

**From:** Michael E. Smith, City Manager  
**Subject:** Annual Review of Investment Policy  
**Prepared by:** Douglas M. Haag, Finance Director/Treasurer *DMH*

**Manager's Recommendation:**

I recommend approving the attached investment policy for FY 2015-16. It reflects the following changes from the previous policy in regards to the list of Authorized Financial Institutions:

- Removed Ambassador Capital Management (ACM) from the list. ACM ceased doing business in September, 2014 and we terminated our relationship with them prior to that.
- Removed Charter One Financial, Inc. from the list. They are now owned by a foreign bank which does not provide sufficient information for rating purposes.
- Updated the names of some of the remaining institutions to reflect any changes.

**Justification:**

The City maintains a very conservative investment policy in accordance with Michigan statutes, which requires that the primary investment objectives be 1) protection of the principal and 2) maintaining sufficient liquidity to enable the City to meet all of its operating requirements (i.e. vendors, payroll, pension obligations, debt service payments, etc.) The interest rate of return is secondary to those objectives.

Very little has changed in the municipal investment market since 2008 so I am not proposing any other changes at this time. Rates continue to remain low. So low that you may recall that in 2008 the General Fund investment income exceeded \$1,500,000. In 2014 it was barely \$75,000.

Finally, several of the most recent quarterly cash & investment reports are included here. These reports are in the same raw data format as they've been presented in the past. However, moving forward, these will be modified to include more comparative data – similar to what you've seen in the quarterly budget reports.

**Attachments:**

Investment Policy  
List of Authorized Financial Institutions  
Bank Ratings (provided by Robinson Capital)  
Michigan Statutes  
Cash & Investment Reports as of:

- March 31, 2015
- December 31, 2014
- December 31, 2013

**Council Action:**

Moved by Council Member \_\_\_\_\_, seconded by Council Member \_\_\_\_\_ that the recommendation of the City Manager be approved.

# CITY OF ST. CLAIR SHORES INVESTMENT POLICY

## **I. POLICY**

It is the policy of the City of St. Clair Shores to invest public funds in a manner which will provide the highest investment return with the maximum security, while meeting the daily cash flow needs of the City and conforming to all state and local statutes governing the investment of public funds.

## **II. SCOPE**

This investment policy applies to all financial assets of the City of St. Clair Shores. These funds are accounted for in the City of St. Clair Shores' Comprehensive Annual Financial Report and include:

- General Fund
- Special Revenue Funds
- Capital Project Funds
- Trust and Agency Funds
- Enterprise Funds
- Debt Service Funds
- Internal Service Funds
- Any new fund created by the City Council, unless specifically exempted by the Council.

This investment policy applies to all transactions involving the financial assets and related activity of all of the foregoing funds.

This investment policy does not apply to the assets of the Police and Fire Pension Fund or the General Employees' Pension Fund or the VEBA Trust (when established), which are controlled by their respective Board of Trustees, nor the assets of the ICMA Deferred Compensation Program, which are managed by the ICMA Retirement Corporation.

## **III. PRUDENCE**

Investments shall be made with judgment and care, which persons of prudence, discretion and intelligence exercised in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures of the investment

policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

#### IV. OBJECTIVE

The primary objectives, in priority order, of the City of St. Clair Shores investment activities shall be:

- **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
- **Liquidity:** The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements, which might reasonably be anticipated.
- **Return on Investment:** The City's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and the cash flow needs of the portfolio.
- **Credit Risk:** The City will minimize credit risk, the risk of loss due to the failure of the security, issuer or backer, by:
  - a) Limiting investments to the safest types of securities
  - b) Diversifying the portfolio so that potential losses on individual securities would be minimized
  - c) Maintaining credit ratings when available on all holdings
- **Interest Rate Risk:** The City will minimize the risk that the market value of the securities in the portfolio will fall due to changes in general interest rates by structuring the portfolio to meet the cash requirements of ongoing operations, thereby mitigating the need to liquidate securities at a loss prior to maturity. In addition, investments past two years in maturity will be made to coincide as nearly as practicable with the expected use of the funds.
- **Concentration Risk:** The City will minimize the risk in placing a large portion of the portfolio with a single security issuer by limiting the exposure to 10% of the total portfolio, excluding investments in U.S. Government securities.
- **Custodial Credit Risk:** The City will minimize custodial credit risk by using only financial institutions meeting a pre-qualification evaluation and holding securities in the City's name.
- **Foreign Currency Risk:** The City will only invest in US dollar denominated securities

## **V. DELEGATION OF AUTHORITY**

Authority to manage the City's investment portfolio is derived from section 10.061 of the City Charter:

The City Treasurer shall have the custody of all moneys, bonds, mortgages, notes and securities belonging to the City.

Management responsibility for the investment program is hereby delegated to the City Treasurer, who shall operate the investment program consistent with this investment policy and state statute. In the Treasurer's absence, the Controller or the Director of Finance shall conduct the investment program.

## **VI. ETHICS AND CONFLICTS OF INTEREST**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the City Manager any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial or investment positions that could be related to the performance of the City's portfolio.

## **VII. AUTHORIZED AND SUITABLE INVESTMENTS**

The Treasurer's investment of surplus funds shall be consistent with Public Act 20 of 1943, as amended and Public Act 367 of 1982 (see attached public acts). Authorized and suitable investments shall include:

- a. Bonds, securities, and other obligations of the United States, or an agency or instrumentality of the United States (does not include mortgage pass-through securities and related instruments).
- b. Direct purchase of Certificates of Deposit, savings accounts, deposit accounts, lockbox accounts, or depository receipts of a financial institution, but only if the financial institution is eligible to be a depository of funds belonging to the State of Michigan.
- c. Commercial paper rated at the time of purchase with the highest classification established by not less than two standard rating services (example A1P1) and matures not more than 1080 days after the date of purchase.
- d. Top Quality Bankers' Acceptances issued by United States banks.
- e. Repurchase agreements consisting of instruments in section VIII (a).
- f. Investment pools organized under the Surplus Funds Investment Pool Act, 1982, P.A. 367, MCL 129.111 to 129.118. Also, all pools must follow Rule 2a-7 of

Investment Company Act, which mandates funds to maintain certain standards, including 13-month maturity limit and a 90-day average maturity on investments, to help maintain constant value of one dollar.

- g. Mutual Funds registered under the Investment Company Act of 1940 and funds consisting of Investments listed in Section VIII (a) to VIII (d.) The funds must follow Rule 2a-7 of the Investment Company Act, which mandates funds to maintain certain standards, including 13-month maturity limit and a 90-day average maturity on investments to help maintain a constant net asset value of one dollar (\$1.00).
- h. Obligations described in subdivisions (a) through (g) of Sec 1 (1) of PA 20, if purchased through an interlocal agreement under the urban cooperation act of 1967.
- i. Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.

### **VIII. SAFEKEEPING AND CUSTODY**

All security transactions, including collateral for repurchase agreements and financial institution deposits, entered into by the City Of St. Clair Shores shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts.

### **IX. DIVERSIFICATION**

The City Of St. Clair Shores will diversify its investments by security type and institution. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the City's total investment portfolio will be invested in a single security type or with a single financial institution.

### **X. MAXIMUM MATURITIES**

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than 3 years from the date of purchase.

### **XI. INTERNAL CONTROL**

The Treasurer shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

## **XII. PERFORMANCE STANDARDS**

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout the budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs of the City. The City's investment strategy is passive, (buy and hold). Given this strategy, the basis used by the Treasurer to determine whether market yields are being achieved shall be the three-month Treasury bill.

## **XIII. REPORTING**

An investment summary shall be submitted by the Treasurer to the City Council not less than quarterly.

## **XIV. INVESTMENT POLICY ADOPTION**

The City Of St. Clair Shores' investment policy shall be adopted by resolution of the City Council. The policy shall be reviewed annually by the City Council and any modifications made thereto must be approved by the City Council.

City of St. Clair Shores  
**Authorized Financial Institutions**

**As of July 1, 2015**

Bank of America Corporation

JP Morgan Chase Bank & Co

Chemical Bank

Comerica Bank Incorporated

First State Bank of East Detroit

Huntington National Bank (previously Huntington Bancshares Incorporated)

Keybank (previously KeyCorp)

MBIA Municipal Investors Services Corporation

PNC Bank (previously PNC Financial Services Group, Inc.)

TCF National Bank (previously TCF Financial Corporation)

The Private Bank & Trust Company (previously Private Bancorp, Inc.)

Level One Bank

Wolverine Bank

Mercantile Bank of Michigan

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## Disclosures

The statements contained in this report assessing or characterizing the overall or relative performance, outlook, or other indicators of financial strength or risk of a bank represent the opinions of Robinson Capital Management (RCM). These opinions are based on RCM's independent analysis of financial data and utilize information obtained or derived from sources believed to be reliable. RCM does not represent or guarantee that its opinions or the information contained in this report is either accurate or complete. Under no circumstances shall RCM have any liability to any person or entity for any loss or damage in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance or contingency within or outside the control of RCM or any of its directors, officers or employees. This report is for information only and is not a recommendation to buy or sell any security or to participate in any trading strategy. Reference to the issue discussed herein should not be construed as an example of an investment or recommendation made by RCM on behalf of any client. This report or any portion hereof may not be reprinted, sold, or redistributed without the written consent of RCM. Opinions expressed are subject to change without notice. RCM, or one or more of its directors, officers or employees, may have a position in securities of the issuer discussed herein. We will be pleased to furnish information in this regard upon request.

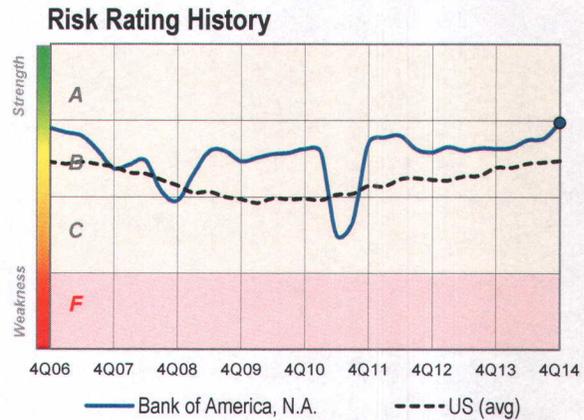
Robinson Capital Management is a boutique investment advisor focused exclusively on traditional and alternative fixed income investments. Founded in 2012, and headquartered in Grosse Pointe Farms, Michigan, RCM offers investment advisory services to a variety of institutional and high net worth individual investors.

# Bank of America, N.A.

4Q 2014

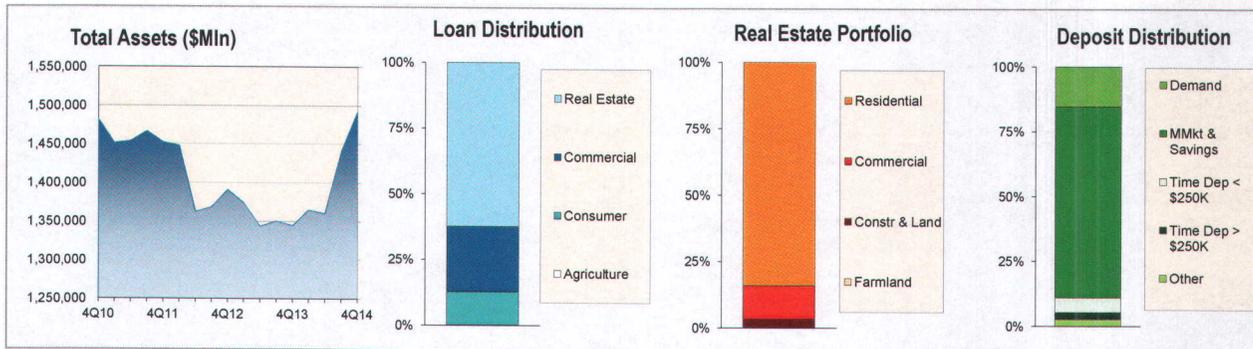
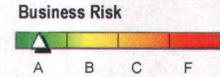
**A-**

Risk Ratings	
<b>Overall</b> .....	<b>A-</b>
Business.....	<b>A</b>
Demographic.....	<b>A-</b>
Financial.....	<b>B</b>
Asset Quality.....	<b>F</b>
Capital.....	<b>A+</b>
Liquidity.....	<b>A+</b>
Profitability.....	<b>A+</b>
<b>Robinson Downside Risk</b>	<b>A-</b>



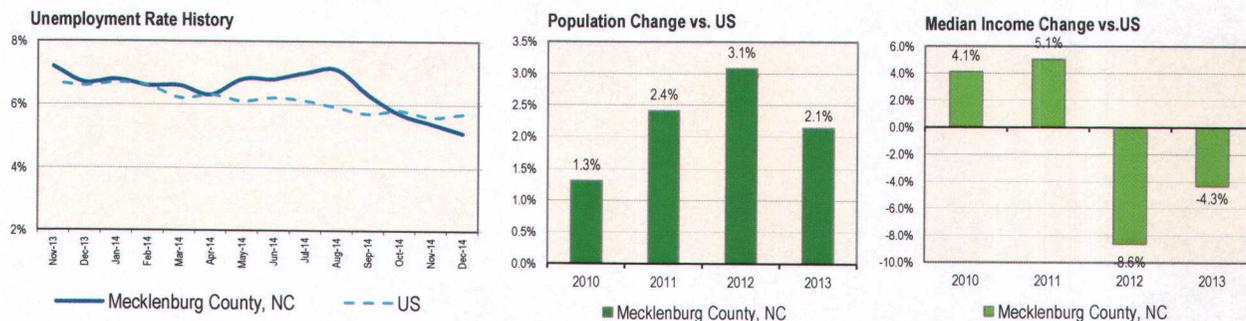
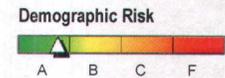
## Business Analysis

Bank of America, N.A. is headquartered in Charlotte, NC, with total assets of \$1,492.3 Bln. The bank has exhibited healthy growth over the past quarter and has experienced strong asset growth of 11.0% over the past year. The total loan portfolio is somewhat diversified with 54% in real estate loans. The real estate portfolio is largely concentrated in the residential sector, representing 84% of the portfolio. The bank's core deposits, deposits that are a stable source of funds for the lending base, are very strong, representing a reliable and inexpensive source of funds for the bank.



## Demographic Analysis

Bank of America, N.A. has a very large demographic footprint in its various markets, providing healthy geographic diversification. The bank's largest demographic base is Mecklenburg County, NC, representing 16% of the company's deposits, while San Francisco County, CA and Dallas County, TX represent 12% and 5%, respectively. Unemployment within Mecklenburg County, NC is 5.1%, 0.6% lower than the national average. Mecklenburg County, NC's population growth over the past couple years has been substantially higher than that of the US and median household income greatly increased recently against the nation's median level.



## Financial Analysis

Robinson views the financial risk of this bank to be investment grade given Bank of America, N.A.'s solid and healthy financial profile and limited potential of downside risk. Its overall financial trend has strengthened firmly over the past quarter and has strengthened over the past year.



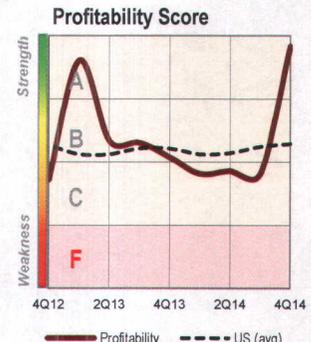
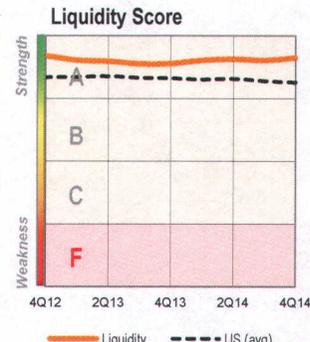
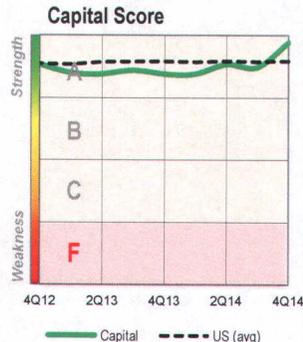
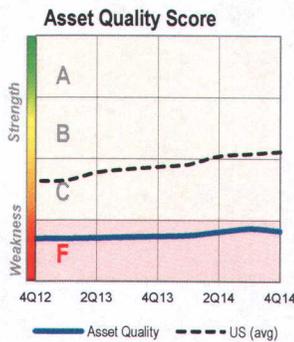
Asset quality ranks well below the US average, and is rated below investment grade with nonperforming loans to total loans at 3.4%. The asset quality trend has marginally weakened over the past quarter, but has posted a small level of change over the past year. The bank's capital position is one of the best in United States, with Tier-1 risk-based capital at 13.1%. This trend has demonstrated significant improvement over the past quarter and has experienced considerable improvement over the past year. Liquidity is strong, representing the bank's solid ability to cover short-term obligations. Bank of America, N.A.'s liquidity ratio is sound at 27.9%. The liquidity score has marginally improved over the past quarter and has posted a small level of change over the past year. The bank's profitability ranks as one of the best in the country with return on average assets (ROA) for the quarter at 1.92%. This trend has revealed substantial improvement over the past quarter and has experienced substantial improvement over the past year.

Asset Quality (*top ratios)		
		Chg vs. 3Q 2014
<b>NonPerforming Lns</b>		
<b>Bank</b>	3.4%	▼ 0.5%
US (median)	1.3%	▼ 0.1%
<b>Reserves to NPLs</b>		
<b>Bank</b>	54.6	▲ 13.6
US (median)	120.2	▲ 8.7

Capital (*top ratios)		
		Chg vs. 3Q 2014
<b>Tier-1 Risk-Based</b>		
<b>Bank</b>	13.1%	▲ 0.6%
US (median)	15.5%	▼ 0.1%
<b>Total Risk-Based</b>		
<b>Bank</b>	14.6%	▲ 0.7%
US (median)	16.6%	▼ 0.1%

Liquidity (*top ratios)		
		Chg vs. 3Q 2014
<b>Liquidity Ratio</b>		
<b>Bank</b>	27.9%	▲ 1.1%
US (median)	34.7%	▼ 0.4%
<b>Core Deposits/Deposits</b>		
<b>Bank</b>	94.5%	▲ 0.5%
US (median)	81.4%	▼ 0.3%

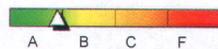
Profitability (*top ratios)		
		Chg vs. 3Q 2014
<b>Return on Assets</b>		
<b>Bank</b>	1.9%	▲ 1.0%
US (median)	0.8%	▼ 0.1%
<b>Net Interest Margin (NIM)</b>		
<b>Bank</b>	5.5%	▲ 3.1%
US (median)	3.6%	▼ 0.0%



## Downside Risk

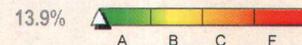
### Robinson Downside Risk

Robinson Downside Risk measures overall downside risk of a bank, based on a proprietary bank risk model. Analysis takes into account various factors, including trends and ratios discussed in this report.



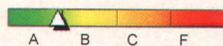
### Tangible Common Equity to Tangible Assets

An additional capital ratio that better reflects capital positions in a distressed environment.



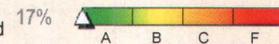
### Risk Trend

Uses data from historical U.S. bank failures to determine risk of closure. Asset quality and capital trends play a major role in this downside risk model.



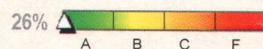
### Texas Ratio (%)

Measures the ratio of non-performing assets and loans 90 day past due / tangible equity capital plus reserves. Levels above 100% indicate increased risk exposure.



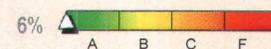
### Commercial Real Estate to Capital

Historically, higher levels of commercial real estate (CRE) exposure have the potential to be problematic. Levels above 300% represent higher risk.



### Constr & Land Loans to Capital

Construction and land loans above 100% of capital should be monitored closely and present greater levels of risk.

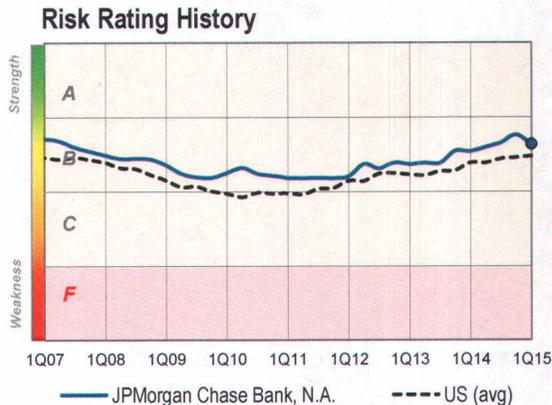


# JPMorgan Chase Bank, N.A.

1Q 2015

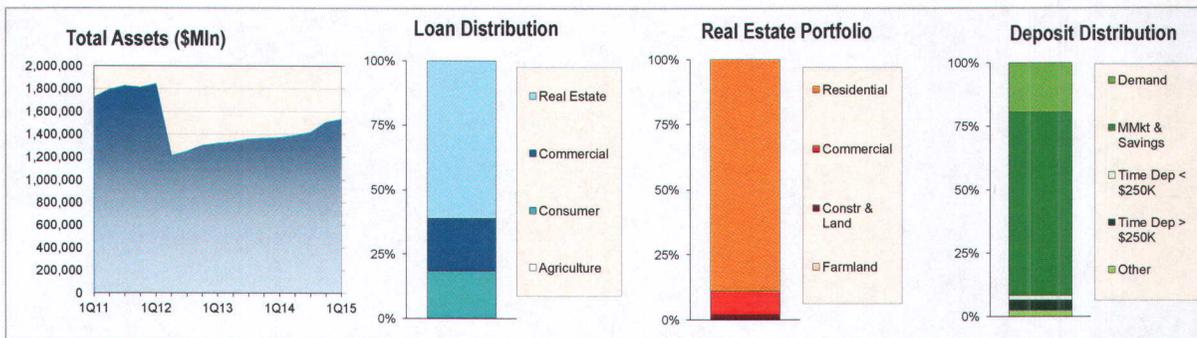
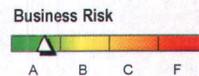
**B+**

Risk Ratings	
<b>Overall</b> .....	<b>B+</b>
Business.....	A-
Demographic.....	B-
Financial.....	B-
Asset Quality.....	F
Capital.....	A
Liquidity.....	A-
Profitability.....	C+
<b>Robinson Downside Risk</b>	A-



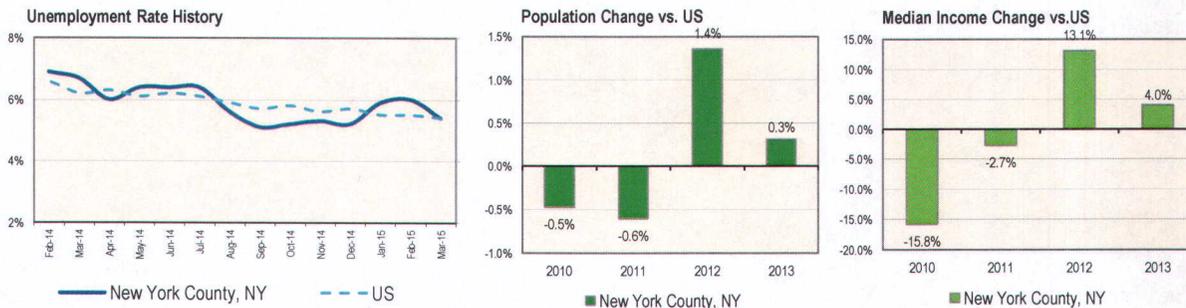
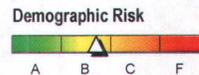
## Business Analysis

JPMorgan Chase Bank, N.A. is headquartered in Columbus, OH, with total assets of \$1,529.0 Bln. The bank has increased its assets over the past quarter and has experienced strong asset growth of 11.7% over the past year. The total loan portfolio is somewhat diversified with 52% in real estate loans. The real estate portfolio is largely concentrated in the residential sector, representing 89% of the portfolio. The bank's core deposits, deposits that are a stable source of funds for the lending base, are very strong, representing a reliable and inexpensive source of funds for the bank.



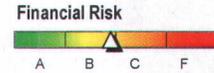
## Demographic Analysis

JPMorgan Chase Bank, N.A. has a strong demographic footprint in its respective markets, providing healthy geographic diversification. New York County, NY, represents the bank's only deposit base. Unemployment within New York County, NY is 5.4%, 0.0% higher than the national average. New York County, NY's population growth has weakened over the past couple years relative to that of the US and median household income greatly increased recently against the nation's median level.



## Financial Analysis

Robinson views this company as investment grade and the financial risk of this bank to be better than that of the US bank average. JPMorgan Chase Bank, N.A. presents low financial risk to its investors. Its overall financial trend has weakened over the past quarter, but has posted a small level of change over the past year.



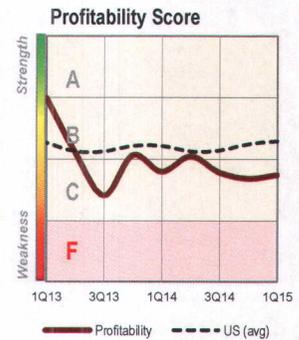
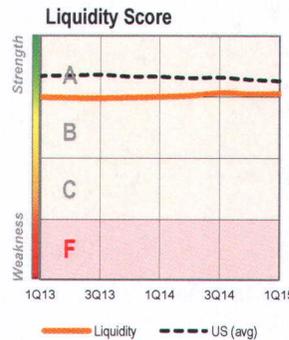
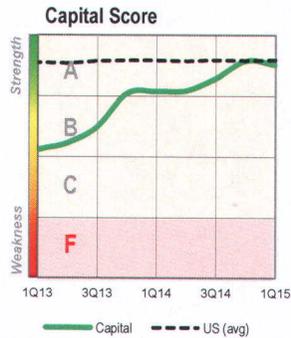
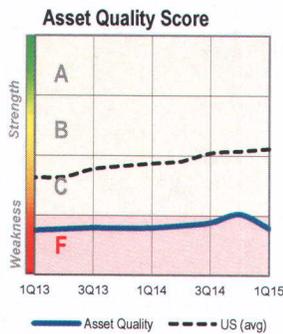
Asset quality ranks well below the US average, and is rated below investment grade with nonperforming loans to total loans at 4.7%. The asset quality trend has weakened over the past quarter and has displayed little to no change over the past year. The bank's capital position is very strong with Tier-1 risk-based capital at 12.7%, representing favorable regulatory levels. This trend has marginally weakened over the past quarter, but has strengthened over the past year. Liquidity is below the average in US with the liquidity ratio at 17.4%, reflecting the company's well-managed cash operations. The liquidity score has marginally improved over the past quarter and has posted a small level of change over the past year. The bank's profitability ranks well below the US average with return on average assets (ROA) and net interest margin for the quarter at 0.86% and 2.29%, respectively. This trend has marginally improved over the past quarter, but has displayed little to no change over the past year.

Asset Quality (*top ratios)		
		Chg vs. 4Q 2014
<b>NonPerforming Lns</b>		
Bank	4.7%	▲ 1.2%
US (median)	1.6%	▲ 0.3%
<b>Reserves to NPLs</b>		
Bank	52.2	▼ 4.9
US (median)	101.5	▼ 18.8

Capital (*top ratios)		
		Chg vs. 4Q 2014
<b>Tier-1 Risk-Based</b>		
Bank	12.7%	▼ 0.1%
US (median)	15.4%	▼ 0.1%
<b>Total Risk-Based</b>		
Bank	14.0%	▼ 0.1%
US (median)	16.6%	▼ 0.1%

Liquidity (*top ratios)		
		Chg vs. 4Q 2014
<b>Liquidity Ratio</b>		
Bank	17.4%	▲ 0.1%
US (median)	35.1%	▲ 0.3%
<b>Core Deposits/Deposits</b>		
Bank	93.1%	▲ 0.6%
US (median)	81.1%	▼ 0.3%

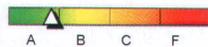
Profitability (*top ratios)		
		Chg vs. 4Q 2014
<b>Return on Assets</b>		
Bank	0.9%	▲ 0.2%
US (median)	0.8%	▲ 0.0%
<b>Net Interest Margin (NIM)</b>		
Bank	2.3%	▼ 0.1%
US (median)	3.5%	▼ 0.1%



## Downside Risk

### Robinson Downside Risk

Robinson Downside Risk measures overall downside risk of a bank, based on a proprietary bank risk model. Analysis takes into account various factors, including trends and ratios discussed in this report.



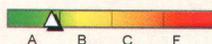
### Tangible Common Equity to Tangible Assets

An additional capital ratio that better reflects capital positions in a distressed environment.



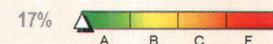
### Risk Trend

Uses data from historical U.S. bank failures to determine risk of closure. Asset quality and capital trends play a major role in this downside risk model.



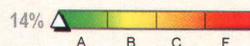
### Texas Ratio (%)

Measures the ratio of non-performing assets and loans 90 day past due / tangible equity capital plus reserves. Levels above 100% indicate increased risk exposure.



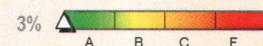
### Commercial Real Estate to Capital

Historically, higher levels of commercial real estate (CRE) exposure have the potential to be problematic. Levels above 300% represent higher risk.



### Constr & Land Loans to Capital

Construction and land loans above 100% of capital should be monitored closely and present greater levels of risk.

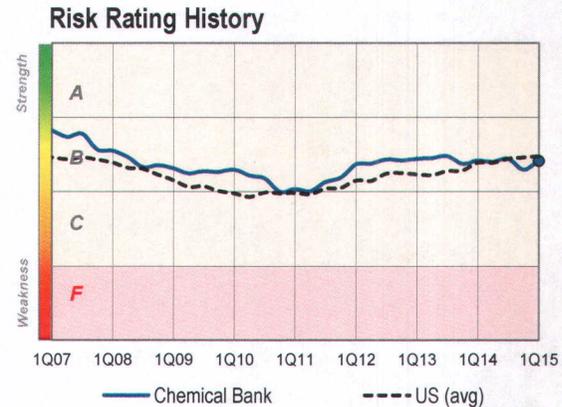


# Chemical Bank

1Q 2015

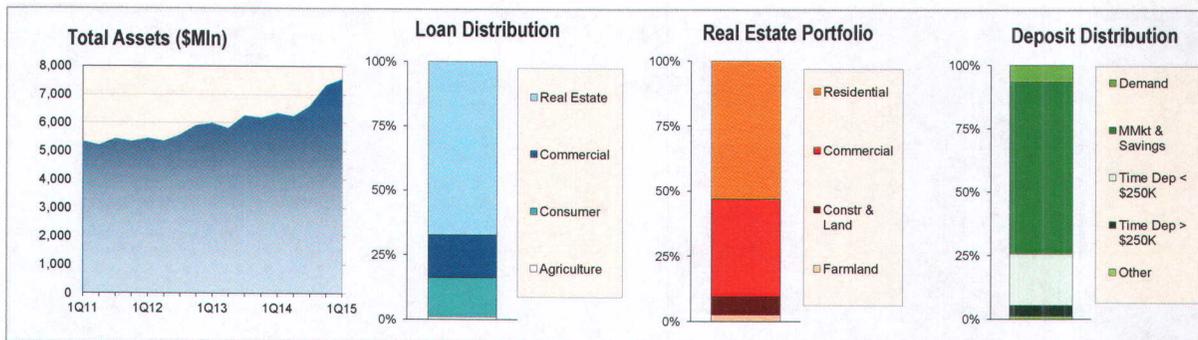
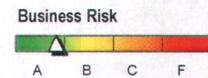
**B**

Risk Ratings	
<b>Overall</b> .....	<b>B</b>
Business.....	<b>A-</b>
Demographic.....	<b>B-</b>
Financial.....	<b>B-</b>
Asset Quality.....	<b>C-</b>
Capital.....	<b>B</b>
Liquidity.....	<b>A-</b>
Profitability.....	<b>B-</b>
<b>Robinson Downside Risk</b>	<b>B-</b>



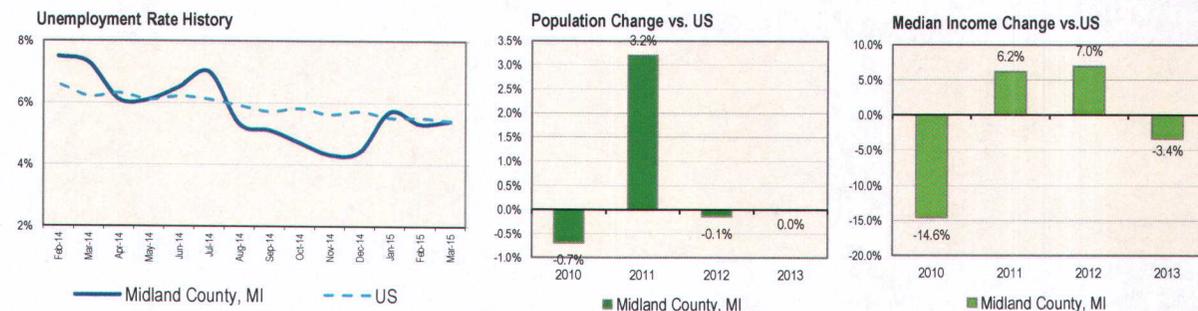
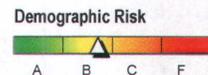
## Business Analysis

Chemical Bank is headquartered in Midland, MI, with total assets of \$7.5 Bln. The bank has exhibited healthy growth over the past quarter and has experienced strong asset growth of 19.1% over the past year. The total loan portfolio has an overweight position in real estate loans. The real estate portfolio is relatively diversified, with moderate concentration risk in the residential sector. The bank's core deposits, deposits that are a stable source of funds for the lending base, are very strong, representing a reliable and inexpensive source of funds for the bank.



## Demographic Analysis

Chemical Bank has a very large demographic footprint in its various markets, providing healthy geographic diversification. Midland County, MI, represents the bank's only deposit base. Unemployment within Midland County is 5.4%, 0.0% higher than the national average. Midland County's population growth has weakened over the past couple years relative to that of the US and median household income greatly increased recently against the nation's median level.



## Financial Analysis

Robinson views this company as investment grade and the financial risk of this bank to be better than that of the US bank average. Chemical Bank presents low financial risk to its investors. Its overall financial trend has strengthened firmly over the past quarter, but has displayed little to no change over the past year.



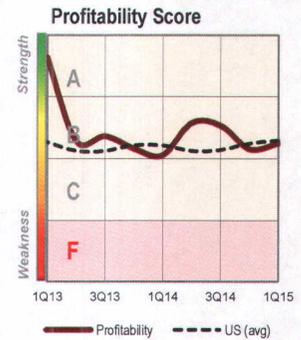
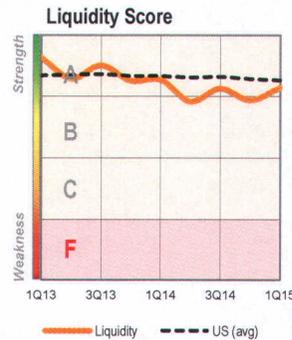
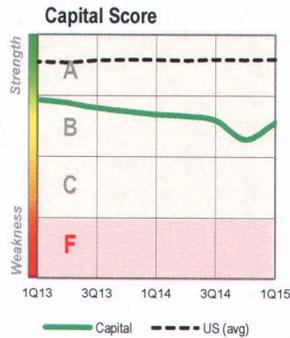
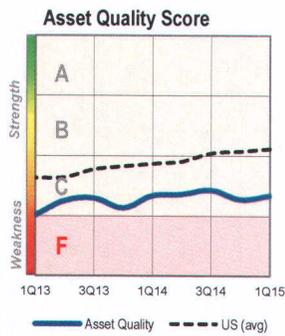
Asset quality ranks well below the US average and is reasonably in-line with its peer group. The asset quality trend has marginally improved over the past quarter and has displayed little to no change over the past year. The bank's capital position is satisfactory and presents no immediate concern. This trend has demonstrated significant improvement over the past quarter, but has displayed little to no change over the past year. Liquidity ranks slightly below the US average with the liquidity ratio at 21.6%, reflecting the company's well-managed cash operations. The liquidity score has strengthened firmly over the past quarter, but has displayed little to no change over the past year. The bank's profitability is satisfactory and above its peer group average, presenting no immediate concern to operations. This trend has marginally improved over the past quarter and has posted a small level of change over the past year.

Asset Quality (*top ratios)		
	Chg vs.	
NonPerforming Lns 4Q 2014		
Bank	2.6%	▲ 0.2%
US (median)	1.6%	▲ 0.3%
Reserves to NPLs		
Bank	63.6	▲ 7.3
US (median)	101.5	▼ 18.8

Capital (*top ratios)		
	Chg vs.	
Tier-1 Risk-Based 4Q 2014		
Bank	10.9%	▲ 0.7%
US (median)	15.4%	▼ 0.1%
Total Risk-Based		
Bank	12.2%	▲ 0.7%
US (median)	16.6%	▼ 0.1%

Liquidity (*top ratios)		
	Chg vs.	
Liquidity Ratio 4Q 2014		
Bank	21.6%	▲ 2.3%
US (median)	35.1%	▲ 0.3%
Core Deposits/Deposits		
Bank	92.8%	▼ 0.5%
US (median)	81.1%	▼ 0.3%

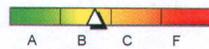
Profitability (*top ratios)		
	Chg vs.	
Return on Assets 4Q 2014		
Bank	1.0%	▲ 0.0%
US (median)	0.8%	▲ 0.0%
Net Interest Margin (NIM)		
Bank	3.4%	▼ 0.1%
US (median)	3.5%	▼ 0.1%



## Downside Risk

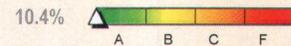
### Robinson Downside Risk

Robinson Downside Risk measures overall downside risk of a bank, based on a proprietary bank risk model. Analysis takes into account various factors, including trends and ratios discussed in this report.



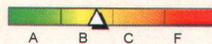
### Tangible Common Equity to Tangible Assets

An additional capital ratio that better reflects capital positions in a distressed environment.



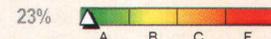
### Risk Trend

Uses data from historical U.S. bank failures to determine risk of closure. Asset quality and capital trends play a major role in this downside risk model.



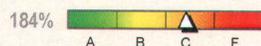
### Texas Ratio (%)

Measures the ratio of non-performing assets and loans 90 day past due / tangible equity capital plus reserves. Levels above 100% indicate increased risk exposure.



### Commercial Real Estate to Capital

Historically, higher levels of commercial real estate (CRE) exposure have the potential to be problematic. Levels above 300% represent higher risk.



### Constr & Land Loans to Capital

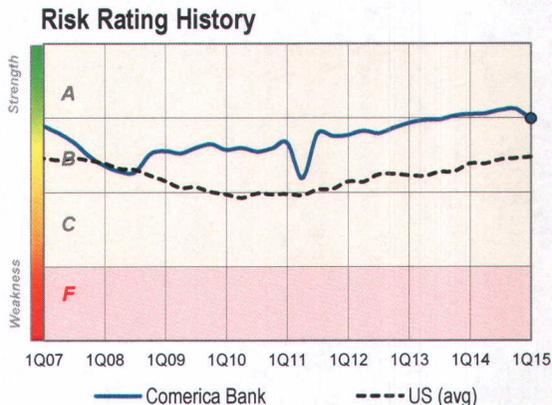
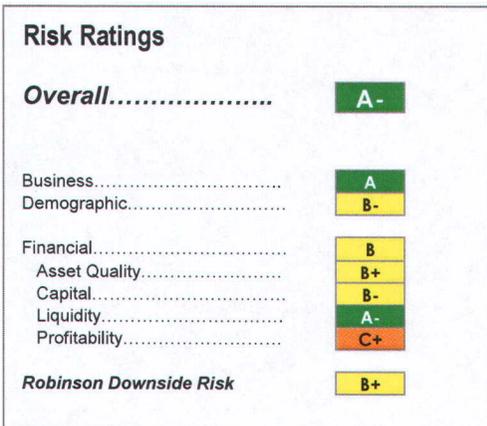
Construction and land loans above 100% of capital should be monitored closely and present greater levels of risk.



# Comerica Bank

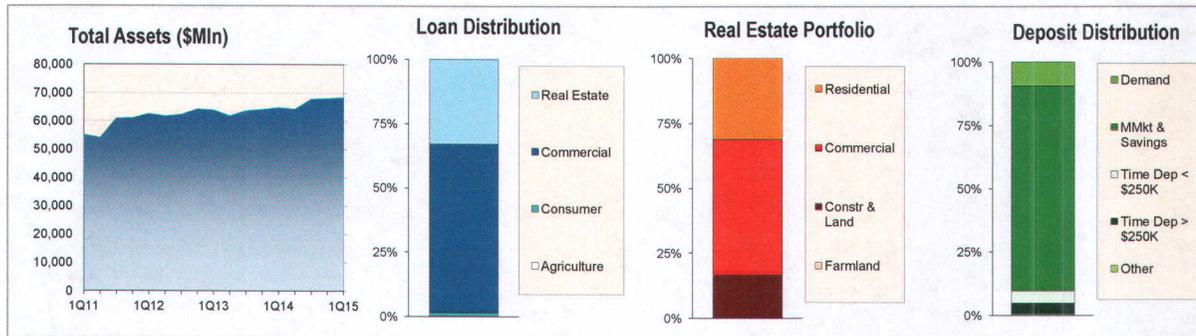
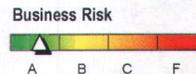
1Q 2015

**A-**



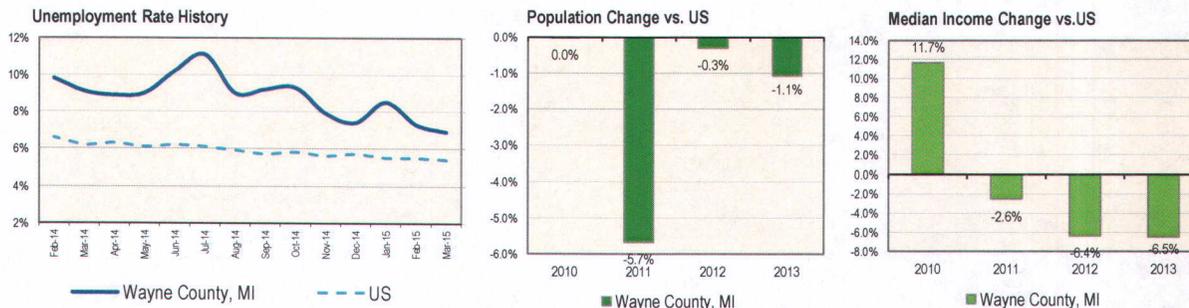
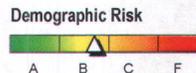
## Business Analysis

Comerica Bank is headquartered in Dallas, TX, with total assets of \$68.3 Bln. The bank has marginally grown over the past quarter and has experienced sizeable asset growth of 5.5% over the past year. The total loan portfolio is not very well-diversified across loan types and with a healthy number of loans concentrated commercially. The real estate portfolio has a healthy concentration in commercial real estate, representing 52% of the portfolio. The bank's core deposits, deposits that are a stable source of funds for the lending base, are very strong, representing a reliable and inexpensive source of funds for the bank.



## Demographic Analysis

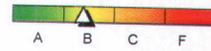
Comerica Bank has a very large demographic footprint in its various markets, providing healthy geographic diversification. Wayne County, MI, represents the bank's only deposit base. Unemployment within Wayne County is 6.9%, 1.5% higher than the national average. Wayne County's population growth has substantially weakened over the past couple years relative to that of the US and median household income greatly increased recently against the nation's median level.



## Financial Analysis

Robinson views the financial risk of this bank to be investment grade given Comerica Bank's solid and healthy financial profile and limited potential of downside risk. Its overall financial trend has weakened over the past quarter and has displayed little to no change over the past year.

### Financial Risk



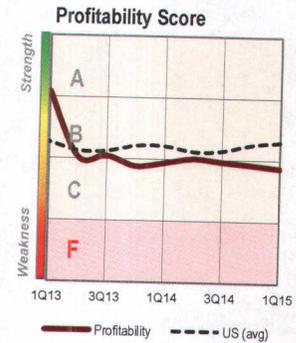
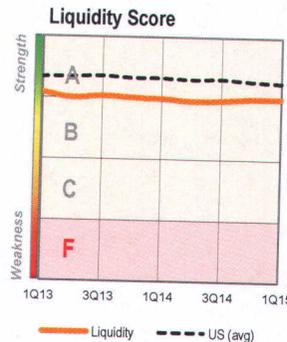
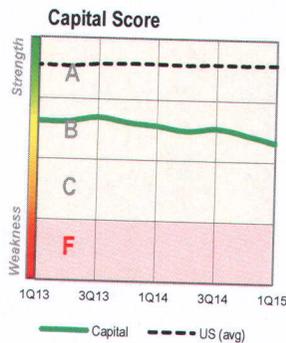
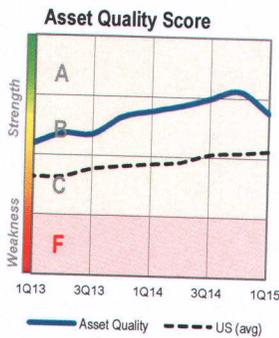
Asset quality is above average, reflecting the relatively high credit quality of the company's loan practices and portfolio. The asset quality trend has shown significant weakness over the past quarter and has displayed little to no change over the past year. The bank's capital position is satisfactory, but ranks well below the US average. This trend has weakened over the past quarter and has weakened slightly over the past year. Liquidity is below the average in US with the liquidity ratio at 17.4%, reflecting the company's well-managed cash operations. The liquidity score has marginally weakened over the past quarter, but has posted a small level of change over the past year. The bank's profitability is below the average in US with return on average assets (ROA) and net interest margin for the quarter at 0.83% and 2.62%, respectively. This trend has marginally weakened over the past quarter and has displayed little to no change over the past year.

Asset Quality (*top ratios)		
		Chg vs. 4Q 2014
<b>NonPerforming Lns</b>	<b>Bank</b>	<b>0.9%</b> ▲ <b>0.2%</b>
	US (median)	1.6% ▲ 0.3%
<b>Reserves to NPLs</b>		
<b>Bank</b>	<b>145.0</b>	▼ <b>35.1</b>
US (median)	101.5	▼ 18.8

Capital (*top ratios)		
		Chg vs. 4Q 2014
<b>Tier-1 Risk-Based</b>	<b>Bank</b>	<b>10.1%</b> ▼ <b>0.3%</b>
	US (median)	15.4% ▼ 0.1%
<b>Total Risk-Based</b>		
<b>Bank</b>	<b>11.7%</b>	▼ <b>0.3%</b>
US (median)	16.6%	▼ 0.1%

Liquidity (*top ratios)		
		Chg vs. 4Q 2014
<b>Liquidity Ratio</b>	<b>Bank</b>	<b>17.4%</b> ▲ <b>0.1%</b>
	US (median)	35.1% ▲ 0.3%
<b>Core Deposits/Deposits</b>		
<b>Bank</b>	<b>95.9%</b>	▼ <b>0.2%</b>
US (median)	81.1%	▼ 0.3%

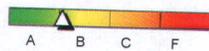
Profitability (*top ratios)		
		Chg vs. 4Q 2014
<b>Return on Assets</b>	<b>Bank</b>	<b>0.8%</b> ▼ <b>0.1%</b>
	US (median)	0.8% ▲ 0.0%
<b>Net Interest Margin (NIM)</b>		
<b>Bank</b>	<b>2.6%</b>	▼ <b>0.0%</b>
US (median)	3.5%	▼ 0.1%



## Downside Risk

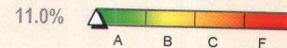
### Robinson Downside Risk

Robinson Downside Risk measures overall downside risk of a bank, based on a proprietary bank risk model. Analysis takes into account various factors, including trends and ratios discussed in this report.



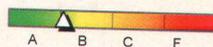
### Tangible Common Equity to Tangible Assets

An additional capital ratio that better reflects capital positions in a distressed environment.



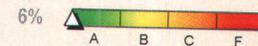
### Risk Trend

Uses data from historical U.S. bank failures to determine risk of closure. Asset quality and capital trends play a major role in this downside risk model.



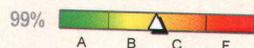
### Texas Ratio (%)

Measures the ratio of non-performing assets and loans 90 day past due / tangible equity capital plus reserves. Levels above 100% indicate increased risk exposure.



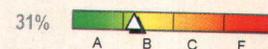
### Commercial Real Estate to Capital

Historically, higher levels of commercial real estate (CRE) exposure have the potential to be problematic. Levels above 300% represent higher risk.



### Constr & Land Loans to Capital

Construction and land loans above 100% of capital should be monitored closely and present greater levels of risk.



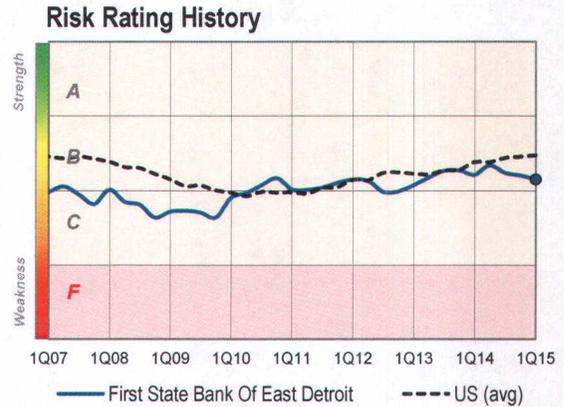
\*Please see disclosures on the following page

# First State Bank Of East Detroit

1Q 2015

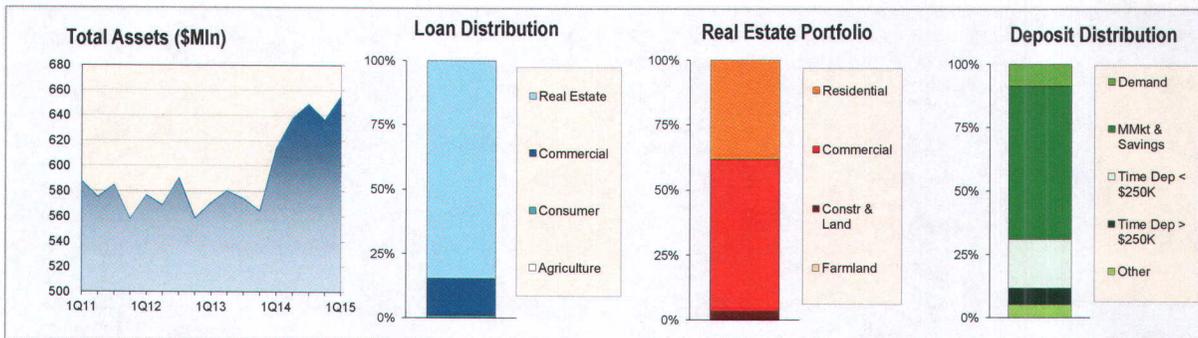
**B-**

Risk Ratings	
<b>Overall</b> .....	<b>B-</b>
Business.....	<b>B</b>
Demographic.....	<b>C+</b>
Financial.....	<b>B</b>
Asset Quality.....	<b>F</b>
Capital.....	<b>A+</b>
Liquidity.....	<b>A+</b>
Profitability.....	<b>B-</b>
<b>Robinson Downside Risk</b>	<b>B</b>



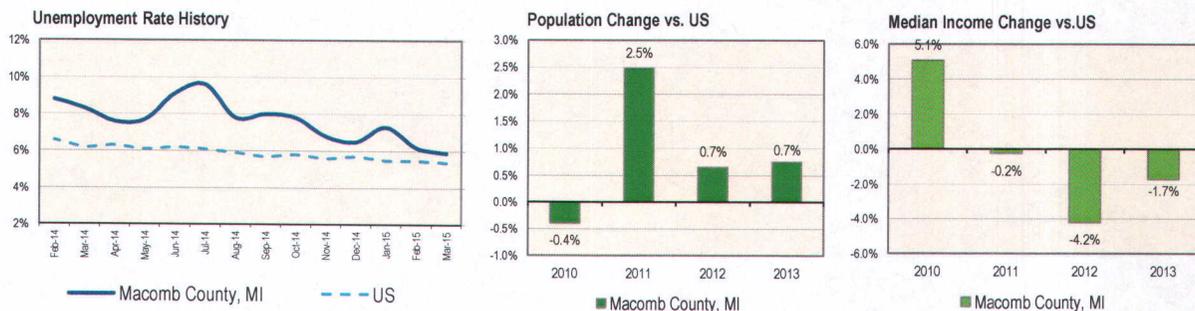
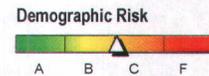
## Business Analysis

First State Bank Of East Detroit is headquartered in Eastpointe, MI, with total assets of \$655.1 Mn. The bank has increased its assets over the past quarter and has experienced sizeable asset growth of 6.6% over the past year. The total loan portfolio is not well-diversified with a heavy concentration of real estate loans. The real estate portfolio is diversified, demonstrating low concentration risk in any one category. The bank's core deposits, deposits that are a stable source of funds for the lending base, are strong, representing a captive and cost-effective source of funds for the bank.



## Demographic Analysis

First State Bank Of East Detroit's demographic footprint is very small with all of its branches dedicated to one demographic area. Macomb County, MI, represents the bank's only deposit base. Unemployment within Macomb County is 5.9%, 0.5% higher than the national average. Macomb County's population growth has marginally improved over the past couple years relative to that of the US and median household income greatly increased recently against the nation's median level.



## Financial Analysis

Robinson views the financial risk of this bank to be investment grade as First State Bank Of East Detroit's financial profile is stable and ranks above average versus other US banks. Its overall financial trend has marginally weakened over the past quarter and has displayed little to no change over the past year.



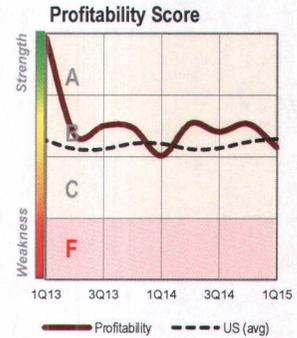
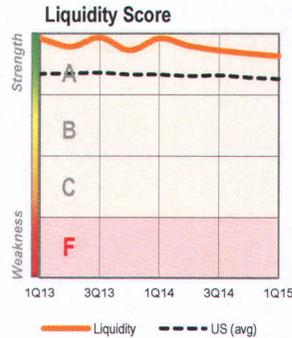
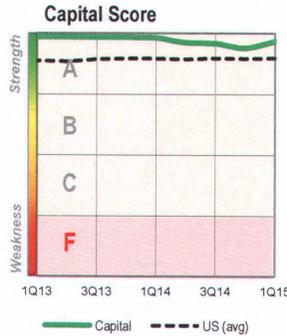
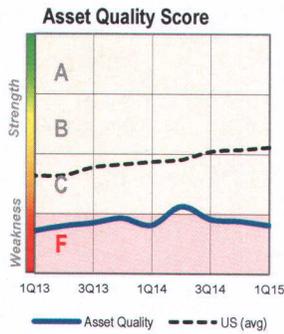
Asset quality ranks well below the US average, and is rated below investment grade with nonperforming loans to total loans at 3.8%. The asset quality trend has marginally weakened over the past quarter and has displayed little to no change over the past year. The bank's capital position is one of the best in United States, with Tier-1 risk-based capital at 13.3%. This trend has strengthened firmly over the past quarter, but has displayed little to no change over the past year. Liquidity is strong, representing the bank's solid ability to cover short-term obligations. First State Bank Of East Detroit's liquidity ratio is sound at 31.1%. The liquidity score has marginally weakened over the past quarter and has weakened slightly over the past year. The bank's profitability is adequate and ranks slightly below the US average. This trend has shown significant weakness over the past quarter, but has posted a small level of change over the past year.

Asset Quality (*top ratios)		
		Chg vs. 4Q 2014
<b>NonPerforming Lns</b>	<b>Bank</b> 3.8%	▼ 0.4%
US (median)	1.6%	▲ 0.3%
<b>Reserves to NPLs</b>	<b>Bank</b> 49.8	▲ 8.3
US (median)	101.5	▼ 18.8

Capital (*top ratios)		
		Chg vs. 4Q 2014
<b>Tier-1 Risk-Based</b>	<b>Bank</b> 13.3%	▲ 0.4%
US (median)	15.4%	▼ 0.1%
<b>Total Risk-Based</b>	<b>Bank</b> 14.5%	▲ 0.4%
US (median)	16.6%	▼ 0.1%

Liquidity (*top ratios)		
		Chg vs. 4Q 2014
<b>Liquidity Ratio</b>	<b>Bank</b> 31.1%	▼ 0.8%
US (median)	35.1%	▲ 0.3%
<b>Core Deposits/Deposits</b>	<b>Bank</b> 84.9%	▼ 0.5%
US (median)	81.1%	▼ 0.3%

Profitability (*top ratios)		
		Chg vs. 4Q 2014
<b>Return on Assets</b>	<b>Bank</b> 0.8%	▼ 0.3%
US (median)	0.8%	▲ 0.0%
<b>Net Interest Margin (NIM)</b>	<b>Bank</b> 3.8%	▼ 0.1%
US (median)	3.5%	▼ 0.1%



## Downside Risk

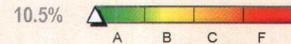
### Robinson Downside Risk

Robinson Downside Risk measures overall downside risk of a bank, based on a proprietary bank risk model. Analysis takes into account various factors, including trends and ratios discussed in this report.



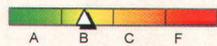
### Tangible Common Equity to Tangible Assets

An additional capital ratio that better reflects capital positions in a distressed environment.



### Risk Trend

Uses data from historical U.S. bank failures to determine risk of closure. Asset quality and capital trends play a major role in this downside risk model.



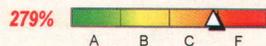
### Texas Ratio (%)

Measures the ratio of non-performing assets and loans 90 day past due / tangible equity capital plus reserves. Levels above 100% indicate increased risk exposure.



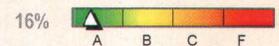
### Commercial Real Estate to Capital

Historically, higher levels of commercial real estate (CRE) exposure have the potential to be problematic. Levels above 300% represent higher risk.



### Constr & Land Loans to Capital

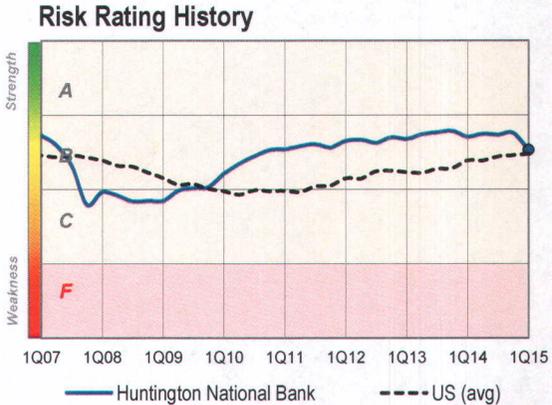
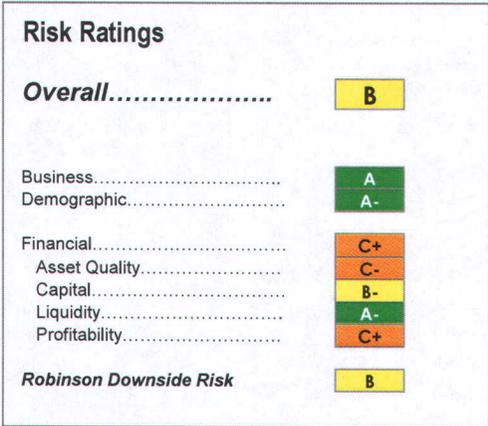
Construction and land loans above 100% of capital should be monitored closely and present greater levels of risk.



# Huntington National Bank

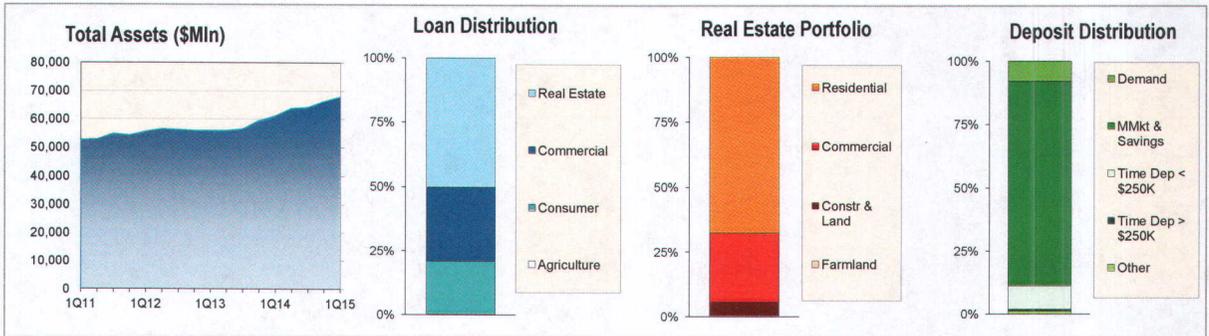
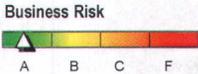
1Q 2015

**B**



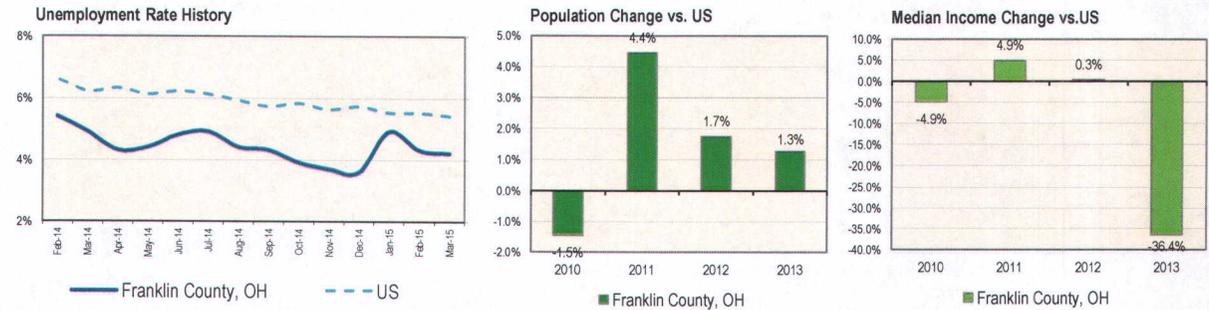
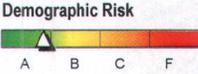
## Business Analysis

Huntington National Bank is headquartered in Columbus, OH, with total assets of \$67.8 Bln. The bank has increased its assets over the past quarter and has experienced strong asset growth of 11.2% over the past year. The total loan portfolio is well-diversified with 46% in real estate loans and with a healthy number of loans concentrated commercially. The majority of the real estate portfolio is residential, representing 68% of the total amount. The bank's core deposits, deposits that are a stable source of funds for the lending base, are very strong, representing a reliable and inexpensive source of funds for the bank.



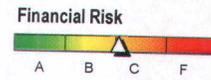
## Demographic Analysis

Huntington National Bank has a very large demographic footprint in its various markets, providing healthy geographic diversification. Franklin County, OH, represents the bank's only deposit base. Unemployment within Franklin County, OH is 4.2%, 1.2% lower than the national average. Franklin County, OH's population growth has been healthy over the past couple years relative to that of the US and median household income greatly increased recently against the nation's median level.



### Financial Analysis

Robinson views the financial risk of this bank to be investment grade with moderate downside risk. Huntington National Bank's financial position is solid, slightly above the US bank average. Its overall financial trend has weakened over the past quarter and has displayed little to no change over the past year.



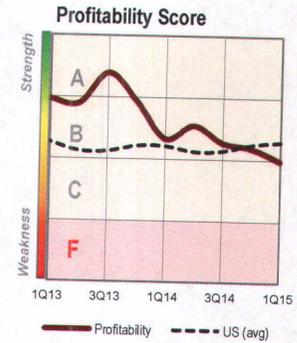
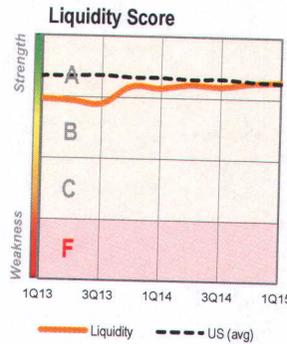
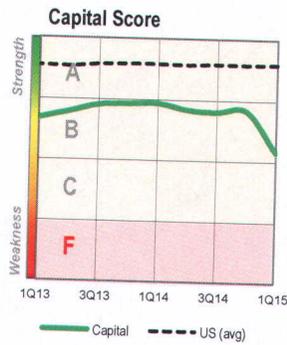
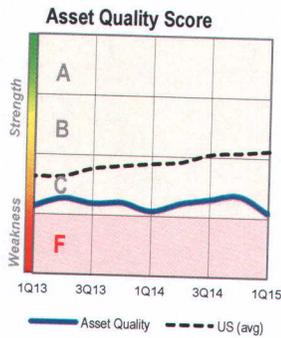
Asset quality is just above non-investment grade but below the US average. The asset quality trend has shown significant weakness over the past quarter and has displayed little to no change over the past year. The bank's capital position is satisfactory, but ranks well below the US average. This trend has recognized substantial weakness over the past quarter and has exhibited weakness over the past year. Overall liquidity is sound with the liquidity ratio at 23.6%, reflecting the company's well-managed short-term funding operations. The liquidity score has marginally improved over the past quarter and has posted a small level of change over the past year. The bank's profitability is below the average in US with return on average assets (ROA) and net interest margin for the quarter at 0.89% and 3.07%, respectively. This trend has weakened over the past quarter and has weakened slightly over the past year.

Asset Quality (*top ratios)		
		Chg vs. 4Q 2014
<b>NonPerforming Lns</b>	<b>Bank</b>	<b>2.6%</b> ▲ 0.3%
	US (median)	1.6% ▲ 0.3%
<b>Reserves to NPLs</b>	<b>Bank</b>	<b>54.8</b> ▲ 0.4
	US (median)	101.5 ▼ 18.8

Capital (*top ratios)		
		Chg vs. 4Q 2014
<b>Tier-1 Risk-Based</b>	<b>Bank</b>	<b>9.8%</b> ▼ 1.5%
	US (median)	15.4% ▼ 0.1%
<b>Total Risk-Based</b>	<b>Bank</b>	<b>11.2%</b> ▼ 1.6%
	US (median)	16.6% ▼ 0.1%

Liquidity (*top ratios)		
		Chg vs. 4Q 2014
<b>Liquidity Ratio</b>	<b>Bank</b>	<b>23.6%</b> ▲ 0.3%
	US (median)	35.1% ▲ 0.3%
<b>Core Deposits/Deposits</b>	<b>Bank</b>	<b>92.7%</b> ▼ 0.9%
	US (median)	81.1% ▼ 0.3%

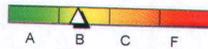
Profitability (*top ratios)		
		Chg vs. 4Q 2014
<b>Return on Assets</b>	<b>Bank</b>	<b>0.9%</b> ▼ 0.1%
	US (median)	0.8% ▲ 0.0%
<b>Net Interest Margin (NIM)</b>	<b>Bank</b>	<b>3.1%</b> ▼ 0.1%
	US (median)	3.5% ▼ 0.1%



### Downside Risk

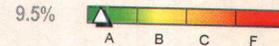
#### Robinson Downside Risk

Robinson Downside Risk measures overall downside risk of a bank, based on a proprietary bank risk model. Analysis takes into account various factors, including trends and ratios discussed in this report.



#### Tangible Common Equity to Tangible Assets

An additional capital ratio that better reflects capital positions in a distressed environment.



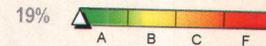
#### Risk Trend

Uses data from historical U.S. bank failures to determine risk of closure. Asset quality and capital trends play a major role in this downside risk model.



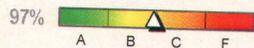
#### Texas Ratio (%)

Measures the ratio of non-performing assets and loans 90 day past due / tangible equity capital plus reserves. Levels above 100% indicate increased risk exposure.



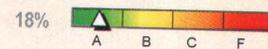
#### Commercial Real Estate to Capital

Historically, higher levels of commercial real estate (CRE) exposure have the potential to be problematic. Levels above 300% represent higher risk.



#### Constr & Land Loans to Capital

Construction and land loans above 100% of capital should be monitored closely and present greater levels of risk.



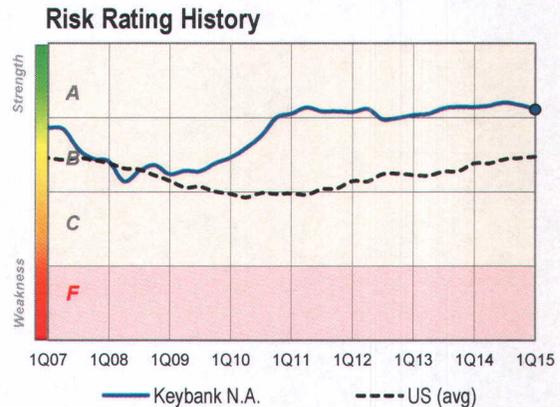
\*Please see disclosures on the following page

# Keybank N.A.

1Q 2015

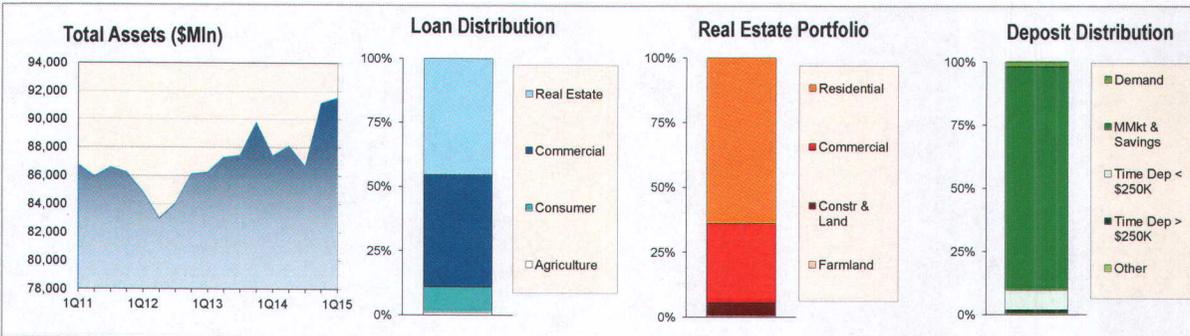
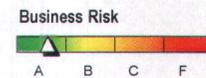
**A-**

Risk Ratings	
<b>Overall</b> .....	<b>A-</b>
Business.....	<b>A</b>
Demographic.....	<b>B-</b>
Financial.....	<b>B+</b>
Asset Quality.....	<b>B</b>
Capital.....	<b>B+</b>
Liquidity.....	<b>A</b>
Profitability.....	<b>B-</b>
<b>Robinson Downside Risk</b>	<b>A-</b>



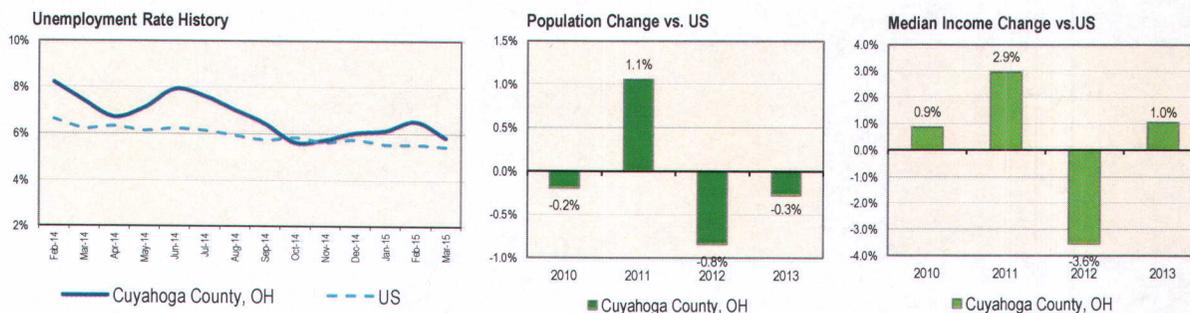
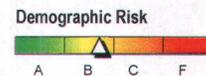
## Business Analysis

Keybank N.A. is headquartered in Cleveland, OH, with total assets of \$91.5 Bln. The bank has marginally grown over the past quarter and has experienced healthy asset growth of 4.7% over the past year. The total loan portfolio is well-diversified with 38% in real estate loans and with a healthy number of loans concentrated commercially. The real estate portfolio is relatively diversified, with moderate concentration risk in the residential sector. The bank's core deposits, deposits that are a stable source of funds for the lending base, are very strong, representing a reliable and inexpensive source of funds for the bank.



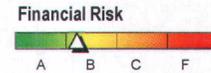
## Demographic Analysis

Keybank N.A. has a very large demographic footprint in its various markets, providing healthy geographic diversification. Cuyahoga County, OH, represents the bank's only deposit base. Unemployment within Cuyahoga County, OH is 5.8%, 0.4% higher than the national average. Cuyahoga County, OH's population growth has weakened over the past couple years relative to that of the US and median household income greatly increased recently against the nation's median level.



## Financial Analysis

Robinson views the financial risk of this bank to be investment grade with minimal downside risk. Keybank N.A.'s financial position is solid, presenting little concern to its investors. Its overall financial trend has marginally weakened over the past quarter and has displayed little to no change over the past year.



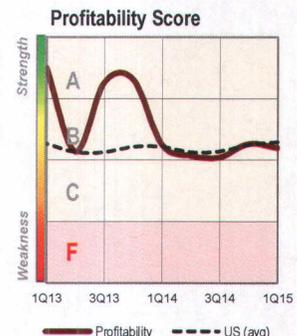
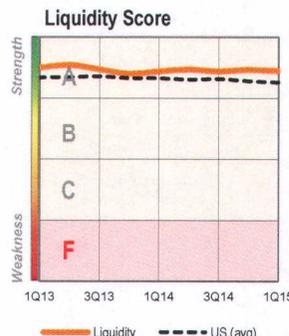
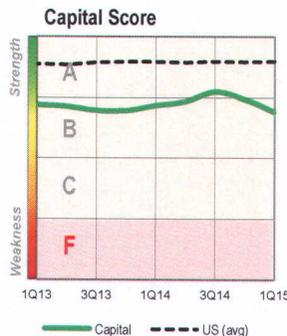
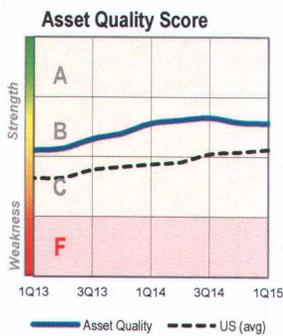
Asset quality is solid and stable, and above its US average, presenting no immediate concern. The asset quality trend has marginally weakened over the past quarter and has displayed little to no change over the past year. The bank's capital position ranks well below the US average, but presents no immediate concern. This trend has weakened over the past quarter and has displayed little to no change over the past year. Overall liquidity is sound with the liquidity ratio at 24.2%, reflecting the company's well-managed short-term funding operations. The liquidity score has marginally weakened over the past quarter, but has posted a small level of change over the past year. The bank's profitability is adequate and ranks slightly below the US average. This trend has marginally weakened over the past quarter and has displayed little to no change over the past year.

Asset Quality (*top ratios)			
		Chg vs. 4Q 2014	
<b>NonPerforming Lns</b>	<b>Bank</b>	1.0%	▲ 0.1%
	US (median)	1.6%	▲ 0.3%
<b>Reserves to NPLs</b>	<b>Bank</b>	145.0	▼ 6.1
	US (median)	101.5	▼ 18.8

Capital (*top ratios)			
		Chg vs. 4Q 2014	
<b>Tier-1 Risk-Based</b>	<b>Bank</b>	11.0%	▼ 0.4%
	US (median)	15.4%	▼ 0.1%
<b>Total Risk-Based</b>	<b>Bank</b>	12.9%	▼ 0.6%
	US (median)	16.6%	▼ 0.1%

Liquidity (*top ratios)			
		Chg vs. 4Q 2014	
<b>Liquidity Ratio</b>	<b>Bank</b>	24.2%	▼ 0.2%
	US (median)	35.1%	▲ 0.3%
<b>Core Deposits/Deposits</b>	<b>Bank</b>	97.2%	▲ 1.3%
	US (median)	81.1%	▼ 0.3%

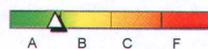
Profitability (*top ratios)			
		Chg vs. 4Q 2014	
<b>Return on Assets</b>	<b>Bank</b>	1.0%	▼ 0.0%
	US (median)	0.8%	▲ 0.0%
<b>Net Interest Margin (NIM)</b>	<b>Bank</b>	2.8%	▼ 0.1%
	US (median)	3.5%	▼ 0.1%



## Downside Risk

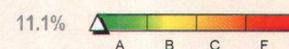
### Robinson Downside Risk

Robinson Downside Risk measures overall downside risk of a bank, based on a proprietary bank risk model. Analysis takes into account various factors, including trends and ratios discussed in this report.



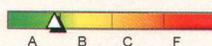
### Tangible Common Equity to Tangible Assets

An additional capital ratio that better reflects capital positions in a distressed environment.



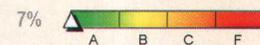
### Risk Trend

Uses data from historical U.S. bank failures to determine risk of closure. Asset quality and capital trends play a major role in this downside risk model.



### Texas Ratio (%)

Measures the ratio of non-performing assets and loans 90 day past due / tangible equity capital plus reserves. Levels above 100% indicate increased risk exposure.



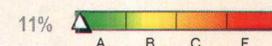
### Commercial Real Estate to Capital

Historically, higher levels of commercial real estate (CRE) exposure have the potential to be problematic. Levels above 300% represent higher risk.



### Constr & Land Loans to Capital

Construction and land loans above 100% of capital should be monitored closely and present greater levels of risk.

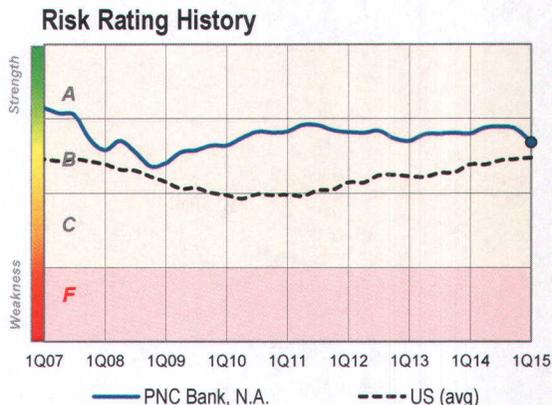


# PNC Bank, N.A.

1Q 2015

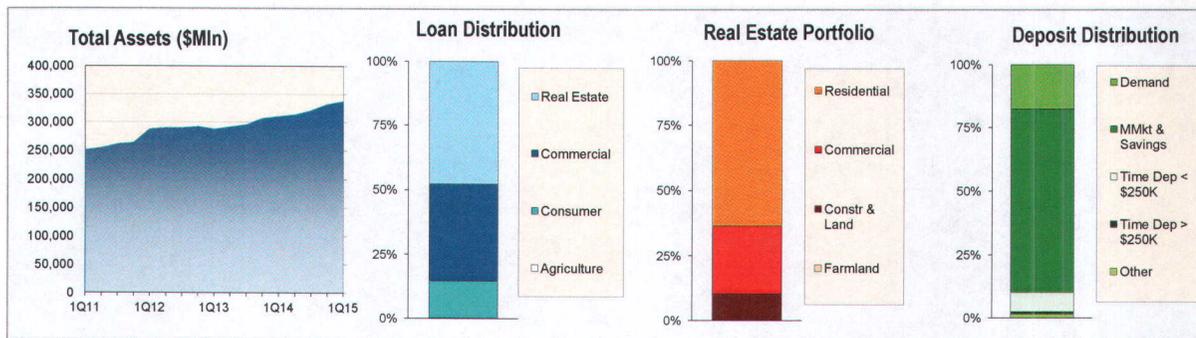
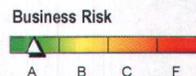
**B+**

Risk Ratings	
<b>Overall</b> .....	<b>B+</b>
Business.....	<b>A</b>
Demographic.....	<b>A-</b>
Financial.....	<b>B-</b>
Asset Quality.....	<b>C-</b>
Capital.....	<b>B</b>
Liquidity.....	<b>A</b>
Profitability.....	<b>C+</b>
<b>Robinson Downside Risk</b>	<b>B+</b>



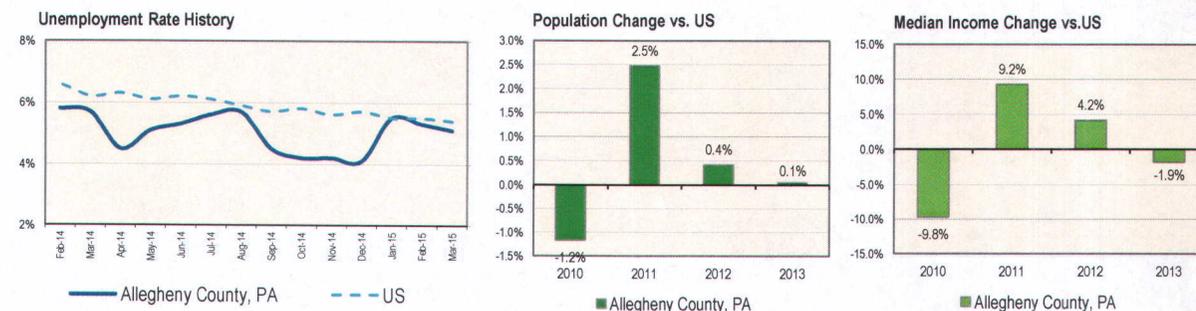
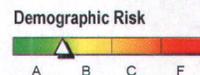
## Business Analysis

PNC Bank, N.A. is headquartered in Wilmington, DE, with total assets of \$336.8 Bln. The bank has increased its assets over the past quarter and has experienced sizeable asset growth of 8.6% over the past year. The total loan portfolio is well-diversified with 41% in real estate loans and with a healthy number of loans concentrated commercially. The real estate portfolio is relatively diversified, with moderate concentration risk in the residential sector. The bank's core deposits, deposits that are a stable source of funds for the lending base, are very strong, representing a reliable and inexpensive source of funds for the bank.



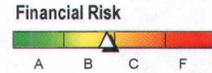
## Demographic Analysis

PNC Bank, N.A. has a very large demographic footprint in its various markets, providing healthy geographic diversification. Allegheny County, PA, represents the bank's only deposit base. Unemployment within Allegheny County, PA is 5.1%, 0.3% lower than the national average. Allegheny County, PA's population growth has weakened over the past couple years relative to that of the US and median household income greatly increased recently against the nation's median level.



## Financial Analysis

Robinson views this company as investment grade and the financial risk of this bank to be better than that of the US bank average. PNC Bank, N.A. presents low financial risk to its investors. Its overall financial trend has weakened over the past quarter and has displayed little to no change over the past year.



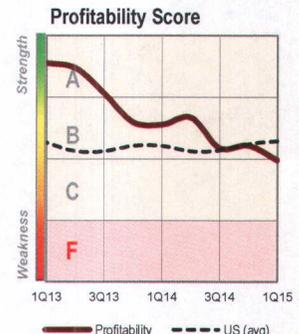
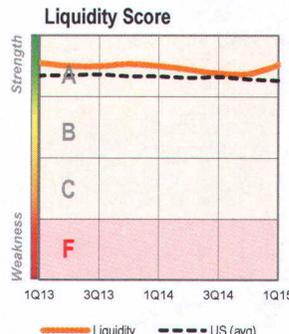
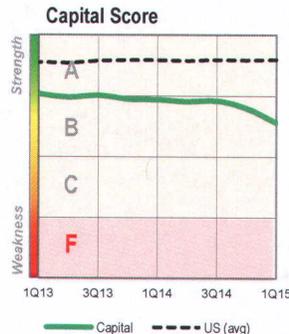
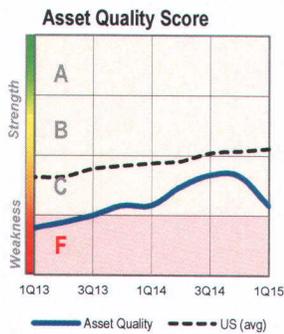
Asset quality is just above non-investment grade but below the US average. The asset quality trend has recognized substantial weakness over the past quarter and has displayed little to no change over the past year. The bank's capital position is satisfactory and presents no immediate concern. This trend has weakened over the past quarter and has weakened slightly over the past year. Liquidity is strong, representing the bank's solid ability to cover short-term obligations. PNC Bank, N.A.'s liquidity ratio is sound at 25.2%. The liquidity score has strengthened firmly over the past quarter and has posted a small level of change over the past year. The bank's profitability is below the average in US with return on average assets (ROA) and net interest margin for the quarter at 0.95% and 2.74%, respectively. This trend has weakened over the past quarter and has exhibited weakness over the past year.

Asset Quality (*top ratios)			
			Chg vs. 4Q 2014
<b>NonPerforming Lns</b>			
<b>Bank</b>	2.8%	▲ 0.7%	
US (median)	1.6%	▲ 0.3%	
<b>Reserves to NPLs</b>			
<b>Bank</b>	63.3	▼ 12.9	
US (median)	101.5	▼ 18.8	

Capital (*top ratios)			
			Chg vs. 4Q 2014
<b>Tier-1 Risk-Based</b>			
<b>Bank</b>	10.3%	▼ 0.5%	
US (median)	15.4%	▼ 0.1%	
<b>Total Risk-Based</b>			
<b>Bank</b>	13.2%	▼ 0.6%	
US (median)	16.6%	▼ 0.1%	

Liquidity (*top ratios)			
			Chg vs. 4Q 2014
<b>Liquidity Ratio</b>			
<b>Bank</b>	25.2%	▲ 1.7%	
US (median)	35.1%	▲ 0.3%	
<b>Core Deposits/Deposits</b>			
<b>Bank</b>	97.0%	▼ 0.3%	
US (median)	81.1%	▼ 0.3%	

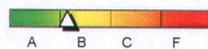
Profitability (*top ratios)			
			Chg vs. 4Q 2014
<b>Return on Assets</b>			
<b>Bank</b>	1.0%	▼ 0.1%	
US (median)	0.8%	▲ 0.0%	
<b>Net Interest Margin (NIM)</b>			
<b>Bank</b>	2.7%	▼ 0.1%	
US (median)	3.5%	▼ 0.1%	



## Downside Risk

### Robinson Downside Risk

Robinson Downside Risk measures overall downside risk of a bank, based on a proprietary bank risk model. Analysis takes into account various factors, including trends and ratios discussed in this report.



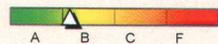
### Tangible Common Equity to Tangible Assets

An additional capital ratio that better reflects capital positions in a distressed environment.



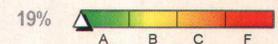
### Risk Trend

Uses data from historical U.S. bank failures to determine risk of closure. Asset quality and capital trends play a major role in this downside risk model.



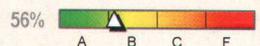
### Texas Ratio (%)

Measures the ratio of non-performing assets and loans 90 day past due / tangible equity capital plus reserves. Levels above 100% indicate increased risk exposure.



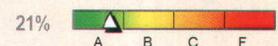
### Commercial Real Estate to Capital

Historically, higher levels of commercial real estate (CRE) exposure have the potential to be problematic. Levels above 300% represent higher risk.



### Constr & Land Loans to Capital

Construction and land loans above 100% of capital should be monitored closely and present greater levels of risk.

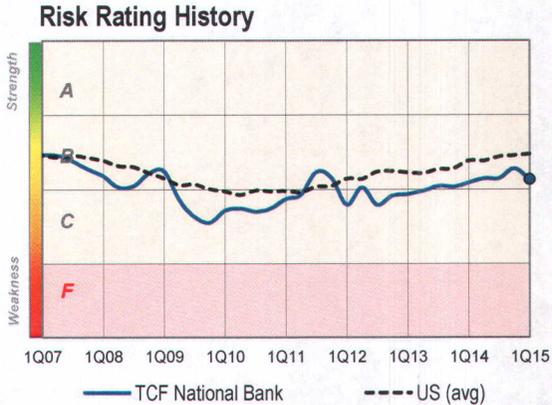
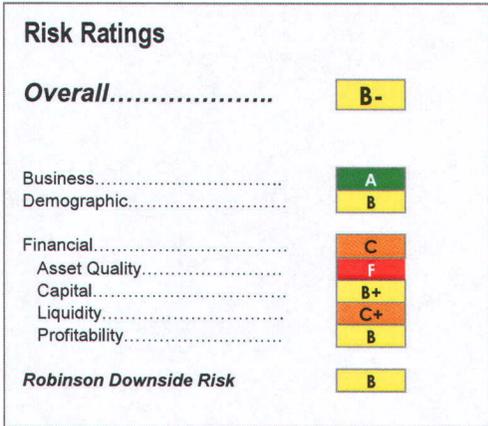


\*Please see disclosures on the following page

# TCF National Bank

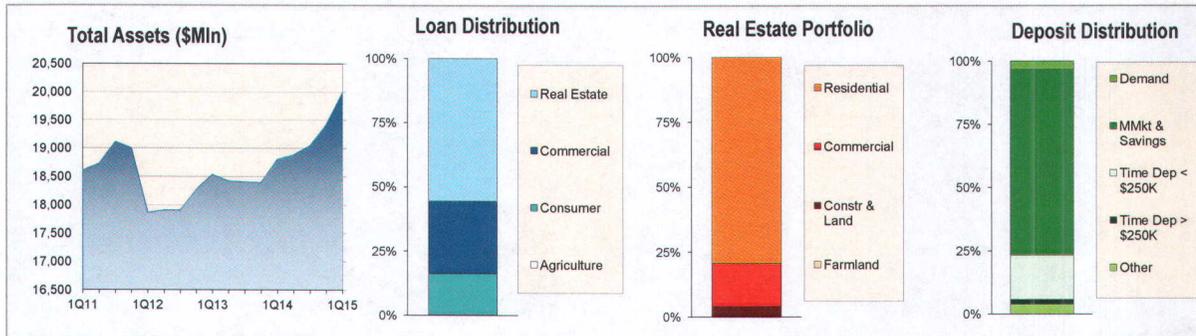
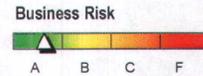
1Q 2015

**B-**



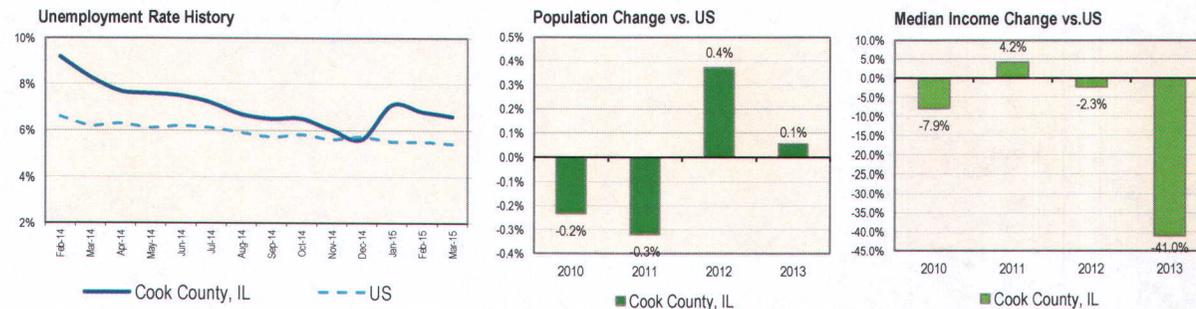
## Business Analysis

TCF National Bank is headquartered in Sioux Falls, SD, with total assets of \$20.0 Bln. The bank has increased its assets over the past quarter and has experienced sizeable asset growth of 6.3% over the past year. The total loan portfolio is well-diversified with 49% in real estate loans. The real estate portfolio is largely concentrated in the residential sector, representing 79% of the portfolio. The bank's core deposits, deposits that are a stable source of funds for the lending base, are strong, representing a captive and cost-effective source of funds for the bank.



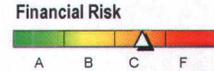
## Demographic Analysis

TCF National Bank has a very large demographic footprint in its various markets, providing healthy geographic diversification. Cook County, IL, represents the bank's only deposit base. Unemployment within Cook County, IL is 6.6%, 1.2% higher than the national average. Cook County, IL's population growth has weakened over the past couple years relative to that of the US and median household income greatly increased recently against the nation's median level.



## Financial Analysis

Robinson views the financial risk of this bank to be low investment grade. TCF National Bank's overall financial profile is weak and presents increasing levels of downside risk. Its overall financial trend has weakened over the past quarter, but has posted a small level of change over the past year.



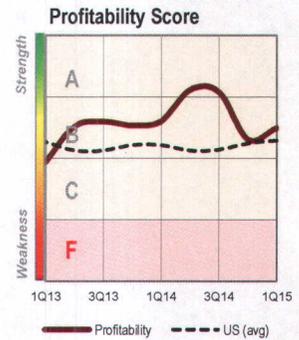
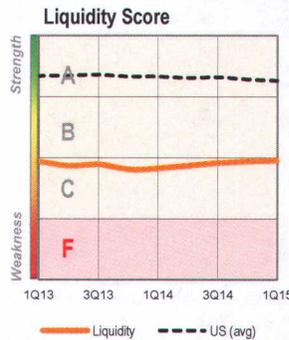
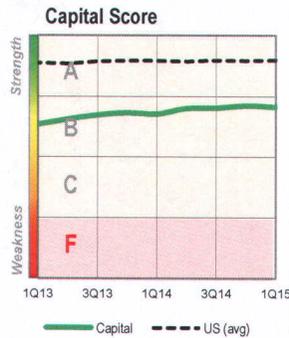
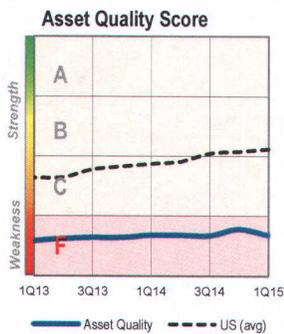
Asset quality is poor and is rated below investment grade with nonperforming loans to total loans at 5.4%. The asset quality trend has weakened over the past quarter and has displayed little to no change over the past year. The bank's capital position ranks well below the US average, but presents no immediate concern. This trend has marginally weakened over the past quarter, but has posted a small level of change over the past year. Liquidity is adequate for current operating purposes, but ranks well below the US average. The liquidity score has marginally improved over the past quarter and has posted a small level of change over the past year. The bank's profitability is stable and above its peer group average, performing reasonably well in the current business climate. This trend has strengthened firmly over the past quarter, but has displayed little to no change over the past year.

Asset Quality (*top ratios)			
		Chg vs. 4Q 2014	
<b>NonPerforming Lns</b>	<b>Bank</b>	5.4%	▲ 2.9%
	US (median)	1.6%	▲ 0.3%
<b>Reserves to NPLs</b>	<b>Bank</b>	28.7	▼ 12.1
	US (median)	101.5	▼ 18.8

Capital (*top ratios)			
		Chg vs. 4Q 2014	
<b>Tier-1 Risk-Based</b>	<b>Bank</b>	11.0%	▼ 0.3%
	US (median)	15.4%	▼ 0.1%
<b>Total Risk-Based</b>	<b>Bank</b>	13.4%	▲ 0.4%
	US (median)	16.6%	▼ 0.1%

Liquidity (*top ratios)			
		Chg vs. 4Q 2014	
<b>Liquidity Ratio</b>	<b>Bank</b>	4.8%	▲ 0.4%
	US (median)	35.1%	▲ 0.3%
<b>Core Deposits/Deposits</b>	<b>Bank</b>	89.9%	▼ 0.9%
	US (median)	81.1%	▼ 0.3%

Profitability (*top ratios)			
		Chg vs. 4Q 2014	
<b>Return on Assets</b>	<b>Bank</b>	0.8%	▲ 0.3%
	US (median)	0.8%	▲ 0.0%
<b>Net Interest Margin (NIM)</b>	<b>Bank</b>	4.5%	▼ 0.2%
	US (median)	3.5%	▼ 0.1%



## Downside Risk

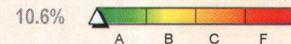
### Robinson Downside Risk

Robinson Downside Risk measures overall downside risk of a bank, based on a proprietary bank risk model. Analysis takes into account various factors, including trends and ratios discussed in this report.



### Tangible Common Equity to Tangible Assets

An additional capital ratio that better reflects capital positions in a distressed environment.



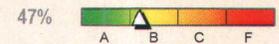
### Risk Trend

Uses data from historical U.S. bank failures to determine risk of closure. Asset quality and capital trends play a major role in this downside risk model.



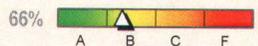
### Texas Ratio (%)

Measures the ratio of non-performing assets and loans 90 day past due / tangible equity capital plus reserves. Levels above 100% indicate increased risk exposure.



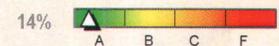
### Commercial Real Estate to Capital

Historically, higher levels of commercial real estate (CRE) exposure have the potential to be problematic. Levels above 300% represent higher risk.



### Constr & Land Loans to Capital

Construction and land loans above 100% of capital should be monitored closely and present greater levels of risk.



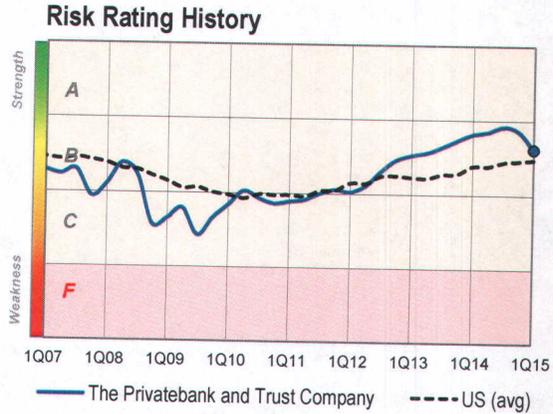
\*Please see disclosures on the following page

# The Privatebank and Trust Company

1Q 2015

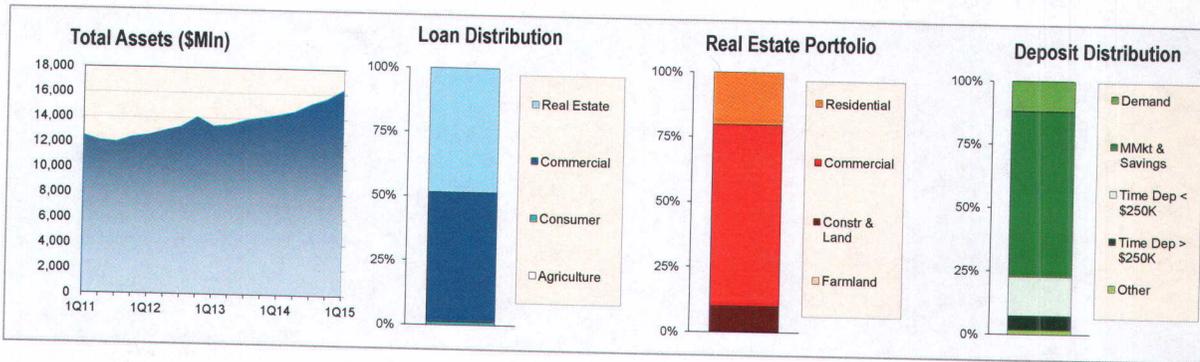
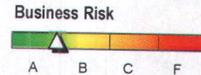
**B**

Risk Ratings	
Overall.....	<b>B</b>
Business.....	<b>A-</b>
Demographic.....	<b>C+</b>
Financial.....	<b>B+</b>
Asset Quality.....	<b>B+</b>
Capital.....	<b>B</b>
Liquidity.....	<b>B+</b>
Profitability.....	<b>B+</b>
<b>Robinson Downside Risk</b>	<b>B+</b>



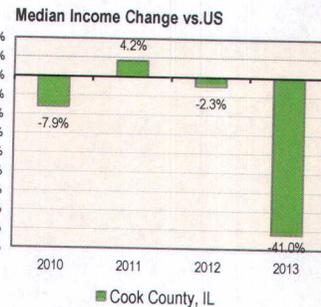
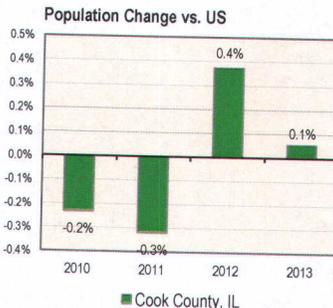
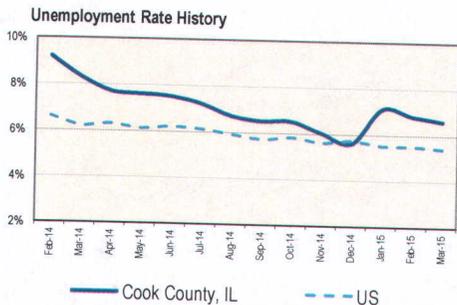
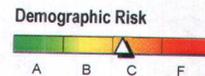
## Business Analysis

The Privatebank and Trust Company is headquartered in Chicago, IL, with total assets of \$16.3 Bln. The bank has exhibited healthy growth over the past quarter and has experienced strong asset growth of 14.4% over the past year. The total loan portfolio is well-diversified with 48% in real estate loans and with a healthy number of loans concentrated commercially. The real estate portfolio has a sizable concentration in commercial real estate, representing 70% of the portfolio. The bank's core deposits, deposits that are a stable source of funds for the lending base, are below average, which can be a concern if the bank experiences funding difficulties.



## Demographic Analysis

The Privatebank and Trust Company's demographic footprint is relatively small with a sizable amount of its deposits and branches dedicated to one demographic area. Cook County, IL, represents the bank's only deposit base. Unemployment within Cook County, IL is 6.6%, 1.2% higher than the national average. Cook County, IL's population growth has weakened over the past couple years relative to that of the US and median household income greatly increased recently against the nation's median level.



## Financial Analysis

Robinson views the financial risk of this bank to be investment grade given The Privatebank and Trust Company's solid and healthy financial profile and limited potential of downside risk. Its overall financial trend has weakened over the past quarter and has displayed little to no change over the past year.



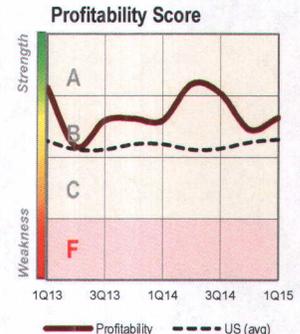
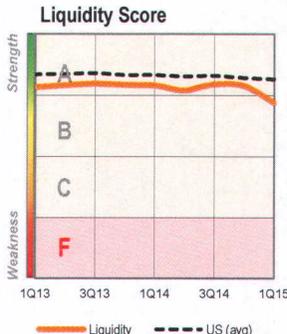
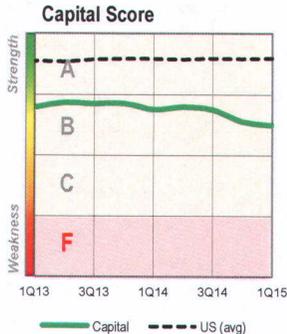
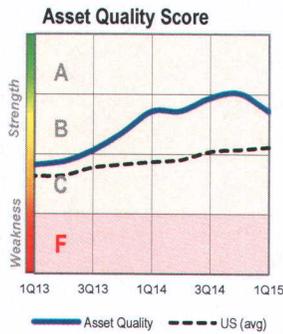
Asset quality is solid and stable, and above its US average, presenting no immediate concern. The asset quality trend has shown significant weakness over the past quarter and has displayed little to no change over the past year. The bank's capital position is satisfactory and presents no immediate concern. This trend has marginally weakened over the past quarter and has weakened slightly over the past year. Liquidity is below the average in US, but the company is positioned to comfortably meet its short-term obligations. The liquidity score has shown significant weakness over the past quarter and has weakened slightly over the past year. The bank's profitability is stable and above its peer group average, performing reasonably well in the current business climate. This trend has strengthened firmly over the past quarter and has posted a small level of change over the past year.

Asset Quality (*top ratios)			
		Chg vs. 4Q 2014	
<b>NonPerforming Lns</b>	<b>Bank</b>	1.1%	▲ 0.4%
	US (median)	1.6%	▲ 0.3%
<b>Reserves to NPLs</b>	<b>Bank</b>	132.1	▼ 39.1
	US (median)	101.5	▼ 18.8

Capital (*top ratios)			
		Chg vs. 4Q 2014	
<b>Tier-1 Risk-Based</b>	<b>Bank</b>	10.7%	▼ 0.1%
	US (median)	15.4%	▼ 0.1%
<b>Total Risk-Based</b>	<b>Bank</b>	11.8%	▼ 0.2%
	US (median)	16.6%	▼ 0.1%

Liquidity (*top ratios)			
		Chg vs. 4Q 2014	
<b>Liquidity Ratio</b>	<b>Bank</b>	26.4%	▲ 2.4%
	US (median)	35.1%	▲ 0.3%
<b>Core Deposits/Deposits</b>	<b>Bank</b>	67.6%	▼ 15.7%
	US (median)	81.1%	▼ 0.3%

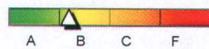
Profitability (*top ratios)			
		Chg vs. 4Q 2014	
<b>Return on Assets</b>	<b>Bank</b>	1.2%	▲ 0.1%
	US (median)	0.8%	▲ 0.0%
<b>Net Interest Margin (NIM)</b>	<b>Bank</b>	3.2%	▼ 0.1%
	US (median)	3.5%	▼ 0.1%



## Downside Risk

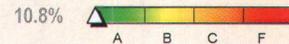
### Robinson Downside Risk

Robinson Downside Risk measures overall downside risk of a bank, based on a proprietary bank risk model. Analysis takes into account various factors, including trends and ratios discussed in this report.



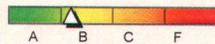
### Tangible Common Equity to Tangible Assets

An additional capital ratio that better reflects capital positions in a distressed environment.



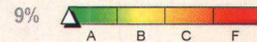
### Risk Trend

Uses data from historical U.S. bank failures to determine risk of closure. Asset quality and capital trends play a major role in this downside risk model.



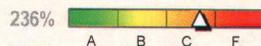
### Texas Ratio (%)

Measures the ratio of non-performing assets and loans 90 day past due / tangible equity capital plus reserves. Levels above 100% indicate increased risk exposure.



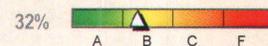
### Commercial Real Estate to Capital

Historically, higher levels of commercial real estate (CRE) exposure have the potential to be problematic. Levels above 300% represent higher risk.



### Constr & Land Loans to Capital

Construction and land loans above 100% of capital should be monitored closely and present greater levels of risk.



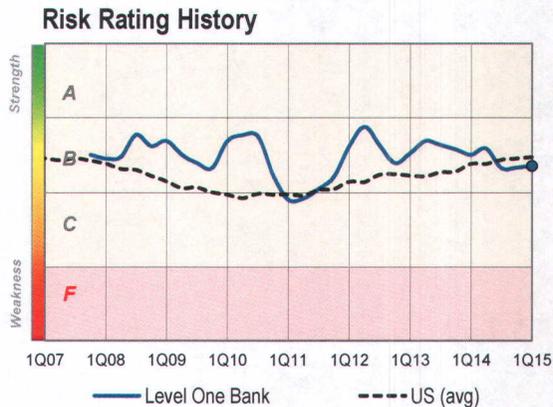
\*Please see disclosures on the following page

# Level One Bank

1Q 2015

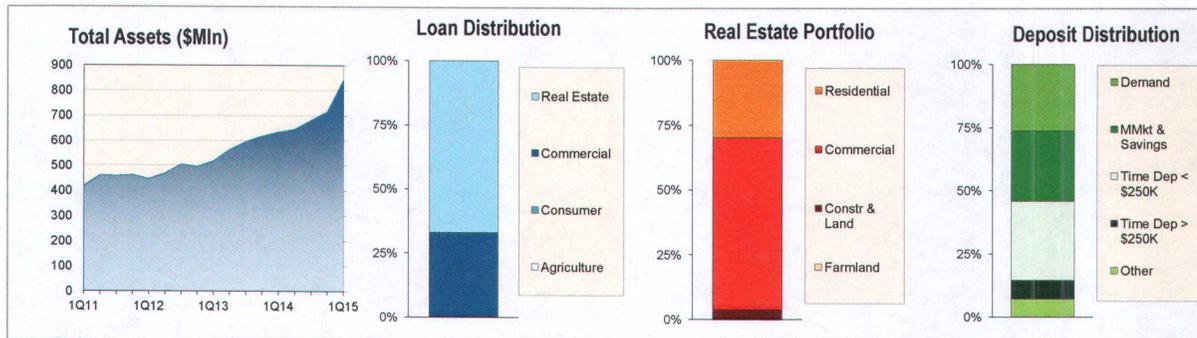
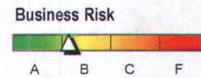
**B**

Risk Ratings	
<b>Overall</b> .....	<b>B</b>
Business.....	<b>B+</b>
Demographic.....	<b>B</b>
Financial.....	<b>B+</b>
Asset Quality.....	<b>B+</b>
Capital.....	<b>B+</b>
Liquidity.....	<b>B</b>
Profitability.....	<b>A+</b>
<b>Robinson Downside Risk</b>	<b>B+</b>



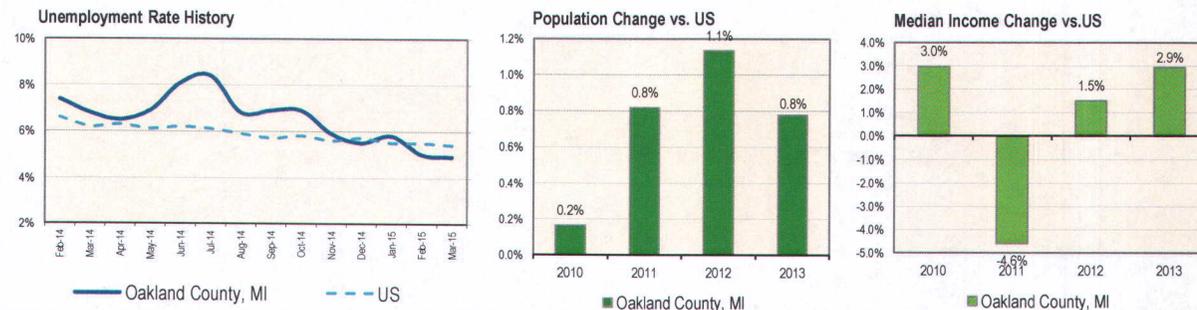
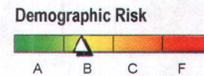
## Business Analysis

Level One Bank is headquartered in Farmington Hills, MI, with total assets of \$843.4 Mln. The bank has significantly grown over the past quarter and has experienced strong asset growth of 32.7% over the past year. The total loan portfolio has an overweight position in real estate loans and with a healthy number of loans concentrated commercially. The real estate portfolio has a healthy concentration in commercial real estate, representing 67% of the portfolio. The bank's core deposits, deposits that are a stable source of funds for the lending base, are in line with its peer group.



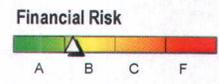
## Demographic Analysis

Level One Bank's demographic footprint is relatively small with a sizable amount of its deposits and branches dedicated to one demographic area. Oakland County, MI, represents the bank's only deposit base. Unemployment within Oakland County is 4.9%, 0.5% lower than the national average. Oakland County's population growth has marginally improved over the past couple years relative to that of the US and median household income greatly increased recently against the nation's median level.



### Financial Analysis

Robinson views the financial risk of this bank to be investment grade with minimal downside risk. Level One Bank's financial position is solid, presenting little concern to its investors. Its overall financial trend has marginally improved over the past quarter, but has displayed little to no change over the past year.



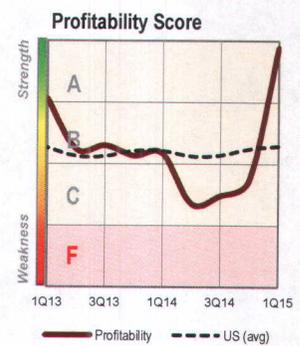
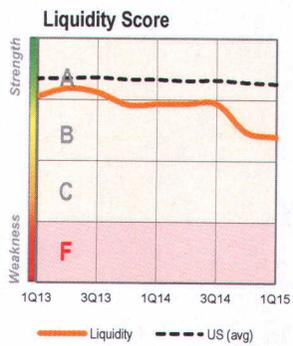
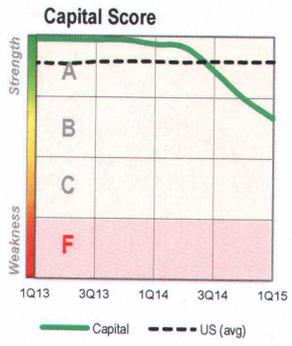
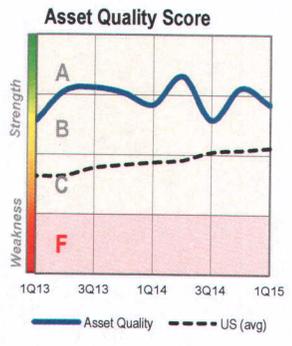
Asset quality is above average, reflecting the relatively high credit quality of the company's loan practices and portfolio. The asset quality trend has shown significant weakness over the past quarter and has displayed little to no change over the past year. The bank's capital position is satisfactory and presents no immediate concern. This trend has shown significant weakness over the past quarter and has exhibited extensive weakness over the past year. Liquidity is satisfactory and presents no immediate concern to the bank's ability to cover funding needs. The liquidity score has marginally weakened over the past quarter and has exhibited weakness over the past year. The bank's profitability ranks as one of the best in the country with return on average assets (ROA) for the quarter at 2.24%. This trend has revealed substantial improvement over the past quarter and has experienced substantial improvement over the past year.

Asset Quality (*top ratios)		Chg vs. 4Q 2014	
<b>NonPerforming Lns</b>	<b>0.6%</b>	<b>▲ 0.2%</b>	
US (median)	1.6%	▲ 0.3%	
<b>Reserves to NPLs</b>			
<b>Bank</b>	<b>196.3</b>	<b>▼ 88.9</b>	
US (median)	101.5	▼ 18.8	

Capital (*top ratios)		Chg vs. 4Q 2014	
<b>Tier-1 Risk-Based</b>	<b>11.2%</b>	<b>▼ 0.7%</b>	
US (median)	15.4%	▼ 0.1%	
<b>Total Risk-Based</b>			
<b>Bank</b>	<b>12.0%</b>	<b>▼ 0.9%</b>	
US (median)	16.6%	▼ 0.1%	

Liquidity (*top ratios)		Chg vs. 4Q 2014	
<b>Liquidity Ratio</b>	<b>18.1%</b>	<b>▼ 2.7%</b>	
US (median)	35.1%	▲ 0.3%	
<b>Core Deposits/Deposits</b>			
<b>Bank</b>	<b>76.3%</b>	<b>▼ 0.1%</b>	
US (median)	81.1%	▼ 0.3%	

Profitability (*top ratios)		Chg vs. 4Q 2014	
<b>Return on Assets</b>	<b>2.2%</b>	<b>▲ 2.0%</b>	
US (median)	0.8%	▲ 0.0%	
<b>Net Interest Margin (NIM)</b>			
<b>Bank</b>	<b>4.3%</b>	<b>▲ 0.3%</b>	
US (median)	3.5%	▼ 0.1%	



### Downside Risk

**Robinson Downside Risk**  
Robinson Downside Risk measures overall downside risk of a bank, based on a proprietary bank risk model. Analysis takes into account various factors, including trends and ratios discussed in this report.

**Tangible Common Equity to Tangible Assets**  
An additional capital ratio that better reflects capital positions in a distressed environment.

10.4%

**Risk Trend**  
Uses data from historical U.S. bank failures to determine risk of closure. Asset quality and capital trends play a major role in this downside risk model.

**Texas Ratio (%)**  
Measures the ratio of non-performing assets and loans 90 day past due / tangible equity capital plus reserves. Levels above 100% indicate increased risk exposure.

4%

**Commercial Real Estate to Capital**  
Historically, higher levels of commercial real estate (CRE) exposure have the potential to be problematic. Levels above 300% represent higher risk.

345%

**Constr & Land Loans to Capital**  
Construction and land loans above 100% of capital should be monitored closely and present greater levels of risk.

19%

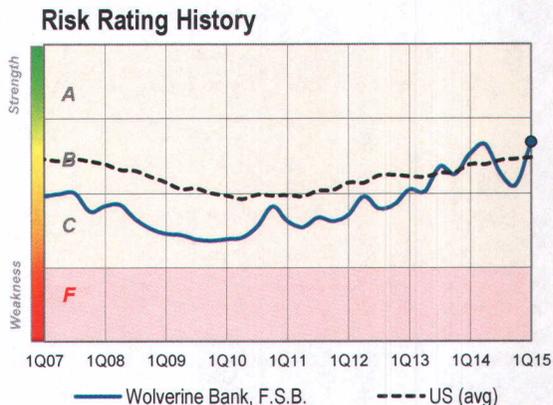
\*Please see disclosures on the following page

# Wolverine Bank, F.S.B.

1Q 2015

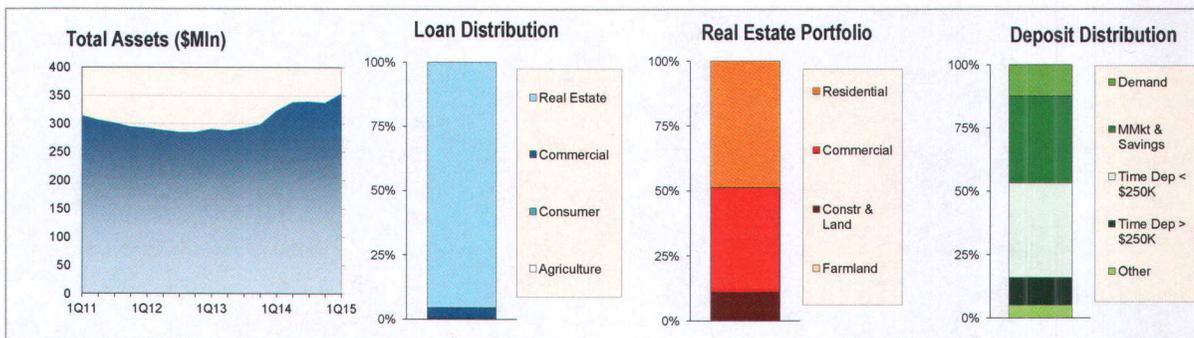
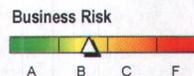
**B+**

Risk Ratings	
<b>Overall</b> .....	<b>B+</b>
Business.....	<b>B</b>
Demographic.....	<b>C+</b>
Financial.....	<b>B+</b>
Asset Quality.....	<b>B-</b>
Capital.....	<b>A+</b>
Liquidity.....	<b>B-</b>
Profitability.....	<b>C+</b>
<b>Robinson Downside Risk</b>	<b>B</b>



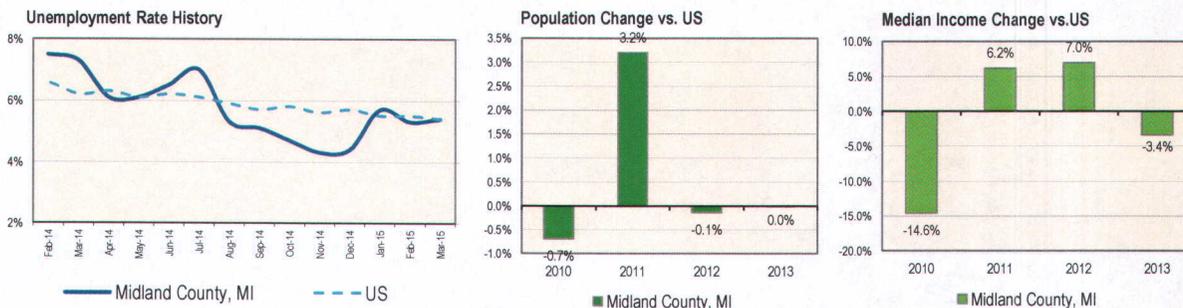
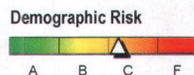
## Business Analysis

Wolverine Bank, F.S.B. is headquartered in Midland, MI, with total assets of \$353.0 Mln. The bank has exhibited healthy growth over the past quarter and has experienced sizeable asset growth of 9.6% over the past year. The total loan portfolio is not well-diversified with over 90% concentrated in real estate. The real estate portfolio is diversified, demonstrating low concentration risk in any one category. The bank's core deposits, deposits that are a stable source of funds for the lending base, are in line with its peer group.



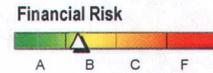
## Demographic Analysis

Wolverine Bank, F.S.B.'s demographic footprint is relatively small with a sizable amount of its deposits and branches dedicated to one demographic area. Midland County, MI, represents the bank's only deposit base. Unemployment within Midland County is 5.4%, 0.0% higher than the national average. Midland County's population growth has weakened over the past couple years relative to that of the US and median household income greatly increased recently against the nation's median level.



## Financial Analysis

Robinson views the financial risk of this bank to be investment grade with minimal downside risk. Wolverine Bank, F.S.B.'s financial position is solid, presenting little concern to its investors. Its overall financial trend has demonstrated sizeable improvement over the past quarter and has posted a small level of change over the past year.



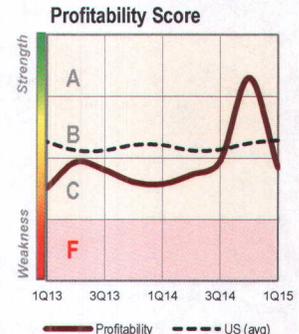
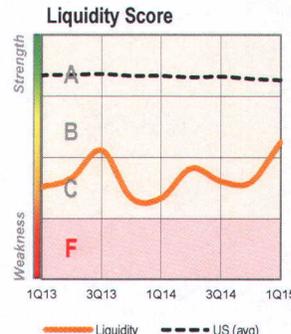
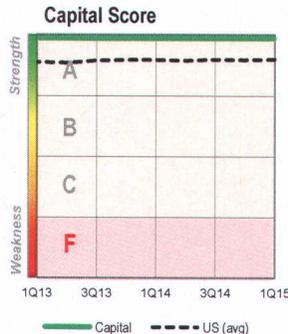
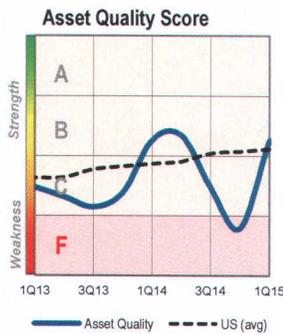
Asset quality is satisfactory and it ranks above the US average. The asset quality trend has revealed substantial improvement over the past quarter and has displayed little to no change over the past year. The bank's capital position is one of the best in United States, with Tier-1 risk-based capital at 22%. This trend has marginally weakened over the past quarter, but has displayed little to no change over the past year. Liquidity is satisfactory and presents no immediate concern to the bank's ability to cover funding needs. The liquidity score has demonstrated sizeable improvement over the past quarter and has experienced considerable improvement over the past year. The bank's profitability is below the average in US with return on average assets (ROA) and net interest margin for the quarter at 0.95% and 3.41%, respectively. This trend has substantially weakened over the past quarter, but has strengthened over the past year.

Asset Quality (*top ratios)		
	Chg vs.	
NonPerforming Lns 4Q 2014		
Bank	2.0%	▼ 2.1%
US (median)	1.6%	▲ 0.3%
Reserves to NPLs		
Bank	135.7	▲ 72.1
US (median)	101.5	▼ 18.8

Capital (*top ratios)		
	Chg vs.	
Tier-1 Risk-Based 4Q 2014		
Bank	22.0%	▲ 0.5%
US (median)	15.4%	▼ 0.1%
Total Risk-Based		
Bank	23.2%	▲ 0.6%
US (median)	16.6%	▼ 0.1%

Liquidity (*top ratios)		
	Chg vs.	
Liquidity Ratio 4Q 2014		
Bank	23.8%	▲ 10.6%
US (median)	35.1%	▲ 0.3%
Core Deposits/Deposits		
Bank	77.6%	▼ 2.8%
US (median)	81.1%	▼ 0.3%

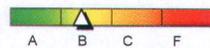
Profitability (*top ratios)		
	Chg vs.	
Return on Assets 4Q 2014		
Bank	1.0%	▼ 0.5%
US (median)	0.8%	▲ 0.0%
Net Interest Margin (NIM)		
Bank	3.4%	▼ 0.2%
US (median)	3.5%	▼ 0.1%



## Downside Risk

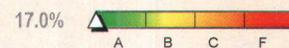
### Robinson Downside Risk

Robinson Downside Risk measures overall downside risk of a bank, based on a proprietary bank risk model. Analysis takes into account various factors, including trends and ratios discussed in this report.



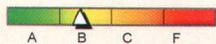
### Tangible Common Equity to Tangible Assets

An additional capital ratio that better reflects capital positions in a distressed environment.



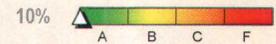
### Risk Trend

Uses data from historical U.S. bank failures to determine risk of closure. Asset quality and capital trends play a major role in this downside risk model.



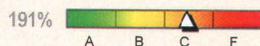
### Texas Ratio (%)

Measures the ratio of non-performing assets and loans 90 day past due / tangible equity capital plus reserves. Levels above 100% indicate increased risk exposure.



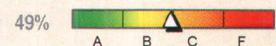
### Commercial Real Estate to Capital

Historically, higher levels of commercial real estate (CRE) exposure have the potential to be problematic. Levels above 300% represent higher risk.



### Constr & Land Loans to Capital

Construction and land loans above 100% of capital should be monitored closely and present greater levels of risk.



\*Please see disclosures on the following page

# Mercantile Bank Of Michigan

1Q 2015

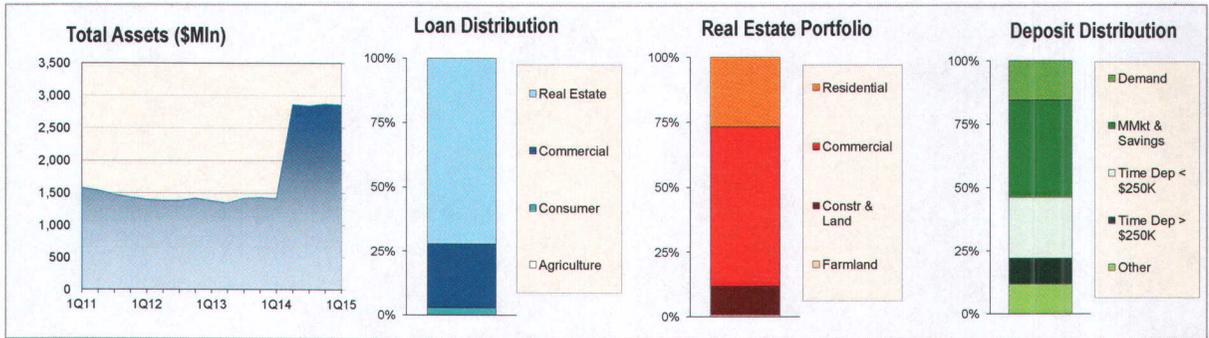
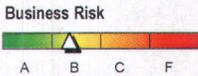
**B**

Risk Ratings	
<b>Overall</b> .....	<b>B</b>
Business.....	<b>B</b>
Demographic.....	<b>B</b>
Financial.....	<b>B</b>
Asset Quality.....	<b>C</b>
Capital.....	<b>A+</b>
Liquidity.....	<b>B+</b>
Profitability.....	<b>B</b>
<b>Robinson Downside Risk</b>	<b>B</b>



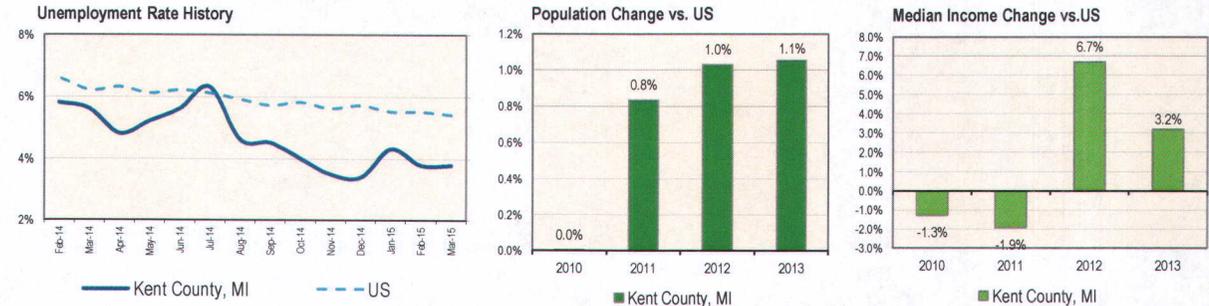
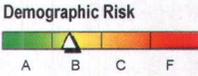
## Business Analysis

Mercantile Bank Of Michigan is headquartered in Grand Rapids, MI, with total assets of \$2.9 Bln. The bank has declined in size over the quarter but has experienced strong asset growth of 102.8% over the past year. The total loan portfolio has an overweight position in real estate loans. The real estate portfolio has a healthy concentration in commercial real estate, representing 62% of the portfolio. The bank's core deposits, deposits that are a stable source of funds for the lending base, are in line with its peer group.



## Demographic Analysis

Mercantile Bank Of Michigan's demographic footprint is relatively small with a sizable amount of its deposits and branches dedicated to one demographic area. Kent County, MI, represents the bank's only deposit base. Unemployment within Kent County is 3.8%, 1.6% lower than the national average. Kent County's population growth has marginally improved over the past couple years relative to that of the US and median household income greatly increased recently against the nation's median level.



## Financial Analysis

Robinson views the financial risk of this bank to be investment grade given Mercantile Bank Of Michigan's solid and healthy financial profile and limited potential of downside risk. Its overall financial trend has marginally improved over the past quarter and has strengthened over the past year.



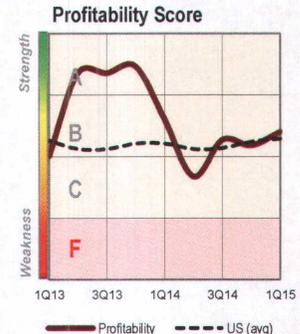
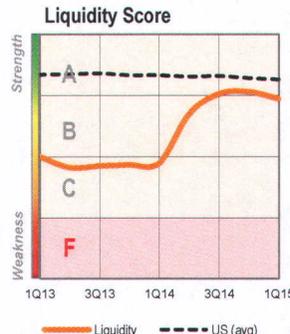
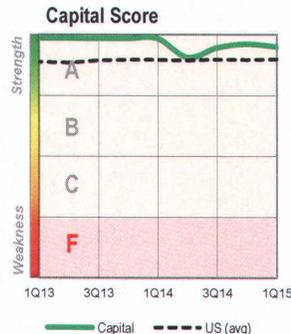
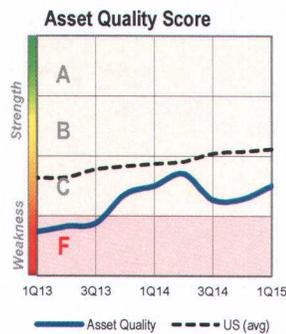
Asset quality ranks well below the US average and is reasonably in-line with its peer group. The asset quality trend has strengthened firmly over the past quarter and has displayed little to no change over the past year. The bank's capital position is one of the best in United States, with Tier-1 risk-based capital at 13.2%. This trend has marginally weakened over the past quarter and has displayed little to no change over the past year. Liquidity is below the average in US, but the company is positioned to comfortably meet its short-term obligations. The liquidity score has weakened over the past quarter, but has experienced substantial improvement over the past year. The bank's profitability is satisfactory and above its peer group average, presenting no immediate concern to operations. This trend has strengthened firmly over the past quarter, but has displayed little to no change over the past year.

Asset Quality (*top ratios)		
		Chg vs. 4Q 2014
<b>NonPerforming Lns</b>	<b>Bank</b>	<b>3.1% ▲ 0.5%</b>
	US (median)	1.6% ▲ 0.3%
<b>Reserves to NPLs</b>	<b>Bank</b>	<b>63.8 ▲ 27.3</b>
	US (median)	101.5 ▼ 18.8

Capital (*top ratios)		
		Chg vs. 4Q 2014
<b>Tier-1 Risk-Based</b>	<b>Bank</b>	<b>13.2% ▼ 0.3%</b>
	US (median)	15.4% ▼ 0.1%
<b>Total Risk-Based</b>	<b>Bank</b>	<b>14.1% ▼ 0.3%</b>
	US (median)	16.6% ▼ 0.1%

Liquidity (*top ratios)		
		Chg vs. 4Q 2014
<b>Liquidity Ratio</b>	<b>Bank</b>	<b>22.7% ▼ 1.6%</b>
	US (median)	35.1% ▲ 0.3%
<b>Core Deposits/Deposits</b>	<b>Bank</b>	<b>79.7% ▲ 1.2%</b>
	US (median)	81.1% ▼ 0.3%

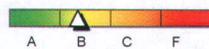
Profitability (*top ratios)		
		Chg vs. 4Q 2014
<b>Return on Assets</b>	<b>Bank</b>	<b>1.1% ▲ 0.1%</b>
	US (median)	0.8% ▲ 0.0%
<b>Net Interest Margin (NIM)</b>	<b>Bank</b>	<b>3.9% ▼ 0.0%</b>
	US (median)	3.5% ▼ 0.1%



## Downside Risk

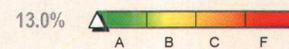
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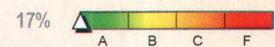
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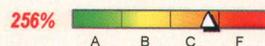
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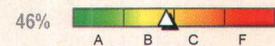
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### Constr & Land Loans to Capital

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\*Please see disclosures on the following page

**INVESTMENT OF SURPLUS FUNDS OF POLITICAL SUBDIVISIONS**  
**Act 20 of 1943**

AN ACT relative to the investment of funds of public corporations of the state; and to validate certain investments.

**History:** 1943, Act 20, Imd. Eff. Mar. 13, 1943;—Am. 1988, Act 285, Imd. Eff. Aug. 1, 1988;—Am. 1997, Act 196, Imd. Eff. Dec. 30, 1997.

*The People of the State of Michigan enact:*

**129.91 Investment of funds of public corporation; eligible depository; secured deposits; funds limitation on acceptable assets; pooling or coordinating funds; written agreements; investment in certificate of deposit; conditions; "financial institution" defined; additional definitions.**

Sec. 1. (1) Except as provided in section 5, the governing body by resolution may authorize its investment officer to invest the funds of that public corporation in 1 or more of the following:

(a) Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.

(b) Certificates of deposit, savings accounts, or depository receipts of a financial institution, but only if the financial institution complies with subsection (2); certificates of deposit obtained through a financial institution as provided in subsection (5); or deposit accounts of a financial institution as provided in subsection (6).

(c) Commercial paper rated at the time of purchase within the 2 highest classifications established by not less than 2 standard rating services and that matures not more than 270 days after the date of purchase.

(d) Repurchase agreements consisting of instruments listed in subdivision (a).

(e) Bankers' acceptances of United States banks.

(f) Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than 1 standard rating service.

(g) Mutual funds registered under the investment company act of 1940, 15 USC 80a-1 to 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation. However, a mutual fund is not disqualified as a permissible investment solely by reason of any of the following:

(i) The purchase of securities on a when-issued or delayed delivery basis.

(ii) The ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100% of the value of the securities loaned.

(iii) The limited ability to borrow and pledge a like portion of the portfolio's assets for temporary or emergency purposes.

(h) Obligations described in subdivisions (a) through (g) if purchased through an interlocal agreement under the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512.

(i) Investment pools organized under the surplus funds investment pool act, 1982 PA 367, MCL 129.111 to 129.118.

(j) The investment pools organized under the local government investment pool act, 1985 PA 121, MCL 129.141 to 129.150.

(2) Except as provided in subsection (5), a public corporation that invests its funds under subsection (1) shall not deposit or invest the funds in a financial institution that is not eligible to be a depository of funds belonging to this state under a law or rule of this state or the United States.

(3) Assets acceptable for pledging to secure deposits of public funds are limited to assets authorized for direct investment under subsection (1).

(4) The governing body by resolution may authorize its investment officer to enter into written agreements with other public corporations to pool or coordinate the funds to be invested under this section with the funds of other public corporations. Agreements allowed under this subsection shall include all of the following:

(a) The types of investments permitted to be purchased with pooled funds.

(b) The rights of members of the pool to withdraw funds from the pooled investments without penalty.

(c) The duration of the agreement and the requirement that the agreement shall not commence until at least 60 days after the public corporations entering the agreement give written notice to an existing local government investment pool which is organized under the local government investment pool act, 1985 PA 121, MCL 129.141 to 129.150, in those counties where such a pool is operating and accepting deposits on or before September 29, 2006.

- (d) The method by which the pool will be administered.
  - (e) The manner by which the public corporations will respond to liabilities incurred in conjunction with the administration of the pool.
  - (f) The manner in which strict accountability for all funds will be provided for, including an annual statement of all receipts and disbursements.
  - (g) The manner by which the public corporations will adhere to the requirements of section 5.
- (5) In addition to the investments authorized under subsection (1), the governing body by resolution may authorize its investment officer to invest the funds of the public corporation in certificates of deposit in accordance with all of the following conditions:
- (a) The funds are initially invested through a financial institution that is not ineligible to be a depository of surplus funds belonging to this state under section 6 of 1855 PA 105, MCL 21.146.
  - (b) The financial institution arranges for the investment of the funds in certificates of deposit in 1 or more insured depository institutions, as defined in 12 USC 1813, or 1 or more insured credit unions, as defined in 12 USC 1752, for the account of the public corporation.
  - (c) The full amount of the principal and any accrued interest of each certificate of deposit is insured by an agency of the United States.
  - (d) The financial institution acts as custodian for the public corporation with respect to each certificate of deposit.
  - (e) At the same time that the funds of the public corporation are deposited and the certificate or certificates of deposit are issued, the financial institution receives an amount of deposits from customers of other insured depository institutions or insured credit unions equal to or greater than the amount of the funds initially invested by the public corporation through the financial institution.
- (6) In addition to the investments authorized under subsection (1), the governing body by resolution may authorize its investment officer to invest the funds of the public corporation in deposit accounts that meet all of the following conditions:
- (a) The funds are initially deposited in a financial institution that is not ineligible to be a depository of surplus funds belonging to this state under section 6 of 1855 PA 105, MCL 21.146.
  - (b) The financial institution arranges for the deposit of the funds in deposit accounts in 1 or more insured depository institutions, as defined in 12 USC 1813, or 1 or more insured credit unions, as defined in 12 USC 1752, for the account of the public corporation.
  - (c) The full amount of the principal and any accrued interest of each deposit account is insured by an agency of the United States.
  - (d) The financial institution acts as custodian for the public corporation with respect to each deposit account.
  - (e) On the same date that the funds of the public corporation are deposited under subdivision (b), the financial institution receives an amount of deposits from customers of other insured depository institutions or insured credit unions equal to or greater than the amount of the funds initially deposited by the public corporation in the financial institution.
- (7) A public corporation that initially invests its funds through a financial institution that maintains an office located in this state may invest the funds in certificates of deposit as provided under subsection (5).
- (8) As used in this section, "financial institution" means a state or nationally chartered bank or a state or federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and that maintains a principal office or branch office located in this state under the laws of this state or the United States.
- (9) As used in this act:
- (a) "Governing body" means the legislative body, council, commission, board, or other body having legislative powers of a public corporation.
  - (b) "Funds" means the money of a public corporation, the investment of which is not otherwise subject to a public act of this state or bond authorizing ordinance or resolution of a public corporation that permits investment in fewer than all of the investment options listed in subsection (1) or imposes 1 or more conditions upon an investment in an option listed in subsection (1).
  - (c) "Investment officer" means the treasurer or other person designated by statute or charter of a public corporation to act as the investment officer. In the absence of a statutory or charter designation, the governing body of a public corporation shall designate the investment officer.
  - (d) "Public corporation" means a county, city, village, township, port district, drainage district, special assessment district, or metropolitan district of this state, or a board, commission, or another authority or agency created by or under an act of the legislature of this state.

**History:** 1943, Act 20, Imd. Eff. Mar. 13, 1943;—CL 1948, 129.91;—Am. 1964, Act 126, Eff. Aug. 28, 1964;—Am. 1977, Act 66, Imd. Eff. July 20, 1977;—Am. 1978, Act 500, Imd. Eff. Dec. 11, 1978;—Am. 1979, Act 79, Imd. Eff. Aug. 1, 1979;—Am. 1982, Act 217, Imd. Eff. July 8, 1982;—Am. 1988, Act 239, Imd. Eff. July 11, 1988;—Am. 1997, Act 44, Imd. Eff. June 30, 1997;—Am. 1997, Act 196, Imd. Eff. Dec. 30, 1997;—Am. 2006, Act 400, Imd. Eff. Sept. 29, 2006;—Am. 2008, Act 308, Imd. Eff. Dec. 18, 2008;—Am. 2009, Act 21, Imd. Eff. May 5, 2009;—Am. 2012, Act 152, Imd. Eff. May 30, 2012.

### **129.92 Repealed. 1997, Act 196, Imd. Eff. Dec. 30, 1997.**

**Compiler's note:** The repealed section pertained to investment of sinking funds and insurance moneys by school districts.

### **129.93 Existing investments ratified and validated.**

Sec. 3. Investments made before the effective date of the amendatory act that repealed section 2 of the surplus funds, sinking funds, or insurance funds of a political subdivision of this state in bonds and other obligations of the United States or its instrumentalities or certificates of deposit or depository receipts of a bank that is a member of the federal deposit insurance corporation as provided under section 1 and former section 2 of this act are hereby ratified and validated.

**History:** 1943, Act 20, Imd. Eff. Mar. 13, 1943;—CL 1948, 129.93;—Am. 1964, Act 126, Eff. Aug. 28, 1964;—Am. 1997, Act 196, Imd. Eff. Dec. 30, 1997.

### **129.94 Funds accumulated under eligible deferred compensation plan; deposit; investment; existing investments ratified and validated.**

Sec. 4. (1) As used in this section:

(a) "Eligible deferred compensation plan" means a deferred compensation plan established and maintained by a governing body, which plan meets the requirements of section 457 of the internal revenue code.

(b) "Financial institution" means a state or nationally chartered bank, a state or federally chartered savings bank, a state or federally chartered savings and loan association, or a state or federally chartered credit union, which financial institution is insured by an agency or instrumentality of the federal government.

(c) "Governing body" means the legislative or governing body of a county, city, village, township, or special assessment district, or an agency, board, or commission of a county, city, village, or township.

(2) The governing body, by resolution, may authorize its treasurer or chief fiscal officer to deposit funds received under an eligible deferred compensation plan in a financial institution authorized by law to do business in this state or with an authorized deferred compensation agent appointed by the governing body. Notwithstanding any other provision of this act, the treasurer or chief fiscal officer, as authorized by resolution of the governing body, may place funds accumulated under an eligible deferred compensation plan with a financial institution authorized to do business in this state, a state or federally licensed investment company or insurance company authorized to do business in this state, or trust established by public employers for the commingled investment of the amounts held under deferred compensation and retirement plans, which funds shall be invested by the financial institution, insurance company, investment company, or trust as directed by the governing body. The investment of eligible deferred compensation plan funds shall be in the manner and for the purposes described in section 457 of the internal revenue code.

(3) The investment of funds accumulated under an eligible deferred compensation plan of a governing body prior to the effective date of the amendatory act that added this section, which investments otherwise meet the requirements of this section, are ratified and validated.

**History:** Add. 1988, Act 285, Imd. Eff. Aug. 1, 1988.

### **129.95 Investment policy; adoption by governing body.**

Sec. 5. (1) Not more than 180 days after the end of a public corporation's first fiscal year that ends after the effective date of the amendatory act that repealed section 2, a governing body, in consultation with the investment officer, shall adopt an investment policy that, at a minimum, includes all of the following:

(a) A statement of the purpose, scope, and objectives of the policy, including safety, diversification, liquidity, and return on investment.

(b) A delegation of authority to make investments.

(c) A list of authorized investment instruments. If the policy authorizes an investment in mutual funds, it shall indicate whether the authorization is limited to securities whose intention is to maintain a net asset value of \$1.00 per share or also includes securities whose net asset value per share may fluctuate on a periodic basis.

(d) A statement concerning safekeeping, custody, and prudence.

(2) A governing body that as of the effective date of the amendatory act that repealed section 2 has adopted an investment policy that substantially complies with the minimum requirements under subsection (1) is not in violation of this section as long as that policy remains in effect.

**History:** Add. 1997, Act 196, Imd. Eff. Dec. 30, 1997.

**129.96 Execution of order to purchase or trade funds of public corporation; providing copy of investment policy; public corporation subject to subsection (1); report.**

Sec. 6. (1) Subject to subsection (2), before executing an order to purchase or trade the funds of a public corporation, a financial intermediary, broker, or dealer shall be provided with a copy of the public corporation's investment policy and shall do both of the following:

- (a) Acknowledge receipt of the investment policy.
- (b) Agree to comply with the terms of the investment policy regarding the buying or selling of securities.

(2) A public corporation is subject to subsection (1) beginning on the date that the investment policy of a public corporation takes effect or 180 days after the end of the public corporation's first fiscal year ending after the effective date of the amendatory act that repealed section 2, whichever is earlier.

(3) The investment officer shall provide quarterly a written report to the governing body concerning the investment of the funds.

**History:** Add. 1997, Act 196, Imd. Eff. Dec. 30, 1997;—Am. 2007, Act 213, Imd. Eff. Dec. 27, 2007.

**129.97 Long-term or perpetual trust fund; investment of assets; resolution authorizing investment officer same authority as investment fiduciary under MCL 38.1132 to 38.1140m; conditions.**

Sec. 7. Notwithstanding any law or charter provision to the contrary, if a public corporation has a long-term or perpetual trust fund consisting of money and royalties or money derived from oil and gas exploration on property or mineral rights owned by the public corporation, the governing body of the public corporation may by resolution provide its investment officer with the same authority to invest the assets of the long-term or perpetual trust fund as is granted an investment fiduciary under the public employee retirement system investment act, 1965 PA 314, MCL 38.1132 to 38.1140m.

**History:** Add. 2008, Act 220, Imd. Eff. July 16, 2008.

**129.97a Investment of assets of special revenue fund by investment officer; resolution granting authority; annual special revenue fund report.**

Sec. 7a. (1) Notwithstanding any law or charter to the contrary, if a public corporation has a special revenue fund consisting of payments for park operations and maintenance, the governing body of the public corporation may by resolution provide its investment officer with the same authority to invest the assets of the special revenue fund as is granted an investment fiduciary under the public employee retirement system investment act, 1965 PA 314, MCL 38.1132 to 38.1140m.

(2) The investment officer shall prepare and issue an annual special revenue fund report. The investment officer shall make the annual special revenue fund report available to the citizens of the public corporation. The annual special revenue fund report shall include all of the following:

- (a) The name of the special revenue fund.
- (b) The special revenue fund's investment fiduciaries.
- (c) The special revenue fund's assets and liabilities.
- (d) The special revenue fund's funded ratio.
- (e) The special revenue fund's investment performance.
- (f) The special revenue fund's expenses.

**History:** Add. 2008, Act 404, Imd. Eff. Jan. 6, 2009.

**SURPLUS FUNDS INVESTMENT POOL ACT**  
**Act 367 of 1982**

AN ACT relative to the investment of surplus funds of local units of government of this state in investment pools; to permit the establishment of investment pools by financial institutions; to permit local units of government to invest in investment pools; and to prescribe certain powers and duties of certain local units of government and their officers.

**History:** 1982, Act 367, Eff. Mar. 30, 1983.

*The People of the State of Michigan enact:*

**129.111 Short title.**

Sec. 1. This act shall be known and may be cited as the "surplus funds investment pool act".

**History:** 1982, Act 367, Eff. Mar. 30, 1983.

**129.112 Definitions.**

Sec. 2. (1) As used in this act:

(a) "Depository" means that department of the financial institution which is responsible for managing, investing, and reinvesting funds placed in an investment pool.

(b) "Financial institution" means a state or nationally chartered bank or a state or federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and which maintains a principal office or branch office located in this state under the laws of this state or the United States and which is eligible to be a depository of surplus funds belonging to the state under section 6 of 1855 PA 105, MCL 21.146.

(c) "Local unit" means a county, city, village, township, school district, authority, or any other political subdivision organized under the laws of this state.

(d) "Participant" means a local unit which has entered into a contract with a financial institution and has placed funds in an investment pool managed by that financial institution.

(e) "Surplus funds" means money which belongs to or is under the control of the local unit and is available for investment, not being required by law or agreement with bondholders to be segregated and invested in a specified manner.

(2) Assets acceptable for pledging to secure deposits of township funds are limited to any of the following:

(a) Assets considered acceptable to the state treasurer under section 3 of 1855 PA 105, MCL 21.143, to secure deposits of state surplus funds.

(b) Any of the following:

(i) Securities issued by the federal home loan mortgage corporation.

(ii) Securities issued by the federal national mortgage association.

(iii) Securities issued by the government national mortgage association.

(c) Securities considered acceptable to the township and the financial institution.

**History:** 1982, Act 367, Eff. Mar. 30, 1983;—Am. 1997, Act 48, Imd. Eff. June 30, 1997.

**129.113 Placing surplus funds in investment pool; contract with financial institution.**

Sec. 3. The governing body of a local unit may enter into a contract with a financial institution to place surplus funds in an investment pool.

**History:** 1982, Act 367, Eff. Mar. 30, 1983.

**129.114 Contract between financial institution and local unit; required provisions.**

Sec. 4. Before surplus funds are placed in an investment pool, the financial institution and the local unit shall enter into a written contract which shall include, at a minimum, the following provisions:

(a) The minimum amount of money which may be deposited in the investment pool.

(b) The procedure for the deposit and withdrawal of the money.

(c) The amount of the fee for managing the investment pool, if a management fee is to be charged of the participant by the financial institution.

(d) The terms for distribution of earnings in excess of any management fee, and for the allocation of losses, to participants, in a manner which equitably reflects the differing amounts of their respective investments and the differing periods of time for which such amounts were in custody of the investment pool.

**History:** 1982, Act 367, Eff. Mar. 30, 1983.

**129.115 Maintaining separate account for each participant; monthly statement of transactions; report.**

Sec. 5. The depository shall maintain for each participant a separate account designated by the participant's name and number. Each account shall show the deposits, earnings, and withdrawals of, and any fees paid by, the participant. Each participant shall receive a monthly statement of transactions and, upon request, shall be furnished a report showing the investment holdings of the investment pool as of the end of the previous month.

**History:** 1982, Act 367, Eff. Mar. 30, 1983.

**129.116 Powers and duties of depository.**

Sec. 6. (1) The depository shall manage, invest, and reinvest the money in an investment pool on behalf of each participant. Subject to the scope of investments allowed by subsection (2), a depository may combine money in an investment pool with other funds the depository may have available for investment.

(2) The depository may invest and reinvest the money in the investment pool only in the manner permitted in section 1 of Act No. 20 of the Public Acts of 1943, as amended, being section 129.91 of the Michigan Compiled Laws.

(3) The depository shall invest the money in the investment pool with the degree of judgment and care which a person of prudence, discretion, and intelligence exercises in the management of his or her own affairs, not for speculation, but for investment, considering the probable safety of his or her capital as well as the probable income to be derived from an investment of his or her capital.

**History:** 1982, Act 367, Eff. Mar. 30, 1983.

**129.117 Default in payment of principal, interest, or other income; remedies of depository.**

Sec. 7. If a default occurs in the payment of principal, interest, or other income of an investment pool, the depository shall pursue all remedies available to it at law or in equity.

**History:** 1982, Act 367, Eff. Mar. 30, 1983.

**129.118 Act as additional authority for investment of surplus funds.**

Sec. 8. This act shall be considered to provide authority for the investment of surplus funds of a local unit in addition to the authority granted under Act No. 20 of the Public Acts of 1943, as amended, being sections 129.91 to 129.93 of the Michigan Compiled Laws.

**History:** 1982, Act 367, Eff. Mar. 30, 1983.

**City of St. Clair Shores  
Cash & Investment Summary  
3/31/2015**

Fund Allocations	Totals	Operating Accounts			Cash Management Accounts					Managed Investments		
		First State Bank	Comerica Bank	PNC Bank	Bank of America	Comerica Bank	Huntington Bank	MBIA	The Private Bank	Internal		External
										Comerica	Huntington Bank CD	Ambassador Capital Mgmt.

Fund Allocations	Totals
General	\$ 22,200,806
Major Roads	2,070,003
Local Roads	688,222.73
Court Building	6,459.11
Golf Capital Projects	(11,968.72)
Library State Aid	42,343.05
Library Penal Fine	6,808.52
G.O. Debt Service	433,296.68
Clean Water Debt Service	3,919,867.92
HUD Homes	31,162.76
MVH Debt Service	904.69
Harper Ave Capital Projects	2,161.19
2011 Road Capital Projects	1,323,616.19
Recreation Revenue	36,304.81
Water & Sewer	17,755,360.82
Motor Pool	817,807.57
Computer Replacement	504,161.81
Sanitation Trust	6,121,592.48
Paving Trust	896.55
Tax Collection	11,981.06
<b>Totals</b>	<b>\$ 55,961,788</b>

General	255,674	14,550	241,123
Recreation Revenue	120,317	6,847	113,470
CDBG	29,018	29,018	-
Family Rental	71,165	71,165	-
DLEF	687,133	195,785	491,348
CIA	31,353	-	-
Brownfield	23,222	23,222	-
TIFA	1,243,245	53,651	226,672
Library Endowment	35,692	35,692	-
<b>Totals</b>	<b>\$ 58,458,606</b>	<b>\$ 6,105,060</b>	<b>\$ 980,129</b>
Yield		0.10%	0.05%

--- Consolidated Cash and Investment Accounts ---

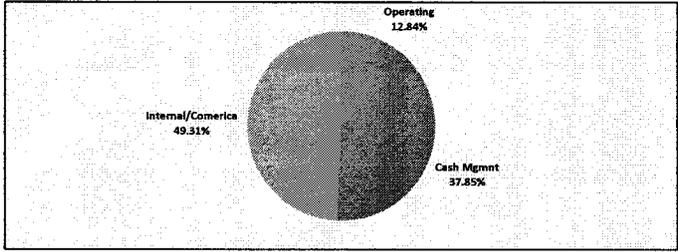
\$ 5,675,130	\$ 262,109	\$ -	\$ 8,876,485	\$ 3,943,807	\$ 3,083,384	\$ -	\$ 5,036,252	\$ 28,578,395	\$ 506,227	N/A - relationship with Ambassador terminated as of 9/30/14
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Managed Investment Portfolio Summary Comerica Central Investment Account		
	Cost	Market Value
Cash and Equivalents	\$ 10,566,692	\$ 10,566,692
Fixed Income:		
Certificates of Deposit	2,022,114	2,022,114
U.S. Treasury Notes	2,094,141	2,099,724
Agency	3,022,792	2,995,412
Agency Floaters	960,792	960,451
Treasury Bills	1,698,385	1,699,915
Municipal Bonds	8,213,479	8,042,038
<b>Total Portfolio</b>	<b>\$ 28,578,395</b>	<b>\$ 28,386,347</b>

--- Fund Specific Cash and Investment Accounts ---

	\$ 58,458,606	\$ 6,105,060	\$ 980,129	\$ 354,593	\$ 9,839,407	\$ 3,943,807	\$ 3,083,384	\$ 31,353	\$ 5,036,252	\$ 28,578,395	\$ 506,227	\$ -
Yield		0.10%	0.05%	0.00%	0.20%/0.33%	0.20%	0.20%	0.10%	0.35%	0.43%	0.30%	0.00%

Bank Allocations	Totals	Percentage	Managed Investments			
			Operating	Cash Mgmt	Internal/Comerica	Ambassador
First State Bank	\$ 6,105,060	10.53%	\$ 6,105,060	\$ -	\$ -	\$ -
Comerica Bank	4,923,936	8.50%	980,129	3,943,807	-	-
PNC Bank	354,593	0.61%	354,593	-	-	-
Bank of America	9,839,407	16.98%	-	9,839,407	-	-
Huntington Bank	3,083,384	5.32%	-	3,083,384	-	-
MBIA	31,353	0.05%	-	31,353	-	-
Private Bank	5,036,252	8.69%	-	5,036,252	-	-
TCF Bank	28,578,395	49.31%	-	-	28,578,395	-
Ambassador Capital	-	0.00%	-	-	-	-
<b>Totals</b>	<b>\$ 57,952,378</b>	<b>100.00%</b>	<b>\$ 7,439,782</b>	<b>\$ 21,934,202</b>	<b>\$ 28,578,395</b>	<b>\$ -</b>



City of St. Clair Shores  
Cash & Investment Summary  
12/31/2014

Fund Allocations	Operating Accounts			Cash Management Accounts					Managed Investments	
	First State Bank	Comerica Bank	PNC Bank	Bank of America	Comerica Bank	Huntington Bank	MBIA	The Private Bank	Internal Comerica	External Ambassador Capital Mgmt.
	<b>--- Consolidated Cash and Investment Accounts ---</b> \$ 7,421,754    \$ 1,205,121    \$ -    \$ 8,631,668    \$ 4,350,692    \$ 3,081,864    \$ -    \$ 5,031,908    \$ 29,042,652									

Fund Allocations	Totals
General	\$ 26,999,099
Major Roads	1,894,733
Local Roads	925,269
Court Building	37,409
Golf Capital Projects	(12,745)
Library State Aid	42,303
Library Penal Fine	6,802
G.O. Debt Service	421,890
Clean Water Debt Service	3,682,668
HUD Homes	31,133
MVH Debt Service	904
Harper Ave Capital Projects	2,159
2011 Road Capital Projects	1,329,328
Recreation Revenue	58,436
Water & Sewer	14,965,709
Motor Pool	584,887
Computer Replacement	487,548
Sanitation Trust	6,115,804
Paving Trust	896
Tax Collection	1,191,426
<b>Totals</b>	<b>\$ 58,765,659</b>

Managed Investment Portfolio Summary Comerica Central Investment Account		
	Cost	Market Value
Cash and Equivalents	\$ 8,067,594	\$ 8,067,594
Fixed Income:		
Certificates of Deposit	2,522,870	2,522,870
U.S. Treasury Notes	2,094,141	2,098,494
Agency	5,420,392	5,403,744
Agency Floaters	960,792	960,624
Treasury Bills	1,698,385	1,699,558
Municipal Bonds	8,278,479	8,145,133
<b>Total Portfolio</b>	<b>\$ 29,042,652</b>	<b>\$ 28,898,018</b>

N/A - relationship with Ambassador terminated as of 9/30/14

Fund	--- Fund Specific Cash and Investment Accounts ---										
	General	Recreation Revenue	CDBG	Family Rental	DLEF	CIA	Brownfield	TIFA	Library Endowment	Totals	Yield
General	194,891	32,829							162,061		
Recreation Revenue	141,128	23,773							117,355		
CDBG	36,549	36,549							-		
Family Rental	91,870	91,870							-		
DLEF	653,044	161,744		491,300					-		
CIA	36,490								-	36,490	
Brownfield	24,900	24,900							-		
TIFA	1,220,840	16,376		341,643			862,820		-		
Library Endowment	30,583	30,583							-		
<b>Totals</b>	<b>\$ 61,195,952</b>	<b>\$ 7,840,378</b>	<b>\$ 2,038,064</b>	<b>\$ 279,416</b>	<b>\$ 9,494,488</b>	<b>\$ 4,350,692</b>	<b>\$ 3,081,864</b>	<b>\$ 36,490</b>	<b>\$ 5,031,908</b>	<b>\$ 29,042,652</b>	<b>\$ -</b>
<b>Yield</b>		<b>0.10%</b>	<b>0.03%</b>	<b>0.00%</b>	<b>0.20%</b>	<b>0.20%</b>	<b>0.20%</b>	<b>0.10%</b>	<b>0.35%</b>	<b>0.38%</b>	<b>0.00%</b>

Bank Allocations	Totals	Percentage	Managed Investments			
			Operating	Cash Mgmt	Internal/Comerica	Ambassador
First State Bank	\$ 7,840,378	12.81%	\$ 7,840,378	\$ -	\$ -	\$ -
Comerica Bank	6,388,756	10.44%	2,038,064	4,350,692	-	-
PNC Bank	279,416	0.46%	279,416	-	-	-
Bank of America	9,494,488	15.51%	-	9,494,488	-	-
Huntington Bank	3,081,864	5.04%	-	3,081,864	-	-
MBIA	36,490	0.06%	-	36,490	-	-
Private Bank	5,031,908	8.22%	-	5,031,908	-	-
TCF Bank	29,042,652	47.46%	-	-	29,042,652	-
Ambassador Capital	-	0.00%	-	-	-	-
<b>Totals</b>	<b>\$ 61,195,952</b>	<b>100.00%</b>	<b>\$ 10,157,858</b>	<b>\$ 21,995,441</b>	<b>\$ 29,042,652</b>	<b>\$ -</b>

