## UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

## CITY OF DETROIT'S MOTION IN *LIMINE* TO EXCLUDE DEPOSITION TESTIMONY OF GARY EVANKO AND MICHAEL HALL

Financial Guaranty Insurance Company ("FGIC") proposes to submit by deposition the testimony of two witnesses—Gary Evanko and Michael Hall—who can both be found only five blocks from the courthouse. Rather than call these witnesses to testify live, FGIC asserts that each of these witnesses qualifies under Federal Rule of Civil Procedure 32(a)(4) as an "officer, director, [or] managing agent" of the City, and, therefore, FGIC should be free to offer their deposition transcripts instead. This is not justified. As courts have repeatedly recognized, "[t]he deposition has always been, and still is, treated as a substitute, a second-best, not to be used when the original is at hand." *Napier v. Bossard*, 102 F.2d 467, 469 (2d Cir. 1939) (Hand, J.). Moreover, these witnesses are not City officials, but are instead mid-level City employees who worked for the City only part-time or held

their positions on an interim basis. In short, FGIC has identified no grounds for overriding the strong preference in favor of live testimony.

## **ARGUMENT**

Federal Rule of Civil Procedure 32(a) governs the use of depositions at trial. That rule allows for the admission of deposition transcripts in lieu of live testimony in certain, limited circumstances. As relevant here, a deposition may replace live testimony only when the witness is either (i) "unavailable" to testify or (ii) an adverse party's "officer, director, managing agent, or designee under Rule 30(b)(6) or 31(a)(4)." Fed. R. Civ. P. 32(a). Notably, "[t]he party seeking to admit a deposition at trial must prove that the requirements of Rule 32(a) have been met." Allgeier v. United States, 909 F.2d 869, 876 (6th Cir. 1990); Bell v. CSX Transp., Inc., No. 00-40264, 2002 U.S. Dist. LEXIS 28725, at \*4 (E.D. Mich. Apr. 4, 2002). Thus, in order to use deposition testimony in lieu of live testimony by Evanko and Hall, FGIC must establish either that these individuals are "unavailable" to testify live or that they are an "officer, director, managing agent, or designee" of the City. FGIC can do neither, for several reasons.

First, courts have universally recognized that "testimony should be presented live whenever possible." In re Air Crash at Lexington, No. 5:06-CV-316-KSF, 2008 U.S. Dist. LEXIS 58484, at \*23 (E.D. Ky. July 30, 2008); see also

<sup>&</sup>lt;sup>1</sup> Neither was designated by the City to provide testimony under Federal Rule of Civil Procedure 30(b)(6).

Young & Associates Public Relations, L.L.C. v. Delta Air Lines, Inc., 216 F.R.D. 521, 524 (D. Utah 2003) (noting the "universal preference for live testimony"). Indeed, "[t]he restrictions imposed by Rule 32 make it clear that the federal rules have not changed the long-established principle that testimony by deposition is less desirable than oral testimony and should ordinarily be used as a substitute only if the witness is not available to testify in person." Wright and Miller, 8A Federal Practice & Procedure 2142 (quoted in *In re Air Crash at Lexington*, 2008 U.S. Dist. LEXIS 58484, at \*22-23).

*Second*, both Evanko and Hall are available to testify. Rule 32(a)(4) states that a witness is only "unavailable" if the court finds one of the following:

- (A) that the witness is dead;
- (B) that the witness is more than 100 miles from the place of hearing or trial or is outside the United States, unless it appears that the witness's absence was procured by the party offering the deposition;
- (C) that the witness cannot attend or testify because of age, illness, infirmity, or imprisonment;
- (D) that the party offering the deposition could not procure the witness's attendance by subpoena; or
- (E) on motion and notice, that exceptional circumstances make it desirable—in the interest of justice and with due regard to the importance of live testimony in open court—to permit the deposition to be used.

Fed. R. Civ. P. 32(a)(4). Neither Hall nor Evanko satisfy these conditions. In fact, far from being "unavailable," both witnesses work a mere five blocks from the courthouse and would be able to appear live and provide testimony.

*Third*, when a witness is available, Rule 32(a) permits the use of depositions at trial only when the deponent was, at the time of the deposition, a City official. Under Rule 32(a), an "adverse party" may use for any purpose at trial the deposition of a party, or of a person who, "when deposed was the party's officer, director, managing agent, or designee under Rule 30(b)(6) or 31(a)(4)." Fed. R. Civ. P. 32(a)(3); see also Heights Driving Sch. v. Top Driver, 51 Fed. App'x 932, 940 (6th Cir. 2002) (holding that Rule 32(a)(3) "permits an adverse party to use the deposition of a corporate officer 'for any purpose'"). Although in the corporate context courts have sometimes focused on the term "managing agent," that term has little meaning in the public-employer context. Rather, in the government context, only public officials such as the Mayor, City Council, and other elected or appointed officials possess sufficient authority to bind the government by what they say. It is these officials that are accountable to the public for their decisions and, as a result, it is these officials that speak on behalf of the government.

Tellingly, neither Evanko nor Hall are City officials. They are, instead, midlevel government employees responsible for a particular aspect of City government:

- (a) Evanko, for example, does not operate independently within either the Assessments Division or the City government as a whole. Rather, Evanko is one of two members of the Board of Assessors established by the City Charter, see Charter of the City of Detroit § 6.304 (Aug. 23, 2011), and, according to Evanko, the two assessors run the office as a "partnership," see Deposition of Gary Evanko, at 39:12-40:16 (June 24, 2014) ("Evanko Deposition"), excerpt attached hereto as Exhibit 6.1. Evanko's authority is also limited within the City government more broadly, as Evanko reports to the Finance Director, who himself reports to the City's Chief Financial Officer, who in turn reports to the Mayor. See Office of the Chief Financial Officer, Revised Organizational Chart (City's Exhibit 598), attached hereto as Exhibit 6.2. Indeed, Evanko is not even a full-time employee of the City, working instead for the City on an hourly basis while simultaneously serving as the Assessor for the cities of Dearborn and Allen Park. See Evanko Deposition at 12:5-19.
- (b) Likewise, Hall, as the former interim Director of Human Resources for the City, reported to the Deputy Mayor, who himself reports to the Mayor. *See* 2013 Comprehensive Annual Financial Report, at I-13 (City's Exhibit 15), excerpt attached hereto as Exhibit 6.3. Moreover, while Hall also served as Director of Labor Relations at the time of his deposition, that position is

even one more step removed, reporting also to the Director of Human Resources. *See id.* In any event, at the time of his deposition Hall was serving as Director of Human Resources in only an interim capacity and, according to the Mayor, was not the most knowledgeable person on the City's human resources issues. *See* Deposition of Michael Duggan, at 114:12-24 (Aug. 1, 2014), excerpt attached hereto as Exhibit 6.4.

It would undermine the City's ability to govern itself if mid-level employees like Evanko and Hall were able to bind the City by their statements. Rule 32(a) should not be interpreted so broadly as to inhibit a city government's ability to consistently express policy positions.

Finally, allowing use of these depositions would only delay the proceedings. The City did not cross-examine Evanko or Hall during their depositions. As a result, if the deposition testimony of Hall and Evanko is deemed admissible, the City will likely need to call these witnesses in its rebuttal case to clarify their statements and correct certain known errors in their testimony. Allowing the deposition testimony to be admitted would thus be duplicative and not expedite the conclusion of the hearing on plan confirmation.

#### **CONCLUSION**

For the foregoing reasons, the City respectfully requests that the Court grant its Motion in *Limine* To Exclude The Deposition Testimony of Gary Evanko and Michael Hall.

#### Respectfully submitted,

Dated: October 7, 2014

#### /s/ Bruce Bennett

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ATTORNEYS FOR THE CITY OF DETROIT

## **SUMMARY OF EXHIBITS**

The following exhibits are attached to this motion, labeled in accordance with Local Rule 9014-1(b):

Exhibit 1	Proposed Order
Exhibit 2	Notice
Exhibit 3	None (Not Applicable)
Exhibit 4	Certificate of Service
Exhibit 5	None (Not Applicable)
Exhibit 6.1	Excerpts from Deposition of Gary Evanko
Exhibit 6.2	City's Exhibit 598
Exhibit 6.3	Excerpts from 2013 CAFR
Exhibit 6.4	Excerpts from Deposition of Michael Duggan

## **EXHIBIT 1**

## UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

In re : Chapter 9 : Case No. 13- 53846 : Debtor. : Hon. Steven W. Rhodes : X

# ORDER GRANTING CITY OF DETROIT'S MOTION IN *LIMINE* TO EXCLUDE DEPOSITION TESTIMONY OF GARY EVANKO AND MICHAEL HALL

This matter having come before the Court on the City of Detroit's Motion in *Limine* to Exclude Deposition Testimony of Gary Evanko and Michael Hall (the "Motion"); the Court having reviewed the Motion; having found that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409, (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b), and (iv) notice of the Motion was sufficient under the circumstances; having determined after due deliberation that the relief requested in the Motion is in the best interests of the Debtor and its creditors; and good and sufficient cause having been shown;

#### IT IS HEREBY ORDERED THAT:

- 1. The Motion is GRANTED.
- 2. IT IS FURTHER ORDERED that the deposition transcripts of Gary Evanko and Michael Hall shall be excluded from evidence at the hearing on plan confirmation.

## **EXHIBIT 2**

## UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

	X	
	:	
In re	:	Chapter 9
CITIL OF DETROIT A MOUNCIAN	:	G N 10 50046
CITY OF DETROIT, MICHIGAN,	:	Case No. 13- 53846
	:	
Debtor.	:	Hon. Steven W. Rhodes
	:	
	:	
	X	

### NOTICE OF MOTION AND OPPORTUNITY TO RESPOND

PLEASE TAKE NOTICE that on October 7, 2014, the City of Detroit filed the City of Detroit's Motion in Limine to Exclude Deposition Testimony of Gary Evanko and Michael Hall (the "Motion") in the United States Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court"), seeking entry of an order excluding from evidence at the plan confirmation hearing the deposition transcripts of Gary Evanko and Michael Hall.

PLEASE TAKE FURTHER NOTICE that <u>your rights may be affected</u> by the relief sought in the Motion. You should read these papers carefully and discuss them with your attorney, if you have one. If you do not have an attorney, you may wish to consult one.

**PLEASE TAKE FURTHER NOTICE** that if you do not want the Bankruptcy Court to grant the City's Motion, or you want the Bankruptcy Court to consider your views on the Motion, within **17 days**<sup>1</sup> you or your attorney must:

<sup>&</sup>lt;sup>1</sup> Concurrently herewith, the City has filed an *ex parte* motion to shorten notice of and expedite the hearing on the Motion (the "Motion to Expedite"). If the Court grants the Motion to Expedite, an order will be entered setting forth the shortened deadline to respond to the Motion.

1. File a written objection or response to the Motion explaining your position with the Bankruptcy Court electronically through the Bankruptcy Court's electronic case filing system in accordance with the Local Rules of the Bankruptcy Court or by mailing any objection or response to:

## **United States Bankruptcy Court**

Theodore Levin Courthouse 231 West Lafayette Street Detroit, MI 48226

You must also serve a copy of any objection or response upon:

### **Jones Day**

51 Louisiana Ave. NW Washington, D.C. 20001-2113 Attention: Gregory Shumaker

-and-

## **Pepper Hamilton LLP**

Suite 1800, 4000 Town Center Southfield, Michigan 48075 Attn: Robert Hertzberg and Deborah Kovsky-Apap

2. If an objection or response is timely filed and served, the clerk will schedule a hearing on the Motion and you will be served with a notice of the date, time and location of the hearing.

PLEASE TAKE FURTHER NOTICE that if you or your attorney do not take these steps, the court may decide that you do not oppose the relief sought in the Motion and may enter an order granting such relief.

[signature page follows]

Respectfully submitted,

### /s/ Bruce Bennett

Dated: October 7, 2014

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ATTORNEYS FOR THE CITY OF DETROIT

## **EXHIBIT 4**

## **CERTIFICATE OF SERVICE**

I, Bruce Bennett, hereby certify that the foregoing City of Detroit's Motion
In Limine To Exclude Deposition Testimony Of Gary Evanko And Michael Hall
was filed and served via the Court's electronic case filing and noticing system on
this 7th day of October, 2014.

/s/ Bruce Bennett

## **EXHIBIT 6.1**

Elisa Dreier Reporting Corp. (212) 557-558 950 Third Avenue, New York, NY 10022

10 12 1 Q. Do you understand that I'm going to ask you questions 1 A. Yes, this seems accurate. 2 2 and that you'll provide answers under oath? And what additional work history would you add in 3 A. I understand. 3 between 2009 and October of 2013 when I believe you 4 4 were announced as the new assessor in Detroit? Q. One of the most important parts of the deposition is 5 that you and I communicate well with one another. If 5 A. Commencing in January of 2013, in addition to my 6 6 I ask you a question that you don't understand, please responsibilities as the assessor for the City of 7 let me know and I'll rephrase the question. If you 7 Dearborn, I also became the assessor for the City of 8 8 answer a question, I'm going to assume that you Allen Park and the City of Romulus, both of which had 9 understood it; is that fair? 9 their assessor leave suddenly and both communities 10 10 were in a distressed situation such that they needed A. Yes, that's fair. 11 Q. And this is a fairly technical area. The world that 11 to have an assessment role completed within weeks so 12 you live in is somewhat technical, so I'm going to be 12 that they could go through the board review process in 13 13 doing the best that I can to ask the questions in the March and inevitably levy taxes in July. 14 14 right way, but if I don't, please let me know. I continued with that -- those additional 15 15 A. Understood. assignments through September of 2013, at which time I 16 Q. So you obtained your bachelor's degree from Bowling 16 terminated my employment with the City of Romulus, and 17 17 Green State University; is that correct? then on the 2nd day of October, commenced my 18 18 employment with the City of Detroit as the chief A. That is correct. 19 19 Q. And what year did you obtain that? assessor for the City of Detroit. 20 20 Q. In that last answer, did you say Allen Park? 21 21 MR. HACKNEY: Can we mark this? A. That's correct, Allen, A-L-L-E-N. 22 MR. STEWART: Are you going to start with 22 Q. And I take it, that this bio lists all of the 23 23 Evanko 1? certifications that you have, is that --24 24 MR. HACKNEY: Yeah. A. Correct. 25 25 MR. STEWART: This is the very first What is a Level 4 appraiser? 11 13 1 deposition. We'll word it --1 A. Actually, they have retitled the certification. Now 2 2 MR. HACKNEY: So I'll give you my it is known as a Michigan Master Assessing Officer. 3 3 philosophy on this, Geoff. Anyone who is previously certified as a Level 4 4 assessor is -- is now called a Michigan Master 4 MR. STEWART: Okay. 5 MR. HACKNEY: I've never seen the holy 5 Assessing Officer. There previously was four levels 6 grail of like the perfectly integrated exhibits across 6 of assessor certification. Level 1 being the 7 7 all the deps, so I always do the name. qualifying and assessor to certify assessment roles in 8 8 MR. STEWART: Okay, good. the smallest communities in Michigan, typically 9 MARKED FOR IDENTIFICATION: 9 townships located up north. And the levels of 10 **DEPOSITION EXHIBIT 1** 10 certification numbers rise with the implied difficulty 11 9:04 a.m. 11 of the assessing responsibility such that cities of a 12 BY MR. HACKNEY: 12 certain amount of state equalized value and/or taxable 13 13 Q. Mr. Evanko, do you have Evanko Number 1 in front of value need to be certified at specific levels. 14 you? 14 As a consequence, cities of Detroit, 15 15 Dearborn, Romulus, all require a Level 4 assessor or Q. This is a -- a screenshot that I took of what I 16 16 as now known a Michigan Master Assessing Officer 17 believe is your bio from the City of Dearborn site, is 17 certification. The City of Allen Park, being a 18 18 that what it looks like to you? smaller community, requires what used to be called a 19 A. Yes, that's what it looks like to me. 19 Level 3 assessor certification, and I'm not quite sure 20 20 Q. And to the best of your knowledge, was the information what the new normal for that is today. 21 that you put into your bio on the City of Dearborn 21 Q. I take it, that the standards for going up what used 22 22 site accurate, at least at the time you put it up to be the four levels become more exacting as you go 23 23 there? up; is that correct? And what I mean by that is, it's 24 24 harder to a be a Level 2 assessor than a Level 1 A. Let me have -- take the opportunity to review it. 25 25 O. You bet. assessor: is that correct?

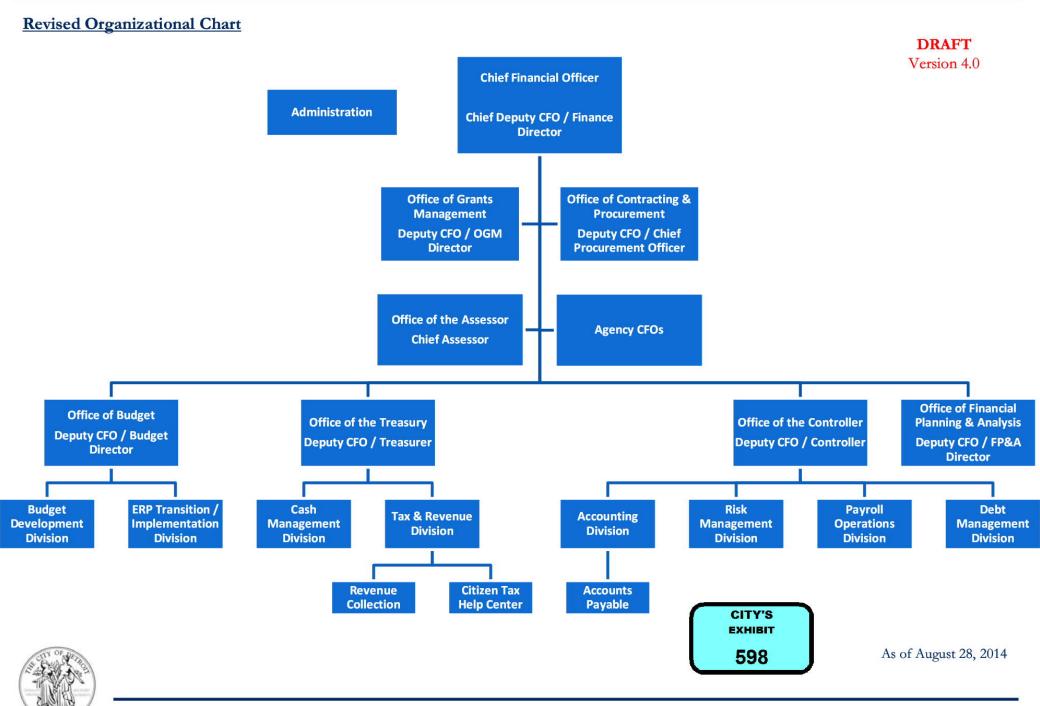
4 (Pages 10 to 13)

38 40 1 A. That is correct. 1 regular full-time employee, he has the authority to 2 2 Q. It's extremely helpful. You're a -- you're a good supervise. Gary Evanko as a contractor I do not 3 3 spokesman for this. I won't lie to you, though, I believe has the authority to supervise employees which 4 4 hope that I only have to do this once. I actually would include, you know, discipline matters and other 5 recently appealed my property taxes, one. I wore a 5 matters in that genre. 6 6 suit to the hearing. Q. Okay. That's fair. Would it be wrong to say, though, 7 MR. ESSAD: How did you do? 7 given your respective duties that you and Mr. Horhn 8 MR. HACKNEY: I won. Actually an 8 run the office together? 9 interesting story, I'll tell you guys at the break, 9 A. Absolutely. I consider our relationship a 10 10 you'll -- you'll appreciate it. partnership. 11 BY MR. HACKNEY: 11 Q. I said would it be wrong to say that? 12 Q. Okay. Are you a City employee or are you an 12 A. Oh, I'm sorry. Please repeat the question. I'm 13 13 independent contractor? 14 A. I am akin to more of a contractor in that I do have a 14 Q. I'm going to turn it around. Is it correct to say 15 contract that was signed by the emergency financial 15 that you and Mr. Horhn run the office together? 16 manager. I received no benefits that any other 16 A. That would be correct. 17 17 employee would be entitled to, however, I am paid on a Q. Do you have anyone that reports to you? 18 biweekly basis and the City of Detroit does withhold 18 A. There would be only one person that would technically 19 19 federal, state, Medicare, Social Security taxes. report directly to me, and that's a gentleman who's 20 Q. What's the term of your contract? 20 under contract in the Assessor's Office to assist with 21 21 A. The term is October 1 through September 30th. It's a commercial and industrial appraisal matters, and that 22 one-year contract, and the City has the option of 22 gentleman's name is Russell Raftary. 23 two one-vear renewals. 23 Q. To whom do you report? 24 24 Q. Do you have an expectation as to whether that contract A. I report to Mr. John Naglick, the finance director. 25 25 will be renewed? Q. Let me ask some general questions about appraising 39 41 that I think will facilitate our -- our day together 1 A. I would expect that it would be renewed. 1 2 2 Q. I think it's going to be renewed as well. just so I can get the nomenclature correct. Is it 3 3 How would you describe your job duties in correct that there are three basic approaches to the 4 4 the City of Detroit's Assessor's Office? valuation of property, the market approach, the cost 5 A. Obviously, I have the responsibilities to assure the 5 approach, and the income approach? 6 lawful compli -- compilation of the annual assessment 6 A. That's essentially correct, however I prefer to call 7 7 rolls as well as the tax rolls. In addition to that, the market approach the sales -- direct sales 8 8 my responsibilities have been to proceed with a comparison approach since all three approaches are 9 general reappraisal of the city of Detroit. 9 required to reflect market conditions. 10 10 Q. Anything else? Q. Okay. So if you were stating it, you would say the 11 11 A. Quite frankly, I think that's enough. direct sales comparison approach, the cost approach 12 Q. It is. I guess I meant more, I kind of thought that 12 and the income approach? 13 you were the gentleman that ran things in the 13 A. Yes, sir. 14 Assessor's Office in terms of overseeing people in the 14 Q. The -- I'm going to try to use your terminology, but 15 office and making sure everybody's doing what they're 15 if I forget, I'll just make sure that I believe when I 16 supposed to be doing, but let me know if that's not 16 say the market approach, I mean the direct sales 17 correct? 17 comparison approach? 18 A. That's not correct. As I indicated to you previously, 18 A. Understood. 19 the Board of Assessors consisted of Alvin Horhn and 19 Q. I will try and use your words. So the direct sales 20 20 myself, and as I indicated previously, the way we have comparison approach relies on available data regarding 21 divided responsibilities is that Mr. Horhn is 21 the value of similarly situated properties; is that 22 22 primarily responsible for administration, personnel, correct? 23 23 and technology. And so when it comes to supervising A. In part. 24 24 employees, that would be Mr. Horhn's primary What else does it rely upon? 25 25 responsibility. You know, given the fact that he is a The selling price and again the terms of sale.

11 (Pages 38 to 41)

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## EXHIBIT 6.2



## **EXHIBIT 6.3**



# SENANCIAL REPORT

For the Fiscal Year Ended June 30, 2013







Michael E. Duggan, Mayor • John Hill, Chief Financial Officer

# CITY OF DETROIT, MICHIGAN

EXHIBIT

28 BOM00728613

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#### PHOTO CREDITS

All photographs courtesy of City of Detroit - Communications and Creative Services Department

# PRINCIPAL OFFICIALS OF THE CITY OF DETROIT, MICHIGAN

# Executive (Elected)



**Mayor** MICHAEL E. DUGGAN

## Legislative (Elected)

## **City Council**



BRENDA JONES President



GEORGE CUSHINGBERRY President Pro Tem



SAUNTEEL JENKINS



SCOTT BENSON



RAQUEL CASTANEDA-LOPEZ



**GABE LELAND** 



MARY SHEFFIELD



ANDRE SPIVEY



JAMES TATE

I-10

# PRINCIPAL OFFICIALS OF THE CITY OF DETROIT, MICHIGAN

# Legislative (Elected)



City Clerk
JANICE WINFREY

## Other Executive Officials (Appointed)



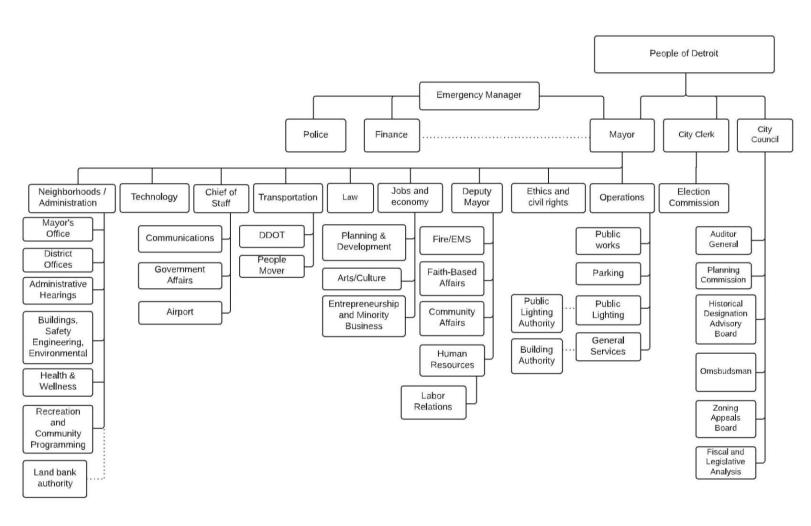
JOHN HILL

Chief Financial Officer



JOHN NAGLICK
Finance Director

## **Organization of City of Detroit Agencies**



## **EXHIBIT 6.4**

	Page 1		Page 3
	MAYOR MICHAEL DUGGAN	1	MAYOR MICHAEL DUGGAN
	IN THE UNITED STATES BANKRUPTCY COURT	2	MELVIN BUTCH HOLLOWELL, ESQ.
	FOR THE EASTERN DISTRICT OF MICHIGAN	3	City of Detroit
		4	Law Department
		5	Coleman A. Young Municipal Center
	In re ) Chapter 9	6	2 Woodward Avenue
	CITY OF DETROIT, MICHIGAN, ) Case No. 13-53846	7	Suite 500
	Debtor. ) Hon. Steven W. Rhodes	8	Detroit, Michigan 48226
		9	Appearing on behalf of the City of Detroit.
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		11	
		12	
	The Videotaped Deposition of MAYOR MICHAEL DUGGAN		DANIEL MORRIS, ESQ.
	Taken at 2 Woodward Avenue, Suite 500,	14	Dentons US LLP
	Detroit, Michigan,	15	1301 K Street, N.W.
	Commencing at 10:00 a.m.,	16	Suite 600, East Tower
	Friday, August 1, 2014,	17	Washington, D.C. 20005
	Before Rebecca L. Russo, CSR-2759, RMR, CRR.	18	Appearing on behalf of the Retiree Committee.
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	Page 2		Page 4
1	MAYOR MICHAEL DUGGAN	1	MAYOR MICHAEL DUGGAN
2	APPEARANCES:	2	COURTNEY ROGERS, ESQ. (Via Telephone)
3	THE LEWIN COLD.	3	Waller Lansden Dortch & Davis LLP
4	WILLIAM E. ARNAULT, ESQ.	4	511 Union Street
5	Kirkland & Ellis LLP	5	Suite 2700
6	300 North LaSalle	6	Nashville, Tennessee 37219
7	Chicago, Illinois 60654	7	Appearing on behalf of U.S. Bank National Association,
8	Appearing on behalf of Syncora Guarantee Inc. and	8	as Trustee for the Water and Sewer Bonds.
9	Syncora Capital Assurance Inc.	9	
10	-	10	
11		11	
12		12	CHRISTOPHER A. GROSMAN, ESQ. (Via Telephone)
13	THOMAS F. CULLEN, JR., ESQ.	13	Carson Fischer, P.L.C.
14	DAN T. MOSS, ESQ.	14	4111 Andover Road West - Second Floor
15	Jones Day	15	Bloomfield Hills, Michigan 48302
16	51 Louisiana Avenue, N.W.	16	Appearing on behalf of Oakland County.
17	Washington, D.C. 20001	17	
18	Appearing on behalf of the City of Detroit.	18	
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1 (Pages 1 to 4)

Page 113 Page 115 1 BY MR. ARNAULT: 1 A. You know, some of the career staff people there. So 2 Q. Well, let me put it another way. The plan of 2 he's relatively new and he's interim, so if, if your 3 3 question is, is he the most knowledgeable, I'm quite adjustment doesn't provide you or the city council 4 with any expanded powers or authority that the mayor 4 certain he's not. 5 5 or the city council did not have prior to Chapter 9? Q. And do you know what he's done since he's come into 6 6 A. We're going to have to see -- I don't know if the plan office to, essentially, bring himself up to speed? 7 7 of adjustment does. We'll have to see what comes out A. You know, he's done a good job of getting firefighters 8 8 in post emergency management orders and those kinds of hired. 9 9 Q. But do you know what he's done to get himself up to 10 Q. Okay. But right now you don't know of any powers or 10 speed --11 authority that expand beyond what you had prior to 11 A. No. 12 12 Chapter 9? O. -- with retention? A. None occur to me. 13 13 A. No. 14 Q. Are there any additional tools that are necessary for 14 Q. Since you've been elected mayor, has attrition been a 15 15 you to run the city that you don't currently have? problem with the City of Detroit? 16 A. Any additional tools to run the city. I'd have to 16 A. Yes. 17 think about that. 17 Q. And has it been citywide across the departments or 18 Q. Okay. None that come to mind? 18 limited to --19 A. There might well be, but ... 19 A. More the police department than anyplace else. 20 Q. Not right now? 20 Q. What do you think is driving the attrition problem 21 A. Yeah. I mean, it's something that we're going to have 21 with the DPD? 22 to discuss as we work toward the whole transition 22 A. Certainly the, the uncertainty on where everything's 23 23 agreement, which we really haven't gotten focused on going is a problem. The fact that in a number of 24 24 yet. cases they could make wages higher in other places is 25 Q. So we've discussed a little bit about the staffing and 25 a problem. For a while there, the former chief had Page 114 Page 116 1 1 employment problems that the City of Detroit has them on twelve-hour shifts, which was burning people 2 2 experienced, right? 3 A. Right. 3 So I think there are probably a number of 4 4 Q. And would it be fair to say that the Human Resources factors that go into it. 5 5 Department at the city would be the department Q. Okay. So you said the -- driving the attrition 6 directly responsible for determining the staffing 6 problem would be just uncertainty where everything is 7 7 needs of the city's various departments? going, and by that you refer to just the bankruptcy, 8 8 A. They don't determine the staffing needs, but their job in general? 9 9 A. Yeah, I would say what's going to happen with their is to fill them. 10 Q. Who determines the staffing needs? 10 pay. What's going to happen with their pension. 11 A. The individual departments and the budget process. 11 What's going to happen with their health care. What's Q. And Michael Hall's currently the head of the human 12 12 going to happen with their shifts. There's been a lot 13 resources department? 13 of uncertainty. 14 A. Yes. 14 Q. Okay. And then the uncertainty that's created surrounding the bankruptcy relates to the fact that 15 15 Q. And would it be fair to say that Mr. Hall would be the 16 person who's most knowledgeable about filling the 16 they may not know what's going to happen to their 17 city's overall staffing needs? 17 wages, their pensions, or their benefits, is that 18 18 A. I wouldn't necessarily say that. right? 19 Q. Okay. Would he be the person who's most knowledgeable 19 A. I think that's a significant factor. 20 about what the city needs to do to fill the open 20 Q. Are there any other factors that are driving the 21 positions? 21 attrition problem? 22 22 A. He's relatively new. I think there are probably A. You know, you'd have to ask the police officers. 23 people in that department probably more knowledgeable 23 Q. Police officers would be the ones who would know best 24 than that. 24 A. They would know why they're leaving. 25 25 Q. Who do you think that would be? Q. Okay. Have you taken any steps to remedy the