EMERGENCY MANAGER
CITY OF DETROIT

ORDER No. 44

FINAL EMERGENCY MANAGER ORDER

BY THE AUTHORITY VESTED IN THE EMERGENCY MANAGER FOR THE CITY OF DETROIT PURSUANT TO MICHIGAN'S PUBLIC ACT 436 OF 2012, KEVYN D. ORR, THE EMERGENCY MANAGER, ISSUES THE FOLLOWING ORDER:

Whereas, on March 28, 2013, Michigan Public Act 436 of 2012 ("PA 436") became effective and Kevyn D. Orr became the Emergency Manager (the "EM") for the City of Detroit (the "City") with all of the authority, powers and duties provided under PA 436; and

Pursuant to Section 9(2) of PA 436, the EM "shall act for and in the place and stead of" the City's Mayor (the "Mayor") and the Detroit City Council (the "Council"); and

Section 9(2) of PA 436 also grants the EM "broad powers in receivership to rectify the financial emergency and assure the fiscal accountability of the [City] and the [City's] capacity to provide or cause to be provided necessary governmental services essential to the public health, safety, and welfare;" and

Section 10(1) of PA 436 provides, in part, that "[a]n emergency manager shall issue to the appropriate local elected and appointed officials and employees, agents, and contractors of the local government the orders the emergency manager considers necessary to accomplish the purposes of this act, including, but not limited to, orders for the timely implementation of a financial and operating plan…, or to take actions or refrain from taking actions, to enable the orderly accomplishment of the financial and operating plan. An order issued under this section is binding on the local elected and appointed officials and employees, agents, and contractors of the local government to whom it is issued. Local elected and appointed officials and employees, agents, and contractors of the local government shall take and direct those actions that are necessary and advisable to maintain compliance with the financial and operating plan;" and

The EM has developed and implemented a written financial and operating plan for the City consistent with the requirements of Section 11 of PA 436, the objective of which has been to enable City officials to provide, or cause to be provided, governmental services essential to the public health, safety and welfare of residents of the City, and assure the fiscal accountability of the City; and

Section 12 of PA 436 authorizes the EM, "notwithstanding any charter provision to the contrary," to exercise certain rights and powers, along with the other rights, duties and powers set forth in PA 436; and

Section 21 of PA 436 states, "[b]efore the termination of receivership and the completion of the emergency manager's term, or if a transition advisory board is appointed under section 23, then before the transition advisory board is appointed, the emergency manager shall adopt and implement a 2-year budget, including all contractual and employment agreements, for the local government commencing with the termination of receivership;" and

On July 18, 2013, consistent with the authorization of the Governor of the State of Michigan (the "Governor") provided under Section 18(1) of PA 436, the City filed a petition for relief pursuant to chapter 9 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as it may be amended, the "Bankruptcy Code") in the United States Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court"); and

By an order dated December 5, 2013 (Docket No. 1945) (the "Eligibility Order"), the Bankruptcy Court determined that the City is eligible for relief under chapter 9 of the Bankruptcy Code; and

On October 22, 2014, the City filed the Eighth Amended Plan for the Adjustment of Debts of the City of Detroit in the Bankruptcy Court (Docket No. 8045) (as it may be further amended, modified or supplemented, the "Plan of Adjustment");[1] and

By an order dated November 12, 2014 (the "Confirmation Order") (Docket No. 8272), the Bankruptcy Court confirmed the Plan of Adjustment pursuant to the Bankruptcy Code; and

In connection with the Plan of Adjustment, the City, Title Source, Inc. (the "Title Company"), The Detroit Institute of Arts (the "DIA") and the Foundation for Detroit's Future ("FDF") have entered into that certain Deposit Escrow Agreement dated September 19, 2014 (the "Deposit Escrow Agreement"), whereby the parties thereto have agreed to deposit certain agreements relating to the conveyance of the assets of the Detroit Institute of Arts to the DIA to be held in perpetual charitable trust, including, but not limited to, the Omnibus Transaction Agreement by and among the City, the DIA and the FDF (the "Omnibus Agreement"); the Settlement Conveyance and Charitable Trust Agreement by and between the City and the DIA (the "Conveyance Agreement"); the Quit Claim Deed from the City to the DIA granting the DIA the City's interest in the cultural center garage (the "Garage Deed"); the Quit Claim Deed from the City to the DIA granting the DIA the City's interest in the real property of the Detroit

[1] Capitalized terms not otherwise defined herein have the meanings given to them in the Plan of Adjustment.

Institute of Arts (the "DIA Deed"); the Bill of Sale by and between the City and the DIA (the "Bill of Sale"); and the Intellectual Property Transfer Agreement by and between the City and the DIA (together with the Omnibus Agreement, the Conveyance Agreement, the Garage Deed, the DIA Deed, the Bill of Sale and any other document referenced in Schedule 1 of the Deposit Escrow Agreement, the "DIA Transfer Documents"); and

The City also is entering into various settlement agreements and other resolutions as set forth in the Plan of Adjustment and the exhibits thereto (collectively, the "Plan Settlements"), which will be effective upon effective date of the Plan of Adjustment (the "Effective Date"), including, without limitation, the following (as further defined or described in the Plan of Adjustment): (a) the UTGO Settlement Agreement, in substantially the form as Exhibit I.A.360 to the Plan of Adjustment, (b) the LTGO Settlement Agreement, in substantially the form as Exhibit I.A.237 of the Plan of Adjustment, (c) the 36th District Court Settlement, as outlined in Exhibit I.A.9 to the Plan of Adjustment; (d) the settlement of OPEB Benefits, as set forth in Section IV.G of the Plan of Adjustment and the Retiree Health Care Settlement Agreement attached as Exhibit I.A.298 to the Plan of Adjustment; (e) the DIA Settlement, as outlined in Exhibit I.A.126 of the Plan of Adjustment and pursuant to the DIA Settlement Documents substantially in the form as Exhibit I.A.127 of the Plan of Adjustment; (f) the State Contribution Agreement in substantially the form as Exhibit I.A.332 of the Plan of Adjustment (the "State Contribution Agreement"); (g) matters relating to the DWSD Authority; (h) the Syncora Settlement, including the Syncora Development Agreement in substantially the form as Exhibit I.A.340 of the Plan of Adjustment and the other Syncora Settlement Documents in substantially the forms as Exhibit I.A.344 of the Plan of Adjustment; (i) the FGIC/COP Settlement, including the FGIC Development Agreement in substantially the form as Exhibit I.A.198 to the Plan of Adjustment and the other FGIC/COP Settlement Documents in substantially the forms as Exhibit I.A.197; and (j) all other compromises and settlements included in, incorporated into or related to the Plan of Adjustment; and

On September 25, 2014, in accordance with Section 9(6)(c) of PA 436, the Council voted unanimously to remove the EM as of the Effective Date (the period from the appointment of the EM through such removal, the "EM Tenure"). By a letter to the Governor, the Mayor approved of the Council's vote on the same day; and

On September 25, 2014, in connection with the vote of Council to, and the Mayor's approval of, the removal of the EM as of the Effective Date, the EM adopted and issued his Order No. 42. By Order No. 42, the EM, among other things, (a) restored the authority of the Mayor and the Council over day-to-day operations and activities effective immediately as permitted by PA 436, (b) agreed not to exercise his powers under PA 436 to interfere with the powers restored to the Mayor and the Council and (c) agreed that he will exercise his powers through the conclusion of the EM Tenure only with respect to any action (or the prevention of any action) that is necessary or convenient for (i) the management of the case captioned "*In re City of Detroit, Michigan*, Case No 1353846" (the "Bankruptcy Case") and related bankruptcy proceedings and (ii) the implementation of the Plan of Adjustment; and

The EM has concluded that, as of and conditioned on the occurrence of the Effective Date, the financial conditions of the City will have been corrected in a sustainable fashion consistent with the requirements of Section 9(7) of PA 436; and

Section 22(1) of PA 436 provides that "[i]f an emergency manager determines that the financial emergency that he or she was appointed to manage has been rectified, the emergency manager shall inform the governor and the state treasurer;" and

By letter dated December 8, 2014, the EM will notify the Governor and the Treasurer of the State of Michigan (the "State Treasurer") of the EM's determination that the financial emergency he was appointed to manage within the City will have been rectified as of, and conditioned on the occurrence of, the Effective Date; and

As the EM Tenure approaches its conclusion and in anticipation of the Effective Date, the EM has determined that this Order is appropriate to: (a) promote the successful conclusion of the City's restructuring efforts and its capacity to provide or cause to be provided necessary governmental services essential to the public health, safety and welfare; and (b) otherwise fulfill the intents and purposes of PA 436 and chapter 9 of the Bankruptcy Code; and

As part of this Order, the EM has determined, among other things, that the terms hereof are appropriate to provide for a smooth transition at the conclusion of the EM Tenure and to promote the long-term financial recovery of the City and the health, safety and welfare of the public; and

Pursuant to Order No. 42, the EM has consulted with the Mayor and the Council regarding the terms of this Order.

It is hereby ordered that:

Restoration of City Governance

1. To the extent not already restored pursuant to the EM's Order No. 42, and except as provided by this Order or other or applicable Michigan or Federal statute, the powers and authority of the Mayor and the Council previously exercised by the EM shall be restored as of, and conditioned upon the occurrence of, the Effective Date.

Cooperation and Compliance by City Officials

2. The Mayor, Council members, department heads and other employees, agents and contractors of the City shall promptly and fully do all of the following:

    a. Cooperate with the EM through the end of the EM Tenure to the extent necessary to effectuate the implementation of a Plan of Adjustment, the Confirmation Order or other orders entered or that may be entered in connection therewith by

the Bankruptcy Court in the Bankruptcy Case or in any related proceeding or appeal from any order entered or that may be entered by the Bankruptcy Court.

b. Comply with requests from the Michigan Financial Review Commission (the "Commission") created by Michigan Public Act 181 of 2014 ("PA 181"), known as the Michigan Financial Review Commission Act, to the extent necessary or appropriate to effectuate the purposes of PA 181. Such compliance shall include, at a minimum and without limitation, all of the following:

   i. Providing to the Commission any documents, records or other information requested of City officials by the Commission or its staff, including any documents, records or other information specifically required by PA 181.

   ii. Appearing before the Commission to provide testimony, documents, records or other information as and when requested by the Commission or its staff.

   iii. Providing to the Commission upon its request verification of compliance by the City with all of the following consistent with the requirements of Section 6(3) of PA 181:

      A. Section 8 of Michigan Public Act 152 of 2011, the Publicly Funded Health Insurance Contribution Act;

      B. Sections 4i, 4p, 4s and 4t of Michigan Public Act 279 of 1909, the Home Rule City Act;

      C. Michigan Public Act 34 of 2001, the Revised Municipal Finance Act; and

      D. Michigan Public Act 2 of 1968, the Uniform Budgeting and Accounting Act;

   provided that nothing herein shall limit, modify or excuse the City's obligation to comply with the applicable law, whether or not listed herein.

Plan of Adjustment Matters

3. Without limiting the terms of paragraph 2 above, the Mayor, the Council and all City officers, department heads and other employees, agents and contractors shall take such steps as are necessary or appropriate from and after the Effective Date to pursue the prompt implementation of the Plan of Adjustment, the Confirmation Order and all agreements necessary thereto, including the Plan Settlements. For the avoidance of doubt, such steps include, without limitation, the following:

a. The City shall defend any appeals of the Confirmation Order and any appeals of the Eligibility Order or other orders of the Bankruptcy Court necessary for the success of the Plan of Adjustment.

b. On or promptly after the Effective Date and provided that the conditions set forth in the Deposit Escrow Agreement and the DIA Transfer Documents have been otherwise satisfied, the City shall provide the certification described in Schedule 2 of the Deposit Escrow Agreement to the Title Company, and, upon release of the DIA Transfer Documents in accordance with the Deposit Escrow Agreement, the City shall cause the transfer of the assets of the Detroit Institute of Art described in the DIA Transfer Documents and the governance thereof to The Detroit Institute of Arts in accordance with the DIA Transfer Documents.

c. The City shall comply with all covenants set forth in Sections 5.2 and 5.3 of the Omnibus Agreement.

d. Without limiting any other provision hereof, the City shall make such distributions and take such actions as are contemplated in the Plan of Adjustment for the establishment of and distribution to the Detroit General VEBA and Detroit Police and Fire VEBA (as such terms are defined in the Plan of Adjustment), in substantially the form provided in the Plan of Adjustment, and consistent with the measures set forth in the letter agreement filed at Docket No. 8183, all of which are hereby specifically adopted, approved and ratified in all respects.

e. Upon the negotiation of documentation mutually acceptable to the parties, the City shall be authorized and is directed to take such actions and sign such documents as are necessary or appropriate to establish the DWSD Authority (i.e., the Great Lakes Water Authority) and implement the DWSD Authority Transaction consistent with the Memorandum of Understanding (as defined in the Confirmation Order).

f. The City is authorized to enter into and implement, and the EM hereby approves, the *Memorandum of Understanding Between the City of Detroit and Wayne County Community College* in the form approved by the Council on December 8, 2014.

4. All Plan Settlements and related agreements (including, without limitation, the DIA Transfer Documents), to the extent not previously approved by an order of the EM, are hereby expressly adopted, approved and ratified in all respects.

Restructuring Advisors

5. The Mayor or his designee may determine whether to retain the restructuring advisors listed on the attached Exhibit A (collectively, the "Restructuring Advisors") for such period as is necessary or appropriate to complete their work to implement the Plan of Adjustment and defend the appeals thereof (the "Restructuring Period"), subject to the terms of the Restructuring Advisors' contracts with the City, *provided that* the Mayor shall consult with the Commission with respect to any decision not to retain a Restructuring Advisor through the conclusion of the Restructuring Period.

6. The Emergency Manager, on behalf of the City, hereby restates and ratifies his approval of all fees and expenses for the City's restructuring professionals that have been subject to the Fee Examiner review process in the City's bankruptcy case (including the Restructuring Advisors) for services rendered through the Effective Date, subject to the Bankruptcy Court's independent review of reasonableness. The City is directed to continue to process and pay invoices of the City's restructuring professionals (including the Restructuring Advisors) for their work through the Effective Date based on the invoices presented, subject only to the Bankruptcy Court's independent review of reasonableness. For the avoidance of doubt, the City also shall pay any creditor advisors or court-appointed professionals and experts consistent with orders of the Bankruptcy Court. The City's Chief Financial Officer ("CFO") shall be responsible for the foregoing on behalf of the City, under the supervision of the Mayor.

7. Consistent with the foregoing, the City shall: (a) set aside a reserve account solely for the payment of restructuring fees consistent with full funding of the amounts identified for "Restructuring Professional Fees" in the City of Detroit Ten-Year Financial Projections; and (b) otherwise implement the fee provisions of the Plan of Adjustment, the Confirmation Order and any further orders of the Bankruptcy Court. The CFO shall be responsible for the foregoing on behalf of the City, under the supervision of the Mayor.

Two-Year Budget

8. Attached hereto as Exhibit B is the City's two-year budget consistent with the requirements of Section 21(1) of PA 436 (the "Two-Year Budget").

9. Consistent with the requirements of Section 21(2) of PA 436, the City shall not amend the Two-Year Budget without the written approval of the State Treasurer. In addition to approval by the State Treasurer, an amendment by the City to the Two-Year Budget shall not take effect unless approved by the Commission consistent with Section 7(c) of PA 181.

Labor Matters

10. All Collective Bargaining Agreements ("CBAs") set forth on Exhibit II.D.5 of the Plan of Adjustment and all CBAs identified on the attached Exhibit C (including CBAs relating to the Detroit Water and Sewerage Department), and any addenda, exhibits, schedules, appendices, supplements or related agreements though the date of this Order, are hereby adopted, approved and ratified in all respects. In addition to the foregoing, all City Employment Terms ("CETs") and other labor-related agreements approved or authorized by the EM are hereby adopted, ratified and approved in all respects, including, without limitation, the CETs and other agreements identified on the attached Exhibit C. The EM also ratifies and approves the CETs that were implemented prior to the EM Tenure and that remain in effect as of the date of this Order, including the CETs identified on the attached Exhibit C.

Pension Plan Matters

11. For the avoidance of doubt, and without limiting anything herein, the EM hereby expressly reaffirms his Order Nos. 25, 26, 29, 30 and 43 with respect to the changes to the City's pension plans and related ordinances, subject to the additional provisions below.

12. Pursuant to Section 16.4 of Component I of the Combined Plan for the General Retirement System of the City of Detroit, Michigan (the "Combined GRS Plan"), the EM, on behalf of the City, adopts the Combined GRS Plan, as amended and restated, in the form attached hereto as Exhibit D, which document (a) conforms the Combined GRS Plan to the terms of the confirmed Plan of Adjustment and (b) makes other clarifying modifications.

13. Pursuant to Section 17.5 of Component I of the Combined Plan for the Police and Fire Retirement System of the City of Detroit, Michigan (the "Combined PFRS Plan"), the EM, on behalf of the City, adopts the Combined PFRS Plan, as amended and restated, in the form attached hereto as Exhibit E, which document: (a) reflects changes in the terms and conditions of retirement benefits as provided in the CBAs and memoranda of understanding negotiated with certain of the employee representatives; (b) conforms the Combined PFRS Plan to the terms of the confirmed Plan of Adjustment; and (c) makes other clarifying modifications.

14. Copies of the Combined GRS Plan, as amended and restated, and the Combined PFRS Plan, as amended and restated, will be kept in the Office of the City Clerk for the City of Detroit and shall be available for public inspection.

15. The appropriate City officers, department heads and other employees shall cause the Boards of Trustees of the General Retirement System of the City of Detroit ("GRS") and the Police and Fire Retirement System of the City of Detroit ("PFRS") to timely file or cause to be filed on behalf of GRS and PFRS applications for Favorable Determination Letters with the Internal Revenue Service pursuant to Revenue Procedure 2014-6 (or any successor procedure) to obtain rulings that the Combined GRS Plan and the Combined PFRS Plan satisfy the requirements for favorable tax treatment under Sections 401(a) and 501(a) of the Internal Revenue Code. City officers, department heads and other employees, agents and contractors shall cooperate with and provide such information as the Boards of Trustees and their legal counsel may require in connection with such Favorable Determination Letter applications.

16. The Mayor, Council members and appropriate City officers, department heads and other employees shall cause the Boards of Trustees of the GRS and the PFRS to: (a) comply with the governance requirements set forth in Section 2 of the State Contribution Agreement (including, with respect to the GRS, the requirements of Exhibit A and, with respect to the PFRS, the requirements of Exhibit B) at all times during the 20-year period

following the disbursement to the GRS and the PFRS of the State Contribution (as defined in the State Contribution Agreement); and (b) establish and implement an income stabilization program that complies in all respects with Section 3 of the State Contribution Agreement.

Other EM Orders and Bond Orders

17. All prior Orders of the EM, to the extent that they are not otherwise inconsistent with this Order and have not previously been modified or rescinded (the "Prior Orders"), shall be incorporated by reference into this Order.

18. The reaffirmation herein of specific Orders of the EM shall not render the Orders not explicitly mentioned herein revoked, rescinded or altered in any way unless such Orders are otherwise inconsistent with this Order.

19. The bond orders issued by the EM, including the bond orders identified on the attached Exhibit F (collectively, the "Bond Orders"), are hereby ratified and affirmed.

Administrative Matters

20. The City shall maintain access to the EM page via the City's website for a period of at least one year following the end of the EM Tenure.

21. Nothing in this Order shall be construed as contrary to applicable law.

22. Nothing in this Order shall be construed to restrict or impair the authority of the Governor, in the Governor's sole discretion, to determine that the financial conditions of the City have not been corrected in a sustainable fashion as required by Section 9(7) of PA 436 and appoint a new emergency manager pursuant to Section 24 of PA 436.

23. If any provision of this Order is declared by a court of competent jurisdiction to be illegal, unenforceable or ineffective, such provision shall be deemed severable to the extent necessary so that all other provisions contained in this Order shall remain valid, enforceable and effective.

24. The City shall, and is directed to, maintain all insurance called for by Article 8 of the EM's Contract for Emergency Manager Services dated March 27, 2013 between Mr. Orr and the State of Michigan (the "EM Contract"), including, without limitation, any general liability, professional liability or errors and omissions policy under Sections 8.1 and 8.3 of the EM Contract, and any tail coverage for such insurance.

25. The City shall, and is directed to, fulfill its obligations under Section 8.2 of the EM Contract after the end of the EM Tenure, including, without limitation, by paying the costs of any judgment, settlement or attorneys' fees relating to any uninsured claim,

demand or lawsuit against the EM or any employee, agent, appointee or contractor of the EM for actions taken during the EM Tenure. If Mr. Orr is sued personally for any action performed within the scope of his official capacity as the EM, Mr. Orr shall have the right to direct the defense of any such action, and the Mayor, the Council, the Corporation Counsel and the other employees, officers, department heads and agents of the City shall not take any action contrary to, or to interfere with, Mr. Orr's right to direct such defense.

26. Prior to the Effective Date, and pursuant to Section 5.1 of the Financial Stability Agreement, as Amended and Restated on November 7, 2013 (the "FSA"), the EM hereby consents, with the mutual consent of the State Treasurer, to amend Section 6.1(c) of the FSA for the purpose of terminating the FSA as of the Effective Date. To that end, the *Addendum to the Financial Stability Agreement* in the form attached hereto as Exhibit G (the "FSA Amendment") is approved and ratified in all respects. For the avoidance of doubt, the mutual execution of the FSA Amendment by the EM and the State Treasurer shall not preclude the Council from voting to ratify execution of the FSA Amendment prior to the Effective Date.

27. This Order shall be distributed to the Governor, the State Treasurer, the Mayor, Council members, the CFO and all department heads.

28. This Order is effective immediately.

Modification of This Order and Prior EM Orders

29. Prior to the Effective Date, the EM may modify, amend, rescind, replace, supplement or otherwise revise this Order at any time. Further, nothing herein shall preclude the EM from issuing any other appropriate Orders, consistent with EM Order No. 42, prior to the Effective Date.

30. Pursuant to Section 21(2) of PA 436, the Council shall not revise this Order or any other Orders or ordinances implemented by the EM during his term, and that remain in effect, prior to one year after the termination of receivership. In addition, after the Effective Date, this Order, or any other Order issued by the EM that remains in effect, may be amended, modified or rescinded only by the following methods:

    a. By a subsequent Order issued by an emergency manager appointed by the Governor under Section 9 of PA 436, including:

        i. After a selection by the Council pursuant to Section 7(1)(b) of PA 436; or

        ii. Pursuant to Section 24 of PA 436; or

    b. By the City by resolution of the Council, approved by the Mayor and ratified by the Commission pursuant to Section 7(n) or 7(o) of PA 181.

Dated: December 8, 2014

By: _____
Kevyn D. Orr
Emergency Manager
City of Detroit

cc: Governor of the State of Michigan
State Treasurer
Mayor Michael Duggan
Members of Detroit City Council
Chief Financial Officer
City Department Heads

EXHIBIT A

Restructuring Advisors

Conway MacKenzie, Inc., operational restructuring advisors to the City

Ernst & Young, LLP, financial restructuring advisors to the City

Foley & Lardner LLP, claims counsel to the City

Jones Day, restructuring counsel to the City

Kilpatrick & Associates PC, counsel to DWSD

Kurtzman Carson Consultants LLC, claims, noticing and balloting agent for the City

Miller Buckfire & Co., LLC, investment bankers and financial advisors to the City

Miller Canfield Paddock & Stone P.L.C., Michigan counsel to the City

Pepper Hamilton LLP, restructuring co-counsel to the City

EXHIBIT B

TWO-YEAR BUDGET

TWO YEAR EMERGENCY MANAGER BUDGET

FY 2015 and FY 2016

Kevyn D. Orr, Emergency Manager
City of Detroit, Michigan

CITY OF DETROIT
Financial Detail by Appropriation and Organization

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
00005 Museum Programs	**8,246**			
110180 Conservation	8,246			
00008 Administration	**20**			
140010 Administration	20			
00011 Cobo Center	**83**			
140070 Maintenance	20			
140090 Maintenance	63			
00014 Community Development	**8,841,128**	**1,824,566**	**5,992,602**	**6,209,581**
360130 Community Development	8,841,128	1,824,566	5,992,602	6,209,581
00024 Central Data Processing	**20,968,899**	**17,286,661**	**18,283,749**	**17,790,213**
310010 Office Of Information Technology Services	527,928	587,615	726,926	730,020
310020 Contracts & Administration	2,058,254	917,086	924,104	925,961
310030 Detroit Resource Management Systems	(26,783)			
310035 Enterprise Application Support Team	52,773			
310050 Client Support Services	1,004,194	825,247	1,094,065	1,099,537
310070 System Support & Management	2,116,513	2,798,218	3,406,990	3,408,845
310080 Data Network Services	1,515,652	1,989,562	2,161,898	2,011,991
310100 Non-Financial Applications	2,761,048	4,881,261	2,524,502	2,533,171
310130 Operations	5,622,238	4,698,386	7,034,939	6,670,363
310170 Water Board Project	1,000			
310290 Special Projects & Initiatives	1,119,654			
310300 Public Safety	1,181,940	145,391		
310310 Geographic Information Services	368			
310330 Voice Communications	2,476,960	443,895	410,325	410,325
310355 Dedicated Services	459,870			
319999 ITS-Non-Active Status	97,290			
00028 Administration	**571,006**	**777,507**	**594,347**	**591,767**
190100 Administration	556,879	777,507	594,347	591,767
190105 Guard Services	14,127			
00034 Solid Waste Management	**54,994**			

CITY OF DETROIT
Financial Detail by Appropriation and Organization

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
190300 Divisional Administrative Services	54,994			
00037 Street Cleaning	**15,783**			
190342 Major Street Cleaning	15,783			
00038 Vacant Lot Clean-Up	**326,404**			
190360 Vacant Lot Clean Up	326,404			
00039 Rodent Control	**(280)**			
190400 Administration And Support Services	(14,242)			
190402 Rodent Control	13,962			
00051 Vehicle Management	**1,853**			
190605 Vehicle Maintenance	1,853			
00058 Administration	**1,245,270**	**1,860,827**	**1,600,453**	**1,609,777**
230010 Administration	1,245,270	1,860,827	1,600,453	1,609,777
00060 Assessments Division	**6,588,951**	**6,997,398**	**5,292,338**	**5,284,270**
230120 Assessment	6,588,951	6,997,398	5,292,338	5,284,270
00061 Purchasing Division	**1,705,108**	**1,772,008**	**1,580,447**	**1,550,967**
230080 Purchasing	1,705,108	1,772,008	1,580,447	1,550,967
00063 Treasury Division	**5,767,788**	**7,621,303**	**7,175,606**	**7,390,776**
230070 Treasury	5,254,992	7,000,751	6,645,996	6,846,539
230075 Debts and Disbursements	512,796	620,552	529,610	544,237
00064 Executive Management and Support	**3,950,241**	**5,090,245**	**5,163,801**	**5,511,537**
240010 Administration General Office	1,748,124	2,929,411	2,811,739	2,892,490
240020 Administration-Community Relations	639,381	525,186	553,760	593,984
240030 Budget Operations	446,865	412,946	508,461	512,818
240100 Legal & Labor	23,377		162,259	164,114
240120 Facilities Management	13,886		284,601	289,451
240220 Training	1,078,459	1,222,702	842,981	1,058,680
240460 Fire Fighting Div - Operations	149			
00065 Ordinance Enforcement	**7,210,120**	**9,240,297**	**7,153,471**	**7,907,583**
240240 Fire Marshal-Administration	4,754,670	5,348,261	4,484,528	4,763,555
240250 Fire Marshal-Inspection	845,717	1,410,587	1,315,420	1,384,191

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
240260 Fire Marshal-Arson Investigation	1,421,563	2,358,340	1,265,822	1,670,897
240290 Fire Marshal-General Office	188,170	123,109	87,701	88,940
00067 Emergency Medical Services	**35,587,440**	**47,313,594**	**34,486,959**	**35,411,705**
240320 E.M.S. Administration	15,025,644	19,206,185	17,145,747	17,971,280
240340 E.M.S. Field Operations	20,373,197	27,454,418	16,940,444	17,046,223
240350 E.M.S. Training	188,599	652,991	400,768	394,202
00068 Administration	**3,663,824**	**6,816,144**	**2,143,474**	**2,163,024**
250010 Administration	1,618,378	4,667,556	2,143,474	2,163,024
250020 Health Finance	219,226			
250050 Vital Records	1,621,764	2,148,588		
250060 Biostatistics	204,456			
00070 Communicable Disease Control	**1,327,572**			
250340 Epidemiology	1,005,014			
250345 Immunization - General Fund	58,441			
250350 STD Control	264,117			
00073 Technical Support Services	**137,766**			
250470 Laboratory	144,928			
250480 Pharmacy	(7,162)			
00074 Primary Family Care	**-**			
250500 Personal Services Administration	-			
00077 Community Health Services	**659,010**			
250180 Public Nursing-Admin-Community	63,275			
250190 Community Nursing Services-Community	228,804			
250210 Medicaid Screening-Community	98,944			
250270 School Vision & Hearing	199,493			
250700 Medical Social Work	68,494			
00078 Substance Abuse	**51,219**			
250300 Substance Abuse Administration	51,219			
00081 Plant Operation and Maintenance-Herman Ki	**1,353,734**	**1,285,000**		
250080 Maintenance	1,353,734	1,285,000		

CITY OF DETROIT
Financial Detail by Appropriation and Organization

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
00085 Administration	**50,602,059**	**7,779,817**	**17,822,801**	**14,010,164**
411010 Office of the Director	1,273,929	2,108,680	982,620	1,005,340
411020 Public Affairs Division	1,527,243			
411030 Document Management	118,585			
411040 General Staff Services	4,175,089	(3,588,036)	7,814,209	3,744,430
411045 Office of General Counsel	518	303,768	2,824,761	2,893,865
411050 General Departmental Services	22,421,875	4,826,731	3,004,756	3,079,875
411055 Water Affordability Program - Water	(811,718)			
411060 Human Resources	(16,007)	469,007	242,893	249,167
411065 Board of Water Commissioners	150,464	103,560	112,560	115,375
411070 Safety	101,745			
411080 Security	3,555,573	2,890,820	2,120,852	2,183,904
411090 Office of Program Management Assistance	135,052			
411095 Capital Management		18,400		
411100 Print Shop	(7,958)	105,365	95,150	97,583
411110 Information Systems Administrative Services	(192,466)			
411120 Application Support	57			
411140 Hardware Support	73,367			
411200 Contracts and Grants	393,234	541,522		
411220 Commercial Operations	10,229,065			
411225 Customer Billing	3,092			
411230 Customer Service - Detroit	1,088			
411235 Collections	23,195			
411240 Addressograph	-			
411250 Meter Operations	3,990,915			
411260 Meter Shop	353,678			
411265 Meter Instrumentation Shop	210,134			
411280 Systems Operations Control	(222,526)			
411355 Pumping Station - Adams Road	2,550			
411365 Pumping Station - Franklin Raod	62			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
411405 Pumping Station - Imlay	3,112,224			
411500 Restructuring			625,000	640,625
00086 Financial Services Group	**4,997,378**	**6,114,482**	**4,693,308**	**4,824,070**
412010 Office of Assistant Director of Financial Svc C	106,258	123,392	99,211	111,208
412020 Financial Administrative Services	364,970	278,070	1,973,808	2,022,107
412030 Budget/Fiscal Reporting	982	520		
412040 Rates	60,010	200,560		
412080 General Accounting Administrative Services	2,065,399	1,916,603	295,024	302,378
412090 Financial Reporting	857	3,200		
412100 Fixed Assets/Inventory/Payables	865	3,820		
412110 Cash Management	36,935	25,300		
412130 CBMS Support	93,118	277,570		
412150 Collections	11			
412170 Meter Reading	41			
412220 Purchasing	577,391	647,541	2,325,265	2,388,377
412230 Material Management	1,373,821	1,652,563		
412235 Water Plant Stores	3,018	7,362		
412240 West Yard Warehouse	2,042	15,480		
412245 CSF - Warehouse	139,982	50,467		
412250 Operations Support	12	6,686		
412255 Inventory Audit	56	5,684		
412260 Automotive Stores	171,610	899,664		
00087 Asset Maintenance Group	**41,923,509**	**40,844,379**	**32,727,720**	**33,593,142**
414010 Office of Assistant Director Asset Maintenanc	226,472	757,180	240,542	246,726
414040 Water Plant Stores	5			
414130 Mechanical Operations Administration	7,820,608	8,568,509	4,662,359	4,786,775
414140 Ground Maintenance	21,510	35,000	35,000	35,875
414150 Field Operations	6,174,572	3,918,030	5,548,289	5,686,996
414160 Mechanical Maintenance	1,161,607	700,000	700,000	717,287
414200 Water Board Building	869,358	943,469	614,279	630,143

CITY OF DETROIT
Financial Detail by Appropriation and Organization

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
414210 Fleet Maintenance	1,305,295			
414240 Maintenance and Repair 2004	20,701,394	24,772,191	19,919,849	20,456,753
414260 West Yard	2,495,160			
414360 Central Service Facility	1,147,528	1,150,000	1,007,402	1,032,587
00088 Water Operations Group	**54,678,283**	**65,075,484**	**55,658,661**	**57,392,040**
415010 Office of Assistant Director of Water Operatio	32,210	747,545	620,368	718,542
415015 Field Engineering		1,254,707	1,218,308	1,249,053
415020 Water Works Park	10,589,821	13,639,301	8,886,417	9,198,757
415030 Springwells Plant	12,467,156	16,636,565	13,945,853	14,423,859
415035 Facilities Design		823,386	333,771	341,930
415040 Northeast Plant	9,574,016	10,817,988	9,581,029	9,820,969
415050 Southwest Plant	7,891,509	6,696,715	6,553,382	6,735,486
415060 Lake Huron Plant	13,215,288	12,380,819	13,286,425	13,618,951
415065 Water Design		462,329	215,624	221,150
415070 Systems Control	14			
415180 Pumping Stations-Adams Road	123			
415250 Pumping Stations-Joy Road	123			
415310 Central Yard	372			
415370 Central Service Facility	29			
415390 Water Quality	907,622	1,616,129	1,017,484	1,063,343
00089 Administration	**32,981,877**	**8,814,069**	**18,727,477**	**14,237,224**
421010 Office of the Director	1,580,186	2,931,803	1,438,850	1,475,522
421020 Public Relations	(15,708)			
421030 Document Management	125,394			
421040 General Staff Services	4,091,507	(4,026,969)	6,726,506	1,925,339
421045 Office of General Counsel		2,825,771	4,206,209	4,312,311
421050 General Departmental Services	22,210,377	2,563,520	1,739,954	1,783,453
421055 Water Affordability Program - Sewerage	245,358			
421060 Human Resources	(8,731)	486,400	362,566	372,523
421065 Board of Water Commissioners	150,465	155,340	168,840	173,061

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
421070 Safety	180,158			
421080 Security	4,414,558	3,146,194	3,309,778	3,401,088
421090 Office of Program Management Assistance	298,414			
421095 Capital Management		44,636		
421100 Print Shop	106,258	189,646	149,774	153,302
421110 Information Systems Administrative Services	65,356			
421120 Application Support	57			
421200 Contracts and Grants	15,768	497,728		
421220 Commercial Operations	960			
421225 Customer Billing	(13,449)			
421230 Customer Service - Detroit	(4,426)			
421235 Collections	(1,240)			
421240 Addressograph	(408,503)			
421245 Meter Reading	(31,045)			
421250 Meter Operations	(44,103)			
421260 Meter Shops	166,031			
421265 Meter Instrumentation Shop	22			
421280 Systems Operations Control	(222,527)			
421335 Pumping Station - Conner	80,740			
421500 Restructuring			625,000	640,625
00090 Financial Services Group	**5,506,435**	**6,001,872**	**7,061,310**	**7,247,418**
422010 Office of Assist Director Financial Services Gi	137,202	130,105	148,494	152,426
422020 Financial Administrative Services	442,265	289,718	2,937,098	3,012,740
422030 Budget/Fiscal Reporting	982	780		
422040 Rates	60,009	300,840		
422080 General Accounting Administrative Services	2,266,679	2,188,920	436,892	448,724
422090 Financial Reporting	858	4,800		
422100 Fixed Assets/Inventory/Payables	1,056	5,730		
422110 Cash Management	53,973	37,950		
422130 CBMS Support		352,365		

CITY OF DETROIT
Financial Detail by Appropriation and Organization

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
422220 Purchasing	706,913	680,612	3,538,826	3,633,528
422230 Materials Management	1,662,478	1,720,898		
422235 Wastewater Plant Stores	34,037	53,220		
422240 Sewerage Secondary Stores	139,983	233,389		
422250 Operations Support		680		
422255 Inventory Audit		1,185		
422260 Automotive Stores		680		
00096 Executive Office	**4,774,289**	**2,895,451**	**6,977,837**	**7,024,862**
330010 Office Of The Mayor	4,689,137	2,767,860	3,899,619	3,922,896
330012 Mayor's Residence	85,152	127,591	123,741	130,776
330095 Neighborhoods			1,744,427	1,755,170
330105 Lean Processing			611,387	614,372
330115 Jobs & Economy			598,663	601,648
00097 Neighborhood City Halls	**13,610**			
330015 Neighborhood City Halls-Administration	132			
330020 Neighborhood City Halls	13,478			
00102 Parking Violations Bureau	**19,688,146**	**19,086,998**	**17,986,466**	**17,024,370**
340080 Violation Bureau General Office & Audits	17,533,856	14,952,454	13,625,906	13,665,210
340083 Parking Violation Bureau - Towing & Storage		2,044,465	2,228,679	2,248,870
340085 Violation Bureau Processing And Collection	2,154,594	2,090,079	2,131,881	1,110,290
340090 Enforcement Unit	(304)			
00105 Administration	**2,643,470**	**2,181,423**	**1,834,555**	**1,838,380**
280008 HRMS	499,730	494,241	64,844	65,440
280110 Administration	2,023,718	1,565,462	1,572,190	1,574,602
280153 Records	106,934	121,720	197,521	198,338
280154 Employee Assistance Center	6,170			
280311 Employee Development	6,918			
00106 Personnel Selection	**563,684**	**432,700**	**547,677**	**548,911**
280400 Central HR Services	563,684	432,700	547,677	548,911
00108 Labor Relations	**1,952,522**	**2,867,420**	**2,952,363**	**2,897,099**

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
280510 Economic Union Contract Provisions	384,828	276,733	408,030	345,947
280520 Benefits Administration	809,738	588,412	528,087	528,042
280530 LR Administration	654,316	1,661,262	2,016,246	2,023,110
280540 Non Economic Union Contract Provisions	103,640	341,013		
00111 Police Commission	**4,179,446**	**4,477,512**	**3,774,501**	**3,867,590**
370010 Board of Police Commissioners	4,179,446	4,477,512	3,774,501	3,867,590
00112 Police Executive	**9,841,961**	**9,550,292**	**7,520,859**	**7,705,958**
370020 Office of the Chief	1,833,219	1,634,904	1,275,740	1,306,124
370040 Planning and Inspection			184,405	188,939
370045 Budget Operations	137,676	557,999		
370047 Legal Advisor	34,987	297,561	210,811	215,799
370055 Community & Corporate Services	(56,840)			
370060 Executive Protection	1,528,428	1,960,224	805,588	826,007
370065 City Council Security	308,574			
370070 Office of Public Information	546,728	650,994		
370072 Disciplinary Admin Unit			727,073	745,334
370075 Internal Affairs	5,140,520	2,905,806	1,603,138	1,642,332
370077 Force Investigation	368,669	1,542,804	1,495,563	1,532,223
370078 Police Community Services			755,749	774,657
370079 Auxiliary Services			462,792	474,543
00115 Human Resources Bureau	**3,401,497**	**4,544,772**	**3,696,241**	**3,791,541**
370140 Human Resources	2,432,223	3,716,569	3,087,728	3,166,672
370160 Police Academy	433,451			
370210 Medical	535,823	828,203	608,513	624,869
00118 Criminal Investigation Bureau	**67,112,972**	**63,287,485**	**49,173,649**	**50,392,733**
370430 Office of the Dep Chief-Criminal Investigation	4,002,240	476,456	760,978	779,150
370439 Organized Crime	20,892,923	28,509,261		
370440 Narcotics Enforcement Section			16,135,107	16,539,635
370443 Specialized Enforcement	3,305,281			
370450 Major Crimes	10,041,945			

CITY OF DETROIT
Financial Detail by Appropriation and Organization

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
370460 Court	2,596,585			
370465 Investigative Operations Division	1,869,482			
370467 Criminal Investigations	6,451,643	18,222,616		
370470 Commercial Auto Theft			769,442	788,009
370480 Special Investigations Section	2,141,438	129,643	3,014,807	3,090,287
370500 Homicide			12,461,348	12,771,616
370525 Tactical Support	14,914,130	11,844,213	11,717,657	12,005,938
370560 Aviation	120,824			
370565 Crime Scene Services	557,722	4,105,296	2,718,180	2,790,494
370568 Records and Identification			1,596,130	1,627,604
371660 Public Housing Unit	218,759			
00119 Management Services Bureau	**47,680,127**	**72,672,820**	**72,763,930**	**72,573,417**
370590 Fiscal Operations - Admin	7,731,950	42,343,586	18,370,456	17,251,437
370591 City Income Tax (PA 394 of 2012)		18,647,110	19,704,774	20,148,131
370600 Fiscal Operations	1,256,720	3,448,451		
370601 Payroll Section	487,302	1,440,115		
370610 Evidence Control/Property	370,673	1,954,720	1,048,507	1,074,958
370660 Communication Systems	11,593			
370670 Support Services	1,090,135			
370675 Resource Management Division	36,416,772	1,823,610	1,615,348	1,660,548
370676 Fleet Management	276,299	3,015,228	2,723,018	2,799,810
370677 Facilities Management Section	38,683		10,223,193	10,040,393
370685 Civil Rights Division			2,657,934	2,728,908
370686 Training Section			5,134,867	5,258,889
370687 Detroit Detention Center			11,285,833	11,610,343
00123 Administration	**976,816**	**14,783,702**	**474,747**	**484,002**
380010 General Administration	461,752	1,596,198	346,115	354,056
380011 Utility Users Tax (PA 393 of 2012)		12,500,000		
380030 Inspection & Control	215,898	401,095	77,780	78,398
380040 Claims Office	81,541	76,117	50,852	51,548

CITY OF DETROIT
Financial Detail by Appropriation and Organization

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
380060 Stores & Warehouse	217,625	210,292		
00127 Engineering	**1,209,092**	**1,788,382**	**252,486**	**254,959**
380090 Engineering Administration	338,775	1,788,382	252,486	254,959
380105 Street Lighting Design	37,337			
380120 Transmission & Dist. Design	278,051			
380130 Substation Design	308,317			
380140 Underground Fac. Maps & Records	246,612			
00128 Street Lighting	**14,036,997**	**14,060,382**	**23,439,305**	**38,046,613**
380100 Street Lighting Design	437,742			
380150 Supervision	2,347,649	1,286,000	463,447	600,000
380160 Construction	3,837,094			
380170 Maintenance	1,828,090	9,365,653		
380180 Cables	2,156,925			
380190 Conduit	546,104			
380200 Street Lighting Maintenance	2,883,393	3,408,729	22,975,858	37,446,613
00129 Operating Division	**3,626,346**	**2,019,241**		
380210 Operating Administration	1,549,047			
380230 Electrical System Control	1,300,420	2,019,241		
380250 Electrical Maintenance	776,879			
00131 Heat and Power Plant Operations	**80,170,942**	**77,862,087**		
380280 Heat and Power Administration	899,402	799,843		
380290 Testing & Instrument Maintenance	579,452			
380300 Mechanical Operations	1,431,603	1,344,578		
380310 Mechanical Maintenance	532,498	494,608		
380330 Fuel Accounts	37,166,516	33,396,000		
380340 Kiefer Heating Plant	968,847	1,001,646		
380345 Electric & Steam - Revenue	38,592,624	40,825,412		
00145 Senior Citizens Advocacy	-			
400010 Senior Citizens Advocacy	-			
00146 Departmental Operations	**50,770,844**	**19,854,609**	**16,936,174**	**15,657,629**

CITY OF DETROIT
Financial Detail by Appropriation and Organization

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
200010 Administration	3,737,071	2,756,549	3,058,707	1,564,067
200011 DDOT Strategic Planning Division	342,660	422,798	691,197	698,161
200012 DDOT Capital Projects Division	76,890			
200070 Management Information Services	3,914,951	1,166,000	1,420,454	1,660,000
200090 Finance	11,364,152	12,781,983	8,949,908	8,659,530
200100 Grants Management	-			
200110 Customer Programs & Communications	940,051	1,021,280	1,064,173	1,072,192
200140 Human Resources	326,789	1,227,649	1,227,649	1,473,179
200150 Purchase & Contract Administration	566,294	478,350	524,086	530,500
200760 D-DOT Current Claims	29,501,986			
00149 Plant Maintenance	**9,757,749**	**8,903,277**	**13,119,182**	**13,328,544**
200170 Building Maintenance	8,211,493	7,070,518	8,927,318	9,114,230
200230 Risk Management	1,546,256	1,832,759	4,191,864	4,214,314
00150 Vehicle Maintenance	**23,582,021**	**38,013,888**	**25,368,188**	**28,745,446**
200280 Vehicle Maintenance	14,889,740	22,828,498	9,885,720	10,081,540
200290 Materials Management	8,692,281	15,185,390	15,482,468	18,663,906
00151 Transportation	**171,396,672**	**185,280,612**	**173,256,456**	**178,119,203**
200300 Vehicle Operation	166,115,250	174,280,612	153,056,456	157,919,203
200310 ADA Transportation Services	5,277,328	2,000,000	7,200,000	7,200,000
200330 Service Development	4,094			
200370 Operations Support-DTC		9,000,000	13,000,000	13,000,000
00161 Asset Maintenance Group	**20,644,550**	**21,851,449**	**18,509,004**	**18,997,240**
424010 Office of Assistant Director Asset Maintenanc	120,679	405,430	161,232	165,371
424120 Mechanical Operations Administration	374,133	4,343,669	3,133,202	3,219,462
424130 Ground Maintenance	8,590	16,500	16,500	16,912
424140 Field Operations	6,981,334	2,150,000	2,731,543	2,799,831
424150 Mechanical Maintenance	687,713	1,200,000	718,420	736,381
424190 Water Board Building	762,442	1,250,409	927,569	951,546
424240 Maintenance and Repair 2004	9,836,841	11,335,441	9,877,501	10,141,124
424260 West Yard	320,017			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
424360 Central Service Facility	1,552,801	1,150,000	943,037	966,613
00162 Wastewater Plant Operations	**146,941,861**	**156,726,812**	**132,578,001**	**135,477,369**
425010 Office of Assistant Director of Wastewater Op	1,677,005	2,542,491	2,769,901	2,838,389
425020 Plant Administration	50,521,641	63,690,544	40,214,426	41,204,233
425030 Analytical Laboratory	599,399	954,192	694,592	711,958
425040 Control System Engineering	76,233			
425060 Document Control	12,860	20,000	20,000	20,501
425070 Treatment Plant Maintenance	23,953,972	10,985,160	12,691,535	13,008,824
425080 Operations Laboratory	148,037	215,319	61,245	62,776
425090 Operating Technical Group	1,108,917			
425100 Process Engineering	1,369,080	2,305,269	822,500	843,063
425110 Training	(2,088)			
425120 Treatment Operations	61,107,547	61,584,232	63,912,400	65,510,211
425130 Industrial Waste Control Administration	609,101	640,100	526,407	150,677
425140 I. W. C. Field Monitoring	2,627,652	5,668,609	3,916,214	4,013,284
425150 I. W. C. Program Operations	1,556,187	961,800	271,000	277,775
425395 Puritan / Fenkell	(1,002)	2,303,470	1,526,298	1,563,741
425400 7 Mile	(80,669)	46,869	164,107	168,210
425410 Hubble / Southfield	12,843	266,000	227,000	232,675
425420 Leib - CSO	(75,938)	82,577	159,706	163,699
425425 St. Aubin - CSO	(43,576)	59,800	65,200	66,830
425430 Inspection & Permits	500	45,000	11,279	3,229
425440 Enforcement, Field Investigation & Monitoring		15,000	15,000	15,375
425450 Revenue Program & Pollution Prevention		22,000	22,000	22,550
425465 Connor Creek CSO Basin	282,005	1,599,300	443,611	454,701
425470 Baby Creek CSO Basin	185,891	430,000	377,000	386,425
425475 Oakwood CSO Basin	559,096	231,000	591,780	606,575
425480 Belle Isle CSO Basin	2,086	58,080	74,800	76,668
425485 Green Infrastructure	735,082	2,000,000	3,000,000	3,075,000
00163 Debt Service and Maintenance	**138,407,007**	**184,317,300**	**186,366,000**	**194,378,317**

CITY OF DETROIT
Financial Detail by Appropriation and Organization

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
417010 Bond Principle & Interest Redemption Fund	138,407,007	184,317,300	186,366,000	194,378,317
00164 Water System Improvements	**1,364,651**	**54,798,900**	**60,735,500**	**216,538,998**
417030 Improvement and Extension Water System	1,364,651	54,798,900	60,735,500	216,538,998
00168 Interest and Bond Redemption	**163,618,830**	**237,674,400**	**244,357,000**	**252,980,274**
427010 Bond Principle & Interest Redemption Fund	163,618,830	237,674,400	244,357,000	252,980,274
00169 Sewerage System Improvements	**7,089,491**	**66,200,100**	**61,674,800**	**80,102,909**
424180 Purchases-General	(374)			
427030 Sewerage System Improvements	7,089,865	66,200,100	61,674,800	80,102,909
00172 Main Zoo Operations	**631**			
440130 Grounds Maintenance	631			
00181 Conduct of Elections	**9,405,342**	**7,684,453**	**8,029,838**	**3,928,410**
710010 Administration	1,051,821	1,341,998	1,588,284	1,498,376
710011 Computer Systems Support	1,018,591	831,356	550,604	461,754
710012 Registration	2,387,976	1,905,509	1,639,491	1,179,401
710013 Voter Education	178,163	200,000	275,000	112,500
710014 Technical Service and Equipment Support	183,556	277,604	195,700	177,292
710016 Training	437,823	353,617	251,146	221,530
710028 Technical Service and Supply Support	425,312	455,780	320,732	277,557
710041 Primary Election	977,552	1,100,464	1,556,278	
710042 General Election	1,631,198	1,218,125	1,652,603	
710043 Presidential Primary Election	1,113,350			
00182 Investigation of Complaints	**931,447**	**1,005,863**	**728,924**	**733,307**
530010 Ombudsperson Investigation of Complaints	931,447	1,005,863	728,924	733,307
00183 Land Use Controls	**820,323**	**650,463**	**531,317**	**538,615**
510010 Board of Zoning Appeals Ordinance Administ	820,323	650,463	531,317	538,615
00188 Central Administration	**382,369**			
720710 Undistributed Fringe Adjustment	382,369			
00189 Music, Arts, & Literature (MAL)	**5,179,389**	**5,403,439**	**4,469,674**	**4,514,876**
720020 Library - Director of Main Library	12,662	1		
720025 Circulation	16,781	262,606	187,696	189,707

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
720033 DPL - Children's Library Services	471,761	562,124	383,176	386,188
720034 Children & Young Adult Services	114,279	133,528	86,118	86,618
720042 Popular Library	591,180	632,328	306,219	308,731
720044 TIP & TRC	587,461	695,054	274,276	276,287
720045 Clerical Assistants - Main	748,517	567,923	1,106,159	1,122,230
720054 S & E/PRE/MRL	254,720	158,685	175,973	177,478
720110 Technology & Science	451,399			
720114 Business, Science and Technology	45,525	563,304	306,891	309,403
720154 Music, Arts, & Literature (MAL)	254,263	258,022	175,973	177,478
720160 Burton Historical Collection	619,327			
720265 Special Collections; Burton, MRL, Auto	61,290	738,711	506,835	510,853
720510 Library Data Processing			271,230	273,241
720650 Security	950,224	831,153	689,128	696,662
00190 Branch Services	**9,901,117**	**10,534,805**	**7,920,698**	**8,663,350**
720200 Asst. Director Branch	3,254			
720201 Library - Director of Branch Services	149,367	181,013	108,271	108,771
720210 Chaney	269,103	291,257	261,394	263,405
720220 Hubbard	365,106	443,337	306,587	309,099
720230 Redford	484,971	526,914	359,956	362,968
720240 Campbell	398,706	463,500	318,388	320,900
720250 Lincoln	44,860			
720260 Jefferson	413,779	452,214	303,425	305,937
720270 Chase	387,977	451,367	237,851	239,862
720275 Clerical Assistance - Branches	1,492,404	944,452	1,596,862	2,288,277
720280 Monteith	29,016			
720290 Franklin	337,623	462,228	313,327	315,839
720300 SIR/Douglass	773,939	857,551	582,177	586,695
720310 Elmwood Park	367,467	399,964	267,395	269,406
720320 Parkman	502,820	638,932	496,534	500,552
720330 Wilder	435,491	528,410	359,956	362,968

CITY OF DETROIT
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	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
720340 Conely	402,714	449,658	306,587	309,099
720350 Chandler Park	428,138	519,212	306,587	309,099
720360 Bowen	294,082	351,381	241,012	243,023
720370 Knapp	391,331	440,661	241,012	243,023
720380 Edison	437,275	528,995	359,956	362,969
720390 Duffield	470,177	528,106	286,878	289,390
720400 Sherwood Forest	312,529	451,971	306,587	309,099
720410 Downtown	473,851	522,205	359,956	362,969
720420 Richard	123,597	9		
720430 Mark Twain	111,540	101,468		
00199 Public Commemorations	**2,535**	**3,000**	**3,000**	**3,000**
350010 Public Commemorations	2,535	3,000	3,000	3,000
00204 Organizations For Cities	**345,350**	**311,000**	**401,731**	**412,834**
350020 Dues & Memberships	306,850	311,000	401,731	412,834
350030 Other Operations Services	38,500			
00212 General Bond Redemption	**285,905,257**	**133,160,229**	**122,609,494**	**112,970,482**
180010 General Bond Redemption	216,773,715	64,941,406	60,061,314	55,358,172
180040 Debt Service Interest Redemption	69,131,542	68,218,823	62,548,180	57,612,310
00222 Administration	**305,047**			
100060 Airport Undistributed Fringe Adjustment	305,047			
00223 Airport Operations	**2,187,138**	**2,670,856**	**3,195,806**	**2,991,106**
100010 Administration	1,364,994	1,937,811	2,278,919	2,178,957
100020 Maintenance	774,293	635,360	916,887	812,149
100030 Operations	47,851	97,685		
00226 Budget Department Operations	**2,180,433**	**2,155,354**	**1,732,379**	**1,743,785**
120010 Budget Operations	2,180,433	2,155,354	1,732,379	1,743,785
00231 Inspections	**16,255**			
130040 Mechanical	16,255			
00239 Consumer Advocacy	-			
160010 Consumer Affairs Office Of Executive Manag	-			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
00245 Accounts Division - Administration	**6,956,615**	**7,122,721**	**5,298,348**	**5,307,925**
230020 Project Administration	835			
230030 Accounts Payable	953,224	866,039	492,353	496,795
230060 Payroll Audit	1,385,241	1,167,102	955,990	964,370
230100 Risk Management	1,692,063	1,913,477	1,533,070	1,544,417
230130 General Accounting	2,925,252	3,176,103	2,316,935	2,302,343
00246 Accounts - Pension and Employee Benefits	**3,029,968**			
230040 Pension	3,029,968			
00247 Accounts - City Income Tax Operation	**4,214,292**	**5,271,708**	**3,699,552**	**3,744,255**
230110 Income Tax	4,214,292	5,271,708	3,699,552	3,744,255
00250 Protection of Human Rights	**932,532**	**968,930**	**801,818**	**817,354**
290010 Administration	932,532	968,930	801,818	817,354
00255 Legislative Liaison	**200,000**	**190,000**	**190,000**	**190,000**
320040 Federal Legislative Services	200,000	190,000	190,000	190,000
00261 Auditing Operations	**1,178,762**	**1,440,485**	**863,052**	**865,439**
500010 Administration & General Office	440,318	490,548	460,650	463,037
500020 Auditing-Operations	738,444	949,937	402,402	402,402
00265 City Clerk Operations	**2,187,446**	**2,219,961**	**2,080,680**	**2,044,553**
700010 Office Of The City Clerk	1,358,334	1,470,375	1,542,670	1,501,768
700020 Citizens Patrol Support	21,026			
700030 City Council Support Staff	808,086	749,586	538,010	542,785
00269 City Legislative Functions	**5,278,900**	**3,059,996**	**3,200,611**	**3,207,481**
520005 Legislative Policy Division	1,247	1,524,078	1,984,044	1,985,828
520009 City Council Appointed Board of Review	262,134	250,000	339,098	339,098
520011 City Council Research and Analysis	1,410,148			
520016 City Council-Administration	1,064,631	1,285,918	877,469	882,555
520017 City Council Fiscal Analysis	706,179			
520018 Historic Designation Advisory Board	322,069			
520019 City Planning Commission	1,512,492			
00277 Detroit Building Authority	**2,620,037**	**2,149,290**	**3,014,020**	**3,026,200**

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
350310 Detroit Building Authority	2,620,037	2,149,290	3,014,020	3,026,200
00299 Sidewalk Intersection - City Portion	**2,390**			
190701 Sidewalk Inter - City Portion	2,390			
00321 Secret Service Fund	**180,162**	**462,690**	**500,000**	**500,000**
370740 Secret Service Operation	180,162	462,690	500,000	500,000
00335 Parking Programs	**35,038**	**205,000**	**205,000**	**205,000**
350050 Neighborhood Parking Lots		40,000	40,000	40,000
350060 Special Parking Programs	35,038	100,000	100,000	100,000
350070 Eastern Market Garage		65,000	65,000	65,000
00341 Tax Support - DOT	**47,212,094**	**61,659,751**	**63,309,386**	**60,214,058**
350080 DOT Operations	47,212,094	61,659,751	63,309,386	60,214,058
00347 Airport Support	**275,000**	**623,595**	**665,064**	**666,053**
350090 Contribution To Airport	275,000	623,595	665,064	666,053
00362 Tax Increment Districts	**9,384,095**	**8,277,987**	**9,385,000**	**9,385,000**
350100 DDA Tax Increment District	6,172,723	6,376,749	6,173,000	6,173,000
350110 GM Tax Increment District	100,000	100,000		
350112 Miscellaneous Captured Taxes	1,224,769	59,100	1,200,000	1,200,000
350120 Chrysler-LDFA	986,603	875,996	987,000	987,000
350130 GM Tax Increment Dist-Income Tax	900,000	866,142	1,025,000	1,025,000
00380 Grant Contributions - Cash		**1,657,500**	**1,429,756**	**1,455,834**
370710 Grant Contribution-Cash		1,657,500	1,429,756	1,455,834
00393 District Court	**5,761,634**	**6,287,198**	**5,504,521**	**5,667,056**
600010 Direct Costs	5,761,634	6,287,198	5,504,521	5,667,056
00396 World Trade Program	**220,923**	**220,923**	**250,000**	**250,000**
350140 Detroit Port Authority	220,923	220,923	250,000	250,000
00404 Licenses, Permits, Weight, Measures	**3**			
160030 Licenses & Permits	3			
00410 Nutrition Services	**17**			
250640 Nutrition Services	17			
00443 Extraordinary Repairs and Replacement	**381,017**	**164,100**	**163,100**	**208,124**

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
427040 Extraordinary Repair & Replacement	381,017	164,100	163,100	208,124
00444 Prior Year's Deficit		**6,488,008**		
351010 Prior Year's Deficit		380,000,000		
351011 Prior Year's Deficit Deferred to Future Periods		(373,511,992)		
00490 Other Distributions	**1,499,591**	**3,277,417**	**8,327,616**	**8,327,616**
180020 D.D.A Tax Increment District	1,499,591	3,250,232	6,751,656	6,751,656
180050 Other Captured Taxes		27,185		
180035 Local Development Authority			1,575,960	1,575,960
00527 Administration and Operations	**17,619,942**	**17,758,159**	**14,384,773**	**13,641,522**
320010 Administration	17,619,942	17,758,159	14,384,773	13,641,522
00537 Rape Counseling Unit	**419,391**	**354,589**	**176,855**	**181,927**
370570 Victims Assistance	419,391	354,589	176,855	181,927
00551 Prisoner Care	**337,870**	**370,000**	**370,000**	**370,000**
350160 Prisoner Care	337,870	370,000	370,000	370,000
00578 Parking Systems Operating Advance	**10,234,808**	**14,506,726**	**13,879,796**	**13,341,716**
350170 Parking Sys. Operating Adv.	10,234,808	14,506,726	13,879,796	13,341,716
00580 Public Acts 301-302 Training	**759,825**	**1,424,000**	**1,150,710**	**1,150,710**
370750 Public Acts 301-302 Training	759,825	1,424,000	1,150,710	1,150,710
00583 Water Extraordinary Repair and Replacemen	**365,996**	**232,300**	**421,300**	**1,096,659**
417060 Water Extraordinary Repair and Replacement	365,996	232,300	421,300	1,096,659
00595 Economic Development Corporation	**255,000**	**200,000**	**200,000**	**200,000**
360134 Economic Development Corporation	255,000	200,000	200,000	200,000
00597 Economic Growth Corporation	**850,000**	**700,000**	**700,000**	**700,000**
360135 Economic Growth Corporation	850,000	700,000	700,000	700,000
00648 Enhanced Drug Enforcement Program	**5,084,717**	**2,469,948**	**2,098,196**	**2,158,258**
370760 Narcotics Forfeiture Activity	5,084,717	2,469,948	2,098,196	2,158,258
00650 General Bond Fund Investment Earning	**82**			
351330 GO Bond Fund Investment Earn	82			
00663 36th District Security Reimbursement	**320,783**	**500,000**	**500,000**	**500,000**
600035 Court Security Reimbursement	320,783	500,000	500,000	500,000

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	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
00664 City-County Building Rent and Rehabilitation	**568,965**	**482,689**	**2,721,000**	**1,532,490**
350200 City-County Bldg. Rent & Rehab	568,965	482,689	2,721,000	1,532,490
00715 Vehicle Management and Supply	**3,737,624**	**4,156,879**	**775,292**	**790,016**
240105 Apparatus-Repair	3,489,646	3,591,658		
240110 Apparatus-Stores	247,978	565,221	775,292	790,016
00718 Fire Fighting Operations	**111,602,581**	**104,058,566**	**70,619,798**	**80,004,933**
240191 Fire Fighting-Administration	9,347,940	7,730,506	5,548,972	9,165,803
240195 Fire Fighting-Operations	78,027,202			
240205 Marine Operations-Fireboat	353,423	416,704	304,653	247,700
240215 Airport Operations-Crash Crew	79,710			
240500 FS - 111 Montcalm E1 T2	776,250	1,918,935	1,207,125	1,364,210
240501 FS - 433 W Alexandrine E5 L20 S2	779,246	3,853,157	2,465,034	2,628,480
240502 FS - 3050 Russell L1 Hazmat	5,090	212,676	212,695	194,079
240503 FS - 1625 W Lafayette E8	223,575			
240504 FS - 3737 E Lafayette E9 L6	229,571	3,540,743	2,299,914	2,510,172
240505 FS - 3396 Vinewood E10	224,335			
240506 FS - 6100 Second Blvd E17 L7	1,232,852	3,533,867	2,238,020	2,461,524
240507 FS - 3812 Mt Elliott L10	219,409			
240508 FS - 10325 Linwood E21 L28	278,838	2,091,630	1,207,573	1,364,077
240509 FS - 1818 E Grand Blvd E23 S3	560,194	1,788,945	1,212,942	1,349,448
240510 FS - 2200 Crane L14	235,083	1,913,993	1,229,692	1,378,463
240511 FS - 4700 Fort St E27 L8	776,752	3,290,666	2,415,779	2,566,997
240512 FS - 7600 W Jefferson E29	664,646	1,947,506	1,248,655	1,397,651
240513 FS - 16543 Meyers RD E30	643,077	2,044,922	1,323,177	1,476,240
240514 FS - 1697 W Grand Blvd E31 S4	381,195	2,008,344	1,357,908	1,497,337
240515 FS - 11740 E Jefferson E32	696,821	1,955,725	1,257,055	1,406,219
240516 FS - 1041 Lawndale E33 L13	730,833	3,412,139	2,493,249	2,648,502
240517 FS - 6535 Livernois E34	670,595	1,947,135	1,248,755	1,397,753
240518 FS - 111 Kenilworth E35	656,221	1,944,006	1,255,755	1,404,893
240519 FS - 1113 Coplin E38	223,513			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
240520 FS - 8700 14th St E39	735,565	1,943,798	1,250,521	1,397,556
240521 FS - 6900 Miller L16	220,281			
240522 FS - 13939 Dexter E40 L17 S5	856,250	4,952,927	3,563,707	3,814,451
240523 FS - 10700 Shoemaker L19	242,602	1,908,352	1,229,253	1,378,046
240524 FS - 5000 Rohns E41	241,999	1,954,006	1,255,756	1,404,893
240525 FS - 6324 W Chicago E42 L21	254,943	3,532,148	2,525,635	2,698,484
240526 FS - 6830 McGraw L22	255,145	2,004,909	1,297,312	1,449,983
240527 FS - 35 W Seven Mile E44 L18	125,982	3,297,890	2,209,990	2,421,712
240528 FS - 10101 Knodell E46	254,024	2,038,051	1,316,277	1,469,202
240529 FS - 17475 Mt Elloitt E47 L30	315,695	2,415,738	1,723,461	1,896,462
240530 FS - 2300 S Fort St E48	262,863	2,057,435	1,330,916	1,484,071
240531 FS - 12515 Grand River E49	238,635			
240532 FS - 12985 Houston E50 L23	156,253	3,513,411	2,517,126	2,689,892
240533 FS - 18236 Livernois E51 L24	368,245	2,442,915	1,740,725	1,913,883
240534 FS - 5029 Manistique E52 L31	436,061	3,281,193	2,337,707	2,501,850
240535 FS - 15127 Greenfield E53 L25	1,562,595	3,308,680	2,365,707	2,530,409
240536 FS - 16825 Trinity E54 L26	1,096,820	3,509,899	2,365,707	2,530,409
240537 FS - 18140 Joy Road E55 L27	1,155,706	3,511,616	2,366,607	2,514,180
240538 FS - 18601 Ryan Road E56	693,595	2,044,917	1,359,088	1,512,124
240539 FS - 13960 Burt Road E57	608,651	1,961,088	1,316,277	1,469,201
240540 FS - 10801 Whittier E58 S6	1,333,969	3,288,571	2,344,889	2,492,027
240541 FS - 17800 Curtis E59 S1	1,296,774	3,501,385	2,359,907	2,507,348
240542 FS - 19701 Hoover E60	873,557	2,038,038	1,316,277	1,469,202
00747 G O Bonds Series 1989A Investment Earning	-			
351350 GO Bond Series 1989A Inv Earn	-			
00758 Water Bond Reserve	**2,404,568**			
417025 Water Bond Reserve	2,404,568			
00759 Sewage Bond Reserve	**1,807,012**			
427020 Debt Service Reserve	1,807,012			
00760 Communication and System Support	**4,530,842**	**4,293,372**	**3,594,684**	**3,760,565**

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	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
240065 Fire Communication-Administration	686,065	905,323	629,826	651,094
240075 Fire Communication-Dispatch	3,429,442	2,741,239	2,112,973	2,238,004
240080 System Support	415,335	646,810	851,885	871,467
00780 Downtown Development Auth SBT - Inventory Reim		**72,450**		
350210 D.D.A. SBT-Inventory Reim		72,450		
00816 GO Bonds Series 1991 Investment Earning	**362**			
351370 GO Bond Series 1991 Inv Earn	362			
00832 Departmental Accounting Operations	**1,869,512**	**1,745,670**	**638,285**	**634,530**
230050 Departmental Accounting Operations	1,869,512	1,745,670	638,285	634,530
00833 Employee Services	**6,756,512**	**6,646,025**	**4,843,928**	**4,869,783**
280010 Employee Services - Administration	76,676	231,772	152,145	152,860
280011 Employee Services - Water	962,072			
280020 Employee Payroll	3,131,495	3,499,763	2,567,882	2,569,128
280021 Emp. Srvcs. Cust./Comm Svcs	688,927	926,361	784,107	796,061
280022 Emp Svcs. - Municipal Srvcs	487,742	292,769		
280023 Emp Svcs - Administrative Svcs	52,544			
280610 Employee Services - Sewerage	541,795			
280690 Employee Services - Department of Transporta	810,448	1,695,360	1,339,794	1,351,734
280701 F.O. DIA	4,813			
00838 State Revenue Sharing - State Revolv Fund Lo	**2,631,360**	**5,869,800**	**2,734,600**	**1,181,335**
427100 Sewer State Revolving Loan Fund	2,631,360	5,869,800	2,734,600	1,181,335
00839 G O Bonds Series 1993 Investment Earning	**154,309**			
351380 GO Bond Series 1993 Inv Earn	154,309			
00852 Claims Fund(Insurance Premium)	**102,709,652**	**46,807,593**	**21,091,000**	**58,531,524**
350220 Claims Fund (Insurance Premium)	102,709,652	46,807,593	21,091,000	58,531,524
00854 Hearings and Policy Development	**205,218**	**168,353**	**16,000**	
280551 Non Union Hearings	205,218	168,353	16,000	
00870 Centralized Utility Payments	**(19,594)**	**11,000**	**90,877**	**11,000**
350800 Centralized Utility Payments	(19,594)	11,000	90,877	11,000
00872 Halloween Initiative	**66,600**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
330025 Halloween Initiative	66,600			
00880 Think Detroit PAL	**312,458**	**325,991**	**233,430**	**239,364**
370880 Think Detroit PAL	312,458	325,991	233,430	239,364
00883 Development - City		**704,427**	**1,131,718**	**1,190,436**
360105 Planning - City		704,427	1,131,718	1,190,436
00905 1994 Capital Improvements	**25,085**			
391400 Capital Operations	13,567			
391410 Parks & Landscapes	4,253			
391420 Belle Isle & Rouge Park	6,350			
391430 Recreation Facility Improvements	915			
00910 City Engineer	**7,093,774**	**4,510,550**	**4,479,890**	**4,492,999**
190702 Engineering Services	121,520			
190707 Street and Highway Design	-			
190708 Survey Office	2,811			
190710 Permits	632,222			
191701 General Inspection	5,624,238	4,222,729	4,217,282	4,227,406
191702 Engineering Design Reimbursement	47,340			
191703 Consultant Services	16,541			
191704 City Engineering Seasonals	649,102	287,821	262,608	265,593
00922 Council President Office	**522,814**	**321,000**		
520020 City Council President Office	522,814	321,000		
520025 Temporary Council President Office	-			
00923 Council Member Office 1	**540,767**	**270,300**		
520030 City Council Member Office 1	540,767	270,300		
00924 Council Member Office 2	**500,810**	**270,300**		
520040 City Council Member Office 2	500,810	270,300		
520045 Temporary Council Member Office 2	-			
00925 Council Member Office 3	**522,788**	**270,300**		
520050 City Council Member Office 3	522,788	270,300		
00926 Council Member Office 4	**472,281**	**270,300**		

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
520060 City Council Member Office 4	472,281	270,300		
00927 Council Member Office 5	**467,986**	**270,300**		
520070 City Council Member Office 5	467,266	270,300		
520075 Temporary Council Member Office 5	720			
00928 Council Member Office 6	**427,483**	**270,300**		
520080 City Council Member Office 6	427,483	270,300		
00929 Council Member Office 7	**432,557**	**270,300**		
520090 City Council Member Office 7	432,557	270,300		
00930 Council Member Office 8	**504,328**	**270,300**		
520100 City Council Member Office 8	504,328	270,300		
00935 Environmental Affairs Administration	**85**			
220010 Administration	85			
00937 Claims Fund (Insurance Premium)	**4,211,414**	**21,197,506**	**15,930,000**	**15,930,000**
200160 Claims Fund	4,211,414	21,197,506	15,930,000	15,930,000
00941 Brush Park	**159,190**			
360153 Brush Park	159,190			
00947 Trafficways Development	**250,583**			
360159 Trafficways Development	250,583			
00952 Fire Station Replacement	**19,005**			
240314 Fire Capital Improvements	19,005			
00953 Health Facilities	**203,390**			
250100 Facilities	203,390			
00956 Sewage Bond Fund Series 1995A	**(57,014)**			
427080 Sewer Construction & Refunding Bond Fund S	(57,014)			
00965 Environmental Response		**205,000**	**370,000**	**483,098**
240400 Hazard Material Incident Mitigation		205,000	370,000	483,098
00966 PLD System Improvements	**118,397**			
380080 System Improvements	118,397			
00982 DRMS	**89,674**			
230180 DRMS	89,674			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
00984 Sewage Bond Fund Series 1997A	**79,745**			
427090 Sewer Construction & Refunding Bond Fund S	79,745			
00988 Historical Capital Improvement	**81,627**			
260090 Historic Ft Wayne Collection Improvement AI	52,172			
260095 Historic Ft Wayne Renovations - ADA G.O. 0	29,455			
00989 Employee Death Benefit Plan	**5,740,811**			
350940 Employee Death Benefit Plan	5,740,811			
00990 Capital Improvement	**551,397**			
370840 Capital Improvement Bonds	551,397			
00993 Downtown Development Authority Bonds 199	**1,370,400**	**2,738,800**		
351060 DDA Bonds 1997	1,370,400	2,738,800		
04005 WIC Supplemental Food	**852,043**			
250028 WIC Supplemental Food	852,043			
04011 Maternal and Infant Care (MIC)	**220,457**			
250055 Mat & Infant Care (MIC)	220,457			
04020 Family Planning	**30,984**			
250062 Family Planning	30,984			
04033 Sexually Transmitted Disease Control	**70,652**			
250067 STD Control	70,652			
04041 Children's Special Health Care	**140,315**			
250069 Children's Spec Hlth Care	140,315			
04047 Immunization	**39,045**			
250072 Immunization	39,045			
04108 Operation and Maintenance	**27,593,729**	**21,760,090**	**20,819,694**	**20,012,573**
340010 Administration	7,796,911	3,589,888	2,662,203	2,674,963
340020 Maintenance	672,422	714,118	596,229	587,799
340030 Operations	3,011,089	1,634,666	2,425,006	2,191,083
340040 Meter Maintenance	292,652	732,745	827,860	784,193
340050 Meter Collection	590,631	775,954	567,241	573,806
340060 Administrations Costs Allocated To Parking B	(122,188)	(194,007)	(138,641)	(140,987)

CITY OF DETROIT
Financial Detail by Appropriation and Organization

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
340140 Municipal Parking Operation And Maintenanc	15,352,212	14,506,726	13,879,796	13,341,716
04111 Parking System Programs		**1,588,024**	**1,854,975**	**2,462,092**
340180 Detroit Authority Bonds		120,000	120,000	120,000
340190 System Program Reserve		1,468,024	1,734,975	1,667,715
340253 Operation & Contingency Reserve				674,377
04139 Detroit Area Pre-College Engineering Prograı	**55,200**	**89,000**	**100,000**	
360238 Detroit Area Pre College Engineering Program	55,200	89,000	100,000	
04145 Blackstone Park Association	**50,000**			
360242 Blackstone Park Association	50,000			
04150 Evergreen/Lahser/7/8 Comm Council	**43,336**			
360245 Evergreen/Lahser/7/8 Comm Council	43,336			
04157 Bethune Community Council NOF	**26,898**			
360250 Bethune Community Council	26,898			
04178 World Medical Relief		**178,000**	**75,000**	
360263 World Medical Relief		178,000	75,000	
04179 Northeast Council of Block Club	**45,831**			
360264 Northeast Council of Block Club	45,831			
04185 Improvements	**251,674**			
100050 Airport Improvements	251,674			
04189 Major Street Fund - Capital	**2,361,470**	**36,568,335**	**19,160,911**	**7,992,779**
190024 Woodward Mall - Maintenance	-			
190815 Roads-Bridges City Parks	345,536			500,000
190816 Highway Bridges	561,149	1,181,207	2,420,145	509,000
190820 Traffic Control Improvement	389,121	222,898	583,901	1,075,000
190825 Trunkline Improvement	390,847			800,000
190826 Non-Motorized Transportation		34,375,230	12,945,056	
190835 New Street Construction	12,229			
193850 Equipment	108,068	789,000	1,335,000	1,012,000
193861 Salt Domes	439,759			
193863 DPW - District Maintenance Building	58,754			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
193871 Street Resurfacing Contracts				2,412,779
193872 Traffic Control Roadways-FED AID	56,007		1,876,809	1,684,000
04190 Local Street Fund - Capital	**121,569**			
190891 Street Resurfacing Contracts	121,569			
04192 Project Seed NOF	**60,000**	**89,000**		
360270 Project Seed NOF	60,000	89,000		
04312 Income Protection Plan	**2,454,846**			
350905 Income Protection	2,454,846			
04313 Police and Fire - Payrolls - Refunds and Contr	**50,291,997**			
350550 Contributions - Members & City	50,291,997			
04314 General Retiree - Payroll - Refunds and Contr	**75,527,206**			
350560 Contributions - Members & City	75,527,206			
04315 Employees Benefit Plan		**16,000,000**		
350960 Hospitalization		16,000,000		
04336 Low Moderate Income Home Repair EZ	**588**			
360309 Low Moderate Income Home Repair EZ	588			
04443 Adjustments and Undistributed Costs	**7,937,653**			
350880 Undistributed Fringe Adjustment	7,937,653			
04620 Resident Youth Council	**14,178**			
430020 Resident Youth Council	14,178			
04681 Muslim Center NOF	**69,978**	**89,000**		
367217 The Muslim Center	69,978	89,000		
04683 Alzheimer Association Detroit Area NOF	**33,485**		**100,000**	
360375 Alzheimers Association Detroit Area NOF	33,485		100,000	
04735 Adult Well-Being Services NOF		**120,000**	**134,690**	
360407 Adult Well Being Services NOF		120,000	134,690	
04737 General Revenue - Public Lighting	**19,288,855**		**11,735,700**	**26,108,486**
380350 Miscellaneous Revenues	19,288,855		11,735,700	26,108,486
04739 General Revenue - Non-Departmental	**837,103,459**	**757,106,562**	**790,332,581**	**771,759,101**
350350 Property Tax Collections	146,415,870	126,279,720	111,989,994	110,227,325

CITY OF DETROIT

Financial Detail by Appropriation and Organization

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
350360 State Sales Tax - SRS - Local Gov't Collaborat	186,710,717	187,310,966	198,308,206	200,367,206
350380 Investment Earnings	536,851			
350620 City Income Tax Collections	283,416,358	221,052,890	245,046,483	248,259,610
351020 Non-Departmental	45,366,298	49,462,986	66,786,898	43,862,955
351050 Casino Gaming Fees	174,657,365	173,000,000	168,201,000	169,042,005
04826 Revenue - Water Receiving	**378,001,638**	**394,021,239**	**396,953,400**	**411,249,844**
416010 Sale of Water City of Detroit	378,001,638	394,021,239	396,953,400	411,249,844
04827 Revenue - Water Operation -Maintenance	**8,812**	**110,800**	**91,100**	**152,145**
416060 Cash Transfer to Operation and Maintenance	8,812	110,800	91,100	152,145
04828 Revenue - Sewerage Receiving	**481,372,887**	**530,003,055**	**520,721,900**	**540,544,004**
426010 Sewage Disposal -City of Detroit	481,372,887	530,003,055	520,721,900	540,544,004
04829 Revenue - Sewerage Operation - Maintenance	**203,593**	**157,000**	**110,500**	**141,004**
426012 Swg Opr Maint Revenue Center	203,593	157,000	110,500	141,004
04883 Arcadia Park Association NOF	**72,593**			
360415 Arcadia Park Association NOF	72,593			
04884 Bagley Community Council NOF	**140,575**			
360416 Bagley Community Council NOF	140,575			
04892 Kelly Morang Center NOF	**29,061**			
360423 Kelly Morang Center NOF	29,061			
04898 Ser Metro Detroit Jobs for Progress NOF			**104,000**	
360427 Ser Metro Detroit Jobs for Progress NOF			104,000	
05001 Healthy Start Initiative 9-92	**123,622**			
250208 Healthy Start Initiative 9 - 92	123,622			
05080 Cable Franchise Fee	**7,188,253**	**5,050,500**	**5,000,000**	**5,000,000**
350510 Cable Franchise Fees	7,188,253	5,050,500	5,000,000	5,000,000
05081 Historic Designation Advisory Board BG	**26,400**			
520120 Historic Designation Advisory Board	26,400			
05119 COPS - Universal Hiring	**472,305**			
371440 COPS-Universal Hiring	472,305			
05138 Field Street Community NOF	**50,000**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
361474 Field Street Community - NOF	50,000			
05149 St Patrick Senior Center	**37,299**	**89,000**	**100,000**	
360454 St Patrick Senior Center	37,299	89,000	100,000	
05178 Wellspring NOF	**50,370**	**89,000**	**75,000**	
360469 Wellspring NOF	50,370	89,000	75,000	
05182 Expenses Funded By Earnings	**1,394,434**			
350930 Expenses Funded by Earnings	1,394,434			
05183 Expenses Funded By Earnings	**1,399,167**			
350915 Expenses Funded by Earnings	1,399,167			
05187 Detroit Radio Information Service NOF	**37,496**			
360475 Detroit Radio Information Services NOF	37,496			
05255 Childhood Lead Prevention	**48,382**			
250036 Childhood Lead Prevention	48,382			
05256 Mendota/Birwood/Griggs NOF	**30,721**			
360485 Mendota/Birwood/Griggs/NOF	30,721			
05410 New Hope Nonprofit Housing Corporation NC	**142,000**			
360513 New Hope Non-Profit Housing Corporation N	142,000			
05414 African American History Museum - Operatic	**992,399**	**992,399**	**1,900,000**	**1,900,000**
350290 Museum Of African Amer. Hist.-Oper	992,399	992,399	1,900,000	1,900,000
05428 People's Community Services Metro Detroit N	**55,013**			
360522 Peoples Community Services Metro Detroit N	55,013			
05478 Effective Alternate Community Housing BG	**19,188**			
360538 Effective Alternative Community Housing 2 B	19,188			
05537 Investor Owned Rehabilitation - Home 2	**796,509**	**5,500,000**	**2,500,000**	**2,500,000**
360976 Home Revolving Fund	796,509	5,500,000	2,500,000	2,500,000
05544 Neighborhood Opportunity Fund BG 5	**100,000**			
360558 Neighborhood Opportunity Fund	100,000			
05579 Crary - St Marys Community Council NOF	**63,627**			
360561 Crary St Mary's Community Council NOF	63,627			
05653 Fitzgerald Community Council NOF	**53,783**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
360566 Fitzgerald Community Council BG	53,783			
05661 Elmhurst Home Incorporated NOF	**105,759**	**89,000**		
360573 Elmhurst Home Inc NOF	105,759	89,000		
05662 LA SED NOF	**109,357**		**75,000**	
360574 Lased Facility Rehabilitation NOF	109,357		75,000	
05715 State Transferred Functions	**45,117,428**	**40,936,215**	**43,530,798**	**44,597,182**
600014 District Court Operations	27,823,644	24,175,329	25,270,603	26,243,155
600015 Civil	3,242,358	3,545,000	3,545,000	3,545,000
600020 Traffic	11,390,493	10,515,000	10,715,000	10,715,000
600055 Real Estate	754,301	766,000	766,000	766,000
600100 Court Administration	1,906,632	1,934,886	3,234,195	3,328,027
05733 Reserve Deposit		**2,913,000**	**2,938,300**	**10,838,940**
417020 Debt Service Reserve		2,913,000	2,938,300	10,838,940
05735 Sewerage Reserve Deposit		**4,229,000**	**4,135,000**	**5,445,321**
427025 Sewerage Reserve Deposit		4,229,000	4,135,000	5,445,321
05742 Housing Counsel-Detroit Non-Profit Housing	**47,129**		**75,000**	
360597 Housing Counsel Detroit Non Profit HC BG	47,129		75,000	
05797 Eight Mile Boulevard BG	**20,700**	**22,700**		**22,700**
360600 Eight Mile Boulevard BG	20,700	22,700		22,700
05814 Rouge Park Improvements	**30,585**			
391510 Rouge Park Improvements - Local	30,585			
05817 Engineering Services - Water	**20,378,016**			
413010 Office of Assistant Director of Engineering Se	(366,988)			
413020 Engineering Administrative Support	2,496,953			
413030 Field Engineering Group	517,736			
413040 Water System	15,083,383			
413050 Facilities Design	2,646,932			
05831 Engineering Services - Sewage	**40,528,272**			
423020 Engineering Administrative Services	6,554,507			
423030 Field Engineering Group	298,199			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
423040 Wastewater Design	(270)			
423050 Sewerage System	33,653,995			
423210 Wastewater Construction Group Administratic	16,168			
423250 CSO Control Group	5,673			
05877 Nortown Citizens District Council	**74,500**			
360608 Nortown Citizens District Council	74,500			
05897 Mosaic Youth Theatre	**96,171**	**89,000**	**75,000**	
360619 Mosaic Youth Theatre	96,171	89,000	75,000	
05976 Auto Parking Operations	**31,104,451**	**10,723,880**	**10,458,523**	**10,790,747**
340330 Revenue Fund Trustee	12,981,870	6,485,814	6,285,154	6,473,709
340331 On Street Meter Collections	2,639,567	2,819,642	2,873,369	3,017,038
340332 Municipal Parking Arena Operations-Joe Loui	15,172,405	1,268,424	1,300,000	1,300,000
340333 CBD Lots	310,609	150,000		
05983 Dominican Literacy Youth Center	**53,787**	**89,000**	**100,000**	
360634 Dominican Literacy Center	53,787	89,000	100,000	
05990 National Council on Alcoholism	**39,150**			
360638 National Council on Alcoholism	39,150			
05991 Major Street Fund In Kind	**787,466**	**4,000,000**	**4,000,000**	**4,000,000**
193827 Contribution In-Kind	787,466	4,000,000	4,000,000	4,000,000
05992 Local Street Fund In Kind	**352,930**			
190866 Contribution In-Kind	352,930			
05997 Northwest Detroit Neighborhood Developmen	**74,450**			
360641 Northwest Detroit Neighborhood Developmen	74,450			
06040 PDD Administration BG	**6,208,257**	**3,958,870**	**310,000**	**310,000**
360010 Administration	1,441,538	1,924,245		
360012 Grants/MIS	937,469	844,982		
360013 Financial Management	1,010,415	969,540		
360015 Contract Compliance	679,249	544,266		
360016 Distributed Costs	2,230,915	1,427,133		
360018 Cost Allocated-Other Accts	(1,449,436)	(2,061,296)		

CITY OF DETROIT
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	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
361373 BG - Program Income	1,358,107	310,000	310,000	310,000
06044 Development BG	**160,369**			
360100 Planning	160,369			
06087 Senior Citizens Repair Program BG	**2,808,804**			
360666 Senior Citizen Repair Program BG	2,808,804			
06102 Letter of Credit BG	**27,462,817**	**28,325,107**	**32,109,171**	**31,353,784**
361375 Letter of Credit BG6	27,462,817	28,325,107	32,109,171	31,353,784
06106 Home Program 94 Administration	**20,435**			
360080 Home Administration	20,435			
06129 Urban Renewal - Revenue	**667**			
360222 Urban Renewal Revenue	667			
06186 Warren Conner Development Coalition II	**19,628**	**125,000**		
361481 Warren Conner Development Coalition NOF I	19,628	125,000		
06204 JTPA IIB 9-30-95	**(3,973)**			
392700 SYEAP 95 - Administration	(3,973)			
06243 Repayment of Revenue Bond - Trustee	**1,666,519**	**1,666,172**	**1,663,650**	**1,657,797**
340252 Revenue Bond Principal & Interest	1,666,519	1,666,172	1,663,650	1,657,797
06244 Trustee and Contingency Reserve		**216,320**		
340253 Operation & Contingency Reserve		216,320		
06250 Workfirst 9-30-97	**1,428,248**			
216306 Work First OJT	1,428,248			
06296 Eastside Community Restoration Housing	**206,341**			
360688 Eastside Community Resource NPHC Housing	206,341			
06309 Young Detroit Builders	**64,244**			
360696 Young Detroit Builders	64,244			
06338 Substance Abuse Coordinating Agency 9/98	**9,905**			
250015 Substance Abuse Coordin Agency 9-98	9,905			
06403 Delray United Action Council Southwest BG	**49,514**	**89,000**	**100,000**	
360705 Delray United Action CN SW BG	49,514	89,000	100,000	
06408 Trusts	**30**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
350530 Pingree Memorial	30			
06424 Major Street Fund - Operations	**72,031,537**	**102,591,749**	**101,796,481**	**101,166,971**
193800 G&W Tax Revenue-Major	48,753,047	51,603,000	53,436,000	53,965,000
193810 Median Grass Cutting - General Services	(1,817)			
193820 Non-Parks Ground Maintenance - General Ser	2,043,121	3,352,000	3,162,455	3,254,508
193821 Lighting Signal Maintenance - PLD	3,043,198	2,568,184	2,652,947	2,923,875
193822 DPW Street Maintenance	7,454,981	24,505,500	25,485,352	24,669,385
193823 Civic Center Street Maint.		30,045	30,045	30,045
193825 Transportation Planning	1,836,965	2,412,906	1,706,318	1,720,676
193826 Transportation-Signs & Markings	1,882,477	3,934,668	3,555,884	2,511,618
193830 City Engineers	2,538,444	4,451,063	2,278,528	2,233,114
193832 DPW-Snow & Ice Removal	1,233,855	3,658,000	5,341,000	5,651,000
193840 Admin. Charges	3,247,266	6,076,383	4,147,952	4,207,750
06425 Local Street Fund - Operations	**41,685,377**			
190850 G & W Tax Revenue-LOCAL	19,642,082			
190860 Mowing & Tree Trimming RECREATION	226,924			
190862 DPW-Street Maintenance - LOCAL	19,652,935			
190865 Transportation-Signs & Markings	1,244,282			
190867 Admin. Charges	919,234			
190868 DPW - Snow & Ice - Local	(80)			
06427 Perpetual Endowment - Cemeteries	**43,107**			
395100 Forest Hills Cemetary Trust	43,107			
06475 Barton - McFar Neighborhood Association NC	**88,900**			
360716 Barton McFar Neighborhood Association NOF	88,900			
06487 Moore Community Council NOF	**42,037**			
360725 Moore Community Council NOF	42,037			
06497 Grandmont/Rosedale Development Cor NOF	**75,820**			
360731 Grandmont/Rosedale Development Corporatic	75,820			
06505 Legal Aid and Defender Association NOF	**37,892**	**89,000**	**100,000**	
360736 Legal Aid & Defendant Association NOF	37,892	89,000	100,000	

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
06512 Russell Woods - Sull Association NOF	**46,350**			
360741 Russell Woods Sull Association NOF	46,350			
06514 Franklin Wright Building Rehabilitation NOF		**100,000**	**120,000**	
360743 Franklin Wright Building Rehabilitation NOF		100,000	120,000	
06518 Detroit Association of Women's Club NOF	**7,462**			
360745 Detroit Association of Women's Club NOF	7,462			
06520 Northend Citizens Association Council NOF	**197,683**			
360747 Northend Citizens Association Council NOF	197,683			
06536 Gift Catalogue Donations	**220,086**			
390530 Gift Catalogue Donations	220,086			
06557 Citizens District Council BG	**6,208**			
710040 Citizens District Council BG	6,208			
06574 Community Policing for Juveniles	**424,108**			
371310 Comm Policing for Juveniles	424,108			
06622 Auto Theft	**4,159,779**			
371170 Auto Theft	4,159,779			
06624 Screen Door	**676,620**			
371210 Screen Door VI	676,620			
06649 Detroit Catholic Pastoral	**96,691**			
360680 Detroit Catholic Pastoral	96,691			
06667 NRR Rehabilitation Program Staff BG	**26,627**			
360090 Housing Services	26,627			
06698 Focus Hope NOF	**110,491**	**189,000**	**102,700**	
360767 Focus Hope NOF	110,491	189,000	102,700	
06707 Work First E T V T	**466,650**			
216309 State Of MI. Fam Indep Agency-ETVT	466,650			
06709 International Institute NOF	**31,757**		**100,000**	
360772 International Institute NOF	31,757		100,000	
06713 Boys and Girls Club	**9,732**			
360653 Boys and Girls Clubs PS	9,732			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
06729 Courville Concert Choir Service	**55,065**			
360700 Courville Concert Choir PS	55,065			
06733 Heat and Warmth Fund Service			**100,000**	
360754 Heat and Warmth Fund Services			100,000	
06826 Child Health - BC	**293,738**			
251210 Child Health - BU 9/99	293,738			
06827 Family Planning 9-99	**30,508**			
251270 Family Planning 9/99	30,508			
06847 STD Control 9-99	**212,520**			
251330 STD Control 9/99	212,520			
06854 CSHCS Outreach & Advo-BC 9-99	**244,182**			
251220 CSHCS Outreach and Advo BG 9/99	244,182			
06898 We Care About Van Dyke/Seven Mile NOF	**75,000**			
360821 WE Care About Van Dyke/Sev NOF	75,000			
06913 Cost Clearing - Water Stores	**2,087,121**			
417150 Cost Clearing-General Stores	1,503,292			
417220 99 Cost Clearing-Chemical Stores	525,998			
417260 Cost Clearing-Fuel	57,831			
06914 Cost Clearing - Sewage Stores	**514,323**			
427120 Cost Clearing-General Stores	(67,948)			
427130 Cost Clearing-Chemical Stores	582,271			
06925 Temp Casino Site Sup & Infra Imp	**17,518,191**	**17,040,000**	**17,001,775**	**18,059,490**
351056 Motor City Temporary Casino - Municipal Ser	5,768,832	5,288,000	5,288,000	5,850,625
351057 Greektown Temporary Casino - Municipal Ser	4,467,000	4,298,000	4,259,775	4,235,560
351058 MGM Grand Temporary Casino - Municipal S	7,282,359	7,454,000	7,454,000	7,973,305
07113 U-Snap-Bac BG	**79,315**			
360834 U-Snap-Bac BG	79,315			
07171 Bit Resurf - Along Livernois Lo	-			
190911 BIT Resurface Along Livernois, Lonyo	-			
07177 Sidewalk Construction	**1,453,127**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
190700 Sidewalk Assessment	1,453,127			
07325 Charlevoix Village Association NOF	**50,000**			
360858 Charlevoix Village Association NOF	50,000			
07327 Detroit Institute for Children NOF		**89,000**		
360860 Detroit Institute for Children NOF		89,000		
07354 Warrendale Community Organization NOF	**62,986**			
360877 Warrendale Community Organization NOF	62,986			
07508 Schaefer 7 and 8 Mile Association N0F	**90,000**			
360895 Schaefer 7&8 Mile Association NOF	90,000			
07523 Accounting Aid Society NOF	**60,000**		**100,000**	
360901 Accounting Aid Society NOF	60,000		100,000	
09112 Enhanced E-911	**8,657,411**	**8,000,000**	**8,235,002**	**8,387,740**
370700 E-911 Improvements	4,732,626	4,036,642	8,235,002	8,387,740
370701 E-911 Telephone Operators	2,739,860	2,763,486		
370702 Telephone Crime Reporting Surcharge	1,184,925	1,199,872		
10001 CSBG Administration	**(90)**			
303001 CSBG Administration	(90)			
10082 Operations	**200,875,608**	**193,054,208**	**119,664,529**	**122,058,722**
371995 Office of the Asst Chief Operations	458,212	1,094,435		
372000 Office of the Deputy Chief Patrol Operat Bure	1,997,702	1,374,251	580,406	594,545
372002 Homeland Security Coordinator			135,900	139,040
372005 Incident Response	46,584			
372011 Central District	26,831,337	22,567,508	9,527,655	10,727,590
372012 Northeastern District - 7th Precinct	28,725,243	13,375,927	7,509,471	8,658,800
372013 Eastern District - 5th Precinct	33,130,716	15,698,462	7,263,202	8,406,002
372014 Northwestern District - 8th Precinct	6,796,769	16,365,189	16,725,262	12,717,915
372016 Southwestern District - 2nd Precinct	29,400,312	15,469,303	9,677,431	10,802,032
372017 Twelfth Precinct	16,104,290	17,471,552	10,588,427	11,827,876
372018 Northwestern District - 6th Precinct	28,764,064	19,103,403	9,595,163	10,717,082
372019 Tenth Precinct	13,892,445	16,030,244	8,516,117	9,610,549

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
372023 Northeastern District - 11th Precinct	3,503,644	13,179,795	8,576,679	9,673,169
372024 Eastern District - 9th Precinct	2,777,670	15,380,612	16,301,006	12,283,490
372025 Police Community Services	233,333	1,618,969		
372026 Citizens Patrol	21,749	270,000		
372027 Auxiliary Services	885,988	760,954		
372028 Southwestern District - 3rd Precinct	7,305,550	14,263,199	8,808,875	9,910,849
372382 Tactical Operations Unit			815,075	835,591
372383 Secondary Employment Unit			798,106	802,432
372384 Central Events Unit			4,245,754	4,351,760
372615 Detainee Services		9,030,405		
10090 Fire - Capital Reinvestment	**43,035**			
241314 Fire - Capital Reinvestment	43,035			
10102 Benefits Administration		**8,000,000**		
351705 Medicare Part D Reimbursement		8,000,000		
10105 Alkebu-Lan Center for Martial Arts	**49,714**		**100,000**	
362540 Alkebu-Lan Center for Martial Arts	49,714		100,000	
10151 Casino Municipal Services-Fire	**2,421,435**	**4,348,321**	**3,102,465**	**3,235,886**
241000 Fire Fighting-Casino Mun Serv	928,036	1,762,183	1,242,271	1,325,077
241010 Fire Marshal-Casino Mun Serv	241,849	777,717	484,311	514,222
241015 EMS-Casino Mun Serv	1,251,550	1,808,421	1,375,883	1,396,587
10152 Casino Municipal Services-Police	**7,171,660**	**7,016,482**	**3,831,542**	**3,928,382**
370095 Gaming Unit	7,171,660	7,016,482	3,831,542	3,928,382
10154 Bridging Communities	**119,456**		**100,000**	
362660 Bridging Communities	119,456		100,000	
10257 Water Construction Bond Fund Series 1999	**(265,480)**			
417135 Water Construction Bond Fund Series 1999	(265,480)			
10267 1999 Sewerage Bond Series	**(2,631,681)**			
427115 Sewerage Construction Bond Fund Series 199	(2,631,681)			
10281 Sub Abuse Coordin Agency 9/2001	**2,685,213**			
258121 Substance Abuse Coordinating Agency 9/2001	2,685,213			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
10329 Capital Grants - Federal/State	**(94,563)**			
208270 MI-90-X463/Lease of 40 ft buses	(94,563)			
10330 Capital Grants - Federal/State - 2	**67,547,203**	**40,000,000**	**31,800,000**	**31,800,000**
208223 Bus Shelters and Bus Stops	88,902			
208259 Preventive Maintenance	-	40,000,000	31,800,000	31,800,000
208314 Services/Support Vehicles	34,084			
208315 Acquire ADP Hardware	181,896			
208316 Acquire ADP Software	-			
208325 Lease Purchase 40ft. Buses	1,614,538			
208354 Preventive Maintenance	1,946,140			
208356 Computer Equipment	10,920			
208359 Support Vehicles	-			
208360 Employee Education/Training	2,814			
208361 Compehensive Planning	2,100,640			
208362 Signage	423,918			
208365 Lease/Purchase 40 FT Buses	1,102,124			
208366 Fare Collection System	2,234,210			
208371 Lease/Purchase 40FT Buses	2,500,000			
208373 Rehab/Renov Admin Facilities	4,091,660			
208374 Service Support Equipment	28,360			
208375 Computr Equipment Applications	60,496			
208376 Service Support Vehicles	649,996			
208378 Geneal Dev Compehensive Planning	1,770,387			
208380 Lease Purchase 40FT Buses	612,500			
208405 Lease 40ft Buses	678,178			
208406 Lease/Purchase 40ft Buses	2,500,000			
208407 Preventive Maintenance	28,892,114			
208408 Rehab Renovate Admin Facilities	5,379,316			
208409 Service Support Vehicles	444,760			
208410 Bus Shelters	12,203			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
208411 Computer Equipments	222,616			
208412 Comprehensive Planning	756,713			
208420 Fuel For Vehicle Operations	9,207,718			
10331 New Services/Specialzed Services Grants	**418,430**			
208219 New Services Grant - 2001/02	-			
208220 Specialized Services Grant- 2001/02	176,562			
208413 Replacement Vans with Lifts	241,868			
10332 SEMCOG UWP Grants	**763,724**			
208230 Unified Work Program	763,724			
10385 Hubbard - Richard Infrastructure - Bonds	**(11,651)**			
362608 Hubbard - Richard Infrastructure - Bonds	(11,651)			
10397 Board of Ethics	**213,770**	**285,926**	**229,062**	**232,727**
350165 Board of Ethics	213,770	285,926	229,062	232,727
10403 Creekside Community Development	**73,047**			
362740 Creekside Community Development	73,047			
10409 Lead Based Paint Home Repair	**1,029,091**			
362742 Lead Based Paint Home Repair	1,029,091			
10423 Job Access & Reverse Commute MI-37-X001	**-**			
208264 MI-37-X014/Job Access/Reverse Commute Gr	-			
208394 New Freedom Mobility Management	-			
10454 DPL - Administrative Management	**48,849,044**	**51,556,890**	**47,798,968**	**42,866,500**
720002 DPL - Administrative Operations	38,859,044	37,713,812	36,564,918	31,690,414
720012 Library - Director of Public Services	129,286	386,611	293,760	294,765
720452 Marketing Services	46,321	529,861	356,015	358,377
720462 Library - Director of Technical Services	43,297	553,686	362,436	364,447
720475 Clerical Assistance - Administrative Services	129,114	87,193	105,604	107,110
720482 DPL - Bibliographic	22,940	349,535	237,122	239,133
720492 Print Shop	12,764	162,369	112,057	113,062
720501 DPL - Technical Processing Services	436,113			
720502 DPL - Technical Processing Services	1,542,938	666,400	559,081	1,216,319

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
720532 Library - Director of Information Systems	2,053,856	1,163,017	985,195	711,216
720535 Digital Lab	345,286	383,864	266,883	268,894
720542 Library - Human Resources	59,193	827,160	407,103	409,615
720572 Library-Director Business & Financial Operati	2,318,028	3,568,322	3,220,023	3,172,071
720622 DPL - Facilities Maintenance	2,162,434	4,301,483	3,391,994	3,040,789
720642 Contract Maintenance	665,883	564,266	708,922	650,422
720662 DPL - Shipping Services	22,547	299,311	227,855	229,866
10455 DPL - Human Resources/Personnel	**636,001**			
720541 DPL - Library Human Resources	636,001			
10456 DPL - Finance and Business Operations	**621,674**			
720571 DPL - Assc. Director - Finance & Business	621,674			
10457 DPL - Public Service Operations	**430,357**			
720011 DPL - Assc. Director - Public Services	290,338			
720491 DPL - Print Shop	140,019			
10458 DPL - Marketing Services	**412,550**			
720451 DPL - Marketing Operations	412,550			
10459 DPL - Technical Service Operations	**937,966**			
720171 DPL - Circulation	221,897			
720461 DPL - Asst. Director - Tech Service Operation	439,734			
720481 DPL - Bibliographic	276,335			
10460 DPL - Facilities Maintenance Operations	**1,695,227**			
720621 DPL - Facilities Maintenance	1,464,352			
720661 DPL - Shipping Services	230,875			
10461 DPL - Information System Operations	**328,364**			
720531 DPL - Assc. Director - Information Systems	328,364			
10465 Work First	**(176,310)**			
218021 Work First - Direct Training	(176,310)			
10541 Management	**(1,448)**			
393920 Butzel Family Center	(1,448)			
10545 South District Operations	**339**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
394320 Ground Maintenance - South District	120			
394350 Recreation Operations - South District	219			
10549 Apprentice Training Program	**28,827**			
280331 Apprentice Training Program	1,264			
280335 Apprentice Administration	27,563			
10550 New Amsterdam - State	**3,238**			
360045 New Amsterdam - State	3,238			
10591 Fire - Public Safety Mall - Bond	**31,405**			
240365 Fire - Public Safety Mall - Bond	31,405			
10592 Drain Fee - Oakland County	**37,294**	**40,000**		
351045 Drain Fee - Oakland County	37,294	40,000		
10620 Jefferson East Business Association	**147,127**		**100,000**	
363059 Jefferson East Business Association	147,127		100,000	
10621 LL DAYCARE	**71,135**		**75,000**	
363060 LL DAYCARE	71,135		75,000	
10624 Low Moderate Income Home Repair	**231,347**			
363063 Low Moderate Income Home Repair	231,347			
10629 Volunteers in Prevention Probation and Prisor	**59,794**	**89,000**		
363068 Volunteers in Prevention Probation and Prison	59,794	89,000		
10634 City Vehicles - Lease/Purchase	**7,808,474**	**1,890,348**		
350075 City Vehicles - Lease/Purchase	7,808,474	1,890,348		
10647 Water Bond Fund - Series 2001	**40,571**			
417145 Water Bond Fund Series - 2001	40,571			
10659 United Youth Sports Organization	**(6,847)**			
363078 United Youth Sports Organization	(6,847)			
10663 Wayne County NLS - Service	**101,291**		**100,000**	
363079 Wayne County NLS - Serv	101,291		100,000	
10726 Sewer Bond Fund - Series 2001	**485,355**			
427116 Sewer Bond Fund - Series 2001	485,355			
10728 St. Ignatius Catholic	**50,640**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
360047 St. Ignatius Catholic	50,640			
10730 Work First	**5,759**			
218102 Work First - Info Tech	5,759			
10745 WIA - Adult	**1,403**			
218150 WIA Adult - Program Costs	1,403			
10746 WIA - Dislocated Workers	**(3,145)**			
218151 WIA Dislocated Workers - Program Costs	(3,145)			
10755 Victim Assistance 2002-2003	**289,610**			
371044 Victim Assistance 2002-2003	289,610			
10758 SCREEN DOOR VIII	**3,420**			
371215 Screen Door VIII	3,420			
10814 Administration and Licenses		**5,899,374**	**6,195,907**	**6,166,972**
130310 Administration		5,899,374	6,195,907	6,166,972
10815 Inspections		**14,697,226**	**13,032,200**	**13,371,183**
130340 Mechanical		6,780,259	7,022,546	7,191,202
130345 Housing\Inspections		5,453,866	4,026,334	4,152,128
130346 Buildings		1,787,272	1,462,656	1,498,577
130347 Zoning		675,829	520,664	529,276
10821 HOME 02-03	**34,221,768**	**9,333,389**	**9,689,276**	**9,689,276**
363001 HOME CHDO Project Financing	21,110,884	8,333,389	7,689,276	7,689,276
363002 HOME Homeownership 02-03	13,110,884	1,000,000	2,000,000	2,000,000
10822 HOME EZ 02-03		**6,464,059**		
363008 HOME Investor Loan 02-03		6,464,059		
10824 MMRS	**130,256**			
240330 MMRS	130,256			
10829 Demolition - B&SE	**(393,204)**			
130071 Demolition - Administration - B&SE	(393,204)			
10836 Lead Abatement	**68,840**			
250649 Lead Abatement	68,840			
10844 Environmental Code Enforcement	**145**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
220025 Compliance and Enforcement	145			
10847 Eastern Market Development Corporation		**300,000**		**300,000**
362750 Eastern Market Development Corporation		300,000		300,000
10849 Peoples Housing & Community Development	**86,190**			
362752 Peoples Housing & Community Develop Corp	86,190			
10875 Southwest Housing Corporation	**118,861**		**125,000**	
363096 Southwest Housing Corporation	118,861		125,000	
10881 Greater Corktown Development Corp	**52,230**			
363103 Greater Corktown Development Corp	52,230			
10892 Herman Keifer Family Center	**239,517**			
250644 Herman Keifer Family Center	239,517			
10893 Animal Control Center	**(8,815)**			
250645 Animal Control Center	(8,815)			
10894 Community & Industrial Hygiene	**255,259**			
250646 Community & Industrial Hygiene	255,259			
10895 Food Sanitation	**649,725**			
250647 Food Sanitation	649,725			
10899 Major Building Demolition	**29,751**			
363105 Major Building Demolition	29,751			
10980 New Amsterdam Project/Section 108	**352,856**			
363113 New Amsterdam Project/Section 108	352,856			
11040 Administration	**2,529,883**	**3,028,995**	**1,569,215**	**1,607,521**
372290 Office of the Asst Chief-Administration	120,935		410,993	420,859
372292 Training Center	1,000			
372296 Grants & Contracts	594,492	552,604		
372297 Tactical Operations	1,813,456	2,476,391		
372299 Legal Advisor			1,158,222	1,186,662
11041 Technical Services Bureau	**32,043,560**	**35,574,737**	**10,479,620**	**10,555,864**
372300 Office of Deputy Chief Technical Services Bu	325,045	970,831	9,701,163	9,756,660
372305 Technology Support	2,006,176	3,747,755		

CITY OF DETROIT
Financial Detail by Appropriation and Organization

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
372311 Records & Identification	2,831,760	3,118,209		
372315 Forensics Services	3,708,561			
372320 Emergency Communications	10,419,207			
372321 Communications Systems Unit	1,935,189	5,170,366	778,457	799,204
372322 Communications Operations	7,006,084	18,790,011		
372323 Telephone Crime Reporting	1,844,573	3,777,565		
372324 Resource Management	1,966,965			
11042 Legal Affairs/Training	**7,157,370**	**12,188,514**		
372330 Office of the Deputy Chief-Risk Management	317,217			
372337 Planning & Accreditation Section	98,760			
372338 Legal Affairs	879,240	2,136,293		
372340 Office of Civil Rights	1,631,538	4,248,814		
372345 Training	4,230,615	5,803,407		
11070 WIA Adult	**5,527**			
218250 WIA Adult	5,527			
11110 Property Maintenance Enforcement		**13,640,352**	**12,583,174**	**13,248,938**
130320 Property Maintenance Enforcement		13,640,352	10,783,479	11,402,584
130321 Dangerous Building Administration			1,799,695	1,846,354
11119 Water Bond Fund Series 2003	**936,899**			
417155 Water Bond Fund Series 2003	936,899			
11134 Office of Neighborhood Development - PDD	**21,848**			
363125 Office of Neighborhood Development - PDD	21,848			
11150 Property Management	**(12,875)**			
140370 Hart Plaza Management	(12,875)			
11159 Blight Violation Adjudication	**1,638,726**	**1,902,001**	**1,674,614**	**1,687,727**
450010 Administration	1,638,726	1,902,001	1,674,614	1,687,727
11164 City Year	**24,895**	**89,000**		
363220 City Year	24,895	89,000		
11167 Greening of Detroit	**55,200**		**100,000**	
363124 Greening of Detroit	55,200		100,000	

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
11180 Voter Education Donations	**(53)**	**4,000**		
710031 Voter Education Donations	(53)	4,000		
11188 Low and Moderate Income Housing	**1,533,987**			
364014 Low and Moderate Income Housing	1,533,987			
11194 Drug Court	**198,177**	**269,000**	**269,000**	**277,070**
600155 Drug Court	198,177	269,000	269,000	277,070
11195 Risk Management Council	**223,133**	**234,443**	**151,080**	**152,319**
500095 Risk Management Council	223,133	234,443	151,080	152,319
11292 Care First Community Health	**28,530**			
364005 Care First Comm Health	28,530			
11317 Public Act 48 - Metro Act	**4,196,030**	**4,960,000**	**5,060,000**	**5,060,000**
194000 Public Act 48 of 2002	4,196,030	4,960,000	5,060,000	5,060,000
11320 Sewerage Bond Fund Series 2003	**2,355,462**			
427225 Sewerage Bond Fund Series 2003	2,355,462			
11345 Job # 74565 - Resurface Bagley & Clark	**-**			
190950 Job # 74565 - Resurface Bagley & Clark	-			
11346 Job # 74566 - Resurface Charlevoix & Chrysle	**-**			
190951 Job # 74566 - Resurface Charlevoix, Chrysler	-			
11347 Job # 74859 - Resurface Cadieux, Caniff, etc.	**-**			
190952 Job # 74859 - Resurface Cadieux, Caniff, etc.	-			
11353 Work First	**3,531,808**			
218301 Work First Training Related	3,534,293			
218303 Work First Administration	(2,485)			
11367 WIA Dislocated Worker	**-**			
218351 WIA Dislocated Worker	-			
11371 WIA Administration	**84,522**			
218355 WIA Administration	84,522			
11376 Investigations Portfolio			**2,438,153**	**2,501,586**
372360 Office of the Asst. Chief-Investigations Portfol			942,507	968,433
372365 Crime Control Strategies Section			1,495,646	1,533,153

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
11377 Civil Rights Integrity Bureau	**5,114,612**			
372370 Civil Rights Integrity Bureau	5,114,612			
11401 Case Coordination and Support 9/2004	**1,373,297**			
258763 Case Coordinating & Support 9/2004	1,373,297			
11426 Office of Targeted Business Development	**108**			
350083 Office of Targeted Business Development	108			
11427 Scrap Tire Removal II	**6,310**			
190316 Scrap Tire Removal II	6,310			
11487 Water Bond Fund Series 2005	**(416,421)**			
417160 Water Bond Fund Series 2005	(416,421)			
11488 Sewerage Bond Fund Series 2005	**(3,213,521)**			
427226 Sewerage Bond Fund Series 2005	(3,213,521)			
11496 Public Facility Rehabilitation	**369,855**		**1,486,390**	**1,300,000**
361676 Detroit Omega Foundation	117,561			
364040 Public Facility Rehabilitation			1,486,390	1,300,000
365547 Adult Well Being Services	14,123			
365551 Focus: HOPE	89,264			
365553 Samaritan Homes, Inc.	68,907			
365554 St. John Community Center	20,000			
365555 Warren/Conner Development Coalition	60,000			
11499 Educational Services	**42,515**		**75,000**	
365559 Coleman A. Young Foundation	21,834		75,000	
365570 Peoples Community Service of Metro Detroit	(1,782)			
365572 Pro Literacy Detroit	5,110			
365573 Sickle Cell Disease Association	5,643			
365577 Volunteers in Prevention, Probation & Prisons	7,510			
365578 VSA Michigan	4,200			
11503 Recreation Services	**42,101**			
365588 Clark Park Coalition	(18,649)			
365591 Detroit Youth Foundation DBA Youthville De	5,000			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
365592 Living Arts	19,537			
365594 Sphinx Organization	36,213			
11507 Economic Development	**345,926**		**1,000,000**	**1,000,000**
364042 Economic Development	250,000		1,000,000	1,000,000
365534 Detroit Catholic Pastoral Alliance	76,534			
365535 Joy Southfield Development Corporation, Inc.	14,000			
365537 Warren/Conner Developemt Coalition	3,712			
365545 Union Grace Community Development corpor	1,680			
11515 Detroit Office of Homeland Security	**(341)**			
460010 Homeland Security Administration	(341)			
11517 Minor Home Repair	**1,719,053**	**1,900,000**		
364039 Minor Home Repair	1,719,053	1,900,000		
11536 Youth Opportunity Movement	**-**			
398429 Youth Opportunity Movement	-			
11547 Clark Park	**39,123**	**89,000**	**75,000**	
366996 Clark Park	39,123	89,000	75,000	
11551 Eastern Market Adv Coal	**67,581**			
362754 Eastern Market Adv Coal	67,581			
11554 Mercy Education	**38,799**	**89,000**	**75,000**	
361741 Mercy Education	38,799	89,000	75,000	
11557 NSO Youth Initiative Program	**28,965**			
367172 NSO - Youth Initiatives	28,965			
11599 Job #56190 - Traffic Signal Upgrading Work	**506**			
193913 Job #56190 Traffic Signal Upgrading Work - F	506			
11637 Work First	**(1,674,611)**			
218400 Work First Direct Training	(637,435)			
218403 Work First Administration	(1,037,176)			
11642 NAFTA - TAA	**92,245**			
218425 NAFTA - TAA	92,245			
11646 WIA Adult	**499,866**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
218450 WIA Adult Training	(1,000)			
218468 WIA Adult Core	500,866			
11647 WIA Dislocated Worker	**6,131**			
218451 WIA Dislocated Worker Training	6,131			
11649 WIA Youth	**(90)**			
218452 WIA Youth In School	(90)			
11652 General Fund Account - Late Fees	**1,046**			
218460 General Fund Account - Late Fees	1,046			
11656 Recreation Management	**1,194,590**	**905,840**	**972,568**	**962,141**
395150 Administration	1,194,590	905,840	972,568	962,141
11657 Business Operations & Support Services	**6,386,027**	**5,705,392**	**9,814,729**	**9,127,531**
395155 Butzel Family Center	205,967	163,971	119,068	121,279
395170 Technology & Information Systems	55,397	79,973	79,973	79,973
395180 Administration Support Unit	5,926,927	5,441,448	9,595,688	8,906,279
395190 Henderson Marina	94,195			
395198 Chene Park	103,541	20,000	20,000	20,000
11658 Planning, Design & Construction Managemen	**150**			
395200 Landscape Design Unit	150			
11663 Recreation Operations	**5,435,954**	**5,543,026**	**5,283,356**	**5,415,116**
395700 Recreation Operations Administration	1,418,875	929,896	904,572	912,951
395705 Recreation Operations	3,267,802	4,613,130	4,378,784	4,502,165
395710 North Recreation Operations	749,277			
11664 Programming	**-**			
395800 Special Programs	-			
11665 Belle Isle Operations	**1,142,284**	**440,260**		
395900 Belle Isle Operations Administration	813,832	435,260		
395950 Recreation Operations	23,216			
395957 B. I. Rec Oper-Summer Only-Motor City Seas	300,136			
395970 Flynn Pavillion	5,100	5,000		
11718 Job # 46556 - Bagley Street Scaping Work	**(7,347)**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
190965 Job # 46556 - Bagley Street Scaping Work	(7,347)			
11722 Work First State GF/GP Program	**(78)**			
218406 Work First State GF/GP Program	(78)			
11723 Job # 78289-78291 - Traffic Signal & Pavemer	**9,371**			
193915 Job # 78289-78291-Traffic Signal & Pavemen	9,371			
11757 Book Cadillac Sec 108	**293**			
364024 Book Cadillac Sec 108	293			
11774 Garfield Sec 108	**173,274**			
364028 Garfield Sec 108 Repayment	173,274			
11778 Emergency Operation Center	**107,587**			
240315 Emergency Operation Center	107,587			
11784 Alternatives for Girls	**20,783**	**89,000**	**100,000**	
366005 Alternatives for Girls	20,783	89,000	100,000	
11785 COTS	**41,881**	**149,000**	**100,000**	
366010 COTS	41,881	149,000	100,000	
11786 Covenant House	**12,326**	**89,000**	**100,000**	
366015 Covenant House	12,326	89,000	100,000	
11787 Detroit Central City	**16,692**	**128,000**		
366020 Detroit Central City	16,692	128,000		
11788 Advantage Homeless Center	**15,728**			
366025 Advantage Health Center	15,728			
11791 Freedom House	**27,624**	**89,000**	**100,000**	
366040 Freedom House	27,624	89,000	100,000	
11792 Fort Street Presbyterian Church	**8,482**	**89,000**		
366045 Fort Street Presbyterian Church	8,482	89,000		
11797 Project LIFT Women's Resource Center	**25,615**	**89,000**	**100,000**	
366070 Project LIFT Women's Resource Center	25,615	89,000	100,000	
11798 Mariner's Inn	**12,344**	**178,000**	**100,000**	
366075 Mariner's Inn	12,344	178,000	100,000	
11799 Michigan Legal Services	**15,068**	**154,000**	**75,000**	

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	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
366080 Michigan Legal Services	15,068	154,000	75,000	
11800 Michigan Veterans Foundation	**27,151**	**89,000**	**100,000**	
366085 Michigan Veterans Foundation	27,151	89,000	100,000	
11801 NSO 24 Hr Walk In Center	**25,209**	**89,000**	**100,000**	
366090 NSO 24 Hr Walk In Center	25,209	89,000	100,000	
11805 Traveler's Aid Society	**30,225**	**119,000**	**100,000**	
366110 Traveler's Aid Society	30,225	119,000	100,000	
11806 United Community Housing Coalition	**27,109**	**158,723**	**75,000**	
366115 United Community Housing Coalition	27,109	158,723	75,000	
11809 YWCA - Interim House	**41,636**	**139,000**	**100,000**	
366130 YWCA - Interim House	41,636	139,000	100,000	
11815 Emergency Shelter Staff - PDD	**4,045,803**			
366145 Emergency Shelter Year II - PDD	4,045,803			
11825 Administration	**1,169,993**	**1,500,595**	**931,916**	**886,862**
470005 Administration	545,245	472,976	382,245	334,718
470007 Administrative Support Unit	270,833	712,159	403,375	405,230
470106 Detroit Wayne Joint Building Authority	353,915	315,460	146,296	146,914
11830 Facility Maintenance	**9,357,327**	**15,342,696**	**9,037,774**	**9,048,933**
470009 Property Management	808,537	1,551,061	479,829	483,179
470010 Facilities Management	4,882,139	4,891,481	5,244,110	5,851,862
470011 Landscape Design	233,384	376,600	255,652	257,507
470012 Park Development	224,033	182,751		
470015 Ground Maintenance	(917,893)			
470020 Building Services	1,218,890	1,854,877	646,577	653,769
470025 Building Services - Seasonal	26,975			
470035 Security	1,758,940	2,099,335	1,774,479	1,358,712
470037 D-DOT Security	9,205			
470038 Hart Plaza Management	143,166	386,591	637,127	443,904
470039 Veterans Memorial Building	969,951	4,000,000		
11831 Inventory Management	**5,580,929**	**5,027,007**	**732,848**	**735,373**

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
470040 Inventory Management	4,156,347	4,627,007	233,848	236,373
470050 DPW Stores	(31,158)			
470060 Fire Apparatus Stores	17,158			
470095 Police Stores	(33,280)			
470097 Other Stores	1,471,862	400,000	499,000	499,000
11838 Oasis Detroit	**49,496**		**100,000**	
366310 Oasis Detroit	49,496		100,000	
11839 Operation Get Down	**20,461**	**89,000**	**100,000**	
366315 Operation Getdown	20,461	89,000	100,000	
11856 Job #82798 - Resurf Asbury Park, etc	**-**			
190973 Job # 82798 - Resurf Asbury Park etc.	-			
11860 State Legislative Services	**173,333**	**392,000**	**180,000**	**180,000**
320045 State Legislative Services	173,333	392,000	180,000	180,000
11871 Vanguard Community Development Corporat	**42,770**			
366960 Vanguard Community Development Corporati	42,770			
11878 VSA Arts	**42,901**			
366840 VSA Arts	42,901			
11882 DRMM - Homeless Services	**14,462**	**286,000**	**100,000**	
366880 DRMM - Homeless Services	14,462	286,000	100,000	
11893 Matrix - Walter and Mary Reuther Senior Ser	**46,780**	**89,000**	**100,000**	
366905 Matrix - Walter and Mary Reuther Senior Serv	46,780	89,000	100,000	
11896 NOAH	**49,439**	**89,000**	**100,000**	
366920 NOAH	49,439	89,000	100,000	
11902 Woodbridge Neighborhood Dev Corp	**1,455**			
366975 Woodbridge Neighborhood Dev Corp	1,455			
11913 800 MHZ Project	**138,612,046**			
351731 800MHZ Project GO Bonds Limited FY 06-07	138,612,046			
11916 Environmental Response	**14**			
220606 Environmental Response	14			
11920 Job #84474 Street Light - Woodward	**194,497**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
190976 Job # 84474 - Street Light-Woodward	194,497			
11922 Water Second Lien Bond Reserve Fund	**436,271**			
417290 Water Second Lien Bond Reserve Fund	436,271			
11924 Sewerage Second Lien Bond Reserve Fund	**88,605**			
427280 Sewerage Second Lien Bond Reserve Fund	88,605			
11935 CSBG Administration	**(12)**			
303701 Center Operations	(12)			
11961 Work First FY07	**437,053**			
218500 Work First FY07 - Direct Training	437,053			
11963 Work First State GF/GP FY07	**78,397,847**			
218506 Work First State GF/GP FY07 - Program	78,397,847			
11965 Food Stamp Only FY07	**77,925**			
218516 Food Stamp Only FY07 - Administration	77,925			
12027 WIA Adult FY07	**455,568**			
218552 WIA Adult FY07 - Intensive	455,568			
12043 WIA Dislocted Worker FY07	**511,220**			
218554 WIA Dislocted Worker FY07 - Core	511,220			
12046 WIA Youth FY07	**(3,200)**			
218557 WIA Youth In School FY 07 - Program	(3,200)			
12098 General Retirement System Service Corp	**75,514,872**			
351740 General Retirement System Service Corporatic	75,514,872			
12099 Police & Fire Retirement System Service Corp	**98,550,258**			
351750 Police and Fire Retirement System Service Co	98,550,258			
12101 Drinking Water Revolving Fund	**478,257**			
417165 Drinking Water Revolving Fund	478,257			
12129 800 Megahertz Debt Service	**9,938,712**	**34,953,272**		
351735 800 Megahertz Debt Service	9,938,712	34,953,272		
12135 Job #80637,80638,80639-Trf signal upgrading	**7,658**			
193926 Job #80637,80638,80639 Trf Signal Upgradin	7,658			
12139 Sewerage Bond Fund Series 2007		**5,500,000**		**168,561,329**

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
427227 Sewerage Bond Fund Series 2007		5,500,000		168,561,329
12140 Water Bond Fund Series 2007	**1,235,031**	**623,800**	**497,100**	**155,830,197**
417161 Water Bond Fund Series 2007	1,235,031	623,800	497,100	155,830,197
12141 Historic Fort Wayne	**41,130**	**20,000**	**25,500**	**25,500**
395850 Historic Fort Wayne	41,130	20,000	25,500	25,500
12145 FY06 Goodwill Pilot Project Supportive Servi	**(7,384)**			
218408 Goodwill TANF Pilot Project FY06	(7,384)			
12146 Business License Center	**2,466,127**	**2,473,418**	**2,601,334**	**2,651,523**
130365 Business License Center	2,466,127	2,473,418	2,601,334	2,651,523
12152 Zoo Capital - Facility Improvements	**504,238**			
351385 Zoo Capital - Facility Improvements	504,238			
12153 Fleet Management	**23,221,375**	**26,196,766**	**19,792,196**	**19,936,860**
470100 Fleet Management	23,221,375	26,196,766	17,299,605	17,349,730
470120 Fire Apparatus - GSD			2,492,591	2,587,130
12154 Non Park Forestry - Street Fund	**6,992,238**	**7,676,456**	**9,001,230**	**9,010,522**
470200 Non Park Forestry - Street Fund	3,774,862	4,260,194	3,184,364	3,220,250
470300 Median Grass Cutting	1,205,445	702,874	1,600,000	1,510,440
470400 Freeway Berm Grass Cutting	1,125,864	2,713,388	4,216,866	4,279,832
470402 Freeway Berm Grass Cutting - Seasonals	764,465			
470405 Median Grass Cutting - Seasonals	121,602			
12156 Job # 84857 - Installation Work - Livernois	**12,140**			
190982 Job # 84857 - Installation Work - Livernois	12,140			
12158 Detroit 311 Call Center	**181**			
330022 Detroit 311 Call Center	181			
12159 Citizen's Patrol Support	**9**			
330033 Citizen's Patrol Support	9			
12161 Zoo Operations	**475,018**	**475,018**	**570,000**	**570,000**
350095 Zoo Operations	475,018	475,018	570,000	570,000
12162 Historical Operations	**198,246**	**198,246**	**500,000**	**500,000**
350093 Historical Operations	198,246	198,246	500,000	500,000

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	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
12168 Homeless Public Services	**132,873**	**119,000**	**2,425,000**	**2,138,207**
364050 Homeless Public Service			2,250,000	2,138,207
365502 Adult Well Being Services	68,170			
365505 Cass Community Health Services	26,683			
365515 Emmanuel House Recovery Program			100,000	
365516 Forgotten Harvest	19,775	119,000	75,000	
365525 NSO 24 Hour Walk-In Center	(4,431)			
365529 St. Christine Christian Services	15,783			
365533 Wayne County Neigh Legal Services	6,893			
12181 Community Health Awareness Group	**29,096**	**89,000**		
367127 Community Health Awareness Group	29,096	89,000		
12182 Detroit Youth Foundation	**53,123**			
367128 Detroit Youth Foundation	53,123			
12221 Project Fresh Start	**86,650**	**81,000**	**87,000**	**89,610**
600160 Project Fresh Start	86,650	81,000	87,000	89,610
12230 Job # 81192 - Streetscaping - E. Jefferson	**(218)**			
190984 Job #81192 - Streetscaping E. Jefferson	(218)			
12234 Garfield II Section 108	**7,128**			
364044 Garfield Section 108 Loan	7,128			
12247 Job # 87287 - Traffic Signal - 50 locations	**11,810**			
193930 Job # 87287 - Traffic Signal - 50 locations	11,810			
12250 Job # 87811 - Resurf etc. @ Oakland, Nevada	**116,923**			
190985 Job #87811 - Resurf etc. Oakland, Nevada	116,923			
12255 Employment Service FY08	**440,510**			
218620 Employment Service FY08 - Program	344,799			
218621 Employment Service FY08 - Administration	95,711			
12256 TRADE FY08	**199,772**			
218625 TRADE FY08 - Program	199,772			
12260 WIA Adult FY08	**(657,755)**			
218652 WIA Adult FY08 - Intensive	(657,755)			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
12261 WIA Dislocated Worker FY08	**(47,448)**			
218655 WIA Dislocated Worker FY08 - Intensive	(47,448)			
12262 WIA Incumbent Worker FY08	**168,913**			
218656 WIA Incumbent Worker FY08 - Program	168,913			
12263 WIA Youth FY08	**(20,119)**			
218657 WIA Youth In School FY08 - Program	(20,119)			
12265 WIA Administration FY08	**226**			
218660 WIA Administration FY08 - Administration	226			
12268 CSBG Administration	**(13,098)**			
303800 CSBG Administration	(21,641)			
303802 Specific Assistance Individuals	8,543			
12281 Drug Treatment	**16,462**			
303826 Drug Treatment	16,462			
12289 Medicaid Substance Abuse 9/2008	**41,607**			
258137 Medicaid Substance Abuse 9/2008	41,607			
12334 Automobile Property Crimes 2008	**23,769**			
372500 Automobile Property Crimes 2008	23,769			
12352 Fatherhood Initiative FY07	**50**			
218535 Fatherhood Initiative FY07	50			
12368 DTC Loan Repayment	**109,756**	**147,000**	**147,000**	**147,000**
364046 DTC Loan Repayment	109,756	147,000	147,000	147,000
12370 Internal Service Fund Vehicle Debt Service	**15,616,948**	**4,326,500**		
350077 Internal Service Fund Vehicle Debt Service	15,616,948	4,326,500		
12380 EDI HUD Demolition of Commerical Grant 20	**55,840**			
130073 Demolition - EDI - E. Seven Mile	55,840			
12387 Eastern Market Capital	**34,985**			
351389 Eastern Market Capital	34,985			
12396 Solid Waste Management	**1,263,785**	**2,031,745**	**69,445,526**	**69,125,276**
190410 Divisional Administrative Services	737,416	1,433,970	69,445,526	69,125,276
190411 Production Data Center	526,369	597,775		

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	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
12397 Refuse Collection	**62,908,215**	**65,396,499**		
190412 Supervision and Field Office	259,115	255,515		
190413 Courville Commercial Revenue	68,175			
190414 Courville Bulk Collection	6,363,416	5,910,687		
190415 Courville Refuse Collection (Residential)	52,259,873	55,197,221		
190416 Business District Cleanup	1,017,748	1,196,588		
190417 Container Services	1,634,000	1,176,516		
190418 Yard Operations	1,305,888	1,659,972		
12398 Refuse Disposal	**314,672**	**818,068**		
190419 Disposal Activities	314,672	818,068		
12417 Detroit East, Inc.	**30,184**			
367153 Detroit East, Inc	30,184			
12419 Detroit Midtown Micro-enterprise Fund Corp	**35,518**	**89,000**		
367155 Detroit Midtown Micro-Enterprise Fund Corp	35,518	89,000		
12420 Joy-Southfield CDC	**40,083**	**89,000**	**100,000**	
367156 Joy-Southfield CDC	40,083	89,000	100,000	
12422 General Grants - Detroit Riverfront - EDI	**625,456**			
364047 General Grants - Detroit Riverfront - EDI	625,456			
12426 St. John Community Center	**62,929**		**100,000**	
367171 St. John Community Center	62,929		100,000	
12428 African Dance	**32,572**			
367164 African Dance	32,572			
12432 Samaritan Center			**100,000**	
367168 Samaritan Center			100,000	
12442 MSHDA Cities of Promise Blight Elim. Prog C	**2,076,368**			
130075 Demolition MSHDA Cities of Promise Blight	-			
130076 Demolition MSHDA Cities of Promise Blight	2,076,368			
12448 Info Tech & Systems Integration & Organizat	**20,412,740**	**19,126,557**	**26,563,867**	**27,231,825**
411011 Asst Dir - Info Tech & Sys Integration & Oper	(1,289,334)	163,637	279,000	285,446
411014 Geographic Information Systems (GIS) Servic	70,751	75,636	112,600	115,415

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
411016 Process Networks and SCADA Systems	2,651,253	1,387,455	2,004,469	2,053,817
411018 Radio/SCADA Infrastructure Support	156,648	770,530		
411050 General Departmental Services	6,798			
411115 Information Systems Administrative Service	2,217,483	940,942	2,097,297	2,140,070
411125 Applications Support	(110,302)	166,000	1,537,926	1,576,374
411135 Software Support	113,239	148,000		
411145 Hardware Support	164,230	280,000	409,760	420,004
411155 Strategic Planning	14,925	10,000	344	353
411165 Network Support	382,015	238,250	2,734,240	2,802,596
411285 Systems Operations Control	4,310,294	2,857,649	3,471,365	3,556,847
411295 Water Technical Services	664,605	555,336	556,201	585,304
411305 Operational Services	523,376	363,138	315,481	324,278
411311 Pumping Station - Ford Road	522,086	408,584	408,584	418,799
411316 Pumping Station - Eastside	69,254		48,000	49,200
411321 Pumping Station - Northwest	398	5,200	5,200	5,331
411326 Pumping Station - West Service Center	864,986	730,600	730,600	748,865
411331 Pumping Station - Michigan Avenue	106,083	100,300	100,300	102,808
411336 Pumping Station - West Chicago Road	41,691	36,700	36,700	37,618
411341 Pumping Station - Electric Avenue	33,210		62,100	63,653
411346 Pumping Station - Orion Township	84,879	100,700	100,700	103,218
411351 Pumping Station - North Service Center	3,057,625	2,630,700	4,395,800	4,505,695
411356 Pumping Station - Adams Road	681,800	655,300	655,300	671,683
411361 Pumping Station - Newburgh	521,935	339,900	339,900	348,398
411366 Pumping Station - Franklin Road	1,546,291	1,124,200	1,124,200	1,152,305
411371 Pumping Station - Roseville	8,412	46,100	46,100	47,253
411386 Pumping Station - Wick Road	766,222	438,300	438,300	449,258
411391 Pumping Station - Joy Road	677,824	702,800	702,800	720,370
411396 Pumping Station - Schoolcraft	813,192	433,500	433,500	444,338
411401 Pumping Station - Ypsilanti	449,636	306,900	306,900	314,573
411406 Pumping Station - Imlay	50,441	2,719,200	2,719,200	2,787,180

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
411411 Pumping Station - Rochester	14,966	184,700	184,700	189,318
411416 Pumping Station - Haggerty Road	225,828	206,300	206,300	211,458
12449 Info Tech & Systems Integration & Organizat	**11,534,012**	**14,537,311**	**23,342,774**	**23,932,476**
421011 Asst Dir - Info Tech & Sys Integration & Oper	235,525	187,092	408,799	419,155
421014 Geographic Information Systems (GIS) Servic	89,126	93,479	168,900	173,123
421016 Process Networks and SCADA Systems	773,159	1,795,537	4,757,245	4,876,967
421018 Radio/SCADA Infrastructure Support	156,648	1,131,291		
421115 Information Systems Administrative Service	2,873,893	1,646,200	2,955,311	3,034,660
421125 Applications Support	(110,303)	249,000	2,306,889	2,364,561
421135 Software Support	113,238	222,000		
421145 Hardware Support	90,862	420,000	614,640	630,006
421155 Strategic Planning	14,925	15,000	516	529
421165 Network Support	382,016	319,855	4,101,360	4,203,894
421285 Systems Operations Control	1,574,408	3,784,720	3,354,061	3,440,052
421305 Operational Services	152	33,962	35,794	36,786
421311 Pumping Station - Belle Isle	181,936	164,000	164,000	168,100
421316 Pumping Station - Blue Hill	383,337	486,113	486,113	498,267
421321 Pumping Station - Brennan Pools		92	92	94
421331 Pumping Station - Clintondale	167			
421336 Pumping Station - Conner	1,191,802	880,513	880,513	902,526
421341 Pumping Station - Fairview	751,869	806,900	806,900	827,073
421346 Pumping Station - Fisher	47,074	17,000	17,000	17,425
421351 Pumping Station - Fox Creek	27,388	3,300	3,384	969
421356 Pumping Station - Freud	1,146,835	1,135,000	1,135,000	1,163,376
421361 Pumping Station - Garfield	128			
421366 Pumping Station - Northeast	1,060,547	943,600	943,600	967,190
421371 Pumping Station - Oakwood	1,640	114,000	114,000	116,850
421376 Pumping Station - Puritan	11,093			
421381 Pumping Station - Woodmere	536,547	88,657	88,657	90,873
12451 CSBG Administration	**969**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
303900 CSBG Administration	969			
12477 JET FY 09	**(1,117,578)**			
218700 JET FY 09 - Direct Training	(1,117,578)			
12478 Jet State GF/GP FY 09	**(1,076,800)**			
218706 JET State GF/GP FY 09 - Program	(1,076,800)			
12485 WIA One Stop Operation GF/GP FY 09	**78,040**			
218730 WIA One Stop Operation GF/GP FY 09 - Prog	78,040			
12487 WIA Adult FY 09	**(50,309)**			
218752 WIA Adult FY 09 - Intensive	(50,309)			
12488 WIA Dislocated Worker FY 09	**48,944**			
218755 WIA Dislocated Worker FY 09 - Intensive	48,944			
12489 WIA Incumbent Worker FY 09	**(85,724)**			
218756 WIA Incumbent Worker FY 09 - Program	(85,724)			
12490 WIA Youth FY 09	**500,866**			
218758 WIA Youth Out of School FY 09 - Program	500,866			
12492 WIA Administration FY 09	**591,147**			
218760 WIA Administration FY 09 - Administration	591,147			
12493 No Worker Left Behind FY 09	**(620)**			
218764 No Worker Left Behind FY 09 - Core	(620)			
12494 Sub Abuse Coordin Agency 9/2009	**674,582**			
258138 Sub Abuse Coordin Agency 9/2009	674,582			
12495 Medicaid Substance Abuse 9/2009	**5,235**			
258139 Medicaid Suibstance Abuse 9/2009	5,235			
12496 WIC Supplemental Food 9/2009	**-**			
258361 WIC Supplemental Food 9/2009	-			
12507 Bio-Terrorism Emerg Prep 9/2009	**5,400**			
258571 Bio-Terrorism Emerg Prep 9/2009	5,400			
12532 Drug Free Community Support 9/2009	**34,754**			
258830 Drug Free Community Support 9/2009	34,754			
12541 G.R.E.A.T 2009	**6**			

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371949 G.R.E.A.T. 2009	6			
12542 Encourage to Arrest 2008-2009	**479,083**			
372138 Encourage To Arrest 2008-2009	479,083			
12545 Comp Anti-Gang Init: NW & SW Districts	**753,938**			
372490 Comp Anti-Gang Init: NW & SW Districts	753,938			
12557 JOB# 100818 Resurf. ETC Jefferson, Central	**341,141**			
190990 JOB # 100818 Resurf ETC. Jerrerson, Central	341,141			
12558 JOB # 100821 Resurf. ETC. Canfiels, Cass ET	**789,783**			
190991 JOB # 100821 Resurf ETC. Canfield, Cass	789,783			
12559 JOB # 100822 Resurfacing 24th St., Asbury P	**58,478**			
190992 JOB # 100822 Resurfacing 24th St., Asbury P	58,478			
12574 GO Bond Series 2008 - Investment Earnings	**205,138**			
351381 GO Bond Series 2009 Investment Earnings	205,138			
12576 No Worker Left Behind Statewide	**(177)**			
218669 No Worker Left Behind Statewidw	(177)			
12584 Federal Forfeiture	**564,226**			
370775 Federal Forfeiture	564,226			
12619 2010 GO Bonds DIA Capital	**1,992,245**			
351182 2010 GO Bonds DIA Capital	1,992,245			
12620 2010 GO Bonds Zoo Capital	**873,132**			
351187 2010 GO Bonds Zoo Capital	873,132			
12622 GO Bonds - Eastern Market 07-08	**870,476**			
351194 GO Bonds - Eastern Market 07-08	870,476			
12637 Woodward Garden Section 108	**3,381,218**			
364036 Woodward Garden Section 108	3,381,218			
12638 Woodward Garden Section 108 Repymt	**586,011**			
364037 Woodward Garden Section 108 Repymt	586,011			
12643 GO Bond Program Expense	**187,591**			
351384 GO Bond Program Expense	187,591			
12666 Road Construction Apprenticeship Readiness	**(28,151)**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
218644 Road Construction Apprenticeship Readiness	(28,151)			
12674 Det East Medical Control Auth Donations EM	**4,268**			
240345 Det East Medical Control Auth Donation EMS	4,268			
12679 FY 07 UASI Grant	**503,744**			
460220 FY 07 UASI Grant	503,744			
12680 Auditing - CAFR	**1,584,696**	**1,284,973**	**3,038,545**	**3,129,701**
500025 Auditing - CAFR	1,584,696	1,284,973	3,038,545	3,129,701
12693 ARRA DCH BJA Detroit State Byrne JAG Gr	**77,511**			
373000 ARRA DCH BJA Detroti State Byrne JAG Gra	77,511			
12696 Jet GF/GP No Worker Left Behind	**1**			
218613 Jet GF/GP No Worker Left Behind	1			
12698 Pilot Recycling Program	**458,626**	**706,647**		
190420 Pilot Recycling Program	458,626	706,647		
12701 Recreation - Northwest Activity Center			**571,715**	**451,715**
395162 Recreation - Northwest Activity Center			571,715	451,715
12707 Scrap Tire Grant		**100,000**	**100,000**	**100,000**
190317 Scrap Tire Grant		100,000	100,000	100,000
12708 Catholic Social Services	**10,886**	**89,000**	**100,000**	
367175 Catholic Social Services	10,886	89,000	100,000	
12713 Greenwich Park Association	**51,604**			
367180 Greenwich Park Association	51,604			
12719 Society of St. Vincent de Paul	**33,432**	**89,000**	**100,000**	
367186 Society of St. Vincent de Paul	33,432	89,000	100,000	
12726 Job Program - Youth	**134,586**			
367191 Job Program - Youth	134,586			
12728 Home Repair		**1,425,000**		
364051 Home Repair		1,425,000		
12729 JET TANF FY11	**(72,790)**			
218900 JET Direct Training	(1,192,043)			
218903 Jet Administration	250,792			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
218904 Jet MWA Program	868,461			
12745 WIA Statewide Career Advancement Account	**6,000**			
218633 WIA Statewide Career Adv Acct Program	6,000			
12747 WIA Statewide Performance Incentive	**133,028**			
218677 WIA Statewide Performance Incentive	133,028			
12748 Job#86129 Attenuator Installation Work	**(14,999)**			
193946 Job# 86129 Attenuator Installation Work	(14,999)			
12749 Job # 102128 Bridge Attenuator	**38**			
193947 Job# 102128 Bridge Attenuator	38			
12754 Community Based Job Training	**60,206**			
218680 Community Based Job Training	13,143			
218681 Community Based Job Training Administratio	47,063			
12755 Job#100801 - Lower Woodward Streetscape	**1,479,527**			
190998 Job#100801 - Lower Woodward Streetscape	1,479,527			
12756 Survey & Thematic Nat'l Register Nomination	**37,768**			
520225 Survey & Thematic Nat'l Register Nomination	37,768			
12758 Public Affairs Group - Water	**(1,561,525)**	**16,724,834**	**12,984,161**	**13,382,446**
411021 Office of the Assistant Director -Public Affairs	(832,758)	547,492	317,560	375,368
411211 Customer Outreach	60,016	400,000	40,000	41,000
411221 Commercial Operations	(3,604,885)	6,770,197	8,952,107	9,188,172
411226 Customer Billing	973,280	1,026,092		
411231 Customer Service - Detroit	(5,168)	44,800		
411236 Collections	59,374	2,580,111		
411241 Addressograph	709,147	1,104,522		
411246 Meter Reading	(30,110)	7,800		
411251 Meter Operations	(2,762,882)	2,830,166	1,520,040	1,569,591
411256 Meter Records	340,979	11,477	11,477	11,763
411261 Meter Shop	2,019,501	266,081	266,081	272,733
411266 Meter Instrumentation Shop	1,511,981	1,136,096	1,876,896	1,923,819
12759 Public Affairs Group - Sewerage	**8,681,263**	**14,785,673**	**11,408,049**	**11,710,414**

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
421021 Office of the Assistant Director -Public Affairs	882,212	625,429	517,230	531,137
421211 Customer Outreach	60,015	600,000	60,000	61,500
421221 Commercial Operations	5,782,412	5,204,105	8,281,990	8,501,127
421226 Customer Billing	713,812	1,026,092		
421231 Customer Service - Detroit	3,150	44,801		
421236 Collections	89,514	2,580,112		
421241 Addressograph	1,120,455	1,104,522		
421246 Meter Reading	9,443	7,800		
421251 Meter Operations	5,552	2,179,156	1,555,173	1,598,153
421256 Meter Records		11,478	11,478	11,765
421261 Meter Shop	13,927	266,082	266,082	272,734
421266 Meter Instrumentation Shop	771	1,136,096	716,096	733,998
12761 CSBG Administration	**4,938,043**			
304001 Center Operations	(416)			
304002 Specific Assistance Individuals	4,969,139			
304031 CSBG Administration	(30,680)			
12784 Jet FY10	**2,990,582**			
218801 Jet FY10 - Training Related	340,744			
218802 Jet FY10 - Info Tech	16,180			
218803 Jet FY10 - Administration	2,534,304			
218804 Jet FY10 - MWA Program	99,354			
12785 Jet State GF/GP FY10	**2,984**			
218806 Jet State GF/GP FY10 - Program	2,984			
12796 WIA Dislocated Worker FY10	**-**			
218857 WIA Dislocated Worker FY10 - Training	(634,881)			
218858 WIA Dislocated Worker FY10 - Core	(3,493)			
218859 WIA Dislocated Worker FY10 - Intensive	638,374			
12799 WIA Youth FY10	**122,378**			
218867 WIA Youth Out of School FY10 - Program	122,378			
12805 Job#103464 Asphalt Paving Work	**33,534**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
190999 Job# 103464 - Asphalt Paving Work	33,534			
12814 Sub Abuse Coordin Agency 9/2010	**4,142,714**			
258140 Sub Abuse Coordin Agency 9/2010	4,142,714			
12815 Medicaid Substance Abuse 9/2010	**208,555**			
258141 Medicaid Substance Abuse 9/2010	1			
258142 Helping Hands Sub Abuse Svcs 9/2010	208,554			
12816 WIC Supplemental Food 9/2010	**-**			
258366 WIC Supplemental Food 9/2010	-			
12817 Summe Food Service 9/2010	**-**			
258367 Summer Food Service 9/2010	-			
12823 Adol Hlth Teen Health Ctrs 9/2010	**20,000**			
258592 Adol Hlth Teen Health Ctrs 9/2010	20,000			
12824 H1N1 Phase I & II 9/2010	**519,436**			
258593 H1N1 Phase I & II 9/2010	519,436			
12849 HIV Emerg Supp Relief 2/2011	**6,614**			
258831 HIV Emerg Supp Relief 2/2011	6,614			
12851 Healthy Start Initiative 7/2010	**-**			
258833 Healthy Start Initiative 7/2010	-			
12856 State of Mi Auto Theft Prevention Authority	**43,880**			
240241 State of Mi. Auto Theft Prevention Authority	43,880			
12859 2008-09 Dream While Achieving DWDD	**144**			
398504 2008-09 Dream While Achieving DWDD	144			
12860 Caraco	**213,165**			
218784 Caraco - Administration	213,165			
12867 Safe Communities Underage Drinking Grant	**8,002**			
372185 Safe Communities: Underage Drinking Grant	8,002			
12872 JAG 2009-2010	**2,433,850**			
372407 JAG 2009-2010	2,433,850			
12890 Butzel Playfield Renovation 2008-10	**139,196**			
398505 Butzel Playfield Renovations 2008-10	139,196			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
12911 2008-09 Flag Football Expansion Program	-			
398507 2008-09 Flag Football Expansion Program	-			
12912 2006 Urban Area Security Initiative Grant	**625,342**			
460240 2006 Urban Area Security Initiative Grant	625,342			
12915 Recreation Block Grant 2011	**195,440**			
399110 Recreation Block Grant 2011	195,440			
12923 WIA Rapid Response Program FY 09	**(4,250)**			
218741 WIA Rapid response Program FY 09	(4,250)			
12927 Youth Mentoring Program FY 09	**(67,192)**			
218724 Youth Mentoring Program FY 09	(67,192)			
12931 ARRA DOE-09 Weatherization - Human Serv	**8,504,705**			
303915 ARRA DOE-09 Weatherization Human Servic	3,118,494			
303916 ARRA DOE-09 Weatherization Human Servic	5,386,211			
12933 Job#86343 Ridge Rd Over Rough River	**25,454**			
193952 Job#86343 Ridge Rd Over Rough River	25,454			
12934 NSP Acquisition	-			
364052 NSP Acquisition	-			
12935 NSP Administration	**297,080**			
364053 NSP Administration	297,080			
12936 NSP Demolition	**2,471,794**			
364054 NSP Demolition	2,471,794			
12937 NSP New Construction	**646,700**			
364055 NSp New Construction	646,700			
12939 NSP Rehabilitation	**22,078,470**			
364057 NSP Rehabilitation	22,078,470			
12943 Environmental Inspection Division	**2,674,645**	**2,904,772**	**1,806,462**	**1,824,897**
190421 Environmental Inspection Division	2,674,645	2,904,772	1,806,462	1,824,897
12944 NSP Disposition	**610,836**			
364058 NSP Disposition	610,836			
12945 Unassigned Projects				**3,677,644**

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
362009 Unassigned Projects				3,677,644
12947 Correct course Diversion Program	**30,000**			
372560 Correct Course Diversion Program	30,000			
12948 2008 Operation Stonegarden Grant	**28,768**			
372455 2008 Operation Stonegarden Grant	28,768			
12949 POC Swap Hedge Payment 2009	**20,000**	**224,772,482**	**58,187,222**	
350121 POC Transaction (eff. CY 2009)		173,985,507		
350122 POC Swap Hedge Payment 2009		50,736,975	58,187,222	
350126 POC Transaction 2009 Custodian Fees	20,000	50,000		
12959 ARRA DHHS Headstart COLA Human Servi	**-**			
303913 ARRA DHHS Headstart Q1 Human Services	(5,019)			
303914 ARRA DHHS Headstart COLA Human Servic	5,019			
12960 ARRA DHHS CSBG Community Service Bloc	**211,551**			
303909 ARRA DHHS CSBG Community Service Bloc	285,006			
303910 ARRA DHHS CSBG Community Service Bloc	(73,455)			
12962 ARRA Homeless Prevention & Rapid Re-Hou	**86,522**			
362000 ARRA HUD HPRP Administration PDD	-			
362001 ARRA HUD HPRP Data Collection & Evaluat	86,522			
362003 ARRA HUD HPRP Hosuing Relocation & Sta	-			
12963 Non GO Bond Debt Service Activities	**2,611,572**			
180200 Non GO Bond Debt Service Activities	2,611,572			
12964 ARRA USDOT TFA Buy Replace 40 FT Buses	**813,804**			
208332 ARRA USDOT TFA Acquire Computer Eq Ap	13,804			
208337 ARRA USDOT TFA Purchase bus Signage DI	800,000			
12965 Urban Area Security Initiative (FY09-10)	**406**			
460145 Urban Area Security Initiative (FY09-10)	406			
12967 Sub Abuse Coordin agency 9/2011	**1,427,224**			
258143 Sub Abuse Coordin Agency 9/2011	1,427,224			
12968 Medicaid Substance Abuse 9/2011	**1,374,001**			
258144 Medicaid Substance Abuse 9/2011	1,374,001			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
12969 Helping hands 9/2011	**2,475,400**			
258145 Helping Hands 9/2011	2,475,400			
12971 Summer Food Service 9/2011	**162,846**			
258372 Summer Food Service 9/2011	162,846			
12972 After School Food Service 9/2011	**14,140**			
258373 After School Food Service 9/2011	14,140			
12976 Childhood Lead (MDCH) 9/2011	**-**			
258401 Childhood Lead (MDCH) 9/2011	-			
12977 Community Aid & Development Corporation	**12,508**			
367200 Community Aid & Development Corporation	12,508			
12979 WIC Breastfeeding 9/2011	**-**			
252301 WIC Breastfeeding 9/2011	-			
12980 Immunization Reach More Children & Adults	**-**			
252302 Immunization Reach More Children & Adults	-			
12983 HIV/AIDS Rapid Testing 9/2011	**2,906**			
252305 HIV/AIDS Rapid Testing 9/2011	2,906			
12985 Bio-Terrorism Laboratory 9/2011	**28,788**			
252307 Bio-Terrorism Laboratory 9/2011	28,788			
12986 Building Healthy Communities 9/2011	**-**			
252308 Building Healthy Communities 9/2011	-			
12988 Cities Readiness Inititives 9/2011	**288,220**			
252310 Cities Readiness Inititives 9/2011	288,220			
12989 CSHCS Outreach & Advocacy 9/2011	**-**			
252311 CSHCS Outreach & Advocacy 9/2011	-			
12990 Early Warning Infectious Disease 9/2011	**2,754**			
252312 Early Warning Infectious Disease 9/2011	2,754			
12995 Infant Mortality Coalition Support 9/2011	**12,730**			
252316 Infant Mortality Coalition Support 9/2011	12,730			
12996 Laboratory Svcs - STD 9/2011	**93,292**			
252317 Laboratory Svcs - STD 9/2011	93,292			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
12998 Greater Det Ag for the Blind & Visually Impaired			**100,000**	
367202 Greater Det Ag for the Blind & Visually Impaired			100,000	
12999 Local Maternal & Children BG 9/2011	**52,864**			
252319 Local Maternal & Children BG 9/2011	52,864			
13001 Greenbier Community Council	**1,650**			
367204 Greenbrier Community Council	1,650			
13003 HIV Surveilance Support 9/2011	**2,366**			
252321 HIV Surveilance Support 9/2011	2,366			
13004 Oral Health Sealant Program 2/2011	**-**			
252322 Oral Health Sealant Program 2/2011	-			
13007 STD Control 9/2011	**-**			
252324 STD Control 9/2011	-			
13009 Vision and Hearing - MDCH 9/2011	**489,454**			
252326 Vision and hearing MDCH 9/2011	489,454			
13011 DWDD - WIA Youth Services 6/2011	**34,754**			
252328 DWDD WIA Youth Services 6/2011	34,754			
13012 SAFETY Program 6/2011	**44,738**			
252329 SAFETY Program 6/2011	44,738			
13013 HIV Emerg Supp Relief 2/2012	**43,260**			
258845 HIV Emerg Supp Relief 2/2012	43,260			
13018 Detroit Re-emtry Initiative 9/2011	**55,738**			
258843 Detroit Re-entry Initiative 9/2011	55,738			
13021 Northwest Youth Organization	**45,030**			
367207 Northwest Youth Organization	45,030			
13024 Department of Justice Tech Program #2009CI	**98,040**			
240228 Department of Justice Tech Program 2009CSV	98,040			
13025 Department of Justice Tech Program 2009CK	**1,223,452**			
240229 Department of Justice Tech Program 2009CKV	1,223,452			
13030 Promoting Responsible Fatherhood FY11	**1**			
218925 Promoting Responsible Fatherhood	1			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13033 Trade FY11	**(251,193)**			
218939 Trade FY11 - Case Management	(269)			
218940 Trade	(250,924)			
13036 WIA Adult FY11	**173,018**			
218950 WIA Adult Training	169,288			
218951 WIA Adult Core	26,039			
218952 WIA Adult Intensive	(22,309)			
13037 WIA Dislocated	-			
218957 WIA Dislocated Worker Training	(66,484)			
218958 WIA Dislocated Worker Core	(224,831)			
218959 WIA Dislocated Worker Intensive	291,315			
13040 WIA Youth FY11	**(173,016)**			
218966 WIA Youth in School	(442,549)			
218967 WIA Youth Out of School	269,533			
13043 Word of Truth Community Housing Assoc. W	**29,862**			
367214 Word of Truth Comm Housing Association W	29,862			
13044 WIA Administration FY11	-			
218969 WIA Administration	-			
13053 Senior Advocacy	**23,959**			
304043 Senior Advocacy	23,959			
13055 ARRA HUD CDBG-R Grant PDD	**6,806,508**			
362004 ARRA HUD CDBG R Administration PDD	93,620			
362005 ARRA HUD CDBG R Mircoloan Program PD	-			
362007 ARRA HUD CDBG R Davison Facade Impro	295,676			
362010 ARRA HUD CDBG Green Jobs Training & Pl	-			
362013 ARRA HUD Mortgage Assistance PDD	622,596			
362014 ARRA HUD Target Areas Public Improvemen	2,240,000			
362016 ARRA HUD Resdential Energy Efficiency PD	880,092			
362018 ARRA University Commons Facade Improve	400,000			
362019 CDBG R Repaving of 10m of Class C in NSP	1,445,658			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
362021 CDBG R Lasky Rec Center Energy Efficient U	300,000			
362022 CDBG-R Demolition	528,866			
13059 2009 National arts Program Operations	**2,000**			
398509 2009 National arts Program Operations	2,000			
13060 Road Construction Apprenticeship Readiness	**79**			
218744 Road Construction Apprecticeshio Readiness I	1,743			
218745 Road Construction Apprenticeship Readiness	(1,664)			
13061 Renewable and Clean Energy	**539,191**	**1,256,000**		
380800 Renewable and Clean Energy	250,845	600,000		
380840 Energy Optimization Program Surcharges	288,346	656,000		
13062 Secret Service UCV	**14,938**			
370745 Secret Service UCV	14,938			
13069 Job # 103483 traffic Signal Interconnection W	**(3,208)**			
193955 Job # 103483 Traffic Signal Interconnection W	(3,208)			
13071 Narcotics Forfeiture UCV	**86,470**			
370766 Narcotics Forfeitire UCV	86,470			
13073 WIA Statewide Acrivities MI-NCRC - Prograi	**-**			
218873 WIA Statewide Activities MI-NCRC-Program	-			
13074 Job #104602 - Lafayette St. Bridge	**11,302**			
193957 Job# 104602 - Lafayette St. Bridge	11,302			
13075 Job #105541 - ADA Ramps at 102 Intersection	**452,033**			
193958 Job # 105541 ADA Ramps at 102 Intersection:	452,033			
13076 Job #105542 - ADA Ramps at 134 Intersection	**76,294**			
193959 Job # 105542 ADA Ramps at 134 Intersection:	76,294			
13077 Job #105546 - ADA Ramps at 114 Intersection	**12,135**			
193960 Job # 105546 ADA Ramps at 114 Intersection:	12,135			
13080 CSBG Administration	**1,697,661**			
304101 Center Operations	68,636			
304102 CSBG programs Specific Asst/Id	85,357			
304131 CSBG Administration	1,543,668			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13085 Weatherization Doe	**18,778**			
304117 Weatherization Doe	18,778			
13086 Weatherization LIHEAP	**478,138**			
304118 Weatherization LIHEAP	478,138			
13095 MCAAA Managed Care	**(100,426)**			
304128 MCAAA Managed Care	(100,426)			
13099 MPSC WX Client Ed	**712,881**			
304134 MPSC WX Client Ed	712,881			
13101 Security Improvements	**210,331**			
471059 Security Improvements	210,331			
13102 We're Here and We Care Program	**251,481**			
372570 We're Here and We Care Program	251,481			
13103 Victim Assistance 2010-2011	**43,988**			
372542 Victim Assistance 2010-2011	43,988			
13108 Safe Communities Grant DPD 2010-2011	**15,978**			
372482 Safe Communities Grant DPD 2010-2011	15,978			
13109 Safe Communities Underage Dringking Grant	**2**			
372186 Safe Communities Underage Drinking Grant 2	2			
13110 Bulletproof Vest Program 2011	**41,383**			
372434 Bulletproof Vest Program 2011	41,383			
13111 Southwest Detroit Weed & Seed Yr 3	**3,480,130**			
370929 Southwest Detroit Weed & Seed Yr 3	3,480,130			
13112 JAG 2010-2011	**2,324,688**			
372408 JAG 2010-2011	2,324,688			
13113 Detroit Comprehensive Traffic Safety 2010-20	**7,628**			
372154 Detroit Comprehensive Traffic Safety 2010-20	7,628			
13114 Job #107116 Resurf of Streets Meyer Road	**112,460**			
193961 Job #107116 Resurf of Streets Meyer Road	112,460			
13115 Job 107111 Resurf of Streets East Congress St	**60,278**			
193962 Job #107111 Resurf of Streets East Congress S	60,278			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13116 Job 107105 Resurf Streets Seven Mile Road	**(1,602,993)**			
193963 Job #107105 Resurf Streets Seven Mile Road	(1,602,993)			
13123 Outreach and Assistance 2010-11	**14,642**			
304146 Outreach & Assistance 10-11 DHS	14,642			
13125 Media Services and Communications	**1,214,738**	**1,624,876**	**1,545,296**	**1,554,998**
350325 Communication Services	659,985	710,214	623,815	626,908
350326 Media Services	554,753	914,662	921,481	928,090
13131 Head Start USDA Food 2010-11	**221,937**			
304136 Head Start USDA Food 2010-11	221,937			
13132 ARRA DOE EECBG GSD DBA Energy Effici	**1,528,665**			
472000 ARRA DOE EECBG GSD DBA Energy Effici	1,528,665			
13133 Michigan Energy Office	**694,860**			
381001 Alternative Lighting Grant	694,860			
13134 Scour Countermeasure Installation	**4,993,019**			
193994 Scour Countermeasure Installation Job 113971	4,993,019			
13135 Sidewalk Ramp Work	**555,475**			
193995 Sidewalk Ramp Work Job 114484	555,475			
13136 Hot Mix Asphalt Job 113935	**3,324,935**			
193996 Wyoming Road Job 113935	3,324,935			
13137 Hot Mix Asphalt Job 114416	**1,168,731**			
193997 Hot Mix Asphalt Job 114416	1,168,731			
13140 Erma Henderson Playscape	**200**			
520251 Erma Henderson Playscape	200			
13141 Eastern Market Operations Subsidy	**100,000**	**100,000**	**165,200**	**165,200**
350097 Eastern Market Operations Subsidy	100,000	100,000	165,200	165,200
13142 Cities of Service Leadership Grant	**278,071**			
330014 Cities of Service Leadership Grant	278,071			
13143 Greater Det. Res. Recovery Authority (GDRR	**9,540,270**	**11,016,489**	**10,656,012**	**10,257,827**
190422 Greater Det. Res. Recovery Authority (GDRR	9,540,270	11,016,489	10,656,012	10,257,827
13147 2005 & 2006 JAG Interest Earnings	**307,162**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
372409 2005 & 2006 JAG Interest Earnings	307,162			
13148 Hot Mix Asphalt Job 113933	**888,854**			
193998 Hot Mix Asphalt Job 113933	888,854			
13149 Traffic Signal Modification	**1,317,853**			
193999 Conversion From One Way to Two Way Job 1	1,317,853			
13152 GSD - Street Maintenance Garage	**3,035,852**	**4,167,360**	**4,641,438**	**4,666,188**
470110 Street Maintenance Garage - Street Fund	3,035,852	4,167,360	4,641,438	4,666,188
13155 Community Access Center	**138,417**			
330016 Community Access Center - Administration	54,257			
330021 Community Access Center - Offices	84,160			
13157 107132 Resurfacing Streets 9.57 Miles ARRA	**42,765**			
193969 107132 Resurfacing Streets 9.57 Miles ARRA	42,765			
13158 Job #106851 Larned Bridge Rehabilitation AR	**71,020**			
193965 Job #106851 Larned Bridge Rehabilitation AR	71,020			
13159 Job #89390 Mid Town Green Way Loop Proje	**117,409**			
193967 Job #89390 Mid Town Green Way Loop Proje	117,409			
13161 Environmental Affairs Department	**478,521**	**377,700**	**311,167**	**317,157**
130370 Environmental Affairs Department	478,521	377,700	311,167	317,157
13162 Planning and Permitting		**8,240,492**	**6,381,187**	**6,305,753**
130375 Permits		1,342,595	939,866	1,135,919
130376 Plan Review		6,897,897	5,441,321	5,169,834
13165 Lead Hazard Demo III Grant	**1,934,730**			
364076 Lead Hazard Demo III Grant	1,934,730			
13166 Business Outreach	**9,561**			
365010 Welcome Center/Business Administration	9,561			
13167 Administration	**2,199,292**	**1,199,198**		
365070 Development BG	2,199,292	1,199,198		
13168 Real Estate and GIS Services	**561,725**	**1,000,212**	**1,935,220**	**1,947,250**
365080 Real Estate - City	568,389	1,000,212	1,935,220	1,947,250
365090 GIS Services	(6,664)			

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	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13169 Planning	**1,280,168**	**1,170,022**	**1,043,916**	**1,061,000**
365100 Planning	1,280,168	1,170,022	1,043,916	1,061,000
13170 Neighborhood Outreach and Administration	**4,326,235**	**4,717,658**	**3,819,694**	**5,117,187**
365110 Housing Services	3,286,986	3,399,934	2,471,824	3,522,964
365120 Neighborhood Development - Admin/Planning	743,757	1,317,724	1,347,870	1,594,223
365140 Comm Based Org/Eco Dev Tech Assistance	295,492			
13171 HOME Administration	**1,952,758**	**1,369,330**	**1,076,586**	**1,093,962**
365160 HOME Administration	1,952,758	1,369,330	1,076,586	1,093,962
13174 Strategic Planning & Grants	**10,903**	**91,027**	**64,722**	**66,388**
395220 Strategic Planning & Grants	10,903	91,027	64,722	66,388
13176 IGA/Wayne County 5 (1)	**1,150,727**			
398516 Wayne County - Round 5 (1)	1,150,727			
13177 WSU Streetscape Enchancements Projects	**9,247**			
193970 WSU Streetscape Enchancements Project	9,247			
13178 RCAR 3 Program	**(1)**			
218879 RCAR YR 3	(20,330)			
218880 RCAR YR 3	20,329			
13180 Keep America Beautiful Target City Award	**10,000**			
190318 Keep America Beautiful Target City Award	10,000			
13181 Fiscal Stabilization Bonds 2010 (DSA)	**16,781,432**	**18,685,113**	**29,475,746**	**29,504,896**
351028 2012 Distributable State Aid Bonds	3,059,488	6,118,975	10,625,733	10,362,550
351029 2010 Fiscal Stabilization Bonds (DSA)	13,721,944	12,566,138	18,850,013	19,142,346
13183 2010 National Arts Program Operation	**1,936**			
398517 2010 National Arts Program Operation	1,936			
13184 Dix and Oakwood Traffic Signal Improvemen	**103,142**			
193972 Dix and Oakwood Traffic Signal Improvement	103,142			
13187 DDA Irrigation System Improvement	**141,520**			
193973 Streetscaping & Irrigation Improve along Mon	141,520			
13188 DCC Tranpsortation Enhancement Program	**46,106**			
193974 Transportation Enhancement Program of the C	46,106			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13189 Wayne County - Round 5 (2)	**870,638**			
398518 Wayne County - Round 5 (2)	870,638			
13191 Senior Citizens Services	**27,562**			
365598 Delray United Action Council	1,005			
365602 St. Patricks Senior Center	26,557			
13195 FY 2008 HSGP UASI	**3,030,621**			
460308 2008 HSGP Urban Area Security Initiative Gra	3,030,621			
13196 FY 2008 HSGP MMRS	**250,966**			
460408 2008 HSGP Metropolitian Medical Response	250,966			
13197 FY 2009 HSGP UASI	**3,812,844**			
460309 2009 HSGP Urban Area Security Initiative Gra	3,812,844			
13198 FY 2009 HSGP MMRS	**623,129**			
460409 2009 HSGP Metropolitian Medical Response (	623,129			
13201 Job 109632 Traffic Signal Timing Optimizatio	**45,012**			
193975 Traffic Signal Timing Optimization	45,012			
13204 Eastside Districts Firearm Reduction Initiativ	**132,686**			
372465 Eastside Districts Firearm Reduction Initiative	132,686			
13205 JET TANF - FY12	**3,640,257**			
219000 Jet Direct Training	172,450			
219001 Jet Training Related	343,422			
219002 Jet Info Tech	132,680			
219003 Jet Administration	153,590			
219004 Jet MWA Program	2,838,115			
13206 JET State GF/GP - FY12	**394,186**			
219006 Jet State GF/GP Program	197,093			
219007 Jet State GF/GP Administration	197,093			
13209 Employment Service - FY12	**(1)**			
219030 Employment Service Program	(36,787)			
219031 Employment Service ADM	36,786			
13210 Trade FY12	**323,618**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
219039 Trade FY12 Case Management	22,521			
219040 Trade	301,097			
13211 WIA Service Center Opertions FY12	**603,696**			
219045 WIA Service Center Operations Program	305,472			
219046 WIA Service Center Operations Admin	298,224			
13213 WIA Adult FY12	**-**			
219050 WIA Adult Training	206,336			
219051 WIA Adult Core	24,166			
219052 WIA Adult Intensive	(230,502)			
13214 WIA Dislocated Worker FY12	**232,975**			
219054 WIA Dislocated Worker Training	(69,638)			
219055 WIA Dislocated Worker Core	137,384			
219056 WIA Dislocated Worker Intensive	165,229			
13215 WIA Youth - FY12	**(319,053)**			
219058 WIA Youth In School	(404,102)			
219059 WIA Youth Out of School	66,049			
219060 FY12 DWDB Summer Youth Initiative	19,000			
13216 WIA Administration FY12	**-**			
219061 WIA Administration	-			
13222 Job 107477 Resurfacing Work and Cold Milli	**67,153**			
193977 Resurfacing Work and Cold Milling	67,153			
13223 General Grants Economic Dev Initiative EDI-	**625,456**			
364095 General Grant Economic Dev Initiative EDI-S	625,456			
13224 Restructuring Consolidation	**31,878,417**	**25,781,771**	**127,590,577**	
350042 Project Manager Administration	161,114			
350043 CET Implementations	1,242,237			
350045 Restructuring Consolidation	26,309,424	14,000,000	127,590,577	
350046 Restructuring - Reimbursable Costs	1,401,865	2,965,000		
350047 HR/Payroll System Project	2,763,777	8,816,771		
13225 WIA ARRA National Emergency Grant	**1**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
218881 WIA ARRA National Emergency Grants	364,530			
218882 WIA ARRA National Emergency Grants	(364,529)			
13226 MDHS Energy Optimization	**46,791**			
305010 MPSC/MCAAA Energy Assistance Program	46,791			
13229 CSBG	**7,018,573**			
304201 Center Operations	346,891			
304202 CSBG programs Specific Asst/Id	1,494,095			
304231 CSBG Administration	5,177,587			
13240 MCAAA Managed Care	**51,039**			
304228 MCAAA Managed Care	51,039			
13244 Det Child Dev Head Start United Child & Adu	**185,672**			
304236 Det Child Dev Head Start United Child & Adu	185,672			
13250 Sub Abuse Coordin agency 9/2012	**6,689,720**			
258146 Sub Abuse Coordin Agency 9/2012	6,689,720			
13251 Medicais Substance Abuse 9/2012	**6,183,196**			
258147 Medicaid Substance Abuse 9/2012	6,183,196			
13252 Helping Hands 9/2012	**487,402**			
258148 Helping Hands 9/2012	487,402			
13253 WIC Supplemental Food 9/2012	**4,903,394**			
258376 WIC Supplemental Food 9/2012	4,903,394			
13254 WIC Breastfeeding 9/2012	**41,946**			
258377 WIC Breastfeeding 9/2012	41,946			
13260 Childhood Lead (MDCH) 9/2012	**153,654**			
258403 Childhood Lead (MDCH) 9/2012	153,654			
13263 Bio-Terrorism Emerg Prep 9/2012	**171,309**			
253002 Bio-Terrorism Emerg Prep 9/2012	171,309			
13264 Building Healthy Communities 9/2012	**41,296**			
253003 Building Healthy Communities 9/2012	41,296			
13265 Cities Readiness Initiatives 9/2012	**283,458**			
253004 Cities Readiness Inititives 9/2012	283,458			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13266 CSHCS Outreach & Advocacy 9/2012	**656,631**			
253005 CSHCS Outreach & Advocacy 9/2012	656,631			
13268 Family Planning 9/2012	**842,016**			
253007 Family Planning 9/2012	842,016			
13270 HIV/AIDS maternal care 9/2012	**25,709**			
253009 HIV/AIDS Maternal Care 9/2012	25,709			
13271 HIV/AIDS Prevention 9/2012	**456,666**			
253010 HIV/AIDS Prevention 9/2012	456,666			
13272 HIV/AIDS Rapid testing 9/2012	**47,472**			
253011 HIV/AIDS Rapid Testing 9/2012	47,472			
13273 HIV/AIDS Referral and Care 9/2012	**106,173**			
253012 HIV/AIDS Referral and Care 9/2012	106,173			
13275 Immunization Action Plan 9/2012	**386,392**			
253014 Immunization Action Plan 9/2012	386,392			
13276 Immunization reaching More 9/2012	**42,974**			
253015 Immunization Reaching More 9/2012	42,974			
13277 Infant Mortality Coalition Support 9/2012	**8,000**			
253016 Infant Mortality Coalition Support 9/2012	8,000			
13278 Laboratory Svcs - Bio 9/2012	**9,450**			
253017 Laboratory Svcs - Bio 9/2012	9,450			
13282 Local Maternal & Children BG 9/2012	**854,832**			
253021 Local Maternal & Children BG 9/2012	854,832			
13283 Local Tobacco Reduction 9/2012	**15,000**			
253022 Local Tobacco Reduction 9/2012	15,000			
13285 Oral Health Sealant 9/2012	**35,004**			
253024 Oral Health Sealant 9/2012	35,004			
13287 STD Control 9/2012	**485,411**			
253026 STD Control 9/2012	485,411			
13288 Vaccine Replacement & Handling 9/2012	**4,630**			
253027 Vaccine Replacement & Handling 9/2012	4,630			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13289 Vision and Hearing MDCH 9/2012	**188,909**			
253028 Vision and Hearing - MDCH 9/2012	188,909			
13290 Wisewoman 9/2012	**27,550**			
253029 Wisewoman 9/2012	27,550			
13293 SAFETY Program 3/2013	**314,876**			
253032 SAFETY Program 3/2013	314,876			
13294 HIV Emerg Supp Relier 2/2013	**15,541,782**			
256000 HIV Emerg Supp Relief 2/2013	15,541,782			
13295 HOPWA Aids housing 6/2012	**428,162**			
256001 HOPWA Aids housing 6/2012	428,162			
13296 Healthy Start Initiative 5/2012	**422,670**			
256002 Healthy Start Initiative 5/2012	422,670			
13297 TB Prev & Control 12/2012	**528,974**			
256003 TB Prev & Control 12/2012	528,974			
13300 Safe and Drug Free Schools 6/2012	**354,748**			
256006 Safe and Drug Free Schools 6/2012	354,748			
13302 2011-12 Minigrants Program Administration	**6,350**			
398521 2011-12 Mini-Grant Program Administration	6,350			
13304 Dequindre Trail Project	**493,466**			
364077 Dequindre Trail Project	493,466			
13305 Detroit Jail-Based Reentry Project (DJBRP)	**295,624**			
218926 Detroit Jail-Based Reentry Project (DJBRP)	295,624			
13306 Parolees, Technical Violators & Ex-Offenders	**157,011**			
218927 Parolees, Technical Violators & Ex-Offenders	157,011			
13307 Job#110472 Hot Mix Asphalt Resurfacing Wo	**64,316**			
193980 Hot Mix Asphalt Resurfacing Work	64,316			
13308 Job#110473 Hot Mix Asphalt Resurfacing Wo	**40,717**			
193981 Hot Mix Asphalt Resurfacing	40,717			
13309 Job#104601 I-96 West Bound over Rough Riv	**133,049**			
193982 I-96 Service Drive West Bound over Rouge Ri	133,049			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13310 Job#104599 I-96 East Bound over Rough Rive	**49,013**			
193983 I-96 Service Drive East Bound over Rouge Riv	49,013			
13311 Corktown Mexicantown Project	**848**			
191880 Job #106971 Corktown and Mexicantown	848			
13314 Process and Quality Control Group	**257,189**	**789,786**	**661,182**	**678,013**
411031 Document Management	177	73,291	21,181	21,736
411066 Training	2,457	123,358	87,347	89,614
411071 Safety	91	171,230	135,872	139,424
411091 Environmental and Regulatory Affairs Divisio	254,464	421,907	416,782	427,239
13315 Process and Quality Control Group	**257,188**	**1,480,069**	**1,032,885**	**1,057,359**
421031 Document Management	176	147,427	32,721	33,594
421066 Training	2,456	246,494	143,140	146,291
421071 Safety	92	368,800	219,678	224,854
421091 Environmental and Regulatory Affairs Divisio	254,464	717,348	637,346	652,620
13316 Job#106817 Hot Mix Asphalt Paving Work	**66,130**			
191881 Hot Mix asphalt paving work along Michigan	66,130			
13318 Madison Center Capital Improvements	**26,040**			
471060 Madison Center Capital Improvements	26,040			
13320 Detroit Public Safety Headquarters (MGM)	**40,798,365**			
351210 Detroit Public Safety Headquarters (MGM)	40,798,365			
13323 Scour Countermeasure Installation Job 11396	**1,600,879**			
193322 Scour Countermeasure Installation Job 113969	1,600,879			
13324 Victim Assistance 2011-2012	**504,174**			
372543 Victim Assistance 2011-2012	504,174			
13325 Preventing Auto Theft 2012	**734,253**			
372504 Preventing Auto Theft 2012	734,253			
13326 Western Wayne 2012	**22,288**			
372514 Western Wayne 2012	22,288			
13327 SCREEN Door 2012	**1,072,825**			
372524 Screen Door 2012	1,072,825			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13329 Safe Communities Grant - DPD 2011-2012	**294,687**			
372483 Safe Communities Grant - DPD 2011-2012	294,687			
13330 Underage Drinking Grant 2011-2012	**17,122**			
372187 Safe Community Underage Drinking Grant 20	17,122			
13332 JAG 2011-2012	**89,362**			
372410 JAG 2011-2012	89,362			
13334 East Side Action Team 2012	**214,240**			
372582 East Side Action Team 2012	214,240			
13335 Oakland County Auto Theft Squad 2012	**41,684**			
372592 Oakland County Auto Theft Squad 2012	41,684			
13336 Ground Maintenance	**5,138,645**	**4,743,396**	**4,227,059**	**4,251,191**
470198 Ground Maintenance	5,138,645	4,020,259	3,311,822	3,335,954
470199 Ground Maintenance Seasonals		723,137	915,237	915,237
13339 Non Departmental 2010 GO Bond Series	**13,462**			
351215 Non Departmental 2010 GO Bond Series	13,462			
13340 Emergency Solutions Grant	**446,549**	**5,807,438**	**4,623,152**	**4,627,738**
361507 Emergency Solutions Grant - Staff	446,549	435,188	346,736	351,322
361508 Emergency Solutions Grant - Projects		5,372,250	4,276,416	4,276,416
13341 2011 Exchange Revenue for DRD Demo. Use	**1,013,154**			
398523 2011 Exchange Revenue for DRD Demo Use	1,013,154			
13343 Electronic Crash Capture & Submission Gran	**226,248**			
372167 Electronic Crash Capture & Submission Grant	226,248			
13351 36th District Court Madison Center	**4,131,809**	**3,418,000**	**4,401,104**	**4,409,861**
470115 36th District Court Madison Center	4,131,809	3,418,000	4,401,104	4,409,861
13352 2008 Citizens Corps Program (CCP)	**9,222**			
460508 2008 Citizen Corps Program (CCP)	9,222			
13353 2009 Citizen Corps Program (CCP)	**68,912**			
460509 2009 Citizen Corps Program (CCP)	68,912			
13354 2010 Citizen Corps Program (CCP)	**57,156**			
460510 2010 Citizen Corps Program (CCP)	57,156			

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	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13355 2008 Bufferzone Protection Plan (BZPP)	**48,158**			
460608 2008 Bufferzone Prorection Plan (BZPP)	48,158			
13356 2009 Bufferzone Protection Plan (BZPP)	**388,000**			
460609 2009 Bufferzone protection Plan (BZPP)	388,000			
13357 2010 Metropolitan Medical Response System	**351,637**			
460410 2010 Metropolitan Medical Response System	351,637			
13358 Medical Reserve Corps (MRC) Initiative #2	**26,431**			
460910 Medical Reserve Corps (MRC) Initiative #2	26,431			
13360 Project Safe Neighborhoods 2011 6th & 8th P	**197,182**			
372496 Proj Safe Neighborhoods 2011 6th & 8th PCT	197,182			
13361 City Council Media Services	**499,160**			
520021 City Council Media Services	499,160			
13362 2011 GM Foundation Williams & Lasky Reno	**1,018,998**			
398524 2011 GM Foundation Williams & Lasky Reno	1,018,998			
13363 Smart Building Detroit Program EDC Grant	**898,680**			
472020 Smart Building Detroit Program EDC Grant	898,680			
13365 AY09 WIA Statewide Activities - ECAR	**-**			
218947 WIA Statewide Activities ECAR	-			
13366 P.E.G. Fees	**844,648**	**1,000,000**	**1,000,000**	**1,000,000**
350324 P.E.G. Fees	844,648	1,000,000	1,000,000	1,000,000
13369 Detroit Transit Corporation Capital 2010	**752,408**			
202100 Detroit Transit Corporation 2010	752,408			
13372 Public Lighting Department Capital 2010	**2,363,760**			
380183 PLD Capital 2010	2,363,760			
13375 COPS Technology Program	**179,718**			
371415 COPS Technology Program	179,718			
13376 Eastern Market Site Assessment Grant	**287,919**			
131376 Eastern Market Site Assessment	287,919			
13377 Belle Isle Natural Zoo Project	**347,936**			
364080 Belle Isle Natural Zoo Project	347,936			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13379 P.E.G. Fees - City Council	**66,907**			
520079 P.E.G. Fees - City Council	66,907			
13380 Detroit Police Dept 2012 In-Service Training	**34,000**			
372536 Detroit Police Dept 2012 In-Service Training	34,000			
13381 Belle Isle Aquarium Building	**90,000**			
520267 Belle Isle Aquarium Building	90,000			
13383 WIA Statewide Activities Earn & Learn Initia	**1,409,871**			
218943 FY12 WIA Statewide Earn & Learn - Program	704,680			
218944 FY12 WIA Statewide Earn & Learn - Admin	705,191			
13384 Michigan Green Fleets	**640,000**			
190344 CEC Michigan Green Fleets	640,000			
13385 2011 Patton Park Improvements	**30,574**			
398525 2011 Patton Park Improvements	30,574			
13386 2011 Balduck Park In-Town Youth Camp	**32,518**			
398526 2011 Balduck Park In-Town Youth Camp	32,518			
13388 RCAR 4	**8,385**			
219066 WIA Statewide Activities RCAR YR4 FY12 P	8,349			
219067 WIA Statewide activities RCAR YR4 FY12 A	36			
13389 Eden Gardens Block Club	**49,450**			
367219 Eden Gardens Block Club	49,450			
13392 Meyers, 7 Mile, Wyoming Ave, Comm Counci	**34,750**			
367222 Meyers, 7 Mile, Wyoming Ave, Comm Counc	34,750			
13394 North Central Community Mental Health Cen	**18,628**			
367224 North Central Community Mental Health Cent	18,628			
13395 Pulaski Community Council	**75,000**			
367225 Pulaski Community Council	75,000			
13396 Sickle Cell Disease Assoc. of America		**89,000**		
367226 Sickle Cell Disease Assoc. of America		89,000		
13397 Teen Hype Youth Development	**36,373**			
367227 Teen Hype Youth Development	36,373			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13398 The Yuinon Inc.	**14,176**			
367228 The Yuinon Inc.	14,176			
13405 Traffic Signal Optimization	**2,054,715**			
193986 Traffic Signal Optimization	2,054,715			
13406 Dequindre Cut North	**203,440**			
191882 Dequindre Cut North	203,440			
13408 Hot Mix Asphalt	**53,191**			
193988 Hot Mix Asphalt	53,191			
13409 Mid Town Greenway Phase II	**3,879,045**			
193985 Mid Town Greenway Phase II	3,879,045			
13410 Proj Safe Neighborhoods 2011 Southwestern I	**192,972**			
372497 Proj Safe Neighborhoods 2011 - SW District	192,972			
13414 Michigan Housing Development Authority	**4,622,857**			
130078 Demolition - MSHDA NSP 2 Blight Elim Prog	4,622,857			
13415 NSP II Administration	**31,568**			
364059 NSP II Administration	31,568			
13418 Wagner Peyser Earn & Learn	**77,368**			
218934 Wagner Peyse - Earn & Learn	77,368			
13421 Energency Efficiency and Conservation	**179,670**			
380860 Energency Efficiency and Conservation	179,670			
13422 Rehabilitation Master Plan	**40,000**			
520266 Rehab Master Plan for the Yamasaki Reflect P	40,000			
13423 Belle Isle Historic Nomination	**13,200**			
520268 National Register of Historic Places Nominatic	13,200			
13425 Detroit Modern Resources Tours	**17,870**			
520275 Detroit Modern Resources Tours	17,870			
13438 2012-13 Minigrants Program Administration	**23,850**			
398527 2012-13 Mini-Grant Program Administration	23,850			
13439 2012-13 Minigrants Program	**104,000**			
398528 2012-13 Mini-Grant Progam Awards	104,000			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13440 2012-13 National Arts Program Awards	**4,200**			
398529 2013 National Arts Program Awards	4,200			
13443 2011 COPS Hiring Grant Program	**2,985,639**	**4,175,950**		
371895 2011 COPS Hiring Grant Program	2,985,639	4,175,950		
13478 HIV Emerg Supp Relief 2/2014	**3,133,518**			
256007 HIV emerg Supp Relief 2/2014	3,133,518			
13479 HOPWA Aids Housing 6/2013	**3,498,389**			
256008 HOPWA Aids Housing 6/2013	3,498,389			
13480 Healthy Start Initiative 5/2013	**2,545,366**			
256009 Healthy Start Initiative 5/2013	2,545,366			
13483 CSBG Administration	**3,361,201**			
304301 Center Operations	200,806			
304331 CSBG Administration	3,160,395			
13503 Victim Assistance 2012-2013	**861,919**			
372544 Victim Assistance 2012-2013	861,919			
13504 Preventing Auto Theft 2013	**2,209,991**			
372505 Preventing Auto Theft 2013	2,209,991			
13505 Western Wayne 2013	**38,260**			
372515 Western Wayne 2013	38,260			
13506 SCREEN Door 2013	**528,949**			
372525 Screen Door 2013	528,949			
13510 East Side action team 2013	**57,614**			
372583 East Side Action Team 2013	57,614			
13511 Oakland county Auto Theft Squad 2013	**48,504**			
372593 Oakland County Auto Theft Squad 2013	48,504			
13512 Job # 113836 Hot Mix Asphalt Cold Milling	**1,248,466**			
193991 Hot Mix Asphalt Cold Milling & Resurfacing	1,248,466			
13513 Job# 113936 Hot Mix Asphalt Cold Milling	**4,149,305**			
193992 Hot Mix Asphalt Cold Milling & Resurfacing	4,149,305			
13514 Job#113934 Hot Mix Asphalt Cold Milling	**1,807,994**			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
193993 Hot Mix Asphalt Cold Milling & Resurfacing	1,807,994			
13515 FY2010 Buffer Zone Protection Plan (BZPP)	**826,628**			
460610 2010 Bufferzone Protection Plan (BZPP)	826,628			
13516 Det Comprehensive Traffic Safety Grant 11-1	**58,002**			
372155 Det Comprehensive Traffic Safety Grant 2011	58,002			
13517 Elec Crash Capture & Submission 2011-2012	**321,706**			
372168 Elec Crash Capture & Submission 2011-2012	321,706			
13518 EASE Program 2012 Presidential Election	**528,441**			
710048 EASE Program 2012 Presidential Election	528,441			
13521 Strategic Traffic Enforcement Program 2012-	**403,270**			
372484 Strategic Traffic Enforcement Prog 2012-2013	403,270			
13523 Trumbull Streetscape	**163,961**			
193325 Trumbull Streetscape	163,961			
13524 Marathon Petroleum	**188,647**			
193326 Marathon Petroleum	188,647			
13525 Federal Safer Grant	**21,161,872**	**23,515,638**		
246000 2011 Safer Grant	21,161,872	23,515,638		
13528 FY12 Wagner - Peyser EUC-RES	**41,820**			
219033 Wagner Peyser EUC-RES FY12	41,820			
13529 Section 108 Loans	**5,983,682**	**8,247,101**	**4,632,419**	**8,467,107**
364082 Garfield Sec 108 Loan	600,746	251,805	17,648	242,648
364083 Stuberstone Sec 108 Loan	5,085	34,485	3,264	33,264
364084 Ferry Street Inn Sce 108 Loan	236,872	332,888	67,199	337,199
364085 New Amsterdam Sec 108 Loan	1,195,177	843,545	447,767	847,767
364086 Mexicantown Mercado Sec 108 Loan	193,977	574,130	167,438	437,438
364087 Garfield II Sce 108 Loan	461,755	485,755	432,199	542,199
364088 Vernor Lawndale Sec 108 Loan	260,422	1,091,748	618,866	668,866
364089 Book Cadillac Sec 108 Loan	921,323	1,623,003	641,268	1,820,956
364090 Fort Shelby Sec 108 Loan	1,356,420	1,387,825	857,125	1,857,125
364091 Woodward Garden Sec 108 Loan	751,905	1,483,090	1,206,371	1,506,371

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
364092 Garfield Geothermal Sec 108 Loan		127,327	134,554	134,554
364093 Garfield Sugar Hill Sec 108 Loan		11,500	38,720	38,720
13530 Office of the Inspector General	**582,253**	**1,259,480**	**940,891**	**944,845**
540010 Administration	582,253	1,259,480	940,891	944,845
13531 Financial Advisory Board	**648,121**	**1,752,000**	**1,377,000**	**1,752,000**
350005 Financial Advisory Board	648,121	1,752,000	1,377,000	1,752,000
13532 Homeland Security Operations	**149,381**	**528,602**		
374600 Homeland Security	149,381	528,602		
13534 2012-13 Williams & Crowell Support Progran	**994,145**			
398531 2012-13 Williams & Crowell Support Program	994,145			
13545 Disproportionate Minority Contract Program	**184,206**			
372561 Disproportionate Minority Contact prog 2012-	184,206			
13550 Project Safe Neighborhoods	**30,545**			
372498 PSN Reducing gun Violence in Detroit & Dea	30,545			
13551 2010 Urban Area Security Initiative (UASI)	**4,332,390**			
460810 2010 HSGP Urban Area Security Initiative Gra	4,332,390			
13553 2010 Assist to Firefighter Grant Fire Preventi	**48,000**			
240700 2010 Assistance to Firefighter Grant - Fire Pre	48,000			
13554 2011 Assistance to Firefighter Grant	**1,995,656**			
240701 2011 Assistance to Firefighter Grant	1,995,656			
13558 Emergency Home Repair		**2,375,000**	**2,000,000**	
367234 Emergency Home Repair		2,375,000	2,000,000	
13565 Detroit SAK II Action Research Project	**54,164**			
372575 Detroit Sak II Action Research Project	54,164			
13566 Job 114979C Traffic Signal Optimization Reti	**364,074**			
193327 Job 114979C Traffic Signal Optimization Reti	364,074			
13567 Animal Control	**1,123,076**	**1,897,689**	**1,249,863**	**1,281,623**
372610 Animal Control	1,123,076	1,897,689	1,249,863	1,281,623
13571 2011 Assistance to Firefighter Grant	**171,690**			
240702 2011 Assistance to Firefighter Grant	171,690			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13573 Sewerage Bond Fund 2012	**49,531,283**			
427228 Sewerage Bond Fund 2012	49,531,283			
13575 2012 Safer Grant	**3,230,449**			
246001 2012 Safer Grant	3,230,449			
13577 Link Detroit Multi-Modal Enhancement Proje	**980,000**			
193328 Link Detroit Multi-Modal Enhancement Projec	980,000			
13580 Victim Assistance 2013-2014		**2,000,000**		
372545 Victim Assistance 2013-2014		2,000,000		
13581 Preventing Auot Theft 2014		**3,200,000**		
372506 Preventing Auto Theft 2014		3,200,000		
13582 Western Wayne 2014		**220,000**		
372516 Western Wayne 2014		220,000		
13583 SCREEN Door 2014		**2,500,000**		
372526 Screen Door 2014		2,500,000		
13584 Bulletproof Vest Program 2013-2014		**200,000**		
372437 Bulletproof Vest Program 2013-2014		200,000		
13585 JAG 2013-2014		**2,400,000**		
372412 JAG 2013-2014		2,400,000		
13586 East Side Action Team 2014		**460,000**		
372584 East Side Action Team 2014		460,000		
13587 Oakland County Auto Theft Squad 2014		**250,000**		
372594 Oakland County Auto Theft Squad 2014		250,000		
13588 Strategic Traffic Enforcement Prog 2013-2014		**400,000**		
372485 Strategic Traffic Enforcement Prog 2013-2014		400,000		
13589 Youth Alcohol Enforcement 2013-2014		**200,000**		
372189 Youth Alcohol Enforcement 2013-2014		200,000		
13593 Det Police Dept DDACTS Project	**17,138**			
372640 Det Police Dept DDACTS Project	17,138			
13594 FRM-Direct Staffing Cost		**412,249**	**2,691,675**	**1,679,506**
360009 FRM - Direct Staffing Costs		412,249	2,691,675	1,679,506

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13595 2013-14 Minigrants Program Administration		**25,400**		
398532 2013-14 Mini-Grants Program Administration		25,400		
13596 2013-14 Minigrants Program		**78,400**		
398533 2013-14 Minigrants Program Awards		78,400		
13597 2014 National Arts Program Awards		**4,800**		
398534 2014 National Arts Program Awards		4,800		
13605 HIV Emerg Supp relief 2/2015		**18,000,000**		
256012 HIV Emerg Supp Relief 2/2015		18,000,000		
13606 HOPWA Aids housing 6/2014		**4,200,000**		
256013 HOPWA Aids Housing 6/2014		4,200,000		
13607 Orion Music & More Festival	**50,000**			
398535 Orion Music & More Festival	50,000			
13608 Pension and Employee Benefits/Pension		**8,111,382**	**5,256,314**	**5,305,262**
350015 Pension and Employee Benefits/Pension		8,111,382	5,256,314	5,305,262
13609 CDBG Housing Rehabilitation			**5,000,000**	**6,000,000**
364067 CDBG Hosuing Rehabiliitation			5,000,000	6,000,000
13611 Sec 106 Clearances		**115,280**	**115,280**	**115,280**
364069 Sec 106 Clearances		115,280	115,280	115,280
13612 TB Prev & Control 12/2014		**1,000,000**		
256014 TB Prev & Control 12/2014		1,000,000		
13613 Urban Area Security Initiative FY 2013-2014		**2,000,000**		
374610 Urban Area Security Initiative FY2013-2014		2,000,000		
13614 Public Act 289-Fire Protection Grant		**5,800,000**		
243000 Public Act 289-Fire Protection Grant		5,800,000		
13615 DPD Juvenile Focused Community Project	**100,000**			
372645 DPD Juvenile Focused Community Project	100,000			
13617 Intelligent Transportation System - CBD	**70,896**			
193330 Job 117609C ITS Infrastructure - CBD	70,896			
13618 2011 Homeland Security Grant Program UAS	**36,212**			
374631 2011 Homeland Security Grant Program UASI	36,212			

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13622 Traffic Signal Upgrade	**953,702**			
193331 Signal Upgrade	953,702			
13626 Job 11614 Hot Mix Asphalt Resurfacing	**3,039,016**			
193332 Job 116141 Hot Mix Asphalt Resurfacing	3,039,016			
13627 Hot Mix Asphalt Cold Milling Resurfacing Jol	**2,135,138**			
193333 Hot Mix Asphalt Cold Milling Resurfacing Jol	2,135,138			
13631 Agreement 12-5565 Seven Projects	**222,210**			
193337 Agreement 12-5565 Seven Projects	222,210			
13634 Office of Emergency Manager	**4**	**400,000**	**400,000**	
350006 Office of Emergency Manager	4	400,000	400,000	
13635 CDBG Department Allocations		**6,908,598**	**4,408,245**	**3,049,991**
365001 Buildings Safety Engineering & Environmental Allocations		6,621,472		3,000,000
365002 Department of Elections Allocation		49,982	25,000	24,991
365003 City Planning Commission/Historic Designation Allocation		50,000	25,000	25,000
365005 Recreation Center Rehab		187,144		
365006 P&DD Demolition			3,358,245	
365004 General Services Department Allocation			1,000,000	
13637 Elected Officials' Compensation		**1,928,014**	**1,200,854**	**1,207,660**
350007 Elected Officials' Compensation		1,928,014	1,200,854	1,207,660
13638 2009 Port Authority Grant	**93,296**			
240300 2009 Port Authority Grant	93,296			
13644 The Salvation Army		**89,000**		
364101 The Salvation Army		89,000		
13645 North Rosedale Park Civic Association		**100,000**	**248,000**	
364102 North Rosedale Civic Association		100,000	248,000	
13646 YMCA		**89,000**		
364103 YMCA		89,000		
13653 Grass Cutting Interim Assistance - Public Imp	**257,365**			
364100 Grass Cutting Interin Assistance - Public Impr	257,365			
13654 EMB		**(250,052,168)**		

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
820010 EMB		(250,052,168)		
13663 Towing Administrative Fees			**1,200,000**	**1,200,000**
350171 Towing Administrative Fees			1,200,000	1,200,000
13667 Council Mamber At Large 1			**448,798**	**449,734**
520305 Council Member At-Large 1			448,798	449,734
13668 Council Member At Large 2			**516,118**	**517,184**
520310 Council Member At-Large 2			516,118	517,184
13669 District 1 Council Member			**448,798**	**449,734**
520315 District 1 Council Member			448,798	449,734
13670 District 2 Council Member			**448,798**	**449,734**
520320 District 2 Council Member			448,798	449,734
13671 District 3 Council Member			**448,798**	**449,734**
520325 District 3 Council Member			448,798	449,734
13672 District 4 Council Member			**448,798**	**449,734**
520330 District 4 Council Member			448,798	449,734
13673 District 5 Council Member			**448,798**	**449,734**
520335 District 5 Council Member			448,798	449,734
13674 District 6 Council Member			**448,798**	**449,734**
520340 District 6 Council Member			448,798	449,734
13675 District 7 Council Member			**448,798**	**449,734**
520345 District 7 Council Member			448,798	449,734
13677 WIC Resident Services 9/2015			**10,200,000**	
258387 WIC Residnet Services 9/2015			10,200,000	
13678 WIC Breastfeeding 9/2015			**260,000**	
258388 WIC Breastfeeding 9/2015			260,000	
13679 Lead Poisoning Prev(MDCH) 9/2015			**200,000**	
258405 Lead Poisoning Prev(MDCH) 9/2015			200,000	
13680 Lead Intervention(MDCH) 9/2015			**430,000**	
258406 Lead Intervention(MDCH) 9/2015			430,000	
13681 ELPHS Food 9/2015			**1,060,000**	

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
253057 ELPHS Food 9/2015			1,060,000	
13682 ELPHS MDCH other 9/2015			**6,200,000**	
253058 ELPHS MDCH other 9/2015			6,200,000	
13683 Bio-Terrorism Emerg Prep 9/2015			**412,000**	
253059 Bio-Terrorism Emerg Prep 9/2015			412,000	
13684 Cities Readiness Inititives 9/2015			**480,000**	
253060 Cities Readiness Inititives 9/2015			480,000	
13685 CSHCS Outreach & Advocacy 9/2015			**1,614,000**	
253061 CSHCS Outreach & Advocacy 9/2015			1,614,000	
13686 Family Planning 9/2015			**1,600,000**	
253062 Family Planning 9/2015			1,600,000	
13687 Fetal infant Mortality Review 9/2015			**6,000**	
253063 Fetal Infant Mortality Review 9/2015			6,000	
13688 HIV/AIDS Prevention 9/2015			**1,240,000**	
253064 HIV/AIDS Prevention 9/2015			1,240,000	
13689 HIV/AIDS Testing Dental 9/2015			**40,000**	
253065 HIV/AIDS Testing Dental 9/2015			40,000	
13690 Immunization Action Plan 9/2015			**720,000**	
253066 Immunization Action Plan 9/2015			720,000	
13691 Infant Safe Sleep 9/2015			**90,000**	
253067 Infant Safe Sleep 9/2015			90,000	
13692 Local Maternal & Child Hlth 9/2015			**3,420,000**	
253068 Local maternal & Child Hlth 9/2015			3,420,000	
13693 STD Control 9/2015			**736,000**	
253069 STD Control 9/2015			736,000	
13694 Vaccine Quality Assurance 9/2015			**196,000**	
253070 Vaccine Qualtiy Assurance 9/2015			196,000	
13695 Vision and Hearing NDCH 9/2015			**1,380,000**	
253071 Vision and Hearing MDCH 9/2015			1,380,000	
13696 Wisewoman 9/2015			**6,000**	

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
253072 Wisewoman 9/2015			6,000	
13697 Youth SAFETY Program 3/2016			**150,000**	
253073 Youth SAFETY Program 3/2016			150,000	
13698 HIV Emerg Supp Relief 2/2016			**18,000,000**	
256015 HIV Emerg Supp Relief 2/2016			18,000,000	
13699 HOPWA Aids Housing 6/2015			**4,200,000**	
256016 HOPWA Aids Housing 6/2015			4,200,000	
13700 2013 COPS Hiring Program			**1,144,600**	**1,242,360**
371896 2013 COPS Hiring Program			1,144,600	1,242,360
13701 2014-15 Minigrants Program Administration			**34,400**	
398541 2014-15 Minigrants Program Administration			34,400	
13702 2014-15 Minigrants Program			**107,544**	
398542 2014-15 Minigrants Program Awards			107,544	
13703 2015 National Arts Program Awards			**4,800**	
398543 2015 National Arts Program Awards			4,800	
13704 Victim Assistance 2014-2015			**1,462,906**	
372546 Victim Assistance 2014-2015			1,462,906	
13705 Preventing Auto Theft 2015			**2,541,388**	
372507 Preventing Auto Theft 2015			2,541,388	
13706 South East Auto Theft Team 2015			**195,620**	
372517 South East Auto Theft Team 2015			195,620	
13707 Screen Door 2015			**2,430,148**	
372527 Screen Door 2015			2,430,148	
13708 JAG 2014-2015			**2,000,000**	
372413 JAG 2014-2015			2,000,000	
13709 East Side Action Team 2015			**468,212**	
372585 East Side Action Team 2015			468,212	
13710 Oakland County Auto Theft Squad 2015			**195,620**	
372595 Oakland County Auto Theft Squad 2015			195,620	
13711 Strategic Traffic Enforcement 2014-15			**600,000**	

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
372486 Strategic Traffic Enforcement Prog 2014-2015			600,000	
13712 Communications Bureau			**16,541,325**	**16,965,659**
372376 Communications Operations			13,830,551	14,179,859
372377 Telephone Crime Reporting			2,710,774	2,785,800
13713 Budget Bureau			**4,487,030**	**4,600,837**
372390 Budget			2,129,217	2,182,523
372391 Payroll			2,357,813	2,418,314
13714 Media Relations Bureau			**541,880**	**555,175**
372385 Media Relations Bureau - Admin			541,880	555,175
13716 TB Prev & Control 12/2015			**700,000**	
256017 TB Prev & Control 12/2015			700,000	
13723 Sewerage Bond Fund Series 2015			**253,000,000**	**175,000,000**
427229 Sewerage Bond Fund Series 2015			253,000,000	175,000,000
13724 2015-16 Minigrant Program Administration				**34,400**
398546 2015-16 Minigrant Program Administration				34,400
13725 2015-16 Minigrant Program Awards				**107,544**
398547 2015-16 Minigrant Program Awards				107,544
13726 2016 National Arts Program Awards				**4,800**
398548 2016 National Arts Program Awards				4,800
13734 Victim Assistance 2015-2016				**1,495,832**
372547 Victim Assistance 2015-2016				1,495,832
13735 Preventing Auto Theft 2016				**2,590,340**
372508 Preventing Auto Theft 2016				2,590,340
13736 Screen Door 2016				**2,471,180**
372528 Screen Door 2016				2,471,180
13737 South East Auto Theft Team 2016				**199,576**
372518 South East Auto Theft Team 2016				199,576
13738 East Side Action Team 2016				**476,860**
372586 East Side Action Team 2016				476,860
13739 Oakland County Auto Theft Squad 2016				**199,576**

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
372596 Oakland County Auto Theft Squad 2016				199,576
13758 FRM - Indirect Staffing Costs			**193,806**	**109,256**
360008 FRM - Indirect Staffing Costs			895,081	895,506
360054 Administration Indirect Costs			696,963	708,426
360055 Indirect Costs			2,148,994	2,123,501
360056 Indirect Costs Reimbursements			(3,547,232)	(3,618,177)
13759 Lead Collaboration (MDCH) 9/2015			**10,000**	
258407 Lead Collaboration (MDCH) 9/2015			10,000	
13760 WIC Resident Services 9/2016				**10,300,000**
258389 WIC Resident Services 9/2016				10,300,000
13761 WIC Breastfeeding 9/2016				**260,000**
258390 WIC Breastfeeding 9/2016				260,000
13762 Lead Poisoning Prev (MDCH) 9/2016				**200,000**
258408 Lead Poisoning Prev (MDCH) 9/2016				200,000
13763 Lead Intervention (MDCH) 9/2016				**430,000**
258409 Lead Intervention (MDCH) 9/2016				430,000
13764 Lead Collaboration (MDCH) 9/2016				**10,000**
258410 Lead Collaboration (MDCH) 9/2016				10,000
13765 ELPHS Food 9/2016				**1,060,000**
253074 ELPHS Food 9/2016				1,060,000
13766 ELPHS MDCH Other 9/2016				**6,200,000**
253075 ELPHS MDCH Other 9/2016				6,200,000
13767 Bio-Terrorism Emerg Prep 9/2016				**500,000**
253076 Bio-Terrorism Emerg Prep 9/2016				500,000
13768 Cities Readiness Initiatives 9/2016				**480,000**
253077 Cities Readiness Initiatives 9/2016				480,000
13769 CSHCS Outreach & Advocacy 9/2016				**1,614,000**
253078 CSHCS Outreach & Advocacy 9/2016				1,614,000
13770 Family Planning 9/2016				**1,600,000**
253079 Family Planning 9/2016				1,600,000

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13771 Fetal Infant Mortality Review 9/2016				**6,000**
253080 Fetal Infant Mortality Review 9/2016				6,000
13772 HIV/AIDS Prevention 9/2016				**1,240,000**
253081 HIV/AIDS Prevention 9/2016				1,240,000
13773 HIV/AIDS Testing Dental 9/2016				**40,000**
253082 HIV/AIDS Testing Dental 9/2016				40,000
13774 Immunization Action Plan 9/2016				**720,000**
253083 Immunization Action Plan 9/2016				720,000
13775 Infant Safe Sleep 9/2016				**90,000**
253084 Infant Safe Sleep 9/2016				90,000
13776 Local Maternal & Child Health 9/2016				**3,420,000**
253085 Local Maternal & Child Health 9/2016				3,420,000
13777 STD Control 9/2016				**736,000**
253086 STD Control 9/2016				736,000
13778 Vaccine Quality Assurance 9/2016				**196,000**
253087 Vaccine Quality Assurance 9/2016				196,000
13779 Vision and Hearing-MDCH 9/2016				**1,380,000**
253088 Vision and Hearing-MDCH 9/2016				1,380,000
13780 Wisewoman 9/2016				**6,000**
253089 Wisewoman 9/2016				6,000
13781 Youth SAFETY Program 3/2017				**150,000**
253090 Youth SAFETY Program 3/2017				150,000
13782 HIV Emerg Supp Relief 2/2017				**18,000,000**
256018 HIV Emerg Supp Relief 2/2017				18,000,000
13783 HOPWA AIDS Housing 6/2016				**4,200,000**
256019 HOPWA AIDS Housing 6/2016				4,200,000
13784 TB Prev & Control 12/2016				**700,000**
256020 TB Prev & Control 12/2016				700,000
13814 Retiree Health Care			**19,038,701**	
350009 Retiree Health Care			19,038,701	

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
13818 Non Departmental - Restructuring Projects			**131,847,094**	**62,453,294**
350004 Blight Reinvestment			126,686,776	58,489,055
352099 Non-Depart Quality of Life Increased Collection			5,833,324	8,204,628
352071 Finance Quality of Life Cost Savings - Accountin			(448,300)	
352070 Finance Quality of Life Cost Savings -Risk Manag			(83,278)	
352069 Finance Quality of Life Cost Savings - Income Ta			(105,687)	
352068 Finance Quality of Life Cost Savings - Treasury			(35,741)	
352011 City Council Quality of Life CPC/HDAB to PDD				(4,240,389)
13820 Treasury - Restructing Projects			**2,100,000**	**2,240,000**
239300 Treasury - Restructuring Projects			2,100,000	2,240,000
13821 Municipal Parking - Restructuring Projects			**5,566,869**	**6,836,949**
340100 Municipal Parking JB-BG FW Parking Structure			5,566,869	6,836,949
13822 Public Lighting Department - Transition			**34,000,000**	
381000 Public Lighting Department - Transition			34,000,000	
13939 Office of Homeland Security			**957,315**	**979,951**
330017 Emergency Management Awareness			957,315	979,951
13824 Quality of Life Special Projects			**400,000,000**	
350048 QofL - 2014 Financial Recovery Bonds			2,104,400	
350049 Quality of Life Projects			200,000,000	
350053 GSD Quality of Life Grounds Maintenance			678,315	
350058 GSD Quality of Life Vacant Lot Maintenance			3,020,000	
350057 GSD Qualality of Life Lease Consolidation			4,900,000	
352004 Recreation Quality of Life Training			49,348	
350065 Grants Management Quality of Life			824,256	
350133 Finance Quality of Life Restructuring Budget/Fin			547,833	
350118 Finance Quality of Life Restructuring Treasury L			909,423	
350131 Finance Quality of Life Restructuring General Ac			459,228	
350128 Finance Quality of Life Restructuring Income Tax			85,213	
350127 Finance Quality of Life Restructuring Risk Manag			205,439	
350136 GSD Quality of Life Facilities Capital			3,329,000	

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
350119 Finance Quality of Life Restructuring Purchasing			196,039	
350117 Finance Quality of Life Restructuring Project Ad			333,297	
350105 Police Quality of Life Fleet Replacement			9,475,477	
350086 Police Quality of Life Civilianization Plan			4,655,265	
350064 Police Quality of Life			1,437,691	
350115 Fire Quality of Life Medical First Responder Tra			936,947	
350087 Fire Quality of Life Apparatus Repair			1,854,480	
350062 Fire Quality of Life EMS Equipment			715,427	
350099 GSD Quality of Life Fleet Maintenance Telematics			720,000	
350129 Finance Quality of Life Restructuring Assessment			172,979	
352057 Police Quality of Life Purchased Services - pro			429,750	
352080 Finance Quality of Life City-wide software upgra			1,071,414	
352078 Finance Quality of Life Document management syst			3,000,000	
352076 Finance Quality of Life Workbrain update			1,100,000	
352075 Finance Quality of Life City-wide hardware upgra			1,500,000	
352074 Finance Quality of Life IT enhancements			6,465,000	
350072 Finance Quality of Life ERP System			7,370,400	
352058 Police Quality of Life facility improvements			624,587	
352054 Police Quality of Life New precincts			7,999,970	
352064 Police Quality of Life Other improvements			1,500,000	
352051 Fire Quality of Life Reorganization Costs - TriD			260,000	
352049 Fire Quality of Life Fleet equipment, turnout ge			4,956,509	
352048 Fire Quality of Life Repairs and maintenance			2,025,913	
352055 Police Quality of Life Labor Wages & Benefits Un			9,163,036	
352036 GSD Quality of Life Materials & supplies			707,395	
352034 GSD Quality of Life Other Infrastructure			1,375,055	
352028 Airport Quality of Life Airport - Technology Inf			7,000	
352027 Airport Quality of Life Airport maintenance			25,000	
352006 DAH Quality of Life Training			4,000	
352005 DAH Quality of Life Technology Infrastructure- I			500,000	

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
350081 Human Resources Quality of Life Recruitment			1,243,555	
352022 Elections Quality of Life Training			41,000	
352021 Elections Quality of Life Elections Technology			27,500	
350089 Human Rights Quality of Life Business Compliance			329,408	
350147 Human Resources QOL HR Reorganization			1,400,000	
350155 Municipal Parking Quality of Life Capital Expend			670,466	
352017 City Clerk Quality of Life Training			14,846	
352014 City Clerk Quality of Life blight remediation no			900,575	
350146 Human Resources QOL Technology Infrastructure			500,000	
350145 Human Resources QOL Advertising expenses related			100,000	
350143 Department of Public Works Quality of Life Train			19,000	
350063 Law Quality of Life			2,172,334	
352032 BSEED Quality of Life Training			8,500	
352031 BSEED Quality of Life facility build-out and co			376,619	
352030 BSEED Quality of Life Labor efficiency savings			14,285	
352009 AG/IG Quality of Life Training			21,000	
352008 AG/IG Quality of Life Technology Infrastructure			120,000	
352007 AG/IG Quality of Life Labor and benefits			296,950	
350091 DDOT Quality of Life Transit Police			1,811,536	
350088 Land Bank Quality of Life Residential Blight Rem			1,500,000	
350068 Land Bank Quality of Life			33,959,663	
350067 Finance Assessments Quality of Life Corrective A			5,643,970	
350138 Finance Quality of Life GASB 53 Derivatives Anal			25,000	
350134 Finance Quality of Life Actuarial Valuation Anal			250,000	
352105 Mayor's Office Quality of Life Lean Team			1,365,011	
350071 Fire Quality of Life Partial Fleet Replacement			12,945,189	
352000 DHWP Quality of Life Training			450,000	
352001 DHWP Quality of Life Public Health Record manage			9,000	
352010 Board of Zoning Appeals Quality of Life Training			22,000	
352013 Ombudsman Quality of Life Training			6,231	

CITY OF DETROIT
Financial Detail by Appropriation and Organization

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
352012 City Council Quality of Life Technology Infrastr			50,000	
350144 Human Resources QOL Training and test developmen			200,000	
352016 City Clerk Quality of Life Professional & Contr			77,922	
350156 Municipal Parking Quality of Life vehicle replac			425,692	
350148 Human Resources QOL LR Labor (Wages & Benefits)			248,175	
350157 Municipal Parking Quality of Life additional par			265,031	
352002 Recreation Quality of Life Repair and maintenanc			4,230,000	
352033 Human Rights QOL Training			50,000	
352024 Airport Quality of Life compliance with FAA			241,226	
352025 Airport Quality of Life Executive bay upgrades,			380,000	
352026 Airport Quality of Life compliance Security			350,000	
350158 Municipal Parking Quality of Life Longterm strat			200,000	
350159 Municipal Parking Quality of Life Materials & Su			19,656	
352003 Recreation Quality of Life Park and recreation f			1,500,000	
350076 Human Resources Quality of Life Training			397,667	
352053 Municipal Parking Quality of Life Training			50,400	
350149 Human Rights QOL Technology Infrastructure			100,000	
352029 Airport Quality of Life Training			4,000	
352035 GSD Quality of Life Capital Expenditures			1,471,468	
352037 GSD Quality of Life Utilities			464,845	
352038 GSD Quality of Life Purchased services - Increme			720,000	
352041 GSD Quality of Life Labor Wages & Benefits			1,742,475	
352039 GSD Quality of Life Reorganization costs			362,267	
352046 Fire Quality of Life Labor Wages & Benefits			12,677,837	
352044 GSD Quality of Life Training			288,000	
352050 Fire Quality of Life Technology Infrastructure			1,250,756	
352052 Fire Quality of Life Training			4,450,259	
352061 Police Quality of Life Materials and Supplies -			920,419	
352073 Finance Quality of Life New income tax software			1,847,822	
352077 Finance Quality of Life etwork infrastructure up			2,000,000	

	Fiscal 2012-13 Actuals	2013-14 Redbook	Fiscal 2014-15 Budget	Fiscal 2015-16 Budget
350066 GSD Quality of Life Vehicle Acquisition Grants M			1,650,000	
350073 GSD Quality of Life Park Site Amenities			1,500,000	
350082 GSD Quality of Life Dangerous Tree Removal			2,000,000	

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City of Detroit

Post Restructuring General Fund Summary
Budget - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-		-	
Municipal income tax	-		-	
Wagering taxes	-		-	
Utility users' and other taxes	-		-	
Licenses, permits and inspection charges	-		-	
State revenue sharing	-		-	
Sales and charges for services	-		-	
Revenue from use of assets	-		-	
Parking/court fines and other revenue	-		-	
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	-		-	
Total revenues	$ -	$	-	
Expenditures				
Salaries and wages	(1.0)	(1.1)	0.1	Actual versus Average costing
Overtime	(0.0)	(0.0)	(0.0)	
Pension	(0.1)	(0.1)	(0.0)	
Medical & fringe benefits	(0.3)	(0.3)	-	
Professional and contractual services	-	-	-	
Materials & supplies	(0.1)	(0.1)	-	
Utilities	(0.0)	(0.1)	0.0	
Purchased services	-	-	-	
Risk management and insurance	-	-	-	
Other expenses	(0.1)	(0.1)	(0.0)	
Debt service	-		-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-		-	
Total expenditures	(1.7)	(1.7)	0.1	
Total surplus (deficit)	$ (1.7)	$ (1.7)	$ 0.1	

City of Detroit

Post Restructuring General Fund Summary
DPW - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	3.7	3.7	(0.0)	
State revenue sharing	-			
Sales and charges for services	(0.0)	-	0.0	
Revenue from use of assets	-			
Parking/court fines and other revenue	0.0	-	(0.0)	
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues	$ 3.7	$ 3.7	$ (0.0)	
Expenditures				
Salaries and wages	(0.8)	(0.9)	0.1	Actual versus Average costs
Overtime	(0.1)	(0.0)	(0.0)	
Pension	(0.0)	(0.0)	0.0	
Medical & fringe benefits	(0.3)	(0.3)	(0.0)	
Professional and contractual services	(0.0)	-	(0.0)	
Materials & supplies	0.0	(0.0)	0.0	
Utilities	(0.3)	(0.0)	(0.3)	lower expense
Purchased services	-	-	-	
Risk management and insurance	-	-	-	
Other expenses	(0.3)	(0.1)	(0.2)	lower expense
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(1.8)	(1.4)	(0.4)	
Total surplus (deficit)	$ 1.9	$ 2.3	$ 0.4	

City of Detroit

Post Restructuring General Fund Summary
Finance - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-		-	
Municipal income tax	-		-	
Wagering taxes	-		-	
Utility users' and other taxes	-		-	
Licenses, permits and inspection charges	-	1.9	1.9	Restructuring Project
State revenue sharing	-		-	
Sales and charges for services	0.2	0.5	0.3	Revenues from the divisions included
Revenue from use of assets	0.0	0.0	0.0	
Parking/court fines and other revenue	-		-	
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	-		-	
Total revenues	$ 0.2	$ 2.4	$ 2.2	
Expenditures				
Salaries and wages	(10.7)	(10.2)	0.5	Salary funding used for contractors
Overtime	(0.8)	(0.8)	(0.0)	
Pension	(0.5)	(0.6)	(0.0)	
Medical & fringe benefits	(3.4)	(3.5)	(0.1)	
Professional and contractual services	(3.6)	(4.0)	(0.4)	Contractors in lieu of positions
Materials & supplies	(0.1)	(0.4)	(0.2)	Actual costs
Utilities	(0.2)	(0.2)	0.0	
Purchased services	(0.2)	(0.1)	0.1	
Risk management and insurance	-	(0.9)	(0.9)	Insurnance for Treasurer previously paid in other source
Other expenses	(4.2)	(4.1)	0.1	Reduced bank service fees
Debt service	-	(0.0)	(0.0)	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(23.8)	(24.8)	(0.9)	
Total surplus (deficit)	$ (23.6)	$ (24.2)	$ (0.6)	

City of Detroit

Post Restructuring General Fund Summary
Fire- General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-	-	-	
Municipal income tax	-	-	-	
Wagering taxes	-	-	-	
Utility users' and other taxes	-	-	-	
Licenses, permits and inspection charges	2.8	2.7	(0.1)	
State revenue sharing	-	-	-	
Sales and charges for services	20.4	15.0	(5.4)	Restructuring project in Fund 3100
Revenue from use of assets	-	-	-	
Parking/court fines and other revenue	0.1	0.1	(0.0)	
DDOT risk mgmt reimbursement	-	-	-	
Reimb. from parking & vehicle fund	-	-	-	
Street fund reimb. and financing proceeds	-	-	-	
Grant revenue	16.3	-	(16.3)	Restructuring project in Fund 3100
Total revenues	$ 39.6	$ 17.8	$ (21.8)	
Expenditures				
Salaries and wages	(75.8)	(66.3)	(9.4)	Restructuring project in Fund 3100 - $3 M, SAFER grant not reflected in general fund
Overtime	(4.4)	(4.5)	0.0	
Pension	(15.4)	(7.0)	(8.4)	Reduction in Salaries and Benefits, rate reflects pension and other benefits
Medical & fringe benefits	(18.7)	(19.3)	0.6	Funding from pension category
Professional and contractual services	(3.3)	(3.1)	(0.2)	Restructuring project in Fund 3100
Materials & supplies	(2.1)	(2.8)	0.7	Funding from Purchased Services
Utilities	(1.8)	(2.0)	0.3	Funding from Purchased Services
Purchased services	(1.3)	(0.3)	(1.1)	Costs reflected in Material & Supplies, Utilities
Risk management and insurance	-	(0.1)	0.1	
Other expenses	(33.3)	(2.1)	(31.3)	Restructuring project in Fund 3100
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(156.2)	(107.5)	(48.7)	
Total surplus (deficit)	$ 116.5	$ 89.7	$ (26.8)	

City of Detroit

Post Restructuring General Fund Summary
Health and Wellness - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-	-	-	
Municipal income tax	-	-	-	
Wagering taxes	-	-	-	
Utility users' and other taxes	-	-	-	
Licenses, permits and inspection charges	-	-	-	
State revenue sharing	-	-	-	
Sales and charges for services	-	-	-	
Revenue from use of assets	-	-	-	
Parking/court fines and other revenue	-	-	-	
DDOT risk mgmt reimbursement	-	-	-	
Reimb. from parking & vehicle fund	-	-	-	
Street fund reimb. and financing proceeds	-	-	-	
Grant revenue	-	-	-	
Total revenues	1.7	1.1	(0.6)	Revenue matches expenditures
	$ 1.7	$ 1.1	$ (0.6)	
Expenditures				
Salaries and wages	(0.7)	(0.7)	0.1	Average versus Actual salaries
Overtime	-	-	-	
Pension	-	-	-	
Medical & fringe benefits	(0.2)	(0.2)	(0.0)	
Professional and contractual services	-	-	-	
Materials & supplies	-	(0.3)	0.3	Moved from Purchased Services
Utilities	-	-	-	
Purchased services	(0.5)	-	(0.5)	Moved to Materials & Supplies
Risk management and insurance	-	-	-	
Other expenses	-	(0.1)	0.1	
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(1.3)	(1.3)	(0.1)	
Total surplus (deficit)	$ 0.4	$ (0.2)	$ (0.6)	

City of Detroit

Post Restructuring General Fund Summary
Human Resources - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	-			
Revenue from use of assets	2.3	1.8	(0.4)	Reimbursed by enterprise agency matches offseting expense
Parking/court fines and other revenue	-	-	-	
DDOT risk mgmt reimbursement	-	-	-	
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues	-		-	
	$ 2.3	$ 1.8	$ (0.4)	
Expenditures				
Salaries and wages	(5.4)	(4.3)	(1.1)	Restructuring project reflected in Fund 3100
Overtime	(0.2)	(0.2)	(0.0)	
Pension	(0.3)	(0.3)	(0.0)	
Medical & fringe benefits	(1.9)	(1.3)	(0.6)	Restructuring project reflected in Fund 3100
Professional and contractual services	(2.3)	(1.3)	(1.0)	Restructuring project reflected in Fund 3100
Materials & supplies	(0.2)	(0.2)	(0.0)	
Utilities	(0.1)	(0.1)	0.0	
Purchased services	(0.6)	-	(0.6)	Restructuring project reflected in Fund 3100
Risk management and insurance	-	-	-	
Other expenses	(1.0)	(0.7)	(0.3)	Restructuring project reflected in Fund 3100
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(12.1)	(8.3)	(3.7)	
Total surplus (deficit)	$ (9.8)	$ (6.5)	$ 3.3	

City of Detroit

Post Restructuring General Fund Summary
Human Rights - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	-			
Revenue from use of assets	0.3	0.3	0.0	
Parking/court fines and other revenue	-			
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues	$ 0.3	$ 0.3	$ 0.0	
Expenditures				
Salaries and wages	(0.5)	(0.3)	(0.2)	Actual versus Average calculations
Overtime	-		-	
Pension	(0.0)	(0.0)	-	
Medical & fringe benefits	(0.2)	(0.1)	(0.1)	Based on salary variance
Professional and contractual services	(0.1)	(0.1)	-	
Materials & supplies	(0.0)	(0.0)	(0.0)	
Utilities	(0.0)	(0.0)	0.0	
Purchased services	(0.1)		(0.1)	Restructuring Project
Risk management and insurance	-		-	
Other expenses	(0.1)	(0.0)	(0.1)	Restructuring Project
Debt service	-			
Contributions to non-enterprise funds	-			
POC - principal and interest1				
Transfers out	-			
Grant expenses (before reallocation)	-			
Total expenditures	(1.0)	(0.5)	(0.5)	
Total surplus (deficit)	$ (0.7)	$ (0.2)	$ (0.5)	

City of Detroit

Post Restructuring General Fund Summary
ITS - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	0.5	0.0	(0.5)	Reduction from Cobo and Herman Kiefer
Revenue from use of assets	-	-	-	
Parking/court fines and other revenue	-	0.1	0.1	Postage reimbursement
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-		-	
Total revenues	$ 0.5	$ 0.1	$ (0.4)	
Expenditures				
Salaries and wages	(2.3)	(2.6)	0.3	Average vs Actual salaries
Overtime	(0.1)	(0.1)	(0.0)	
Pension	(0.1)	(0.1)	0.0	
Medical & fringe benefits	(0.8)	(0.7)	(0.1)	
Professional and contractual services	(3.8)	(3.8)	(0.0)	
Materials & supplies	(5.9)	(6.4)	0.6	Hardware & Software Maint
Utilities	(0.5)	(0.4)	(0.1)	
Purchased services	-	-	-	
Risk management and insurance	-	-	-	
Other expenses	(2.9)	(1.5)	(1.3)	Reflected in Debt Service
Debt service	-	(2.5)	2.5	Bonded Debt Interest and Retirement of Debt - Principal
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(16.4)	(18.2)	1.8	
Total surplus (deficit)	$ (15.9)	$ (18.1)	$ (2.2)	

City of Detroit

Post Restructuring General Fund Summary
Law - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-		-	
Municipal income tax	-		-	
Wagering taxes	-		-	
Utility users' and other taxes	-		-	
Licenses, permits and inspection charges	-		-	
State revenue sharing	-		-	
Sales and charges for services	1.7	1.5	(0.0)	
Revenue from use of assets	-		-	
Parking/court fines and other revenue	-	0.2	(0.0)	
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	-		-	
Total revenues	$ 1.8	$ 1.7	$ (0.1)	
Expenditures				
Salaries and wages	(7.2)	(6.0)	1.1	Variance in Restructuring Project
Overtime	(0.1)	(0.1)	0.1	Variance in Restructuring Project
Pension	(0.4)	(0.3)	0.1	Directly related to salary and wage increase.
Medical & fringe benefits	(2.3)	(1.5)	0.2	Directly related to salary and wage increase.
Professional and contractual services	(1.1)	(1.8)	(0.4)	Reflected in Materials & Supplies
Materials & supplies	(0.3)	(0.4)	0.4	Reflected in Professional Services
Utilities	(0.1)	(0.1)	-	Increased Telecommunication
Purchased services	(1.8)	(1.3)	0.0	
Risk management and insurance	-		-	
Other expenses	(0.7)	(0.6)	0.2	Increase Private Car Reimbursement, Travel, Training and Capital Outlays
Debt service	-		-	
Contributions to non-enterprise funds	-		-	
POC - principal and interest1			-	
Transfers out	-		-	
Grant expenses (before reallocation)	-		-	
Total expenditures	(14.0)	(12.2)	1.8	
Total surplus (deficit)	$ (12.2)	$ (10.5)	$ 1.7	

City of Detroit

Post Restructuring General Fund Summary
Mayor's - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-		-	
Municipal income tax	-		-	
Wagering taxes	-		-	
Utility users' and other taxes	-		-	
Licenses, permits and inspection charges	-		-	
State revenue sharing	-		-	
Sales and charges for services	-		-	
Revenue from use of assets	-	0.0	0.0	
Parking/court fines and other revenue	-		-	
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	-		-	
Total revenues	-	-	-	
	$ -	$ 0.0	$ 0.0	
Expenditures				
Salaries and wages	(4.5)	(4.5)	-	
Overtime	-	(0.0)	(0.0)	
Pension	(0.2)	(0.2)	-	
Medical & fringe benefits	(1.6)	(1.6)	-	
Professional and contractual services	(1.0)	(1.0)	-	
Materials & supplies	(0.1)	(0.1)	-	
Utilities	(0.1)	(0.1)	-	
Purchased services	-		-	
Risk management and insurance	-	(0.1)	(0.1)	
Other expenses	(0.4)	(0.4)	-	
Debt service			-	
Contributions to non-enterprise funds			-	
POC - principal and interestI			-	
Transfers out			-	
Grant expenses (before reallocation)			-	
Total expenditures	(7.9)	(8.0)	(0.1)	
Total surplus (deficit)			-	
	$ (7.9)	$ (8.0)	$ (0.1)	

City of Detroit

Post Restructuring General Fund Summary
PDD - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	0.0		(0.0)	
Revenue from use of assets	0.2	5.4	5.2	Real Estate Sales transferred from GSD
Parking/court fines and other revenue	0.0	0.0	(0.0)	
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	4.5	0.5	(4.0)	Move to other fund
Total revenues	$ 4.7	$ 5.9	$ 1.2	
Expenditures				
Salaries and wages	(4.3)	(2.3)	(1.9)	less staff transferred from grants
Overtime	-	(0.0)	0.0	
Pension	(0.2)	(0.1)	(0.1)	based on salaries and wages
Medical & fringe benefits	(1.4)	(0.7)	(0.7)	based on salaries and wages
Professional and contractual services	(8.1)	(0.6)	(7.5)	Restructuring project
Materials & supplies	(0.2)	(0.2)	0.0	
Utilities	(0.1)	(0.1)	(0.0)	
Purchased services	(0.6)	(1.3)	0.8	reflect partial staff in grants
Risk management and insurance	-	-	-	
Other expenses	(7.5)	(7.3)	0.3	
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(22.4)	(12.6)	(9.1)	
Total surplus (deficit)	$ (17.6)	$ 0.4	$ 18.0	

City of Detroit

Post Restructuring General Fund Summary
Police - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-	-	-	
Municipal income tax	-	19.7	19.7	Reflected in Non Departmental transfer based on state law
Wagering taxes	-		-	
Utility users' and other taxes	24.5	17.0	(7.5)	POA did not include the contra account
Licenses, permits and inspection charges	0.6	0.6	0.0	
State revenue sharing	-		-	
Sales and charges for services	6.6	3.1	(3.5)	
Revenue from use of assets	-		-	
Parking/court fines and other revenue	3.9	6.9	3.0	Variance in $3M in restructuring
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	8.9	-	(8.9)	Grants are budgeted in 3601 General Grants
Total revenues	$ 44.6	$ 47.4	$ 2.9	
Expenditures				
Salaries and wages	(158.4)	(149.3)	(9.1)	
Overtime	(22.4)	(19.6)	(2.8)	Resturcturing
Pension	(32.2)	(22.8)	(9.4)	Pension cost was reduced
Medical & fringe benefits	(35.8)	(36.4)	0.6	
Professional and contractual services	(7.7)	(4.3)	(3.4)	Reflected in Materials & Supplies
Materials & supplies	(4.8)	(7.9)	3.1	Reflected in Materials & Supplies
Utilities	(10.0)	(10.0)	(0.0)	
Purchased services	(24.6)	(11.0)	(13.6)	Resturcturing
Risk management and insurance	-	-	-	
Other expenses	(32.1)	(20.7)	(11.4)	Variance is due to a split of restructuring projects between Funds 3100 & 1002
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	(1.4)	1.4	Grant contribution cash
Total expenditures	(328.0)	(283.3)	(44.7)	
Total surplus (deficit)	$ 283.4	$ 235.9	$ (47.5)	$ -

City of Detroit

Post Restructuring General Fund Summary
PLD - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	28.7	17.0	(11.7)	POA overstated because of PLD transfer of power generation, distribution and maintenance to DTE Energy.
Revenue from use of assets	-			
Parking/court fines and other revenue	-	11.7	11.7	
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues	$ 28.7	$ 28.7	$ 0.0	
Expenditures				
Salaries and wages	(1.0)	(0.6)	(0.4)	Actual Salaries versus Averages
Overtime	(0.1)	(0.0)	(0.1)	Minimal OT required.
Pension	(0.1)	(0.0)	(0.1)	Based on Salaries and Wages
Medical & fringe benefits	(0.3)	(0.3)	(0.0)	
Professional and contractual services	(14.1)	(1.2)	(12.9)	Reflected in Other Expense
Materials & supplies	(12.4)	(0.5)	(11.9)	Updated information
Utilities	(6.9)	(5.4)	(1.5)	Updated information
Purchased services	(0.9)	-	(0.9)	Updated information
Risk management and insurance	-	-	-	
Other expenses	(0.1)	(11.0)	10.9	Pass through to 3rd party contractor.
Debt service	-	-	-	
Contributions to non-enterprise funds	(5.3)	-	(5.3)	Reflected in Transfer Out
POC - principal and interest1	-	-	-	
Transfers out	-	(5.3)	5.3	From Contributions to Non Ecterprise funds
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(41.2)	(24.3)	(16.9)	
Total surplus (deficit)	$ (12.5)	$ 4.5	$ (16.9)	

City of Detroit

Post Restructuring General Fund Summary
Recreation - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	0.1	0.0	(0.0)	
Revenue from use of assets	0.7	0.8	0.2	
Parking/court fines and other revenue	0.1	0.0	(0.1)	
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	1.1		(1.1)	
Total revenues	$ 1.9	$ 0.8	$ (1.1)	
Expenditures				
Salaries and wages	(3.6)	(3.8)	0.2	Actual versus average salaries
Overtime	(0.1)	(0.1)	(0.0)	
Pension	(0.2)	(0.1)	(0.0)	
Medical & fringe benefits	(1.0)	(1.6)	0.6	related to salaries
Professional and contractual services	(0.2)	(0.3)	0.1	Funding for NWAC
Materials & supplies	(0.2)	(0.1)	(0.1)	
Utilities	(9.1)	(9.3)	0.2	Variance is due to the increase in sewage for parks that Recreation is responsible for.
Purchased services	(0.0)	-	(0.0)	
Risk management and insurance	-	-	-	
Other expenses	(7.3)	(0.4)	(6.9)	Variance include restructuring
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	(0.1)	0.1	
Total expenditures	(21.7)	(15.8)	(5.9)	
Total surplus (deficit)	$ (19.7)	$ (15.0)	$ 4.8	

City of Detroit

Post Restructuring General Fund Summary
Administrative Hearings - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	0.5	0.5	0.0	
Revenue from use of assets	-	-	-	
Parking/court fines and other revenue	0.0	0.0	(0.0)	
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-		-	
Total revenues	$ 0.5	$ 0.5	$ 0.0	
Expenditures				
Salaries and wages	(0.3)	(0.3)	(0.0)	
Overtime	-	-	-	
Pension	(0.0)	(0.0)	0.0	
Medical & fringe benefits	(0.0)	(0.1)	0.0	
Professional and contractual services	(0.4)	(0.6)	0.2	Hearing Officer reimburesed by BSEED
Materials & supplies	(0.0)	(0.0)	0.0	
Utilities	(0.0)	(0.0)	0.0	
Purchased services	(0.0)	-	(0.0)	
Risk management and insurance	-	-	-	
Other expenses	(0.6)	(0.1)	(0.5)	Restructuring Project in Fund 3100
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(1.4)	(1.1)	(0.3)	
Total surplus (deficit)	$ (0.9)	$ (0.6)	$ 0.3	

City of Detroit

Post Restructuring General Fund Summary
General Services - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-		-	
Municipal income tax	-		-	
Wagering taxes	-		-	
Utility users' and other taxes	-		-	
Licenses, permits and inspection charges	-		-	
State revenue sharing	-		-	
Sales and charges for services	2.3	1.7	(0.6)	DPW Solid Waste Outsourcing
Revenue from use of assets	9.9	-	(9.9)	Reflected in PDD as property sales ($5M), Balance offset in Street Fund Reimb
Parking/court fines and other revenue	7.8	7.8	(0.0)	
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-	6.8	6.8	Street Fund Reimb for Median & Berm grass cutting; DPW Street Maintenance & Police Forfeiture vehicles; Facility Reimb or MPD/APS
Grant revenue	0.7		(0.7)	No Grant Revenue Anticipated.
Total revenues	$ 20.7	$ 16.3	$ (4.4)	
Expenditures				
Salaries and wages	(12.6)	(12.4)	(0.2)	Average versus Actual Salaries
Overtime	(2.2)	(1.8)	(0.4)	Reduction in DPW Fleet Repair
Pension	(0.7)	(0.7)	0.0	
Medical & fringe benefits	(5.3)	(4.6)	(0.7)	based on reduced salaries
Professional and contractual services	(7.6)	(11.2)	3.6	Restructuring Project
Materials & supplies	(13.6)	(8.3)	(5.3)	Restructuring Project
Utilities	(1.2)	(1.2)	(0.0)	
Purchased services	(1.7)	(1.0)	(0.7)	Restructuring Project
Risk management and insurance	(0.4)	(0.5)	0.1	
Other expenses	(13.0)	0.5	(13.5)	Restructuring Project
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(58.3)	(41.3)	(17.0)	
Total surplus (deficit)	$ (37.6)	$ (25.0)	$ (21.5)	

City of Detroit

Post Restructuring General Fund Summary
Auditor General/Inspector General - general fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	-			
Revenue from use of assets	-	0.8	0.8	Reimbursement for audit from grant and enterprise agencies
Parking/court fines and other revenue	-			
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues	$ -	$ 0.8	$ 0.8	
Expenditures				
Salaries and wages	(1.3)	(1.2)	(0.1)	Actual salaries budgeted versus average
Overtime	(0.0)	(0.0)	0.0	
Pension	(0.1)	(0.1)	(0.0)	
Medical & fringe benefits	(0.4)	(0.3)	(0.1)	
Professional and contractual services	(1.7)	(2.3)	0.7	Higher cost of audit
Materials & supplies	(0.0)	(0.0)	0.0	
Utilities	(0.0)	(0.0)	0.0	
Purchased services	(0.1)	-	(0.1)	
Risk management and insurance	-	-	-	
Other expenses	(0.3)	(0.2)	(0.2)	
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(3.9)	(4.2)	0.3	
Total surplus (deficit)	$ (3.9)	$ (3.4)	$ 0.5	

City of Detroit

Post Restructuring General Fund Summary
Zoning- General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	0.1	0.1	(0.0)	
Revenue from use of assets	-	-	-	
Parking/court fines and other revenue	-	-	-	
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-		-	
Total revenues	$ 0.1	$ 0.1	$ (0.0)	
Expenditures				
Salaries and wages	(0.3)	(0.2)	(0.1)	Actual salaries in Budget versus average in POA
Overtime	(0.0)	-	(0.0)	
Pension	(0.0)	(0.0)	0.0	
Medical & fringe benefits	(0.1)	(0.1)	(0.1)	Decreased salaries and wages
Professional and contractual services	(0.1)	(0.1)	0.0	
Materials & supplies	(0.0)	(0.0)	(0.0)	
Utilities	(0.0)	(0.0)	0.0	
Purchased services	-	-	-	
Risk management and insurance	-	-	-	
Other expenses	(0.1)	(0.1)	(0.0)	
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(0.6)	(0.4)	(0.1)	
Total surplus (deficit)	$ (0.4)	$ (0.4)	$ (0.1)	

City of Detroit

Post Restructuring General Fund Summary
City Council - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-		-	
Municipal income tax	-		-	
Wagering taxes	-		-	
Utility users' and other taxes	-		-	
Licenses, permits and inspection charges	-		-	
State revenue sharing	-		-	
Sales and charges for services	-		-	
Revenue from use of assets	-		-	
Parking/court fines and other revenue	-		-	
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	-		-	
Total revenues	$ -	$ -	$ -	
Expenditures				
Salaries and wages	(0.7)	-	0.7	Reflected in Professional and Contractual Services
Overtime	-	-	-	
Pension	-	-	-	
Medical & fringe benefits	(0.2)	(0.4)	(0.2)	
Professional and contractual services	(4.6)	(5.7)	(1.1)	
Materials & supplies	(0.1)	(0.2)	(0.0)	
Utilities	(0.1)	(0.1)	-	
Purchased services	(0.1)	-	0.1	
Risk management and insurance	-	-	-	
Other expenses	(0.6)	(1.2)	(0.6)	Restructuring
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-		-	
Total expenditures	$ (6.4)	$ (7.6)	$ (1.1)	
Total surplus (deficit)	$ (6.4)	$ (7.6)	$ (1.1)	

City of Detroit

Post Restructuring General Fund Summary
Ombudsperson - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	-			
Revenue from use of assets	-	-	-	
Parking/court fines and other revenue	-	-	-	
DDOT risk mgmt reimbursement	-	-	-	
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues	$ -	$ -	$ -	
Expenditures				
Salaries and wages	(0.5)	(0.5)	(0.0)	
Overtime	-	-	-	
Pension	(0.0)	(0.0)	0.0	
Medical & fringe benefits	(0.1)	(0.1)	(0.0)	
Professional and contractual services	(0.2)	(0.0)	(0.0)	
Materials & supplies	(0.0)	(0.0)	0.0	
Utilities	(0.0)	(0.0)	0.0	
Purchased services	-	-	-	
Risk management and insurance	-	-	-	
Other expenses	(0.0)	(0.0)	(0.0)	
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(0.8)	(0.7)	(0.0)	
Total surplus (deficit)	$ (0.7)	$ (0.7)	$ 0.0	

City of Detroit

Post Restructuring General Fund Summary
City Clerk - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-		-	
Municipal income tax	-		-	
Wagering taxes	-		-	
Utility users' and other taxes	-		-	
Licenses, permits and inspection charges	-		-	
State revenue sharing	-		-	
Sales and charges for services	-	(0.0)	(0.0)	
Revenue from use of assets	-		-	
Parking/court fines and other revenue	-		-	
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	-		-	
Total revenues	$ -	$ (0.0)	$ (0.0)	
Expenditures				
Salaries and wages	(0.0)	-	(0.0)	
Overtime	(0.0)	(0.0)	0.0	
Pension	(0.2)	(0.2)	(0.0)	
Medical & fringe benefits	(0.0)	(0.1)	(0.0)	
Professional and contractual services	(0.6)	(0.8)	(0.1)	Reflected in other expenses
Materials & supplies	(0.0)	(0.1)	(0.2)	Reflected in other expenses
Utilities	-	-	(0.1)	Reflected in other expenses
Purchased services	-	-	-	
Risk management and insurance	(0.6)	(0.2)	-	
Other expenses	-	-	0.4	Reflected in utilites, materials & supplies, Professional services
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	(2.1)	(2.1)	-	
Total expenditures	(3.7)	(3.5)	0.1	

City of Detroit

Post Restructuring General Fund Summary
Elections- General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-		-	
Municipal income tax	-		-	
Wagering taxes	-		-	
Utility users' and other taxes	-		-	
Licenses, permits and inspection charges	-		-	
State revenue sharing	-		-	
Sales and charges for services	-		-	
Revenue from use of assets	-	0.0	0.0	
Parking/court fines and other revenue	-		-	
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	-		-	
Total revenues	$ -	$ 0.0	$ 0.0	
Expenditures				
Salaries and wages	(1.7)	(2.0)	(0.3)	
Overtime	-	-		
Pension	(0.2)	(0.2)	(0.0)	
Medical & fringe benefits	-	-		
Professional and contractual services	-	(0.1)	(0.1)	
Materials & supplies	-	-		
Utilities	(1.0)	(0.8)	0.2	
Purchased services	(3.3)	(2.9)	0.4	
Risk management and insurance	(0.5)	(1.4)	(1.0)	
Other expenses	(0.3)	(0.4)	(0.1)	
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	(0.1)	(0.1)	0.1	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	$ (7.1)	$ (8.0)	$ (0.9)	Presidential Election in 2015.
Total surplus (deficit)	$ (7.1)	$ (8.0)	$ (0.9)	

City of Detroit

Post Restructuring General Fund Summary
36th District Court - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	0.7		(0.7)	No longer receiving revenue from TID
Sales and charges for services	10.0	10.0	(0.0)	
Revenue from use of assets	-			
Parking/court fines and other revenue	6.8	6.5	(0.3)	Revenue to GSD
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-		-	
Total revenues	$ 17.6	$ 16.6	$ (1.0)	
Expenditures				
Salaries and wages	(17.2)	(16.3)	0.9	Salaries budgetd at actual costs versus average
Overtime	(0.2)	(0.2)	(0.0)	
Pension	(1.0)	(4.0)	(3.0)	36 D staff on state pension which is a higher rate than the city
Medical & fringe benefits	(7.3)	(6.8)	0.6	Decreased Salaries and Wages
Professional and contractual services	(3.0)	(3.0)	(0.0)	
Materials & supplies	(0.8)	(1.0)	(0.2)	Actual spending
Utilities	(0.5)	(0.4)	0.0	
Purchased services	(4.0)	(0.9)	3.0	Expense in GSD for Janitorial, Security and Insurance
Risk management and insurance	(0.1)	(0.1)	(0.0)	
Other expenses	(5.2)	(0.6)	4.6	Expense in GSD for Janitorial, Security and Insurance
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	2.3	2.3	Restructuring
Total expenditures	(39.2)	(31.0)	8.2	
Total surplus (deficit)	$ (21.6)	$ (14.5)	$ 7.1	

City of Detroit

Post Restructuring General Fund Summary
Non Departmental - General Fund
($ in millions)

Revenues	Plan of Adj 2015	Budget 2015	Variance	Explanation
Property taxes	102.6	102.6	(0.0)	The Budget, based on Feb. 2014 Revenue Conference results was increased by 4.57 million to reflect the plan of adjustment . The Plan of Adjustment total excludes $2.0 million reserve for uncollectible.
Municipal income tax	264.8	245.0	(19.7)	The Budget was based on Feb. 2014 Revenue Conference results The Plan of Adjustment total excludes income tax revenues due to the Police Dept under P.A. 394 of 2012. In addition, revenues were increased in the POA for restructuring and reinvestment projects for Income tax collections process improvements and improved economic conditions
Wagering taxes	168.2	168.2	-	The Budget was based on the Feb. 2014 Revenue Conference results increased by $201,000 to reflect the POA.
Utility users' and other taxes	9.6	8.9	(0.7)	The Budget was based on Feb. 2014 Revenue Conference results and revised to reflect the POA. Utility Users' tax is budgeted in the Police Dept. The POA decreased revenues from other taxes: Industrial Facility Taxes by 579,887; Neighborhood Enterprise Zone taxes by $400,000; Interest-current & prior on property taxes by $524,928; property tax penalties by $200,000 and PILOT by $200,000.
Licenses, permits and inspection charges	0.0	0.0	-	No actual collections
State revenue sharing	195.9	195.9	-	The Budget is based on Feb. 2014 Revenue Conference results and revised to reflect the POA. The Plan of Adjustment total includes an increase of $1.3 million.
Sales and charges for services	53.8	50.3	(3.4)	The Budget was based on Feb. 2014 Revenue Conference results. The Plan of Adjustment total includes revenues from reimbursements from the Pension system of $2.6 million shown as a transfer, reductions to Central Staff Service of $6.8 million; other reimbursements of $525,211; increases to Administrative fees (1% on property tax bills) of $904,513; increased reimbursements from DWSD for OPEB/POC of $1.3 million (net). The Budget includes revenues from PEG fees, misc. receipts from Nondept agencies, towing fee revenues of $1.2 million (not included in POA) and state PILOT revenues shown as other taxes in the POA.
Revenue from use of assets	0.6	0.9	0.3	The Budget is based on Feb. 2014 Revenue Conference results. The Plan of Adjustment include revenues of 606,006 for the Detroit Windsor Tunnel. The budget includes revenues of $606,006 for the Tunnel as well as, revenues for Wireless tower fees of 300,000.
Parking/court fines and other revenue	7.9	43.8	35.9	The Plan of Adjustment includes other revenues of $2.1 million in miscellaneous receipts and additional revenues from 36 District Court fees of $5.833 million due to restructuring. The Budget includes PILOT shown under other taxes in the POA. The Budget includes a $24 million lump sum settlement payment and and $5 million from the sale of assets (auction). The Budget also includes quarterly and annual payments from settlement of litigation not included in the POA totals.
DDOT risk mgmt reimbursement	12.1	12.0	(0.1)	The Budget is based on Feb. 2014 Revenue Conference results that include Workers' Compensation pass through revenues of $9.1 million. The Final Plan of Adjustment includes a $12.1 million reimbursement from DDOT and no workers' compensation reimb.

City of Detroit

Post Restructuring General Fund Summary
Non Departmental - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Reimbursements from other funds	29.4	20.4	(9.0)	The Budget is based on Feb. 2014 Revenue Conference results that included a Parking System advance of $6.9 million only. The Plan of Adjustment includes Transfer from Other funds of $25.4 million: $20 million is a revenue offset to the Vechicle fund- not included in the Budget and Parking System advance at $5.1 million. The Budget also includes a transfer from the Debt Service Fund to be used to offset pension payments.
Street fund reimbursements	4.2	4.2	-	The Budget is based on Feb. 2014 Revenue Conference results . The Plan of Adjustment increases Street Fund reimbursements to 4.2 million.
QOL/Exit Financing Proceeds (net)/ Escrow Proceeds	217.7	127.5	(90.2)	The Plan of Adjustment includes exit financing proceeds of $275 million gross; reduced by financing expenses of $4 million, refunding of the $120 million Quality of Life loan and a 10% reserve of 27.5 million. The Budget does not include Escrow Proceeds from bonds sold in a previous year. Exit Financing proceeds were transferred to Fund 3100 to fund restructuring projects ($80 million).
Grant revenue/ Fire Escrow	63.3	63.3	-	The Plan of Adjustment includes Grant Revenue from Blight activity shown in the Budget in Fund 1002 and Fund 3100. Grant revenues includes $43 million from the Federal Hardest Hit fund and $20 million transfer from Fire Escrow fund balance.
UTGO Debt Service	62.6	0.0	(62.6)	The Plan of Adjustment includes expenses for UTGO debt service included in the General Fund as a transfer. The Budget excludes UTGO from the General Fund and records in Fund 4000- Sinking and Interest Fund.
Projected Post Bankruptcy Fund Balance	0.0	151.3	151.3	The Budget reflects a projected fund balance in General Fund post bankruptcy.
Total revenues	$ 1,192.6	$ 1,194.3	$ 1.7	
Expenditures				
Salaries and wages	(0.7)	(3.6)	(2.9)	The Budget includes the Pension Division operating costs.
Overtime	(0.1)	(0.1)	(0.0)	The Budget includes the Pension Division operating costs.
Pension	(2.0)	(0.2)	1.8	The Budget includes the Pension Division operating costs. A new hybrid fixed contribution Pension factor is implemented (5.75%) The Plan of Adjustment. includes DDOT pension costs of $1,988,546 and pension payments to GRS of $16.6 million.
Medical & Fringe benefits	(20.6)	(36.8)	(16.2)	The Plan of Adjustment and Budget includes the Pension Division operating costs. The Plan of Adjustment includes OPEB costs of 20.4 million including DDOT and payment to the GRS of $16.5 million. Variance represents amounts in depts.
Professional and contractual services	(132.1)	(129.9)	2.3	The Plan of Adjustment includes $127.6 million in restructuring professional service contractual expenditures; increased custodial fees, increases for auditing, medical and legal services; increased personal service contracts DBA and Cable. Variances respresent dept expenditures.
Materials & supplies	(0.4)	(0.1)	0.2	The Plan of Adjustment includes operating supplies and materials recorded in Nondept agencies. The variance between the Budget Recommendation represent estimated usage in the Nondept agencies.
Utilities	(0.1)	(0.1)	(0.0)	The Budget includes the Pension Division operating costs for telecommunciations.

City of Detroit

Post Restructuring General Fund Summary
Non Departmental - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Purchased services	(103.6)	(63.8)	39.8	The Plan of Adjustment includes $82 million in restructuring purchased services for Blight reinvestment. The budget includes the Blight reinvestment costs in both Fund 1002 ($63.3 million) and 3100 (33.6 million in miscellaneous expenses). Additional Purchase Services expenditures included in the Budget are Prisoner Care $370,000 and Purchase Service in the agencies of $93,000.
Risk management and insurance	(41.0)	-	41.0	The Budget was amended to utlize fund balance for the current fiscal year from its original recommendation of $39 million based on Feb. 2014 Revenue Conference results for the Risk Management Fund. The Plan of Adjustment increases Risk Mgt to $41.0 million.
Other expenses	8.3	(88.5)	(96.7)	The Plan of Adjustment includes Miscellaneous expenses of.$5 million; Rentals Bldg 626400; Captured District Taxes costs of $7.1 million. It also includes Syncora cash settlement payment of $5.0 million. The Plan of Adjustment includes project costs for capital $1.7 million, technology $1.0 million and other infrastructue projects $1.0 million , PLD decommission costs $2.5 million, and development/regorganization costs $100,000. The Budget Recommendation includes Restructuring projects recorded in Fund 1002 ($63 million funed with Federal grants and Fire Escrow balances to be used for Blight) and Fund 3100 ($200 million funded with Quality of Life and Exit financing). The Budget includes contingency funding of 1% of certain revenues for the General Fund $11.5 million .
Debt service	(251.5)	(180.1)	71.4	The Plan of Adjustment and the Budget includes debt service payments for the following: Exit financing-interest of $10.6 million; Note A- LTGO $55 million; Note B $12.64 million; Note B2 (36 District Court) $535,517; Note C $10.0 million and 2010 and 2012 secured - DSA issues $29.5 million. The Plan of Adjustment includes expenses for UTGO debt service included in the General Fund as a transfer. The Budget excludes UTGO from the General Fund and records in Fund 4000-Sinking and Interest Fund. The Plan of Adjustment includes settlement of POC Swaps with interest payments until Oct 2014 of $27.2 million; remainder of anticipated SWAP settlement of $31.0 million.
Contributions to non-enterprise funds	(29.1)	(11.5)	17.6	The Final Plan of Adjustment includes Parking Op Advance $6.9 million Airport and cultural subsidies. The Budget includes general fund contributions for cultural institutions.
Transfers out	(64.1)	(198.2)	(134.1)	The Final Plan of Adjustment includes General Fund subsidy payments for DDOT and Airport which is recorded in the contributions object in the Budget. The Budget includes a $80 million transfer to Fund 3100 for restructuring/reinvestment projects.
Total expenditures	$ (637.0)	$ (712.9)	$ (75.9)	
Total surplus (deficit)	$ 555.6	$ 481.4	$ (74.2)	

City of Detroit

Post Restructuring General Fund Summary
Budildings and Safety Engineering - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-		-	
Municipal income tax	-		-	
Wagering taxes	-		-	
Utility users' and other taxes	-		-	
Licenses, permits and inspection charges	2.3	2.0	(0.3)	based on actual collections
State revenue sharing	-		-	
Sales and charges for services	0.0	0.1	0.0	
Revenue from use of assets	-		-	
Parking/court fines and other revenue	-		-	
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	-		-	
Total revenues	$ 2.3	$ 2.0	$ (0.3)	
Expenditures				
Salaries and wages	(0.5)	(0.4)	(0.1)	Average versus actual calculations
Overtime	-	-	-	
Pension	-	(0.0)	0.0	
Medical & fringe benefits	(0.2)	(0.2)	(0.0)	
Professional and contractual services	-	(0.1)	0.1	Funding included in other expenses
Materials & supplies	-	(0.0)	0.0	
Utilities	-	-	-	
Purchased services	(0.1)	(0.1)	-	
Risk management and insurance	-	-	-	
Other expenses	(0.4)	(0.0)	(0.4)	
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(1.2)	(0.9)	(0.3)	-
Total surplus (deficit)	$ (1.1)	$ (1.2)	$ (0.0)	$ -

City of Detroit

Post Restructuring General Fund Summary
Municipal Parking - General Fund
($ in millions)

	Plan of Adj 2015	Budget 2015	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	-			
Revenue from use of assets	-	-	-	
Parking/court fines and other revenue	-	-	-	
DDOT risk mgmt reimbursement	17.0	17.0	0.0	
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues	-		-	
	$ 17.0	$ 17.0	$ -	
Expenditures				
Salaries and wages	(1.8)	(1.7)	(0.0)	
Overtime	(0.0)	(0.0)	(0.0)	
Pension	(0.1)	(0.1)	(0.0)	
Medical & fringe benefits	(0.8)	(0.8)	0.1	Based on Salaries
Professional and contractual services	(2.8)	(3.3)	(0.5)	Pers Svc Contract increase
Materials & supplies	(0.1)	(0.1)	0.1	
Utilities	(0.1)	(0.1)	(0.0)	
Purchased services	(0.1)	(0.1)	0.1	
Risk management and insurance	-	-	-	
Other expenses	(1.3)	(0.3)	1.0	Restructuring project
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interestl	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(7.2)	(6.5)	0.6	
Total surplus (deficit)	$ 9.8	$ 10.5	$ 0.6	

City of Detroit

Post Restructuring General Fund Summary
Budget- general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes			-	
Municipal income tax			-	
Wagering taxes			-	
Utility users' and other taxes			-	
Licenses, permits and inspection charges			-	
State revenue sharing			-	
Sales and charges for services			-	
Revenue from use of assets			-	
Parking/court fines and other revenue			-	
DDOT risk mgmt reimbursement			-	
Reimb. from parking & vehicle fund			-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	-		-	
Total revenues	-		-	
	$ -	$ -	$ -	
Expenditures				
Salaries and wages	(1.0)	(1.1)	0.0	
Overtime	(0.0)	(0.0)	(0.0)	
Pension	(0.1)	(0.1)	0.0	
Medical & fringe benefits	(0.3)	(0.3)	(0.0)	
Professional and contractual services	-		-	
Materials & supplies	(0.1)	(0.1)	0.0	
Utilities	(0.0)	(0.1)	0.0	
Purchased services	-		-	
Risk management and insurance	-		-	
Other expenses	(0.1)	(0.1)	(0.0)	
Debt service	-		-	
Contributions to non-enterprise funds	-		-	
POC - principal and interest1	-		-	
Transfers out				
Grant expenses (before reallocation)	-			
Total expenditures	(1.7)	(1.7)	0.1	
Total surplus (deficit)	$ (1.7)	$ (1.7)	$ 0.1	

City of Detroit

Post Restructuring General Fund Summary
DPW - general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	3.7	3.7	(0.0)	
	-			
Sales and charges for services	-	-	-	
Revenue from use of assets	-			
Parking/court fines and other revenue	-	-	-	
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues				
	$ 3.7	$ 3.7	$ (0.0)	
Expenditures				
Salaries and wages	(0.8)	(0.9)	(0.1)	Variance reflects actual vs average costs
Overtime	(0.1)	(0.0)	0.1	
Pension	-	(0.0)	(0.0)	
Medical & fringe benefits	(0.3)	(0.3)	0.0	
Professional and contractual services	(0.0)	-	0.0	
Materials & supplies	-	(0.0)	(0.0)	
Utilities	(0.3)	(0.0)	0.3	Variance related to cost reduction
Purchased services	-	-	-	
Risk management and insurance	-	-	-	
Other expenses	(0.3)	(0.2)	0.1	Variance reflected in the plan for training
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures				
	(1.8)	(1.5)	0.4	
Total surplus (deficit)	$ 1.9	$ 2.2	$ 0.3	

City of Detroit

Post Restructuring General Fund Summary

Finance - general fund

($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-	-	-	
Municipal income tax	-	-	-	
Wagering taxes	-	-	-	
Utility users' and other taxes	-	-	-	
Licenses, permits and inspection charges	-	-	-	
State revenue sharing	-	-	-	
Sales and charges for services	0.2	3.0	2.8	Variance includes revenue not included in the plan
Revenue from use of assets	0.0	0.0	0.0	Variance includes revenue not included in the plan
Parking/court fines and other revenue	-	-	-	
DDOT risk mgmt reimbursement	-	-	-	
Reimb. from parking & vehicle fund	-	-	-	
Street fund reimb. and financing proceeds	-	-	-	
Grant revenue	0.5	-	(0.5)	Variance reflected in the plan
Total revenues	$ 0.7	$ 3.1	$ 2.4	
Expenditures				
Salaries and wages	(16.6)	(10.2)	6.4	Variance reflected in the plan
Overtime	(0.7)	(0.8)	(0.1)	Variance includes an increase in cost
Pension	(1.0)	(0.6)	0.4	Vaqiance includes an reductioninepst
Medical & fringe benefits	(6.5)	(3.6)	2.9	The reduction is based on the POA recorded in 628500 Miscellaneous expense.
Professional and contractual services	(6.5)	(4.0)	2.5	Variance includes reduction in costs
Materials & supplies	(0.1)	(0.3)	(0.2)	Variance relfected in the plan
Utilities	(0.2)	(0.2)	0.0	This catefory is not consistency due to the telecommunication bills not being paid.
Purchased services	(19.8)	(0.1)	19.7	Variance relfected in the plan
Risk management and insurance	-	(1.1)	(1.1)	Variance reflect cost not included in the plan
Other expenses	(5.0)	(36.5)	(31.5)	Variance reflect cost not included in the plan
Debt service	-	(0.0)	(0.0)	Variance reflect cost not included in the plan
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(56.4)	(57.4)	(1.0)	
Total surplus (deficit)				

City of Detroit

Post Restructuring General Fund Summary

Fire - general fund

($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-	-	-	
Municipal income tax	-	-	-	
Wagering taxes	-	-	-	
Utility users' and other taxes	-	-	-	
Licenses, permits and inspection charges	2.8	2.9	0.1	Variance includes increase collection efforts
State revenue sharing	-	-	-	
Sales and charges for services	19.5	16.7	(2.8)	Variance includes increase collection efforts
Revenue from use of assets	-	-	-	
Parking/court fines and other revenue	0.1	0.1	(0.0)	
DDOT risk mgmt reimbursement	-	-	-	
Reimb. from parking & vehicle fund	-	-	-	
Street fund reimb. and financing proceeds	-	-	-	
Grant revenue	13.2	-	(13.2)	Variance of $2.M is restructuring. Dept didn't include any grant revenue in request
Total revenues	$ 35.6	$ 19.6	$ (16.0)	
Expenditures				
Salaries and wages	76.4	68.4	(8.0)	Variance includes increased staffing levels as well as cost saving in restructuring
Overtime	4.3	4.3	(0.0)	
Pension	9.4	7.3	(2.2)	Variance includes increased staffing levels as well as cost saving in restructuring
Medical & fringe benefits	20.9	24.2	3.3	Variance assumed a reduction of cost in the plan
Professional and contractual services	2.9	3.1	0.2	Variance assumed increase in cost
Materials & supplies	2.0	2.7	0.7	Variance assumed increase in cost
Utilities	1.8	2.1	0.3	Variance assumed increase in cost
Purchased services	0.2	0.3	0.1	Increase in Hazmat contract to dispose of toxic chemicals from accidents.
Risk management and insurance	-	0.1	0.1	Variance reflects a premium increase
Other expenses	24.6	30.0	5.4	Variance assumed increase in cost
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	142.6	142.5	(0.0)	
Total surplus (deficit)	$ 35.6	$ 19.6	$ (16.0)	

City of Detroit

Post Restructuring General Fund Summary
Health & Wellness - general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	-	1.1	1.1	
Revenue from use of assets	-			
Parking/court fines and other revenue	-		-	
DDOT risk mgmt reumbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	1.8			
Total revenues	$ 1.8	$ 1.1	$ (1.8)	Variance increase reflected in the plan
Expenditures			(0.7)	
Salaries and wages	0.7	0.7		
Overtime	0.0		0.1	
Pension	0.0	0.0	(0.0)	
Medical & fringe benefits	0.2	0.2	0.0	
Professional and contractual services	-		(0.0)	
Materials & supplies	-	0.0	-	
Utilities	-	0.0	0.0	
Purchased services	0.2		0.0	
Risk management and insurance	-		(0.2)	
Other expenses	5.1	5.3	-	
Debt service	-		0.1	Variance reflected in the POA
Contributions to non-enterprise funds	-		-	
POC - principal and interest1	-		-	
Transfers out	-		-	
Grant expenses (before reallocation)	-		-	
Total expenditures	6.2	6.3	0.1	
Total surplus (deficit)	$ 1.8	$ 1.1	$ (0.7)	

City of Detroit

Post Restructuring General Fund Summary
Human Resources - general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	2.3	1.9	(0.4)	Reduction in Emp Svcs
Revenue from use of assets	-	-	-	
Parking/court fines and other revenue	-	-	-	
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues	$ 2.3	$ 1.9	$ (0.4)	
Expenditures				
Salaries and wages	6.1	4.3	(1.8)	Variance reflected in the plan for recuitment
Overtime	0.2	0.1	(0.1)	Variance reflected in the plan for recuitment
Pension	0.4	0.3	(0.1)	Variance includes a reductions in cost
Medical & fringe benefits	2.3	1.4	(1.0)	Variance includes a reductions in cost
Professional and contractual services	1.9	1.3	(0.6)	Variance reflects a reduction in cost in the POA
Materials & supplies	0.3	0.2	(0.1)	Variance includes added testing material in the POA
Utilities	0.1	0.1	0.0	
Purchased services	0.2	-	(0.2)	Variance reflected in the plan for recuitment
Risk management and insurance	-		-	
Other expenses	2.5	6.7	4.2	Variance includes an increase in cost
Debt service	-		-	
Contributions to non-enterprise funds	-		-	
POC - principal and interest			-	
Transfers out	-		-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	14.0	14.3	0.3	
Total surplus (deficit)	$ 2.3	$ 1.9	$ (0.4)	

City of Detroit

Post Restructuring General Fund Summary
Human Rights - General Fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	0.5	0.5	-	Variance reflected in POA
Revenue from use of assets	-			
Parking/court fines and other revenue	-			
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues	$ 0.5	$ 0.5	$ -	
Expenditures				
Salaries and wages	(0.7)	(0.3)	(0.4)	Variance reflected in the plan
Overtime	-		-	
Pension	(0.0)	(0.0)	-	
Medical & fringe benefits	(0.2)	(0.1)	(0.1)	Variance includes cost reductions not included in the plan
Professional and contractual services	(0.1)	(0.1)	0.1	Variance includes increase in cost
Materials & supplies	(0.0)	(0.0)	(0.0)	
Utilities	(0.0)	(0.0)	0.0	
Purchased services	-		-	
Risk management and insurance	-		-	
Other expenses	(0.1)	(0.6)	0.5	Variance reflected in the plan
Debt service	-			
Contributions to non-enterprise funds	-			
POC - principal and interest1	-			
Transfers out	-			
Grant expenses (before reallocation)	-			
Total expenditures	(1.1)	(1.1)	(0.0)	
Total surplus (deficit)	$ (0.6)	$ (0.6)	$ (0.0)	

City of Detroit

Post Restructuring General Fund Summary
ITS- general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	512,906.1	512,906.0	(0.1)	Variance includes reductions in revenue
Revenue from use of assets			-	Variance Reflects revenue not included in the plan
Parking/court fines and other revenue	-			
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues	-			
	$ -			
Expenditures				
Salaries and wages	(2,286,842.2)	(2,575,372.0)	(288,529.8)	Variance reflects actual vs average costs
Overtime	(98,108.8)	(73,096.0)	25,012.8	Variance includes a reduction in cost
Pension	114,342.1	(148,076.0)	(262,418.1)	Variance reflects increase in cost
Medical & fringe benefits	1,387.5	(762,463.0)	(763,850.5)	Variance reflects increase in cost
Professional and contractual services	(3,878,895.8)	(3,880,000.0)	(1,104.2)	Increase in office supplies
Materials & supplies	(5,943,375.5)	(6,261,746.0)	(318,370.5)	Variance reflected in the plan
Utilities	(510,050.0)	(410,325.0)	99,725.0	Variance includes a reduction in cost
Purchased services	-	(7,300.0)	(7,300.0)	Variance reflect cost not included in the plan
Risk management and insurance	-	-	-	
Other expenses	(2,013,808.4)	860,665.0	2,874,473.4	There is a cost savings project which decreased the category.
Debt service	(1,438,827.0)	(1,440,000.0)	(1,173.0)	GE Capital Payment for Mainframe work.
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	(1,040,000.0)	(1,040,000.0)	Variance reflects cost not included in the plan
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(16,054,178.0)	(15,737,713.0)	316,465.0	
Total surplus (deficit)	$ (16,054,178.0)	$ (15,737,713.0)	$ 316,465.0	

City of Detroit

Post Restructuring General Fund Summary

Law - general fund

($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-	-	-	
Municipal income tax	-		-	
Wagering taxes	-		-	
Utility users' and other taxes	-		-	
Licenses, permits and inspection charges	-		-	
State revenue sharing	-		-	
Sales and charges for services	0.6	1.5	0.9	Variance include revenue not reflected in the plan
Revenue from use of assets			-	
Parking/court fines and other revenue		0.2	0.2	Variance include revenue not reflected in the plan
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	-		-	
Total revenues	$ 0.6	$ 1.7	$ 1.1	
Expenditures				
Salaries and wages	(7.5)	(6.0)	1.5	Variance reflected in restructuring
Overtime	(0.1)	(0.1)	-	
Pension	(0.4)	(0.3)	0.1	Variance includes reduction incost
Medical & fringe benefits	(2.1)	(1.6)	0.6	Variance includes reduction incost
Professional and contractual services	0.8	(1.8)	(2.6)	Variance reflected in the plan
Materials & supplies		(0.4)	(0.4)	Variance include cost not reflected in the plan
Utilities		(0.1)	(0.1)	Variance include cost not reflected in the plan
Purchased services		(1.4)	(1.4)	Variance include cost not reflected in the plan
Risk management and insurance	2.0		(2.0)	Variance reflected in the plan
Other expenses	(0.2)	(0.6)	(0.4)	Variance includes reduction incost
Debt service	-		-	
Contributions to non-enterprise funds	-		-	
POC - principal and interest]			-	
Transfers out	-		-	
Grant expenses (before reallocation)	-		-	
Total expenditures	(7.6)	(12.4)	(4.8)	
Total surplus (deficit)	$ (7.1)	$ (10.7)	$ (3.6)	

City of Detroit

Post Restructuring General Fund Summary
Mayor's Office- general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-		-	
Municipal income tax	-		-	
Wagering taxes	-		-	
Utility users' and other taxes	-		-	
Licenses, permits and inspection charges	-		-	
State revenue sharing	-		-	
Sales and charges for services	0.1	-	(0.1)	$57,550 for OHS transfer to Mayor's Office.
Revenue from use of assets	-		-	
Parking/court fines and other revenue	-		-	
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	-		-	
Total revenues	$ 0.1	$ -	$ (0.1)	
Expenditures				
Salaries and wages	(3.6)	(4.5)	(0.9)	OHS transfer to Mayor's Office
Overtime	(0.0)	-	0.0	
Pension	(0.2)	(0.3)	(0.1)	
Medical & fringe benefits	(1.2)	(1.1)	0.1	OHS transfer to Mayor's Office
Professional and contractual services	(1.2)	(0.5)	0.7	Variance reflect in the POA
Materials & supplies	(0.1)	(0.1)	(0.0)	
Utilities	(0.1)	(0.1)	-	
Purchased services	-		-	
Risk management and insurance	-	-	-	
Other expenses	(6.4)	(6.5)	(0.1)	
Debt service	-		-	
Contributions to non-enterprise funds	$ (6.4)	$ (6.5)	$ (0.1)	
POC - principal and interest				
Transfers out				
Grant expenses (before reallocation)				
Total expenditures				
Total surplus (deficit)				Variance reflect in the plan

City of Detroit

Post Restructuring General Fund Summary
PDD - general fund

($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	0.0		(0.0)	
Revenue from use of assets	0.2	5.4	5.2	Variance Reflect revenue not included in theplan
Parking/court fines and other revenue	0.0	0.0	0.0	
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	4.6	0.5	(4.1)	No grant rev budgeted
Total revenues	$ 4.8	$ 6.0	$ 1.2	
Expenditures				
Salaries and wages	(3.9)	(2.3)	1.5	
Overtime	-	(0.0)	(0.0)	
Pension	0.2	(0.1)	(0.3)	
Medical & fringe benefits	(1.3)	(0.7)	0.6	
Professional and contractual services	(1.7)	(0.6)	1.1	
Materials & supplies	(0.2)	(0.2)	(0.0)	
Utilities	(0.1)	(0.1)	0.0	
Purchased services	(0.1)	(0.4)	(0.4)	
Risk management and insurance	-	-	-	
Other expenses	(4.0)	(1.8)	2.1	
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(11.0)	(6.3)	4.7	
Total surplus (deficit)	$ (6.2)	$ (0.3)	$ 5.9	

City of Detroit

Post Restructuring General Fund Summary

Police - general fund

($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-		-	
Municipal income tax	-	20.1	20.1	Variance reflects revenue not included in the plan
Wagering taxes	-		-	
Utility users' and other taxes	24.5	15.9	(8.6)	Variance Reflects to plan not including transfer to income tax
Licenses, permits and inspection charges	0.6	0.6	0.0	
State revenue sharing	-		-	
Sales and charges for services	6.6	3.1	(3.5)	Variance reflected in the plan
Revenue from use of assets	-		-	
Parking/court fines and other revenue	3.9	7.0	3.1	Variance includes revnue not included in thr POA
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	7.8	-	(7.8)	Variance reflects reclass this revenue out of the General Fund to General Grants
Total revenues	$ 43.5	$ 46.8	$ 3.3	
Expenditures				
Salaries and wages	(159.9)	(157.0)	2.9	Variance reflected in the plan
Overtime	(21.9)	(21.3)	0.6	Variance reflected in the plan
Pension	(19.6)	(17.9)	1.7	Variance reflected chanege in fringe percentages from the plan
Medical & fringe benefits	(41.4)	(37.1)	4.3	Variance reflected chanege in fringe percentages from the plan
Professional and contractual services	(7.6)	(4.4)	3.2	Variance includes decrease in cost
Materials & supplies	(7.1)	(8.1)	(1.0)	Variance reflected in the plan
Utilities	(10.1)	(9.6)	0.5	
Purchased services	(21.6)	(11.3)	10.3	Variance reflected in the plan
Risk management and insurance	-	-	-	
Other expenses	(27.1)	(42.1)	15.0	Variance includes cost not reflected in the plan
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	(1.5)	1.5	Variance includes Grant contribution cash
Total expenditures	(316.3)	(310.1)	39.0	
Total surplus (deficit)	$ (272.8)	$ (263.3)	$ 42.4	

City of Detroit

Post Restructuring General Fund Summary
PLD - general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	-			
Revenue from use of assets	26.1	-	(26.1)	Variance reflects reclassification
Parking/court fines and other revenue	-			
DDOT risk mgmt reimbursement	-	26.1	26.1	Variance reflects reclassification
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues	-			
	$ 26.1	$ 26.1	$ 0.0	
Expenditures				
Salaries and wages	(0.6)	(0.6)	(0.0)	
Overtime	(0.1)	(0.0)	0.1	Minimal OT required.
Pension	-	(0.0)	(0.0)	
Medical & fringe benefits	(0.2)	(0.3)	(0.1)	POA understated.
Professional and contractual services	(10.2)	(1.3)	8.9	Variance reflects reclassication of costs
Materials & supplies	(13.3)	(0.6)	12.7	Same.
Utilities	(4.5)	(7.5)	(3.0)	POA understated.
Purchased services	(1.4)	-	1.4	POA overstated because of PLD transfer of power generation, distribution and maintenance to DTE Energy.
Risk management and insurance	-	-	-	
Other expenses	(0.2)	(28.5)	(28.3)	Pass through to 3rd party contractor.
Debt service	-	-	-	
Contributions to non-enterprise funds	(8.4)	-	8.4	Allocated under Other Expenses.
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(38.9)	(38.8)	0.1	
Total surplus (deficit)	$ (12.8)	$ (12.7)	$ 0.1	

City of Detroit

Post Restructuring General Fund Summary
Recreation - general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	512,906.1	512,906.0	(0.1)	Variance includes reductions in revenue
Revenue from use of assets			-	Variance Reflects revenue not included in the plan
Parking/court fines and other revenue	-			
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues	-			
	$ -			
Expenditures				
Salaries and wages				
Overtime				
Pension				
Medical & fringe benefits				
Professional and contractual services				
Materials & supplies				
Utilities				
Purchased services				
Risk management and insurance				
Other expenses				
Debt service				
Contributions to non-enterprise funds				
POC - principal and interest1				
Transfers out				
Grant expenses (before reallocation)	-		-	
Total expenditures	-		-	
	-	-	-	
Total surplus (deficit)				

City of Detroit

Post Restructuring General Fund Summary
DAH - general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-	-	-	
Municipal income tax	-	-	-	
Wagering taxes	-	-	-	
Utility users' and other taxes	-	-	-	
Licenses, permits and inspection charges	-	-	-	
State revenue sharing	-	-	-	
Sales and charges for services	0.5	0.5	0.0	
Revenue from use of assets	-	-	-	
Parking/court fines and other revenue	0.0	0.0	(0.0)	
DDOT risk mgmt reimbursement	-	-	-	
Reimb. from parking & vehicle fund	-	-	-	
Street fund reimb. and financing proceeds	-	-	-	
Grant revenue	-	-	-	
Total revenues	$ 0.5	$ 0.5	$ 0.0	
Expenditures				
Salaries and wages	0.3	0.3	(0.0)	
Overtime	-	-	-	
Pension	0.0	0.0	0.0	
Medical & fringe benefits	0.1	0.1	(0.0)	
Professional and contractual services	0.4	0.6	0.2	Vstisnce reflect increase in cost not included in the plan
Materials & supplies	0.0	0.0	0.0	
Utilities	0.0	0.0	0.0	
Purchased services	0.0	-	(0.0)	
Risk management and insurance	-	-	-	
Other expenses	0.1	0.1	0.0	
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	1.0	1.2	0.1	
Total surplus (deficit)				

City of Detroit

Post Restructuring General Fund Summary
General Services - general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-		-	
Municipal income tax	-		-	
Wagering taxes	-		-	
Utility users' and other taxes	-		-	
Licenses, permits and inspection charges	-		-	
State revenue sharing	-		-	
Sales and charges for services	2.3	1.7	(0.6)	Variance includes reduction in revenue due to Solid Waste contract
Revenue from use of assets	3.4	-	(3.4)	Variance reflected in the plan
Parking/court fines and other revenue	7.4	4.2	(3.2)	Variance reflected in the plan
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-	6.9	6.9	Variance based on revenue reflected in Parking/ court fines
Grant revenue	0.7		(0.7)	Variance reflects revenue that should be reclassed to another revenue line
Total revenues	$ 13.8	$ 12.8	$ (1.0)	
Expenditures				
Salaries and wages	(14.0)	(12.3)	1.7	Variance reflecvtind in the plan
Overtime	(2.2)	(1.8)	0.4	Reduction in DPW Fleet Repair
Pension	(0.8)	(0.7)	0.1	Variance reflecvtind in the plan
Medical & fringe benefits	(6.0)	(4.8)	1.2	Variance reflecvtind in the plan
Professional and contractual services	(7.4)	(10.9)	(3.5)	Variance includes increase in cost with POA cost savings
Materials & supplies	(14.2)	(8.9)	5.3	Variance reflecvtind in the plan
Utilities	(1.0)	(1.0)	0.0	
Purchased services	(1.0)	(1.0)	(0.0)	
Risk management and insurance	(0.4)	(0.6)	(0.2)	
Other expenses	(11.3)	(24.7)	(13.4)	Variance reflected in the plan for capital investment and other infrastructure
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(58.3)	(66.6)	(8.3)	
Total surplus (deficit)	$ (44.5)	$ (53.9)	$ (9.4)	

City of Detroit

Post Restructuring General Fund Summary
Auditor General- general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-	-	-	
Municipal income tax	-	-	-	
Wagering taxes	-	-	-	
Utility users' and other taxes	-	-	-	
Licenses, permits and inspection charges	-	-	-	
State revenue sharing	-	-	-	
Sales and charges for services	-	-	-	
Revenue from use of assets	-	-	-	
Parking/court fines and other revenue	-	-	-	
DDOT risk mgmt reimbursement	-	-	-	
Reimb. from parking & vehicle fund	-	-	-	
Street fund reimb. and financing proceeds	-	-	-	
Grant revenue	-	-	-	
Total revenues	$ -	$ -	$ -	
Expenditures				
Salaries and wages	1.4	0.7	(0.7)	Variance reflected in Restructuring
Overtime	-	0.0	0.0	
Pension	0.1	0.0	(0.1)	
Medical & fringe benefits	0.5	0.2	(0.3)	Variance reflected in Restructuring
Professional and contractual services	1.7	2.3	0.6	Variance include increase in cost
Materials & supplies	-	0.0	0.0	
Utilities	-	0.0	0.0	
Purchased services	-	-	-	
Risk management and insurance	-	-	-	
Other expenses	0.2	0.5	0.3	Variance baesed on increase cost
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	3.9	3.8	(0.1)	
Total surplus (deficit)				

City of Detroit

Post Restructuring General Fund Summary
City Council - general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-		-	
Municipal income tax	-		-	
Wagering taxes	-		-	
Utility users' and other taxes	-		-	
Licenses, permits and inspection charges	-		-	
State revenue sharing	-		-	
Sales and charges for services	-		-	
Revenue from use of assets	-		-	
Parking/court fines and other revenue	-		-	
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	-		-	
Total revenues	$ -	$ -	$ -	
Expenditures				
Salaries and wages	(0.7)	-	0.7	Variance reflect movement to contractual employees
Overtime	-		-	
Pension	-		-	
Medical & fringe benefits	(0.2)	(0.4)	(0.2)	
Professional and contractual services	(4.7)	(5.2)	(0.5)	Variance reflected in to plan cost savings
Materials & supplies	(0.1)	(0.2)	(0.1)	Varance based on increased cost
Utilities	(0.1)	(0.1)	0.0	
Purchased services	-		-	
Risk management and insurance	-		-	
Other expenses	(0.6)	(1.0)	(0.4)	
Debt service	-		-	
Contributions to non-enterprise funds	-		-	
POC - principal and interest	-		-	
Transfers out	-		-	
Grant expenses (before reallocation)	-		-	
Total expenditures	(6.4)	(6.9)	(0.4)	
Total surplus (deficit)	$ 6.4	$ 6.9	$ 0.4	

City of Detroit

Post Restructuring General Fund Summary
Board of Zoning - General Fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-	-	-	
Municipal income tax	-	-	-	
Wagering taxes	-	-	-	
Utility users' and other taxes	-	-	-	
Licenses, permits and inspection charges	-	-	-	
State revenue sharing	-	-	-	
Sales and charges for services	0.1	0.1	(0.0)	
Revenue from use of assets	-	-	-	
Parking/court fines and other revenue	-	-	-	
DDOT risk mgmt reimbursement	-	-	-	
Reimb. from parking & vehicle fund	-	-	-	
Street fund reimb. and financing proceeds	-	-	-	
Grant revenue	-	-	-	
Total revenues	$ 0.1	$ 0.1	$ (0.0)	
Expenditures				
Salaries and wages	(0.3)	(0.2)	0.1	Variance reflects actual vs average cost
Overtime	-	-	-	
Pension	-	(0.0)	(0.0)	
Medical & fringe benefits	(0.2)	(0.1)	0.1	Variance reflects actual vs average cost
Professional and contractual services	(0.1)	(0.1)	(0.0)	
Materials & supplies	-	(0.0)	(0.0)	
Utilities	-	(0.0)	(0.0)	
Purchased services	-	-	-	
Risk management and insurance	-	-	-	
Other expenses	(0.1)	(0.1)	0.0	Variance reflected in the plan
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(0.6)	(0.5)	0.1	
Total surplus (deficit)	$ (0.5)	$ (0.4)	$ 0.1	

City of Detroit

Post Restructuring General Fund Summary
Ombudsperson - general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	-	-	-	
Revenue from use of assets	-	-	-	
Parking/court fines and other revenue	-	-	-	
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues	$ -	$ -	$ -	
Expenditures				
Salaries and wages	0.9	0.5	(0.4)	Increase from Restructuring
Overtime	-	-	-	
Pension	0.1	0.0	(0.0)	
Medical & fringe benefits	0.3	0.1	(0.2)	Increase from Restructuring
Professional and contractual services	0.0	0.0	(0.0)	
Materials & supplies	0.0	0.0	0.0	
Utilities	0.0	0.0	0.0	
Purchased services	3.0	-	(3.0)	Technology Infrastructure
Risk management and insurance	-		-	
Other expenses	0.1	0.1	0.0	
Debt service	-		-	
Contributions to non-enterprise funds	-		-	
POC - principal and interest1			-	
Transfers out	-		-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	4.4	0.8	(3.6)	
Total surplus (deficit)	$ 4.4	$ 0.8	$ (3.6)	

City of Detroit

Post Restructuring General Fund Summary
City Clerk - general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-		-	
Municipal income tax	-		-	
Wagering taxes	-		-	
Utility users' and other taxes	-		-	
Licenses, permits and inspection charges	-		-	
State revenue sharing	-		-	
Sales and charges for services	(0.0)	(0.0)	(0.0)	
Revenue from use of assets	-		-	
Parking/court fines and other revenue	-		-	
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	-		-	
Total revenues	$ (0.0)	$ (0.0)	$ (0.0)	
Expenditures				
Salaries and wages	(0.6)	(0.6)	(0.0)	
Overtime	(0.0)	-	0.0	"
Pension	(0.0)	(0.0)	(0.0)	"
Medical & fringe benefits	(0.2)	(0.2)	(0.0)	"
Professional and contractual services	(0.0)	(0.1)	(0.1)	
Materials & supplies	(0.6)	(0.8)	(0.1)	Variance reflected in restructuring plan
Utilities	(0.0)	(0.1)	(0.1)	Variance reflected increase cost
Purchased services	-		-	
Risk management and insurance	-		-	
Other expenses	(0.6)	(0.3)	0.3	Variance reflected in restructuring plan
Debt service	-		-	
Contributions to non-enterprise funds	-		-	
POC - principal and interest1			-	
Transfers out	-		-	
Grant expenses (before reallocation)	-		-	
Total expenditures	(2.1)	(2.1)	0.0	
Total surplus (deficit)	$ 2.1	$ 2.1	$ (0.0)	

City of Detroit

Post Restructuring General Fund Summary
Elections - general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	-			
Revenue from use of assets	-	0.0	0.0	
Parking/court fines and other revenue	-			
DDOT risk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues	$ -	$ 0.0	$ 0.0	
Expenditures				
Salaries and wages	(1.72)	(1.70)	0.02	
Overtime				
Pension	(0.2)	-	0.2	Variance reflects increase in cost
Medical & fringe benefits				
Professional and contractual services	(0.1)	(0.1)	-	
Materials & supplies				
Utilities	(0.9)	(0.8)	0.1	Variance relects reduction in cost
Purchased services	(3.3)	(0.5)	2.8	Variance relects reduction in cost
Risk management and insurance	(0.5)	(0.3)	0.2	Variance relects reduction in cost
Other expenses	(0.3)	(0.4)	(0.1)	Variance reflects increase in cost
Debt service	-		-	
Contributions to non-enterprise funds	-		-	
POC - principal and interest1	(0.5)	(0.4)	0.1	Based on capital investment reflected in the POA
Transfers out	-		-	
Grant expenses (before reallocation)	-		-	
Total expenditures	(7.5)	(4.3)	3.2	
Total surplus (deficit)	-		-	
	$ (7.5)	$ (4.2)	$ 3.2	

City of Detroit

Post Restructuring General Fund Summary
36th District Court - general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	0.7		(0.7)	No revenue budgeted
Revenue from use of assets	10.0	10.0	(0.0)	
Parking/court fines and other revenue	-			
DDOT risk mgmt reimbursement	6.8	6.5	(0.3)	Revenue to GSD
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-			
Total revenues	-		-	
	$ 17.6	$ 16.6	$ (1.0)	
Expenditures				
Salaries and wages	(16.8)	(16.6)	0.2	Variance reflects actual vs average cost
Overtime	(0.1)	(0.2)	(0.1)	Variance reflects increasee in cost
Pension	(1.0)	(4.1)	(3.1)	Variance reflects increasee in cost
Medical & fringe benefits	(7.6)	(7.2)	0.3	Variance reflect reduction in cost
Professional and contractual services	(3.1)	(3.0)	0.1	Variance reflects reduction in cost
Materials & supplies	(0.8)	(1.0)	(0.2)	Variance relfected in the plan
Utilities	(0.5)	(0.6)	(0.1)	Variance relfected in the plan
Purchased services	(4.0)	(1.0)	3.0	Purch Svcs in line with Redbook
Risk management and insurance	(0.1)	(0.1)	(0.0)	
Other expenses	(5.2)	0.5	5.7	Variance relfected in the plan
Debt service	-	-	-	
Contributions to non-enterprise funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(39.1)	(33.4)	5.8	
Total surplus (deficit)	$ (21.5)	$ (16.8)	$ 4.7	

City of Detroit

Post Restructuring General Fund Summary
Non Departmental - general fund
($ in millions)

Revenues	Plan of Adj 2016	Budget 2016	Variance	Explanation
Property taxes	100.8	100.8	-	The Budget, based on Feb. 2014 Revenue Conference results was increased by $10.0 million to reflect the Plan of Adjustment . The POA total excludes $1.8 million reserved for uncollectible
Municipal income tax	268.4	248.3	(20.1)	The Budget was based on Feb. 2014 Revenue Conference results and was revised to reflect the POA. The Plan of Adjustment total excludes income tax revenues due to the Police Dept under P.A. 394 of 2012. In addition, revenues were increased in the POA for restructuring and reinvestment projects for Income tax collections process improvements and improved economic conditions
Wagering taxes	169.0	169.0	-	The Budget was based on the Feb. 2014 Revenue Conference results increased by $201,000 to reflect the POA.
Utility users' and other taxes	9.9	8.7	(1.2)	The Budget was based on Feb. 2014 Revenue Conference results and revised to reflect the POA. Utility Users' tax is budgeted in the Police Dept. The POA decreased revenues from other taxes
Licenses, permits and inspection charges	-	-	-	Industrial Facility Taxes; Neighborhood Enterprise Zone taxes by $400,000; Interest- current & prior on property taxes by $524,928; property tax penalties by $200,000 and PILOT by $200,000. No actual collections
State revenue sharing	198.0	198.0	-	The Budget is based on Feb. 2014 Revenue Conference results and revised to reflect the POA
Sales and charges for services	54.0	63.6	9.7	The Budget was based on Feb. 2014 Revenue Conference results. The Plan of Adjustment total includes revenues from reimbursements from the Pension system of $2.6 million shown as a transfer, reductions to Central Staff Service of $6.8 million; other reimbursements, increases to Administrative fees (1% on property tax bills), increased reimbursements from DWSD and other funds for OPEB/POC of $6.1 million (net). The Budget includes revenues from PEG fees, misc. receipts from Nondept agencies, towing fee revenues of $1.2 million (not included in POA) and state PILOT revenues shown as other taxes in the POA.
Revenue from use of assets	0.2	0.2	-	The Budget is based on Feb. 2014 Revenue Conference results. The Plan of Adjustment include revenues of 231,006 for Wireless tower fees.
Parking/court fines and other revenue	10.3	22.5	12.2	The Plan of Adjustment includes other revenues for miscellaneous receipts and additional revenues from 36 District Court fees of $8.2 million due to restructuring. The Budget includes PILOT shown under other taxes in the POA. The Budget includes a $4 million from the sale of assets (auction). The Budget also includes quarterly and annual payments from settlement of litigation not included in the POA totals.
DDOT risk mgmt reimbursement	12.1	12.0	(0.1)	The Budget is based on Feb. 2014 Revenue Conference results that include Workers' Compensation pass through revenues of $9.1 million. The Final Plan of Adjustment includes a $12.1 million reimbursement from DDOT and no workers' compensation reimb.
Reimbursements from other funds	29.4	58.7	29.2	The Budget is based on Feb. 2014 Revenue Conference results that included a Parking System advance of $6.6 million only. The Plan of Adjustment includes Transfer from Other funds for the Vechicle fund and Parking System advance, both revenue offsets. The Budget does not include a Vechicle fund reimbursement (no debt outstanding). The Budget does includes a transfer from the Debt Service Fund to be used to offset pension payments. The Budget also reflects a budget reserve of 49.0 million.
Street fund reimbursements	4.2	4.2	-	The Budget is based on Feb. 2014 Revenue Conference results . The Plan of Adjustment increases Street Fund reimbursements to 4.2 million

City of Detroit

Post Restructuring General Fund Summary
Non Departmental - general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
QOL/Exit Financing Proceeds (net)/ Escrow Proceeds	23.7	-	(23.7)	The Plan of Adjustment includes exit financing proceeds of $23 million, not included in the Budget.
Grant revenue	9.0	9.0	-	The Plan of Adjustment includes Grant Revenue from Blight activity shown in the Budget in Fund 1002 and Fund 3100. Grant revenues includes $9 million from the Fire Escrow fund balance.
UTGO Debt Service	57.7	-	(57.7)	The Plan of Adjustment includes expenses for UTGO debt service included in the General Fund as a transfer-in. The Budget excludes UTGO from the General Fund and records in Fund 4000- Sinking and Interest Fund.
Total revenues	$ 946.8	$ 895.0	$ (51.8)	
Expenditures				
Salaries and wages	(0.7)	(3.6)	(2.9)	The Budget includes the Pension Division operating costs.
Overtime	(0.1)	(0.1)	(0.0)	The Budget includes the Pension Division operating costs.
Pension	(2.0)	(0.2)	1.8	The Budget includes the Pension Division operating costs. A new hybrid fixed contribution Pension factor was implemented (5.75%).
Medical & Fringe benefits	(0.9)	(25.2)	(24.3)	The Plan of Adjustment and Budget includes the Pension Division operating costs. The Plan of Adjustment and Budget includes a payment to the GRS of $24 million. Variance represents the recording of the payment in different categories.
Professional and contractual services	(3.4)	(2.1)	1.3	The Plan of Adjustment includes $2.1 million in restructuring professional service contractual expenditures and auditing. Variances respresent dept expenditures.
Materials & supplies	(0.4)	(0.1)		The Plan of Adjustment includes operating supplies and materials recorded in Nondept agencies.
Utilities	(0.1)	(0.0)	0.2	The variance between the Budget Recommendation represent estimated usage in the Nondept agencies.
			0.1	The Budget includes the Pension Division operating costs for telecommunications.
Purchased services	(33.1)	(50.0)	(16.9)	The Plan of Adjustment includes restructuring purchased services for Blight reinvestment. The budget includes the Blight reinvestment costs in both Fund 1002 ($49.5 million) and 3100. Additional Purchase Services expenditures included in the Budget are Prisoner Care $370,000 and Purchase Service in the agencies.
Risk management and insurance	(37.4)	(37.4)	-	The Plan of Adjustment and the Budget include Risk Mangement premiums of 37.4 million for the General Fund.
Other expenses	(22.0)	(18.6)	3.4	The Plan of Adjustment includes Miscellaneous expenses of $5 million, Rentals Bldg 626400, Captured District Taxes costs of $9.3 million. The Plan of Adjustment includes project costs, and PLD decommission costs of $5 million. The Budget includes contingency funding of 1% of certain revenues for the General Fund $10.9 million .
Debt service	(156.7)	(81.0)	75.7	The Plan of Adjustment and the Budget includes debt service payments for the following: Exit financing-interest of $15.8 million; Note B $25.3 million; Note B2 (36 District Court) $430,174; Note C $10.0 million and 2010 and 2012 secured - DSA issues $29.5 million. The Plan of Adjustment includes expenses for UTGO debt service included in the General Fund as a transfer. The Budget excludes UTGO from the General Fund and records in Fund 4000- Sinking and Interest Fund.
Contributions to non-enterprise funds	(29.1)	(10.6)	18.5	The Final Plan of Adjustment includes Parking Operating Advance $6.6 million Airport and cultural subsidies. The Budget includes the Parking advance and general fund contributions for cultural institutions.
Transfers out	(58.0)	(66.5)	(8.5)	The Plan of Adjustment includes General Fund subsidy payments for DDOT. DDOT and Airport expenditures are recorded in the contributions object in the Budget
Total expenditures	$ (344.0)	$ (295.6)	$ 48.4	
Total surplus (deficit)	$ 602.8	$ 599.4	$ (3.4)	

City of Detroit

Post Restructuring General Fund Summary
BSEED - general fund
($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-		-	
Municipal income tax	-		-	
Wagering taxes	-		-	
Utility users' and other taxes	-		-	
Licenses, permits and inspection charges	2.2	2.0	(0.2)	Variance reflected in the plan
State revenue sharing	-		-	
Sales and charges for services	0.0	0.1	0.0	
Revenue from use of assets	-		-	
Parking/court fines and other revenue	-	0.2	0.2	Variance reflects revenue not included in the plan
DDOT risk mgmt reimbursement	-		-	
Reimb. from parking & vehicle fund	-		-	
Street fund reimb. and financing proceeds	-		-	
Grant revenue	-		-	
Total revenues	$ 2.2	$ 2.2	$ 0.0	
Expenditures				
Salaries and wages	0.5	0.4	(0.1)	Variance reflected in the plan
Overtime	-	-	-	
Pension	-	0.0	0.0	
Medical & fringe benefits	0.1	0.2	0.0	
Professional and contractual services	-	0.1	0.1	
Materials & supplies	-	0.0	0.0	
Utilities	-		-	
Purchased services	0.1	0.1	(0.0)	
Risk management and insurance	-		-	
Other expenses	-	(0.0)	(0.0)	
Debt service	-		-	
Contributions to non-enterprise funds	-		-	
POC - principal and interest1	-		-	
Transfers out	-		-	
Grant expenses (before reallocation)	-		-	
Total expenditures	0.8	0.8	0.1	
Total surplus (deficit)				

City of Detroit

Post Restructuring General Fund Summary

Municipal Parking - general fund

($ in millions)

	Plan of Adj 2016	Budget 2016	Variance	Explanation
Revenues				
Property taxes	-			
Municipal income tax	-			
Wagering taxes	-			
Utility users' and other taxes	-			
Licenses, permits and inspection charges	-			
State revenue sharing	-			
Sales and charges for services	-	-	-	
Revenue from use of assets	-	-	-	
Parking/court fines and other revenue	18.3	11.4	(6.9)	Variance relflected on the plan
DDOT nsk mgmt reimbursement	-			
Reimb. from parking & vehicle fund	-			
Street fund reimb. and financing proceeds	-			
Grant revenue	-		-	
Total revenues	$ 18.3	$ 11.4	$ (6.9)	
Expenditures				
Salaries and wages	(1.6)	(1.7)	(0.1)	Variance reflect uses of actual vs average cost
Overtime	(0.0)	(0.0)	(0.0)	
Pension	(0.1)	(0.1)	(0.0)	
Medical & fringe benefits	(0.7)	(0.8)	(0.1)	Variance reflect uses of actual vs average cost
Professional and contractual services	(2.6)	(2.3)	0.3	Contract Svcs Other
Materials & supplies	(0.2)	(0.1)	0.1	Variance reflected in the plan
Utilities	(0.1)	(0.1)	(0.0)	
Purchased services	(0.1)	(0.1)	0.1	Dept Rebidding Contract
Risk management and insurance	-	-	-	
Other expenses	(0.5)	(0.6)	(0.2)	2% increase from 14-15;
Debt service	-	-	-	
Contnbutions to non-enterpnse funds	-	-	-	
POC - principal and interest1	-	-	-	
Transfers out	-	-	-	
Grant expenses (before reallocation)	-	-	-	
Total expenditures	(5.9)	(5.9)	0.1	
Total surplus (deficit)	$ 12.4	$ 5.6	$ (6.8)	

EXHIBIT C

NONEXCLUSIVE SCHEDULE OF POSTPETITION COLLECTIVE BARGAINING AGREEMENTS AND CITY EMPLOYMENT TERMS

I. FULLY APPROVED AGREEMENTS[2]

A. City of Detroit Collective Bargaining Agreements

1) Master Agreement Between the City of Detroit and the Police Officers Association of Michigan (POAM), 2013-2018, dated November 12, 2013.

2) Master Agreement Between the City of Detroit and the International Brotherhood of Teamsters Local 214 2013-2018, dated December 18, 2013.

   a. Supplemental Agreement Between the City of Detroit Police Department and Teamsters State, County and Municipal Workers, Local 214 2013-2018, dated December 18, 2013.

   b. Supplemental Agreement Between the Department of Public Works and Teamsters Local 214 2013-2018, dated December 18, 2013.

   c. Supplemental Agreement Between the General Services Department and Teamsters Local 214 2013-2018, dated December 18, 2013.

   d. Supplemental Agreement between the City of Detroit Municipal Parking Department and Local 214 Teamsters State, County and Municipal Workers, 2013-2018, dated December 18, 2013.

3) Master Agreement Between the City of Detroit and the International Union of Operating Engineers (IUOE) Local 324 2013-2018, dated December 18, 2013.

4) Master Agreement Between the City of Detroit and the International Union of Operating Engineers (IUOE) Local 324 (Park Management) 2013-2018, dated December 18, 2013.

5) Master Agreement Between the City of Detroit and the International Union of Operating Engineers (IUOE) Local 324 (Principal Clerks) 2013-2018, dated December 18, 2013.

6) Master Agreement Between the Assistant Supervisors of Street Maintenance and Construction and the City of Detroit 2014-2018.

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2 "Fully Approved Agreements" means those collective bargaining agreements that have been (i) ratified by the applicable bargaining unit or units, as necessary (ii) approved by the applicable City or DWSD bargaining representatives, (iii) approved by the Emergency Manager and (iv) approved by the Office of the Treasurer of the State of Michigan.

7) Master Agreement Between the City of Detroit and the Michigan Building and Construction Trades Council 2014-2018, dated May 1, 2014.

8) Master Agreement Between the City of Detroit and the Emergency Medical Service Officers Association 2014-2019, dated June 11, 2014.

9) Master Agreement Between the City of Detroit and Local 1863 of the American Federation of State County and Municipal Employees, AFL-CIO (Detroit Civilian Crossing Guards) 2014-2018, dated June 27, 2014.

10) Master Agreement Between the City of Detroit and Local 542 of the American Federation of State County and Municipal Employees, AFL-CIO (Motor City Seasonals) 2014-2018, dated June 27, 2014.

11) Master Agreement Between the City of Detroit and Local 1206 of the American Federation of State County and Municipal Employees, AFL-CIO (Detroit Forestry and Landscape Foreman's Union) 2014-2018, dated June 27, 2014.

12) Master Agreement Between the City of Detroit and Local 2394 of the American Federation of State County and Municipal Employees, AFL-CIO (Supervisory Unit) 2014-2018, dated June 27, 2014.

   a. Supplemental Agreement Between the City of Detroit Elections Department and Local 2394 of the American Federation of State County and Municipal Employees, AFL-CIO (Supervisory Unit) 2014-2018.

   b. Supplemental Agreement Between the City of Detroit Municipal Parking Department and Local 2394 of the American Federation of State County and Municipal Employees, AFL-CIO (Supervisory Unit) 2014-2018.

   c. Supplemental Agreement Between the City of Detroit Police Department and Local 2394 of the American Federation of State County and Municipal Employees, AFL-CIO (Supervisory Unit) 2014-2018.

   d. Supplemental Agreement Between the City of Detroit Recreation Department and Local 2394 of the American Federation of State County and Municipal Employees, AFL-CIO (Supervisory Unit) 2014-2018.

13) Master Agreement Between the City of Detroit and Local 6087 of the American Federation of State County and Municipal Employees, AFL-CIO (Paving Forepersons) 2014-2018, dated June 27, 2014.

14) Master Agreement Between the City of Detroit and the Detroit Police Command Officers Association 2014-2019, dated June 18, 2014.

15) Master Agreement Between the City of Detroit and the Detroit Income Tax Investigators Association 2014-2018.

16) Master Agreement Between the City of Detroit and the Association of Municipal Inspectors 2014-2018, dated June 27, 2014.

17) Master Agreement Between the City of Detroit and the Service Employees International Union Local 517-M (Supervisory Unit) 2014-2018, dated June 25, 2014.

18) Master Agreement Between the City of Detroit and the Service Employees International Union Local 517-M (Non-Supervisory Unit) 2014-2018, dated June 25, 2014.

19) Master Agreement Between the City of Detroit and the Service Employees International Union Local 517-M (Professional and Technical Unit) 2014-2018, dated June 25, 2014.

20) Master Agreement Between the City of Detroit and the Association of City of Detroit Supervisors 2014-2018, dated June 27, 2014.

21) Master Agreement Between the City of Detroit and the Association of Professional and Technical Employees 2014-2018, dated July 22, 2014.

22) Master Agreement Between the City of Detroit and the Senior Accountants, Analysts and Appraisers Association 2014-2018, dated May 27, 2014.

23) Master Agreement Between the City of Detroit and Michigan Council 25 of the American Federation of State, County and Municipal Employees, AFL-CIO (Non-Supervisory Bargaining Unit) 2014-2018.

   a. Supplemental Agreement Between the City of Detroit Planning and Development Department and Local 23 of the American Federation of State County and Municipal Employees, AFL-CIO 2014-2018.

   b. Supplemental Agreement Between the City of Detroit Building and Safety Department and Local 62 of the American Federation of State County and Municipal Employees, AFL-CIO 2014-2018.

   c. Supplemental Agreement Between the City of Detroit Department of Public Works and Local 62 of the American Federation of State County and Municipal Employees, AFL-CIO 2014-2018.

   d. Supplemental Agreement Between the City of Detroit General Services Department and Local 62 of the American Federation of State County and Municipal Employees, AFL-CIO 2014-2018.

e. Supplemental Agreement Between the City of Detroit Human Resources Department and Local 62 of the American Federation of State County and Municipal Employees, AFL-CIO 2014-2018.

f. Supplemental Agreement Between the City of Detroit Information Technology Department and Local 62 of the American Federation of State County and Municipal Employees, AFL-CIO 2014-2018.

g. Supplemental Agreement Between the City of Detroit Municipal Parking Department and Local 62 of the American Federation of State County and Municipal Employees, AFL-CIO 2014-2018.

h. Supplemental Agreement Between the City of Detroit Department of Public Works and Local 229 of the American Federation of State County and Municipal Employees, AFL-CIO 2014-2018.

i. Supplemental Agreement Between the City of Detroit General Services Department and Local 229 of the American Federation of State County and Municipal Employees, AFL-CIO 2014-2018.

j. Supplemental Agreement Between the City of Detroit General Services Department and Local 542 of the American Federation of State County and Municipal Employees, AFL-CIO 2014-2018.

k. Supplemental Agreement Between the City of Detroit Fire Department and Local 542 of the American Federation of State County and Municipal Employees, AFL-CIO 2014-2018.

l. Supplemental Agreement Between the City of Detroit Recreation Department and Local 542 of the American Federation of State County and Municipal Employees, AFL-CIO 2014-2018.

m. Supplemental Agreement Between the City of Detroit Recreation Department and Local 836 of the American Federation of State County and Municipal Employees, AFL-CIO 2014-2018.

n. Supplemental Agreement Between the City of Detroit Public Lighting Department and Local 2920 of the American Federation of State County and Municipal Employees, AFL-CIO 2014-2018.

24) Master Agreement Between the City of Detroit and the Detroit Police Officers Association, dated October 1, 2014.

25) Master Agreement Between the City of Detroit and the Association of Professional Construction Inspectors 2014-2018.

26) Master Agreement Between the City of Detroit and the United Automobile, Aerospace and Agricultural Implement Workers of America Local 212 – Police Commission Investigators 2014-2018, dated October 20, 2014.

27) Master Agreement Between the City of Detroit and the United Automobile, Aerospace and Agricultural Implement Workers of America Local 412 – Legal Assistants 2014-2018, dated October 20, 2014.

28) Master Agreement Between the City of Detroit and the Association of Detroit Engineers 2014-2018.

29) Master Agreement Between the City of Detroit, Local 1227 of the American Federation of State, County and Municipal Employees, AFL-CIO and the Michigan Building and Construction Trades Council 2014-2018.

30) Master Agreement Between the City of Detroit and the Detroit Fire Fighters Association 2014-2019.

31) Master Agreement Between the City of Detroit and the Detroit Police Lieutenants and Sergeants Association 2014-2019.

32) Master Agreement Between the City of Detroit and the Association of Municipal Engineers 2014-2018.

B. Detroit Water and Sewerage Department Collective Bargaining Agreements

1) 2012-2018 Master Agreement Between the Detroit Water & Sewerage Department and AFSCME, Michigan Council 25 Local 2920.

2) Master Agreement Between the City of Detroit and the Michigan Building and Construction Trades Council 2013-2016, dated June 26, 2013.

   a. Memorandum of Agreement between the Detroit Water and Sewerage Department and the Michigan Building & Construction Trades Council to amend their June 26, 2013 - June 30, 2016 collective bargaining agreement.

3) 2013-2016 Master Agreement Between the Detroit Water & Sewerage Department and the Building Trades Foremen, dated June 26, 2013.

4) 2014-2016 Master Agreement Between the Detroit Water & Sewerage Department and the Detroit Senior Water Systems Chemists Association.

5) 2014-2019 Master Agreement Between the DWSD and Teamsters State, County and Municipal Workers, Local 214.

6) Memorandum of Agreement between the Detroit Water and Sewerage Department and the International Union of Operating Engineers, Local 324 to amend their March 25, 2013 - June 30, 2022 collective bargaining agreement.

7) Memorandum of Agreement between the Detroit Water and Sewerage Department and the Association of Professional Construction Inspectors to amend their March 26, 2013 - June 30, 2020 collective bargaining agreement.

II. CITY EMPLOYMENT TERMS

A. City of Detroit City Employment Terms

1) City Employment Terms implemented by the City of Detroit on the American Federation of State, County and Municipal Employees, AFL-CIO Local 1023 – Emergency Services Operators, dated August 23, 2013, December 26, 2013 and December 8, 2014.

2) Restructuring changes implemented by the City of Detroit impacting employees in the Law Department, dated May 5, 2014.

3) City Employment Terms implemented by the City of Detroit on the United Automobile, Aerospace and Agricultural Implement Workers of America Local 2211 – Public Attorneys Association, dated September 17, 2014.

4) City Employment Terms implemented by the City of Detroit on the Police Officers Labor Council – Detention Facility Officers, dated July 18, 2012, December 26, 2013 and December 4, 2014.

B. Detroit Water and Sewerage Department City Employment Terms

5) City Employment Terms implemented by the City of Detroit on United Automobile, Aerospace and Agricultural Implement Workers of America Local 2200 – Waste Water Treatment Plant Supervisors, dated July 18, 2012, December 26, 2013, and September 25, 2014.

6) City Employment Terms implemented by the City of Detroit on the American Federation of State, County and Municipal Employees Local 2394 – Detroit Water and Sewerage Department Supervisors, dated July 18, 2012, December 26, 2013, and September 25, 2014.

7) City Employment Terms implemented by the City of Detroit on the American Federation of State, County and Municipal Employees Local 207 – Detroit Water and Sewerage Department Employees, dated July 18, 2012, December 26, 2013, and September 25, 2014.

8) City Employment Terms implemented by the City of Detroit on the Association of Professional and Technical Employees – Detroit Water and Sewerage Department Employees, dated July 18, 2012, December 26, 2013, and September 25, 2014.

9) City Employment Terms implemented by the City of Detroit on the Association of Detroit Engineers – Detroit Water and Sewerage Department Employees, dated July 18, 2012, December 26, 2013, and September 25, 2014.

10) City Employment Terms implemented by the City of Detroit on the Senior Accountants, Analysts, and Appraisers Association – Detroit Water and Sewerage Department Employees, dated July 18, 2012, December 26, 2013, and September 25, 2014.

11) City Employment Terms implemented by the City of Detroit on the Sanitary Chemists and Technicians Association, dated July 18, 2012, December 26, 2013, and September 25, 2014.

12) Letter from Emergency Manager Kevyn D. Orr, Esq. to Detroit Water and Sewerage Department Director Sue McCormick regarding the Detroit Water and Sewerage Department, dated December 30, 2013.

EXHIBIT D

Combined GRS Plan

COMBINED PLAN
FOR THE
GENERAL RETIREMENT SYSTEM
OF THE
CITY OF DETROIT, MICHIGAN

Amendment and Restatement Effective July 1, 2014

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COMPONENT I

ARTICLE 1. GENERAL PROVISIONS

Sec. 1.1. General Retirement System Established; Adoption of 2014 Combined Plan Document; Amendment and Restatement of 2014 Combined Plan Document

Effective July 1, 1938, a General Retirement System for the employees of the City of Detroit was established for the purpose of providing retirement and survivor benefits for eligible City employees and their beneficiaries. The provisions of the Detroit General Retirement System, as in effect July 1, 2014, were set forth in a Combined Plan Document. As provided in Ordinance 19-14 and Ordinance 20-14 and Section 47-1-1 of the Detroit City Code, the Combined Plan Document replaced in its entirety Chapter 47 of the Detroit City Code as in effect on June 30, 2014 and any conflicting provisions in any collective bargaining agreements covering Members (including, without limitation, the City Employment Terms that applied to Members effective July 18, 2012). All resolutions and policies of the Retirement Board previously adopted which were inconsistent with the provisions of the Combined Plan Document were also repealed to the extent of such inconsistency.

The Combined Plan Document is hereby amended and restated effective July 1, 2014, in the form of this instrument. Component I of the Combined Plan Document applies to benefits accrued by Members on and after July 1, 2014 and to operation of the Detroit General Retirement System on and after July 1, 2014. Component II of the Combined Plan Document applies to benefits accrued by Members prior to July 1, 2014. Except as specifically provided in Component II, benefits provided under Component II of the Combined Plan Document are frozen effective June 30, 2014.

Sec. 1.2. Retirement System Intended to be Tax-Qualified

The Retirement System is a governmental plan under Section 414(d) of the Internal Revenue Code which is intended to be a qualified plan and trust pursuant to applicable provisions of the Internal Revenue Code. The Board shall construe and administer the provisions of the Retirement System in a manner that gives effect to the tax-qualified status of the Retirement System.

Sec. 1.3. Compliance With Plan of Adjustment

The Retirement System is intended to comply with all relevant provisions (including Exhibits) of the Plan for the Adjustment of Debts of the City of Detroit, as approved by the United States Bankruptcy Court in *In re City of Detroit, Michigan, Case No. 13-53846* ("Plan of Adjustment"). Component I and Component II of the Combined Plan shall be interpreted and construed by the City, the Board of Trustees and the Retirement System to give full effect to the Plan of Adjustment. To the extent that a conflict arises between the Combined Plan Document and the Plan of Adjustment, the City, the Board of Trustees, the Investment Committee and the Retirement System are directed to interpret any inconsistency or ambiguity to give full effect to the Plan of Adjustment.

Sec. 1.4. Board of Trustees

Effective July 1, 1938, a Board of Trustees of the Detroit General Retirement System was created. The Board is vested with responsibility for the general administration, management and operation of the Detroit General Retirement System and with the trust and investment powers conferred in this Combined Plan Document.

Sec. 1.5. Board of Trustees – Membership; Appointment

The Board of Trustees of the Detroit General Retirement System shall consist of ten Trustees, as follows:

(1) The Mayor, *ex officio*, or the Mayor's designee;

(2) One City Council member, *ex officio*, who is selected by the City Council;

(3) The City Treasurer, *ex officio*;

(4) Five active employee Members of the Retirement System to be elected by the Members in accordance with such rules and regulations as may be adopted by the Board. No more than one Trustee shall be elected from any one City Department;

(5) One individual, appointed by the Mayor subject to the approval of the Board, who is neither an employee of the City nor is eligible to receive benefits under the Retirement System; and

(6) One retiree who is receiving benefits under the Retirement System and who is elected by Retirees in accordance with procedures described in Section 1.6.

Sec. 1.6. Board of Trustees; Retiree Member Election

The procedures for the election of the Retiree member of the Board of Trustees shall be as follows:

(1) *Notice*. Notice of a primary election shall be sent to each Retiree by United States Mail.

(2) *Nominating petitions*. No candidate's name shall be placed on the primary election ballot unless a nominating petition containing the signatures of at least one hundred and twenty-five Retirees is filed with the executive director of the Retirement System. The form of the nominating petition, the filing of the petition, and the procedure for verification of signatures shall be in accordance with rules and regulations adopted by the Board. Notwithstanding the foregoing, an incumbent Retiree Trustee shall not be required to submit a nominating petition but instead shall submit a written communication indicating his or her intention to seek an additional term.

(3) *Ballot*. Each candidate whose name appears on the ballot at any election held for the office of Retiree Trustee shall be identified by the title of the position held by the Retiree at the time of retirement and by the word "incumbent" if the candidate is a current trustee seeking re-election. No ballot shall contain any organizational or political designation or mark. Rotation and arrangement of names on the ballot shall be in accordance with the rules and regulations of the Board.

(4) *Voting*. Procedures regarding mailing of ballots, poll lists, custody of ballots, marking of ballots, return of ballots, handling of return envelopes received, and sealed ballot boxes shall be the same as those adopted and followed by the Board in the immediately preceding election of an active employee Trustee.

(5) *Procedures*. Procedures regarding the selection and certification of successful candidates for nomination, the selection of Trustees from nominees, tie votes, and the destruction of ballots shall be the same as those adopted and followed by the Board in the immediately preceding election of an active employee Trustee.

(6) *Board Rules*. Any matters relative to the election of the Retiree member of the Board not covered by this Section 1.6 shall be handled in accordance with such rules and regulations as the Board may adopt.

Sec. 1.7. Board of Trustees; Oath; Term; Vacancies

Within ten days after appointment or election, each Trustee shall take an oath of office to be administered by the Detroit City Clerk.

The regular term of office for the elected Member Trustees and the Trustee appointed by the Mayor under Section 1.5(5) shall be for a period of six years, one such Trustee to be elected or appointed, as the case may be, each year. The term of office for the Retiree Trustee shall be two years.

If an active employee Trustee leaves the employ of the City, or if an elected or appointed Trustee fails to attend four consecutive scheduled Board meetings without being excused for cause by the Trustees attending such meetings, the Trustee shall be considered to have resigned from the Board. By resolution, the Board shall declare the office vacated as of the date of adoption of such resolution. If a vacancy occurs in the office of Trustee, the vacancy shall be filled at the next regular election held by the Board, or at any special election ordered by resolution adopted by the Board.

Sec. 1.8. Board of Trustees; Officers and Employees

The Board shall elect a chair and vice-chair from its members. The executive director of the Retirement System or its designee shall serve as secretary of the Board. The Board may employ such actuarial, medical and other contractors and employees as shall be required, subject to the powers and authority reserved to the Investment Committee and subject to the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq*.

Sec. 1.9. Board of Trustees; Meetings; Rules of Procedure; Votes; Quorum

(1) The Board shall hold regular meetings, at least one in each month, and shall hold special meetings as necessary. The Board shall designate the time and place thereof in advance. The Board shall adopt its own rules of procedure, including provisions for special meetings and notice thereof, and shall keep a record of proceedings. All meetings of the Board shall be public and are subject to the *Michigan Open Meetings Act, MCL 15.261 et seq*. All Board meetings shall be held within the City of Detroit.

(2) Each Trustee shall be entitled to one vote on each question before the Board. A majority vote of the Trustees present shall be necessary for a decision by the Trustees at any meeting of the Board.

(3) Five Trustees shall constitute a quorum.

Sec. 1.10. Board of Trustees; Compensation; Expenses

Members of the Board of Trustees shall serve without additional compensation from the Employer, but they shall be compensated by the Retirement System as follows:

(1) *Stipend.* Trustees are eligible for a meeting stipend, provided the Trustee attends one or more regular or special Board meetings during a month. The stipend amount shall be a minimum of sixty-seven dollars ($67.00) per week multiplied by the Trustee's years of service. Eligibility rules and the amount of the stipend shall be set by Board resolution. However, the amount of the weekly meeting stipend shall not exceed two hundred dollars ($200.00).

(2) *Ex Officio Trustees*. Ex Officio Trustees are not eligible for a stipend payment.

(3) *Attendance*. For purposes of this Section 1.10, attendance at a Board meeting shall include actual attendance at a meeting or being otherwise available to attend a Board meeting canceled for lack of a quorum.

Trustees shall be reimbursed from the Expense Fund for all actual, reasonable and necessary expenses incurred in the performance of their duties as Trustees.

Sec. 1.11. Rules for Administration of Funds

Subject to the limitations contained in this Combined Plan Document, the Board of Trustees shall, from time to time, establish rules and regulations for the administration of the funds created by this Plan document and for the transaction of its business.

Sec. 1.12. Board of Trustees; Certain Data to be Kept

The Board shall keep, or cause to be kept, in convenient form, such data as shall be necessary for an actuarial valuation of the Retirement System and for checking and compiling

the experience of the Retirement System. The ordinary actuarial, accounting and clerical services for the operation of the Retirement System shall be performed by the employees of the Retirement System.

Sec. 1.13. Board of Trustees; Annual Audit Report

The Board shall render a report to the Mayor, the City Council and the Investment Committee on or before the fifteenth day of January, showing the fiscal transactions of the Retirement System for the year ending on the preceding thirtieth day of June, the amounts of accumulated cash and securities in the various funds of the System, and the last balance sheet showing the financial condition of the Retirement System by means of an actuarial valuation of the assets and liabilities of the Retirement System.

Sec. 1.14. Board of Trustees; Legal Advisors

(1) The Board shall appoint legal advisors (including a general counsel) who shall be directly responsible to and shall hold office at the pleasure of the Board of Trustees. Any legal advisor to the Board of Trustees shall be an attorney licensed to practice law in the State of Michigan and shall be experienced in matters relating to pension systems. The qualifications of legal counsel shall be approved by the Board of Trustees.

(2) Legal advisors to the Board of Trustees shall have such duties relative to pension matters as shall be assigned by the Board of Trustees.

(3) Costs and expenses relative to the position of legal advisors to the Board shall be payable out of the assets of the Retirement System, subject to the provisions of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.*

Sec. 1.15. Designation of Actuary; Authority to Engage Additional Actuaries

The Retirement System actuary as of July 1, 2014 shall continue to serve as such until resignation or removal by the Board. In the event the Board desires to retain a new actuary, the Board and the Investment Committee shall collectively participate in the evaluation and selection of a qualified actuary. The Retirement System actuary shall be responsible for assisting the Board and the Investment Committee in performing their actuarial duties and shall comply with all requests for information or modeling requested by the Board or the Investment Committee, and shall attend meetings of the Board and Investment Committee as requested, so as to allow the Board and Investment Committee to perform satisfactorily the rights and duties set forth in the Combined Plan, the term sheet regarding Investment Committee Governance for General Retirement System, attached to that certain agreement by and between the Michigan Settlement Administration Authority, a Michigan body public corporation (the "Authority"), the Retirement System, the Police and Fire Retirement System for the City of Detroit, Michigan ("PFRS") and the City (the "State Contribution Agreement") as Exhibit A (the "Governance Term Sheet") and the Plan of Adjustment. Furthermore, the Board shall not act on any recommendation made by the Retirement System's actuary based on any calculation, assumption or assessment rejected by the Investment Committee.

Nothing herein shall be interpreted as limiting the Investment Committee's authority to engage an actuarial consulting firm other than the Retirement System's actuary to perform actuarial services deemed necessary to fulfill its fiduciary and other duties to the Retirement System as set forth in the Governance Term Sheet and the Plan of Adjustment.

Sec. 1.16. Board of Trustees; Adoption of Mortality and Other Tables of Experience and Rates of Interest; Limitations on Payments by the Retirement System

(1) Subject to Section 15.1, the Board shall adopt such mortality and other tables of experience, and a rate or rates of interest, as shall be necessary for the operation of the System on an actuarial basis, provided, that the authority granted by this section shall not permit or be used to provide for an interest rate which would violate the prohibitions of subsection (2) or (3) of this section.

(2) The Retirement System and the Trustees charged with management of the System shall not make any payment to active or retired Members other than payments that are required by the governing documents of the Retirement System. This prohibition applies to all payments that are not authorized by this Combined Plan, whether such payments are those commonly referred to as a "thirteenth check" or by any other name.

(3) Anything in this Combined Plan Document or any other document to the contrary notwithstanding, the annual actuarial interest rate assumption for the period commencing July 1, 2014 and ending June 30, 2023 shall be six and three-quarters percent (6.75%).

Sec. 1.17. Board of Trustees; Annual Actuarial Valuation of Assets and Liabilities

Subject to Section 15.1, each year, on the basis of such mortality and other tables of experience, and such rate or rates of regular interest as the Board shall adopt pursuant to Section 1.16, the Board shall cause to be made an actuarial valuation of the assets and liabilities of the Retirement System.

Sec. 1.18. Board of Trustees; Powers and Duties; Fiduciary Status; Fiduciary Duties

The Board of Trustees shall have such powers and duties as are necessary for the proper administration of the Retirement System and the custody and investment of Retirement System assets, other than those powers and duties reserved to the Investment Committee. To the extent the Board exercises discretion with respect to investment of Retirement System assets, each member of the Board of Trustees shall be an investment fiduciary as defined in the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.*, and shall discharge his or her duties with respect to the Retirement System in compliance with the provisions of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* A member of the Board of Trustees shall discharge his or her duties with the care, skill and caution under the circumstances then prevailing that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an activity of like character and purpose. Board members shall comply with all Board governance policies and procedures, including the Ethics and Code of Conduct Policies, unless such compliance would violate the member's fiduciary duties or conflicts with the provisions set forth in this Combined Plan Document.

Sec. 1.19. Investment Committee; Establishment; Purpose; Fiduciary Status; Fiduciary Duties

As of the effective date of the Plan of Adjustment, but subject to consummation of the State Contribution Agreement, an Investment Committee is hereby created for the purpose of making recommendations to the Board of Trustees and taking action under and with respect to certain investment management matters relating to the Retirement System. The creation and operation of the Investment Committee is controlled by the Governance Term Sheet. The Investment Committee shall remain in effect for a period of not less than twenty years following the date of confirmation of the Plan of Adjustment. The Investment Committee shall be an investment fiduciary as defined in the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* and shall have all powers granted fiduciaries under the first sentence of *MCL 38.1133(5) and (6)*. The Investment Committee shall serve in a fiduciary capacity with respect to the investment management of Retirement System assets, determination of the investment return assumptions, and Board compliance with provisions of the governing documents of the Retirement System. An Investment Committee member shall discharge his or her duties with respect to the Retirement System in compliance with the provisions of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* An Investment Committee member shall discharge his or her duties with the care, skill and caution under the circumstances then prevailing that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an activity of like character and purpose. Investment Committee members shall comply with all Board governance policies and procedures, including the Ethics and Code of Conduct Policies, unless such compliance would violate the member's fiduciary duties or conflict with the provisions set forth in the Governance Term Sheet.

Sec. 1.20. Investment Committee; Membership; Appointment

The Investment Committee shall consist of seven (7) members, determined as follows:

(1) Five independent members, two of whom must be residents of the State of Michigan, and none of whom may be a party-in-interest with respect to the Retirement System, as defined in Section 38.1132d(4) of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* Each independent Investment Committee member shall have expert knowledge or extensive experience with respect to either (a) economics, finance, or institutional investments, or (b) administration of public or private retirement plans, executive management, benefits administration or actuarial science. At least one of the independent Investment Committee members shall satisfy the requirements of (a) above and at least one of the independent Investment Committee members shall satisfy the requirements of (b) above. The initial independent Investment Committee members shall be selected by mutual agreement of the appropriate representatives of the State of Michigan, the City and the Board, in consultation with the Foundation for Detroit's Future (the "Foundation"), and shall be named in the Plan of Adjustment. If one or more of the five initial independent Investment Committee members are not selected by mutual agreement prior to confirmation of the Plan of Adjustment, then the United States Bankruptcy Court, Eastern District of Michigan shall designate such number of independent Investment Committee members as is necessary to bring the number of independent Investment Committee members to five (5);

(2) One Retiree who is a Retiree member of the Board of Trustees who shall be appointed by the Board; and

(3) One employee who is an active employee member of the Board of Trustees who shall be appointed by the Board.

Sec. 1.21. Investment Committee; Term; Resignation and Removal; Vacancies

The term of office for the independent members of the Investment Committee shall be six years; provided, however, that the initial term for the independent Investment Committee members shall be determined as follows:

Independent Member	Term of Office
(1)	2 years
(2)	3 years
(3)	4 years
(4)	5 years
(5)	6 years

The term of office for a Retiree or employee Investment Committee member shall be the number of years remaining on such individual's term of office as a member of the Board of Trustees. Each Investment Committee member shall serve until his or her successor is appointed at the expiration of his or her term of office, or until his or her death, incapacity, resignation or removal, if earlier. Notwithstanding any provision of this Combined Plan Document, an initial independent Investment Committee member shall not be prohibited from becoming a successor independent Investment Committee member after expiration of his or her initial term.

An Investment Committee member may resign at any time by giving ninety days' prior written notice to the Investment Committee, the City and the Board, which notice or time period may be waived by the Investment Committee. An Investment Committee member may be removed from office by majority vote of the remaining Investment Committee members for any of the following reasons: (a) the member is legally incapacitated from executing his or her duties as a member of the Investment Committee and neglects to perform those duties; (b) the member has committed a material breach of the provisions of the Retirement System or the policies or procedures of the Retirement System and the removal of the member is in the interests of the Retirement System or its Members and Beneficiaries; (c) the member is convicted of a violation of law and the removal is accomplished by a vote of the members of the Investment Committee in according with the voting procedure set forth in Section 1.22; or (d) if the member holds a license to practice and such license is revoked for misconduct by any State or federal government. A member who fails to attend four (4) consecutive scheduled meetings of the Investment Committee shall be deemed to have resigned, unless in each case his or her absence is excused for cause by the remaining members attending such meetings. In the event of any such removal or resignation, the Investment Committee shall by resolution declare the office of the member vacated as of the date such resolution is adopted.

Any vacancy occurring on the Investment Committee shall be filled within sixty (60) days following the date of the vacancy for the unexpired portion of the term, in the same manner in which the office was previously filled.

Successor independent Investment Committee members shall be recommended by a majority of the remaining independent Investment Committee members and shall be confirmed by the Board and the Treasurer of the State of Michigan ("State Treasurer"), in consultation with the Foundation, pursuant to such rules and regulations as may be adopted by the Investment Committee (provided that such rules are not inconsistent with the Governance Term Sheet or the Plan of Adjustment). In the event the Board and the State Treasurer cannot agree on a successor independent Investment Committee member within thirty (30) days of the receipt of the recommendation of the Investment Committee, the remaining independent Investment Committee members shall appoint the successor independent Investment Committee member.

In the event the United States Bankruptcy Court, Eastern District of Michigan appoints one or more of the initial independent Investment Committee members, a successor to any such independent Investment Committee member shall be appointed in the same manner as provided in the preceding paragraph following three (3) weeks' notice to the Board of the individuals appointed, in accordance with such rules and regulations as may be adopted by the Investment Committee (provided that such rules are not inconsistent with either the Governance Term Sheet or the Plan of Adjustment).

Successor Investment Committee members shall have the powers and duties conferred on Investment Committee members herein.

Sec. 1.22. Investment Committee; Operation; Meetings; Quorum; Voting

The Investment Committee members shall select from among the independent members a chair and a vice chair. The Investment Committee members shall select from among themselves a secretary. The Investment Committee shall hold regular meetings, not less frequently than once every other month, and shall hold special meetings as necessary. The Investment Committee shall designate the time and place thereof in advance. The secretary or his or her designee shall be responsible for providing meeting notices to the other Investment Committee members. The Investment Committee shall adopt its own rules of procedure and shall keep a record of its proceedings. Notice and conduct of all Investment Committee meetings, both regular and special, shall be subject to the *Michigan Open Meetings Act, MCL 15.261 et seq.* All Investment Committee meeting shall be held within the City of Detroit.

Five Investment Committee members shall constitute a quorum at any meeting, as long as at least three of the independent Investment Committee members are in attendance. Except as otherwise provided in the Governance Term Sheet, each Investment Committee member shall be entitled to one vote on each question before the Committee and at least four concurring votes shall be necessary for a decision by the Investment Committee.

An Investment Committee member may have his or her voting privileges temporarily suspended by a 70% or higher vote of the other members if the member is indicted or sued by a

state or federal government for an alleged violation of the law that relates to his or her service on the Investment Committee, or for other alleged financial crimes, including fraud.

Sec. 1.23. Investment Committee; Compensation; Expenses; Employment of Advisors

Investment Committee members shall not receive any compensation from the Retirement System for their services; Investment Committee members shall, however, be reimbursed for the reasonable, actual and necessary expenses incurred in the performance of their duties. All reasonable and proper expenses related to the administration of the Investment Committee, including but not limited to the purchase of insurance, shall be payable out of the assets of the Retirement System. The Investment Committee may retain actuarial, legal counsel, audit or other professional or support personnel to provide advice to the Investment Committee as it deems reasonably necessary to perform its functions and such parties or persons may be reasonably compensated from the assets of the Retirement System. Such engagements shall not be subject to approval of the Board.

Sec. 1.24. Investment Committee; Special Reporting Obligations

(1) Beginning in 2015, pursuant to Section 6 of the State Contribution Agreement, the Investment Committee shall provide compliance reports to the State Treasurer on a semi-annual basis and at such other times as the State Treasurer reasonably may request (each, a "Compliance Report") that certifies that the Investment Committee is not aware of any defaults under the State Contribution Agreement, or, if the Investment Committee is aware of a default under the State Contribution Agreement, specifically identifying the facts of such default.

(2) In the event the Retirement System receives a written notice from the State Treasurer declaring and specifically identifying the facts of an alleged default under the State Contribution Agreement ("Default Notice"), and such default is cured as provided in the State Contribution Agreement, the Investment Committee must provide to the State Treasurer a written certification that (i) the default has been cured, and (ii) that no material damages have been caused by the default that have not otherwise been remedied (the "Cure Certification").

(3) Beginning in calendar year 2015, the Investment Committee shall provide to the City not later than December 31 of each year evidence reasonably necessary to show that the internal controls governing the investment of Retirement System assets are in compliance with the applicable provisions of the Plan of Adjustment.

(4) Beginning in calendar year 2015 and for each calendar year thereafter, as of a date which is not later than December 31 of each such calendar year the Investment Committee shall provide to the Foundation the following information:

(a) a copy of the audited annual financial statement and the corresponding management letter for the Retirement System for the Fiscal Year ending June 30 of such calendar year, containing a non-qualified opinion of an independent external auditor to the Retirement System;

(b) a certification from the Chair of the Investment Committee on behalf of the Investment Committee ("Pension Certificate") in a form reasonably acceptable to the Foundation that, as of the date of the annual report required to be provided by the City to the Foundation under the Omnibus Transaction Agreement by and among the City, The Detroit Institute of Arts and Foundation For Detroit's Future ("Annual Report"):

(i) the City is current in its obligation to contribute to Component II of the Combined Plan determined in accordance with the Plan of Adjustment;

(ii) the Investment Committee has been operated in accordance with the terms set forth in this Component I of the Combined Plan Document; and

(iii) the City continues to maintain the pension governance terms reflected in this Component I of the Combined Plan as of the effective date of the Plan of Adjustment, without modification or amendment during the twenty (20) year period following the effective date of the Plan of Adjustment, except as required to comply with applicable federal law, including without limitation to maintain the tax qualified status of the Retirement System under the Internal Revenue Code, or to comply with the Plan of Adjustment;

(c) a copy of (i) the Compliance Report covering the calendar year for which the Annual Report is made; (ii) any additional Compliance Reports provided during the calendar year for which the Annual Report is made as requested by the State Treasurer; (iii) either the certificate of compliance or the Default Notice, within the meaning of Section 6 of the State Contribution Agreement, as applicable, that was provided to the Investment Committee by the State Treasurer; and (iv) in the event that the State Treasurer issued a Default Notice, the Cure Certification, within the meaning of Section 6 of the State Contribution Agreement, provided by the Investment Committee. Notwithstanding anything in this paragraph (c) to the contrary, if the parties to the State Contribution Agreement agree to revise the requirements of Section 6 of the State Contribution Agreement or the information required in the Compliance Report, in order to meet the obligations of this paragraph (c), the Investment Committee shall be required only to provide documentation to the Foundation that meets such revised requirements; and

(d) any additional information that may be reasonably requested by the Foundation from time to time.

(5) Beginning in calendar year 2016, before May 15th of each calendar year, the Investment Committee shall provide to the Chief Financial Officer of the City confirmation that, as of the date of the City's report to the Foundation, there has been no impairment or modification of the information contained in the most recent Pension Certificate since the date of such Pension Certificate.

ARTICLE 2. DEFINITIONS

Sec. 2.1. Definitions

Unless a different meaning is plainly required by context, the following words and phrases have the meanings respectively ascribed to them by this section:

(1) *Accumulated Mandatory Employee Contributions* means the sum of all amounts deducted from the compensation of a Member and credited to the Accumulated Mandatory Employee Contribution Fund for periods on and after July 1, 2014.

(2) *Accumulated Voluntary Employee Contributions* means the total balance in a Member's individual account under Component I of the Retirement System representing after-tax amounts deducted from the Compensation of the Member, together with earning on such contributions.

(3) *Actuarial Equivalent* or *Actuarially Equivalent* means a Retirement Allowance or benefit amount having the same Actuarial Equivalent Value as another applicable benefit.

(4) *Actuarial Equivalent Value* means the value of an applicable Retirement Allowance or benefit amount, where values are calculated under generally accepted actuarial methods and using the applicable tables, interest rates and other factors established by the Board upon recommendation of the Investment Committee. The rates of interest, tables and factors adopted by the Board from time to time to determine Actuarial Equivalence shall not violate the terms of the Plan of Adjustment.

(5) *Administrative Rules and Regulations* means rules and regulations promulgated by the Board of Trustees for the administration of the Retirement System and for the transaction of its business.

(6) *Age, Attainment of* means the age an individual reaches on the day of his or her birthday.

(7) *Average Final Compensation* means the average Compensation received by a Member during the ten consecutive years of Credited Service under the Retirement System (for this purpose, both before and after July 1, 2014) which immediately precede the date of the Member's last termination of employment with the Employer. If a Member has less than ten years of Credited Service, the Member's Average Final Compensation shall be the average of the annual Compensation received by the Member during the Member's total years of Credited Service. If a Member is absent from service with the City for a period of not less than two consecutive months during his last two years of employment because of an unpaid leave under the Family and Medical Leave Act, such Member's Average Final Compensation will mean the average Compensation received by the Member during the ten consecutive year period out of the last twelve years of Credited Service which produces the highest average.

(8) *Beneficiary* means any person or persons (designated by a Member pursuant to procedures established by the Board) who are entitled to receive a Retirement Allowance

or pension payable from funds of the Retirement System due to the participation of a Member.

(9) *Board of Trustees* or *Board* or *Retirement Board* means the Board of Trustees of the Retirement System.

(10) *City* means the City of Detroit, Michigan, a municipal corporation.

(11) *City Council* or *Council* means the legislative body of the City.

(12) *Combined Plan* means the Combined Plan for the General Retirement System of the City of Detroit, Michigan, effective July 1, 2014 and as amended thereafter.

(13) *Compensation* means a Member's base salary or wages actually paid to the Member for personal services rendered to the Employer, excluding bonuses, overtime pay, payment of unused accrued sick leave, longevity pay, payment for unused accrued vacation, the cost or value of fringe benefits provided to the Member, termination or severance pay, reimbursement of expenses, or other extra payment of any kind. Compensation will include any amount which is contributed by the City to a plan or program pursuant to a salary reduction agreement and which is not includable in the taxable income of the Member under Sections 125, 402(e)(3), 402(h) or 403(b) of the Internal Revenue Code or which is contributed by the City on behalf of a Member as provided in Section 9.3(3) and 9.5 pursuant to a qualified "pick-up program".

For periods of time prior to July 1, 2014, the City shall provide to the Retirement System actual base salary or wages paid to Members using the best and most reliable sources of information available to the City. In the event the City is unable to provide actual base wages to the Retirement System, the City shall make reasonable estimates of each Member's base salary or wages for purposes of determining a Member's Compensation for periods prior to July 1, 2014.

Notwithstanding the foregoing, solely for purposes of determining a Member's Voluntary Employee Contributions, Compensation shall mean the gross salary or wages paid to the Member for personal services rendered to the Employer on and after July 1, 2014.

The annual Compensation of each Member taken into account for the purposes of determining all benefits provided under the Retirement System for any determination period shall not exceed the limitation set forth in Code Section 401(a)(17) ($260,000 for the Plan Year commencing July 1, 2014). Such limitation shall be adjusted for the cost-of-living in accordance with Section 401(a)(17)(B) of the Internal Revenue Code. The cost-of-living adjustment in effect for a calendar year applies to any determination period beginning in such calendar year. If Compensation for any prior determination period is taken into account in determining a Member's benefits for the current determination period, the Compensation for such prior determination period is subject to the applicable annual compensation limit in effect for that determination period. If a determination period consists of fewer than 12 months, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the

numerator of which is the number of months in the short determination period, and the denominator of which is 12.

(14) *Component I* means the portion of the Retirement System described in this Combined Plan and which consists of:

(a) the 2014 Defined Benefit Plan, which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code; and

(b) the 2014 Defined Contribution Plan, which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code.

(15) *Component II* means the portion of the Retirement System described in this Combined Plan and which consists of:

(1) The Frozen 1973 Defined Benefit Plan, which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code; and

(2) the Frozen 1973 Defined Contribution Plan, which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code.

(16) *Credited Service* means service credited to a Member to the extent provided in Article 4 of Component I of this Combined Plan Document and, solely for purposes of Section 2.1(7), service credited to a Member prior to July 1, 2014 pursuant to Component II of this Combined Plan.

(17) *Disability* or *Disabled* means that a Member has been determined to be eligible to receive long term disability benefits under a policy or plan of insurance or self-insurance maintained by the Employer.

(18) *Employee* means any regular and/or permanent officer, agent, or person in the employ of the Employer, but does not include:

(a) individuals whose services for the Employer are compensated on a contractual or fee basis;

(b) persons who are not employed as Full-time Employees;

(c) any person during any period when such person is classified by the Employer as a non-common-law employee or an independent contractor for federal income tax and withholding purposes whose compensation for services is reported on a form other than Form W-2 or any successor form for reporting wages paid to and taxes withheld from employees, even if a court or administrative agency determines that such person is a common-law employee of the Employer;

(d) the medical director of the Retirement System; or

(e) any Police or Fire employee covered by the Police and Fire Retirement System of the City of Detroit, Michigan by virtue of such employment.

If a person described in (c) above is reclassified by the Employer as a common-law employee of the Employer and otherwise meets the definition of an Employee, the person will be eligible to participate in the Retirement System prospectively as of the actual date of such reclassification only (and only to the extent such individual otherwise qualifies as an Employee).

(19) *Employer* means the City, or any board, commission, or court serving the City, to the extent that both the City, through the action of City Council, and the governing authority of such board, commission or court, shall mutually agree to include the employees of such board, commission, or court, as Employees under the provisions of this Retirement System at such time as they are eligible. To the extent that any employees of a board, commission, or court are considered Employees for this purpose, all employees of such board, commission, or court, shall be so included. However, only City board members and commissioners who are also Employees are eligible to participate in the Retirement System, unless otherwise specifically provided for in the Combined Plan Document. In all cases of doubt, the Board of Trustees shall decide who is an Employee.

(20) *Family and Medical Leave Act* means the federal Family and Medical Leave Act of 1993, as amended, and regulations issued thereunder.

(21) *Fiscal Year* means the twelve month period commencing each July 1 and ending on the following June 30.

(22) *Full-time Employee* means an Employee who is employed in a position normally requiring six hundred hours of work or more per calendar year; provided, however, that an employee who is hired by an Employer as a part-time transit operator to work less than twenty-five hours per week shall not be a full-time employee under the Retirement System. Notwithstanding the general rule, a special service employee of the City shall be considered a full-time employee under the Retirement System upon completion of fourteen hundred and forty (1440) hours or more in a Fiscal Year. For purposes of Component I, once a special service employee has worked 1440 hours in a Fiscal Year, the employee will be deemed to be a full-time employee under the Retirement System for all subsequent Fiscal Years.

(23) *General Retirement System* or *Retirement System* means the General Retirement System of the City of Detroit created and established by Title IX, Chapter VI, of the 1918 Detroit City Charter, as amended, continued in effect through the 1974, 1997 and 2012 Detroit City Charters, Article 47 of the Detroit City Code and this Combined Plan Document, as amended from time to time, which consists of:

(a) The 2014 Defined Benefit Plan, the terms of which are described in Component I hereof;

(b) The 2014 Defined Contribution Plan, consisting of the Voluntary Employee Contribution Account, the terms of which are described in Component I hereof;

(c) The Frozen 1973 Defined Benefit Plan, the terms of which are described in Component II hereof; and

(d) The Frozen 1973 Defined Contribution Plan, the terms of which are described in Component II hereof.

References to the words Retirement System in Component I of the Combined Plan Document shall mean the provisions of the 2014 Defined Benefit Plan and/or the 2014 Defined Contribution Plan described in Component I, unless a different meaning is plainly required by the context.

(24) *Hour of Service* means (i) each hour for which a Member is paid or entitled to payment by the Employer for the performance of duties, and (ii) each hour for which a Member is directly paid or entitled to payment by the Employer for reasons other than the performance of duties (such as vacation, holiday, illness or approved leave of absence).

(25) *Internal Revenue Code* or *Code* means the United States Internal Revenue Code of 1986, as amended.

(26) *Investment Committee* means the committee established pursuant to Section 1.19 which shall have the powers and duties described herein.

(27) *Mandatory Employee Contributions* mean the contributions made by a Member to the Retirement System pursuant to Section 9.3(3).

(28) *Medical Beneficiary* means a Member who has retired from employment with the Employers and the Spouses and dependants of such Member who are receiving post-retirement benefits in accordance with the terms of a retiree medical plan sponsored or maintained by an Employer.

(29) *Medical Benefits* mean the provision of payments for certain sickness, accident, hospitalization and medical benefits within the meaning of Treasury Regulation section 1.401-14(a), including dental, vision and mental health benefits, as designated by the City.

(30) *Medical Benefits Account* means the bookkeeping account established under Section 16.1 to provide for the payment of Medical Benefits on behalf of Medical Beneficiaries.

(31) *Member* means any Employee who is included in the membership of the Retirement System and who has not retired or died.

(32) *Normal Retirement Age* means Age sixty-two (62). Notwithstanding the foregoing, the Normal Retirement Age of a Member who is an active Employee as of June 30, 2014 and who has 10 or more years of Vesting Service as of such date shall be as follows solely for purposes of this Component I:

Age as of July 1, 2014	Normal Retirement Age
61 years	60 years and 0 months
60 years	60 years and 0 months
59 years	60 years and 3 months
58 years	60 years and 6 months
57 years	60 years and 9 months
56 years	61 years and 0 months
55 years	61 years and 3 months
54 years	61 years and 6 months
53 years	61 years and 9 months

(33) *Normal Retirement Date* means for any Member the later of the date the Member (i) attains 10 years of Vesting Service, or (ii) attains Normal Retirement Age.

Pursuant to Code Section 411(e), as in effect in 1974, a Member shall be 100% vested in his accrued benefit under the Retirement System upon attainment of his or her Normal Retirement Date while employed by an Employer.

(34) *Notice to Members, Beneficiaries, and Retirees* means a mailing using First Class United States Mail to the Members, Beneficiaries, and Retirees at their last known addresses.

(35) *Pension Reserve* means the present value of all payments to be made on account of any Retirement Allowance payable under Component I of the Combined Plan. Such Pension Reserve shall be computed upon the basis of such mortality and other tables of experience and interest, as provided herein until June 30, 2023 and, thereafter, as shall be adopted by the Board upon the recommendation of the Investment Committee.

(36) *Plan Actuary* or *Actuary* means the enrolled actuary or actuarial firm appointed as provided in Section 1.15 to serve as technical advisor to the Investment Committee and the Board on matters regarding the funding and operation of the Retirement System and to perform such other duties as the Board or the Investment Committee may direct.

(37) *Plan Document* or *Combined Plan Document* means this instrument, effective as of July 1, 2014, with all amendments hereafter adopted.

(38) *Plan of Adjustment* means the Plan for the Adjustment of Debts of the City of Detroit, which has been approved by the United States Bankruptcy Court in *In re City of Detroit, Michigan, Case No. 13-53846*.

(39) *Plan Year* means the twelve month period commencing on July 1 and ending on June 30.

(40) *Prior Service* means the service credit awarded to a Member before July 1, 2014 under the terms of the Retirement System as in effect on June 30, 2014, as certified by the Board of Trustees.

(41) *Retiree* means a former Member who is receiving a Retirement Allowance from the Retirement System.

(42) *Retirement* means a Member's withdrawal from the employ of the Employer with a Retirement Allowance paid by the Retirement System.

(43) *Retirement Allowance* means an annual amount payable in monthly installments by the Retirement System, whether payable for a temporary period or throughout the future life of a Retiree or Beneficiary.

(44) *Service* means personal services rendered to the Employer by a person as an Employee, provided such person is compensated by the Employer for such personal services.

(45) *Spouse* means the person to whom a Member is legally married under applicable law at the time the determination is made.

(46) *Straight Life Retirement Allowance* means payment of a Member's Retirement Allowance over the Member's lifetime.

(47) *Vesting Service* means service credited to a Member to the extent provided in Article 4 of Component I of this Combined Plan Document.

(48) *Voluntary Employee Contributions* mean the after-tax contributions made by a Member to the Retirement System pursuant to Section 10.1.

(49) *Voluntary Employee Contributions Account* means the account established pursuant to Section 10.3 for a Member who elects to make Voluntary Employee Contributions.

The following terms shall have the meanings given to them in the Sections of this Combined Plan Document set forth opposite such term:

Accumulated Mandatory Employee Contribution Fund	Section 9.2(1)
Accumulated Voluntary Employee Contribution Fund	Section 9.2(2)
Annual Addition	Section 12.2(1)
Annual Report	Section 1.24(4)(b)
Authority	Section 1.15
compensation	Section 12.1(11)
Compliance Report	Section 1.24(1)
Cure Certification	Section 1.24(2)
Default Notice	Section 1.24(2)
Direct Rollover	Section 17.8(2)(a)
Distributee	Section 17.8(2)(b)
Dollar Limit	Section 12.1(3)(b)
Eligible retirement plan	Section 17.8(2)(c)
Eligible rollover distribution	Section 17.8(2)(d)
Expense Fund	Section 9.2(6)
Foundation	Section 1.20(1)
funding level	Section 9.5(3)
Governance Term Sheet	Section 1.15
Income Fund	Section 9.2(7)

investment management decision/investment management matter	Section 15.2
limitation year	Section 12.1(2)
Medical Benefits Account Fund	Section 9.2(5)
Medical Plans	Section 16.1
Option "A". Joint and Seventy-Five Percent Survivor Allowance	Section 8.1(1)(c)
Option "B". Joint and Twenty-Five Percent Survivor Allowance	Section 8.1(1)(e)
Option One. Modified Cash Refund Annuity	Section 8.1(1)(a)
Option Three. Joint and Fifty Percent Survivor Allowance	Section 8.1(1)(d)
Option Two. Joint and One Hundred Percent Survivor Allowance	Section 8.1(1)(b)
Pension Accumulation Fund	Section 9.2(3)
Pension Certificate	Section 1.24(4)(b)
Pension Improvement Factor (Escalator)	Section 6.2
PFRS	Section 1.15
Plan of Adjustment	Section 1.3
Pop-up Form	Section 8.1(2)(b)
Rate Stabilization Fund	Section 9.2(4)
Standard Form	Section 8.1(2)(a)
State Contribution Agreement	Section 1.15
State Treasurer	Section 1.21
Straight Life Retirement Allowance	Section 8.1(1)

ARTICLE 3. MEMBERSHIP

Sec. 3.1. Eligible Employees

The membership of the Retirement System shall consist of all persons who are Full-time Employees, except:

(a) persons who are members of the Police and Fire Retirement System of the City of Detroit, Michigan established under Title IX, Chapter VII of the 1918 Detroit City Charter, continued in the 1974, 1997 and 2012 Detroit City Charters, and continued in the form of the Combined Plan for the Police and Fire Retirement System of the City of Detroit, Michigan; and

(b) Any person who is an active member of any other public employee pension or retirement plan or retirement system adopted by the State of Michigan, other than the Michigan National Guard, or by any other political subdivision of the State of Michigan.

Sec. 3.2. Cessation of Membership; Re-Employment by the Employer

(1) The following provisions shall apply to a non-vested Member who terminates employment with the Employer and is re-employed:

(a) Except as otherwise provided in this Article 3, if any non-vested Member leaves the employment of the Employer for any reason other than Retirement or death, such person shall continue to be a Member until such time as the Member receives a total distribution of his Accumulated Mandatory Employee Contributions and Accumulated Voluntary Employee Contributions. Upon receipt of his Accumulated Mandatory Employee Contributions, the Member's Credited Service and Vesting Service at that time shall be forfeited.

(b) If the Member is re-employed by an Employer (other than as a part-time transit operator) within a period of six years from and after the date employment with the Employer last terminated, any forfeited Credited Service and Vesting Service rendered on and after July 1, 2014 shall be restored for purposes of determining the Member's Retirement Allowance after re-employment, provided that within the two year period beginning on the Member's re-employment date, the Member re-contributes to the Retirement System any Accumulated Mandatory Employee Contributions that were distributed to the Member pursuant to Section 5.5.

(c) If a non-vested Member is re-employed (other than as a part-time transit operator) more than six years from and after the date employment with the Employer last terminated, the Member shall not be permitted to re-contribute to the Retirement System any Accumulated Mandatory Employee Contributions that were distributed to the Member pursuant to Section 5.5 and any forfeited Credited Service and Vesting Service shall not be restored at the time of the Member's re-employment.

(2) A former Employee who is vested but has not yet begun to receive a Retirement Allowance and who is rehired (other than as a part-time transit operator) prior to being separated for six years shall have his benefit pertaining to his total Credited Service earned on and after July 1, 2014 calculated in accordance with the terms of Component I of the Retirement System in effect at the time of his last separation from service, provided that, if such Employee received a distribution of his Accumulated Mandatory Employee Contributions following his termination, the Employee recontributes the Accumulated Mandatory Employee Contributions to the Retirement System within two years of his rehire date. If an Employee who receives a distribution of his Accumulated Mandatory Employee Contributions fails to recontribute such amount to the Retirement System within two years of rehire, only the Credited Service earned on and after the Employee's rehire date shall be taken into consideration in determining his Retirement Allowance.

(3) A former Employee who is vested but has not begun to receive a Retirement Allowance and who is rehired (other than as a part-time transit operator) after being separated for more than six years shall be entitled to two separate and distinct pension benefits under Component I, each to be calculated in accordance with the provisions of Component I of the Retirement System in effect at the time of each separation from service, provided that, if such Employee received a distribution of his Accumulated Mandatory Employee Contributions following his or her termination, the Employee recontributes the Accumulated Mandatory Employee Contributions to the Retirement System within two years of his rehire date. If an Employee who receives a distribution of his Accumulated Mandatory Employee Contributions fails to recontribute such amount to the Retirement System within two years of rehire, only the Credited Service earned on and after the Employee's rehire date shall be taken into consideration in determining his Retirement Allowance.

(4) Retirement benefits for a Retiree who returns to active full time employment with an Employer shall be subject to the following provisions:

(a) A Retiree who returns to work will have his Retirement Allowance suspended upon re-employment. The variable pension improvement factor (escalator) shall not be added to the amount of the original Retirement Allowance during the Retiree's re-employment period.

(b) A Retiree who returns to work will be entitled to receive a second Retirement Allowance in accordance with the provisions of the Retirement System in effect during his re-employment period.

(c) A Retiree's Average Final Compensation for purposes of determining the Retiree's second Retirement Allowance will be based upon the Compensation earned by the Retiree after he returns to work.

(d) An individual who retires for a second time will not be allowed to change the payment option selected by the Member with respect to the original Retirement

Allowance. However, the individual may select a separate payment option with respect to his second Retirement Allowance.

(e) The Coordination of Benefits (Equaled Social Security) option will not be available with respect to payment of the second Retirement Allowance.

Sec. 3.3. Report of the Employer

It shall be the duty of the Employer to submit to the Board of Trustees a statement showing the name, title, compensation, duties, date of birth, date of hire, and length of service of each Member, and such other information as the Board of Trustees may require or reasonably request for proper administration of the Retirement System.

ARTICLE 4. SERVICE CREDIT

Sec. 4.1. Credited Service

(1) The Board shall keep an accurate record of each Employee's accumulated Service credit from the date of commencement of employment with the Employer to the date of termination of employment with the Employer.

(2) A Member shall be credited with one month of Credited Service for each calendar month during which he performs one hundred forty (140) or more Hours of Service for the Employer as an Employee, beginning on the later of July 1, 2014 or his date of hire with the Employer and ending on the date his employment with the Employer is terminated. Service shall be credited in years and twelfths ($1/12^{th}$) of a year. Not more than one-twelfth ($1/12^{th}$) of a year of Credited Service shall be credited to a Member on account of all Service rendered to the Employer in a calendar month. Not more than one year of Credited Service shall be credited to a Member on account of all Service rendered to the Employer in any period of 12 consecutive months.

(3) A Member who does not perform Service for the Employer by reason of a Disability incurred in the line of duty which begins on or after July 1, 2014 shall be credited with Credited Service for the period of such Disability during which he is entitled to receive long-term disability benefits under the Employer's plan or policy.

(4) Solely for purposes of determining eligibility for a retirement benefit under Section 5.2, a Member shall be credited with the sum of his Prior Service as determined by the Board and his Credited Service on and after July 1, 2014 determined under Section 4.1(2).

Sec. 4.2. Vesting Service

(1) A Member shall be credited with a year of Vesting Service for each Plan Year commencing on or after July 1, 2014 during which the Member performs 1,000 or more Hours of Service for the Employer.

(2) A Member's total Vesting Service shall be the sum of his Prior Service and his Service determined under Section 4.2(1).

Sec. 4.3. Service Credit; Military Service

An Employee who enters the military service of the United States while employed by an Employer shall have the period of such military service credited as Service in the same manner as if the Employee had served the Employer without interruption, provided that (1) the Employee's entry into such military service and re-employment thereafter shall be in accordance with applicable laws, ordinances, and regulations of the State of Michigan and the Employer; (2) he or she is re-employed by the Employer upon completion of such military service; and (3) the Member contributes to the Retirement System the Mandatory Employee Contributions that would have been made by the Member but for the Member's military service. The Member shall be permitted to make such contributions in accordance with Code Section 414(u) and regulations thereunder. During the period of military service and until return to employment with the

Employer, the Employee's Mandatory Employee Contributions to the Retirement System shall be suspended.

Sec. 4.4. Service Credit; Qualified Military Service

Notwithstanding any provision of this Combined Plan Document to the contrary, contributions, benefits, and service credit with respect to qualified military service under Component I, shall be provided in accordance with Code Section 414(u). Notwithstanding anything to the contrary herein, if a Member dies while performing qualified military service (as defined in Code Section 414(u)), to the extent required by Code Section 401(a)(37), the survivors of the Member are entitled to any additional benefits (if any, and other than benefit accruals relating to the period of qualified military service) provided under the Retirement System as if the Member had resumed and then terminated employment on account of death.

ARTICLE 5. ELIGIBILITY FOR RETIREMENT BENEFITS

Sec. 5.1. Eligibility for Unreduced Normal Retirement Benefit

Any Member who attains his Normal Retirement Date while employed by the City may retire upon written application filed with the Board setting forth the date on which the Member desires to be retired. The date of retirement shall be effective as of the first day following the later of (i) the Member's last day on the City payroll, or (ii) the date the Member executes and files an application for retirement, notwithstanding that the Member may have separated from Service during the notification period. Such a Member shall be entitled to receive an unreduced Retirement Allowance calculated as provided in Section 6.1 and payable in a form of payment selected by the Member pursuant to Section 8.1.

Sec. 5.2. Eligibility for Reduced Early Retirement Benefit

Any Member who has attained Age fifty-five, who is credited with thirty or more years of Credited Service, and who has not attained his Normal Retirement Date, shall have the option of retiring upon written application filed with the Board setting forth the date on which the Member desires to be retired. The Retirement Allowance payable to a Member who retires early shall be the Actuarial Equivalent of the deferred Retirement Allowance that would be payable to the Member at his Normal Retirement Date pursuant to Section 6.1, assuming the Member terminated employment on his early retirement date, as determined by the Plan Actuary based upon factors, assumptions and methods adopted by the Board upon recommendation of the Investment Committee. A Member's early retirement benefit shall be payable in accordance with a form of payment selected by the Member pursuant to Section 8.1.

Sec. 5.3. Eligibility for Deferred Vested Retirement Benefit

Any Member who ceases to be an employee before satisfying the requirements for receipt of a retirement benefit under Section 5.1 or Section 5.2 and who is credited with ten or more years of Vesting Service upon his or her termination of employment (regardless of Age), shall be entitled to receive an unreduced Retirement Allowance commencing at any time following his attainment of Age sixty-two. Deferred vested retirement benefits shall be payable in accordance with a form of payment selected by the Member pursuant to Section 8.1.

Sec. 5.4. Eligibility for Retirement Benefit – Disabled Members

Any Member who becomes Disabled prior to his Normal Retirement Date shall be entitled to receive an unreduced Retirement Allowance commencing at any time following the Member's attainment of Age sixty-two. Disability retirement benefits shall be payable in accordance with a form of payment selected by the Member pursuant to Section 8.1.

Sec. 5.5. Return of Accumulated Mandatory Contributions to Member

If a Member ceases to be an Employee other than by reason of retirement, death or Disability, the Member may elect to receive distribution of the Accumulated Mandatory Employee Contributions made to the Retirement System by such Member. If a Member elects to receive his Accumulated Mandatory Employee Contributions, such amounts shall be paid to the

Member in a lump sum payment or in equal monthly installments for a period not to exceed three years, according to such rules and regulations as the Board may adopt from time to time. Other than as provided in Sections 3.2(2) and 3.2(3), a Member who receives a refund of his Accumulated Mandatory Employee Contributions shall not receive a Retirement Allowance from Component I of the Retirement System.

ARTICLE 6. RETIREMENT ALLOWANCE; VARIABLE PENSION IMPROVEMENT FACTOR (ESCALATOR)

Sec. 6.1. Retirement Allowance

The Retirement Allowance payable to a Member commencing at the later of his Normal Retirement Date or his actual retirement from employment with the Employer in the form of a Straight Life Retirement Allowance shall be equal to one and one-half percent (1.5%) of the Member's Average Final Compensation multiplied by the Member's years (computed to the nearest one-twelfth (1/12th) year) of Credited Service earned after June 30, 2014.

Sec. 6.2. Variable Pension Improvement Factor (Escalator)

Except as provided in Section 9.5, beginning July 1, 2018 and effective the first day of each Plan Year thereafter, the Board may determine that a Retiree's annual Retirement Allowance under this Component I shall be increased by a factor of two percent (2.0%), computed each year on the basis of the amount of the original Retirement Allowance received at the time of Retirement; provided, that the recipient of said Retirement Allowance shall have attained Age sixty-two and shall have been receiving a Retirement Allowance for a period of not less than twelve months prior to the first day of such Plan Year. The Pension Improvement Factor (Escalator) shall not be compounded.

ARTICLE 7. DEATH BENEFITS

Sec. 7.1. Accidental Death Benefit; Performance of Duty

(1) If a Member is killed in the performance of duty in the service of the Employer, or dies as the result of illness contracted or injuries received while in the performance of duty in the service of the Employer, and such death, illness or injury resulting in death, is found by the Board to have resulted from the actual performance of duty in the service of the Employer, the Member's surviving Spouse shall be entitled to a monthly annuity benefit equal to the Member's Retirement Allowance at the time of his death, unreduced for early payment. Such benefit shall be payable until the surviving Spouse's death.

(2) The minimum annual Retirement Allowance payable to a surviving Spouse under this Section 7.1 shall be equal to ten percent (10%) of the Member's Average Final Compensation determined as of the date of the Member's death.

Sec. 7.2. Death Benefits for Surviving Spouses Generally

(1) If any Member who is not covered by Section 7.1 dies while in the employ of the Employer after the date such Member has earned ten or more years of Credited Service or while such Member is Disabled (provided such Disabled Member has not commenced receipt of his or her Retirement Allowance pursuant to Section 5.4), the Member's surviving Spouse shall be eligible to receive a Retirement Allowance.

(2) The Retirement Allowance payable to the Spouse shall be computed in the same manner in all respects as if said Member had (i) retired effective the day preceding the Member's death, notwithstanding that the Member had not attained his or her Normal Retirement Date, (ii) elected a Joint and One Hundred Percent Survivor Allowance as described in Section 8.1, and (iii) nominated the surviving Spouse as Beneficiary.

Sec. 7.3. Refund of Accumulated Mandatory Contributions Upon Death of Member

If a Member dies while employed by the City or following termination of employment and the Member's surviving Spouse is not eligible for a benefit under Section 7.1 or 7.2, the Member's Accumulated Mandatory Employee Contributions to the Retirement System at the time of death shall be paid to the Beneficiary nominated in a written designation duly executed by the Member and filed with the Board. In the event there is no such designated Beneficiary surviving, the Member's Accumulated Mandatory Employee Contributions shall be paid to the Member's estate. If a Member who dies without a legal will has not nominated a Beneficiary, the Member's Accumulated Mandatory Employee Contributions at the time of death may be used to pay burial expenses if the Member leaves no other estate sufficient for such purpose. Such expenses shall not exceed a reasonable amount as determined by the Board.

Sec. 7.4. Benefits Offset by Compensation Benefits; Subrogation

(1) Any amounts which may be paid or payable to a Beneficiary on account of a Member's death under the provisions of any Workers' Compensation, pension, or similar law, except federal Social Security old-age and survivors' benefits, shall be an offset against

any amounts payable from funds of the Retirement System on account of the Member's death. If the present value of the benefits payable under said Workers' Compensation, pension, or similar law, is less than the Pension Reserve for the Retirement Allowance payable by the Retirement System, the present value of the said Workers' Compensation, pension, or similar legal benefit shall be deducted from the amounts payable by the Retirement System, and such amounts as may be provided by the Retirement System, so reduced, shall be payable as provided in this Combined Plan Document.

(2) In the event a person becomes entitled to a pension payable by the Retirement System because of an accident or injury caused by the act of a third party, the Retirement System shall be subrogated to the rights of said person against such third party to the extent of the benefit which the Retirement System pays or becomes liable to pay.

ARTICLE 8. FORMS OF PAYMENT

Sec. 8.1. Retirement Allowance Options

(1) Until the date the first Retirement Allowance payment check is issued, any Member may elect to receive a Straight Life Retirement Allowance payable throughout life, or the Member may elect to receive the Actuarial Equivalent of the Straight Life Retirement Allowance computed as of the effective date of retirement, in a reduced Retirement Allowance payable throughout life, and nominate a Beneficiary to receive benefit payments following the Member's death, in accordance with the options set forth below:

(a) *Option One. Modified Cash Refund Annuity.* If a Retiree who elected a Modified Cash Refund Annuity dies before payment of the Accumulated Contributions made to the Retirement System on and after July 1, 2014 has been received in an aggregate amount equal to, but not exceeding the Retiree's Accumulated Mandatory Employee Contributions at the time of retirement, the difference between said Accumulated Mandatory Employee Contributions and the aggregate amount of annuity payments already received, shall be paid in a single lump sum to a Beneficiary nominated by written designation duly executed by the Member and filed with the Board. If there is no such designated Beneficiary surviving said Retiree, any such difference shall be paid to the Retiree's estate.

(b) *Option Two. Joint and One Hundred Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and One Hundred Percent Survivor Allowance, one hundred percent of the reduced Retirement Allowance shall be paid to and continued throughout the life of the Beneficiary nominated by written designation duly executed and filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.

(c) *Option "A". Joint and Seventy-Five Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and Seventy-Five Percent Survivor Allowance, seventy-five percent of the reduced Retirement Allowance shall be continued throughout the life of and paid to the Beneficiary nominated by written designation duly executed by the Member and filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.

(d) *Option Three. Joint and Fifty Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and Fifty Percent Survivor Allowance, fifty percent of the reduced Retirement Allowance shall be continued throughout the life of and paid to the Beneficiary nominated by written designation duly executed by the Member and filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.

(e) *Option "B". Joint and Twenty-Five Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and Twenty-Five Percent Survivor Allowance, twenty-five percent of the reduced Retirement Allowance shall be paid throughout the life of the Beneficiary nominated by written designation duly executed and

filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.

(2) *Joint and Survivor Optional Forms of Payment.* The Joint and Survivor Optional Forms of Payment provided under the Retirement System shall be made available in either the standard form or the pop-up form, as follows:

(a) *Standard Form.* Under the Standard Form, the reduced Retirement Allowance shall be paid throughout the lifetime of the Retiree.

(b) *Pop-up Form.* Under the Pop-up Form, the reduced Retirement Allowance shall be paid throughout the lifetime of the Retiree and the designated Beneficiary. In the event of the death of the designated Beneficiary during the lifetime of the Retiree, the amount of the Retirement Allowance shall be changed to the amount that would have been payable had the Retiree elected the Straight Life Retirement Allowance Form of Payment.

(3) *Coordination of Benefits.* According to such rules and regulations as the Board shall adopt, until the first payment of a Retirement Allowance becomes due, but not thereafter, a Member under Age sixty-five may elect to have the Member's Straight Life Retirement Allowance provided for under Component I equated on an Actuarial Equivalent basis to provide an increased Retirement Allowance payable to Age sixty-two or Age sixty-five, and to provide a decreased Retirement Allowance thereafter. The increased Retirement Allowance payable to such Age shall approximate the total of the decreased Retirement Allowance payable thereafter and the estimated social security benefit. If a Member elects to receive increased and then decreased Retirement Allowance payments provided for in this paragraph, he or she may also elect to have such payments reduced by electing one of the optional forms of payment provided for in paragraph (1) of this Section 8.1. This coordination of benefits option shall not create any additional actuarial costs to the City.

Sec. 8.2. Disposition of Surplus Benefits upon Death of Retiree and Beneficiary

If under a Joint and One Hundred Percent Survivor allowance, a Joint and Seventy-Five Percent Survivor allowance, a Joint and Fifty Percent Survivor allowance, or a Joint and Twenty-Five Percent Survivor allowance as provided for under Section 8.1(1), both a Retiree and his Beneficiary die before they have received in Retirement Allowance payments an aggregate amount equal to the Retiree's Accumulated Mandatory Employee Contributions at the time of retirement, the difference between the said Accumulated Mandatory Employee Contributions and the aggregate amount of Retirement Allowances paid to the Retiree and Beneficiary, shall be paid in a single lump sum to such person or persons nominated by written designation of the Retiree duly executed and filed with the Board. If there is no such person surviving the Retiree and the Beneficiary, any such difference shall be paid to the estate of the Retiree or Beneficiary, whichever of them is the last to die.

ARTICLE 9. FUNDING AND RESERVES

Sec. 9.1. Funding Objective of the Retirement System

The funding objective of Component I of the Retirement System is to establish and receive Employer and Member contributions during each Plan Year that are sufficient to fully cover the actuarial cost of benefits anticipated to be paid on account of Credited Service rendered by Members during the Plan Year (the normal cost requirements of the Retirement System), and to amortize the unfunded actuarial costs of benefits likely to be paid on account of Credited Service rendered on or after July 1, 2014 and before the first day of the Plan Year (the unfunded actuarial accrued liability of Component I of the Retirement System).

Sec. 9.2. Funds

Component I of the Retirement System shall consist of the Accumulated Mandatory Employee Contribution Fund, the Accumulated Voluntary Employee Contribution Fund, the Pension Accumulation Fund, the Rate Stabilization Fund, the Medical Benefits Account Fund, the Expense Fund, and the Income Fund, as follows:

(1) The Accumulated Mandatory Employee Contribution Fund shall be the Fund in which shall be accumulated the contributions of Members to provide their Retirement Allowances. Upon the Retirement, termination, or death of a Member with a vested Retirement Allowance, the Member's Accumulated Mandatory Employee Contributions shall be deemed to be part of the Pension Reserve which shall be used to pay the Member's Retirement Allowance.

(2) The Accumulated Voluntary Employee Contribution Fund shall be the Fund in which shall be accumulated the voluntary after-tax contributions of Members together with earnings thereon.

(3) The Pension Accumulation Fund shall be the fund in which shall be accumulated reserves for the Retirement Allowances and other benefits payable from that portion of the Employer's annual contribution as is designated by the City to be utilized for payment of Retirement Allowances, and amounts transferred to Component I as provided in Section E-16(c) of Component II to finance Transition Cost (as defined in Section E-16(c) of Component II), and from which shall be paid Retirement Allowances and other benefits on account of Members.

(4) The Rate Stabilization Fund shall be the Fund to which shall be credited Employer annual contributions in excess of the amount of the Employer's contribution which is credited to the Pension Accumulation Fund and amounts transferred to Component I as provided in Section E-16(c) of Component II.

(5) The Medical Benefits Account Fund shall be the Fund in which shall be accumulated the amounts contributed to the Retirement System for the purpose of funding Medical Benefits.

(6) The Expense Fund shall be the fund to which shall be credited funds, if any, provided to the Retirement System by the Employers to pay the administrative expenses of Component I of the Retirement System, and from which shall be paid certain expenses incurred in connection with the administration and operation of the Retirement System.

(7) The Income Fund shall be the Fund to which shall be credited all interest, dividends, and other income derived from the investments of the assets of Component I of the Retirement System and any earnings thereon, all gifts and bequests received by Component I of the Retirement System, and all other moneys credited to Component I of the Retirement System, the disposition of which is not specifically provided for in this Article 9. There shall be paid or transferred from the Income Fund, all amounts required to credit earnings and losses to the various Funds of the Retirement System in accordance with the provisions of Component I of this Combined Plan Document. Amounts credited to the Income Fund in excess of amounts needed to credit earnings and losses of the Retirement System as provided in this Component I for any Plan Year shall be used in the following manner in the following order: (i) to pay administrative expenses of Component I (to the extent there are insufficient funds for this purpose credited to the Expense Fund), and/or (ii) transferred to the Pension Accumulation Fund and used to pay Retirement Allowances and other benefits on account of Members.

Sec. 9.3. Method of Financing Retirement System Benefits

(1) The pension liabilities for Members under this Component I shall be determined by the Plan's Actuary using the Entry Age Actuarial Cost Method of actuarial valuation.

(2) The Employers' annual contributions to finance the prospective pension liabilities for the nine Plan Year period commencing July 1, 2014 and ending June 30, 2023 shall be five percent (5%) of the Compensation of active Members for the applicable Plan Year. A portion of the Employers' annual contributions for each Plan Year shall be credited to the Pension Accumulation Fund and a portion shall be credited to the Rate Stabilization Fund, each amount as determined by the City in its sole discretion. For Plan Years commencing July 1, 2023 and later, the accrued pension liabilities for Members shall be determined by the Actuary using reasonable and appropriate actuarial assumptions approved by the Board and the Investment Committee. The Employers' annual contributions to finance the normal cost of benefits and any unfunded accrued pension liabilities shall be determined by the Actuary amortizing such unfunded accrued pension liabilities over such period or periods of future years as are established by the Board and approved by the Investment Committee.

(3) Except as provided in Section 9.5, for each Plan Year, a Member shall contribute to the Retirement System an amount equal to four percent (4%) of his or her Compensation for such Plan Year. A Member's Mandatory Employee Contributions for the Plan Year beginning July 1, 2014 and ending June 30, 2015 shall commence as of the Member's first payroll date occurring in August 2014. The officer or officers responsible for processing the payroll shall cause a Member's Mandatory Employee Contributions to be deducted from the Member's Compensation on each and every payroll, for each and every payroll period, from the later of (i) the Member's first payroll date occurring in

August 2014, and (ii) the Member's date of hire to the date he ceases to be an active Member. The contribution shall be deducted from a Member's Compensation, notwithstanding that the minimum compensation provided by law for the Member shall be reduced thereby. Payment of compensation, less said Mandatory Employee Contributions, shall be a complete discharge of all claims and demands whatsoever for the services rendered by the said Member during the period covered by such payment. Member Mandatory Employee Contributions will be used for the purpose of funding the normal cost of the Retirement System.

Sec. 9.4. Member Contributions Picked-Up

(1) The Employer shall pick up Member Mandatory Employee Contributions required pursuant to Sections 9.3(3) and 9.5 in accordance with Code Section 414(h).

(2) The picked-up contributions, although designated as employee contributions shall be treated as Employer contributions for the purpose of determining a Member's tax treatment under the Internal Revenue Code. The Employers shall pay the contributions picked-up on behalf of a Member from the same source of funds that are used for paying compensation to the Member.

(3) The Employer shall pick up Member Mandatory Employee Contributions by a reduction in the Member's cash salary or an offset against a future salary increase, or both. The Employer shall designate Mandatory Employee Contributions that are picked-up and paid to the Retirement System as employer contributions and not as employee contributions. No Member who participates in the Retirement System shall have the option of choosing to receive the contributed amounts directly instead of having those amounts paid by the Employers to the Retirement System.

Sec. 9.5. Fiscal Responsibility: Increased Funding Obligations and Benefit Reductions

(1) To safeguard the long-term actuarial and financial integrity of the Retirement System, in the event the funding level of Component I of the Retirement System projected over a five year period falls below one hundred percent (100%), the following remedial action shall be required in the order set forth below, beginning with the Plan Year following the Plan Year in which such determination is made and continuing until the funding level is restored to not less than one hundred percent (100%):

(a) the Trustee may not award the variable pension improvement factor (escalator) described in Section 6.2 to any Retiree;

(b) all amounts credited to the Rate Stabilization Fund shall be transferred to the Pension Accumulation Fund for the purposes of funding benefits payable under Component I of the Retirement System; and

(c) Member Mandatory Employee Contributions shall be increased from four percent (4%) of Compensation to five percent (5%) of Compensation for up to the next following five Plan Years.

(2) In the event the funding level of Component I of the Retirement System determined as provided in Section 9.5(1) is projected to fall below eighty percent (80%), the following remedial action shall be required in the order set forth below, beginning with the Plan Year following the Plan Year in which such determination is made and continuing until the funding level is projected to be not less than eighty percent (80%) on a market value basis within the next five years:

(a) the remedial action required in Section 9.5(1) shall be implemented or continued;

(b) the Retirement Allowance payable to a Retiree shall not include the variable pension improvement factor (escalator) that was most recently added to the Retiree's Retirement Allowance for a Plan Year;

(c) Member Mandatory Employee Contributions shall be increased from five percent (5%) of Compensation to six percent (6%) of Compensation for up to the next following five Plan Years;

(d) the Retirement Allowance payable to a Retiree shall not include the variable pension improvement factor (escalator) that was most recently added to the Retiree's Retirement Allowance for the Plan Year preceding the Plan Year referenced in paragraph (b) above; and

(e) the Retirement Allowance accrued by Members for up to the next five Plan-Year-period shall be determined as provided in Section 6.1, except that one percent (1%) shall be substituted for one and one-half percent (1.5%) wherever it appears in said Section 6.1.

In determining whether the eighty percent (80%) funding level under this Section 9.5(2) has been achieved, the Plan's Actuary shall calculate the funding percentage of the Retirement System after taking into account the elimination of the variable pension improvement factor (escalator) pursuant to Section 9.5(1)(a) but prior to taking into account the remedial steps provided in Sections 9.5(1)(b) and (c).

(3) For purposes of this Section 9.5, the "funding level" of Component I of the Retirement System shall mean the ratio of the market value of the assets of Component I of the Retirement System to the actuarial accrued liability of Component I of the Retirement System. The actuarial accrued liability shall be calculated by the Plan's Actuary utilizing an interest rate assumption of six and three-quarters percent (6.75%) and other reasonable assumptions as directed by the Board upon the recommendation of the Investment Committee. The market value of assets shall be determined on the basis of a three-year look back period of smoothed investment returns.

ARTICLE 10. VOLUNTARY EMPLOYEE CONTRIBUTIONS

Sec. 10.1. Voluntary Employee Contributions; Amount; Vesting

Subject to procedures established by the Board, a Member who either is a non-union employee or is covered by a collective bargaining agreement with an Employer that permits the Member to make Voluntary Employee Contributions to Component I of the Retirement System may elect to contribute a whole percentage equal to three percent (3%), five percent (5%) or seven percent (7%) of his Compensation for a Plan Year to a Voluntary Employee Contribution Account maintained on his behalf under Component I of the Retirement System. Voluntary Employee Contributions shall be made to the Retirement System on an after-tax basis. Amounts credited to a Member's Voluntary Employee Contribution Account shall be one hundred percent (100%) vested at all times.

Sec. 10.2. Changing an Election to Contribute

A Member may change or revoke an election to make Voluntary Employee Contributions to the Retirement System pursuant to this Article 10 in such manner and with such advance notice as the City shall determine. Notwithstanding the foregoing, a Member shall be permitted to change such election not less frequently than annually.

Sec. 10.3. Individual Member Accounting; Crediting of Earnings

The Board shall maintain a Voluntary Employee Contribution Account on behalf of each Member who elects to make Voluntary Employee Contributions to the Retirement System. Each Plan Year, a Member's Voluntary Employee Contribution Account shall be credited with earnings at a rate equal to the actual net investment rate of return on the assets of the Retirement System for the second Plan Year immediately preceding the Plan Year in which the earnings are credited; in no event, however, shall the earnings rate credited to a Member's Voluntary Employee Contribution Account for any Plan Year be less than zero percent (0%) nor greater than five and one-quarter percent (5.25%).

Sec. 10.4. Distribution of Accumulated Voluntary Employee Contributions

(1) If a Member ceases employment with an Employer other than by reason of death, the Member may elect to receive distribution of the Accumulated Voluntary Employee Contributions credited to his or her Voluntary Employee Contribution Account. If a Member elects to receive his Accumulated Voluntary Employee Contributions, such amounts shall be paid to the Member in a lump sum payment or in equal monthly installments for a period not to exceed three years, according to such rules and regulations as the Board may adopt from time to time.

(2) In lieu of receiving distribution of his Accumulated Voluntary Employee Contributions as provided in Section 10.4(1), a Member may elect to have the Actuarially Equivalent Value of his or her Accumulated Voluntary Employee Contributions added to his or her Retirement Allowance and paid in a form of annuity described in Section 8.1. Any such annuity shall be subject to market rates of investment return and other market-related

assumptions, as adopted by the Board upon recommendation of the Investment Committee.

(3) If a Member dies while employed by the Employer or following termination of employment but prior to receiving distribution of the Member's Accumulated Voluntary Employee Contributions, the amounts credited to the Member's Voluntary Employee Contribution Account at the time of death shall be paid to the Beneficiary nominated in a written designation duly executed by the Member and filed with the Board. In the event there is no such designated Beneficiary surviving the Member, the Member's Accumulated Voluntary Employee Contributions shall be paid to the Member's estate. If a Member who dies without a legal will has not nominated a Beneficiary, the Member's Accumulated Voluntary Employee Contributions at the time of death may be used to pay burial expenses if the Member leaves no other estate sufficient for such purpose. Such expenses shall not exceed a reasonable amount as determined by the Board.

ARTICLE 11. LOAN PROGRAM FOR VOLUNTARY EMPLOYEE CONTRIBUTIONS

Sec. 11.1. The Loan Program

A loan program shall be available to Members who have amounts credited to a Voluntary Employee Contributions Account under Component I of the Retirement System. The Board is authorized to adopt rules and regulations, from time to time, to govern the administration and the operation of the loan program. Copies of the rules shall be made available to eligible Members in the offices of the Retirement System. Any loans granted or renewed under the Retirement System shall be made and administered pursuant to and in compliance with Section 72(p) of the Internal Revenue Code and regulations thereunder.

Sec. 11.2. Eligibility for Loan

Subject to the rules and procedures established by the Board, loans may be made to eligible Members from such Member's Voluntary Employee Contribution Account. An eligible Member is any Member who has participated in the Retirement System for twelve months or more. Former Members, Spouses and Beneficiaries are not eligible to receive any loans from the Retirement System. No Member shall have more than two outstanding loans from the Retirement System (Component I and/or Component II) at any time. A Member who has previously defaulted on a loan under either Component I or Component II shall not be eligible for a loan from the Retirement System.

Sec. 11.3. Amount of Loan

An eligible Member who has satisfied applicable rules and procedures established by the Board may borrow from his Voluntary Employee Contribution Account an amount which does not exceed the lesser of (i) fifty percent (50%) of the Member's Voluntary Employee Contribution Account balance, and (ii) Ten Thousand Dollars ($10,000.00), in each case reduced by the excess, if any, of: (1) the Member's highest outstanding loan balance under the Retirement System (both Component I and Component II) during the one year period ending on the day before the date on which the loan is made, or (2) the outstanding loan balance under the Retirement System (both Component I and Component II) on the date on which the loan is made, whichever is less. The minimum loan amount shall be One Thousand Dollars ($1,000.00).

Sec. 11.4. Terms and Conditions

In addition to such rules and procedures that are established by the Board, all loans shall comply with the following terms and conditions:

(a) Each loan application shall be made in writing.

(b) All loans shall be memorialized by a collateral promissory note for the amount of the loan, including interest, payable to the order of the Retirement System and properly executed by the Member.

(c) Each loan shall be repaid by substantially equal payroll deductions over a period not to exceed five years, or, where the loan is for the purpose of buying a principal residence, a period not to exceed fifteen years. In no case shall the amount of the payroll deduction be less than Twenty Dollars ($20.00) for any two-week pay period. A Member receiving a loan will be required to authorize payroll deductions from his compensation in an amount sufficient to repay the loan over its term.

(d) An amount equal to the principal amount of the loan to a Member (but not more than one half of the Member's vested interest in the Defined Contribution Plans of the Retirement System) will be designated as collateral for guaranteeing the loan.

(e) Each loan shall bear interest at a rate determined by the Board. The Board shall not discriminate among Members in its determination of interest rates on loans. However, loans initiated at different times may bear different interest rates, where, in the opinion of the Board, the difference in rates is supported by a change in market interest rates or a change in the Retirement System's current assumed rate of return. The loan interest rate shall bear a reasonable relationship to market rates for secured loans of a similar duration and shall bear a reasonable relationship to the costs to the Retirement System of administering the loan. The loan interest rate shall be calculated in a manner that will not negatively affect either the Employers' costs with respect to the Retirement System or the investment return allocated to Members.

(f) Loan repayments shall be suspended during a period of military service, as permitted by Section 414(u)(4) of the Internal Revenue Code. A Member who has an outstanding loan balance from the Retirement System who is absent from employment with the City, and who has satisfied the requirements of Section 414(u) of the Internal Revenue Code shall not be required to make loan repayments to the Retirement System during said periods of absence.

Sec. 11.5. Loan Balance

A Member's outstanding loan balance shall be considered a directed investment by the Member and interest payments shall be credited to the Member's Voluntary Employee Contribution Account (provided that the interest credited to the Member's Voluntary Employee Contribution Account shall be reduced appropriately to cover the administrative costs of the loan program and avoid negatively affecting the Employers' costs or the Retirement System's investment returns), and shall not be part of the Retirement System's net investment income or part of the Member's Voluntary Employee Contribution Account balance for the purpose of allocation of net investment income under the Retirement System.

Sec. 11.6. Default

In the event a Member defaults on a loan before the loan is repaid in full, the unpaid balance thereof will become due and payable and, to the extent that the outstanding amount is not repaid by the end of the calendar quarter which follows the calendar quarter in which the last

payment was received, such amount shall be deemed to have been distributed to the Member for tax purposes, consistent with Section 72(p) of the Internal Revenue Code.

Sec. 11.7. Distribution

No distribution shall be made to a Member, former Member, Spouse or Beneficiary from the Retirement System until all outstanding loan balances and applicable accrued interest have been repaid or offset against amounts distributable to the individual from the Retirement System.

Sec. 11.8. Annual Report

The Retirement System shall include, in its annual report to all Members, an accounting of the Loan Program established by this Article 11, which contains the number and amount of loans made, the costs of administering the Loan Program maintained under this Component I, the amount of payments made including interest received by Component I of the Retirement System, the amount of loans outstanding, including any defaults or delinquencies, and an evaluation as to whether the interest charged in that Fiscal Year covered the costs of administering the Loan Program under Component I.

ARTICLE 12. LIMITATION ON BENEFITS AND CONTRIBUTIONS

Sec. 12.1. Compliance With Code Section 415(b) And Regulations

(1) Notwithstanding any other provision of this Combined Plan Document, the defined benefit component of the Retirement System shall be administered in compliance with the provisions of Code Section 415(b) and regulations thereunder that are applicable to governmental plans.

(2) The maximum annual benefit accrued by a Member during a "limitation year" (which shall be the Plan Year) and the maximum annual benefit payable under the Retirement System to a Member at any time within a Plan Year, when expressed as an annual benefit in the form of a straight life annuity (with no ancillary benefits), shall be equal to $160,000 (as such amount is adjusted pursuant to Code Section 415(d) for such Plan Year).

(3) Notwithstanding the foregoing:

(a) if the benefit under the Retirement System is payable in any form other than a straight life annuity, the determination as to whether the limitation described in Section 12.1(2) has been satisfied shall be made, in accordance with the regulations prescribed by the Secretary of the Treasury, by adjusting such benefit to the Actuarially Equivalent straight life annuity beginning at the same time, in accordance with Section 12.1(8) or (9);

(b) if the benefit under the Retirement System commences before Age sixty-two, the determination of whether the limitation set forth in Section 12.1(2) (the "Dollar Limit") has been satisfied shall be made, in accordance with regulations prescribed by the Secretary of the Treasury, by reducing the Dollar Limit so that the Dollar Limit (as so reduced) is equal to an annual benefit payable in the form of a straight life annuity, commencing when such benefit under the Retirement System commences, which is Actuarially Equivalent to a benefit in the amount of the Dollar Limit commencing at Age sixty-two; provided, however, if the Retirement System has an immediately commencing straight life annuity commencing both at Age sixty-two and the Age of benefit commencement, then the Dollar Limit (as so reduced) shall equal the lesser of (i) the amount determined under this Section 12.1(3)(b) without regard to this proviso, or (ii) the Dollar Limit multiplied by a fraction the numerator of which is the annual amount of the immediately commencing straight life annuity under the Retirement System and the denominator of which is the annual amount of the straight life annuity under the Retirement System, commencing at Age sixty-two; and

(c) if the benefit under the Retirement System commences after Age sixty-five, the determination of whether the Dollar Limit has been satisfied shall be made, in accordance with regulations prescribed by the Secretary of the Treasury, by increasing the Dollar Limit so that the Dollar Limit (as so increased) is equal to an annual benefit payable in the form of a straight life annuity, commencing when

the benefit under the Retirement System commences, which is Actuarially Equivalent to a benefit in the amount of the Dollar Limit commencing at Age sixty-five; provided, however, if the Retirement System has an immediately commencing straight life annuity commencing both at Age sixty-five and the Age of benefit commencement, the Dollar Limit (as so increased) shall equal the lesser of (i) the amount determined under this Section 12.1(3)(c) without regard to this proviso, or (ii) the Dollar Limit multiplied by a fraction the numerator of which is the annual amount of the immediately commencing straight life annuity under the Retirement System and the denominator of which is the annual amount of the immediately commencing straight life annuity under the Retirement System, commencing at Age sixty-five.

(4) Notwithstanding the foregoing provisions of this Section 12.1, except as provided in Section 12.1(5), the maximum annual benefit specified in Section 12.1(2) above shall not apply to a particular Retirement System benefit if (a) the annual amount of such Retirement System benefit, together with the aggregate annual amount of any other pensions payable with respect to such Member under all other defined benefit plans maintained by an Employer, does not exceed $10,000 for the Plan Year or any prior Plan Year and (b) the Member was not at any time a participant in a defined contribution plan maintained by an Employer.

(5) In the case of a Member who has less than ten years of participation in the Retirement System, the limitation set forth in Section 12.1(2) shall be such limitation (without regard to this Section 12.1(5)), multiplied by a fraction, the numerator of which is the number of years of participation in the Retirement System (or parts thereof) credited to the Member and the denominator of which is ten. In the case of a Member who has less than ten years of Vesting Service, the limitations set forth in Paragraph (b) of Section 12.1(3) and in Section 12.1(4) shall be such limitations (determined without regard to this Section 12.1(5)) multiplied by a fraction, the numerator of which is the number of years of Vesting Service, or parts thereof, credited to the Member and the denominator of which is ten.

(6) Notwithstanding anything in this Section 12.1 to the contrary, if the annual benefit of a Member who has terminated employment with the Employer is limited pursuant to the limitations set forth in Section 12.1(2), such annual benefit shall be increased in accordance with the cost-of-living adjustments of Code Section 415(d).

(7) For purposes of determining actuarial equivalence under Paragraph (b) or (c) of Section 12.1(3), the interest rate assumption shall be five percent (5%) and the mortality table used shall be the applicable mortality table specified by the Board.

(8) The actuarially equivalent straight life annuity for purposes of adjusting any benefit payable in a form to which Code Section 417(e)(3) does not apply, as required by Paragraph (a) of Section 12.1(3), is equal to the greater of (a) the annual amount of the straight life annuity payable under the Retirement System commencing at the same annuity starting date as the form of benefit payable to the Member, or (b) the annual amount of the straight life annuity commencing at the same annuity starting date that has

the same actuarial present value as the form of benefit payable to the Member, computed using the interest rate and mortality assumptions set forth in Section 12.1(7).

(9) The actuarially equivalent straight life annuity for purposes of adjusting any benefit payable in a form to which Code Section 417(e)(3) applies, as required by Paragraph (a) of Section 12.1(3), is equal to the greatest of (a) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same Actuarial Equivalent present value as the form of benefit payable to the Member, (b) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the Member, computed using a five and one-half percent (5.5%) interest rate assumption and the applicable mortality table specified by the Board, or (c) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the Member, computed using the applicable interest rate and the applicable mortality table, both as specified by the Board, divided by 1.05.

(10) For purposes of applying the limitations set forth in this Section 12.1, all qualified defined benefit plans (whether or not terminated) ever maintained by an Employer shall be treated as one defined benefit plan.

(11) For purposes of this Section 12.1, the term "compensation" shall include those items of remuneration specified in Treasury Regulation § 1.415(c)-2(b) and shall exclude those items of remuneration specified in Treasury Regulation § 1.415(c)-2(c), taking into account the timing rules specified in Treasury Regulation § 1.415(c)-2(e), but shall not include any amount in excess of the limitation under Code Section 401(a)(17) in effect for the year. The term "compensation" as defined in the preceding sentence shall include any payments made to a Member by the later of (a) two and one-half months after the date of the Member's severance from employment with an Employer or (b) the end of the limitation year that includes the date of the Member's severance from employment with an Employer, provided that, absent a severance from employment, such payments would have been paid to the Member while the Member continued in employment with the Employer and are regular compensation for services performed during the Member's regular working hours, compensation for services outside the Member's regular working hours (such as overtime or shift differential pay), commissions, bonuses or other similar compensation.

(12) This Section 12.1 shall be administered in conformity with the regulations issued by the Secretary of the Treasury interpreting Code Section 415 including, but not limited to, any regulation providing for the "grandfathering" of any benefit accrued prior to the effective date of such regulations or statutory provision.

Sec. 12.2. Compliance with Code Section 415(c) and Regulations

(1) The "Annual Addition" with respect to a Member for a limitation year (which shall be the Plan Year) shall in no event exceed the lesser of:

(a) $40,000 (adjusted as provided in Code Section 415(d)); or

(b) One hundred percent (100%) of the Member's compensation, as defined in Code Section 415(c)(3) and regulations issued thereunder, for the limitation year.

(2) The Annual Addition with respect to a Member for a limitation year means the sum of his Voluntary Employee Contributions for such limitation year to the Retirement System, and the employer contributions, employee contributions and forfeitures allocated to his accounts under any other qualified defined contribution plan (whether or not terminated) maintained by an Employer, and the amounts described in Code Sections 415(l)(2) and 419A(d)(2) allocated to his account.

(3) In the event the Annual Addition to the Retirement System on behalf of a Member would otherwise exceed the amount that may be applied for his benefit under the limitation contained in this Section 12.2, the limitation shall be satisfied by reducing the Member's Voluntary Employee Contributions to the extent necessary and distributing such amounts to the Member.

ARTICLE 13. RETIREMENT SYSTEM ADMINISTRATION

Sec. 13.1. Board of Trustees as Retirement System Administrator

(1) The Retirement Board shall have the power and authority to manage and administer the Retirement System in accordance with the provisions of the Combined Plan Document.

(2) The Retirement Board shall provide procedures for the processing and review of benefit claims, corrections of errors, and similar matters, as further described in Section 13.2.

(3) The Retirement Board and the Retirement System shall not make any payment to active or retired Members or Beneficiaries other than payments that are required by the Retirement System as established by this Combined Plan Document. This prohibition applies to all payments that are not authorized by this Combined Plan Document, whether such payments are those commonly referred to as a "thirteenth check" or payments by any other name.

Sec. 13.2. Powers and Duties of Board

(1) The Board shall have the following powers and duties:

(a) exclusive authority regarding the administration, management and operation of the Retirement System, including, but not limited to, the right to contract for office space, computer hardware and software, and human resource services (any or all of which may be obtained from the City), and to make rules and regulations with respect to the operation of the Retirement System not inconsistent with the terms of the Combined Plan Document and applicable law, and to amend or rescind such rules and regulations;

(b) to determine questions of law or fact that may arise as to the rights of any person claiming rights under the Retirement System;

(c) to determine the contributions to the Retirement System required of the Employer and Members pursuant to the documents governing operation of the Retirement System, including the Plan of Adjustment;

(d) to construe and interpret the provisions of the Retirement System and to reconcile any inconsistencies;

(e) to perform ministerial functions, whether or not expressly authorized, which the Board may deem necessary or desirable in carrying out its duties under the Retirement System;

(f) except to the extent authority is vested in the Investment Committee, authority to employ, contract and pay for professional services including, but not limited to, actuarial, investment, legal, accounting, medical, and any other services that the Board considers necessary for the proper operation of the Retirement System;

(g) except to the extent authority or responsibility is vested in the Investment Committee, to arrange for annual audits of the records and accounts of the Retirement System by a certified public accountant or by a firm of certified public accountants pursuant to generally accepted auditing standards;

(h) to prepare an annual report for the Retirement System for each Fiscal Year in compliance with generally accepted accounting principles. The report shall contain information regarding the financial, actuarial, and other activities of the Retirement System during the Fiscal Year. The Board shall furnish a copy of the annual report to the Mayor and finance director of the City, to the chair of the City Council and to the Investment Committee. The report shall also contain a review of the latest actuarial valuation of the Retirement System;

(i) to maintain or cause to be maintained such separate funds and accounts as are required to be maintained under the provisions of Components I and II of the Combined Plan Document and such additional accounts as the Board deems necessary or expedient for the proper administration of the Retirement System and the administration and investment of the assets of the Retirement System. The Board shall maintain suitable records, data and information in connection with the performance of its functions, including, but not limited to, accurate and detailed accounts of all investments, receipts, disbursements, and other actions, including the proportionate interest therein and contributions of each Member who has made contributions to the Retirement System;

(j) to correct any error in the records of the Retirement System that results in overpayment or underpayment of contributions to the Retirement System by the Employer or a Member, or overpayment or underpayment of benefits to a Member, former Member, or Beneficiary by the Retirement System. In the event of overpayment to a Member, former Member or Beneficiary, the Board may, as far as practicable, adjust future payments to such individual, in such a manner that the Actuarial Equivalent of the benefit to which such individual was entitled shall be paid;

(k) to the extent permissible under Michigan law (and consistent with the Retirement System's favorable tax qualified status under Code Section 401(a)), purchase one or more insurance policies to indemnify any person and such person's heirs and legal representatives who is made a party to (or threatened to be made a party to) any action, suit or proceeding whether brought by or in the right of the Board, the Investment Committee or the Retirement System or otherwise, by reason of the fact that such person is or was a Board member, Investment Committee member, director, officer, employee or agent of the Board (or an advisory body or committee of the Board) or the Retirement System. The insurance policies purchased by the Board shall not indemnify any person who is judicially determined to have incurred liability due to fraud, gross negligence or malfeasance in the performance of his duties; and

(l) except to the extent authority or responsibility is vested in the Investment Committee, to perform any other function that is required for the proper administration of the Retirement System.

Sec. 13.3. Executive Director; Employees

The Board shall employ on behalf of the Retirement System an executive director and any other employees for which the Board establishes positions. The executive director shall do all of the following:

(a) manage and administer the Retirement System under the supervision and direction of the Board;

(b) annually prepare and submit to the Board for review, amendment, and adoption an itemized budget projecting the amount required to pay the Retirement System's expenses for the following Fiscal Year; and

(c) perform such other duties as the Board shall delegate to the executive director.

The executive director, unless such power is retained by the Board, shall determine the compensation of all employees of the Retirement System (except the executive director, whose compensation shall be determined by the Board; and the chief investment officer, whose compensation shall be determined by the Investment Committee) and such compensation shall be payable from the Retirement System. Any person employed by the Retirement System may, but need not, be an employee of the City.

Sec. 13.4. Discretionary Authority

The Board shall have discretion to:

(a) interpret the provisions of the Retirement System;

(b) make factual findings with respect to any and all issues arising under the Retirement System;

(c) determine the rights and status of Members, Retirees, Beneficiaries and other persons under the Retirement System;

(d) decide benefit claims and disputes arising under the Retirement System pursuant to such procedures as the Board shall adopt; and

(e) make determinations and findings (including factual findings) with respect to the benefits payable hereunder and the persons entitled thereto as may be required for the purposes of the Retirement System.

Sec. 13.5. Administrator's Decision Binding

The Board's decision on any matter arising in connection with administration and interpretation of the Retirement System shall be final and binding on Members, Retirees and Beneficiaries.

ARTICLE 14. MANAGEMENT OF FUNDS

Sec. 14.1. Board as Trustee of Retirement System Assets

The Board of Trustees shall be the trustee of the funds held under the Retirement System, shall receive and accept all sums of money and other property paid or transferred to it by or at the direction of the City and, subject to the terms of Article 15, shall have the power to hold, invest, reinvest, manage, administer and distribute such money and other property subject to all terms, conditions, limitations, and restrictions imposed on the investment of assets of public employee retirement systems or plans by *Act No. 314 of the Public Acts of 1965, being sections 38.1132 et seq.* of the *Michigan Compiled Laws, as amended.*

Sec. 14.2. Maintenance of Segregated Funds

The Board of Trustees shall maintain separate funds as required for the proper administration of the Retirement System and shall not commingle the assets held under the Retirement System for the purpose of funding benefits accrued by Members prior to July 1, 2014, together with earnings and losses on such assets (or replacement assets), as more fully described in Component II of this Combined Plan Document, with the assets of the Retirement System held for the purpose of paying benefits accrued by Members on and after July 1, 2014 as described in this Component I of the Combined Plan Document. Notwithstanding the foregoing, the assets held under Components I and II of this Combined Plan Document may be commingled for investment purposes, and transferred as provided in Section E-16(c) of Component II.

Sec. 14.3. Custodian of Funds

The Board of Trustees shall appoint or employ custodians of the assets of the Retirement System. The custodians shall perform all duties necessary and incidental to the custodial responsibility and shall make disbursements as authorized by the Board.

Sec. 14.4. Exclusive Purpose

All money and other assets of the Retirement System shall be held by the Trustees and invested for the sole purpose of paying benefits to Members and Beneficiaries and shall be used for no other purpose other than payment of the reasonable expenses of maintaining the Retirement System. In exercising its discretionary authority with respect to the management of the money and other assets of the Retirement System, the Trustees shall exercise the care, skill, prudence and diligence under the circumstances then prevailing, that a person acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character with like aims.

Sec. 14.5. Prohibited Conduct

Members of the Board and employees of the Retirement System are prohibited from:

(1) Having any beneficial interest, direct or indirect, in any investment of the Retirement System;

(2) Being an obligor or providing surety for any money loaned to or borrowed from the Retirement System;

(3) Except as provided in Article 11, borrowing any money or other assets of the Retirement System; and

(4) Receiving any pay or other compensation from any person, other than compensation paid by the Retirement System, with respect to investments of the Retirement System.

ARTICLE 15. INVESTMENT OF RETIREMENT SYSTEM ASSETS

Sec. 15.1. Investment Powers of the Board and the Investment Committee

Subject to the requirements set forth in this Article 15, the Board shall have the power and authority to manage, control, invest and reinvest money and other assets of the Retirement System subject to all terms, conditions, limitations, and restrictions imposed on the investment of assets of public employee retirement systems or plans by *Act No. 314 of the Public Acts of 1965, being sections 38.1132 et seq.* of the *Michigan Compiled Laws, as amended.* Notwithstanding anything in this Combined Plan Document to the contrary, for the twenty year period following the effective date of the Plan of Adjustment, the Investment Committee shall make recommendations to the Board with respect to investment management matters as provided in this Article 15.

All investment management decisions made by the Board, as more fully described in Section 15.2, shall require a recommendation by an affirmative vote of the Investment Committee as provided in this Combined Plan Document. The Board shall take no action with respect to any matter for which the Investment Committee has responsibility and authority, including the investment management matters described in Section 15.2, unless and until such action has been approved by affirmative vote of the Investment Committee. All actions and recommendations of the Investment Committee shall be forwarded to the Board for consideration and are subject to Board approval. If (a) the Board fails to approve or disapprove an investment management decision that has been recommended by an affirmative vote of the Investment Committee, and such failure continues for forty-five days after the date that the recommendation was made to the Board, or (b) the Board disapproves an investment management decision within such forty-five day period but fails to provide to the Investment Committee within such forty-five day period a detailed written response outlining the reasons for such disapproval, then the Investment Committee and the chief investment officer are authorized to implement the decision.

If the Board disapproves an investment management decision within such forty-five day period and provides to the Investment Committee within such forty-five day period a detailed written response outlining the reasons for such disapproval, then the Investment Committee shall have forty-five days after the receipt of the Board response to either (a) withdraw the recommended investment management decision, or (b) request, in writing, a conference with the Board to be held within ten days, but not less than five business days, of the request by the Investment Committee to discuss the disapproval by the Board described in the written response. Any such conference shall be conducted with at least three independent Investment Committee members present in person or by phone. Within ten days of the commencement of the conference or twenty days following the Investment Committee's request for a conference if no conference is held, the Investment Committee shall either withdraw the recommended investment management decision or provide the Board with a written explanation of the Investment Committee's decision to proceed with the recommended Investment Management decision. After delivery of such written explanation by the Investment Committee, the Investment Committee and the chief investment officer are authorized to implement the decision. Any action taken by the Board or the Investment Committee in violation of the terms of this Article 15 shall constitute an *ultra vires* act and the Investment Committee or the Board is

granted the express right to seek to preliminarily enjoin such violation without the need to show irreparable harm.

Sec. 15.2. Investment Management

(1) For purposes of this Combined Plan, "investment management decisions" and "investment management matters" shall include:

(a) development of an investment policy statement with sound and consistent investment goals, objectives, and performance measurement standards which are consistent with the needs of the Retirement System;

(b) within 120 days after the effective date of the Plan of Adjustment, placement of all of the assets of the Retirement System not already under qualified management with qualified investment managers selected by the Investment Committee;

(c) evaluation, retention, termination and selection of qualified managers to invest and manage the Retirement System's assets;

(d) review and affirmation or rejection of the correctness of any and all calculations, actuarial assumptions and/or assessments used by the Actuary including, but not limited to (i) those underlying the restoration of pension benefits, funding levels and amortization thereof, all in accordance with the pension restoration program attached to the Plan of Adjustment (as more fully described in Article G of Component II of this Combined Plan Document), (ii) those underlying the determination of annual funding levels and amortization thereof, and (iii) on or after Fiscal Year 2024, the recommended annual contributions to the Retirement System in accordance with applicable law;

(e) in accordance with approved actuarial work as provided in paragraph (d) above and based on the annual actuarial valuation reports and any other projections or reports as applicable from the Actuary or other professional advisors, the determination of the extent of restoration of pension benefits, including but not limited to the payment of all or a portion of the reduced base monthly pension amounts and the payment of all or a portion of lost COLA payments, all in conformance with the pension restoration program attached to the Plan of Adjustment;

(f) communication of the Retirement System's investment goals, objectives, and standards to the investment managers, including any material changes that may subsequently occur;

(g) determination and approval of the Retirement System's investment and asset allocation guidelines, taking into account the appropriate liquidity needs of the Retirement System;

(h) the taking of corrective action deemed prudent and appropriate when an investment manager fails to perform as expected;

(i) interpretation of Retirement System governing documents, existing law, the Plan of Adjustment and other financial information that could affect funding or benefit levels;

(j) review and approval, prior to final issuance, of the annual audit and all financial reports prepared on behalf of the Retirement System and meet and confer with the Auditor or other professional advisors, as necessary, prior to approval of the annual audit or other financial reports;

(k) determination of the funding status of the Retirement System and any remedial action to be taken pursuant to Section 9.5; and

(l) performance of an asset/liability valuation study for the Retirement System every three years, or more often as requested by the Investment Committee or the Board.

All actions of the Investment Committee shall comply with the provisions of pertinent federal, state, and local laws and regulations, specifically *Act No. 314 of the Public Acts of 1965, being Sections 38.1132 et seq.* of the *Michigan Compiled Laws*, as amended, and the Retirement System's investment guidelines.

Sec. 15.3. Best Practices

Prior to adopting investment guidelines and asset allocation policies, selecting investment managers or adopting investment return assumptions, the Investment Committee shall have an understanding of and shall give appropriate consideration to the following:

(a) the fiduciary best practices and institutional standards for the investment of public employee retirement system plan assets;

(b) the objective to obtain investment returns above the established actuarial investment return assumption to support the restoration of benefits under the pension restoration program described in the Plan of Adjustment and Component II of this Combined Plan Document, to the extent that it is prudent and consistent with the overall funding, liquidity needs and actuarial assumptions governing the Retirement System; and

(c) the liquidity needs of the Retirement System.

Sec. 15.4. Chief Investment Officer

The Investment Committee shall have the exclusive power to select, retain and terminate the services of a chief investment officer for the Retirement System. The Investment Committee shall determine any and all compensation and other terms of employment of any chief investment officer hired by it. The chief investment officer shall report directly to the Investment Committee and the executive director of the Board. The chief investment officer shall be responsible for assisting the Investment Committee and the Board with respect to oversight of the Retirement System's investment portfolio. The chief investment officer shall

provide such periodic reports relating to the Retirement System's assets to the Investment Committee and the Board as it or they shall request.

Sec. 15.5. Investment Consultants

The Board and/or Investment Committee may retain the services of one or more investment consultants who shall be responsible for assisting the Board and the Investment Committee with oversight of the Retirement System's investment portfolio. Any such investment consultant shall be a registered advisor with the United States Securities and Exchange Commission and shall be a nationally recognized institutional investment consultant with expertise in the investment of public pension plan assets. Any such investment consultant shall acknowledge in writing its role as investment fiduciary with respect to the Retirement System as defined in the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* The Board or the Investment Committee, as appropriate, shall determine the compensation and other terms of employment of any investment consultant hired by it. The duties of an investment consultant may include, but shall not be limited to:

(a) providing an asset/liability valuation study for the Retirement System;

(b) reviewing the Retirement System's asset allocation based on current market assumptions;

(c) identifying and recommending to the Investment Committee and the Board appropriate investment strategies based on the financial condition of the Retirement System;

(d) implementing the approved investment strategies, such as recommending to the Investment Committee, for Board approval, an asset allocation strategy, building an investment structure for the Retirement System, and identifying qualified investment managers (through an organized search process) to execute and implement investment strategies;

(e) monitoring and evaluating the ongoing progress of the investment managers toward stated investment goals and objectives;

(f) recommending to the Investment Committee and the Board any necessary corrective actions, including adjustments to the investment structure or investment management organizations, in the event of a deviation from expectations;

(g) communicating the investment policies of the Retirement System to the investment managers;

(h) reviewing the investment policies with the appropriate employees of the Retirement System;

(i) aiding the Investment Committee in providing recommendations on issues relating to rebalancing and cash flow management, securities lending, transition management, cash equalization and other investment related topics;

(j) attending Investment Committee and Board meetings in person, or telephonically, as needed or as requested;

(k) meeting with the Investment Committee and the Board to provide detailed quarterly performance reports and executive summaries of performance;

(l) meeting with the Investment Committee and the Board to review capital markets and inform the Board and Retirement System employees on the current investment environment; and

(m) meeting with the Investment Committee and the Board to provide recommendations on asset allocation, investment structure, and manager selections.

ARTICLE 16. RETIREE MEDICAL ACCOUNT

Sec. 16.1. Establishment of Account

A Medical Benefits Account shall be established and maintained under the Retirement System out of which the Board shall pay the cost, which would otherwise be borne by the Employers, for certain medical and related benefits provided under the plans or programs maintained by the Employers to provide Medical Benefits (the "Medical Plans") for the benefit of the Medical Beneficiaries. The provisions of this Article 16 are intended to comply with Section 401(h) of the Code and shall be construed to comply therewith.

Sec. 16.2. Effective Date of Retiree Medical Account

Medical Benefits may be paid from the Medical Benefits Account beginning October 19, 2014, or such other date recommended by an enrolled actuary (within the meaning of Section 7701(a)(35) of the Code) and approved by the Board and Investment Committee.

Sec. 16.3. Funding of Benefits

Subject to the Plan of Adjustment and the right reserved to the City to amend or terminate the provision of Medical Benefits under its general power to amend the Combined Plan Document under Section 17.5, the City expects and intends to make actuarially determined contributions under the Retirement System from time to time to fund the Medical Benefits Account. The assets of the Medical Benefits Account may be invested together with the other assets of the Retirement System, in which case earnings of the Retirement System shall be allocated to the Medical Benefits Account on a reasonable basis, or such assets may be invested separately. In any event, no part of the Retirement System, other than the assets of the Medical Benefits Account, shall be available to pay for any part of the cost of Medical Benefits.

The amount determined by the City to be contributed for any Plan Year by the Employers pursuant to the paragraph above shall be reasonable and ascertainable and shall not exceed the total cost for such Plan Year of providing Medical Benefits to the Medical Beneficiaries, determined in accordance with generally accepted actuarial methods and assumptions that are reasonable in view of the provisions and coverage of the medical and other welfare plans providing such benefits, the funding medium and any other applicable considerations. At the time any Employer makes a contribution to the Trustee, the Employer shall designate the portion thereof that is allocable to the Medical Benefits Account.

Sec. 16.4. Limitation on Contributions

At all times the aggregate of the contributions made by the Employers to provide Medical Benefits shall not exceed twenty-five percent (25%) of the sum of the aggregate contributions made by the Employers to the Plan under Sections 9.3, 9.4 and 9.5 other than the contributions to fund past service credits, plus the aggregate contributions to the Medical Benefits Account. In the event that a contribution under Section 16.3 shall exceed the amount described in the preceding sentence, such contribution shall be reduced by the excess amount.

Sec. 16.5. Impossibility of Diversion

In no event, prior to the satisfaction of all liabilities to provide Medical Benefits, shall the Medical Benefits Account be used for, or diverted to, any purpose other than the payment of such benefits and any necessary or appropriate expenses of administration associated therewith. Any amounts credited to the Medical Benefits Account following the satisfaction of all such liabilities shall be returned to the Employers.

Sec. 16.6. Administration

The Medical Plans shall continue to be administered, and claims processed, under their respective terms. The interpretation and administration of the terms of this Article 16 shall be as provided in the Combined Plan Document.

Sec. 16.7. Right to Amend or Terminate Medical Plans

The Employers expressly reserve the exclusive right, retroactively to the extent permitted by law, to amend, modify, change, terminate or revoke any medical or other welfare plan or policy maintained by any such Employer that provides medical or other welfare benefits, including but not limited to Medical Benefits, and to require Members, former Members, their eligible Spouses and dependents to pay all or any portion of the cost of such medical benefits.

Sec. 16.8. Reversion

At no time prior to the satisfaction of all liabilities under the Retirement System to provide Medical Benefits, shall any part of the Medical Benefits Account be used for any purpose other than providing Medical Benefits, and any necessary or appropriate expenses attributable to the administration of the Medical Benefits Account. If any residual assets remain in the Medical Benefits Account after the satisfaction of all obligations of the Employers to provide Medical Benefits to the Medical Beneficiaries, such assets shall be returned to the Employers. In the event a Medical Beneficiary's interest in the Medical Benefits Account is forfeited prior to the termination of the Retirement System, an amount equal to such forfeiture shall be applied as soon as possible to reduce the Employers' contributions to the Medical Benefits Account.

Sec. 16.9. Limitation of Rights

A Medical Beneficiary shall have no right, title or claim in any specific asset of the Medical Benefits Account, but shall have the right only to the Medical Benefits provided from time to time under the Medical Benefits Account.

ARTICLE 17. MISCELLANEOUS

Sec. 17.1. Nonduplication of Benefits

If any Member is a participant in another defined benefit pension plan, retirement system or annuity plan sponsored by an Employer (including Component II of this Retirement System) and the Member is or becomes entitled to accrue pension benefits under such plan or retirement system (including Component II of this Retirement System) with respect to any period of service for which he is entitled to accrue a benefit under Component I of this Retirement System, such Member shall not be eligible to accrue or receive payment of a benefit under Component I with respect to such period of service.

Sec. 17.2. Assignments Prohibited

The right of a person to a pension, annuity, the return of Accumulated Voluntary Employee Contributions and/or the return of Accumulated Mandatory Employee Contributions, the Retirement Allowance itself, to any optional form of payment, to any other right accrued or accruing to any person under the provisions of this Retirement System, and the monies in the various funds of the Retirement System shall not be assignable and shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency law, or any other process of law whatsoever, except as specifically provided in this Combined Plan Document or by an eligible domestic relations order of a lawful court.

Sec. 17.3. Protection Against Fraud

A person who, with intent to deceive, makes any statements or reports required under this Retirement System that are untrue, or who falsifies or permits to be falsified any record or records of this Retirement System, or who otherwise violates, with intent to deceive, any terms or provisions of the Retirement System, shall be subject to prosecution under applicable law.

Sec. 17.4. Errors

If any change or error in the records results in any person receiving from the Retirement System more or less than the person would have been entitled to receive from the Retirement System had the records been correct, the Board shall correct such error and, as far as practicable, shall adjust the payment in such a manner that the actuarial equivalent of the benefit to which such person was correctly entitled shall be paid.

Sec. 17.5. Amendment; Termination; Exclusive Benefit

The City reserves the right to amend the Combined Plan Document created hereunder at any time; such amendments may include termination of the Retirement System; provided, however, that following the effective date of the Plan of Adjustment, no amendment other than amendments permitted under the terms of the Plan of Adjustment (including amendments contemplated in Section G-4(5) of Component II) may be made to the terms, conditions and rules of operation of the Retirement System, or any successor plan or trust, that govern the calculation of pension benefits during the period ending June 30, 2023, nor may any amendment or termination deprive any Member, former Member or Beneficiary of any then vested benefit

under the Retirement System, except as provided in the Plan of Adjustment. Notwithstanding the foregoing, the City and the Board have the authority to amend the Combined Plan Document as necessary to retain the tax qualified status of the Retirement System under the Internal Revenue Code. The City shall make no amendment or amendments to the Retirement System which causes any part of the assets of the Retirement System to be used for, or diverted to, any purpose other than the exclusive benefit of Members, former Members or their Beneficiaries; provided, that the City may make any amendment necessary, with or without retroactive effect, to comply with applicable federal law. Any amendment of the Retirement System by the City must be approved by the Council or person standing in the stead of the Council.

Upon termination of the Retirement System or upon complete discontinuance of contributions to the Retirement System, the rights of all Members to benefits accrued to the date of such termination or discontinuance, to the extent then funded, shall be nonforfeitable.

Sec. 17.6. Expenses of Administration; Forfeitures Not to Increase Benefits

All expenses relating to administration of Component I of the Retirement System shall be paid from the assets maintained under this Component I and all expenses relating to administration of Component II of the Retirement System shall be paid from the assets maintained under Component II. Any forfeitures arising under the Retirement System due to a Member's termination of employment or death, or for any other reason, shall be used to pay expenses of the appropriate Component of the Retirement System and shall not be applied to increase the benefits any Member would otherwise receive under the Retirement System at any time prior to termination of the Retirement System.

Sec. 17.7. Required Distributions - Compliance with Code Section 401(a)(9) and Regulations

The Retirement System will apply the minimum distribution requirements of Code Section 401(a)(9) in accordance with the final regulations issued thereunder, notwithstanding any provision in the Combined Plan Document to the contrary. Pursuant to Code Section 401(a)(9)(A)(ii), a Member's interest must begin to be distributed by the later of (i) the April 1 of the calendar year following the calendar year in which he attains the Age of seventy and one-half (70-1/2), or (ii) April 1 of the calendar year following the year in which he retires. Distributions will be made in accordance with Regulations Sections 1.401(a)(9)-2 through 1.401(a)(9)-9. The provisions of this Section 17.7 and the regulations cited herein and incorporated by reference override any inconsistent plan distribution options.

Sec. 17.8. Direct Rollovers

(1) For purposes of compliance with Code Section 401(a)(31), a distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

(2) For purposes of this Section 17.8, the following terms shall have the following meanings:

(a) "Direct rollover" means a payment by the retirement system to an eligible retirement plan specified by a distributee.

(b) "Distributee" means a Member or former Member. It also includes the Member's or former Member's surviving Spouse, a Spouse or former spouse who is the alternate payee under an eligible domestic relations order, or a nonspouse beneficiary who is a designated beneficiary as defined by Code Section 401(a)(9)(E). However, a nonspouse beneficiary may only make a direct rollover to an individual retirement account or individual retirement annuity established for the purpose of receiving the distribution, and the account or annuity will be treated as an "inherited" individual retirement account or annuity.

(c) "Eligible retirement plan" means any of the following that accepts a distributee's eligible rollover distribution:

(i) a qualified trust described in Code Section 401(a);

(ii) an annuity plan described in Code Section 403(a);

(iii) an annuity contract described in Code Section 403(b);

(iv) an individual retirement account described in Code Section 408(a);

(v) an individual retirement annuity described in Code Section 408(b);

(vi) a Roth IRA described in Code Section 408A; or

(vii) a plan eligible under Code Section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or a political subdivision of a state that agrees to separately account for amounts transferred into that plan from the Retirement System.

(d) "Eligible rollover distribution" means any distribution of all or any portion of the balance to the credit of a distribute under the Retirement System, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or the life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9); the portion of any distribution that is not includible in gross income; and any other distribution which the Internal Revenue Service does not consider eligible for rollover treatment, such as any distribution that is reasonably expected to total less than $200 during the year. Notwithstanding the foregoing, a portion of a distribution will not fail to be an "eligible rollover distribution" merely because the portion consists of after-tax contributions that are not includible in Member's gross income upon distribution from the Retirement System. However, such portion may be transferred only (i) to an individual retirement account or annuity

described in Code Section 408(a) or (b) or to a qualified defined contribution plan described in Code Section 401(a) that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; (ii) to a qualified defined benefit plan described in Code Section 401(a) or to an annuity contract described in Code Section 403(b) that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; or (iii) to a Roth IRA described in Code Section 408A.

Sec. 17.9. Construction

Words in the singular should be read and construed as though used in the plural, and words in the plural should be read and construed as though used in the singular, where appropriate. The words "hereof", "herein", and "hereunder" and other similar compounds of the word "here", shall mean and refer to Component I and/or Component II of this Combined Plan Document or to the Combined Plan Document in its entirety, as the context may require, and not to any particular provision or section thereof. The table of contents, article and section headings are included for convenience of reference, and are not intended to add to, or subtract from, the terms of the Combined Plan Document or the Retirement System created hereunder.

Sec. 17.10. Severability

If any section or part of a section of this Combined Plan Document or provision relating to the Retirement System is for any reason held to be invalid or unconstitutional, such holding shall not be construed as affecting the validity of the remaining sections of the Combined Plan Document or Retirement System or of the Combined Plan Document or Retirement System in its entirety.

COMPONENT II

ARTICLE A. COMMON PROVISIONS OF THE GENERAL RETIREMENT SYSTEM

Sec. A-1. Common Provisions

Certain provisions of the Combined Plan for the General Retirement System of the City of Detroit, Michigan described below are common to both Component I and this Component II as in effect July 1, 2014. Those provisions are set forth in the following Articles and Sections of Component I:

(a) Article I (General Provisions);

(b) Article II (Definitions):

Actuarial Equivalent or Actuarially Equivalent

Actuarially Equivalent Value

Administrative Rules and Regulations

Age; Attainment of

Board of Trustees or Board or Retirement Board

City

City Council or Council

Combined Plan

Component I

Component II

Employer

Fiscal Year

General Retirement System or Retirement System

Internal Revenue Code or Code

Investment Committee

Member

Notice to Members, Beneficiaries and Retirees;

Plan Actuary or Actuary;

Plan Document or Combined Plan Document;

Plan of Adjustment;

Plan Year;

Spouse; and

Straight Life Retirement Allowance;

(c) Article 12 (Limitation on Benefits and Contributions);

(d) Article 13 (Retirement System Administration);

(e) Article 14 (Management of Funds);

(f) Article 15 (Investment of Retirement System Assets); and

(g) Article 17 (Miscellaneous).

ARTICLE B. FREEZE OF GENERAL RETIREMENT SYSTEM AS OF JUNE 30, 2014

Sec. B-1. Freeze of Eligibility and Benefits Under General Retirement System

Notwithstanding anything in Articles I, II, III, or IV of Chapter 47 of the 1984 Detroit City Code or this Combined Plan for the General Retirement System of the City of Detroit, Michigan to the contrary, effective as of June 30, 2014 (the "Freeze Date"):

(a) No new employee hired by an Employer on or after July 1, 2014 shall become a Member who is eligible to accrue a benefit under the terms of the General Retirement System in effect as of the Freeze Date;

(b) No employee who is rehired by an Employer on or after July 1, 2014 shall become a Member who is eligible to accrue either a benefit or service credit for any purpose under the terms of the General Retirement System in effect as of the Freeze Date; provided, however, that a Member who is entitled to a Frozen Accrued Benefit as defined in subsection (c) of this Section B-1 and who is rehired by an Employer on or after July 1, 2014 but prior to the date the Member incurs a six-year break in service shall be eligible to accrue service credit following rehire solely for the purpose of determining the Member's vesting in and eligibility for payment of his Frozen Accrued Benefit;

(c) Benefit accruals for Members with respect to service rendered prior to July 1, 2014 will be frozen based on a Member's years of service, Average Final Compensation, and the pension multiplier formulae in effect as of such Freeze Date under the terms of the General Retirement System ("Frozen Accrued Benefit");

(d) Except as otherwise provided in subsection (e) of this Section B-1, compensation of a Member shall be frozen effective as of the Freeze Date for purposes of determining the Member's Frozen Accrued Benefit. No compensation of any type earned by a Member after the Freeze Date shall be taken into consideration for purposes of determining the Member's Frozen Accrued Benefit under the General Retirement System;

(e) Any Member who, as of June 30, 2014, would have been eligible to elect to use a portion of his unused accrued sick leave to increase his Average Final Compensation ("Sick Leave Rollover") if the Member had been eligible to retire and had elected to retire as of June 30, 2014, shall have a one-time election ("Special Election") to add the value of twenty-five percent (25%) of the Member's unused sick leave accrued for purposes of the Sick Leave Rollover in accordance with the terms of the applicable collective bargaining agreement, City Employment Terms or Detroit Code of Ordinance to the earnings used in computing Average Final Compensation for purposes of determining the Member's Frozen Accrued Benefit; provided, however, that at least twenty-five percent (25%) of the Member's sick leave accrued for purposes of the Sick Leave Rollover in accordance with the terms of the applicable collective bargaining agreement, City Employment Terms or Detroit Code of Ordinance remains in the Member's sick leave bank at the time the completed Special Election form is received by the Retirement System and, provided further that the completed Special Election form is received by the Retirement System no later than August 22, 2014 or, if later, the date set forth in a collective bargaining

agreement between the City and a union whose members are eligible to make a Special Election. A Member's Special Election shall be made in the manner set forth by the Board of Trustees and the Retirement System. A Member may revoke a Special Election, as long as such revocation occurs on or before the latest date upon which such Member is permitted to make a Special Election. Notwithstanding anything in this subsection (e) to the contrary, a Member's Special Election will be void and the determination of the Member's Average Final Compensation for purposes of calculating the Member's Frozen Accrued Benefit will not take into account any of the Member's unused sick leave, if (i) the electing Member would not have been eligible to receive an immediate service retirement if he retired as of June 30, 2014, and (ii) the electing Member's employment with an Employer is terminated before the electing Member becomes eligible for an immediate service retirement under the Retirement System. In any such case, the value of the sick leave subject to the Sick Leave Rollover shall be restored to such Member;

(f) Service earned after the Freeze Date shall be credited to a Member solely for purposes of determining the Member's vesting in and eligibility for payment of his or her Frozen Accrued Benefit. Service credit for all Members for benefit accrual purposes under the terms of the General Retirement System in effect as of the Freeze Date shall be frozen effective as of the Freeze Date and no Member shall earn service credit with respect to benefits payable under the terms of the General Retirement System in effect as of the Freeze Date (except for vesting and benefit payment eligibility purposes) after the Freeze Date; and

(g) No Member shall make contributions to the Annuity Savings Fund under the General Retirement System in effect as of June 30, 2014 with respect to wages earned on or after the earliest date following June 30, 2014 that the City's payroll department can implement the freeze. All after tax contributions made on or after the date referenced in the preceding sentence shall be made to and in accordance with the terms of Component I of the Combined Plan.

The foregoing terms shall be referred to as the "Freeze" of the provisions of the General Retirement System as in effect on the Freeze Date and the provisions of Articles I, II, III, or IV of Chapter 47 of the 1984 Detroit City Code and this Component II of the Combined Plan shall be interpreted and construed by the Board of Trustees and the Retirement System to give full effect to the Freeze. To the extent that a conflict arises between this Section B-1, the provisions in Chapter 47, or any collective bargaining agreement or other document governing the terms of employment of any employee, the Board of Trustees and the Retirement System are directed to interpret any inconsistency or ambiguity to give full effect to the Freeze.

ARTICLE C. DEFINITIONS

Sec. C-1. Definitions

Unless a different meaning is plainly required by context, for purposes of this Component II the following words and phrases have the meanings respectively ascribed to them by this Section C-1:

(1) *Accrued Service* means a Member's credited service for employment with the Employer rendered before July 1, 2014.

(2) *Accumulated Contributions* means the sum of all amounts deducted from the compensation of a Member and credited to the Member's individual account in the Annuity Savings Fund, together with regular interest thereon.

(3) *Annuity* means the portion of the retirement allowance which is paid for by a Member's accumulated contributions.

(4) *Annuity Reserve* means the present value of all payments to be made on account of any annuity or benefit in lieu of any annuity. Such annuity reserve shall be computed upon the basis of such mortality tables and regular interest as shall be adopted by the Board.

(5) *Average Final Compensation* means:

a. On or before June 30, 1992. For those Members who retired or separated from active service with vested pension rights on or before June 30, 1992, the highest average compensation received by a Member during any period of five consecutive years of credited service selected by the Member from the ten years of credited service which immediately preceded the date of the Member's last termination of employment with the Employer. If a Member has less than five years of credited service, the Average Final Compensation shall be the average of the annual compensation received during the Member's total years of credited service.

b. On or after July 1, 1992 but before July 1, 1998. For those Members who retired or separated from active service with vested pension rights on or after July 1, 1992 but before July 1, 1998, the highest average compensation received by a Member during any period of four consecutive years of credited service during the ten years of credited service which immediately preceded the date of the Member's last termination of employment with the Employer. If a Member has less than four years of credited service, the Average Final Compensation shall be the average of the annual compensation received during the Member's total years of credited service.

c. On or after July 1, 1998. For those Members who retire or separate from active service with vested pension rights on or after July 1, 1998, the highest average compensation received by a Member during any period of three consecutive years of credited service during ten years of credited service which immediately precede the earlier of (i) the date of the Member's last termination of employment with the Employer and (ii) June 30, 2014. If a Member has less than three years of credited service, the Average Final Compensation shall be the average of the annual compensation received during the Member's total years of credited service ending on or before June 30, 2014.

d. Sick Leave Election. Subject to Section B-1, for those nonunion Members with a regular or early service retirement who retire on or after July 1, 1999, in computing the highest average compensation received by a Member, the Member shall have the option of adding the value of twenty-five percent (25%) of the Member's unused accrued sick leave at the time of retirement to the earnings used in computing the Average Final Compensation. Subject to Section B-1, bargaining unit members who retire on or after July 1, 1999 shall have the Unused Sick Leave On Retirement benefit provided for in the applicable bargaining agreement. For any Member choosing to exercise this option, the lump sum payment the Member will receive will be the remaining value of the unused accrued sick leave bank as provided in the bargaining agreement.

(6) *Beneficiary* means any person or persons (designated by a Member pursuant to procedures established by the Board) who are entitled to receive a retirement allowance or pension payable from funds of the General Retirement System due to the participation of a Member.

(7) *Compensation* means:

a. On or before June 30, 1992. For those Members retired or separated from active service with vested pension rights on or before June 30, 1992, all remuneration, excluding longevity payments, paid to a Member because of personal services rendered by the Member to the Employer. Compensation in excess of the limitations set forth in Section 401(a)(17) of the Internal Revenue Code shall be disregarded.

b. On or after July 1, 1992. Subject to Section B-1, for those Members who retire on or after July 1, 1992, all remuneration, including longevity payments, paid to a Member because of personal services rendered by the Member to the Employer. Compensation in excess of the limitations set forth in Section 401(a)(17) of the Internal Revenue Code shall be disregarded.

(8) *Conversion* means that date on which a Member's benefits change from disability retirement benefits to normal retirement benefits.

(9) *Credited Service* means membership service credited to a Member to the extent provided in this Component II.

(10) *Final Compensation* means a Member's annual rate of compensation at the earlier of (i) the time employment with all Employers is last terminated and (ii) June 30, 2014.

(11) *Pension* means, for purposes of this Component II, the portion of a retirement allowance which is paid for by contributions made by the Employers into the appropriate funds and any contributions made to such funds by another entity.

(12) *Pension Reserve* means the present value of all payments to be made on account of any pension, or benefit in lieu of any pension. Such pension reserve shall be computed upon the basis of such mortality and other tables of experience, and regular interest, as shall be adopted by the Board.

(13) *Regular Interest* means such rate or rates per annum, compounded annually, as the Board of Trustees shall determine in accordance with the limitations contained in Section E-16 of this Component II.

(14) *Retiree* means a former Member who is receiving a retirement allowance from Component II of the Retirement System.

(15) *Retirement* means a Member's withdrawal from the employ of the Employers with a retirement allowance or pension paid by Component II of the Retirement System.

(16) *Retirement Allowance* means the sum of the annuity and the pension.

(17) *Service* means personal services rendered to the Employer by a person as an employee of the Employer, provided such person is compensated by the Employer for such personal services.

(18) *Service credit for purposes of the Frozen 1973 Defined Benefit/Defined Contribution (Annuity) Plan* means that, in accordance with such rules and regulations as the Board shall adopt, each Member shall be credited with service credit as follows: (1) One month of service credit is earned when the Member is paid for eighty hours of work during the month; (2) A full year of credit is earned for nine months of credit in any calendar year, except the Member's last year of work, which service credit shall be determined as of the Member's last day on the Employer's payroll. Less than nine months of service rendered in a calendar year shall not be credited as a full year of service, nor shall more than one year of service be credited to any Member for service rendered in any one calendar year. Service credit is used to determine eligibility for service retirement, vesting, non-duty disability and survivor benefits. Service credit is also earned by a Member while retired on a duty disability or while receiving Workers' Compensation benefits.

The following terms shall have the meanings given to them in the Sections of this Component II set forth opposite such term:

2023 UAAL Amortization	Section G-4(3)a
Accrued Liability Fund	Section E-18(d)
Actual Return	Section G-2(5)
Adjusted Accrued Benefit	Section G-1(1)a
Adjusted Deferred Accrued Benefit	Section G-1(1)b
Annuity Reserve Fund	Section E-18(b)
Annuity Savings Fund Excess Amount	Section G-2(1)
Annuity Savings Fund of the Frozen 1973 Defined Contribution Plan	Section E-18(a)
ASF	Section G-2
ASF account	Section G-2(1)
ASF Recalculation Period	Section G-2
ASF Recoupment	Section G-2
ASF Return Excess	Section E-16(c)
Authority	Section G-3(1)
Cash Option Cap	Section G-2(4)
Cash Repayment Option	Section G-2(4)
Certificate of Default	Section G-3(7)
COLA	Section G-4
Determination Date	Section E-18(d)
Eligible Pensioner	Section G-3(5)
Estimated Adjusted Annual Household Income	Section G-3(3)b
Excess Assets	Section G-3(7)
Expense Fund	Section E-18(f)
Extra Contribution Account	Section G-4(3)b
Federal Poverty Level	Section G-3(6)
Final Payment Notice	Section G-2(4)
Freeze	Section B-1
Freeze Date	Section B-1
Frozen Accrued Benefit	Section B-1(c)
Funded Level	Section G-4(2)a
Funding Conditions	Section G-1(1)a
Funding Proceeds	Section E-18(d)
Funding Target	Sections G-4(2)a, G-4(3)a, Section G-4(4)a
Governor	Section G-4(5)
IME	Section E-5(a)
Income Fund	Section E-18(g)
Income Stabilization Benefit	Section G-3(2)
Income Stabilization Benefit Plus	Section G-3(3)
Income Stabilization Fund	Section G-3(4)
Monthly Annuity Savings Fund Excess Amount	Section G-2(2)

Optional Forms	Section E-8(a)
Option "A". Joint and Seventy-Five Percent Survivor Allowance	Section E-8(a)
Option "B". Joint and Twenty-Five Percent Survivor Allowance	Section E-8(a)
Option One. Modified Cash Refund Annuity	Section E-8(a)
Option Three. Joint and Fifty Percent Survivor Allowance	Section E-8(a)
Option Two. Joint and One Hundred Percent Survivor Allowance	Section E-8(a)
Participant Loan Program	Section F-1
Pension Accumulation Fund	Section E-18(c)
Pension Funding Transaction	Section E-18(d)
Pension Improvement Factor (Escalator)	Sections E-15, G-1(2)
Pension Reserve Fund	Section E-18(e)
Pension Restoration Agreement	Section G-4
Permanent Restoration Target	Section G-4(3)a, G-4(4)a
Pop-up Form	Section E-8(b)(2)
Restoration Reserve Account	Section G-4(2)a
Restoration Reserve Suspension Trigger	Sections G-4(2)g, G-4(3)a, G-4(4)a
Restoration Target	Sections G-4(2)a, G-4(3)a, G-4(4)a
Sick Leave Rollover	Section B-1(e)
Special Election	Section B-1(e)
Standard Form	Section E-8(b)(1)
State Treasurer	Section G-3(1)
Straight Life Retirement Allowance	Section E-8(a)
Transition Cost	Section E-16(c)
UAAL	Sections E-18(d), G-4
Waterfall Classes	Section G-4(1)

ARTICLE D. SERVICE CREDIT

Sec. D-1. Service Credit

The Board shall keep an accurate record of each employee's accumulated service credit from the date of commencement of employment with the Employers.

Sec. D-2. Service Credit; Former Employees of the Founder's Society—Detroit Institute of Arts

Pursuant to Section 6-519 of the 1974 Detroit City Charter, and for the sole purpose of computing service credit to determine eligibility for a retirement allowance from the General Retirement System, a person who was inducted into the classified service of the City during the calendar year 1984 as a result of the transfer of certain functions at the Detroit Institute of Arts from The Founder's Society/Detroit Institute of Arts to the City, shall be credited with service credit equivalent to continuous time worked as a full time employee of the Founder's Society/Detroit Institute of Arts retroactive to January 1, 1984. Such Founder's Society/Detroit Institute of Arts service credit shall have no effect upon the amount of retirement benefits paid by the General Retirement System. Such Founder's Society/Detroit Institute of Arts service credit shall be added to the service credit earned as a City employee only for purposes of meeting service credit eligibility requirements under the General Retirement System. The Board of Trustees of the General Retirement System shall make all determinations of crediting of such Founder's Society/Detroit Institute of Arts service credit in accordance with the provisions of this Component II of the Combined Plan.

Sec. D-3. Service Credit; Transfer to Other Governmental Service

Subject to Section B-1, a Member transferred from the City payroll by his or her department head to the payroll of any City, county, state, or federal government to serve the interests of the City during peace time shall continue to be a Member of the Retirement System for purposes of service credit in accordance with the ordinance or resolution passed to implement such transfer.

Sec. D-4. Service Credit; Military Service

An Employee of the Employer who enters the military service of the United States while so employed shall have such service credited as City service for purposes of this Component II in the same manner as if the employee had served the employer without interruption, provided that (1) the employee's entry into such service and re-employment thereafter shall be in accordance with applicable laws, ordinances, and regulations of the State of Michigan and the City, and (2) he or she is re-employed by the Employer upon completion of such service. During the period of service and until return to City employment, his or her contributions to the Retirement System shall be suspended and the fund balance shall be accumulated at regular interest.

Sec. D-5. Service Credit; Qualified Military Service (Pre-Employment Service)

(a) Notwithstanding any provision of this Component II to the contrary, contributions, benefits, and service credit with respect to qualified military service, shall be provided in

accordance with Section 414(u) of the Internal Revenue Code. Up to three years of pre-employment service credit may be purchased prior to June 30, 2014 for the following periods: service for a period of not less than ninety days between (1) the date of declaration of war by Congress and the recognized date of cessation of military hostilities; (2) the onset of World War II on December 8, 1941 to its conclusion on July 1, 1946; (3) the onset of the Korean Conflict on June 27, 1950 to its conclusion on December 31, 1953; (4) the onset of the Vietnam Conflict on February 28, 1961 to its conclusion on May 7, 1975, or (5) beginning on the date of the recognition of an emergency condition by the issuance of a presidential proclamation or a presidential executive order, during which emergency condition the Member received the Armed Forces Expeditionary or other Campaign Service Medal authorized by the Federal Government for the Expedition or Campaign. No service credit may be purchased under this Section D-5(a) after June 30, 2014; provided, however, that a Member who is in qualified military service which began prior to June 30, 2014 and ended on or after June 30, 2014 shall be provided a thirty day period following recommencement of his or her employment within which to purchase service credit through June 30, 2014 under this Section D-5(a).

(b) The time purchased under paragraph (a) may be applied toward a Member's credited service and may be used in meeting the minimum time needed for an automatic Option Two or automatic Option Three pension.

(c) This time shall not apply toward meeting the minimum service and Age requirements for vesting, for a non-duty disability pension, or for a service pension.

ARTICLE E. DEFINED BENEFIT/DEFINED CONTRIBUTION (ANNUITY) PLAN OF THE GENERAL RETIREMENT SYSTEM

Sec. E-1. Membership

The membership of the General Retirement System 1973 Defined Benefit/Defined Contribution (Annuity) Plan – Component II of the Combined Plan - shall consist of all persons who are full time employees of the Employer except:

(a) persons who are members of the Police and Fire Retirement System of the City of Detroit, Michigan, established under Title IX, Chapter VII of the 1918 Detroit City Charter and continued in the 1974, 1997 and 2012 Detroit City Charters and as continued in the form of the Combined Plan for the Police and Fire Retirement System for the City of Detroit, Michigan, effective July 1, 2014 and as thereafter amended;

(b) persons who are hired or rehired by an Employer on or after July 1, 2014; and

(c) persons who are active members of any other public employee pension or retirement plans adopted by the State of Michigan, other than the Michigan National Guard, or by any other political subdivision of the State of Michigan.

Special Service employees who worked more than fourteen hundred forty (1440) hours per Fiscal Year ending on or before June 30, 2014 will be eligible to participate in Component II of the Retirement System.

Sec. E-2. Cessation of Membership; Re-Employment by the Employer

(a) Any Member who retires under Section E-3(a), (b), or (c), or dies, shall have a non-forfeitable right to a benefit.

(b) With respect to persons not on the active payroll prior to October 1, 2005, the following provisions of this subsection shall apply:

(1) Except as otherwise provided for in this Component II, if any non-vested Member leaves employment with the Employer for any reason other than retirement or death, such person shall thereupon cease to be a Member and his or her credited service at that time shall be forfeited. In the event of re-employment by the Employer prior to July 1, 2014, such person shall again become a Member of the Retirement System and shall accrue benefits pursuant to Component II of the Combined Plan. In the event of reemployment by the Employer on or after July 1, 2014, such person shall again become a Member of the Retirement System and shall accrue benefits pursuant to Component I of the Combined Plan. If re-employment occurs prior to July 1, 2014 and within a period of six (6) years from and after the date employment with the Employer last terminated, credited service last forfeited shall be restored to the employee's credit for purposes of accruing a benefit after re-employment.

(2) With respect to persons on the active payroll on or after October 1, 2005, re-employment prior to July 1, 2014 shall restore any previously forfeited service credit notwithstanding the time of re-employment.

(c) Vested former employees rehired prior to receiving pension benefits and prior to July 1, 2014.

(1) Former employees who are vested but have not yet begun to receive pension benefits who are rehired prior to July 1, 2014 and prior to being separated for six (6) years shall have their pensions calculated in accordance with the rules in effect at the earlier of (i) the time of their last termination of active service or retirement and (ii) June 30, 2014.

(2) Former employees who are vested but have not begun to receive pension benefits and are rehired after July 1, 1992 but prior to July 1, 2014 and after being separated for more than six (6) years who accumulate enough service credit to be eligible for a second pension shall be entitled to two (2) separate and distinct pensions, each to be calculated in accordance with the rules in effect at the earlier of (i) the time of each separation from service and (ii) June 30, 2014.

(3) Subject to Sections G-1(2) and G-4, an employee who becomes eligible to collect his or her previously vested pension while still working, shall not be eligible to receive his or her vested pension but will be entitled to have the pension improvement factor earned through June 30, 2014 added to the vested amount of the original pension for payment when the employee eventually retires. The basic pension amount of twelve dollars ($12.00) per year for up to ten (10) years will only be included on the employee's original pension.

(d) Vested former employees rehired prior to receiving pension benefits and on or after July 1, 2014.

(1) Former employees who are vested but have not yet begun to receive pension benefits who are rehired prior to being separated for six (6) years and on or after July 1, 2014 shall have their Component II pension calculated in accordance with the rules in effect on June 30, 2014 and their Component I pension calculated in accordance with the rules in effect at the time of their last termination of active service or retirement.

(2) Former employees who are vested but have not begun to receive pension benefits and who are rehired after July 1, 2014 after being separated for more than six (6) years who accumulate enough service credit to be eligible for a Component I pension shall be entitled to two (2) separate and distinct pensions under Component I and Component II. Their Component I pensions shall be calculated in accordance with the rules in effect at the time of separation from service and their Component II pensions shall be calculated in accordance with the rules in effect on June 30, 2014.

(3) Subject to Sections G-1(2) and G-4, an employee who becomes eligible to collect his or her previously vested pension while still working, shall not be eligible to receive his or her vested pension but will be entitled to have the pension improvement factor earned through June 30, 2014 added to the vested amount of the original pension for payment when the employee eventually retires. The basic pension amount of twelve dollars ($12.00) per year for up to ten (10) years will only be included on the employee's original pension.

(e) Retirement benefits for retirees who return to active full time employment prior to July 1, 2014.

(1) Retirees who return to work will have their pension benefit amount suspended upon re-employment. However, retirees who have not withdrawn the amounts credited to their defined contribution account shall be entitled to continue to receive the monthly annuity from the 1973 Defined Contribution Plan. Subject to Sections G-1(2) and G-4, the pension improvement factor earned through June 30, 2014 shall continue to be added to the vested amount of the original pension but shall not be paid on the defined benefit amount until the employee again separates from service.

(2) Retirees who return to work prior to July 1, 2014 will be entitled to receive a second pension benefit in accordance with the rules in effect at the earlier of (1) their final separation, or (ii) June 30, 2014, with respect to service credit earned after the retiree returns to active employment. Previous service credit will be used to determine the retirement factors that will be credited to service time earned after return to active employment and used to calculate the new pension amount.

(3) Average Final Compensation will be based upon the amounts earned after the retiree returns to work through the earlier of (1) his or her final separation and (ii) June 30, 2014.

(4) Employees who retire under this Section E-2(e) for a second time will not be allowed to change the original option selection with respect to the original pension benefit. However, employees may make a separate option selection on their second pension benefit amount.

(5) The basic pension amount of twelve dollars ($12.00) per year for up to ten (10) years will be included only on the employee's original pension.

(6) The coordination of benefits (equated Social Security) option will not be available on a second pension amount.

(7) If a retiree who returns to work and dies while working had an accumulated combined total service time of at least twenty years, the employee's Spouse will be eligible for automatic Option Two benefits, notwithstanding the option form of retirement originally elected.

(8) If a retiree who returns to work and dies while working had an accumulated combined total service time of at least fifteen years but less than twenty years, the employee's Spouse will be eligible for automatic Option Three benefits, notwithstanding the option form of retirement originally elected.

(9) If the employee returns to work and dies prior to accumulating a combined total of fifteen years of service credit, the original pension and benefit option chosen shall resume unless the employee had chosen the Straight Life Option which would result in no survivor pension benefits.

(10) The Board of Trustees will determine all entitlements for re-employed individuals on a case by case basis consistent with this section and will resolve all issues based upon special circumstances or unique situations.

Sec. E-3. Service Retirement

(a) *Retirement after thirty years of service.* Any Member hired prior to January 1, 1996 who has accumulated at least thirty or more years of credited service regardless of Age, or any Member who was hired on or after January 1, 1996 who has accumulated at least thirty or more years of credited service and has attained Age fifty-five, may retire upon written application filed with the Board setting forth the date on which the Member desires to be retired. The date of retirement shall be effective on the first day following the Member's last day on the Employer's payroll. Upon retirement, the Member shall receive a retirement allowance as provided in Section E-4 of this Component II of the Combined Plan, subject to the provisions of Article G.

(b) *Retirement after twenty-five years of service.* Any Member who is covered by the provisions of this Component II and who is a member of the International Union of Operating Engineers IUOE Local 324 (Principal Clerks), the International Brotherhood of Teamsters Teamster Local 214, the Police Officers Association of Michigan, or the Emergency Medical Service Officers Association, who on July 1, 1995, or later has twenty-five (25) or more years of credited service may retire upon his or her written application filed with the Board of Trustees setting forth the date on which the Member desires to be retired. The date of retirement shall be effective on the first day following the Member's last day on the Employer's payroll. Upon retirement the Member shall receive a Retirement Allowance as provided in Section E-4 of this Component II of the Combined Plan, subject to the provisions of Article G.

(c) *Retirement at Age sixty-five with eight years of service; at Age sixty with ten years of service.*

(1) Sixty-five and eight. Any Member who has attained sixty-five years of Age and has at least eight years of credited service may retire upon written application filed with the Board setting forth an anticipated retirement date.

(2) Sixty and ten. Any Member who has attained sixty years of Age and has at least ten years of credited service may retire upon written application filed with the Board setting forth an anticipated retirement date.

The date of retirement shall be effective on the first day following the Member's last day on the Employer's payroll. Upon retirement, the former Member shall receive the retirement allowance provided for in Section E-4 of this Component II of the Combined Plan.

(d) *Conversion of Duty-Disability benefit to Retirement Allowance.*

(1) Retirees who are members of the Emergency Medical Service Officers Association or the Police Officers Association of Michigan and who began receiving a duty disability pension after July 1, 1995 may choose to convert to a service retirement at the time they would have had twenty-five (25) years of service with the Employer.

(e) *Retirement after twenty-five years of service without attaining Age sixty years; reduced pension.*

(1) Early retirement. Any Member of the Retirement System who is on the payroll of the Employer on or after July 1, 1992, and who has twenty-five years of credited service and has not attained sixty years of Age, shall have the option of early retirement by accepting a benefit equal to the Actuarial Equivalent of the deferred retirement allowance that would be payable to the Member at normal retirement date as provided in Sections E-3(a) through (d), assuming the Member terminated employment on the early retirement date, as determined by the Plan Actuary based upon factors, assumptions and methods adopted by the Board and approved by the Investment Committee, notwithstanding the Age of the Member who elects early retirement; provided however that any Member hired by an Employer on or after January 1, 1996 must have twenty-five years of credited service and have attained Age fifty-five to have such early retirement option. Said election shall be made within ninety days of separation from service with the Employer. Actuarial tables provided by the Plan Actuary shall always provide this actuarially reduced retirement allowance at no cost to the employee, provided the employee separates from service prior to July 1, 2014. The actuarially reduced retirement allowance payable to an employee who separates from service on and after July 1, 2014 shall be provided to the employee at no cost to the Employers.

(2) Fringe benefits. Employees utilizing the early retirement provision in Section E-3(e)(1) will not be entitled to the fringe benefits, if any, accruing to employees who qualify for a normal service retirement until such time as they would have qualified for a normal service retirement under Section E-3(a) or (b) of this Component II of the Combined Plan.

(f) *Vested retirement allowance; Age forty and eight years of service; ten years of service regardless of Age.*

(1) Eligibility.

a. Any Member hired before July 1, 1980 who has reached forty years of Age and has acquired eight or more years of credited service shall be

eligible to receive benefits provided by Section E-3(f)(2) of this Component II of the Combined Plan.

b. Any Member hired on or after July 1, 1980 who has acquired ten years of credited service shall be eligible to receive the benefits provided by Section E-3(f)(2) of this Component II of the Combined Plan, regardless of Age.

c. Any non-union Member hired on or after July 1, 1980 but before March 31, 1992 who has acquired ten years of credited service regardless of Age or has reached Age forty with eight or more years of credited service, whichever is earlier, shall be eligible to receive benefits provided by Section E-3(f)(2) of this Component II of the Combined Plan.

(2) *Benefits.*

a. Any Member described in Section E-3(f)(1) of this Component II who left employment with the Employer on or before June 30, 1992 but prior to the date the Member would have first become eligible to retire as provided in Section E-3(a), (b) or (c) of this Component II of the Combined Plan, for any reason except discharge for reasons covered by the State Forfeiture Law, retirement or death, shall be entitled to a retirement allowance based upon one point five percent (1.5%) of Average Final Compensation for the first ten years of service and one point six three percent (1.63%) for service in excess of ten years. There shall be no change to the base pension upon which future increases are based.

b. Any Member described in Section E-3(f)(1) of this Component II of the Combined Plan who leaves employment with the Employer on or after July 1, 1992, but prior to the date the Member would have first become eligible to retire as provided in Section E-3(a), (b) or (c) of this Component II of the Combined Plan, for any reason except discharge for reasons covered by the State Forfeiture Law, retirement or death, shall be entitled to a retirement allowance computed according to Section E-4 of this Component II of the Combined Plan.

(3) *Commencement of retirement allowance.* The retirement allowance shall begin on the first day of the calendar month following the month in which a retirement application is filed with the Board, on or after that date on which the Member would have been eligible to retire with an unreduced service retirement under Section E-3(a) or (b) of this Component II of the Combined Plan, had employment with the Employer continued or on the date when Age sixty is reached, whichever is earlier. Unless otherwise provided in this Article, no service credit shall be earned for the period of absence from employment with the Employer and such person's beneficiary shall not be entitled to any other benefit afforded in this Article except those benefits afforded either in Section E-3 or in

Section E-4 of this Component II of the Combined Plan, notwithstanding termination of membership.

(4) *Withdrawal of accumulated contributions.* Upon separation from employment with the Employer, Members who qualify for benefits pursuant to Section E-3(f)(1) of this Component II of the Combined Plan may withdraw their Frozen 1973 Defined Contribution Plan accumulated contributions and all other funds standing to their credit in the Annuity Savings Fund at that time without affecting their benefits under Section E-3(f)(2) or E-4 of this Component II of the Combined Plan.

In the event that any law, state or federal, is passed during the term of the collective bargaining agreement or City Employment Terms agreement which permits Employees to vest their pension prior to meeting the vesting requirements set forth in this Component II, any employee who vests his or her pension in such a manner shall not be eligible for any pension benefits until his or her sixty-second (62nd) birthday. This provision will not affect the current practice governing disabled employees.

Sec. E-4. Service Retirement Allowance

Upon retirement, a Member who meets the qualifications set forth in section E-3(a), (b) or (c) of this Component II of the Combined Plan, shall receive a Straight Life Retirement Allowance, and shall have the right to elect to receive in lieu of the Straight Life Retirement Allowance, a reduced retirement allowance under an option provided for in E-8 of this Component II of the Combined Plan.

The Straight Life Retirement Allowance shall consist of:

(a) An Annuity which shall be the Actuarial Equivalent of the Member's accumulated contributions in the Frozen 1973 Defined Contribution Annuity Savings Fund at the time of retirement; and

(b) A Basic Pension of twelve dollars ($12.00) per annum multiplied by the number of years, and fractions of years of credited service earned through June 30, 2014, not to exceed ten (10) years; and

(c) A Membership Service Pension.

(1) For Members who retire on or before June 30, 1992, a membership service pension of one point five percent (1.5%) of Average Final Compensation for the first ten (10) years of service and one point six three percent (1.63%) for service in excess of ten (10) years.

(2) For Members who retire on or after July 1, 1992 but prior to July 1, 1998, a membership service pension of one point five percent (1.5%) of Average Final Compensation for each year of service for the first ten (10) years, plus one point seven percent (1.7%) of Average Final Compensation for each year of service in excess of ten (10) years up to twenty (20) years of service, plus one point nine

percent (1.9%) of Average Final Compensation for each year of service in excess of twenty years. In no event shall benefits paid by the Retirement System exceed ninety percent (90%) of Average Final Compensation.

(3) For Members who retire on or after July 1, 1998, a membership service pension for service rendered prior to July 1, 2012 of one point six percent (1.6%) of Average Final Compensation for each year of service for the first ten (10) years, plus one point eight percent (1.8%) of Average Final Compensation for each year of service in excess of ten (10) years, up to twenty (20) years of service, plus two percent (2%) of Average Final Compensation for each year of service in excess of twenty (20) years up to twenty-five (25) years, plus two point two percent (2.2%) of Average Final Compensation for each year of service in excess of twenty-five (25) years; plus, for service rendered after July 1 2012 and prior to July 1, 2014, one and one-half percent (1.5%) of Average Final Compensation for each year of service; plus twelve dollars ($12) for each year of service not to exceed one hundred twenty dollars ($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 one and one-half percent multiplier was April 1, 2013 for all years of service rendered after that date and prior to July 1, 2014. In no case shall benefits paid by the Retirement System exceed ninety percent (90%) of Average Final Compensation.

(d) With respect to regular service retirees under Section E-3(a) and (b) of this Component II of the Combined Plan only and excluding persons who receive vested benefits under Section E-3(c) and (d) of this Component II of the Combined Plan, in no case shall the total of the annual Straight Life Pension be less than three hundred sixty dollars ($360.00) times each of the first ten (10) years of service at the earlier of (i) the date of retirement and (ii) June 30, 2014, plus one hundred twenty dollars ($120.00) for each year of service in excess of ten (10) years as of such earlier date. Effective July 1, 2007, each year of service in excess of ten (10) years earned prior to July 1, 2014 shall be calculated using two hundred twenty-five dollars ($225.00).

(e) Subject to Sections G-1(2) and G-4, the recalculation of the pension benefit shall include previous pension improvement factors granted prior to July 1, 2014 but shall not include special increases granted by prior separate ordinances.

(f) If a retiree dies before receipt of Straight Life Retirement allowance payments in an aggregate amount equal to, but not exceeding, the retiree's accumulated contributions in the Annuity Savings Fund at the time of retirement, the difference between these accumulated contributions and the aggregate amount of Straight Life Retirement allowance payments received, shall be paid to such person or persons nominated by written designation duly executed by the retiree and filed with the Board. If there is no such designated person or persons surviving the retiree, such difference shall be paid to his or her estate. In no case shall any benefits be paid under this section because of the death of a retiree if the retiree had elected any of the Options provided for in Section E-8 of this Component II of the Combined Plan.

Sec. E-5. Disability Retirement

(a) *Duty Disability; Eligibility.* Upon the application of a Member or the Member's department head, a Member who prior to July 1, 2014 becomes totally and permanently incapacitated for duty in the employ of the Employer shall be retired by the Board; provided, such incapacity is found by the Board to be the natural and proximate result of the actual performance of duty, without willful negligence on the part of the Member; provided further, that any employee who is seeking a duty disability retirement, shall have an examination conducted by an independent medical examiner ("IME"). If the IME concludes that the employee's physical or medical condition does not relate to his/her employment with the Employer, the employee shall not be eligible for the duty disability retirement.

(b) *Duty disability; Benefits.* Upon retirement for disability as provided in Section E-5(a) of this Component II of the Combined Plan, a retiree who becomes totally and permanently disabled shall receive the following benefits:

(1) Any Member who is eligible for a service retirement under Section E-3(a) or (b) of this Component II of the Combined Plan shall receive a service retirement Allowance as provided in Section E-4 of this Component II of the Combined Plan and shall have the right to elect an option provided for in Section E-8 of this Component II of the Combined Plan.

(2) Any Member who becomes disabled prior to eligibility for a service retirement under Section E-3(a) or (b) of this Component II of the Combined Plan shall receive a disability retirement allowance to begin as of the date of disability. In no case shall the disability retirement allowance be retroactive to a date more than six months before the date the application for disability retirement is filed with the Board, or prior to the date the Member's name last appeared on an Employer's payroll with pay, whichever is later. The disability retirement allowance shall continue until the Member reaches eligibility for service retirement or recovers prior to that event. Upon reaching eligibility for service retirement, he or she shall receive a pension as provided in Sections E-4(b)-(e) of this Component II of the Combined Plan, together with an annuity which shall be the equivalent of the annuity which would have been received had contributions to the Annuity Savings Fund continued until the earlier of (i) the date he or she reaches eligibility for service retirement, or (ii) June 30, 2014. Said contributions are to be based on the Member's final compensation at the annuity percentage in effect for the employee on the earlier of (i) the July first prior to the effective date on which the employee is added to the disability retirement payroll, provided said July first is at least six months prior to the effective date that the employee is added to the regular retirement payroll and (ii) June 30, 2014, and provided further that no amounts shall be deemed contributed to the Annuity Savings Fund pursuant to this subsection (b)(2) for any period on and after July 1, 2014, irrespective of whether the Member became disabled prior to June 30, 2014 or on or after July 1, 2014. In computing the pension, membership service credit shall be given for the period a duty disability retirement allowance is received but no credit shall be

given for any period after June 30, 2014. The disability retirement allowance shall consist of:

(i) Cash Refund Annuity which shall be the Actuarial Equivalent of the Member's accumulated contributions in the Annuity Savings Fund at the time of retirement. If a retiree dies before receipt of annuity payments in an aggregate amount equal to, but not exceeding, the retiree's accumulated contributions, the difference between the accumulated contributions and the aggregate amount of annuity payments received shall be paid in a single lump sum to such person or persons nominated by written designation duly executed and filed with the Board. If there is no such designated person surviving the retiree, such difference shall be paid to the retiree's estate; and

(ii) In addition to the annuity, a disability pension of sixty-six and two-thirds percent (66-2/3%) of the Member's Average Final Compensation at the earlier of (i) the time of duty disability and (ii) June 30, 2014, subject to the provisions of Sections E-12 and E-13 of this Component II of the Combined Plan. A Member's total disability pension under Component II shall in no event exceed fifty-seven hundred dollars ($5,700.00) per annum; or

(iii) For Members who retired on disability on or after January 1, 1999 or on or after July 1, 2012 for members of the Emergency Medical Service Officers Association and Police Officers Association of Michigan bargaining units, in addition to the annuity, a disability pension of sixty-six and two-thirds percent (66-2/3%) of the Member's average compensation at the earlier of (i) the time of duty disability or (ii) June 30, 2014, subject to the provisions of Sections E-12 and E-13 of this Component II of the Combined Plan. A Member's total disability pension under Component II shall in no event exceed nine thousand dollars ($9,000.00) per annum.

(c) *Non-Duty Disability; Eligibility.* Upon the application of a Member or the Member's department head, a Member who has at least ten years of credited service who becomes totally and permanently incapacitated for duty prior to July 1, 2014 as a result of causes which do not occur in the actual performance of duty to the Employer, may be retired by the Board if the IME certifies to the Board after examination that such Member is mentally or physically totally incapacitated for the further performance of duty, that such incapacity is likely to be permanent, and that such Member should be retired.

(d) *Non-Duty Disability; Benefits.* Upon retirement for non-duty disability as provided in Section E-5(c) of this Component II of the Combined Plan, a Member shall receive the following benefits:

(1) After attaining sixty years of Age, a Member shall receive a service retirement allowance as provided in Section E-4 of this Component II and shall have the right to elect an option as provided in Section E-8 of this Component II.

(2) Prior to Age sixty, a Member shall receive benefits as provided in Section E-5(d)(2)(i)-(iv) below:

i. A Cash Refund Annuity which shall be the Actuarial Equivalent of the Member's accumulated contributions in the Annuity Savings Fund at the time of retirement. In the event a retiree dies before the total of the Cash Refund Annuity payments received equals or exceeds the amount of his or her accumulated contributions at the time of retirement, the remainder shall be paid in a single lump sum to such person or persons nominated by written designation duly executed by the Member and filed with the Board. If there is no such designated person or persons surviving, any such remainder shall be paid to the retiree's estate.

ii. In addition to the annuity, a disability pension which shall be based on the service retirement factors in effect on the effective date of disability. The service retirement factors shall be multiplied by the Average Final Annual Compensation on the effective date of disability, multiplied by the number of years and fractions of years of service credited to the retiree as of such date. In addition, a basic pension of twelve dollars ($12.00) per annum multiplied by the Member's credited service as of the effective date of disability, for a maximum of ten years of credited service shall be added for a total not to exceed one hundred twenty dollars ($120.00) and adjustments thereto, as calculated pursuant to applicable provisions of this Component II of the Combined Plan. Said disability pension shall begin as of the date of the disability. However, in no case shall the disability pension begin more than six months before the date the application for disability retirement was filed with the Board, or prior to the date his or her name last appeared on an Employer's payroll with pay, whichever is later. Payment of the disability pension shall continue to Age sixty. Said disability pension shall not exceed thirty-nine hundred dollars ($3,900.00) per annum, and shall be subject to the provisions of Sections E-12 and E-13 of this Component II of the Combined Plan.

iii. A Member who retired on disability on or after January 1, 1999 shall receive a disability pension as provided for in Section E-5(d)(2)(ii) of this Component II of the Combined Plan. Said disability pension shall not exceed six thousand dollars ($6,000.00) per annum, and shall be subject to the provisions of Sections E-12 and E-13 of this Component II of the Combined Plan.

iv. Effective July 1, 1967, notwithstanding the limitations contained in Section E-5(d)(2)(ii) of this Component II of the Combined Plan, disability retirees under Section E-5(c) of this Component II of the Combined Plan, who retired (1) prior to August 13, 1953, shall receive a supplementary disability pension of forty dollars ($40.00) per month; or (2) after August 13, 1956 and prior to July 1, 1966, shall receive a supplementary disability pension of twenty dollars ($20.00) per month.

v. Upon attaining Age sixty, the retiree shall receive a pension computed according to the provisions of Section E-4(b)-(e) of this Component II of the Combined Plan; provided, that no service credit shall be given for the time a disability pension provided for in Section E-5(d)(2)(ii) of this Component II of the Combined Plan was received. Upon attaining Age sixty, the retiree shall have the right to make an election under Section E-8 of this Component II of the Combined Plan.

Sec. E-6. Accidental Death Benefit; Performance of Duty

If a Member is killed in the performance of duty in the service of the employer, or dies as the result of illness contracted or injuries received while in the performance of duty in the service of the employer, and such death, illness, or injuries resulting in death, is found by the Board to have resulted from the actual performance of duty in the service of the employer, the following benefits shall be paid, subject to Section E-12 of this Component II of the Combined Plan:

(a) *Annuity Savings Fund.* Accumulated savings in the Member's Annuity Savings Fund at the time of death shall be paid in a single lump sum to such person or persons as the Member nominated in a writing duly executed and filed with the Board. In the event there is no designated person or persons surviving the Member, the accumulated contributions shall be paid to the Member's estate.

(b) *A Pension* of one-third of the final compensation of said Member determined as of the earlier of (i) the date of death, and (ii) June 30, 2014 shall be paid to the surviving Spouse to continue until remarriage. If an unmarried child or children under Age eighteen also survive the deceased Member, each surviving child shall receive a pension of one-fourth of said final compensation, to be divided equally. Upon any such child's adoption, marriage, attainment of Age eighteen, or death, whichever occurs first, such child's pension shall terminate and there shall be a redistribution by the Board to the surviving eligible children under Age eighteen. In no event shall any child receive a pension of more than one-fourth of said final compensation.

(c) *No Surviving Spouse; Children.* If there is no surviving Spouse, or if such surviving Spouse dies or remarries before the youngest surviving child of a deceased Member shall have attained the Age of eighteen, any unmarried child or children under Age eighteen, if any, shall receive a pension equal to one-fourth of the deceased Member's final compensation determined as of the earlier of (i) the date of death, and (ii) June 30, 2014; provided, that if there are more than two such surviving children, each shall receive a pension of an equal share of one-half of said final compensation. Upon any such child's adoption, marriage, attainment of Age eighteen, or death, whichever occurs first, the child's pension shall terminate and there shall be a redistribution by the Board to the surviving eligible children under Age eighteen. In no case shall any such child's Pension be more than one-fourth of the deceased Member's said final compensation.

(d) *Annual Limit.* The total amount payable under Section E-6(b) and (c) of this Component II of the Combined Plan on account of the death of a Member, shall not exceed nine thousand dollars ($9,000.00) per annum.

(e) *Dependent Father and/or Mother*. If the deceased Member has no surviving Spouse or children eligible for a Pension under this section, a pension equal to one-sixth of the deceased Member's final compensation determined as of the earlier of (i) the date of death, and (ii) June 30, 2014 shall be paid to the Member's surviving dependent father and/or mother; provided that in no case shall either parent's pension exceed fifty dollars ($50.00) per month. Payment to a dependent parent or parents shall be contingent upon a finding by the Board of Trustees after investigation that such parent or parents were actually dependent upon said deceased Member through a lack of earning power resulting from physical or mental disability.

(f) *Section E-12 of Component II of the Combined Plan Applicable*. The benefits provided in Section E-6 of this Component II shall be subject to Section E-12 of this Component II.

Sec. E-7. Accumulated Contributions; Return of 1973 Defined Contribution Plan Amount

(a) *Cessation of Employment*.

(1) If a Member ceases to be an employee of the Employer before becoming eligible for a Pension paid out of Employer contributions to the Retirement System, such Member shall be paid all or part of the Member's Annuity Savings Fund, being the Frozen 1973 Defined Contribution Plan amount, as the Member shall demand by written application filed with the Board.

(2) Except as otherwise provided in this Article, upon the death of a Member, the Member's Annuity Savings Fund shall be paid to such person or persons nominated in a written designation duly executed by the Member and filed with the Board. In the event there is no such designated person or persons surviving, the Member's said accumulated contributions shall be paid to the Member's estate.

(3) If a Member who dies without a legal will is not survived by a Spouse and has not nominated a beneficiary as provided in Section E-7(a)(2) of this Component II, the Member's accumulated Annuity Savings Fund contributions at the time of death may be used to pay burial expenses, if the Member leaves no other estate sufficient for such purpose. Such expenses shall not exceed a reasonable amount as determined by the Board.

(4) Accumulated contributions to be returned as provided in this section may be paid in equal monthly installments for a period not to exceed three years, according to such rules and regulations as the Board may adopt from time to time. After a Member ceases to be a Member, any balance in the Annuity Savings Fund which is unclaimed by the said Member or the Member's heirs, shall remain a part of the funds of the Retirement System and shall be transferred to the Pension Accumulation Fund.

(b) *One-Time Withdrawal; Twenty-Five Years*. Prior to the receipt of the first retirement benefit check, an employee with twenty-five or more years of service shall be allowed to

withdraw either a partial or full amount of his or her accumulated contributions, one time only.

(c) *One-Time Withdrawal; Duty and Non-Duty Disability Retirees.* Duty and non-duty disability retirees shall be allowed to withdraw either a partial or full amount of their accumulated contributions, one time only.

(d) *One-Time Withdrawal.* Withdrawal by a Member under either (b) or (c) of this Section E-7 constitutes the one time withdrawal allowed.

Sec. E-8. Retirement Allowance Options

(a) *Election by Member.* Until the earlier of the first time a retirement allowance payment check is cashed, or six months after the first payment check is issued, but not thereafter, any Member may elect to receive a Straight Life Retirement Allowance payable throughout life, or the Member may elect to receive the Actuarially Equivalent Value of the Straight Life Retirement Allowance computed as of the effective date of retirement, in a reduced retirement allowance payable throughout life, with the exception that there will be no reduction in the benefits received pursuant to Section E-4(e) of this Component II of the Combined Plan, and nominate a beneficiary to receive benefits following the Member's death, in accordance with the options set forth below:

Option One. Modified Cash Refund Annuity. If a retiree who elected a Modified Cash Refund Annuity dies before payment of the annuity portion of the reduced retirement allowance has been received in an aggregate amount equal to, but not exceeding the retiree's accumulated contributions in the Annuity Savings Fund at the time of retirement, the difference between said accumulated contributions and the aggregate amount of annuity payments already received, shall be paid in a single lump sum to such person or person nominated by written designation duly executed by the Member and filed with the Board. If no such designated person or persons survive the retiree, any such difference shall be paid to the retiree's estate.

Option Two. Joint and One Hundred Percent Survivor Allowance. Upon the death of a retiree who elected a Joint and One Hundred Percent Survivor Allowance, one hundred percent of the reduced retirement allowance shall be paid to and continued throughout the life of the person nominated by written designation duly executed and filed with the Board prior to the date the first payment of the retirement allowance becomes due.

Option "A". Joint and Seventy-Five Percent Survivor Allowance. Upon the death of a retiree who elected a Joint and Seventy-Five Percent Survivor Allowance, seventy-five percent of the reduced retirement allowance shall be continued throughout the life of and paid to the person nominated by written designation duly executed by the Member and filed with the Board prior to the date the first payment of the retirement allowance becomes due.

Option Three. Joint and Fifty Percent Survivor Allowance. Upon the death of a retiree who elected a Joint and Fifty Percent Survivor Allowance, fifty percent of the reduced retirement allowance shall be continued throughout the life of and paid to the person

nominated by written designation duly executed by the Member and filed with the Board prior to the date the first payment of the retirement allowance becomes due.

Option "B". Joint and Twenty-Five Percent Survivor Allowance. Upon the death of a retiree who elected a Joint and Twenty-Five Percent Survivor Allowance, twenty-five percent of the reduced retirement allowance shall be paid throughout the life of the person nominated by written designation duly executed and filed with the Board prior to the date the first payment of the retirement allowance becomes due.

(b) *Joint and Survivor Optional Forms of Payment.* The Joint and Survivor Optional Forms of Payment provided under Section E-8(a) of this Component II of the Combined Plan shall be made available in either the standard form or the pop-up form, as follows:

(1) *Standard Form.* Under the Standard Form, the reduced retirement allowance shall be paid throughout the lifetime of the retiree.

(2) *Pop-up Form.* Under the Pop-up Form, the reduced allowance shall be paid throughout the lifetime of the retiree and the designated beneficiary. In the event of the death of the designated beneficiary during the lifetime of the retiree, the amount of the allowance shall be changed to the amount that would have been payable had the retiree elected the Straight Life Retirement Allowance form of payment.

(c) *Coordination of Benefits.* According to such rules and regulations as the Board shall adopt, until the first payment of a retirement allowance becomes due, but not thereafter, a Member under Age sixty-five may elect to have the Member's Straight Life Retirement Allowance provided for in Section E-4 of this Component II of the Combined Plan equated on an Actuarial Equivalent basis to provide an increased retirement allowance payable to Age sixty-two or Age sixty-five, and to provide a decreased retirement allowance thereafter. The increased retirement allowance payable to such Age shall approximate the total of the decreased retirement allowance payable thereafter and the estimated social security benefit. If a Member elects to receive the increased and then decreased retirement allowance payments provided for in this paragraph, he or she may also elect to have such payments reduced by electing one of the optional forms of payment provided for in paragraph (a) of this section. This coordination of benefits option shall not create any additional actuarial costs for the Employer.

Sec. E-9. Benefits for Surviving Spouses; Generally

(a) The surviving Spouse of any Member who dies while in the employ of the Employer or in the employ of a second governmental unit as provided in Section E-14 of this Component II after the date such Member either (1) has earned twenty years of credited service regardless of Age, or (2) has earned eight years of credited service and has attained Age sixty-five, or (3) has earned ten or more years of credited service and has attained Age sixty, shall receive a retirement allowance. The Spouse's retirement allowance shall be computed according to Section E-4 of this Component II of the Combined Plan in the same manner in all respects as if the said Member had retired

effective on the earlier of (i) the day preceding the Member's death, and (ii) June 30, 2014, notwithstanding that the Member had not attained Age sixty, elected a Joint and One Hundred Percent Survivor Allowance as provided for in Section E-8 of this Component II, and nominated the surviving Spouse as beneficiary. No payments shall be made under this Section E-9 on account of the death of a Member if any benefits are paid under Section E-6 of this Component II. If an Employee dies with twenty years of service and without a surviving Spouse, dependent children shall be paid a total of nine thousand dollars ($9,000.00) per year which shall be divided equally among all eligible dependent children until the youngest child reaches Age nineteen, or for life, if a child is permanently physically or mentally impaired and such impairment occurred prior to the child's attainment of Age nineteen. There shall be no pension improvement factor for this payment.

(b) In addition to in-service death benefits which existed prior to July 1, 1998 for Members with twenty or more years of service, if a Member dies on or after July 1, 1998 or such later date as provided in a collective bargaining agreement, after having attained fifteen or more but less than twenty years of creditable service at any Age below sixty, the surviving Spouse will be paid a Fifty Percent Joint and Survivor benefit. If there is no eligible surviving Spouse, dependent children shall be paid a total of six thousand dollars ($6,000.00) which shall be divided equally among all eligible dependent children until the youngest child reaches Age nineteen, or for life if a child is permanently physically or mentally impaired.

Sec. E-10. Benefits for Surviving Spouses; Disability Retirees

The surviving Spouse of a disability retiree who retired under the provisions of Section E-5 of this Component II and who died before the Age of sixty shall receive a retirement allowance computed in the same manner as if the disability retiree had been a Member who became eligible for death benefits under Section E-9 of Component II of the Combined Plan, provided the disability retiree had earned fifteen or more years of credited service as of June 30, 2014. In the case of a non-duty disability retiree, credited service shall be determined on the earlier of (i) the effective date of the non-duty disability retirement, and (ii) June 30, 2014. In the case of a duty disability retiree, credited service shall be determined on the earlier of (i) the date of death of the disability retiree assuming employment with the Employer had continued until the date of death, or (ii) June 30, 2014.

Sec. E-11. Disposition of Surplus Benefits upon Death of Retiree and Beneficiary

If under a Joint and One Hundred Percent Survivor allowance, a Joint and Seventy-Five Percent Survivor allowance, a Joint and Fifty Percent Survivor allowance, or a Joint Twenty-Five Percent Survivor allowance as provided for under Section E-8 of this Component II of the Combined Plan, both a retiree and beneficiary die before they have received in retirement allowance payments, an aggregate amount equal to the retiree's accumulated contributions in the Annuity Savings Fund at the time of retirement, less withdrawals, the difference between the said accumulated contributions and the said aggregate amount of retirement allowances paid the retiree and beneficiary, shall be paid in a single lump sum to such person or persons nominated by written designation of the retiree duly executed and filed with the Board. If there is no person

or persons surviving retiree and beneficiary, any such difference shall be paid to the estate of the retiree or the beneficiary, whichever of them is the last to die.

Sec. E-12. Pensions Offset by Compensation Benefits; Subrogation

(a) Generally. Any amounts which may be paid or payable to a Member, retiree, or to the dependents of a Member or retiree on account of any disability or death under the provisions of any Workers' Compensation, pension, or similar law, except federal Social Security old-age and survivors' and disability insurance benefits, shall be offset against any pensions payable from funds of the Retirement System on account of the same disability or death. If the present value of the benefits payable under said Workers' Compensation, pension, or similar law, is less than the Pension Reserve for said pension payable by the Retirement System, the present value of the said Workers' Compensation, pension, or similar legal benefit shall be deducted from the Pension Reserve, and such pensions as may be provided by the Pension Reserve so reduced shall be payable as provided in this Article E.

(b) The Employer's right of subrogation. In the event a person becomes entitled to a pension payable by the Retirement System because of an accident or injury caused by the act of a third party, the Employer shall be subrogated to the rights of said person against such third party to the extent of the benefit which the Employer or the Retirement System pays or becomes liable to pay.

Sec. E-13. Disability Retirees; Reexamination; Authority of the Board

(a) *Medical examination.* At least once each year during the first five years following the retirement of a Member with a disability retirement allowance or disability pension, and at least once in every three year period thereafter, the Board may, and upon the retiree's application shall, require that any disability retiree who has not attained Age sixty undergo a medical examination, to be made by, or under the direction of, the Medical Director. Should any such disability retiree who has not attained Age sixty refuse to submit to at least one such medical examination in any such period, the retiree's retirement allowance or pension may be discontinued by the Board until withdrawal of such refusal. Should such refusal continue for one year, all of the disability retiree's rights in and to the pension portion of the retirement allowance may be revoked by the Board. If upon such examination of a disability retiree, the Medical Director reports that the retiree is physically able and capable of resuming employment, and such report is concurred in by the Board, the retiree shall be restored to active service with the Employer and the disability retirement allowance shall terminate.

(b) *Other employment.* If such disability retiree is or becomes engaged in a gainful occupation, business, or employment paying more than the difference between the retiree's disability retirement allowance and final compensation, the pension portion of the disability retirement allowance shall be reduced by the amount of such difference. If the amount of the earnings changes, the pension may be adjusted accordingly.

(c) *Reinstatement to active service.* A disability retiree who has been, or shall be, reinstated to active service in the employ of the Employer as provided in this Section, shall again become a Member of the Retirement System. All credited service at the time of the disability retirement shall be restored to full force and effect and a duty disability retiree shall be given membership service credit for the period prior to July 1, 2014 that said retiree was out of service due to such duty disability.

Sec. E-14. Transfer of Department or Department Functions Prior to July 1, 2014; Generally

In the event a function or functions of a City Department or the Department itself is transferred to the federal or state government, or to a political subdivision of the State of Michigan (second governmental unit) prior to July 1, 2014, a Member of the Retirement System whose employment is transferred from the City to the second governmental unit prior to July 1, 2014 shall be entitled to a retirement allowance payable by the Retirement System subject to the following conditions:

(a) *Employment within sixty days of transfer.* The employee enters the employment of the second governmental unit within sixty days from and after the effective date of the transfer of the function or functions of a City Department or the Department itself to the second governmental unit.

(b) *Credited service combined; ten year minimum.* The employee's credited service as a Member of the Retirement System prior to July 1, 2014 plus any credited service acquired in the employ of the second governmental unit prior to July 1, 2014 totals at least ten years.

(c) *Retirement; second governmental unit.* If the employee retires from employment with the second governmental unit on account of Age and service, the employee's retirement allowance shall be computed in accordance with Section E-3(b) or Section E-4 of this Component II of the Combined Plan, whichever is applicable. If the employee retires from employment in the second governmental unit prior to July 1, 2014 because of total and permanent disability arising from non-service connected causes, the retirement allowance shall be computed in accordance with Section E-5(d) of this Component II of the Combined Plan. In computing the retirement allowance, the basic pension shall not exceed twelve dollars ($12.00) per year of credited service prior to July 1, 2014 for a maximum of ten years for a total amount to not exceed one hundred twenty dollars ($120.00), and the membership service pension shall be based only upon credited service with the Employer existing at the earlier of (i) the time of transfer, and (ii) June 30, 2014. In determining the Average Final Compensation defined in Section C-1 of this Component II of the Combined Plan, the compensation received as an employee of the second governmental unit on or before July 1, 2014 shall be regarded as compensation paid by the Employer. If the employee leaves the employ of the second governmental unit with a deferred retirement allowance, no retirement allowance shall be paid under the Retirement System unless the employee has met the requirements of Section E-3(d)(1) of this Component II of the Combined Plan.

(d) *Allowance starting date.* The retirement allowance shall begin upon retirement from the employment of the second governmental unit, but in no event prior to the date the employee would have become eligible for retirement had the employee continued in City employment. If retirement is because of total and permanent disability arising from non-service-connected causes, the retirement allowance, if any, shall begin upon the approval of retirement by the Board.

Sec. E-15. Pension Improvement Factor (Escalator)

(a) *Increase of pension.* Subject to Article G, on or after July 1, 1992 and prior to July 1, 2014, effective as of the first day of July of each year, the pension portion of any retirement allowance or duty death benefit which is paid or payable under this Article shall be increased by a factor of two and one quarter percent (2.25%), computed on the basis of the amount of the original pension received at the time of retirement, including, if applicable, any supplemental pensions provided under this Article; provided, that the recipient of said pension shall have been on the retirement rolls at least one year prior to said July first date. If the recipient has been on the retirement payroll less than one year prior to said July first date, the amount of the increase shall be prorated accordingly.

(b) *Payment.* Except as provided in paragraph (c) below, the pension improvement factor of two and one quarter percent (2.25%) provided for in Section E-15(a) of this Component II, shall be payable for periods prior to July 1, 2014 notwithstanding any retirement allowance or pension amount limitation provisions in this Article to the contrary.

(c) After the effective date of the City Employment Terms between the City of Detroit and Police Officers Association of Michigan presented to the union on July 18, 2012, employees represented by the union will no longer receive the two and one-quarter percent (2.25%) per annum escalation.

(d) Effective April 1, 2013, the post-retirement escalator factor for all service after that date shall be eliminated for any employee who is a member of the American Federation of State, County and Municipal Employees, AFL-CIO Local 2920.

Sec. E-16. Adoption of Rates of Interest; Limitations on Payments By Retirement System; Transfer of Investment Returns in Excess of Crediting Rate

(a) The Retirement System and the Board of Trustees shall not make any payment to active or retired Members other than payments that are required by the Retirement System as established by this Combined Plan to govern the Retirement System or the Plan of Adjustment. This prohibition applies to all payments that are not authorized by this Combined Plan, whether such payments are those commonly referred to as a "thirteenth check" or by any other name.

(b) The Retirement System and the Board of Trustees shall not provide any savings plan, annuity plan, or other Member investment or savings vehicle that provides an annual return to investing Members which in any year is greater than the actual investment return net of expenses of the Retirement System's invested reserves for the year in which the return is earned and accrued, provided that such return shall neither be greater than

the assumed annual return as expressed in the Retirement System's valuation for that year nor less than zero. This prohibition shall apply to all annual returns credited to accounts of investing Members in the Annuity Savings Fund of the Frozen 1973 Defined Contribution Plan from the effective date of Ordinance 37-11 to June 30, 2013. Notwithstanding anything in this Section E-16 to the contrary, effective for Plan Years beginning on and after July 1, 2013, the annual rate of return credited to a Member's account in the Annuity Savings Fund of the Frozen 1973 Defined Contribution Plan shall be no less than zero and no greater than the lesser of (i) 5.25% or (ii) the actual investment return net of expenses of the Retirement System's invested reserves for the second Plan Year immediately preceding the Plan Year in which the annual return is credited.

(c) In any Plan Year during the period beginning on or after July 1, 2014 and ending June 30, 2023 in which the annual rate of return credited to the accounts of Members investing in the Annuity Savings Fund as provided in paragraph (b) is less than the actual rate of return net of expenses of the Retirement System's invested assets for the second Plan Year immediately preceding the Plan Year in which the annual rate of return is credited ("ASF Return Excess"), an amount equal to the value of the ASF Return Excess shall be transferred to the Pension Accumulation Fund maintained under Component I of the Combined Plan and shall be used to fund the Transition Cost relating to Component I. The Transition Cost is a measure of the liability that Component I of the Retirement System has at its inception; due to the fact that at its inception, Members in Component I of the Retirement System receive vesting and eligibility credit under Component I for service that was earned prior to July 1, 2014 and is otherwise credited to Members under Component II of the Retirement System, as such Transition Cost is calculated by the Plan Actuary. In the event there is an ASF Return Excess for a Plan Year following the Plan Year in which such transfers have fully funded the Transition Costs relating to Component I, fifty percent (50%) of such ASF Return Excess shall be transferred to the Pension Accumulation Fund maintained under Component II and the remaining fifty percent (50%) of such ASF Return Excess shall be transferred to Component I and credited to the Rate Stabilization Fund maintained under Component I. "Transition Cost" shall be determined by the Plan Actuary.

Sec. E-17. Funds

The Frozen 1973 Defined Benefit/Defined Contribution (Annuity) Plan shall consist of the Annuity Savings Fund, the Annuity Reserve Fund, the Pension Accumulation Fund, the Pension Reserve Fund, and the Income Fund.

Sec. E-18. Method of Financing

(a) *Annuity Savings Fund of the Frozen 1973 Defined Contribution Plan.*

(1) The Annuity Savings Fund of the Frozen 1973 Defined Contribution Plan shall be the fund in which shall be accumulated at regular interest, in accordance with the limitations that are contained in Section E-16 of this Component II, the contributions of Members made prior to the first payroll date occurring in August 2014 to provide their annuities. At the election of the Member, the amount of the basic contribution of a Member to the Retirement System prior to the first payroll date occurring in August 2014 were zero percent (0%), three percent (3%), five percent (5%), or seven percent (7%) of annual compensation. If a Member elected three percent (3%), his or her contribution shall be that amount which is subject to taxation under the provisions of the *Federal Insurance Contribution Act, 26 USC 3101 et seq. (Act)*, plus five percent (5%) of the portion of annual compensation, if any, which exceeds the amount subject to taxation under that *Act*.

(2) The contribution rate elected by the Member under Section E-18(a)(1) of this Component II of the Combined Plan were deducted from the Member's compensation for periods prior to the first payroll period beginning in August 2014 notwithstanding that the minimum compensation provided by law for any Member were reduced thereby. Payment of compensation, less said deductions, constituted a complete discharge of all claims and demands whatsoever for the services rendered by the said Member during the period covered by such payment, except as to benefits provided under this Article E.

(3) Upon retirement of a Member with a retirement allowance, the Member's accumulated contributions shall be transferred from the Annuity Savings Fund to the Annuity Reserve Fund, refunded to the Member, or a combination thereof.

(b) *Annuity Reserve Fund.* The Annuity Reserve Fund shall be the fund, from which all annuities and benefits in lieu of annuities payable as provided in this Article E, shall be paid. If a disability retiree is reinstated to active service with the Employer, the retiree's Annuity Reserve at that time shall be transferred from the Annuity Reserve Fund to the Annuity Savings Fund and credited to his or her individual account therein.

(c) *Pension Accumulation Fund.* The Pension Accumulation Fund shall be the fund in which shall be accumulated reserves for the pensions and other benefits payable from the contributions made by the Employer, including various departments thereof, the Detroit Public Library, and certain third parties pursuant to the Plan of Adjustment and from which shall be paid pensions and other benefits on account of Members with prior service credit, and transfers as provided in this Section E-18. Contributions to the Pension Accumulation Fund from the effective date of the Plan of Adjustment through Fiscal Year 2023, shall be made only in the amounts and from the sources identified in the Plan of Adjustment.

For Fiscal Years beginning after June 30, 2023, contributions to fund pension benefits (adjusted as provided in the Plan of Adjustment) shall be made as follows:

(1) Certain amounts shall be contributed by certain third parties as provided in the Plan of Adjustment.

(2) The Employer's annual contribution shall be calculated by the Actuary as provided in Section E-19.

(3) Upon the retirement of a Member without prior service credit, or upon a Member's death in the performance of duty, the Pension Reserve Fund for the pension or pensions to be paid on the Member's account shall be transferred from the Pension Accumulation Fund to the Pension Reserve Fund.

(4) Upon the basis of such mortality and other tables of experience and interest as the Board shall adopt from time to time consistent with Section 1.16 of Component I, the Actuary shall compute annually the pension reserve liabilities for pension benefits being paid to retirees and beneficiaries.

(5) On an annual basis, the Board shall ascertain and report to the Mayor and the Council the amount of City contributions due to the Retirement System. The Council shall appropriate and the City shall pay such contributions during the appropriate Fiscal Year. Each other Employer whose employees are entitled to a retirement allowance under Component II shall pay contributions due to the Retirement System during the appropriate Fiscal Year. When paid, such contributions shall be credited to the Pension Accumulation Fund.

(6) If the amount appropriated by the Employer and paid to the Retirement System for any Fiscal Year is insufficient to make the transfers and pay the pensions, as adjusted in the Plan of Adjustment, from the Pension Accumulation Fund as provided in this Section E-18, the amount of such insufficiency shall be provided by the appropriating authorities of the Employer.

(d) *Accrued Liability Fund.* Pursuant to *Ordinance No. 5-05*, which authorized the creation of the Detroit General Retirement Service Corporation, the City previously entered into a transaction (the "Pension Funding Transaction") to obtain funds as an alternative to those available through the traditional funding mechanism described above in Subsection (c). The proceeds generated by the Pension Funding Transaction (or any Additional Pension Funding Transactions) that were deposited into the System are termed the "Funding Proceeds." The Funding Proceeds were deposited into a new fund in the System to be called the Accrued Liability Fund. The purpose of the Funding Proceeds was to fund all or part of the theretofore unfunded actuarial accrued liability ("UAAL") of the Retirement System, as determined as of a date certain, that is, the "Determination Date," pursuant to the Retirement System's actuarial valuation as of that date. The Funding Proceeds are assets of the Retirement System and will be applied, together with all other assets of the Retirement System, to fund the Retirement System's obligation to pay pension benefits, as adjusted in the Plan of Adjustment.

This Accrued Liability Fund shall contain only the Funding Proceeds of the Pension Funding Transaction, the Additional Pension Funding Transaction, and any earnings thereon. Prior to Fiscal Year 2013, funds were transferred each Fiscal Year (or monthly portion thereof) from the Accrued Liability Fund to the Pension Accumulation Fund as provided in *Chapter 47 of the 1984 Detroit City Code* and *Ordinance No. 5-05*.

As soon as practicable following the effective date of the Plan of Adjustment, any amounts remaining credited to the Accrued Liability Fund shall be transferred to the Pension Accumulation Fund and the Accrued Liability Fund shall cease to exist.

(e) *Pension Reserve Fund.* The Pension Reserve Fund shall be the fund from which pensions shall be paid to retirees and beneficiaries. Should a disability retiree be reinstated to active service, the retiree's Pension Reserve at that time shall be transferred from the Pension Reserve Fund to the Pension Accumulation Fund.

(f) *Expense Fund.* The Expense Fund shall be the fund to which shall be credited funds, if any, provided by the Employer to pay the administrative expenses of Component II of the Retirement System, and from which shall be paid expenses necessary in connection with the administration and operation of Component II of the Retirement System.

(g) *Income Fund.* The Income Fund shall be the Fund to which shall be credited all interest, dividends, and other income derived from the investments of the Retirement System (other than those derived from the investments credited to any Accrued Liability Fund), all gifts and bequests received by the Retirement System, and all other moneys the disposition of which is not specifically provided for in this Article E. There shall be paid or transferred from the Income Fund, all amounts required to credit regular interest to the various Funds of the Retirement System, except for the Accrued Liability Fund which is to be credited with interest, dividends and other earnings pursuant to Section E-18(d) of this Component II of the Combined Plan in accordance with the limitations that are contained in Section E-18 of this Component II of the Combined Plan.

(h) *Maintenance of Reserves.*

(1) The maintenance of proper reserves in the various Funds of the Retirement System except the Expense Fund is hereby made an obligation of the Pension Accumulation Fund.

(2) Employer contributions to the Retirement System to the extent necessary to provide pensions on account of Members who are employees of a revenue-supported division of the City shall be made from the revenues of the said division. Any City contribution to the Retirement System from any fund by law with a certain and definite purpose shall, at the direction of the Finance Director, be accounted for separately.

Sec. E-19. Determination of City's Annual Contribution

(a) For the period commencing July 1, 2014 and ending June 30, 2023, the Employer shall make only those contributions to the Retirement System as are set forth in the Plan of

Adjustment. The exclusive sources for such contributions shall be certain pension related, administrative and restructuring payments received from the Detroit Water and Sewer District, a portion of the State Contribution, certain DIA Proceeds, a portion of the Assigned UTGO Bond Tax Proceeds and certain revenues from City departments, the Detroit Public Library and the Detroit Regional Convention Facility Authority (all as defined in the Plan of Adjustment).

(b) For Fiscal Years beginning on and after July 1, 2023, the annuity and pension reserve liabilities for Members, retirees, and beneficiaries, shall be actuarially evaluated as set forth in this Article for each division as is accounted for separately pursuant to Section E-18(h)(2) of this Component II of the Combined Plan.

(1) *Pension Liabilities.*

a. The pension liabilities for Members shall be determined by the Actuary using reasonable and appropriate actuarial assumptions approved by the Board and the Investment Committee.

b. Each Employer's annual contribution to finance any unfunded accrued pension liabilities shall be determined by amortizing such unfunded accrued pension liabilities as a level percentage of such compensation over a period or periods of future years as established by the Board and approved by the Investment Committee.

(2) *Pension Accumulation Fund.* Based upon the provisions of this Article E including any amendments, the Board shall compute each Employer's annual contributions to the Retirement System, expressed as a percentage of active Member compensation each Fiscal Year, using actuarial valuation data as of the June thirtieth date which date is a year and a day before the first day of such Fiscal Year. The Board shall report to the Mayor and Council the contribution percentages so computed. Such contribution percentages shall be used in determining the contribution dollars to be appropriated by Council and the Employers and paid to the Retirement System. Such contribution dollars shall be determined by multiplying the applicable contribution percentage for such Fiscal Year by the Member compensation paid for such Fiscal Year. Such contribution dollars for each Fiscal Year shall be paid to the Retirement System in such Fiscal Year in a manner to be determined by the City, provided that contributions shall be made not less frequently than annually.

ARTICLE F. PARTICIPANT LOAN PROGRAM

Sec. F-1. Established.

Any loans granted or renewed shall be made pursuant to a Participant Loan Program which shall conform with the requirements of Section 72(p) of the Internal Revenue Code. Such loan program shall be established in writing by the Board of Trustees, and must include, but need not be limited to the following:

(1) The identity of the administrator of the Participant Loan Program;

(2) A procedure to apply for loans, the amount of loan that will be approved or denied, and limitations, if any, on the types and amount of loans offered;

(3) The procedures under the program for determining a reasonable rate of interest; and

(4) The events constituting default and the steps that will be taken to preserve plan assets.

Sec. F-2. The Loan Program.

(1) This Loan Program shall be contained in a separate written document copies of which shall be made available in the offices of the Retirement System for prospective participants in the Loan Program. The Board of Trustees is authorized to adopt rules and regulations, from time to time, to govern the administration and the operation of this program. Copies of the rules shall also be made available to prospective Members in the offices of the Retirement System; and

(2) All collective bargaining agreements which accept the terms of this section are specifically agreeing to be subject to the Board's authority to modify or amend the Participant Loan Program from time to time, including during the effective terms of the applicable labor agreement and no such modification or amendment shall be deemed a violation of said labor agreement and no grievance or other form of action shall be effective to overturn or alter the Board's decision.

Sec. F-3. Eligibility.

Subject to rules and procedures established by the Board, loans will initially be made only to non-union Members of the Retirement System. Union employees will be eligible when their respective bargaining unit has accepted the Loan Program. Former Members, Spouses of Members, and beneficiaries are not eligible to receive any loans from the Retirement System. Subject to rules and procedures established by the Board, a Member who has been in the Combined Plan for twelve months or more is eligible to apply for a loan under this Component II. No Member shall have more than two outstanding loans from the Retirement System (Component I and/or Component II) at any time. A Member who has previously defaulted on a loan (under either Component I or Component II) shall not be eligible for a loan from the Retirement System.

Sec. F-4. Amount of Loan.

A Member who has satisfied applicable rules and procedures may borrow from his or her annuity savings account an amount, which does not exceed fifty percent (50%) of the Member's vested accumulated balance in such account, or ten thousand dollars ($10,000.00) reduced by the excess, if any, of: (1) the highest outstanding balance of loans from the Retirement System (both Component I and Component II) during the one year period ending on the day before the date on which the loan is made, or (2) the outstanding balance of loans from the Retirement System (both Component I and Component II) on the date on which the loan is made, whichever is less. The minimum loan amount shall be one thousand dollars ($1,000.00).

Sec. F-5. Terms and Conditions.

In addition to such rules and procedures that are established by the Board, all loans shall comply with the following terms and conditions:

(1) Loan applications shall be in writing;

(2) Loans shall be repaid by equal payroll deductions over a period not to exceed five years, or, where the loan is for the purpose of buying a principal residence, a period not to exceed fifteen years. In no case shall the amount of the payroll deduction be less than twenty dollars ($20.00) for any two-week period;

(3) Each loan shall be made against the assignment of the Member's entire right, title, and interest in and to the Member's annuity savings account, supported by the Member's collateral promissory note for the amount of the loan, including interest payable to the order of the Board of Trustees;

(4) Each loan shall bear interest at a rate determined by the Board. The Board shall not discriminate among Members in its determination of interest rates on loans. Loans initiated at different times may bear different interest rates, where, in the opinion of the Board, the difference in rates is supported by a change in market interest rates or a change in the Retirement System's current assumed rate of return. The loan interest rate shall bear a reasonable relationship to market rates for secured loans of a similar duration and shall bear a reasonable relationship to the costs to the Retirement System of administering the Combined Plan. The loan interest rate shall be calculated in a manner that will not negatively affect the Employers' costs with respect to the Retirement System or the investment return allocated to Members;

(5) Loan repayments shall be suspended under this plan as permitted by Section 414(u)(4) of the Internal Revenue Code. A participant who has an outstanding loan balance from the plan who is absent from employment with the Employer, and who has satisfied the requirements of Section 414(u) of the Internal Revenue Code shall not be required to make loan repayments to the Retirement System during said periods of absence.

Sec. F-6. Renewal of Loan.

Any loans granted or renewed shall be made pursuant to the Participant Loan Program and Section 72(p) of the Internal Revenue Code and the regulations thereunder.

Sec. F-7. Loan Balance.

A Member's outstanding loan balance shall be considered a directed investment by the Member and interest payments shall be credited to the Member's account balance, and shall not be part of net investment income or part of the Member's annuity savings account balance for the purpose of allocation of net investment income under the Retirement System.

Sec. F-8. Distributions.

No distributions shall be made to a Member, former Member, or beneficiary until all loan balances drawn on the applicable vested accumulated annuity savings account balance and applicable accrued interest have been liquidated.

Sec. F-9. Annual Report.

The Retirement System shall include, in its annual report to all Members, an accounting of the Loan Program established by this Article F, which contains the number and amount of loans made under this Component II, the costs of administering the Loan Program under Component II, the amount of payments made including interest received by Component II of the Retirement System, the amount of loans outstanding, including any defaults or delinquencies, and an evaluation as to whether the interest charged in that Fiscal Year covered the costs of administering the Loan Program maintained under this Component II.

ARTICLE G. SPECIAL PLAN OF ADJUSTMENT PROVISIONS

Sec. G-1. Benefit Changes Implemented Pursuant to the Terms of the Plan Of Adjustment

Notwithstanding anything in Articles A, C, D or E of Component II to the contrary, as of the effective dates set forth below and during the period that ends no earlier than June 30, 2023, the following provisions to comply with the terms of the Plan of Adjustment shall be implemented:

(1) *Reduction in monthly pension payments.*

a. For a retiree or a surviving beneficiary who is receiving a monthly pension benefit as of the effective date of the Plan of Adjustment, as soon as practicable following such effective date such retiree's or surviving beneficiary's monthly pension benefit will be reduced to an amount that is equal to 95.5% of the monthly pension benefit being paid to such retiree or surviving beneficiary as of the date immediately preceding the effective date of the Plan of Adjustment ("Adjusted Accrued Benefit"); provided, however, that the Board and the Investment Committee shall determine on the effective date of the Plan of Adjustment and not less frequently than annually thereafter that the "Funding Conditions" as defined herein have been satisfied, and in the event that such Funding Conditions have not been satisfied then such retiree's or surviving beneficiary's Adjusted Accrued Benefit will be reduced in proportion to the funding which is not received by the Retirement System but not below an amount that is equal to 73% of the monthly pension benefit being paid to such retiree or surviving beneficiary as of the date immediately preceding the effective date of the Plan of Adjustment.

b. The Frozen Accrued Benefit that will be paid as a monthly Retirement Allowance upon the retirement or death of an active employee Member or a vested former employee Member on or after the Effective Date, will be reduced to an amount that is equal to 95.5% of the monthly pension benefit that would otherwise have been paid to the active employee or vested former employee under the terms of this Component II of the Combined Plan without taking into account this Section G-1 ("Adjusted Deferred Accrued Benefit"); provided, however, that the Board and the Investment Committee shall determine on an annual basis that the "Funding Conditions" as defined herein have been satisfied, and in the event such Funding Conditions have not been satisfied then such active employee Member's or vested former employee Member's Adjusted Accrued Benefit will be reduced in proportion to the funding which is not received by the Retirement System but not below an amount that is equal to 73% of the monthly pension benefit that would otherwise have been paid to the active employee or vested former employee under the terms of this Component II of the Combined Plan without taking into account this Section G-1.

c. *Cap on Benefit Reductions for Certain Retirees.* With respect to any retiree or surviving beneficiary receiving monthly pension benefits from the Retirement System as of June 30, 2014, such retiree's or surviving beneficiary's Adjusted Accrued Benefit, as further reduced to take into account any ASF Recoupment under Section G-2, shall not be less than 80% of the monthly pension benefit being paid to such retiree or surviving beneficiary as of the date immediately preceding the effective date of the Plan of Adjustment.

For purposes of this Sec. G-1, the term "Funding Conditions" shall mean that (i) Class 10 and Class 11 voted in favor of the Plan of Adjustment in accordance with the procedures for such vote under the Plan of Adjustment, (ii) the Plan of Adjustment is confirmed by the U.S. Bankruptcy Court, and (iii) the funds that are pledged to be contributed to the Retirement System pursuant to the terms of the State Contribution Agreement and the DIA Settlement Documents have been received.

(2) *Elimination of Pension Improvement Factor.* For all pension benefits payable after June 30, 2014, the pension improvement factor (escalator) that will be applied to the monthly Adjusted Accrued Benefit or Adjusted Deferred Accrued Benefit of a Member, retiree, surviving beneficiary or vested former employee will be equal to 0%.

(3) *Recoupment of Excess Returns on Annuity Savings Fund Account.* The terms of Section G-2 Annuity Savings Fund Recoupment shall apply to the Annuity Savings Fund account of Members, retirees and vested former employees as provided in Section G-2.

(4) *Future Disability Pensions Eliminated.* The duty disability retirement allowance and non-duty disability retirement allowance are eliminated with respect to Members who become disabled on or after July 1, 2014.

(5) *Effect of Payment Default.* In the event that all or a portion of the funds pledged to be contributed to the Retirement System pursuant to the terms of the State Contribution Agreement and/or the DIA Settlement Agreement are not received by the Retirement System, the Board shall automatically reduce the monthly pension benefits payable to Members, retirees, surviving beneficiaries, and former employees to the extent of such default.

Sec. G-2. Annuity Savings Fund Recoupment

Notwithstanding anything in Articles A, B, C, D or E to the contrary, upon the effective date of the Plan of Adjustment, Members, retirees or vested former employees who were identified by the City as a Class 11 Holder under the Plan of Adjustment and who participated in the Annuity Savings Fund ("ASF") at any time during the period that began on July 1, 2003 and ended on June 30, 2013 ("ASF Recalculation Period") are subject to the following provisions:

(1) *Recoupment from Members, retirees and vested former employees who maintain an Annuity Savings Fund account ("ASF account") as of the Effective Date.* For each Member, retiree or vested former employee who maintains an ASF account in the Retirement System as of the effective date of the Plan of Adjustment, such individual's ASF account balance will be reduced by such individual's Annuity Savings Fund Excess Amount, as determined by the City in accordance with this Section G-2 (1).

a. For a Member, retiree or former vested employee who did not receive any distribution or loan from such individual's ASF account during the ASF Recalculation Period, the Annuity Savings Fund Excess Amount means the difference between the value of such individual's ASF account as recalculated using the Actual Return (as defined in paragraph (3) below) and the actual value of such individual's ASF account as of June 30, 2013; provided, however, that an individual's Annuity Savings Fund Excess Amount shall not exceed 20% of the highest value of such individual's ASF account balance (including any unpaid loan balance relating to the ASF account) during the ASF Recalculation Period.

b. For a Member, retiree or vested former employee who during the ASF Recalculation Period has received a distribution (other than a total distribution) or loan from the ASF, the Annuity Savings Fund Excess Amount means the difference between (i) the sum of (A) the value of such individual's ASF account as of June 30, 2013 and (B) all distributions (including any unpaid loans) received by such individual from his or her ASF account during the ASF Recalculation Period, and (ii) the value of such individual's ASF account as of June 30, 2013 as recalculated using the Actual Return; provided, however, that an individual's Annuity Savings Fund Excess Amount shall not exceed 20% of the highest value of such individual's ASF account balance (including any unpaid loans made to the individual) during the ASF Recalculation Period.

(2) *Recoupment from Members, retirees and former employees who previously took total Annuity Savings Fund account distributions.* Except as provided in paragraph (4) below, for each Member, retiree or vested former employee who has received a total distribution of the individual's ASF account during the ASF Recalculation Period, the individual's monthly pension benefit (and the survivor monthly pension benefit payable to the Member's survivor, if any) will be reduced by the individual's "Monthly Annuity Savings Fund Excess Amount" as determined by the City in accordance with this Section G-2(2).

A Monthly Annuity Savings Fund Excess Amount means the difference between (i) the value of the ASF account of a Member, retiree or vested former employee as of the date of distribution to such individual from the ASF, provided such date falls within the ASF Recalculation Period, and (ii) the value of the individual's ASF account as of such date, as recalculated using the Actual Return; provided, however, such difference shall not exceed 20% of the highest value of

such individual's ASF account balance (including any unpaid loan balance) during the ASF Recalculation Period; provided, further, such amount will be calculated and converted into monthly annuity amounts based on common actuarial assumptions (such as the individual's life expectancy, and, if the individual has not already retired, expected date of retirement) and amortized using a 6.75% interest rate.

(3) *Recoupment from Members, retirees and former employees who received partial Annuity Savings Fund account distributions.* A Member, retiree or vested former employee who previously received a distribution of a portion but not the entirety of the Member's Annuity Savings Account shall be subject to paragraph (1) to the extent of any funds then credited to the Member's Annuity Savings Fund account and shall be subject to paragraph (2) to the extent of any Excess Amount that cannot be recovered pursuant to paragraph (1).

(4) *Cash repayment option.* Notwithstanding paragraphs (2) and (3) above and subject to the Cash Option Cap described below, a Member, retiree, employee or former employee whose monthly pension benefit will be reduced pursuant to paragraph (2) or (3) may elect to make a single lump sum cash payment to the Retirement System of the Annuity Savings Fund Excess Amount by cashier's check or wire transfer ("Cash Repayment Option"). Each individual eligible for the Cash Repayment Option shall be provided by first-class U.S. mail an election notice and an election form no later than seven days following the Effective Date. The individual shall have thirty-five days from the date on which the election form is mailed to return the election form as directed on the form. An election of the Cash Repayment Option shall be effective only if it is received by the deadline set forth on the election form.

No later than fourteen days following the election deadline, the Board shall notify each individual who timely elects the Cash Repayment Option of the amount to be repaid to the Retirement System ("Final Payment Notice"). Such amount must be paid to the Retirement System on or before the later of (i) ninety days after the Effective Date, or (ii) fifty days following the date on which the Final Payment Notice is mailed to the individual.

If payment is not timely received, the monthly pension benefit of an individual who elects the Cash Repayment Option shall be reduced as provided in paragraph (2) or (3).

The Cash Repayment Option shall be limited to an aggregate amount of $30 million (the "Cash Option Cap"). In the event the Retirement System receives timely and properly completed election forms representing an aggregate recovery amount in excess of the Cash Option Cap, then each individual who made a timely election of the Cash Repayment Option shall be permitted to repay an amount equal to his pro rata share of the Cash Option Cap. Any Annuity Savings Fund Excess Amount that is not repaid under the Cash Repayment Option shall be repaid as provided in paragraph (2) or (3).

(5) *Definition of Actual Return.* "Actual Return" means the actual net return percentage on the Retirement System's invested assets for each Fiscal Year during the ASF Recalculation Period; provided, however, that for any such Fiscal Year the net return shall not be greater than 7.9% nor less than 0%.

(6) *Limitation on recoupment.* Notwithstanding anything in this Section G-2 to the contrary:

a. a Member's ASF account value after recoupment of the Member's Annuity Savings Fund Excess Amount will never be less than the contributions made to the ASF by such Member and will reflect all interest credited by the Board to the Member's ASF account for the Fiscal Years ending prior to July 1, 2002; and

b. in no event shall the amount recovered from a Member described in Section G-2(2) (or G-2(3), with respect to amounts that may not be recovered pursuant to Section G-2(1)) exceed the Member's Annuity Savings Fund Excess Amount plus interest on such amount at a rate of 6.75%. Upon the Member's repayment of such amount in full, the Member's monthly pension benefit in effect immediately prior to adjustment as provided in Section G-2(2) (adjustment as provided in Section G-1), increased as provided in Section G-4, if applicable, shall be fully restored.

(7) *Cap on benefit reductions for certain retirees.* With respect to any retiree or surviving beneficiary receiving monthly pension benefits from the Retirement System as of June 30, 2014, the Adjusted Accrued Benefit of such retiree or surviving beneficiary, as further reduced to take into account any ASF Recoupment under Section G-2, shall not be less than 80% of the monthly pension benefit being paid to such retiree or surviving beneficiary as of the date immediately preceding the Effective Date.

Annuity Savings Fund Excess Amounts of Members described in paragraphs (1) and (3) shall be transferred from the Annuity Savings Fund to the Pension Accumulation Fund and shall be used to pay pensions and other benefits to Members as provided in Component II of the Combined Plan.

Sec. G-3. Income Stabilization Benefits

(1) The provisions of this Section G-3 shall become effective only if each of the Conditions Precedent (as that term is defined in the State Contribution Agreement) have been met to the satisfaction of the Authority and the State Treasurer (each as defined in the State Contribution Agreement), unless any one or more of such conditions are waived in a writing executed by the Authority and the State Treasurer.

(2) Beginning not later than 120 days after the effective date of the Plan of Adjustment, Component II of the Combined Plan shall pay, in accordance with

this Section G-3, an annual supplemental pension income stabilization benefit ("Income Stabilization Benefit") to each Eligible Pensioner (as defined in Section G-3(5)) equal to the lesser of either (i) the amount needed to restore an Eligible Pensioner's reduced annual pension benefit to 100% of the amount of the annual pension benefit that the Eligible Pensioner received from the Retirement System in 2013; or (ii) the amount needed to bring the total annual 2013 household income of the Eligible Pensioner up to 130% of the Federal Poverty Level for 2013. The Income Stabilization Benefit as determined under this Section G-3(2) will not increase after the date on which the Income Stabilization Benefit is determined. The Income Stabilization Benefit payable to an Eligible Pensioner will terminate immediately at such time as the Eligible Pensioner ceases to qualify as an Eligible Pensioner.

(3) To the extent an Eligible Pensioner's Estimated Adjusted Annual Household Income (as defined in this Section G-3) in any calendar year after the first year that the Eligible Pensioner receives a benefit under this Section G-3 is less than 105% of the Federal Poverty Level in that year, the Eligible Pensioner will receive an additional "Income Stabilization Benefit Plus" benefit commencing as of the next following July 1.

a. The Income Stabilization Benefit Plus benefit for a calendar year will be equal to the lesser of either (i) the amount needed to restore 100% of the Eligible Pensioner's pension benefit, as increased by any Pension Improvement Factor (Escalator), under Component II of the Combined Plan; or (ii) the amount needed to bring the Eligible Pensioner's Estimated Adjusted Annual Household Income in that calendar year up to 105% of the Federal Poverty Level in that year.

b. An Eligible Pensioner's "Estimated Adjusted Annual Household Income" for any year will be the sum of (i) the Eligible Pensioner's 2013 total household income (per his or her (or in the case of a minor child, his or her legal guardian's) 2013 income tax return or equivalent documentation), less the pension benefit paid to the Eligible Pensioner from the Retirement System in 2013, as adjusted for inflation or Social Security COLA increases; (ii) the Adjusted Accrued Benefit that is payable to the Eligible Pensioner for that year as determined under Section G-1, (iii) any pension restoration payment to the Eligible Pensioner as determined under Section G-4; and (iv) the Eligible Pensioner's Income Stabilization Benefit.

(4) A separate recordkeeping fund called the "Income Stabilization Fund" shall be established by the Board for the sole purpose of paying the Income Stabilization Benefits and Income Stabilization Benefits Plus to Eligible Pensioners. Any funds received by the Retirement System that is designated by the City as UTGO Bond Tax Proceeds or a contribution to the Income Stabilization Fund shall be credited by the Board to the Income Stabilization Fund. The assets credited to the Income Stabilization Fund will be invested on a commingled basis with assets of

the Retirement System and will be credited with a pro-rata portion of the earnings and losses of the Retirement System. Amounts credited to the Income Stabilization Fund may not be used for any purpose other than the payment of Income Stabilization Benefits and Income Stabilization Benefit Plus benefits to Eligible Pensioners, except as expressly provided in Section G-3 (7).

(5) For purposes of this Section G-3, an "Eligible Pensioner" is a retiree or surviving Spouse who is at least 60 years of Age or a minor child receiving survivor benefits, each as of the effective date of the Plan of Adjustment, whose benefit will be reduced as provided in Section G-1, and who is eligible to receive Income Stabilization Benefits because (i) such individual is receiving monthly pension benefits from the Retirement System as of the effective date of the Plan of Adjustment, and (ii) such individual has a total annual household income equal to or less than 140% of the federal poverty level in 2013 (per his or her (or in the case of a minor child, his or her legal guardian's) 2013 income tax return or equivalent documentation).

a. An eligible individual must apply for an Income Stabilization Benefit in accordance with procedures established by the Authority and provide such substantiation of the individual's aggregate annual household income as is required by the State in its sole discretion.

b. The initial determination of Eligible Pensioners, and amount of the Income Stabilization Benefit payable to each Eligible Pensioner shall be made by the State in its sole discretion. The State shall transmit the list of Eligible Pensioners to the Investment Committee and the Board. The Board, with the assistance of the Investment Committee, shall be responsible for administering the Income Stabilization Fund and annually certifying to the State Treasurer that it has administered the requirements for eligibility and payment of benefits with respect to Eligible Pensioners in accordance with the terms of the State Contribution Agreement.

c. After the initial determination of Eligible Pensioners is made, no new individuals will be eligible to receive an Income Stabilization Benefit or an Income Stabilization Benefits Plus benefit at any time in the future.

d. An Eligible Pensioner will cease to be an Eligible Pensioner as of the earlier of (i) the Eligible Pensioner's death, or (ii) with respect to any minor child receiving survivor benefits, the date the minor child reaches the Age of 18 years.

(6) For purposes of this Section G-3, the "Federal Poverty Level" means the poverty guidelines published each year in the Federal Register by the United States Department of Health and Human Resources.

(7) In the event that in 2022 (provided that the State has not issued a Certificate of Default (as defined in the State Contribution Agreement) with respect to the

Retirement System at any time prior to 2022), it is the opinion of at least 75% of the independent members of the Investment Committee that the assets of the Income Stabilization Fund exceed the Income Stabilization Benefits and Income Stabilization Benefits Plus benefits anticipated to be made to Eligible Pensioners by the Retirement System in the future ("Excess Assets"), the Investment Committee may, in its sole discretion, recommend to the Board that all or a portion of the Excess Assets, in an amount not to exceed $35 million, be used to fund the Adjusted Accrued Benefits or Adjusted Deferred Accrued Benefits, as applicable, payable by the Retirement System. The Investment Committee shall have the right to engage professional advisers to assist in making this determination and such expenses shall be paid by the Retirement System.

(8) In the event that any funds remain in the Income Stabilization Fund on the date upon which there are no Eligible Pensioners under the Retirement System, such funds shall be used to fund the Adjusted Accrued Benefits or Adjusted Deferred Accrued Benefits, as applicable, payable by the Retirement System.

Sec. G-4. Restoration of Pension Benefits

The following rules shall govern how accrued pensions, including Pension Improvement Factor ("COLA") benefits, that are reduced as part of the Plan of Adjustment, shall be restored during the thirty year period following the confirmation order issued by the Bankruptcy court in *In Re. City of Detroit, Michigan*, Case No. 13-53846. The pension restoration process shall be supervised, and restoration decisions undertaken by the Investment Committee and in accordance with the pension governance provisions set forth in the State Contribution Agreement and exhibits thereto. The pension restoration program shall be deemed a part of this Component II, but in the event of any conflict between the language set forth herein and the pension restoration agreement attached to and made a part of the Plan of Adjustment ("Pension Restoration Agreement"), the terms of the Pension Restoration Agreement will govern.

(1) *Waterfall Classes.*

There will be three Waterfall Classes:

a. Waterfall Class 1 – Retirees, in retirement benefit pay status as of June 30, 2014, and their surviving Spouses and beneficiaries.

b. Waterfall Class 2 – Retirees, who entered into retirement benefit pay status after June 30, 2014, and their surviving Spouses and beneficiaries, and who are in pay status as of the end of the Fiscal Year prior to the year in which the restoration decision is made.

c. Waterfall Class 3 – All other Members who as of June 30, 2014 are not in retirement benefit pay status.

(2) *Restoration of Benefits Through June 30, 2023.*

a. Each year in conjunction with the annual actuarial valuation report, the Plan Actuary will project the funded ratio of the Retirement System as of 2023 based upon the market value of plan assets relative to the actuarial accrued liabilities (the "Funded Level"). This projection will be further based upon a 6.75% assumed rate of investment return which is net of expenses (investment and administrative), future Employer contributions as set forth in the Plan of Adjustment (subject to the conditions in the Plan of Adjustment) and such other actuarial assumptions as utilized by the Plan Actuary. For purposes of restoration of benefits through June 30, 2023, the Funding Target will be a 70% funded ratio, the Restoration Target will be a 75% funded ratio, and the Restoration Reserve Suspension Trigger will be a 71% funded ratio, all projected to June 30, 2023. For purposes of calculating the funded ratio, the assets in the Restoration Reserve Account will be excluded. Each year, if the Actuary projects that the projected Funded Level as of June 30, 2023 (excluding Restoration Reserve Account assets to avoid double counting) exceeds the Restoration Target (i.e., exceeds 75%), a credit of assets for bookkeeping purposes will be made into a new notional "Restoration Reserve Account". The notional credit will be in an amount equal to the excess of assets above the amount projected to be needed to satisfy the Restoration Target. Once the Restoration Reserve Account is established, each year thereafter, Restoration Reserve Account assets will be credited with interest in an amount equal to the net return on Retirement System investments, but capped at the actuarially assumed rate of investment return (i.e., 6.75% for the period through June 30, 2023). In the event of net losses, the credited asset value of the Restoration Reserve Account will be diminished to reflect such losses and any required transfer to the Pension Reserve Fund.

b. To the extent that the City's (including DWSD or a successor authority) actual contributions in any of the Fiscal Years 2015 through 2023 are less than the contributions provided for in the Plan of Adjustment, such difference and any investment earnings thereon shall be notionally allocated to the Pension Reserve Fund.

c. Actual restoration payments and credits will work as follows: each year in conjunction with preparation of the annual actuarial valuation report and following establishment of the Restoration Reserve Account, the Plan Actuary will determine whether there are sufficient funds in such account to restore a portion of the 4.5% across the board pension cuts in one or more minimum incremental amounts equal to ½% of the monthly benefit for each member of Waterfall Class 1 (i.e. reducing the initial across the board cut to 4.0%). This restoration only occurs if the funding level in the Restoration Reserve Account can fund 100% of each incremental increase over the remaining actuarially projected lives of the eligible recipients in

Waterfall Class 1. If the Restoration Reserve Account satisfies the required funding level, then in the next Fiscal Year, actual restoration payments will be made to Waterfall Class 1 members in amounts equal to the benefit associated with each increment that have been fully funded in the Restoration Reserve Account. Once Waterfall Class 1 has sufficient assets in the Restoration Reserve Account to fully fund and restore the 4.5% cut in their monthly benefits, and to the extent that additional assets in the Restoration Reserve Account remain and will fully fund at least ½% of the monthly benefit for each member of Waterfall Class 2 over their remaining actuarially projected lives, then Waterfall Class 2 members will receive pension restoration in minimum ½% benefit increments until an amount equal to the 4.5% cuts in their monthly benefits has been fully funded. At that juncture, and to the extent that additional assets in the Restoration Reserve Account remain and will fund at least a minimum ½% of the monthly benefit of each member in Waterfall Class 3 over their remaining actuarially projected lives, then each such member of Waterfall Class 3 shall receive a credit granting them a right upon retirement to receive pension restoration equal to the benefit increments that are fully funded. Restoration payments will be calculated and paid on a prospective basis only.

d. After the full 4.5% across the board pension cuts are restored for all three Waterfall Classes, and to the extent there are additional assets in the Restoration Reserve Account to fully fund COLA benefits over the actuarially-projected lives of the eligible recipient Waterfall Class, such assets will be used to fully fund and restore a portion of the COLA values that were eliminated as part of the Plan of Adjustment. COLA will be restored in minimum 10% COLA value increments up to 50% of the future COLA values for each member of Waterfall Class 1 (i.e., a 50% future COLA value will constitute a 1.25% simple COLA), then up to 50% of the future COLA values for each member of Waterfall Class 2, and then up to 50% of the future COLA values for each member of Waterfall Class 3 until all members of the three Waterfall Classes have had 50% of the value of their COLAs fully funded and restored. After 50% of the future values of COLA have been fully funded and restored, and to the extent there are additional assets in the Restoration Reserve Account for each of the three Waterfall Classes, then a second 50% COLA restoration will be made, first to members of Waterfall Class 1, then Waterfall Class 2, and then Waterfall Class 3. Classes will be restored in minimum 10% COLA value increments. Restoration payments will be calculated and paid on a prospective basis only.

e. If the amounts in the Restoration Reserve Account are sufficient to fully-fund the 4.5% across the board pension cuts for all three Waterfall Classes and 100% COLA restoration for all three Waterfall Classes, then any additional assets in the Restoration Reserve Account shall be used to increase the frozen accrued benefits of active and other Members whose

Annuity Savings Fund accounts were diminished as part of the Annuity Savings Fund Recoupment (described in Section G-2), such that they receive treatment equal to the 20%/20% ceiling applied to retirees in pay status under the Plan of Adjustment. If after such pension restoration there are additional assets in the Restoration Reserve Account to fully fund benefit increments over their remaining actuarially projected lives, Waterfall Class 1 members will receive pension restoration in ½% benefit increments of the reductions to their monthly pension due to Annuity Savings Fund Recoupment, and once such pension benefits are restored, Waterfall Class 2 members will receive pension restoration in ½% benefit increments in connection with the reductions to their monthly pensions due to Annuity Savings Fund Recoupment. Restoration payments will be calculated and paid on a prospective basis only

f. Once restoration payments to applicable retirees and restoration credits to active employees begin, as long as the Restoration Reserve Account continues to have assets sufficient to fund 100% of an incremental pension restoration amount for such Waterfall Class members for their actuarially projected lives, such restoration payments and credits will continue; provided, however, that in the event the Restoration Reserve Account, after having sufficient assets to fund 100% of two or more increments (over their actuarially projected lives), falls below 100% for the second or greater increment, the annual amounts to pay such second or other additional increment can continue until the Restoration Reserve Account lacks any assets to fund it. For example, assume a ½% increment in Waterfall Class 1 requires $10 million in assets to be fully funded for the Waterfall Class members' actuarially projected lives, and that based on Fiscal Year 2018 results the Restoration Reserve Account has assets of $22 million so as to fund two increments of restoration in Fiscal Year 2019, (i.e., a 1% pension increase). Assume further that in the following Fiscal Year the Restoration Reserve Account drops in value to $17 million; in such event two increments could still be paid, and the second increment of ½% would cease being paid only if the value of assets in the Restoration Reserve Account dropped to or below $10 million (in the event they dropped below $10 million, the first increment also would cease being paid). For purposes of restoration reduction, restoration increments will be taken away in reverse order in which they were granted (i.e. last in, first out).

g. In the event the Funded Level (not including the assets in the Restoration Reserve Account) falls below 71% (hereinafter, "Restoration Reserve Suspension Trigger"), then, until such time as the projected Funded Level in 2023 is 71% or above, further interest credits to the notional Restoration Reserve Account will cease notwithstanding the actual net investment returns for the Retirement System for the Fiscal Year in question. Furthermore, if the Funded Level projected to 2023 falls below the Funding Target (i.e., 70%) then restoration payments and credits in the

following year will be modified in the following manner: (1) funds previously credited to the Restoration Reserve Account will be notionally transferred and credited to the Pension Reserve Account in sufficient amounts to restore the projected Funded Level in 2023 to 70%; (2) following such transfer, the remaining assets in the Restoration Reserve Account shall be applied to make restoration payments in accordance with and pursuant to the same mechanism described in paragraph f.

h. Following receipt of the actuarial reports for 2019, and in the event that the projected Funded Level as of 2023 is less than 71%, the Plan Actuary shall revisit the restoration calculations that it made during each of the prior four (4) years. It shall recalculate each such prior year's Funded Level projection, this time by assuming the lesser of (i) $4.5 million in annual administrative expenses until 2023, or (ii) an amount of annual administrative expenses until 2023 equal to the average annual normal course administrative expenses in the prior four (4) years applicable to Component II, in addition to a net 6.75% annual investment return. If such retrospective recalculation indicates that fewer amounts would have transferred to the Restoration Reserve Account than actually were transferred during such look back period, then the Restoration Reserve Account shall be debited by the lesser of (i) this difference (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period) or (ii) the dollars that were actually paid out in restoration payments during such look-back period (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period); or (iii) the amount required to increase the projected 2023 Funded Level to 71%.

(3) *Restoration of Benefits from July 1, 2023 to June 30, 2033.*

a. During this period, the Funding Target, the Restoration Target, the Permanent Restoration Targets and the Restoration Reserve Suspension Trigger shall be as set forth below:

2023 Funded Level	2033 Funding Target/Restoration Target
75%	75%/78%
74%	74%/77%
73%	73%/76%
72%	72%/75%
71%	71%/74%
70%	70%/73%
69% or lower	the % = to 2023 Funded Level %/73%

2033 Permanent Restoration Target
75%, or if greater, 1% more than 2033 Restoration Target

2033 Restoration Reserve Suspension Trigger
1% more than the projected Funding Target for all time periods

The same rules for variable restoration payments and credits that applied during the period ending June 30, 2023 shall apply during the period ending June 30, 2033 (including ceasing interest credits in the event of a Restoration Reserve Suspension Trigger, and making Restoration Reserve Account asset transfers to the Pension Reserve Fund in the event the 2033 Funded Level falls below the 2033 Funding Target), except as follows. For purposes of determining whether the 2033 Restoration Target has been satisfied, the Plan Actuary shall project investment returns through June 30, 2033 at the then current investment return assumption which is assumed to be net of expenses (administrative and investment) and the applicable actuarial assumptions as utilized in the annual actuarial valuation. Further, the Plan Actuary shall assume, merely for purposes of determining whether the Restoration Target is satisfied, that the annual City contribution amount shall be the annual amount necessary to fund the Retirement System based upon an amortization of the actual 2023 UAAL at market value over 30 years (hereinafter, the "2023 UAAL Amortization") and in such manner that the resulting annual contribution stream would achieve the Funding Target set forth above as of 2033. (Such projected, hypothetical contributions shall be for purposes only of making restoration determinations, and shall not necessarily be the actual contributions made or required to be made by the City or recommended during such period; all of which shall be determined independent of the restoration calculation process.). For purposes of calculating the funded ratio, the assets in the Restoration Reserve Account will be excluded.

b. To the extent that the City's actual contributions to the Retirement System in any of the Fiscal Years 2024 (the year ending June 30, 2024) through 2033 are greater than the projected annual contribution under the 2023 UAAL Amortization, such amounts, and any investment earnings thereon, shall be notionally credited to a new bookkeeping account in the Retirement System called the Extra Contribution Account. In determining pension restoration during the period from Fiscal Year 2024 through 2033, none of the amounts in the Extra Contribution Account shall be considered for purposes of determining the projected funded level for the Restoration Target or Permanent Restoration Targets. To the extent that the City's (including for this purpose DWSD or a successor authority) actual contributions in any of the Fiscal Years 2024 through 2033 are less than the projected annual contribution under the 2023 UAAL Amortization, such difference and any investment earnings thereon shall be notionally allocated to the Pension Reserve Fund.

c. Each year, in addition to the credit of assets that exceed the amount necessary to satisfy the Restoration Target, existing Restoration Account assets will be credited with interest equal to the net return on Retirement System investments, but capped at the then investment return assumption. In the event of net losses, the credited asset value of the Restoration Reserve Account will be diminished to reflect such losses.

d. In connection with preparation of the actuarial report for Fiscal Year 2028, the Plan Actuary will determine whether the Retirement System has satisfied the applicable Permanent Restoration Target, which shall be 75%. Transfers from the Restoration Reserve Account for credit to the Pension Reserve Fund may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such transfers the Funded Level as of June 30, 2028 has satisfied the Permanent Restoration Target (75%), then the amounts in the Restoration Reserve Account, if any (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), and which fully fund one or more increments of restoration payments for one or more Waterfall Classes over such Waterfall Class members' actuarially projected lives, shall be transferred from the Restoration Reserve Account and credited to the Pension Reserve Account and the applicable incremental payments shall be permanently restored for the applicable Waterfall Class and shall no longer be variable from year to year. Variable restoration payments will continue to be paid or credited during the period from July 1, 2028 through June 30, 2033 based on the applicable Restoration Target set forth in paragraph a and otherwise in accordance with this Section G-4, notwithstanding whether the Restoration Target during this period is less than the Permanent Restoration Target as of June 30, 2028 of 75%.

e. In connection with preparation of the annual actuarial valuation report for Fiscal Year 2033, the Plan Actuary will determine whether the Retirement System has satisfied the Permanent Restoration Target for 2033, as set forth in paragraph a. Transfers from the Restoration Reserve Account for credit to the Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such transfers the Funded Level as of June 30, 2033 has satisfied the applicable Permanent Restoration Target, then the amounts in the Restoration Reserve Account if any (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), and which fully fund one or more increments of restoration payments for one or more Waterfall Classes over such Waterfall Class members' actuarially projected lives, shall be transferred from the Restoration Reserve Account and credited to the Pension Reserve Account and the applicable incremental payments shall be permanently restored for the applicable Waterfall Class and shall no longer be variable from year to year.

f. Following receipt of the actuarial reports for 2028, and in the event that the projected Funded Level of the Retirement System as of 2033 is less than 71%, the Plan Actuary shall revisit the restoration calculations that it made during each of the prior four (4) years. It shall recalculate each such prior year's Funded Level projection, this time by assuming the lesser of (i) $4.5 million in annual administrative expenses until 2033, or (ii) an amount of annual normal course administrative expenses until 2033 equal to the average annual administrative expenses in the prior four (4) years

applicable to Component II, in addition to a net 6.75% annual investment return. If such retrospective recalculation indicates that fewer amounts would have transferred to the Restoration Reserve Account than actually were transferred during such look back period, then the Restoration Reserve Account shall be debited by the lesser of (i) this difference (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period) or (ii) the dollars that were actually paid out in restoration payments during such look-back period (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period); or (iii) the amount required to increase the projected 2033 Funded Level to 71%.

(4) *Restoration of Benefits from July 1, 2033 to June 30, 2043.*

a. During this period, the Funding Target, the Restoration Target , the Permanent Restoration Target and the Restoration Reserve Suspension Trigger shall be as set forth below:

2023 Funded Level	2043 Funding Target/Restoration Target
75%	75%/78%
74%	74%/77%
73%	73%/76%
72%	72%/75%
71%	71%/74%
70%	70%/73%
69% or lower	the % = to 2023 Funded Level %/73%

2043 Permanent Restoration Target
75%, or if greater, 1% more than 2043 Restoration Target

2043 Restoration Reserve Suspension Trigger
1% more than the projected Funding Target for all time periods

The same rules for restoration that applied during the period ending June 30, 2033 shall otherwise apply (including ceasing interest credits in the event of a Restoration Reserve Suspension Trigger, and making Restoration Account asset transfers to the Pension Reserve Fund in the event the 2043 Funded Level falls below the 2043 Funding Target). For example, for purposes of determining whether the 2043 Restoration Target has been satisfied, the Plan Actuary shall project annual contributions using the same 2023 UAAL Amortization. For purposes of calculating the funded ratio, the assets in the Restoration Reserve Account will be excluded, and no Extra Contribution Account assets shall be included for purposes of determining whether the Funded Level meets the Restoration Target or Permanent Restoration Target, including any additions to such account after 2033.

b. In connection with preparation of the annual actuarial valuation report for Fiscal Year 2043, the Plan Actuary will determine whether the Retirement System has satisfied the applicable Permanent Restoration Target, as set

forth in paragraph a. Transfers from the Restoration Reserve Account for credit to the Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such transfers the Funded Level as of June 30, 2043 is equal to or greater than the applicable Permanent Restoration Target, then the amounts in the Restoration Reserve Account if any (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), shall be transferred from the Restoration Reserve Account and credited to the Pension Reserve Account and the applicable payments for the applicable Waterfall Class shall be permanently restored and shall no longer be variable.

(5) *Modification of the Pension Restoration Program.*

If any time after July 1, 2026, the Investment Committee (by vote of 5 of its 7 members), or the Board of Trustees (by a greater than 66% vote) determines that a change in relevant circumstances has occurred, or there was a mutual mistake of fact in developing the Pension Restoration Agreement, such that the continued operation of the Pension Restoration Agreement without amendment will: (a) materially harm the long-term economic interests of the City, or Retirement System; (b) materially impair the City's ability to fully fund over a reasonable period the then existing frozen benefit liabilities; or (c) materially hinder the restoration program, if as of that juncture (and for purposes of applying this subsection 5) annual funding levels (excluding the Extra Contribution Account) had materially exceeded the applicable Restoration Targets for a substantial period yet without any material actual restoration of benefits as contemplated herein having been made, the Investment Committee or the Board, as the case may be, shall provide written notice to the other entity of such a determination and of the need to amend the Pension Restoration Agreement and this Section G-4 (it being understood that the post-Chapter 9, 40-year amortization period (to 2053) to fully fund the Retirement System's frozen liabilities is, unless the relevant facts demonstrate otherwise, presumptively reasonable). The Investment Committee and the Board shall then meet to negotiate amendments to the Pension Restoration Agreement that address the identified risk of harm or impairment, but which also considers the Pension Restoration Agreement's objective of providing pension restoration. Such negotiations shall take into account reasonable actions the City has pursued or could pursue to mitigate such harm or impairment. Any such amendments shall require the approval of a majority vote of the combined members of the Investment Committee and Board (persons who sit on both the Board and Investment Committee shall have one vote). Such parties shall consult with the Mayor, City Council and the Governor of the State of Michigan ("Governor") in connection with such negotiation.

If the Board, acting through a majority, and the Investment Committee, acting through a majority, cannot agree to such amendments with the 90-day period following the provision of such notice by the determining party, then the Board and Investment Committee shall proceed to mediation upon demand from either

the Board or the Investment Committee. In this regard, within 30-days following expiration of the 90-day period the Board and the Investment Committee shall each select a mediator from the list of approved mediators for the United States District Court for the Eastern District of Michigan. The two selected mediators shall appoint a third neutral mediator from the approved list. Each party shall furnish a written statement to the mediators within 30 days of selection of the neutral mediator. Representatives of the Mayor and the Governor shall be consulted in connection with such mediations. If following a 90-day mediation period following submission of the written statements the matter is not settled, then either the Investment Committee or the Board can file an action in the United Stated District Court for the Eastern District of Michigan asking it to declare, inter alia, whether or in what manner to amend the Pension Restoration Agreement and this Section G-4.

ARTICLE H. MISCELLANEOUS PROVISIONS OF THE GENERAL RETIREMENT SYSTEM

Sec. H-1. Enforcement; Civil Action.

A civil action for relief against any act or practice which violates the state law, the 1997 Detroit City Charter, 1984 Detroit City Code or the terms of this Plan, may be brought by:

(1) A Plan participant who is or may become eligible to receive benefit;

(2) A beneficiary who is or may become eligible to receive a benefit;

(3) A Plan fiduciary, including a Trustee;

(4) The Finance Director, on behalf of the City as Plan sponsor.

Sec. H-2. Limitation of Other Statutes.

No other provision of law, charter, or ordinance, which provides pensions or retirement benefits wholly or partly at the City expense, exclusive of federal Social Security old-Age and survivors' insurance benefits for City employees, their surviving Spouses and other dependents, shall apply to Members, retirees or beneficiaries of the Retirement System, their surviving Spouses or other dependents.

CLI-202267933v1
Last Edited: 12/4/14

EXHIBIT E

Combined PFRS Plan

COMBINED PLAN
FOR THE
POLICE AND FIRE
RETIREMENT SYSTEM OF
THE CITY OF DETROIT, MICHIGAN

Amendment and Restatement Effective July 1, 2014

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COMPONENT I

ARTICLE 1. GENERAL PROVISIONS

Sec 1.1. Police and Fire Retirement System Established; Adoption of 2014 Plan Document

Effective July 1, 1941, a Pension System for Policemen and Firemen of the City of Detroit was established for the purpose of providing retirement allowances and death benefits for Policemen and Firemen and their beneficiaries by amendment to the Charter of the City of Detroit. That Pension System was amended on numerous occasions after July 1, 1941, including an amendment renaming the Retirement System as the "Police and Fire Retirement System of the City of Detroit." The provisions of the Police and Fire Retirement System of the City of Detroit, as in effect July 1, 2014, were set forth in a Combined Plan Document (including Appendix A attached thereto). As provided in Ordinance 15-14 and Ordinance 16-14 and Section 47-1-2 of the Detroit City Code, the Combined Plan Document replaced the provisions of the Police and Fire Retirement System of the City of Detroit as set forth in the City of Detroit Charter, the Detroit City Code and any conflicting provisions in any collective bargaining agreements, rulings or opinions covering Members (including, without limitation, City Employment Terms). All resolutions and policies of the Board previously enacted which were inconsistent with the provisions of the Combined Plan Document were also repealed to the extent of such inconsistency.

This Combined Plan Document is hereby amended and restated effective July 1, 2014, in the form of this instrument. Component I of the Plan Document applies to benefits accrued by Members on and after July 1, 2014 and to operation of the Police and Fire Retirement System of the City of Detroit on and after July 1, 2014. Component II of the Plan Document generally applies to benefits accrued by Members prior to July 1, 2014. Except as specifically provided in Component II, benefits provided under Component II of the Plan Document are frozen effective June 30, 2014.

Sec 1.2. Retirement System Intended to be Tax-Qualified; Governmental Plan

The Retirement System is a governmental plan under Section 414(d) of the Internal Revenue Code which is intended to be a qualified plan and trust pursuant to applicable provisions of the Internal Revenue Code. The Board shall construe and administer the provisions of the Retirement System in a manner that gives effect to the tax-qualified status of the Retirement System.

Sec 1.3. Compliance With Plan of Adjustment

The Retirement System is intended to comply with all relevant provisions (including Exhibits) of the Plan for the Adjustment of Debts of the City of Detroit, as approved by the United States Bankruptcy Court in *In re City of Detroit, Michigan, Case No. 13-53846* ("Plan of Adjustment"). Component I and Component II of the Combined Plan shall be interpreted and construed by the City, the Board of Trustees and the Retirement System to give full effect to the Plan of Adjustment. To the extent that a conflict arises between the Combined Plan Document and the Plan of Adjustment, the City, the Board of Trustees, the Investment Committee and the

Retirement System are directed to interpret any inconsistency or ambiguity to give full effect to the Plan of Adjustment.

Sec 1.4. Board of Trustees

Effective July 1, 1941, a Board of Trustees of the Police and Fire Retirement System of the City of Detroit was created. The Board is vested with responsibility for the general administration, management and operation of the Police and Fire Retirement System of the City of Detroit and with the trust and investment powers conferred in this Combined Plan Document.

Sec 1.5. Board of Trustees – Membership; Appointment

The Board of Trustees of the Police and Fire Retirement System of the City of Detroit shall consist of seventeen Trustees, as follows:

(1) The Mayor, *ex-officio*, or the Mayor's designee;

(2) The President of City Council or a member thereof elected by the City Council, *ex-officio*;

(3) The City Treasurer or Deputy City Treasurer, *ex-officio*;

(4) The City Finance Director, or a designated representative, *ex-officio*;

(5) The City Budget Director, or a designated representative, *ex-officio*;

(6) The Corporation Counsel of the City, or a designated representative, *ex-officio*;

(7) Three Fire Members of the Retirement System to be elected by the Fire Members under such rules and regulations as may be established by the Board of Fire Commissioners to govern such elections, as follows:

   (a) Two to be elected by and from Members holding the rank of lieutenant (or its equivalent) and lower ranks; and

   (b) One to be elected by and from Members holding ranks above the rank of lieutenant (or its equivalent);

(8) Three Police Members of the Retirement System to be elected by the Police Members under the rules and regulations as may be established by the Commissioner of Police to govern such elections, as follows:

   (a) Two to be elected by and from Members holding the rank of lieutenant (or its equivalent) and lower ranks; and

   (b) One to be elected by and from Members holding a rank above lieutenant (or its equivalent); and

(9) One individual who neither is a Member of the Retirement System nor an employee of the City in any capacity to be selected by the Board;

(10) Two Retirees receiving benefits under the Retirement System, one of whom shall be elected by Retired Police Members and one of whom will be elected by Retired Fire Members pursuant to Sections 1.6 and 1.7 below;

(11) One Trustee appointed by the Mayor upon election of a Retiree Police Trustee; and

(12) One Trustee appointed by the Mayor upon election of a Retiree Fire Trustee.

Sec 1.6. Board of Trustees; Scheduling of Elections for Active and Retiree Trustees

(1) Annual elections for active Police Officers and Fire Fighters shall be held in the Police and Fire Departments during the month of May to elect a trustee to fill the vacancy created by the expiration of a term.

(2) Elections to fill vacancies created by the expiration of a term for a Retiree Trustee shall be held every three years during the month of May.

(3) A special election for Retiree Trustees shall be held as soon as practicable after the Plan of Adjustment is confirmed. Unless a Retiree Trustee elected by reason of this special election resigns or is removed from the position of Trustee in accordance with the terms of the Combined Plan Document, a Retiree elected to the office of Trustee in the special election shall be eligible to serve a full term of three (3) years from the date of the special election, plus such period of time until the last day of June that follows the third anniversary of the special election, at which time an election for Retiree Trustees shall be held in accordance with Section 1.7.

Sec 1.7. Procedures for election of Retiree Trustees

The procedures for the election of the Retiree Trustees shall be as follows:

(1) *Notice*. Notice of a primary election shall be sent to each Retiree by United States Mail.

(2) *Notice of Candidacy*. A proposed candidate shall submit a notarized letter to the executive director notifying the Retirement System of his or her candidacy.

(3) *Ballot*. Each candidate whose name appears on the ballot at any election held for the office of Retiree Trustee shall be identified by the title of the position the Retiree held at the time of retirement and by the word "incumbent" if the candidate is a current trustee seeking re-election. No ballot shall contain any organizational or political designation or mark. Rotation and arrangement of names on the ballot shall be in accordance with the rules and regulations of the Board.

(4) *Voting*. Procedures regarding mailing of ballots, poll lists, custody of ballots, marking of ballots, return of ballots, handling of return envelopes received, and sealed ballot boxes

shall be the same as those adopted and followed by the Board in the immediately preceding election of an active employee Trustee.

(5) *Procedures*. Procedures regarding the selection and certification of successful candidates for nomination, the selection of Trustees from nominees, tie votes, and the destruction of ballots shall be the same as those adopted and followed by the Board in the immediately preceding election of an active employee Trustee.

(6) *Board Rules*. Any matters relative to the election of the Retiree member of the Board not covered by this Section 1.7 shall be handled in accordance with such rules and regulations as the Board may adopt and Michigan law.

Sec 1.8. Board of Trustees; Oath; Term; Vacancies

Within ten days after appointment or election, each Trustee shall take an oath of office to be administered by the City Clerk.

The term of office for each elected Trustee under Sections 1.5(7), (8) and (10) shall be three years. The term of office for the Trustee who is selected by the Board under Section 1.5(9) shall be two years. The term of office for the Trustees appointed by the Mayor under Sections 1.5(11) and (12) shall be three years. Except as provided in Section 1.6(3), elected Trustees holding office on June 30, 2014 shall serve the remainder of their terms.

If a Trustee resigns or is removed by the other Trustees for cause, or if an elected or appointed Trustee fails to attend three consecutive scheduled Board meetings without being excused for cause by the Trustees attending such meetings, the Trustee shall be considered to have resigned from the Board. If a vacancy occurs in the office of Trustee from any cause other than expiration of a term, the vacancy for the unexpired term shall be filled within sixty days of the date of said vacancy in the same manner as the office was previously filled. No vacancy shall result by reason of a change in the rank or grade of a Trustee during the term of office.

Sec 1.9. Board of Trustees; Officers and Employees

The Board shall elect from its membership a chairman and a vice chairman. The executive director of the Retirement System or his or her representative shall serve as secretary of the Board. The Board may employ such special actuarial, medical and other contractors and employees as shall be required, subject to the powers and authority reserved to the Investment Committee and subject to the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.*

Sec 1.10. Board of Trustees; Meetings; Rules of Procedure; Votes; Quorum

(1) The Board shall hold regular meetings, at least one in each month, and shall hold special meetings as necessary. The Board shall designate the time and place thereof in advance. The Board shall adopt its own rules of procedure, including provisions for special meetings and notice thereof, and shall keep a record of proceedings. All meetings of the Board shall be public and are subject to the *Michigan Open Meetings Act, MCL 15.261 et seq.* All Board meetings shall be held within the City of Detroit.

(2) Each Trustee shall be entitled to one vote on each question before the Board. A majority vote of the Trustees present shall be necessary for a decision by the Trustees at any meeting of the Board.

(3) Eight members of the Board, four of whom must be elected members, shall constitute a quorum.

Sec 1.11. Board of Trustees; Compensation; Expenses

All members of the Board of Trustees shall serve without additional compensation from the City or the Retirement System; however Retiree Trustees shall receive a hourly stipend from the Retirement System equal to the lowest rate of pay received by an active employee Trustee for attending Board meetings, educational time and travel out of the City on official business of the Retirement System. All Trustees shall be reimbursed from the Expense Fund for all actual, reasonable and necessary expenses incurred in the performance of their duties as Trustees.

Sec 1.12. Rules for Administration of Funds.

Subject to the limitations contained in this Combined Plan Document, the Board of Trustees shall, from time to time, establish rules and regulations for the administration of the funds created by this Combined Plan Document and for the transaction of its business.

Sec 1.13. Board of Trustees; Certain Data to be Kept

The Board of Trustees shall keep, or cause to be kept, in convenient form, such data as shall be necessary for the actuarial valuation of the various funds of the Retirement System and for checking and compiling the experience of the Retirement System. The ordinary actuarial, accounting and clerical services for the operation of the Retirement System shall be performed by the employees of the Retirement System.

Sec 1.14. Board of Trustees; Annual Audit Report

The Board shall render a report to the Mayor, the City Council and the Investment Committee on or before the fifteenth day of January, showing the fiscal transactions of the Retirement System for the year ending on the preceding thirtieth day of June, the amounts of accumulated cash and securities in the various funds of the System, and the last balance sheet showing the financial condition of the Retirement System by means of an actuarial valuation of the assets and liabilities of the Retirement System.

Sec 1.15. Board of Trustees; Legal Advisors

(1) The Board shall appoint legal advisors (including a general counsel) who shall be directly responsible to and shall hold office at the pleasure of the Board of Trustees. Any legal advisor to the Board of Trustees shall be an attorney licensed to practice law in the State of Michigan and shall be experienced in matters relating to pension systems. The qualifications of legal counsel shall be approved by the Board of Trustees.

(2) Legal advisors to the Board of Trustees shall have such duties relative to pension matters as shall be assigned by the Board of Trustees.

(3) Costs and expenses relative to the position of legal advisors to the Board shall be payable out of the assets of the Retirement System, subject to the provisions of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.*

Sec 1.16. Board of Trustees; Medical Director

(1) The Board shall appoint a Medical Director who is directly responsible to and shall hold office at the pleasure of the Board. The Medical Director shall be a physician who has not at any time been regularly or permanently employed by any department, board, or commission of the City, county, or state, has not held an elective, appointive, or salaried office in any city, county, or state government at any time, and is not eligible to participate in a retirement system maintained by the City. However, service as an intern in any city, county, or state hospital or sanitarium and service in any state military body shall not disqualify a physician for appointment as Medical Director.

(2) The Medical Director shall arrange for and pass upon all medical examinations required under the provisions of the Combined Plan, and shall report in writing to the Board of Trustees his or her conclusions and recommendations on medical matters referred to it.

Sec 1.17. Designation of Actuary; Authority to Engage Additional Actuaries

The Retirement System actuary as of July 1, 2014 shall continue to serve as such until resignation or removal by the Board. In the event the Board desires to retain a new actuary, the Board and the Investment Committee shall collectively participate in the evaluation and selection of a qualified actuary. The Retirement System actuary shall be responsible for assisting the Board and the Investment Committee in performing its actuarial duties and shall comply with all requests for information or modeling requested by the Board and the Investment Committee, and shall attend meetings of the Board and Investment Committee as requested, so as to allow the Board and the Investment Committee to perform satisfactorily the rights and duties set forth in the Combined Plan, the term sheet regarding Investment Committee Governance for Police and Fire Retirement System, attached to that certain agreement by and between the Michigan Settlement Administration Authority, a Michigan body public corporation (the "Authority"), the Retirement System, the General Retirement system for the City of Detroit, Michigan ("GRS"), and the City (the "State Contribution Agreement") as Exhibit B (the "Governance Term Sheet"), and the Plan of Adjustment. Furthermore, the Board shall not act on any recommendation made by the Retirement System's actuary based on any calculation, assumption or assessment rejected by the Investment Committee.

Nothing herein shall be interpreted as limiting the Investment Committee's authority to engage an actuarial consulting firm other than the Retirement System's actuary to perform actuarial services deemed necessary to fulfill its fiduciary and other duties to the Retirement System as set forth in the Governance Term Sheet and the Plan of Adjustment.

Sec 1.18. Board of Trustees; Adoption of Mortality and Other Tables of Experience and Rates of Interest; Limitations on Payments by the Retirement System

(1) Subject to Section 16.1, the Board shall adopt such mortality and other tables of experience, and a rate or rates of interest, as shall be necessary for the operation of the System on an actuarial basis, provided, that the authority granted by this Section shall not permit or be used to provide for an interest rate which would violate the prohibitions of Subsection (2) or (3) of this Section.

(2) The Retirement System and the Trustees charged with management of the System shall not make any payment to active or retired Members other than payments that are required by the governing documents of the Retirement System. This prohibition applies to all payments that are not authorized by this Combined Plan, whether such payments are those commonly referred to as a "thirteenth check" or by any other name.

(3) Anything in this Combined Plan Document or any other document to the contrary notwithstanding, the annual actuarial interest rate assumption for the period commencing July 1, 2014 and ending June 30, 2023 shall be six and three-quarters percent (6.75%).

Sec 1.19. Board of Trustees; Annual Actuarial Valuation of Assets and Liabilities

Subject to Section 16.1, each year, on the basis of such mortality and other tables of experience, and such rate or rates of regular interest as the Board shall adopt pursuant to Section 1.18, the Board shall cause to be made an actuarial valuation of the assets and liabilities of the Retirement System.

Sec 1.20. Board of Trustees; Powers and Duties; Fiduciary Status; Fiduciary Duties

The Board of Trustees shall have such powers and duties as are necessary for the proper administration of the Retirement System and the custody and investment of Retirement System assets, other than those powers and duties reserved to the Investment Committee. To the extent the Board exercises discretion with respect to investment of Retirement System assets, each member of the Board of Trustees shall be an investment fiduciary as defined in the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.*, and shall discharge his or her duties with respect to the Retirement System in compliance with the provisions of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* A member of the Board of Trustees shall discharge his or her duties with the care, skill and caution under the circumstances then prevailing that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an activity of like character and purpose. Board members shall comply with all Board governance policies and procedures, including the Ethics and Code of Conduct Policies, unless such compliance would violate the member's fiduciary duties or conflicts with the provisions set forth in this Combined Plan Document.

Sec 1.21. Investment Committee; Establishment; Purpose; Fiduciary Status; Fiduciary Duties

As of the effective date of the Plan of Adjustment, but subject to consummation of the State Contribution Agreement, an Investment Committee is hereby created for the purpose of making recommendations to the Board of Trustees and taking action under and with respect to certain investment management matters relating to the Retirement System. The creation and operation of the Investment Committee is controlled by the Governance Term Sheet. The Investment Committee shall remain in effect for a period of not less than twenty years following the date of confirmation of the Plan of Adjustment. The Investment Committee shall be an investment fiduciary as defined in the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* and shall have all powers granted fiduciaries under the first sentence of *MCL 38.1133(5) and (6)*. The Investment Committee shall serve in a fiduciary capacity with respect to the investment management of Retirement System assets, determination of the investment return assumptions, and Board compliance with provisions of the governing documents of the Retirement System. An Investment Committee member shall discharge his or her duties with respect to the Retirement System in compliance with the provisions of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* An Investment Committee member shall discharge his or her duties with the care, skill and caution under the circumstances then prevailing that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an activity of like character and purpose. Investment Committee members shall comply with all Board governance policies and procedures, including the Ethics and Code of Conduct Policies, unless such compliance would violate the member's fiduciary duties or conflict with the provisions set forth in the Governance Term Sheet.

Sec 1.22. Investment Committee; Membership; Appointment

The Investment Committee shall consist of nine (9) members, determined as follows:

(1) Five independent members, at least two of whom must be residents of the State of Michigan, and none of whom may be a party in interest with respect to the Retirement System, as defined in as defined in Section 38.1132d(4) of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* Each independent Investment Committee member shall have expert knowledge or extensive experience with respect to either (a) economics, finance, or institutional investments, or (b) administration of public or private retirement plans, executive management, benefits administration or actuarial science. At least one of the independent Investment Committee members shall satisfy the requirements of (a) above and at least one of the independent Investment Committee members shall satisfy the requirements of (b) above. The initial independent Investment Committee members shall be selected by mutual agreement of the appropriate representatives of the State of Michigan, the City and the Board, in consultation with the Foundation for Detroit's Future (the "Foundation"), and shall be named in the Plan of Adjustment. If one or more of the five initial independent Investment Committee members are not selected by mutual agreement prior to confirmation of the Plan of Adjustment, then the United States Bankruptcy Court, Eastern District of Michigan shall designate such number of independent Investment Committee

members as necessary to bring the number of independent Investment Committee members to five (5);

(2) Two Retirees who shall be appointed by the Board consisting of one elected retired Police Member and one elected retired Fire Member who are serving on the Board and who are receiving benefit payments under the Retirement System; and

(3) Two Employee members who shall be appointed by the Board consisting of one Fire Department Employee and one Police Department Employee who are active members of the Board.

Sec 1.23. Investment Committee; Term; Resignation and Removal; Vacancies

The term of office for the independent members of the Investment Committee shall be six years; provided, however, that the initial term for the independent Investment Committee members shall be determined as follows:

Independent Member	Term of Office
(1)	2 years
(2)	3 years
(3)	4 years
(4)	5 years
(5)	6 years

The term of office for a Retiree or Employee Investment Committee member shall be the number of years remaining on such individual's term of office as a member of the Board of Trustees. Each Investment Committee member shall serve until his or her successor is appointed at the expiration of his or her term of office, or until his or her death, incapacity, resignation or removal, if earlier. Notwithstanding any provision of this Combined Plan Document, an initial independent Investment Committee member shall not be prohibited from becoming a successor independent Investment Committee member after expiration of his or her initial term.

An Investment Committee member may resign at any time by giving ninety days' prior written notice to the Investment Committee, the City and the Board, which notice or time period may be waived by the Investment Committee. An Investment Committee member may be removed from office by majority vote of the remaining Investment Committee members for any of the following reasons: (a) the member is legally incapacitated from executing his or her duties as a member of the Investment Committee and neglects to perform those duties; (b) the member has committed a material breach of the provisions of the Retirement System or the policies or procedures of the Retirement System and the removal of the member is in the interests of the Retirement System or its Members and Beneficiaries; (c) the member is convicted of a violation of law and the removal is accomplished by a vote of the members of the Investment Committee in accordance with the voting procedure set forth in Section 1.24; or (d) if the member holds a license to practice and such license is revoked for misconduct by any State or federal government. A member who fails to attend four (4) consecutive scheduled meetings of the Investment Committee shall be deemed to have resigned, unless in each case his or her absence is excused for cause by the remaining members attending such meetings. In the event of any

removal or resignation, the Investment Committee shall by resolution declare the office of the member vacated as of the date such resolution is adopted.

Any vacancy occurring on the Investment Committee shall be filled within sixty (60) days following the date of the vacancy for the unexpired portion of the term, in the same manner in which the office was previously filled.

Successor independent Investment Committee members shall be recommended by a majority of the remaining independent Investment Committee members and shall be confirmed by the Board and the Treasurer of the State of Michigan ("State Treasurer"), in consultation with the Foundation, in accordance with such rules and regulations as may be adopted by the Investment Committee (provided that such rules are not inconsistent with the Governance Term Sheet or the Plan of Adjustment). In the event the Board and the State Treasurer cannot agree on a successor independent Investment Committee member within thirty (30) days of the receipt of the recommendation of the Investment Committee, the remaining independent Investment Committee members shall appoint the successor independent Investment Committee member.

In the event the United States Bankruptcy Court, Eastern District of Michigan appoints one or more of the initial independent Investment Committee members, a successor to any such independent Investment Committee member shall be appointed in the same manner as provided in the preceding paragraph following three (3) weeks' notice to the Board of the individuals appointed, in accordance with such rules and regulations as may be adopted by the Investment Committee (provided that such rules are not inconsistent with either the Governance Term Sheet or the Plan of Adjustment).

Successor Investment Committee members shall have the powers and duties conferred on Investment Committee members herein.

Sec 1.24. Investment Committee; Operation; Meetings; Quorum; Voting

The Investment Committee members shall select from among the independent members a chair and a vice chair. The Investment Committee members shall select from among themselves a secretary. The Investment Committee shall hold regular meetings, not less frequently than once every other month, and shall hold special meetings as necessary. The Investment Committee shall designate the time and place thereof in advance. The secretary or his or her designee shall be responsible for providing meeting notices to the other Investment Committee members. The Investment Committee shall adopt its own rules of procedure and shall keep a record of proceedings. Notice and conduct of all Investment Committee meetings, both regular and special, shall be subject to the *Michigan Open Meetings Act, MCL 15.261 et seq.* All Investment Committee meetings shall be held within the City of Detroit.

Five Investment Committee members shall constitute a quorum at any meeting, as long as at least three of the independent Investment Committee members are in attendance. Each independent Investment Committee member shall be entitled to one vote on each question before the Investment Committee. Each Retiree and Employee member shall be entitled to one-half vote on each question before the Investment Committee. Except as otherwise provided in the Governance Term Sheet, at least four concurring votes shall be necessary for a decision by the

Investment Committee and each Investment Committee member shall be entitled to one vote on each question before the Investment Committee.

An Investment Committee member may have his or her voting privileges temporarily suspended by a 70% or higher vote of the other members if the member is indicted or sued by a state or federal government for an alleged violation of the law that relates to his or her service on the Investment Committee, or for other alleged financial crimes, including fraud.

Sec 1.25. Investment Committee; Compensation; Expenses; Employment of Advisors

Investment Committee members shall not receive any compensation from the Retirement System for their services; Investment Committee members shall, however, be reimbursed for the reasonable, actual and necessary expenses incurred in the performance of their duties. All reasonable and proper expenses related to the administration of the Investment Committee, including but not limited to the purchase of insurance, shall be payable out of the assets of the Retirement System. The Investment Committee may retain actuarial, legal counsel, audit or other professional or support personnel to provide advice to the Investment Committee as it deems reasonably necessary to perform its functions, and such parties or persons may be reasonably compensated from the assets of the Retirement System. Such engagements shall not be subject to approval of the Board.

Sec 1.26. Investment Committee; Special Reporting Obligation

(1) Beginning in calendar year 2015, pursuant to Section 6 of the State Contribution Agreement, the Investment Committee shall provide compliance reports to the State Treasurer on a semi-annual basis and at such other times as the State Treasurer reasonably may request (each, a "Compliance Report") that certifies that the Investment Committee is not aware of any defaults under the State Contribution Agreement, or, if the Investment Committee is aware of a default under the State Contribution Agreement, specifically identifying the facts of such default.

(2) In the event the Retirement System receives a written notice from the State Treasurer declaring and specifically identifying the facts of an alleged default under the State Contribution Agreement ("Default Notice"), and such default is cured as provided in the State Contribution Agreement, the Investment Committee must provide to the State Treasurer a written certification that (i) the default has been cured, and (ii) no material damages have been caused by the default that have not otherwise been remedied (the "Cure Certification").

(3) Beginning in calendar year 2015, the Investment Committee shall provide to the City not later than December 31 of each year evidence reasonably necessary to show that the internal controls governing the investment of Retirement System assets are in compliance with the applicable provisions of the Plan of Adjustment.

(4) Beginning in calendar year 2015 and for each calendar year thereafter, as of a date which is not later than December 31 of each such calendar year the Investment Committee shall provide to the Foundation the following information:

(a) a copy of the audited annual financial statement and the corresponding management letter for the Retirement System for the Fiscal Year ending June 30 of such calendar year, containing a non-qualified opinion of an independent external auditor to the Retirement System;

(b) a certification from the Chair of the Investment Committee on behalf of the Investment Committee ("Pension Certificate") in a form reasonably acceptable to the Foundation that, as of the date of the annual report required to be provided by the City to the Foundation under the Omnibus Transaction Agreement by and among the City, The Detroit Institute of Arts and Foundation For Detroit's Future ("Annual Report"):

(i) the City is current in its obligation to contribute to Component II of the Combined Plan determined in accordance with the Plan of Adjustment;

(ii) the Investment Committee has been operated in accordance with the terms set forth in this Component I of the Combined Plan Document; and

(iii) the City continues to maintain the pension governance terms reflected in this Component I of the Combined Plan as of the effective date of the Plan of Adjustment, without modification or amendment during the twenty (20) year period following the effective date of the Plan of Adjustment, except as required to comply with applicable federal law, including without limitation to maintain the tax qualified status of the Retirement System under the Internal Revenue Code, or to comply with the Plan of Adjustment;

(c) a copy of (i) the Compliance Report covering the calendar year for which the Annual Report is made; (ii) any additional Compliance Reports provided during the calendar year for which the Annual Report is made as requested by the State Treasurer; (iii) either the certificate of compliance or the Default Notice, within the meaning of Section 6 of the State Contribution Agreement, as applicable, that was provided to the Investment Committee by the State Treasurer; and (iv) in the event that the State Treasurer issued a Default Notice, the Cure Certification, within the meaning of Section 6 of the State Contribution Agreement, provided by the Investment Committee. Notwithstanding anything in this paragraph (c) to the contrary, if the parties to the State Contribution Agreement agree to revise the requirements of Section 6 of the State Contribution Agreement or the information required in the Compliance Report, in order to meet the obligations of this paragraph (c), the Investment Committee shall be required only to provide documentation to the Foundation that meets such revised requirements; and

(d) any additional information that may be reasonably requested by the Foundation from time to time.

(e) Beginning in calendar year 2016, before May 15th of each calendar year, the Investment Committee shall provide to the Chief Financial Officer of the City

confirmation that, as of the date of the City's report to the Foundation, there has been no impairment or modification of the information contained in the most recent Pension Certificate since the date of such Pension Certificate.

ARTICLE 2. DEFINITIONS

Sec 2.1. Definitions

Unless a different definition is contained within this Combined Plan Document, or a different meaning is plainly required by context, for purposes of this Combined Plan Document the following words and phrases have the meanings respectively ascribed to them by this section:

(1) *Accumulated Mandatory Employee Contributions* means the sum of all amounts deducted from the Compensation of a Member and credited to the Accumulated Mandatory Employee Contribution Fund for periods on and after July 1, 2014.

(2) *Accumulated Voluntary Employee Contributions* means the total balance in a Member's individual account under Component I of the Retirement System representing after-tax amounts deducted from the Compensation of the Member, together with earnings on such contributions.

(3) *Actuarial Equivalent or Actuarially Equivalent* means a Retirement Allowance or benefit amount having the same Actuarial Equivalent Value as another applicable benefit.

(4) *Actuarial Equivalent Value* means the value of an applicable Retirement Allowance or benefit amount, where values are calculated under generally accepted actuarial methods and using the applicable tables, interest rates and other factors established by the Board upon recommendation of the Investment Committee. The rates of interest, tables and factors adopted by the Board from time to time to determine Actuarial Equivalence shall not violate the terms of the Plan of Adjustment.

(5) *Administrative Rules and Regulations* means rules and regulations promulgated by the Board of Trustees for the administration of the Retirement System and for the transaction of its business.

(6) *Age, Attainment of* means the age an individual reaches on the day of his or her birthday.

(7) *Average Final Compensation* means the average Compensation received by a Member during the five consecutive years of Credited Service which immediately precede the date of the Member's last termination of City employment as an employee of the Police Department or the Fire Department. If a Member has less than five years of Credited Service, the Average Final Compensation shall be the average of the annual Compensation received by the Member during the Member's total years of Credited Service.

(8) *Beneficiary* means any person or persons (designated by a Member pursuant to procedures established by the Board) who are entitled to receive a Retirement Allowance or Pension payable from funds of the Retirement System due to the participation of a Member.

(9) *Board of Trustees or Board or Retirement Board* means the Board of Trustees of the Police and Fire Retirement System of the City of Detroit.

(10) *City* means the City of Detroit, Michigan, a municipal corporation.

(11) *City Council or Council* means the legislative body of the City.

(12) *Combined Plan* means the Combined Plan for the Police and Fire Retirement System of the City of Detroit, Michigan, effective July 1, 2014, and as amended thereafter.

(13) *Compensation* means a Member's base salary or wages actually paid to the Member for personal services rendered to the Employer, excluding bonuses, overtime pay, payment of unused accrued sick leave, longevity pay, payment for unused accrued vacation, the cost or value of fringe benefits provided to the Member, termination or severance pay, reimbursement of expenses, or other extra payment of any kind. Compensation will include any amount which is contributed by the City to a plan or program pursuant to a salary reduction agreement and which is not includable in the taxable income of the Member under Sections 125, 402(e)(3), 402(h) or 403(b) of the Internal Revenue Code or which is contributed by the City on behalf of a Member as provided in Section 9.3(3) and 9.5 pursuant to a qualified "pick-up program".

For periods of time prior to July 1, 2014, the City shall provide to the Retirement System actual base salary or wages paid to Members using the best and most reliable sources of information available to the City. In the event the City is unable to provide actual base wages to the Retirement System, the City shall make reasonable estimates of each Member's base salary or wages for purposes of determining a Member's Compensation for periods prior to July 1, 2014.

Notwithstanding the foregoing, solely for purposes of determining a Member's Voluntary Employee Contributions, Compensation shall mean the gross salary or wages paid to the Member for personal services rendered to the City.

The annual Compensation of each Member taken into account for the purposes of determining all benefits provided under the Retirement System for any determination period shall not exceed the limitation set forth in Code Section 401(a)(17) ($260,000 for the Plan Year commencing July 1, 2014). Such limitation shall be adjusted for the cost-of-living in accordance with Section 401(a)(17)(B) of the Internal Revenue Code. The cost-of-living adjustment in effect for a calendar year applies to any determination period beginning in such calendar year. If Compensation for any prior determination period is taken into account in determining a Member's benefits for the current determination period, the Compensation for such prior determination period is subject to the applicable annual compensation limit in effect for that determination period. If a determination period consists of fewer than 12 months, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is 12.

(14) *Component I* means the portion of the Retirement System described in this Combined Plan and which consists of:

(a) the 2014 Defined Benefit Plan, which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code; and

(b) the 2014 Defined Contribution Plan which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code.

(15) *Component II* means the portion of the Retirement System described in this Combined Plan and which consists of:

(a) the Frozen Defined Benefit Plan, which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code; and

(b) the Frozen Defined Contribution Plan, which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code.

(16) *Credited Service* means service credited to a Member to the extent provided in Article 4 of Component I of this Combined Plan Document.

(17) *Disability or Disabled*: see Total Disability or Totally Disabled.

(18) *DFFA* means the Detroit Fire Fighters Association.

(19) *DPCOA* means the Detroit Police Command Officers Association.

(20) *DPLSA* means the Detroit Police Lieutenants and Sergeants Association.

(21) *DPOA* means the Detroit Police Officers Association.

(22) *DROP Account* means the account established by the Board for a Member who is eligible for and who elects to participate in the DROP Program.

(23) *DROP Program* means a program established for eligible Members pursuant to Article 12.

(24) *Employee* means an employee of the City's Police Department who has taken an oath of office or a Fire Fighter providing services to the City, but does not include:

(a) individuals whose City services are compensated on a contractual or fee basis;

(b) any person during any period when such person is classified by the City as a non-common-law employee or an independent contractor for federal income tax and withholding purposes whose compensation for services is reported on a form other than Form W-2 or any successor form for reporting wages paid to and taxes withheld from employees, even if a court or administrative agency determines that such person is a common-law employee of the City;

(c) the Medical Director of the Retirement System.

If a person described in (b) above is reclassified by the City as a common-law employee of the City and otherwise meets the definition of an Employee, the person will be eligible to participate in the Retirement System prospectively as of the actual date of such reclassification only (and only to the extent such individual otherwise qualifies as an Employee).

(25) *Employer* means the City.

(26) *Final Compensation* means the annual compensation of a Member at the time of his or her termination of employment.

(27) *Fire Fighter* means the rank in the Fire Department currently or formerly classified by the civil service commission as Fire Fighter.

(28) *Fire Member* means an employee of the Fire Department of the City of Detroit who is a participant in the Retirement System.

(29) *Fiscal Year* means the twelve month period commencing each July 1 and ending on the following June 30.

(30) *Hour of Service* means (i) each hour for which a Member is paid or entitled to payment by the City for the performance of duties, and (ii) each hour for which a Member is directly paid or entitled to payment by the City for reasons other than the performance of duties (such as vacation, holiday, illness or approved leave of absence).

(31) *Internal Revenue Code or Code* means the United States Internal Revenue Code of 1986, as amended.

(32) *Investment Committee* means the committee established pursuant to Section 1.22 which shall have the powers and duties described herein.

(33) *Mandatory Employee Contributions* mean the contributions made by a Member to the Retirement System pursuant to Section 9.3(3).

(34) *Medical Beneficiary* means a Member who has retired from employment with the City and the Spouses and dependents of such Member who are receiving post-retirement benefits in accordance with the terms of a retiree medical plan sponsored or maintained by the City.

(35) *Medical Benefits* mean the provision of payments for certain sickness, accident, hospitalization and medical benefits within the meaning of Treasury Regulation section 1.401-14(a), including dental, vision and mental health benefits, as designated by the City.

(36) *Medical Benefits Account* means the bookkeeping account established under Section 17.1 to provide for the payment of Medical Benefits on behalf of Medical Beneficiaries.

(37) *Medical Director* means the physician appointed by the Board pursuant to Section 1.16.

(38) *Member* means any Police Member or Fire Member who has not retired or died.

(39) *Normal Retirement Age* means for any Member Age fifty with twenty-five years of Credited Service, with the following transition period for a Member who is an active employee on June 30, 2014 regarding payment of Component I benefits only:

Fiscal Year	Age and Credited Service
2015	Age 43 and 20 years
2016	Age 43 and 20 years
2017	Age 44 and 21 years
2018	Age 45 and 22 years
2019	Age 46 and 23 years
2020	Age 47 and 24 years
2021 and thereafter	Age 50 and 25 years

Pursuant to Code Section 411(e), as in effect in 1974, a Member shall be 100% vested in his or her accrued benefit under the Retirement System upon Attainment of Normal Retirement Age while in Service.

(40) *Notice to Members, Beneficiaries, and Retirees* means a mailing using First Class United States Mail to the Members, Beneficiaries, and Retirees at their last known addresses.

(41) *Patrolman* means the rank in the Police Department currently or formerly known as patrolman.

(42) *Pension Reserve* means the present value of all payments to be made on account of any Retirement Allowance payable under Component I of the Combined Plan. Such Pension Reserve shall be computed upon the basis of such mortality and other tables of experience, and interest, as provided herein until June 30, 2023 and, thereafter, as shall be adopted by the Board upon the recommendation of the Investment Committee.

(43) *Plan Actuary or Actuary* means the enrolled actuary or actuarial firm appointed as provided in Section 1.17 to serve as technical advisor to the Investment Committee and the Board on matters regarding the funding and operation of the Retirement System and to perform such other duties as the Investment Committee or the Board may direct.

(44) *Plan Document or Combined Plan Document* means this instrument, effective as of July 1, 2014, with all amendments hereafter adopted.

(45) *Plan of Adjustment* means the Plan for the Adjustment of Debts of the City of Detroit, which has been approved by the United States Bankruptcy Court in *In re City of Detroit, Michigan,* Case No. 13-53846.

(46) *Plan Year* means the twelve month period commencing on July 1 and ending on June 30.

(47) *Police and Fire Retirement System of the City of Detroit or Retirement System* means the Police and Fire Retirement System of the City of Detroit created and, prior to July 1, 2014, memorialized in Title IX, Chapter VI, of the 1918 Detroit City Charter, as

amended, continued in effect through the 1974, 1997 and 2012 Detroit City Charters, Article 47 of the Detroit City Code, Article 54 of the Detroit City Code of 1964, and collective bargaining agreements and, on and after July 1, 2014, pursuant to Section 47-1-2 of the Detroit City Code, memorialized in this Combined Plan Document, as amended from time to time.

The Retirement System consists of:

(a) The 2014 Defined Benefit Plan, which is described in Component I hereof;

(b) the 2014 Defined Contribution Plan, consisting of the Voluntary Employee Contribution Account, which is described in Component I hereof;

(c) the Frozen Defined Benefit Plan, which is described in Component II hereof; and

(d) the Frozen Defined Contribution Plan, which is described in Component II hereof.

References to the words Retirement System in Component I of the Plan Document shall mean the provisions of the 2014 Defined Benefit Plan and/or the 2014 Defined Contribution Plan described in Component I, unless a different meaning is plainly required by context.

(48) *Police Member* means a Police Officer who has taken the oath of office as prescribed in the Detroit City Charter, excluding patrolmen of other City departments, privately employed patrolmen and special patrolmen, who is a participant in the Retirement System.

(49) *Police Officer* means the rank in the Police Department currently or formerly known as Police Officer.

(50) *Prior Service* means the service credit awarded to a Member before July 1, 2014 under the terms of the Retirement System as in effect on June 30, 2014, as certified by the Board of Trustees.

(51) *Retiree* means a former Member who is receiving a Retirement Allowance from the Retirement System.

(52) *Retirement* means a Member's withdrawal from the employ of the City with a Retirement Allowance paid by the Retirement System.

(53) *Retirement Allowance* means an annual amount payable in monthly installments by the Retirement System, whether payable for a temporary period or throughout the future life of a Retiree or Beneficiary.

(54) *Service* means personal services rendered to the City by an employee of the Police Department or Fire Department, provided such person is compensated by the City for such personal services.

(55) *Spouse* means the person to whom a Member is legally married under applicable law at the time a determination is made.

(56) *Straight Life Retirement Allowance* means payment of a Member's Retirement Allowance over the Member's lifetime.

(57) *Total Disability or Totally Disabled* means:

(a) during the first twenty-four (24) months that a Member receives benefits from the Retirement System due to injury, illness or disease, that the Member is unable to perform, for wage or profit, the material and substantial duties of the Member's occupation; and

(b) during all subsequent months that a Member receives benefits from the Retirement System due to illness, injury or disease, that the Member is unable to perform, for wage or profit, the material and substantial duties of any occupation for which the Member is suited, based on education, training and experience.

(58) *Vesting Service* means service credited to a Member to the extent provided in Article 4 of Component I of this Combined Plan Document.

(59) *Voluntary Employee Contributions* mean the after-tax contributions made by a Member to the Retirement System pursuant to Section 10.1.

(60) *Voluntary Employee Contributions Account* means the account established pursuant to Section 10.3 for a Member who elects to make Voluntary Employee Contributions.

The following terms shall have the meanings given to them in the Sections of this Combined Plan Document set forth opposite such term:

Accumulated Mandatory Employee Contribution Fund	Section 9.2(1)
Accumulated Voluntary Employee Contribution Fund	Section 9.2(2)
Annual Addition	Section 13.2(1)
Annual Report	Section 1.26(4)(b)
Authority	Section 1.17
cash refund annuity	Section 5.4(1)(a)
compensation	Section 13.1(12)
Compliance Report	Section 1.26(1)
Cure Certification	Section 1.26(2)
current active	Section 9.3(3)
Default Notice	Section 1.26(2)
Deferred Retirement Option Plan Fund	Section 9.2(5)
Deferred Retirement Option Plan Program (DROP)	Section 12.1
Differential Wage Payment	Section 4.4
Direct rollover	Section 18.9(1)(b)
Distributee	Section 18.9(1)(c)
Dollar Limit	Section 13.1(3)(b)
Disability Retirement Review Board/DRRB	Section 5.6(2)

Eligible retirement plan	Section 18.9(1)(d)
Eligible rollover distribution	Section 18.9(1)(e)
Expense Fund	Section 9.2(7)
Foundation	Section 1.22(1)
funding level	Section 9.5(3)
Governance Term Sheet	Section 1.17
Income Fund	Section 9.2(8)
ING	Section 12.3(1)
investment management decisions/investment management matters	Section 16.2
limitation year	Section 13.1(2)
Medical Benefits Account Fund	Section 9.2(6)
Medical Plans	Section 17.1
new employee	Section 9.3(3)
Option "A". Joint and Seventy-Five Percent Survivor Allowance	Section 8.1(1)(c)
Option "B". Joint and Twenty-Five Percent Survivor Allowance	Section 8.1(1)(e)
Option One. Modified Cash Refund Annuity	Section 8.1(1)(a)
Option Three. Joint and Fifty Percent Survivor Allowance	Section 8.1(1)(d)
Option Two. Joint and One Hundred Percent Survivor Allowance	Section 8.1(1)(b)
Pension Accumulation Fund	Section 9.2(3)
Pension Certificate	Section 1.26(4)(b)
Pension Improvement Factor (Escalator)	Section 6.2
Plan of Adjustment	Section 1.3
Police and Fire Retirement System of the City of Detroit	Section 1.1
Pop-up Form	Section 8.1(2)(b)
Rate Stabilization Fund	Section 9.2(4)
Standard Form	Section 8.1(2)(a)
State Contribution Agreement	Section 1.17
State Treasurer	Section 1.23
Straight Life Retirement Allowance	Section 8.1(1)

ARTICLE 3. MEMBERSHIP

Sec 3.1. Eligible Employees

(1) Except as provided in Section 3.2, the membership of the Retirement System shall consist of all persons who are employed with the Police and Fire Departments of the City and who are employed as Police Officers or Fire Fighters according to the rules and regulations of the respective Departments. An eligible Employee's membership in the Retirement System shall be automatic; no eligible Employee shall have the option to elect to become a Member of the Retirement System.

(2) Any appointive official of the Police Department or Fire Department appointed from the membership thereof shall be permitted to remain a Member, paying contributions and entitled to benefits as though he or she had remained in the rank, grade or position held at the date of his or her appointment.

(3) Any Police Officer or Fire Fighter who, prior to being confirmed, shall be killed or Totally Disabled as the result of the performance of active duty, shall be deemed to have been a Member as of his or her date of death.

(4) Any Member who shall be transferred to a civilian position in his or her Department shall continue as a Member, subject to all the obligations of a Member.

Sec 3.2. Cessation of Membership; Re-Employment

(1) If a Member dies, or is separated from service with the City by resignation, dismissal, retirement or Disability, he or she shall cease to be a Member. A Member who elects to participate in the DROP Program under Component I, Component II or both shall be considered to have separated from service with the City by reason of retirement and shall not accrue a benefit under the Retirement System, be required to make Mandatory Employee Contributions to the Retirement System pursuant to Section 9.3(3) or 9.5, or be permitted to make Voluntary Employee Contributions pursuant to Section 10.1.

(2) If a vested Member ceases to be a Member under paragraph (1) other than by reason of participation in the DROP Program and later becomes a Police Officer or Fire Fighter other than in the position of Police Assistant, he or she shall again become a Member, subject to the obligations of a Member. The benefit payable to the Member upon a subsequent termination shall be based upon his or her total Credited Service earned on and after July 1, 2014, provided that, if the Member received a distribution of his or her Accumulated Mandatory Contributions following termination, the Member recontributes the Accumulated Mandatory Contributions to the Retirement System within two years of his or her re-employment date. If a Member who receives a distribution of his or her Accumulated Mandatory Contributions fails to recontribute such amount to the Retirement System within two years of re-employment, only the Credited Service earned on and after the Member's re-employment date shall be taken into consideration in determining his or her Retirement Allowance.

(3) If a Member ceases to be a Member under paragraph (1) and later becomes employed as a Police Assistant, such Member shall not become a Member upon re-employment. If such Member was receiving a Retirement Allowance from the Retirement System prior to his or her date of rehire, such Retirement Allowance shall not be suspended during the period of the Member's reemployment as a Police Assistant.

(4) Retirement benefits for a Retiree who returns to active full time employment other than as a Police Assistant shall be subject to the following:

(a) A Retiree who returns to work will have his or her Retirement Allowance suspended upon re-employment. The variable Pension Improvement Factor (Escalator) shall not be added to the amount of the original Retirement Allowance during the Retiree's re-employment period.

(b) A Retiree who returns to work will be entitled to receive a second Retirement Allowance in accordance with the provisions of the Retirement System in effect during his or her re-employment period.

(c) A Retiree's Average Final Compensation and Credited Service for purposes of determining the Retiree's second Retirement Allowance will be based upon the Compensation and Credited Service earned by the Retiree after he or she returns to work.

(d) An individual who retires for a second time will not be allowed to change the payment option selected by the Member with respect to the original Retirement Allowance. However, the individual may select a separate payment option with respect to his or her second Retirement Allowance.

Sec 3.3. Report From City

It shall be the duty of the City to submit to the Board of Trustees a statement showing the name, title, compensation, duties, date of birth, date of hire, and length of service of each Member, and such other information as the Board of Trustees may require or reasonably request for proper administration of the Retirement System.

ARTICLE 4. SERVICE CREDIT

Sec 4.1. Credited Service

(1) The Board shall keep an accurate record of each Member's accumulated Credited Service from the date of commencement of employment with the City to the date of termination of employment with the City.

(2) A Member shall be credited with one month of Credited Service for each calendar month during which he or she performs one hundred forty (140) or more Hours of Service for the City as a Member beginning on the later of (i) July 1, 2014 or (ii) his or her date of hire with the City as a Police Officer or Fire Fighter and ending on the date his or her employment with the City as a Police Officer or Fire Fighter is terminated. Service shall be credited in years and twelfths ($1/12^{th}$) of a year. Not more than one-twelfth ($1/12^{th}$) of a year of Credited Service shall be credited to a Member on account of all service rendered to the City in a calendar month. Not more than one year of Credited Service shall be credited to a Member on account of all service rendered to the City in any period of 12 consecutive months.

(3) Not more than one month of Credited Service shall be granted for any period of more than one month during which the Member is absent without pay; notwithstanding the foregoing, any Member who shall be suspended from duty and subsequently reinstated to duty without further disciplinary action shall receive credit for the time of such period of suspension.

(4) Solely for purposes of determining eligibility for a retirement benefit under Sections 5.1 and 5.4, a Member shall be credited with the sum of his or her Prior Service as determined by the Board and his or her Credited Service on and after July 1, 2014 determined under Section 4.1(2). The period of time during which a Member is on layoff from the service of the City shall be included in the Member's Credited Service solely for the purposes of determining whether the Member has attained his or her Normal Retirement Age for purposes of Section 5.1.

Sec 4.2. Vesting Service

(1) A Member shall be credited with a year of Vesting Service for each Plan Year commencing on or after July 1, 2014 during which the Member performs 1,000 or more Hours of Service for the City.

(2) A Member's total Vesting Service shall be the sum of his or her Prior Service and his or her Vesting Service determined under Section 4.2(1).

Sec 4.3. Service Credit; Military Service

A Member who enters the military service of the United States while employed with the City shall have the period of such military service credited as Credited Service and Vesting Service in the same manner as if the Member had served the City without interruption, provided that (1) the Member's entry into such military service and re-employment thereafter shall be in

accordance with applicable laws, ordinances, and regulations of the State of Michigan and the City, (2) he or she is re-employed by the City upon completion of such military service, and (3) the Member contributes to the Retirement System the Mandatory Employee Contributions that would have been made by the Member but for the Member's military service. The Member shall be permitted to make such contributions in accordance with Code Section 414(u) and regulations thereunder. During the period of military service and until return to City employment, the Member's Mandatory Employee Contributions to the Retirement System shall be suspended.

Sec 4.4. Service Credit; Qualified Military Service

Notwithstanding any provision of this Combined Plan Document to the contrary, contributions, benefits, and service credit with respect to qualified military service under Component I, shall be provided in accordance with Code Section 414(u). Notwithstanding anything to the contrary herein, if a Member dies while performing qualified military service (as defined in Code Section 414(u)), to the extent required by Code Section 401(a)(37), the survivors of the Member are entitled to any additional benefits (if any, and other than benefit accruals relating to the period of qualified military service) provided under the Retirement System as if the Member had resumed and then terminated employment on account of death.

Notwithstanding anything to the contrary herein, if the City decides to provide Differential Wage Payments to individuals who are performing service in the uniformed services (as defined in Chapter 43 of Title 238, United States Code) while on active duty for a period of more than thirty days, such Differential Wage Payment will be treated as compensation under the Code Section 415(c)(3) limits, but not for purposes of benefit accruals under the Retirement System. For these purposes the term "Differential Wage Payment" means a payment defined in Code Section 3401(h)(2) that is made by the City to an individual who is performing service in the uniformed services while on active duty for a period of more than thirty days.

ARTICLE 5. ELIGIBILITY FOR RETIREMENT

Sec 5.1. Eligibility for Unreduced Normal Retirement Benefit

Any Member who attains his or her Normal Retirement Age while employed by the City may retire upon written application filed with the Board setting forth the date on which the Member desires to be retired. The date of retirement shall be effective as of the first day following the later of (i) the Member's last day on the City payroll, or (ii) the date the Member executes and files an application for retirement, notwithstanding that the Member may have separated from service during the notification period. Such a Member shall be entitled to receive an unreduced Retirement Allowance calculated as provided in Section 6.1 and payable in a form of payment selected by the Member pursuant to Section 8.1.

Sec 5.2. Eligibility for Deferred Vested Retirement Benefit

Any Member who terminates employment with the City prior to satisfying the requirements for receipt of a retirement benefit under Section 5.1 and who is credited with ten (10) or more years of Vesting Service upon his or her termination of employment (regardless of Age) shall be entitled to receive an unreduced Retirement Allowance calculated pursuant to Section 6.1 commencing at any time following his or her Attainment of Age sixty-two; provided that any member of DPLSA or DPCOA who is credited with ten (10) or more years of Vesting Service upon his or her termination of employment (regardless of Age) shall be entitled to receive an unreduced Retirement Allowance commencing at any time following his or her Attainment of Age fifty-five. Any Member (other than a member of DPLSA or DPCOA), may elect to begin receiving a Retirement Allowance following his or her Attainment of Age fifty-five, actuarially reduced for commencement prior to age sixty-two, in lieu of an unreduced Retirement Allowance beginning at age sixty-two. The Retirement Allowance payable to a Member who makes such an election shall be the Actuarial Equivalent of the deferred Retirement Allowance that would be payable to the Member at his Normal Retirement Date pursuant to Section 6.1, assuming the Member terminated employment on the early retirement date, as determined by the Plan Actuary based upon factors, assumptions and methods adopted by the Board upon recommendation of the Investment Committee. Deferred vested retirement benefits shall be payable in accordance with a form of payment selected by the Member pursuant to Section 8.1.

Sec 5.3. Eligibility for Disability Retirement Benefit – Duty Disability

(1) If, prior to attainment of his or her Normal Retirement Date, a Member shall become Totally Disabled for duty by reason of injury, illness or disease resulting from performance of duty and if, pursuant to Section 5.6, the Board shall find such injury, illness or disease to have resulted from the performance of duty, on written application to the Board by or on behalf of such Member or by the head of his or her Department such Member shall be retired, notwithstanding that during such period of notification he or she may have separated from service and provided further that the Medical Director, after examination of such Member shall certify to the Board the Member's Total Disability. A Member who retires as a result of duty disability shall receive for a period of twenty-four months the sum of:

(a) a basic benefit equal to fifty percent (50%) of his or her Final Compensation at the time his or her duty disability retirement begins, and

(b) a supplemental benefit equal to sixteen and two-thirds percent (16-2/3%) of his or her Final Compensation at the time his or her duty disability retirement begins.

Subject to Section 9.5, on the first day of each Plan Year, a Member's duty disability benefit will be increased as provided in Section 6.2.

(2) After a Member receives benefits hereunder for a period of twenty-four months, the Board will determine whether the Member is disabled from any occupation. If the Member is disabled from any occupation, the Member shall continue to receive the benefit provided in paragraphs (1)(a) and (1)(b) until such time as the Member would have attained twenty-five years of Credited Service had he or she continued in active service with the City. At that time, the Member shall continue to receive the benefit described in paragraph 1(a) above; however, benefits described in paragraph (1)(b) above will cease. If the Member is not disabled from any occupation, he or she shall continue to receive the benefit described in paragraph (1)(a) above; benefits described in paragraph (1)(b) will cease.

(3) Duty disability benefits shall continue to be paid to a Member on duty disability retirement after the Member has attained twenty-five years of Credited Service to the earlier of (i) the Member's Attainment of Age sixty-five, or (ii) the date the Member ceases to be Totally Disabled as determined by the Board. Upon termination of disability or Attainment of Age sixty-five, a Member with twenty-five years of Credited Service shall be eligible to receive a Retirement Allowance as provided in Section 6.1. The amount of such Retirement Allowance shall be equal to the amount which would have been payable to the Member if the Member's conversion from duty disability retirement to a Retirement Allowance had occurred on the date the Member attained twenty-five years of Credited Service.

(4) If a Member on duty disability retirement returns to active service with the City and shall re-qualify for duty disability retirement for the same or related reasons within twenty-four months of his or her return to active service, then the disability shall be deemed a continuation of the prior Total Disability and the period of the Member's active service following the return to work will not qualify the Member to be entitled to a new initial determination of disability for purposes of determining the benefit payable to the Member. Instead, such Member will return to duty disability retirement benefits based on the number of months of disability with which the Member was credited at the time of his or her return to active service, as if there had not been a break in his or her period of duty disability retirement.

(5) During the period a Member is eligible to receive duty disability benefits under this Section 5.3, the Member shall continue to be credited with Credited Service until the Member accrues twenty-five years of Credited Service, at which time accrual of Credited Service shall cease.

(6) In the event that a recipient of a duty disability retirement benefit receives earned income from gainful employment during a calendar year, the amount of the Member's disability benefit payable during the next subsequent Plan Year will be adjusted so it does not exceed the difference between (i) the Member's Compensation at the date of duty disability, increased by the Pension Improvement Factor (Escalator) (if any) applicable to such benefit pursuant to Section 6.2 during the period of duty disability, and (ii) the amount of the Member's remuneration from gainful employment during the prior calendar year. The amount of income received by a Member shall be determined by the Board based upon information received from the Member or based upon information secured from other reliable sources. Furnishing such information to the Board at such times as the Board shall require shall be a condition for the Member's continued eligibility for duty disability benefits. In the event a Member's Retirement Allowance was not appropriately reduced for any period in which he or she is engaged in a gainful occupation, the Board shall adjust future benefit payments to such Member until the amount of the overpayment is recouped by the Retirement System.

Sec 5.4. Eligibility for Disability Retirement Benefit – Non-Duty Disability

(1) Upon the application of a Member or the Member's Department head, a Member who becomes totally and permanently disabled prior to his or her Normal Retirement Age in the employ of the City not resulting from the performance of duty shall be retired by the Board; provided that the Medical Director shall certify to the Board after a medical examination, that such Member is Totally Disabled. Such a Member shall receive the following applicable benefits:

(a) If such Member has less than five years of Credited Service at the time of his or her disability retirement, his or her Accumulated Mandatory Employee Contributions standing to his or her credit in the Accumulated Mandatory Employee Contributions Fund shall be returned to him or her, or at his or her option he or she shall receive a cash refund annuity which shall have the Actuarial Equivalent Value of his or her Accumulated Mandatory Employee Contributions. For purposes of this Section 5.4(1)(a), a "cash refund annuity" is an annuity that provides a death benefit equal to the positive difference, if any, between the original cost of the annuity and the sum of annuity payments received by the Member prior to his or her death.

(b) If such Member has five or more years of Credited Service at the time of his or her disability retirement, he or she shall receive a disability Retirement Allowance commencing as of the date of disability computed in accordance with the provisions of Section 6.1 and payable in any of the optional forms provided in Section 8.1 hereof. His or her annual Straight Life Retirement Allowance shall not be less than twenty per cent (20%) of his or her Average Final Compensation.

(2) If a Member receiving non-duty disability retirement benefits is or becomes engaged in a gainful occupation, business, or employment paying more than the difference between the disabled Member's Retirement Allowance increased by the Pension Improvement Factor (Escalator) (if any) applicable to such benefit pursuant to Section 6.2, and his or

her Average Final Compensation determined as of the date of non-duty disability, the Member's Retirement Allowance shall be reduced by the amount of such difference. If the amount of the Member's earnings changes, the Retirement Allowance may be adjusted accordingly. The amount of income received by a Member shall be determined by the Board based upon information received from the Member or based upon information secured from other reliable sources. Furnishing such information to the Board at such times as the Board shall require shall be a condition for the Member's continued eligibility for non-duty disability benefits. In the event a Member's Retirement Allowance was not appropriately reduced for any period in which he or she is engaged in a gainful occupation, the Board shall adjust future benefit payments to such Member until the amount of the overpayment is recouped by the Retirement System.

Sec 5.5. Disability Retirees; Reexamination

(1) At least once each year following the retirement of a Member under Section 5.3 or Section 5.4, the Board shall require that such disabled Member who has not attained his or her Normal Retirement Age undergo a medical examination, to be made by, or under the direction of the Medical Director; provided, however, that medical examinations shall not be required if the Medical Director determines that the Member's condition is permanent and there is no need for further reexamination. Members shall be reimbursed for reasonable costs actually incurred by the Members in connection with such examinations. Should any such Retiree who has not attained Normal Retirement Age fail to submit to a required medical examination, the Member's Retirement Allowance may be suspended by the Board until the examination is completed. Should such failure continue for one year, all of the disabled Member's rights in and to the duty or non-duty disability Retirement Allowance may be revoked by the Board. If upon such examination of a Member, the examiner reports that the Member is no longer Totally Disabled, and such report is concurred in by the Board, the Member shall be restored to active service with the City and the Retirement Allowance paid pursuant to Section 5.3 or Section 5.4 shall be suspended until the Member terminates active service with the City.

(2) A disabled Member who has been, or shall be, reinstated to active service in the employ of the City shall again become an active Member. All Credited Service at the time of reinstatement, in the case of a duty disabled Member, or at the time of the disability retirement, for a non-duty disabled Member, shall be restored to the Member; provided that, if a non-duty disabled Member received a distribution of his or her Accumulated Mandatory Contributions following the disability retirement pursuant to Section 5.4(1)(a), the Member recontributes the Accumulated Mandatory Contributions to the Retirement System within two years of his or her re-employment date. If a Member who receives a distribution of his or her Accumulated Mandatory Contributions fails to recontribute such amount to the Retirement System within two years of re-employment, only the Credited Service earned on and after the Member's re-employment date shall be taken into consideration in determining his or her Retirement Allowance.

Sec 5.6. Disability Benefits; Procedures for Determination of Disability

(1) The Board shall establish procedures for determining whether a Member is Totally Disabled. Such procedures shall be consistent with any collective bargaining agreements between the City and the unions covering Police Employees and Fire Employees.

(2) If a Member is determined to be Totally Disabled under Section 5.3(1) or 5.4(1), the Board or its designee will examine the pension file, including the submissions of the Member and the Police or Fire Department, to determine if there is any dispute as to whether the disability "resulted from the performance of duty" within the meaning of the Combined Plan. If it is undisputed that the disability did result from the performance of duty, the Board will grant duty disability retirement benefits. If it is undisputed that the disability did not result from the performance of duty, the Board will grant non-duty disability retirement benefits, provided the Member meets the other conditions of eligibility. If the performance of duty issue is in dispute, the Board will refer the matter to arbitration by a member of the Disability Retirement Review Board ("DRRB"). The decision of the DRRB member as to whether the disability resulted from the performance of duty shall be final and binding upon the Member, the Department and the Board. The DRRB shall consist of three qualified arbitrators who will be individually assigned in rotating order to decide the matters referred to arbitration by the Board. The three members of the DRRB shall be disinterested persons qualified as labor arbitrators and shall be selected in accordance with agreements between the City and the unions representing Members. The procedure for the termination of DRRB members and the selection of new DRRB members also shall be carried out in accordance with the agreements between the City and the unions representing Members.

(3) The hearing before a member of the DRRB will be conducted in accordance with the following procedures:

(a) The Member and the City will have the right to appear in person or otherwise may be represented by counsel if they wish and will be afforded an equal opportunity to present evidence relevant to the issues;

(b) A court reporter will be present and make a stenographic record of the proceedings;

(c) The hearing will be closed to the public, except that the Member may select one person to be with him or her in the hearing room; provided, however, that person may not testify;

(d) The witnesses will be sequestered;

(e) The witnesses will be sworn by the court reporter and testify under oath;

(f) The Member may not be called by the City as an adverse witness;

(g) The DRRB member will apply the rules of evidence and follow the procedures which are customarily applied and followed in labor arbitration cases;

(h) If the Member wishes to have an employee of the City released from duty to appear as a witness on his or her behalf, the Member may so inform the Board in writing which, in turn, will submit a written request to the appropriate Department executive for the release of the employee for the purpose of so testifying;

(i) The DRRB member will afford the parties an opportunity for the presentation of oral argument and/or the submission of briefs;

(j) The DRRB member will issue a written decision containing credibility resolutions as necessary, findings of fact and conclusions with respect to all relevant issues in dispute;

(k) The authority of the DRRB member is limited to deciding whether or not the Member's disability "resulted from the performance of duty" within the meaning of the Combined Plan. The DRRB member shall have no authority to add to, subtract from, modify or disregard the terms of the Combined Plan; and

(l) The costs associated with the hearing, including the arbitrator's fees and expenses and the court reporter's fees and expenses, will be paid by the Retirement System.

(4) If a disabled Member is determined by the Board to no longer be Totally Disabled, he or she may appeal that determination within seven (7) days thereof by filing a written request with the Board for a re-examination. The Board shall promptly arrange for such re-examination. The Member's disability benefits will be continued pending that final and binding medical finding, and if the finding is that the Member is no longer Totally Disabled, his or her disability benefits will be further continued while the Police or Fire Department conducts such examinations and/or investigations as necessary to determine whether the Member is qualified for reappointment to active duty. In the event that the examinations and/or investigations conducted by the Police Department result in a determination that a Member is not qualified, for medical reasons, for reappointment to active duty, disability benefits will be continued.

(5) The Board shall not act upon or grant the application filed by a Member who, although he or she is not capable of performing the full duties of a Police Employee or Fire Employee, has not suffered any diminishment of his or her base wages or benefits because he or she is either:

(a) regularly assigned to a position, the full duties of which he or she is capable of performing; or

(b) assigned to a restricted duty position, unless the Member's Department advises that it intends to seek a disability retirement for the Member in the foreseeable future.

(6) The provisions in paragraph (5) above are not intended to and will not:

(a) affect the right of a Member to seek a disability retirement when no restricted duty position is available; or

(b) restrict in any way the existing authority of the Chief of Police or the Fire Commissioner to seek a duty or non-duty disability retirement for a Member or for that Member, at that time, to request a duty or non-duty disability retirement.

Sec 5.7. Return of Accumulated Mandatory Contributions to Non-Vested Member

If a Member ceases employment with the City other than by reason of retirement, death or Disability, the Member may elect to receive distribution of the Accumulated Mandatory Employee Contributions made to the Retirement System by such Member. If a Member elects to receive his or her Accumulated Mandatory Employee Contributions, such amounts shall be paid to the Member in a lump sum payment or in equal monthly installments for a period not to exceed three years, according to such rules and regulations as the Board may adopt from time to time. Other than as provided in Section 3.2(2), a Member who receives a refund of his or her Accumulated Mandatory Employee Contributions shall not receive a Retirement Allowance from Component I of the Retirement System.

Sec 5.8. Benefits Offset by Workers' Compensation and Benefits; Subrogation

(1) Any amounts which may be paid or payable to a Member, Retiree, or Beneficiary on account of disability or death under the provisions of any Workers' Compensation, pension, or similar law, except federal Social Security old-age and survivors' and disability insurance benefits, shall be an offset against any amounts payable from funds of the Retirement System (Component I and Component II combined) on account of the same disability or death. If the present value of the benefits payable under said Workers' Compensation, pension, or similar law, is less than the Retirement Allowance payable by the Retirement System (under both Component I and Component II), the present value of the said Workers' Compensation, pension, or similar legal benefit shall be deducted from the amounts payable by the Retirement System (under both Component I and Component II), and such amounts as may be provided by the Retirement System, so reduced, shall be payable as provided in this Combined Plan Document.

(2) In the event a person becomes entitled to a pension payable by the Retirement System because of an accident or injury caused by the act of a third party, the Retirement System shall be subrogated to the rights of said person against such third party to the extent of the benefit which the Retirement System pays or becomes liable to pay.

ARTICLE 6. RETIREMENT ALLOWANCE; VARIABLE PENSION IMPROVEMENT FACTOR (ESCALATOR)

Sec 6.1. Retirement Allowance

The Retirement Allowance payable to a Member commencing at the later of his or her Normal Retirement Age or his or her actual retirement from employment with the City in the form of a Straight Life Retirement Allowance shall be equal to two percent (2%) of the Member's Average Final Compensation multiplied by the Member's years (computed to the nearest one-twelfth ($1/12^{th}$) year) of Credited Service earned after June 30, 2014.

Sec 6.2. Variable Pension Improvement Factor (Escalator)

Except as provided in Section 9.5, beginning July 1, 2015 and effective the first day of each Plan Year thereafter, the Board may determine that the annual Retirement Allowance of a Member payable under this Component I shall be increased by a factor of one percent (1.0%), compounded ("Pension Improvement Factor (Escalator)"); provided, that the recipient of said Retirement Allowance shall have been receiving a Retirement Allowance for a period of not less than twelve months prior to the first day of such Plan Year.

ARTICLE 7. DEATH BENEFITS

Sec 7.1. Accidental Death Benefit; Performance of Duty

(1) If a Member is killed in the performance of duty in the service of the City, or dies as the result of illness contracted or injuries received while in the performance of duty in the service of the City, and such death, illness, or injury resulting in death, is found by the Board to have resulted from the actual performance of duty in the service of the City, the following benefits shall be paid:

(a) the Accumulated Mandatory Employee Contributions standing to his or her credit in the Accumulated Mandatory Employee Contributions Fund at the time of his or her death shall be paid to such person or persons as the Member shall have nominated by written designation duly executed and filed with the Board. If no such designated person survives the Member, the said Accumulated Mandatory Employee Contributions shall be paid to the Member's legal representative, subject to paragraph (e) of this Section 7.1(1).

(b) the Member's surviving Spouse shall receive a pension of five-elevenths of the Member's Final Compensation payable for the Spouse's lifetime. If the Member's child or children under age eighteen years also survive the deceased Member, each such child shall receive a pension of one-tenth of such Final Compensation; provided, that if there are more than two such surviving children under age eighteen years, each such child's pension shall be an equal share of seven thirty-thirds of such Final Compensation. Upon the death, marriage, adoption, or Attainment of Age eighteen years of any such child, his or her pension shall terminate and there shall be a redistribution of the benefit by the Board to the deceased Member's remaining eligible children, if any; provided, that in no case shall any such child's pension exceed one-tenth of the Member's Final Compensation. In no case shall the total of the benefits provided for in this paragraph (b), payable on account of the death of a Member exceed two-thirds of the Member's Final Compensation.

(c) if no surviving Spouse survives the deceased Member or if the Member's surviving Spouse dies before his or her youngest unmarried surviving child attains Age eighteen years, his or her unmarried child or children under Age eighteen years shall each receive a pension of one-fourth of the Member's Final Compensation; provided that if there are more than two such surviving children under Age eighteen years, each such child's pension shall be an equal share of one-half of such Final Compensation. Upon the death, marriage, adoption, or Attainment of Age eighteen years of any such child, his or her pension shall terminate and there shall be a redistribution by the Board to the deceased Member's remaining eligible children, if any; provided, that in no case shall any such child's pension exceed one-fourth of the Member's Final Compensation.

(d) if the Member has no surviving Spouse or surviving children under Age eighteen years and if the Member leaves surviving either a father or mother or both, whom

the Board shall find to be actually dependent upon such Member for financial support, such dependent father and mother shall each receive a pension of one-sixth of the Member's Final Compensation.

(e) If a Member dies intestate, without having designated a person or persons, as provided in paragraph (a) of this Section 7.1(1), and without heirs, the amount of his or her Accumulated Mandatory Employee Contributions in the Accumulated Mandatory Employee Contribution Fund, not to exceed a reasonable sum, to be determined by the Board, shall be used to pay his or her burial expenses, provided the Member leaves no other estate sufficient for such purpose. Any balance credited to such Member in the Accumulated Mandatory Employee Contribution Fund which is not used for burial expenses shall remain a part of the funds of the Retirement System and shall be transferred to the Pension Accumulation Fund.

Sec 7.2. Non-Duty Death Benefits

The surviving Spouse of any Member who dies while in the employ of the City (other than in the performance of duty) after the date such Member has earned ten or more years of Vesting Service, shall receive a Retirement Allowance computed in the same manner in all respects as if said Member had (i) retired effective on the day preceding the Member's death, notwithstanding that the Member had not attained Normal Retirement Age, (ii) elected a Joint and One Hundred Percent Survivor Allowance as described in Section 8.1, and (iii) nominated the surviving Spouse as Beneficiary.

Sec 7.3. Refund of Accumulated Mandatory Contributions Upon Death of Member

If a Member who is not covered by Section 7.1 or 7.2 dies while employed by the City or following termination of employment but prior to commencement of a Retirement Allowance, the Member's Accumulated Mandatory Employee Contributions to the Retirement System at the time of death shall be paid to the Beneficiary nominated in a written designation duly executed by the Member and filed with the Board. In the event there is no such designated Beneficiary surviving, the Member's Accumulated Mandatory Employee Contributions shall be paid to the Member's estate. If a Member who dies without a legal will has not nominated a Beneficiary, the Member's Accumulated Mandatory Employee Contributions at the time of death may be used to pay burial expenses if the Member leaves no other estate sufficient for such purpose. Such expenses shall not exceed a reasonable amount as determined by the Board. Any balance credited to such Member in the Accumulated Mandatory Employee Contribution Fund which is not used for burial expenses shall remain a part of the funds of the Retirement System and shall be transferred to the Pension Accumulation Fund.

ARTICLE 8. FORMS OF PAYMENT

Sec 8.1. Retirement Allowance Options

(1) Until the date the first Retirement Allowance payment check is issued, any Member may elect to receive a Straight Life Retirement Allowance payable throughout life, or the Member may elect to receive the Actuarial Equivalent of the Straight Life Retirement Allowance computed as of the effective date of retirement, in a reduced Retirement Allowance payable throughout life, and nominate a Beneficiary, in accordance with the options set forth below:

(a) *Option One. Modified Cash Refund Annuity.* A Retiree will receive a reduced Retirement Allowance for as long as he or she lives, provided that if the Retiree dies before payment of the Accumulated Mandatory Employee Contributions made to the Retirement System on and after July 1, 2014 has been received in an aggregate amount equal to, but not exceeding the Retiree's Accumulated Mandatory Employee Contributions at the time of retirement, the difference between said Accumulated Mandatory Employee Contributions and the aggregate amount of annuity payments already received, shall be paid in a single lump sum to a Beneficiary nominated by written designation duly executed by the Member and filed with the Board. If there is no such designated Beneficiary surviving said Retiree, any such difference shall be paid to the Retiree's estate.

(b) *Option Two. Joint and One Hundred Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and One Hundred Percent Survivor Allowance, one hundred percent of the Member's reduced Retirement Allowance shall be paid to and continued throughout the life of the Beneficiary nominated by written designation duly executed and filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.

(c) *Option "A". Joint and Seventy-Five Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and Seventy-Five Percent Survivor Allowance, seventy-five percent of the Member's reduced Retirement Allowance shall be continued throughout the life of and paid to the Beneficiary nominated by written designation duly executed by the Member and filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.

(d) *Option Three. Joint and Fifty Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and Fifty Percent Survivor Allowance, fifty percent of the Member's reduced Retirement Allowance shall be continued throughout the life of and paid to the Beneficiary nominated by written designation duly executed by the Member and filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.

(e) *Option "B". Joint and Twenty-Five Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and Twenty-Five Percent Survivor Allowance, twenty-five percent of the Member's reduced Retirement Allowance shall be

continued throughout the life of and paid to the Beneficiary nominated by written designation duly executed by the Member and filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.

(2) *Joint and Survivor Optional Forms of Payment.* The Joint and Survivor Optional Forms of Payment provided under the Retirement System shall be made available in either the standard form or the pop-up form, as follows:

(a) *Standard Form.* Under the Standard Form, the reduced Retirement Allowance shall be paid throughout the lifetime of the Retiree.

(b) *Pop-up Form.* Under the Pop-up Form, the reduced Retirement Allowance shall be paid throughout the lifetime of the Retiree and the designated Beneficiary. In the event of the death of the designated Beneficiary during the lifetime of the Retiree, the amount of the Retirement Allowance payable to the Retiree shall be changed to the amount that would have been payable had the Retiree elected the Straight Life Retirement Allowance Form of Payment.

Sec 8.2. Disposition of Surplus Benefits upon Death of Retiree and Beneficiary

If under a Joint and One Hundred Percent Survivor allowance, a Joint and Seventy-Five Percent Survivor allowance, a Joint and Fifty Percent Survivor allowance or a Joint and Twenty-Five Percent Survivor allowance as provided for under Section 8.1, both a Retiree and Beneficiary die before they have received in Retirement Allowance payments an aggregate amount equal to the Retiree's Accumulated Mandatory Employee Contributions (and if the Retiree makes an election pursuant to Section 10.4(2), his or her Accumulated Voluntary Employee Contributions) at the time of retirement, the difference between the said Accumulated Mandatory Employee Contributions (and Accumulated Voluntary Employee Contributions, if applicable) and the aggregate amount of Retirement Allowances paid to the Retiree and Beneficiary, shall be paid in a single lump sum to such person or persons nominated by written designation of the Retiree duly executed and filed with the Board. If there is no such person or persons surviving the Retiree and the Beneficiary, any such difference shall be paid to the estate of the Retiree or the Beneficiary, whichever of them is the last to die.

ARTICLE 9. FUNDING AND RESERVES

Sec 9.1. Funding Objective of the Retirement System

The funding objective of Component I of the Retirement System is to establish and receive City and Member contributions during each Plan Year that are sufficient to fully cover the actuarial cost of benefits anticipated to be paid on account of Credited Service rendered by Members during the Plan Year (the normal cost requirements of the Retirement System), and to amortize the unfunded actuarial costs of benefits likely to be paid on account of Credited Service rendered on or after July 1, 2014 and before the first day of the Plan Year (the unfunded actuarial accrued liability of Component I of the Retirement System).

Sec 9.2. Funds

Component I of the Retirement System shall consist of the Accumulated Mandatory Employee Contribution Fund, the Accumulated Voluntary Contribution Fund, the Pension Accumulation Fund, the Rate Stabilization Fund, the Deferred Retirement Option Program Fund (if applicable), the Medical Benefits Account Fund, the Expense Fund and the Income Fund, as follows:

(1) The Accumulated Mandatory Employee Contribution Fund shall be the Fund in which shall be accumulated the contributions of Members to provide their Retirement Allowances. Upon the retirement, termination, disability or death of a Member with a Retirement Allowance, the Member's Accumulated Mandatory Employee Contributions shall be deemed to be part of the Pension Reserve which shall be used to pay the Member's or Beneficiary's Retirement Allowance.

(2) The Accumulated Voluntary Employee Contribution Fund shall be the Fund in which shall be accumulated the voluntary after-tax contributions of Members, together with earnings thereon.

(3) The Pension Accumulation Fund shall be the fund in which shall be accumulated reserves for the Retirement Allowances and other benefits payable from that portion of the City's annual contribution as is designated by the City to be utilized for payment of Retirement Allowances, and amounts transferred to Component I as provided in Section G-2(f) of Component II to finance Transition Cost (as defined in Section G-2(f) of Component II), together with earnings thereon, and from which shall be paid Retirement Allowances and other benefits on account of Members.

(4) The Rate Stabilization Fund shall be the Fund to which shall be credited the City's contributions in excess of the amount of the City's contribution which is credited to the Pension Accumulation Fund, together with earnings thereon, and amounts transferred to Component I as provided in Section G-2(f) of Component II.

(5) The Deferred Retirement Option Plan Fund shall be the fund in which shall be accumulated the amounts credited to the DROP Accounts of Members who have elected to participate in the DROP Program pursuant to Article 12, together with earnings

thereon, provided that the DROP Accounts are held and invested within the Retirement System.

(6) The Medical Benefits Account Fund shall be the fund in which shall be accumulated the amounts contributed to the Retirement System for the purposes of funding Medical Benefits, together with earnings thereon.

(7) The Expense Fund shall be the fund to which shall be credited funds, if any, provided to the Retirement System by the City to pay the administrative expenses of the Retirement System, and from which shall be paid certain expenses incurred in connection with the administration and operation of the Retirement System.

(8) The Income Fund shall be the Fund to which shall be credited all interest, dividends, and other income derived from the investments of the assets of Component I of the Retirement System and earnings thereon, all gifts and bequests received by Component I of the Retirement System, and all other moneys credited to Component I of the Retirement System, the disposition of which is not specifically provided for in this Article 9. There shall be paid or transferred from the Income Fund, all amounts required to credit earnings and losses to the various Funds of the Retirement System in accordance with the provisions of Component I of this Combined Plan Document. Amounts credited to the Income Fund in excess of amounts needed to credit earnings and losses of the Retirement System as provided in this Component I for any Plan Year shall be used in the following manner in the following order: (i) to pay administrative expenses of Component I (to the extent there are insufficient funds for this purpose credited to the Expense Fund), and/or (ii) transferred to the Pension Accumulation Fund and used to pay Retirement Allowances and other benefits on account of Members.

Sec 9.3. Method of Financing Retirement System Benefits

(1) The pension liabilities for Members under this Component I shall be determined by the Plan's Actuary using the Entry Age Actuarial Cost Method of actuarial valuation.

(2) The City's annual contribution to finance the prospective pension liabilities during the nine Plan Year period commencing July 1, 2014 and ending June 30, 2023 shall be (a) eleven and two-tenths percent (11.2%) of the Compensation of active employees who are members of the DFFA (for pay periods ending on or before November 6, 2014) and members of DPOA (for pay periods ending on or before October 3, 2014) and (b) twelve and one-quarter percent (12.25%) of the Compensation of active employees who are members of the DPCOA, the DPLSA, the DPOA (for pay periods beginning on or after October 3, 2014) and the DFFA (for pay periods beginning on or after November 6, 2014). A portion of the City's annual contribution for each Plan Year shall be credited to the Pension Accumulation Fund and a portion shall be credited to the Rate Stabilization Fund, each amount as determined by the City in its sole discretion. For plan years commencing July 1, 2023 and later, the accrued pension liabilities for Members shall be determined by the Actuary using reasonable and appropriate actuarial assumptions approved by the Board and the Investment Committee. The City's annual contributions to finance the normal cost of benefits and any such unfunded accrued pension liabilities

shall be determined by the Actuary amortizing such unfunded accrued pension liabilities over a period or periods of future years as established by the Board and approved by the Investment Committee.

(3) Except as provided in Section 9.5, for each Plan Year, a Member who was an active employee as of June 30, 2014 ("current active") shall contribute to the Retirement System an amount equal to six percent (6%) of his or her Compensation for such Plan Year and a Member who is hired or rehired by the City on or after July 1, 2014 ("new employee") shall contribute to the Retirement System an amount equal to eight percent (8%) of his or her Compensation for such Plan Year. A Member's Mandatory Employee Contributions for the Plan Year beginning July 1, 2014 and ending June 30, 2015 shall commence as of the Member's first payroll date occurring in August 2014. The officer or officers responsible for processing the payroll shall cause a Member's Mandatory Employee Contributions to be deducted from the Member's Compensation on each and every payroll, for each and every payroll period, from the later of (i) the Member's first payroll date occurring in August 2014 and (ii) the Member's date of hire, to the date he or she ceases to be an active Member. The contribution shall be deducted from a Member's Compensation, notwithstanding that the minimum compensation provided by law for any Member shall be reduced thereby. Payment of compensation, less said Mandatory Employee Contributions, shall be a complete discharge of all claims and demands whatsoever for the services rendered by the said Member during the period covered by such payment. Member Mandatory Employee Contributions will be used for the purpose of funding the normal cost of the Retirement System.

Sec 9.4. Member Contributions Picked-Up

(1) The City shall pick up Member Mandatory Employee Contributions required pursuant to Sections 9.3(3) and 9.5 in accordance with Code Section 414(h).

(2) The picked-up contributions, although designated as employee contributions shall be treated as City contributions for the purpose of determining a Member's tax treatment under the Internal Revenue Code. The City shall pay the contributions picked-up on behalf of a Member from the same source of funds that are used for paying compensation to the Member.

(3) The City shall pick up Member Mandatory Employee Contributions by a reduction in the Member's cash salary or an offset against a future salary increase, or both. The City shall designate the Mandatory Employee Contributions that are picked-up and paid to the Retirement System as employer contributions and not as employee contributions. No Member who participates in the Retirement System shall have the option of choosing to receive the contributed amounts directly instead of having those amounts paid by the City to the Retirement System.

Sec 9.5. Fiscal Responsibility: Benefit Reductions and Increased Funding Obligations

(1) To safeguard the long-term actuarial and financial integrity of the Retirement System, in the event the funding level of Component I of the Retirement System projected over a

five year period falls below ninety percent (90%), the Trustee may not award the variable Pension Improvement Factor (Escalator) described in Section 6.2 to any individual beginning with the Plan Year following the Plan Year in which such determination is made and continuing until the funding level is restored to not less than ninety percent (90%).

(2) In the event the funding level of the Retirement System projected over a five year period falls below ninety percent (90%), the following remedial action shall be required in the order set forth below, beginning with the Plan Year following the Plan Year in which such determination is made and continuing until the funding level is projected to be not less than one hundred percent (100%) on a market value basis within the next five years:

(a) the remedial action required in Section 9.5(1) shall be implemented or continued;

(b) all amounts credited to the Rate Stabilization Fund shall be transferred to the Pension Accumulation Fund for the purposes of funding benefits payable under the Retirement System;

(c) Mandatory Employee Contributions for active and new employees shall be increased by one percent (1%) per year for up to the next following five Plan Years;

(d) Mandatory Employee Contributions for active and new employees shall be increased by an additional one percent (1%) per year for up to the next following five Plan Years;

(e) Mandatory Employee Contributions for active and new employees shall be increased by an additional one percent (1%) per year for up to the next following five Plan Years;

(f) the Retirement Allowance payable to a Retiree shall not include the variable Pension Improvement Factor (Escalator) that was most recently paid to the Retiree on the date the funding level is projected to fall below ninety percent (90%);

(g) the Retirement Allowance payable to a Retiree shall not include the variable Pension Improvement Factor (Escalator) that was most recently added to the Member's Retirement Allowance for the Plan Year preceding the Plan Year referenced in paragraph (f) above;

(h) Mandatory Employee Contributions for active and new employees shall be increased by an additional one percent (1%) per year for up to the next following five Plan Years; and

(i) contributions made to the Retirement System by the City shall be increased, consistent with applicable actuarial principles and the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.*

(3) For purposes of this Section 9.5, the "funding level" of Component I of the Retirement System shall mean the ratio of the market value of the assets of Component I of the Retirement System to the actuarial accrued liability of Component I of the Retirement System. The actuarial accrued liability shall be calculated by the Plan's Actuary utilizing an interest rate assumption of six and three-quarters percent (6.75%) and other reasonable assumptions as directed by the Board upon the recommendation of the Investment Committee. The market value of assets shall be determined on the basis of a three-year look back period of smoothed investment returns.

ARTICLE 10. VOLUNTARY EMPLOYEE CONTRIBUTIONS

Sec 10.1. Voluntary Employee Contributions; Amount; Vesting

Subject to procedures established by the Board, a Member who is covered by a collective bargaining agreement with the City that permits the Member to make Voluntary Employee Contributions to Component I of the Retirement System may elect to contribute a whole percentage not less than one percent (1%) nor more than ten percent (10%) of his or her Compensation for a Plan Year to a Voluntary Employee Contribution Account maintained on his or her behalf under Component I of the Retirement System. A Member represented by the DPOA may elect to reduce the amount paid to him or her by the City for accumulated sick leave in excess of 400 hours by a whole percentage not less than one percent (1%) nor more than one hundred percent (100%) of such amount and have such amount contributed by the City to a Voluntary Employee Contribution Account maintained on his or her behalf under Component I of the Retirement System. Voluntary Employee Contributions shall be made to the Retirement System on an after-tax basis. Amounts credited to a Member's Voluntary Employee Contribution Account shall be one hundred percent (100%) vested at all times.

Sec 10.2. Changing an Election to Contribute

A Member may change or revoke an election to make Voluntary Employee Contributions to the Retirement System pursuant to this Article 10 in such manner and with such advance notice as the City shall determine. Notwithstanding the foregoing, a Member shall be permitted to change such election not less frequently than annually.

Sec 10.3. Individual Member Accounting; Crediting of Earnings

The Board shall maintain a Voluntary Employee Contribution Account on behalf of each Member who elects to make Voluntary Employee Contributions to the Retirement System. Each Plan Year, a Member's Voluntary Employee Contribution Account shall be credited with earnings at a rate equal to the actual net investment rate of return on the assets of the Retirement System for the second Fiscal Year immediately preceding the Fiscal Year in which the earnings are credited; in no event, however, shall the earnings rate credited to a Member's Voluntary Employee Contribution Account for any Plan Year be less than zero percent (0%) nor greater than five and one-quarter percent (5.25%).

Sec 10.4. Distribution of Accumulated Voluntary Employee Contributions

(1) If a Member ceases employment with the City other than by reason of death, the Member may elect to receive distribution of the Accumulated Voluntary Employee Contributions credited to his or her Voluntary Employee Contribution Account. If a Member elects to receive his or her Accumulated Voluntary Employee Contributions, such amounts shall be paid to the Member in a lump sum payment or in equal monthly installments for a period not to exceed three years, according to such rules and regulations as the Board may adopt from time to time.

(2) In lieu of receiving distribution of his or her Accumulated Voluntary Employee Contributions as provided in Section 10.4(1), a Member may elect to have the Actuarial

Equivalent Value of his or her Accumulated Voluntary Employee Contributions added to his or her Retirement Allowance and paid in the form of an annuity described in Section 8.1. Any such annuity shall be subject to market rates of investment return and other market-related assumptions, as adopted by the Board upon recommendation of the Investment Committee.

(3) If a Member dies while employed by the City or following termination of employment but prior to receiving distribution of the Member's Accumulated Voluntary Employee Contributions, the amounts credited to the Member's Voluntary Employee Contribution Account at the time of death shall be paid to the Beneficiary nominated in a written designation duly executed by the Member and filed with the Board. In the event there is no such designated Beneficiary surviving, the Member's Accumulated Voluntary Employee Contributions shall be paid to the Member's estate. If a Member who dies without a legal will has not nominated a Beneficiary, the Member's Accumulated Voluntary Employee Contributions at the time of death may be used to pay burial expenses if the Member leaves no other estate sufficient for such purpose. Such expenses shall not exceed a reasonable amount as determined by the Board.

ARTICLE 11. LOAN PROGRAM FOR VOLUNTARY EMPLOYEE CONTRIBUTIONS

Sec 11.1. The Loan Program

A loan program shall be available to Members who have amounts credited to a Voluntary Employee Contributions Account under Component I of the Retirement System. The Board is authorized to adopt rules and regulations, from time to time, to govern the administration and the operation of the loan program. Copies of the rules shall be made available to eligible Members in the offices of the Retirement System. Any loans granted or renewed under the Retirement System shall be made and administered pursuant to and in compliance with Section 72(p) of the Internal Revenue Code and regulations thereunder.

Sec 11.2. Eligibility for Loan

Subject to the rules and procedures established by the Board, loans may be made to eligible Members from such Member's Voluntary Employee Contribution Account. An eligible Member is any Member who has participated in the Retirement System for twelve months or more. Former Members, Spouses and Beneficiaries are not eligible to receive any loans from the Retirement System. No Member shall have more than two outstanding loans from the Retirement System (Component I and/or Component II) at any time. A Member who has previously defaulted on a loan under either Component I or Component II shall not be eligible for a loan from the Retirement System.

Sec 11.3. Amount of Loan

An eligible Member who has satisfied applicable rules and procedures established by the Board may borrow from his or her Voluntary Employee Contribution Account an amount which does not exceed the lesser of (i) fifty percent (50%) of the Member's Voluntary Employee Contribution Account balance, and (ii) Fifteen Thousand Dollars ($15,000.00), in each case reduced by: (1) the Member's highest outstanding loan balance under the Retirement System (both Component I and Component II) during the one year period ending on the day before the date on which the loan is made, or (2) the outstanding loan balance under the Retirement System (both Component I and Component II) on the date on which the loan is made, whichever is less. The minimum loan amount shall be One Thousand Dollars ($1,000.00).

Sec 11.4. Terms and Conditions

In addition to such rules and procedures that are established by the Board, all loans shall comply with the following terms and conditions:

(a) Each loan application shall be made in writing.

(b) All loans shall be memorialized by a collateral promissory note for the amount of the loan, including interest, payable to the order of the Retirement System and properly executed by the Member.

(c) Each loan shall be repaid by substantially equal payroll deductions over a period not to exceed five years, or, where the loan is for the purpose of buying a

principal residence, a period not to exceed fifteen years. In no case shall the amount of the payroll deduction be less than Twenty Dollars ($20.00) for any two-week pay period. A Member receiving a loan will be required to authorize payroll deductions from his or her compensation in an amount sufficient to repay the loan over its term.

(d) An amount equal to the principal amount of the loan to a Member (but not more than one half of the Member's vested interest in the Defined Contribution Plans of the Retirement System) will be designated as collateral for guaranteeing the loan.

(e) Each loan shall bear interest at a rate determined by the Board. The Board shall not discriminate among Members in its determination of interest rates on loans. However, loans initiated at different times may bear different interest rates, where, in the opinion of the Board, the difference in rates is supported by a change in market interest rates or a change in the Retirement System's current assumed rate of return. The loan interest rate shall bear a reasonable relationship to market rates for secured loans of a similar duration and shall bear a reasonable relationship to the costs to the Retirement System of administering the loan. The loan interest rate shall be calculated in a manner that will not negatively affect either the City's costs with respect to the Retirement System or the investment return allocated to Members.

(f) Loan repayments shall be suspended during a period of military service, as permitted by Section 414(u)(4) of the Internal Revenue Code. A Member who has an outstanding loan balance from the Retirement System who is absent from employment with the City, and who has satisfied the requirements of Section 414(u) of the Internal Revenue Code shall not be required to make loan repayments to the Retirement System during said periods of absence.

Sec 11.5. Loan Balance

A Member's outstanding loan balance shall be considered a directed investment by the Member and interest payments shall be credited to the Member's Voluntary Employee Contribution Account (provided that the interest credited to the Member's Voluntary Employee Contribution Account shall be reduced appropriately to cover the administrative costs of the loan program and avoid negatively affecting the City's costs or the Retirement System's investment returns), and shall not be part of the Retirement System's net investment income or part of the Member's Voluntary Employee Contribution Account balance for the purpose of allocation of net investment income under the Retirement System.

Sec 11.6. Default

In the event a Member defaults on a loan before the loan is repaid in full, the unpaid balance thereof will become due and payable and, to the extent that the outstanding amount is not repaid by the end of the calendar quarter which follows the calendar quarter in which the last payment was received, such amount shall be deemed to have been distributed to the Member for tax purposes, consistent with Section 72(p) of the Internal Revenue Code.

Sec 11.7. Distribution

No distribution shall be made to a Member, former Member, Spouse or Beneficiary from the Retirement System until all outstanding loan balances and applicable accrued interest have been repaid or offset against amounts distributable to the Member from the Retirement System.

Sec 11.8. Annual Report

The Retirement System shall include, in its annual report to all Members, an accounting of the loan program established by this Component I, which contains the number and amount of loans made, the costs of administering the program, the amount of payments made including interest received by the Retirement System, the amount of loans outstanding, including any defaults or delinquencies, and an evaluation as to whether the interest charged in the Fiscal Year covered the costs of administering the loan program.

ARTICLE 12. DEFERRED RETIREMENT OPTION PLAN ("DROP") PROGRAM

Sec 12.1. General Provisions

The following provisions are hereby established as the Deferred Retirement Option Plan ("DROP") Program under Component I, which shall be available to Members who are covered by collective bargaining agreements with the City that permit such Members to participate in the DROP program and those non-union executives of the Police Department and the Fire Department.

(1) In lieu of terminating employment and accepting a Retirement Allowance under the Component I, any Member of the Retirement System who is eligible for the DROP program and who is eligible to immediately retire and receive an unreduced Retirement Allowance under Section 5.1 may elect to participate in the DROP program and defer the receipt of his or her Retirement Allowance in accordance with the provisions of this Article 12. Any such election shall be irrevocable.

(2) A Member shall be entitled to participate in the DROP program under Component I for a maximum of five years. At the end of such five year period of participation in the DROP program, the Member shall be retired from employment.

Sec 12.2. Conversion to Retirement Allowance

Upon the effective date of a Member's participation in the DROP program, the Member shall cease to accrue a Retirement Allowance pursuant to Section 6.1 and shall elect a form of payment for his or her Retirement Allowance pursuant to Section 8.1. Seventy-five percent (75%) of the monthly Retirement Allowance (including applicable variable Pension Improvement Factor (Escalator) increases) that would have been payable, had the Member elected to terminate employment with the City on the effective date of his or her DROP election and receive an immediate Retirement Allowance, shall be paid into a DROP Account established on behalf of the Member under the Retirement System or in an entity selected by the Board.

Sec 12.3. Investment of DROP Assets

(1) ING was previously selected by the Board as the DROP administration and investment entity for Members who elect to participate in the DROP program. ING shall continue to be the DROP administration and investment entity, unless and until such time as the Board terminates the agreement with ING as provided in paragraph (4) or determines that it is administratively feasible for the DROP program to be administered and invested under the Retirement System.

(2) As soon as possible after July 1, 2014, the Board shall determine whether it is administratively feasible for the DROP program to be administered and the assets in DROP accounts invested under the Retirement System. If the Board determines that it is feasible to administer the DROP program under the Retirement System, the Board shall promptly take appropriate steps to implement such decision.

(3) If amounts credited to a DROP Account are invested under the Retirement System, such amounts shall be comingled with the assets of the Retirement System for investment purposes and shall be invested by the Trustees. A Member's DROP Account shall be credited with annual earnings at a rate equal to seventy-five percent (75%) of the actual net earnings rate of the assets of the Retirement System; however, in no event shall the earnings rate applied to a Member's DROP Account for any Plan Year be less than zero percent (0%) nor greater than seven and three-quarters percent (7.75%).

(4) The Board of Trustees previously entered into an administrative services agreement with ING. Such agreement shall remain in effect until such time as it is terminated by the Board as provided therein.

(5) The Board of Trustees may replace ING with a trust-type vehicle or the Board may determine that amounts subject to a DROP election will be invested with Retirement System assets as provided above.

(6) Any fees associated with the maintenance of DROP Accounts outside of the Retirement System shall be paid by the Members by means of deduction from their DROP Accounts.

Sec 12.4. Distribution of Amounts Credited to DROP Account

A Member shall not receive a distribution of amounts credited to his or her DROP Account prior to his or her termination of employment with the City. Upon termination of employment, a Member who is a participant in the DROP program shall receive, at his or her option either a lump sum payment from the DROP Account equal to the amount then credited to the DROP Account or an annuity based upon the amount credited to his or her DROP Account. Any such annuity shall be subject to market rates of interest return and other market-related assumptions as adopted by the Board upon recommendation of the Investment Committee. In addition, one hundred percent (100%) of the Member's monthly Retirement Allowance that otherwise would have been paid as of the date the Member's participation in the DROP program commenced (together with any applicable variable Pension Improvement Factor (Escalator) increases) shall commence to the Member in accordance with the form of payment selected by the Member at the commencement of his or her participation in the DROP program. Termination of employment includes termination of any kind, such as resignation, retirement, discharge or disability.

Sec 12.5. Death of Member While Participating in the DROP Program

If a Member dies while participating in the DROP program, a lump sum payment equal to the Member's DROP Account balance shall be paid to the Beneficiary named by the Member, or if no Beneficiary has been designated, to the Member's estate. In addition, one hundred percent (100%) of the Member's Retirement Allowance (together with any applicable variable Pension Improvement Factor (Escalator) increases) that would have been paid to the Member but for the Member's decision to participate in the DROP program will be restored. Survivor benefits, if any, shall be paid in accordance with the payment option elected by the deceased Member at the time the Member elected to participate in the DROP program.

Sec 12.6. Disability of Member While Participating in the DROP Program

If a Member becomes Totally Disabled while participating in the DROP program and while still an Employee and his or her employment with the City is terminated because he or she is Totally Disabled, such Member (a) shall be immediately retired and one hundred percent (100%) of the Retirement Allowance that would have been paid to the Member as of the date the Member's participation in the DROP program commenced (together with any applicable variable Pension Improvement Factor (Escalator) increases) will commence in accordance with the payment option selected by the Member at the commencement of the Member's participation in the DROP program as provided in Section 12.1(2), and (b) shall be entitled to receive payment of the funds in his or her DROP Account (in the form of a lump sum or other Actuarially Equivalent form of payment described in Section 8.1). Such Member shall not be entitled to disability retirement benefits under Section 5.3 or Section 5.4 hereof.

Sec 12.7. Cost Neutrality

(1) The DROP program shall be effective only for as long as it is cost-neutral to the City, provided however, that the DROP program shall continue during the pendency of proceedings, described in paragraph (2) below, designed to restore the Retirement System to cost neutrality.

(2) If the City contends that the DROP program is not cost-neutral, including, but not limited to, making the City's annual contribution to the Retirement System higher than it would be if the DROP program was not in effect, the Board and the City, along with the Plan Actuary and an actuary appointed by the City (who will be an associate or a fellow of the Society of Actuaries and a member of the American Academy of Actuaries) shall meet and confer in good faith regarding the cost. If the Board and the City are unable to reach an agreement as to cost, the matter shall be submitted to a third, independent, actuary chosen or agreed upon by the Plan Actuary and the City's actuary. This actuary, when rendering a decision, will be limited to ordering implementation of changes necessary to make the DROP program cost-neutral. Upon the implementation of changes necessary to make the DROP program cost-neutral, Members shall have thirty days to elect to either (a) retire from active employment with the City, or (b) withdraw from the DROP program and resume active participation in Component I of the Retirement System. The Board shall notify DROP participants of these changes prior to implementation. Those DROP participants resuming participation in Component I of the Retirement System shall not accumulate Credited Service for any time that they were participating in the DROP program (under either Component I or Component II). Those not making either election shall continue to participate in the DROP program.

(3) In the event the DROP program cannot be changed to restore cost neutrality, it shall be discontinued and Members participating in the DROP program at that time shall have the option to either (i) retire, or (ii) continue active employment with the City and resume active participation in Component I of the Retirement System. DROP participants resuming participation in Component I of the Retirement System shall not accumulate Credited Service for the time during which such DROP participants participated in the DROP program (under either Component I or Component II).

ARTICLE 13. LIMITATION ON BENEFITS AND CONTRIBUTIONS

Sec 13.1. Compliance With Code Section 415(b) And Regulations

(1) Notwithstanding any other provision of this Combined Plan Document, the defined benefit component of the Retirement System shall be administered in compliance with the provisions of Code Section 415(b) and regulations thereunder that are applicable to governmental plans.

(2) The maximum annual benefit accrued by a Member during a "limitation year" (which shall be the Plan Year) and the maximum annual benefit payable under the Retirement System to a Member at any time within a Plan Year, when expressed as an annual benefit in the form of a straight life annuity (with no ancillary benefits), shall be equal to $160,000 (as such amount is adjusted pursuant to Code Section 415(d) for such Plan Year).

(3) Notwithstanding the foregoing:

(a) if the benefit under the Retirement System is payable in any form other than a straight life annuity, the determination as to whether the limitation described in Section 13.1(2) has been satisfied shall be made, in accordance with the regulations prescribed by the Secretary of the Treasury, by adjusting such benefit to the Actuarially Equivalent straight life annuity beginning at the same time, in accordance with Section 13.1(9) or (10);

(b) if the benefit under the Retirement System commences before Age sixty-two, the determination of whether the limitation set forth in Section 13.1(2) (the "Dollar Limit") has been satisfied shall be made, in accordance with regulations prescribed by the Secretary of the Treasury, by reducing the Dollar Limit so that the Dollar Limit (as so reduced) is equal to an annual benefit payable in the form of a straight life annuity, commencing when such benefit under the Retirement System commences, which is Actuarially Equivalent to a benefit in the amount of the Dollar Limit commencing at Age sixty-two (adjusted for participation of fewer than 10 years, if applicable); provided, however, if the Retirement System has an immediately commencing straight life annuity commencing both at Age sixty-two and the age of benefit commencement, then the Dollar Limit (as so reduced) shall equal the lesser of (i) the amount determined under this Section 13.1(3)(b) without regard to this proviso, or (ii) the Dollar Limit multiplied by a fraction the numerator of which is the annual amount of the immediately commencing straight life annuity under the Retirement System and the denominator of which is the annual amount of the straight life annuity under the Retirement System, commencing at Age sixty-two; and

(c) if the benefit under the Retirement System commences after Age sixty-five, the determination of whether the Dollar Limit has been satisfied shall be made, in accordance with regulations prescribed by the Secretary of the Treasury, by increasing the Dollar Limit so that the Dollar Limit (as so increased) is equal to an

annual benefit payable in the form of a straight life annuity, commencing when the benefit under the Retirement System commences, which is Actuarially Equivalent to a benefit in the amount of the Dollar Limit commencing at Age sixty-five; provided, however, if the Retirement System has an immediately commencing straight life annuity commencing both at Age sixty-five and the Age of benefit commencement, the Dollar Limit (as so increased) shall equal the lesser of (i) the amount determined under this Section 13.1(3)(c) without regard to this proviso, or (ii) the Dollar Limit multiplied by a fraction the numerator of which is the annual amount of the immediately commencing straight life annuity under the Retirement System and the denominator of which is the annual amount of the immediately commencing straight life annuity under the Retirement System, commencing at Age sixty-five.

(4) The adjustments in Sections 13.1(3)(b) shall not apply to a Member with at least 15 years of Credited Service as a Police Member or a Fire Member within the meaning of Code Section 415(b)(2)(H). In addition, the adjustments in Sections 13.1(3)(b) and 13.1(6) shall not apply to benefits payable on account of the disability or the death of a Member.

(5) Notwithstanding the foregoing provisions of this Section 13.1, except as provided in Section 13.1(6), the maximum annual benefit specified in Section 13.1(2) above shall not apply to a particular Retirement System benefit if (a) the annual amount of such Retirement System benefit, together with the aggregate annual amount of any other pensions payable with respect to such Member under all other defined benefit plans maintained by the City, does not exceed $10,000 for the Plan Year or any prior Plan Year, and (b) the Member was not at any time a participant in a Defined Contribution Plan maintained by the City.

(6) In the case of a Member who has less than ten years of participation in the Retirement System, the limitation set forth in Section 13.1(2) shall be such limitation (without regard to this Section 13.1(6)), multiplied by a fraction, the numerator of which is the number of years of participation in the Retirement System (or parts thereof) credited to the Member and the denominator of which is ten. In the case of a Member who has less than ten years of Vesting Service, the limitations set forth in Section 13.1(2) and in Section 13.1(5) shall be such limitations (determined without regard to this Section 13.1(6)) multiplied by a fraction, the numerator of which is the number of years of Vesting Service, or parts thereof, credited to the Member and the denominator of which is ten. The adjustment in this Section 13.1(6) shall not apply to benefits paid on account of the disability or death of a Member.

(7) Notwithstanding anything in this Section 13.1 to the contrary, if the annual benefit of a Member who has terminated employment with the City is limited pursuant to the limitations set forth in Section 13.1(2), such annual benefit shall be increased in accordance with the cost-of-living adjustments of Code Section 415(d).

(8) For purposes of determining actuarial equivalence under Paragraph (b) or (c) of Section 13.1(3), the interest rate assumption shall be five percent (5%) and the mortality table used shall be the applicable mortality table specified by the Board.

(9) The Actuarially Equivalent straight life annuity for purposes of adjusting any benefit payable in a form to which Code Section 417(e)(3) does not apply, as required by Paragraph (a) of Section 13.1(3), is equal to the greater of (a) the annual amount of the straight life annuity payable under the Retirement System commencing at the same annuity starting date as the form of benefit payable to the Member, or (b) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the Member, computed using the interest rate and mortality assumptions set forth in Section 13.1(8).

(10) The Actuarially Equivalent straight life annuity for purposes of adjusting any benefit payable in a form to which Code Section 417(e)(3) applies, as required by Paragraph (a) of Section 13.1(3), is equal to the greatest of (a) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same Actuarial Equivalent present value as the form of benefit payable to the Member, (b) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the Member, computed using a five and one-half percent (5.5%) interest rate assumption and the applicable mortality table specified by the Board, or (c) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the Member, computed using the applicable interest rate and the applicable mortality table, both as specified by the Board, divided by 1.05.

(11) For purposes of applying the limitations set forth in this Section 13.1, all qualified defined benefit plans (whether or not terminated) ever maintained by the City shall be treated as one defined benefit plan.

(12) For purposes of this Section 13.1, the term "compensation" shall include those items of remuneration specified in Treasury Regulation § 1.415(c)-2(b) and shall exclude those items of remuneration specified in Treasury Regulation § 1.415(c)-2(c), taking into account the timing rules specified in Treasury Regulation § 1.415(c)-2(e), but shall not include any amount in excess of the limitation under Code Section 401(a)(17) in effect for the year. The term "compensation" as defined in the preceding sentence shall include any payments made to a Member by the later of (a) two and one-half months after the date of the Member's severance from employment with the City or (b) the end of the limitation year that includes the date of the Member's severance from employment with the City, provided that, absent a severance from employment, such payments would have been paid to the Member while the Member continued in employment with the City and are regular compensation for services performed during the Member's regular working hours, compensation for services outside the Member's regular working hours (such as overtime or shift differential pay), commissions, bonuses or other similar compensation.

(13) This Section 13.1 shall be administered in conformity with the regulations issued by the Secretary of the Treasury interpreting Code Section 415 including, but not limited to those interpreting Section 415(b)(2)(H), and any regulation providing for the "grandfathering" of any benefit accrued prior to the effective date of such regulations or statutory provision.

Sec 13.2. Compliance with Code Section 415(c) and Regulations

(1) The "Annual Addition" with respect to a Member for a limitation year shall in no event exceed the lesser of:

(a) $40,000 (adjusted as provided in Code Section 415(d)); or

(b) One hundred percent (100%) of the Member's compensation, as defined in Code Section 415(c)(3) and regulations issued thereunder, for the limitation year.

(2) The Annual Addition with respect to a Member for a limitation year means the sum of his or her Voluntary Employee Contributions made to the Retirement System, and the employer contributions, employee contributions and forfeitures allocated to his or her accounts under any other qualified Defined Contribution Plan (whether or not terminated) maintained by the City, and the amounts described in Code Sections 415(l)(2) and 419A(d)(2) allocated to his or her account.

(3) In the event the Annual Addition to the Retirement System on behalf of a Member would otherwise exceed the amount that may be applied for his or her benefit under the limitation contained in this Section 13.2, the limitation shall be satisfied by reducing the Member's Voluntary Employee Contributions to the extent necessary and distributing such amounts to the Member.

ARTICLE 14. RETIREMENT SYSTEM ADMINISTRATION

Sec 14.1. Board of Trustees as Retirement System Administrator

(1) The Retirement Board shall have the power and authority to manage and administer the Retirement System in accordance with the provisions of this Combined Plan Document.

(2) The Retirement Board shall provide procedures for the processing and review of benefit claims, corrections of errors, and similar matters, as further described in Section 14.2.

(3) The Retirement Board and the Retirement System shall not make any payment to active or retired Members or Beneficiaries other than payments that are required by the Retirement System as established by this Combined Plan Document. This prohibition applies to all payments that are not authorized by this Combined Plan Document, whether such payments are those commonly referred to as a "thirteenth check" or payments by any other name.

Sec 14.2. Powers and Duties of Board

(1) The Board shall have the following powers and duties:

(a) exclusive authority regarding the administration, management and operation of the Retirement System, including, but not limited to, the right to contract for office space, computer hardware and software, and human resource services (any or all of which may be obtained from the City), and to make rules and regulations with respect to the operation of the Retirement System not inconsistent with the terms of the Combined Plan Document and applicable law, and to amend or rescind such rules and regulations;

(b) to determine questions of law or fact that may arise as to the rights of any person claiming rights under the Retirement System;

(c) to determine the contributions to the Retirement System required of the City and Members pursuant to the documents governing operation of the Retirement System, including the Plan of Adjustment;

(d) to construe and interpret the provisions of the Retirement System and to reconcile any inconsistencies;

(e) to perform ministerial functions, whether or not expressly authorized, which the Board may deem necessary or desirable in carrying out its duties under the Retirement System;

(f) except to the extent authority is vested in the Investment Committee, authority to employ, contract and pay for professional services including, but not limited to, actuarial, investment, legal, accounting, medical, and any other services that the Board considers necessary for the proper operation of the Retirement System;

(g) except to the extent authority or responsibility is vested in the Investment Committee, to arrange for annual audits of the records and accounts of the Retirement System by a certified public accountant or by a firm of certified public accountants pursuant to generally accepted auditing standards;

(h) to prepare an annual report for the Retirement System for each Fiscal Year in compliance with generally accepted accounting principles. The report shall contain information regarding the financial, actuarial, and other activities of the Retirement System during the Fiscal Year. The Board shall furnish a copy of the annual report to the Mayor and finance director of the City, to the chair of the City Council and the Investment Committee. The report shall also contain a review of the latest actuarial valuation of the Retirement System;

(i) to maintain or cause to be maintained such separate funds and accounts as are required to be maintained under the provisions of Components I and II of the Combined Plan Document and such additional accounts as the Board deems necessary or expedient for the proper administration of the Retirement System and the administration and investment of the assets of the Retirement System. The Board shall maintain suitable records, data and information in connection with the performance of its functions, including, but not limited to, accurate and detailed accounts of all investments, receipts, disbursements, and other actions, including the proportionate interest therein and contributions of each Member who has made contributions to the Retirement System;

(j) to correct any error in the records of the Retirement System that results in overpayment or underpayment of contributions to the Retirement System by the City or a Member, or overpayment or underpayment of benefits to a Member, former Member, or Beneficiary by the Retirement System. In the event of overpayment to a Member, former Member or Beneficiary, the Board may, as far as practicable, adjust future payments to such individual in such a manner that the Actuarial Equivalent of the benefit to which such individual was entitled shall be paid;

(k) to the extent permissible under Michigan law (and consistent with the Retirement System's favorable tax qualified status under Code Section 401(a)), purchase one or more insurance policies to indemnify any person and such person's heirs and legal representatives who is made a party to (or threatened to be made a party to) any action, suit or proceeding whether brought by or in the right of the Board, the Investment Committee or the Retirement System or otherwise, by reason of the fact that such person is or was a Board member, Investment Committee member, director, officer, employee or agent of the Board (or an advisory body or committee of the Board) or the Retirement System. The insurance policies purchased by the Board shall not indemnify any person who is judicially determined to have incurred liability due to fraud, gross negligence or malfeasance in the performance of his or her duties; and

(l) except to the extent authority or responsibility is vested in the Investment Committee, to perform any other function that is required for the proper administration of the Retirement System.

Sec 14.3. Executive Director; Employees

The Board shall employ on behalf of the Retirement System an executive director and any other employees for which the Board establishes positions. The executive director shall do all of the following:

(a) manage and administer the Retirement System under the supervision and direction of the Board;

(b) annually prepare and submit to the Board for review, amendment, and adoption an itemized budget projecting the amount required to pay the Retirement System's expenses for the following Fiscal Year; and

(c) perform such other duties as the Board shall delegate to the executive director.

The executive director, unless such power is retained by the Board, shall determine the compensation of all employees of the Retirement System (except the executive director, whose compensation shall be determined by the Board and the chief investment officer, whose compensation shall be determined by the Investment Committee) and such compensation shall be payable from the Retirement System. Any person employed by the Retirement System may but need not be an employee of the City.

Sec 14.4. Discretionary Authority

The Board shall have sole and absolute discretion to:

(a) interpret the provisions of the Retirement System;

(b) make factual findings with respect to any and all issues arising under the Retirement System;

(c) determine the rights and status of Members, Retirees, Beneficiaries and other persons under the Retirement System;

(d) decide benefit claims and disputes arising under the Retirement System pursuant to such procedures as the Board shall adopt; and

(e) make determinations and findings (including factual findings) with respect to the benefits payable hereunder and the persons entitled thereto as may be required for the purposes of the Retirement System.

Sec 14.5. Administrator's Decision Binding

The Board's decision on any matter arising in connection with administration and interpretation of the Retirement System shall be final and binding on Members, Retirees and Beneficiaries.

ARTICLE 15. MANAGEMENT OF FUNDS

Sec 15.1. Board as Trustee of Retirement System Assets

The Board of Trustees shall be the trustee of the funds held under the Retirement System, shall receive and accept all sums of money and other property paid or transferred to it by or at the direction of the City, and subject to the terms of Article 16, shall have the power to hold, invest, reinvest, manage, administer and distribute such money and other property subject to all terms, conditions, limitations, and restrictions imposed on the investment of assets of public employee retirement systems or plans by *Act No. 314* of the *Public Acts of 1965, being sections 38.1132 et seq. of the Michigan Compiled Laws*, as amended.

Sec 15.2. Maintenance of Segregated Funds

The Board of Trustees shall maintain separate funds as required for the proper administration of the Retirement System and shall not commingle the assets held under the Retirement System for the purpose of funding benefits accrued by Members prior to July 1, 2014, together with earnings and losses on such assets (or replacement assets), as more fully described in Component II of this Combined Plan Document, with the assets of the Retirement System held for the purpose of paying benefits accrued by Members on and after July 1, 2014 as described in this Component I of the Combined Plan Document. Notwithstanding the foregoing, the assets held under Components I and II of this Combined Plan Document may be commingled for investment purposes, and transferred as provided in Section G-2(f) of Component II.

Sec 15.3. Custodian of Funds

The Board of Trustees shall appoint or employ custodians of the assets of the Retirement System. The custodians shall perform all duties necessary and incidental to the custodial responsibility and shall make disbursements as authorized by the Board.

Sec 15.4. Exclusive Purpose

All money and other assets of the Retirement System shall be held by the Trustees and invested for the sole purpose of paying benefits to Members and Beneficiaries and shall be used for no other purpose other than payment of the reasonable expenses of maintaining the Retirement System. In exercising its discretionary authority with respect to the management of the money and other assets of the Retirement System, the Trustees shall exercise the care, skill, prudence and diligence under the circumstances then prevailing, that a person acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character with like aims.

Sec 15.5. Prohibited Conduct

Members of the Board and employees of the Retirement System are prohibited from:

(1) Having any beneficial interest, direct or indirect, in any investment of the Retirement System;

(2) Being an obligor or providing surety for any money loaned to or borrowed from the Retirement System;

(3) Except as provided in Article 11, borrowing any money or other assets of the Retirement System; and

(4) Receiving any pay or other compensation from any person, other than compensation paid by the Retirement System, with respect to investments of the Retirement System.

ARTICLE 16. INVESTMENT OF RETIREMENT SYSTEM ASSETS

Sec 16.1. Investment Powers of the Board and the Investment Committee

Subject to the requirements set forth in this Article 16, the Board shall have the power and authority to manage, control, invest and reinvest money and other assets of the Retirement System subject to all terms, conditions, limitations, and restrictions imposed on the investment of assets of public employee retirement systems or plans by *Act No. 314* of the *Public Acts of 1965, being sections 38.1132 et seq. of the Michigan Compiled Laws*, as amended. Notwithstanding anything in this Combined Plan Document to the contrary, for the twenty year period following the effective date of the Plan of Adjustment, the Investment Committee shall make recommendations to the Board with respect to investment management matters as provided in this Article 16.

All investment management decisions made by the Board, as more fully described in Section 16.2, shall require a recommendation by an affirmative vote of the Investment Committee as provided in this Combined Plan Document. The Board shall take no action with respect to any matter for which the Investment Committee has responsibility and authority, including the investment management matters described in Section 16.2, unless and until such action has been approved by affirmative vote of the Investment Committee. All actions and recommendations of the Investment Committee shall be forwarded to the Board for consideration and are subject to Board approval. If (a) the Board fails to approve or disapprove an investment management decision that has been recommended by an affirmative vote of the Investment Committee, and such failure continues for forty-five days after the date that the recommendation was made to the Board, or (b) the Board disapproves an investment management decision within such forty-five day period but fails to provide to the Investment Committee within such forty-five day period a detailed written response outlining the reasons for such disapproval, then the Investment Committee and the chief investment officer are authorized to implement the decision.

If the Board disapproves an investment management decision within such forty-five day period and provides to the Investment Committee within such forty-five day period a detailed written response outlining the reasons for such disapproval, then the Investment Committee shall have forty-five days after the receipt of the Board response to either (a) withdraw the recommended investment management decision, or (b) request, in writing, a conference with the Board to be held within ten days, but not less than five business days, of the request by the Investment Committee to discuss the disapproval by the Board described in the written response. Any such conference shall be conducted with at least three independent Investment Committee members present in person or by phone. Within ten days of the commencement of the conference or twenty days following the Investment Committee's request for a conference if no conference is held, the Investment Committee shall either withdraw the recommended investment management decision or provide the Board with a written explanation of the Investment Committee's decision to proceed with the recommended investment management decision. After delivery of such written explanation by the Investment Committee, the Investment Committee and the chief investment officer are authorized to implement the decision. Any action taken by the Board or the Investment Committee in violation of the terms of this Article 16 shall constitute an *ultra vires* act and the Investment Committee or the Board is

granted the express right to seek to preliminarily enjoin such action without the need to show irreparable harm.

Sec 16.2. Investment Management

(1) For purposes of this Combined Plan, "investment management decisions" and "investment management matters" shall include:

(a) development of an investment policy statement with sound and consistent investment goals, objectives, and performance measurement standards which are consistent with the needs of the Retirement System;

(b) within 120 days after the effective date of the Plan of Adjustment, placement of all of the assets of the Retirement System not already under qualified management with qualified investment managers selected by the Investment Committee;

(c) evaluation, retention, termination and selection of qualified managers to invest and manage the Retirement System's assets;

(d) review and affirmation or rejection of the correctness of any and all calculations, actuarial assumptions and/or assessments used by the Actuary including, but not limited to (i) those underlying the restoration of pension benefits, funding levels and amortization thereof, all in accordance with the pension restoration program attached to the Plan of Adjustment (as more fully described in Article K of Component II of this Combined Plan Document), (ii) those underlying the determination of annual funding levels and amortization thereof, and (iii) on or after Fiscal Year 2024, the recommended annual contributions to the Retirement System in accordance with applicable law;

(e) in accordance with approved actuarial work as provided in paragraph (d) above and based on the annual actuarial valuation reports and any other projections or reports as applicable from the Actuary or other professional advisors, the determination of the extent of restoration of pension benefits, including but not limited to the payment of all or a portion of the lost COLA payments, all in conformance with the pension restoration program attached to the Plan of Adjustment;

(f) communication of the Retirement System's investment goals, objectives, and standards to the investment managers, including any material changes that may subsequently occur;

(g) determination and approval of the Retirement System's investment and asset allocation guidelines, taking into account the appropriate liquidity needs of the Retirement System;

(h) the taking of corrective action deemed prudent and appropriate when an investment manager fails to perform as expected;

(i) interpretation of Retirement System governing documents, existing law, the Plan of Adjustment or other financial determination that could affect funding or benefit levels;

(j) review and approval, prior to final issuance, of the annual audit and all financial reports prepared on behalf of the Retirement System and meet and confer with the Auditor or other professional advisors as necessary prior to approval of the annual audit or other financial reports;

(k) determination of the funding status of the Retirement System and any remedial action to be taken pursuant to Section 9.5; and

(l) performance of an asset/liability valuation study for the Retirement System every three years, or more often as requested by the Investment Committee or the Board.

All actions of the Investment Committee shall comply with the provisions of pertinent federal, state, and local laws and regulations, specifically *Public Act 314* and *Plan Investment Guidelines*.

Sec 16.3. Best Practices

Prior to adopting investment guidelines and asset allocation policies, selecting investment managers or adopting investment return assumptions, the Investment Committee shall have an understanding of and shall give appropriate consideration to the following:

(a) the fiduciary best practices and institutional standards for the investment of public employee retirement system plan assets;

(b) the objective to obtain investment returns above the established actuarial investment return assumption to support the restoration of benefits under the pension restoration program described in the Plan of Adjustment and Component II of this Combined Plan Document, to the extent that it is prudent and consistent with the overall funding, liquidity needs and actuarial assumptions governing the Retirement System; and

(c) the liquidity needs of the Retirement System.

Sec 16.4. Chief Investment Officer

The Investment Committee shall have the exclusive power to select, retain and terminate the services of a chief investment officer for the Retirement System. The Investment Committee shall determine any and all compensation and other terms of employment of any chief investment officer hired by it. The chief investment officer shall report directly to the Investment Committee and the Executive Director of the Board. The chief investment officer shall be responsible for assisting the Investment Committee and the Board with respect to oversight of the Retirement System's investment portfolio. The chief investment officer shall

provide such periodic reports relating to the Retirement System's assets to the Investment Committee and the Board as it or they shall request.

Sec 16.5. Investment Consultants

The Board and/or Investment Committee may retain the services of one or more investment consultants who shall be responsible for assisting the Board and the Investment Committee with oversight of the Retirement System's investment portfolio. Any such investment consultant shall be a registered advisor with the United States Securities and Exchange Commission and shall be a nationally recognized institutional investment consultant with expertise in the investment of public pension plan assets. Any such investment consultant shall acknowledge in writing its role as investment fiduciary with respect to the Retirement System as defined in the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* The Board or the Investment Committee, as appropriate, shall determine the compensation and other terms of employment of any investment consultant hired by it. The duties of an investment consultant may include, but shall not be limited to:

(a) providing an asset/liability valuation study for the Retirement System;

(b) reviewing the Retirement System's asset allocation based on current market assumptions;

(c) identifying and recommending to the Investment Committee and the Board appropriate investment strategies based on the financial condition of the Retirement System;

(d) implementing the approved investment strategies, such as recommending to the Investment Committee, for Board approval, an asset allocation strategy, building an investment structure for the Retirement System, and identifying qualified investment managers (through an organized search process) to execute and implement investment strategies;

(e) monitoring and evaluating the ongoing progress of the investment managers toward stated investment goals and objectives;

(f) recommending to the Investment Committee and the Board any necessary corrective actions, including adjustments to the investment structure or investment management organizations in the event of a deviation from expectations;

(g) communicating the investment policies of the Retirement System to the investment managers;

(h) reviewing the investment policies with the appropriate employees of the Retirement System;

(i) aiding the Investment Committee in providing recommendations on issues relating to rebalancing and cash flow management, securities lending, transition management, cash equalization and other investment related topics;

(j) attending Investment Committee and Board meetings in person, or telephonically, as needed or as requested;

(k) meeting with the Investment Committee and the Board to provide detailed quarterly performance reports and executive summaries of performance;

(l) meeting with the Investment Committee and the Board to review capital markets and inform the Board and Retirement System employees on the current investment environment; and

(m) meeting with the Investment Committee and the Board to provide recommendations on asset allocation, investment structure, and manager selections.

ARTICLE 17. RETIREE MEDICAL ACCOUNT

Sec 17.1. Establishment of Account

A Medical Benefits Account shall be established and maintained under the Retirement System out of which the Board shall pay the cost, which would otherwise be borne by the City, for certain medical and related benefits provided under the plans or programs maintained by the City to provide Medical Benefits (the "Medical Plans") for the benefit of the Medical Beneficiaries. The provisions of this Article 17 are intended to comply with Section 401(h) of the Code and shall be construed to comply therewith.

Sec 17.2. Effective Date

Medical Benefits shall be paid from the Medical Benefits Account beginning October 19, 2014 or such other date recommended by an enrolled actuary (within the meaning of Section 7701(a)(35) of the Code) and approved by the Board and Investment Committee.

Sec 17.3. Funding of Benefits

Subject to the Plan of Adjustment and the right reserved to the City to amend or terminate the provision of Medical Benefits under its general power to amend the Combined Plan Document under Section 18.6, the City expects and intends to make actuarially determined contributions under the Retirement System from time to time to fund the Medical Benefits Account. The assets of the Medical Benefits Account may be invested together with the other assets of the Retirement System, in which case earnings of the Retirement System shall be allocated to the Medical Benefits Account on a reasonable basis or such assets may be invested separately. In any event, no part of the Retirement System, other than the assets of the Medical Benefits Account, shall be available to pay for any part of the cost of Medical Benefits.

The amount determined by the City to be contributed for any Plan Year pursuant to the paragraph above shall be reasonable and ascertainable and shall not exceed the total cost for such Plan Year of providing Medical Benefits to the Medical Beneficiaries, determined in accordance with generally accepted actuarial methods and assumptions that are reasonable in view of the provisions and coverage of the medical and other welfare plans providing such benefits, the funding medium and any other applicable considerations. At the time the City makes a contribution to the Trustee, the City shall designate the portion thereof that is allocable to the Medical Benefits Account.

Sec 17.4. Limitation on Contributions

At all times the aggregate of the contributions made by the City to provide Medical Benefits shall not exceed twenty-five percent (25%) of the sum of the aggregate contributions made by the City to the Plan under Sections 9.3, 9.4 and 9.5, other than the contributions to fund past service credits, plus the aggregate contributions to the Medical Benefits Account. In the event that a contribution under Section 17.3 shall exceed the amount described in the preceding sentence, such contribution shall be reduced by the excess amount.

Sec 17.5. Impossibility of Diversion

In no event, prior to the satisfaction of all liabilities to provide Medical Benefits shall the Medical Benefits Account be used for, or diverted to, any purpose other than the payment of such benefits and any necessary or appropriate expenses of administration associated therewith. Any amounts credited to the Medical Benefits Account following the satisfaction of all such liabilities shall be returned to the City.

Sec 17.6. Administration

The Medical Plans shall continue to be administered, and claims processed, under their respective terms. The interpretation and administration of the terms of this Article 17 shall be as provided in the provisions of the Combined Plan Document.

Sec 17.7. Right to Amend or Terminate Medical Plans

The City expressly reserves the exclusive right, retroactively to the extent permitted by law, to amend, modify, change, terminate or revoke any medical or other welfare plan or policy maintained by the City that provides medical or other welfare benefits, including but not limited to Medical Benefits, and to require Members, former Members, their eligible Spouses and dependents to pay all or any portion of the cost of such medical benefits.

Sec 17.8. Reversion

At no time prior to the satisfaction of all liabilities under the Retirement System to provide Medical Benefits, shall any part of the Medical Benefits Account be used for any purpose other than providing Medical Benefits, and any necessary or appropriate expenses attributable to the administration of the Medical Benefits Account. If any residual assets remain in the Medical Benefits Account after the satisfaction of all obligations of the City to provide Medical Benefits to the Medical Beneficiaries, such assets shall be returned to the City. In the event a Medical Beneficiary's interest in the Medical Benefits Account is forfeited prior to the termination of the Retirement System, an amount equal to such forfeiture shall be applied as soon as possible to reduce the City's contributions to the Medical Benefits Account.

Sec 17.9. Limitation of Rights

A Medical Beneficiary shall have no right, title or claim in any specific asset of the Medical Benefits Account, but shall have the right only to the Medical Benefits provided from time to time under the Medical Benefits Account.

ARTICLE 18. MISCELLANEOUS

Sec 18.1. Nonduplication of Benefits

If any Member is a participant in another defined benefit pension plan, retirement system or annuity plan sponsored by the City (including Component II of this Retirement System) and the Member is or becomes entitled to accrue pension benefits under such plan or retirement system (including Component II of this Retirement System) with respect to any period of service for which he or she is entitled to accrue a benefit under Component I of this Retirement System, such Member shall not be eligible to accrue or receive payment of a benefit under Component I with respect to such period of service.

Sec 18.2. Assignments Prohibited

The right of a person to a pension, annuity, the return of Accumulated Voluntary Employee Contributions and/or the return of Accumulated Mandatory Employee Contributions, the Retirement Allowance itself, to any optional form of benefit, to any other right accrued or accruing to any person under the provisions of this Retirement System, and the monies in the various funds of the Retirement System shall not be assignable and shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency law, or any other process of law whatsoever, except as specifically provided in this Combined Plan Document or by an eligible domestic relations order of a lawful court.

Sec 18.3. Protection Against Fraud

A person who, with intent to deceive, makes any statements or reports required under this Retirement System that are untrue, or who falsifies or permits to be falsified any record or records of this Retirement System, or who otherwise violates, with intent to deceive, any terms or provisions of the Retirement System, shall be subject to prosecution under applicable law.

Sec 18.4. Errors

If any change or error in the records results in any person receiving from the Retirement System more or less than the person would have been entitled to receive from the Retirement System had the records been correct, the Board shall correct such error and, as far as practicable, shall adjust the payment in such a manner that the Actuarially Equivalent benefit of the benefit to which such person was correctly entitled shall be paid.

Sec 18.5. Conviction of Felony; Forfeiture of Rights

If a Member or Retiree shall be convicted of by a court of competent jurisdiction or enters a nolo contendere plea accepted by a court for a felony against the City arising out of his or her service as an employee of the City and while a Member of the Retirement System, the court may order the forfeiture of all or a portion of the rights of the Member to benefits hereunder, except the return of his or her Accumulated Contributions, as provided in the *Public Employee Retirement Benefits Forfeiture Act, MCL 38.2701, et. seq.* In such case, the Retirement System shall pay to an individual, if any, who would otherwise be a Beneficiary of the Member or Retiree whose retirement benefit is being forfeited under this Section 18.5 an

Actuarially Equivalent monthly retirement allowance at the Age that the Member or Retiree would have become eligible for unreduced retirement benefits under the Retirement System.

Sec 18.6. Amendment; Termination; Exclusive Benefit

The City reserves the right to amend the Combined Plan Document created hereunder at any time; such amendments may include termination of the Retirement System; provided, however, that following the effective date of the Plan of Adjustment, no amendment other than amendments permitted under the terms of the Plan of Adjustment (including amendments contemplated in Section K-3(5) of Component II) may be made to the terms, conditions and rules of operation of the Retirement System, the Combined Plan Document or any successors plan or trust that govern the calculation of pension benefits during the period ending June 30, 2023, nor may any amendment or termination deprive any Member, former Member or Beneficiary of any then vested benefit under the Retirement System, except as provided in the Plan of Adjustment. Notwithstanding the foregoing, the City and the Board have the authority to amend the Combined Plan Document as necessary to retain the tax qualified status of the Retirement System under the Internal Revenue Code. The City shall make no amendment or amendments to the Retirement System which causes any part of the assets of the Retirement System to be used for, or diverted to, any purpose other than the exclusive benefit of Members, former Members or their Beneficiaries; provided, that the City may make any amendment necessary, with or without retroactive effect, to comply with applicable federal law. Any amendment of the Retirement System by the City must be approved by the Council or a person standing in the stead of the Council.

Upon termination of the Retirement System or upon complete discontinuance of contributions to the Retirement System, the rights of all Members to benefits accrued to the date of such termination or discontinuance, to the extent then funded, shall be nonforfeitable.

Sec 18.7. Expenses of Administration; Forfeitures Not to Increase Benefits

All expenses relating to administration of Component I of the Retirement System shall be paid from the assets maintained under this Component I and all expenses relating to administration of Component II of the Retirement System shall be paid from the assets maintained under Component II. Any forfeitures arising under the Retirement System due to a Member's termination of employment or death, or for any other reason, shall be used to pay expenses of the appropriate Component of the Retirement System and shall not be applied to increase the benefits any Member would otherwise receive under the Retirement System at any time prior to termination of the Retirement System.

Sec 18.8. Required Distributions - Compliance with Code Section 401(a)(9) and Regulations

The Retirement System will apply the minimum distribution requirements of Code Section 401(a)(9) in accordance with the final regulations issued thereunder, notwithstanding any provision in the Combined Plan Document to the contrary. Pursuant to Code Section 401(a)(9)(A)(ii), a Member's interest must begin to be distributed by the later of (i) the April 1 of the calendar year following the calendar year that he or she attains the Age of seventy and one-

half (70-1/2), or (ii) April 1 of the calendar year following the year in which he or she retires. Distributions will be made in accordance with Regulations Sections 1.401(a)(9)-2 through 1.401(a)(9)-9. The provisions of this Section 18.8 and the regulations cited herein and incorporated by reference override any inconsistent plan distribution options.

Sec 18.9. Direct Rollovers

(1) For purposes of compliance with Code Section 401(a)(31), a distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

(a) For purposes of this Section 18.9, the following terms shall have the following meanings:

(b) "Direct rollover" means a payment by the Retirement System to an eligible retirement plan specified by a distributee.

(c) "Distributee" means a Member or former Member. It also includes the Member's or former Member's surviving Spouse, a Spouse or former spouse who is the alternate payee under an eligible domestic relations order, or a nonspouse Beneficiary who is a designated beneficiary as defined by Code Section 401(a)(9)(E). However, a nonspouse Beneficiary may only make a direct rollover to an individual retirement account or individual retirement annuity established for the purpose of receiving the distribution, and the account or annuity will be treated as an "inherited" individual retirement account or annuity.

(d) "Eligible retirement plan" means any of the following that accepts a distributee's eligible rollover distribution:

(i) a qualified trust described in Code Section 401(a);

(ii) an annuity plan described in Code Section 403(a);

(iii) an annuity contract described in Code Section 403(b);

(iv) an individual retirement account described in Code Section 408(a);

(v) an individual retirement annuity described in Code Section 408(b);

(vi) a Roth IRA described in Code Section 408A; or

(vii) a plan eligible under Code Section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or a political subdivision of a state that agrees to separately account for amounts transferred into that plan from the Retirement System.

(e) "Eligible rollover distribution" means any distribution of all or any portion of the balance to the credit of a distributee under the Retirement System, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or the life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated Beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9); the portion of any distribution that is not includible in gross income; and any other distribution which the Internal Revenue Service does not consider eligible for rollover treatment, such as any distribution that is reasonably expected to total less than $200 during the year. Notwithstanding the foregoing, a portion of a distribution will not fail to be an "eligible rollover distribution" merely because the portion consists of after-tax contributions that are not includible in Member's gross income upon distribution from the Retirement System. However, such portion may be transferred only (i) to an individual retirement account or annuity described in Code Section 408(a) or (b) or to a qualified defined contribution plan described in Code Section 401(a) that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; (ii) to a qualified defined benefit plan described in Code Section 401(a) or to an annuity contract described in Code Section 403(b) that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; or (iii) to a Roth IRA described in Code Section 408A.

Sec 18.10. Construction

Words in the singular should be read and construed as though used in the plural, and words in the plural should be read and construed as though used in the singular, where appropriate. The words "hereof", "herein", and "hereunder" and other similar compounds of the word "here", shall mean and refer to Component I and/or Component II of this Combined Plan Document or to the Combined Plan Document in its entirety, as the context may require, and not to any particular provision or section thereof. The table of contents, article and section headings are included for convenience of reference, and are not intended to add to, or subtract from, the terms of the Combined Plan Document or the Retirement System created hereunder.

Sec 18.11. Severability

If any section or part of a section of this Combined Plan Document or provision relating to the Retirement System is for any reason held to be invalid or unconstitutional, such holding shall not be construed as affecting the validity of the remaining sections of the Combined Plan Document or Retirement System or of the Combined Plan Document or Retirement System in its entirety.

COMPONENT II

ARTICLE A. COMMON PROVISIONS OF THE POLICE AND FIRE RETIREMENT SYSTEM

Sec. A-1. Common Provisions

Certain provisions of the Combined Plan for the Police and Fire Retirement System of the City of Detroit, Michigan described below are common to both Component I and this Component II as in effect July 1, 2014. Those provisions are set forth in the following Articles and

Sections of Component I:

(a) Article I (General Provisions);

(b) Article II (Definitions):

Actuarial Equivalent or Actuarially Equivalent

Actuarially Equivalent Value

Administrative Board of Trustees

Administrative Rules and Regulations

Age; Attainment of

Board of Trustees or Board or Retirement Board

City

City Council or Council

Combined Plan

Component I

Component II

DFFA

DPLSA

DPCOA

DPOA

Detroit Police and Fire Retirement System or Retirement System

Fiscal Year

Internal Revenue Code or Code

Investment Committee

Medical Director

Notice to Members, Beneficiaries and Retirees;

Plan Actuary or Actuary;

Plan Document or Combined Plan Document;

Plan of Adjustment;

Plan Year;

Spouse;

Straight Life Retirement Allowance; and

Total Disability or Totally Disabled;

(c) Article 13 (Limitation on Benefits and Contributions);

(d) Article 14 (Retirement System Administration);

(e) Article 15 (Management of Funds);

(f) Article 16 (Investment of Retirement System Assets); and

(g) Article 18 (Miscellaneous).

ARTICLE B. FREEZE OF POLICE AND FIRE RETIREMENT SYSTEM AS OF JUNE 30, 2014

Sec. B-1. Freeze of Police and Fire Retirement System as of June 30, 2014.

Notwithstanding anything in Chapter 47 of the 1984 Detroit City Code, or in Chapter 54, Article II of the 1964 Detroit City Code, or any ordinances, resolutions, or orders, or parts thereof, whether codified or not codified, or any collective bargaining agreement or other documents governing terms of employment to the contrary, effective as of June 30, 2014 (the "Freeze Date"):

(a) No new employee hired by the City on or after July 1, 2014 shall become a Member who is eligible to accrue a benefit under the terms of the Police and Fire Retirement System in effect as of the Freeze Date;

(b) No employee who is rehired by the City on or after July 1, 2014 and who received a distribution of his or her accumulated employee contributions prior to July 1, 2014, shall become a Member who is eligible to accrue a benefit under the terms of the Police and Fire Retirement System in effect as of the Freeze Date; provided, however, that if a Member who is entitled to a Frozen Accrued Benefit as defined in subsection (d) of this Section B-1 and who is rehired by the City on or after July 1, 2014 repays to the Police and Fire Retirement System in accordance with a payment schedule approved by the Board of Trustees the amount of accumulated employee contributions that he or she withdrew, then such Member shall be eligible to accrue service credit under this Component II following rehire solely for the purpose of determining the Member's eligibility for payment of his or her Frozen Accrued Benefit;

(c) No Member shall make contributions to the Annuity Savings Fund under the Police and Fire Retirement System in effect as of June 30, 2014 with respect to payroll dates occurring on or after August 1, 2014 and all Member contributions made with respect to payroll dates occurring on or after August 1, 2014 shall be made to and in accordance with the terms of Component I of the Combined Plan;

(d) Benefit accruals for Members with respect to service rendered prior to July 1, 2014 will be frozen based on a Member's years of service and Average Final Compensation and the pension multiplier formulae as of such Freeze Date ("Frozen Accrued Benefit");

(e) Except as otherwise provided in this Section B-1, compensation of a Member shall be frozen effective as of the Freeze Date for purposes of determining the Member's Frozen Accrued Benefit. No compensation of any type earned by a Member after the Freeze Date shall be taken into consideration for purposes of determining the Member's Frozen Accrued Benefit under the Police and Fire Retirement System;

(f) Any Member who, as of June 30, 2014, would have been eligible to elect to use a portion of the unused accrued sick leave that he or she could have received in cash upon retirement ("Cashable Sick Leave") to increase his or her Average Final

Compensation if the Member had been eligible to retire and had elected to retire as of June 30, 2014, shall have a one-time election to have the value of twenty-five percent (25%) of the Member's Cashable Sick Leave as of June 30, 2014 included in the computation of the Member's Average Final Compensation for purposes of determining the Member's Frozen Accrued Benefit ("Sick Leave Election"); provided, however, that the amount of the member's Cashable Sick Leave at the time the completed election form is received by the Retirement System is at least equal to the value of twenty-five percent (25%) of the Member's Cashable Sick Leave as of June 30, 2014 and, provided further that the completed election form is received by the Retirement System no later than the dates established by the City. A Member's Sick Leave Election shall be made in the manner set forth by the Board of Trustees and the Police and Fire Retirement System. Notwithstanding anything in this subsection (f) to the contrary, a Member's Sick Leave Election will be void and the determination of the Member's Average Final Compensation for purposes of calculating the Member's Frozen Accrued Benefit will not take into account any of the Member's Cashable Sick Leave, if (i) the electing Member would not have been eligible to receive an immediate service retirement benefit if he or she retired as of June 30, 2014, and (ii) the electing Member's employment with the City is terminated before the electing Member becomes eligible for an immediate service retirement benefit under the Police and Fire Retirement System. In any such case, the value of twenty-five percent (25%) of the Member's Cashable Sick Leave shall be restored to such Member;

(g) Service earned after the Freeze Date shall be credited to a Member under this Component II solely for purposes of determining a Member's vesting in and eligibility for payment of his or her Frozen Accrued Benefit and to a rehired Member solely for purposes of determining the Member's eligibility for payment of his or her Frozen Accrued Benefit. Service credit for all Members for benefit accrual purposes under the terms of the Police and Fire Retirement System in effect as of the Freeze Date shall be frozen effective as of the Freeze Date and no Member shall earn service credit with respect to benefits payable under the terms of the Police and Fire Retirement System in effect as of the Freeze Date (except for vesting and benefit payment eligibility purposes) after the Freeze Date; and

(h) The Deferred Retirement Option Plan ("DROP") program shall remain in effect for all Members who have either enrolled in or elected to participate in the DROP program as of June 30, 2014. Members also may elect to participate in the DROP program after June 30, 2014 with respect to their Frozen Accrued Benefits; however, a Member's participation in the DROP program with respect to such Frozen Accrued Benefits shall be limited to five years.

The foregoing terms of Section B-1 shall be referred to as the "Freeze" of the provisions of the Police and Fire Retirement System as in effect on the Freeze Date and the provisions of Component II of the Police and Fire Retirement System shall be interpreted and construed by the Board of Trustees and the Police and Fire Retirement System to give full effect to the Freeze. To the extent that a conflict arises between this Section B-1 and the provisions of Chapter 54 of the 1964 Detroit City Code, or any Charter, ordinances, resolutions, or orders, or parts thereof,

whether codified or not codified, or any collective bargaining agreement or other document governing terms of employment of an employee, the Board of Trustees and the Police and Fire Retirement System are directed to interpret any inconsistency or ambiguity to give full effect to the Freeze.

ARTICLE C. DEFINITIONS

Sec. C-1. Definitions.

Unless a different meaning is plainly required by context, for purposes of this Component II the following words and phrases have the meanings respectively ascribed to them by this Section C-1:

(1) *Accrued Service* shall mean a Member's credited service for employment rendered before the date of an actuarial valuation of the Retirement System and before July 1, 2014.

(2) *Accumulated Contributions* shall mean the sum of all amounts deducted from the compensation of a Member and credited to his or her individual account in the Annuity Savings Fund, together with Regular Interest, as provided in this Component II of the Combined Plan.

(3) *Annuity* shall mean payments derived from the Accumulated Contributions of a Member.

(4) *Annuity Reserve* shall mean the present value of all payments to be made on account of any Annuity, or benefits in lieu of any Annuity, computed on the basis of such mortality tables and Regular Interest as shall be adopted by the Board of Trustees.

(5) *Average Final Compensation* shall mean:

a. With respect to an "Old Plan Member" (an employee described in Section F-2(a)) the current maximum salary for the rank(s), grade(s) or position(s) held by the Member over the sixty (60) months immediately preceding the earlier of: (i) the date his or her employment with the City last terminated and (ii) June 30, 2014. The salary shall be obtained from the official compensation schedule for the Fiscal Year in which the earlier of the dates described in (i) or (ii) occurs and an average shall be determined. A Member who retires on or after July 1, 2000 (for DPCOA and DFFA members) or July 1, 1998 (for all other Members) and in each case prior to July 1, 2014 shall have the Member's most recent full longevity payment included in his or her Average Final Compensation.

b. With respect to a "New Plan Member" (an employee described in Section F-2(b)) the current maximum salary for the rank(s), grade(s) or position(s) held by the Member over the sixty (60) months immediately preceding the earlier of: (i) the date his or her employment with the City last terminated and (ii) June 30, 2014. The salary shall be obtained from the official compensation schedule for the Fiscal Year in which the earlier of the dates described in (i) or (ii) occurs and an average shall be determined. If more than one (1) rank, grade or position has been held over the sixty (60)

month period, a weighted average is determined based on time spent in each rank, grade or position during this sixty (60) month period.

(i) A Member who retires on or after July 1, 2000 (for DPCOA and fire equivalents) or July 1, 1998 (for all other Members) and in each case prior to July 1, 2014 shall have the Member's most recent full longevity payment included in his or her Average Final Compensation.

(ii) Effective July 1, 2000, Average Final Compensation shall be calculated for members of the DPCOA, executive members and their fire equivalents by using the current maximum salary for the rank(s), grade(s) or position(s) held by the Member over the thirty-six (36) months immediately preceding the earlier of: (i) the date his or her employment with the City last terminated and (ii) June 30, 2014.

c. With respect to reduced duty disability retirements occurring on or after July 1, 1992, notwithstanding the provisions of Article F, Part B, Section F-8, for those Members who receive benefits under Article F, Part B, Section F-9(a), the Average Final Compensation used in the computation of the reduced duty disability allowance shall mean the maximum salary at the earlier of (i) the date of conversion to reduced duty disability retirement for the rank(s), grade(s), or positions(s) which were held by the Member over the sixty (60) months prior to his or her duty disability retirement and (ii) June 30, 2014.

d. Subject to Section B-1(f), for purposes of computing the Average Final Compensation received by a Member who retires on or after July 1, 2008 and prior to July 1, 2014, the Member shall have the option of adding the value of the three year average of twenty-five percent (25%) of the Member's unused accrued sick leave at the time of retirement to the earnings used in computing the Average Final Compensation.

e. The Average Final Compensation for "Old Plan" and "New Plan" Members represented by DFFA retiring on or after July 1, 1992 or on or after July 1, 2000 for Members represented by DPOA is calculated pursuant to paragraph (b) above. The salary is obtained from the Official Compensation Schedule for the Fiscal Year prior to the earlier of (i) the Member's elective date of retirement and (ii) June 30, 2014 and an average shall be determined.

f. Effective July 1, 2000, for Members represented by DFFA with a parity relationship with the DPCOA Inspector, Average Final Compensation shall be calculated pursuant to paragraph (b)(ii) above. The salary is obtained from the Official Compensation Schedule for the Fiscal Year

prior to the earlier of (i) the Member's elective date of retirement and (ii) June 30, 2014 and an average shall be determined.

g. For Members represented by DFFA who have a parity relationship with the DPLSA and the DPCOA Inspector, who retire on or after July 1, 1998 and for those having a parity relationship with the DPOA who retire on or after July 1, 2000 and in each case prior to July 1, 2014, the amount of the Member's most recent full longevity payment shall be included in the definition of Average Final Compensation.

h. Subject to Section B-1(f), all Members represented by DFFA who retire on or after July 1, 2008 and prior to July 1, 2014, may choose to receive the 3-year average of twenty-five percent (25%) of the unused accrued sick leave bank and have that sum included in the average compensation used to compute the Members' service Pension portion of their Retirement Allowance.

i. Subject to Section B-1(f), non-union uniformed Police and Fire executives represented by DPCOA who retire on or after January 15, 2010 and prior to July 1, 2014 may choose to receive the 3-year average of twenty-five percent (25%) of the unused accrued sick leave bank, and have that sum included in the Average Final Compensation used to compute the Members' service Pension portion of their Retirement Allowance.

j. Subject to Section B-1(f), a Member represented by DPLSA who retires on or after July 1, 2008 and prior to July 1, 2014 may choose to receive the 3-year average of twenty-five percent (25%) of eighty-five percent (85%) of his or her unused accrued sick leave bank, and have that sum included in the Average Final Compensation used to compute the Member's service Pension of their Retirement Allowance.

(6) *Beneficiary* shall mean any person or persons (designated by a Member pursuant to procedures established by the Board) who are in receipt of a Retirement Allowance or Pension payable from funds of the Retirement System due to the participation of a Member.

(7) *Decrement Probabilities* shall mean the probabilities of a Member's withdrawal from City employment, death while in the employ of the City, retirement from City employment with a Pension payable from funds of the Retirement System, and death after retirement.

(8) *Final Compensation* shall mean the annual rate of earnable compensation of a Member at the earlier of (i) the time of termination of employment or (ii) June 30, 2014. Effective July 1, 1992 and prior to July 1, 2014, compensation shall also include the value of the percentage reduction in compensation for non-union employees, pursuant to ordinance, resolution or executive order. In cases of any doubt regarding these values, the decisions of the Board of Trustees shall be

controlling to implement the intention that no non-union employee will suffer a diminution of Pension benefits computation due to reduction in compensation because of fiscal emergency and that Pension benefits with respect to Fiscal Years beginning July 1, 1992 and ending June 30, 2014 should always be computed as if no reduction in compensation occurred due to ordinance, resolution or executive order or directive.

(9) *Fire Employees* (formerly referred to as "Firemen") shall mean all employees of the Fire Department who have taken the oath of office as prescribed in Section 12 of Chapter XXI of Title IV of the 1918 Detroit City Charter employed therein prior to November 10, 1937, and who shall be in the employ of the Fire Department of the City of Detroit prior to the effective date of this amendment and restatement and, where the context requires, all persons who shall take the said oath of office and become members of the Fire Department thereafter.

(10) *Fire Fighter* shall mean the rank in the Fire Department currently or previously classified by the civil service commission as Fire Fighter.

(11) *Member* shall mean any member of the Retirement System who has not retired.

(12) *Membership Service* shall mean the total service rendered as a Police Employee or Fire Employee prior to July 1, 2014.

(13) *New Plan* shall mean the plan originally created by Title IX, Chapter VII, Article IV, Section 1(D) of the 1918 City of Detroit Charter as amended through June 30, 1974 and continued in effect through June 30, 2014 by Article 11, Section 102 of the City of Detroit Charter.

(14) *Old Plan* shall mean the plan originally created by Title IX, Chapter VII, Article IV, Section 1(A) and (B) of the 1918 City of Detroit Charter as amended through June 30, 1974 and continued in effect through June 30, 2014 by Article 11, Section 102 of the City of Detroit Charter.

(15) *Patrolman* shall mean the rank in the Police Department currently or previously known as patrolman.

(16) *Pension* shall mean the portion of a Retirement Allowance which is paid for by appropriations made by the City and contributions made by any other entity.

(17) *Pension Reserve* shall mean the present value of all payments to be made on account of any Pension, or benefit in lieu of any Pension, computed upon the basis of such mortality tables and Regular Interest as shall be adopted by the Board of Trustees.

(18) *Police Employees* (formerly referred to as "Policemen") shall mean all employees of the Police Department who have taken the oath of office as prescribed in Section 12 of Chapter XXI of Title IV of the 1918 Detroit City Charter, and who shall be in the employ of the Police Department of the City of Detroit prior to the

effective date of this amendment and restatement and, where the context requires, all persons who shall take the said oath of office and become members of the Police Department thereafter.

(19) *Prior Service* shall mean service in the military rendered prior to July 1, 2014 as provided in Section E-3.

(20) *Regular Interest* shall mean, for a period of five years from the effective date of the Retirement System interest at four per centum per annum, compounded annually. For the subsequent five year period, and each five year period beginning thereafter but prior to July 1, 2013, Regular Interest shall be such rate of interest as the Board of Trustees, in its discretion, may determine and adopt. For Fiscal Years beginning on and after July 1, 2013:

a. the annual rate of return for purposes of determining the Regular Interest to be credited to a Member's account in the Annuity Savings Fund shall not be less than zero and shall not be greater than the lesser of (i) 5.25% or (ii) the actual investment return net of expenses of the Retirement System's invested reserves for the second Fiscal Year immediately preceding the Fiscal Year in which the Regular Interest is credited; and

b. the rate(s) of Regular Interest adopted by the Board from time to time as necessary for the operation of the Retirement System on an actuarial basis shall not violate the Plan of Adjustment.

(21) *Retiree* shall mean any Member who has retired with a Pension payable from funds of the Retirement System.

(22) *Retirement* shall mean for any Member that such Member has retired, with a Pension payable from the funds of the Retirement System.

(23) *Retirement Allowance* shall mean the sum of the Annuity and the Pension.

(24) *Retirement System or System* shall mean the Police and Fire Retirement System of the City of Detroit created and established by Title IX, Chapter VII of the 1918 Charter of the City as amended through June 30, 1974 and continued in effect by the provisions of the July 1, 1974 City Charter, and as set forth in the Combined Plan effective as of July 1, 2014 and this amendment and restatement of the Combined Plan.

(25) *Salary Factors* shall mean the ratio between a Member's rate of compensation as of the date of an actuarial valuation of the Retirement System and his or her rate of compensation as of the earlier of (i) the date of his or her Retirement and (ii) June 30, 2014.

(26) *Service* shall mean service with the City as a Police Employee or Fire Employee.

The following terms shall have the meanings given to them in the Sections of this Combined Plan Document set forth opposite such term:

2023 UAAL Amortization	Section K-3(3)b
Accrued Liability Fund	Section G-4(a)
additional years	Section F-9(a)(3)
Adjusted Pension Benefit	Section K-1(1)
Annuity Reserve Fund	Section G-3
Annuity Savings Fund	Section G-2(a)
ASF Return Excess	Section G-2(f)
Authority	Section K-2(1)
cash refund annuity	Section F-11(b)(1)
Cashable Sick Leave	Section B-1(f)
Certificate of Default	Section K-2(7)
COLA	Section K-1(1)
Deferred Retirement Option Plan (DROP)	Section B-1(h), Article I
Disability Retirement Review Board/DRRB	Section F-12(b)
Eligible Pensioner	Section K-2(5)
Estimated Adjusted Annual Household Income	Section K-2(3)b
Expense Fund	Section G-7
Federal Poverty Level	Section K-2(6)
Freeze	Section B-1
Freeze Date	Section B-1
Frozen Accrued Benefit	Section B-1(d)
Funding Conditions	Section K-1(1)
Funded Level	Section K-3(2)a
Funding Proceeds	Section G-4(a)
Funding Target	Section K-3(2)a, K-3(3)a, K-3(4)a
Governor	Section K-3(5)
Income Stabilization Benefit	Section K-2(2)
Income Stabilization Benefit Plus	Section K-2(3)
Income Stabilization Fund	Section K-2(4)
New Plan Member	Section F-2(b)
Old Plan Member	Section F-2(a)
Optional Forms	Section F-23
Option 1. Modified Cash Refund Annuity	Section F-23(a)(1)
Option 2. Joint and Last Survivorship Retirement Allowance	Section F-23(a)(2)
Option 3. Joint and Seventy-Five Percent Survivor Allowance	Section F-23(a)(3)
Option 3(A). Modified Joint and Last Survivorship Allowance	Section F-23(a)(4)
Option 3(B). Joint and Twenty-Five Percent Survivor Allowance	Section F-23(a)(5)
Participant Loan Program	Section J-1
Pension Accumulation Fund	Section G-5
Pension Funding Transaction	Section G-4(a)

Pension Improvement Factor (Escalator)	Section F-14, K-1(1)
Pension Reserve Fund	Section G-6
Pension Restoration Agreement	Section K-3
Pop-up Form	Section F-23(b)(ii)
Restoration Reserve Account	Section K-3(2)a
Restoration Reserve Suspension Trigger	Section K-3(2)d, K-3(3)a, K-3(4)a
Restoration Target	Section K-3(2)a, K-3(3)a, K-3(4)a
Sick Leave Election	Section B-1(f)
Standard Form	Section F-23(b)(i)
State Treasurer	Section K-2(1)
Straight Life Retirement Allowance	Section F-23(a)
Survivors Benefit Fund	Section G-11
Transition Cost	Section G-2(f)
UAAL	Section G-4(a)
Waterfall Classes	Section K-3(1)

ARTICLE D. MEMBERSHIP

Sec. D-1. Generally.

Subject to Section B-1, the membership of Component II of the Retirement System shall consist of the following:

(a) All Police Employees and Fire Employees who were in service on or after July 1, 1941, but prior to January 1, 1969; provided, however, that any Police Employee or Fire Employee who, on or before July 1, 1941, shall have been in the employ of the Police or Fire Department for a period of twenty years, or who shall have a total of twenty years of creditable service, shall be excluded from the provisions hereof and shall retain for himself or herself, his or her wife, children, dependent mother and dependent sister all rights and privileges provided by Chapters XV and XXI of title IV of the 1918 Detroit City Charter, unless any such Police Employee or Fire Employee, on or before June 1, 1941, shall file with the City Controller his or her written election to become a Member of the Retirement System, in which event he or she shall be a Member; such excluded Police Employee not electing to become a Member, from and after July 1, 1941, while he or she remains an active member of the Police Department, shall pay five per cent of each salary payment into the fund for retired Police Employees, and any such excluded Fire Employee not electing to become a Member, from and after July 1, 1941, while he or she remains an active member of the Fire Department, shall pay five per cent of each salary payment into the Fire Department Pension and Retirement Fund, and such salary contributions shall hereafter be used toward the payments of Retirement Allowances provided for under Chapter XV, Section 14, subsections (1), (2), and (3) thereof. On retirement, the contributions of such excluded members shall cease.

(b) All persons who became Police Employees or Fire Employees on or after July 1, 1941, but prior to January 1, 1969, and who are confirmed as Police Employees or Fire Employees according to the rules and regulations of the respective Departments shall thereupon become Members of the Retirement System, subject, however, to the following provisions:

(i) Any person who shall become a Police Employee or Fire Employee at an attained Age of thirty-one years or more may become a Member of the Retirement System only by vote of the Board of Trustees who shall fix the rate of contribution of such Member on a basis recommended by the Actuary for the attained Age of such Member.

(ii) Any appointive official of the Police Department or Fire Department appointed from the membership thereof shall be permitted to remain a Member of the Retirement System, paying contributions and entitled to benefits as though he or she had remained in the rank, grade or position held at the date of his or her appointment.

(iii) Any Police Employee or Fire Employee who, prior to being confirmed, shall be killed or Totally Disabled as the result of the performance of active duty, shall be deemed to have been a Member of the Retirement System.

(c) Any Member as defined in paragraph (a) or (b) of this Section D-1 who shall be transferred to a civilian position in his or her Department shall continue as a Member, subject to all the obligations of a Member.

(d) All persons who became Police Employees or Fire Employees on or after January 1, 1969 and prior to July 1, 2014 and who are not individuals re-employed with the Police and Fire Departments on or after January 1, 1969 and prior to July 1, 2014, and who are confirmed as Police Employees or Fire Employees according to the rules and regulations of the respective Departments shall thereupon become Members of Component II of the Retirement System subject, however, to the following provisions:

(i) Any person who shall become a Police Employee or Fire Employee at an attained Age of thirty-one years or more may become a Member of the Retirement System only by vote of the Board of Trustees who shall fix the rate of contribution of such Member on a basis recommended by the actuary for the attained Age of such Member.

(ii) Any appointive official of the Police Department or Fire Department appointed from the membership thereof shall be permitted to remain a Member of the Retirement System, paying contributions and entitled to benefits as though he or she had remained in the rank, grade or position held at the date of his or her appointment.

(iii) Any Police Employee or Fire Employee who, prior to being confirmed, shall be killed or Totally Disabled as the result of the performance of active duty, shall be deemed to have been a Member of Component II of the Retirement System.

(iv) Any Member as defined in Section D-1(a), (b), or (c) who was separated from service by resignation or dismissal or discharge who subsequently again becomes a Member prior to July 1, 2014 shall be considered a Member for all purposes under this Component II under Section D-1(a), (b), or (c) and shall not be considered a Member under Section D-1(d).

(v) Any Member as defined in Section D-1(d) who shall be transferred to a civilian position in his or her Department shall continue as a Member, subject to all the obligations of a Member.

Sec. D-2. Membership election option prior to July 1, 2014.

Any person who is a Member as defined in Section D-1(a), (b), or (c) who was in active service on January 1, 1969, shall have had the option to elect to become a Member of the Retirement System as defined in Section D-1(d) by filing his or her written election with the Board of Trustees on or before January 31, 1969, or any Retiree who retired on or before

December 31, 1968, under the provisions of Article F, Part B, Section F-8, who returns to active service prior to July 1, 2014 shall have the option to elect to become a Member of Component II of this Retirement System as defined in Section D-1(d), by filing his or her written election with the Board of Trustees on or before the earlier of (i) thirty days after his or her return to active service and (ii) June 30, 2014. The election shall be effective on the date that it is filed with the Board of Trustees.

Sec. D-3. Cessation of membership.

(a) Should a Member die or become a Retiree or be separated from service by resignation, dismissal, or disability, he or she shall thereupon cease to be a Member.

(b) Any person who became a Member under Section D-1(a), (b), or (c) and ceases to be a Member, as provided in Section D-3(a), and who becomes a Police Employee or Fire Employee prior to July 1, 2014, shall again become a Member of Component II of the Retirement System, under section D-1(a), (b), or (c) subject to the provisions of Article G, Section G-2(d).

(c) Any person who became a Member under Section D-1(d) and ceases to be a Member, as provided in Section D-3(a), and who becomes a Police Employee or Fire Employee prior to July 1, 2014, shall again become a Member of Component II of the Retirement System under Section D-1(d), subject to the provisions of Article G, Section G-2(d).

(d) Any Member of the Retirement System from the Fire Department who retires as a Member of the Retirement System and who is rehired prior to July 1, 2014 as a civilian Member of the Fire Department may elect on or before June 30, 2014 to again become a Member of Component II of the Retirement System, subject to the provisions of Article G, Section G-2(d).

ARTICLE E. SERVICE CREDITABLE.

Sec. E-1. Members to file statement of service, etc.

Under such rules and regulations as the Board of Trustees shall adopt, each Police Employee and Fire Employee who shall become a Member prior to July 1, 2014 shall file a detailed statement of all prior service rendered by him or her as an employee of the Police Department or Fire Department, for which he or she claims credit, and of such other facts as the Board of Trustees may require, for the proper operation of the Retirement System.

Sec. E-2. Credit for service.

The Board of Trustees shall fix and determine by appropriate rules and regulations how much service in any year is equivalent to a year of service, but in no case shall less than six months' service constitute one year, nor shall more than one year of service be creditable for all service in one calendar year. The Board of Trustees shall not allow credit as service for any period of more than one month during which the Member was or shall be absent without pay provided that if a Member shall be transferred prior to July 1, 2014 from his or her Department payroll to the payroll of any city, county or state government or the federal government by his or her Department head during peace times, then such Member shall continue to be a Member of the System and shall be required to make regular contributions into the Annuity Savings Fund; and provided further, that if a Member, so transferred, shall fail to make such contributions for three consecutive months, he or she shall cease to be a Member of the Retirement System four months (of 31 days each) after the due date of his or her first defaulted Annuity contribution; and provided further, that any Member who was or shall be suspended from duty and subsequently reinstated to duty without further disciplinary action, shall receive total credit for the time of such period or periods of suspension, but in no case shall credit be granted for any period after June 30, 2014.

Sec. E-3. Employees in military service commencing prior to July 1, 2014.

(a) If a Member of the Retirement System was drafted, or enlisted into military, naval, marine, or other service of the United States government during time of war, or if a Member was drafted into such service during time of peace, and prior to the earlier of (i) ninety days from the date of his or her separation from such government service or from the date peace was or shall be established by treaty, whichever date was or shall be earlier, and (ii) June 30, 2014 resumed or shall resume employment as a Police Employee or Fire Employee, then such government service rendered prior to July 1, 2014 shall be credited to him or her as a Member of the Retirement System. During the period of such government service of a Member, his or her contributions to the Annuity Savings Fund shall be suspended and the balance in the Annuity Savings Fund, standing to his or her credit as of the last payroll date preceding his or her leave of absence from the service of his or her Department shall be accumulated at Regular Interest. Prior to July 1, 2014, even though the applicant may have been unable to satisfy all the foregoing requirements, the Board of Trustees had the power to grant the privileges provided for by this section in exceptional or extraordinary cases.

(b) A Member on the City payroll on or after January 1, 1979 and prior to July 1, 2014 who, prior to employment in the City service, was called to or entered any full time military service of the United States during time of war, period of compulsory military service, or period of unusual emergency as defined in an ordinance of the City, shall have the required period of active duty which occurs prior to July 1, 2014 credited him or her as Membership Service, subject to the following conditions and limitations:

(1) The Member files a written election with the Board of Trustees, before the earlier of (i) 180 days following the effective date of this provision or 180 days from the date of his or her first employment in the City service, whichever is most recent, and (ii) June 30, 2014, to claim military service credit under the provisions of this section. A Member who is included in a collective bargaining unit shall file a written election to claim military service credit with the Board of Trustees within 180 days following the date of a negotiated approval and acceptance of this section by his or her duly authorized bargaining agent as transmitted to the Board of Trustees by the Labor Relations Director or, in the case of Members hired subsequent to the transmittal of approval and acceptance by his or her duly authorized bargaining agent, within 180 days from the date of his or her first employment in the City service; provided that any such election is required to be filed prior to July 1, 2014.

(2) The Member furnishes the Board of Trustees such information as the Board of Trustees determines necessary to verify the amount of military service claimed.

(3) The Member pays to the Pension Accumulation Fund of the Retirement System an amount equal to five percent (5%) of the Member's annual rate of compensation at the time of payment multiplied by the years or parts of years of military service claimed.

(4) The required payment shall be made under one of the following options:

a. Payment in full within 30 days of the election to claim military service.

b. Payment in equal bi-weekly installments by payroll deduction over a 36 month period starting 30 days following the election to claim military service. Interest shall accrue during the period of installment payments at the compound rate of 5 percent per annum. Payments must be completed prior to application for retirement.

c. If a Member has sufficient funds in the principal portion of his or her Annuity, he or she may authorize the Board to transfer such funds to the Pension Accumulation Fund to meet the required payment.

(5) In the event a Member who has filed the required election of this benefit, and who would be eligible for a Pension in all respects except for paying the full

amount, dies prior to completion of the payment required in paragraph (4) preceding, the person otherwise entitled to a Retirement Allowance may pay the full amount due within 30 days of the Member's death to become eligible for an additional Pension credit under this section.

(6) Military service credited under the provisions of Section 54-30-3(c) of the 1964 Detroit City Code shall not be claimed or credited under the provisions of this section.

(7) Military service which is or will be the basis of service credit under any other public employee retirement program shall not be claimed or credited under the provisions of this section.

(8) In no case shall more than 3 years of pre-employment military service be credited a Member on account of military service. For the purpose of this limitation, military service credited pursuant to Section 54-30-3(a) of the 1964 Detroit City Code shall be combined with military service created pursuant to this section.

(9) The required payments made to the Pension Accumulation Fund for military service credit pursuant to this section shall, upon application by the Member or his or her estate, be returned without interest to any Member who dies or leaves City employment prior to being eligible for a Pension.

(10) Only honorable military service during the following periods shall be covered by this Section E-3(b):

World War II — December 8, 1941 to July 1, 1946.

Korean Conflict — June 27, 1950 to December 31, 1953.

Vietnam Conflict — August 5, 1964 to May 7, 1975.

(11) The military service credit pursuant to this section shall not apply toward meeting the minimum service and age requirements for vesting, for a non-duty disability Pension or for a service Pension. Such service credit may be used in meeting the minimum time needed for an automatic Option Two Pension in case of death of a Member.

(12) In no case shall benefits be based on the military service credit provided by this section unless the Member shall have been credited a minimum of eight years of service credit not including military service credit.

(13) Special service, contractual, part time, seasonal and summer camp employees are not eligible for the military service credit.

(14) In cases of doubt, the Board of Trustees will determine whether a Member is entitled to the benefits of this section consistent with the requirements and limitations herein.

(15) Any member of DFFA, DPCOA or DPLSA who performed military service prior to employment by the City and membership in the Retirement System may, prior to July 1 2014, claim service credit as a Member of the Retirement System for time spent in the military service.

(16) Effective December 15, 2008, any member of DFFA, DPCOA or DPLSA who has performed any honorable military service prior to July 1, 2014 may, prior to July 1, 2014, claim up to thirty-six (36) months service in Pension time for time spent in the military. However, the Member will be required to purchase this military service credit as provided above.

(17) Effective March 8, 2007, all DPOA bargaining unit members who have served in the military prior to July 1, 2014 may, prior to July 1, 2014, purchase a maximum of three (3) years Pension time.

Sec. E-4. Verification of service claimed.

Subject to the above restrictions and to such other rules and regulations as the Board of Trustees may adopt, the Board of Trustees shall verify, as soon as practicable after the filing of such statements of service, the service therein claimed.

Sec. E-5. Prior Service certificates.

Upon verification of the statements of service, the Board of Trustees shall issue Prior Service certificates, certifying to each Member the length of Prior Service rendered, with which he or she is credited. A Prior Service certificate shall be final and conclusive for retirement purposes as to such service; provided, however, that within one year from the date of issuance or modification of such certificate the Board of Trustees on its own motion or on the request of a Member may modify or correct the Prior Service certificate.

Sec. E-6. Creditable service at retirement.

Creditable service at retirement, on which the Retirement Allowance of a Member shall consist of the Membership Service rendered by him or her prior to July 1, 2014 and, if he or she has a Prior Service certificate in full force and effect as of July 1, 2014, the amount of service certified thereon.

ARTICLE F. BENEFITS PROVIDED TO MEMBERS

Part A - Service Retirement Allowance

Sec. F-1. Petition for retirement, mandatory age.

(a) Any Member as defined in Article D, Section D-1 (a), (b), or (c) in service may file with the Board of Trustees his or her written application for retirement setting forth the date not less than fifteen days nor more than ninety days subsequent to the filing thereof, on which he or she desires to be retired; and provided the Board of Trustees shall determine that the Member, at the date so specified for his or her retirement will have a total of twenty-five years or more of creditable service he or she shall on the date specified be retired, notwithstanding that during such period of notification he or she may have separated from service.

Provided, further, that in the case of any Fire Fighter as defined in Article D, Section D-1 (a), (b) or (c) having served twenty-five years or more of creditable service, upon recommendation of the Board of Fire Commissioners, the Fire Fighter shall be retired forthwith, by the Board of Trustees.

(b) Any Member as defined in Article D, Section D-1 (d) in service may file with the Board of Trustees his or her written application for retirement setting forth the date not less than fifteen days nor more than ninety days subsequent to the filing thereof, on which he or she desires to be retired; and provided the Board of Trustees shall determine that the Member, at the date so specified for his or her retirement, will have a total of twenty-five years (effective as of March 8, 2007, twenty years for members of DPOA and their fire equivalents) or more of creditable service and has attained Age fifty-five, he or she shall on the date specified be retired, notwithstanding that during such period of notification he or she may have separated from service.

Provided, further, that, effective July 1, 1983 for members of DPOA and fire equivalents and June 30, 1986 for DPLSA and fire equivalents and new Members, a Member described in Article D, Section D-1(d) shall be eligible to retire upon attainment of twenty-five years (effective as of March 8, 2007, twenty years for members of DPOA and their fire equivalents) or more of creditable service, regardless of Age. Effective July 1, 1998 (June 30, 2001 for DPOA members and their fire equivalents), the time on or before June 30, 2014 a Member is on layoff from service of the City shall be included in actual service rendered to the City for purposes of determining whether a Member has twenty-five years or twenty years of creditable service prior to July 1, 2014. The Pension benefit to which such Member is entitled shall be based only on his or her actual years of creditable service. Effective July 1, 1989, the minimum Age requirement for deferred Pensions payable for post 1969 Members represented by DPOA and hired before June 30, 1985 shall be eliminated.

Notwithstanding the foregoing provisions, effective October 15, 2014, a DPLSA member shall be eligible to terminate employment with the City and commence

receipt of a Retirement Allowance (or make an election to participate in the DROP program as provided in Article I) under this Component II provided the Member satisfies the following requirements:

Fiscal Year	Age and Service
2015	Age 45 and 24 years
2016	Age 46 and 23 years
2017	Age 47 and 23 years
2018	Age 48 and 22 years
2019	Age 49 and 23 years
2020 and thereafter	25 years of service

(c) Effective June 30, 2001, any Member represented by DPOA and fire equivalents who has been laid off shall be eligible to retire at what would have been the Member's 25th anniversary. To determine eligibility for retirement, the Member's actual service time and time on lay off up to and including June 30, 2014 shall be combined. To calculate the Member's Retirement Allowance for members of DFFA, however, only actual service time through June 30, 2014 shall be used. For DFFA members having a parity relationship with the DPLSA and the DPCOA Inspector, only lay off time which occurred between July 1, 1973 and July 1, 1998 will be credited. Effective in accordance with the specific date and terms of the DPLSA award in Act 312 No. D98 F-0944, Members represented by DPCOA shall have the right to retire on their 25th anniversary date, notwithstanding any service time prior to July 1, 2014 they may have lost due to any layoffs, as provided in such award.

(d) Any Member represented by DPOA who was hired on or after July 1, 1985 and who leaves City employment after being vested shall not be eligible for Pension benefits until said individual reaches his or her sixty-second birthday.

(e) Any Member of the Retirement System as defined in Article D, Section D-1(a), (b), (c), and (d) who shall reach the Age of sixty years shall be retired forthwith, or on the first day of the calendar month next succeeding that in which the Member shall have reached Age sixty. On the written request of the Member and of the Commissioner of Police or the Board of Fire Commissioners, as the case may be, the Board of Trustees may continue such Member in active service for a period of two years beyond his or her sixtieth birthday, and on the expiration of such period, on like request, may continue such Member in active service for a further period of two years.

(f) Any Member of the Retirement System who satisfies the requirements for a Pension as defined in Article F, Section F-5 shall be eligible upon ninety days notice to make an irrevocable election to receive an immediate Retirement Allowance, actuarially reduced for early commencement, in lieu of a deferred Retirement Allowance.

(g) Any Member of the Retirement System who was in the service of the City on or after July 1, 1941 but prior to January 1, 1969 and who was still an active Member on July 1, 1983 for DPLSA and fire equivalents and July 1, 1986 for DPOA members and fire equivalents shall have the option of retiring under the Old Plan or the New Plan.

(h) Pursuant to Section 411(e) of the Internal Revenue Code, as in effect in 1974, an employee shall be 100 percent vested in his or her Retirement System accrued benefit upon attaining normal retirement hereunder while in service.

Sec. F-2. Old Plan/New Plan

Effective July 1, 1986, Members of the Retirement System as defined under the terms of the Retirement System in effect on July 1, 1977, who were in service on or after July 1, 1941 but prior to January 1, 1969, and are active Members on July 1, 1986 shall have the option of retiring under the Old Plan or the New Plan.

(a) *Amount of allowance – Old Plan Members.* Upon his or her retirement from service, a Member as defined in Article D, Section D-1(a), (b), or (c) ("Old Plan Member") shall receive a straight life Retirement Allowance which shall consist of the benefits provided in paragraphs (1) and (2) below; and he or she shall have the right to elect an option provided for in Part H of this Article F:

(1) An Annuity which shall be the Actuarial Equivalent of the Member's Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of his or her retirement; and

(2) A Pension which, when added to the Member's Annuity, will provide a straight life Retirement Allowance equal to two percent (2.0%) of his or her Average Final Compensation, multiplied by the number of years, and fraction of a year, of his or her creditable service through the earlier of (i) the date of retirement and (ii) June 30, 2014, not to exceed twenty-five years; provided, that the Retirement Allowance of a Police Employee shall in no case exceed fifteen twenty-seconds of the maximum earnable compensation of a Patrolman and the Retirement Allowance of a Fire Fighter shall not exceed fifteen twenty-seconds of the maximum earnable compensation of a Fire Fighter (and if either or both of the said ranks shall be hereafter abolished, the equivalent thereof), each as of the earlier of (i) the date of retirement and (ii) June 30, 2014. 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 twenty 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.

(b) *Amount of allowance – New Plan Members.* Upon his or her retirement from service, a Member as defined in Article D, Section D-1(d) ("New Plan Member") shall receive a straight life Retirement Allowance which shall consist of the benefits provided in paragraphs (1) and (2) below; and he or she shall have the right to elect an option provided for in Part H of this Article F:

(1) An Annuity which shall be the Actuarial Equivalent of the Member's Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of his or her retirement; and

(2) A Pension which, when added to his or her Annuity, will provide a straight life Retirement Allowance equal to:

a. two and one-half percent (2.5%) of the Member's Average Final Compensation multiplied by the number of years and fraction of a year of his or her creditable service each as of the earlier of (i) the date of retirement and (ii) June 30, 2014, for the first twenty-five (25) years of such service; and

b. two and one-tenths percent (2.1%) of the Member's Average Final Compensation multiplied by the number of years and fraction of a year of his or her creditable service each as of the earlier of (i) the date of retirement and (ii) June 30, 2014 in excess of twenty-five (25) years, subject to a maximum of thirty-five (35) years.

Sec. F-3. Pension Multiplier

(a) Notwithstanding Section F-2(a)(2) and F-2(b)(2), effective July 1, 1992 each Member who retires on or after that date shall be entitled to a Pension which, when added to the Annuity, will provide a straight life Retirement Allowance equal to 2.1% of his or her Average Final Compensation, multiplied by the number of years and fraction of a year, of his or her creditable service each as of the earlier of (i) the date of retirement and (ii) June 30, 2014, not to exceed thirty-five (35) years of service for New Plan Members and twenty-five (25) years of service for Old Plan Members.

(b) Effective July 1, 1997 or for DPCOA members the effective date of the CET-DPCOA, each Member who retires shall be entitled to a Pension which when added to the Annuity will provide a straight life Retirement Allowance equal to 2.5% (or 2.1% for DPCOA members) of his or her Average Final Compensation multiplied by the number of years and fraction of year of his or her creditable service each as of the earlier of (i) the date of retirement and (ii) June 30, 2014 for the first twenty-five (25) years or, in the case of a DPCOA member of his or her creditable service earned or accrued on or after the effective date of the CET-DPCOA and prior to July 1, 2014. For Members represented by DFFA, DPCOA and DPLSA, the multiplier shall be 2.1% for each year of service through June 30, 2014 over twenty-five (25) years. Maximum years of service for Pension credit shall be thirty-five (35) years for New Plan Members and twenty-five (25) years for Old Plan Members.

(c) Effective September 1, 2011, each Member represented by DPOA who retires shall only be entitled to a Pension which, when added to the Annuity, will provide a straight life Retirement Allowance equal to 2.1% of his or her Average Final Compensation multiplied by the number of years and fraction of a year of his or her creditable service earned or accrued on or after September 1, 2011 and prior to July 1, 2014. Hence, for the first twenty-five (25) years of service accrued on or after September 1, 2011 and prior to July 1, 2014, the multiplier shall no longer be 2.5%; rather, 2.1%. Maximum years of service for Pension credit shall be thirty-five (35) years for New Plan Members and twenty-five (25) years for Old Plan Members.

Service credit accrued prior to September 1, 2011 will be unaffected by this Section F-3(c).

(d) Each DPLSA member who retires shall only be entitled to a Pension which, when added to the Annuity, will provide a straight life Retirement Allowance equal to 2.1% of his or her Average Final Compensation multiplied by the number of years and fraction of a year of his or her creditable service earned or accrued following the date of the Act 312 Award in D09 G-0786 and prior to July 1, 2014. Hence, for the first twenty-five (25) years of service accrued after the date of the Act 312 Award and prior to July 1, 2014, the multiplier shall no longer be 2.5% as stated in paragraph (b) above. Maximum years of service for Pension credit shall be thirty-five (35) years for New Plan Members and twenty-five (25) years for Old Plan Members.

Sec. F-4. Disposition of surplus benefits upon death of retired member.

In the event a retired Member dies before he or she has received in straight life Retirement Allowance payments an aggregate amount equal to his or her Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of his or her retirement, the difference between his or her said Accumulated Contributions and the said aggregate amount of straight life Retirement Allowance payments received by him or her shall be paid to such person or persons as he or she shall have nominated by written designation duly executed and filed with the Board of Trustees. If there is no such designated person or persons surviving the said deceased Retiree such difference, if any, shall be paid to his or her legal representative. No benefits shall be paid under this Section F-4 on account of the death of such a retired Member if he or she had elected Option 1, 2, 3, 3A or 3B provided for in Part H of this Article F.

Sec. F-5. Retirement allowance for certain persons leaving City employment after eight years service (40 & 8).

(a) Should any DPLSA member or any fire equivalent who (1) has attained age forty years of Age, and (2) has acquired eight or more years of credited service, or any Member who terminates employment with the City on or after August 29, 2003 with ten or more years of credited service leave the employ of the Police Department or Fire Department prior to the date he or she would have first become eligible to retire as provided in this Part A, for any reason except his or her retirement or death, he or she shall be entitled to a Retirement Allowance computed according to Section F-2 (a) or (b) of this Article F, whichever is applicable, as said Section was in force as of the earlier of (i) the date his or her employment with the City last terminated or (ii) June 30, 2014; provided, that he or she does not withdraw his or her Accumulated Contributions from the Annuity Savings Fund. The Member's Retirement Allowance shall begin the first day of the calendar month next following the month in which his or her application for benefits is filed with the Board of Trustees, on or after the date he or she would have been eligible to retire had he or she continued in City employment. Notwithstanding the foregoing, prior to March 3, 2008 the Retirement Allowance of a DPOA member or a fire equivalent hired on or after July 1, 1985 shall not begin prior to the date on which the Member reaches his or her sixty-second

birthday. Unless otherwise provided in this Component II, such person shall not receive service credit for the period of his or her absence from the City Police Department and/or Fire Department employ prior to July 1, 2014, nor shall his or her Beneficiary be entitled to any other benefit afforded in this Component II, except the benefits provided in Part A, Section F-2(a) or (b) or Part F of this Article F, whichever is applicable, subject to the above provisions, notwithstanding, his or her membership has terminated.

(b) Effective August 28, 2003, DPOA members and fire equivalents who terminate employment after ten (10) years of service shall be vested and shall have all options afforded to 40 & 8 Retirees.

Sec. F-6. Reduced Early Pension Benefits (40 & 8 Vesting Retirees)

(a) Members who terminate employment and who are eligible for a Pension pursuant to Article F, Part A, Section F-5 of Component II (40 & 8) shall have the option of receiving an immediate, but reduced early Pension benefit in lieu of a deferred Pension.

(b) This reduced early Pension benefit shall not result in an increase in City contribution rates; therefore, the value of the Reduced Early Pension Benefit shall be the Actuarial Equivalent of the 40 & 8 Pension.

(c) For employees represented by DFFA in ranks or classifications with a parity relationship to employees represented by the DPLSA and employees in higher ranks or classifications, upon termination, a vested employee must within 90 calendar days make an irrevocable election as to whether or not to take this option.

(d) Individuals represented by DFFA, DPOA or DPLSA, who terminated employment prior to July 1, 1986, are not eligible for this option.

(e) An employee who receives a lump sum payment for accumulated time upon termination is not allowed to have that time count towards his or her retirement service.

(f) Since Members (other than DPOA and fire equivalents) are eligible to begin collecting their vested Pension as soon as they would have been eligible to retire had they continued their City employment, minimum retirement age (i.e., Age 55) shall not be a factor in computing the actuarially reduced Pension benefit.

(g) All DFFA members, except those members in ranks or classifications with a parity relationship to employees represented by the DPOA, electing to receive the reduced early Pension benefits shall receive from the City upon separation full pay for fifty percent (50%) of the unused sick bank amounts. This provision shall have no effect on a Member electing to receive the deferred 40 & 8 vested Pension who shall continue to be reimbursed for unused sick time in accordance with an applicable collective bargaining agreement.

Part B — Total Disability Pension and Retirement Allowances

Sec. F-7. Duty disability.

If a Member shall become Totally Disabled for duty by reason of injury, illness or disease resulting from performance of duty and if the Board of Trustees shall find such injury, illness or disease to have resulted from the performance of duty, on written application to the Board of Trustees by or on behalf of such Member or by the head of his or her Department such Member shall be retired, notwithstanding that during such period of notification he or she may have separated from service; provided, the Medical Director, after examination of such Member shall certify to the Board of Trustees his or her Total Disability. If said Member was separated from service after filing of the written application, and he or she had attained twenty-five years or more of service prior to the date of separation, the Board of Trustees, shall retire said Member, under this Part B.

Sec. F-8. Duty disability benefits; Members in service on or after July 1, 1941 but prior to January 1, 1969.

(a) A Member, as defined under Article D, Section D-1(a), (b), or (c), shall receive the following benefits:

(1) Each such Member shall receive a disability Pension of fifty percent (50%), or such other higher percentage that is in effect and applies to such Member, of the Member's Average Final Compensation at the earlier of (i) the time of disability retirement and (ii) June 30, 2014. On the date that a Member, who retired under Section F-7 and who receives benefits under this Section F-8, would have accrued twenty-five years of creditable service had the Member continued in active service, or on the date that the Member reaches age sixty, whichever comes first, the Member shall be eligible for optional benefits as provided Part H of this Article F.

(2) In addition to the disability Pension provided for in Section F-8(a)(1), any Member who receives a disability Pension pursuant to Section F-8(a)(1) and has not accrued a total of twenty-five (25) years of creditable service as of the earlier of (i) the date of the Member's disability retirement and (ii) June 30, 2014 shall receive a supplemental disability payment in the amount of sixteen and two-thirds percent (16-2/3%) of the Member's Average Final Compensation at the earlier of (i) the time of disability retirement or (ii) June 30, 2014. This supplemental payment shall terminate upon the expiration of the period when a Member who retired under Section F-7 of this Part B and who receives benefits under Section F-8(a)(1) would have accrued twenty-five years of creditable service had the Member continued in active service, or on the date that the Member reaches Age sixty, whichever comes first.

Effective July 1, 1992 for DPLSA members, the Average Final Compensation used in this computation shall mean the current maximum salary for the rank(s), grade(s) or position(s) which would have been held by the Member over the sixty

months prior to the earlier of (i) the date of retirement (reduced disability/service retirement when the Member would have attained a total of twenty-five years of credited service) had he or she continued working in that classification which he or she held at the time of his or her disability or (ii) June 30, 2014. For Members who begin receiving such benefits on or after July 1, 1998 and before July 1, 2014, the amount of the Member's most recent full longevity payment shall be included in the definition of Average Final Compensation.

Effective July 1, 1992 for DFFA and DPOA members, the Average Final Compensation used in this computation shall be the highest average annual compensation that would have been received by such a Member had he or she continued working in the classification he or she held at the time of his or her disability, during any period of five consecutive years, selected by the Member, contained within the last ten years immediately preceding the earlier of (i) expiration of the period when the Member would have attained a total twenty-five years of creditable service and (ii) June 30, 2014.

Effective July 1, 2000, the Average Final Compensation used in this computation shall mean the current maximum salary, including the annual longevity payment provided above, for the rank(s), grade(s) or position(s) which would have been held by the Member over the thirty-six (36) months prior to the earlier of (i) the date of disability retirement or (ii) June 30, 2014.

(3) In the case of a Member retired under Section F-8 who receives benefits under F-8(a)(1) and F-8(a)(2), the Accumulated Contributions standing to the Member's credit at the date of retirement shall continue to be held in the Annuity Savings Fund and Regular Interest shall be credited thereto. If such Member dies before the date upon which the Member would have achieved a total of twenty-five years of creditable service had the Member continued in active service and before such Member reaches Age sixty, the balance of the member's Annuity Savings Account including interest thereon shall be paid as provided in Part D and Part E of this Article F.

(b) This Section shall be applicable only to those Members receiving benefits on the date of adoption of this Section who are not covered by the arbitration decision regarding the DPOA which became effective July 1, 1995, or the arbitration decision regarding the DPLSA which became effective June 30, 1998.

(c) This Section does not rescind any substantive rights of disability Retirees from the Retirement System who retired prior to the July 1, 1995 arbitration award, or the substantive rights of disability Retirees from the DPLSA who retired prior to the June 30, 1998 arbitration award.

(d) This Section does not amend any computations used to determine disability benefits payable under this Section F-8, or result in an increase or decrease in such disability benefits.

Sec. F-9. Duty disability benefits; Members beginning service on or after January 1, 1969 and becoming disabled prior to the dates set forth in Section F-10.

(a) A Member, as defined under Article D, Section D-1(d), who retired under Section F-7, shall receive the following benefits:

(1) Each such Member shall receive a disability Pension of fifty percent (50%), or such other higher percentage that is in effect and applies to such Member, of the Member's Average Final Compensation at the earlier of (i) the time of disability retirement or (ii) June 30, 2014. On the date that a Member who retired under Section F-7 of this Part B and who receives benefits under this Section would have accrued twenty-five years of creditable service had the Member continued in active service, or on the date that the Member reaches Age sixty, whichever comes first, the Member shall be eligible for optional benefits as provided Part H of this Article F.

(2) In addition to the disability Pension provided for in Section F-8(a)(1) of this Part B, any Member who receives a disability Pension pursuant to Section F-9(a)(1) of this Part B and who has not accrued a total of twenty-five years or more of creditable service as of the date of the Member's disability retirement shall receive a supplemental disability payment in the amount of sixteen and two-thirds percent (16-2/3%) of the Member's Average Final Compensation at the time of the Member's disability retirement. This supplemental payment shall terminate when a Member who retires under Section F-7 and who receives benefits under Section F-9(a)(1) would have accrued twenty-five years of creditable service had he or she continued in active service or on the date that the Member reaches Age sixty, whichever comes first.

(3) In addition to the disability Pension provided for in Section F-9, any Member who receives a disability Pension pursuant to Section F-9(a)(1) and who has accrued more than twenty-five years ("additional years") of creditable service as of the earlier of (i) the date of the Member's disability retirement and (ii) June 30, 2014 shall receive another supplemental disability payment equal to two percent (2%), or such other higher percentage that is in effect and applies to such Member, of the Member's Average Final Compensation as of the earlier of such dates, multiplied by the number of additional years of creditable service the Member has accrued; provided, however, that such supplemental disability payment shall not exceed twenty percent (20%), or such other higher percentage that is in effect and applies to such Member, of the Member's Average Final Compensation as of the earlier of (i) the date of the Member's disability retirement and (ii) June 30, 2014.

(4) In the case of a Member who retires under Section F-7 and who receives benefits described under Section F-9(a)(1) through (3), the Accumulated Contributions standing to the Member's credit at the date of disability retirement shall continue to be held in a separate fund in the Annuity Savings Fund and Regular Interest shall be credited thereto. If such Member dies prior

to the time when the Member would have achieved a total of twenty-five years of creditable service had the Member continued in active service and before such Member reaches Age sixty, the amount of the Member's Accumulated Contributions so set aside and interest thereon shall be paid as provided in Part D and Part E of this Article. F

(5) The amendment of Section F-9(a)(1) shall not result in an increase or decrease in the amount of disability benefits payable to Members.

(b) This Section shall be applicable to those Members receiving benefits on the effective date of this Section F who are not covered by the arbitration decision regarding the DPOA which became effective July 1, 1995, or the arbitration decision regarding the DPLSA which became effective June 30, 1998. This Section does not rescind any substantive rights of disability Retirees from the Retirement System who retired prior to the July 1, 1995 arbitration award, or the substantive rights of disability Retirees from DPLSA who retired prior to the June 30, 1998 arbitration award.

(c) This Section does not amend any computations used to determine benefits under Section F-9 of this Part, or result in an increase or decrease in such benefits.

Sec. F-10. Duty Disability benefits; DFFA, DPOA and DPLSA members beginning service on or after January 1, 1969 and becoming disabled on or after the dates set forth below.

(a) This Section F-10 shall be applicable to:

(1) DFFA employees who file applications for disability retirement on or after July 1, 1995 and who have a parity relationship with the DPOA and on or after June 30, 1998, for DFFA employees with a parity relationship with the DPLSA and the DPCOA Inspector;

(2) all DPLSA employees who file applications for disability retirement on or after June 30, 1998; and

(3) all DPOA members who file applications for disability retirement on or after July 1, 1995.

(b) A Member who retires as a result of duty disability shall receive for a period of twenty-four months the sum of:

(i) a basic benefit equal to 50% of the Member's Final Compensation at the earlier of (i) the time his or her duty disability retirement begins or (ii) June 30, 2014; and

(ii) a supplemental benefit equal to 16-2/3% of the Member's Final Compensation at the earlier of (i) the time his or her duty disability retirement begins or (ii) June 30, 2014.

Subject to Sections K-1 and K-3, on July 1st of each year, the benefits determined under paragraphs (i) and (ii) above then payable will each be increased by adding to said amounts the product of the initial amount of said benefit which was computed at the time the duty disability retirement began and the applicable Pension Improvement Factor (Escalator).

(c) After a Member receives benefits hereunder for a period of twenty-four months, the Board will determine whether the Member is disabled from any occupation. If the Member is disabled from any occupation, the Member shall continue to receive the benefit provided in paragraphs (b)(i) and (b)(ii) until such time as the Member would have attained twenty-five years of creditable service had he or she continued in active service with the City. At that time, the Member shall continue to receive the benefit described in paragraph (b)(i) above; however, benefits described in paragraph (b)(ii) above will cease. If the Member is not disabled from any occupation, he or she shall continue to receive the benefit described in paragraph (b)(i) above; benefits described in paragraph (b)(ii) will cease.

(d) Duty disability retirement benefits shall continue to be paid to a Member on duty disability retirement after the Member has attained twenty-five years of creditable service, to the earlier of (i) the Member's attainment of Age sixty-five, or (ii) termination of disability as determined by the Board. Upon termination of disability or attainment of Age sixty-five, a Member with twenty-five years of creditable service shall be eligible to receive a service Retirement Allowance. The amount of such service Retirement Allowance shall be the same amount which would have been payable if the conversion from duty disability retirement to service retirement had occurred at the date of attaining twenty-five years of creditable service. In the event that the examinations and/or investigations conducted by the Police Department result in a determination that a DPOA Member is not qualified for reappointment as a Police Employee for medical reasons, disability benefits will be continued.

(e) If a Member on duty disability retirement returns to active service and within a twenty-four month period re-qualifies for duty disability retirement for the same or related reasons he or she had been retired, then the disability shall be deemed a continuation of the prior disabling condition and the period of the return to work will not have caused the Member to be entitled to a new initial determination of benefit amounts as set forth in paragraph (b) above. Instead, such Member will return to retirement at the point he or she had reached in sub-paragraphs (b), (c) or (d) above as if there had not been a break in his or her period of placement on duty disability retirement.

(f) Disability retirement benefits shall continue to be considered benefits provided by the City pursuant to the 1918 Detroit City Charter, as amended, which are paid instead of and not in addition to any benefits under the State Workers' Disability Compensation Act.

(g) Survivor benefit coverage applicable to active Members shall be continued during the period a Member is eligible for a duty disability benefit. Upon conversion to a

service Retirement Allowance as provided in paragraph (d), automatic survivor benefit coverage shall terminate. At that time, the Member shall have the right to elect an optional form of payment in the same manner as if he or she had retired from active membership on the conversion date.

(h) Pension Credit While on Duty Disability Status

(1) While a Member is eligible to receive duty disability benefits, the Member shall continue to accrue Pension service credit.

(2) The accrual of Pension service credit under paragraph (h)(1) will cease on the earlier of (i) the date the Member has twenty-five years of creditable service, or (ii) June 30, 2014.

(i) Earnings Offset

(1) In the event that a recipient of a duty disability retirement benefit receives earned income from gainful employment during a calendar year, the amount of the Member's disability benefit payable during the next subsequent Fiscal Year will be adjusted so it does not exceed the difference between (i) the Member's base salary at the date of disability, increased by 2.25% times the number of full years from the date of disability to the year in which the earnings offset is applied, and (ii) the amount of remuneration from gainful employment during the prior calendar year.

(2) The earnings test shall be based on information the Board may periodically require from a duty disability benefit recipient or has secured from other reliable sources. Furnishing such information shall be a condition for a Member's continued eligibility for a duty disability benefit. In the event a Member's Retirement Allowance was not appropriately reduced for any period in which he or she is engaged in a gainful occupation, the Board shall adjust future benefit payments to such Member until the amount of the overpayment is recouped by the Retirement System.

(j) The Annuity withdrawal provision of the Retirement System will continue to apply to Members on duty disability. If a duty disability recipient elects Annuity withdrawal after attaining twenty-five years of creditable service, the applicable benefit reduction will offset the duty disability benefit until the conversion date, after which it will offset the converted service Retirement Allowance.

Sec. F-11. Non-duty disability.

(a) On written application to the Board by or on behalf of a Member or by the head of his or her Department, a Member, who becomes Totally Disabled for duty by reason of injury, illness or disease not resulting from the performance of duty as determined by the Board of Trustees, shall be retired by the Board of Trustees. If said Member was separated from service after the filing of the written application and had attained

twenty-five years or more of creditable service prior to the date of separation, the Board shall retire said Member, under this Part B.

(b) A Member retired under paragraph (a) above shall receive the following applicable benefits:

(1) If such Member has less than five years of creditable service at the time of his or her disability retirement, his or her Accumulated Contributions standing to his or her credit in the Annuity Savings Fund shall be returned to the Member, or at his or her option, he or she shall receive a cash refund annuity which shall be the Actuarial Equivalent of his or her Accumulated Contributions. For purposes of this Section F-11(b)(1), a "cash refund annuity" is an annuity that provides a death benefit equal to the positive difference, if any, between the original cost of the annuity and the sum of annuity payments received by the Member prior to his or her death.

(2) If such Member has five or more years of creditable service at the time of his or her disability retirement, he or she shall receive a disability Retirement Allowance computed in accordance with the provisions of this Article F, Part A, Section F-2(a) or (b), whichever is applicable, and he or she shall have the right to elect an Option provided for in Part H of this Article F. The Member's Straight Life Retirement Allowance shall not be less than twenty per cent of his or her Average Final Compensation as of the earlier of (i) the date of his or her disability retirement and (ii) June 30, 2014. Such Retirement Allowance shall be subject to Parts I and K of this Article F.

(3) If a Member receiving non-duty disability benefits has any Accumulated Contributions standing to his or her credit in the Annuity Savings Fund when the Member would have attained twenty-five years (effective as of March 8, 2007, twenty years for DPOA members and fire equivalents) of creditable service, such Member may withdraw the balance of such Accumulated Contributions at that time.

(4) If a Member receiving non-duty disability retirement benefits is or becomes engaged in a gainful occupation, business, or employment paying more than the difference between the disabled Member's Retirement Allowance and Average Final Compensation, the Member's Retirement Allowance shall be reduced by the amount of such difference. If the amount of the Member's earnings changes, the Retirement Allowance may be adjusted accordingly. The amount of income received by a Member shall be determined by the Board based upon information received from the Member or based upon information secured from other reliable sources. Furnishing such information to the Board at such times as the Board shall require shall be a condition for the Member's continued eligibility for non-duty disability benefits. In the event a Member's Retirement Allowance was not appropriately reduced for any period in which he or she is engaged in a gainful occupation, the Board

shall adjust future benefit payments to such Member until the amount of the overpayment is recouped by the Retirement System.

Sec. F-12. Disability retirement procedures.

(a) The Board shall establish procedures for determining whether a Member is disabled. Such procedures shall be consistent with any collective bargaining agreements between the City and the unions covering Police Employees and Fire Employees.

(b) If a Member is determined to be disabled, the Board or its designee will examine the pension file, including the submissions of the Member and the Police or Fire Department, to determine if there is any dispute as to whether the disability "resulted from the performance of duty" within the meaning of the Combined Plan. If it is undisputed that the disability did result from the performance of duty, the Board will grant duty disability retirement benefits. If it is undisputed that the disability did not result from the performance of duty, the Board will grant non-duty disability retirement benefits, provided the Member meets the other conditions of eligibility. If the performance of duty issue is in dispute, the Board will refer the matter to arbitration by a member of the Disability Retirement Review Board ("DRRB"). The decision of the DRRB member as to whether the disability resulted from the performance of duty shall be final and binding upon the Member, the Department and the Board. The DRRB shall consist of three qualified arbitrators who will be individually assigned in rotating order to decide the matters referred to arbitration by the Board. The three members of the DRRB shall be disinterested persons qualified as labor arbitrators and shall be selected in accordance with agreements between the City and the unions representing Members. The procedure for the termination of DRRB members and the selection of new DRRB members also shall be carried out in accordance with the agreements between the City and the unions representing Members.

(c) The hearing before a member of the DRRB will be conducted in accordance with the following procedures:

(1) The Member and the City will have the right to appear in person or otherwise may be represented by counsel if they wish and will be afforded an equal opportunity to present evidence relevant to the issues;

(2) A court reporter will be present and make a stenographic record of the proceedings;

(3) The hearing will be closed to the public, except that the Member may select one person to be with him or her in the hearing room; provided, however, that person may not testify;

(4) The witnesses will be sequestered;

(5) The witnesses will be sworn by the court reporter and testify under oath;

(6) The Member may not be called by the City as an adverse witness;

(7) The DRRB member will apply the rules of evidence and follow the procedures which are customarily applied and followed in labor arbitration cases;

(8) If the Member wishes to have an employee of the City released from duty to appear as a witness on his or her behalf, the Member may so inform the Board in writing which, in turn, will submit a written request to the appropriate Department for the release of the employee for the purpose of so testifying;

(9) The DRRB member will afford the parties an opportunity for the presentation of oral argument and/or the submission of briefs;

(10) The DRRB member will issue a written decision containing credibility resolutions as necessary, findings of fact and conclusions with respect to all relevant issues in dispute;

(11) The authority of the DRRB member is limited to deciding whether or not the Member's disability "resulted from the performance of duty" within the meaning of the Combined Plan. The DRRB member shall have no authority to add to, subtract from, modify or disregard the terms of the Combined Plan; and

(12) The costs associated with the hearing, including the arbitrator's fees and expenses and the court reporter's fees and expenses, will be paid by the Retirement System.

(d) If a disabled Member is determined by the Board or its delegate to no longer be disabled, he or she may appeal that determination within seven (7) days thereof by filing a written request with the Board for a re-examination. The Board shall promptly arrange for such re-examination. The Member's disability benefits will be continued pending that final and binding medical finding, and if the finding is that the Member is no longer disabled, his or her disability benefits will be further continued while the Police or Fire Department conducts such examinations and/or investigations as necessary to determine whether the Member is qualified for reappointment to active duty. In the event that the examinations and/or investigations conducted by the Police Department result in a determination that a Member represented by DPLSA is not qualified, for medical reasons, for reappointment to active duty, disability benefits will be continued.

(e) The Board shall not act upon or grant the application filed by a Member who, although he or she is not capable of performing the full duties of a Police Employee or Fire Employee, has not suffered any diminishment of his or her base wages or benefits because he or she is either:

(1) regularly assigned to a position, the full duties of which he or she is capable of performing; or

(2) assigned to a restricted duty position, unless the Member's Department advises that it intends to seek a disability retirement for the Member in the foreseeable future.

(f) The provisions in paragraph (e) above are not intended to and will not:

(1) affect the right of a Member to seek a disability retirement when no restricted duty position is available; or

(2) restrict in any way the existing authority of the Chief of Police or the Fire Commissioner to seek a duty or non-duty disability retirement for a Member or for that Member, at that time, to request a duty or non-duty disability retirement.

(g) DPCOA and DPLSA members who are retired on disability Pensions pursuant to this Part B prior to July 1, 2014 shall be entitled to lump sum payments of all accumulated time from the date that the Board of Trustees determines that they are entitled to such a Pension but not later than June 30, 2014. These members shall not be required to utilize such time delaying their retirement dates.

Part C — Escalation and Change in Compensation, Rank

Sec. F-13. Generally.

Subject to Sections K-1(1) and K-3, if hereafter the rate of compensation of the rank, grade or position on which the service Retirement Allowance, disability Pension or disability Retirement Allowance of a Member who was hired prior to July 1, 1969 or is a Beneficiary of such a Member as defined in Article D, Section D-1(a), (b), or (c) is based shall be changed, his or her service Retirement Allowance, disability Pension, or disability Retirement Allowance shall be changed proportionately, and if such rank, grade, or position shall have been abolished, his or her service Retirement Allowance, disability Pension, or disability Retirement Allowance shall be changed in proportion to the change made in the compensation of the existing rank, grade, or position most nearly approximating the rank, grade, or position so abolished.

Sec. F-14. Increase of Benefits; Pension Improvement Factor (Escalator).

On and after July 1, 1969, and the first of July of each year thereafter until July 1, 1992, the Pension portion of any Retirement Allowance or death benefit of a Member or Beneficiary of a Member as defined in Article D, Section D-1(d), which is paid or payable under this Component II shall be increased at the rate of two per cent (2.0%) per annum computed on the basis of the amount of the Pension received at the time of retirement.

Subject to Sections K-1(1) and K-3, on or after July 1, 1992 and the first of July each year thereafter, the Pension portion of any Retirement Allowance or death benefit of a Member or Beneficiary of a Member as defined in Article D, Section D-1(d), (including those Members

who opt to retire under the New Plan provisions) shall be increased at the rate of two and twenty-five one-hundredths per cent (2.25%) per annum computed on the basis of the amount of the Pension received at the time of retirement.

Subject to Sections K-1(1) and K-3, effective for Members who retire on or after July 1, 1997 (July 1, 1998 for DPCOA members, DPLSA members and DFFA members with a parity relationship with DPCOA and July 1, 2001 for DPOA members and their fire equivalents), the Pension Improvement Factor (Escalator) described in this Section shall be re-computed each Fiscal Year on the basis of the amount of Pension received in the previous Fiscal Year (i.e., the 2.25% per annum escalation amount shall be compounded).

Pension benefits for DPCOA members under Component II based on service rendered after November 30, 2012 shall not be subject to any escalation amounts.

The Pension portion of any Retirement Allowance or death benefit of a Member, or Beneficiary of a Member as defined in Article D, Section D-1(d) of the Combined Plan provisions, and Article 51.G. of the DPLSA collective bargaining agreement or Article 3.K. of the DPOA collective bargaining agreement (to include those Members who opt out to retire under the New Plan provisions) earned after April 1, 2011 (for DPLSA members) or September 1, 2011 (for DPOA members), shall not be increased whatsoever, per annum or otherwise. Subject to Sections K-1(1) and K-3, the Pension portion of any Retirement Allowance or death benefit of a Member, or Beneficiary of a Member as defined herein, accrued prior to April 1, 2011 (for DPLSA members) or September 1, 2011 (for DPOA members), shall still be increased as provided herein. Hence, Pension benefits earned based on service rendered after April 1, 2011 (for DPLSA members) or September 1, 2011 (for DPOA members) will no longer receive the 2.25% per annum escalation amount. Subject to the Plan of Adjustment, the 2.25% per annum escalation amount shall continue to apply to Pension benefits earned based on service rendered before April 1, 2011 (for DPLSA members) or September 1, 2011 (for DPOA members).

Sec. F-15. Payment.

Subject to Sections K-1(1) and K-3, the escalation factor contained in Section F-14 above shall be payable to the Member or Beneficiary of a Member as defined in Article D, Section D-1(d), notwithstanding any Retirement Allowance or Pension amount limitation provisions in this Component II to the contrary.

Part D — Death Benefits.

Sec. F-16. Generally.

If a Member, or a Retiree who was a Member, is killed in the performance of his or her duty or dies as the result of illness contracted or injuries received while in the performance of his or her duty and such death, illness or injuries resulting in death, is found by the Board of Trustees to have resulted from the performance of his or her duty, the following applicable benefits shall be paid, subject to Part I, Section F-25, of this Article F.

(a) The Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of his or her death shall be paid to such person or persons as he or

she shall have nominated by written designation duly executed and filed with the Board of Trustees. If there is no such designated person surviving, his or her said Accumulated Contributions shall be paid to his or her legal representative, subject to paragraph (e) of this Section F-16.

(b) A Member's surviving Spouse shall receive a Pension of five-elevenths of the maximum earnable compensation for the rank of Patrolman or Fire Fighter as the case may be determined as of the earlier of (i) the date of death or (ii) June 30, 2014. If his or her child or children under Age eighteen years also survive the deceased Member each such child shall receive a Pension of one-tenth of such maximum earnable compensation as of the earlier of (i) the date of death or (ii) June 30, 2014; provided, that if there are more than two such surviving children under Age eighteen years, each such child's Pension shall be an equal share of seven thirty-thirds of such maximum earnable compensation. Upon the death, marriage, adoption, or Attainment of Age eighteen years of any such child his or her Pension shall terminate and there shall be a redistribution by the Board of Trustees to the deceased Member's remaining eligible children, if any; provided, that in no case shall any such child's Pension exceed one-tenth of such maximum earnable compensation. In no case shall the total of the Pensions, provided for in this paragraph (b), payable on account of the death of a Member exceed two-thirds of the maximum earnable compensation for the rank of Patrolman or Fire Fighter, as the case may be, determined as of the earlier of (i) the date of the Member's death or (ii) June 30, 2014.

Effective July 1, 1986, widows of Police Department or Fire Department employees who have been receiving a flat monthly benefit of $300.00 should receive an increase of $500.00 per month thereby making the flat monthly benefit $800.00.

(c) If no Spouse survives the deceased Member or if his or her surviving Spouse dies or remarries before his or her youngest unmarried surviving child attains Age eighteen years, his or her unmarried child or children under age eighteen years shall each receive a Pension of one-fourth of the maximum earnable compensation for the rank of Police Employee or Fire Employee, as the case may be, as of the earlier of (i) the date of the Member's death or (ii) June 30, 2014; provided that if there are more than two such surviving children under Age eighteen years, each such child's Pension shall be an equal share of one-half of such maximum earnable compensation. Upon the death, marriage, adoption, or Attainment of Age eighteen years of any such child his or her Pension shall terminate and there shall be a redistribution by the Board of Trustees to the deceased Member's remaining eligible children, if any; provided, that in no case shall any such child's Pension exceed one-fourth of the maximum earnable compensation for the rank of Patrolman or Fire Fighter, as the case may be, determined as of the earlier of (i) the date of the Member's death, and (ii) June 30, 2014.

(d) If there is no surviving Spouse and if there are no children under Age eighteen years surviving such deceased Member and if he or she leaves surviving either a father or mother or both, whom the Board of Trustees shall find to be actually dependent upon such Member for financial support, such dependent father and mother shall each

receive a Pension of one-sixth of the maximum earnable compensation for the rank of Patrolman or Fire Fighter, as the case may be, determined as of the earlier of (i) the date of the Member's death, and (ii) June 30, 2014.

(e) If a Member dies intestate, without having designated a person or persons, as provided in sub-section (a) of this Section F-16, and without heirs, the amount of his or her Accumulated Contributions in the Annuity Savings Fund, not to exceed a reasonable sum, to be determined by the Board of Trustees, shall be used to pay his or her burial expenses, provided he or she leave no other estate sufficient for such purpose; any balance credited to such Member in the Annuity Savings Fund, and not used for burial expenses shall remain a part of the funds of the Retirement System and shall be credited to the Pension Accumulation Fund.

(f) If the maximum earnable compensation for the rank of Patrolman or Fire Fighter, as the case may be, is subsequently changed, the Pensions provided in this Section F-16 for Beneficiaries of Members as defined in Article D, Section D-1(a), (b), or (c) shall be proportionately changed; provided, however, that no increases shall be made after June 30, 2014.

(g) The maximum earnable compensation for the rank of Patrolman or Fire Fighter, as the case may be, to be used in computing the Pensions provided in this Section for Beneficiaries of Members as defined in Article D, Section D-1(d) shall be the maximum earnable compensation of the rank of Patrolman or Fire Fighter as established by the City's budget for the Fiscal Year in which occurs the earlier of (i) the date of the Member's death, and (ii) June 30, 2014.

Part E — Nonduty Death.

Sec. F-17. Payment of Accumulated Contributions.

If a Member, or a Member who retires after June 30, 1965 under Part B, Section F-7 of this Article F, dies and no Pension or Pensions become payable under this Component II on account of his or her death, the Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of death shall be paid to such person or persons as he or she shall have nominated by written designation duly executed and filed with the Board of Trustees. If there is no such designated person or persons surviving the said Member, his or her said Accumulated Contributions shall be paid to his or her legal representative. If such Member dies intestate, without having designated a person as above provided, and without heirs, his or her said Accumulated Contributions not to exceed a reasonable sum to be determined by the Board of Trustees, shall be used to pay his or her burial expenses, provided he or she leaves no other estate sufficient for such purpose; and any balance credited to such Member in the Annuity Savings Fund not so used for burial expenses shall be transferred to the Survivors Benefit Fund.

Sec. F-18. Allowances to surviving spouses.

Upon the death of a Member, or a Member who retires after June 30, 1965 under Part B, Section F-7 of this Article F, and such death is found by the Board of Trustees not to have resulted from the performance of his or her duty, the applicable Retirement Allowances provided

in paragraphs (a), (b), (c) and (d) of Section F-1 shall be paid from the Survivors Benefit Fund, to the extent of available funding, and shall be subject to paragraphs (e), (f) and (g) of Section F-1.

(a) His or her surviving Spouse shall receive a Retirement Allowance computed in the same manner in all respects as if the said Member had (1) regularly retired on the earlier of (i) the day preceding the date of his or her death, or (ii) June 30, 2014, notwithstanding that he or she might not have acquired twenty-five years of creditable service, in the case of a Member as defined in Article D, Section D-1(a), (b), or (c), or notwithstanding that he or she might not have acquired twenty-five years of service or more and had not attained age fifty-five, in the case of a Member as defined in Article D, Section D-1(d); (2) elected Option 2 provided for in Part H of this Article F; and (3) nominated his or her surviving Spouse as joint Beneficiary; provided, that in no case shall the Retirement Allowance payable to such joint Beneficiary be less than twenty per cent of said Member's Average Final Compensation as of the earlier of (i) the Member's date of death, and (ii) June 30, 2014. If a Member who had less than twenty-five years of creditable service dies prior to July 1, 2001, the Retirement Allowance payable to the surviving Spouse shall be terminated in the event the surviving Spouse remarries.

(b) His or her unmarried child or children under Age eighteen years shall each receive a Retirement Allowance of one-seventh of the annual maximum earnable compensation of the rank of a Patrolman or a Fire Fighter, as the case may be determined as of the earlier of (i) the Member's date of death, and (ii) June 30, 2014; provided, that if there are more than two such children, each child shall receive a Retirement Allowance of an equal share of two-sevenths of said annual maximum earnable compensation. Upon any such child's adoption, marriage, death or Attainment of Age eighteen years, whichever occurs first, his or her Retirement Allowance shall terminate, and there shall be a redistribution by the Board of Trustees to the deceased Member's remaining eligible children under Age eighteen years; provided, that in no case shall the Retirement Allowance payable to any such child exceed one-seventh of the said annual maximum earnable compensation.

(c) If, at the time of the said Member's death, there shall be neither a surviving Spouse nor children eligible for a Retirement Allowance provided for in this Section F-18, each of his or her parents shall receive a Retirement Allowance of one-seventh of the annual maximum earnable compensation of a Patrolman, or a Fire Fighter, as the case may be determined as of the earlier of (i) the Member's date of death, and (ii) June 30, 2014; provided, that the Board of Trustees finds that such parent was dependent upon the said Member for at least fifty per cent of his or her financial support. Upon the remarriage of any such parent, his or her Retirement Allowance shall thereupon terminate.

(d) In the event all the Retirement Allowances provided for in this Section F-18, payable on account of the death of a Member terminate before there has been paid an aggregate amount equal to the said Member's Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of death, the difference

between his or her said Accumulated Contributions and the said aggregate amount of Retirement Allowances shall be paid to such persons as the said Member shall have nominated by written designation duly executed and filed with the Board of Trustees. If there are no such designated person or persons surviving the said Member such difference, if any, shall be paid to his or her legal representative.

(e) In no case shall any Retirement Allowance be paid under this Section F-18 on account of the death of a Member if any benefits are paid under Part D of this Article F on account of his or her death. The Retirement Allowance provided for in this Section F-18 shall be subject to Part I of this Article F.

(f) All benefits provided in this Part E for Beneficiaries of Members as defined in Article D, Section D-1(a), (b), or (c) shall be based on the maximum earnable compensation of the rank of Patrolman or Fire Fighter, as the case may be determined as of the earlier of (i) the Member's date of death, or (ii) June 30, 2014. Subject to the Plan of Adjustment, if a Member died before July 1, 2014 and the compensation of such rank shall be changed prior to July 1, 2014, the benefits provided shall be changed proportionately. All benefits provided in this Part E for Beneficiaries of Members as defined in Article D, Section D-1(d) shall be based on the maximum earnable compensation of the rank of Patrolman or Fire Fighter as established in the City's budget for the year of the earlier of (i) the Member's death or (ii) June 30, 2014.

(g) In the event a Member has withdrawn his or her Accumulated Contributions from the Annuity Savings Fund and has not returned in full all amounts due the fund by him or her, the survivors benefits provided in paragraphs (a), (b), (c) and (d) of this Section F-18 shall be reduced to the proportion that the Member's Accumulated Contributions standing to his or her credit in the Annuity Savings Fund, at the time of his or her death bears to the amount his or her Accumulated Contributions would have been had he or she not made a withdrawal from the Annuity Savings Fund.

Part F — Termination of Membership Otherwise than by Retirement, Death or Becoming a Beneficiary.

Sec. F-19. Payment of benefits to employees who became Members before January 1, 1969.

If the membership of a Member as defined in Article D, Section D-1(a), (b), or (c) shall terminate for any reason other than retirement, his or her becoming a Beneficiary, or death, the Member shall be paid the Accumulated Contributions standing to the credit of his or her individual account in the Annuity Savings Fund, such payment to be made within ninety days after such termination of membership; provided, however, that if a Member eligible for retirement shall resign or be dismissed from service, the Board of Trustees, on the written petition of such Member filed within one year from his or her separation from service and prior to the withdrawal of his or her Accumulated Contributions in the Annuity Savings Fund, shall grant such Member a service Retirement Allowance computed in accordance with Article F, Part A, Section F-2(a), subject to the provisions of Part G of this Article F.

Sec. F-20. Payment of benefits to employees who became Members on or after January 1, 1969.

If the membership of a Member as defined in Article D, Section D-1(d) shall terminate for any reason other than retirement, his or her becoming a Beneficiary or death, he or she shall be paid the Accumulated Contributions standing to the credit of his or her individual account in the Annuity Savings Fund, such payment to be made within ninety days after such termination of membership; provided, however, that if a Member having twenty-five or more years of service and having attained age fifty-five shall resign or be dismissed from service, the Board of Trustees, on the written petition of such Member filed within one year from his or her separation from service and prior to the withdrawal of his or her Accumulated Contributions in the Annuity Savings Fund, shall grant such Member a service Retirement Allowance computed in accordance with Article F, Part A, Section F-2(b), subject to the provisions of Part G of this Article F.

Sec. F-21. Deferred vested benefits.

A Member (i) whose employment is terminated before August 28, 2003 and who is credited with eight or more years of creditable service and has attained Age forty, or (ii) whose employment is terminated after August 27, 2003 and who is credited with ten or more years of creditable service, but in each case less than twenty-five years (effective as of March 8, 2007, twenty years for DPOA members and fire equivalents) of creditable service shall be eligible to receive a full Retirement Allowance under Component II beginning on the date upon which the Member would have been eligible to commence a full Retirement Allowance had he or she continued in the service of the City until such date. Alternatively, such Member may elect to receive an actuarially reduced early Retirement Allowance at any time following his or her termination of employment with the City.

Part G — Conviction of Felony.

Sec. F-22. Forfeiture of rights.

If a Member or Retiree as defined in Article D, Section D-1(a), (b), (c) or (d) shall be convicted of by a court of competent jurisdiction or enters a nolo contendere plea accepted by a court for a felony against the City arising out of his or her service as an employee of the City and while a Member of the Retirement System, the court may order the forfeiture of all or a portion of the rights of the Member to benefits hereunder, except the return of his or her Accumulated Contributions, as provided in the *Public Employee Retirement Benefits Forfeiture Act, MCL 38.2701, et. seq.* In such case, the Retirement System shall pay to an individual, if any, who would otherwise be a Beneficiary of the Member or Retiree whose retirement benefit is being forfeited under this Section F-22 an Actuarially Equivalent monthly Retirement Allowance at the Age that the Member or Retiree would have become eligible for unreduced retirement benefits under the Retirement System.

Part H — Option Elections.

Sec. F-23. Generally.

(a) Prior to the first payment of any Retirement Allowance normally due, except a disability Pension payable under Part B, Sections F-8 and F-11 of this article, a Member may elect to receive his or her Retirement Allowance as a Straight Life Retirement Allowance payable throughout the Member's life, or the Member may elect to receive the Actuarial Equivalent, as of the date of the Member's retirement, of his or her Straight Life Retirement Allowance in a reduced Retirement Allowance payable throughout the Member's life and nominate a joint Beneficiary, in accordance with the provisions of Options 1, 2, 3, 3(A) or 3(B) as follows:

(1) OPTION 1. *Modified Cash Refund Annuity*. Under Option 1, a Member will receive a reduced Retirement Allowance. If a Member who selected Option 1 dies before full payment of the Annuity has been received, the person or persons nominated by that Member's written designation duly executed by the Member and filed with the Board of Trustees shall receive in a single payment the difference between the present value of the Member's Annuity on the date the Member retired, minus the amount of Annuity payments already paid to the Member. If there is no such designated person(s) surviving the retired deceased Member, such difference, if any, shall be paid to the Member's legal representative.

(2) OPTION 2. *Joint and Last Survivorship Retirement Allowance*. Under Option 2, upon a Member's death, payment of a reduced Retirement Allowance shall be continued through the life of and paid the person having an insurable interest in the Member's life and nominated by written designation duly executed by the Member and filed with the Board of Trustees prior to the first payment of the Member's Retirement Allowance is due.

(3) OPTION 3. *Joint and Seventy-Five Percent Survivor Allowance*. Under Option 3, upon a Member's death, payment of seventy-five percent (75%) of the Member's reduced Retirement Allowance shall be continued throughout the life of and paid to the person having an insurable interest in the Member's life and nominated by that Member's written designation duly executed by the Member and filed with the Board of Trustees prior to the date the first payment of the Retirement Allowance is due.

(4) OPTION 3(A). *Modified Joint and Last Survivorship Allowance*. Under Option 3(A), upon a Member's death, payment of one-half (50%) of the Member's reduced Retirement Allowance shall be continued throughout the life of and paid to the person having an insurable interest in the Member's life and nominated by that Member's written designation duly executed by the Member and filed with the Board of Trustees prior to the date the first payment of the Retirement Allowance is due.

(5) OPTION 3(B). *Joint and Twenty-Five Percent Survivor Allowance*. Under Option 3(B), upon a Member's death, payment of twenty-five percent (25%) of the Member's reduced Retirement Allowance shall be continued throughout the life of and paid to the person having an insurable interest in the Member's life and nominated by that Member's written designation duly executed by the Member and filed with the Board of Trustees prior to the date the first payment of the Retirement Allowance is due.

(b) The Joint and Survivor Optional Forms of Payment provided under Options 2, 3, 3(A) and 3(B) shall be made available in either the standard form or the pop-up form, as follows:

(i) *Standard Form*. Under the Standard Form, the reduced Retirement Allowance shall be paid throughout the lifetime of the Retiree.

(ii) *Pop-up Form*. Under the Pop-up Form, the reduced allowance shall be paid throughout the lifetime of the Retiree and the designated Beneficiary. In the event of the death of the designated Beneficiary during the lifetime of the Retiree, the amount of the allowance shall be changed to the amount that would have been payable had the Retiree elected the Straight Life Form of Payment. The actuarial cost of the change in benefit shall be borne by the Member who seeks change in his or her election.

In addition, a Member may elect to have all or part of his or her Accumulated Contributions paid to the Member in a single sum or used to purchase an annuity contract from an insurance company of his or her choice in which case, any annuity payments attributable to such amount under the Retirement System shall not be payable from the Annuity Reserve fund but shall be the responsibility of the insurance company. A Member's Retirement Allowance shall be reduced by the Actuarial Equivalent of the amount so paid or used.

(c) This Section does not rescind any substantive rights of disability Retirees from the Retirement System who retired prior to the arbitration decision regarding DPOA members that became effective on July 1, 1995, or the arbitration decision regarding DPLSA members that became effective on June 30, 1998.

(d) This Section does not amend any computations used to determine benefits under Part B, Sections F-8 and F-11 of this Component II, or result in an increase or decrease in such benefits.

(e) Retirees of the Retirement System shall be entitled to change their Pension option from either Option 2, Option 3, Option 3(A) or Option 3(B) to a Straight Life Retirement Allowance after they have commenced collection of the Pension if the Member's Beneficiary predeceases the Member. The actuarial cost of the change in benefit shall be borne by the Member who seeks change in his or her option election. The pop-up option shall be based upon the investment return assumption as recommended by the Plan Actuary and adopted by the Board of Trustees.

Sec. F-24. Disposition of surplus benefits upon death of Member and Beneficiary.

In the event a Member elected Option 2, 3, 3(A) or 3(B) provided for in Section F-23 of this Part H and both the Member and his or her designated joint Beneficiary die before there has been paid in Retirement Allowances an aggregate amount equal to his or her Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of his or her retirement, the difference between his or her said Accumulated Contributions and the said aggregate amount of Retirement Allowances paid shall be paid to the said retired Member's Beneficiary or legal representative.

Part I — Pension Offset by Compensation Benefits.

Sec. F-25. Generally.

Any amounts which may be paid under the provisions of any workmen's compensation, or pension, or similar law to a Member, or to the dependents of a Member on account of any disability or death, shall be offset against and payable out of funds provided by the City under the provisions of the Retirement System on account of the same disability or death. In case the present value of the total commuted benefits under said workmen's compensation, pension, or similar law, is less than the Pension Reserve or benefits otherwise payable from the funds provided by the City under this Retirement System, then the present value of the commuted payments shall be deducted from the Pension Reserve, and such benefits as may be provided by the Pension Reserve, so reduced, shall be payable under the provisions of the Retirement System.

Part J — Monthly Payments.

Sec. F-26. Generally.

Unless otherwise herein provided, all benefits payable under this Retirement System shall be paid in equal monthly installments.

Part K — Re-Examination of Beneficiaries.

Sec. F-27. Authority of Board.

(a) Once each year during the retirement of a Member on a disability Pension or a disability Retirement Allowance and at least once in every three year period thereafter the Board of Trustees shall require any disability Retiree, if he or she would not then be eligible for a service Retirement Allowance had he or she remained in active service, to undergo a medical examination at a place to be fixed by the Board of Trustees. If the Retiree shall be required to travel more than twenty miles to reach such place, the Board of Trustees shall pay his or her reasonable traveling expenses. Should such disability Retiree refuse to submit to such examination, his or her disability Pension or disability Retirement Allowance may be discontinued until he or she shall submit to such examination and should such refusal continue for one year, all of the Member's rights in and to a Pension may be revoked by the Board of Trustees. If, on medical examination of a Beneficiary, the Board of Trustees determines that the Retiree is physically able and capable of resuming active duty, he

or she shall be restored to such duty and his or her other disability Pension or disability Retirement Allowance shall cease. Such Member so restored to active duty shall be returned to duty in a rank or grade equivalent to or higher than the rank or grade in which he or she was serving at the time of his or her last retirement and his or her compensation shall be that provided for the rank or grade in which he or she is restored to service. It shall be the duty of the Commissioner of Police or the Board of Fire Commissioners to restore such Member to duty forthwith.

(b) If the Board of Trustees determines that a disabled Old Plan Member is engaged in a gainful occupation, paying more than the difference between his or her Final Compensation as of the earlier of (i) the date of disability or (ii) June 30, 2014 and his or her disability Pension, or disability Retirement Allowance, the amount of his or her Pension or Retirement Allowance shall be reduced to an amount, which together with the amount earned by the Member, shall equal the amount of such Final Compensation. If the Board of Trustees determines that a disabled New Plan Member is engaged in a gainful occupation, paying more than the difference between his or her base salary at the earlier of (i) the date of disability or (ii) June 30, 2014, increased by two and twenty-five one hundredths percent (2.25%) for each full year from the date of disability and prior to July 1, 2014 and his or her disability Pension, or disability Retirement Allowance, the amount of his or her Pension or Retirement Allowance shall be reduced to an amount, which together with the amount earned by him or her, shall equal the amount of such base salary. Should his or her earnings be later changed, the amount of his or her Pension or Retirement Allowance may be further modified in like manner.

(c) A disability Retiree who shall be reinstated to active service prior to July 1, 2014 as provided in this Section, shall from the date of such restoration again become a Member of the Retirement System, and he or she shall contribute to the Retirement System thereafter in the same manner and at the same rate as he or she paid prior to his or her disability retirement. A disability Retiree who shall be reinstated to active service after June 30, 2014, shall from the date of such restoration become an active Member of the Retirement System and shall accrue future benefits pursuant to Component I. He or she shall contribute to the Retirement System at the rate required of active Members pursuant to Component I. Any Prior Service and Membership Service on the basis of which his or her service was computed at the time of his or her disability retirement shall be restored to full force and effect, and he or she shall be given service credit under Component I or Component II, as applicable, for the period of time he or she was in retirement due to such disability, except in the case of non-duty disability.

Part L — Withdrawal of Accumulated Contributions

Sec. F-28. Member With Twenty or Twenty-Five Years of Service.

Effective July 1, 1982, a Member with twenty-five years or more of creditable service (effective as of March 8, 2007, twenty years for DPOA members and fire equivalents) shall be allowed to withdraw either a portion or the full amount of his or her Accumulated Contributions,

one time only, whether or not the Member retires. A Member shall make such election prior to the receipt of his or her first retirement benefit check.

Sec. F-29. Disabled Member

A Member who is receiving disability benefits (duty or non-duty) from the Retirement System and who has twenty-five years (effective as of March 8, 2007, twenty years for DPOA members and fire equivalents) or more of creditable service shall have the right to withdraw the full amount of his or her Accumulated Contributions. If such Member withdraws his or her Accumulated Contributions, his or her Retirement Allowance shall be actuarially reduced to reflect such withdrawal.

Sec. F-30. Optional Annuity Withdrawal

(a) A Member shall have the right to elect to receive on the effective date of his or her service retirement a partial or total refund of his or her Accumulated Contributions. If a Member makes such an election, an Annuity payable under any Retirement Allowance or reduced Retirement Allowance shall be reduced proportionally. If the total Accumulated Contributions are withdrawn, no Annuity shall be payable.

The limitation of fifteen twenty-seconds of the maximum earnable compensation of a Police Employee and Fire Employee continues in effect. For purposes of determining the fifteen twenty-seconds limitation, a computation based on the Annuity which is an Actuarial Equivalent of the Accumulated Contributions standing to a Member's credit in the Annuity Savings Fund prior to any partial or total refund will be used.

On or after July 1, 1974, Members or former Members who are entitled to begin to receive the 40 & 8 benefit provided under Section F-6 will be entitled to the Annuity refund withdrawal option.

On or after July 1, 1974, non-duty disability Retirees represented by DFFA, DPCOA and DPLSA who retired pursuant to Article D, Section D-1(a), (b) or (c) prior to having twenty-five years of service credit, shall be entitled to the Annuity refund withdrawal option on the date he or she would have had twenty-five years of service credit had he or she continued as an active employee. Said option shall only apply to the balance of Accumulated Contributions, if any, remaining to such Retiree's credit in accordance with the existing Annuity refund provisions.

Survivor benefit beneficiaries as defined in Title IX, Chapter VII, Article VI, Part E, Section 2, parts (a), (b) and (c) of the 1918 City Charter in effect as of June 30, 1974, and continued in effect by Section 11-102 of the City Charter shall be entitled to the Annuity withdrawal refund option subject to the same rules that would have been applicable to the deceased Member had he or she not died. Said option shall only apply to the balance of Accumulated Contributions, if any, remaining to the applicable Member's credit.

In any case of doubt, the Board of Trustees shall decide whether a Member or Beneficiary is entitled to an Annuity refund withdrawal option.

(b) A Member shall have the right on or after the effective date of his or her becoming eligible for a full service Retirement Allowance (Members who have either twenty or twenty-five years of creditable service depending upon the applicable bargaining unit) to elect to receive a partial or total refund of his or her Accumulated Contributions to the Annuity Savings Fund. If a Member makes such an election, an Annuity payable under any Retirement Allowance or reduced Retirement Allowance shall be reduced proportionally. If the total Accumulated Contributions are withdrawn, no Annuity shall be payable.

If a Member makes such an election, the Retirement Allowance shall be reduced to reflect the value of the Annuity withdrawn. The amount of the Annuity at the time of such election shall be the amount used at the time of retirement for purposes of computing the Retirement Allowance.

All members (except DPOA members retiring prior to July 1, 1982) who complete their required years of service, shall have the right to withdraw all or part of their Accumulated Contributions whether they choose to retire or not.

Effective July 21, 2000 for DFFA members having a parity relationship with the DPOA and for the DPCOA Inspector, and effective July 1, 2003 for DPLSA members, and effective July 21, 2000 for DPOA members, a Member who has elected to retire and elected to withdraw his or her Annuity for the purposes of calculating his or her Retirement Allowance (thereby lowering the Retirement Allowance), may nevertheless choose to leave the Annuity in the Retirement System collecting Regular Interest with the option of a one-time withdrawal of the Annuity funds at a later date.

For a DPCOA, DPLSA or DFFA member or an employee with a parity relationship with the DPLSA and for the DPCOA Inspector who retires on or after July 1, 1990, and who has made or makes an election to receive a total or partial refund of his or her Accumulated Contribution to the Annuity Savings Fund, there shall be no reduction of Retirement Allowances due to the portion of withdrawal representing interest credits. For members of DFFA and DPLSA, this subsection shall be controlled by the requirements of the Act 312 arbitration award issued June 25, 1990 (MERC Case No. B89 C-0622, page numbers 22 and 23).

Effective January 15, 2010 for members of DPCOA and fire equivalents, or December 15, 2008 for DPLSA and fire equivalents, or March 8, 2007 for DPOA members and fire equivalents, a Member who retires and elects to leave a balance in the Annuity Savings Fund shall have the option of receiving a quarterly payment of interest earnings only or to take periodic withdrawals of principal, in addition to a one time complete withdrawal. Members of DPCOA and DPLSA and their fire equivalents must make their elections a minimum of thirty days before the beginning of a quarter; the beginning of a quarter is defined as March 1, June 1, September 1, and December 1.

An employee represented by DFFA, DPCOA or DPLSA who is entitled to a Retirement Allowance under Article F, Part A, Section F-5 of the Retirement System and who leaves the employ of the Police or Fire Department of the City on or after July 1, 1982 shall have the right to elect to receive on the effective date of termination a partial or total refund of his or her Accumulated Contributions. The Pension portion of his or her Retirement Allowance shall be computed as if the Member had not withdrawn his or her Accumulated Contributions from the Annuity Savings Fund until the date he or she was eligible to retire had he or she continued in City employment.

(c) Effective in accordance with the specific date and terms of the DPOA award in Act 312 No. D98 E-0840 (Chairman Donald F. Sugerman, dated July 21, 2000), a DPOA member shall have the right to leave his or her withdrawn Annuity in the Retirement System and accumulating Regular Interest, as provided herein.

(d) Effective July 1, 1974, a Member who holds the rank of police inspector and above and who is not covered by a collective bargaining agreement shall, notwithstanding any other provisions of Component II to the contrary, have the right to elect to receive on the effective date of his or her service retirement a partial or total refund of his or her Accumulated Contributions. Effective as of March 8, 2007, a DPOA and fire equivalent Retiree who elects not to withdraw his or her Accumulated Contributions as of the effective date of his or her service retirement shall have the option of receiving a quarterly payment of interest credited to his or her Accumulated Contributions or to receive periodic withdrawals of the contributions such Retiree made to Component II of the Retirement System. If a Member makes such an election, an Annuity payable under any Retirement Allowance or reduced Retirement Allowance shall be reduced proportionately. If the total Accumulated Contributions are withdrawn no Annuity shall be payable with respect to such withdrawn amounts.

ARTICLE G. METHOD OF FINANCING.

Sec. G-1. General.

The funds of Component II of the Retirement System shall be the Annuity Savings Fund, Annuity Reserve Fund, Pension Accumulation Fund, Pension Reserve Fund, Deferred Retirement Option Plan Fund, Expense Fund and the Survivors Benefit Fund.

Sec. G-2. Annuity Savings Fund.

(a) The Annuity Savings Fund shall be the fund in which shall be accumulated at Regular Interest, in accordance with the limitations that are contained in Section C-1(20) of this Component II, the contributions deducted from the compensation of Members prior to the first payroll date occurring in August 2014 to provide for their Annuities. Subject to Section B-1(c), the contributions of a Member as defined in Article D, Section D-1(a), (b) or (c) shall be five percent of a Member's compensation until the Member has acquired twenty-five years of creditable service. Subject to Section B-1(c), the contribution of a Member as defined in Article D, Section D-1(d) shall be five percent of his or her compensation until he or she has acquired at least twenty-five years of creditable service (effective as of March 8, 2007, twenty years for DPOA members and fire equivalents) and attained age fifty-five. No Member shall have the option of choosing to receive the compensation required to be contributed hereunder directly instead of having such amounts paid by the City to the Annuity Savings Fund.

(b) The City shall cause the contributions provided for in paragraph (a) above to be deducted from the compensation of each Member on each and every payroll, for each and every payroll period, from the date of his or her entrance in the System to the earlier of (i) the date he or she ceases to be a Member or (ii) the last payroll date occurring in July 2014.

(c) The deductions provided for herein shall be made notwithstanding that the minimum compensation provided by law for any Member shall be reduced thereby. Every Member shall be deemed to consent and agree to the deductions made and provided for herein, and payment of his or her salary or compensation, less said deduction, shall be a full and complete discharge and acquittance of all claims and demands whatsoever for the services rendered by such person during the period covered by such payments, except as to the benefits provided under this Retirement System. The amounts to be deducted shall be deducted by the City Treasurer and when deducted shall be paid into the Annuity Savings Fund and shall be credited to the individual account of the Member from whose compensation said deduction was made.

(d) If, under the provisions of this Component II, any person shall withdraw or be paid any part or all of his or her Accumulated Contributions and shall thereafter again become a Member on or before June 30, 2014, he or she shall, in addition to the contributions provided for in paragraph (a) above, redeposit in the Annuity Savings Fund, by an increased rate of contribution to be determined by the Board of Trustees,

or by a single payment, such amount that his or her Accumulated Contributions at the date of his or her eligibility for retirement will be the same amount it would have been had no withdrawal or payment been made therefrom.

(e) Except as is otherwise provided in this Component II, upon the death or retirement of a Member, his or her Accumulated Contributions shall be transferred from the Annuity Savings Fund to the Annuity Reserve Fund.

(f) In any Plan Year during the period beginning on or after July 1, 2014 and ending June 30, 2023 in which the annual rate of return credited to the accounts of Members investing in the Annuity Savings Fund as provided in paragraph (a) is less than the actual rate of return net of expenses of the Retirement System's invested assets for the second Plan Year immediately preceding the Plan Year in which the annual rate of return is credited ("ASF Return Excess"), an amount equal to the value of the ASF Return Excess shall be transferred to the Pension Accumulation Fund maintained under Component I of the Combined Plan and shall be used to fund the Transition Cost relating to Component I. The Transition Cost is a measure of the liability that Component I of the Retirement System has at its inception; due to the fact that, at its inception, Members in Component I of the Retirement System receive vesting and eligibility credit under Component I for service that was earned prior to July 1, 2014 and is otherwise credited to Members under Component II of the Retirement System, as such Transition Cost is calculated by the Plan Actuary. In the event there is an ASF Return Excess for a Plan Year following the Plan Year in which such transfers have fully funded the Transition Cost relating to Component I, fifty percent (50%) of such ASF Return Excess shall be transferred to the Pension Accumulation Fund maintained under Component II and the remaining fifty percent (50%) of such ASF Return Excess shall be transferred to Component I and credited to the Rate Stabilization Fund maintained under Component I. "Transition Cost" shall be determined by the Plan Actuary.

Sec. G-3. Annuity Reserve Fund.

The Annuity Reserve Fund shall be the fund from which shall be paid all Annuities payable as provided in this Component II, except Annuities which are payable from the Survivors Benefit Fund. Should a disability Retiree be restored to active service, his or her Annuity Reserve at the time shall be transferred from the Annuity Reserve Fund to the Annuity Savings Fund and credited to his or her individual account therein.

Sec. G-4. Alternative Financing Method.

Except as provided regarding the Survivors Benefit Fund, the Pension Accumulation Fund shall be the fund in which shall be accumulated reserves for the Pensions and other benefits payable from contributions made by the City and other third-party entities, and from which transfers shall be made as provided in this section.

(a) *Accrued Liability Fund.* Pursuant to *Ordinance No. 05-05*, which authorized the creation of the Detroit Police and Fire Retirement System Service Corporation, the

City entered into a transaction ("the Pension Funding Transaction") to obtain funds as an alternative to those available through the traditional funding mechanism described in Section G-5. The proceeds generated by the Pension Funding Transaction (or any Additional Pension Funding Transaction) that were deposited into the Retirement System will be termed the "Funding Proceeds." The Funding Proceeds were deposited into a new Fund in the Retirement System called the Accrued Liability Fund. The purpose of the Funding Proceeds is to fund all or part of the theretofore unfunded accrued liabilities ("UAAL") of the Retirement System. The Funding Proceeds are assets of the Retirement System and will be applied, together with all other assets of the Retirement System, to fund the Retirement System's obligation to pay accrued benefits, as adjusted in the Plan of Adjustment.

This Accrued Liability Fund shall contain only the Funding Proceeds of the Pension Funding Transaction, the Additional Pension Funding Transaction and any earnings thereon. Prior to Fiscal Year 2013, funds were transferred each Fiscal Year (or monthly portion thereof) from the Accrued Liability Fund to the Pension Accumulation Fund as provided in the documents governing the Retirement System, including *Ordinance No. 5-05*.

(b) As soon as practicable following the effective date of the Plan of Adjustment, any amounts remaining credited to the Accrued Liability Fund shall be transferred to the Pension Accumulation Fund and the Accrued Liability Fund shall cease to exist.

Sec. G-5. Contributions to and payments from Pension Accumulation Fund.

Contributions to and payments from the Pension Accumulation Fund shall be made as follows:

(a) For Fiscal Years commencing prior to July 1, 2014, upon the basis of such assumptions as to future financial experiences as the Board of Trustees shall from time to time adopt, the Actuary annually computed the City's contribution, expressed as a percent of active Member contributions, to provide the Pension Reserves covering the Pensions or other City-financed benefits to which Members might be entitled or which might be payable at the time of their discontinuances of City employment under this Component II; provided, such contribution percents shall not be less than amounts which, expressed as percents of active Member compensation, will remain level from generation to generation of Detroit citizens. Upon the retirement or death of a Member, the Pension Reserve for any benefits payable on his or her behalf shall be transferred from the Pension Accumulation Fund to the Pension Reserve Fund, to the extent of there being assets in the Pension Accumulation Fund.

(b) Subject to the Plan of Adjustment, for Fiscal Years commencing prior to July 1, 2014 and on and after July 1, 2023, the Board of Trustees annually ascertained and reported to the Mayor and the Council the amount of contributions due the Retirement System by the City, and the Council shall appropriate and the City shall pay such contributions to the Retirement System during the ensuing Fiscal Year. When paid, such contributions shall be credited to the Pension Accumulation Fund.

(c) For Fiscal Years commencing after June 30, 2014 and prior to July 1, 2023, the City shall make contributions to the Pension Accumulation Fund only as provided in the Plan of Adjustment.

Sec. G-6. Retiree payments from Pension Reserve Fund; reinstatement of disability Retirees to active service.

Except as to the Survivor's Benefit Fund, the Pension Reserve Fund shall be the fund from which shall be paid Pensions on account of Members. Should a disability Retiree be reinstated to active service, the Member's Pension Reserve, at that time, shall be transferred from the Pension Reserve Fund to the Pension Accumulation Fund.

Sec. G-7. Expense Fund.

The Expense Fund shall be the fund to which shall be credited all money provided by the City, if any, to pay the administration expenses of Component II, and from which shall be paid the expenses necessary in connection with the administration and operation of Component II.

Sec. G-8. Deferred Retirement Option Plan Fund.

The Deferred Retirement Option Plan Fund shall be the fund in which shall be accumulated the amounts credited to the DROP Accounts of Members who have elected to participate in the DROP Program pursuant to Article I, together with earnings thereon, provided that the DROP Accounts are held and invested within the Retirement System.

Sec. G-9. Appropriations prior to July 1, 2014 and after June 30, 2023.

(a) The Board of Trustees shall certify to the City Council the amount of the appropriation necessary to pay to the various funds of Component II of the Retirement System the amounts payable by the City as enumerated in this Component II, according to legal budget procedure.

(b) To cover the requirements of Component II prior to July 1, 2014 and after June 30, 2023, such amounts as shall be necessary to cover the needs of Component II shall be paid into the Pension Accumulation Fund and the Expense Fund by special appropriations or transfers to the Retirement System; provided, however that no transfers can be made from the Accrued Liability Fund other than the annual transfer of the scheduled amortizing amount, or transfers under special circumstances pursuant to Section G-4 (as in effect prior to July 1, 2014).

Sec. G-10. Maintenance of reserves.

The maintenance of the Annuity Reserves in the Annuity Reserve Fund and the Pension Reserves in the Pension Reserve Fund are hereby made obligations of the Pension Accumulation Fund. Except as provided in Section G-2(f), all income, interest, and dividends derived from deposits and investments authorized by this Component II, which are not required for the allowance of interest to the funds of the Retirement System as provided herein, shall be credited to the Pension Accumulation Fund. Prior to July 1, 2014, the moneys credited to the Accrued

Liability Fund were credited to the Pension Accumulation Fund only to the extent authorized pursuant to the terms of the Retirement System as in effect prior to July 1, 2014. Any contributions by the City to the Retirement System from any fund impressed by law with a certain and definite purpose shall be accounted for separately.

Sec. G-11. Survivors Benefit Fund.

(a) The Survivors Benefit Fund shall be the fund in which shall be accumulated, at Regular Interest, the reserves for survivors benefits provided for in Article F, Part E, Section F-18, hereof, and from which such benefits shall be paid, but only to the extent sufficient assets are credited to the fund at the time a claim for benefits is made. In the event there are insufficient assets credited to the Survivor's Benefit Fund to pay the benefits provided under this Section G-10, such benefits thereafter shall be payable from the Pension Reserve Fund.

(b) After June 30, 1965 and prior to July 1, 1986, each Member shall contribute to the Survivors Benefit Fund one per cent of his or her compensation paid by the City until he or she has acquired twenty-five years of creditable service. The City shall cause the said contributions to be deducted from the Member's compensation, on each and every payroll, for each and every payroll period so long as he or she remains a Member and has not acquired twenty-five years of creditable service. Each and every Member shall be deemed to consent and agree to the said deductions. Said contributions, when deducted, shall be credited to the Survivors Benefit Fund and shall in no case become a part of the said Member's Accumulated Contributions, nor be subject to refund.

(c) Each Member who retires after June 30, 1965, under Part B, Section F-7 of Article F shall, prior to July 1, 1986, contribute to the Survivors Benefit Fund one per cent of his or her final compensation as defined until he or she would have had a total of twenty-five years of creditable service had he or she continued in active service. The Retirement System shall cause the said contribution to be deducted from the Pension of each such retired Member on each and every retirement roll, for each and every retirement roll period, so long as he or she is receiving a Pension under Part B, Section F-8(a) of Article F. Each and every such retired Member who is receiving a Pension under Part B, Section F-8(a) of Article F shall be deemed to consent and agree to said deductions. Said contributions, when deducted, shall be credited to the Survivors Benefit Fund and shall in no case become a part of said Member's Accumulated Contributions, nor be subject to refund.

(d) Effective July 1, 1986, the contributions, required by Article G, Section G-10(b) and G-10(c), to the Survivors Benefit Fund were eliminated for union members. For Fiscal Years ending prior to July 1, 2014, the City shall make the contributions necessary to maintain the benefit level by contributing that amount necessary to replace the contributions of members of DFFA and DPOA to the Survivor's Benefit Fund.

(e) For Fiscal Years ending prior to July 1, 2014, upon the basis of such mortality and other tables of experience, and Regular Interest, as the Board of Trustees shall from time to time adopt, the Actuary shall annually compute the liabilities for benefits being paid from the Survivors Benefit Fund. The Board of Trustees shall report to the Mayor and the City Council the amount of contributions to be made by the City to the Survivors Benefit Fund, and the City Council shall appropriate and the City shall pay such amount to the Retirement System during the ensuing Fiscal Year. When paid, such appropriations shall be credited to the Survivors Benefit Fund. For Fiscal Years commencing prior to July 1, 2014, if the balance in the fund is not sufficient to fully cover the liabilities so computed, the City shall appropriate and pay, in the ensuing Fiscal Year, the amount of such insufficiency. For Fiscal Years commencing on and after July 1, 2014, the City shall not make any contributions to the Survivor's Benefit Fund.

(f) Upon the death of a Member on whose account survivors benefits become payable as provided in Article F, Part B, Section F-8, hereof, his or her Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of his or her death shall be transferred from the Annuity Savings Fund to, and shall become a part of, the Survivors Benefit Fund, notwithstanding any provisions in this Component II to the contrary.

Sec. G-12. Computation of Annuity and Pension Reserve liabilities for Members, Retirees and Beneficiaries.

In computing the Annuity and Pension Reserve liabilities for Members, Retirees and Beneficiaries, the Board of Trustees shall cause the following annual Decrement Probabilities, Salary Factors and interest assumption to be used.

(a) The annual Decrement Probabilities and Salary Factors to be used in evaluating the Annuity and Pension liabilities for Members shall be as shown in Tables 1 and 2 hereinafter set forth.

(b) The total of active Member annual compensation shall be assumed to increase three percent per annum, compounded annually.

(c) The mortality assumption for Retirees and Beneficiaries shall be the mortality rates contained in the 1971 group annuity male mortality table, without setback for men and set back five years for women.

(d) The investment return assumption shall be five percent per annum, compounded annually, for Fiscal Years commencing prior to July 1, 2014.

(e) For Fiscal Years commencing on or after July 1, 2014, the Annuity and Pension Reserve liabilities shall be calculated in a manner which is consistent with the Plan of Adjustment.

TABLE 1.

City of Detroit Policemen and Firemen Retirement System
Active Member Annual

Probabilities and Salary Factors

Age	Withdrawal from Service	Death in Service	Salary Factors
18	.04120	.00098	.10561
19	.04090	.04099	.11327
20	.04030	.00100	.12126
21	.04000	.00101	.12988
22	.03960	.00102	.13913
23	.03910	.00103	.14913
24	.03890	.00104	.15971
25	.03840	.00105	.17068
26	.03800	.00107	.18204
27	.03700	.00108	.19347
28	.03600	.00111	.20527
29	.03480	.00113	.21712
30	.03340	.00117	.22916
31	.03200	.00121	.24124
32	.03000	.00126	.25321
33	.02730	.00133	.26522
34	.02370	.00143	.27753
35	.01990	.00154	.29015
36	.01500	.00168	.30306
37	.01160	.00184	.31637
38	.00850	.00204	.32995
39	.00600	.00227	.34405
40	.00390	.00252	.35851
41	.00210	.00281	.37333
42	.00090	.00313	.38861
43	.00000	.00348	.40435
44	.00000	.00387	.42051
45	.00000	.00429	.43709
46	.00000	.00475	.45395
47	.00000	.00526	.47144
48	.00000	.00582	.48929
49	.00000	.00643	.50750
50	.00000	.00710	.52639
51	.00000	.00783	.54560
52	.00000	.00864	.56535

Age	Withdrawal from Service	Death in Service	Salary Factors
53	.00000	.00953	.58548
54	.00000	.01051	.60612
55	.00000	.01157	.62711
56	.00000	.01270	.64867
57	.00000	.01392	.67066
58	.00000	.01520	.69319
59	.00000	.01656	.71610
60	.00000	.01802	.73939
61	.00000	.01959	.76316
62	.00000	.02133	.78747
63	.00000	.02322	.81211
64	.00000	.02526	.83715
65	.00000	.02750	.86258
66	.00000	.03000	.88848
67	.00000	.03277	.91514
68	.00000	.03584	.94264
69	.00000	.03919	.97094
70	.00000	.04278	1.00000

TABLE 2.

City of Detroit Policemen and Firemen Retirement System
Annual Probabilities of Age and Service Retirement Applicable to Members Who Are Eligible to Retire

Age	Probabilities of Retirement
45	25%
46	25
47	25
48	25
49	25
50	25
51	25
52	25
53	25
54	20
55	20
56	15
57	10
58	15
59	30
60	100

Sec. G-13. Determination of City's annual contribution — Disability Pension liabilities.

For Fiscal Years commencing prior to July 1, 2014 and after June 30, 2023, the City's annual contribution, expressed as a percent of active Member compensation, to finance disability Pensions shall be determined by dividing the average of the Pension Reserve liabilities for disability retirements incurred during the three Fiscal Years ending with the date of the valuation by one percent of the active Members' annual compensation used in the valuation.

Sec. G-14. Determination of City's annual contribution — Death Pension liabilities.

For Fiscal Years commencing prior to July 1, 2014 and after June 30, 2023, the City's annual contribution, expressed as a percent of active Member compensation, to finance death-in-service Pensions shall be determined by dividing the average of the Pension reserve liabilities for death-in-service claims incurred during the three Fiscal Years ending with the date of the valuation by one percent of the active Member's annual compensation used in the valuation.

Sec. G-15. Determination of City's annual contribution — Actuarial evaluation of annuity and Pension Reserve liabilities.

The Annuity and Pension Reserve liabilities for Members, Retirees and Beneficiaries shall be actuarially evaluated as set forth in this Article G and the Plan of Adjustment.

Sec. G-16. Determination of City's annual contribution — Service Pension liabilities for Fiscal Years commencing prior to July 1, 2014 and after June 30, 2023.

(a) The service Pension liabilities for Members shall be determined using the entry age-normal cost method of actuarial valuation.

(b) The City's annual contribution, expressed as a percent of active Member compensation, to finance the prospective service Pension liabilities shall be determined by dividing the total of the individual annual normal costs of the active Members by one percent (1%) of the active Members' annual compensation used in the valuation.

(c) The City's annual contribution, expressed as a percent of active Member compensation, to finance any unfunded Accrued Service Pension liabilities, including instances in which assets exceed liabilities, shall be determined by dividing such unfunded Accrued Service Pension liabilities by one percent (1%) of the present value of future compensation payable during a period of future years. Such period of future years shall be thirty years for the actuarial valuation as of June 30, 1974, decreasing one (1) year at each subsequent June 30th until a twenty year period is reached, which twenty year period shall be used in each subsequent actuarial valuation until June 30th, 2004 when the period shall again be thirty years.

Sec. G-17. Board of trustees to compute City's annual contribution.

Based upon the provisions of this Article, including any amendments, the Board of Trustees shall compute the City's annual contributions for Fiscal Years commencing prior to July 1, 2014 and after June 30, 2023, expressed as a percent of active Member compensation, to the Retirement System for the Fiscal Year beginning July 1, 1975, using actuarial valuation data as of June 30, 1974, and for each subsequent Fiscal Year prior to July 1, 2014 and after June 30, 2023 using actuarial valuation data as of the June 30th date which date is a year and a day before the first day of such Fiscal Year. The Board shall report to the Mayor and to the City Council the contribution percents so computed, and such contribution percents shall be used in determining the contribution dollars to be appropriated by the City Council and paid to the Retirement System. For each Fiscal Year beginning July 1, 1975 and each Fiscal Year thereafter ending prior to July 1, 2014 and for each Fiscal Year beginning after June 30, 2023, such contribution dollars shall be determined by multiplying the applicable contribution percent for such Fiscal Year by the Member compensation paid for such Fiscal Year; provided that for the one Fiscal Year beginning July 1, 1975 and ending June 30, 1976, such Member compensation so used shall not exceed 106.09 percent of the active Members' annual compensation used in the actuarial valuation determining such contribution percent.

Sec. G-18. Employer Contribution

Effective January 1, 1987 for members of DFFA and DPLSA or upon issuance of the 1986-89 Act 312 Award for members of DPOA, the employee contributions to the Annuity Fund, although designated as employee contributions, shall be paid by the City in lieu of contributions by the employee. The employee shall not have the option of choosing to receive the contributed amount directly instead of having them paid by the City to the Annuity Fund. There shall be no additional contribution expense to the City, and the amounts so contributed by the City on behalf of the employee shall be treated, for tax purposes, as employer contributions and thus shall not be taxable to the employee until these amounts are distributed or made available to the employee.

This provision shall not affect the amount or benefit level of the Retirement Allowance, or the City's obligation with respect thereto.

ARTICLE H. MISCELLANEOUS.

Sec. H-1. Recall of Retirees during emergencies.

During an emergency declared by the Commissioner of Police or the Board of Fire Commissioners, the Commissioner or the Board of Fire Commissioners, as the case may be, shall have power, with the consent of a Retiree, to recall to active duty a Retiree for such period of service as the commissioner or the Board of Fire Commissioners shall deem advisable; provided, however, that the foregoing power shall not apply in the case of a Retiree who has reached the age of sixty-four years, and provided further, that any Retiree so recalled may, at any time, separate from active duty on his or her own application or by order of the Commissioner or the Board of Fire Commissioners. A Retiree so recalled shall serve in the rank at which he or she retired, or a higher rank, and shall receive the pay of such rank without deduction. On subsequent separation from active duty, such Retiree shall resume the Retiree status held by him or her prior to such recall.

ARTICLE I. DEFERRED RETIREMENT OPTION PLAN.

Sec. I-1. General provisions.

For periods on and after July 1, 2014, the Deferred Retirement Option Plan ("DROP") Program under Component II shall be available to Members who are covered by collective bargaining agreements with the City that permit such Members to participate in the DROP program and non-union executives of the Police Department and the Fire Department.

(a) In lieu of terminating employment and accepting a Retirement Allowance under the Component II, any Member of the Retirement System who is eligible for the DROP program and who is eligible to immediately receive an unreduced Retirement Allowance may elect to participate in the DROP program and defer the receipt of his or her Retirement Allowance in accordance with the provisions of this Article I. Any such election shall be irrevocable.

(b) Participation in the DROP program for Members for who elected to participate in the DROP program prior to July 1, 2014 shall be limited to ten years. Participation for Members who elect to participate in DROP program after June 30, 2014 shall be limited to five years. At the end of such five (or ten) year period of participation in the DROP program, the Member shall be retired from employment with the City.

Sec. I-2. Conversion to Retirement Allowance

Upon the effective date of a Member's participation in the DROP program, the Member shall cease to accrue a Retirement Allowance under Component I and shall elect a form of payment for his or her Retirement Allowance pursuant to Part H of Article F. Seventy-five percent (75%) of the monthly Retirement Allowance (including applicable variable Pension Improvement Factor (Escalator) increases) that would have been payable, had the Member elected to terminate employment with the City on the effective date of his or her DROP election and receive an immediate Retirement Allowance, shall be paid into a DROP Account established on behalf of the Member under the Retirement System or in an entity selected by the Board.

Sec. I-3. Investment of DROP assets

(a) ING was previously selected by the Board as the DROP administration and investment entity for Members who elect to participate in the DROP program. ING shall continue to be the DROP administration and investment entity, unless and until such time as the Board terminates the agreement with ING as provided in paragraph (d) or determines that it is administratively feasible for the DROP program to be administered and invested under the Retirement System.

(b) As soon as possible after July 1, 2014, the Board shall determine whether it is administratively feasible for the DROP program to be administered and the assets in DROP accounts to be invested under the Retirement System. If the Board determines that it is feasible to administer the DROP program under the Retirement System, the Board shall promptly take appropriate steps to implement such decision.

(c) If amounts credited to DROP accounts are invested under the Retirement System, such amounts shall be comingled with the assets of the Retirement System for investment purposes and shall be invested by the Trustees. A Member's DROP account shall be credited with annual earnings at a rate equal to seventy-five percent (75%) of the actual net earnings rate of the assets of the Retirement System; however, in no event shall the earnings rate applied to a Member's DROP account for any Plan Year be less than zero percent (0%) nor greater than seven and three-quarters percent (7.75%).

(d) The Board of Trustees previously entered into an administrative services agreement with ING. Such agreement shall remain in effect until such time as it is terminated by the Board as provided therein.

(e) The Board of Trustees may replace ING with a trust-type vehicle or the Board may determine that amounts subject to a DROP election will be invested with Retirement System assets as provided above.

(f) Any fees associated with the maintenance of DROP Accounts outside of the Retirement System shall be paid by the Members by means of deduction from their DROP Accounts.

Sec. I-4. Distribution of amounts credited to DROP Account

A Member shall not receive a distribution of amounts credited to his or her DROP Account prior to his or her termination of employment with the City. Upon termination of employment, a Member who is a participant in the DROP program shall receive, at his or her option either a lump sum payment from the DROP Account equal to the amount then credited to the DROP Account or an annuity based upon the amount credited to his or her DROP Account. Any such annuity shall be subject to market rates of interest return and other market-related assumptions as adopted by the Board upon recommendation of the Investment Committee. In addition, one hundred percent (100%) of the Member's monthly Retirement Allowance that otherwise would have been paid as of the date the Member's participation in the DROP program commenced (together with any applicable variable Pension Improvement Factor (Escalator) increases) shall commence to the Member in accordance with the form of payment selected by the Member at the commencement of his or her participation in the DROP program. Termination of employment includes termination of any kind, such as resignation, retirement, discharge or disability.

Sec. I-5. Death of Member while participating in the DROP program

If a Member dies while participating in the DROP program, a lump sum payment equal to the Member's DROP Account balance shall be paid to the Beneficiary named by the Member, or if no Beneficiary has been designated, to the Member's estate; provided, notwithstanding anything to the contrary herein, the Member's adjusted DROP Account balance under Component II upon the Member's death while participating in the DROP program shall not be less than total system DROP payments into his or her account (not including earnings and losses). In addition, one hundred percent (100%) of the Member's Retirement Allowance

(together with any applicable variable Pension Improvement Factor (Escalator) increases) that would have been paid to the Member but for the Member's decision to participate in the DROP program will be restored. Survivor benefits, if any, shall be paid in accordance with the payment option elected by the deceased Member at the time the Member elected to participate in the DROP program.

Sec. I-6. Disability of Member While Participating in the DROP Program

If a Member becomes Totally Disabled while participating in the DROP program and while still an Employee and his or her employment with the City is terminated because he or she is Totally Disabled, such Member (a) shall be immediately retired and one hundred percent (100%) of the Retirement Allowance that would have been paid to the Member as of the date the Member's participation in the DROP program commenced (together with any applicable variable Pension Improvement Factor (Escalator) increases) will commence in accordance with the payment option selected by the Member at the commencement of the Member's participation in the DROP program as provided in Section I-2, and (b) shall be entitled to receive payment of the funds in his or her DROP Account (in the form of a lump sum or other Actuarially Equivalent form of payment described in Part H of Article F). Such Member shall not be entitled to disability retirement benefits under Article F hereof.

Sec. I-7. Cost Neutrality

(a) The DROP program shall be effective only for as long as it is cost-neutral to the City, provided however, that the DROP program shall continue during the pendency of proceedings, described in paragraph (2) below, designed to restore the Retirement System to cost neutrality.

(b) If the City contends that the DROP program is not cost-neutral, including, but not limited to, making the City's annual contribution to the Retirement System higher than it would be if the DROP program was not in effect, the Board and the City, along with the Plan Actuary and an actuary appointed by the City (who will be an associate or a fellow of the Society of Actuaries and a member of the American Academy of Actuaries) shall meet and confer in good faith regarding the cost. If the Board and the City are unable to reach an agreement as to cost, the matter shall be submitted to a third, independent, actuary, chosen or agreed upon by the Plan Actuary and the City's actuary. This actuary, when rendering a decision, will be limited to ordering implementation of changes necessary to make the DROP program cost-neutral. Upon the implementation of changes necessary to make the DROP program cost-neutral, Members shall have thirty days to elect to either (a) retire from active employment with the City, or (b) withdraw from the DROP program and resume active participation in Component I of the Retirement System. The Board shall notify DROP participants of these changes prior to implementation. Those DROP participants resuming participation in Component I of the Retirement System shall not accumulate Credited Service for any time that they were participating in the DROP program (under either Component I or Component II). Those not making either election shall continue to participate in the DROP program.

(c) In the event the DROP program cannot be changed to restore cost neutrality, it shall be discontinued and Members participating in the DROP program at that time shall have the option to either (i) retire, or (ii) continue active employment with the City and resume active participation in Component I of the Retirement System. DROP participants resuming participation in Component I of the Retirement System shall not accumulate Credited Service for the time during which such DROP participants participated in the DROP program (under either Component I or Component II).

ARTICLE J. PARTICIPANT ANNUITY SAVINGS FUND LOAN PROGRAM

Sec. J-1. Participant Annuity Savings Fund Loan Program

A Participant Annuity Savings Fund Loan Program (Participant Loan Program) will be established and available to bargaining unit Members. Its terms will be as follows:

(a) Any loans granted or renewed shall conform to the requirements of Section 72(p) of the Internal Revenue Code and the regulations thereunder. Such loan program shall be established in writing by the Board of Trustees in conformity with the terms of the Combined Plan Document and applicable collective bargaining agreements, and must include, but need not be limited to the following:

(1) The identity of the administrator of the Participant Loan Program;

(2) A procedure to apply for loans, the amount of loan that will be approved or denied, and limitations, if any, on the types and amount of loans offered;

(3) The procedure under the program for determining a reasonable rate of interest;

(4) The events constituting default and the steps that will be taken to preserve plan assets.

(b) The Participant Loan Program shall be contained in a separate written document copies of which shall be made available in the offices of the Retirement System for Members. The Board of Trustees is authorized to adopt rules and regulations, from time to time, to govern the administration and the operation of this program. Copies of the rules shall also be made available to prospective participating Members of the Retirement System in the offices of the Retirement System.

(c) Subject to the rules and procedures established by the Board, loans may be made to Members from such Member's contributions to the Annuity Savings Fund. Former Members, Spouses of Members, and Beneficiaries are not eligible to receive any loans from the Retirement System. Subject to rules and procedures established by the Board, a Member who has been in the Retirement System for twelve months or more is eligible to apply for a loan. No Member shall have more than two outstanding loans from the Retirement System (Component I and/or Component II) at any time. A Member who has previously defaulted on a loan under either Component I or Component II of the Combined Plan shall not be eligible for a loan from the Retirement System.

(d) A Member who has satisfied applicable rules and procedures may borrow from his or her Annuity Savings Fund account an amount, which does not exceed fifty percent (50%) of the Member's vested accumulated balance, up to fifteen thousand dollars ($15,000.00) reduced by: (1) the highest outstanding balance of loans from the Retirement System during the one year period ending on the day before the date on which the loan is made (under both Component I and Component II), or (2) the outstanding balance of loans from the Retirement System on the date on which the

loan is made (under both Component I and Component II), whichever is less. The minimum loan amount shall be one thousand dollars ($1,000.00).

(e) In addition to such rules and procedures that are established by the Board, all loans shall comply with the following terms and conditions:

(1) Loan applications shall be in writing.

(2) All loans shall be memorialized by a promissory note made to the Retirement System and properly executed by the Member.

(3) Loan shall be repaid by equal payroll deductions over a period not to exceed five years, or, where the loan is for the purpose of buying a principal residence, a period not to exceed fifteen years. In no case shall the amount of the payroll deduction be less than twenty dollars ($20.00) for any two-week period.

(4) Each loan granted under Component II shall be made against the assignment of the Member's entire right, title, and interest in and to the Annuity Savings Fund supported by the Member's collateral promissory note for the amount of the loan, including interest payable to the order of the Board of Trustees.

(5) Each loan shall bear interest at a rate determined by the Board. The Board shall not discriminate among Members in its determination of interest rates on loans. Loans initiated at different times may bear different interest rates, where, in the opinion of the Board, the difference in rates is supported by a change in market interest rates or a change in the Retirement System's current assumed rate of return. The loan interest rate shall bear a reasonable relationship to market rates for secured loans of a similar duration and shall bear a reasonable relationship to the costs to the Retirement System of administering the Retirement System. The loan interest rate shall be calculated in a manner that will not negatively affect the City's costs relating to the Retirement System or the return to Members.

(6) Loan repayments shall be suspended under this Retirement System as permitted by Section 414(u)(4) of the Internal Revenue Code. A Member who has an outstanding loan balance from the Retirement System who is absent from employment with the City, and who has satisfied the requirements of Section 414(u) of the Internal Revenue Code shall not be required to make loan repayments to the Retirement System during said periods of absence.

(f) A Member's outstanding loan balance shall be considered a directed investment by the Member and interest payments shall be credited to the Member's account balance (provided that the interest credited shall be reduced appropriately to cover the administrative cost of the loan program and avoid negatively affecting the City's costs or the Retirement System's investment returns), and shall not be part of net investment income or part of the Member's account balance for the purpose of allocation of net investment income under Article G.

(g) No distributions shall be made to a Member, former Member, or Beneficiary until all loan balances drawn on the applicable vested accumulated balance and applicable accrued interest have been repaid or offset against the distributable Annuity Savings Fund account balance.

(h) The Retirement System shall include, in its annual report to all Members, an accounting of the loan program established by this Component II, which contains the number and amount of loans made, the costs of administering the program, the amount of payments made including interest received by the Retirement System, the amount of loans outstanding, including any defaults or delinquencies, and an evaluation as to whether the interest charged in the Fiscal Year covered the costs of administering the loan program.

ARTICLE K. SPECIAL PLAN OF ADJUSTMENT PROVISIONS

Sec. K-1. Benefit Changes implemented in accordance with the terms of the Plan Of Adjustment

Notwithstanding anything in Articles A, C, D or E to the contrary, as of the effective dates set forth below and during the period that ends no earlier than June 30, 2023, the following changes in benefits provided under Component II of the Combined Plan shall be implemented:

(1) Reduction in Escalation. With respect to all Pension benefits payable on or after July 1, 2014, the Escalation or Pension Improvement Factor (for purposes of this Section K-1(1) each a "COLA") provided in Part C of Article F of this Component II that will be applied to the monthly Pension benefit of a Member, Retiree, surviving Beneficiary or vested former employee will be 45% of the COLA provided for in Part C of Article F of this Component II, any collective bargaining agreement applicable to Members, other contracts or ordinances; provided, however, that the Board and the Investment Committee shall determine on the effective date of the Plan of Adjustment and not less frequently than annually thereafter that the "Funding Conditions" as defined herein have been satisfied, and in the event that such Funding Conditions have not been satisfied then the COLA that will be applied to the monthly Pension benefit of a Member, Retiree, surviving Beneficiary or vested former employee will be reduced in proportion to the funding which is not received by the Retirement System ("Adjusted Pension Benefit").

For purposes of this Section K-1, the term "Funding Conditions" shall mean that (i) Class 10 and Class 11 voted in favor of the Plan of Adjustment in accordance with the procedures for such vote under the Plan of Adjustment, (ii) the Plan of Adjustment is confirmed by the U.S. Bankruptcy Court, and (iii) the funds that are pledged to be contributed to the Retirement System pursuant to the terms of the State Contribution Agreement and the DIA Settlement Documents have been received.

(2) Effect of Payment Default. In the event that all or a portion of the funds pledged to be contributed to the Retirement System pursuant to the terms of the DIA Settlement Agreement are not received by the Retirement System, the Board shall proportionately reduce the COLA to be applied to the monthly Pension benefit of any Member, Retiree, surviving Beneficiary, employee and former employee to the extent of such default.

Sec. K-2. Income Stabilization Benefits

(1) The provisions of this Section K-2 shall become effective only if each of the Conditions Precedent (as that term is defined in the State Contribution Agreement) have been met to the satisfaction of the Authority and the State Treasurer (each as defined in the State Contribution Agreement), unless any one

or more of such conditions are waived in writing executed by the Authority and the State Treasurer.

(2) Beginning not later than 120 days after the effective date of the Plan of Adjustment, Component II of the Combined Plan shall pay, in accordance with this Section K-2, an annual supplemental pension income stabilization benefit ("Income Stabilization Benefit") to each Eligible Pensioner (as defined in Section K-2(5)) equal to the lesser of either (i) the amount needed to restore an Eligible Pensioner's reduced annual pension benefit to 100% of the amount of the annual pension benefit that the Eligible Pensioner received from the Retirement System in 2013; or (ii) the amount needed to bring the total annual 2013 household income of the Eligible Pensioner up to 130% of the Federal Poverty Level for 2013. The Income Stabilization Benefit as determined under this Section K-2(2) will not increase after the date on which the Income Stabilization Benefit is determined. The Income Stabilization Benefit payable to an Eligible Pensioner will terminate immediately at such time as the Eligible Pensioner ceases to qualify as an Eligible Pensioner.

(3) To the extent an Eligible Pensioner's Estimated Adjusted Annual Household Income (as defined in this Section K-2) in any calendar year after the first year that the Eligible Pensioner receives a benefit under this Section K-2 is less than 105% of the Federal Poverty Level in that year, the Eligible Pensioner will receive an additional "Income Stabilization Benefit Plus" benefit commencing as of the next following July 1.

a. The Income Stabilization Benefit Plus benefit for a calendar year will be equal to the lesser of either (i) the amount needed to restore 100% of the Eligible Pensioner's Pension benefit, as increased by any Pension Improvement Factor (Escalator), under Component II of the Combined Plan; or (ii) the amount needed to bring the Eligible Pensioner's Estimated Adjusted Annual Household Income in that calendar year up to 105% of the Federal Poverty Level in that year.

b. An Eligible Pensioner's "Estimated Adjusted Annual Household Income" for any year will be the sum of (i) the Eligible Pensioner's 2013 total household income (per his or her (or in the case of a minor child, his or her legal guardian's) 2013 income tax return or equivalent documentation), less the Pension benefit paid to the Eligible Pensioner by the Retirement System in 2013, as adjusted for inflation or Social Security COLA increases; (ii) the Adjusted Pension Benefit that is payable to the Eligible Pensioner for that year as determined under Section K-1, (iii) any pension restoration payment to the Eligible Pensioner as determined under Section K-3; and (iv) the Eligible Pensioner's Income Stabilization Benefit.

(4) A separate recordkeeping fund called the "Income Stabilization Fund" shall be established by the Board for the sole purpose of paying the Income Stabilization

Benefits and Income Stabilization Benefits Plus to Eligible Pensioners. Any funds received by the Retirement System that is designated by the City as UTGO Bond Tax Proceeds or a contribution to the Income Stabilization Fund shall be credited by the Board to the Income Stabilization Fund. The assets credited to the Income Stabilization Fund will be invested on a commingled basis with assets of the Retirement System and will be credited with a pro-rata portion of the earnings and losses of the Retirement System. Amounts credited to the Income Stabilization Fund may not be used for any purpose other than the payment of Income Stabilization Benefits and Income Stabilization Benefit Plus benefits to Eligible Pensioners, except as expressly provided in Section K-2(7).

(5) For purposes of this Section K-2, an "Eligible Pensioner" is a Retiree or surviving Spouse who is at least 60 years of age or a minor child receiving survivor benefits, each as of the effective date of the Plan of Adjustment, whose benefit will be reduced as provided in Section K-1, and who is eligible to receive Income Stabilization Benefits because (i) such individual is receiving monthly pension benefits from the Retirement System as of the effective date of the Plan of Adjustment, and (ii) such individual has a total annual household income equal to or less than 140% of the federal poverty level in 2013 (per his or her (or in the case of a minor child, his or her legal guardian's) 2013 income tax return or equivalent documentation).

a. An eligible individual must apply for an Income Stabilization Benefit in accordance with procedures established by the Authority and provide such substantiation of the individual's aggregate annual household income as is required by the State in its sole discretion.

b. The initial determination of Eligible Pensioners, and amount of the Income Stabilization Benefit payable to each Eligible Pensioner shall be made by the State in its sole discretion. The State shall transmit the list of Eligible Pensioners to the Investment Committee and the Board. The Board, with the assistance of the Investment Committee shall be responsible for administering the Income Stabilization Fund and annually certifying to the State Treasurer that it has administered the requirements for eligibility and payment of benefits with respect to Eligible Pensioners in accordance with the terms of the State Contribution Agreement.

c. After the initial determination of Eligible Pensioners is made, no new individuals will be eligible to receive an Income Stabilization Benefit or an Income Stabilization Benefits Plus benefit at any time in the future.

d. An Eligible Pensioner will cease to be an Eligible Pensioner as of the earlier of (i) the Eligible Pensioner's death or (ii) with respect to any minor child receiving survivor benefits, the date the minor child reaches the Age of 18 years.

(6) For purposes of this Section K-2, the "Federal Poverty Level" means the poverty guidelines published each year in the Federal Register by the United States Department of Health and Human Resources.

(7) In the event that, in 2022 (provided that the State has not issued a Certificate of Default (as defined in the State Contribution Agreement) with respect to the Retirement System at any time prior to 2022), it is the opinion of at least 75% of the independent members of the Investment Committee that the assets of the Income Stabilization Fund exceed the Income Stabilization Benefits and Income Stabilization Benefits Plus benefits anticipated to be made to Eligible Pensioners by the Retirement System in the future ("Excess Assets"), the Investment Committee may, in its sole discretion, recommend to the Board that all or a portion of the Excess Assets, in an amount not to exceed $35 million, be used to fund the Adjusted Benefits payable by the Retirement System. The Investment Committee shall have the right to engage professional advisers to assist in making this determination and such expenses shall be paid by the Retirement System.

(8) In the event that any funds remain in the Income Stabilization Fund on the date upon which there are no Eligible Pensioners under the Retirement System, such funds shall be used to fund the Adjusted Benefits payable by the Retirement System.

Sec. K-3. Restoration of Pension Benefits

The following rules shall govern how COLA benefits (as described in Section K-1(1)), that are reduced as part of the Plan of Adjustment, shall be restored during the thirty year period following the confirmation order issued by the Bankruptcy court in *In Re City of Detroit, Michigan,* Case No. 13-53846. The pension restoration process shall be supervised, and restoration decisions undertaken by the Investment Committee and in accordance with the pension governance provisions set forth in the State Contribution Agreement and exhibits thereto. The pension restoration program shall be deemed a part of this Component II, but in the event of any conflict between the language set forth herein and the pension restoration agreement attached to and made a part of the Plan of Adjustment ("Pension Restoration Agreement"), the terms of the Pension Restoration Agreement will govern.

(1) *Waterfall Classes.*

There will be three Waterfall Classes:

a. Waterfall Class 1 – Retirees, in retirement benefit pay status as of June 30, 2014, and their surviving Spouses and Beneficiaries.

b. Waterfall Class 2 – Retirees, who entered into retirement benefit pay status after June 30, 2014, and their surviving Spouses and Beneficiaries, and who are in pay status as of the end of the Fiscal Year prior to the year in which the restoration decision is made.

c. Waterfall Class 3 – All Retirees, surviving Spouses, and Beneficiaries in pay status and all other Members who as of June 30, 2014 are not in retirement benefit pay status.

(2) *Restoration of Benefits Through June 30, 2023.*

a. Each year in conjunction with the annual actuarial valuation report, the Plan Actuary will project the funded ratio of the Retirement System as of 2023 based upon the market value of plan assets relative to the actuarial accrued liabilities (the "Funded Level"). This projection will be further based upon a 6.75% assumed rate of investment return which is net of expenses (administrative and investment), future employer contributions as set forth in the Plan of Adjustment (subject to conditions in the Plan of Adjustment), and such other actuarial assumptions as utilized by the Plan Actuary. For purposes of restoration of benefits through June 30, 2023, the Funding Target will be a 75% funded ratio, and the Restoration Target will be a 78% funded ratio, both projected to June 30, 2023. For purposes of calculating the funded ratio, the assets in the Restoration Reserve Account will be excluded. Each year, if the Plan Actuary projects that the Funded Level as of 2023 (excluding Restoration Reserve Account assets to avoid double counting) exceeds the Restoration Target (i.e., exceeds 78%), a credit of assets for bookkeeping purposes will be made into a new notional Restoration Reserve Account. The notional credit will be an amount equal to the excess of assets above the amount projected to be needed to satisfy the Restoration Target. Once the Restoration Reserve Account is established, each year thereafter, Restoration Account assets will be credited with interest in an amount equal to the net return on Retirement System investments but capped at the actuarially assumed rate of investment return (i.e., 6.75% for the period through June 30, 2023). In the event of net losses, the credited asset value of the Restoration Reserve Account will be diminished to reflect such losses and any required transfer to the PFRS Pension Reserve Fund as provided herein.

b. Actual restoration payments and restoration credits will work as follows: each year, in conjunction with the preparation of the annual actuarial valuation report and following establishment of the Restoration Reserve Account, the Plan Actuary will determine whether there are sufficient funds in such account to restore COLA benefits in a minimum incremental amount of 10% or more. For example: if a Retiree's then current COLA benefit is a 1.0% annual compounded COLA, the minimum incremental restoration would increase the COLA benefit to 1.225%. COLA restoration only will occur if the funding level in the Restoration Reserve Account can fund 100% of the COLA increase over the actuarially-projected lives of the eligible recipient Waterfall Class. If the Plan Actuary certifies that the Restoration Reserve Account as of the end of the prior Fiscal Year satisfies the required funding level for one or more increments of restoration, then in the next immediate Fiscal Year actual

COLA restoration payments will be made to PFRS Waterfall Class 1 members in such increments until an amount sufficient to fund 66% of the value of their future COLA payments (e.g., a 1.5% compound COLA, or as otherwise applicable) has been funded. At that juncture, and to the extent that additional assets in the Restoration Reserve Account would fully fund COLA restoration in at least one minimum 10% increment (i.e., amounts equal to 10% of the value of future COLA payments), Waterfall Class 2 members will receive COLA restoration, until an amount sufficient to fund 66% of the value of their future COLA payments has been funded. At that juncture, and to the extent that additional assets in the Restoration Reserve Account would fully fund COLA restoration in at least one minimum 10% increment (i.e., amounts equal to 10% of the value of future COLA payments), Waterfall Class 3 members will receive COLA restoration on a pro-rata basis. For Waterfall Class 3 members who are in pay status at that time of restoration, they will receive COLA payments; for active employees at the time of restoration, they will receive credits granting them a right upon retirement to receive COLA restoration equal to the 10% increments that are fully funded to Waterfall Class 3 members. For example: assume there are sufficient assets credited to the Restoration Reserve Account as of the end of a Fiscal Year to fully fund 66% of the value of the COLA for all Waterfall Class 1 and Class 2 members for their actuarially projected lives. To the extent additional assets remain in the Restoration Reserve Account to fully fund at least a 10% COLA increment for Waterfall Class 3 members for their actuarially projected lives, then (i) all Retirees would receive a restoration payment of 76% of the value of their COLAs (their having already received by virtue of their membership in Waterfall Classes 1 and 2 an increase to 66% of the value of their COLAs) and also a 10% COLA increment would be credited to eligible active employees which would be included in their benefit payments upon retirement (thus causing their COLAs to increase in value from 45% to 55%). Restoration amounts actually paid from the Restoration Reserve Account will be debited from such account. Restoration payments will be calculated and paid on a prospective basis only.

c. Once restoration payments and credits begin, as long as the Restoration Reserve Account continues to have assets to fund 100% of an incremental COLA restoration amount for such Waterfall Class for their actuarially projected lives, the restoration payments and credits will continue; provided, however, that in the event the Restoration Reserve Account, after having sufficient assets to fund 100% of two or more increments, falls below 100% for the second or greater increment, the annual amounts to pay such second or greater increment can continue until the Restoration Reserve Account lacks any assets to fund such additional increment. For example, assume a 10% increment in Waterfall Class 1 requires $10 million in assets to be fully funded for the Waterfall Class members' actuarially projected lives, and that based on Fiscal Year 2018 results the

Restoration Reserve Account has assets of $22 million so as to fund two increments of restoration in Fiscal Year 2019. Assume further that in the following year the Restoration Reserve Account drops in value to $17 million; in such event two increments could still be paid, and the second increment would cease being paid only if the value of assets in the Restoration Reserve Account dropped to or below $10 million (in the event they dropped below $10 million, the first increment also would cease being paid). For purposes of restoration reduction, restoration increments will be taken away in reverse order in which they were granted (i.e. last in, first out).

d. If the Funded Level (excluding Restoration Reserve Assets) projected to 2023 falls below 76% (hereinafter, "Restoration Reserve Suspension Trigger"), then, until such time as the projected Funded Level in 2023 is 76% or above, further interest credits to the notional Restoration Reserve Account will cease notwithstanding the actual net Retirement System investment returns for the Fiscal Year in question. Furthermore, if the Funded Level projected to 2023 falls below the Funding Target (i.e., 75%) then restoration payments to Retirees and credits to active employees in the following year will be modified in the following manner: (1) funds previously credited to the Restoration Reserve Account will be notionally transferred and credited to the Pension Reserve Fund in sufficient amounts to restore the projected Funded Level in 2023 to 75%; (2) following such transfer, the remaining assets in the Restoration Reserve Account shall be applied to make restoration payments in accordance with and pursuant to the same mechanism described in paragraph c.

e. In connection with preparation of the actuarial report for Fiscal Year 2023, the Plan Actuary will determine whether the Retirement System has satisfied the Permanent Restoration Target, which shall be 78%. Transfers from the Restoration Reserve Account for credit to the Pension Reserve Fund may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such transfers, the Funded Level as of June 30, 2023 has satisfied the Permanent Restoration Target (i.e., 78%), then the residual amounts, if any, in the Restoration Reserve Account (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), and which fully fund one or more increments of COLA restoration payments for one or more Waterfall Classes for their actuarially projected lives, shall be transferred from the Restoration Reserve Account and credited to the Pension Reserve Fund and the applicable incremental COLA payments shall be permanently restored for the applicable Waterfall Class and shall no longer be variable from year to year.

f. Following receipt of the actuarial reports for 2019, and in the event that the projected Funded Level of the Retirement System as of 2023 is less than 76%, the Plan Actuary shall revisit the restoration calculations that it

made during each of the prior four (4) years. It shall recalculate each such prior year's Funded Level projection, this time by assuming the lesser of (i) $4.5 million in annual administrative expenses until 2023, or (ii) an amount of annual administrative expenses until 2023 equal to the average annual normal course administrative expenses in the prior four (4) years applicable to Component II, in addition to a net 6.75% annual investment return. If such retrospective recalculation indicates that fewer amounts would have transferred to the Restoration Reserve Account than actually were transferred during such look back period, then the Restoration Reserve Account shall be debited by the lesser of (i) this difference (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period or (ii) the dollars that were actually paid out in restoration payments during such look-back period (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period); or (iii) the amount required to increase the projected 2023 Funded Level to 76%.

(3) *Restoration of Benefits from July 1, 2023 to June 30, 2033.*

a. If and to the extent that all COLA payments have not been restored as of June 30, 2023 pursuant to Section (2)(e), then during this period and for purposes of variable restoration, the Funding Target, the Restoration Target, the Permanent Restoration Target and the Restoration Reserve Suspension Trigger shall be as set forth below, all projected as of June 30, 2033:

2023 Funded Level	2033 Funding Target/Restoration Target
78%	81%/84%
77%	80%/83%
76%	79%/82%
75%	78%/81%
74% or lower	3% >than 2023 Funded Level %/81%

2033 Permanent Restoration Target - Same as 2033 Restoration Target

2033 Restoration Reserve Suspension Trigger – 1% higher than the projected Funding Target for all time periods

b. The same rules for restoration payments that applied during the period ending June 30, 2023 shall apply (including ceasing interest credits in the event of a Restoration Reserve Suspension Trigger, and making Restoration Account asset transfers to the Pension Reserve Fund in the event the 2033 Funded Level falls below the 2033 Funding Target), except as follows. For purposes of determining whether the 2033 Restoration Target has been satisfied, the Plan Actuary shall project investment returns through June 30, 2033 using the then current investment return assumption

which is assumed to be net of expenses (administrative and investment), and the then applicable actuarial assumptions as utilized in the annual actuarial valuation. Further, the Plan Actuary shall assume, merely for purposes of determining whether the Restoration Target is satisfied, that the annual City contribution amount shall be the annual amount necessary to fund the Retirement System based upon an amortization of the actual 2023 UAAL (using the market value of assets) over 30 years (hereinafter, the "2023 UAAL Amortization") and in such manner that the resulting annual contributions would achieve the applicable Funding Target (pursuant to paragraph b) as of 2033. Such projected, hypothetical contributions shall be for purposes only of making restoration determinations, and shall not necessarily be the actual contributions made or required to be made by the City or recommended during such period; all of which shall be determined independent of the restoration calculation process. For purposes of calculating the funded ratio, the assets in the Restoration Reserve account will be excluded.

c. To the extent that the City's actual contributions to the Retirement System in any of the Fiscal Years 2024 (i.e., the year ending June 20, 2024) through 2033 are greater than the projected annual contribution under the 2023 UAAL Amortization, such amounts, and any investment earnings thereon, shall be notionally credited to a new bookkeeping account in the Retirement System called the Extra Contribution Account. In determining pension restoration during the period from Fiscal Year 2024 through 2033, none of the amounts in the Extra Contribution Account shall be considered for purposes of determining the projected Funded Level for purposes of determining whether the Retirement System has attained the Restoration Target or the Permanent Restoration Target. To the extent that the City's actual contributions in any of the Fiscal Years 2024 through 2033 are less than the City's projected annual contribution under the 2023 UAAL Amortization, such difference and any investment earnings thereon shall be notionally allocated to the Pension Reserve Fund.

d. Each year, in addition to the notional credit of amounts that exceed the amount necessary to satisfy the Restoration Target, existing notional Restoration Account assets will be credited with interest equal to the net return on Retirement System investments; however, such interest shall not exceed the then investment return assumption. In the event of net losses on the Retirement System's investments, the notional assets credited to the Restoration Reserve Account will be reduced to reflect such losses.

e. In connection with preparation of the actuarial report for Fiscal Year 2033, the Plan Actuary will determine whether the Retirement System has satisfied the applicable Permanent Restoration Target (i.e., the 2033 Restoration Target). Transfers from the Restoration Reserve Account for credit to the Pension Reserve Fund may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such

transfers the funding level as of June 30, 2033 has satisfied the applicable Permanent Restoration Target, then the residual amounts in the Restoration Reserve Account, if any (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), and which fully fund one or more increments of COLA restoration payments for one or more Waterfall Classes, shall be transferred from the Restoration Reserve Account and credited to the Pension Reserve Fund and the applicable incremental COLA payments shall be permanently restored for the applicable Waterfall Class and shall no longer be variable from year to year.

f. Following receipt of the actuarial report for 2028, and in the event that the projected Funded Level as of 2033 is less than 79%, the Plan Actuary shall revisit the restoration calculations that it made during each of the prior four (4) years. It shall recalculate each such prior year's Funded Level projection, this time by assuming the lesser of (i) $4.5 million in annual administrative expenses until 2033, or (ii) an amount of annual administrative expenses until 2033 equal to the average annual normal course administrative expenses in the prior four (4) years applicable to Component II, in addition to a net 6.75% annual investment return. If such retrospective recalculation indicates that fewer amounts would have transferred to the Restoration Reserve Account than actually were transferred during such look back period, then the Restoration Reserve Account shall be debited by the lesser of (i) this difference (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the applicable look-back period) or (ii) the dollars that were actually paid out in restoration payments during such look-back period (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the applicable look-back period); or (iii) the amount required to increase the projected 2033 Funded Level to 79%.

(4) *Restoration of Benefits from July 1, 2033 to June 30, 2043.*

a. If and to the extent that all COLA payments have not been restored pursuant to Section (3)(f) as of June 30, 2033, then during the period ending June 30, 2043 and for purposes of variable restoration, the Funding Target, the Restoration Target, the Permanent Restoration Target and the Restoration Reserve Suspension Trigger shall be as set forth below, all projected as of June 30, 2043.

2023 Funded Level	2043 Funding Target/Restoration Target
78%	84%/87%
77%	83%/86%
76%	82%/85%
75%	81%/84%
74% or lower	3% > than 2023 Funded Level %/84%

2043 Permanent Restoration Target - Same as 2043 Restoration Target

2043 Restoration Reserve Suspension Trigger – 1% higher than the projected Funding Target for all time periods

b. The same rules for restoration that applied during the period ending June 30, 2033 shall otherwise apply (including ceasing interest credits in the event of a Restoration Reserve Suspension Trigger, and the making of notional asset transfers from the Restoration Reserve Account to the Pension Reserve Fund in the event the 2043 Funded Level falls below the 2043 Funding Target) and shall be rolled forward. For example, for purposes of determining whether the 2043 Restoration Target has been satisfied, the Plan Actuary shall project annual contributions using the same 2023 UAAL Amortization. For purposes of calculating the funded ratio, the assets in the Restoration Reserve account will be excluded, and no Extra Contribution Account assets shall be included for purposes of determining whether the Funded Level meets the Restoration Target or Permanent Restoration Target, including any additions to such account after 2033.

c. In connection with preparation of the annual actuarial valuation report for Fiscal Year 2043, the Plan Actuary will determine whether the Retirement System has satisfied the applicable Permanent Restoration Target, as set forth in paragraph a above. Transfers from the Restoration Reserve Account for credit to the Pension Reserve Fund may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such transfers the Funded Level as of June 30, 2043 is equal to or greater than the applicable Permanent Restoration Target, then the residual amounts in the Restoration Reserve Account, if any (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), shall be transferred from the Restoration Reserve Account and credited to the Pension Reserve Fund and the applicable incremental COLA payments shall be permanently restored for the applicable Waterfall Class and shall no longer be variable from year to year.

(5) *Modification of the Pension Restoration Program.*

If at any time after July 1, 2026, the Investment Committee by vote of five of its seven Members, or the Board of Trustees by a greater than 66% vote, determines that a change in relevant circumstances has occurred, or there was a mutual mistake of fact in developing the Pension Restoration Agreement attached to and made a part of the Plan of Adjustment, such that the continued operation of the Pension Restoration Agreement and this Section K-3 without amendment will: (a) materially harm the long-term economic interests of the City or Retirement System; (b) materially impair the City's ability to fully fund over a reasonable period the then existing frozen benefit liabilities; or (c) materially hinder the Restoration Program, if as of that juncture (and for purposes of applying this

subsection K-3(5) annual funding levels (excluding the Extra Contribution Account) had materially exceeded the applicable Restoration Targets for a substantial period yet without any material actual restoration of benefits as contemplated herein having been made, the Investment Committee or the Board, as the case may be, shall provide written notice to the other entity of such a determination and of the need to amend the Pension Restoration Agreement and this Section K-3 (it being understood that the post-Chapter 9, 40-year amortization period (to 2053) to fully fund frozen liabilities is, unless the relevant facts demonstrate otherwise, presumptively reasonable). The Investment Committee and the Board shall then meet to negotiate amendments to the Pension Restoration Agreement that address the identified risk of harm or impairment, but which also considers the Agreement's objective of providing pension restoration. Such negotiations shall take into account reasonable actions the City has pursued or could pursue to mitigate such harm or impairment. Any such amendments shall require the approval of a majority vote of the combined members of the Investment Committee and Board (persons who sit on both the Board and Investment Committee shall have one vote). Such parties shall consult with the Mayor, City Council and the Governor in connection with such negotiation.

If the Board, acting through a majority, and the Investment Committee, acting through a majority, cannot agree to such amendments with the 90-day period following the provision of such notice by the determining party, then the Board and Investment Committee shall proceed to mediation upon demand from either the Board or the Investment Committee. In this regard, within 30-days following expiration of the 90-day period the Board and the Investment Committee shall each select a mediator from the list of approved mediators for the United States District Court for the Eastern District of Michigan. The two selected mediators shall appoint a third neutral mediator from the approved list. Each party shall furnish a written statement to the mediators within 30 days of selection of the neutral mediator. Representatives of the Mayor and the Governor shall be consulted in connection with such mediations. If following a 90-day mediation period following submission of the written statements the matter is not settled, then either the Investment Committee or the Board can file an action in the United Stated District Court for the Eastern District of Michigan asking it to declare, *inter alia*, whether or in what manner to amend the Pension Restoration Agreement and this Section K-3.

APPENDIX A

The following provisions shall also have general applicability to the Combined Plan for the Police and Fire Retirement System of the City of Detroit, Michigan:

MCLS Const. Art. IX, § 24 (2003)

§ 24. Public pension plans and retirement systems, obligation.

Sec. 24. The accrued financial benefits of each pension plan and retirement system of the state and its political subdivisions shall be a contractual obligation thereof which shall not be diminished or impaired thereby.

Financial benefits arising on account of service rendered in each Fiscal Year shall be funded during that year and such funding shall not be used for financing unfunded accrued liabilities.

Relevant Provisions of
January 1, 2012
City of Detroit Charter

ARTICLE 11.
RETIREMENT PLANS

Sec. 11-101. City's Duties.

1. The City shall provide, by ordinance, for the establishment and maintenance of retirement plan coverage for city employees.

2. Financial benefits arising on account of service rendered in each Fiscal Year shall be funded during that year and that funding shall not be used for financing unfunded accrued liabilities.

3. The accrued financial benefits of active and retired city employees, being contractual obligations of the city, shall in no event be diminished or impaired.

Sec. 11-102. Continuation of Existing Plans.

The retirement plans of the city existing when this Charter takes effect, including the existing governing bodies for administering those plans, the benefit schedules for those plans and the terms for accruing rights to and receiving benefits under those plans shall, in all respects, continue in existence exactly as before unless changed by this Charter or an ordinance adopted in accordance with this article.

Relevant Provisions of the
Detroit City Code

Sec. 47-1-2. Detroit Police and Fire Retirement System.

Notwithstanding any collective bargaining agreement or other documents governing terms of employment to the contrary, effective as of July 1, 2014, the Detroit Police and Fire Retirement System shall hereinafter be memorialized in a separate written document entitled "Combined Plan for the Police and Fire Retirement System of the City of Detroit, Michigan," which shall comprise the exclusive terms of the Detroit Police and Fire Retirement System and be kept in the Office of the City Clerk for the City of Detroit.

Collective Bargaining Agreements.

Except to the extent otherwise provided in the Plan of Adjustment, under Michigan Law if there is any conflict between the Retirement System provisions and collective bargaining agreement provisions, the terms of the collective bargaining agreement control.

(a) The Board of Trustees shall administer the Retirement System consistent with the pension provisions of the 2014-2019 collective bargaining agreement between the City of Detroit and the Detroit Police Officers Association with respect to police officers covered by said collective bargaining agreement.

(b) The Board of Trustees shall administer the Retirement System consistent with the pension provisions of the 2014-2019 collective bargaining agreement between the City of Detroit and the Detroit Police Lieutenants and Sergeants Association.

(c) The Board of Trustees shall administer the Retirement System consistent with the pension provisions of the 2014-2019 collective bargaining agreement between the City of Detroit and the Detroit Police Command Officers Association.

(d) The Board of Trustees shall administer the Retirement System consistent with the pension provisions of the 2014-2019 collective bargaining agreement between the City of Detroit and the Detroit Fire Fighters Association.

CLI-202268614v2

EXHIBIT F

Bond Orders

1) Order No. 4: Authorizing the Issuance and Restructuring of Certain Unlimited Tax General Obligation Bonds [UTGO Bond Settlement]

2) Order No. 5: Authorizing the Issuance of Not To Exceed $632,000,000 Financial Recovery Bonds [New B Notes]

3) Order No. 6: Authorizing the Issuance of Not To Exceed $55,000,000 Financial Recovery Bonds [LTGO Bond Settlement]

4) Order No. 13: Authorizing the Issuance of Not To Exceed $325,000,000 Financial Recovery Income Tax Revenue and Refunding Bonds [Exit Financing]

5) Order No. 14: Authorizing the Issuance of Not To Exceed $88,430,021 Financial Recovery Bonds [New C Notes]

6) Order Approving Sale of Financial Recovery Income Tax Revenue and Refunding Bonds, Series 2014 [Exit Financing]

7) Supplemental Order Approving Terms of Financial Recovery Bonds, Series 2014B [New B Notes]

8) Supplemental Order Approving Issuance of Distributable State Aid Fourth Lien Restructured Bonds (Unlimited Tax General Obligation), Series 2014 [UTGO Bond Settlement]

9) Supplemental Order Approving Terms of Financial Recovery Bonds, Series 2014C [New C Notes]

EXHIBIT G

Addendum to Financial Stability Agreement

ADDENDUM TO
FINANCIAL STABILITY AGREEMENT
(as amended and restated)

WHEREAS the City of Detroit and the State of Michigan Department of Treasury desire to amend the Financial Stability Agreement (as amended and restated), dated as of November 7, 2013 (as so amended and restated, the "FSA").

NOW, THEREFORE, pursuant to Section 5.1 of the FSA, the parties mutually agree to amend the FSA as follows:

Section 6 ("Duration of Agreement") of the FSA shall be deleted and replaced with the following language, effective immediately on the last date this Addendum is approved and executed by the City of Detroit and the State Treasurer:

6. DURATION OF AGREEMENT

6.1 Duration of Agreement. The term of this Agreement shall run from the Effective Date of the Agreement through and including the earliest of the following:

(a) The appointment of a transition advisory board for the City under Section 23 of Act 436;

(b) The mutual written consent of the City and the Treasurer to the termination of this Agreement; or

(c) ~~June 30, 2020.~~ The "effective date" of the City's Plan of Adjustment, as defined in Section I.A. 169 of the Plan of Adjustment, Case No. 1353846, United States Bankruptcy Court for the Eastern District of Michigan.

All other terms and conditions of the FSA, except as expressly amended above, shall remain the same.

CITY OF DETROIT

KEVYN D. ORR

EMERGENCY MANAGER

Dated: DECEMBER 5, 2014

MICHIGAN DEPARTMENT OF TREASURY

R. Kevin Clinton, State Treasurer

Dated: 12/8/14