,288	14,288	-

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
Justice Assistance Grant (JAG) FY20	\$ 875,000	\$ -	\$ -	\$ -
VOCA FY20	937,431	792,269	792,269	-
2018 Homeland Security Grant Program	740,000	217,478	30,775	(186,703)
Summer Food Service Program 2020	400,000	-	-	-
Child and Adult Care Food Program	575,000	575,000	7,396	(567,604)
FY 18 Advancing Health Equity through Housing Grant	-	(89,749)	69,564	159,313
FY18 Crime Gun Intelligence Center CGIC	-	105,568	105,568	-
FY 2018 Detroit/Philadelphia Preservation Exchange Project Grant	-	(25,000)	12,400	37,400
FY18 AAA Grant	-	10,000	9,874	(126)
FY 2019 Arts in the Plaza Grant	-	6,000	-	(6,000)
FY19 Opioid Academic Detailing Initiative Grant	-	9,200	-	(9,200)
FY18 Byrne Justice Assistance (JAG)	-	61,514	57,075	(4,439)
FY19 Emerging Threats-Hepatitis C Program	-	109,611	106,339	(3,272)
FY19 Leadership Fellow Program Grant	-	100,000	100,000	-
FY19 Lead Hazard Reduction Program	-	170,083	277,911	107,828
FY19 Detroit Pedestrian/Bike Overtime Enforcement Grant	-	10,166	10,166	-
FY2019 Mental Health First Aid Training Grant	-	95,746	95,746	-
FY2019 Scrap Tire Market Development Grant	-	32,831	6,019	(26,812)
FY2019 Local Health Comprehensive Opioid Response Grant	-	68,000	55,218	(12,782)
FY2019 Strategic Neighborhood Fund	-	42,885	-	(42,885)
FY19 Vector-Borne Surveillance and Prevention Grant	-	8,125	7,232	(893)
FY19 Skilled Foundation Youth Development Grant	-	38,820	38,820	-
FY2019 Summer Mini Grant	-	31,213	16,756	(14,457)
Brownfield Cleanup Revolving Loan Fund	-	16,066	11,410	(4,656)
FY2019 Head Start Program CLEEI Grant	-	34,546	40,327	5,781
FY2019 Child Lead Exposure Elimination Innovation Grant	-	37,500	58,542	21,042
FY19 Pistons-Palace Parks-Pingree Park	-	239,170	236,500	(2,670)
FY19 National Training & Technical Assistance Grant	-	81,763	31,092	(50,671)
FY 2019 Financial Empowerment Center Implementation Grant	-	97,225	21,918	(75,307)
FY2020 Pedestrian & Bicycles Overtime Enforcement Grant	-	8,338	8,338	-
FY19 ATPA 04-20	-	92,240	53,045	(39,195)
FY20 Medicaid Children's Health Insurance Program (CHIP) Grant	-	383,061	319,343	(63,718)
FY18 Project Safe Neighborhoods Grant	-	137,432	72,411	(65,021)
FY2020 Local Comprehensive HIV Housing Assistance Grant	-	187,688	-	(187,688)
FY20 Vector-Borne Surveillance Grant	-	5,017	-	(5,017)
FY2020 Local Comprehensive Emerging Threats-Hepatitis C	-	109,611	19,842	(89,769)
FY2020 Local Comprehensive Health Opioid Response Grant	-	68,000	2,576	(65,424)
FY20 Immunization Action Outreach Pilot Grant	-	50,000	-	(50,000)
FY20 Local Comprehensive Title X Family Planning Grant	-	216,866	-	(216,866)
Safe Routes FY20 Grant	-	78,120	-	(78,120)
FY2018 Skillman Community Education Commission Grant	-	86,250	80,687	(5,563)
Veterinary Surgical Equipment	-	13,982	17,905	3,923
Fitzgerald Revitalization	-	265,000	-	(265,000)
Michigan Indigent Defense Commission Grant	-	4,615,309	840,198	(3,775,111)
FY20 Ryan White HIV-AIDs RWHAP-Program A,B	-	250,000	-	(250,000)
FY20 Naloxone Kits	-	36,750	-	(36,750)
FY20 COVID-19 for Medical Supplies	-	-	5,703	5,703
FY20 COVID19 Emergency Response Grant	-	84,672	7,503	(77,169)
United Way COVID-19	-	150,000	15,000	(135,000)
Quicken COVID-19	-	(100,000)	-	100,000
DMC Foundation-COVID-19	-	300,000	-	(300,000)
FY 2020 Unanticipated School Closure Food Program Grant	-	2,059,214	1,705,998	(353,216)
African American Civil Rights Preservation Grant	250,000	-	-	-
Clean Diesel Funding Assistance Grant	-	-	1,178,449	1,178,449
Fire Grants and Appn	84,000	-	-	-
State of MI Youth and Alcohol FY20	60,000	-	-	-
FY 2019 Public Health Emergency Response Grant	-	31,043	-	(31,043)
<b>Total Revenue</b>	<b>34,946,533</b>	<b>58,170,828</b>	<b>42,741,956</b>	<b>(15,428,872)</b>
<b>Expenditures by Appropriation</b>				
Recreation Gift Catalogue Donations	-	351,237	52,083	299,154
DOHS Urban Area Security Initiative (FY10-11) Grant	-	3,337	-	3,337
Recreation 2011 Exchange Revenue for DRD Demo. Use	-	107,635	107,635	-
Police Det Community Based Violence Prevention Grant	-	(2,001)	-	(2,001)
Police Detroit Americorps Urban Safety Bike Watch	-	3,018	-	3,018
HIV-STD Testing and Prevention 9-2017	-	1,191	-	1,191
HOPWA Aids Housing 6_2015_13937	-	-	(372,862)	372,862
2014 Jayne Lasky Playfield Improvement	-	(20,738)	-	(20,738)
Coleman A. Young Playground Improvements Grant	-	42,713	-	42,713
2015 Summer Food Program	-	39,399	-	39,399
14099-Appropriation	-	456	-	456
14106-Appropriation	-	1,795,845	-	1,795,845
Environmental Assess Riverside Park	-	28,432	28,432	-
2014 Assistance to Firefighters Grant	-	49,595	49,595	-
20143-Appropriation	-	8,358	-	8,358
20150-Appropriation	-	301,896	9,803	292,093
2015-16 Preventing Auto Theft	-	18,034	-	18,034
2015-16 Oakland County Auto Theft	-	526	(526)	1,052
2015-16 East Side Action Team	-	1,202	(1,202)	2,404

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
Detroit Domestic Violence Reduction	\$ -	\$ 55,292	\$ 50,374	\$ 4,918
DHWP WIC Resident Services 9/2017 FD2104	-	14,427	-	14,427
DHWP WIC Breastfeeding 9/2017 FD2104	-	(1,067)	(1,067)	-
DHWP Lead Poisoning Prev(MDCH) 9/2017 FD2104	-	(4,286)	(4,286)	-
DHWP Lead Intervention(MDCH) 9/2017 FD2104	-	(5,002)	(5,002)	-
DHWP ELPHS Food 9/2017 FD2104	-	34,587	-	34,587
DHWP ELPHS MDCH other 9/2017 FD2104	-	4,616	-	4,616
DHWP Cities Readiness Initiatives 9/2017 FD2104	-	248	-	248
DHWP CSHCS Outreach & Advocacy 9/2017 FD2104	-	10,124	-	10,124
DHWP HIV/Ryan White 9/2017 FD2104	-	1,839	-	1,839
DHWP Immunization Action Plan 9/2017 FD2104	-	(2,677)	(2,677)	-
DHWP Infant Safe Sleep 9/2017 FD2104	-	(808)	(808)	-
DHWP Local Maternal & Child Hlth 9/2017 FD2104	-	(73,705)	(73,705)	-
DHWP Hearing-MDCH 9/2017 FD2104	-	(1,171)	(1,171)	-
DHWP Vision-MDCH 9/2017 FD2104	-	(458)	(458)	-
DHWP HIV Emerg Supp Relief 2/2018 FD2104	-	53,636	-	53,636
DHWP HOPWA Aids Housing 6/2017 FD2104	-	269,382	269,382	-
Police Preventing Auto Theft 2016-17	-	230,394	-	230,394
Police Oakland County Auto Theft Squad 2016-17	-	20,077	-	20,077
Police East Side Action Team 2016-17	-	28,027	-	28,027
Police Victim Assistance 2016-17	-	4,640	-	4,640
Police JAG 2016-17	-	96,483	96,483	-
Declared Disaster Recovery	-	2,278,479	2,308,227	(29,748)
Mayor's 2016 Urban Area Security Initiative	-	26,124	(26,124)	52,248
Mayor's Detroit Childrens Fund - Skillman Foundation FY17	-	7	-	7
Elections Voter Education Donations Appropriation	3,000	3,000	-	3,000
2015-16 CHASS Grant	-	34,848	367	34,481
FY2015 Homeland Security Grant Program	-	480	480	-
2016 Summer Food Program	-	325,413	-	325,413
Transfers in	-	-	(8,335,926)	8,335,926
FY2016 NFL Play 60 Afterschool Grant	-	1	-	1
FY17 Learn to Swim Program	-	68	68	-
FY2016 Hazard Mitigation Grant	-	421,052	421,052	-
FY2016 Smart Policing Initiative Grant	-	192,502	192,502	-
FY2016 COPS Hiring Program Grant	-	140,833	140,833	-
FY2016 Violent Gang & Gun Crime Reduction (PSN)	-	5,306	-	5,306
FY2017 CSHCS-Medical Elevated Blood Level Lead Case Management	-	244,915	-	244,915
FY2017 Local Tobacco Reduction Award	-	2,109	-	2,109
PUB Summer Food Service Program FY 2017	-	91,458	-	91,458
WIC Resident Services 9/2018	-	470,943	-	470,943
WIC Breastfeeding 9/2018	-	17,720	-	17,720
Lead Poisoning Prev 9/2018	-	22,272	-	22,272
Lead Intervention - EBL 9/2018	-	1,145,730	-	1,145,730
ELPHS Other 9/2018	-	330,673	-	330,673
Bioterrorism Emerg Prep 9/2018	-	46,130	-	46,130
Cities Readiness Initiatives 9/2018	-	42,211	-	42,211
Ebola Virus Phase II 9/2018	-	10,750	-	10,750
CSHCS Outreach & Advocacy 9/2018	-	166,673	-	166,673
HIV Integrated Planning 9/2018	-	50,858	-	50,858
Immunization Action Plan 9/2018	-	27,723	-	27,723
Infant Safe Sleep 9/2018	-	15,921	-	15,921
Local Maternal & Child Hlth 9/2018	-	237,343	-	237,343
Local Tobacco Reduction 9/2018	-	22,487	-	22,487
Hearing-MDCH 9/2018	-	100,274	-	100,274
Vision-MDCH 9/2018	-	106,626	-	106,626
HIV Emerg Supp Relief 2/2019	-	116,331	-	116,331
HOPWA Aids Housing 6/2018	-	195,346	1,555	193,791
FY2017 Ryan White Part B MAI	-	680	-	680
West Nile Virus	-	554	-	554
FY2017 ZIKA Virus Mosquito Surveillance	-	1,078	-	1,078
iTeam Program Grant FY17	-	421,733	421,733	-
FY 18 Historic Fort Wayne Strategic Planning 2016/18	-	58,645	58,645	-
Legislative Pre-Disaster Mitigation Program	-	1,118,816	1,118,816	-
FY 18 HIV Data to Care	-	32,846	-	32,846
FY 18 Ryan White MAI	-	1,750	-	1,750
FY 18 West Nile Virus	-	1,237	-	1,237
FY 18 ZIKA Virus Community Support	-	10,000	-	10,000
FY18 ZIKA Virus Mosquito Surveillance	-	10,000	-	10,000
FY 18 Climate Health Adaptation	-	239	-	239
FY18 Smart City Grant	-	188,640	188,640	-
FY2018 Auto Theft Prevention Authority PAT 21-18	-	165,718	5,794	159,924
FY18 STOP Violence Against Women	-	72,121	72,121	-
FY16 AFG Operations and Safety	-	273,777	273,777	-
FY2018 Auto Theft Prevention Authority OCAT 08-18	-	20,344	-	20,344
FY18 Port Security Grant	-	103,803	176,894	(73,091)
FY2018 Auto Theft Prevention Authority SEATT 17-18	-	11,717	-	11,717
ATPA East Side ACTION Team FY 19	-	91,791	48,871	42,920
ATPA Oakland County Auto Theft Team FY 19	-	57,807	-	57,807
ATPA South East Auto Theft Team FY 19	-	45,918	-	45,918



	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
ATPA Preventing Auto Theft FY 19	\$ -	\$ 1,084,002	\$ 715,305	\$ 368,697
Strategic Traffic Enforcement FY 19	-	3,645	3,645	-
Youth and Alcohol Enforcement FY 19	-	6,685	6,685	-
Justice Assistance Grant (JAG) FY 18	-	801,233	801,233	-
Port Security Grant FY 18	-	300,000	-	300,000
Victims of Crime Assistance FY18/19	-	218,859	218,859	-
Volunteer Coordination	66,205	72,584	55,495	17,089
WIC Resident Services 9/2019	-	1,358,601	1,377,936	(19,335)
WIC Breastfeeding 9/2019	-	35,780	39,552	(3,772)
Lead Poison Prevention 9/2019	-	127,336	85,482	41,854
Lead Intervention/EBL 9/2019	-	354,253	29,585	324,668
ELPHS MDCH Other 9/2019	-	959,779	715,411	244,368
Bioterrorism Emerg Prep 9/2019	-	21,116	53,528	(32,412)
Cities Readiness Initiatives 9/2019	-	45,995	27,771	18,224
CSHCS Outreach & Advocacy 9/2019	-	207,502	156,607	50,895
Fetal Infant Mortality Review 9/2019	-	(16)	149	(165)
HIV Ryan White Data to Care 9/2019	-	175,879	188,408	(12,529)
Immunization Action Plan 9/2019	-	125,198	83,740	41,458
Infant Safe Sleep 9/2019	-	21,068	22,820	(1,752)
Local Maternal & Child Hlth 9/2019	-	594,131	564,465	29,666
Hearing 9/2019	-	69,057	41,944	27,113
Vision 9/2019	-	70,533	35,764	34,769
HIV Ryan White Part B MAI 9/2019	-	31,204	28,825	2,379
West Nile Virus 9/2019	-	1,884	4,363	(2,479)
Zika Community Support 9/2019	-	2,500	-	2,500
Zika Virus Surveillance 9/2019	-	2,500	-	2,500
Climate Adaptation Health 9/2019	-	3,751	-	3,751
Local Tobacco Reduction 9/2019	-	6,983	4,592	2,391
HIV Emerg Supp Relief 2/2020	-	7,610,905	6,844,063	766,842
HOPWA Aids Housing 6/2019	-	604,018	604,018	-
HIV & STD Testing and Prev 9/2019	-	113,649	111,207	2,442
Sudden Unexplained Infant Death	-	1,503	6,745	(5,242)
FY18 ATPA East Side Action Team	-	29,245	-	29,245
FY18 Sudden Unexplained Infant Death (SUID)	-	579	-	579
FY18 2017 COPS Hiring	-	839,852	839,852	-
Financial Empowerment Coordination	81,997	81,198	1,075	80,123
FY18 Surge Capacity for Targeted Intervention of Hepatitis A	-	52,924	-	52,924
HSEM UASI 2019	236,722	260,444	263,763	(3,319)
Make A Splash 2019	5,000	10,000	-	10,000
Summer Food Service Program 2020	-	288,598	266,575	22,023
O'Hair Memorial Park	-	100,000	100,000	-
FY18 Child Lead Exposure Elimination Innovation	-	3,610	-	3,610
FY18 Child Lead Exposure Elimination Innovation Grant: Head Start	-	3,409	-	3,409
FY19 Rouge Park Sorenson Renovation Grant	-	249,375	274,375	(25,000)
FY17 Rouge Park - Brennan Pool Splash Pad Grant	-	97,913	97,913	-
FY17 MDNR Trust Fund Grant- Chandler Park	-	263,218	270,563	(7,345)
FY2018 Planning Assistance Program	-	10,211	6,069	4,142
FY19 Hepatitis A Response Program	-	20,225	20,831	(606)
2017 Clean Diesel Funding Assistance Program	-	424,867	1,229,923	(805,056)
FY17 Justice Assistance Grant	-	813,402	813,402	-
FY19 First Responders Comprehensive Addiction & Recovery Act Grant	-	832,701	223,056	609,645
FY19 Medicaid Children's Health Insurance Program (CHIP) Grant	-	125,851	125,851	-
FY18 Health Education and Community Benefits Grant	-	66,794	65,450	1,344
FY18 ATPA 04-19	-	35,675	35,677	(2)
FY18 Comprehensive Opioid Abuse Site-base Grant	-	33,427	33,427	-
FY17 LWCF Mariner Park	-	97,743	100,000	(2,257)
FY18 Coastal Zone Management	-	31,045	54,800	(23,755)
WIC Resident Services 9/2020	5,100,000	3,275,652	3,299,067	(23,415)
WIC Breastfeeding 9/2020	144,000	88,764	101,964	(13,200)
Lead Poison Prevention 9/2020	273,750	95,124	114,888	(19,764)
Lead Intervention/EBL 9/2020	250,000	79,342	101,592	(22,250)
ELPHS MDCH Other 9/2020	2,675,000	1,555,236	1,589,085	(33,849)
Bioterrorism Emerg Prep 9/2020	230,000	136,601	138,742	(2,141)
Cities Readiness Initiatives 9/2020	250,000	183,630	185,982	(2,352)
CSHCS Outreach & Advocacy 9/2020	640,000	852,149	387,337	464,812
Fetal Infant Mortality Review 9/2020	2,700	3,055	1,102	1,953
HIV Ryan White Data to Care 9/2020	422,000	309,632	468,129	(158,497)
Immunization Action Plan 9/2020	330,000	224,388	1,101,651	(877,263)
Infant Safe Sleep 9/2020	90,000	120,471	55,987	64,484
Local Maternal & Child Health 9/2020	1,710,000	730,729	881,627	(150,898)
Hearing 9/2020	310,000	240,307	224,250	16,057
Vision 9/2020	310,000	460,188	219,035	241,153
HIV Ryan White Part B MAI 9/2020	80,000	20,000	-	20,000
West Nile Virus 9/2020	10,000	300	-	300
Hepatitis A Response 9/2020	15,000	3,751	-	3,751
Local Tobacco Reduction 9/2020	30,000	7,500	-	7,500
HIV Emerg Supp Relief 2/2021	10,300,000	3,894,472	1,819,678	2,074,794
HOPWA Aids Housing 6/2020	3,000,000	2,218,616	2,218,616	-
HIV & STD Testing and Prev 9/2020	250,000	115,858	80,704	35,154

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 General Grants Fund  
 Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
Sudden Unexplained Infant Death 9/2020	\$ 7,000	\$ 6,808	\$ 3,208	\$ 3,600
FY19 Detroit Safe Routers Ambassador PS-19-02	-	21,565	33,201	(11,636)
Port Security Grant Program FY20	750,000	-	-	-
ATPA East Side Action Team FY20	208,850	142,776	142,776	-
ATPA Oakland County Auto Theft Unit FY20	94,926	50,159	50,159	-
ATPA Preventing Auto Theft FY20	2,877,469	1,939,804	1,940,436	(632)
ATPA South East Auto Theft Team(SEATT)	86,483	26,482	26,482	-
Strategic Traffic Enforcement Program FY20	185,000	14,288	14,288	-
Justice Assistance Grant (JAG) FY20	875,000	-	-	-
VOCA FY20	937,431	792,270	792,270	-
2018 Homeland Security Grant Program	740,000	314,630	217,479	97,151
Summer Food Service Program 2020	400,000	-	-	-
Child and Adult Care Food Program	575,000	541,623	7,396	534,227
FY 18 Advancing Health Equity through Housing Grant	-	60,316	69,563	(9,247)
FY18 Crime Gun Intelligence Center CGIC	-	105,568	105,569	(1)
FY 2018 Detroit/Philadelphia Preservation Exchange Project Grant	-	12,400	12,400	-
FY18 AAA Grant	-	9,874	9,874	-
FY 2019 Arts in the Plaza Grant	-	-	-	-
FY19 Opioid Academic Detailing Initiative Grant	-	(1,145)	-	(1,145)
FY18 Byrne Justice Assistance (JAG)	-	61,514	38,466	23,048
FY19 Emerging Threats-Hepatitis C Program	-	187,550	106,339	81,211
FY19 Leadership Fellow Program Grant	-	100,000	100,000	-
FY19 Lead Hazard Reduction Program	-	277,913	277,913	-
FY19 Detroit Pedestrian/Bike Overtime Enforcement Grant	-	10,166	10,166	-
FY2019 Mental Health First Aid Training Grant	-	95,746	95,746	-
FY2019 Scrap Tire Market Development Grant	-	32,831	32,830	1
FY2019 Local Health Comprehensive Opioid Response Grant	-	94,087	55,218	38,869
FY2019 Strategic Neighborhood Fund	-	41,445	54,965	(13,520)
FY19 Vector-Borne Surveillance and Prevention Grant	-	13,115	7,232	5,883
FY19 Skilled Foundation Youth Development Grant	-	38,820	38,821	(1)
FY2019 Summer Mini Grant	-	16,756	16,754	2
Brownfield Cleanup Revolving Loan Fund	-	11,410	11,410	-
FY2019 Head Start Program CLEEI Grant	-	37,900	40,327	(2,427)
FY2019 Child Lead Exposure Elimination Innovation Grant	-	24,741	58,542	(33,801)
FY 16 Police Prosecutor Partnership Initiative Grant	-	303,570	297,050	6,520
FY19 Pistons-Palace Parks-Pingree Park	-	206,770	236,500	(29,730)
FY19 National Training & Technical Assistance Grant	-	48,930	53,051	(4,121)
FY 2019 Financial Empowerment Center Implementation Grant	-	41,773	21,917	19,856
FY2020 Pedestrian & Bicycles Overtime Enforcement Grant	-	8,338	8,338	-
FY19 Brownfield Redevelopment Program Assessment Grant	-	(1,809)	1,809	(3,618)
FY19 ATPA 04-20	-	74,962	74,962	-
FY20 Medicaid Children's Health Insurance Program (CHIP) Grant	-	389,011	389,011	-
FY18 Project Safe Neighborhoods Grant	-	137,432	137,432	-
FY2020 Local Comprehensive HIV Housing Assistance Grant	-	49,053	-	49,053
FY20 Vector-Borne Surveillance Grant	-	2,031	-	2,031
FY2020 Local Comprehensive Emerging Threats-Hepatitis C	-	19,531	19,842	(311)
FY2020 Local Comprehensive Health Opioid Response Grant	-	18,876	2,576	16,300
2020 Lead Hazard Reduction Grant	-	21,360	21,360	-
FY20 Local Comprehensive Title X Family Planning Grant	-	125,000	-	125,000
Safe Routes FY20 Grant	-	78,120	-	78,120
FY2018 Skillman Community Education Commission Grant	-	80,687	80,687	-
Veterinary Surgical Equipment	-	13,982	17,905	(3,923)
Michigan Indigent Defense Commission Grant	-	2,927,644	840,198	2,087,446
FY20 Ryan White HIV-AIDs RWHAP-Program A,B	-	5,314	5,314	-
FY20 Naloxone Kits	-	36,750	148,500	(111,750)
FY20 COVID-19 for Medical Supplies	-	1,161	5,703	(4,542)
FY20 COVID19 Emergency Response Grant	-	84,672	7,503	77,169
United Way COVID-19	-	15,000	15,000	-
FY 2020 Unanticipated School Closure Food Program Grant	-	1,705,998	1,705,998	-
African American Civil Rights Preservation Grant	250,000	-	-	-
Clean Diesel Funding Assistance Grant	-	-	1,571,265	(1,571,265)
Fire Grants and Appn	84,000	-	-	-
FY19 Forest Service Challenge Cost Share Grant	-	-	2,654	(2,654)
State of MI Youth and Alcohol FY20	60,000	-	-	-
FY 2019 Public Health Emergency Response Grant	-	31,043	-	31,043
<b>Total Expenditures</b>	<b>34,946,533</b>	<b>58,973,352</b>	<b>37,942,988</b>	<b>21,030,364</b>
<b>Net Change</b>	<b>-</b>	<b>(802,524)</b>	<b>4,798,968</b>	<b>5,601,492</b>
<b>Fund Balance - Beginning of year</b>	<b>(4,152,973)</b>	<b>(4,152,973)</b>	<b>(4,152,973)</b>	<b>-</b>
<b>Fund Balance - End of year</b>	<b>\$ (4,152,973)</b>	<b>\$ (4,955,497)</b>	<b>\$ 645,995</b>	<b>\$ 5,601,492</b>

Other Supplemental Information  
 Budgetary Comparison Schedule - Nonmajor Governmental Funds  
 Bridging Neighborhoods Fund

Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Revenue by Appropriation</b>				
Bridging Neighborhoods Fund	\$ -	\$ 4,023,325	\$ 3,423,498	\$ (599,827)
Transfers out	-	-	21,134	21,134
Health & Emissions Monitoring	-	1,214,339	182,915	(1,031,424)
<b>Total Revenue</b>	<u>-</u>	<u>5,237,664</u>	<u>3,627,547</u>	<u>(1,610,117)</u>
<b>Expenditures by Appropriation</b>				
Bridging Neighborhoods Fund	-	5,286,244	5,119,362	166,882
Health & Emissions Monitoring	-	184,915	182,915	2,000
<b>Total Expenditures</b>	<u>-</u>	<u>5,471,159</u>	<u>5,302,277</u>	<u>168,882</u>
<b>Net Change</b>	-	(233,495)	(1,674,730)	(1,441,235)
<b>Fund Balance - Beginning of year</b>	18,207,311	18,207,311	18,207,311	-
<b>Fund Balance - End of year</b>	<u>\$ 18,207,311</u>	<u>\$ 17,973,816</u>	<u>\$ 16,532,581</u>	<u>\$ (1,441,235)</u>

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 Solid Waste Management Fund

Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Revenue by Appropriation</b>				
Bulletproof Vest Program 2008	\$ -	\$ (211,842)	\$ (5,580)	\$ 206,262
DPW Solid Waste Management	53,541,000	31,300,991	34,304,971	3,003,980
DPW Refuse Collections	-	20,347,087	20,350,260	3,173
GDRRA Financials	-	-	10,911,666	10,911,666
<b>Total Revenue</b>	<b>53,541,000</b>	<b>51,436,236</b>	<b>65,561,317</b>	<b>14,125,081</b>
<b>Expenditures by Appropriation</b>				
DPW Solid Waste Management	41,902,468	45,268,699	45,155,550	113,149
DPW Refuse Collections	-	-	-	-
DPW Greater Detroit Resource Recovery Authority (GDRRA)	11,638,532	12,213,247	11,311,883	901,364
Transfers out	-	-	19,824,214	(19,824,214)
GDRRA Financials	-	-	13,261,327	(13,261,327)
<b>Total Expenditures</b>	<b>53,541,000</b>	<b>57,481,946</b>	<b>89,552,974</b>	<b>(32,071,028)</b>
<b>Net Change</b>	<b>-</b>	<b>(6,045,710)</b>	<b>(23,991,657)</b>	<b>(17,945,947)</b>
<b>Fund Balance - Beginning of year</b>	<b>67,449,728</b>	<b>67,449,728</b>	<b>67,449,728</b>	<b>-</b>
<b>Fund Balance - End of year</b>	<b>\$ 67,449,728</b>	<b>\$ 61,404,018</b>	<b>\$ 43,458,071</b>	<b>\$ (17,945,947)</b>

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 Major Street Fund

Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Revenue by Appropriation</b>				
Major Street Fund Capital	\$ -	\$ 6,820	\$ 6,242,763	\$ 6,235,943
Major Street Fund Operations	88,796,000	43,376,613	71,246,482	27,869,869
Inner Circle Greenway	-	(82,746)	82,746	165,492
14114-Appropriation	-	-	(4,030)	(4,030)
DPW AG 15-5153 HMA Resurfacing, 3 Locations	-	-	(5,690)	(5,690)
14123-Appropriation	-	-	1,326,839	1,326,839
Interfund Adjustments	-	-	1,482,747	1,482,747
2016 Federal Aid Projects	-	4,852	9,771,205	9,766,353
Major Street Improvement Bond 2017	-	39,631,564	39,631,564	-
MDOT-State Planning & Research	-	557,478	619,728	62,250
DPW Major Street Fund - In Kind	2,000,000	2,631,469	2,631,469	-
MDOT 2019 HRP&C Grant 18-5493 JN 202277	-	905,201	905,201	-
<b>Total Revenue</b>	<b>90,796,000</b>	<b>87,031,251</b>	<b>133,931,024</b>	<b>46,899,773</b>
<b>Expenditures by Appropriation</b>				
Major Street Fund Capital	25,947,300	26,537,400	32,239,994	(5,702,594)
Major Street Fund Operations	59,687,727	31,486,956	30,343,696	1,143,260
DPW Link Detroit Multi-Modal Enhancement Project	-	(26,062)	(26,062)	-
Inner Circle Greenway	-	(227)	-	-
DPW Livernois Streetscape	-	9,716	9,716	-
DPW Cass Avenue Non Motorized Project	-	35	35	-
Oakwood Const Roadway_Traffic Signal	-	(5,209)	(5,209)	-
14114-Appropriation	-	(244)	(4,274)	4,030
DPW AG 15-5153 HMA Resurfacing, 3 Locations	-	(13,181)	(18,871)	5,690
DPW AG 15-5143 Traffic Signal Work @ 42 Locations	-	(4,405)	(4,405)	-
14123-Appropriation	-	-	1,326,839	(1,326,839)
14124-Appropriation	-	(1,037)	(1,037)	-
20127-Appropriation	-	(4,625)	(4,625)	-
2016 Federal Aid Projects	-	(45,844)	9,715,243	(9,761,087)
Major Street Improvement Bond 2017	3,160,973	39,196,493	39,196,493	-
MDOT-State Planning & Research	-	510,398	510,398	-
DPW Major Street Fund - In Kind	2,000,000	2,631,469	2,631,469	-
MDOT 2019 HRP&C Grant 18-5493 JN 202277	-	905,201	905,201	-
<b>Total Expenditures</b>	<b>90,796,000</b>	<b>101,176,834</b>	<b>116,814,374</b>	<b>(15,637,540)</b>
<b>Net Change</b>	<b>-</b>	<b>(14,145,583)</b>	<b>17,116,650</b>	<b>31,262,233</b>
<b>Fund Balance - Beginning of year</b>	<b>99,312,850</b>	<b>99,312,850</b>	<b>99,312,850</b>	<b>-</b>
<b>Fund Balance - End of year</b>	<b>\$ 99,312,850</b>	<b>\$ 85,167,267</b>	<b>\$ 116,429,500</b>	<b>\$ 31,262,233</b>

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 Local Street Fund

Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Revenue by Appropriation</b>				
Local Street Fund - Operations	\$ -	\$ 16,949,539	\$ 19,535,056	\$ 2,585,517
<b>Total Revenue</b>	-	16,949,539	19,535,056	2,585,517
<b>Expenditures by Appropriation</b>				
Local Street Fund - Capital	-	4,999,311	4,459,310	540,001
Local Street Fund - Operations	-	15,664,797	15,664,797	-
<b>Total Expenditures</b>	-	20,664,108	20,124,107	540,001
<b>Net Change</b>	-	(3,714,569)	(589,051)	3,125,518
<b>Fund Balance - Beginning of year</b>	1,538,345	1,538,345	1,538,345	-
<b>Fund Balance - End of year</b>	<u>\$ 1,538,345</u>	<u>\$ (2,176,224)</u>	<u>\$ 949,294</u>	<u>\$ 3,125,518</u>

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 Targeted Business Development Fund

Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Revenue by Appropriation</b>				
	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue</b>	-	-	-	-
<b>Expenditures by Appropriation</b>				
Transfers out	-	-	478,084	(478,084)
<b>Total Expenditures</b>	-	-	478,084	(478,084)
<b>Net Change</b>	-	-	(478,084)	(478,084)
<b>Fund Balance - Beginning of year</b>	478,084	478,084	478,084	-
<b>Fund Balance - End of year</b>	<u>\$ 478,084</u>	<u>\$ 478,084</u>	<u>\$ -</u>	<u>\$ (478,084)</u>



Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 Telecommunication Fund  
 Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Revenue by Appropriation</b>				
DPW PA 48 of 2002	\$ 3,000,000	\$ 2,955,511	\$ 3,168,478	\$ 212,967
<b>Total Revenue</b>	3,000,000	2,955,511	3,168,478	212,967
<b>Expenditures by Appropriation</b>				
DPW PA 48 of 2002	3,000,000	1,860,863	1,860,863	-
<b>Total Expenditures</b>	3,000,000	1,860,863	1,860,863	-
<b>Net Change</b>	-	1,094,648	1,307,615	212,967
<b>Fund Balance - Beginning of year</b>	4,990,522	4,990,522	4,990,522	-
<b>Fund Balance - End of year</b>	<u>\$ 4,990,522</u>	<u>\$ 6,085,170</u>	<u>\$ 6,298,137</u>	<u>\$ 212,967</u>

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 Renewable Energy Fund  
 Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Expenditures by Appropriation</b>				
Transfers out	\$ -	\$ -	\$ 189,569	\$ (189,569)
<b>Total Expenditures</b>	-	-	189,569	(189,569)
<b>Net Change</b>	-	-	(189,569)	(189,569)
<b>Fund Balance - Beginning of year</b>	203,491	203,491	203,491	-
<b>Fund Balance - End of year</b>	<u>\$ 203,491</u>	<u>\$ 203,491</u>	<u>\$ 13,922</u>	<u>\$ (189,569)</u>

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 Dedicated Fees and Donations Fund

Year Ended June 30, 2020

	Budgeted Amounts			Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget	Actual Amounts		
<b>Revenue by Appropriation</b>					
Halloween Initiative	\$ 75,000	\$ 69,753	\$ 69,753	\$ -	
Police Enhanced E-911	3,950,000	3,950,000	4,155,403	205,403	
Mayor's Spring Cleaning Initiative	75,000	-	10,750	-	
Non Dept P.E.G. Fees	2,000,000	3,359,197	1,969,683	(1,389,514)	
Recreation Brighter Future Summer Day Camp	-	-	203,200	203,200	
Interfund Adjustments	-	-	2,078	2,078	
Towing Operations	765,279	765,279	2,561,726	1,796,447	
DPS Schools Re-Purposing Contribution Funds	-	223,532	223,532	-	
FCO CBO Home Repair Program	-	900,000	900,000	-	
COVID-19 Response	-	-	245,141	245,141	
<b>Total Revenue</b>	<b>6,865,279</b>	<b>9,278,511</b>	<b>10,341,266</b>	<b>1,062,755</b>	
<b>Expenditures by Appropriation</b>					
Halloween Initiative	75,000	56,278	56,278	-	
Police Enhanced E-911	3,950,000	11,878,276	3,216,390	8,661,886	
Mayor's Spring Cleaning Initiative	75,000	3,326	3,326	-	
Non Dept P.E.G. Fees	2,000,000	3,655,989	1,783,208	1,872,781	
Towing Operations	765,279	2,484,364	1,633,181	851,183	
DPS Schools Re-Purposing Contribution Funds	-	12,152	11,795	357	
FCO CBO Home Repair Program	-	70,998	70,998	-	
<b>Total Expenditures</b>	<b>6,865,279</b>	<b>18,161,383</b>	<b>6,775,176</b>	<b>11,386,207</b>	
<b>Net Change</b>	<b>-</b>	<b>(8,882,872)</b>	<b>3,566,090</b>	<b>12,448,962</b>	
<b>Fund Balance - Beginning of year</b>	<b>2,123,881</b>	<b>2,123,881</b>	<b>2,123,881</b>	<b>-</b>	
<b>Fund Balance - End of year</b>	<b>\$ 2,123,881</b>	<b>\$ (6,758,991)</b>	<b>\$ 5,689,971</b>	<b>\$ 12,448,962</b>	

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 COVID-19 Revenue Fund  
 Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Revenue by Appropriation</b>				
COVID-19 Response	\$ -	\$ 110,371,234	\$ 109,651,689	\$ (719,545)
DOJ BJA Coronavirus Emergency Supplemental Funding Program	-	1,663,162	-	(1,663,162)
<b>Total Revenue</b>	-	112,034,396	109,651,689	(2,382,707)
<b>Expenditures by Appropriation</b>				
COVID-19 Response	-	110,371,234	109,651,689	719,545
DOJ BJA Coronavirus Emergency Supplemental Funding Program	-	1,663,162	1,663,162	-
<b>Total Expenditures</b>	-	112,034,396	111,314,851	719,545
<b>Net Change</b>	-	-	(1,663,162)	(1,663,162)
<b>Fund Balance - Beginning of year</b>	-	-	-	-
<b>Fund Balance - End of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,663,162)</b>	<b>\$ (1,663,162)</b>

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 Debt Service Fund

Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Revenue by Appropriation</b>				
Debt Service General Bond Redemption	\$ 64,465,817	\$ 57,848,783	\$ 59,607,416	\$ 1,758,633
Debt Service Other Distributions	-	3,998,998	-	(3,998,998)
<b>Total Revenue</b>	<b>64,465,817</b>	<b>61,847,781</b>	<b>59,607,416</b>	<b>(2,240,365)</b>
<b>Expenditures by Appropriation</b>				
Debt Service General Bond Redemption	64,465,817	64,465,817	64,465,816	1
Debt Service Other Distributions	-	467,493	-	467,493
Transfers out	-	-	408,542	(408,542)
<b>Total Expenditures</b>	<b>64,465,817</b>	<b>64,933,310</b>	<b>64,874,358</b>	<b>58,952</b>
<b>Net Change</b>	<b>-</b>	<b>(3,085,529)</b>	<b>(5,266,942)</b>	<b>(2,181,413)</b>
<b>Fund Balance - Beginning of year</b>	<b>49,204,782</b>	<b>49,204,782</b>	<b>49,204,782</b>	<b>-</b>
<b>Fund Balance - End of year</b>	<b>\$ 49,204,782</b>	<b>\$ 46,119,253</b>	<b>\$ 43,937,840</b>	<b>\$ (2,181,413)</b>

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Amended Budget		
<b>Revenue by Appropriation</b>				
Cobo Acquisition Fund 2003	\$ -	\$ 3,624,342	\$ -	\$ (3,624,342)
Charles H. Wright GO Bond Projects 20311	-	170,210	5,836	(164,374)
Detroit Historical Museum GO Bond Projects 20312	-	391,010	427	(390,583)
COD Municipal Facilities GO Bond Projects 20313	-	220,644	842	(219,802)
COD Cultural Facilities GO Bond Projects 20314	-	512,651	2,221	(510,430)
Neighborhood Redev & Housing Rehab GO Bond Projects 20315	-	13,499,153	33,008	(13,466,145)
COD Public Lighting Improvements GO Bond Projects 20316	-	475,552	1,763	(473,789)
COD Public Lighting Service Extensions GO Bond Projects 20317	-	475,095	2,039	(473,056)
COD Public Safety Facilities GO Bond Projects 20318	-	4,915,131	9,727	(4,905,404)
COD Public Safety Facilities DOJ GO Bond Projects 20319	-	3,264,500	13,511	(3,250,989)
COD Public Safety Facilities Other GO Bond Projects 20320	-	4,817,287	8,156	(4,809,131)
COD Cultural Facilities GO Bond Projects 20321	-	57,415	3	(57,412)
COD Transportation Facilities Vehicle Procurement GO Bond Projects 20322	-	1,823,840	310,503	(1,513,337)
COD Transportation Facilities GO Bond Projects 20323	-	341,862	1,480	(340,382)
COD Cultural Facilities GO Bond Projects 20324	-	375,473	29,279	(346,194)
COD Public Lighting Improvements GO Bond Projects 20325	-	1,697,530	-	(1,697,530)
COD Public Lighting Service Extensions GO Bond Projects 20326	-	848,765	-	(848,765)
COD Public Safety Facilities GO Bond Projects 20317	-	1,385,026	-	(1,385,026)
COD Public Safety Facilities DOJ GO Bond Projects 20328	-	1,465,107	-	(1,465,107)
COD Cultural Facilities GO Bond Projects 20330	-	2,611,041	-	(2,611,041)
COD Transportation Facilities Vehicle Procurement GO Bond Projects 20331	-	627,679	-	(627,679)
2018 UTGO Bonds - Series A	-	-	1,520,668	1,520,668
DBA _Governmental Capital Projects	-	-	23,363,160	23,363,160
<b>Total Revenue</b>	<b>-</b>	<b>43,599,313</b>	<b>25,302,623</b>	<b>(18,296,690)</b>
<b>Expenditures by Appropriation</b>				
Police Capital Improvement	-	-	(305,185)	305,185
Transfers out	-	-	29,260	(29,260)
Charles H. Wright GO Bond Projects 20311	-	120,429	120,428	1
COD Municipal Facilities GO Bond Projects 20313	-	23,300	5,198	18,102
Neighborhood Redev & Housing Rehab GO Bond Projects 20315	-	5,457,974	5,455,551	2,423
COD Public Lighting Improvements GO Bond Projects 20316	-	409,873	409,873	-
COD Public Lighting Service Extensions GO Bond Projects 20317	-	229,555	229,555	-
COD Public Safety Facilities GO Bond Projects 20318	-	2,019,915	2,005,185	14,730
COD Public Safety Facilities DOJ GO Bond Projects 20319	-	19,281	19,276	5
COD Public Safety Facilities Other GO Bond Projects 20320	-	2,470,991	1,885,148	585,843
COD Cultural Facilities GO Bond Projects 20321	-	-	(2,463)	2,463
COD Transportation Facilities Vehicle Procurement GO Bond Projects 20322	-	24,000	24,000	-
COD Public Lighting Improvements GO Bond Projects 20325	-	1,304,941	1,304,942	(1)
COD Public Lighting Service Extensions GO Bond Projects 20326	-	198,765	198,765	-
COD Public Safety Facilities GO Bond Projects 20317	-	160,961	160,961	-
COD Public Safety Facilities DOJ GO Bond Projects 20328	-	740,347	740,347	-
COD Cultural Facilities GO Bond Projects 20330	-	(5,166)	(5,166)	-
2018 UTGO Bonds - Series A	-	25,189,888	25,009,733	180,155
DBA _Governmental Capital Projects	-	-	23,632,269	(23,632,269)
<b>Total Expenditures</b>	<b>-</b>	<b>38,365,054</b>	<b>60,917,677</b>	<b>(22,552,623)</b>
<b>Net Change</b>	<b>-</b>	<b>5,234,259</b>	<b>(35,615,054)</b>	<b>(40,849,313)</b>
<b>Fund Balance - Beginning of year</b>	<b>132,355,195</b>	<b>132,355,195</b>	<b>132,355,195</b>	<b>-</b>
<b>Fund Balance - End of year</b>	<b>\$ 132,355,195</b>	<b>\$ 137,589,454</b>	<b>\$ 96,740,141</b>	<b>\$ (40,849,313)</b>

Other Supplemental Information  
Nonmajor Enterprise Funds  
Fund Descriptions

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Enterprise funds are established to account for operations for services to the general public, financed primarily by user charges intended to recover the cost of services provided.

***Airport Fund***

The City's Airport Fund was created to account for the operations of City's airport.

***Automobile Parking Fund***

To account for parking operations related to parking meters and city-owned garages. During the year, the Automobile Parking Fund was consolidated into the General Fund and Governmental Activities.



Other Supplemental Information  
Combining Statement of Net Position  
Nonmajor Enterprise Funds

**June 30, 2020**

	Airport Fund	Automobile Parking Fund	Total
<b>Assets</b>			
Current assets:			
Cash and investments	\$ 2,649,713	\$ -	\$ 2,649,713
Receivables:			
Other receivables - Trade	137,794	-	137,794
Allowance for doubtful accounts	(129,631)	-	(129,631)
Prepaid expenses	135	-	135
Total current assets	2,658,011	-	2,658,011
Noncurrent assets -			
Capital assets:			
Assets not subject to depreciation	16,902,601	-	16,902,601
Assets subject to depreciation - Net	7,270,499	-	7,270,499
Total noncurrent assets	24,173,100	-	24,173,100
Total assets	26,831,111	-	26,831,111
<b>Deferred Outflows of Resources</b>			
Deferred amount on pension	95,772	-	95,772
Deferred amount on OPEB	394	-	394
Total deferred outflows of resources	96,166	-	96,166
<b>Liabilities</b>			
Current liabilities:			
Accounts and contracts payable	300,980	-	300,980
Due to other governmental agencies	2,234	-	2,234
Due to other funds	53,284	-	53,284
Other liabilities:			
Accrued salaries and wages	32,868	-	32,868
Accrued interest	5,523	-	5,523
Accrued other liabilities	30,650	-	30,650
Unearned revenue	11,854	-	11,854
Accrued compensated absences	40,399	-	40,399
Total current liabilities	477,792	-	477,792
Noncurrent liabilities:			
Advance from General Fund	622,694	-	622,694
Accrued workers' compensation and claims and judgments	2,520,820	-	2,520,820
Net pension liability	1,073,261	-	1,073,261
Net death benefit obligation	242	-	242
Bonds and contracts payable - Net of current portion	379,614	-	379,614
Total noncurrent liabilities	4,596,631	-	4,596,631
Total liabilities	5,074,423	-	5,074,423
<b>Deferred Inflows of Resources - Related to pension</b>	41,859	-	41,859
<b>Net Position</b>			
Net investment in capital assets	24,173,100	-	24,173,100
Unrestricted	(2,362,105)	-	(2,362,105)
Total net position	<u>\$ 21,810,995</u>	<u>\$ -</u>	<u>\$ 21,810,995</u>

**Other Supplemental Information**  
**Combining Statement of Revenue, Expenses, and Changes in Net Position**  
**Nonmajor Enterprise Funds**

**Year Ended June 30, 2020**

	Airport Fund	Automobile Parking Fund	Total
<b>Operating Revenue</b>			
Sales and other charges for services	\$ 26,566	\$ -	\$ 26,566
Rentals, fees, and surcharges	424,672	-	424,672
Miscellaneous	574	-	574
<b>Total operating revenue</b>	<b>451,812</b>	<b>-</b>	<b>451,812</b>
<b>Operating Expenses</b>			
Salaries, wages, and benefits	448,931	-	448,931
Contractual services	308,693	-	308,693
Operating	2,191,818	-	2,191,818
Pension expense	105,608	-	105,608
Maintenance	38,255	-	38,255
Materials, supplies, and other expenses	5,802	-	5,802
Claims recovery	(2,500,000)	-	(2,500,000)
Depreciation and amortization	403,947	-	403,947
<b>Total operating expenses</b>	<b>1,003,054</b>	<b>-</b>	<b>1,003,054</b>
<b>Operating Loss</b>	<b>(551,242)</b>	<b>-</b>	<b>(551,242)</b>
<b>Nonoperating Revenue (Expense)</b>			
Investment earnings	3,152	-	3,152
Interest on bonds, notes payable, and loans	(22,092)	-	(22,092)
Net asset contributions to governmental activities	-	(15,963,274)	(15,963,274)
<b>Total nonoperating expense</b>	<b>(18,940)</b>	<b>(15,963,274)</b>	<b>(15,982,214)</b>
<b>Loss - Before capital contributions and transfers</b>	<b>(570,182)</b>	<b>(15,963,274)</b>	<b>(16,533,456)</b>
<b>Capital Contributions</b>	<b>971,429</b>	<b>-</b>	<b>971,429</b>
<b>Income (Loss) - Before transfers</b>	<b>401,247</b>	<b>(15,963,274)</b>	<b>(15,562,027)</b>
<b>Transfers In</b>	<b>5,265,463</b>	<b>-</b>	<b>5,265,463</b>
<b>Transfers Out</b>	<b>-</b>	<b>(11,797,185)</b>	<b>(11,797,185)</b>
<b>Change in Net Position</b>	<b>5,666,710</b>	<b>(27,760,459)</b>	<b>(22,093,749)</b>
<b>Net Position - Beginning of year</b>	<b>16,144,285</b>	<b>27,760,459</b>	<b>43,904,744</b>
<b>Net Position - End of year</b>	<b>\$ 21,810,995</b>	<b>\$ -</b>	<b>\$ 21,810,995</b>

Other Supplemental Information  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds

Year Ended June 30, 2020

	Airport Fund	Automobile Parking Fund	Total
<b>Cash Flows from Operating Activities</b>			
Receipts from customers	\$ 469,851	\$ -	\$ 469,851
Receipts from interfund services and reimbursements	(2,065,935)	-	(2,065,935)
Payments to suppliers	(2,457,806)	-	(2,457,806)
Payments to employees and fringes	(428,430)	-	(428,430)
Other receipts	12,200	-	12,200
	<u>(4,470,120)</u>	<u>-</u>	<u>(4,470,120)</u>
Net cash and cash equivalents used in operating activities			
<b>Cash Flows from Noncapital Financing Activities</b>			
Transfers from other funds	5,265,463	-	5,265,463
Transfers to other funds	-	(33,198,374)	(33,198,374)
	<u>5,265,463</u>	<u>(33,198,374)</u>	<u>(27,932,911)</u>
Net cash and cash equivalents provided by (used in) noncapital financing activities			
<b>Cash Flows from Capital and Related Financing Activities</b>			
Purchase of capital assets	(745,975)	-	(745,975)
Principal and interest paid on capital debt	(22,092)	-	(22,092)
	<u>(768,067)</u>	<u>-</u>	<u>(768,067)</u>
Net cash and cash equivalents used in capital and related financing activities			
<b>Cash Flows Provided by Investing Activities - Interest received on investments</b>			
	<u>3,152</u>	<u>-</u>	<u>3,152</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	30,428	(33,198,374)	(33,167,946)
<b>Cash and Cash Equivalents - Beginning of year</b>	<u>2,619,285</u>	<u>33,198,374</u>	<u>35,817,659</u>
<b>Cash and Cash Equivalents - End of year</b>	<u><b>\$ 2,649,713</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 2,649,713</b></u>
<b>Reconciliation of Operating Loss to Net Cash from Operating Activities</b>			
Operating loss	\$ (551,242)	\$ -	\$ (551,242)
Adjustments to reconcile operating loss to net cash from operating activities:			
Depreciation and amortization	403,947	-	403,947
Changes in assets and liabilities:			
Accounts and contracts receivable	18,036	-	18,036
Prepaid expenses	(7)	-	(7)
Due to and from other funds	(2,065,935)	-	(2,065,935)
Accounts and contracts payable	85,546	-	85,546
Accrued liabilities and other	721	-	721
Net pension liability	105,064	-	105,064
Accrued workers' compensation and claims and judgments	(2,487,800)	-	(2,487,800)
Net death benefit obligations	88	-	88
Accrued compensated absences	8,812	-	8,812
Accrued salaries and wages	12,650	-	12,650
	<u>(3,918,878)</u>	<u>-</u>	<u>(3,918,878)</u>
Total adjustments			
Net cash and cash equivalents used in operating activities	<u><b>\$ (4,470,120)</b></u>	<u><b>\$ -</b></u>	<u><b>\$ (4,470,120)</b></u>

**Significant Noncash Transactions** - During the year, the Automobile Parking Fund was consolidated into the General Fund and governmental activities. As a result, \$(21,636,951) and \$15,963,274 of noncash balances were transferred to the General Fund and governmental activities, respectively, for all the assets and liabilities previously reported by the Automobile Parking Fund.

**Other Supplemental Information  
Internal Service Funds  
Fund Descriptions**

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Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City and to other governmental units on a cost-reimbursement basis.

***Employees Benefit Plan***

This fund receives contributions from both the city funds and employees for use in paying benefits, including medical, dental, and vision, to active employees.

***Disability Income Protection Plan***

This fund receives contributions from other city funds and provides partial wage replacements for personnel who are out of work due to disability.

**Other Supplemental Information  
Combining Statement of Net Position  
Internal Service Funds**

**June 30, 2020**

	Employees Benefit Plan	Disability Income Protection Plan	Total
<b>Assets</b>			
Current assets:			
Cash and investments	\$ 12,923,442	\$ -	\$ 12,923,442
Due from component units	232,935	-	232,935
Due from other funds	4,383,023	1,275,573	5,658,596
Due from other governmental agencies	1,000,000	-	1,000,000
Total assets	18,539,400	1,275,573	19,814,973
<b>Liabilities</b>			
Current liabilities:			
Accounts and contracts payable	15,277,880	147,062	15,424,942
Due to other funds	820,165	-	820,165
Other liabilities	34,900	16,729	51,629
Total liabilities	16,132,945	163,791	16,296,736
<b>Net Position - Unrestricted</b>	<b>\$ 2,406,455</b>	<b>\$ 1,111,782</b>	<b>\$ 3,518,237</b>

**Other Supplemental Information**  
**Combining Statement of Revenue, Expenses, and Changes in Net Position**  
**Internal Service Funds**

**Year Ended June 30, 2020**

	Employees Benefit Plan	Disability Income Protection Plan	Total
<b>Operating Revenue</b>			
Miscellaneous	\$ 659,651	\$ -	\$ 659,651
Charges to other funds	77,303,731	1,302,890	78,606,621
Total operating revenue	77,963,382	1,302,890	79,266,272
<b>Operating Expenses - Health care expenses</b>	77,792,402	1,075,754	78,868,156
<b>Operating Income</b>	170,980	227,136	398,116
<b>Nonoperating Revenue - Investment earnings</b>	39,885	-	39,885
<b>Change in Net Position</b>	210,865	227,136	438,001
<b>Net Position - Beginning of year</b>	2,195,590	884,646	3,080,236
<b>Net Position - End of year</b>	<b>\$ 2,406,455</b>	<b>\$ 1,111,782</b>	<b>\$ 3,518,237</b>

Other Supplemental Information  
Combining Statement of Cash Flows  
Internal Service Funds

Year Ended June 30, 2020

	Employees Benefit Plan	Disability Income Protection Plan	Total
<b>Cash Flows from Operating Activities</b>			
Receipts from customers	\$ 20,583,456	\$ -	\$ 20,583,456
Receipts from interfund services and reimbursements	78,319,672	991,882	79,311,554
Payments to suppliers	(90,747,772)	(991,882)	(91,739,654)
Payments from other funds	31,622	-	31,622
Net cash and cash equivalents provided by operating activities	8,186,978	-	8,186,978
<b>Cash Flows Provided by Investing Activities</b> - Interest received on investments	39,885	-	39,885
<b>Net Increase in Cash and Cash Equivalents</b>	8,226,863	-	8,226,863
<b>Cash and Cash Equivalents</b> - Beginning of year	4,696,579	-	4,696,579
<b>Cash and Cash Equivalents</b> - End of year	<u><u>\$ 12,923,442</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 12,923,442</u></u>
<b>Reconciliation of Operating Income to Net Cash from Operating Activities</b>			
Operating income	\$ 170,980	\$ 227,136	\$ 398,116
Adjustments to reconcile operating income to net cash from operating activities:			
Changes in assets and liabilities:			
Due to and from other funds	954,620	(311,008)	643,612
Accounts payable	7,061,378	77,382	7,138,760
Accrued liabilities and other	-	6,490	6,490
Total adjustments	8,015,998	(227,136)	7,788,862
Net cash and cash equivalents provided by operating activities	<u><u>\$ 8,186,978</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 8,186,978</u></u>



# City of Detroit, Michigan

	Pension - General Retirement System		
	Hybrid Plan Component I	Legacy Plan Component II	Total
<b>Assets</b>			
Cash and investments	\$ 63,276,170	\$ 28,750,630	\$ 92,026,800
Investments:			
Real estate investment trust	-	-	-
Global equity	22,052,122	704,135,346	726,187,468
Global fixed income	17,676,395	260,949,734	278,626,129
Real assets	21,730,976	239,772,945	261,503,921
Private equity	9,481,234	104,613,029	114,094,263
Diversifying strategies	14,941,442	164,859,299	179,800,741
Multiasset mutual funds	-	-	-
Receivables:			
Accrued interest receivable	88,413	1,643,661	1,732,074
ASF recoupment receivable	-	99,368,970	99,368,970
Notes receivable from participants	-	3,423,874	3,423,874
Contributions	2,682,035	-	2,682,035
Other	2	170,165	170,167
Receivables from investment sales	184,954	2,256,516	2,441,470
Cash and investments held as collateral for securities lending	5,958,490	65,744,164	71,702,654
Capital assets - Net	1,219,936	1,849,037	3,068,973
<b>Total assets</b>	<b>159,292,169</b>	<b>1,677,537,370</b>	<b>1,836,829,539</b>
<b>Liabilities</b>			
Accounts and contracts payable	737,448	2,377,292	3,114,740
Due to primary government	-	353,573	353,573
Other liabilities	-	-	-
Claims payable to retirees and beneficiaries	-	-	-
Payables for investment purchases	109,000	2,071,477	2,180,477
Amounts due to broker under securities lending arrangements	5,885,016	64,933,464	70,818,480
<b>Total liabilities</b>	<b>6,731,464</b>	<b>69,735,806</b>	<b>76,467,270</b>
<b>Net Position - Restricted for pension and OPEB</b>	<b>\$ 152,560,705</b>	<b>\$ 1,607,801,564</b>	<b>\$ 1,760,362,269</b>

Other Supplemental Information  
Combining Statement of Fiduciary Net Position  
Pension and Other Employee Benefit Trusts

June 30, 2020

Pension - Police and Fire Retirement System			Other Employee Benefits	Total Pension and Other Employee Benefit Trusts
Hybrid Plan Component I	Legacy Plan Component II	Total	Employee Death Benefits Fund	
\$ 10,606,829	\$ 60,811,682	\$ 71,418,511	\$ 6,542,466	\$ 169,987,777
-	-	-	1,525,205	1,525,205
72,108,439	1,004,136,924	1,076,245,363	12,844,532	1,815,277,363
32,962,595	486,816,435	519,779,030	2,104,404	800,509,563
28,740,522	400,222,486	428,963,008	-	690,466,929
21,203,134	295,261,552	316,464,686	541,389	431,100,338
12,428,411	173,070,256	185,498,667	-	365,299,408
-	-	-	4,730,774	4,730,774
202,153	5,620,570	5,822,723	-	7,554,797
-	-	-	-	99,368,970
-	6,641,886	6,641,886	-	10,065,760
4,337,723	-	4,337,723	-	7,019,758
672,527	34,680	707,207	-	877,374
3,608,239	55,735,695	59,343,934	-	61,785,404
11,990,969	166,978,723	178,969,692	-	250,672,346
1,219,936	1,849,895	3,069,831	-	6,138,804
200,081,477	2,657,180,784	2,857,262,261	28,288,770	4,722,380,570
-	-	-	-	3,114,740
-	353,573	353,573	-	707,146
94,575	2,852,710	2,947,285	-	2,947,285
2,538	358,475	361,013	-	361,013
4,104,162	66,932,481	71,036,643	3,793,895	77,011,015
11,826,664	164,690,702	176,517,366	-	247,335,846
16,027,939	235,187,941	251,215,880	3,793,895	331,477,045
<b>\$ 184,053,538</b>	<b>\$ 2,421,992,843</b>	<b>\$ 2,606,046,381</b>	<b>\$ 24,494,875</b>	<b>\$ 4,390,903,525</b>

## City of Detroit, Michigan

	Pension - General Retirement System		
	Hybrid Plan Component I	Legacy Plan Component II	Total
<b>Additions</b>			
Investment income (loss):			
Interest and dividends	\$ 4,333,132	\$ 60,712,255	\$ 65,045,387
Net decrease in fair value of investments	(5,965,876)	(67,655,585)	(73,621,461)
Investment-related expenses	(605,371)	(7,472,614)	(8,077,985)
Net investment (loss) income	(2,238,115)	(14,415,944)	(16,654,059)
Securities lending income:			
Interest and dividends	32,805	420,084	452,889
Net loss on collateralized securities	(10,857)	(119,797)	(130,654)
Total securities lending income	21,948	300,287	322,235
Contributions:			
Employer contributions	12,515,861	47,900,000	60,415,861
Plan member contributions	15,929,752	-	15,929,752
Total contributions	28,445,613	47,900,000	76,345,613
Other income	59,483	1,830,057	1,889,540
State and foundations	-	375,000	375,000
ASF recoupment interest	-	6,214,543	6,214,543
Transfer in from Component II	1,178,130	-	1,178,130
Total additions	27,467,059	42,203,943	69,671,002
<b>Deductions</b>			
Benefit payments	731,280	231,107,270	231,838,550
Refunds of contributions	2,898,553	9,344,055	12,242,608
Administrative expenses	1,540,433	2,351,273	3,891,706
ASF recoupment write-off	-	1,710,757	1,710,757
Transfer out to Component I	-	1,178,130	1,178,130
Total deductions	5,170,266	245,691,485	250,861,751
<b>Net Increase (Decrease) in Net Position</b>	22,296,793	(203,487,542)	(181,190,749)
<b>Net Position - Beginning of year</b>	130,263,912	1,811,289,106	1,941,553,018
<b>Net Position - End of year</b>	<b>\$ 152,560,705</b>	<b>\$ 1,607,801,564</b>	<b>\$ 1,760,362,269</b>

**Other Supplemental Information**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Pension and Other Employee Benefit Trusts**

**Year Ended June 30, 2020**

Pension - Police and Fire Retirement System			Other Employee Benefits	Total Pension and Other Employee Benefit Trusts
Hybrid Plan Component I	Legacy Plan Component II	Total	Employee Death Benefits Fund	
\$ 4,802,127	\$ 79,218,404	\$ 84,020,531	\$ 75,221	\$ 149,141,139
(2,646,881)	(36,183,848)	(38,830,729)	-	(112,452,190)
(809,926)	(12,487,975)	(13,297,901)	-	(21,375,886)
1,345,320	30,546,581	31,891,901	75,221	15,313,063
63,642	991,786	1,055,428	-	1,508,317
(19,785)	(275,515)	(295,300)	-	(425,954)
43,857	716,271	760,128	-	1,082,363
18,028,236	-	18,028,236	113,842	78,557,939
10,366,173	-	10,366,173	99,072	26,394,997
28,394,409	-	28,394,409	212,914	104,952,936
9,501	1,532,330	1,541,831	-	3,431,371
-	18,300,000	18,300,000	-	18,675,000
-	-	-	-	6,214,543
1,618,996	-	1,618,996	-	2,797,126
31,412,083	51,095,182	82,507,265	288,135	152,466,402
4,361,603	286,614,253	290,975,856	1,280,083	524,094,489
345,445	14,024,530	14,369,975	-	26,612,583
1,619,042	2,449,246	4,068,288	1,318	7,961,312
-	-	-	-	1,710,757
-	1,618,996	1,618,996	-	2,797,126
6,326,090	304,707,025	311,033,115	1,281,401	563,176,267
25,085,993	(253,611,843)	(228,525,850)	(993,266)	(410,709,865)
158,967,545	2,675,604,686	2,834,572,231	25,488,141	4,801,613,390
<b>\$ 184,053,538</b>	<b>\$ 2,421,992,843</b>	<b>\$ 2,606,046,381</b>	<b>\$ 24,494,875</b>	<b>\$ 4,390,903,525</b>

Other Supplemental Information  
Combining Statement of Assets and Liabilities  
Agency Funds

**June 30, 2020**

	Fire Insurance Escrow Fund	36th District Court	B Bond Claims	Delinquent Property Tax Fund	Property Tax Receiving Fund	Other Agency Funds	Total
<b>Assets</b>							
Cash and investments	\$ 1,721,462	\$ 12,685,539	\$ -	\$ 4,289,358	\$ 1,304,079	\$ 25,192	\$ 20,025,630
Investments at fair value	8,915,803	-	27,653,968	-	-	-	36,569,771
Due from primary government	-	-	-	1,687,489	-	-	1,687,489
Due from other governmental agencies	103,814	-	-	3,223,522	387,273	-	3,714,609
Total assets	<b><u>\$ 10,741,079</u></b>	<b><u>\$ 12,685,539</u></b>	<b><u>\$ 27,653,968</u></b>	<b><u>\$ 9,200,369</u></b>	<b><u>\$ 1,691,352</u></b>	<b><u>\$ 25,192</u></b>	<b><u>\$ 61,997,499</u></b>
<b>Liabilities</b>							
Accounts and contracts payable	\$ 21,457	\$ -	\$ -	\$ -	\$ 6,613	\$ -	\$ 28,070
Due to other funds	-	-	-	-	-	25,192	25,192
Refundable deposits	-	12,685,539	-	-	-	-	12,685,539
Other liabilities	10,719,622	-	27,653,968	9,200,369	1,684,739	-	49,258,698
Total liabilities	<b><u>\$ 10,741,079</u></b>	<b><u>\$ 12,685,539</u></b>	<b><u>\$ 27,653,968</u></b>	<b><u>\$ 9,200,369</u></b>	<b><u>\$ 1,691,352</u></b>	<b><u>\$ 25,192</u></b>	<b><u>\$ 61,997,499</u></b>

Other Supplemental Information  
Combining Statement of Changes in Assets and Liabilities  
Agency Funds

Year Ended June 30, 2020

	Fire Insurance Escrow Fund			
	July 1, 2019	Additions	Deductions	June 30, 2020
<b>Assets</b>				
Cash and investments	\$ 771,204	\$ 2,252,996	\$ (1,302,738)	\$ 1,721,462
Investments at fair value	8,934,735	71,019	(89,951)	8,915,803
Receivables - Other	122,096	16,481	(34,763)	103,814
Total assets	<b>\$ 9,828,035</b>	<b>\$ 2,340,496</b>	<b>\$ (1,427,452)</b>	<b>\$ 10,741,079</b>

<b>Liabilities</b>				
Accounts and contracts payable - Accounts payable	\$ 12,508	\$ 46,465	\$ (37,516)	\$ 21,457
Other liabilities	9,815,527	1,303,114	(399,019)	10,719,622
Total liabilities	<b>\$ 9,828,035</b>	<b>\$ 1,349,579</b>	<b>\$ (436,535)</b>	<b>\$ 10,741,079</b>

	36th District Court			
	July 1, 2019	Additions	Deductions	June 30, 2020
<b>Assets - Cash and cash equivalents</b>	<b>\$ 7,697,097</b>	<b>\$ 8,067,722</b>	<b>\$ (3,079,280)</b>	<b>\$ 12,685,539</b>
<b>Liabilities - Refundable deposits</b>	<b>\$ 7,697,097</b>	<b>\$ 7,814,773</b>	<b>\$ (2,826,331)</b>	<b>\$ 12,685,539</b>

	B Bond Claims			
	July 1, 2019	Additions	Deductions	June 30, 2020
<b>Assets - Investments at fair value</b>	<b>\$ 28,666,100</b>	<b>\$ 4,447,351</b>	<b>\$ (5,459,483)</b>	<b>\$ 27,653,968</b>
<b>Liabilities - Other liabilities</b>	<b>\$ 28,666,100</b>	<b>\$ 3,738,211</b>	<b>\$ (4,750,343)</b>	<b>\$ 27,653,968</b>

	Property Tax Receiving Fund			
	July 1, 2019	Additions	Deductions	June 30, 2020
<b>Assets</b>				
Cash and investments	\$ 2,344,576	\$ -	\$ (1,040,497)	\$ 1,304,079
Due from other governmental agencies	47,967	339,306	-	387,273
Total assets	<b>\$ 2,392,543</b>	<b>\$ 339,306</b>	<b>\$ (1,040,497)</b>	<b>\$ 1,691,352</b>
<b>Liabilities</b>				
Accounts and contracts payable	\$ 954,744	\$ -	\$ (948,131)	\$ 6,613
Other liabilities	1,437,799	246,940	-	1,684,739
Total liabilities	<b>\$ 2,392,543</b>	<b>\$ 246,940</b>	<b>\$ (948,131)</b>	<b>\$ 1,691,352</b>

	Other Agency Funds			
	July 1, 2019	Additions	Deductions	June 30, 2020
<b>Assets - Cash and cash equivalents</b>	<b>\$ 37,862</b>	<b>\$ 25,844</b>	<b>\$ (38,514)</b>	<b>\$ 25,192</b>
<b>Liabilities - Due to other funds</b>	<b>\$ 37,862</b>	<b>\$ 5,702</b>	<b>\$ (18,372)</b>	<b>\$ 25,192</b>

Other Supplemental Information  
Combining Statement of Changes in Assets and Liabilities  
Agency Funds (Continued)

Year Ended June 30, 2020

	Delinquent Property Tax Fund			
	July 1, 2019	Additions	Deductions	June 30, 2020
<b>Assets</b>				
Cash and investments	\$ -	\$ 24,514,367	\$ (20,225,009)	\$ 4,289,358
Due from primary government	-	1,687,489	-	1,687,489
Due from other governmental agencies	-	3,223,522	-	3,223,522
Total assets	<u>\$ -</u>	<u>\$ 29,425,378</u>	<u>\$ (20,225,009)</u>	<u>\$ 9,200,369</u>
<b>Liabilities</b> - Undistributed tax receipts	\$ -	\$ 25,393,416	\$ (16,193,047)	\$ 9,200,369
Total liabilities	<u>\$ -</u>	<u>\$ 25,393,416</u>	<u>\$ (16,193,047)</u>	<u>\$ 9,200,369</u>

	Agency			
	July 1, 2019	Additions	Deductions	June 30, 2020
<b>Assets</b>				
Cash and investments	\$ 10,850,740	\$ 34,860,930	\$ (25,686,040)	\$ 20,025,630
Investments at fair value	37,600,834	4,518,371	(5,549,434)	36,569,771
Other receivables	122,096	16,481	(34,763)	103,814
Due from primary government	-	1,687,489	-	1,687,489
Due from other governmental agencies	47,967	3,562,828	-	3,610,795
Total assets	<u>\$ 48,621,637</u>	<u>\$ 44,646,099</u>	<u>\$ (31,270,237)</u>	<u>\$ 61,997,499</u>
<b>Liabilities</b>				
Accounts payable	\$ 967,252	\$ 46,465	\$ (985,647)	\$ 28,070
Due to other funds	37,862	5,702	(18,372)	25,192
Deposits	7,697,096	7,814,776	(2,826,333)	12,685,539
Other liabilities - Accrued liabilities	38,481,628	5,041,325	(5,149,363)	38,373,590
Undistributed tax receipts	1,437,799	25,394,109	(15,946,800)	10,885,108
Total liabilities	<u>\$ 48,621,637</u>	<u>\$ 38,302,377</u>	<u>\$ (24,926,515)</u>	<u>\$ 61,997,499</u>



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## Statistical Section

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June 30, 2020

This part of the Comprehensive Annual Financial Report presents information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall health.

**Contents**

The statistical section is organized into the following main categories:

***Financial Trends***

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

***Revenue Capacity***

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

***Debt Capacity***

These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

***Demographic and Economic Information***

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

***Operating Information***

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

# Schedule 1

## City of Detroit, Michigan

	Fiscal Year			
	2020	2019	2018	2017
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 1,102,806,297	\$ 1,131,790,888	\$ 1,131,353,263	\$ 1,111,259,232
Restricted	243,879,346	251,173,606	282,679,621	418,002,865
Unrestricted (deficit)	<u>(1,785,854,714)</u>	<u>(1,671,484,070)</u>	<u>(1,755,940,654)</u>	<u>(1,880,824,756)</u>
Total governmental activities net position	(439,169,071)	(288,519,576)	(341,907,770)	(351,562,659)
<b>Business-type Activities</b>				
Net investment in capital assets	514,426,754	476,725,957	434,204,225	407,668,088
Restricted	8,963,004	8,834,862	8,684,871	59,804,608
Unrestricted (deficit)	<u>759,716,932</u>	<u>773,182,433</u>	<u>797,056,311</u>	<u>696,163,152</u>
Total business-type activities net position	<u>1,283,106,690</u>	<u>1,258,743,252</u>	<u>1,239,945,407</u>	<u>1,163,635,848</u>
<b>Primary Government</b>				
Net investment in capital assets	1,617,233,051	1,608,516,845	1,565,557,488	1,518,927,320
Restricted	252,842,350	260,008,468	291,364,492	477,807,473
Unrestricted (deficit)	<u>(1,026,137,782)</u>	<u>(898,301,637)</u>	<u>(958,884,343)</u>	<u>(1,184,661,604)</u>
Total primary government net position	<u>\$ 843,937,619</u>	<u>\$ 970,223,676</u>	<u>\$ 898,037,637</u>	<u>\$ 812,073,189</u>

Source: City of Detroit, Comprehensive Annual Financial Reports for Fiscal Years Ended June 30, 2011 through 2020

## Financial Trends - Net Position by Component

**Last Ten Fiscal Years  
(Accrual Basis of Accounting)  
(Unaudited)**

		Fiscal Year									
		2016	2015	2014	2013	2012	2011				
\$	1,070,813,493	\$	1,098,963,308	\$	886,141,054	\$	832,127,493	\$	803,653,672	\$	711,987,330
	389,338,643		544,636,902		102,047,103		75,055,537		73,786,466		110,223,372
	<u>(1,822,999,101)</u>		<u>(3,042,213,052)</u>		<u>(3,961,253,287)</u>		<u>(1,714,975,464)</u>		<u>(1,557,840,700)</u>		<u>(1,360,282,090)</u>
	(362,846,965)		(1,398,612,842)		(2,973,065,130)		(807,792,434)		(680,400,562)		(538,071,388)
	619,028,014		(23,000,738)		54,337,164		525,963,518		1,047,594,007		435,962,058
	22,212,888		423,774,879		473,057,369		244,039,925		461,972,732		303,235,683
	<u>716,148,063</u>		<u>(1,077,018,026)</u>		<u>(1,595,122,442)</u>		<u>(640,389,229)</u>		<u>(1,201,140,082)</u>		<u>(230,134,710)</u>
	<u>1,357,388,965</u>		<u>(676,243,885)</u>		<u>(1,067,727,909)</u>		<u>129,614,214</u>		<u>308,426,657</u>		<u>509,063,031</u>
	1,689,841,507		1,075,962,570		940,478,218		1,358,091,011		1,851,247,679		1,147,949,388
	411,551,531		968,411,781		575,104,472		319,095,462		535,759,198		413,459,055
	<u>(1,106,851,038)</u>		<u>(4,119,231,078)</u>		<u>(5,556,375,729)</u>		<u>(2,355,364,693)</u>		<u>(2,758,980,782)</u>		<u>(1,590,416,800)</u>
<b>\$</b>	<b><u>994,542,000</u></b>	<b>\$</b>	<b><u>(2,074,856,727)</u></b>	<b>\$</b>	<b><u>(4,040,793,039)</u></b>	<b>\$</b>	<b><u>(678,178,220)</u></b>	<b>\$</b>	<b><u>(371,973,905)</u></b>	<b>\$</b>	<b><u>(29,008,357)</u></b>

**Schedule 2**  
**City of Detroit, Michigan**

	Fiscal Year			
	2020	2019	2018	2017
<b>Expenses</b>				
Governmental activities:				
Public protection	\$ 618,928,434	\$ 578,832,651	\$ 459,155,038	\$ 643,746,962
Health	63,925,533	35,944,711	32,958,070	29,784,840
Recreation and culture	37,826,345	29,412,201	37,416,517	29,922,328
Economic development	78,756,473	99,866,336	45,345,939	42,562,725
Educational development	-	-	-	-
Housing supply and conditions	41,892,422	34,110,578	25,015,853	9,810,694
Physical environment	83,210,022	168,738,713	152,794,269	116,733,180
Transportation facilitation	96,823,521	63,778,403	35,829,655	31,513,472
Development and management	472,185,625	395,668,017	403,929,393	325,937,109
Interest on long-term debt	63,638,561	34,020,805	62,525,448	91,611,017
<b>Total government activities expenses</b>	<b>1,557,186,936</b>	<b>1,440,372,415</b>	<b>1,254,970,182</b>	<b>1,321,622,327</b>
Business-type activities:				
Sewage disposal	323,538,794	297,055,156	300,112,413	314,993,258
Transportation	162,694,518	178,880,079	158,602,192	178,551,373
Water	115,816,967	104,478,557	130,123,421	122,932,303
Automobile parking	-	16,141,807	29,509,883	10,257,721
Airport	1,025,146	5,071,698	2,420,424	2,504,453
Public lighting authority	22,916,884	22,214,145	21,097,017	16,328,382
<b>Total business-type activities expenses</b>	<b>625,992,309</b>	<b>623,841,442</b>	<b>641,865,350</b>	<b>645,567,490</b>
<b>Total primary government expenses</b>	<b>\$ 2,183,179,245</b>	<b>\$ 2,064,213,857</b>	<b>\$ 1,896,835,532</b>	<b>\$ 1,967,189,817</b>
<b>Program Revenue</b>				
Governmental activities:				
Charges for services:				
Public protection	\$ 79,340,103	\$ 85,794,552	\$ 82,142,006	\$ 87,794,040
Health	1,440,641	2,326,609	2,543,252	2,981,002
Recreation and culture	1,442,388	4,162,855	2,097,986	859,989
Economic development	19,386,799	21,974,750	6,581,729	669,987
Educational development	-	-	-	-
Housing supply and conditions	864,612	817,929	-	2,386,191
Physical environment	44,372,872	41,766,310	44,307,433	33,804,805
Transportation facilitation	35,452,937	4,695,448	3,728,872	4,204,012
Development and management	123,827,642	122,447,673	42,238,300	46,510,771
Operating grants and contributions	288,341,845	193,929,513	183,354,935	181,124,247
Capital grants and contributions	-	302,900	528,544	3,187,539
<b>Total governmental activities program revenue</b>	<b>594,469,839</b>	<b>478,218,539</b>	<b>367,523,057</b>	<b>363,522,583</b>
Business-type activities:				
Charges for services:				
Sewage disposal	331,693,766	297,703,405	291,130,813	273,687,927
Transportation	15,116,575	20,190,340	29,236,816	21,285,572
Water	114,814,401	101,609,566	115,019,869	108,174,791
Automobile parking	-	10,149,706	12,013,301	14,795,766
Airport	451,812	571,913	619,190	701,032
Public lighting authority	15,026,574	12,636,841	13,335,724	13,381,653
Operating grants and contributions	57,375,449	55,546,743	51,300,810	58,483,061
Capital grants and contributions	35,159,146	25,209,943	16,799,491	4,783,658
<b>Total business-type activities program revenue</b>	<b>569,637,723</b>	<b>523,618,457</b>	<b>529,456,014</b>	<b>495,293,460</b>
<b>Total primary government program revenue</b>	<b>\$ 1,164,107,562</b>	<b>\$ 1,001,836,996</b>	<b>\$ 896,979,071</b>	<b>\$ 858,816,043</b>

## Financial Trends - Changes in Net Position

**Last Ten Fiscal Years  
(Accrual Basis of Accounting)  
(Unaudited)**

		Fiscal Year									
		2016	2015	2014	2013	2012	2011				
\$	(158,890,077)	\$	527,636,236	\$	539,831,117	\$	694,708,112	\$	800,229,437	\$	816,928,579
	27,950,664		31,640,136		49,563,178		38,070,128		142,584,167		170,235,039
	5,956,037		21,863,335		30,467,345		26,856,182		30,113,031		31,397,867
	42,455,723		70,889,645		59,701,870		81,455,649		73,599,973		87,938,305
	-		1,477		-		37,040,734		51,974,801		58,840,456
	3,223,431		1,920,096		8,465,345		5,086,777		4,431,697		6,328,619
	2,385,020		41,582,157		110,555,039		121,192,467		130,991,572		125,325,346
	36,489,715		38,658,855		55,831,652		20,745,859		33,697,252		33,720,569
	(52,688,289)		490,076,634		328,243,425		205,937,823		195,167,837		201,031,612
	78,301,298		95,776,801		135,130,618		133,545,027		129,097,503		132,827,437
	(14,816,478)		1,320,045,372		1,317,789,589		1,364,638,758		1,591,887,270		1,664,573,829
	254,617,493		425,198,938		482,723,501		523,909,799		456,113,053		517,645,238
	6,654,042		101,466,158		163,841,194		166,024,287		212,856,759		215,880,853
	134,245,899		360,527,146		392,920,925		398,086,572		370,558,112		345,180,580
	2,219,819		7,915,022		14,714,363		20,089,165		11,643,400		11,305,474
	2,492,521		1,364,972		2,722,946		1,910,151		2,119,837		2,392,911
	16,758,370		16,706,571		1,890,472		-		-		-
	416,988,144		913,178,807		1,058,813,401		1,110,019,974		1,053,291,161		1,092,405,056
<b>\$</b>	<b>402,171,666</b>	<b>\$</b>	<b>2,233,224,179</b>	<b>\$</b>	<b>2,376,602,990</b>	<b>\$</b>	<b>2,474,658,732</b>	<b>\$</b>	<b>2,645,178,431</b>	<b>\$</b>	<b>2,756,978,885</b>
\$	82,771,964	\$	63,885,128	\$	75,017,759	\$	76,800,124	\$	75,900,731	\$	89,521,773
	608,827		21,433		2,389,178		224,847		9,652,314		5,090,487
	783,031		16,898,076		17,106,690		17,697,563		18,170,830		17,796,165
	866,690		3,215,123		3,344,270		7,192,630		850,741		1,358,479
	-		-		-		-		-		499,058
	1,846,395		1,512,350		3,509,934		3,196,447		2,734,182		3,566,331
	33,575,150		51,082,632		93,846,458		102,363,179		97,094,653		80,905,220
	3,635,209		47,861,667		22,728,698		-		1,647,825		46,986
	48,908,707		150,450,170		128,991,615		81,496,108		103,694,387		101,982,537
	176,655,635		155,868,586		176,787,827		211,471,358		326,570,380		370,730,317
	18,466,400		7,148,673		30,592,996		19,740,930		24,516,521		44,338,905
	368,118,008		497,943,838		554,315,425		520,183,186		660,832,564		715,836,258
	405,492,789		505,671,614		475,770,844		440,863,260		437,654,891		410,719,075
	22,399,677		22,347,086		19,374,841		26,643,760		22,558,000		27,418,297
	264,538,200		364,278,054		349,369,362		355,527,761		336,129,945		316,002,201
	13,284,541		12,337,691		10,341,324		11,992,637		10,617,480		8,136,744
	477,462		628,221		2,326,814		726,855		993,050		799,122
	13,184,635		6,707,642		758,500		-		-		-
	49,068,016		56,701,626		61,597,871		70,142,182		77,296,998		77,553,273
	8,952,414		34,890,437		9,943,047		11,854,628		30,344,607		29,793,987
	777,397,734		1,003,562,371		929,482,603		917,751,083		915,594,971		870,422,699
<b>\$</b>	<b>1,145,515,742</b>	<b>\$</b>	<b>1,501,506,209</b>	<b>\$</b>	<b>1,483,798,028</b>	<b>\$</b>	<b>1,437,934,269</b>	<b>\$</b>	<b>1,576,427,535</b>	<b>\$</b>	<b>1,586,258,957</b>

**Schedule 2 (Continued)**  
**City of Detroit, Michigan**

	Fiscal Year			
	2020	2019	2018	2017
<b>Net (Expense) Revenue</b>				
Governmental activities	\$ (962,717,097)	\$ (962,153,876)	\$ (887,447,125)	\$ (958,099,744)
Business-type activities	<u>(56,354,586)</u>	<u>(100,222,985)</u>	<u>(112,409,336)</u>	<u>(150,274,030)</u>
Total primary government net (expense) revenue	(1,019,071,683)	(1,062,376,861)	(999,856,461)	(1,108,373,774)
<b>General Revenue and Other Changes in Net Position</b>				
Governmental activities:				
Taxes:				
Property taxes	189,638,983	181,383,741	159,149,463	248,296,337
Municipal income tax	304,292,369	376,668,182	299,346,019	301,069,434
Utility users' tax	26,866,308	28,358,585	28,700,113	27,068,555
Wagering tax	132,404,085	183,815,690	178,982,277	177,217,497
Other taxes and assessments	2,534,911	5,035,762	3,395,606	10,362,346
State-shared revenue	194,142,893	211,656,989	199,899,929	197,831,755
State returnable liquor license fees	-	-	-	-
Interest and penalties on taxes	3,152,940	3,221,320	3,243,729	3,609,115
Investment earnings	25,920,307	22,784,982	15,856,300	15,849,922
Miscellaneous revenue	48,655,154	66,867,158	49,632,362	38,110,403
(Loss) gain on sale of capital assets	16,891,576	-	-	(185,285)
Bankruptcy contributions and other	-	-	-	-
Transfers	<u>(33,552,737)</u>	<u>(68,319,719)</u>	<u>(41,103,784)</u>	<u>(78,136,743)</u>
Total governmental activities	910,946,789	1,011,472,690	897,102,014	941,093,336
Business-type activities:				
Investment earnings (loss)	3,197,285	4,163,553	540,649	539,854
Bond issuance costs	-	-	-	-
Asset impairment	-	-	-	-
Miscellaneous revenue (expense)	43,554,672	46,468,911	45,214,538	37,421,198
Gain (Loss) on sale of capital assets	413,330	(175,652)	-	(1,622,362)
Special item	-	-	101,859,924	(157,954,520)
Extraordinary item	-	-	-	-
Amortization of bond issuance costs and deferral	-	-	-	-
Transfers	<u>33,552,737</u>	<u>68,319,719</u>	<u>41,103,784</u>	<u>78,136,743</u>
Total business-type activities	<u>80,718,024</u>	<u>118,776,531</u>	<u>188,718,895</u>	<u>(43,479,087)</u>
Total primary government	991,664,813	1,130,249,221	1,085,820,909	897,614,249
Impact of GASB Stmt. No. 68 - Governmental activities	-	-	-	-
Impact of GASB Stmt. No. 68 - Business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Change in Net Position</b>				
Governmental activities	(51,770,308)	49,318,814	9,654,889	(17,006,408)
Business-type activities	<u>24,363,438</u>	<u>18,553,546</u>	<u>76,309,559</u>	<u>(193,753,117)</u>
Total primary government	<u>\$ (27,406,870)</u>	<u>\$ 67,872,360</u>	<u>\$ 85,964,448</u>	<u>\$ (210,759,525)</u>

Source: City of Detroit, Comprehensive Annual Financial Reports for Fiscal Years Ended June 30, 2011 through 2020



## Financial Trends - Changes in Net Position (Continued)

**Last Ten Fiscal Years  
(Accrual Basis of Accounting)  
(Unaudited)**

		Fiscal Year					
		2016	2015	2014	2013	2012	2011
\$	382,934,486	\$ (822,101,534)	\$ (763,474,164)	\$ (844,455,572)	\$ (931,054,706)	\$ (948,737,571)	
	<u>360,409,590</u>	<u>90,383,564</u>	<u>(129,330,798)</u>	<u>(192,268,891)</u>	<u>(137,696,190)</u>	<u>(221,982,357)</u>	
	743,344,076	(731,717,970)	(892,804,962)	(1,036,724,463)	(1,068,750,896)	(1,170,719,928)	
	224,263,288	190,096,078	194,680,186	199,191,923	216,931,618	235,857,331	
	266,928,629	263,376,804	253,769,874	248,017,356	233,035,540	228,303,884	
	24,036,395	37,939,463	42,386,549	35,299,844	39,828,340	44,640,365	
	180,228,993	170,176,735	167,569,541	174,357,416	181,574,627	177,046,311	
	5,378,658	7,370,339	8,603,632	14,384,429	16,528,509	17,373,679	
	194,705,498	194,757,659	189,756,901	182,454,314	173,292,222	239,342,109	
	-	606,690	607,547	604,206	-	-	
	4,435,170	1,619,147	1,269,784	924,928	4,264,747	7,554,054	
	16,997,733	(59,433,962)	(4,170,808)	(88,533,105)	8,366,960	8,606,985	
	23,899,793	14,285,952	7,549,098	11,854,410	2,578,822	3,595,798	
	-	600,150,246	(359,223)	(8,829,927)	-	(528,568)	
	-	1,048,258,217	766,046,174	-	-	(9,865,937)	
	<u>(82,074,100)</u>	<u>(72,649,546)</u>	<u>(79,432,723)</u>	<u>(52,662,094)</u>	<u>(87,675,853)</u>	<u>(73,390,635)</u>	
	858,800,057	2,396,553,822	1,548,276,532	717,063,700	788,725,532	878,535,376	
	789,108	3,116,422	5,609,449	(46,468,811)	(152,915,970)	9,837,046	
	-	-	(22,173,885)	-	-	-	
	-	(5,536,257)	-	-	-	-	
	19,379,346	6,053,524	(13,956,786)	7,265,917	2,299,933	6,310,694	
	(4,870,893)	(53,510)	(1,259,818)	(2,752)	-	(91,476,801)	
	1,585,445,912	-	-	-	-	-	
	-	211,821,856	228,728,211	-	-	-	
	-	13,048,879	-	-	-	-	
	<u>82,074,100</u>	<u>72,649,546</u>	<u>79,432,723</u>	<u>52,662,094</u>	<u>87,675,853</u>	<u>73,390,635</u>	
	<u>1,682,817,573</u>	<u>301,100,460</u>	<u>276,379,894</u>	<u>13,456,448</u>	<u>(62,940,184)</u>	<u>(1,938,426)</u>	
	2,541,617,630	2,697,654,282	1,824,656,426	730,520,148	725,785,348	876,596,950	
	-	-	(2,926,675,485)	-	-	-	
	-	-	(1,302,511,284)	-	-	-	
	1,241,734,543	1,574,452,288	(2,141,873,117)	(127,391,872)	(142,329,174)	(70,202,195)	
	<u>2,043,227,163</u>	<u>391,484,024</u>	<u>(1,155,462,188)</u>	<u>(178,812,443)</u>	<u>(200,636,374)</u>	<u>(223,920,783)</u>	
<b>\$</b>	<b><u>3,284,961,706</u></b>	<b>\$ <u>1,965,936,312</u></b>	<b>\$ <u>(3,297,335,305)</u></b>	<b>\$ <u>(306,204,315)</u></b>	<b>\$ <u>(342,965,548)</u></b>	<b>\$ <u>(294,122,978)</u></b>	

**Schedule 3**  
**City of Detroit, Michigan**

	Fiscal Year			
	2020	2019	2018	2017
<b>General Fund</b>				
Nonspendable	77,939,197	71,707,370	23,017,234	11,072,987
Restricted	214,951,908	181,486,302	169,041,773	82,175,178
Committed	20,000,000	20,000,000	20,000,000	20,000,000
Assigned	324,299,567	295,669,224	267,666,549	310,577,489
Unassigned (deficit)	109,063,188	123,209,017	131,458,405	168,966,874
Total General Fund	<b>\$ 746,253,860</b>	<b>\$ 692,071,913</b>	<b>\$ 611,183,961</b>	<b>\$ 592,792,528</b>
<b>Retirement System Service Funds</b>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Total retirement system service funds	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>All Other Governmental Funds</b>				
Special revenue funds:				
Nonspendable	\$ 5,274	\$ 4,376	\$ -	\$ 51,696
Restricted	212,621,204	218,320,538	193,634,759	151,115,095
Committed	4,444,681	1,385,169	419,679	-
Assigned	645,995	-	-	-
Unassigned	(1,663,162)	(4,152,973)	(10,423,639)	(1,674,211)
Capital projects funds:				
Restricted	88,812,806	114,532,360	8,426,872	13,714,763
Assigned	7,927,335	17,822,835	30,926,004	37,810,881
Debt service fund:				
Restricted	43,937,840	49,204,782	44,538,947	31,905,618
Assigned	-	-	-	-
Permanent funds:				
Nonspendable	1,005,096	1,005,096	1,005,096	1,005,096
Restricted	684,944	692,513	640,541	687,258
Total all other governmental funds	<b>\$ 358,422,013</b>	<b>\$ 398,814,696</b>	<b>\$ 269,168,259</b>	<b>\$ 234,616,196</b>

Source: City of Detroit, Michigan Comprehensive Annual Financial Reports for fiscal years ended June 30, 2011 through 2020

## Financial Trends - Fund Balances of Governmental Funds

**Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)  
(Unaudited)**

Fiscal Year						
2016	2015	2014	2013	2012	2011	
5,151,103	-	-	4,050,006	20,940,729	20,692,552	
89,309,032	125,961,474	42,979,826	979,826	979,826	979,826	
20,000,000	58,788,660	156,334,125	54,550,314	35,234,345	26,833,858	
243,072,945	182,014,852	-	-	-	-	
143,047,758	70,922,574	(145,907,582)	(132,560,895)	(326,641,557)	(196,577,910)	
<b>\$ 500,580,838</b>	<b>\$ 437,687,560</b>	<b>\$ 53,406,369</b>	<b>\$ (72,980,749)</b>	<b>\$ (269,486,657)</b>	<b>\$ (148,071,674)</b>	
<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,016,604.00</b>	<b>\$ 24,016,604.00</b>	<b>\$ 24,016,604.00</b>	<b>\$ 24,295,379.00</b>	
<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,016,604.00</b>	<b>\$ 24,016,604.00</b>	<b>\$ 24,016,604.00</b>	<b>\$ 24,295,379.00</b>	
\$ -	\$ -	\$ -	\$ -	\$ 1,457,015	\$ 1,597,869	
157,236,938	119,600,634	90,917,252	69,437,600	65,845,376	70,907,819	
-	-	-	-	-	-	
-	-	-	-	-	-	
(2,925)	(11,517)	-	-	-	-	
-	54,680,729	62,946,287	79,371,566	129,888,278	148,878,121	
51,801,570	-	-	-	-	-	
22,435,949	18,511,653	-	-	-	-	
-	-	12,604,764	7,899,702	6,314,687	4,561,750	
1,005,096	937,861	937,861	937,861	937,861	937,861	
726,034	726,034	765,245	819,870	778,733	748,159	
<b>\$ 233,202,662</b>	<b>\$ 194,445,394</b>	<b>\$ 168,171,409</b>	<b>\$ 158,466,599</b>	<b>\$ 205,221,950</b>	<b>\$ 227,631,579</b>	

## Schedule 4

### City of Detroit, Michigan

	Fiscal Year			
	2020	2019	2018	2017
<b>Revenue</b>				
Taxes:				
Property taxes	\$ 168,419,774	\$ 162,445,191	\$ 178,774,155	\$ 192,166,387
Municipal income tax	290,017,002	361,039,390	310,205,258	284,467,414
Utility users' tax	26,864,531	28,358,585	28,700,113	27,068,555
Wagering taxes	132,404,085	183,815,690	178,982,277	177,217,497
Gas and weight tax	89,098,356	85,289,870	79,606,333	66,767,719
Other taxes and assessments	2,534,911	5,035,762	3,395,606	10,362,346
State hotel and liquor tax	-	-	-	-
Interest and penalties on taxes	3,152,940	3,221,320	3,243,729	3,609,115
Licenses, permits, and inspection charges	32,279,255	36,748,061	35,409,519	37,785,353
Intergovernmental:				
Federal	181,211,007	83,588,715	73,275,495	97,602,815
State:				
State-shared revenue	181,745,030	202,633,844	199,899,929	197,831,755
State returnable liquor license fees	-	-	-	-
Local Community Stabilization Authority	12,397,863	4,578,119	-	-
Other state-sourced revenue	13,313,126	31,306,295	18,418,655	14,160,818
Other	-	-	-	-
Sales and charges for services	171,238,657	166,904,971	144,594,148	133,262,994
Ordinance fines and forfeitures	20,579,023	23,674,048	24,559,479	25,769,755
Revenue from use of assets	19,073,888	4,183,553	1,227,713	1,176,838
Investment earnings	25,880,422	22,709,463	15,856,300	15,849,922
DIA and foundation revenue	18,675,000	18,675,000	6,669,952	5,730,109
Other revenue	47,981,835	54,357,022	43,046,224	43,645,402
Financing revenue	-	25,803,304	-	-
<b>Total revenue</b>	<b>1,436,866,705</b>	<b>1,504,368,203</b>	<b>1,345,864,885</b>	<b>1,334,474,794</b>
<b>Expenditures</b>				
Current:				
Public protection	501,322,593	485,721,245	469,394,446	449,577,041
Health	63,802,957	35,857,332	32,933,457	29,766,821
Recreation and culture	24,506,830	31,229,630	20,531,801	18,283,430
Economic development	72,285,096	94,846,856	44,894,347	39,439,847
Educational development	-	-	-	-
Housing supply and conditions	41,683,286	31,723,679	12,317,557	7,714,818
Physical environment	75,608,243	67,021,289	56,341,744	61,091,341
Transportation facilitation	62,662,793	49,696,961	48,674,970	47,701,015
Development and management	298,712,949	341,687,652	317,188,516	319,440,808
Debt service:				
Principal	82,126,000	56,566,000	95,647,378	77,078,797
Interest	70,840,340	63,455,873	65,702,804	97,109,299
Bond issuance costs	-	4,339,833	873,545	4,163,414
Capital outlay	147,545,405	167,324,310	142,496,955	71,074,891
<b>Total expenditures</b>	<b>1,441,096,492</b>	<b>1,429,470,660</b>	<b>1,306,997,520</b>	<b>1,222,441,522</b>
Excess of revenue over (under) expenditures	(4,229,787)	74,897,543	38,867,365	112,033,272

## Financial Trends - Changes in Fund Balances of Governmental Funds

**Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)  
(Unaudited)**

		Fiscal Year									
		2016	2015	2014	2013	2012	2011				
\$	205,452,491	\$	190,096,078	\$	194,627,905	\$	199,191,923	\$	216,931,618	\$	252,020,089
	263,178,629		263,376,804		253,769,874		248,017,356		233,035,540		228,303,884
	24,036,395		37,939,463		42,386,549		35,299,844		39,828,340		44,640,365
	180,228,993		172,523,054		167,924,023		174,599,992		181,443,475		176,899,280
	58,109,927		55,138,474		53,904,485		52,081,247		53,142,793		58,623,860
	5,378,658		7,370,339		8,603,632		14,384,429		16,528,509		17,373,670
	-		-		-		-		-		-
	4,435,170		1,619,147		1,269,784		924,928		4,264,747		7,554,054
	35,800,680		30,986,234		28,706,629		32,615,445		27,100,204		27,095,599
	93,178,923		109,580,838		96,907,383		152,579,860		253,933,239		301,484,858
	194,705,498		194,757,659		189,756,901		182,454,314		172,704,390		239,320,847
	-		606,690		607,547		604,206		-		-
	-		-		-		-		-		-
	23,160,702		17,974,311		49,226,334		25,994,536		37,269,243		46,887,654
	-		3,331,825		6,001,385		6,029,547		6,663,482		8,347,440
	120,618,786		131,066,385		207,987,028		176,029,645		197,066,068		201,253,031
	24,643,164		24,726,314		17,851,138		21,154,594		16,972,056		21,152,772
	1,218,314		14,277,845		7,568,498		12,017,348		2,069,012		3,595,798
	16,997,733		(2,885,536)		300,397		(399,654)		445,251		685,276
	54,079,327		-		-		-		-		-
	47,776,178		125,119,874		95,010,394		35,958,150		64,241,114		77,135,224
	-		-		-		-		-		-
	1,352,999,568		1,377,605,798		1,422,409,886		1,369,537,710		1,523,639,081		1,712,373,701
	423,317,267		408,201,003		449,622,284		476,940,028		675,359,091		735,650,626
	22,952,288		32,633,149		48,782,203		37,448,812		142,365,025		169,338,220
	16,563,892		12,698,638		16,032,592		13,345,639		16,976,912		18,210,536
	61,023,837		64,020,545		51,178,770		76,109,395		67,115,000		79,792,267
	-		1,477		-		37,126,254		52,430,587		58,526,359
	6,179,112		5,570,783		6,966,303		4,188,991		4,215,134		5,871,310
	54,086,364		54,921,813		97,441,142		106,802,886		113,603,551		113,296,648
	15,904,193		28,936,547		36,505,709		1,749,362		14,990,983		26,836,954
	281,713,707		548,646,601		297,686,391		191,052,907		176,507,779		180,366,148
	60,777,124		196,612,535		109,976,923		103,880,615		97,498,429		87,904,525
	77,550,195		58,567,171		126,945,753		133,319,492		126,728,009		131,087,371
	29,438		4,194,731		3,379,410		1,612,046		485,599		1,416,768
	126,205,166		90,719,155		81,329,304		127,079,320		97,650,840		102,395,459
	1,146,302,583		1,505,724,148		1,325,846,784		1,310,655,747		1,585,926,939		1,710,693,191
	206,696,985		(128,118,350)		96,563,102		58,881,963		(62,287,858)		1,680,510

**Schedule 4 (Continued)**  
**City of Detroit, Michigan**

	Fiscal Year			
	2020	2019	2018	2017
<b>Other Financing Sources (Uses)</b>				
Sources:				
Transfers in	\$ 44,257,449	\$ 20,956,385	\$ 26,268,117	\$ 8,015
Proceeds of Section 108 federal note	-	-	-	-
Proceeds from sale of capital assets	24,875,958	4,465,445	21,179,915	2,345,315
Other financing source - Bankruptcy	-	-	-	-
Face amount of bonds and notes issued	42,659,104	361,985,000	34,000,000	606,180,000
Premium from debt issuances	-	3,210,543	-	30,562,666
Total other financing sources	111,792,511	390,617,373	81,448,032	639,095,996
Uses:				
Transfers out	(93,773,460)	(96,384,430)	(67,371,901)	(78,144,758)
Other financing use - Bankruptcy	-	-	-	-
Extraordinary gain - Bankruptcy	-	-	-	-
Principal paid to bond agent for refunded bonds	-	(158,596,097)	-	(607,650,000)
Total other financing uses	(93,773,460)	(254,980,527)	(67,371,901)	(685,794,758)
Total other financing sources (uses)	18,019,051	135,636,846	14,076,131	(46,698,762)
Special item	-	-	-	-
Net change in fund balances	13,789,264	210,534,389	52,943,496	65,334,510
<b>Fund Balance (Deficit) - Beginning of year, as restated</b>	1,090,886,609	880,352,220	827,408,724	762,074,214
<b>Increase (Decrease) in Inventories</b>	-	-	-	-
<b>Fund Balance (Deficit) - End of year</b>	<b>\$ 1,104,675,873</b>	<b>\$ 1,090,886,609</b>	<b>\$ 880,352,220</b>	<b>\$ 827,408,724</b>
Debt service as a percentage of noncapital expenditures	11.83%	9.85%	13.93%	15.49%

Source: City of Detroit, Michigan Comprehensive Annual Financial Reports for fiscal years ended June 30, 2011 through 2020

## Financial Trends - Changes in Fund Balances of Governmental Funds (Continued)

**Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)  
(Unaudited)**

Fiscal Year						
2016	2015	2014	2013	2012	2011	
\$ -	\$ 65,562,957	\$ 109,770,188	\$ 174,825,814	\$ 179,921,845	\$ 173,340,882	
-	-	-	-	-	-	
-	218,100,000	-	-	-	-	
245,000,000	1,158,387,978	120,000,000	134,438,642	5,753,000	100,000,000	
-	-	-	9,092,046	-	-	
245,000,000	1,442,050,935	229,770,188	318,356,502	185,674,845	273,340,882	
(82,074,100)	(138,212,503)	(189,202,911)	(227,487,908)	(267,597,697)	(246,731,517)	
-	(959,481,790)	-	-	-	-	
-	170,300,280	-	-	-	-	
(275,000,000)	-	-	-	-	-	
(357,074,100)	(927,394,013)	(189,202,911)	(227,487,908)	(267,597,697)	(246,731,517)	
(112,074,100)	514,656,922	40,567,277	90,868,594	(81,922,852)	26,609,365	
-	-	-	-	-	(9,865,937)	
94,622,885	386,538,572	137,130,379	149,750,557	(144,210,710)	18,423,938	
639,160,615	245,594,382	108,464,003	(40,248,103)	103,855,284	84,987,873	
-	-	-	107,323	107,323	443,473	
<b>\$ 733,783,500</b>	<b>\$ 632,132,954</b>	<b>\$ 245,594,382</b>	<b>\$ 109,609,777</b>	<b>\$ (40,248,103)</b>	<b>\$ 103,855,284</b>	
13.56%	18.33%	19.31%	20.18%	15.10%	13.70%	

**Schedule 5**  
**City of Detroit, Michigan**

**Revenue Capacity - Assessed Value and Estimated Value of Taxable Property**

**Last Ten Fiscal Years**  
**(Dollars in Thousands)**  
**(Unaudited)**

Assessed Value								Total Direct Tax Rate (Per Thousand of Taxable Value)
Tax Year	Fiscal Years Ended	Residential Property	Commercial Property	Industrial Property	Personal Property	Total	Total	
	June 30							
2019	2020	\$ 2,892,304	\$ 4,685,574	\$ 587,205	\$ 1,549,192	\$ 9,714,275	28.95	
2018	2019	2,574,910	2,791,734	480,702	1,484,119	7,331,465	26.95	
2017	2018	2,450,477	2,661,906	276,389	1,482,438	6,871,211	28.20	
2016	2017	2,566,136	2,386,676	480,503	1,518,530	6,951,845	29.42	
2015	2016	3,030,574	2,306,431	503,962	1,752,545	7,593,512	29.47	
2014	2015	3,335,506	2,204,882	531,133	1,740,560	7,812,081	29.78	
2013	2014	4,292,795	2,270,629	555,507	1,862,607	8,981,538	28.95	
2012	2013	4,850,303	2,417,371	576,900	1,592,878	9,437,452	29.57	
2011	2012	5,475,901	2,617,911	660,159	1,369,132	10,123,104	29.51	
2010	2011	6,331,071	2,561,853	711,088	1,516,382	11,120,394	28.87	

Taxable Value								Taxable Value as a Percentage of Assessed Value
Tax Year	Fiscal Years Ended	Residential Property	Commercial Property	Industrial Property	Personal Property	Total	Total	
	June 30							
2019	2020	\$ 2,193,514	\$ 2,207,998	\$ 359,088	\$ 1,549,351	\$ 6,309,951	64.96 %	
2018	2019	2,126,721	2,165,420	337,247	1,484,323	6,113,711	83.39	
2017	2018	2,070,780	2,250,302	234,250	1,482,720	6,038,052	87.87	
2016	2017	2,449,942	2,016,004	429,494	1,518,792	6,414,232	92.27	
2015	2016	2,883,156	1,996,143	454,466	1,752,721	7,086,486	93.32	
2014	2015	3,138,728	1,958,496	475,546	1,740,651	7,313,421	93.62	
2013	2014	3,948,186	1,995,109	495,211	1,862,685	8,301,191	92.43	
2012	2013	4,265,567	2,082,686	506,261	1,592,856	8,447,370	89.51	
2011	2012	4,591,719	2,181,621	612,936	1,369,138	8,755,414	86.49	
2010	2011	4,896,647	2,055,557	643,296	1,516,382	9,111,882	81.94	

Source: City of Detroit, OCFO - Office of the Assessor / State Tax Commission Report(s)

Note 1: Information above pertains to Ad Valorem values only.

Note 2: Due to the timing of the reports, there may be discrepancies when comparing assessed and taxable value classifications.



**Schedule 6**  
**City of Detroit, Michigan**

**Revenue Capacity - Direct and Overlapping Property Tax Rates**

**Last Ten Fiscal Years**  
**(Rate Per \$1,000 of Assessed Value)**  
**(Unaudited)**

Fiscal Year	City Direct Rates			Overlapping Rates				
	Basic General City Rate (Note 1)	Debt Service (Note 1)	Total Direct	Detroit Public Schools		Library (Note 1)	County (Note 1)	State Education Tax (Note 1)
				Homestead (Note 1)	Nonhomestead (Note 1)			
2020	19.9520	9.0000	28.9520	13.0000	31.0000	4.6307	17.0388	6.0000
2019	19.9520	7.0000	26.9520	13.0000	31.0000	4.6307	17.0400	6.0000
2018	19.9520	8.2437	28.1957	13.0000	31.0000	4.6307	17.0411	6.0000
2017	19.9520	9.4661	29.4181	13.0000	31.0000	4.6307	15.0417	6.0000
2016	19.9520	9.5147	29.4667	13.0155	31.0550	4.6307	16.0178	6.0000
2015	19.9520	9.8237	29.7757	13.3415	31.3415	4.6307	15.0417	6.0000
2014	19.9520	8.9952	28.9472	13.1423	31.1422	4.6307	15.0417	6.0000
2013	19.9520	9.6136	29.5656	13.0969	30.9277	4.6307	13.7768	6.0000
2012	19.9520	9.5558	29.5078	13.2996	31.1304	4.6307	14.0778	6.0000
2011	19.9520	8.9157	28.8677	13.1015	30.9323	4.6307	14.0778	6.0000

Note 1 Source: OCFO - Office of the Treasury

**Schedule 7**  
**City of Detroit, Michigan**

**Revenue Capacity - Principal Property Tax Payers**

**Current Year and Nine Years Ago**  
**(Taxable Value - Expressed in Millions)**  
**(Unaudited)**

Taxpayer	2020 (Note 1)			2011 (Note 2)		
	Taxable Value	Rank	Percentage of Total City Taxable Value	Taxable Value	Rank	Percentage of Total City Taxable Value
DTE Energy Company	\$ 631.3	1	8.73 %	NA	NA	NA %
Vanguard Health Systems - Hospitals	\$ 308.3	2	4.26	249.7	3	2.65
MGM Grand Detroit LLC	\$ 210.6	3	2.91	213.2	4	2.26
Marathon Petroleum Company	\$ 176.2	4	2.44	125.3	6	1.33
Greektown Propco LLC	\$ 159.8	5	2.21	79.3	9	0.84
Riverfront Holdings Inc	\$ 115.0	6	1.59	144.9	5	1.54
International Transmission Co	\$ 86.6	7	1.20	NA	NA	NA
Detroit Entertainment LLC	\$ 65.3	8	0.90	73.0	10	0.78
General Motors LLC	\$ 63.9	9	0.88	84.6	7	0.90
1000 Webward LLC	\$ 54.0	10	0.75	NA	NA	NA

Note 1 Source: OCFO - Office of the Assessor

Note 1: Due to the timing of this report, there may be discrepancies with total reported taxable value.

Note 2 Source: City of Detroit, Michigan June 30, 2011 Comprehensive Annual Financial Report

**Schedule 8**  
**City of Detroit, Michigan**

**Revenue Capacity - Property Tax Levies and Collections**

**Last Ten Fiscal Years**  
**(Amounts Expressed in Thousands)**  
**(Unaudited)**

Fiscal Year Ended June 30	Tax Year	Collected within the Fiscal Year of the Levy			Total Collections to Date	
		Taxes Levied for the Fiscal Year	Collected in Tax Year of Levy (1)	Percentage of Levy Collected in Tax Year	Collected in Fiscal Year of Levy (2)	Percentage of Levy Collected in Fiscal Year
2020	2019	\$ 181,019	\$ 152,130	84.04 %	\$ 25,657	98.21 %
2019	2018	161,913	135,647	83.78	21,779	97.23
2018	2017	165,753	135,978	82.04	24,454	96.79
2017	2016	182,715	146,344	80.09	30,074	96.55
2016	2015	197,334	153,818	77.95	30,077	93.19
2015	2014	206,384	151,700	73.50	36,582	91.23
2014	2013	222,550	153,897	69.15	*	*
2013	2012	239,186	163,443	68.33	*	*
2012	2011	251,399	210,359	83.68	*	*
2011	2010	257,448	205,741	79.92	*	*

\*Information not available at date of publication of CAFR.

Source: OCFO - Office of the Treasury

Note: The methodology for compiling the information in this schedule was changed beginning in fiscal year 2015 and was not applied retroactively.

(1) : Tax year begins on July 1st and concludes on February 28th each year.

(2) : Represents collections from the end of the tax year through the end of the fiscal year (March 1 - June 30).

**Schedule 9**  
**City of Detroit, Michigan**

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<u>Business-type Activities (Note 1)</u>									
<u>Governmental Activities (Note 1)</u>						<u>Sewage Disposal Fund</u>			
Fiscal Year	General Obligation Bonds	Revenue Bonds	Notes Payable	Loans Payable	Pension Obligation Certificates	General Obligation Bonds	Revenue Bonds	Pension Obligation Certificates	
2020	\$ 1,417,771	\$ 123,500	\$ 39,925	\$ -	\$ -	\$ 39,748	\$ 80,225	\$ -	
2019	1,495,540	85,000	44,506	-	-	40,096	81,595	-	
2018	1,379,885	34,000	49,567	-	-	44,233	-	-	
2017	1,474,361	-	50,739	-	-	49,549	-	-	
2016	1,531,061	-	72,588	-	-	49,982	-	-	
2015	1,609,844	-	80,802	-	-	50,394	3,483,025	-	
2014	1,060,963	-	85,184	36,693	1,137,404	-	3,345,812	85,843	
2013	1,024,819	-	88,310	37,820	1,194,228	-	3,190,578	90,151	
2012	971,213	-	89,391	34,207	1,194,270	-	3,250,005	90,154	
2011	1,049,088	-	88,926	36,595	1,208,030	-	2,894,198	91,193	

Note 1 Source: City of Detroit, Michigan - Comprehensive Annual Financial Report for fiscal years ended June 30, 2011 through 2020

## Debt Capacity - Ratios of Outstanding Debt by Type

**Last Ten Fiscal Years**  
**(Dollars in Thousands, Except Per Capita)**  
**(Unaudited)**

### Business-type Activities (Note 1)

Transportation Fund		Water Fund			Automobile Parking Fund		Airport Fund	Public Lighting Authority	Total Primary Government	Per Capita
General Obligations Bonds	Pension Obligation Certificates	General Obligation Bonds	Revenue Bonds	Pension Obligation Certificates	General Obligation Bonds	Revenue Bonds	General Obligations Bonds	General Obligations Bonds		
\$ 29,934	\$ -	\$ 38,636	\$ 151,852	\$ -	\$ -	\$ -	\$ 380	\$ 178,207	\$ 2,100,178	\$ 3,134
29,934	-	24,372	64,543	-	481	-	380	178,581	2,045,028	3,040
43,552	-	26,540	59,004	-	700	-	552	189,070	1,827,103	2,714
48,824	-	29,729	52,008	-	700	-	552	189,070	1,895,532	2,816
49,253	-	29,989	-	-	700	-	552	189,445	1,923,570	2,848
49,661	-	30,236	2,375,375	-	700	-	552	195,819	7,876,408	11,613
5,458	100,159	-	2,553,333	75,748	-	-	-	60,000	8,546,597	12,542
5,458	105,185	-	2,488,622	79,555	-	9,125	-	-	8,313,850	12,034
6,272	105,189	-	2,518,913	79,558	-	10,261	-	-	8,349,432	11,938
6,272	106,401	-	2,159,832	80,474	-	11,341	-	-	7,732,348	10,973

**Schedule 10**  
**City of Detroit, Michigan**

**Debt Capacity - Ratios of General Bonded Debt Outstanding**

**Last Ten Fiscal Years**  
**(Dollars in Thousands, Except Per Capita)**  
**(Unaudited)**

Fiscal Year	General Bonded Debt (Note 1)					General Bonded Debt (Note 1)		Per Capita
	General Bonds	Detroit Building Authority Bonds	Pension Obligation Certificates	Restricted for Debt Service	Total (Net of Restricted for Debt Service)	Taxable Value (Note 1)	Actual Taxable Value of Property	
2020	\$ 1,417,771	\$ -	\$ -	\$ (43,938)	\$ 1,373,833	\$ 6,309,951	21.77 %	\$ 2,050.40
2019	1,495,540	-	-	(49,205)	1,446,335	6,113,711	23.66	2,150.17
2018	1,379,885	-	-	(44,539)	1,335,346	6,038,052	21.02	1,983.86
2017	1,474,361	-	-	(31,906)	1,442,455	6,414,232	21.55	2,142.99
2016	1,531,061	-	-	(22,436)	1,508,625	7,086,486	20.50	2,233.41
2015	1,609,844	-	-	(18,512)	1,591,332	7,313,421	26.15	2,229.45
2014	1,047,770	-	1,137,404	(14,781)	2,170,393	8,301,190	25.54	3,040.71
2013	1,009,395	-	1,180,285	(31,916)	2,157,764	8,447,370	24.14	3,023.02
2012	963,400	-	1,180,285	(30,331)	2,113,354	8,755,414	24.20	2,960.80
2011	1,039,505	-	1,194,003	(28,857)	2,204,651	9,111,881	22.51	3,088.71

Note 1 Source: City of Detroit, Michigan - Comprehensive Annual Financial Report for fiscal years ended June 30, 2011 through 2020

**Schedule 11**  
**City of Detroit, Michigan**

**Debt Capacity - Direct and Overlapping Governmental Activities Debt**

Governmental Unit	Debt Outstanding	Estimated Percent Applicable to City of Detroit, Michigan	June 30, 2020
			(Unaudited) Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Detroit Public Schools	\$ 1,741,309,033	100.00 %	\$ 1,741,309,033
Wayne County, Michigan	281,946,697	14.10	<u>39,754,484</u>
Subtotal, overlapping debt			1,781,063,517
City of Detroit, Michigan direct debt	1,581,195,822	100.00	<u>1,581,195,822</u>
Total direct and overlapping debt			<b><u>\$ 3,362,259,339</u></b>

Source: City of Detroit Office of Treasury - Debt Management Division

**Schedule 12**  
**City of Detroit, Michigan**

**Debt Capacity - Legal Debt Margin Information**

**Last Ten Fiscal Years**  
**(Dollars in Thousands)**  
**(Unaudited)**

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Debt limit	\$ 1,882,829	\$ 1,756,549	\$ 1,715,886	\$ 1,726,304	\$ 1,716,899	\$ 1,464,359	\$ 1,587,704	\$ 1,558,064	\$ 1,033,010	\$ 1,218,147
Total net debt applicable to limit	<u>677,364</u>	<u>727,860</u>	<u>627,865</u>	<u>663,695</u>	<u>592,169</u>	<u>832,580</u>	<u>1,034,669</u>	<u>1,039,011</u>	<u>957,128</u>	<u>1,033,233</u>
Legal debt margin	<b><u>\$ 1,205,465</u></b>	<b><u>\$ 1,028,689</u></b>	<b><u>\$ 1,088,021</u></b>	<b><u>\$ 1,062,609</u></b>	<b><u>\$ 1,124,730</u></b>	<b><u>\$ 631,779</u></b>	<b><u>\$ 553,035</u></b>	<b><u>\$ 519,053</u></b>	<b><u>\$ 75,882</u></b>	<b><u>\$ 184,914</u></b>
Total net debt applicable to the limit as a percentage of debt limit	35.98%	41.44%	36.59%	38.45%	34.49%	56.86%	65.17%	66.69%	92.65%	84.82%

Source: City of Detroit Office of Treasury - Debt Management Division



**Schedule 13**  
**City of Detroit, Michigan**

**Debt Capacity - Pledged Revenue Coverage**

**Last Ten Fiscal Years**  
**(Dollars in Thousands)**  
**(Unaudited)**

Sewage Disposal Revenue Bonds						
Fiscal Year	Total Available Revenue	Less Operating Expenses	Net Available Revenue	Debt Service (b)	Debt Coverage (c)	
2011	\$ 413,968	\$ 230,811	\$ 183,157	\$ 209,064	87.61	
2012	444,471	217,024	227,447	203,092	111.99	
2013	440,663	209,785	230,878	225,223	102.51	
2014	479,929	206,052	273,877	229,611	119.28	
2015	505,672	168,160	337,512	232,409	134.39	
2016	N/A - No revenue bonds during the fiscal year					
2017	N/A - No revenue bonds during the fiscal year					
2018	N/A - No revenue bonds during the fiscal year					
2019	320,323	263,788	56,535	2,984	1,894.60	
2020	353,382	292,213	61,169	4,008	1,526.17	
Water Revenue Bonds						
Fiscal Year	Total Available Revenue	Less Operating Expenses	Net Available Revenue	Debt Service (b)	Debt Coverage (c)	
2011	\$ 320,066	\$ 146,880	\$ 173,186	\$ 164,436	105.32	
2012	343,923	165,081	178,842	153,524	116.49	
2013	361,091	151,204	209,887	172,459	121.70	
2014	357,291	145,268	212,023	182,465	116.20	
2015	364,278	127,758	236,520	178,901	132.21	
2016	N/A - No revenue bonds during the fiscal year					
2017	125,266	79,297	45,969	1,727	2,661.78	
2018	131,908	88,393	43,515	2,667	1,631.61	
2019	118,908	65,181	53,727	2,760	1,946.63	
2020	131,989	73,805	58,184	2,875	2,023.79	
Automobile Parking Revenue Bonds						
Fiscal Year	Total Available Revenue (a)	Less Operating Expenses	Net Available Revenue	Debt Service (b)	Debt Coverage	
2011	\$ 8,137	\$ 6,938	\$ 1,199	\$ 1,671	72.00	
2012	10,617	7,911	2,706	1,665	162.56	
2013	11,993	6,365	5,628	1,664	338.26	
2014	N/A - No revenue bonds after June 30, 2013					
Governmental Activities						
Fiscal Year	Total Available Revenue	Less Operating Expenses	Net Available Revenue	Debt Service (b)	Debt Coverage	
2011-2017	N/A - No revenue bonds prior to June 30, 2017					
2018	\$ 62,112	\$ -	\$ 62,112	\$ -	N/A	
2019	66,584	-	66,584	1,072	6,211.19	
2020	69,563	-	69,563	3,059	2,274.04	

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses.

(a) Includes investment earnings on system funds.

(b) Reflects accrued deposits to the Bond and Interest Redemption Funds for principal and interest payments due on January 1 and July 1. Excludes interest paid from capitalized interest funds. Includes principal and interest on State Revolving Fund Loans.

(c) This calculation is for statistical analysis only. The calculation of debt service coverage in accordance with the bond ordinance is beyond the scope of this presentation.

**Schedule 14**  
**City of Detroit, Michigan**

**Demographic and Economic Information - Demographic and Economic Statistics**

**Last Ten Calendar Years  
(Unaudited)**

Year	Population (Note 1)	Unemployment Rate (Note 2)	Per Capita Personal Income (Note 3)	Total Personal Income (in Millions)
2020	*	*	*	*
2019	670,031	8.8 %	\$ 21,044	\$ 14,100
2018	672,977	8.9	18,761	12,626
2017	674,631	9.6	18,425	12,430
2016	677,143	10.8	17,881	12,108
2015	679,410	11.8	16,846	11,445
2014	682,609	16.1	16,009	10,928
2013	691,868	18.9	16,173	11,190
2012	700,183	19.2	15,556	10,892
2011	705,118	21.1	15,890	11,204

\*Information not available at date of publication of CAFR

Note 1 Source: U.S. Census Bureau: 2011-2019 estimates from Vintage 2019 Population Estimates, 2010 Census. With each annual vintage release, prior years are revised to provide a consistent time series and methodology.

Note 2 Source: Bureau of Labor Statistics, Local Area Unemployment Statistics (annual averages). In March 2020, the LAUS program updated model inputs which resulted in a revision of historical employment data from 2015 through 2019.

Note 3 Source: U.S. Census Bureau, American Community Survey 1-year Estimates (in 2019 inflation-adjusted dollars)

Prior year statistical data has been restated to reflect sources above.

**Schedule 15**  
**City of Detroit, Michigan**

**Demographic and Economic Information - Principal Employers**

**Current Year and Ten Years Ago  
(Unaudited)**

Employer	2020 (Note 1)			2011 (Note 2)		
	Employees	Rank	Percentage of Total City Employment (Note 3)	Employees	Rank	Percentage of Total City Employment (Note 3)
Rock Ventures	17,887	1	8.9 %	*	*	* %
Henry Ford Health System	11,784	2	5.8	8,289	4	4.0
City of Detroit, Michigan	9,749	3	4.8	12,472	2	6.0
Detroit Medical Center	8,683	4	4.3	10,502	3	5.1
U.S. Government	6,352	5	3.2	6,840	5	3.3
Wayne State University	5,913	6	2.9	5,152	6	2.5
Detroit Public Schools Community District	5,850	7	2.9	13,039	1	6.3
Blue Cross/Blue Shield of Michigan	5,577	8	2.8	*	*	*
Ilitch Companies	5,340	9	2.7	*	*	*
Fiat Chrysler Automobiles (FCA) US LLC (3)	5,157	10	2.6	4,150	8	2.0
State of Michigan	-			4,740	7	2.3
U.S. Postal Service	-			3,987	9	1.9
St John Providence Health System	-			3,384	10	1.6
<b>Total City Employment (Note 4)</b>	<b>201,438</b>			<b>206,226</b>		

\*Information for 2011 is not available.

Note 1 Source: Crain's 2020 Book of Lists, Detroit's Largest Employers (includes Detroit, Hamtramck, and Highland Park)

Note 2 Source: Crain's 2011 Book of Lists, Detroit's Largest Employers (includes Detroit, Hamtramck, and Highland Park)

Note 3 Source: FCA US LLC formerly known as Chrysler Group LLC

Note 4 Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics (preliminary 2020 YTD average as of September 2020 and 2011 annual average)

## Schedule 16

### City of Detroit, Michigan

Function/Program	FTE Employees as of June 30				
	2020	2019	2018	2017	2016
<b>General Governmental Agencies</b>					
Executive agencies:					
Appeals and hearings	11	10	8	6	3
Budget (1)	-	-	-	17	7
Buildings, safety engineering, and environmental	265	276	227	160	181
Civic center	-	1	2	-	-
Civil rights, inclusion & opportunity	16	14	11	8	3
Environmental	-	-	-	-	-
Fire	1,180	1,178	1,153	1,123	1,251
General services	523	574	488	256	436
Health	152	98	82	19	6
Homeland security	-	-	-	-	-
Housing	-	-	-	-	-
Housing and revitalization / Planning and development	135	139	125	102	92
Human resources	118	102	98	88	74
Human services	-	-	-	-	-
Innovation and technology	118	127	121	37	33
Law	116	112	110	105	91
Mayor's office	87	78	75	75	56
Municipal parking (2)	94	-	-	-	-
Office of the Chief Financial Officer (1)	403	438	441	390	183
Police	3,151	3,094	2,965	2,647	2,686
Public lighting	3	3	4	5	6
Public works	403	374	372	318	374
Recreation (3)	-	-	182	153	203
Workforce development	-	-	-	-	-
Legislative agencies:					
Auditor general	11	13	8	9	10
Board of zoning appeals	4	4	12	6	11
City Council (4)	107	112	82	45	-
Inspector General	10	10	10	11	7
Ombudsman	8	8	7	5	6
City clerk	16	16	15	12	13
Elections	97	82	58	89	60
Judiciary agency - 36th District Court	29	29	30	28	32
Other agencies:					
Nondepartmental	131	94	95	95	40
Library	248	305	300	268	307
<b>Total general governmental agencies</b>	<b>7,436</b>	<b>7,291</b>	<b>7,081</b>	<b>6,077</b>	<b>6,171</b>
<b>Enterprise Agencies</b>					
Airport	4	3	4	3	4
Transportation	911	919	1,024	809	965
Municipal parking (2)	-	80	85	70	85
Water and sewerage (5)	554	541	554	423	1,363
<b>Total enterprise agencies</b>	<b>1,469</b>	<b>1,543</b>	<b>1,667</b>	<b>1,305</b>	<b>2,417</b>
<b>Grand total</b>	<b>8,905</b>	<b>8,834</b>	<b>8,748</b>	<b>7,382</b>	<b>8,588</b>

Source: City of Detroit, Michigan, Human Resources Department

(1) The Budget and Finance Departments were merged into the new Office of the Chief Financial Officer during fiscal year 2017.

(2) The Municipal Parking enterprise fund was consolidated into the General Fund beginning in fiscal year 2020.

(3) Recreation department was merged with the General Services Department in fiscal year 2019.

(4) City Council Employees were all on Personal Service Contracts from fiscal years 2014 to 2016, and therefore, not considered FTEs.

(5) Water and Sewerage regional system was leased to the Great Lakes Water Authority during fiscal year 2016.

## Operating Information - Full-time Equivalent City Government Employees by Function/Program

**Last Ten Fiscal Years  
(Unaudited)**

FTE Employees as of June 30				
2015	2014	2013	2012	2011
4	4	8	4	6
10	10	15	15	16
178	178	183	204	235
-	-	-	-	-
1	1	7	6	8
-	-	-	-	3
1,154	1,154	1,093	1,257	1,330
436	436	384	343	447
7	7	31	185	243
-	-	3	2	2
-	-	-	-	3
93	93	110	122	154
83	83	82	107	176
-	-	-	52	85
30	30	30	43	46
82	82	88	94	105
47	47	22	39	52
-	-	-	-	-
176	176	224	235	266
2,769	2,769	2,561	3,016	3,195
32	32	98	103	123
407	407	503	542	639
185	185	203	300	510
-	-	-	46	73
10	10	10	12	15
11	11	13	12	12
-	-	118	52	61
7	7	7	-	-
6	6	6	7	7
14	14	15	18	20
72	72	81	83	51
32	32	31	31	35
40	40	24	14	20
<u>301</u>	<u>301</u>	<u>344</u>	<u>334</u>	<u>371</u>
6,187	6,187	6,294	7,278	8,309
3	3	2	7	8
951	951	809	1,131	1,292
83	83	86	97	92
<u>1,560</u>	<u>1,560</u>	<u>1,721</u>	<u>2,012</u>	<u>2,123</u>
<u>2,597</u>	<u>2,597</u>	<u>2,618</u>	<u>3,247</u>	<u>3,515</u>
<u><b>8,784</b></u>	<u><b>8,784</b></u>	<u><b>8,912</b></u>	<u><b>10,525</b></u>	<u><b>11,824</b></u>

**Schedule 17**  
**City of Detroit, Michigan**

	Fiscal Year			
	2020	2019	2018	2017
<b>Public Protection</b>				
<b>Police</b>				
Number of stations (including six mini-stations)	16	29	27	25
911 calls received/answered	1,144,037/988,347	1,149,200/984,517	1,146,411/1,004,893	1,260,185/1,050,701
Number of narcotics raids	215	618	811	980
Number of community policing programs	125	127	123	534
<b>Fire</b>				
Number of fire stations	37	37	37	37
Number of fire fighting vehicles	131	131	133	133
Number of fire hydrants	29,832	30,254	29,927	30,104
Responses to fire alarms (including false alarms)	19,610 146,851	21,066 138,265	9,732	18,938
Responses to special calls and emergency medical service calls	146,851	138,265	20,272	17,721
Estimated fire loss of property	\$ 118,969,646	\$ 104,176,438	\$ 72,214,278	\$ 64,762,910
<b>Public Works</b>				
Miles of streets (paved + unpaved)	2,544	2,548	2,554	2,554
Miles of alleys (paved + unpaved)	1,300	1,300	1,300	1,300
Miles of sidewalks	4,261	4,265	4,265	4,265
<b>Public Lighting</b>				
Number of street lights	67,121	56,000	56,000	56,000
Number of revenue customers	7	6	6	5
Size of generating station in kilowatts	-	184,000	184,000	184,000
Kilowatt hours generated - Net	-	-	-	-
Kilowatt hours delivered to system	-	-	-	-
Steam heating plants - Steam produced in pounds	-	-	-	-
<b>Recreation and Culture</b>				
Number of parks, ornamental areas, playfields, and playgrounds owned (5,108 acres)	294	301	315	308
Number of summer camps (199 acres)	-	9	9	-
Number of recreation centers, playgrounds, and school facilities operated	11	22	22	-
Number of skating rinks	2	2	2	2
Number of swimming pools	6	6	6	8
Number of municipal beaches	-	-	-	-
Total playing permits issued at five municipal golf courses	98,141	92,203	71,000	*

Source: City of Detroit, Michigan, various departments

\*Information not available at date of publication of CAFR

## Operating Information - Miscellaneous Operating Indicators by Function/Program

**Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year						
2016	2015	2014	2013	2012	2011	
24	21	21	37	39	23	
1,128,895/1,000,952	1,586,352/1,222,065	1,822,524/1,334,694	1,274,796/1,252,547	1,384,274/1,323,069	1,503,255/1,367,627	
1,556	855	1,249	2,440	3,462	3,147	
522	510	464	874	375	350	
37	38	37	37	46	46	
122	80	78	78	78	76	
30,968	29,000	28,000	28,000	28,000	28,000	
21,514	22,289	22,702	21,449	34,613	26,813	
133,062	135,091	114,133	109,237	126,099	136,705	
\$ *	\$ 250,000,000	\$ 256,817,197	\$ 245,851,910	\$ 149,261,205	\$ 285,142,382	
2,554	2,557	2,557	2,571	2,571	2,572	
1,300	1,264	1,264	1,264	1,264	1,264	
4,265	4,243	4,243	4,243	4,243	4,243	
4,000	10,000	87,000	88,000	88,000	88,000	
5	-	256	256	256	116	
184,000	184,000	184,000	30,000	30,000	140,000	
-	-	-	164,000	191,320	29,352,500	
-	-	488,639,040	487,465,000	604,471,560	549,972,720	
-	-	-	95,670,000	87,505	57,840,415	
308	302	354	354	354	354	
-	-	-	-	-	-	
25	17	17	17	17	17	
2	2	2	2	2	2	
8	9	9	9	10	10	
-	-	-	1	1	1	
*	108,000	98,678	109,474	121,612	92,857	

**Schedule 17 (Continued)**  
**City of Detroit, Michigan**

	Fiscal Year			
	2020	2019	2018	2017
<b>Water System</b>				
Number of customer accounts	330,000	220,000	220,000	220,000
Average pumpage - Millions of gallons per day	67	N/A	N/A	N/A
Greatest pumpage for a single day during fiscal year - Gallons	94	N/A	N/A	N/A
Greatest pumpage for a single hour during fiscal year - Gallons	110	N/A	N/A	N/A
Filtration plant rated capacity - Millions of gallons per day	1,780	N/A	N/A	1,780
Number of miles of water mains	2,700	2,700	2700	3,840
Average cost (includes domestic, industrial, and commercial) per 1,000 cubic feet	N/A	N/A	N/A	\$ *
<b>Sewage System</b>				
Number of sewage disposal plants	-	-	-	-
Number of pumping stations	4	4	4	4
Miles of (trunk line and lateral) sewers	3,013	3,013	3,013	2,913
Miles of lateral sewers	2,258	2,258	2,258	2,125
<b>Transportation</b>				
Number of revenue vehicles	320	320	320	320
Seating capacity	12,480	12,480	12,480	12,480
Number of route miles	1,130	1,014	1,014	1,014
Number of passengers (estimated)	18,335,997	22,394,860	23,495,019	24,397,156
Regular fare	2.00	2.00	1.50	\$ 1.50
Tickets	N/A	N/A	N/A	N/A
Transfers	\$ -	\$ -	\$ -	\$ 0.25
Weekly GO pass	\$ 17.00	\$ 17.00	\$ 14.40	\$ 14.40
<b>Health</b>				
Birth rate per thousand	71	71	69	15
Death rate per thousand	10	10	10	10
Infant Mortality Rate per Thoudsand Live Births	17	14	13	14

Source: City of Detroit, Michigan, various departments  
 \*Information not available at date of publication of CAFR



**Operating Information - Miscellaneous Operating Indicators by  
Function/Program (Continued)**

**Last Ten Fiscal Years  
(Unaudited)**

		Fiscal Year						
		2016	2015	2014	2013	2012	2011	
		220,000	220,000	257,000	258,000	262,000	267,500	
	*		476	537	550	556	543	
	*		731,800,000	742,000,000	957,200,000	983,100,000	968,000,000	
	*		33,875,000	32,875,000	42,917,000	44,833,000	43,625,000	
		1,780	1,780	1,780	1,780	1,780	1,780	
		3840	3,840	3,840	3,840	3,840	3,840	
\$	*	\$	20.60	\$	19.43	\$	18.76	
		1	1	1	1	1	1	
		11	11	11	11	11	11	
		2,913	2,913	2,913	2,913	2,913	2,913	
		2,125	2,125	2,125	2,125	2,125	2,125	
		320	320	403	444	465	445	
		12,480	12,300	15,915	17,534	18,363	17,570	
		1,014	944	1,014	1,014	1,056	1,091	
		27,149,357	24,113,775	25,116,299	30,898,942	32,750,907	35,615,420	
\$		1.50	\$	1.50	\$	1.50	\$	1.50
		N/A	N/A	N/A	N/A	N/A	N/A	
\$		0.25	\$	0.25	\$	0.25	\$	0.25
\$		14.40	\$	14.40	\$	14.40	\$	14.40
		15	15	15	*	*	22	
		11	9	8	*	*	*	
		N/A	13	*	*	*	7	

**OUR SPECIAL THANKS TO:**

**City of Detroit, Michigan**

[www.detroitmi.gov](http://www.detroitmi.gov)

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**Plante & Moran, PLLC**

**Media Services Department,  
Communications & Creative Services Division**