

Koryzno, Edward (Treasury)

From: Workman, Wayne (TREASURY)
Sent: Tuesday, April 01, 2014 4:55 PM
To: Schafer, Suzanne K. (Treasury)
Cc: Byrne, Randall (Treasury); Koryzno, Edward (Treasury)
Subject: Fwd: Conference Call Agenda - April 2, 2014
Attachments: Agenda for April 2, 2014 Conference Call.pdf; ATT00001.htm

Please see Flint discussion on DEP in the agenda.

Sent from my iPad

Begin forwarded message:

From: Maxine Murray <mmurray@cityofflint.com>
Date: April 1, 2014 at 4:52:54 PM EDT
To: "Byrne, Randall (Treasury)" <ByrneR1@michigan.gov>, "Deasy, Thomas (MSP)" <DeasyT@michigan.gov>, "Kapp, Gene (MSP)" <KappG@michigan.gov>, "Lee, Nichole (MSP)" <LeeN3@michigan.gov>, "Muchmore, Dennis (GOV)" <muchmored@michigan.gov>, "Roberts, John (DTMB)" <RobertsJ9@michigan.gov>, "Sands, Thomas (MSP)" <SandsT@michigan.gov>, "Sipes, Stephen (MSP)" <SipesS@michigan.gov>, "West, Samantha (GOV)" <WestS2@michigan.gov>, "Dempkowski, Angela (Treasury)" <DempkowskiA@michigan.gov>, "Baird, Richard (GOV)" <bairdr@michigan.gov>, "Larkin, Brian (GOV)" <larkinb@michigan.gov>, Darnell Earley <dearley@cityofflint.com>, "Koryzno, Edward (Treasury)" <KoryznoE@michigan.gov>, "Clement, Elizabeth (GOV)" <clemente@michigan.gov>, Elizabeth Murphy <emurphy@cityofflint.com>, "Etue, Kriste (MSP)" <EtueK@michigan.gov>, "Hollins, Harvey (GOV)" <hollinsh@michigan.gov>, James Tolbert <jtolbert@cityofflint.com>, Jerry Ambrose <gambrose@cityofflint.com>, "Klotz, Josephine (MSP)" <KlotzJ@michigan.gov>, "McGowan, Emmitt (MSP)" <McGowanE1@michigan.gov>, "O'Neill, Stephen (MSP)" <ONeillS@michigan.gov>, "Saxton, Thomas (Treasury)" <SaxtonT@michigan.gov>, "Workman, Wayne (TREASURY)" <WorkmanW@michigan.gov>
Subject: Conference Call Agenda - April 2, 2014

Good afternoon,

Attached is the agenda for the conference call scheduled for Wednesday, April 2nd, 9:00 am.

Thank you.

--

Maxine Murray
Executive Assistant to
Mayor Dayne Walling
Darnell Earley, Emergency Manager
1101 S. Saginaw Street
Flint, MI 48502

City of Flint Wednesday 9:00 am Phone Conference Agenda April 2, 2014

1) Public Safety Update – FPD, MSP (FFD if needed)

- a) Public Safety Initiatives – Chief Tolbert to complete proposals with dollar estimates and timelines. (See attachment A.)
- b) Still awaiting SAFER grant renewal for Flint. County Commissioners have sent resolution of support last week to FEMA.
- c) Public Safety Study – COF shared with the Mott Foundation that the State is considering paying ½ the cost of this study. Mr. Earley is working to get the consultants to Lansing to present to Treasury shortly.
- d) Other update by Chief Tolbert and MSP.

2) Governor's Office Update –Rich Baird, H. Hollins

3) Retiree Lawsuit – Status, Issues

There was a 3/14/14 meeting with attorneys and healthcare consultant. Update: Letters did go out to retirees as planned.

Regarding an E&Y "Ability to Pay" analysis: "In response to your request to assist the City in connection with its ongoing retiree litigation, we mentioned our experience supporting an "ability to pay" analysis. As discussed, EY has prepared an "ability to pay" document for the City of Detroit and believe this is valuable experience to leverage for the City of Flint. This task, while dependent on the 5 year projections, would require incremental work to the existing scope agreed to with the City and paid by the State. EY proposes a two week incremental project to prepare a deliverable document as part of the City's "Ability to Pay" argument; we estimate \$30,000 in fees to complete the document."

4) Financial Update

- a) Deficit Elimination Plan – approval still pending. City is incorporating the changes into the FY15/16 budget. The City is still committed to eliminating the deficits. We are proceeding as we await formal approval of the amendment.
- b) Approval of the budget amendment still pending – 6 weeks. We are proceeding as we await formal approval. However, we noted that PA 436 Section 12 (1)(b) allows the EM to "Amend, revise, approve or disapprove the budget of the local government, and limit the total amount appropriated or expended."

c) Water Treatment Plant – Resolutions authorizing contractors approved by Treasury. Frost conditions and easement issues with Consumers Energy may impact completion date, but are being addressed. DEQ ACO has been approved. Awaiting approval of Construction Permit, discussions with Water and Solid Waste Divisions ongoing. Must be resolved this week or significant delay with project could occur.

d) Update on E&Y contract: Preliminary draft reviewed end of last week. Next draft expected end of this week. Preliminary review expected with EM and Treasury within the next three weeks.

e) Model Contract Status – Preparing materials for imposition of FPOA contract. Finalizing dates for last meeting w AFSCME 1600 (likely mid April). Drafting initial contract draft for IAFF. Beginning drafting of other FPOA contracts and AFSCME 1799, to be patterned after FPOA and 1600.

f) MDOT waiver – Spiral Weld Project: MDOT is not handling as a waiver, plan to take dollars from future Flint projects and jeopardizing Federal dollars on those projects. MDOT is asking other communities around the state to forgo their projects so Flint project could progress.

g) DEQ SAW Grant: could there be a policy to allow distressed communities to skip the lottery? The City of Flint applied for a \$2 million SAW Grant to develop a GIS based sewer Asset Management Plan (AMP) and work tracking system. The proposal also included an Asset Management Plan for the Wastewater Treatment Plant. The Plant's NPDES permit renewal will require this in the upcoming fiscal year. That AMP is estimated to cost \$300,000, which will now have to be funded internally.

4) City Council Update

a) Schedule for Council review of two year budget established upon receipt of proposed budget on April 30. Council, working through its Finance Committee will meet between May 5 and May 17 to review budget. Council plans to hold public hearing on May 18 and to provide comments and recommendations to EM by May 28.

b). Vision, Mission, Goals and Budget Priorities were adopted by Council on March 24.

c) Council is also meeting in a Special Meeting on April 7 to take up the 7 Point Transition Management Plan. This was postponed from the March 24 meeting

d) The next regular City Council meetings are scheduled for Wednesday, April 30; Monday, May 19; Monday June 16, 2014.

5) Blue Ribbon Committee

BRC held its sixth meeting on 3/27/14. A sub-committee has been formed to work out the details of public engagement sessions. The whole committee is working its way through a list of issues for form of government revision; seeking to achieve group consensus.

6) Water Issues

a) Water Issues – DEQ permits are expected to be received this week. Consumers Powers easements issues are being addressed. However, termination of water service from DWSD may be delayed. Awaiting confirmation of terms from DWSD by which water will continue to be purchased from DWSD – presumably the terms outlined in their February 12, 2014 letter. Delay *could* be a matter of weeks, but certainly no later than June 30, 2014.

b) Negotiations with GCDC continue with regards to sale of the pipeline section. COF current proposal is for \$3.9 million sale price, the value established in recent valuation. Valuation has been submitted and reviewed by Treasury. Submission to Treasury for approval is anticipated prior to ending relationship with DWSD. Also, COF is negotiating back-up service agreement for GCDC for period between DWSD termination and KWA start-up.

c) Water and Sewer Rate Study – the final draft is due shortly and will be reviewed with the Public Works Committee on April 10.

7) Scrap Metal Bill (HR 4593)

Passed both houses and signed by Governor.

8) Other items

Bill which includes merger of 68th District Court into 67th District Court has been approved by both houses. Who is taking lead on this project?

Created on: 03/17/14

[REDACTED], access code [REDACTED]

Attachments:

A. Public Safety Initiatives

Operation Fresh Start Timeline

April 14, 2014	Meet with Michigan SOS
April 17, 2014	Meet with Treasury- ref: Drivers responsibility Fees
April 18, 2014	Confirm 67th District Court participation and assisting agencies
April 24, 2014	Confirm venue
April 28, 2014	Finalize event dates for year, (Bi-monthly)
April 28, 2014	Request Technical support
May 9, 2014	Develop Media Plan
May 16, 2014	Launch Media Plan
June 18, 2014	Begin Operation Fresh Start

Operation Fresh Start Regional Operation

Introduction:

Flint Lifelines and the City of Flint Police Department would like to propose Operation Fresh Start. This is a collaborative initiative with the purpose of assisting City of Flint residents, and the surrounding suburbs who through various reasons, have found themselves in an untenable situation where they are included in the population of individuals who have active arrest warrants.

There are approximately 40,000 warrants countywide and 23,000 in the City of the Flint; the majority of warrants are misdemeanor warrants, victimless crimes, or civil infractions.

The failure to address these violations has resulted in warrants being issued and driver responsibility fines being levied. These warrants affect an individual's ability to become employed and their ability to seek employment and to provide financially for their families. Given these pressures, there is a high probability that criminal conduct can occur.

Purpose of Operation Fresh Start:

Operation Fresh Start is a means to address and eliminate these barriers and provide a starting point for individuals to improve their ability to become better citizens.

Operation Fresh Start will include the following agencies as stakeholders:

1. Flint Lifelines
2. Flint Police Department
3. 68th District Court/ 67th District Court
4. Secretary of State
5. City Prosecutor's office
6. County Prosecutor's office
7. Ecumenical community
8. Business community
9. Health Coalition
10. Dept. of Health and Human Services
11. Mental Health services
12. Educational
13. Genesee County Landbank
14. Genesee County Sheriff Department

Operation Fresh Start Implementation:

Operation Fresh start will focus on individuals with misdemeanor warrants punishable by less than 90 days & less than a \$500.00 fine.

The operation will be based on targeting one (1) zip code in the City of Flint/County of Genesee, on a specified day, and partnering with a faith based institution as a base of operation within the specified zip code. This scenario will repeat itself until each zip code has hosted the operation.

Persons within the zip code will come to the location and interact with the appropriate City, County or State representatives to recall warrants, adjudicate civil infractions, and settle fines and fees and apply for or receive a valid state license. Additionally, community service organizations will be present to offer assistance if services are needed.

The synergy of Lifelines and Operation Fresh Start will compliment each other and allow for sustainable solutions to the community of Flint and the county of Genesee.

Personnel and Cost: (projected 8 hour day)

Position	Cost	Total
(1) Flint PD Sergeant (site supv)	$((\$31.095 \times 48) \times 1.0429) + 919.20$	\$2,475.79
(4) Flint PD Officer (site security)	$((\$25.974 \times 48) \times 1.0429) + 919.2$	\$4,438.88
(2) Genesee County D/Sheriff (site security)	$(\$48.077 \times 48) \times 2$	\$4,615.39
(2) Genesee County D/Sheriff (Work force)	$(\$48.077 \times 1040) \times 2$	\$100,000.16
(will deploy 20 hours per week for 52 weeks*)		
(2) Michigan State Troopers	$(\$30.978 \times 48) \times 2$	\$2,973.89
Lifeline(Media, Flyers etc...)	\$20,000.00	\$20,000.00
I.T. (Equipment & services)	\$10,000.00	\$10,000.00
67th District Court cost (Judges, admin staff etc...)		
68th District Court cost (Judges, admin staff etc...)		
Michigan Department of Secretary of State		
-Mobile Office		
-Staff		
	Total Cost	\$144,504.11

Challenges to overcome prior to implementation:

1. 67th District court entanglements (Ward Chapman)
2. GCACP input (Chief Tolbert)
3. Video Conferencing from site to court (Chief Tolbert)
4. Hours of operation (when can the judges do this?) (67th/68th District Court Judges)
5. Will any other jurisdiction want their judges to hear their cases

* Depending on number of individuals electing to conduct community service in lieu of payment of fines.

State Record Management System Time Line

April 15, 2014

A meeting is scheduled with MSP and FPD, the technology will be examined, against the current functionality and the proposed functionality of three systems. From that point document will be authored to the Emergency Manager recommending the RMS.

At that point an implementation timeline will be developed, and MSP will add a budget to this project.

**The City of Flint Police Department
Crime Reduction Strategy
Area Crime Team / A. C. T.**

The City of Flint Police Department is actively pursuing all relevant strategies in an effort to truly address crime and criminal behavior at their root cause and locations. Gone are the days of reactionary policing, we must be proactive in our approach. Identifying criminal trends through analysis and addressing them head on is our focus under this initiative.

The leadership of the City of Flint realizes that a complete law enforcement response relies upon a combination of a true data driven approach and boots on the ground efforts. This type of response shall allow for the realization of a true and sustainable reduction in all crimes within the City of Flint. This reduction in crime shall allow for the recapturing of neighborhoods by our concerned residents, the strengthening of community police partnerships and raised awareness and unity towards the common goal of safer neighborhoods through lasting crime reduction.

The City of Flint is proposing to assemble and utilize an Area Crime Team (A.C.T.). This highly trained and specialized unit shall deploy resources into very specific locations to address specific high crime targets. This can be exclusive to a singular target such as a known homicide suspect or a specific target of general crimes and trends such as gang behavior or other part one crimes elevated in data identified specific areas.

This initiative shall hire additional police resources to accomplish this targeted offensive in a collaborative effort. While the City of Flint shall be the lead agency and coordinator of this program, we shall form partnerships under this initiative with the Michigan State Police, the Genesee County Sheriff's Department, the Michigan Department of Corrections and the Genesee County Prosecutor's office. Each agency shall play a vital role towards our goal of true crime reduction. Through the hiring of additional resources for each agency, we also shall receive the ancillary benefit of each agency and all of their existing resources when applicable. Leveraging these agencies shall also allow for follow up within the entire Genesee County area when necessary through investigation and leads.

We propose to hire one Flint Police Sergeant and three Flint Police Officers, two Michigan State Police Troopers, one Genesee County Sheriff Deputy, one MDOC employee and one Genesee County Deputy Prosecutor. This program will be operational for a three year period.

We envision that this team of officers shall become a spearhead to address major offenders and trends with significant results. They shall work as a team and gain influence with the community through their transparency and ability to work closely

with community partners. This team shall have laser focus and target extremely specific crimes and locations based on Flint Police gathered crime data as analyzed by the Michigan State Police. Once a crime or area has been identified, this unit shall saturate the determined area with a goal of total disruption to the offending behavior. The officers shall perform the initial response, investigations and arrest of the perpetrators with the assistance of the MDOC resource. The prosecuting attorney shall have oversight of all cases involving this unit to ensure vertical prosecution. Additionally, a victim's assistance program will facilitate victim services for individuals victimized by crime in the targeted area. (Dependent on grant award)

The cost of this effort shall be primarily wage and fringe of these mission dedicated officers and staff. Their very existence shall be grant funded, and by design they will be deployed exclusively towards the goal of this program.

We request the following items to be funded for this program:

Position	Wage and Fringe	Total
One (1) Flint Police Sergeant:	\$109,271.27 x 1 x 3yrs	\$327,813.81
Three (3) Flint Police Officers:	\$100,979.82 x 3 x 3yrs	\$908,818.38
One (1) Genesee County Deputy:	\$100,000.00 x 1 x 3yrs	\$300,000.00
Two (2) Michigan State Troopers: (Wage Only - Fringe not included)	\$64,435.00 x 2 x 3yrs	\$386,610.00
One (1) MDOC agent:	\$106,303 x 1 x 3yrs	\$318,909.00
One (1) Genesee County Prosecutor:	\$162,000.00 x 1 x 3yrs	\$486,000.00
One (1) crime analyst:	\$45,000.00 x 1 x 3yrs	\$135,000.00
	Sub-Total	\$2,863,151.19
Anticipated Grant Match		
Victim Assistance Program	\$60,000 x 3yrs	\$180,000.00
	Total Cost	\$3,043,151.19

Arson Investigative Team

The City of Flint has been plagued by arsons of real property. The investigative effort of these arsons has been hampered by untrained personnel.

The Flint Police Department understands the need to conduct thorough investigations of arsons and requires the necessary resources to do so. The City of Flint has enrolled a Police Sergeant and a Flint Firefighter in the March 2014, Michigan State Police, Basic Arson School.

We anticipate having 4 additional seats in upcoming arson schools, the purpose of this initiative is to have properly trained arson investigators that would work along side MSP investigators who are trained in the ability to determine cause and origin of fires.

As the training is complete, the investigators will begin working together as a team to address arson fires in the City of Flint. This effort will send a clear message that arson in the City of Flint, will no be tolerated and those responsible will be held accountable.

Personnel:

6 FPD/FFD arson trained investigators

2* MSP arson trained investigators

* Depending on number of MSP trained investigators.

Lifeline Regional Crime Intervention

May 22, 2014

This currently an ongoing process funding requested would enhance the current effectiveness of the current program.

Lifeline Regional Crime Intervention Strategy

The City Flint is in a very advantageous position to enhance our community engagement program named Lifeline, this program is similar to the Cease Fire youth violence reduction program model.

This program model contains almost all of the elements of the Cease Fire model, and the community-based research, networking and consensus-building process this program model has proved successful in cities across the United States and in California (e.g., Stockton, with implementation also underway in Oakland and San Francisco) and consists of five (5) basic elements:

1. Crime data collection and analysis related to gun violence, including the geographic location of violent incidents, demographic information on individuals involved in gun violence, and patterns of gang violence. The Flint Police Department has this data, but needs additional resources to analyze and present it in formats useful to staff and the community.

2. Organization of a working group to design and implement the local strategy. Flint has already started doing this, and must expand its current efforts to include employment training and placement providers, community and faith leaders and the Genesee County Sheriff's Department (we already have the other listed parties actively engaged in the process).

3. Direct communication with gang members and youth most likely to commit gun violence. This element features community outreach and community meeting to communicate directly to those most involved in youth violence. Meeting attendees are given a two-part message: a) gun violence must stop immediately or criminal justice agencies will intervene quickly and forcefully against those responsible; and b) the working group is there to support the gang members and youth with intensive services and employment. This phase will come once the program is implemented.

4. Employment opportunities. Meaningful employment opportunities are provided to gang members and youth participating in the program, with counseling, training and educational resources and programs used to prepare the youth for successful employment. Experience across the country shows that the universe of youth requiring these services is expanding rapidly.

5. Build a strategic law enforcement partnership. An effective strategic partnership with local law enforcement, county law enforcement and county probation is essential for long-term success. Law enforcement is encouraged to target resources to the small group of youth who "drive" youth violence, providing not only gang suppression, but also providing an incentive for youth to participate in gang diversion programs.

Ancillary coordinating issues:

Collaboration with other local agencies when needed: such as school districts, existing county juvenile justice coordinating committees, law enforcement agencies (city police, county sheriff, county probation, and district attorney), and community based organizations.

Collaboration with a research Major University, as a Research Partner to collect and analyze metrics.

Form a Coordinating and Advisory Council with members from all of the local agencies noted above, whose primary functions will include prioritizing the use funds.

Personnel/Budget:

<u>Position</u>	<u>Wage and Fringe</u>	<u>Total</u>	
One (1) Flint Police Sergeant:	\$109,271.27 x 1 x 3yrs	\$327,813.81	
Two (2) Flint Police Officers:	\$100,979.82 x 2 x 3yrs	\$605,878.92	
(Violence Prevention Ofcs)			
One (1) Genesee County Deputy:	\$100,000.00 x 1 x 3yrs	\$300,000.00	
Two (2) Michigan State Troopers:	\$64,435.00 x 2 x 3yrs	\$386,610.00	
(Wages Only - Fringes not included)			
One (1) MDOC agent:	\$106,303 x 1 x 3yrs	\$318,909.00	
One (1) Genesee County Prosecutor:	\$162,000.00 x 1 x 3	\$486,000.00	
One (1) Crime Analyst:	\$45,000.00 x 1 x 3yrs	\$135,000.00	
	Total Wages and Fringes	\$2,560,211.73	
Additional Cost:			
Administrative Supplied	Detail list available x 3 yrs	\$10,000.00	
IT	Hardware and Software	\$8,200.00	
Wireless Communication	Cellular Phones x 3 yrs	\$6,059.00	
Operational equipment	Surv / Equip (one time cost)	\$45,000.00	
	Total Additional Cost	\$69,259.00	
	Total Cost	\$2,629,470.73	

Arson Investigative Team Timeline

May 30, 2014	Have FPD Sergeant, arson trained.
April 11, 2014	Schedule meeting with MSP to develop investigative SOP
April 18, 2014	Meeting with all arson trained personnel (FPD, FFD and MSP)
May 2, 2014	Commence combined arson investigation



CITY OF FLINT
OFFICE OF THE EMERGENCY MANAGER



Darnell Earley, ICMA-CM, MPA
Emergency Manager

April 8, 2014

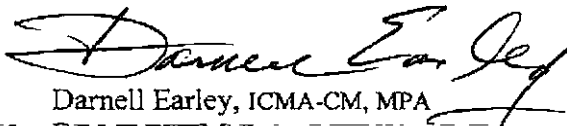
Mr. R. Kevin Clinton, State Treasurer
Michigan Department of Treasury
4th Floor Treasury Building
430 West Allegan Street
Lansing, MI 48922

Dear Mr. Clinton:

Attached please find the six month report for the period October 8, 2013 through April 8, 2014 as required by Public Act 436, Section 17. This report is being submitted through you to Governor Rick Snyder.

The entire report will be posted on the City of Flint website www.cityofflint.com as soon as it is approved.

Respectfully submitted,


Darnell Earley, ICMA-CM, MPA
Emergency Manager

cc:
Governor Rick Snyder
Randy Richardville, Senate Majority Leader
James Bolger, Speaker of the House of Representatives
James Ananich, State Senator
Woodrow Stanley, State Representative
Phil Phelps, State Representative
Inez Brown, Clerk of the City of Flint
Wayne Workman, Deputy Treasurer
Edward Koryzno, Bureau Director of Local Government Services
Randall Byrne, Office of Fiscal Responsibility

Public Act 436, Section 17: Six Month Report
April 8, 2014

Introduction

This Six Month Report of the status of the Financial and Operating Plan for the City of Flint is submitted to the Governor Rick Snyder, the Senate Majority Leader, the Speaker of the House of Representatives, and Clerk of the City of Flint through the Department of Treasury for the State of Michigan, in accordance with Public Act 436, Section 17 which requires this report beginning six months after the appointment of the Emergency Manager.

Included are the items detailed below from P.A. 436, Section 17:

(a) A description of each expenditure made, approved, or disapproved during the reporting period that has a cumulative value of \$5000 or more and the source of the funds.

(b) A list of each contract that the emergency manager awarded or approved with a cumulative value of \$5000 or more, the purpose of the contract, and the identity of the contractor.

(c) A description of each loan sought, approved, or disapproved during the reporting period that has a cumulative value of \$5000 or more and the proposed use of the funds.

(d) A description of any new position created or any vacancy in a position filled by the appointing authority.

(e) A description of any position that has been eliminated or from which an employee has been laid off.

(f) A copy of the contract with the emergency manager as provided in section 9(3)(e).

(g) The salary and benefits of the emergency manager.

(h) The financial and operating plan as required under section 11. Update #5 to the Financial and Operating Plan for the City of Flint.

Section Separator

(a) A description of each expenditure made, approved, or disapproved during the reporting period that has a cumulative value of \$5000 or more and the source of the funds.

04/02/2014

INVOICE GL DISTRIBUTION REPORT FOR CITY OF FLINT
 POST DATES 10/08/2013 - 03/31/2014
 BOTH JOURNALIZED AND UNJOURNALIZED
 BOTH OPEN AND PAID

GL Number	Grant	Vendor	Invoice Desc.	Invoice	Due Date	Amount
Fund 101 General Fund						
Dept 000 Balance Sheet Activity						
101-000.000-275.000		LOGISTICS INSIGHT INC.		21-06-701-001	10/17/13	59,802.50
101-000.000-275.000		LOGISTICS INSIGHT INC.		21-06-701-001	10/17/13	59,276.14
		Total For Dept 000 Balance Sheet Activity			119,078.64	
Dept 101 City Council						
101-101.100-729.000		MAIL ROOM SERVICE CENTER		10130261	11/21/13	3.44
101-101.100-801.000		MICHIGAN MUNICIPAL LEAGUE	Purchase Michlg: DUES		10/17/13	5,012.00
101-101.100-801.000		PLANTE & MORAN, LLP	Multiple		10/31/13	103,975.00
101-101.100-801.000		PLANTE & MORAN, LLP	63125		10/31/13	5,000.00
101-101.100-801.000		PLANTE & MORAN, LLP	1111912		12/12/13	20,325.00
101-101.100-801.000		PLANTE & MORAN, LLP	ADJUST ENCL 26780		02/28/14	20,300.00
101-101.100-823.000		XEROX CORP	XEROX Cof Multiple		11/14/13	681.40
101-101.100-823.000		XEROX CORP	XEROX Cof 800623852		12/12/13	183.29
101-101.100-823.000		XEROX CORP	XEROX Cof 800626606		01/30/14	568.60
101-101.100-823.000		XEROX CORP	XEROX Cof 800627973		03/06/14	183.29
101-101.100-850.000		AT & T		810766700001	02/13/14	733.85
101-101.100-850.000		AT & T		810766700002	02/13/14	762.34
101-101.100-850.000		AT & T		810766700003	03/27/14	1,160.73
		Total For Dept 101 City Council			158,888.94	
Dept 136 District Court						
101-136.100-729.000		PITNEY BOWES PURCHASE POWER	POSTAGE		01/02/14	10,000.00
101-136.100-814.000		STATE OF MICHIGAN	AT QUARTERL' 1530-02		10/31/13	9,111.17
101-136.100-814.000		STATE OF MICHIGAN	AT QUARTERL' 1530-02		03/27/14	7,902.33
101-136.100-850.000		AT & T SBS		8102303151595	10/10/13	279.99
101-136.100-850.000		AT & T SBS		8102303151595	11/21/13	139.86
101-136.100-850.000		AT & T SBS		8102303151595	12/31/13	139.86
101-136.100-850.000		AT & T SBS		8102303151595	02/13/14	140.26

101-136.100-850.000	AT & T SBS	8102303151595	02/20/14	156.99
101-136.100-850.000	AT & T SBS	8102303151595	03/27/14	155.66
101-136.100-900.000	PRODUCTIVITY SYSTEMS INC	CIVIL CASE FILE 26223	02/06/14	13,552.10
101-136.100-930.000	JEFFERSON AUDIO VIDEO SYSTEMS	MAIN. AGREE FINV7035	12/12/13	10,200.00
101-136.100-940.000	GENESEE COUNTY TREASURER	OPERATIONAL RENT 8/1/11-6/20/11	10/17/13	24,606.00
101-136.100-940.000	GENESEE COUNTY TREASURER	MCCREE MONT Multiple	10/31/13	300,495.00
101-136.100-940.000	GENESEE COUNTY TREASURER	MCCREE RENT	10/31/13	30,480.87
101-136.100-940.000	GENESEE COUNTY TREASURER	MCCREE MONT DECEMBER 2013	12/01/13	60,099.00
101-136.100-940.000	GENESEE COUNTY TREASURER	MCCREE MONT JANUARY 2014	01/01/14	60,099.00
101-136.100-940.000	GENESEE COUNTY TREASURER	MCCREE MONT FEBRUARY 2014	02/01/14	60,099.00
101-136.100-940.000	GENESEE COUNTY TREASURER	MCCREE MONT MARCH 2014	03/01/14	60,099.00
	Total For Dept 136 District Court		647,756.09	

Dept 171 Office Of Mayor

101-171.100-729.000	MAIL ROOM SERVICE CENTER	10130261	11/21/13	7.44
101-171.100-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	575.29
101-171.100-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	91.65
101-171.100-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	379.17
101-171.100-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	91.64
101-171.100-850.000	AT & T SBS	8102303151595	10/10/13	48.51
101-171.100-850.000	AT & T SBS	8102303151595	11/21/13	24.08
101-171.100-850.000	AT & T SBS	8102303151595	12/31/13	24.10
101-171.100-850.000	AT & T	810766700001	02/13/14	786.27
101-171.100-850.000	AT & T SBS	8102303151595	02/13/14	24.10
101-171.100-850.000	AT & T	810766700002	02/13/14	816.79
101-171.100-850.000	AT & T SBS	8102303151595	02/20/14	24.16
101-171.100-850.000	AT & T	810766700003	03/27/14	1,243.64
101-171.100-850.000	AT & T SBS	8102303151595	03/27/14	27.75
	Total For Dept 171 Office Of Mayor		4,164.59	

Dept 172 City Administrator

101-172.100-801.000	MANUFACTURING ALLIANCE OF	0113402	10/10/13	10,000.00
101-172.100-801.000	MICHAEL K BROWN	0000001	12/05/13	11,000.00
101-172.100-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	575.29
101-172.100-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	91.64
101-172.100-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	379.17
101-172.100-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	91.65

101-172.100-850.000	AT & T	810766700001	02/13/14	629.02
101-172.100-850.000	AT & T	810766700002	02/13/14	653.43
101-172.100-850.000	AT & T	810766700003	03/27/14	994.91
Total For Dept 172 City Administrator			24,415.11	
Dept 175 Human Relations Commission				
101-175.100-850.000	AT & T SBS	8102303151595	10/10/13	50.02
101-175.100-850.000	AT & T SBS	8102303151595	11/21/13	24.76
101-175.100-850.000	AT & T SBS	8102303151595	12/31/13	24.80
Total For Dept 175 Human Relations Commission			99.58	
Dept 191 Finance--Admin/Accounting/Payroll				
101-191.100-729.000	MAIL ROOM SERVICE CENTER	10130261	11/21/13	99.07
101-191.100-801.000	ERNST & YOUNG U.S. LLP	US0131012163	03/27/14	130,000.00
101-191.100-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	543.28
101-191.100-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	181.16
101-191.100-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	181.16
101-191.100-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	181.16
101-191.100-850.000	AT & T	810766700001	02/13/14	576.60
101-191.100-850.000	AT & T	810766700002	02/13/14	598.98
101-191.100-850.000	AT & T	810766700003	03/27/14	912.00
101-191.100-729.000	MAIL ROOM SERVICE CENTER	10130261	11/21/13	46.96
101-191.201-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	674.03
101-191.201-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	183.29
101-191.201-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	183.29
Total For Dept 191 Finance Purchasing			134,360.98	
Dept 215 Office Of City Clerk				
101-215.100-801.000	GRANICUS INC	MAINTENANCE 49721	10/31/13	14,340.00
101-215.200-452.000	FLINT BOARD OF EDUCATION	TAX YR 13	11/27/13	7,307.76
101-215.200-452.000	FLINT BOARD OF EDUCATION	TAX YR 13	02/13/14	9,751.42
101-215.200-729.000	MAIL ROOM SERVICE CENTER	10130261	11/21/13	12.03
101-215.200-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	340.83
101-215.200-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	113.61
101-215.200-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	113.61
101-215.200-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	113.61
Total For Dept 215 City Clerk-License And Permits			32,092.87	

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101-253.203-823.000	XEROX CORP	XEROX CO#800626606	01/30/14	74.35
101-253.203-823.000	XEROX CORP	XEROX CO#800627973	03/06/14	74.35
101-253.203-850.000	AT & T	810766700001	02/13/14	471.76
101-253.203-850.000	AT & T	810766700002	02/13/14	490.07
101-253.203-850.000	AT & T	810766700003	03/27/14	746.18
101-253.204-823.000	XEROX CORP	XEROX CO# Multiple	11/14/13	340.83
101-253.204-823.000	XEROX CORP	XEROX CO#800623852	12/12/13	113.61
101-253.204-823.000	XEROX CORP	XEROX CO#800626606	01/30/14	113.61
101-253.204-823.000	XEROX CORP	XEROX CO#800627973	03/06/14	113.61
101-253.204-850.000	AT & T	810766700001	02/13/14	209.67
101-253.204-850.000	AT & T	810766700002	02/13/14	217.81
	Total For Dept 253 Delinquent Collections		86,688.22	

Dept 257 Assessment				
101-257.100-729.000	MAIL ROOM SERVICE CENTER	10130261	11/21/13	103.08
101-257.100-823.000	XEROX CORP	XEROX CO# Multiple	11/14/13	585.69
101-257.100-823.000	XEROX CORP	XEROX CO#800623852	12/12/13	183.29
101-257.100-823.000	XEROX CORP	XEROX CO#800626606	01/30/14	289.27
101-257.100-823.000	XEROX CORP	XEROX CO#800627973	03/06/14	183.29
101-257.100-850.000	AT & T SBS	8102303151595	10/10/13	50.24
101-257.100-850.000	AT & T SBS	8102303151595	11/21/13	25.31
101-257.100-850.000	AT & T SBS	8102303151595	12/31/13	25.03
101-257.100-850.000	AT & T	810766700001	02/13/14	629.02
101-257.100-850.000	AT & T SBS	8102303151595	02/13/14	24.98
101-257.100-850.000	AT & T	810766700002	02/13/14	653.43
101-257.100-850.000	AT & T SBS	8102303151595	02/20/14	25.00
101-257.100-850.000	AT & T	810766700003	03/27/14	994.91
101-257.100-850.000	AT & T SBS	8102303151595	03/27/14	28.60
	Total For Dept 257 Assessment		3,801.14	

Dept 262 City Clerk-Election				
101-262.100-729.000	MAIL ROOM SERVICE CENTER	10130261	11/21/13	1,374.40
101-262.100-850.000	AT & T	810766700001	02/13/14	471.76
101-262.100-850.000	AT & T	810766700002	02/13/14	490.07
101-262.100-850.000	AT & T	810766700003	03/27/14	746.19
	Total For Dept 262 City Clerk-Election		3,082.42	

Dept 266 Law Office Operations

101-266.100-729.000	MAIL ROOM SERVICE CENTER	10130261	11/21/13	76.16
101-266.100-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	1,188.06
101-266.100-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	396.02
101-266.100-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	426.49
101-266.100-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	396.02
101-266.100-850.000	AT & T	810766700001	02/13/14	629.02
101-266.100-850.000	AT & T	810766700002	02/13/14	653.43
101-266.100-850.000	AT & T	810766700003	03/27/14	994.91
	Total For Dept 266 Law Office Operations		4,760.11	

Dept 270 Personnel Office

101-270.100-729.000	MAIL ROOM SERVICE CENTER	10130261	11/21/13	21.76
101-270.100-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	1,682.99
101-270.100-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	257.64
101-270.100-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	434.76
101-270.100-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	257.64
101-270.100-850.000	AT & T	810766700001	02/13/14	471.76
101-270.100-850.000	AT & T	810766700002	02/13/14	490.07
101-270.100-850.000	AT & T	810766700003	03/27/14	746.19
	Total For Dept 270 Personnel Office		4,362.81	

Dept 302 Pol Admin Bureau - Admin

101-302.100-729.000	MAIL ROOM SERVICE CENTER	10130261	11/21/13	146.03
101-302.100-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	658.41
101-302.100-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	183.29
101-302.100-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	313.73
101-302.100-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	183.29
101-302.100-850.000	AT & T SBS	8102303151595	10/10/13	5,924.65
101-302.100-850.000	AT & T SBS	8102303151595	11/21/13	2,961.63
101-302.100-850.000	AT & T SBS	8102303151595	12/31/13	2,961.69
101-302.100-850.000	AT & T	810766700001	02/13/14	6,329.66
101-302.100-850.000	AT & T SBS	8102303151595	02/13/14	2,962.96
101-302.100-850.000	AT & T	810766700002	02/13/14	6,329.66
101-302.100-850.000	AT & T SBS	8102303151595	02/20/14	3,107.27
101-302.100-850.000	AT & T	810766700003	03/27/14	6,329.66
101-302.100-850.000	AT & T SBS	8102303151595	03/27/14	3,113.07

101-302.200-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	340.83
101-302.200-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	113.61
101-302.200-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	113.61
101-302.200-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	113.61
101-302.205-801.000	GENESEE COUNTY TREASURER	OPERATIONS O Multiple	11/07/13	450,598.70
101-302.205-801.000	GENESEE COUNTY TREASURER	OPERATIONS O 14	12/19/13	189,048.83
101-302.205-801.000	GENESEE COUNTY TREASURER	Multiple	01/16/14	220,118.15
101-302.205-977.000	GENESEE COUNTY TREASURER	OPERATIONS O 16	02/20/14	253,600.67
Total For Dept 302 Pol Admin - City Lock up			1,155,553.01	
Dept 305 Pol Tech Serv-Records & Identification				
101-305.200-730.000	GENESEE COUNTY TREASURER	FY13 AFIS AFIS029	12/05/13	29,500.00
101-305.200-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	543.48
101-305.200-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	181.16
101-305.200-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	181.16
101-305.200-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	181.16
101-305.200-977.000	NEW WORLD SYSTEMS CORP	BARCODE HARI032763	01/16/14	7,150.00
101-305.201-969.000	L.E.O.R.T.C.	3479	10/31/13	12,020.66
101-305.206-801.000	COMPLETE TOWING SERVICE	Multiple	10/10/13	60,126.50
101-305.206-801.000	COMPLETE TOWING SERVICE	068	12/05/13	14,075.00
101-305.206-801.000	COMPLETE TOWING SERVICE	069	01/16/14	12,245.00
101-305.206-801.000	COMPLETE TOWING SERVICE	070	02/13/14	15,552.50
Total For Dept 305 Pol Tech Serv - City Impound			151,756.62	
Dept 308 Pol Invest Overhd - Criminal Invest Overh				
101-308.200-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	543.48
101-308.200-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	181.16
101-308.200-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	181.16
101-308.200-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	181.16
101-308.202-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	223.05
101-308.202-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	74.35
101-308.202-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	74.35
101-308.202-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	74.35
Total For Dept 308 Pol Invest Overhd - Police School Liason			1,533.06	
Dept 315 Patrol Bureau - Administration				
101-315.100-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	1,828.19

101-315.100-823.000	XEROX CORP	XEROX CO#800623852	12/12/13	650.23
101-315.100-823.000	XEROX CORP	XEROX CO#800626606	01/30/14	1,143.48
101-315.100-823.000	XEROX CORP	XEROX CO#800627973	03/06/14	650.23
101-315.100-977.000	BLUMERICH COMMUNICATIONS SER DIRECTIONAL A 11770		11/21/13	19,472.00
101-315.207-823.000	XEROX CORP	XEROX CO# Multiple	11/14/13	1,323.36
101-315.207-823.000	XEROX CORP	XEROX CO#800623852	12/12/13	396.02
101-315.207-823.000	XEROX CORP	XEROX CO#800626606	01/30/14	564.46
101-315.207-823.000	XEROX CORP	XEROX CO#800627973	03/06/14	396.02
Total For Dept 315 Patrol Bureau-Traffic Safety			26,423.99	

Dept 325 Public Safety 911 - Administration				
101-325.100-729.000	MAIL ROOM SERVICE CENTER			
101-325.100-823.000	XEROX CORP	10130261	11/21/13	0.57
101-325.100-823.000	XEROX CORP	XEROX CO# Multiple	11/14/13	223.05
101-325.100-823.000	XEROX CORP	XEROX CO#800623852	12/12/13	74.35
101-325.100-823.000	XEROX CORP	XEROX CO#800626606	01/30/14	74.35
101-325.100-823.000	XEROX CORP	XEROX CO#800627973	03/06/14	74.35
101-325.100-850.000	AT & T SBS	8102303151595	10/10/13	2,702.46
101-325.100-850.000	AT & T SBS	8102303151595	11/21/13	1,351.08
101-325.100-850.000	AT & T SBS	8102303151595	12/31/13	1,682.13
101-325.100-850.000	AT & T	810766700001	02/13/14	524.18
101-325.100-850.000	AT & T SBS	8102303151595	02/13/14	1,682.43
101-325.100-850.000	AT & T	810766700002	02/13/14	544.53
101-325.100-850.000	AT & T SBS	8102303151595	02/20/14	1,682.43
101-325.100-850.000	AT & T	810766700003	03/27/14	829.10
101-325.100-850.000	AT & T SBS	8102303151595	03/27/14	1,686.03
Total For Dept 325 Public Safety 911 - Administration			13,131.04	

Dept 337 Office Of Fire Chief				
101-337.100-729.000	MAIL ROOM SERVICE CENTER			
101-337.100-823.000	XEROX CORP	10130261	11/21/13	5.15
101-337.100-823.000	XEROX CORP	XEROX CO# Multiple	11/14/13	867.86
101-337.100-823.000	XEROX CORP	XEROX CO#800623852	12/12/13	183.29
101-337.100-823.000	XEROX CORP	XEROX CO#800626606	01/30/14	572.64
101-337.100-823.000	XEROX CORP	XEROX CO#800627973	03/06/14	183.29
101-337.100-850.000	AT & T SBS	8102303151595	10/10/13	9,633.88
101-337.100-850.000	AT & T SBS	8102303151595	11/21/13	4,754.00
101-337.100-850.000	AT & T SBS	8102303151595	12/31/13	4,827.13
101-337.100-850.000	AT & T	810766700001	02/13/14	4,369.88

101-337.100-850.000	AT & T SBS	8102303151595	02/13/14	5,237.71
101-337.100-850.000	AT & T	810766700002	02/13/14	4,369.88
101-337.100-850.000	AT & T SBS	8102303151595	02/20/14	5,399.17
101-337.100-850.000	AT & T	810766700003	03/27/14	4,369.88
101-337.100-850.000	AT & T SBS	8102303151595	03/27/14	5,437.38
Total For Dept 337 Office Of Fire Chief				
50,211.14				
Dept 338 Firefighting Division-Fire Station Overh				
101-338.201-930.000	ARGUS-HAZCO	SCOTT EQUIPM 04067440	11/07/13	5,184.53
Total For Dept 338 Firefighting Division-Fire Station Overh				
5,184.53				
Dept 371 Development-Planning & Zoning				
101-371.209-729.000	MAIL ROOM SERVICE CENTER	10130261	11/21/13	1.72
Total For Dept 371 Development-Planning & Zoning				
1.72				
Dept 690 DCD - Administration				
101-690.100-801.000	ASTI ENVIRONMENTAL	BROWNFIELD T 023949	01/23/14	5,200.00
101-690.100-850.000	AT & T	810766700001	02/13/14	681.44
101-690.100-850.000	AT & T	810766700002	02/13/14	707.88
101-690.100-850.000	AT & T	810766700003	03/27/14	1,077.82
Total For Dept 690 DCD - Administration				
7,667.14				
Dept 752 Parks & Recreation Admin				
101-752.100-850.000	AT & T	810766700001	02/13/14	1,138.65
101-752.100-850.000	AT & T	810766700002	02/13/14	1,148.82
101-752.100-850.000	AT & T	810766700003	03/27/14	1,291.11
101-752.101-850.000	AT & T SBS	8102303151595	10/10/13	320.84
101-752.101-850.000	AT & T SBS	8102303151595	11/21/13	159.59
101-752.101-850.000	AT & T SBS	8102303151595	12/31/13	159.71
101-752.101-850.000	AT & T SBS	8102303151595	02/13/14	159.78
101-752.101-850.000	AT & T SBS	8102303151595	02/20/14	162.90
101-752.101-850.000	AT & T SBS	8102303151595	03/27/14	176.39
101-752.101-920.000	Consumers Energy	ML 121513-0116 100004824130	01/23/14	5,398.81
Total For Dept 752 Parks - Recreation Division				
10,116.60				
Dept 753 Pks-Facilities Maint-Municipal Center				
101-753.200-801.000	DU ALL CLEANING INC	JANITORIAL SEI 10125	10/10/13	5,798.00

101-753.200-801.000	DU ALL CLEANING INC	JANITORIAL SEI 10012	11/07/13	5,798.00
101-753.200-801.000	DU ALL CLEANING INC	JANITORIAL SEI 10036	12/12/13	5,798.00
101-753.200-801.000	DU ALL CLEANING INC	JANITORIAL SEI 10163	01/16/14	5,798.00
101-753.200-801.000	DU ALL CLEANING INC	JANITORIAL SEI 10382	02/13/14	5,798.00
101-753.200-801.000	FLINT GLASS SERVICE	NEW DOORS A: 14136	02/27/14	6,349.00
101-753.200-801.000	DU ALL CLEANING INC	JANITORIAL SEI 10434	03/06/14	5,798.00
101-753.200-850.000	AT & T SBS	8102303151595	10/17/13	68.98
101-753.200-850.000	AT & T SBS	8102303151595	11/21/13	68.66
101-753.200-850.000	AT & T SBS	8102303151595	12/31/13	68.80
101-753.200-850.000	AT & T	810766700001	02/13/14	157.25
101-753.200-850.000	AT & T SBS	8102303151595	02/13/14	68.80
101-753.200-850.000	AT & T	810766700002	02/13/14	163.36
101-753.200-850.000	AT & T SBS	8102303151595	02/20/14	69.02
101-753.200-850.000	AT & T	810766700003	03/27/14	248.73
101-753.200-850.000	AT & T SBS	8102303151595	03/27/14	82.77
101-753.200-920.000	Consumers Energy	ML081713-0917-100000298446	10/17/13	31,189.36
101-753.200-920.000	Consumers Energy	ML091813-1016-100000298446	10/31/13	20,607.81
101-753.200-920.000	Consumers Energy	ML101713-1115-100000298446	12/12/13	18,220.03
101-753.200-920.000	Consumers Energy	ML111613-1216-Multiple	01/02/14	37,085.33
101-753.200-920.000	Consumers Energy	ML121713-0118-100000298479	01/23/14	21,639.89
101-753.200-920.000	Consumers Energy	ML121813-0120-100000298446	02/13/14	19,376.18
101-753.200-920.000	Consumers Energy	ML012114-0217-Multiple	02/27/14	43,726.03
101-753.200-920.000	Consumers Energy	ML013114-0301-100000301059	03/20/14	6,146.52
101-753.200-930.000	WILLIAM E WALTER INC	REPAIRS TO HE 37899	02/06/14	5,128.19
	Total For Dept 753 Pks-Facilities Maint-Municipal Center		245,252.71	
	Total For Fund 101 General Fund		2,895,151.32	

Fund 202 Major Street Fund				
Dept 441 Transportation-Tip Contribution				
202-441.702-801.000	STATE OF MICHIGAN	AT	AP361051	11/04/13
202-441.702-801.000	ROWE ENGINEERING INC	GRAND TRAVEF	Multiple	10/31/13
202-441.702-801.000	WADE TRIM, INC	SAGINAW ST P145923		11/07/13
202-441.702-801.000	STATE OF MICHIGAN	AT	AP361964	11/27/13
202-441.702-801.000	STATE OF MICHIGAN	AT	AP361963	11/27/13
202-441.702-801.000	ROWE ENGINEERING INC	GRAND TRAVEF	0072860	12/05/13
202-441.702-801.000	ROWE ENGINEERING INC	GRAND TRAVEF	0073078	01/30/14

202-441.702-801.000	ROWE ENGINEERING INC	2013 BRIDGE PI 0073096	01/30/14	9,317.00
202-441.702-801.000	WADE TRIM, INC	SAGINAW ST PI 3000411	03/06/14	7,500.91
	Total For Dept 441 Transportation-Tip Contribution		155,045.35	
Dept 442 Transportation Major And Local Streets				
202-442.100-729.000	MAIL ROOM SERVICE CENTER	10130261	11/21/13	73.30
202-442.100-823.000	XEROX CORP	XEROX COI Multiple	11/14/13	930.54
202-442.100-823.000	XEROX CORP	XEROX COI 800623852	12/12/13	183.29
202-442.100-823.000	XEROX CORP	XEROX COI 800626606	01/30/14	509.14
202-442.100-823.000	XEROX CORP	XEROX COI 800627973	03/06/14	183.29
202-442.100-850.000	AT & T	810766700001	02/13/14	467.01
202-442.100-850.000	AT & T	810766700002	02/13/14	479.22
202-442.100-850.000	AT & T	810766700003	03/27/14	649.96
	Total For Dept 442 Transportation Major And Local Streets		3,475.75	
Dept 443 Trans Engg-Routine Maint-Strts/Repairs				
202-443.200-801.000	ROWE ENGINEERING INC	CITY ENGINEER 0072543	10/31/13	20,212.50
202-443.200-801.000	WADE TRIM, INC	FY14 CITYWIDE 45922	11/07/13	7,744.13
202-443.200-850.000	AT & T	810766700001	02/13/14	157.25
202-443.200-850.000	AT & T	810766700002	02/13/14	163.36
202-443.200-850.000	AT & T	810766700003	03/27/14	248.73
202-443.201-726.000	CARRIER AND GABLE	TRAFFIC SIGNA Multiple	03/06/14	62,574.96
202-443.201-801.000	M & M PAVEMENT MARKING, INC	SPRING & FALL 2623	11/07/13	54,093.50
202-443.201-823.000	XEROX CORP	XEROX COI Multiple	11/14/13	564.08
202-443.201-823.000	XEROX CORP	XEROX COI 800623852	12/12/13	187.96
202-443.201-823.000	XEROX CORP	XEROX COI 800626606	01/30/14	187.96
202-443.201-823.000	XEROX CORP	XEROX COI 800627973	03/06/14	187.96
202-443.201-850.000	AT & T	810766700001	02/13/14	524.18
202-443.201-850.000	AT & T	810766700002	02/13/14	544.53
202-443.201-850.000	AT & T	810766700003	03/27/14	829.10
202-443.201-920.000	CONSUMERS ENERGY	1000 0029 8321	11/28/13	12,256.82
202-443.201-920.000	CONSUMERS ENERGY	1000 0029 8321	12/12/13	12,513.13
202-443.201-920.000	CONSUMERS ENERGY	1000 0029 8321	01/16/14	12,333.37
202-443.201-920.000	CONSUMERS ENERGY	1000 0029 8321	02/13/14	12,554.57
202-443.201-920.000	CONSUMERS ENERGY	1000 0029 8321	03/13/14	12,318.33
	Total For Dept 443 Traffic Engineering Service Maintenance		210,196.42	

Dept 449 St Maint-Routine Maint-Strts/Repairs-Act			
202-449.201-726.000	KNAPHEIDE JURSİK TRUCK EQUIP IN CARBIDE BLAD 1100319	02/20/14	5,038.00
202-449.201-801.000	FLINT CARPET CO	10/10/13	9,172.00
202-449.201-801.000	ZITO CONSTRUCTION CO	01/16/14	6,600.00
202-449.201-823.000	XEROX CORP	11/14/13	145.68
202-449.201-823.000	XEROX CORP	12/12/13	48.56
202-449.201-823.000	XEROX CORP	01/30/14	48.56
202-449.201-823.000	XEROX CORP	03/06/14	48.56
202-449.201-850.000	AT & T SBS	10/10/13	42.64
202-449.201-850.000	AT & T SBS	11/21/13	21.30
202-449.201-850.000	AT & T SBS	12/31/13	21.30
202-449.201-850.000	AT & T SBS	02/13/14	21.37
202-449.201-850.000	AT & T SBS	02/20/14	24.16
202-449.201-850.000	AT & T SBS	03/27/14	23.95
202-449.203-726.000	DETROIT SALT CO	11/27/13	13,504.68
202-449.203-726.000	DETROIT SALT CO	01/09/14	7,805.34
202-449.203-726.000	DETROIT SALT CO	01/16/14	15,421.52
202-449.203-726.000	DETROIT SALT CO	01/23/14	7,524.13
202-449.203-726.000	DETROIT SALT CO	02/13/14	14,294.32
202-449.203-726.000	DETROIT SALT CO	03/06/14	45,357.16
202-449.203-782.000	ACE SAGINAW PAVING COMPANY	03/13/14	996.95
202-449.203-940.000	MICHIGAN CAT INC	01/16/14	6,414.00
202-449.203-940.000	MICHIGAN CAT INC	01/30/14	7,276.20
	Total For Dept 449 St Maint-Winter Maint-Major/Local-Act51	139,850.36	
Total For Fund 202 Major Street Fund			508,567.88
Fund 203 Local Street Fund			
Dept 449 St Maint-Routine Maint-Strts/Repairs-Act			
203-449.201-726.000	KNAPHEIDE JURSİK TRUCK EQUIP IN CARBIDE BLAD 1100319	02/20/14	5,038.00
203-449.203-726.000	DETROIT SALT CO	11/27/13	13,548.50
203-449.203-726.000	DETROIT SALT CO	01/09/14	18,212.45
203-449.203-726.000	DETROIT SALT CO	01/16/14	21,826.08
203-449.203-726.000	DETROIT SALT CO	01/23/14	3,224.63
203-449.203-726.000	DETROIT SALT CO	02/13/14	15,617.27
203-449.203-726.000	DETROIT SALT CO	03/06/14	43,767.44
203-449.203-726.000	DETROIT SALT CO	03/06/14	5,628.35

203-449.203-782.000	ACE SAGINAW PAVING COMPANY	1935899	03/13/14	4,141.46
	Total For Dept 449 St Maint-Winter Maint-Major/Local-Act51		131,004.18	
	Total For Fund 203 Local Street Fund		131,004.18	
Fund 207 Police Fund				
Dept 315 Patrol Bureau-Patrol - 4Th Shift				
207-315.204-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	486.51
207-315.204-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	48.56
207-315.204-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	48.56
207-315.204-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	48.56
207-315.204-850.000	AT & T SBS	8102303151595	10/10/13	1,108.65
207-315.204-850.000	AT & T SBS	8102303151595	11/21/13	551.81
207-315.204-850.000	AT & T SBS	8102303151595	12/31/13	485.41
207-315.204-850.000	AT & T SBS	8102303151595	02/13/14	604.10
207-315.204-850.000	AT & T SBS	8102303151595	02/20/14	573.52
207-315.204-850.000	AT & T SBS	8102303151595	03/27/14	598.65
	Total For Dept 315 Patrol Bureau-Patrol - 4Th Shift		4,554.33	
	Total For Fund 207 Police Fund		4,554.33	
Fund 208 Park/Recreation Fund				
Dept 752 Parks & Recreation Admin				
208-752.100-850.000	AT & T SBS	8102303151595	10/10/13	65.82
208-752.100-850.000	AT & T SBS	8102303151595	11/21/13	21.29
208-752.100-850.000	AT & T SBS	8102303151595	12/31/13	21.30
208-752.100-850.000	AT & T SBS	8102303151595	02/13/14	21.30
208-752.100-850.000	AT & T SBS	8102303151595	02/20/14	21.38
208-752.100-850.000	AT & T SBS	8102303151595	03/27/14	24.67
208-752.102-801.000	MIKE'S LANDSCAPING	79	10/10/13	15,057.00
208-752.102-801.000	MIKE'S LANDSCAPING	81	11/21/13	15,192.00
208-752.102-801.000	J & M TREE SERVICE	FY14 TREE TRIM Multiple	11/27/13	12,550.00
208-752.102-801.000	AFFINITY VALUATION GROUP	APPRAISAL SEF 72474	01/30/14	7,900.00
208-752.102-920.900	TREASURER CITY OF FLINT	SAGN-003300-01	12/19/13	6,205.61
208-752.102-920.900	TREASURER CITY OF FLINT	FORE-002201-01	02/20/14	9,131.62
	Total For Dept 752 Parks - Forestry Admin		66,211.99	

Fund 213 Park & Recreation Senior Citizen Centers			
Dept 752 Brennan Community Center			
	BRENNAN ELM PARK SENIOR COMMUNITY	SEPT 2013	
213-752.120-801.000	BRENNAN ELM PARK SENIOR COMM	FY13-14 SENIOF OCTOBER 2013	10/10/13
213-752.120-801.000	BRENNAN ELM PARK SENIOR COMM	FY13-14 SENIOF NOVEMBER 2013	11/21/13
213-752.120-801.000	BRENNAN ELM PARK SENIOR COMM	FY13-14 SENIOF DECEMBER 2013	12/19/13
213-752.120-801.000	BRENNAN ELM PARK SENIOR COMM	FY13-14 SENIOF JANUARY 2014	01/16/14
213-752.120-801.000	BRENNAN ELM PARK SENIOR COMM	FY13-14 SENIOF FEBRUARY 2014	02/20/14
213-752.120-801.000	BRENNAN ELM PARK SENIOR COMM	FY13-14 SENIOF MARCH 2014	03/20/14
213-752.160-801.000	UNITED SENIOR NETWORK	FY13-14 SENIOF OCTOBER 2013	11/21/13
213-752.160-801.000	UNITED SENIOR NETWORK	FY13-14 SENIOF NOVEMBER 2013	12/19/13
213-752.160-801.000	UNITED SENIOR NETWORK	FY13-14 SENIOF DECEMBER 2013	01/16/14
213-752.160-801.000	UNITED SENIOR NETWORK	FY13-14 SENIOF JANUARY 2014	02/20/14
213-752.160-801.000	UNITED SENIOR NETWORK	FY13-14 SENIOF FEBRUARY 2014	03/20/14
Total For Dept 752 Hasselbring Community Center			92,217.45
Total For Fund 213 Park & Recreation Senior Citizen Centers			92,217.45
Total For Fund 208 Park/Recreation Fund			66,211.99

Fund 219 Street Light			
Dept 443 Street Lighting			
219-443.206-920.000	CONSUMERS ENERGY	AT	1000 0029 8404
219-443.206-920.000	CONSUMERS ENERGY	AT	1000 0029 8404
219-443.206-920.000	CONSUMERS ENERGY	AT	1000 0029 8404
219-443.206-920.000	CONSUMERS ENERGY	AT	1000 0029 8404
Total For Dept 443 Street Lighting			978,669.85
Total For Fund 219 Street Light			978,669.85

Fund 226 Rubbish Collection Fund			
Dept 449 Fall cleanup			
226-449.204-801.000	MICHIGAN CAT INC	RENTAL OF LO/ER3680340	01/16/14
226-449.204-801.000	ENVIRONMENTAL WOOD SOLUTIONS	LEAF DISPOSAL 9480	01/23/14
226-449.204-801.000	MICHIGAN CAT INC	RENTAL OF LO/ER3834817	01/16/14
	Total For Dept 449 Fall cleanup		22,223.48
			7,111.68
			9,060.00
			6,051.80

Dept 528 Waste Collection - Sanitation

226-528.201-801.000	RWS OF MID MICHIGAN	0237-001270292	11/07/13	324,336.87
226-528.201-801.000	RWS OF MID MICHIGAN	0237-001277374	12/05/13	324,336.87
226-528.201-801.000	RWS OF MID MICHIGAN	0237-001284638	01/16/14	324,336.87
226-528.201-801.000	RWS OF MID MICHIGAN	0237-001292871	01/30/14	324,336.87
226-528.201-801.000	RWS OF MID MICHIGAN	0237-001299502	03/06/14	324,336.87
	Total For Dept 528 Waste Collection - Sanitation		1,621,684.35	
	Total For Fund 226 Rubbish Collection Fund		1,643,907.83	

Fund 244 Economic Develop Corp Fund				
Dept 735 Edc-Administration				
244-735.100-801.000	PLANTE & MORAN, LLP	1106930	11/21/13	1,666.67
244-735.100-801.000	PLANTE & MORAN, LLP	CORRECT VO 63125	12/05/13	5,000.00
244-735.105-801.000	PLANTE & MORAN, LLP	1106930	11/21/13	1,666.67
	Total For Dept 735 Edc - RLF program administration		8,333.34	
	Total For Fund 244 Economic Develop Corp Fund		8,333.34	

Fund 265 Drug Law Enforcement Fund				
Dept 308 Pol Invst Ovrhd - Doj/Dea Forfeiture				
265-308.207-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	607.15
265-308.207-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	183.29
265-308.207-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	240.18
265-308.207-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	183.29
265-308.207-850.000	AT & T SBS	8102303151595	10/10/13	42.89
265-308.207-850.000	AT & T SBS	8102303151595	11/21/13	21.28
265-308.207-850.000	AT & T SBS	8102303151595	12/31/13	21.30
265-308.207-850.000	AT & T SBS	8102303151595	02/13/14	21.30
265-308.207-850.000	AT & T SBS	8102303151595	02/20/14	21.38
265-308.207-850.000	AT & T SBS	8102303151595	03/27/14	24.97
	Total For Dept 308 Pol Invst Ovrhd - Doj/Dea Forfeiture		1,367.03	
	Total For Fund 265 Drug Law Enforcement Fund		1,367.03	

Fund 274 HUD CDBG, ESG, & HOME GRANTS				
Dept 748 Cof Cdbg Administration				
274-748.100-729.000	FHUD14CC MAIL ROOM SERVICE CENTER	10130261	11/21/13	1.15

274-748.100-823.000	FHUD14CL XEROX CORP	XEROX COI 800619519	11/14/13	396.02
274-748.100-823.000	XEROX CORP	XEROX COI Multiple	11/14/13	1,243.91
274-748.100-823.000	FHUD14CL XEROX CORP	XEROX COI 800623852	12/12/13	396.02
274-748.100-823.000	FHUD14CL XEROX CORP	XEROX COI 800626606	01/30/14	666.18
274-748.100-823.000	FHUD14CL XEROX CORP	XEROX COI 800627973	03/06/14	396.02
274-748.102-805.327	FCDBGPRI URBAN BUILDER & DEVELOPERS INC	CDBG 2013EM0 Multiple	10/17/13	26,134.56
274-748.102-805.327	FCDBGPRI MOORE & SONS CONSTRUCTION	CO #1 TO 13-03-1050	11/07/13	14,249.36
274-748.102-805.327	FCDBGPRI JOHN SHAW BUILDER DESIGNER	Multiple	12/19/13	22,723.00
274-748.102-805.327	FCDBGPRI BEDROCK BUILDING INC	CONTRACT 13-11303601	12/19/13	15,100.00
274-748.102-805.327	FCDBGPRI SARGENT'S TITLE COMPANY LLC	DEVELOPER FE 1315301	01/30/14	7,027.46
274-748.102-805.327	FCDBGPRI MOORE & SONS CONSTRUCTION	CO #1 TO 13-03-1303404	02/27/14	18,700.00
274-748.102-805.327	FCDBGPRI SALEM HOUSING COMM DEVELOPMENT	SALEM HOUSIN 1315303	03/20/14	8,359.45
274-748.133-805.327	FCDBGPRI PHILIP JOHNSON	CONTRACT EX 11164406A	12/05/13	7,534.00
274-748.133-805.327	FCDBGPRI PHILIP JOHNSON	CONTRACT EX 1116412	02/06/14	5,984.00
274-748.150-801.000	FHUD13CL BARTMAN EXCAVATING	DEMO- BACKFIL 2359	10/24/13	7,760.00
274-748.150-801.000	FHUD13CL RIGHTWAY REMEDIATION LLC	ASBESTOS ABA 12-3620	12/12/13	594.25
274-748.151-801.000	FCDBGPRI BURNASH WRECKING, INC	DEMOLITION - 2102513	11/21/13	9,800.00
274-748.151-801.000	FCDBGPRI BURNASH WRECKING, INC	DEMOLITION - 2121613	01/02/14	12,204.65
274-748.160-977.500	FCDBGPRI K M E FIRE APPARATUS	02052014-02	03/27/14	155,920.00
274-748.181-805.101	FCDBGPRI ROWE ENGINEERING INC	0072785	12/05/13	5,730.50
274-748.181-805.101	FHUD14CL DIPONIO CONTRACTING INC	SMITH VILLAGE 10	01/23/14	55,014.03
274-748.181-805.101	FCDBGPRI DIPONIO CONTRACTING INC	SMITH VILLAGE 10	01/23/14	203,531.64
274-748.215-801.000	FHUD13CL OAK CONSTRUCTION CORPORATION	DAMP PROOFIN 13-6-10	01/09/14	12,000.00
274-748.215-801.000	FHUD13CL PURVIS & FOSTER INC	BOILER TUBE R 55607F	02/13/14	10,842.00
274-748.215-801.000	FHUD13CL FLINT GLASS SERVICE	BERSTON FIELL 14112	02/20/14	15,438.00
274-748.215-801.000	FHUD14CL FLINT GLASS SERVICE	BERSTON FIELL 14112	02/20/14	443.00
274-748.215-801.000	FHUD14CL FLINT GLASS SERVICE	BERSTON FIELL 14159	02/27/14	6,755.00
274-748.272-805.105	FHUD14CL BIG BROTHERS BIG SISTERS OF	COMMUNITY B# Multiple	02/06/14	16,163.85
274-748.272-805.105	FHUD14CL BIG BROTHERS BIG SISTERS OF	COMMUNITY B# Multiple	02/20/14	11,919.34
274-748.369-805.076	FCDBGPRI UPTOWN REINVESTMENT CORP	DEMOLITION OI 1313501	12/12/13	387,445.60
274-748.369-805.076	FHUD13CL UPTOWN REINVESTMENT CORP	DEMOLITION OI 1313501	12/12/13	492,554.40
274-748.371-805.126	FCDBGPRI GENESEE COUNTY LAND BANK AUTH	WEED AND TRA 1303801	11/21/13	35,981.14
274-748.371-805.126	FCDBGPRI GENESEE COUNTY LAND BANK AUTH	WEED AND TRA Multiple	11/27/13	220,848.46
274-748.535-805.105	FHUD14CL BOYS & GIRLS CLUB	PUBLIC SERVIC 1309701	02/27/14	5,235.83
Total For Dept 748 Boys and Girls Club				1,795,092.82

Dept 749 COF - Smith Village project

274-749.181-805.276	FHOMEPRIOROWE ENGINEERING INC	CO #3 TO 12-13:0072805	12/05/13	19,646.25
Total For Dept 749 COF - Smith Village project			12/05/13	19,646.25
Dept 750 METRO COMM DEV - ESG PROGRAMS				
274-750.200-805.101	FHUD13ES METRO COMMUNITY DEVELOPMENT METRO COMM	1315101	03/13/14	55,250.76
274-750.200-805.101	FESGPRIO METRO COMMUNITY DEVELOPMENT METRO COMM	1315101	03/13/14	2,470.00
274-750.200-805.122	FHUD13ES METRO COMMUNITY DEVELOPMENT METRO COMM	1315101	03/13/14	19,198.12
274-750.200-805.123	FHUD13ES METRO COMMUNITY DEVELOPMENT METRO COMM	1315101	03/13/14	49.25
274-750.200-805.124	FHUD13ES METRO COMMUNITY DEVELOPMENT METRO COMM	1315101	03/13/14	18,000.00
274-750.362-805.101	FHUD13ES GENESEE CTY COMMUNITY ACTION	1215704	10/03/13	9,098.44
274-750.451-805.101	FHUD13ES MY BROTHER'S KEEPER OF GENESEE	1215303	10/31/13	5,686.60
274-750.482-805.101	FHUD13ES SHELTER OF FLINT	Multiple	11/07/13	11,675.85
274-750.600-805.101	FHUD13ES RESOURCE GENESEE	1301709	11/07/13	5,558.86
Total For Dept 750 Resource Genesee			12/05/13	126,987.88
Total For Fund 274 HUD CDBG, ESG, & HOME GRANTS				1,941,726.95
Fund 296 Other Grants Fund				
Dept 301 Recovery Act JAG 2009				
296-301.600-958.000	FDOJ11JAN NEW WORLD SYSTEMS CORP	NEW WORLD T1090413	10/31/13	45,000.00
296-301.600-977.500	FDOJ10JAC APPLGATE CHEVROLET	BID REQUEST F Multiple	03/27/14	103,000.00
296-301.613-801.000	LCSM14BR UNIVERSITY OF MICHIGAN - FLINT	BACK TO THE BRIC	12/19/13	9,909.52
296-301.613-801.000	STATE OF MICHIGAN	AT	12/19/13	18,119.87
296-301.613-801.000	LCSM14BR GENESEE COUNTY TREASURER	551-398470	12/19/13	19,655.04
Total For Dept 301 CS Mott - Back to Bricks Grant			12/19/13	193,684.43
Dept 315 Mott Neighborhood Patrol (7/1/12 - 12/3				
296-315.702-726.000	LCSM13CC MAIL ROOM SERVICE CENTER	10130261	11/21/13	38.37
Total For Dept 315 Mott Neighborhood Patrol (7/1/12 - 12/3			11/21/13	38.37
Dept 690 Sec 108 -Manhattan Place				
296-690.300-996.000	BANK OF NEW YORK MELLON	B-01-MC-26-0018	01/23/14	5,048.20
296-690.305-996.000	BANK OF NEW YORK MELLON	B-01-MC-26-0018	01/23/14	1,777.65
296-690.320-996.000	BANK OF NEW YORK MELLON	B-01-MC-26-0018	01/23/14	57,726.50
296-690.321-996.000	BANK OF NEW YORK MELLON	B-01-MC-26-0018	01/23/14	67,293.40
296-690.325-996.000	BANK OF NEW YORK MELLON	B-01-MC-26-0018	01/23/14	7,820.40
296-690.335-996.000	BANK OF NEW YORK MELLON	B-01-MC-26-0018	01/23/14	22,567.50

296-690.342-801.000	ASTI ENVIRONMENTAL	023536	10/24/13	7,240.00
296-690.391-801.000	FUSDAFOF ENVIRONMENTAL CONSULTING & TECH	Multiple	01/23/14	218,285.75
296-690.400-801.000	HOUSEAL LAVIGNE ASSOCIATES LLC PROFESSIONAL 2373		10/24/13	14,528.94
296-690.400-801.000	HOUSEAL LAVIGNE ASSOCIATES LLC PROFESSIONAL 2392		12/05/13	78,472.09
296-690.400-801.000	HOUSEAL LAVIGNE ASSOCIATES LLC PROFESSIONAL Multiple		03/13/14	42,274.24
296-690.403-801.000	LCFNDNM/ LOCAL INITIATIVES SUPPORT CORP	013114	01/02/14	14,000.00
	Total For Dept 690 Comm Fndn Greater Flint - Master Plan		537,034.67	
	Total For Fund 296 Other Grants Fund		730,757.47	

Fund 297 Federal Stimulus Fund				
Dept 741 Demo NSP 3				
297-741.150-729.000	FHUD12NS MAIL ROOM SERVICE CENTER	10130261	11/21/13	9.74
297-741.150-801.000	FHUD12NS BURNASH WRECKING, INC	DEMOLITION - 2 102513	11/21/13	10,900.00
297-741.150-801.000	FHUD12NS BARTMAN EXCAVATING	DEMOLITION 20 Multiple	11/21/13	22,020.00
297-741.150-801.000	FHUD12NS L ZELLAR AND SONS EXCAVATING IN L. ZELLAR- DEV 13266		11/28/13	6,500.00
297-741.150-801.000	FHUD12NSD J FICK EXCAVATING CO INC	DEMOLITION - 4 Multiple	11/28/13	13,250.00
297-741.150-801.000	FHUD12NS L ZELLAR AND SONS EXCAVATING IN L. ZELLAR- DEV Multiple		12/05/13	14,800.00
297-741.150-801.000	FHUD12NS L ZELLAR AND SONS EXCAVATING IN L. ZELLAR- DEV Multiple		12/05/13	33,300.00
297-741.150-801.000	FHUD12NS RIGHTWAY REMEDIATION LLC	ASBESTOS ABA 12-3619	12/12/13	7,926.50
297-741.150-801.000	FHUD12NS RIGHTWAY REMEDIATION LLC	ASBESTOS ABA 12-3620	12/12/13	9,954.90
297-741.150-801.000	FHUD12NS LA CONSTRUCTION CORPORATION	L.A. CONSTRUC 32059	12/19/13	25,000.00
297-741.150-801.000	FHUD12NS BURNASH WRECKING, INC	DEMOLITION - 2 121613	01/02/14	26,322.25
297-741.150-801.000	ABLE DEMOLITION INC	DEMOLITION - 1 Multiple	01/16/14	55,032.59
297-741.150-801.000	FHUD12NS RIGHTWAY REMEDIATION LLC	ASBESTOS ABA 14-3720	01/30/14	5,309.55
297-741.150-801.000	FHUD12NS L ZELLAR AND SONS EXCAVATING IN L. ZELLAR- DEV 14355		03/06/14	9,600.00
297-741.150-801.000	FHUD12NS BURNASH WRECKING, INC	DEMOLITION - 2 22814	03/13/14	6,800.00
297-741.181-805.276	FHUD12NS GDC SMITH VILLAGE LLC	12086B03	11/07/13	140,027.83
297-741.181-805.276	FHUD12NS GDC SMITH VILLAGE LLC	12086B04	01/30/14	161,299.20
297-741.181-805.276	FHUD12NS GDC SMITH VILLAGE LLC	12086B05	03/06/14	53,065.43
297-741.181-805.276	FHUD12NS GDC SMITH VILLAGE LLC	12086B06	03/13/14	55,312.01
	Total For Dept 741 Smith village - NSP3		656,430.00	

Dept 743 Neighborhood Stabilization program 2				
297-743.100-802.400	MICHIGAN STATE HOUSING DEVELOPMENT	RETURN PROG INC 01/23/14		489,937.23
	Total For Dept 743 Neighborhood Stabilization program 2		489,937.23	

Total For Fund 297 Federal Stimulus Fund				1,146,367.23
Fund 402 Public Improvement Fund				
Dept 753 Pks-Facilities Maint-Municipal Center				
402-753.200-976.000	WILLIAM E WALTER INC	DUCTLESS SPL 36889	10/17/13	39,877.00
402-753.200-976.000	NEWKIRK ELECTRIC ASSOCIATES IN POWER CIRCUI	30566	11/07/13	16,960.00
402-753.200-976.000	THOS BROWN & SON ROOFING CO	ROOF REPAIRS 2636	11/21/13	127,789.00
402-753.200-976.000	HD CONSTRUCTION GROUP	STEEL COVER / 10/04/2013	12/12/13	6,740.00
402-753.200-976.000	THOS BROWN & SON ROOFING CO	ROOF REPAIRS APP #2	12/19/13	101,810.00
402-753.200-976.000	AERO FILTER, INC.	FILTER CHANGI 1359061-02	02/06/14	30,450.00
Total For Dept 753 Pks-Facilities Maint-Municipal Center			323,626.00	
Total For Fund 402 Public Improvement Fund			323,626.00	
Fund 542 Building Inspection Fund				
Dept 371 Development - Administration				
542-371.100-729.000	MAIL ROOM SERVICE CENTER	10130261	11/21/13	170.08
542-371.100-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	758.93
542-371.100-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	183.29
542-371.100-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	465.90
542-371.100-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	183.29
542-371.100-850.000	AT & T	810766700001	02/13/14	1,100.78
542-371.100-850.000	AT & T	810766700002	02/13/14	1,143.50
542-371.100-850.000	AT & T	810766700003	03/27/14	1,741.10
542-371.211-729.000	MAIL ROOM SERVICE CENTER	10130261	11/21/13	182.68
542-371.710-729.000	MAIL ROOM SERVICE CENTER	10130261	11/21/13	8.02
542-371.710-801.000	BURNASH WRECKING, INC	DEMOLITION - 2102513	11/21/13	17,880.00
542-371.710-801.000	L ZELLAR AND SONS EXCAVATING IN L. ZELLAR-	DEM Multiple	11/28/13	11,800.00
542-371.710-801.000	L ZELLAR AND SONS EXCAVATING IN L. ZELLAR-	DEM Multiple	12/05/13	37,500.00
542-371.710-801.000	BURNASH WRECKING, INC	DEMOLITION - 2121613	01/02/14	64,823.10
542-371.710-801.000	BARTMAN EXCAVATING	DEMOLITION - 12381	01/16/14	5,250.00
542-371.710-801.000	ABLE DEMOLITION INC	DEMOLITION - 1 Multiple	01/16/14	25,172.41
Total For Dept 371 DEMOLITION - FIRE ESCROW			168,363.08	
Dept 741 Demo NSP 3				
542-741.150-801.000	RIGHTWAY REMEDIATION LLC	12-3612	10/31/13	11,507.90
Total For Dept 741 Demo NSP 3			11,507.90	

Total For Fund 542 Building Inspection Fund			179,870.98
Fund 583 Oak Business Center Fund			
Dept 735 Edc-Oak Business Center			
583-735.204-801.000	PLANTE & MORAN, LLP	1106930	1,666.66
583-735.204-801.000	SIWEK CONSTRUCTION COMPANY	HVAC/INTERIOF 14102001	36,020.00
583-735.204-920.000	TREASURER CITY OF FLINT	SAGN-002712-01	12,870.47
583-735.204-955.000	POTTER & ROOSE INSURANCE	02/03/2014	19,497.73
Total For Dept 735 Edc-Oak Business Center			70,054.86
Total For Fund 583 Oak Business Center Fund			70,054.86
Fund 590 Sewer Fund			
Dept 000 Balance Sheet Activity			
590-000.000-040.100	CARRIAGE FACTORY DEV GROUP	UB REFUND FO WATW-303-0-1	6,029.35
590-000.000-040.100	SIGMA SERVICES INC	UB REFUND FO DARY-6648-0-2	2,621.56
590-000.000-040.100	MICHIGAN BELL #22131	UB REFUND FO GRAS-2610-0-1	6,598.65
590-000.000-040.600	SIGMA SERVICES INC	UB REFUND FO DARY-6648-0-2	819.24
Total For Dept 000 Balance Sheet Activity			16,068.80
Dept 012 3rd ave electrical modification			
590-012.113-211.000	NEWKIRK ELECTRIC ASSOCIATES INC	APP 4	17,861.30
590-012.137-211.000	SORENSEN GROSS CONSTRUCTION	2	(5,768.46)
590-012.137-211.000	SORENSEN GROSS CONSTRUCTION	RETENTION	14,407.73
Total For Dept 012 SORENSEN GROSS (3RD AVE PUMP STATION)			26,500.57
Dept 536 Utilities - Sewer Administration			
590-536.101-801.000	ROWE ENGINEERING INC	0072570	6,639.45
590-536.101-801.000	ROWE ENGINEERING INC	0072787	746.25
590-536.101-801.000	EQ THE ENVIRONMENTAL QUALITY CHAZARDOUS W	40496689	21,019.56
590-536.101-801.000	GENESEE COUNTY DRAIN COMMISSIPERMIT	GCDC2013-0138	9,291.25
590-536.101-801.000	RAFTELIS FINANCIAL CONSULTANTS WATER AND SE	FLM11311-01	9,625.85
590-536.101-801.000	RAFTELIS FINANCIAL CONSULTANTS WATER AND SE	FLM11311-02	10,190.26
590-536.101-801.000	RAFTELIS FINANCIAL CONSULTANTS WATER AND SE	FLM11311-03	5,048.89
590-536.101-801.000	STATE OF MICHIGAN	AT PERMIT 855687	7,000.00
590-536.101-801.000	GENESEE COUNTY DRAIN COMMISSIPERMIT	GCDC2014-0022	9,291.25

590-536.714-801.000	ROWE ENGINEERING INC	0072570	10/31/13	59,755.04
590-536.714-801.000	ROWE ENGINEERING INC	0072787	12/05/13	6,716.25
	Total For Dept 536 MDEQ S2-Grant - Utilities		145,324.05	

Dept 540 Water Service Center Management				
590-540.100-801.000	MARLETTE ROOFING & SHEET META ROOF REPLACE 3962		11/07/13	130,190.00
590-540.100-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	170.41
590-540.100-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	56.81
590-540.100-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	113.61
590-540.100-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	56.81
590-540.207-726.000	METRON-FARNIER, LLC	METRON-FARNI 17867	10/17/13	12,352.84
590-540.207-726.000	METRON-FARNIER, LLC	METERS 17984	12/12/13	44,950.00
590-540.208-726.000	HD SUPPLY WATERWORKS, LTD.	PIPE AND FITTIB 784183	12/05/13	3,872.62
590-540.208-758.000	MICHIGAN ELECTRIC SUPPLY COMP	HIP BOOTS S100287565.002	01/02/14	3,769.50
590-540.208-758.000	RED WING SHOE STORE	SAFETY SHOES 5190000005065	03/27/14	2,603.73
590-540.208-782.000	ACE SAGINAW PAVING COMPANY	SEASONAL REC 1929963	01/23/14	2,624.25
590-540.208-782.000	ACE SAGINAW PAVING COMPANY	SEASONAL REC 1931865	02/13/14	2,613.06
590-540.208-863.000	JACK DOHENY SUPPLY	VACTOR/JET P/W43317	11/07/13	14,341.96
590-540.208-863.000	JACK DOHENY SUPPLY	VACTOR/JET P/ Multiple	02/06/14	15,638.61
	Total For Dept 540 Wsc-Sewer Maint /Construction		233,354.21	

Dept 550 Wpc Operations				
590-550.100-730.500	STATE OF MICHIGAN	AT 845521	12/12/13	20,000.00
590-550.100-740.500	POLYDYNE INC	FY 2014 WPC P' 838378	10/31/13	6,629.40
590-550.100-740.500	POLYDYNE INC	FY 2014 WPC P' 846917	12/12/13	6,411.90
590-550.100-740.500	POLYDYNE INC	FY 2014 WPC P' 853676	01/16/14	6,559.80
590-550.100-740.500	POLYDYNE INC	FY 2014 WPC P' 863270	02/27/14	6,687.40
590-550.100-801.000	GREAT LAKES DIVING CO	FY2014 WPC DI' 1328	10/17/13	7,674.96
590-550.100-801.000	MARINE POLLUTION CONTROL CORP	MERCURY CLE/ 34233	01/23/14	11,736.47
590-550.100-814.600	MCNAUGHTON MCKAY ELECTRIC CC	FY 2014 WPC AI 13042148-00	12/19/13	823.20
590-550.100-814.600	MCNAUGHTON MCKAY ELECTRIC CC	FY 2014 WPC AI 13085880-00	01/23/14	1,444.13
590-550.100-850.000	AT & T SBS	8102303151595	10/10/13	235.95
590-550.100-850.000	AT & T SBS	8102303151595	11/21/13	117.66
590-550.100-850.000	AT & T SBS	8102303151595	12/31/13	126.24
590-550.100-850.000	AT & T	810766700001	02/13/14	2,731.00
590-550.100-850.000	AT & T SBS	8102303151595	02/13/14	107.05
590-550.100-850.000	AT & T	810766700002	02/13/14	2,775.76

590-550.100-850.000	AT & T SBS	8102303151595	02/20/14	118.58
590-550.100-850.000	AT & T	810766700003	03/27/14	3,401.81
590-550.100-850.000	AT & T SBS	8102303151595	03/27/14	129.03
590-550.100-920.200	BP CANADA ENERGY MARKETING CORP	5398778	11/07/13	28,015.88
590-550.100-920.200	BP CANADA ENERGY MARKETING CORP	5401062	11/07/13	28,012.06
590-550.100-920.200	CONSUMERS ENERGY AT	1000 0000 4430	11/21/13	10,113.51
590-550.100-920.200	BP CANADA ENERGY MARKETING CORP	5403737	12/12/13	28,012.06
590-550.100-920.200	CONSUMERS ENERGY AT	1000 0000 4430	12/12/13	10,188.13
590-550.100-920.200	BP CANADA ENERGY MARKETING CORP	5406442	01/09/14	27,062.06
590-550.100-920.200	CONSUMERS ENERGY AT	1000 0000 4430	01/23/14	10,092.34
590-550.100-920.200	BP CANADA ENERGY MARKETING CORP	5409219	02/13/14	33,716.64
590-550.100-920.200	CONSUMERS ENERGY AT	1000 0000 4430	02/13/14	11,232.97
590-550.100-920.200	BP CANADA ENERGY MARKETING CORP	5412069	03/13/14	30,248.32
590-550.100-920.200	CONSUMERS ENERGY AT	1000 0000 4430	03/27/14	26,225.59
590-550.100-920.300	Consumers Energy	ML091813-1016	10/31/13	84,575.31
590-550.100-920.300	Consumers Energy	ML101713-1115	12/12/13	98,604.36
590-550.100-920.300	Consumers Energy	ML111613-1217	01/02/14	101,841.46
590-550.100-920.300	Consumers Energy	ML121813-0120	02/13/14	111,563.95
590-550.100-920.300	Consumers Energy	ML012114-0217	02/27/14	94,093.42
590-550.100-920.400	SWEDISH BIOGAS INTERNATIONAL, LLC	3RD QTR 2013	10/24/13	9,827.06
590-550.100-920.400	SWEDISH BIOGAS INTERNATIONAL, LLC	2014-990002	02/13/14	14,791.29
590-550.100-920.900	TREASURER CITY OF FLINT	BEEC-G04652-01	10/31/13	31,339.30
590-550.100-920.900	TREASURER CITY OF FLINT	BEEC-G04652-01	11/21/13	20,552.92
590-550.100-920.900	TREASURER CITY OF FLINT	BEEC-G04652-01	12/19/13	16,951.54
590-550.100-920.900	TREASURER CITY OF FLINT	BEEC-G04652-01	02/06/14	19,203.85
590-550.100-920.900	TREASURER CITY OF FLINT	BEEC-G04652-01	02/20/14	13,681.54
590-550.100-920.900	TREASURER CITY OF FLINT	BEEC-G04652-01	03/20/14	17,432.11
590-550.100-977.000	SCALETRON INDUSTRIES LTD	CHLORINE SCA 14871	03/20/14	6,651.60
590-550.200-775.000	AMERICAN ELECTRIC MOTOR CORP	50180	12/19/13	799.35
590-550.200-775.000	WILLIAM E WALTER INC	FY 14 WPC HVA 37737	01/23/14	34.05
590-550.200-920.300	Consumers Energy	ML101513-1115	11/21/13	10,331.73
590-550.200-920.300	Consumers Energy	ML111613-1216	01/02/14	10,371.95
590-550.200-920.300	Consumers Energy	ML121713-0118	01/23/14	15,191.26
590-550.200-920.300	Consumers Energy	ML011914-0217 Multiple	02/27/14	16,618.05
590-550.200-920.900	TREASURER CITY OF FLINT	UNIW-0000000-01	10/31/13	233,570.91
590-550.202-775.000	MID STATES BOLT & SCREW CO	FY 2014 WPC T130226570	11/27/13	5,464.00
590-550.202-775.000	MACOMB GROUP	FY 2014 WPC V4027991	11/27/13	7,124.36

590-550.202-775.000	MCNAUGHTON MCKAY ELECTRIC CC FY 2014 WPC AI 13042148-00	12/19/13	5,353.60
590-550.202-775.000	WILLIAM E WALTER INC FY 14 WPC HVA 37737	01/23/14	2,179.38
590-550.202-775.000	MCNAUGHTON MCKAY ELECTRIC CC FY 2014 WPC AI 13085880-00	01/23/14	21,836.33
590-550.202-775.000	HD SUPPLY WATERWORKS, LTD. FY 2014 WPC SIC012817	02/20/14	6,002.67
590-550.202-930.000	AMERICAN ELECTRIC MOTOR CORP 50180	12/19/13	4,529.65
590-550.202-930.000	MCNAUGHTON MCKAY ELECTRIC CC FY 2014 WPC AI 13042148-00	12/19/13	823.20
590-550.202-930.000	WILLIAM E WALTER INC FY 14 WPC HVA 37737	01/23/14	3,700.57
590-550.202-930.000	MCNAUGHTON MCKAY ELECTRIC CC FY 2014 WPC AI 13085880-00	01/23/14	5,719.54
590-550.202-930.000	OAK CONSTRUCTION CORPORATION FY 2014 WPC C 13-6-11	01/30/14	8,970.00
590-550.202-930.000	OAK CONSTRUCTION CORPORATION FY 2014 WPC C 13-6-13	02/13/14	10,154.50
590-550.202-977.000	CONCUT INC HYDRAULIC PO INV3001903	01/16/14	6,619.83
590-550.202-977.000	SCALETRON INDUSTRIES LTD CHLORINE SCA 14871	03/20/14	4,434.40
590-550.300-801.000	WADE TRIM, INC 45815	10/17/13	10,685.27
590-550.300-801.000	WADE TRIM, INC 3000151	12/12/13	19,338.94
590-550.300-801.000	WADE TRIM, INC 3000290	02/06/14	18,713.50
590-550.300-930.000	TITUS WELDING COMPANY INC WPCF SECOND Multiple	01/30/14	137,244.00
590-550.300-930.000	SORENSEN GROSS CONSTRUCTION WPC EAST PUM Multiple	02/13/14	37,211.00
590-550.300-930.000	SORENSEN GROSS CONSTRUCTION WPC NORTHWT Multiple	03/20/14	92,392.16
590-550.300-977.000	SORENSEN GROSS CONSTRUCTION 2	10/10/13	57,684.66
590-550.300-977.000	SORENSEN GROSS CONSTRUCTION 3	10/31/13	24,622.65
590-550.300-977.000	ENVIRODYNE SYSTEMS INC WPCF SECOND I-8303-2	11/21/13	92,800.00
590-550.300-977.000	HACH COMPANY SAMPLERS 8585790	12/05/13	11,600.25
590-550.300-977.000	HAMLETT ENGINEERING SALES CO FLOW METER F 1010610	12/05/13	32,496.50
590-550.300-977.000	DUPERON CORPORATION EAST PUMPING 13679	12/05/13	210,250.00
590-550.300-977.000	KEYSTONE CONVEYOR FY 2014 ONE C 10412	12/12/13	24,820.00
590-550.300-977.000	DUPERON CORPORATION EAST PUMPING 13744	12/19/13	336,400.00
590-550.300-977.000	ENVIRODYNE SYSTEMS INC WPCF SECOND I-8303-3	01/02/14	80,000.00
590-550.300-977.000	JWC ENVIRONMENTAL LLC Multiple	01/02/14	365,602.00
590-550.300-977.000	NEWKIRK ELECTRIC ASSOCIATES IN FY13 3RD AVE E APP 3	01/16/14	20,000.00
590-550.300-977.000	ENVIRODYNE SYSTEMS INC WPCF SECOND I-8303-4	01/30/14	80,000.00
590-550.300-977.000	HAMLETT ENVIRONMENTAL TECHN STAINLESS STE 01/31/2014	02/06/14	7,650.00
	Total For Dept 550 WPC - Capital Improvements	3,001,079.87	
	Total For Fund 590 Sewer Fund		3,422,327.50

Fund 591 Water Fund
Dept 000 Balance Sheet Activity

591-000.000-040.100	CARRIAGE FACTORY DEV GROUP	UB REFUND FO WATW-303-0-1	10/17/13	4,629.60
591-000.000-040.100	SIGMA SERVICES INC	UB REFUND FO DARY-6648-0-2	02/13/14	1,784.57
591-000.000-040.600	SIGMA SERVICES INC	UB REFUND FO DARY-6648-0-2	02/13/14	1,228.86
Total For Dept 000 Balance Sheet Activity				7,643.03
Dept 536 Utilities - Water Administration				
591-536.100-801.000	UNITED STATES GEOLOGICAL SURV COST AGREEMENT 190196149			16,450.00
591-536.100-801.000	LOCKWOOD, ANDREWS & NEWMAN INC	130-10701-001-2	10/31/13	47,079.61
591-536.100-801.000	STATE OF MICHIGAN	837381	11/07/13	26,642.25
591-536.100-801.000	KAREGNONDI WATER AUTHORITY	KWA RAW WAT Multiple	11/21/13	629,850.00
591-536.100-801.000	KAREGNONDI WATER AUTHORITY	KWA RAW WAT NOVEMBER 2013	11/21/13	48,450.00
591-536.100-801.000	KAREGNONDI WATER AUTHORITY	KWA RAW WAT DECEMBER 2013	12/12/13	48,450.00
591-536.100-801.000	RAFTELIS FINANCIAL CONSULTANTS	WATER AND SE FLMI1311-01	01/02/14	9,625.84
591-536.100-801.000	KAREGNONDI WATER AUTHORITY	KWA RAW WAT JANUARY 2014	01/02/14	48,450.00
591-536.100-801.000	RAFTELIS FINANCIAL CONSULTANTS	WATER AND SE FLMI1311-02	01/16/14	10,190.27
591-536.100-801.000	LOCKWOOD, ANDREWS & NEWMAN INC	Multiple	01/16/14	332,849.36
591-536.100-801.000	KAREGNONDI WATER AUTHORITY	KWA RAW WAT Multiple	02/13/14	96,900.00
591-536.100-801.000	LOCKWOOD, ANDREWS & NEWMAN INC	130-10701-001-3	02/13/14	16,978.56
591-536.100-801.000	RAFTELIS FINANCIAL CONSULTANTS	WATER AND SE FLMI1311-03	02/13/14	5,048.89
591-536.100-801.000	LOCKWOOD, ANDREWS & NEWMAN INC	130-10701-001-6	02/20/14	222,144.23
591-536.100-801.000	LOCKWOOD, ANDREWS & NEWMAN INC	130-10701-001-7	02/27/14	146,862.47
Total For Dept 536 Utilities - Water Administration				1,705,971.48
Dept 540 Water Service Center Management				
591-540.100-729.000	MAIL ROOM SERVICE CENTER			5.73
591-540.100-801.000	ACE SAGINAW PAVING COMPANY	10130261	11/21/13	124,236.80
591-540.100-823.000	XEROX CORP	APP 1	11/21/13	170.42
591-540.100-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	56.80
591-540.100-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	56.80
591-540.100-850.000	AT & T SBS	XEROX COF 800627973	03/06/14	137.24
591-540.100-850.000	AT & T SBS	8102303151595	10/10/13	68.26
591-540.100-850.000	AT & T SBS	8102303151595	11/21/13	68.16
591-540.100-850.000	AT & T SBS	8102303151595	12/31/13	2,366.09
591-540.100-850.000	AT & T	810766700001	02/13/14	67.93
591-540.100-850.000	AT & T SBS	8102303151595	02/13/14	2,404.74
591-540.100-850.000	AT & T	810766700002	02/13/14	68.02
591-540.100-850.000	AT & T SBS	8102303151595	02/20/14	2,945.42
591-540.100-850.000	AT & T	810766700003	03/27/14	

591-540.100-850.000	AT & T SBS	8102303151595	03/27/14	80.84
591-540.200-726.000	METRON-FARNIER, LLC	METRON-FARNIER 17867	10/17/13	12,352.83
591-540.200-726.000	METRON-FARNIER, LLC	METERS 17984	12/12/13	44,950.00
591-540.200-758.000	RED WING SHOE STORE	SAFETY SHOES 5190000005065	03/27/14	757.52
591-540.202-726.000	EAST JORDAN IRON WORKS INC.	Multiple	10/24/13	126,896.00
591-540.202-726.000	HD SUPPLY WATERWORKS, LTD.	PIPE AND FITTING 784183	12/05/13	3,872.63
591-540.202-726.000	HD SUPPLY WATERWORKS, LTD.	STAINLESS STE C024827	02/20/14	10,855.00
591-540.202-758.000	MICHIGAN ELECTRIC SUPPLY COMP.	SAFETY SHOES 5190000005065	01/02/14	3,769.50
591-540.202-758.000	RED WING SHOE STORE	SAFETY SHOES 5190000005065	03/27/14	2,983.12
591-540.202-782.000	ACE SAGINAW PAVING COMPANY	SEASONAL REC 1929963	01/23/14	2,624.25
591-540.202-782.000	ACE SAGINAW PAVING COMPANY	SEASONAL REC 1931865	02/13/14	2,613.05
591-540.202-863.000	KNAPHEIDE JURSIS TRUCK EQUIP	IN Purchase Knapheide 081513	10/17/13	5,400.00
	Total For Dept 540 Wsc-Water Distribution Mains		349,807.15	

Dept 545 Water Plant - Operations				
591-545.200-726.000	IDEXX LABORATORIES INC	BACTERIOLOGI 273682107	12/12/13	5,110.00
591-545.200-729.000	MAIL ROOM SERVICE CENTER	10130261	11/21/13	7.44
591-545.200-759.000	CITY OF DETROIT	2-0451.300	11/21/13	2,114,249.34
591-545.200-759.000	CITY OF DETROIT	002-0451.300	12/19/13	2,035,603.89
591-545.200-759.000	CITY OF DETROIT	002-0451.300	01/16/14	1,910,568.68
591-545.200-759.000	CITY OF DETROIT	002-0451.300	02/20/14	2,002,455.71
591-545.200-759.000	CITY OF DETROIT	002-0451.300	03/20/14	2,158,358.44
591-545.200-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	575.59
591-545.200-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	183.29
591-545.200-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	264.64
591-545.200-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	183.29
591-545.200-850.000	AT & T SBS	8102303151595	10/10/13	26,262.21
591-545.200-850.000	AT & T SBS	8102303151595	11/21/13	13,126.54
591-545.200-850.000	AT & T SBS	8102303151595	12/31/13	13,127.45
591-545.200-850.000	AT & T	810766700001	02/13/14	788.27
591-545.200-850.000	AT & T SBS	8102303151595	02/13/14	13,127.57
591-545.200-850.000	AT & T	810766700002	02/13/14	816.79
591-545.200-850.000	AT & T SBS	8102303151595	02/20/14	15,661.72
591-545.200-850.000	AT & T	810766700003	03/27/14	1,243.64
591-545.200-850.000	AT & T SBS	8102303151595	03/27/14	15,770.12
591-545.200-920.200	Consumers Energy	ML101913-1118' 100000179950	11/21/13	7,104.86
591-545.200-920.200	CONSUMERS ENERGY	1000 0018 0446	01/02/14	7,180.18

591-545.200-920.200	Consumers Energy	ML111913-1219-100000179950	01/02/14	16,244.81
591-545.200-920.200	Consumers Energy	ML122013-0121-100000179950	02/13/14	17,665.40
591-545.200-920.200	Consumers Energy	ML011814-0217-Multiple	02/27/14	21,196.33
591-545.200-920.300	Consumers Energy	ML082913-0927-100000177871	10/17/13	23,594.83
591-545.200-920.300	Consumers Energy	ML092813-1028-100000177871	11/21/13	22,909.09
591-545.200-920.300	Consumers Energy	ML102913-1127-100000177871	12/12/13	20,020.58
591-545.200-920.300	Consumers Energy	ML111513-1215-100000294981	01/02/14	5,448.61
591-545.200-920.300	Consumers Energy	ML112813-1230-100000177871	01/23/14	24,568.61
591-545.200-920.300	Consumers Energy	ML123113-0129-100000177871	02/13/14	24,517.89
591-545.200-920.300	Consumers Energy	ML011714-0214-100000294981	02/27/14	7,579.90
591-545.200-920.300	Consumers Energy	ML013014-0227-Multiple	03/20/14	28,763.96
591-545.202-850.000	AT & T SBS	8102303151595	10/10/13	96.48
591-545.202-850.000	AT & T SBS	8102303151595	11/21/13	48.09
591-545.202-850.000	AT & T SBS	8102303151595	12/31/13	49.49
591-545.202-850.000	AT & T SBS	8102303151595	02/13/14	48.17
591-545.202-850.000	AT & T SBS	8102303151595	02/20/14	52.50
591-545.202-850.000	AT & T SBS	8102303151595	03/27/14	54.12
591-545.300-977.000	MCNAUGHTON MCKAY ELECTRIC CCTORREY ROAD	12974112-00	01/30/14	15,482.36
591-545.300-977.000	MCNAUGHTON MCKAY ELECTRIC CC WATER PLANT	12995215-00	03/06/14	298,210.00
591-545.300-977.000	SCALETRON INDUSTRIES LTD CHLORINE SCA	14872	03/20/14	11,086.00
	Total For Dept 545 Water Plant - Capital Improvements		10,879,406.68	
	Total For Fund 591 Water Fund		12,942,828.34	

Fund 627 Fringe Benefit Fund
Dept 000 Balance Sheet Activity

627-000.000-232.050	CITY OF FLINT	PAY621025	10/18/13	8,695.21
627-000.000-232.050	CITY OF FLINT	PAY622018	10/31/13	8,694.36
627-000.000-232.050	CITY OF FLINT	PAY623025	11/15/13	8,759.64
627-000.000-232.050	CITY OF FLINT	PAY624025	11/29/13	8,555.61
627-000.000-232.050	CITY OF FLINT	PAY625027	12/13/13	8,899.93
627-000.000-232.050	CITY OF FLINT	PAY626024	12/26/13	8,946.67
627-000.000-232.050	CITY OF FLINT	PAY701024	01/10/14	9,884.26
627-000.000-232.050	CITY OF FLINT	PAY702025	01/24/14	8,817.22
627-000.000-232.050	CITY OF FLINT	PAY703026	02/07/14	9,854.91
627-000.000-232.050	CITY OF FLINT	PAY704025	02/21/14	8,806.29
627-000.000-232.050	CITY OF FLINT	PAY705028	03/07/14	8,804.37

627-000.000-232.050	CITY OF FLINT	PAY706027	03/21/14	8,807.47
627-000.000-232.100	STATE OF MICHIGAN	C38-6004611 0913	10/10/13	84,929.41
627-000.000-232.100	STATE OF MICHIGAN	C38-6004611 0913	11/14/13	122,785.97
627-000.000-232.100	STATE OF MICHIGAN	C38-6004611 11/13	12/12/13	79,869.75
627-000.000-232.100	STATE OF MICHIGAN	C38-6004611 1213	01/16/14	83,831.23
627-000.000-232.100	STATE OF MICHIGAN	C38-6004611 0114	02/13/14	86,405.78
627-000.000-232.100	STATE OF MICHIGAN	C38-6004611 0214	03/20/14	85,604.86
627-000.000-232.250	EQUITABLE FINANCIAL SERVICES	PAY621010	10/18/13	13,372.65
627-000.000-232.250	ICMA RETIREMENT TRUST	PAY621012	10/18/13	12,405.22
627-000.000-232.250	EQUITABLE FINANCIAL SERVICES	PAY622009	10/31/13	13,201.27
627-000.000-232.250	ICMA RETIREMENT TRUST	PAY622011	10/31/13	12,484.66
627-000.000-232.250	EQUITABLE FINANCIAL SERVICES	PAY623012	11/15/13	13,470.47
627-000.000-232.250	ICMA RETIREMENT TRUST	PAY623014	11/15/13	12,049.06
627-000.000-232.250	EQUITABLE FINANCIAL SERVICES	PAY624010	11/29/13	13,467.71
627-000.000-232.250	ICMA RETIREMENT TRUST	PAY624012	11/29/13	11,493.90
627-000.000-232.250	EQUITABLE FINANCIAL SERVICES	PAY625012	12/13/13	13,226.37
627-000.000-232.250	ICMA RETIREMENT TRUST	PAY625014	12/13/13	12,090.18
627-000.000-232.250	EQUITABLE FINANCIAL SERVICES	PAY626009	12/26/13	12,618.54
627-000.000-232.250	ICMA RETIREMENT TRUST	PAY626011	12/26/13	11,964.54
627-000.000-232.250	EQUITABLE FINANCIAL SERVICES	Multiple	01/10/14	33,293.89
627-000.000-232.250	ICMA RETIREMENT TRUST	PAY701014	01/10/14	12,189.62
627-000.000-232.250	EQUITABLE FINANCIAL SERVICES	Multiple	01/24/14	23,024.86
627-000.000-232.250	ICMA RETIREMENT TRUST	PAY702012	01/24/14	11,577.54
627-000.000-232.250	EQUITABLE FINANCIAL SERVICES	Multiple	02/07/14	52,872.17
627-000.000-232.250	ICMA RETIREMENT TRUST	PAY703015	02/07/14	11,627.25
627-000.000-232.250	EQUITABLE FINANCIAL SERVICES	PAY704010	02/21/14	12,894.27
627-000.000-232.250	ICMA RETIREMENT TRUST	PAY704012	02/21/14	12,224.82
627-000.000-232.250	EQUITABLE FINANCIAL SERVICES	PAY705012	03/07/14	13,054.24
627-000.000-232.250	ICMA RETIREMENT TRUST	PAY705014	03/07/14	12,468.95
627-000.000-232.250	EQUITABLE FINANCIAL SERVICES	Multiple	03/21/14	31,084.91
627-000.000-232.250	ICMA RETIREMENT TRUST	PAY706014	03/21/14	12,587.19
627-000.000-232.310	ICMA RETIREMENT CORP	PAY621002	10/18/13	5,777.01
627-000.000-232.310	ICMA RETIREMENT CORP	PAY622002	10/31/13	12,061.86
627-000.000-232.310	ICMA RETIREMENT CORP	PAY623002	11/15/13	5,062.90
627-000.000-232.310	ICMA RETIREMENT CORP	PAY624002	11/29/13	5,062.90
627-000.000-232.310	ICMA RETIREMENT CORP	PAY625002	12/13/13	5,062.90
627-000.000-232.310	ICMA RETIREMENT CORP	PAY626002	12/26/13	5,062.90

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627-000.000-232.310	ICMA RETIREMENT CORP	PAY701002	01/10/14	5,062.89
627-000.000-232.310	ICMA RETIREMENT CORP	PAY702002	01/24/14	5,062.90
627-000.000-232.310	ICMA RETIREMENT CORP	PAY703002	02/07/14	5,062.90
627-000.000-232.310	ICMA RETIREMENT CORP	PAY704002	02/21/14	5,757.14
627-000.000-232.310	ICMA RETIREMENT CORP	PAY705002	03/07/14	5,757.14
627-000.000-232.310	ICMA RETIREMENT CORP	PAY706002	03/21/14	5,757.14
627-000.000-232.350	FLINT FIRE FIGHTERS #352	PAY623005	11/15/13	7,169.37
627-000.000-232.350	FLINT FIRE FIGHTERS #352	PAY625005	12/13/13	7,125.73
627-000.000-232.350	FLINT FIRE FIGHTERS #352	PAY701005	01/10/14	7,058.36
627-000.000-232.350	FLINT FIRE FIGHTERS #352	PAY703005	02/07/14	6,844.80
627-000.000-232.350	FLINT FIRE FIGHTERS #352	PAY705005	03/07/14	6,796.29
627-000.000-232.500	AFLAC	PAY621008	10/18/13	14,096.81
627-000.000-232.500	AFLAC	PAY622007	10/31/13	14,040.45
627-000.000-232.500	AFLAC	PAY623009	11/15/13	14,008.66
627-000.000-232.500	AFLAC	PAY624008	11/29/13	14,103.51
627-000.000-232.500	AFLAC	PAY625009	12/13/13	14,222.06
627-000.000-232.500	AFLAC	PAY626007	12/26/13	14,429.29
627-000.000-232.500	AFLAC	PAY701008	01/10/14	14,135.10
627-000.000-232.500	AFLAC	PAY702007	01/24/14	14,095.86
627-000.000-232.500	AFLAC	PAY703009	02/07/14	14,171.75
627-000.000-232.500	AFLAC	PAY704008	02/21/14	14,119.11
627-000.000-232.500	AFLAC	PAY705009	03/07/14	14,184.68
627-000.000-232.500	AFLAC	PAY706008	03/21/14	14,212.16
627-000.000-232.550	MI STATE DISBURSEMENT UNIT	PAY621041	10/18/13	19,893.88
627-000.000-232.550	MI STATE DISBURSEMENT UNIT	PAY622034	10/31/13	19,841.05
627-000.000-232.550	MI STATE DISBURSEMENT UNIT	PAY623041	11/15/13	19,552.75
627-000.000-232.550	MI STATE DISBURSEMENT UNIT	PAY624041	11/29/13	19,590.60
627-000.000-232.550	MI STATE DISBURSEMENT UNIT	PAY625045	12/13/13	19,952.03
627-000.000-232.550	MI STATE DISBURSEMENT UNIT	PAY626042	12/26/13	19,816.92
627-000.000-232.550	MI STATE DISBURSEMENT UNIT	PAY701043	01/10/14	19,544.83
627-000.000-232.550	MI STATE DISBURSEMENT UNIT	PAY702042	01/24/14	19,183.45
627-000.000-232.550	MI STATE DISBURSEMENT UNIT	PAY703041	02/07/14	19,113.20
627-000.000-232.550	MI STATE DISBURSEMENT UNIT	PAY704041	02/21/14	19,340.17
627-000.000-232.550	MI STATE DISBURSEMENT UNIT	PAY705044	03/07/14	19,408.45
627-000.000-232.550	MI STATE DISBURSEMENT UNIT	PAY706043	03/21/14	19,199.87
627-000.000-232.750	ICMA RETIREMENT CORP	PAY621001	10/18/13	13,749.58
627-000.000-232.750	ICMA RETIREMENT CORP	PAY622001	10/31/13	13,322.95

627-000,000-232.750	ICMA RETIREMENT CORP	PAY623001	11/15/13	13,031.40
627-000,000-232.750	ICMA RETIREMENT CORP	PAY624001	11/29/13	13,217.50
627-000,000-232.750	ICMA RETIREMENT CORP	PAY625001	12/13/13	13,206.42
627-000,000-232.750	ICMA RETIREMENT CORP	PAY626001	12/26/13	13,682.75
627-000,000-232.750	ICMA RETIREMENT CORP	PAY701001	01/10/14	13,457.88
627-000,000-232.750	ICMA RETIREMENT CORP	PAY702001	01/24/14	15,099.72
627-000,000-232.750	ICMA RETIREMENT CORP	PAY703001	02/07/14	15,512.53
627-000,000-232.750	ICMA RETIREMENT CORP	PAY704001	02/21/14	15,751.35
627-000,000-232.750	ICMA RETIREMENT CORP	PAY705001	03/07/14	15,789.71
627-000,000-232.750	ICMA RETIREMENT CORP	PAY706001	03/21/14	15,488.86
Total For Dept 000 Balance Sheet Activity			1,722,589.74	

Dept 174 Risk And Benefit-Workers Compensation				
627-174,871-850.000	AT & T	810766700001	02/13/14	104.84
627-174,871-850.000	AT & T	810766700002	02/13/14	108.91
627-174,871-850.000	AT & T	810766700003	03/27/14	165.82
Total For Dept 174 Risk And Benefit-Workers Compensation			379.57	

Dept 270 Personnel - Workers compensation				
627-270,300-850.000	AT & T SBS	8102303151595	10/10/13	51.47
627-270,300-850.000	AT & T SBS	8102303151595	11/21/13	25.49
627-270,300-850.000	AT & T SBS	8102303151595	12/31/13	25.44
627-270,300-850.000	AT & T SBS	8102303151595	02/13/14	25.50
627-270,300-850.000	AT & T SBS	8102303151595	02/20/14	25.64
627-270,300-850.000	AT & T SBS	8102303151595	03/27/14	29.65
Total For Dept 270 Personnel - Workers compensation			183.19	

Dept 853 Fringe Benefits - Unemployment Insurance				
627-853,230-724.000	UNEMPLOYMENT INSURANCE AGENT AT	Multiple	10/24/13	736,015.39
627-853,250-716.000	MCLAREN HEALTH PLAN	Multiple	11/21/13	86,732.55
627-853,250-716.000	HEALTHPLUS OF MICHIGAN	Multiple	12/19/13	283,871.77
627-853,250-716.000	HEALTHPLUS OF MICHIGAN	Multiple	02/06/14	131,739.43
627-853,250-716.000	MCLAREN HEALTH PLAN	Multiple	02/06/14	71,365.86
627-853,250-716.000	HEALTHPLUS OF MICHIGAN	Multiple	02/13/14	133,091.35
627-853,250-716.000	HEALTHPLUS OF MICHIGAN	Multiple	02/20/14	155,725.28
627-853,250-716.000	MCLAREN HEALTH PLAN	Multiple	02/27/14	48,030.87
627-853,250-716.000	HEALTHPLUS OF MICHIGAN	Multiple	03/20/14	130,899.23

627-853.250-716.000	MCLAREN HEALTH PLAN	Multiple	03/20/14	44,312.27
627-853.300-717.000	STANDARD INSURANCE CO.	LIFE INSURA Multiple	11/14/13	10,981.42
627-853.300-717.000	STANDARD INSURANCE CO.	LIFE INSURA DECEMBER 2013	11/21/13	5,468.38
627-853.300-717.000	STANDARD INSURANCE CO.	LIFE INSURA JANUARY 2014	12/19/13	5,420.82
627-853.300-717.000	STANDARD INSURANCE CO.	LIFE INSURA FEBRUARY 2014	01/23/14	5,394.04
627-853.300-717.000	STANDARD INSURANCE CO.	LIFE INSURA MARCH 2014	02/20/14	5,391.96
627-853.300-717.000	STANDARD INSURANCE CO.	LIFE INSURA APRIL 2014	03/20/14	5,420.04
627-853.310-717.600	JUDITH SAMUEL, BENEFICIARY OF	FI DEATH BENEFIT	10/24/13	30,000.00
627-853.310-717.600	IAN SPIRIDIGLIOZZI	FI DEATH BENEFIT	01/30/14	30,000.00
	Total For Dept 853 Fringe Benefit - Paid Up Life Insurance		1,919,860.66	
Dept 861 Fringe Benefit - Ioma Retirement Contrib				
627-861.200-969.000	ICMA RETIREMENT CORP	PAY622002	01/16/14	12,061.86
	Total For Dept 861 Fringe Benefit - Ioma Retirement Contrib		12,061.86	
	Total For Fund 627 Fringe Benefit Fund		3,655,075.02	

Fund 636 Information Services Fund

Dept 228 Information Services

636-228.100-801.000	EPIC TECHNOLOGY SOLUTIONS LLC	EXPIRES 8/31/11-3621	03/27/14	8,515.00
636-228.100-814.600	BS & A SOFTWARE	094280	01/16/14	132,616.25
636-228.100-814.600	BS & A SOFTWARE	BS&A SUPPORT1093934	02/20/14	5,000.00
636-228.100-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	612.98
636-228.100-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	183.30
636-228.100-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	278.96
636-228.100-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	183.30
636-228.100-850.000	AT & T SBS	8102303151595	10/10/13	5,156.16
636-228.100-850.000	AT & T	Multiple	10/10/13	75,287.29
636-228.100-850.000	AT & T	8954628697	11/07/13	8,436.20
636-228.100-850.000	AT & T	810R01039411	11/21/13	24,877.24
636-228.100-850.000	AT & T SBS	8102303151595	11/21/13	2,578.06
636-228.100-850.000	AT & T	8954869212	12/12/13	8,575.64
636-228.100-850.000	AT & T	Multiple	12/12/13	53,343.75
636-228.100-850.000	AT & T SBS	8102303151595	12/31/13	2,578.06
636-228.100-850.000	AT & T	Multiple	12/27/13	43,357.18
636-228.100-850.000	AT & T	Multiple	01/02/14	56,775.51
636-228.100-850.000	AT & T	8952349206	01/16/14	17,174.92

636-228.100-850.000	AVAYA INC	PHONE MAINTN 2732892672	01/23/14	39,794.16
636-228.100-850.000	AT & T	AT 8955342347	02/06/14	7,013.66
636-228.100-850.000	AT & T	AT Multiple	02/13/14	21,342.03
636-228.100-850.000	AT & T SBS	8102303151595	02/13/14	2,578.13
636-228.100-850.000	AT & T	810766700002	02/13/14	26,834.39
636-228.100-850.000	AT & T SBS	8102303151595	02/20/14	3,091.95
636-228.100-850.000	AT & T	AT 8955574942	03/06/14	7,013.66
636-228.100-850.000	AT & T	AT Multiple	03/20/14	22,013.44
636-228.100-850.000	AT & T SBS	8102303151595	03/27/14	3,098.46
636-228.100-930.000	AVAYA FINANCIAL SERVICES		11/28/13	9,133.83
636-228.100-930.000	AMAZON MARKETPLACE PMTS	Purchase Amazo 11/13/2013	12/10/13	5,255.20
636-228.100-930.000	DELL MARKETING LP	Purchase Dmi* CXJ8049M71	12/10/13	8,041.46
636-228.100-930.000	ONIX NETWORKING CORPORATION	GOOGLE LICEN 131277	01/09/14	35,370.00
636-228.100-977.000	DELL FINANCIAL SERVICES, LLC	76921231	10/31/13	12,652.80
636-228.100-977.000	DELL FINANCIAL SERVICES, LLC	76981153	12/05/13	12,652.80
636-228.100-977.000	DELL FINANCIAL SERVICES, LLC	77040094	01/02/14	12,652.80
636-228.100-977.000	DELL FINANCIAL SERVICES, LLC	77089353	01/23/14	12,652.80
636-228.100-977.000	DELL FINANCIAL SERVICES, LLC	77154102	02/27/14	12,652.80
	Total For Dept 228 Information Services		699,374.17	

Total For Fund 636 Information Services Fund

699,374.17

Fund 661 Fleet/Central Garage Fund

Dept 000 Balance Sheet Activity

661-000.000-110.400	NEAL'S TRUCK PARTS INC	REPAIR PARTS 1169243	02/20/14	11,791.25
661-000.000-110.400	AIS CONSTRUCTION EQUIP&CONTR/REPAIR PARTS	S91875	02/20/14	8,377.75
661-000.000-110.400	GCR TIRE CENTERS	PARTS AND SUI536-19448	03/06/14	7,030.86
	Total For Dept 000 Balance Sheet Activity		27,199.86	

Dept 451 Fleet Management

661-451.100-751.000	MARATHON FLINT OIL COMPANY	Multiple	10/31/13	17,896.16
661-451.100-751.000	MARATHON FLINT OIL COMPANY	Multiple	11/13/13	14,024.17
661-451.100-751.000	MARATHON FLINT OIL COMPANY	Multiple	12/04/13	38,684.91
661-451.100-751.000	MARATHON FLINT OIL COMPANY	Multiple	01/08/14	21,750.92
661-451.100-751.000	MARATHON FLINT OIL COMPANY	82628	02/06/14	7,394.13
661-451.100-751.000	MARATHON FLINT OIL COMPANY	Multiple	02/13/14	19,128.85
661-451.100-751.000	MARATHON FLINT OIL COMPANY	Multiple	02/27/14	54,835.31

661-451.100-751.000	MARATHON FLINT OIL COMPANY	Multiple	03/20/14	17,937.62
661-451.100-751.000	MARATHON FLINT OIL COMPANY	Multiple	04/03/14	14,022.61
661-451.100-751.000	MARATHON FLINT OIL COMPANY	83736	03/20/14	6,481.77
661-451.100-751.000	MARATHON FLINT OIL COMPANY	Multiple	03/27/14	18,591.15
661-451.100-823.000	XEROX CORP	XEROX COF Multiple	11/14/13	340.83
661-451.100-823.000	XEROX CORP	XEROX COF 800623852	12/12/13	113.61
661-451.100-823.000	XEROX CORP	XEROX COF 800626606	01/30/14	113.61
661-451.100-823.000	XEROX CORP	XEROX COF 800627973	03/06/14	113.61
661-451.100-850.000	AT & T	810766700001	02/13/14	209.67
661-451.100-850.000	AT & T	810766700002	02/13/14	217.81
661-451.100-850.000	AT & T	810766700003	03/27/14	331.64
661-451.100-930.000	WEST SHORE FIRE INC	EMERGENCY RI 6905	12/12/13	13,851.76
661-451.100-930.000	WOLVERINE BUMP & PAINT SHOP, IN BODY REPAIR C	Multiple	02/20/14	10,561.49
661-451.100-930.000	AUSTINS BODY SHOP	BODY REPAIR C 1111	03/20/14	7,383.00
661-451.100-930.000	BROOKS BROTHERS TRAILERS	COMBO POLE/T 31093	01/30/14	12,220.00
661-451.100-977.500	K & K SYSTEMS INC	SOLAR POWER 6059	03/13/14	8,162.82
661-451.100-977.500	Total For Dept 451 Fleet Management		284,357.45	

Total For Fund 661 Fleet/Central Garage Fund

311,557.31

Fund 677 Self Insurance Fund

Dept 174 Risk And Benefit- Insurance/Bonds				
677-174.851-955.000	LAKE AGENCY	54208	10/31/13	147,022.00
677-174.851-955.000	MEADOWBROOK INC	209912	01/02/14	5,100.00
	Total For Dept 174 Risk And Benefit- Insurance/Bonds		152,122.00	

Dept 266 Law Office-Suits/Settlements

677-266.200-801.500	WARNER NORCROSS AND JUDD LLT LEGAL SERVICE	1879007	10/10/13	7,071.30
677-266.200-801.500	SHEDD,FRASIER,PLC	LEGAL SERVICE 24226	10/10/13	6,661.67
677-266.200-801.500	GIARMARCO MULLINS & HORTON PC LEGAL SERVICE	83547.003-INV.8	10/10/13	7,443.75
677-266.200-801.500	SHEDD,FRASIER,PLC	LEGAL SERVICE 24499	12/12/13	5,183.88
677-266.200-801.500	GIARMARCO MULLINS & HORTON PC LEGAL SERVICE	18	03/20/14	7,143.75
677-266.200-956.300	AAK CONSTRUCTION INC AND THEIR ATTY	13-1305-GO	10/10/13	10,000.00
677-266.200-956.300	WILLIE DOUGLAS AND HER ATTY ANI SETTLEMENT	122313	12/26/13	10,000.00
677-266.200-956.300	ELECTRONIC RESTORATION SERVICES INC	11-96389-CZ	01/16/14	8,668.01
677-266.200-956.300	ROYAL ALEXANDER & HIS ATTY	EME1112014	01/30/14	30,000.00
677-266.200-956.300	BARBARA ANN POHLMANN-KUZNICKI	EME1122014	02/13/14	6,481.56

677-266.200-956.300	BOBBY TOWNSEND & HIS ATTORNEY	EME1492014	02/27/14	30,000.00
677-266.200-956.300	ANTHONY LEMON AND HIS ATTORNEY	EME191204	03/27/14	7,500.00
	Total For Dept 266 Law Office-Suits/Settlements		136,153.92	
	Total For Fund 677 Self Insurance Fund		288,275.92	
Fund 701 General Agency Fund				
Dept 000 Balance Sheet Activity				
701-000.000-202.000	HARVEY, CHARLES W & WF GISELE /Bond Refund	FWA11-0011	11/28/13	5,012.00
701-000.000-202.000	WAUGH, RONALD L	BD Bond Refund FWA13-0049	01/16/14	8,295.00
701-000.000-202.000	HAMDAN, SAM	BD Bond Refund B13-00023	01/23/14	8,129.00
701-000.000-389.000	KALILA HINTON	10-0043	11/21/13	7,812.00
701-000.000-389.000	DIABLO REEVES	FWA 13-0039	12/12/13	8,295.00
	Total For Dept 000 Balance Sheet Activity		37,543.00	
	Total For Fund 701 General Agency Fund		37,543.00	
Fund 702 Tax Collection Fund - Prior Years				
Dept 000 Balance Sheet Activity				
702-000.000-202.950	FLINT BOARD OF EDUCATION	TAX YR 13	02/27/14	28,875.20
	Total For Dept 000 Balance Sheet Activity		28,875.20	
	Total For Fund 702 Tax Collection Fund - Prior Years		28,875.20	
Fund 703 Current Tax Collection Fund				
Dept 000 Balance Sheet Activity				
703-000.000-202.900	STORAGE PROS FLINT &	TO	11/28/13	34,298.13
703-000.000-202.900	GENERAL MOTORS CORP	TO	01/16/14	5,680.35
703-000.000-202.900	GENERAL MOTORS CORP	TO	01/16/14	66,764.29
703-000.000-202.900	CARRIAGE FACTORY LTD	40-13-229-015	02/13/14	5,924.35
703-000.000-202.900	CITIZENS PLAZA, LLC	41-16-101-021	02/13/14	20,575.73
703-000.000-202.900	BURLINGAME INVESTORS LP	41-06-401-016	02/13/14	7,699.08
	Total For Dept 000 Balance Sheet Activity		140,941.93	
Dept 001 2010 Fsd Property Tax Levy				
703-001.100-274.000	FLINT BOARD OF EDUCATION	TAX YR 13	10/24/13	195,807.22
703-001.100-274.000	FLINT BOARD OF EDUCATION	TAX YR 13	11/14/13	705,984.47

703-001.100-274.000	FLINT BOARD OF EDUCATION	TAX YR 13	11/27/13	197,653.93
703-001.100-274.000	FLINT BOARD OF EDUCATION	TAX YR 13	12/05/13	56,995.81
703-001.100-274.000	FLINT BOARD OF EDUCATION	TAX YR 13	12/26/13	47,414.17
703-001.100-274.000	FLINT BOARD OF EDUCATION	TAX YR 13	01/16/14	89,211.62
703-001.100-274.000	FLINT BOARD OF EDUCATION	TAX YR 13	01/30/14	91,839.03
703-001.100-274.000	FLINT BOARD OF EDUCATION	TAX YR 13	02/13/14	158,703.26
703-001.100-274.000	FLINT BOARD OF EDUCATION	TAX YR 13	02/27/14	224,245.41
703-001.100-274.000	FLINT BOARD OF EDUCATION	TAX YR 13	03/14/14	528,410.34
703-001.101-274.000	GENESEE COUNTY TREASURER	TAX YR 13	10/24/13	81,256.39
703-001.101-274.000	GENESEE COUNTY TREASURER	TAX YR 13	11/14/13	267,659.81
703-001.101-274.000	GENESEE COUNTY TREASURER	TAX YR 13	11/27/13	83,869.19
703-001.101-274.000	GENESEE COUNTY TREASURER	TAX YR 13	12/05/13	21,576.47
703-001.101-274.000	GENESEE COUNTY TREASURER	TAX YR 13	12/26/13	83,918.91
703-001.101-274.000	GENESEE COUNTY TREASURER	TAX YR 13	01/16/14	193,992.76
703-001.101-274.000	GENESEE COUNTY TREASURER	TAX YR 13	01/30/14	363,352.16
703-001.101-274.000	GENESEE COUNTY TREASURER	TAX YR 13	02/13/14	299,472.66
703-001.101-274.000	GENESEE COUNTY TREASURER	TAX YR 13	02/27/14	840,904.11
703-001.101-274.000	GENESEE COUNTY TREASURER	TAX YR 13	03/14/14	319,091.60
703-001.102-274.000	C S MOTT COMMUNITY COLLEGE	TAX YR 13	10/24/13	44,570.59
703-001.102-274.000	C S MOTT COMMUNITY COLLEGE	TAX YR 13	11/14/13	139,477.37
703-001.102-274.000	C S MOTT COMMUNITY COLLEGE	TAX YR 13	11/27/13	41,145.86
703-001.102-274.000	C S MOTT COMMUNITY COLLEGE	TAX YR 13	12/05/13	11,201.44
703-001.102-274.000	C S MOTT COMMUNITY COLLEGE	TAX YR 13	12/26/13	10,332.18
703-001.102-274.000	C S MOTT COMMUNITY COLLEGE	TAX YR 13	01/16/14	15,852.92
703-001.102-274.000	C S MOTT COMMUNITY COLLEGE	TAX YR 13	01/30/14	19,044.26
703-001.102-274.000	C S MOTT COMMUNITY COLLEGE	TAX YR 13	02/13/14	46,945.56
703-001.102-274.000	C S MOTT COMMUNITY COLLEGE	TAX YR 13	02/27/14	66,145.86
703-001.102-274.000	C S MOTT COMMUNITY COLLEGE	TAX YR 13	03/14/14	98,188.97
703-001.103-274.000	DOWNTOWN DEVELOPMENT AUTHORITY	TAX YR 13	11/14/13	6,993.06
703-001.103-274.000	DOWNTOWN DEVELOPMENT AUTHORITY	TAX YR 13	11/27/13	1,690.86
703-001.103-274.000	DOWNTOWN DEVELOPMENT AUTHORITY	TAX YR 13	02/27/14	3,353.31
703-001.105-274.000	CARMAN SCHOOL DISTRICT	TAX YR 13	11/14/13	44,864.62
703-001.105-274.000	CARMAN SCHOOL DISTRICT	TAX YR 13	02/27/14	131,507.79
703-001.105-274.000	CARMAN SCHOOL DISTRICT	TAX YR 13	03/14/14	13,324.87
703-001.106-274.000	GENESEE INTERMEDIATE SCHOOL DIST	TAX YR 13	10/24/13	60,662.87
703-001.106-274.000	GENESEE INTERMEDIATE SCHOOL DIST	TAX YR 13	11/14/13	171,738.04
703-001.106-274.000	GENESEE INTERMEDIATE SCHOOL DIST	TAX YR 13	11/27/13	45,247.79

703-001.106-274.000	GENESEE INTERMEDIATE SCHOOL DIST	TAX YR 13	12/05/13	13,843.06
703-001.106-274.000	GENESEE INTERMEDIATE SCHOOL DIST	TAX YR 13	12/26/13	12,766.82
703-001.106-274.000	GENESEE INTERMEDIATE SCHOOL DIST	TAX YR 13	01/16/14	19,591.16
703-001.106-274.000	GENESEE INTERMEDIATE SCHOOL DIST	TAX YR 13	01/30/14	22,652.95
703-001.106-274.000	GENESEE INTERMEDIATE SCHOOL DIST	TAX YR 13	02/13/14	55,770.74
703-001.106-274.000	GENESEE INTERMEDIATE SCHOOL DIST	TAX YR 13	02/27/14	81,712.31
703-001.106-274.000	GENESEE INTERMEDIATE SCHOOL DIST	TAX YR 13	03/14/14	135,401.62
703-001.108-274.000	SWARTZ CREEK SCHOOL DISTRICT	TAX YR 13	11/14/13	7,820.49
703-001.108-274.000	SWARTZ CREEK SCHOOL DISTRICT	TAX YR 13	01/16/14	25,609.40
703-001.108-274.000	SWARTZ CREEK SCHOOL DISTRICT	TAX YR 13	02/27/14	8,239.66
703-001.108-274.000	SWARTZ CREEK SCHOOL DISTRICT	TAX YR 13	03/14/14	24,392.89
703-001.109-274.000	WESTWOOD HEIGHTS SCHOOL DISTRICT	TAX YR 13	02/27/14	69,178.19
	Total For Dept 001 2010 Westwood prop tax levy		6,300,626.83	

Dept 004 2010 Airport Property Tax Levy				
703-004.101-274.000	BISHOP INTERN'L AIRPORT AUTHORITY	TAX YR 13	12/26/13	11,198.20
703-004.101-274.000	BISHOP INTERN'L AIRPORT AUTHORITY	TAX YR 13	01/16/14	28,593.72
703-004.101-274.000	BISHOP INTERN'L AIRPORT AUTHORITY	TAX YR 13	01/30/14	57,386.01
703-004.101-274.000	BISHOP INTERN'L AIRPORT AUTHORITY	TAX YR 13	02/13/14	35,726.21
703-004.101-274.000	BISHOP INTERN'L AIRPORT AUTHORITY	TAX YR 13	02/27/14	124,864.24
703-004.101-274.000	BISHOP INTERN'L AIRPORT AUTHORITY	TAX YR 13	03/14/14	21,846.22
703-004.102-274.000	FLINT TOWNSHIP	TAX YR 13	10/24/13	151,828.11
703-004.106-274.000	MASS TRANSPORTATION AUTHORITY	TAX YR 13	10/24/13	8,012.80
703-004.106-274.000	MASS TRANSPORTATION AUTHORITY	TAX YR 13	11/14/13	29,161.62
703-004.106-274.000	MASS TRANSPORTATION AUTHORITY	TAX YR 13	11/27/13	7,683.60
703-004.106-274.000	MASS TRANSPORTATION AUTHORITY	TAX YR 13	12/26/13	20,667.14
703-004.106-274.000	MASS TRANSPORTATION AUTHORITY	TAX YR 13	01/16/14	50,557.78
703-004.106-274.000	MASS TRANSPORTATION AUTHORITY	TAX YR 13	01/30/14	98,634.62
703-004.106-274.000	MASS TRANSPORTATION AUTHORITY	TAX YR 13	02/13/14	67,917.32
703-004.106-274.000	MASS TRANSPORTATION AUTHORITY	TAX YR 13	02/27/14	220,019.72
703-004.106-274.000	MASS TRANSPORTATION AUTHORITY	TAX YR 13	03/14/14	57,236.72
	Total For Dept 004 2010 Mta Property Tax Levy		991,334.03	

Dept 011 2010 MET Prop Tax Levy				
703-011.100-274.000	GENESEE COUNTY TREASURER-MET	TAX YR 13	10/24/13	82,411.01
703-011.100-274.000	GENESEE COUNTY TREASURER-MET	TAX YR 13	11/14/13	285,437.98
703-011.100-274.000	GENESEE COUNTY TREASURER-MET	TAX YR 13	11/27/13	80,550.43

703-011.100-274.000	GENESEE COUNTY TREASURER-MET	TAX YR 13	12/05/13	22,958.77
703-011.100-274.000	GENESEE COUNTY TREASURER-MET	TAX YR 13	12/28/13	21,682.06
703-011.100-274.000	GENESEE COUNTY TREASURER-MET	TAX YR 13	01/16/14	32,339.89
703-011.100-274.000	GENESEE COUNTY TREASURER-MET	TAX YR 13	01/30/14	38,135.36
703-011.100-274.000	GENESEE COUNTY TREASURER-MET	TAX YR 13	02/13/14	68,460.31
703-011.100-274.000	GENESEE COUNTY TREASURER-MET	TAX YR 13	02/27/14	142,278.85
703-011.100-274.000	GENESEE COUNTY TREASURER-MET	TAX YR 13	03/14/14	176,067.62
Total For Dept 011 2010 MET Prop Tax Levy			950,322.28	

Dept 021 2010 Library prop tax levy				
703-021.100-274.000	FLINT PUBLIC LIBRARY	TAX YR 13	10/24/13	53,389.76
703-021.100-274.000	FLINT PUBLIC LIBRARY	TAX YR 13	11/14/13	165,252.35
703-021.100-274.000	FLINT PUBLIC LIBRARY	TAX YR 13	11/27/13	43,540.94
703-021.100-274.000	FLINT PUBLIC LIBRARY	TAX YR 13	12/05/13	13,321.53
703-021.100-274.000	FLINT PUBLIC LIBRARY	TAX YR 13	12/26/13	12,286.38
703-021.100-274.000	FLINT PUBLIC LIBRARY	TAX YR 13	01/16/14	18,853.73
703-021.100-274.000	FLINT PUBLIC LIBRARY	TAX YR 13	01/30/14	21,800.14
703-021.100-274.000	FLINT PUBLIC LIBRARY	TAX YR 13	02/13/14	50,594.98
703-021.100-274.000	FLINT PUBLIC LIBRARY	TAX YR 13	02/27/14	78,626.16
703-021.100-274.000	FLINT PUBLIC LIBRARY	TAX YR 13	03/14/14	119,864.49
Total For Dept 021 2010 Library prop tax levy			577,530.46	

Dept 023 2010 TIFA DDA Captured tax levy				
703-023.100-274.000	DOWNTOWN DEVELOPMENT AUTHORITY	TAX YR 13	11/27/13	244,399.33
703-023.100-274.000	DOWNTOWN DEVELOPMENT AUTHORITY	TAX YR 13	02/27/14	54,649.07
Total For Dept 023 2010 TIFA DDA Captured tax levy			299,048.40	
Total For Fund 703 Current Tax Collection Fund			9,259,803.93	

Fund 731 Retirement System Fund				
Dept 000 Retirement System - Administration				
731-000.100-594.400	MUNICIPAL EMPLOYEES RETIREMENT TIME PURCHAS RONALD BARBER	10/17/13		34,941.63
Total For Dept 000 Retirement System - Administration			34,941.63	
Total For Fund 731 Retirement System Fund			34,941.63	

Fund 735 Retirees' Life Insurance Fund

Dept 000 Retirement System-Death Benefits Admin			
735-000.101-874.500	ERA M WOODS, BENEF OF WILLIE W FI	DEATH BENEFIT	12/19/13
735-000.101-874.500	THEREASA GONZALEZ, FI	DEATH BENEFIT	02/27/14
735-000.101-874.500	GEORGE E. SANDERS, FI	DEATH BENEFIT	03/20/14
	Total For Dept 000 Retirement System-Death Benefits Admin		22,500.00
	Total For Fund 735 Retirees' Life Insurance Fund		22,500.00

Fund 736 Public Employee Health Care Fund			
Dept 000 Retiree Health Insurance			
736-000.105-716.100	CORNERSTONE MUNICIPAL ADVISORY GR.	22878	10/10/13
736-000.105-716.100	BLUE CROSS BLUE SHIELD OF MICHIGAN	NOVEMBER 2013	10/24/13
736-000.105-716.100	BLUE CROSS BLUE SHIELD OF MICHIA	007000304	11/14/13
736-000.105-716.100	CORNERSTONE MUNICIPAL ADVISORY GR.	22892	11/14/13
736-000.105-716.100	BLUE CROSS BLUE SHIELD OF MICHIA	DECEMBER 2013	11/21/13
736-000.105-716.100	HEALTHPLUS OF MICHIGAN	Multiple	12/19/13
736-000.105-716.100	BLUE CROSS BLUE SHIELD OF MICHIA	Multiple	01/09/14
736-000.105-716.100	BLUE CROSS BLUE SHIELD OF MICHIA	Multiple	01/23/14
736-000.105-716.100	HEALTHPLUS OF MICHIGAN	Multiple	02/06/14
736-000.105-716.100	CORNERSTONE MUNICIPAL ADVISORY GR.	22902	02/13/14
736-000.105-716.100	HEALTHPLUS OF MICHIGAN	Multiple	02/13/14
736-000.105-716.100	BLUE CROSS BLUE SHIELD OF MICHIA	Multiple	02/20/14
736-000.105-716.100	HEALTHPLUS OF MICHIGAN	Multiple	02/20/14
736-000.105-716.100	HEALTHPLUS OF MICHIGAN	Multiple	02/20/14
736-000.105-716.100	BLUE CROSS BLUE SHIELD OF MICHIA	Multiple	03/20/14
736-000.105-716.100	HEALTHPLUS OF MICHIGAN	Multiple	03/20/14
736-000.105-801.000	NYHART	Multiple	10/10/13
	Total For Dept 000 Retiree Health Insurance		2,293,460.99
	Total For Fund 736 Public Employee Health Care Fund		2,293,460.99

Fund Totals:

Fund 101 General Fund	2,895,151.32
Fund 202 Major Street Fund	508,567.88
Fund 203 Local Street Fund	131,004.18
Fund 207 Police Fund	4,554.33

Fund 208 Park/Recreation Fund	66,211.99
Fund 213 Park & Recreation Senior Citizen Centers	92,217.45
Fund 219 Street Light	978,669.85
Fund 226 Rubbish Collection Fund	1,643,907.83
Fund 244 Economic Develop Corp Fund	8,333.34
Fund 265 Drug Law Enforcement Fund	1,367.03
Fund 274 HUD CDBG, ESG, & HOME GRANTS	1,941,726.95
Fund 296 Other Grants Fund	730,757.47
Fund 297 Federal Stimulus Fund	1,146,367.23
Fund 402 Public Improvement Fund	323,626.00
Fund 542 Building Inspection Fund	179,870.98
Fund 583 Oak Business Center Fund	70,054.86
Fund 590 Sewer Fund	3,422,327.50
Fund 591 Water Fund	12,942,828.34
Fund 627 Fringe Benefit Fund	3,655,075.02
Fund 636 Information Services Fund	699,374.17
Fund 661 Fleet/Central Garage Fund	311,557.31
Fund 677 Self Insurance Fund	288,275.92
Fund 701 General Agency Fund	37,543.00
Fund 702 Tax Collection Fund - Prior Years	28,875.20
Fund 703 Current Tax Collection Fund	9,259,803.93
Fund 731 Retirement System Fund	34,941.63
Fund 735 Retirees' Life Insurance Fund	22,500.00
Fund 736 Public Employee Health Care Fund	2,293,460.99
Total For All Funds:	43,718,951.70

Section Separator

(b) A list of each contract that the emergency manager awarded or approved with a cumulative value of \$5000 or more, the purpose of the contract, and the identity of the contractor.

04/01/2014 01:09 PM
 User: DJones
 DB: City Of Flint

Purchase Order Report FOR CITY OF FLINT
 Department Filter: All Depts
 Post Dates From 10/08/2013 To 03/31/2014

Page 1/13

PO NUMBER	PO STATUS	PO TYPE	REQUIRED DATE	DATE POSTED	AMOUNT	PO BALANCE	VENDOR INFORMATION
ENTERED BY		DEPARTMENT					
DESCRIPTION							
13-001293	Open	Blanket		10/08/2013	6,000.00	6,000.00	0000004748 ARGUS-HAZCO Contact: Phone:
BDBond		WPC					
FY 2014 WPC MSA ULTIMA GAS DETECTOR SUPPORT							
13-001303	Completed	Confirming	10/10/2013	10/10/2013	8,553.49	0.00	0000000219 GRAFF TRUCK CENTER Contact: Phone:
MRule		FLEET					
REPAIRS							
13-001304	Completed	Regular		10/10/2013	721,188.00	0.00	0000000270 GENESEE COUNTY TREASURER Contact: Phone:
rtibbetts		68DC					
MCCREE MONTHLY OPERATIONAL COSTS							
13-001305	Completed	Regular		10/10/2013	24,606.00	0.00	0000000270 GENESEE COUNTY TREASURER Contact: Phone:
rtibbetts		68DC					
OPERATIONAL COSTS FOR 8/1/11 THROUGH 6/20/12							
13-001321	Completed	Regular	10/10/2013	10/11/2013	17,600.00	0.00	0000004977 L ZELLAR AND SONS EXCAVATING INC Contact: Phone:
MJarvis		DEV					
L. ZELLAR DEMOLITION OF 5 STRUCTURES							
13-001329	Completed	Regular	10/15/2013	10/16/2013	25,000.00	0.00	0000004985 SSS PRINTING Contact: Phone:
PELLison		CSC					
POSTAGE FOR PRINTING/MAIL PROPERTY TAX BILLS							
13-001338	Partial	Regular		10/16/2013	75,000.00	20,906.50	0000000324 M & M PAVEMENT MARKING, INC Contact: Phone:
BDBond		TE					
SPRING & FALL PAVEMENT MARKINGS							
13-001345	Partial	Regular		10/17/2013	27,333.51	10,320.01	SMI0005A00 STATE OF MICHIGAN Contact: Phone:
rtibbetts		68DC					
QUARTERLY SOFTWARE SUPPORT							
13-001348	Partial	Blanket	10/17/2013	10/17/2013	43,000.00	13,360.50	0000000169 ROWE ENGINEERING INC Contact: Phone:
CDotson		CED					
CO #3 TO 12-130, ROWE							

04/01/2014 01:09 PM
User: DJones
DB: City Of Flint

Purchase Order Report FOR CITY OF FLINT
Department Filter: All Depts
Post Dates From 10/08/2013 To 03/31/2014

PO NUMBER ENTERED BY DESCRIPTION	PO STATUS	PO TYPE DEPARTMENT	REQUIRED DATE	DATE POSTED	AMOUNT	PO BALANCE	VENDOR INFORMATION
13-001349 DJones FY 14 - PROVIDE MISCELLANEOUS MAINTENANCE PARTS	Open	Regular WPC		10/18/2013	5,000.00	5,000.00	0000000810 FB WRIGHT CO Contact: Phone:
13-001361 ffinholm DEMO- BACKFILL OF 4 OPEN HOLES- BARTMAN CDBG	Completed	Regular DEV	10/21/2013	10/22/2013	7,760.00	0.00	0000002029 BARTMAN EXCAVATING Contact: Phone:
13-001364 ffinholm DEMOLITION- 3 STRUCTURES- BARTMAN NSP3	Completed	Regular DEV	10/21/2013	10/22/2013	22,020.00	0.00	0000002029 BARTMAN EXCAVATING Contact: Phone:
13-001365 ffinholm DEMOLITION- 2 STRUCTURES- D J FICK FWA	Completed	Regular DEV	10/22/2013	10/22/2013	5,500.00	0.00	0000004979 D J FICK EXCAVATING CO INC Contact: Phone:
13-001371 BDBond JANITORIAL SERVICES FOR CITY OF FLINT - CHANGE ORDER #1	Partial	Blanket MAINT		10/23/2013	75,000.00	39,712.00	0000004789 DU ALL CLEANING INC Contact: Phone:
13-001378 LBerens PARTS	Partial	Regular FLEET	10/23/2013	10/25/2013	5,000.00	3,347.91	0000004614 VIKING-CIVES MIDWEST, INC Contact: Phone:
13-001379 RJohnson TECH SUPPORT FOR POLICE MOBILE FLEET	Open	CONTRACT POLICE		10/25/2013	16,800.00	16,800.00	0000004381 SECURITY COUNTERMEASURES & Contact: Phone:
13-001381 BDBond FY14 -UNIFORM/LAB COAT/TOWELS/FLOOR MATS RENTALS	Partial	Blanket WPC		10/25/2013	12,788.86	7,210.91	0000000716 CINTAS CORP Contact: Phone:
13-001385 RJohnson NEW WORLD TRAINING - VENDOR IS NEW WORLD - SOLE SOURCE	Completed	Regular POLICE		10/28/2013	45,000.00	0.00	0000000681 NEW WORLD SYSTEMS CORP Contact: Phone:

04/01/2014 01:09 PM
User: DJones
DB: City Of Flint

Purchase Order Report FOR CITY OF FLINT
Department Filter: All Depts
Post Dates From 10/08/2013 To 03/31/2014

PO NUMBER ENTERED BY DESCRIPTION	PO STATUS	PO TYPE DEPARTMENT	REQUIRED DATE	DATE POSTED	AMOUNT	PO BALANCE	VENDOR INFORMATION
13-001386 CPriest WATER SERVICE PARTS	Open	Confirming WSC		10/28/2013	7,301.40	7,301.40	0000000069 ETNA SUPPLY COMPANY Contact: Phone:
13-001400 LBarens PARTS FOR FIRE VEHICLES AND EQUIPMENT	Partial	Regular FLEET	11/04/2013	11/05/2013	10,000.00	633.15	0000000204 WEST SHORE SERVICES INC Contact: Phone:
13-001404 YGray KWA RAW WATER SUPPLY CONTRACT	Partial	Regular WA PLANT	11/05/2013	11/07/2013	969,000.00	145,350.00	0000000509 KAREGNONDI WATER AUTHORITY Contact: Phone:
13-001408 CDotson CONTRACT 09-097 CHANGE ORDER 5, HOME REHABS	Partial	CONTRACT CED	07/01/2013	11/07/2013	102,104.91	100,885.85	0000000233 SALEM HOUSING COMM DEVELOPMENT CORP Contact: Phone:
13-001413 BWideman SALT FOR FY2014 WINTER SEASON	Partial	Regular STREET	10/10/2013	11/11/2013	260,000.00	7,807.22	0000000842 DETROIT SALT CO Contact: Phone:
13-001417 RJohnson CHANGE ORDER - NEIGHBORHOOD SAFETY OFFICER COORDINATOR	Open	CONTRACT POLICE		11/12/2013	22,500.00	22,500.00	00000004251 METRO COMMUNITY DEVELOPMENT, INC Contact: Phone:
13-001423 KNeumann APPRAISAL SERVICES FOR GRAND TRAVERSE GREENWAY TRAIL	Completed	Regular PARKS	11/15/2013	11/15/2013	7,900.00	0.00	00000005019 AFFINITY VALUATION GROUP Contact: Phone:
13-001424 RKelly WATER PLANT ELECTRICAL DISTRIBUTION EQUIPMENT	Partial	Regular WA PLANT		11/15/2013	1,512,000.00	1,178,815.00	0000000133 MCNAUGHTON MCKAY ELECTRIC CO Contact: Phone:
13-001428 CDotson COMMUNITY BASED MENTORING CDBG	Partial	Regular CED	11/09/2013	11/18/2013	46,000.00	9,667.47	00000002524 BIG BROTHERS BIG SISTERS OF Contact: Phone:

04/01/2014 01:09 PM

User: DJones

DB: City Of Flint

Purchase Order Report FOR CITY OF FLINT
Department Filter: All Depts
Post Dates From 10/08/2013 To 03/31/2014

Page 4/13

PO NUMBER ENTERED BY DESCRIPTION	PO STATUS	PO TYPE DEPARTMENT	REQUIRED DATE	DATE POSTED	AMOUNT	PO BALANCE	VENDOR INFORMATION
13-001429 CDotson PUBLIC SERVICES YOUTH RECREATION	Partial	Regular CED	11/09/2013	11/18/2013	46,000.00	5,395.17	0000000656 BOYS & GIRLS CLUB Contact: Phone:
13-001432 TLewis FY13-14 SENIOR MILLAGE - HASSELBRING, 10/1/13 - 9/30/14	Partial	Blanket PARKS		11/19/2013	113,826.00	67,392.12	0000004930 UNITED SENIOR NETWORK Contact: Phone:
13-001433 TLewis FY13-14 SENIOR MILLAGE - BRENNAN, 10/1/13 - 9/30/14	Partial	Blanket PARKS		11/19/2013	113,826.00	77,065.69	0000004927 BRENNAN ELM PARK SENIOR COMMUNITY Contact: Phone:
13-001440 YGray COMMUNITY PUBLIC WATER FEE	Open	Regular WA PLANT	11/08/2013	11/19/2013	26,642.25	26,642.25	SMI0001A04 STATE OF MICHIGAN Contact: Phone:
13-001448 VPoster CONSULTATION SERVICES	Cancelled	Blanket IS		11/21/2013	18,708.00	0.00	0000000266 PLANTE & MORAN, LLP Contact: Phone:
13-001449 LPerens EMERGENCY REPAIR OF 75' LADDER FIRE TRUCK	Partial	Regular FLEET	11/21/2013	11/22/2013	13,866.50	14.74	0000000718 WEST SHORE FIRE INC Contact: Phone:
13-001455 CDotson PUBLIC SERVICES - FAIR HOUSING 13-101	Partial	Regular CED	07/01/2013	11/25/2013	18,000.00	11,735.71	0000000226 LEGAL SERVICES OF EASTERN MICHIGAN Contact: Phone:
13-001456 CDotson PUBLIC SERVICES CREDIT REPAIR BANKRUPTCY 13-102	Partial	Regular CED	07/01/2013	11/25/2013	24,000.00	15,585.99	0000000226 LEGAL SERVICES OF EASTERN MICHIGAN Contact: Phone:
13-001461 ffinholm ASBESTOS ABATEMENT	Completed	Blanket DEV	02/01/2013	11/27/2013	23,785.20	0.00	0000004843 RIGHTWAY REMEDIATION LLC Contact: Phone:

04/01/2014 01:09 PM
User: DJones
DB: City Of Flint

Purchase Order Report FOR CITY OF FLINT
Department Filter: All Depts
Post Dates From 10/08/2013 To 03/31/2014

Page 5/13

PO NUMBER ENTERED BY DESCRIPTION	PO STATUS	PO TYPE DEPARTMENT	REQUIRED DATE	DATE POSTED	AMOUNT	PO BALANCE	VENDOR INFORMATION
13-001462 CDotson DEMOLITION OF GENESEE TOWERS	Completed	Regular CED	05/22/2013	12/02/2013	880,000.00	0.00	0000002761 UPTOWN REINVESTMENT CORP Contact: Phone:
13-001463 rtibbetts MAIN. AGREE. FOR VIDEO EQUIP.	Completed	Regular 68DC	12/03/2013	12/03/2013	10,200.00	0.00	0000003943 JEFFERSON AUDIO VIDEO SYSTEMS, INC Contact: Phone:
13-001464 MRule BODY REPAIR OF 2293	Completed	Regular FLEET	12/03/2013	12/04/2013	5,368.27	0.00	0000004181 WOLVERINE BUMP & PAINT SHOP, INC Contact: Phone:
13-001469 DJones WATER & SEWER MAIN REPAIRS	Partial	Regular WSC		12/04/2013	100,000.00	98,986.40	0000003110 HD SUPPLY WATERWORKS, LTD. Contact: Phone:
13-001485 CPriest HIP BOOTS	Partial	Regular WSC		12/10/2013	8,800.00	747.01	0000004672 MICHIGAN ELECTRIC SUPPLY COMPANY Contact: Phone:
13-001490 rtibbetts POSTAGE	Completed	Regular 68DC		12/12/2013	10,000.00	0.00	0000000774 FITNEY BOWES PURCHASE POWER Contact: Phone:
13-001491 CDotson COF FIRE - FIRE RADIOS/HOUSING/PUB FACILITY IMPROV	Open	Regular FIRE	11/09/2013	12/12/2013	62,679.00	62,679.00	0000000684 MOTOROLA INC Contact: Phone:
13-001492 vFoster BARCODE HARDWARE FOR IDENTIFICATION BUREAU-FLINT POLICE	Completed	Regular IS		12/13/2013	7,150.00	0.00	0000000681 NEW WORLD SYSTEMS CORP Contact: Phone:
13-001495 PELLison PRINT/MAIL UTILITY BILLS	Completed	Regular CSC	12/04/2013	12/16/2013	21,480.00	0.00	0000004985 SSS PRINTING Contact: Phone:

04/01/2014 01:09 PM
User: DJones
DB: City Of Flint

Purchase Order Report FOR CITY OF FLINT
Department Filter: All Depts
Post Dates From 10/08/2013 To 03/31/2014

Page 7/13

PO NUMBER ENTERED BY DESCRIPTION	PO STATUS	PO TYPE DEPARTMENT	REQUIRED DATE	DATE POSTED	AMOUNT	PO BALANCE	VENDOR INFORMATIO
14-000004 DJones	Completed	Regular STREET	01/07/2014	01/07/2014	6,500.00	0.00	0000002250 ZITO CONSTRUCTION CO Contact: Phone:
14-000005 KWallace HYDRAULIC POWER PACK 25 HP	Partial	Regular WPC	01/01/2014	12/06/2013	6,650.00	30.17	0000005018 CONCUT INC Contact: Phone:
14-000008 VFoster SWITCHES AND ACCESSORIES	Open	Regular IS		11/18/2013	18,738.00	18,738.00	0000003787 GREAT LAKES COMPUTER SOURCE, INC Contact: Phone:
14-000009 KMhammad LEAF DISPOSAL AT ENVIRONMENTAL WOOD SOLUTIONS FY14	Partial	Blanket STREET	11/26/2013	11/26/2013	25,000.00	11,050.00	0000005024 ENVIRONMENTAL WOOD SOLUTIONS Contact: Phone:
14-000013 MRule PARTS AND SUPPLIES - PARKER HYD COUPLERS & HOSES	Partial	Regular FLEET	01/13/2014	01/13/2014	5,000.00	3,105.49	0000000072 EXOTIC AUTOMATION & SUPPLY Contact: Phone:
14-000015 DJones WPCF SECONDARY CLARIFIERS INSTALLATION	Partial	Regular WPC		10/10/2013	274,488.00	137,244.00	0000004866 TITUS WELDING COMPANY INC Contact: Phone:
14-000019 MRule BODY REPAIR OF 2384	Completed	Regular FLEET	01/13/2014	01/13/2014	5,183.22	0.00	0000004181 WOLVERINE BUMP & PAINT SHOP, INC Contact: Phone:
14-000024 CDotson PUBLIC SERVICES LIFELINE PROGRAM	Open	Blanket CED	11/09/2013	11/09/2013	20,000.00	20,000.00	0000005035 WOW OUTREACH Contact: Phone:
14-000026 BWideman RENTAL OF CHIPPER FOR TREES/BRANCHES	Open	Regular STREET	01/22/2014	01/22/2014	5,200.00	5,200.00	0000000070 EVANS EQUIPMENT CO INC Contact: Phone:

04/01/2014 01:09 PM
User: DJones
DB: City Of Flint

Purchase Order Report FOR CITY OF FLINT
Department Filter: All Depts
Post Dates From 10/08/2013 To 03/31/2014

Page 8/13

PO NUMBER	PO STATUS	PO TYPE	REQUIRED DATE	DATE POSTED	AMOUNT	PO BALANCE	VENDOR INFORMATION
ENTERED BY	DEPARTMENT						
DESCRIPTION							
14-000032	Completed	Regular	01/13/2014	01/13/2014	7,383.00	0.00	0000000019 AUSTINS BODY SHOP Contact: Phone:
MRule		FLEET					
BODY REPAIR OF 7029							
14-000039	Partial	Regular	12/19/2013		12,639.33	7,321.05	0000000682 FLINT CARPET CO Contact: Phone:
KNeumann		MAINT					
REPLACE CARPETING IN THE ASSESSMENT AND CITY CLERK'S OFFICES							
14-000042	Partial	Regular	01/16/2014		10,000.00	1,141.62	0000003591 FLINT GLASS SERVICE Contact: Phone:
KNeumann		MAINT					
NEW DOORS AS NEEDED							
14-000043	Open	Blanket	07/01/2013	01/14/2014	5,903.17	5,903.17	0000000164 RED WING SHOE STORE Contact: Phone:
KWallace		WPC					
FY 2014 WPC SAFETY SHOES							
14-000050	Completed	Regular	11/25/2013	11/25/2013	30,000.00	0.00	0000004703 SARGENT'S TITLE COMPANY LLC Contact: Phone:
CDotson		CED					
DEVELOPER FEES, 1650 N GRAND TRAVERSE, 611 WELCH							
14-000059	Completed	Regular	01/30/2014	01/30/2014	13,552.10	0.00	0000000772 PRODUCTIVITY SYSTEMS INC Contact: Phone:
rtibbetts		68DC					
CIVIL CASE FILES							
14-000060	Open	Blanket	11/14/2013	11/14/2013	505,000.00	505,000.00	0000000133 MCNAUGHTON MCKAY ELECTRIC CO Contact: Phone:
YGray		WA PLANT					
CEDAR STREET PROJECT							
14-000064	Completed	Regular	01/31/2014	01/31/2014	8,207.75	0.00	0000000003 AIS CONSTRUCTION EQUIP&CONTRACTORS Contact: Phone:
MRule		FLEET					
REPAIR PARTS							
14-000065	Open	Blanket	01/24/2014	01/24/2014	11,000.00	11,000.00	0000004251 METRO COMMUNITY DEVELOPMENT, INC Contact: Phone:
CDotson		CED					
METRO ESG PROGRAM ADMINISTRATION & PROJECT DELIVERY							

04/01/2014 01:09 PM
User: DJones
DB: City Of Flint

Purchase Order Report FOR CITY OF FLINT
Department Filter: All Depts
Post Dates From 10/08/2013 To 03/31/2014

Page 9/13

PO NUMBER ENTERED BY DESCRIPTION	PO STATUS	PO TYPE DEPARTMENT	REQUIRED DATE	DATE POSTED	AMOUNT	PO BALANCE	VENDOR INFORMATION
14-000066 Cdotson METRO ESG ADMIN & PROGRAM REIMBURSEMENT FRUD14ESG	Open	Regular CED	01/21/2014	01/21/2014	241,539.00	241,539.00	0000004251 METRO COMMUNITY DEVELOPMENT, INC Contact: Phone:
14-000067 Cdotson FESGPRIOR PROGRAM ADMIN & PROJECT DELIVERY	Open	Blanket CED	01/21/2014	01/21/2014	15,667.00	15,667.00	0000004251 METRO COMMUNITY DEVELOPMENT, INC Contact: Phone:
14-000069 BDBond 4X4 DIESEL UTILITY VEHICLE	Open	Regular FLEET	02/04/2014	02/04/2014	45,168.00	45,168.00	0000000247 FLINT NEW HOLLAND, INC Contact: Phone:
14-000070 Cdotson METRO COMMUNITY -SUBRECIPIENT DISBURSEMENTS 2012 HESG AND 2011 PRIOR LESS UNCOMMITTED	Partial	Regular CED	01/21/2014	01/21/2014	147,344.57	52,376.44	0000004251 METRO COMMUNITY DEVELOPMENT, INC Contact: Phone:
14-000072 CPriest AGGREGATES	Completed	Regular WSC	12/05/2013	12/05/2013	14,000.00	0.00	0000004445 CYDI OF MICHIGAN Contact: Phone:
14-000073 DDunlap GEAR, HOSES, NOZZLES	Partial	Blanket FIRE	10/09/2013	10/15/2013	30,000.00	26,395.00	0000000062 DOUGLASS SAFETY SYSTEMS Contact: Phone:
14-000077 MRule SNOW PLOW PARTS	Partial	Regular FLEET	01/23/2014	01/23/2014	12,000.00	7,400.00	0000000477 SHULTS EQUIPMENT INC Contact: Phone:
14-000078 MRule REPAIR PARTS FOR V#4425	Partial	Regular FLEET	01/23/2014	02/05/2014	12,271.25	480.00	0000000838 NEAL'S TRUCK PARTS INC Contact: Phone:
14-000081 VFoster IS	Partial	Blanket IS	02/06/2014	02/06/2014	45,000.00	40,666.25	0000000266 PLANTE & MORAN, LLP Contact: Phone:

04/01/2014 01:09 PM
User: DJones
DB: City Of Flint

Purchase Order Report FOR CITY OF FLINT
Department Filter: All Depts
Post Dates From 10/08/2013 To 03/31/2014

Page 10/13

PO NUMBER ENTERED BY DESCRIPTION	PO STATUS	PO TYPE DEPARTMENT	REQUIRED DATE	DATE POSTED	AMOUNT	PO BALANCE	VENDOR INFORMATION
14-000082 Bwideman CARBIDE BLADES FOR SNOW PLOWS	Completed	Regular STREET	02/07/2014	02/07/2014	10,076.00	0.00	0000000217 KNAPHEIDE JURSIK TRUCK EQUIP INC Contact: Phone:
14-000084 MRule SOLAR POWERED TRAFFIC ARROW BOARD	Completed	Regular FLEET	12/09/2013	02/12/2014	8,162.82	0.00	0000005069 K & K SYSTEMS INC Contact: Phone:
14-000088 rtibbetts PUBLIC DEF SERVICES FOR JUDGE CRAWFORD	Partial	Regular 68DC	02/17/2014	02/18/2014	5,000.00	2,000.00	0000000215 JEFFREY A. CHILDERS Contact: Phone:
14-000092 TLewis SNOW REMOVAL SERVICES	Partial	Blanket MAINT		02/18/2014	35,050.00	12,054.00	0000000232 J & M TREE SERVICE Contact: Phone:
14-000093 CDotson LISC CDBG ADMIN, CAPACITY BUILDING	Open	Regular CED	11/09/2013	02/18/2014	20,000.00	20,000.00	0000004829 LOCAL INITIATIVES SUPPORT CORP Contact: Phone:
14-000094 CDotson CDBG, PUBLIC SERVICES, YOUTH RECREATION	Open	Regular CED	11/09/2013	02/18/2014	100,000.00	100,000.00	0000002627 UNITED WAY OF GENESEE COUNTY Contact: Phone:
14-000095 CDotson PUBLIC SERVICES VICTIM ADVOCACY PROGRAM, 13-098	Open	Blanket CED	11/09/2013	02/18/2014	15,000.00	15,000.00	0000000209 Y W C A OF FLINT Contact: Phone:
14-000099 RKelly SIX (6) USAA048A, STATION CLASS ARRESTER @ \$1,559 EACH	Open	Blanket WA PLANT	02/12/2014	02/21/2014	9,354.00	9,354.00	0000000133 MCNAUGHTON MCKAY ELECTRIC CO Contact: Phone:
14-000101 CPriest COLD WEATHER GEAR	Open	Regular WSC		02/24/2014	9,500.00	9,500.00	0000005045 HUBBARD SUPPLY COMPANY Contact: Phone:

Section Separator

(c) A description of each loan sought, approved, or disapproved during the reporting period that has a cumulative value of \$5000 or more and the proposed use of the funds.

The City of Flint has not sought, approved or disapproved any loan during the reporting period of October 8, 2013 through April 8, 2014. However, as a partner in the Karegnondi Water Authority, we are in the market for a 30% share of a \$220 million bond sale.

1

Section Separator

(d) A description of any new position created or any vacancy in a position filled by the appointing authority.

Vacancies Filled October 2013- March 2014

Caseworker Coordinator
City Council Person
Court Recorder
Demolition Grants Monitor
Deputy Clerk I
Deputy Clerk II
Director of Planning/Development
District Court Acct. Analyst Asst.
Emergency 911 Administrator
Env. Compliance Chemist
Env. Compliance Inspector
Executive Sec. to Court Admin
Fire Apparatus Operator
Fire Safety Training Officer
Fire Suppression Lieutenant
Fire Suppression Sergeant
Firefighter/EMT
Landscape Gardner
Legal Records Clerk
Outreach Plan Policy Assoc.
Police Captain
Police Chief
Police Lieutenant
Police Officer
Police Recruit
Police Sergeant
Principal Clerk Typist
Program Specialist
Records Clerk Teller
School Crossing Guard
Sewer Systems Constr Trainee
Sewer Systems Constr Operator
Sewer Systems Sr Constr Operator
Sewer System Sr Maintainer
Sewer System Maintainer Trainee
Sr Building Maintainer
St. Operator Maintainer
Water Dist Operator Sr Operator
Water Dist Operator Trainee
Water Distribution Operator

VACANCY FILLED



EMERGENCY MANAGER CITY OF FLINT GENESEE COUNTY MICHIGAN

ORDER No. 4

CONFIRMATION OF CITY COUNCIL COMMITTEE APPOINTMENTS

BY THE POWER AND AUTHORITY VESTED IN THE EMERGENCY MANAGER
("EMERGENCY MANAGER) FOR THE CITY OF FLINT, MICHIGAN ("CITY")
PURSUANT TO MICHIGAN'S PUBLIC ACT 436 OF 2012, LOCAL FINANCIAL
STABILITY AND CHOICE ACT ("PA 436"), DARNELL EARLEY, THE EMERGENCY
MANAGER, ISSUES THE FOLLOWING ORDER

Pursuant to Public Act 436, the Emergency Manager has broad powers in receivership to rectify the financial emergency and to assure the fiscal accountability of the City of Flint and its capacity to provide or cause to be provided necessary services essential to the public health, safety and welfare, and

Pursuant to Public Act 436, the Emergency Manager acts in place of local officials, specifically the Mayor and City Council, unless the Emergency Manager delegates specific authority; and

Pursuant to Public Act 436, the Emergency Manager has broad power to manage the local government, and may issue orders to elected and appointed officials necessary to accomplish the purpose of the act. An order issued under PA 436 is binding on the person to whom it is issued; and

Pursuant to Public Act 436, the Emergency Manager may remove, replace, appoint, or confirm the appointments to any office, board, commission, authority, or other entity which is within or is a component unit of the local government; and

On, Monday, January 13, 2014, during the City Council Meeting, President Kincaid made appointments to three City Council Committees as follows:

Public Safety

Vicki VanBuren (Chairperson)
Jackie Poplar
Josh Freeman

Finance

Josh Freeman (Chairperson)
Wantwaz Davis
Monica Galloway

Legislative Affairs

Sheldon Neeley (Chairperson)
Eric Mays
Scott Kincaid

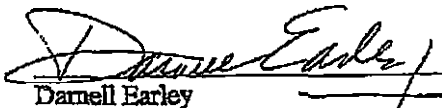
By virtue of this Order, the Emergency Manager hereby confirms the above City Council Committee appointments; and, affirms that any and all meetings convened on behalf of these Committees shall be scheduled by the Emergency Manager or his designee.

This Order is effective January 15, 2014.

This Order may be amended, modified, repealed or terminated by any subsequent order issued by the Emergency Manager.

Dated: 1-31-14

By:


Darnell Earley
Emergency Manager
City of Flint

xc: State of Michigan Department of Treasury
Mayor Dayne Walling
Flint City Council
Inez Brown, City Clerk

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**CITY OF FLINT
Position Description**

Class Title:	Water Construction Equipment Operator	Job Code Number:	21-N-063
Established:	June 28, 1984	Bargaining Unit:	Local 1600

GENERAL STATEMENT OF DUTIES: Operates, maintains, and repairs tractor-loader backhoe and hydraulic excavator, hydro-crane and/or any other machine or unit used for digging, loading, unloading, and handling materials used in the installation, repair and maintenance of the City of Flint Water System. Operates other heavy equipment such as tapping machines utilized in fieldwork of the Water Division. Assists foreman in directing field crews. Performs related work as required.

SUPERVISION RECEIVED: Works under the supervision of an employee of higher grade who assigns work and inspects jobs in progress.

SUPERVISION EXERCISED: May assist foreman in exercising working supervision over a small number of employees engaged in the installation and maintenance of the City Water System.

ESSENTIAL DUTIES AND RESPONSIBILITIES:

1. Operates, maintains and repairs a hydraulic excavator, and/or hydro-crane equipped with clam-shell to dig excavations for repair and installation of water mains, water, water service lines, fire hydrants, gates valves, manholes. Loads and unloads materials and supplies to and from trucks, other transporting equipment and stockpiles.
2. Operates hydraulic excavator for excavating and handling materials for various other City Departments in unusual or critical area.
3. Operates, maintains, and repairs diesel-powered tractor-loader-backhoe used for the installation, maintenance and repair of the City Water System.
4. May assist foreman and in his absence performs the duties of the lead man in directing field crews in installation and repairs to the City Water System.
5. May be required to operate other construction equipment such as bulldozers, graders and similar equipment.
6. May be required to work in the classification of Water Distribution Maintainer.

MINIMUM ENTRANCE REQUIREMENTS:

- A. Two years experience as a Water Distribution Maintainer; must currently be working in the classification of Water Distribution Maintainer
- B. Working knowledge of the principles of heavy automotive and diesel powered construction equipment operation and its uses.
- C. Knowledge of the construction of heavy automotive and diesel powered equipment.
- D. Ability to make minor repairs and adjustments and to service heavy construction equipment.
- E. Skill in the operation of heavy automotive and diesel powered construction equipment.
- F. Ability to meet the physical, mental, and visual standards of the job.
- G. Ability and willingness to work in a manner that will not needlessly endanger the safety to one's self, other persons and equipment.
- H. Ability to work in all outside weather conditions and at all times of day or night.

NECESSARY SPECIAL REQUIREMENT:

- Possession and maintenance of a valid State of Michigan driver's license.
- Possession and maintenance of a valid State of Michigan C.D.L. driver's license "A" endorsement or the receipt of one within three (3) months of appointment.
- Possession and maintenance of an M.D.P.H. Waterworks System Operator "S-3" license or receipt of one within three (3) years of appointment.

PHYSICAL DEMANDS:

While performing the duties of this job, the employee regularly works in outside weather conditions. The employee occasionally works near moving mechanical parts and is occasionally exposed to wet and/or humid conditions, fumes or airborne particles, traffic, toxic or caustic chemicals, risk of electrical shock, and vibration. The employee is occasionally required to stand; walk; use hands to finger, handle, feel or operate objects, tools, or controls; and reach with hands and arms. The employee is occasionally required to sit; climb or balance; stoop, kneel, crouch, or crawl, talk or hear; and smell. The employee must occasionally lift and/or move up to 50 pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and the ability to adjust focus.

Classification History

EST. Personnel 6/28/84

REVISED: Personnel 10/10/94

REVISED: Personnel 06/14/96

REVISED: Personnel 07/12/02

REVISED: Human Resources 03/18/05

REALLOCATION: 07/01/06

The job description does not constitute an employment agreement between the employer and employee and is subject to change by the employer as the needs of the employer and requirements of the job change.

Position Eliminated

CITY OF FLINT Position Description

Class Title:	Water Distribution Maintainer	Job Code Number:	20-N-036
Established:		Bargaining Unit:	Local 1600

GENERAL STATEMENT OF DUTIES: Inspects, installs, maintains, and repairs water mains, water service lines, valves, meters, hydrants, and other appurtenances of the water supply system; may work independently or with one or more other water service men, or may act as lead man in a small work crew; performs related work as required.

SUPERVISION RECEIVED: Works under the direct supervision of an employee of higher grade who assigns work and checks for proper performance of duties.

ESSENTIAL DUTIES AND RESPONSIBILITIES:

1. Installs water mains and new service lines; inspects new mains and service lines being installed by contractors; may on occasion confer with contractors relative to installations and inspections of service lines and water mains; inserts tapping valves for new mains and service lines while maintaining constant water pressure.
2. Lays and repairs water mains; installs and repairs gate valves; installs, repairs, and tests fire hydrants; constructs and repairs manholes on gate valves.
3. Installs service connections, including tapping water main and laying service pipe; connects shut-off valves and stop box; digs up curb boxes; thaws frozen lines in winter; constructs and repair headers for multiple meter settings.
4. Pours lead and caulks joints, cuts pipe, cuts out broken pipe, puts on sleeves, shuts off gate valves, repacks stuffing boxes.
5. Installs and removes consumer water meters; reads commercial and residential meters as required; checks low pressure complaints and causes of high water bills; makes cost estimates for relocation of meters and repair of service lines as required.
6. Drives utility and dump trucks; orders materials, makes out simple reports on work performed and materials used.
7. May act as lead man in a small work crew engaged in installation and maintenance, or may work independently or with one or more Water Service Men.
8. May clean and repack water meters and/or be assigned duties in the stockroom.
9. Contacts customers and makes arrangements for temporary shutoff of water for repairs and/or new connections and installations of mains.

MINIMUM ENTRANCE REQUIREMENTS:

- A. One year of experience as a Water Distribution Maintainer Trainee with the Water Distribution and Service system.
- B. Familiarity with the materials, methods and practices of water system installation and maintenance.
- C. Working knowledge of the water service and distribution system.
- D. Ability to carry out oral and written instructions and to work from blueprints.
- E. Skill in the use of tools and equipment common to water distribution, construction, maintenance, and service.
- F. Ability to perform manual labor for extended periods under unfavorable climatic conditions or in mud and water.

MINIMUM ENTRANCE REQUIREMENTS (Con't):

- G. Mechanical aptitude.
- H. Ability to meet the physical, mental and visual standards of the job.
- I. Ability and willingness to work in a manner that will not needlessly endanger the safety to one's self, other persons and equipment.

NECESSARY SPECIAL REQUIREMENT(S):

Possession of a valid driver's license.

PHYSICAL DEMANDS:

While performing the duties of this job, the employee regularly works in outside weather conditions. The employee occasionally works near moving mechanical parts and is occasionally exposed to wet and/or humid conditions, fumes or airborne particles, traffic, toxic or caustic chemicals, risk of electrical shock, and vibration. The employee is occasionally required to stand; walk; use hands to finger, handle, feel or operate objects, tools, or controls; and reach with hands and arms. The employee is frequently required to sit; climb or balance; stoop, kneel, crouch, or crawl; talk or hear; and smell. The employee must frequently lift and/or move up to 50 pounds and occasionally lift and/or move up to 100 pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and the ability to adjust focus.

Classification History:

REVISED: CSC Mtg. 07/24/61, 08/09/67

RETTLED: CSC Mtg. 07/02/74

REVISED: Personnel 10/16/81

REALLOCATED: Wage Inequity 07/01/85

REVISED: Personnel 06/03/91

REALLOCATED: Human Resources 07/01/2006

The job description does not constitute an employment agreement between the employer and employee and is subject to change by the employer as the needs of the employer and requirements of the job change.

**CITY OF FLINT
Position Description**

Class Title:	Water Distribution Maintainer Trainee	Job Code Number:	12-N-035
Established:	June 26, 1961	Bargaining Unit:	Local 1600

GENERAL STATEMENT OF DUTIES: Under an on-the-job training program with close supervision installs, maintains and repairs water mains, valves, meters, hydrants and other appurtenances of the water supply system; performs related work as required. As the training progresses, supervision may be proportionately decreased and the responsibility of assignments increased. After completion of 2080 paid working hours, not including overtime, of on-the-job training, in the Water Service Center Division, the training period will be considered complete and the employee eligible for examination for promotion to Water Distribution Maintainer.

SUPERVISION RECEIVED: Works under the direct supervision of a foreman who assigns work and checks for proper performance of duties.

ESSENTIAL DUTIES AND RESPONSIBILITIES:

1. Installs water mains and new service lines; inserts tapping valves for new mains and service lines.
2. Lays and repairs water mains; repairs gate valves; installs, repairs and tests fire hydrants; constructs and repairs wells on line gates.
3. Installs service connections, including tapping water main and laying service pipe; connects shut-off valves and stop box; digs and back-fills trenches; locates and digs up curb boxes as necessary; thaws frozen lines in winter.
4. Caulks joints, cuts pipe, cuts out broken pipe, puts on sleeves, shuts off gate valves, repairs stuffing boxes.
5. Installs and removes consumer water meters.
6. Drives utility and dump trucks; orders materials; makes out simple reports on work performed and materials used.
7. May work with one or more Water Service men.
8. May clean and repack water meters and/or be assigned duties in the stockroom.

MINIMUM ENTRANCE REQUIREMENTS:

- A. Ability to communicate orally and carry out oral instructions.
- B. Skill in the use of the more common shop tools.
- C. Ability to perform manual labor for extended periods under unfavorable climatic conditions or in mud or water.
- D. Mechanical aptitude.
- E. Ability to meet the physical, mental and visual standards of the job.
- F. Ability and willingness to work in a manner that will not needlessly endanger the safety to one's self, other persons and equipment.

NECESSARY SPECIAL REQUIREMENT:

- A. Possession of a valid Driver's License before appointment.
- B. Possession of a valid CDL Class B Driver's License at time of appointment.

PHYSICAL DEMANDS:

While performing the duties of this job, the employee regularly works in outside weather conditions. The employee occasionally works near moving mechanical parts and is occasionally exposed to wet and/or humid conditions, fumes or airborne particles, traffic, toxic or caustic chemicals, risk of electrical shock, and vibration. The employee is occasionally required to stand; walk; use hands to finger, handle, feel or operate objects, tools, or controls; and reach with hands and arms. The employee is frequently required to sit, climb or balance; stoop, kneel, crouch, or crawl; talk or hear; and smell. The employee must frequently lift and/or move up to 50 pounds and occasionally lift and/or move up to 100 pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and the ability to adjust focus.

Classification History

Allocated: CSC MTG. 05/15/61

Established: SC MTG. 06/26/61

Reallocated: CSC MTG. 12/12/69

Re-titled: CSC MTG. 07/02/74

Revised: Personnel 07/07/81, 03/17/82,

05/03/90, 02/01/01

Revised: Personnel: 02/25/11

The job description does not constitute an employment agreement between the employer and employee and is subject to change by the employer as the needs of the employer and requirements of the job change.

Position Eliminated

CITY OF FLINT Position Description

Class Title:	Water Meter Technician	Job Code Number:	19-N-016
Established:	December 13, 1994	Bargaining Unit:	Local 1600

GENERAL STATEMENT OF DUTIES: Performs a variety of tasks related to the inspection, testing, installation, resetting, and/or removal of residential and commercial meters. Turns water on and off at the curb box; performs related work as required.

SUPERVISION RECEIVED: Works under the supervision of an employee of higher grade who assigns work and checks results for proper completion in accordance with established policies and procedures.

ESSENTIAL DUTIES AND RESPONSIBILITIES:

1. Inspects defective residential and compound meters and transponders; determines defects; takes meters apart; inspects and cleans parts.
2. Tests and calibrates transponder and meter after assembling.
3. Uses various hand held computing devices to program transponders, obtain meter reads, and diagnose transponder and/or meter malfunctions.
4. Assembles parts after testing and calibrating residential meters.
5. Installs and removes meters and transponders. Records meter reads.
6. Locates, and as necessary, digs up curb boxes; operates curb cock to turn water on and off; cleans curb boxes.
7. Reports service leaks and illegal meter connections to the foreman.
8. Completes simple reports on work performed.
9. May drive a van, truck or other light duty vehicle in the performance of duties, including the transport of equipment, materials, and supplies.
10. May, on occasion, be required to turn off water service to customers with delinquent accounts.

MINIMUM ENTRANCE REQUIREMENTS:

- A. Two (2) years of general mechanical experience.
- B. Working knowledge of mechanical concepts and ideas.
- C. Working knowledge of the geography and street locations of the city.
- D. A mechanical aptitude, together with skill in the use of the more common shop and hand tools.
- E. Ability to perform basic mathematics.
- F. Ability to understand and carry out written and verbal instructions.
- G. Ability to establish and maintain cooperative working relationships with the other employees and the general public.
- H. Ability to meet the physical, mental and visual standards of the job and work in adverse weather conditions.
- I. Ability and willingness to work in a manner that will not needlessly endanger the safety to one's self, other persons and equipment.

NECESSARY SPECIAL REQUIREMENT:

- Possession of a valid State of Michigan Driver's License at time of appointment.

Water Meter Technician – Page 2

PHYSICAL DEMANDS:

While performing the duties of this job, the employee regularly works in outside weather conditions. The employee regularly works near moving mechanical parts and is exposed to inclement conditions, fumes or airborne particles, traffic, toxic or caustic chemicals, risk of electrical shock, and vibration. The employee is regularly required to reach with hands and arms and is required to stand and walk; and use hands to finger, handle, feel or operate objects, tools, or controls. The employee is occasionally required to sit; climb or balance; stoop, kneel, crouch, or crawl; and talk or hear.

The employee must frequently lift and/or move up to 25 pounds and occasionally lift and/or move more than 100 pounds. Specific vision abilities required by this job include close vision, and the ability to adjust focus.

Classification History

Established: Personnel 12/13/94 (Combined positions of
Water Meter Maint. & Water Meter Setter)

Revised: Personnel 05/23/95

Revised: Human Resources 02/17/05

Revised: Human Resources 06/19/06

Reallocated (Wage Inequity): 10/26/07

Revised: Human Resources 09/17/09

The job description does not constitute an employment agreement between the employer and employee and is subject to change by the employer as the needs of the employer and requirements of the job change.

Section Separator

- (f) A copy of the contract with the emergency manager as provided in section 9(3)(e).



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

ANDY DILLON
STATE TREASURER

CONTRACT FOR EMERGENCY MANAGER SERVICES

Rick Snyder, Governor of the State of Michigan (Governor) and the Michigan Department of Treasury retain and appoint Darnell Earley as the Emergency Manager (Emergency Manager) for the City of Flint (City) under Public Act 436 of 2012, the Local Financial Stability and Choice Act, MCL 141.1541 *et seq.* (the Act).

--- The Emergency Manager will provide services to the City pursuant to the terms and conditions set forth in this Contract and the Act. ---

The Emergency Manager's role is to remedy the financial distress of the City by requiring, within available resources, prudent fiscal management and an efficient provision of municipal services by exercising the necessary authority conferred herein to take appropriate action on behalf of the City and its residents. In accepting this appointment, the Emergency Manager agrees to leverage all the Emergency Manager's skills and abilities to accomplish these objectives on behalf of City residents.

1. PARTIES, PURPOSE, DUTIES, AND REPORTS

1.1 Parties. The parties to this Contract are the State of Michigan by the Department of Treasury and Darnell Earley.

1.2 Purpose. The parties to this Contract agree that Darnell Earley will act as the Emergency Manager for the City. The Emergency Manager's duties and responsibilities are delineated in the Act and include conducting all aspects of the operations of the City and establishing and implementing a written financial plan as required by Section 11 of the Act.

1.3 Duties. The Emergency Manager shall possess all the powers and duties authorized under the Act, including those specifically related to local governments. In addition, the Emergency Manager shall work cooperatively with the Office of the Governor and the State Treasurer. The Emergency Manager agrees to continue to keep these officials informed of major initiatives to be undertaken in furtherance of this Contract before their public announcement. The Emergency Manager shall seek the approval of the State Treasurer before entering into a new collective bargaining agreement.

1.4 Reports. The Emergency Manager shall file quarterly reports with the Department of Treasury beginning on January 15, 2014, for the immediately preceding quarter and shall file the first report required by Section 17 of the Act within six months of the Emergency Manager's appointment and every three months thereafter.

1.5 Communications. The Emergency Manager shall establish and maintain an appropriate protocol for ongoing communications with officials of the City, City residents, and the media. The communications protocol should include a variety of means, including personal interactions.

2. TERM OF CONTRACT

2.1 The Emergency Manager serves at the pleasure of the Governor except as provided in Section 9(3)(d) and Section 9(6)(c) of the Act.

2.2 Effective Date. This contract is effective on Tuesday October 8, 2013.

3. COMPENSATION FOR SERVICES PROVIDED

3.1 Source of Payment. The State shall pay the compensation of the Emergency Manager for all services rendered under this Contract.

3.2 Salary. The Emergency Manager's salary for services rendered under this Contract shall be \$180,000.00 per year. If this Contract is terminated after the Emergency Manager has provided services for a portion of the month, the Emergency Manager shall be entitled, for that portion of that month, to \$15,000.00 multiplied by the proportion that the number of days of the month for which services were provided bears to the number of days of the whole month.

3.3 Payment for Services. The Emergency Manager shall be paid in installments consistent with the established written policies and procedures of the Michigan Department of Treasury. If requested by the State Treasurer, the Emergency Manager shall provide to the Michigan Department of Treasury additional information regarding services performed pursuant to this Contract.

3.4 Reimbursement for Actual and Necessary Expenses. The actual and necessary expenses of the Emergency Manager, including customary expenses related to travel, meals, and lodging which are incurred in connection with service to the City will be reimbursed by the City. The Emergency Manager shall provide original copies of all receipts for meals, lodging, and travel reimbursement with any request for reimbursement. Any reimbursement for expenses under this contract shall be reviewed and approved in writing by the City's Chief Financial Officer.

4. ADDITIONAL STAFF AND CONSULTANT FEES

4.1 Staff. The Emergency Manager may, as provided in the Act, appoint additional staff as necessary to fulfill the obligations of the Emergency Manager's appointment and duties under this Contract. Payment of compensation for additional staff will be the obligation of the City. While authority to hire additional staff rests with the Emergency Manager, the Emergency Manager agrees to consult with the State Treasurer, or the designee of the State Treasurer, at least 24 hours before extending offers of employment for positions paying \$50,000.00, or more, annually. The Emergency Manager shall issue a written employment contract to each individual hired pursuant to this Section, regardless of the compensation paid to that individual. The employment contract

issued pursuant to this Section shall, as of the date the individual is hired by the Emergency Manager, prohibit the individual from engaging in any other employment for remuneration without the express written approval of the Emergency Manager. The Emergency Manager agrees to consult with the State Treasurer, or the designee of the State Treasurer, at least 24 hours before approving outside employment for any individual. A breach of this Section shall be a material breach of this Contract.

4.2 Professional Assistance. The Emergency Manager may, as provided in the Act, secure professional assistance as necessary to fulfill the obligations of the Emergency Manager's appointment and duties under this Contract. Payment of compensation for additional professional assistance will be the obligation of the City. The Emergency Manager agrees to consult with the State Treasurer, or the designee of the State Treasurer, at least 24 hours before authorizing professional services contracts of \$50,000.00, or more, per engagement or project. If a contract under this Section, or under Section 4.1, has a value of \$50,000 or more, the Emergency Manager shall not execute the contract unless the contract is subject to competitive bidding by the Emergency Manager or the Emergency Manager receives prior written approval from the State Treasurer.

4.3 Security. The Emergency Manager will be entitled to receive security protection in connection with the Emergency Manager's duties under this Contract. Security personnel will be retained only upon the approval of the State Treasurer, or the designee of the State Treasurer, and only after consultation with the Director of the Michigan Department of State Police, or the designee of the Director of the Michigan Department of State Police. Payment of compensation for security personnel will be the obligation of the City.

5. REPRESENTATIONS

5.1 Qualifications. By signing this Contract, the Emergency Manager, represents that the Emergency Manager meets the minimum qualifications for appointment set forth in the Act. The Emergency Manager shall perform the duties of that office on a full-time basis, except as otherwise approved by the State Treasurer, and shall not accept any other employment or engage in any other activity for remuneration without the express written approval of the State Treasurer.

5.2 Conflict of Interest. The Emergency Manager represents and warrants that the Emergency Manager has no personal or financial interest, and will not acquire any such interest, that would conflict in any manner or degree with the performance of this Contract.

5.3 Non-competition. The Emergency Manager represents and warrants that the Emergency Manager is not subject to any non-disclosure, non-competition, or similar clause with current or prior clients or employers that will interfere with the performance of this Contract. The State will not be subject to any liability for any such claim.

5.4 Facilities and Personnel. The City will provide the Emergency Manager with proper facilities and personnel to perform the services and work required to be performed pursuant to this Contract.

5.5 Records. The Emergency Manager shall maintain complete records in accordance with

generally accepted accounting practices and sound business practices. This requirement applies to all information maintained or stored in the computer system of the Emergency Manager or computer system of the City. The State Treasurer and his designees shall have the right to inspect all records related to this Contract.

5.6 Non-Discrimination.

a) The Emergency Manager shall comply with Public Act 220 of 1976, the Persons with Disabilities Civil Rights Act, MCL 37.1101 *et seq.*, and all applicable federal, State, and local fair employment practices and equal opportunity laws. The Emergency Manager covenants that the Emergency Manager will not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. The Emergency Manager shall impose this covenant upon every subcontractor that enters into an agreement for the performance of any obligation imposed by this Contract. A breach of this covenant shall be a material breach of this Contract.

b) The Emergency Manager shall comply with Public Act 453 of 1976, the Elliott-Larsen Civil Rights Act, MCL 37.2101 *et seq.*, and all applicable federal, State, and local fair employment practices and equal opportunity laws. The Emergency Manager covenants that the Emergency Manager will not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status. The Emergency Manager shall impose this covenant upon every subcontractor that enters into an agreement for the performance of any obligation imposed by this Contract. A breach of this covenant shall be a material breach of this Contract.

5.7 Unfair Labor Practices. The Emergency Manager shall not enter into a contract for the performance of any obligation imposed by this Contract with a subcontractor, manufacturer, or supplier whose name appears in the register prepared pursuant to Public Act 278 of 1980, MCL 423.322, of employers found in contempt of court for failure to correct unfair labor practices. The State may void this Contract if the Emergency Manager, or any subcontractor, manufacturer, or supplier of the Emergency Manager that is a party to a contract for the performance of any obligation imposed by this Contract, appears in the above mentioned register.

5.8 Independent Contractor. The relationship of the Emergency Manager to the State and to the City under this Contract is that of an independent contractor. Except as specifically provided in the Act, no liability, benefits, workers compensation rights or liabilities, insurance rights or liabilities, or any other rights or liabilities arising out of, or related to, a contract for hire, nor employer-employee relationship, shall arise, accrue, or be implied to either party under this Contract or to an agent, subcontractor, or employee of either party under this Contract, as a result of the performance of this Contract.

6. NOTICES

6.1 The State Treasurer is the designee for this Contract unless notice of another designa-

tion is provided by the Governor. All notices, correspondence, requests, inquiries, billing statements, and other documents mentioned in this Contract shall be directed to the attention of the State Treasurer, Andy Dillon, and to the following:

For the State:

Michigan Department of Treasury
Office of Legal Affairs
Richard H. Austin Building, 430 West Allegan Street
Lansing, Michigan 48922
Phone: (517) 373-3223

For the Emergency Manager:

Darnell Earley
Flint City Hall
1101 South Saginaw Street
Flint, Michigan 48502

7. LIMITATION UPON LIABILITY

7.1 The State. The State, the Governor, the State Treasurer, and all other State officials are not liable for any obligation of or claim against the City resulting from actions taken in accordance with the Act or this Contract.

7.2 The Emergency Manager. Pursuant to the Act, in performing this Contract the Emergency Manager is engaging in a governmental function and is immune from liability for any action taken which the Emergency Manager reasonably believes to be within the scope of the Emergency Manager's authority granted by the Act or by this Contract.

8. INSURANCE

8.1 General. The Emergency Manager may procure and maintain, at the expense of the City, health, worker's compensation, general liability, professional liability, and motor vehicle insurance for the Emergency Manager and any employee, agent, appointee, or contractor of the Emergency Manager as may be provided to elected officials, appointed officials, or employees of the City. The insurance procured and maintained by the Emergency Manager may extend to any claim, demand, or lawsuit asserted or costs recovered against the Emergency Manager and any employee, agent, appointee, or contractor of the Emergency Manager to the extent permitted by the Act.

8.2 Post-Contract. If, after the date that the service of the Emergency Manager is concluded, the Emergency Manager or any employee, agent, appointee, or contractor of the Emergency Manager is subject to a claim, demand, or lawsuit arising from an action taken during the service of the Emergency Manager, and not covered by a procured insurance policy, litigation expenses, including but not limited to attorney fees, payments in satisfaction of judgments, and

payments made in settlement as specified pursuant to the Act, shall be paid by the City. If such expenses are not paid by the City, they shall be treated as a debt owed to this State pursuant to section 17a(5) of Public Act 140 of 1971, the Glenn Steil State Revenue Sharing Act of 1971, MCL 141.917a.

8.3 Additional Insurance. If the City has purchased, or otherwise obtained, an errors and omissions policy, then the Emergency Manager may choose to be covered under such policy at the expense of the City.

8.4 Payment by City. All insurance required under this Contract shall be acquired at the expense of the City under valid and enforceable policies, issued by insurers of recognized responsibility. The State Treasurer reserves the right to reject as unacceptable any insurer.

9. TERMINATION OF CONTRACT AND APPOINTMENT

9.1 Termination by the State.

a) The State. The Emergency Manager serves at the pleasure of the Governor except as provided in Section 9(3)(d) and Section 9(6)(c) of the Act. The Governor has the power to rescind the appointment and terminate this Contract at any time, and without cause, by issuing a Notice of Termination to the Emergency Manager.

9.2 Termination Process. Upon receipt of a Notice of Termination, and except as otherwise directed, the Emergency Manager shall:

a) Cease work under this Contract upon the date and to the extent specified in the Notice of Termination;

b) Incur no costs beyond the date specified by the Notice of Termination;

c) Submit to the State Treasurer on the date the termination is effective all records, reports and documents as this State shall specify and carry out such directives as the State Treasurer may issue concerning the safeguarding and disposition of files and property; and

d) Submit within 30 calendar days a closing memorandum and final billing, which shall be paid within 30 days.

9.3 Termination by Emergency Manager. The Emergency Manager may terminate this Contract at any time, with or without cause, with 30 days written notice to the State Treasurer. Within 30 days of the Emergency Manager's final day of service, the Emergency Manager shall submit a closing memorandum and final billing, which shall be paid within 30 calendar days.

10. GENERAL PROVISIONS

10.1 Governing Law and Jurisdiction. This Contract shall be subject to, and construed according to, the laws of the State of Michigan, and no action shall be commenced against this State,

its agents, or employees for any matter whatsoever arising out of this Contract, in any court other than a Michigan State court.

10.2 No Waiver. A party's failure to insist on the strict performance of this Contract shall not constitute waiver of any breach of the Contract.

10.3 Other Debts. The Emergency Manager represents and warrants that the Emergency Manager is not, and will not become, in arrears on any contract, debt, or other obligation to the State of Michigan, including taxes.

10.4 Invalidity. If any provision of this Contract or its application to any persons or circumstances shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Contract shall not be affected, and each remaining provision of this Contract shall be valid and enforceable to the fullest extent permitted by law.

10.5 Headings. Section headings contained in this Contract are for convenience only and shall not be used to interpret the scope or intent of this Contract.

10.6 Entire Agreement. This Contract represents the entire and exclusive agreement between the parties and supersedes all proposals or other prior agreements, oral or written, and all other communications between the parties.

10.7 Amendment. No Contract amendment will be effective and binding upon the parties to this Contract unless the amendment expressly makes reference to this Contract, is in writing, and is signed by duly authorized representatives of all parties and all the requisite State approvals are obtained.

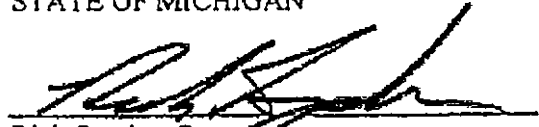
10.8 Order of Priority. This Contract and the Act shall be read to be consistent one with the other. However, if a conflict is deemed to exist between the terms of this Contract and the Act, the Act shall supersede the terms of this Contract.

10.9 Counterparts. This Contract may be executed in separate counterparts, each of which when executed shall be deemed an original, but all of which when taken together shall constitute one and the same Contract.

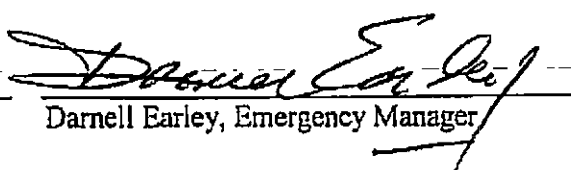
IN WITNESS WHEREOF, the Governor and the Emergency Manager have signed and executed this Contract.

STATE OF MICHIGAN

Dated: 10/2/13

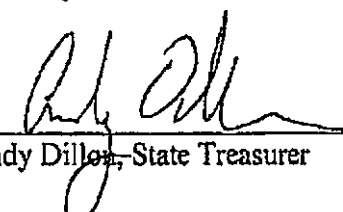

Rick Snyder, Governor

Dated: 10-2-13


Darnell Earley, Emergency Manager

Approved as to form and content pursuant to Section 9(3)(e) of Public Act 436 of 2012, the Local Financial Stability and Choice Act, MCL 141.1541 *et seq.*

Dated: 10/3/13


Andy Dillon, State Treasurer

Section Separator

(g) The salary and benefits of the emergency manager.

Salary and Benefits of the Emergency Manager:

Per the Emergency Manager's Contract Section 3. Compensation For Services Provided

3.1 Source of Payment. The State shall pay the compensation of the Emergency Manager for all services rendered under this Contract.

3.2 Salary. The Emergency Manager's salary for services rendered under this Contract shall be \$180,000.00 per year. If this Contract is terminated after the Emergency Manager has provided services for a portion of the month, the Emergency Manager shall be entitled, for that portion of that month, to \$15,000.00 multiplied by the proportion that the number of days of the month for which services were provided bears to the number of days of the whole month.

3.3 Payment for Services. The Emergency Manager shall be paid in installments consistent with the established written policies and procedures of the Michigan Department of Treasury. If requested by the State Treasurer, the Emergency Manager shall provide to the Michigan Department of Treasury additional information regarding services performed pursuant to the Contract.

3.4 Reimbursement for Actual and Necessary Expenses. The actual and necessary expenses of the Emergency Manager, including customary expenses related to travel, meals, and lodging which are incurred in connection with service to the City will be reimbursed by the City. The Emergency Manager shall provide original copies of all receipts for meals, lodging, and travel reimbursement with any request for reimbursement. Any reimbursement for expenses under this contract shall be reviewed and approved in writing by the City's Chief Financial Officer.

Section Separator

(h) The financial and operating plan as required under section 11. Update #5 to the Financial and Operating Plan for the City of Flint.

Financial and Operating Plan for the City of Flint – Update 5

April 8, 2014

Introduction

This update to the Financial and Operating Plan for the City of Flint is submitted by the Emergency Manager for the City of Flint to Governor Rick Snyder, through the Department of Treasury for the State of Michigan, in accordance with Public Act 436, Section 17.

This report includes a summary of the financial conditions and goals for the City of Flint, the plan to conduct the operations of the City, the on-going actions being taken to resolve the financial emergency, and the outline of a plan to prepare for an eventual transition as prescribed in P.A. 436. This update will be posted on the City's website: www.cityofflint.com.

Summary of the EM/EFM Appointment Sequence and Development of the Operating and Financial Plan

The Flint Financial Review Team determined in November 2011 that the City of Flint was in a financial emergency. (See Attachment #1)

On December 1, 2011 Governor Rick Snyder appointed Michael K. Brown as Emergency Manager. EM Brown developed the Financial and Operating Plan utilizing the resources of a five person Advisory Committee as well as five additional advisory committees. EM Brown sought broad expertise to ensure public engagement and to maintain a sense of continuity with the Mayor and City Council. All nine City Council members and over fifty other citizens participated in the advisory committees.

EM Brown's original Financial and Operating Plan (45 Day Plan) was submitted to the State Treasurer on January 15, 2012; the first update to the Plan was submitted on June 1, 2012. On August 8, 2012, PA 4 was suspended and Edward J. Kurtz was appointed Emergency Financial Manager under P.A. 72. (Mr. Brown stepped aside as he was prohibited from serving as EFM due to his recent service as Interim Mayor for the City of Flint.)

EFM Kurtz established a new Advisory Committee in accordance with the requirements of P.A. 72. Utilizing the Advisory Committee and the City of Flint management team, EFM Kurtz presented a second update to the Financial and Operating Plan and submitted this to the State Treasurer on February 8, 2013.

When P.A. 436 took effect on March 28, 2013 Mr. Kurtz was re-appointed by Governor Snyder as Flint's Emergency Manager. Mr. Kurtz continued in that capacity until his resignation after the end of fiscal year 2013. At that time Mr. Kurtz submitted his closing memorandum and the third update to the Financial and Operating Plan. Governor Snyder then reappointed Mr. Brown as Emergency Manager. On October 8, 2013 I was

appointed by Governor Snyder as Flint's fourth Emergency Manager following Mr. Brown's resignation. On November 21, 2013 I submitted the 45 Day Plan as required by P.A. 436 Section 11(2); that plan became Update #4.

This report is now the fifth update to the Financial and Operating Plan and fulfills P.A. 436, Section 17 six month report requirement.

Priority List for the Resolution of the Financial Emergency

- Stabilize the financial future of the City: maintain a balanced budget, eliminate the accumulated General Fund deficit, seek increased revenue, and reduce unfunded pension and OPEB liability.
- Re-establish Flint as one of the safest cities in Michigan — both in reality and perception: provide public safety services, focusing on reducing violent crime, commensurate with cities of comparable size and resources, utilizing regional cooperation as appropriate.
- Implement the Blight Elimination Plan: manage demolitions, enforce blight ordinances.
- Maintain access to a clean, sustainable water source: implement the steps necessary to participate in the Karegnondi Water Authority (KWA) including interim water supply implementation, disposition of current pipeline sections, City Water Treatment Plant updates, a long term water supply back up plan, and a long term financial plan for the stability of the water and sewer funds.
- Implement the Master Plan of the City of Flint: update the Zoning Ordinance, evaluate the capital investment needs, and incorporate Master Plan activities in the annual budget development.
- Explore Governance Models for the City of Flint: receive report from the citizen's committee which was formed to evaluate city governance models, recommend course of action for Charter revision as a part of transition discussions.
- Implement the 7 Point Transition Management Plan (Attachment #2) which has been adopted by the Flint City Council and Mayor Walling. This Plan incorporates specific objectives which provide a strategy for determining and evaluating criteria for assessing when the City might be prepared to emerge from emergency management to home rule order with oversight of a Transition Advisory Board.

Operations of the City of Flint

Shortly after his appointment as EM, Michael Brown took steps to reorganize the city government operations including: elimination of departments, consolidation of departments, elimination of management level positions, adjustment of the compensation of elected and appointed officials, elimination of the Civil Service operation and the Office of Ombudsman

Management appointments were made to ensure that the essential services necessary for the public's health, safety and welfare are provided, and to continue conducting all aspects of the City of Flint's operation within the resources available. Necessary employment contracts were extended with the approval of the Treasury Department.

Department management reconfigurations were completed in anticipation of reductions in staffing levels as provided in the FY 13 Budget. Subsequently, as part of the FY 14 Budget process a Strategic Plan was adopted and more changes in the organizational structure occurred. The primary change was the inclusion of a new Planning and Development Department (See Attachment #3 Organizational Chart FY 14). I have made personnel adjustments to complete this reorganization of the Planning and Development Department.

When P.A. 436 became effective in March 2013 the City Council members' and Mayor's compensation was eliminated. EM Kurtz partially restored compensation for Mayor and Council through Orders 1 and 2. These orders also defined specific responsibilities and requirements. For example, the City Council members must complete Level One of the Michigan Municipal League (MML) core course for municipal government and must receive the MML education award within one year. I have determined that this Order is still in effect, and the Council members have all individually signed acceptance of these requirements as a condition of receiving compensation.

All Orders and Directives issued by the Emergency Financial Manager (under P.A. 72) and Orders issued by the Emergency Manager (under PA4 and P.A. 436) are listed in Attachment #4: Orders and Directives of the EFM and EM.

In addition to the 7 Point Transition Management Plan, re-engagement of the City Council has been a top priority. The Council is meeting monthly on a regular basis; five new Council Committees have also been formed: Finance/Administration, Legislative, Public Works, Public Safety, and Planning and Development. Each Committee is meeting regularly and then reporting at the following Council meeting. Order 8 was issued in March 2014 and defines format of action and participation at the Council meetings. Order 9 established monthly Council and Committee meetings; and Order 10 set the format of the Council meeting agenda.

Financial Status

FY12 Budget and Audit

The Comprehensive Annual Financial Report (CAFR) for FY12 was completed and was filed with the State in a timely manner. The results were as expected, with fewer auditor comments than in past years. Deficits existed in the General Fund (\$19.1 million) and in the Water Fund (\$8.8 million).

The \$19.1 million accumulated deficit reflected an excess of expenditures in the General Fund for FY12 of \$10.2 million plus \$8.9 million for FY11. This was anticipated by Emergency Manager Brown shortly after being appointed, which was almost six months into the FY12 year. Given that FY12 was nearly half over, and that significant unplanned reductions in services, primarily public safety, would need to occur if the projected deficit were to be immediately eliminated, the decision of the Emergency Manager, in consultation with Treasury, was to contain costs as much as possible but without significantly reducing services – especially public safety – for the balance of the year.

Pursuant to State statute, Deficit Elimination Plans for both FY11 and FY12 were submitted to the Department of Treasury. Both plans involved a mix of borrowing and expenditure reductions over the next five years. However, no final action was taken to implement the intended courses of action.

FY13 Budget and Audit

FY13 was the first budget developed and administered by the Emergency Manager and his team. Faced with a projected gap of more than \$25 million, the FY13 budget was balanced through a mixture of significant revenue increases, significant expenditure decreases, and steps taken to reduce legacy costs. Previous reports detail the 25% increase in water and sewer rates, passage of a 6 mill property tax increase for police and fire, elimination of 20% of the City's workforce, compensation decreases equivalent to a 20% wage reduction for remaining employees, and the restructuring of health and retirement benefits for current employees and retirees necessary to develop a credibly balanced spending plan.

Results of FY13 year end show a surplus of revenues over expenses in the General Fund exceeding \$6.2 million. This surplus reduced the City's accumulated \$19.1 million deficit as of the end of FY12 to less than \$12.9 million. Since the goal of the EM team was to assure that FY13 would not end with any additional deficit, this result has significantly exceeded expectations.

The FY13 audit was completed and submitted to Treasury on December 20, 2013. All items surrounding the audit, including submission of the Form F-65 and Comprehensive Annual Financial Reporting Program were completed by December 31, 2013. The audit was presented to City Council as well on January 13, 2014.

Deficit Elimination Plan 2013

A draft deficit elimination plan which also incorporates a reserve accumulation plan is currently under review by the Department of Treasury. The City recognizes that a goal needs to be set to develop a reserve equal to 15% of General Fund revenues. This is one of many financial best practices which the City will incorporate to assure a sustainable municipal model.

FY 14 Budget and Strategic Plan

The FY14 budget was adopted via Emergency Manager Edward Kurtz Order #4 on June 7, 2013. This budget was developed with the same goal as FY13 – to assure the provision of essential services within the constraint of a balanced budget and continued deficit reduction. Accordingly, the FY14 budget includes a \$1.0 million commitment from the General Fund to further reduce the deficit. This is considered a minimum level of deficit reduction.

Achieving this goal again required reducing the workforce; however, with significant efforts from department heads and others involved in developing the budget, and building on ongoing reorganization of city processes, the level of services currently provided should generally continue at FY13 levels. Most importantly, the quest to at least maintain FY13 levels of police and fire staffing was maintained, although one consequence was that the additional reductions in staffing came from non-public safety areas. This was equivalent to an additional 10% reduction of staffing in those areas.

As the city has reached the end of the third quarter of FY14, the budget continues to be in balance. One set of budget adjustments, with approval of Treasury was implemented in December 2013. A second budget adjustment has been recently approved by Treasury (Attachment #5: Orders and Directives of the EFM and EM). The third quarter review of revenues and expenses to budget does not disclose any significant anomalies.

The City's cash flow has improved significantly from the \$13 million cash on hand in December of 2011. Thirteen million dollars is less than one month's operating expenses. By comparison, the cash on hand on March 31, 2014 was in excess of \$49 million.

The Emergency Manager's team crafted a strategic plan in preparation for the FY14 budget development. Vision, Mission and Goals were established for the City government. Department managers then set specific, measurable objectives. Within the Strategic Plan was a five year financial projection. This tool was utilized to prepare the FY14 budget.

FY 15-19 Strategic Plan and FY 15/FY 16 Budget Development

The FY14 budget was developed within the context of a five year projection of revenues and expenses. This exercise pointed out the continuing challenge the

City of Flint will have in achieving long term financial stability. The Finance Department and the Council Finance/Administration Committee are working on the FY15-19 strategic plan and financial projections. The City Council has adopted a Mission, Vision, Goals and Budget Priorities statement (Attachment #6: Vision, Mission, Goals and Budget Priorities of the City of Flint 2015-2019). Consulting firm Ernst & Young is assisting the City with an update to the five year financial projections.

The EM, in concert with the Mayor, is developing a two year budget for FY15 and FY16. It will be developed within the context of the FY15-FY19 strategic plan and the updated five year financial projections. The goal is to provide the best level of service possible within available resources while continuing to restore financial solvency. It is clear that in balancing these budgets the City will continue to be faced with addressing a continuing structural deficit; and the biggest challenge by far remains the outcome of the retiree health care lawsuit.

It is anticipated that the City Council will receive the recommended two year budget by April 30, 2014. The Finance/Administration Committee (with other Council members invited) will use the first two weeks of May to hold four meetings on specific program areas. The Council will then hold a public hearing on May 19, with the final Finance/Administration Committee meeting to be held between May 20 and 23. It is anticipated that City Council will take final action on May 26 with emergency manager's budget adoption on June 2, 2014.

I additionally note that Mayor Walling has been fully engaged with City staff and me as this two year budget is being developed.

Key Actions To-Date, Current Activities and Pending Issues

The city continues to review all departments and services for potential merger, consolidation, contracted service, shared services with other governmental entities, privatization or elimination. As a result of these reviews the City will determine what continuing activities should be subsidized with general property tax dollars, what will be paid by the users and what services can be eliminated.

Finance/Administration/TT:

Finance Department

The Finance Department is proceeding with the following projects:

- Completion of a Water/Sewage Rate Study (being prepared by Raftelis Financial Consultants) to address the long term financial stability of the Water and Sewer Funds,
- Transition from Detroit Water and Sewer District to the Flint River on a temporary basis while the Karegnondi Water Authority (KWA) pipeline is being constructed,

- Participation with KWA in the \$220 million bond sale to finance construction of the KWA pipeline,
- Negotiation with Genesee County Water and Sewer System for the sale of a portion of the City's water line,
- Continued effort to reduce pension and OPEB liabilities, including participation in defending the City's position in the retiree health care lawsuit,
- Continued aggressive monitoring of revenue and expense activities, with particular emphasis on revenue collections, position counts and overtime expenditures,
- Planning and implementation of employee development programs focusing on financial management, supervision and labor relations, and leadership development,
- Reorganization of city accounting functions based on the analysis and recommendations of an organizational study completed by Plante Moran,
- Updating the City's Strategic Plan and five year financial projections, developing a two year budget (FY15 and FY16) utilizing the City Council adopted Mission, Vision, Goals and Budget Priorities, as well as the Master Plan,
- Working with the Finance/Administration Committee of the Council to engage them and the City Council in the budgeting process and other financial matters.

Grant Management

Finance reviewed the process for all grants to the City of Flint for appropriate use of funds, potential for continued funding, and timely reapplication. A grant pre-submission approval system has been operational since March 2013 following EM Order No. 10.

Economic Vitality Incentive Program (EVIP) Requirements

The City of Flint has met all reporting requirement dates for Economic Vitality Incentive Program (EVIP) in order to qualify for all disbursements of State Shared Revenue. Each report is available on the City's website www.cityofflint.com through Munetrix Citizens Guide to Finances and Dashboard.

Transition of Flint Employee Retirement system (FERS) to Michigan Employees Retirement system (MERS)

The FERS to MERS transition will be complete when Model Labor Contracts have been finalized. All assets are at MERS, and retirees have been receiving their pensions from MERS since October 18, 2012. The transfer of the administrative components should be complete by July 1, 2014.

Retiree Health Insurance Revisions

The City's approach to containing its OPEB liabilities has been to restructure both active and retiree health care benefits, and to eliminate the promise of retiree

health care for new employees. The changes have had a significant impact on the City's OPEB liabilities, reducing the total unfunded liability from nearly \$900 million to less than \$400 million, and reducing the Annual Required Contribution (ARC) from \$60 million to \$22 million.

As previously reported, the City's effort to restructure retiree healthcare was challenged by a group of retirees in a federal lawsuit, *Welch v City of Flint*. On January 3, 2014, the U.S. 6th Circuit Court of Appeals reinstated an injunction prohibiting the City from modifying retiree health care benefits. The City is aggressively litigating this matter, as it does not have the resources to afford the current level of healthcare coverage, and projected cost increases for the upcoming fiscal year are substantial. If the federal district court's decision is not reversed, the City will be in an extremely precarious financial position, with insufficient resources to meet basic functions. Additionally, the City has asked consultants Ernst & Young to provide a proposal for an analysis of the City's ability to remain solvent in the event the retiree lawsuit is lost.

The City is working to comply with the court's order, beginning with establishment of a reimbursement program for retirees whose expenses since January 3, 2013 are greater than their old plans. Work is also proceeding in anticipation of a court hearing sometime in the future, and settlement options are being explored.

Otherwise, the City is utilizing the services of Cornerstone Municipal Consulting in ongoing review of various Employee/Retiree health care options including plan design, delivery systems, Medicare Advantage, Medicare Wrap Around, benefit carve-outs, etc. in an effort to control health care costs. Administration of the City's health insurance benefits program is being handled by Cornerstone. In addition to the retiree lawsuit, attention is now focused on minimizing the City's cost for health care (for current employees and retirees) in the FY15 and FY16 budgets.

Treasury Division

Income tax processing is being handled through a joint project with the Cities of Grand Rapids and Lansing. Beginning in FY14, income tax collections have been handled by Innovative Software, the current vendor for the City's income tax software. Also of note, the City is operating with a shared Treasurer between the City of Burton and the City of Flint.

The City contracted with Plante Moran to conduct a study to evaluate the potential of shared services between the City and Genesee County treasury functions. This study was funded by the Mott Foundation. The initial action resulting from the study was the elimination of some unnecessary information transfers, and preliminary discussion about the possibilities of a shared investment services and of joint tax collections.

In an effort to improve income tax collection, the City purchased the 2010 State Tax roll and began sending notices to 8800 individuals, both residents and non-residents, who have not filed City tax returns. The total estimated tax value from uncollected income tax for the 2010 tax year is between \$300,000 and \$400,000. The City will be pursuing uncollected income tax from previous years, and will purchase the 2011 state tax roll when available.

The Treasurer's Office now has a specific unit dedicated to pursuing delinquent collections for income tax and personal property. This unit will be expanded to also address delinquent water bills and miscellaneous receivables

Assessment Division

The Assessment Division has been operating with a part-time Level IV Assessor, who also serves as Assessor with City of Lansing and Flint Township.

Activities of the office continue to meet statutory requirements for establishing property values, and the office also responds to valuation appeals filed through the Board of Review. Additionally, the office processes applications for poverty exemptions for property taxes. Those qualifying for such exemption also receive some relief for the fixed portion of their water bills.

Currently, the Assessor is projecting City of Flint property values to decrease less than 1% for FY15, and to stabilize thereafter.

Human Resources

Human Resources has been faced with challenges relating to long unresolved grievances and long standing provisional appointments, and has made significant progress in addressing them.

Reorganizations and continuing personnel reductions have required additional HR energies to assure they are done appropriately and consistent with labor contracts.

HR has joined with the Genesee Intermediate School District in using APPLITRAC system for job postings and the initial hiring process. This has helped to streamline the recruitment process for the City.

City-wide management and supervisory training has been re-established by HR, beginning in 2013 with a series of quarterly training sessions for all supervisory personnel, focusing on the basics of supervision and labor contract administration.

Labor Agreements and Implementation

During the tenure of EM Michael Brown, Labor Counsel held meet and confer sessions with the City's six bargaining units. A target of 20% equivalent wage reductions was achieved. Tentative Agreements were reached with four of these bargaining units. As contract settlement was necessary prior to adopting the FY13 budget, the EM invoked the 19K provision in Public Act 4 from the State

Treasurer for the bargaining units which had not achieved Tentative Agreements (EM Orders 18 and 26) and with Local 1799 which had approved a TA but had not ratified (EM Order 27).

EFM Edward Kurtz held additional sessions with AFSCME, Flint Police Officers Association (FPOA) and the Firefighters Union. In January 2013 AFSCME and the City reached agreement for the privatizing of waste collection and demolition. A lawsuit by FPOA seeking to return to the status quo (prior to EM imposed contract) was dismissed by the circuit court. In late May, a lawsuit was filed by AFSCME Council 25 seeking to overturn the contract imposed by the EM in April of 2012.

A comprehensive revision of all labor contracts is underway, starting with the development of a model contract for FPOA and AFSCME 1600. Meet and confer sessions have been held; the City's goal is to streamline and standardize the contracts and to further reduce legacy costs. It is anticipated that contracts for all City units will be implemented no later than July 1, 2014. It is likely that at least some will be implemented through the process provided for in P. A. 436.

Information Technology

Prior to the start of FY13 the Information Services Department eliminated all but two of the existing positions. Through reorganization, 6 of 9 employees were rehired under new job descriptions. The new structure allowed more flexibility and greater utilization of personnel.

Several large scale projects have been completed including: installation of a back-up server for Public Safety and 9-1-1, installation of new switches which will allow for a more complete use of Public Safety's data collection and record keeping systems; software upgrade for the New World records management system; finishing the AT&T Managed Router Service deployment to the City network; installation of a new visualization server cluster; and the automation capability of the Third Ave. Pump Station.

The upgrade of the City's ERP (BS&A) is nearly complete, with final training underway. Replacement of desktop units throughout the City continues, allowing for upgrading of operating and business systems.

Fleet Division

The City has consolidated the management of the City's vehicle and truck fleet under the Fleet Division. This division will oversee the specification, purchase, repair and maintenance and replacement schedule for all city vehicles and wheeled equipment. The Division recently participated in a successful auction of surplus equipment.

City Clerk

The City Clerk has recently conducted the November election and the swearing in of the 2013-2014 City Council. The Clerk made arrangements for the orientation and training of the new Council members.

As part of the FY14 reorganization, the City has transferred the responsibility for Business Licensing to the newly formed Department of Planning and Development. The City recognizes that it is losing significant revenue from unlicensed businesses and this change is designed to insure that all businesses in the City of Flint are licensed and inspected.

Office of the City Attorney

The City Attorney is continuing with efforts to improve litigation management through claim evaluation, claim reporting, attorney training and trial preparation. The City Attorney continues to emphasize the "litigation team" approach to case handling, with weekly review of pending matters and discussion of how best to protect the City of Flint's legal interests.

With the help of interns from Michigan State University, all City ordinances have been reviewed. Charter revisions which would increase flexibility for department reorganization and budget flexibility are also being considered.

Also, in preparation for the new Department of Planning and Development, the City Attorney's Office prepared draft revisions to the City Code concerning business licensing and regulation. Many ordinances and former business licenses are recommended for removal because they were obsolete, or could be put under the newly created General Business License. Several businesses also will be required to obtain a Business Endorsement.

Criminal Justice System Advisory Council (CJSAC)

Based on input from the State Police, Governor's Office and a Michigan State University Criminal Justice Study, it was clear that the Genesee County Criminal Justice System and the Flint Police Department could benefit from improved coordination and policy development.

In September 2012 the first meeting of the Criminal Justice System Advisory Council (CJSAC) was held. Eight workgroups were established. Through these work groups a number of cooperative projects, streamlined operations and new collaborations have been identified and implemented. Regular meetings of the full Council are held quarterly and work groups schedule meetings as needed.

68th District Court

The City currently funds the operation of the 68th District Court; in FY14 this amounts to \$3.5 million net. This significant portion of the City's General Fund needs to be studied

closely and recommendations developed to meet this required activity while containing and reducing costs.

Senate Substitute for House Bill 5125 passed the Senate and the House in March 2014. The Bill authorizes consolidation of the 67th and 68th District Courts. It requires that the consolidation be approved by the City and the County. The County approval requires the affirmative vote of at least two-thirds of the County Board members. I strongly encourage the State to continue the process of working to consolidate the 67th and 68th District Courts.

Department of Public Works

A Council Public Works Committee was established in February 2014. The Public Works Department management works transparently and cooperatively with the Public Works Committee

Utilities Division

Karegnondi Water Authority (KWA)

In March 2013 both the City Council and EM Kurtz adopted resolutions to enter into a contract with KWA to partner with Genesee County, City of Lapeer, Lapeer County and Sanilac County in the construction of a pipeline to deliver raw water to the City of Flint. This decision followed many months of analysis by the City of Flint, the Genesee County Drain Commissioner's office, and ultimately involved the State Treasurer and Governor Snyder. This conclusion to join KWA is momentous for the City and the entire region. The City looks forward to a safe, reliable water supply through which water costs can be stabilized for the KWA participants.

Genesee County successfully held a \$221 million tax-exempt debt offering on April 1, 2014 to finance the 63 mile pipeline. Genesee County is responsible for paying roughly 66% of the debt service and Flint 34%; the County agreed to back the City's share of the borrowing because the County holds an A-plus rating.

This backing would only come into play if the city failed to perform, which it has no intention of doing. The County did receive a favorable 4.72% rate.

Immediately after the March 2013 KWA decision the Detroit Water and Sewer Department (DWSD) notified the City that it will terminate the contract with the City for the delivery of water in 12 months. The City is currently implementing its plans to utilize the Flint River as the primary water source for the City between early spring 2014 and the full operation of the KWA pipeline (approximately 36 months after construction begins).

There are many details still to be addressed in the implementation of this project including the use of existing pipeline portions.

Water Department

Upgrades to the City's Water Treatment Plant are required prior to the transition to the KWA water source and any on-going temporary use of the Flint River. KWA water from Lake Huron will be "raw" and will require treatment by the city prior to customer distribution. Construction work has begun.

An evaluation is taking place to implement an effective Preventive Maintenance plan which focuses on controlling water loss (leakage). This is expected to involve a combination of outsourcing, in-house work, and shared services with the County.

The exceptionally cold winter produced a large number of major water main breaks and several sinkholes have developed. Crews are working on these repairs according to a priority list based on severity of the break.

A plan is being implemented to replace all water meters in the City. Currently \$700,000 has been allocated in FY 14 for that purpose.

Discussions have begun with the Genesee County Drain Commissioner on a wide range of shared services and partnerships for both water and sewer operations.

Sewage Treatment Division

The automation of one of the City's pump stations (which was staffed 24 hrs a day) has been completed. This will result in the elimination of overtime and a savings of over \$500,000 annually.

The planned shutdown of the City's incinerator has begun for a new load-out facility and is expected to reach completion in early Spring 2014. The estimated savings from this project is an annual \$400,000.

U. S. Department of Environmental Quality S2 Grant

An S2 DEQ grant to study infrastructure condition for water pollution control was accepted. The study was defined to encompass the City's entire sanitary sewer system including the overall collection system, the capacity and condition of the system, potential upgrade recommendations to the lift stations and the pumping stations, and to make recommendations for necessary investments to maintain the system

Storm Water Management Plan

A draft new storm water ordinance that shifts the cost allocation to the larger users has been developed.

Swedish Biogas International (SBI)

In conjunction with the City of Flint sewage treatment plant shut-down of the sludge incinerator, Swedish Biogas International (SBI) proposes to accept sludge output and produce electricity. The city will agree to

purchase the electricity at a reduced rate compared to purchase from Consumer's Energy. The SBI contract has completed the City's review process and is now awaiting SBI's Board of Directors' authorization. Recent meetings with SBI have produced the following target dates:
May 1, 2014 – Finalize change order with the City of Flint.
July, 2014 – Finalize design and budget for generator.
Q1, 2015 – Generator operational.

Transportation Division

Solid Waste Management Division

In early February 2013, the Infrastructure Department signed a contract with Republic Services, a private waste collection company. The City of Flint no longer collects or disposes of household waste. Through this new contract, residents city-wide now have access to curb-side recycling. It is expected that the fee for waste collection service will continue to be billed and collected by the City.

Outsourcing of Sanitation is complete and the process of establishing city composting is underway with a permit application to DEQ submitted and a site plan of action being prepared for the EPA.

An Administrative Consent Order on removing compost from the Chevy-in-the-Hole site has been agreed upon in principal with the DEQ and should be signed in April. Work will commence simultaneously through a vendor in April 2014 to remove compost from the site.

Street Maintenance and Engineering

The winter of 2013-2014 was just shy of being Flint's snowiest winter on record. A devastating ice storm occurred in late December 2013 and resulted in over 40,000 city/county residents living without power for over six days. The first week of January the City was hit with a seventeen inch snowfall. City crews faced extreme conditions all winter as they worked to keep the City streets cleared and functional. These extreme conditions forced the Transportation Division to evaluate all phases of their operation: personnel assignments, fleet maintenance, route planning and storm evaluation. Discussions have continued with the County Road Commissioner on possible shared services; and the City and MDOT have issued a Memorandum of Understanding to have MDOT maintain the state trunk-lines (M-21 and M-54) within the City while capacity issues are resolved.

Both road paving and engineering are seasonal activities and these are at ever decreasing levels. These are under review as areas to downsize or eliminate. Consideration is being given to developing service sharing arrangements or creating the ability to source on an as needed basis. Only crack sealing and pothole repair will be conducted this season; no repaving of any City streets will occur for a second year.

Facilities Management

A private company held an on-line auction in January 2013 to dispose of surplus equipment from a variety of departments in the City. This one day auction netted \$130,000. A second auction was held in May 2013 which netted an additional \$250,000. An auction at the impound lot was held in June 2013, netting over \$30,000 for the City.

The Facilities manager is reviewing all city owned assets (both real property and capital equipment) to determine if disposal should be pursued.

All city owned facilities are under review for energy savings, revenue generation from tenants, or possible liquidation.

Parks and Recreation

The City contracted with two vendors who have the capacity to mow all of the city parks (64) multiple times at a rate that fits the current millage. The City also actively sought neighborhood groups and organizations who would adopt one or more of the City's parks, traffic triangles or medians. The current Parks millage generates enough money for reduced parks mowing and limited tree removal where property has been damaged or streets are blocked.

The City has entered into discussions with the Genesee Conservation Group for tree evaluation and removal services, and to assess the status of over 22,000 City trees.

Golf Courses

All four of the city's golf courses were leased to private organizations. Two courses were operational summer 2012 and both reopened for the summer of 2013. The two courses which are operational will sign 10 year lease agreements with a 3% annual escalation fee in payments to the City.

Senior Centers

The Pierce Senior Center closed on April 30, 2012 as funding was no longer available. The City of Flint continued to explore its options with the two open Senior Centers: Brennan and Hasselbring. In June 2013 contracts were successfully negotiated with United Senior Network for the operation and sale of the Hasselbring Community Center, and with the Brennan Elm Park Senior Community Corporation for the operation of the Brennan Community Center.

The vendors operating each of the centers are planning to apply to take full responsibility of the millage funding once the County's next fiscal year begins in October 2014. The vendors have agreements to purchase the buildings as part of the current lease to own contract.

Department of Planning and Development

The creation of the Department of Planning and Development, separate from the Infrastructure Department (now Department of Public Works), had been envisioned since the beginning of the FY14 budget. I announced the department reorganization and the new Department Head, former Chief Planner, Megan Hunter in early November 2013. The Master Plan has now been adopted and this department is charged with guiding the implementation of the many objectives included in the Plan. Blight elimination is one of the City's top priorities and the associated blight enforcement activities will be coordinated through this department as well.

A Council Planning and Development Committee was established in February 2014. The Planning and Development Department management works transparently and cooperatively with the Planning and Development Committee.

Master Planning

The City of Flint was proud to announce the October 2013 adoption (by both a unanimous decision of the City Council and the Emergency Manager) of the first comprehensive Master Plan since 1960. Overall, 5000 residents participated in this extensive process.

Following the data gathering phase of the master planning process, the planning team was able to release a summary of the findings in an Existing Conditions Report. This report already proved extremely beneficial, assisting several community stakeholders in applying for grants and helping inform decisions around critical issues such as blight and demolition. In fact, the completed Housing Conditions Inventory included in the report was critical in helping the Genesee County Land Bank develop its successful application for \$3.7 million in funding for demolition through the Michigan Blight Elimination Grant Program. This data was also used to develop an application for the Federal *Hardest Hit Program* which resulted in an award of \$20 million (See Blight Management Plan below)

The City is now in the process of developing eight subarea plans, our first combined Capital Improvement Plan (CIP) and a complete revision of the Zoning Code. Drafts of all three will be completed by the end of June 2014. Following an extensive community engagement process during the summer, the CIP and the new Zoning Code will be scheduled for adoption later in the fall. As a result of the newly adopted Master Plan and preliminary work on these implementation documents, the City of Flint was selected to receive technical assistance from MEDC as a Redevelopment Ready Community (RRC) with the goal of gaining certification as a RRC at the end of 2014.

Implementation does not stop with the adoption of the CIP and Zoning Code. Planning staff has already begun implementation of the hundreds of strategies outlined in the Master Plan. For example, the City applied for and was recently selected for the Strong Cities, Strong Communities (SC2) Program. As part of the next SC2 cohort, Flint will receive additional technical assistance and support from the federal government including one embedded federal staff that will help advance implementation activities around

public safety, brownfields redevelopment, and blight elimination and neighborhood stabilization. This federal staff member should be placed at the City by early May.

In addition to the SC2 Program, the City is working on several Master Plan demonstration projects. The City received two grants totaling \$87,500 for Max Brandon Park to complete a park naturalization demonstration project that will create a healthier park environment while reducing long-term maintenance costs. The City also was recently awarded a Michigan Municipal League Place Plans Grant to develop an exciting trail that links important assets from Diplomat Pharmacy to Kettering University. This project is bringing residents and key stakeholders together to help create the dynamic spaces that help revitalize cities. Finally, the City is partnering with the Flint Community Schools to institute a form of the community schools model, the number one educational objective in the Master Plan. The first step in this process is jointly hosting a large (over 600 people) town hall meeting to have a community dialogue about what our new community education model should incorporate. This meeting is planned for May.

Community and Economic Development

Collaborative economic development efforts continue with the Flint & Genesee Chamber of Commerce (F&GCC) in order to attract and retain businesses and to promote new tools such as the Next Michigan Development Corporation and Smart Zone designation. The City also continues to work with RACER Trust on brownfield development, including Buick City. Through the collaboration between F&GCC, RACER, and the City, we recently have been able to attract American SpiralWeld Pipe Company, which plans to construct our first manufacturing facility at Buick City in decades. This \$16 million development will generate fifty new jobs.

In addition to attracting American SpiralWeld Pipe Company, the City and its partners have been able to attract several new investments to Flint. Most significantly, General Motors has recently received approval from the Planning Commission to construct a 596,000 square foot, \$600 million paint facility at its Flint Assembly Plant, resulting in 280 construction jobs and up to 550 jobs at the facility during its peak of operation. Through its partnership with Uptown Reinvestment, the City was able to further a key component in revitalization of the former Flint Journal Building by helping fund the demolition of Genesee Towers. The City's commitment of \$880,000 for demolition leveraged approximately \$30 million in investment including construction of Michigan State University's College of Human Medicine, 16 new loft apartments, and a new Farmer's Market located at the former Flint Journal Building.

The City plans to accelerate its economic development activities by continuing its collaboration with its current partners and forming new partnerships in order to advance the economic development strategies outlined in the Master Plan..

Blight Management Plan

I have determined that blight has become one of the primary issues facing the City of Flint. Blight is a continuum of problems from tall grass and weed control through abandoned, demolition-ready property. The newly formed Department of Planning and

Development recently completed a draft blight framework based upon the Master Plan. We will circulate the framework to the public for additional input over the next couple of months. The strategies outlined in the framework help us target limited resources more efficiently based upon data.

As outlined in the blight elimination framework, the City needs to re-institute code enforcement. Consequently, the City applied for and received a grant from the Mott Foundation to hire eight part-time Neighborhood Safety Officers (NSOs), who alert residents to blight violations and issue citations as necessary. NSOs are also processing the impounding of abandoned vehicles, verifying current business licenses and identifying rental properties. The City augmented the Mott Grant by contributing approximately \$282,500 (over two years) in CDBG funds for NSO equipment needs and to hire a Blight Elimination Coordinator who serves as the primary liaison between the public and NSOs and deploys our code enforcement resources in the most effective manner.

The City continues to coordinate with the Genesee County Land Bank on the demolition of nearly 300 homes through an approximately \$3.7 million Michigan Blight Elimination Grant Program. This program focuses on three specific areas of the City - 1) neighborhoods around Northwestern High School, 2) neighborhoods around Northern High School, Kettering University, and Hurley Hospital and 3) neighborhoods around Diplomat Pharmacy and the International Academy of Flint.

The Land Bank, again in partnership with the City of Flint received \$20.1 million Hardest Hit Federal Funds for residential demolitions in Genesee County, primarily in the City of Flint. This is a significant milestone in the history of the City, affording it the opportunity to significantly improve the quality of life in the City's "tipping neighborhoods". The U.S. Treasury in June signed off on a proposal -- the first of its kind in the nation -- that allowed the Michigan State Housing Development Authority to create a blight elimination program using federal money originally set aside for mortgage relief. More than 1,600 demolitions will take place over the next 18 months as part of Flint's \$20.1 million award. This is Flint's largest federally funded demolition project.

DCED had allocated \$400,000 in CDBG funding for mowing and trash removal. This was supplemented with approximately \$800,000 from the Land Bank. Sadly, the contract was awarded later than anticipated allowing for mowing of vacant properties only once during the summer of 2013. Fortunately, the City was able to add funding and time to the contract, extending mowing and trash removal through October of 2014 thereby ensuring that the Land Bank has the resources early enough to mow grass before it gets too high.

A Cities of Service grant for \$25,000 was awarded to Flint in Spring 2013 for use for neighborhood clean-ups and tire collection. Twenty projects were funded and the tire collection resulted in 10,000 tires being removed from back yards, lots and parks. This year the City received a \$100,000 Cities of Service grant. An expanded volunteer and clean up program is currently being launched, beginning with Love You City Month, a citywide clean-up effort planned during the month of May.

A very positive development in the City has been the unsolicited blight elimination efforts of private businesses and educational organizations planning large scale redevelopment projects, with the City and the Land Bank, to improve areas surrounding their operations. One such effort includes the Paint What Matters Campaign, collaboration between Benjamin Moore and University Avenue Corridor, resulting in the painting of the building facades along University Avenue.

Smith Village Housing Development

The Smith Village housing project is funded primarily with HUD and NSP2 grants. Phase I, which includes 29 housing units, has been completed as scheduled. HUD determined February 10, 2012 was the goal to expend 50% of the allocation. The Smith Village housing project met that development goal.

On May 18, 2012, the City announced that Phase II of the Smith Village development will be undertaken by Ginosko Development Company and Rohde Construction Company. Ginosko's site plan was approved by the Flint Planning Commission on May 22, 2012.

Smith Village Phase I (29 units) - 26 units are complete. 16 units have sold and 5 have purchase agreements; 5 remain available for sale.

Smith Village Phase II (9 units) – all 9 units are complete. One unit has a purchase agreement; 8 are available for sale. No further homes will be built until all units sell.

Marketing/Sales initiatives have been instituted. The City schedules financial institutions to be present at the model home two days a week to pre-qualify buyers who visit the homes. Presentations have been made, and marketing materials have been provided to Home Buyer Counseling Organizations, Fair Housing Organizations, Community Development Corporations and the Flint Housing Commission. Twelve of the 20 units that have been sold or that are under purchase agreement are committed to Low Income Residents. This means the project is developing as a mixed income community. The commitment to HUD is to have 51% of the purchasers meet low income guidelines (51% of Annual Medium Income).

Real Estate Transactions

In August 2012 the City of Flint sold the Genesee Towers to Uptown Redevelopment Corporation for \$1 and committed \$880,000 CDBG dollars toward the over \$4 million cost of demolition. Genesee Towers has been a liability for the City since December 2010 when the city assessed a one time millage to cover the \$9.0 million judgment. The transaction was finalized and demolition successfully occurred on December 22, 2013. The site is being cleared of debris and should begin development as a community open space in the summer of 2014.

A quit claim deed for Chevy-in-the-Hole site has been transacted between the EDC and the City of Flint. EPA money for clean up has been agreed upon.

CDBG and Home Allocations

On March 18th, the City received notification of its HUD allocation for Fiscal Year 2015 - \$3,629,629- CDBG; \$745,525 – HOME Investment Partnership; and \$298,806 – Emergency Solutions Grant. The City is currently working on its HUD Action Plan to expend these funds. The City is utilizing the Master Plan to help inform these allocations and has solicited additional public input to help prioritize important projects. As a result of public input, the City has decided to fund to large organizations that will be able to re-grant to smaller grassroots organizations while providing grants administration and building capacity. The City is on track to complete its Action Plan by May 15th in order to receive funds by July 1st.

Public Safety

Organizational revisions were made in Public Safety following the September 2013 retirement of Public Safety Director and Police Chief Alvern Lock. I appointed new Chief of Police James Tolbert to oversee the Flint Police Department and the 9-1-1 Center. Current Chief David Cox, Jr. will continue as Fire Chief. Both Chief Tolbert and Chief Cox report to the Emergency Manager.

A Police and Fire Protection Millage request for 6 mills for 5 years was placed on the November 2012 ballot and was approved by the electorate. This began the process of stabilizing both the Police and Fire Department funding. The City hired eight additional police officers; seven more officers are attending the Police Academy and graduated in December 2014. Millage dollars have been used to replace the expired 2010-2012 Mott Foundation Community Policing Grant.

A Council Public Safety Committee was established in February 2014. The Police Department and Fire Department management teams work transparently and cooperatively with the Public Safety Committee.

The City continues to review many options for shared services, station configurations, staffing levels, contract services and technology applications.

Police Department

Chief James Tolbert has evaluated the operations of the Flint Police Department and has formulated several new crime fighting initiatives. Included in these initiatives is a second chance opportunity for those with misdemeanor warrants which has been dubbed "Operation Fresh Start". Other initiatives target the root causes of criminal behavior through the Area Crime Team (A.C.T.), the Arson Investigative Team and an expansion of the Lifeline Regional Crime Intervention Strategy.

On April 1, 2014 several social media and internet based information sharing programs were introduced to the community. Through Flint Police Department's new blog which can be accessed through <http://cityofflintpd.blogspot.com/> links are provided to the new crime mapping webpage as well as Facebook and Twitter pages. Crimemapping.com is

an easy to use tool which can pinpoint crimes on a map by type, date range, address or radius of an area and even the reporting police agency. Other services such as the COPLOGIC online reporting and calling Crimestoppers at 1-800-SPEAK-UP are complimented by these new tools.

According to the FBI Part I violent crimes were down 26% for the first six months of 2013 vs. the same period of 2012. Flint has reported that for 2013 as a whole, violent crime dropped by approximately 30 percent, with homicides dropping 22%. For the first three months of 2014 compared to the same time period last year the City has seen a 25.4% reduction in violent crime, according to Flint Police Department statistics. Part I violent crimes include murder, rape, aggravated assault and robbery.

In June 2012 the Police Department changed to a 12 hour shift operation. These changes in combination with the expansion of alternative call response procedures (including the introduction of the on-line CopLogic reporting system); have resulted in the continuing reduction in response times to 9-1-1 calls.

The City of Flint is continuing its existing collaborative efforts with regional partners. Examples: Flint Area Narcotics Unit, Safe Streets Task Force, and U.S. Attorney's Office Zero Tolerance gun violence reduction initiative, LifeLines (formerly known as CeaseFire), and other programs to help eliminate gang activity and prevent other violent acts.

The City continues to receive patrol assistance and detective assistance from Michigan State Police. Patrol assistance is a crime-deterrent and increases traffic safety compliance. The detective assistance has increased the capacity for investigations within the Flint Police Department.

The City also continues to apply new technologies and information systems to improve police efficiencies and improve targeting and effectiveness; these include New World Record Management System, CopLogic, and DDACTS. The City is also evaluating the new P1 ARMS (record management and CAD system) being implemented by the Michigan State Police in comparison to the current Flint CAD and RMS system from New World and the CLEMIS system managed by Oakland County.

Lock-up

The Public Safety Department recommended selection of the Genesee County Sheriff as the operator of the Flint lock-up. The lock-up opened the week of October 1, 2012.

In early 2013, use of the lock-up was made available to all Genesee County police agencies. The availability of the lock-up is credited with the clearance of over 1000 warrants per month in Genesee County. The State Legislature has approved funding for an additional year of operation.

9-1-1 Operation

The City completed the change over to the 800 MHz communication system for the Police and Fire Departments before the December 31, 2012 required implementation date. The installation of a point to point microwave link with the Genesee County 9-1-1 Consortium tower system was finalized in July 2013.

The Mott Foundation funded a 2013 study through the MSU Training and Technical Assistance Team to determine the costs and issues involved in pursuing a reconsolidation of the Flint 9-1-1 Center with the Genesee County 9-1-1 Consortium. This intent was the basis of the C-GAP application and \$1.8 million award to construct a simul-cast communications tower which will be integrated into the Consortium's tower system. I support the effort to move toward reconsolidation.

Cooperative work with the Genesee County 9-1-1 Consortium continues with the evaluation of a new phone system in preparation for the next generation 9-1-1 system.

Fire Department

After many years of functioning without a Fire Chief, Chief David Cox, Jr. was hired April 15, 2013. Chief Cox has aggressively addressed excessive use of overtime and he is currently in the process of restructuring the department.

The FEMA funded SAFER Grant which supports the wages and benefits of 39 firefighters was renewed on June 10, 2012 for two years. That grant totaled \$6.9 million. The City submitted a request to FEMA for the 2013 SAFER grant funding to again support 39 firefighters. It is very rare that a city would be awarded a full funding request in back-to-back granting periods and Flint was fortunate to have been the recipient of two awards. This time we received a denial notification on April 7, 2014. The City plans to support approximately 20 firefighters using the Police and Fire Operations millage; the balance will be laid off and two stations may be closed.

I requested, and received, a proposal from the International City/County Management Association (ICMA) Center for Public Safety Management for a comprehensive analysis of all public safety services in the City of Flint. Denial of the SAFER grant is further impetus to seriously evaluate how public safety can best be provided for the City with staffing levels which can match resources and provide expected levels of service.

A protocol was finalized for the transition to the Genesee County Sheriff's Department to handle the paramedic calls in the City of Flint. The Paramedic millage is now managed only by Genesee County. Completion date was July 1, 2012.

Emergency Manager's Conclusions

Significant work has been accomplished to stabilize the financial situation of the City of Flint. The whole organization has been being restructured to reflect a smaller, leaner government operation. Services which were routinely provided are being inspected to determine if they should continue and if so, in what format. Technology solutions which can increase efficiencies are being implemented

I acknowledge that substantial progress has been made, however the City is still experiencing an on-going financial emergency. Resolution of the financial emergency will not be complete without providing a basic framework for, and implementation of, an objective model for the organization to follow.

A sustainable municipal organization incorporates the utilization of best practices financially, structures a governance model which clearly delineates between legislative, policy, and administrative responsibilities, and develops a management plan to provide services to residents in a consistent, reliable manner

The 7 Point Transition Management Plan which I have developed provides the roadmap to resolve the financial emergency and to achieve sustainability for the City of Flint.

For one year, FY 13, the goal of containing overspending was achieved. The city must continuously function within a balanced budget, eliminate the accumulated deficit and further reduce the legacy and pension costs. Projections through 2019 demonstrate Flint's continuing challenges. Projecting current revenues and expenses into the future shows a continuing gap of \$2 to \$4 million annually.

Stable revenue is necessary in order for this City, and most other cities in Michigan, to continue to avoid a bankruptcy situation. We have asked our residents to accept a significant 6 mill Police and Fire Protection Millage; and they have done so. We have imposed a street lighting assessment, a waste collection fee and tremendous water and sewer rate increases. However, our residents have not enjoyed increasing services, increasing property valuations or increasing employment opportunities.

As noted previously, there are very few additional revenue options. We are approaching the limit of the City's borrowing capability. Capital improvement funds are drained and the property tax millage rate is within .1 mill of maximum. State Revenue Sharing is now tied to EVIP and C-GAP competitive granting. We have made a request through our State Legislative representatives and the State Treasurer to push legislation to allow City voters the opportunity to decide to increase the income tax. This action could generate \$7 million annually and would eliminate the City's structural deficit. A bill has been introduced but has not been acted upon.

In the meantime, Flint is still struggling with effects from increased expenses and reduced revenue from decisions outside our control. These include: a recent General Motors/Delphi closure impacting over 300 jobs, the yet to be voted upon planned changes

in personal property tax revenue, the \$120,000 cost to hold the State Senate primary election, and the \$575,000 required match for MDOT projects in FY14.

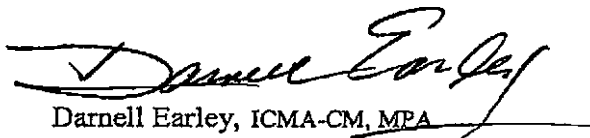
I do not recommend beginning the transition back to the Mayor/Council management of the City at this time. The City still has critical budgeting issues; there is tremendous work necessary on 7 Point Transition Management Plan. Also, the City Council is adjusting to a new committee structure and Council meeting management.

Flint has twice been placed in the hands of a State appointed emergency manager. A third failure should be avoided at all costs. Therefore, I appointed a 21 person blue ribbon citizens' committee to evaluate various governance models used in Michigan cities and to recommend a course of action for Charter amendment or revision. The committee has been meeting regularly since January 2014 and is currently planning a public engagement process. I feel that this is a key step in the City's preparation to successfully manage a fiscally sound city.

I feel strongly that it is incumbent upon me to make sure that the city reaches its goal of sustained financial solvency. The financial emergency is not fully resolved until the long-term sustainable structure is secured.

Another update of this report is expected to be presented in July 2014 as required by P.A. 436. Other updates will be provided as appropriate.

Respectfully submitted,



Darnell Earley, ICMA-CM, MPA
Emergency Manager
Flint, MI

Attachments:

1. Summary of Findings of the Flint Financial Review Team
2. 7 Point Transition Management Plan
3. Organizational Chart FY14
4. Orders and Directives of the EFM and EM
5. Resolution and Detail for FY14 Amended Budget
6. Vision, Mission, Goals and Budget Priorities of the City of Flint 2015-2019

Attachment 1. Summary of Findings of the Flint Financial Review Team

Summary of Findings of the Flint Financial Review Team
November 2011

- The City has a general fund deficit of \$14,621,546 as of June 30, 2010 which was not eliminated within the two year preceding period.
- The City previously submitted a five year deficit elimination plan for a cumulative general fund deficit of \$7,046,820 as of June 30, 2008. However, by June 30, 2010 the cumulative general fund deficit had grown to \$14,621,546. An updated plan submitted for 2010 does not purport to eliminate the cumulative deficit until 2030 and that relies upon the issuance of an additional \$12 million of debt in 2013.
- A structural operating deficit existed in the general fund as of June 30, 2007, 2008, 2009, 2010 and the general fund is projected to have a \$6,768,864 deficit as of June 30, 2011.

Attachment 2. 7 Point Transition Management Plan

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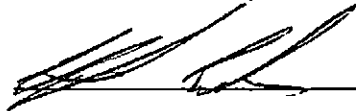
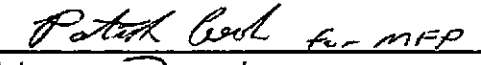
PERMIT APPLICATION FOR WATER SUPPLY SYSTEMS
 (CONSTRUCTION - ALTERATION - ADDITION OR IMPROVEMENT) AS DESCRIBED HEREIN
Required under the Authority of 1976 PA 399, as amended

This application becomes an Act 399 Permit only when signed and issued by authorized Michigan Department of Environmental Quality (DEQ) Staff. See instructions below for completion of this application.

1. Municipality or Organization, Address and WSSN that will own or control the water facilities to be constructed. This permit is to be issued to: City of Flint 4500 North Dort Highway Flint, MI 48505 WSSN: 02310	Permit Stamp Area (DEQ use only) MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY PERMIT NO. W 140026 APR 09 2014 EXAMINED AND APPROVED FOR COMPLIANCE WITH ACT 399, P.A. 1976	
2. Owner's Contact Person (provide name for questions). Contact: Brent Wright Title: Plant Supervisor Phone: 810-787-6537		
3. Project Name (Provide phase number if project is segmented) Flint WTP Phase II, Segment II - Lime Residual Disposal	4. Project Location (City, Village, Township): City of Flint	5. County (location of project) Genesee County

ISSUED UNDER THE AUTHORITY OF THE DIRECTOR OF THE DEPARTMENT OF ENVIRONMENT QUALITY

cc:

Issued by: Reviewed by: 

For Mike Prusby

☐ **If this box is marked see attached special conditions.**

Instructions: Complete items 1 through 5 above and 6 through 21 on the following pages of this application. Print or type all information except for signatures. Mail completed application, plans and specifications, and any attachments to the DEQ District Office having jurisdiction in the area of the proposed construction.

Please Note:

- This **PERMIT** only authorizes the construction, alteration, addition or improvement of the water system described herein and is issued solely under the authority of 1976 PA 399, as amended.
- The issuance of this **PERMIT** does not authorize violation of any federal, state or local laws or regulations, nor does it obviate the necessity of obtaining such permits, including any other DEQ permits, or approvals from other units of government as may be required by law.
- This **PERMIT** expires two (2) years after the date of issuance in accordance with R 325.11306, 1976 PA 399, administrative rules, unless construction has been initiated prior to expiration.
- Noncompliance with the conditions of this permit and the requirements of the Act constitutes a violation of the Act.
- Applicant must give notice to public utilities in accordance with 1974 PA 53, (MISS DIG), being Section 460.701 to 460.718 of the Michigan Compiled Laws, and comply with each of the requirements of that Act.
- All earth changing activities must be conducted in accordance with the requirements of the Soil Erosion and Sedimentation Control Act, Part 91, 1994 PA 451, as amended.
- All construction activity impacting wetlands must be conducted in accordance with the Wetland Protection Act, Part 303, 1994 PA 451, as amended.
- Intentionally providing false information in this application constitutes fraud which is punishable by fine and/or imprisonment.
- Where applicable for water withdrawals, the issuance of this permit indicates compliance with the requirements of Part 327 of Act 451, Great Lakes Preservation Act.

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

Permit Application for Water Systems (Continued)

6. Facilities Description – In the space below provide a detailed description of the proposed project. Applications without adequate facilities descriptions will be returned. SEE EXAMPLES BELOW. Use additional sheets if needed.

Improvements to the City of Flint Lime Sludge Lagoons at Bray Road to allow lime sludge from the the Flint WTP to be stored during the interim period when the plant will be treating Flint River water. The lagoons will not be needed for continuous use when the plant switches to treatment of raw water from the KWA Lake Huron Water Supply:

PHASE II, SEGMENT II - LIME RESIDUAL DISPOSAL (@BRAY ROAD):

- * Plugging and abandonment of 8" inlet piping; construction of 306 LF of new 10" inlet piping; installation of bulkhead on existing outlet structure to prevent discharge to surface water.
- * Clay Berm barrier improvements to separate concrete debris pile from lime sludge.
- * Construction of new decant tower structure, 8" gravity sewer, and decant pump station (duplex submersible) with CO2 feed system for pH adjustment. Vortex Impeller pumps (2) shall each be rated at 140 gpm at 22' TDH; CO2 feed consists of 6 ton storage tank, 15 pph pH controlled feed system, SS gas piping, and diffusers installed in the decant tower.
- * Construction of approx. 3,800 LF of 6" HDPE decant forcemain and connection to existing City sanitary sewer system.

EXAMPLES – EXAMPLES – EXAMPLES – EXAMPLES – EXAMPLES – EXAMPLES

Water Mains	500 feet of 8-inch water main in First Street from Main Street north to State Street. OR 250 feet of 12-inch water main in Clark Road from an existing 8-inch main in Third Avenue north to a hydrant.
Booster Stations	A booster station located at the southwest corner of Third Avenue and Main Street, and equipped with two, 15 Hp pumps each rated 150 gpm @ 200 feet TDH. Station includes backup power and all other equipment as required for proper operation.
Elevated Storage Tank	A 300,000 gallon elevated storage tank located in City Park. The proposed tank shall be spherical, all welded construction and supported on a single pedestal. The tank shall be 150 feet in height, 40 feet in diameter with a normal operating range of 130 – 145 feet. The interior coating system shall be ANSI/NSF Standard 61 approved or equivalent. The tank will be equipped with a cathodic protection system, and includes a tank level control system with telemetry.
Chemical Feed	A positive displacement chemical feed pump, rated at 24 gpd @ 110 psi to apply a chlorine solution for Well No. 1. Chlorine is 12.5% NaOCL, ANSI/NSF Standard 60 approved and will be applied at a rate of 1.0 mg/l of actual chlorine.
Water Supply Well	Well No. 3, a 200 foot deep well with 170 feet of 8-inch casing and 30 feet of 8-inch, 10 slot screen. The well will be equipped with a 20 Hp submersible pump and motor rated 200 gpm @ 225 feet TDH, set at 160 feet below land surface.
Treatment Facilities	A 5 million gpd water treatment plant located at the north end of Second Avenue. The facility will include 6 low service pumps, 2 rapid mix basins, 4 flocculation/sedimentation basins, 8 dual media filters, 3 million gallon water storage reservoir and 6 high service pumps. Also included are chemical feed pumps and related appurtenances for the addition of alum, fluoride, phosphate and chlorine.

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

Permit Application for Water Systems (Continued)

General Project Information – Complete all boxes below.	
7. Design engineer's name, engineering firm, address, phone number, and email address: Jeremy N. Nakashima, PE Lockwood, Andrews & Newnam, Inc. 1 Oakbrook Terrace, Suite 207 Oakbrook Terrace, IL 60181 630-495-4123 / jnnakashima@lan-inc.com	8. Indicate who will provide project construction inspection: ☒ Organization listed in Box 1. ☒ Engineering firm listed in Box 7. ☐ Other - name, address, and phone number listed below.
9. Is a basis of design attached? ☒ YES ☐ NO If no, briefly explain why a basis of design is not needed. Submitted previously under separate cover.	
10. Are sealed and signed engineering plans attached? ☒ YES ☐ NO If no, briefly explain why engineering plans are not needed. Plans and specs submitted previously under separate cover.	
11. Are sealed and signed construction specifications attached? ☒ YES ☐ NO If specifications are not attached, they need to be on file at DEQ.	
12. Were Recommended Standards for Water Works, Suggested Practice for Water Works, AWWA guidelines, and the requirements of Act 399 and its administrative rules followed? ☒ YES ☐ NO If no, explain which deviations were made and why.	
13. Are all coatings, chemical additives and construction materials ANSI/NSF or other adequate 3rd party approved? ☒ YES ☐ NO If no, describe what coatings, additives or materials did not meet the applicable standard and why.	
14. Are all water system facilities being installed in the public right-of-way or a dedicated utility easement? (For projects not located in the public right-of-way, utility easements must be shown on the plans.) ☐ YES ☒ NO If no, explain how access will be obtained. Most work will be on City owned property, except forcemain.	
15. Is the project construction activity within a wetland (as defined by Section 324.30301(d)) of Part 303, 1994 PA 451? ☐ YES ☒ NO If yes, a wetland permit must be obtained.	
16. Is the project construction activity within a 100-year floodplain (as defined by R 323.1311(e)) of Part 31, 1994 PA 451, administrative rules? ☐ YES ☒ NO If yes, a flood plain permit must be obtained.	
17. Is the project construction activity within 500 feet of a lake, reservoir, or stream? ☒ YES ☐ NO If yes, a Soil and Erosion Control Permit must be obtained or indicate if the owner listed in box 2 of this application is an Authorized Public Agency (Section 10 of Part 91, 1994 PA 451) ☐ Owner is APA.	

Permit Application for Water Systems (Continued)

18. Will the proposed construction activity be part of a project involving the disturbance of five (5) or more acres of land?

☐ YES ☒ NO

If yes, is this activity regulated by the National Pollutant Discharge Elimination System storm water regulations?

☐ YES: NPDES Authorization to discharge storm water from construction activities must be obtained.

☐ NO: Describe why activity is not regulated:

Please call 517-241-8993 with questions regarding the applicability of the storm water regulations.

19. Is the project in or adjacent to a site of suspected or known soil or groundwater contamination?

☐ YES ☒ NO

If yes, attach a copy of a plan acceptable to the DEQ for handling contaminated soils and/or groundwater disturbed during construction. Contact the local DEQ district office for listings of Michigan sites of environmental contamination.

20. IF YOU ARE A CUSTOMER/WHOLESALE/BULK PURCHASER, COMPLETE THE FOLLOWING

1) Name and WSSN of source water supply system (seller) _____

2) Does the water service contract require water producer/seller to review and approve customer/wholesale/bulk purchaser water system construction plans?

☐ YES ☐ NO

If yes to #2, the producer/seller approval letter must be attached when submitted to DEQ.

21. **Owner's Certification** The owner of the proposed facilities or the owner's authorized representative shall complete the owner's certification. It is anticipated that the owner will either be a governmental agency (city, village, township, county, etc.) or a private owner (individual, company, association, etc.) of a Type I public water supply.

OWNER'S CERTIFICATION

I, BRENT F. WRIGHT (name), acting as the WATER PLANT SUPERVISOR (title/position) for

(print)

(print)

CITY OF FLINT

(print)

(entity owning proposed facilities) certify that this project has

been reviewed and approved as detailed by the Plans and Specifications submitted under this application, and is in compliance with the requirements of 1976 PA 399, as amended, and its administrative rules.

Signature*

Date

Phone

*Original signature only, no photocopies will be accepted.

Permit Application for Water Systems (Continued)

PROJECT BASIS OF DESIGN – FOR WATER MAIN PROJECTS

PROJECT NAME: _____

For this PROJECT the following information must be provided per Act 399 unless waived by the Department. For projects other than water main installation, or if additional space is needed, attach separate sheet(s) with detailed Basis of Design calculations.

- A. A general map of the initial and ultimate service areas
☐ Included on engineering plans ☐ Attached separately
- B. Number of service connections served by this permit application _____
- C. Total number of service connections ultimately served by entire project _____
- D. Residential Equivalent Units (REUs) served by this permit application _____
- E. Total Residential Equivalent Units (REUs) ultimately served by entire project _____
- F. Water flow rates for proposed project based on REUs listed in "D" and "E" above
1. Initial design average day flow (mgd) _____
 2. Initial design maximum day flow (mgd) _____
 3. Total design average day flow (mgd) _____
 4. Total design maximum day flow (mgd) _____
 5. Required fire flows: ⁽¹⁾ _____ gpm for _____ hours
- G. Actual flows and pressures of existing system at the connection point(s) ⁽²⁾
- | |
|------------------------|
| _____ gpm at _____ psi |
| _____ gpm at _____ psi |
| _____ gpm at _____ psi |
| _____ gpm at _____ psi |
- H. Estimated minimum flows and pressures within the proposed water main system ⁽³⁾
- | |
|------------------------|
| _____ gpm at _____ psi |
|------------------------|

(1) Every water system must decide what levels of fire fighting flows they wish to provide. Fire flow should be appropriate for the area (residential, commercial, industrial) being served by the project. Typical fire flow rates can be obtained from the water supply, local fire dept., ISO or AWWA. The water system must then be designed to be able to provide the required fire flows while maintaining at least 20 psi in all portions of the distribution system.

(2) Flows and pressures at the connection points must be given to determine if the existing water main(s) are able to deliver water to the new service area. These numbers can be obtained from a properly modeled and calibrated distribution system hydraulic analysis or hydrant flow tests performed in the field. If more than one connection is proposed, list as needed.

(3) List what the estimated minimum flows can be expected in the proposed water mains based on estimated water demands, head losses, elevation changes and other factors that may affect flows, such as dead end mains.

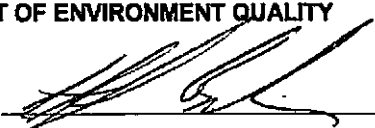
PERMIT APPLICATION FOR WATER SUPPLY SYSTEMS
 (CONSTRUCTION - ALTERATION - ADDITION OR IMPROVEMENT) AS DESCRIBED HEREIN
Required under the Authority of 1976 PA 399, as amended

This application becomes an Act 399 Permit only when signed and issued by authorized Michigan Department of Environmental Quality (DEQ) Staff. See instructions below for completion of this application.

1. Municipality or Organization, Address and WSSN that will own or control the water facilities to be constructed. This permit is to be issued to City of Flint 4500 North Dort Highway Flint, MI 48505 WSSN: 02310	Permit Stamp Area (DEQ use only) MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY PERMIT NO. 140025 APR 09 2014 EXAMINED AND APPROVED FOR COMPLIANCE WITH ACT 399, P.A. 1976	
2. Owner's Contact Person (provide name for questions): Contact: Brent Wright Title: Plant Supervisor Phone: 810-787-6537		
3. Project Name (Provide phase number if project is segmented): 1) Flint WTP Phase II, Segment I - Initial Watermain Cut-In / Rehabilitation, 2) Flint WTP Phase II, Segment II - Lime Residual Disposal; 3) Flint WTP Phase II, Segment III - Electrical Improvements	4. Project Location (City, Village, Township). City of Flint	5. County (location of project): Genesee County

ISSUED UNDER THE AUTHORITY OF THE DIRECTOR OF THE DEPARTMENT OF ENVIRONMENTAL QUALITY

cc:

Issued by: Reviewed by: 
for Mike Prusky

☐ **If this box is marked see attached special conditions.**

Instructions: Complete items 1 through 5 above and 6 through 21 on the following pages of this application. Print or type all information except for signatures. Mail completed application, plans and specifications, and any attachments to the DEQ District Office having jurisdiction in the area of the proposed construction.

Please Note:

- This **PERMIT** only authorizes the construction, alteration, addition or improvement of the water system described herein and is issued solely under the authority of 1976 PA 399, as amended.
- The issuance of this **PERMIT** does not authorize violation of any federal, state or local laws or regulations, nor does it obviate the necessity of obtaining such permits, including any other DEQ permits, or approvals from other units of government as may be required by law.
- This **PERMIT** expires two (2) years after the date of issuance in accordance with R 325.11306, 1976 PA 399, administrative rules, unless construction has been initiated prior to expiration.
- Noncompliance with the conditions of this permit and the requirements of the Act constitutes a violation of the Act.
- Applicant must give notice to public utilities in accordance with 1974 PA 53, (MISS DIG), being Section 460.701 to 460.718 of the Michigan Compiled Laws, and comply with each of the requirements of that Act.
- All earth changing activities must be conducted in accordance with the requirements of the Soil Erosion and Sedimentation Control Act, Part 91, 1994 PA 451, as amended.
- All construction activity impacting wetlands must be conducted in accordance with the Wetland Protection Act, Part 303, 1994 PA 451, as amended.
- Intentionally providing false information in this application constitutes fraud which is punishable by fine and/or imprisonment.
- Where applicable for water withdrawals, the issuance of this permit indicates compliance with the requirements of Part 327 of Act 451, Great Lakes Preservation Act.

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

Permit Application for Water Systems (Continued)

6. **Facilities Description** – In the space below provide a detailed description of the proposed project. Applications without adequate facilities descriptions will be returned. SEE EXAMPLES BELOW. Use additional sheets if needed.

Improvements to the City of Flint WTP to enable treatment of Flint River water on an interim basis until the KWA Lake Huron Water Supply is available for connection and use by the City of Flint:

PHASE II, SEGMENT I - INITIAL WATERMAIN CUT-IN / REHABILITATION (@WTP):

- * Replace existing 25 MGD HSP #1 at Pump Station No. 4 with a new 700 HP, vertically mounted, split-case centrifugal pump rated for 15 MGD at 185' TDH. New pump suction and discharge piping, valves and supports will also be provided.
- * Construction of new ozone system LOX/LIN storage facility to provide system redundancy and a minimum of 30 days chemical storage. A new concrete containment structure will be constructed adjacent to the existing LOX/LIN storage facility. The new LOX and LIN tanks will have nominal capacities of 9000 gal. and 525 gal., respectively.
- * Installation of Midpoint Chlorination. A 3"x6" dual walled chlorine solution line, approx. 665 LF, will be installed from the existing chlorine room at Pump Station No. 4 to a diffuser in the filter influent channel at Plant 2. The chlorine gas feed system shall consist of four 500 ppd feed systems (total 2000 ppd) to be installed by City personnel. Each 500 ppd system consists of a ton cylinder mounted vacuum regulator, control panel, ejector, and misc. piping, tubing & valves.
- * Approx. 850 LF 42" raw watermain connection from existing 48" and 36" mains that feed the plant to convey KWA raw water to the Ozone Building. Work includes a 54x48 cross to make the initial connection at the Ozone Building, buried yard butterfly valves, access and air release manholes, and cathodic protection test stations.

PHASE II, SEGMENT III - ELECTRICAL IMPROVEMENTS (@WTP):

- * Plant substation improvements, including two new 2500 kW transformers and switchgear. The substation switchgear has been fabricated with two utility main breakers, one generator breaker and two tie breakers. So provisions are in place for a future permanent generator. If a temporary generator is needed in the event of an outage to both independent utility services, provisions are in place to temporary cable a large portable generator through a manhole, duct bank and cable tray system to the generator breaker in the substation switchgear.
- * Plant 2 electrical improvements, including two new 500 kW transformers and switchgear.
- * Pump Station No. 4 improvements, including new switchgear and VFD for HSP #1.

EXAMPLES – EXAMPLES – EXAMPLES – EXAMPLES – EXAMPLES – EXAMPLES

Water Mains	500 feet of 8-inch water main in First Street from Main Street north to State Street. <u>OR</u> 250 feet of 12-inch water main in Clark Road from an existing 8-inch main in Third Avenue north to a hydrant.
Booster Stations	A booster station located at the southwest corner of Third Avenue and Main Street, and equipped with two, 15 Hp pumps each rated 150 gpm @ 200 feet TDH. Station includes backup power and all other equipment as required for proper operation.
Elevated Storage Tank	A 300,000 gallon elevated storage tank located in City Park. The proposed tank shall be spherical, all welded construction and supported on a single pedestal. The tank shall be 150 feet in height, 40 feet in diameter with a normal operating range of 130 – 145 feet. The interior coating system shall be ANSI/NSF Standard 61 approved or equivalent. The tank will be equipped with a cathodic protection system, and includes a tank level control system with telemetry.
Chemical Feed	A positive displacement chemical feed pump, rated at 24 gpd @ 110 psi to apply a chlorine solution for Well No. 1. Chlorine is 12.5% NaOCL, ANSI/NSF Standard 60 approved and will be applied at a rate of 1.0 mg/l of actual chlorine.
Water Supply Well	Well No. 3, a 200 foot deep well with 170 feet of 8-inch casing and 30 feet of 8-inch, 10 slot screen. The well will be equipped with a 20 Hp submersible pump and motor rated 200 gpm @ 225 feet TDH, set at 160 feet below land surface.
Treatment Facilities	A 5 million gpd water treatment plant located at the north end of Second Avenue. The facility will include 6 low service pumps, 2 rapid mix basins, 4 flocculation/sedimentation basins, 8 dual media filters, 3 million gallon water storage reservoir and 6 high service pumps. Also included are chemical feed pumps and related appurtenances for the addition of alum, fluoride, phosphate and chlorine.

Permit Application for Water Systems (Continued)

General Project Information – Complete all boxes below.

7. Design engineer's name, engineering firm, address, phone number, and email address:

Jeremy N. Nakashima, PE
Lockwood, Andrews & Newnam, Inc.
1 Oakbrook Terrace, Suite 207
Oakbrook Terrace, IL 60181
630-495-4123 / jnnakashima@lan-inc.com

8. Indicate who will provide project construction inspection:

- ☒ Organization listed in Box 1.
☒ Engineering firm listed in Box 7.
☐ Other - name, address, and phone number listed below.

9. Is a basis of design attached?

☒ YES ☐ NO

If no, briefly explain why a basis of design is not needed. Submitted previously under separate cover.

10. Are sealed and signed engineering plans attached?

☒ YES ☐ NO

If no, briefly explain why engineering plans are not needed. Plans and specs submitted previously under separate cover.

11. Are sealed and signed construction specifications attached?

☒ YES ☐ NO

If specifications are not attached, they need to be on file at DEQ.

12. Were Recommended Standards for Water Works, Suggested Practice for Water Works, AWWA guidelines, and the requirements of Act 399 and its administrative rules followed?

☒ YES ☐ NO

If no, explain which deviations were made and why.

13. Are all coatings, chemical additives and construction materials ANSI/NSF or other adequate 3rd party approved?

☒ YES ☐ NO

If no, describe what coatings, additives or materials did not meet the applicable standard and why.

14. Are all water system facilities being installed in the public right-of-way or a dedicated utility easement?
(For projects not located in the public right-of-way, utility easements must be shown on the plans.)

☐ YES ☒ NO

If no, explain how access will be obtained. Most work will be on City owned property, except forcemain.

15. Is the project construction activity within a wetland (as defined by Section 324.30301(d)) of Part 303, 1994 PA 451?

☐ YES ☒ NO

If yes, a wetland permit must be obtained.

16. Is the project construction activity within a 100-year floodplain (as defined by R 323.1311(e)) of Part 31, 1994 PA 451, administrative rules?

☐ YES ☒ NO

If yes, a flood plain permit must be obtained.

17. Is the project construction activity within 500 feet of a lake, reservoir, or stream?

☒ YES ☐ NO

If yes, a Soil and Erosion Control Permit must be obtained or indicate if the owner listed in box 2 of this application is an Authorized Public Agency (Section 10 of Part 91, 1994 PA 451) ☐ Owner is APA.

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

Permit Application for Water Systems (Continued)

18. Will the proposed construction activity be part of a project involving the disturbance of five (5) or more acres of land?

☐ YES ☒ NO

If yes, is this activity regulated by the National Pollutant Discharge Elimination System storm water regulations?

☐ YES: NPDES Authorization to discharge storm water from construction activities must be obtained.

☐ NO: Describe why activity is not regulated:

Please call 517-241-8993 with questions regarding the applicability of the storm water regulations.

19. Is the project in or adjacent to a site of suspected or known soil or groundwater contamination?

☐ YES ☒ NO

If yes, attach a copy of a plan acceptable to the DEQ for handling contaminated soils and/or groundwater disturbed during construction. Contact the local DEQ district office for listings of Michigan sites of environmental contamination.

20. IF YOU ARE A CUSTOMER/WHOLESALE/BULK PURCHASER, COMPLETE THE FOLLOWING

1) Name and WSSN of source water supply system (seller) _____

2) Does the water service contract require water producer/seller to review and approve customer/wholesale/bulk purchaser water system construction plans?

☐ YES ☐ NO

If yes to #2, the producer/seller approval letter must be attached when submitted to DEQ.

21. **Owner's Certification** The owner of the proposed facilities or the owner's authorized representative shall complete the owner's certification. It is anticipated that the owner will either be a governmental agency (city, village, township, county, etc.) or a private owner (individual, company, association, etc.) of a Type I public water supply.

OWNER'S CERTIFICATION

I, BRENT F. WRIGHT (name), acting as the WATER PLANT SUPERVISOR (title/position) for

(print)

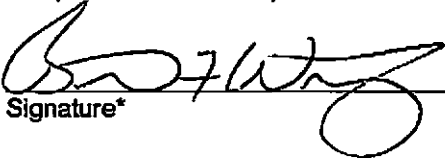
(print)

CITY OF FLINT

(print)

(entity owning proposed facilities) certify that this project has

been reviewed and approved as detailed by the Plans and Specifications submitted under this application, and is in compliance with the requirements of 1976 PA 399, as amended, and its administrative rules.



Signature*

3-31-2014

Date

(810) 787-6537

Phone

*Original signature only, no photocopies will be accepted.

Permit Application for Water Systems (Continued)

PROJECT BASIS OF DESIGN – FOR WATER MAIN PROJECTS

PROJECT NAME: _____

For this PROJECT the following information must be provided per Act 399 unless waived by the Department. For projects other than water main installation, or if additional space is needed, attach separate sheet(s) with detailed Basis of Design calculations.

- A. A general map of the initial and ultimate service areas
☐ Included on engineering plans ☐ Attached separately
- B. Number of service connections served by this permit application _____
- C. Total number of service connections ultimately served by entire project _____
- D. Residential Equivalent Units (REUs) served by this permit application _____
- E. Total Residential Equivalent Units (REUs) ultimately served by entire project _____
- F. Water flow rates for proposed project based on REUs listed in "D" and "E" above
1. Initial design average day flow (mgd) _____
 2. Initial design maximum day flow (mgd) _____
 3. Total design average day flow (mgd) _____
 4. Total design maximum day flow (mgd) _____
 5. Required fire flows: ⁽¹⁾ _____ gpm for _____ hours
- G. Actual flows and pressures of existing system at the connection point(s) ⁽²⁾
- | |
|------------------------|
| _____ gpm at _____ psi |
| _____ gpm at _____ psi |
| _____ gpm at _____ psi |
| _____ gpm at _____ psi |
- H. Estimated minimum flows and pressures within the proposed water main system ⁽³⁾
- _____ gpm at _____ psi

(1) Every water system must decide what levels of fire fighting flows they wish to provide. Fire flow should be appropriate for the area (residential, commercial, industrial) being served by the project. Typical fire flow rates can be obtained from the water supply, local fire dept., ISO or AWWA. The water system must then be designed to be able to provide the required fire flows while maintaining at least 20 psi in all portions of the distribution system.

(2) Flows and pressures at the connection points must be given to determine if the existing water main(s) are able to deliver water to the new service area. These numbers can be obtained from a properly modeled and calibrated distribution system hydraulic analysis or hydrant flow tests performed in the field. If more than one connection is proposed, list as needed.

(3) List what the estimated minimum flows can be expected in the proposed water mains based on estimated water demands, head losses, elevation changes and other factors that may affect flows, such as dead end mains.

Water/Wastewater Rate Presentation

~~Friday, February 14, 2014 3:14 PM~~

Subject	Fwd: Powerpoint Presentation for Committee
From	<u>Elizabeth Murphy</u>
To	Byrne, Randall (Treasury); Workman, Wayne (TREASURY); Koryzno, Edward (Treasury); Hollins, Harvey (GOV); Larkin, Brian (GOV); Baird, Richard (GOV); Dempkowski, Angela (Treasury)
Cc	Darnell Earley
Sent	Thursday, April 10, 2014 1:57 PM
Attachments	 City of Flint-Rate...

Attached please find the presentation slides from the Water and Sewer Rate Study which will be presented at the Public Works Committee meeting at 5pm today in the City of Flint Committee Room. Results from this meeting will be a discussion item on the agenda for next Wednesday's 9am meeting with Treasury.

----- Forwarded message -----

From: **Howard Croft** <hcroft@cityofflint.com>
Date: Thu, Apr 10, 2014 at 1:33 PM
Subject: Fwd: Powerpoint Presentation for Committee
To: Elizabeth Murphy <emurphy@cityofflint.com>

Liz,

Here is the powerpoint that raftelis will present tonight.

----- Forwarded message -----

From: **Tom Beckley** <tbeckley@raftelis.com>
Date: Thu, Apr 10, 2014 at 12:19 PM
Subject: Powerpoint Presentation for Committee
To: Darnell Earley <dearley@cityofflint.com>, Howard Croft <hcroft@cityofflint.com>, Daugherty Johnson <djohnson@cityofflint.com>, "jllorenz@cityofflint.com" <jllorenz@cityofflint.com>
Cc: Bill Stannard <wstannard@raftelis.com>, Collin Drat <cdrat@raftelis.com>

All,

Attached is the Powerpoint presentation for tonight's presentation to the Public Works Committee

Tom

Thomas A. Beckley, Senior Manager

3013 Main Street Kansas City, MO 64108
direct 816.285.9024 / mobile 816 682 1328

Raftelis Financial Consultants, Inc. www.raftelis.com

RFC/AWWA 2012 Water and Wastewater Rate Survey:
<http://www.awwa.org/store/productdetail.aspx?productid=31940402>

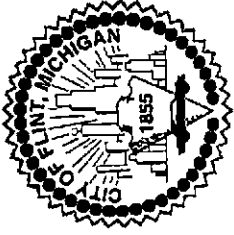
Water and Wastewater Finance and Pricing.
<http://www.amazon.com/exec/obidos/ASIN/1566706807/>

--

Howard Croft
Public Works
Director
City of Flint
1101 S Saginaw Street
Flint, MI 48502
PH# 810.766 7346 Ext.2043

--

Liz Murphy
Assistant to the Emergency Manager
City of Flint
810 237 2025



CITY OF FLINT

Water and Wastewater Rate Study

Final Draft | April 10, 2014

Scope of Services

- Adequacy of Existing Water and Wastewater Revenues
- Water and Wastewater Financial Plans
- Cost of Service Study and Proposed Rates
- Impact of Transitioning to KWA
- Water and Wastewater Operations and Best Management Practices (“BMP”)

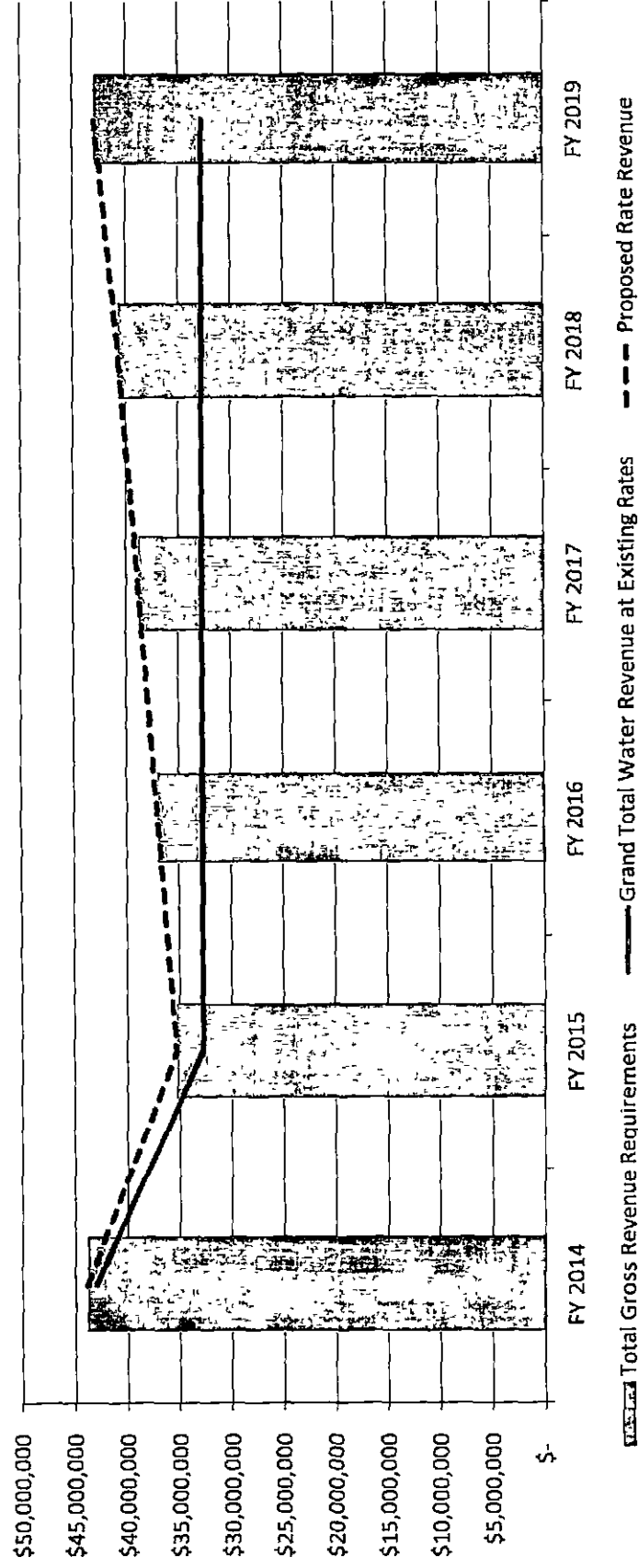
ADEQUACY OF EXISTING REVENUES

Factors Impacting Utility Revenues

- Marked decrease in billed water and wastewater usage
 - Approximately 12% below FY 2014 Budget
 - Under investigation under separate contract,
 - A normal pattern of declining per customer water usage
- Increases in utility revenue requirements
 - O&M
 - Cash-Funded Capital Improvements
 - Improving Financial Management Practices (e.g. increased cash reserves)

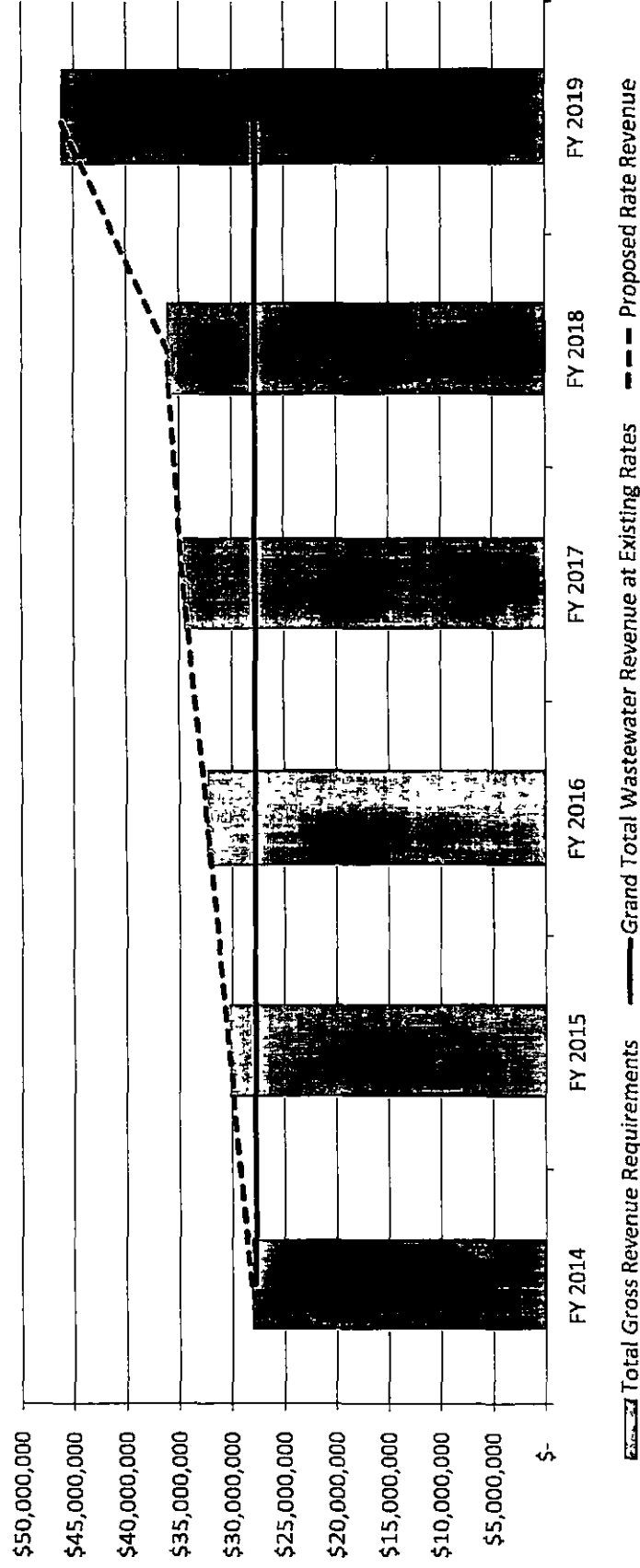
Water Utility Revenues at Existing Rates

ES-1: Water Utility Revenues at Existing Rates



Wastewater Utility Revenues at Existing Rates

ES-2: Wastewater Utility Revenues at Existing Rates



WATER AND WASTEWATER FINANCIAL PLANS

Financial Planning Overview

- Purpose: determine rate revenue required for financial sustainability
- Process
 - Forecast customer units of service and revenue at existing rates
 - Forecast operation and maintenance expenditures (“O&M”)
 - Forecast capital expenditures
 - » CIP
 - » Existing and Proposed DS
 - Develop detailed cash flow forecasts

Factors Driving Financial Plans

- Inflationary O&M Increases
- Annual Utility Recapitalization
- Water Utility Capital Improvements Associated with the Transition to KWA
- Financial Policies

Inflationary O&M Increases

- Largely associated with personnel costs
 - Annual COLA adjustments to Salaries and Medical
 - Legacy costs
 - » Pension and Retiree Healthcare
 - » Generally increase with salaries, usually higher based on pension funding levels
- Also related to the cost of materials and supplies
 - Cost of Chemicals for Water and Wastewater Treatment
 - Utilities Costs (Primarily Electric)
- Increases in cost of services provided via the General Fund (i.e. overhead cost allocation)

Recapitalization

- Necessary at some level on an annual basis
- Level and frequency based on age of water and wastewater system and original construction materials
- Can reduce O&M costs (i.e. less sewer back-ups, water main breaks etc.)
- Avoids “mining assets”

Transition to KWA

- Assumed April 1 transition to KWA.
- Revenues:
 - Decrease in revenues associated with cessation of service to Genesee County.
- Expenditures:
 - Decrease in O&M associated with elimination of DWSD water purchases
 - Increases in expenditures associated with full-time Flint WTP Operation
 - » O&M: Increased costs to operate and maintain WTP
 - » Capital: Expenditures to upgrade WTP to operate full-time
 - Debt Service: Flint's share of KWA project debt service

Financial Policies

- Separate Financial Plans for Each Utility
 - Equity for Customers
 - Ensures one fund is not subsidizing another
- Operating Reserve
 - Target of 90 days O&M and Debt Service
 - Working up to target over 5 years to mitigate rate impact
- Cash Funded Capital Improvements
 - All cash funded due to financing constraints
 - Potential to use Michigan SRF in the future
 - Short term rate impact, but long-term savings over debt
- Existing Debt Service Coverage
 - Substantial for water utility due to cash funding
 - No outstanding wastewater debt

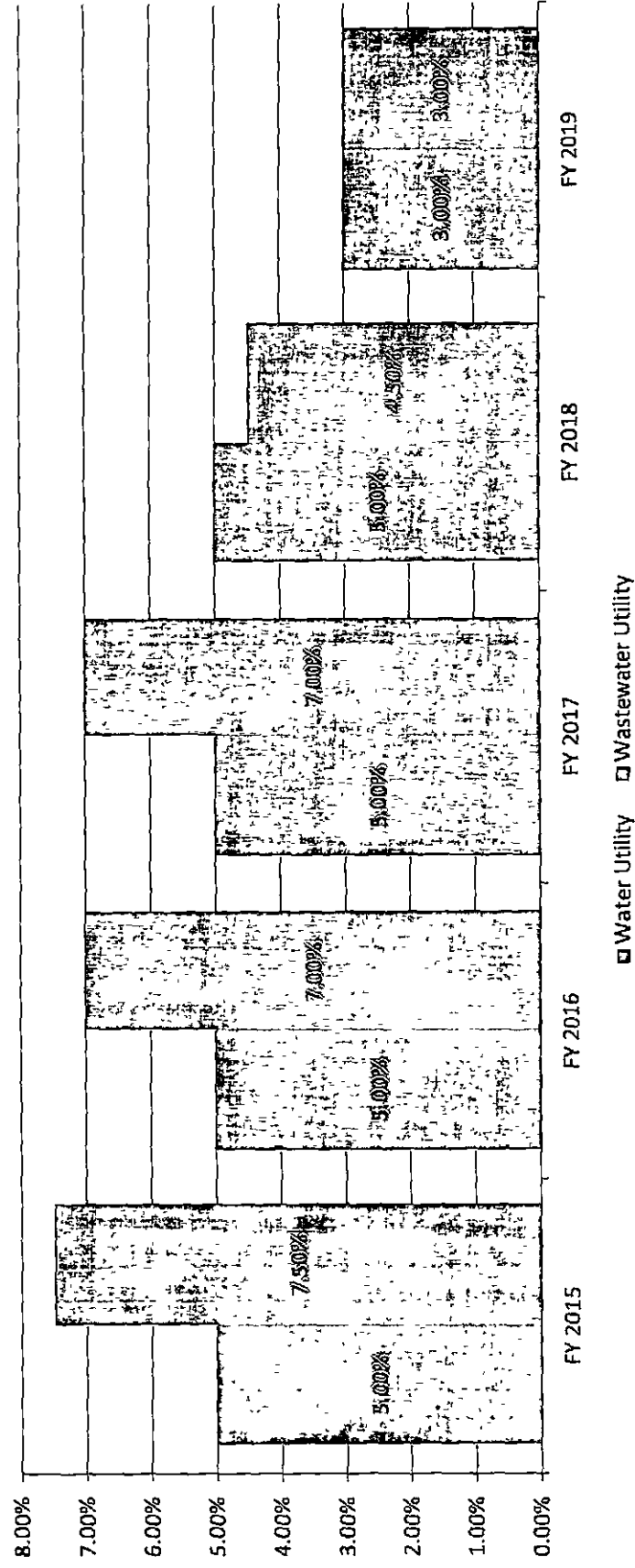
Financial Plans from Rate Model

ES-3: SUMMARY OF WATER AND WASTEWATER FINANCIAL PLANS

Water Utility	Budget Year FY 2014	Fiscal Year FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018	Forecast FY 2019
REVENUES						
Grand Total Water Revenue at Existing Rates	\$ 42,974,374	\$ 32,762,575	\$ 32,762,575	\$ 32,762,575	\$ 32,762,575	\$ 32,762,575
Additional Revenue from Rate Increases	\$ -	\$ 1,638,100	\$ 3,358,100	\$ 5,164,100	\$ 7,060,400	\$ 8,255,100
Total Non-Rate Revenues	\$ 885,000	\$ 897,679	\$ 913,820	\$ 914,515	\$ 918,931	\$ 926,050
Add Transfers in from General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Total Rate and Non-Rate Revenues	\$ 43,860,374	\$ 35,288,354	\$ 37,034,595	\$ 40,741,189	\$ 40,741,189	\$ 42,943,725
GROSS REVENUE REQUIREMENTS						
ORM	\$ 36,920,049	\$ 21,539,930	\$ 21,539,930	\$ 22,073,930	\$ 22,714,605	\$ 23,376,786
Capital	\$ 11,247,946	\$ 13,242,821	\$ 12,246,423	\$ 16,648,446	\$ 17,144,008	\$ 17,143,196
Transfer to Operating Reserve	\$ (4,307,621)	\$ 515,604	\$ 3,248,242	\$ 118,814	\$ 893,292	\$ 2,423,743
Total Gross Revenue Requirements	\$ 43,860,374	\$ 35,288,354	\$ 37,034,595	\$ 40,741,189	\$ 40,741,189	\$ 42,943,725
DEFICIT (EXISTING REVENUES - REVENUE REQ.)	\$ -	\$ (1,638,100)	\$ (3,358,100)	\$ (5,164,100)	\$ (7,060,400)	\$ (8,255,100)
Wastewater Utility						
REVENUES						
Grand Total Wastewater Revenue at Existing Rates	\$ 27,777,374	\$ 27,777,374	\$ 27,777,374	\$ 27,777,374	\$ 27,777,374	\$ 27,777,374
Additional Revenue from Rate Increases	\$ -	\$ 2,083,300	\$ 4,173,500	\$ 6,410,100	\$ 7,948,500	\$ 9,020,300
Total Non-Rate Revenues	\$ 385,872	\$ 425,749	\$ 414,327	\$ 421,625	\$ 423,268	\$ 419,283
Add Transfers in from General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,000,000
Total Rate and Non-Rate Revenues	\$ 28,173,246	\$ 30,286,423	\$ 32,365,201	\$ 34,609,099	\$ 36,149,143	\$ 46,216,957
GROSS REVENUE REQUIREMENTS						
ORM	\$ 24,355,611	\$ 23,086,375	\$ 22,649,535	\$ 22,649,535	\$ 23,320,442	\$ 24,014,032
Capital	\$ 6,500,000	\$ 5,500,000	\$ 12,000,000	\$ 10,500,000	\$ 12,500,000	\$ 14,000,000
Transfer to Operating Reserve	\$ (2,682,364)	\$ 1,760,088	\$ (2,284,331)	\$ 1,459,564	\$ 328,700	\$ 8,202,925
Total Gross Revenue Requirements	\$ 28,173,246	\$ 30,286,423	\$ 32,365,201	\$ 34,609,099	\$ 36,149,143	\$ 46,216,957
DEFICIT (EXISTING REVENUES - REVENUE REQ.)	\$ -	\$ (2,083,300)	\$ (4,173,500)	\$ (6,410,100)	\$ (7,948,500)	\$ (9,020,300)

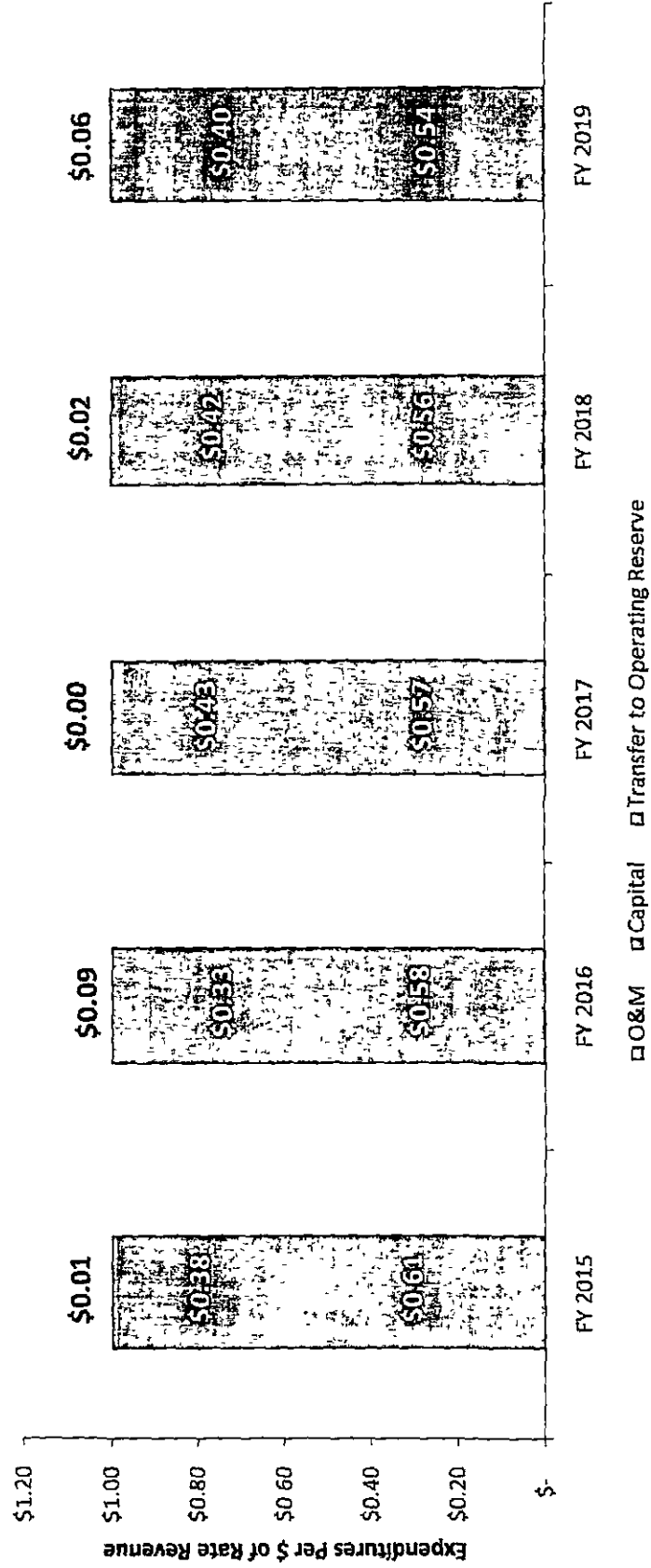
Forecast Rate Revenue Increases

ES-4: Annual % Rate Revenue Increases



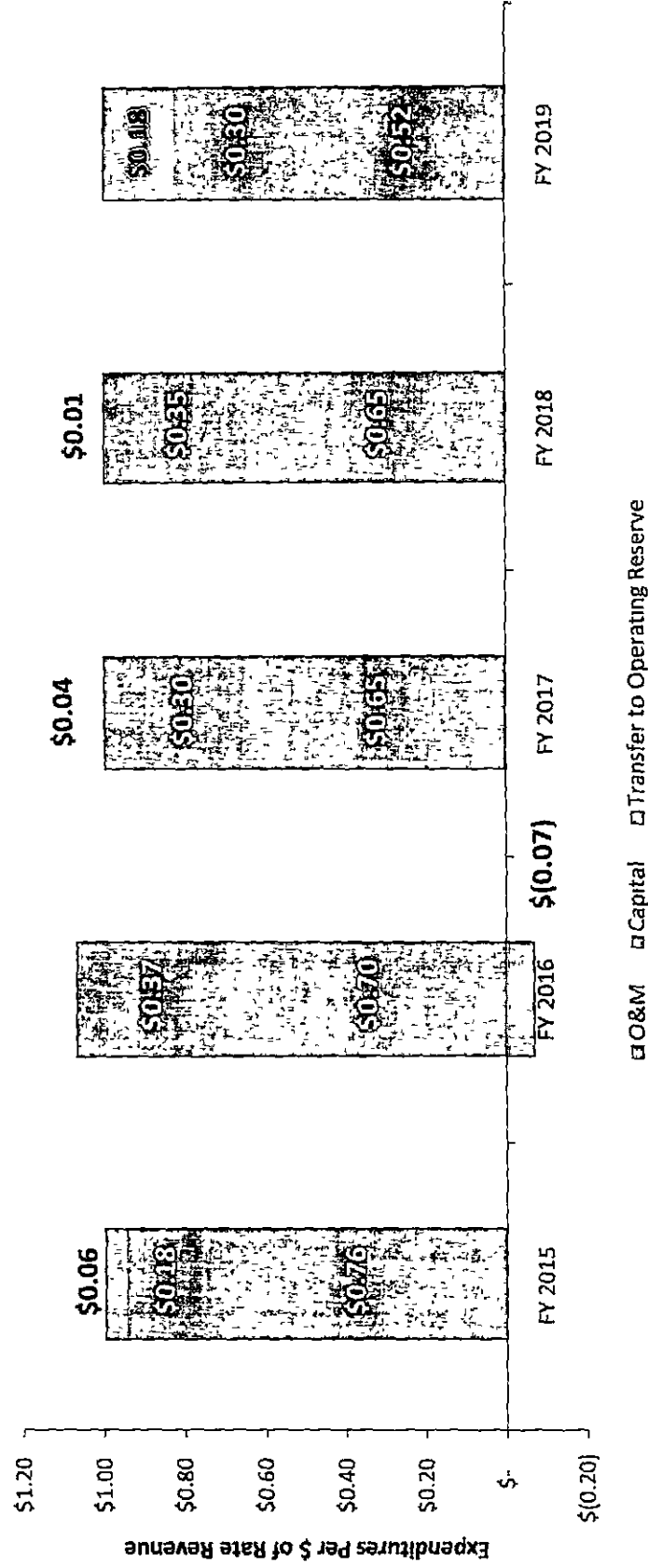
Expenditure Breakdown (Water)

Forecast Water Expenditures



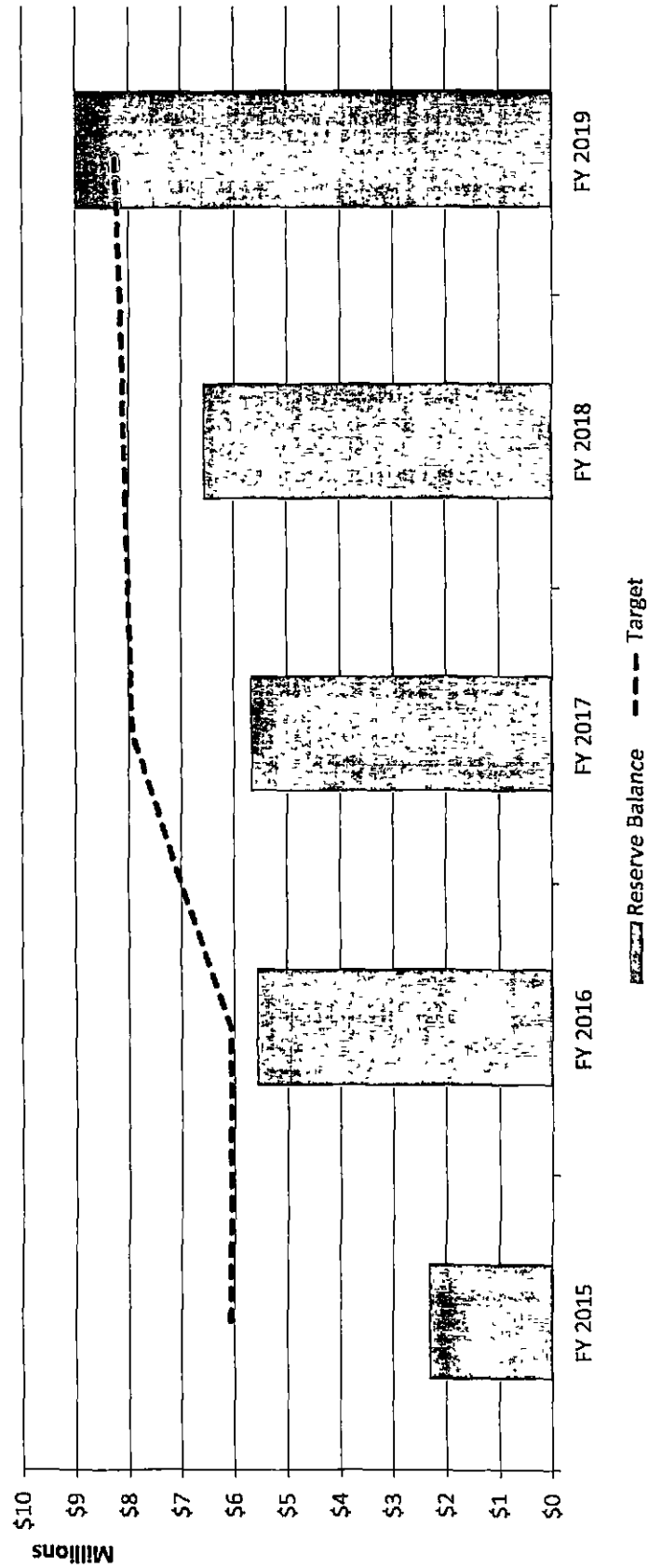
Expenditure Breakdown (Wastewater)

Forecast Wastewater Expenditures



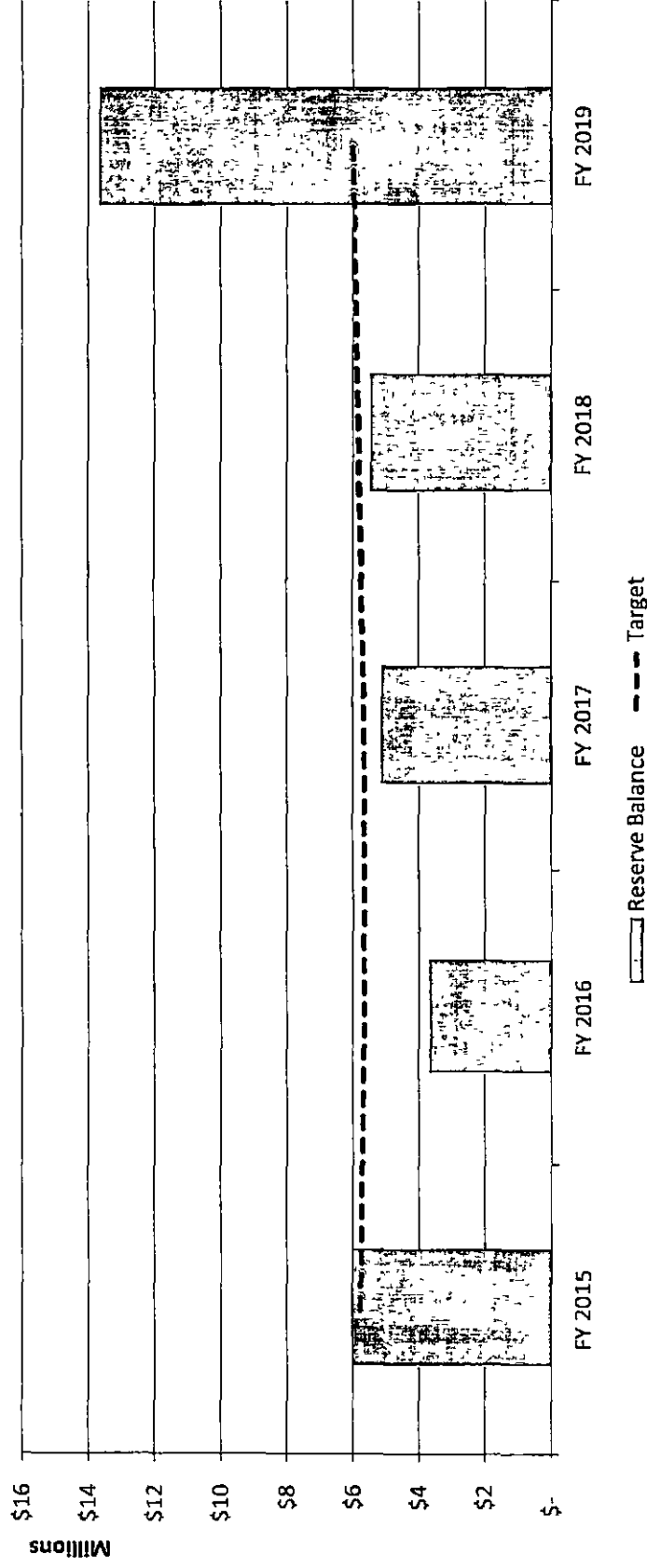
Projected Operating Reserves (Water)

Projected Operating Reserves (Water)



Projected Operating Reserves (Wastewater)

Projected Operating Reserves (Wastewater)



COST OF SERVICE STUDY AND PROPOSED RATES

Cost of Service Study Overview

- Purpose:
 - Allocate costs to customer classes based on the demands they impose on the water and wastewater utility systems
 - Demand
 - » Water: Average and Peak (Max Day, Max Hour) usage, and Customer Costs
 - » Wastewater: Volume, Strength (BOD and TSS) and Customer Costs
- Process
 - Determine revenue requirement
 - Allocate revenue requirement to cost components
 - Determine units of service by customer class
 - Determine unit cost of service
 - Allocate costs to customer classes

Cost of Service Results

ES-5: SUMMARY OF COST OF SERVICE STUDY RESULTS

CUSTOMER CLASS	WATER	WASTEWATER
Allocated Cost of Service		
Total Inside City Residential COS	\$ 18,347,403	\$ 16,413,652
Total Inside City Commercial/Industrial COS	\$ 15,262,006	\$ 13,377,848
Total Inside City Lawn COS	\$ 370,634	N/A
Total Inside City COS	\$ 33,980,043	\$ 29,791,500
Total Outside City Residential COS	\$ 99,493	\$ 2,383
Total Outside City Commercial/Industrial COS	\$ 321,139	\$ 66,791
Total Outside City Lawn COS	\$ -	N/A
Total Outside City COS	\$ 420,632	\$ 69,174
Total System Cost of Service	\$ 34,400,675	\$ 29,860,674

Rate Design Issues

- Fixed vs. Volumetric Charges
 - » Fixed (\$.34 per dollar of rate revenue)
 - › Typically recovers meter reading billing and collection and CS
 - › Generate \$.34 of every \$1 of rate revenue
 - › (+) Revenue Stability, (-) Larger Impact on lower volume users
 - » Volumetric (\$.66 per dollar of rate revenue)
 - › Recovers average and peak demand costs for water, strength and volume for wastewater
 - › (+) Potentially more equitable, (-) More variable revenue stream
- Maintaining Existing Rate Structure
 - » Structure changes create winners and losers
 - » Potential demand response (losers may use less, but winners will not use more)
 - » Navigate the KWA transition and revenue collection issues, address structure changes in the future

Existing and Proposed Rates

Water Rates

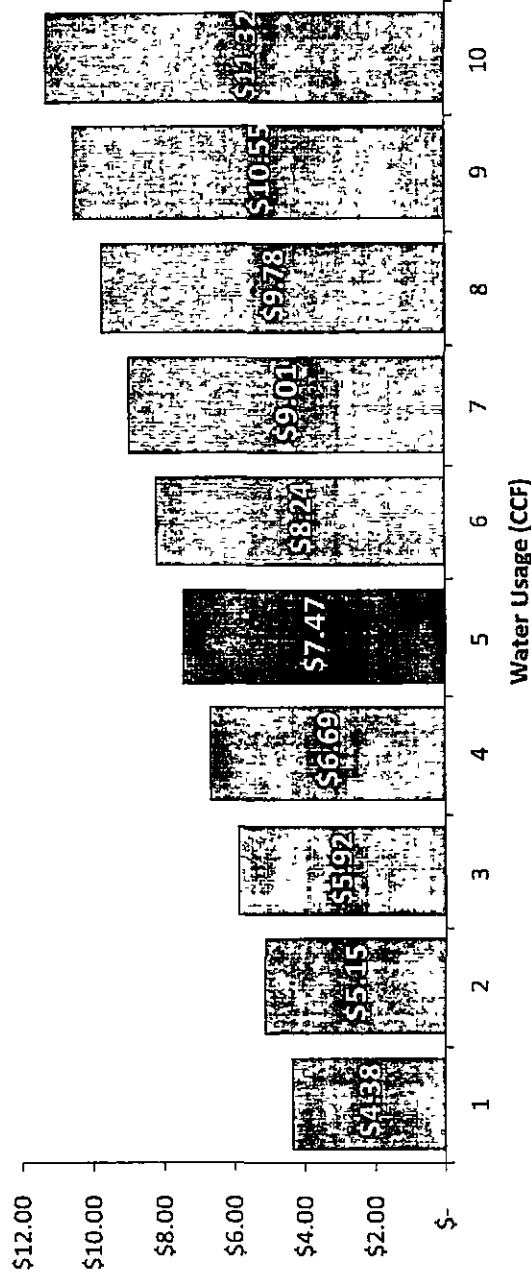
	Existing	Proposed	\$
Block 1 0-35 Ccf	\$ 7.52	7.92	\$.40
Block 2 36-2000 Ccf	\$ 7.31	7.62	\$.31
Block 3 >2000 Ccf	\$ 5.79	6.09	\$.30
Fixed Charge	\$ 21.78	22.90	\$ 1.13

Wastewater Rates

	Existing	Proposed	\$
Block 1 0-35 Ccf	\$ 4.80	\$ 5.17	\$.37
Block 2 36-2000 Ccf	\$ 4.80	\$ 5.17	\$.37
Block 3 >2000 Ccf	\$ 4.80	\$ 5.17	\$.37
Fixed Charge	\$ 32.00	\$ 34.48	\$ 2.48

Bill Impacts

Increases to Customer Bills Under Proposed (Combined W and WW)



IMPACT OF TRANSITION TO KWA

KWA Project Overview

- City previously a wholesale customer of DWSD
- Contract with DWSD will cease April 17
- City staff believe cost savings over continuing with DWSD could be achieved via KWA
- KWA project will draw raw water from Lake Huron, but will not be operational by April 17
- City will draw and treat water from the Flint River in the interim
- KWA members pay a portion of project costs based on contract capacity

Analysis Overview

- RFC worked with City staff to develop separate financial planning scenarios
 - Continuing with DWSD
 - Transition to KWA
- Assumptions and Data
 - April 1 transition
 - 5% DWSD rate increases into the future
 - Similar financial planning policies in each scenario
 - » Policies and strategy discussed in prior section applied to DWSD scenario
 - O&M Budget incorporating transition provided by City Staff
 - Project costs and phasing provided by City staff
 - Estimated Flint share of KWA debt service provided by City staff

Savings to Flint Customers

ES-8: POTENTIAL RESIDENTIAL BILL SAVINGS (KWA VS. DWSD)

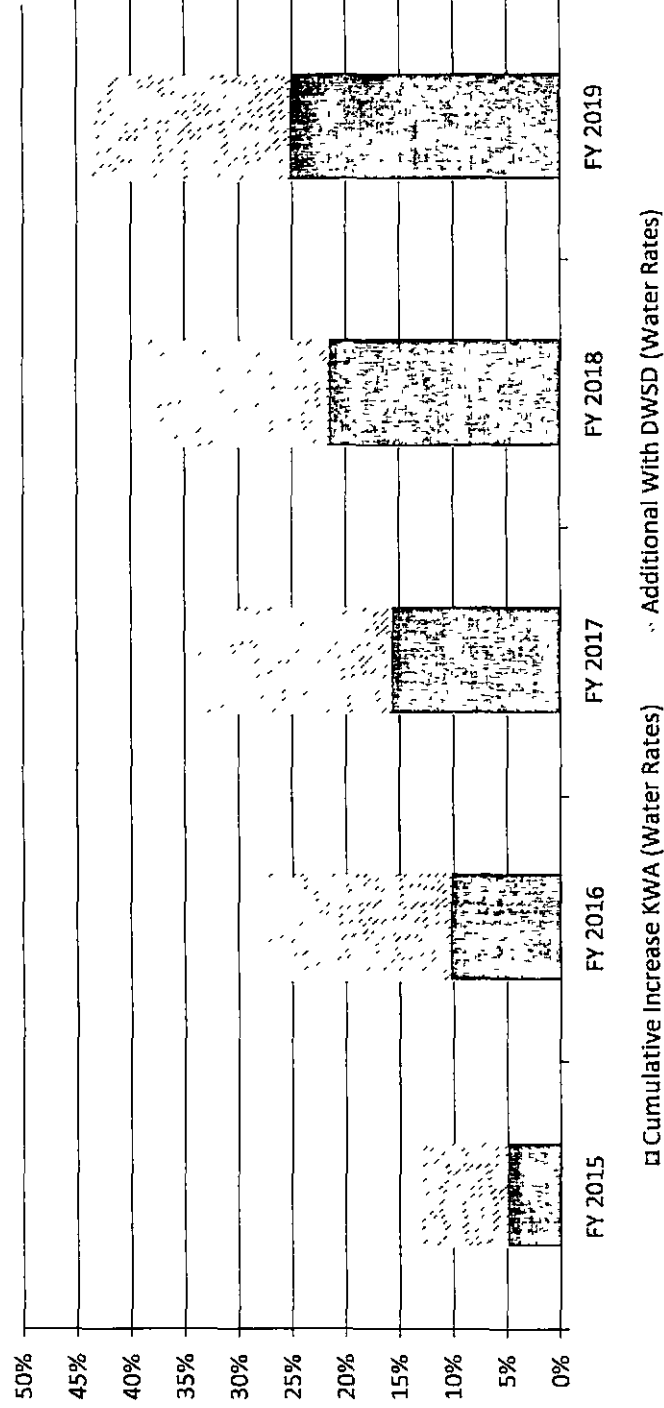
ESTIMATED MONTHLY SAVINGS		FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Monthly Usage (CCF)							
1	\$ -	\$ (2.28)	\$ (5.04)	\$ (5.29)	\$ (5.16)	\$ (5.32)	
2	\$ -	\$ (2.85)	\$ (6.32)	\$ (6.64)	\$ (6.48)	\$ (6.67)	
3	\$ -	\$ (3.43)	\$ (7.60)	\$ (7.98)	\$ (7.79)	\$ (8.02)	
4	\$ -	\$ (4.00)	\$ (8.89)	\$ (9.33)	\$ (9.10)	\$ (9.37)	
5	\$ -	\$ (4.57)	\$ (10.17)	\$ (10.68)	\$ (10.41)	\$ (10.73)	
6	\$ -	\$ (5.15)	\$ (11.45)	\$ (12.02)	\$ (11.73)	\$ (12.08)	
7	\$ -	\$ (5.72)	\$ (12.73)	\$ (13.37)	\$ (13.04)	\$ (13.43)	
8	\$ -	\$ (6.30)	\$ (14.02)	\$ (14.72)	\$ (14.35)	\$ (14.78)	
9	\$ -	\$ (6.87)	\$ (15.30)	\$ (16.06)	\$ (15.67)	\$ (16.14)	
10	\$ -	\$ (7.44)	\$ (16.58)	\$ (17.41)	\$ (16.98)	\$ (17.49)	

Total Bills

RATE/IMPACT 5/8" Customer		FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Monthly Usage (CCF)							
1		\$ 66.10	\$ 70.48	\$ 74.79	\$ 79.38	\$ 83.12	\$ 85.62
2		\$ 78.41	\$ 83.57	\$ 88.64	\$ 94.03	\$ 98.48	\$ 101.43
3		\$ 90.73	\$ 96.66	\$ 102.49	\$ 108.68	\$ 113.83	\$ 117.24
4		\$ 103.05	\$ 109.74	\$ 116.33	\$ 123.33	\$ 129.18	\$ 133.06
5		\$ 115.37	\$ 122.83	\$ 130.18	\$ 137.98	\$ 144.54	\$ 148.87
6		\$ 127.69	\$ 135.92	\$ 144.03	\$ 152.63	\$ 159.89	\$ 164.69
7		\$ 140.00	\$ 149.01	\$ 157.88	\$ 167.28	\$ 175.24	\$ 180.50
8		\$ 152.32	\$ 162.10	\$ 171.72	\$ 181.93	\$ 190.59	\$ 196.31
9		\$ 164.64	\$ 175.19	\$ 185.57	\$ 196.58	\$ 205.95	\$ 212.13
10		\$ 176.96	\$ 188.28	\$ 199.42	\$ 211.23	\$ 221.30	\$ 227.94

Cumulative Increase in Water Rates

Cumulative % Water Rate Increases



FINANCIAL BEST MANAGEMENT PRACTICES

Financial BMP

ES-9: FITCH BEST MANAGEMENT PRACTICES

Criteria	Consistent	Improving	Inconsistent
Financial Profile <i>Financial Forecasting</i> <i>Debt Service Coverage and Operating Reserves</i> <i>Financial Reporting and Monitoring</i> <i>Limited Exposure to Growth Revenues</i> <i>Timely Collection of Payment and Penalty Enforcement</i> <i>Political Willingness to Adjust Rates</i> <i>Limited Exposure to General Govt. Finances</i> <i>GAAP Compliance</i> <i>Affordability</i>	× × × × ×	× × × ×	×
Debt Profile <i>Prioritized Capital Improvement Plans</i> <i>Debt Policy</i> <i>Hedge Agreements</i>	× ×		
Operating Profile <i>Management Experience</i> <i>Use of Professional Engineers</i> <i>Consultation with Local/Regional Growth Planners</i>	× × ×		

QUESTIONS?

What does the modification mean? While the total cost does not change, the monthly bills would be smoothed out. Because GCDC has a fairly consistent flow, this should not have a significant impact on our billing.

The standby period is the cost of having a back-up supply from DWSD. While this is not required, if the price is right, it would be an insurance policy for long-term water supply.

Having said all this, what is the impact on water rates and when will it occur? The Division has a meeting scheduled with the DWSD on April 15 and we hope to have the final numbers. It would be our intent to have only one rate increase, which would cover the gap and bridge period. That rate would be approved effective September 2, 2014 for all billings. This would be consistent with our past practice of DWSD pass through rates in September. While the fees from DWSD will increase in the May billing, the County Agency has sufficient cash flow and reserves to accommodate the period from May to September.

Finally, GCDC customers will not lose its water supply from DWSD even if we cannot reach agreement with the City of Flint or DWSD. The purpose of the negotiation is to secure a rate and avoid litigation. The standby service is not required but if we can get it for the right price, it would be of additional value. Both negotiating teams recognize that we will be required to submit the contracts to our respective boards/councils and the Drain Commissioner and Emergency Financial Manager respectively, who could reject the agreement.

We expect to be able to answer specific questions at the Advisory Board meeting on April 16, a day after our meeting with representatives of the DWSD.



CITY OF FLINT
OFFICE OF THE EMERGENCY MANAGER



Gerald Ambrose
Emergency Manager

TO: Josh Freeman, President, Flint City Council
From: Jerry Ambrose, Emergency Manager
Cc: Flint City Council
Mayor Dayne Walling
Natasha L. Henderson, City Administrator
DATE: April 13, 2014
RE: Update and Transition Progress

Thank you for your consideration of my request for authorization to apply for the \$7 million loan from the State's Emergency Loan Board. This loan, if approved, will be used to eliminate the City's General Fund deficit ahead of the schedule in our current Deficit Elimination/Reserve Accumulation Plan. This will enable the City to move forward with building adequate reserves necessary to foster financial stability. This, along with the commitments established in ordinance to develop and maintain a multi-year budget based on a strategic plan and to address the funding of long term liabilities, Flint's financial solvency can be sustainable.

Thank you also for your consideration of the proposed consolidation of the 68th and 67th District Court, an action which has been long in the making. Recommended by the State Court Administrators Office and authorized by state law, the consolidation is planned to become effective January 2, 2016. The Memorandum of Understanding, approved today by the Genesee County Board of Commissioners, details the advantages the consolidation will have for the City of Flint. The city will see a reduction in costs of more than \$8.4 million over the first 10 years, providing some much needed funds to support police services. Additionally the new court division is assured of at least 2 probation officers, something which the Court has not had for several years. And, as provided in both law and the agreement, judges will continue to be elected from within the City.

As you know, my focus over the past few months has been and continues to be transitioning the City from oversight by an Emergency Manager to home rule under the guidance of a Receivership Transition Advisory Board.

Much progress has been made in preparing for the transition, including action by the City Council to complete the following:

- Final adoption of the Capital Improvements Plan
- Final adoption of ordinances regarding planning, budgeting, funds balance, and deficit elimination
- Update of the Strategic Plan's Vision, Mission, and Goals
- Adoption of budget priorities to guide development of the FY16/FY17 budget

Additionally, our new City Administrator Natasha Henderson is on board and is assuming duties as the experienced and professionally trained chief administrative officer for the City.

There are several issues which we are continuing to address, including:

- Water safety, quality, and affordability continues to be a top priority. The City's water supply today is safe, as measured by the same MDEQ standards that have been in place for years, and steps are being taken to improve treatment and distribution processes in order to address issues of discoloration and odor, and to assure continued safety. Reviews of our pricing structure are also underway to assure that customers are treated equitably while generating sufficient revenue to operate the system.

Public safety continues to be an area of critical concern. The independent study of our police and fire organization provided a number of recommendations focused on how to best deploy the resources we have, and also confirmed that the staffing levels afforded by our limited resources are extremely low in comparison to comparable municipalities. This emphasizes the critical continuing importance of renewing the two voter-approved public safety millages and working to assure continuing state support through the assignment of state troopers and through financial support of the City lock-up. Loss of any of this support would be a disaster for the City.

- Achieving and then maintaining financial stability will continue to require constant attention. Approval of the ordinances regarding financial stability and the anticipated approval of the \$7 million loan provide additional tools with which to work. Attention will need to be paid to not only developing and adopting budgets for FY16 and FY17 but doing so in the context of understanding the impact of those budgetary decisions into the following three years. Essential to this is making the budget decisions which truly address achievement of the stated vision, mission and goals for the City as adopted by the City Council. Unfortunately, the challenges in doing so will be great, as the City will continue to be faced with the reality of a structural deficit, where for the foreseeable future current expenditure patterns exceed revenue streams – a difficult position, given the City's already low level of services. Complicating this further is the potential impact of the retiree health care lawsuit, once the final outcome is decided.

- Finally progress continues with modernizing the operations of the City and setting the framework for future development. With the Master Plan and Capital Improvement Plan in place, focus is now turning to implementation, including updating the Zoning Ordinance.

As we move forward with preparing for transition, there is much work yet to do. Today I am taking three actions consistent with our path:

- Adoption of an updated purchasing policy – I am enacting the revisions to the Purchasing policy which were reviewed by Council within the past few months. These changes are made with the goal of assuring that the process of obtaining goods and services is consistent with the expectations of the Strategic Plan. There must be proper oversight and transparency, with a goal of obtaining goods and services that best meet the needs of City departments. The process must ensure competitive procurement, conducted in a timely and ethical manner. The City Council has an important role in assuring compliance with the policy, which is not the same as conducting purchasing operations.
- Confirming the role of the City Administrator – Before the search for a new City Administrator was begun, it was determined, within the context of the Seven Point Transition Plan, that an experienced and professional City Administrator would be selected on the basis of an open competitive process, and that the duties of the City Administrator would be structured in a manner which assures the ability to manage and direct the administrative affairs of the City in a professional manner. While those duties and expectations were described in the job description of the City Administrator and in recruitment materials, I am now formally enacting them in Emergency Manager Order Number 3.
- Re-establishing salaries for Mayor and Council – As we are moving towards transition, the duties and responsibilities of the Mayor and City Council are expanding towards the traditional roles of a City operating under home rule. Council meetings are now held twice per month, with committee meetings held once per month. The Mayor is now much more engaged in a Chief Executive role. Consequently, I have determined to re-establish the salaries for Mayor and Council at the levels in place immediately prior to the appointment of an Emergency Manager in November, 2011. Continued receipt of the re-established salaries, however, is contingent upon attainment of certain training. The re-established levels, and the contingency regarding training, is found in Emergency Manager Order Number 4.

Over the next several weeks, there will be much work with respect to finalizing the loan application and developing the FY16 and FY17 budgets along with FY18, FY19, and FY20 projections. Work will also continue with implementing improvements of the water system, and reviewing our associated rate structure. Evaluation and implementation of the recommendations for best use of

police and fire resources will continue, including corrective action for the police evidence room issues. Summer street maintenance and repair programs, as well as sidewalk repairs will soon be underway. Public meetings regarding the zoning ordinance are being held, with a recommended updated ordinance expected for consideration in late spring. A revision to the City's business licensing ordinance is expected soon. These are but a few of the many activities to be expected as the City makes the best use of its resources to provide the best level of service it can within the resources it has.

I look forward to working with you as we move towards transition to home rule under the guidance of a Receivership Transition Advisory Board. Please contact me if you have any questions.

Pleyte, Beth (Treasury)

From: Maxine Murray <mmurray@cityofflint.com>
Sent: Monday, April 14, 2014 5:14 PM
To: Byrne, Randall (Treasury); Kapp, Gene (MSP); Muchmore, Dennis (GOV); Roberts, John (DTMB); West, Samantha (GOV); Dempkowski, Angela (Treasury); Baird, Richard (GOV); Larkin, Brian (GOV); Darnell Earley; Deasy, Thomas (MSP); Koryzno, Edward (Treasury); Clement, Elizabeth (GOV); Elizabeth Murphy; Etue, Kriste (MSP); Hollins, Harvey (GOV); James Tolbert; Jerry Ambrose; Klotz, Josephine (MSP); Lee, Nichole (MSP); McGowan, Emmitt (MSP); Sands, Thomas (MSP); Sipes, Stephen (MSP); O'Neill, Stephen (MSP); Saxton, Thomas (Treasury); Workman, Wayne (TREASURY)
Cc: Clayton, Stacie (GOV)
Subject: Conference Call Agenda for Wednesday, April 16th
Attachments: City of Flint Wednesday 9am Meeting041614.doc

Good afternoon,

Attached is the agenda for the Wednesday, April 16th conference call.

Thank you.

--
Maxine Murray
Executive Assistant to
Mayor Dayne Walling
Darnell Earley, Emergency Manager
1101 S. Saginaw Street
Flint, MI 48502
810.237.2035 Telephone
810.766.7218 Fax

**City of Flint Wednesday 9:00 am Phone Conference Agenda
April 16, 2014**

1) Public Safety Update – FPD, MSP (FFD if needed)

- a) SAFER grant renewal for Flint has been denied. Chief Cox has been developing a plan to handle reduced staff beginning July 1, 2014.
- b) Public Safety Study – meeting scheduled for this Thursday at 2pm in Flint Mayor’s Conference Room with Treasury, Mott Foundation and L. Matarese of ICMA. Would like to start this study process as quickly as possible.
- c) Other update by Chief Tolbert and MSP.

2) Governor’s Office Update –Rich Baird, H. Hollins

3) Retiree Lawsuit – Status, Issues

There was a 3/14/14 meeting with attorneys and healthcare consultant. Update: Letters did go out to retirees as planned.

Regarding an E&Y “Ability to Pay” analysis: Phone conf scheduled with WW and E&Y

4) Financial Update

- a) Deficit Elimination Plan – approval still pending. City is incorporating the changes into the FY15/16 budget. The City is still committed to eliminating the deficits. We are proceeding as we await formal approval of the plan.
- b) Emergency Manager’s 6 Month Report to the Governor was submitted on April 8, 2014. Also, Quarterly Financial Report was submitted on April 15, 2014.
- c) Update on E&Y 5 Year projections: Preliminary review expected with EM and Treasury within the next three weeks. Analysis of utility system is still pending.
- d) Model Contract Status – Preparing materials for imposition of FPOA contract. Date for meeting with AFSCME 1600 is April 17. Drafting initial contracts for IAFF, other FPOA contracts and 1799 (to be patterned after FPOA and 1600) is underway. Meeting date with AFSCME 1799 is being finalized.
- e) MDOT waiver – Spiral Weld Project: MDOT has granted waiver and assigned project to MDOT Davison Office for FY15. Flint will not be construction agent.

f) DEQ SAW Grant: could there be a policy to allow distressed communities to skip the lottery? The City of Flint applied for a \$2 million SAW Grant to develop a GIS based sewer Asset Management Plan (AMP) and work tracking system. The proposal also included an Asset Management Plan for the Wastewater Treatment Plant. The Plant's NPDES permit renewal will require this in the upcoming fiscal year. That AMP is estimated to cost \$300,000, which will now have to be funded internally.

4) City Council Update

a) Schedule for Council review of two year budget established upon receipt of proposed budget on April 30. Council, working through its Finance Committee will meet between May 5 and May 17 to review budget. Council plans to hold public hearing on May 18 and to provide comments and recommendations to EM by May 28.

b) Council held a Special Meeting on April 7 to take up the 7 Point Transition Management Plan which was postponed from the March 24 meeting. Plan was adopted on a 5-4 vote.

c) The Public Works Committee met on Thursday April 10 to listen to a presentation on the Water and Sewer Rate Study results. Study recommends a rate increase and substantiates City's decision to go with KWA. Only council members were allowed to ask questions. A public question and answer session will be held on Thursday April 17. Considerable public opposition is brewing to any rate increase.

d) The next regular City Council meetings are scheduled for Wednesday, April 30; Monday, May 19; Monday June 16, 2014.

5) Blue Ribbon Committee

BRC held its seventh meeting on 4/10/14. The sub-committee has been formed to work out the details of public engagement sessions reported on plans to hold 3 charette style meetings which they would like to begin April 26. Following the public meetings the committee will finalize their recommendations.

6) Water Issues

a) Water Issues – DEQ construction permits were received last week for the Water Treatment Plant and Bray Rd. site. Easement issues with Consumers Energy have been resolved. A series of meetings, media activities and other forms of notification about water change over are being planned. Start date goal: April 17, 2014.

b) Negotiations with GCDC continue with regards to sale of the pipeline section. COF current proposal is for \$3.9 million sale price, the value established in recent valuation. Valuation has been submitted and reviewed by Treasury. Submission to Treasury for approval is anticipated prior to ending relationship with DWSD. Also, COF is negotiating back-up service agreement for GCDC for period between DWSD termination and KWA start-up.

7) Other items

Created on: 04/14/14

[REDACTED], access code [REDACTED]



**CITY OF FLINT
OFFICE OF EMERGENCY MANAGER
DARNELL EARLEY
ICMA-CM, MPA**

**Jason Lorenz
Public Information Officer
(810) 237-2039
jlorenz@cityofflint.com**

For Immediate Release

**Emergency Manager Darnell Earley and City of Flint Department of
Public Works Director Statements on Finalization of Water Treatment
Plant Ahead of Flint River Use**

Flint, Michigan – April 21, 2014 – The City of Flint's Emergency Manager Darnell Earley and Department of Public Works Director have released the following statements in regard to the final work to be completed at the Water Treatment Plant ahead of Flint River use.

"We are preparing to install the final two pumps required to maintain the necessary water pressure for chlorination; that work will be completed by mid-week. Once the necessary pumps are operational, water quality tests will continue to be performed to ensure the water passes both DEQ safety standards as well as our own stringent water quality standards." –Howard Croft, DPW Director

"After this final step has been completed, Flint will then be able to shut the intake from Detroit and begin using the river. We are still on track to be using the river this week as early as Thursday and remain enthusiastic about this historic event."

–Darnell Earley, City of Flint Emergency Manager

–END–

In the opinion of Miller, Canfield, Paddock and Stone, P.L.C., Bond Counsel, under existing law, assuming compliance with certain covenants by the Issuer, the interest on the Bonds is excludable from gross income for federal income tax purposes and the Bonds and the interest thereon are exempt from all taxation by the State of Michigan or by any taxing authority within the State of Michigan, except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof. See "TAX MATTERS" and "FORM OF APPROVING OPINION" herein for a description of certain provisions of the Internal Revenue Code of 1986, as amended (the "Code"), which may affect the tax treatment of interest on the Bonds for certain Bondholders.



**KAREGNONDI WATER AUTHORITY
COUNTIES OF GENESEE, LAPEER AND SANILAC
STATE OF MICHIGAN**

\$220,500,000

**WATER SUPPLY SYSTEM BONDS
(KAREGNONDI WATER PIPELINE), SERIES 2014A**

Dated: Date of Delivery

Principal Due: November 1, as shown on Inside Cover Page

The Water Supply System Bonds (Karegnondi Water Pipeline), Series 2014A (the "Bonds") are issued under the provisions of Act 233, Public Acts of Michigan, 1955, as amended, and a resolution adopted by the Board of Trustees of the Karegnondi Water Authority, Counties of Genesee, Lapeer and Sanilac, State of Michigan (the "Issuer") on November 20, 2013. The Bonds are being issued for the purpose of paying a portion of the cost of acquiring and constructing the Issuer's Water Supply System (the "System") to serve initially the City of Flint and the County of Genesee (individually a "Local Unit" and collectively, the "Local Units"), funding a debt service reserve account, paying capitalized interest and paying the costs of issuing the Bonds. The Bonds are to be issued in anticipation of, and are payable primarily as to principal and interest from, payments (the "Contractual Payments") to be made by the Local Units to the Issuer pursuant to a Contract among the Issuer and the Local Units dated as of August 1, 2013 (the "Contract"). The Contractual Payments will be in installments that will equal the principal and interest payments on the Bonds. Further, each Local Unit has pledged its limited tax full faith and credit for the payment of its Contractual Payments and is obligated, to the extent necessary, as a first budget obligation to levy ad valorem taxes on all taxable property within its boundaries for such purpose, subject to applicable constitutional, statutory and charter tax limitations. Each Local Unit is expected to make its Contractual Payments from revenues collected from charges imposed on the customers of its respective water supply system. The County of Genesee in the Contract has pledged to make all payments that the City of Flint fails to make to the Issuer under the Contract. The Issuer has irrevocably pledged the Contractual Payments for the payment of the principal of and interest on the Bonds.

The Bonds are issuable only as fully registered Bonds without coupons, and when issued, will be registered in the name of Cede & Co., as Bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of beneficial interests in the Bonds will be made in book-entry only form, in the denominations of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their beneficial interest in Bonds purchased. So long as Cede & Co. is the Bondholder, as nominee of DTC, references herein to the Bondholders or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds. See **BOOK-ENTRY ONLY SYSTEM** herein.

Interest on the Bonds will be payable semiannually on May 1 and November 1 of each year commencing on November 1, 2014. The Bonds will be registered Bonds, of the denomination of \$5,000 or multiples thereof not exceeding for each maturity the principal amount of such maturity. The principal and interest shall be payable at the corporate trust office of The Huntington National Bank, Grand Rapids, Michigan or such other transfer agent as the Issuer may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any change in interest payment date (the "Transfer Agent"). Interest shall be paid when due by check mailed to the registered owner as shown by the registration books as of the fifteenth day of the month preceding the payment date for each interest payment. Payment of principal and interest to Beneficial Owners shall be made as described in **BOOK-ENTRY ONLY SYSTEM** herein.

The Bonds are subject to redemption at par, as described herein.

The Bonds are offered when, as and if issued by the Issuer and subject to receipt of the approving opinion of Miller, Canfield, Paddock and Stone, P.L.C., Detroit, Michigan, Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Dickinson Wright PLLC, Troy and Lansing, Michigan. It is expected that delivery of the Bonds through DTC will be made in New York, New York on or about April 16, 2014.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT.

J.P. Morgan

Wells Fargo Securities

Stifel, Nicolaus & Company, Incorporated

MATURITY SCHEDULE

WATER SUPPLY SYSTEM BONDS (KAREGNONDI WATER PIPELINE), SERIES 2014A

SERIAL BONDS (Base CUSIP¹: 48563U)

Year	Amount	Interest Rate	Yield	CUSIP ¹	Year	Amount	Interest Rate	Yield	CUSIP ¹
2017	\$2,000,000	3.000%	1.460%	AA9	2024	\$5,395,000	5.000%	3.660%*	AY7
2017	\$2,105,000	5.000%	1.460%	AR2	2025	\$5,875,000	5.000%	3.820%*	AZ4
2018	\$1,300,000	4.000%	1.870%	AB7	2026	\$6,165,000	5.000%	3.940%*	BA8
2018	\$2,975,000	5.000%	1.870%	AS0	2027	\$6,475,000	5.250%	4.050%*	AF8
2019	\$2,000,000	3.000%	2.320%	AC5	2028	\$6,815,000	5.250%	4.110%*	AG6
2019	\$2,475,000	5.000%	2.320%	AT8	2029	\$7,175,000	5.250%	4.200%*	AH4
2020	\$2,000,000	4.000%	2.780%	AD3	2030	\$7,550,000	5.250%	4.290%*	AJ0
2020	\$2,655,000	5.000%	2.780%	AU5	2031	\$7,945,000	5.250%	4.380%*	AK7
2021	\$2,000,000	3.000%	3.050%	AB1	2032	\$8,365,000	5.250%	4.450%*	AL5
2021	\$2,870,000	5.000%	3.050%	AV3	2033	\$8,800,000	4.500%	4.670%*	AM3
2022	\$5,075,000	5.000%	3.310%	AW1	2034	\$9,200,000	5.250%	4.570%*	AN1
2023	\$5,325,000	5.000%	3.490%	AX9	2035	\$9,680,000	5.250%	4.620%*	AP6

TERM BONDS

Year	Amount	Interest Rate	Yield	CUSIP ¹
2040	\$56,590,000	5.250%	4.740%*	BB6
2043	\$41,490,000	5.000%	4.890%*	AQ4

*Yield to the November 1, 2023 first call date

¹ Registered trademark of American Bankers Association. CUSIP numbers are provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. The CUSIP numbers listed above are being provided solely for the convenience of Bondholders only at the time of issuance of the Bonds and the Issuer does not make any representation with respect to such number or undertake any responsibility for its accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity.

LABOR FORCE

A breakdown of the number of employees of the County and their affiliation with organized groups is as follows:

<u>Bargaining Unit</u>	<u>Number</u>	<u>Contract Expiration</u>
AFSCME		
496-00 Clerical	239	09/30/2015
496-01 Technical	143	09/30/2015
496-02 GVRC Workers	20	04/01/2015
496-03 Drain Service	5	12/31/2015
496-10 Mobile Meals	17	09/30/2010*
916-05 & 916-06 Sheriff Supervisory	28	12/31/2014
916-01, 02, 03, 04, 08, 09, 10 Supervisors	38	06/30/2015
P.O.A.M.		
(Police Officers & Jail Security)	208	06/30/2014
Judicial Secretaries Association	9	12/31/2014
Teamsters		
Local 214 (Park Maintenance)	7	06/30/2015
Local 214 (Friend of the Court)	6	12/31/2013*
Professional Court Officers Association	34	12/31/2015
Non Union		
Full-Time Employees	102	n/a
Seasonal Employees	206	n/a
Elected Officials	31	n/a
TOTAL	<u>1,093</u>	

*In negotiations.

RETIREMENT PLANS

The County maintains two distinct retirement plans for its employees. A defined benefit plan is available in accordance with the Genesee County Employees Retirement System Ordinance (the "GCERS Plan"). A defined contribution plan is available in accordance with the Genesee County Defined Contribution Pension Plan (the "DC Plan"). All County employees, except members of AFSCME Mobile Meals Drivers and AFSCME Seasonal Parks Employees, are participants in either the GCERS Plan or the DC Plan. Employees hired prior to the effective date of the DC plan to their respective employee group, which for most employees was July 1, 1996, were permitted to elect between the GCERS Plan and the DC Plan. Most employees hired between 1996 and 2006 had the option of selecting the GCERS Plan or the DC Plan. All employees hired after 2006 must select the DC Plan for retirement. For information regarding retirement plans, see APPENDIX B.

GCERS Plan - This is a contributory multi-employer defined benefit pension plan. County employees represented by the various bargaining units are required to contribute from 0.5% to 9.0% of all compensation, including overtime. The County provides contributions at actuarially determined rates. During 2013, employer contribution rates ranged from 16.87% to 53.48% of covered payroll. For the year ending December 31, 2012, contributions from the multi-employers totaled \$14,398,417 and affected employees contributed \$2,321,841 for an aggregate multi-employer/employee total of \$16,720,258.

DC Plan - This is a contributory, single employer defined contribution plan with assets of \$104,345,310 as of September 30, 2012. County employees are required to contribute between 3.0% and 7.0% of covered payroll. The County offers a defined contribution pension plan as an alternative to the defined benefit pension plan. The International City Managers Association (ICMA) Retirement Corporation administers the plan, and the County Board of Commissioners has authority over plan provisions and contribution requirements. All employees are eligible to participate in this plan, if not participating in the Defined Benefit Plan. The County is required to contribute 8 to 10% of eligible employees' annual covered payroll, and employees are required to contribute between 3% and 7% of covered payroll. Employees are vested after 5 years of service. During the year ended September 30, 2013, employer and employee contributions to the plan were \$2,705,916 and \$1,617,428, respectively.

Other Post-Retirement Benefits - The County performed an actuarial valuation of the other post-retirement benefits liability for the year ended September 30, 2012. At that time the actuarial accrued liability was determined to be \$308,208,023 and the funding value assets was \$43,313,587, resulting in an unfunded actuarial accrued liability of \$264,894,436. The annual required contribution (ARC) as a percentage of payroll (based on 30-year amortization of the unfunded liability) was 50.15% or \$18,549,049.

The County has been working to systematically increase contributions into the VEBA to eventually equal the ARC. Beginning in fiscal year 2002/2003, the County began contributing 3% of gross payroll into a fund designated for retiree health care. This was increased to 5% in the 2003/2004 fiscal year, to 10% in the 2006/2007 fiscal year, 20% in the 2007/2008 fiscal year, 22.5% in the 2008/2009 fiscal year, 20% in the 2009/2010 fiscal year, 24% in the 2010/2011 fiscal year and 24% in the 2011/2012 fiscal year. In 2004, the County created a VEBA trust to specifically designate the funds that had been contributed for retiree health care. Also, all collective bargaining agreements as well as the non-union personnel policies include a provision that requires all employees to make a contribution of 1% to 3% of pre-tax gross wages, which is paid to the VEBA as employer contributions for the funding of retiree health care benefits (OPEB). These contributions resulted in an OPEB obligation for the period ending September 30, 2013 in an amount of \$29,409,706. The OPEB obligation is the cumulative difference between the ARC and the actual amount contributed.

DEBT STATEMENT(as of April 2, 2014 and including the Bonds described herein)

Each series of bonds marked "LT" is payable in the first instance from a specified source and is payable from the general funds of the County in the event of insufficiency of the specified source. The County is not authorized to levy taxes beyond constitutional and statutory tax rate limitations with respect to the bonds marked "LT".

DIRECT DEBT

	Dated Date	Outstanding Gross Amount	Unit Share Amount	County's Share
<i>General Obligation Bonds</i>				
Sewer, Fenton Twp.-Rolston/Ripley, LT	11/01/96	\$400,000	\$400,000	0
Drain, Atlas Twp. Project A#1610, LT	12/01/00	150,000	150,000	0
Capital Improvement, LT	11/01/04	1,765,000	0	\$1,765,000
Sewer Fenton Twp. Ser A&B, LT	12/01/04	550,000	550,000	0
Sewer Refunding, LT	02/01/05	4,000,000	4,000,000	0
Sewer Refunding, Lt. Morris, LT	12/22/05	1,695,000	1,695,000	0
Drain, Meyers, LT	08/01/06	375,000	248,400	126,600
Sewer, Western Trunk No. 1, LT	09/01/06	2,775,000	2,775,000	0
Sewer Refunding No. 3, LT	11/16/07	4,305,000	4,305,000	0
Qual. Energy Conservation Bonds, LT	12/01/10	7,175,784	0	7,175,784
Gilkey Creek and Branch Drain Drainage District, LT	12/01/11	2,395,000	2,343,268	51,732
Water, Fenton Rd. Watermain Project, LT	04/08/11	859,000	859,000	0
SUB-TOTAL GENERAL OBLIGATION BONDS		\$26,444,784	\$17,325,668	\$9,119,116
<i>Building Authority Bonds</i>				
Refunding, Series 1998, LT	07/01/98	\$ 155,000	0	\$ 155,000
Building Authority, Refunding, LT	06/23/05	8,415,000	0	8,415,000
Brownfield Redev. Ref. LT	11/20/07	12,110,000	0	12,110,000
Refunding, LT	04/12/12	4,430,000	0	4,430,000
SUB-TOTAL BUILDING AUTHORITY BONDS		\$25,110,000	\$0	\$25,110,000
<i>Revenue Bonds with GO Pledge</i>				
Sewer, Western Trunk Relief, LT	08/01/03	\$2,585,000	\$0	\$2,585,000
Water, LT	08/01/03	3,585,000	0	3,585,000
Water, LT	10/01/03	15,730,000	0	15,730,000
Water, LT	09/01/04	13,260,000	0	13,260,000
NE Sewer, Series 2005A - SRF, LT	06/23/05	15,210,000	0	15,210,000
NE Sewer, Series 2005B - SRF, LT	09/22/05	10,640,000	0	10,640,000
NE Sewer, Series 2006A - SRF, LT	09/21/06	2,065,000	0	2,065,000
NE Sewer, Series 2006B - SRF, LT	12/14/06	5,650,000	0	5,650,000
NE Sewer, Series 2006C - SRF, LT	12/14/06	3,175,000	0	3,175,000
Water, Series 2007, LT	01/01/07	5,100,000	0	5,100,000
Sewer, Northeast Ext., Series B, LT	09/01/07	6,665,000	0	6,665,000
Sewer, Northeast Ext., 2007A, LT	09/20/07	8,180,000	0	8,180,000
Sewer District No. 3, LT	12/01/07	4,920,000	0	4,920,000
Sewer, Sewage Disposal, LT	02/12/09	13,075,000	0	13,075,000

NE Sewer, LT	01/22/10	12,790,000	0	12,790,000
Sewer No. 3 Revenue Bonds, LT	01/22/10	955,000	0	955,000
Sewer, Interceptors and Treatment Facilities LT (Ser A)	04/08/11	1,330,000	0	1,330,000
Sewer, Interceptors and Treatment Facilities LT (Ser B)	07/28/11	4,825,000	0	4,825,000
Sewage Disp. Series C, Refunding, LT	09/14/11	4,965,000	0	4,965,000
Water Supply System Revenue Bonds, LT	10/03/13	<u>35,000,000</u>	0	<u>35,000,000</u>

TOTAL REVENUE BONDS		\$169,705,000	\$0	\$169,705,000

Michigan Transportation Fund Bonds

MTF Notes, NO COUNTY CREDIT	11/01/06	\$580,000	0	\$580,000
MTF Notes, NO COUNTY CREDIT	10/01/07	1,970,000	0	1,970,000
MTF Notes, NO COUNTY CREDIT	08/01/08	2,305,000	0	2,305,000
MTF Notes, NO COUNTY CREDIT	09/01/09	<u>2,085,000</u>	0	<u>2,085,000</u>

TOTAL MICHIGAN TRANSPORTATION FUND BONDS		\$6,940,000	\$0	\$6,940,000

Share of Authority Issued Bonds:

Water Supply System Bonds, Series 2014 A, LT	04/16/14	<u>220,500,000</u>	0	<u>220,500,000</u>

Share of County Issued Bonds:

Utilities Drainage	12/01/11	<u>46,656</u>	0	<u>46,656</u>

TOTAL DIRECT DEBT		\$448,746,440	\$17,325,668	\$431,420,772

LESS: Self Supporting Authority Contract Bonds				(220,500,000)
Revenue Bonds				(169,705,000)
Michigan Transportation Fund Bonds/Notes				<u>(6,940,000)</u>
				<u>(\$397,145,000)</u>

TOTAL NET DIRECT DEBT				\$34,275,772

OVERLAPPING DEBT

<u>Municipality</u>	<u>County's Share</u>
Cities	\$42,414,877
Townships	43,954,796
Villages	1,089,013
School Districts	365,853,767
Intermediate School Districts	17,060
Community College	42,960,045
Bishop Airport Authority	<u>10,430,000</u>

NET OVERLAPPING DEBT				<u>\$506,719,558</u>

NET DIRECT & OVERLAPPING DEBT				<u>\$540,995,330</u>

Source: Municipal Advisory Council of Michigan

DEBT RATIOS

Per Capita (425,790)

Net Direct Debt	\$80.50
Net Direct and Overlapping Debt	\$1,270.57

Ratio to 2013 Taxable Valuation (\$8,591,144,574)

Net Direct Debt	0.40%
Net Direct and Overlapping Debt	6.30%

Ratio to 2013 State Equalized Valuation (\$8,996,549,108)

Net Direct Debt	0.38%
Net Direct and Overlapping Debt	6.01%

Ratio to 2013 Estimated True Cash Value (\$17,993,098,216)

Net Direct Debt	0.19%
Net Direct and Overlapping Debt	3.01%

DEBT HISTORY

The County has no record of default.

FUTURE FINANCING

The County has entered into a contract with the Karegnondi Water Authority and the City of Flint pursuant to which the Authority will issue an additional \$80,000,000 of bonds over the next 3 to 15 months in anticipation of payments to be made by the County and the City of Flint to finance a raw water supply project to serve the County, the City of Flint and several other municipalities. The County will make a limited tax general obligation pledge of the County on 100% of these bonds. The County also anticipates issuance of approximately \$60,000,000 of water revenue bonds with a limited tax general obligation pledge of the County to finance construction of a new water treatment plant and related facilities to treat water from the new raw water supply within the next 6 to 12 months. The County may issue an estimated \$18,000,000 to \$31,000,000 of water revenue refunding bonds with a limited tax general obligation pledge in the next 6 to 12 months to refund certain outstanding water revenue bond issues for debt service savings.

COMPENSATED ABSENCES

As of September 30, 2013, the County's governmental activities statement of net position included a liability for vacation and other employee compensated absences of \$4,217,266.

SHORT TERM BORROWING

The County has in the years 1974 through 2013 issued short-term notes in order to establish the 100% Tax Payment Fund. Notes issued in each of the above years have been in a face amount which has been less than the actual real property tax delinquency. The primary security for these notes is the collection of the delinquent taxes pledged to the payment of principal of and interest on the notes issued. The County has pledged its full faith and credit and limited taxing power to the payment of the principal and interest on notes issued since 1975. Notes in the amount of \$39.9 million were issued by the County during the fiscal year ended September 30, 2013.

The County Landbank Authority has entered into a \$3,000,000 line of credit with a bank and the County has pledged its limited tax full faith and credit on the line.

LEASE OBLIGATIONS

The County is party to numerous operating leases and aggregate rental expenses which were approximately \$74,535 during the year ended September 30, 2013, exclusive of the amount paid to a related organization.

LEGAL DEBT MARGIN* (as of April 2, 2014 and including the Bonds described herein)

2013 State Equalized Valuation - excluding IFT values	\$8,996,549,108
Debt Limit - 10% of State Equalized Valuation	899,654,911
Amount of Direct Debt Outstanding	\$448,746,440
Less: No County Credit Pledged Bonds/Notes	(6,940,000)
Total Subject to Debt Limit	<u>441,806,440</u>
Additional Debt Which Could Be Legally Incurred	<u>\$457,848,471</u>

DEBT STATEMENT (as of April 2, 2014 and including the Bonds described herein)

Each series of bonds marked "LT" is payable in the first instance from a specified source and is payable from the general funds of the City in the event of insufficiency of the specified source. The City is not authorized to levy taxes beyond constitutional and statutory tax rate limitations with respect to the bonds marked "LT".

DIRECT DEBT

	<u>Dated Date</u>	<u>Amount Outstanding</u>	
<i>General Obligation Bonds</i>			
Fiscal Stabilization Bonds, LT	04/13/11	\$7,620,000	
Capital Improvement, Public Garage/Parking, LT	12/28/07	<u>8,955,000</u>	\$16,575,000
<i>Authority Revenue Bonds - No City Pledge</i>			
Hurley Medical Center, Refunding, SSAuth	06/11/03	5,150,000	
Hurley Medical Center, Series 2010, SSAuth	03/25/10	33,215,000	
Health Care Facilities, Equipment	09/30/11	3,716,906	
Hurley Medical Center, Series 2013A, SSAuth	04/02/13	21,940,000	
Hurley Medical Center, Series 2013B, SSAuth	04/02/13	<u>36,035,000</u>	100,056,906
<i>City Revenue Bonds</i>			
MI Bond Bank - Water DWRP Series 1999	09/30/99	2,928,994	
MI Bond Bank - Water DWRP Series 2000	09/28/00	3,700,000	
MI Bond Bank - Water DWRP Series 2001	09/28/01	4,731,408	
MI Bond Bank - Water DWRP Series 2003	09/25/03	<u>11,599,934</u>	22,960,336
<i>Share of Authority Issued Bonds</i>			
Water Supply System Bonds, Series 2014 A, LT	04/16/14	<u>75,411,000</u>	<u>\$75,411,000</u>
TOTAL DIRECT DEBT			\$215,003,242
Less:			
Revenue Bonds		(123,017,242)	
Revenue Supported Authority Bonds		<u>(75,411,000)</u>	<u>(198,428,242)</u>
NET DIRECT DEBT			<u>\$16,575,000</u>

OVERLAPPING DEBT

<u>Percent</u>	<u>Municipality</u>	<u>Amount Outstanding</u>	<u>City's Share</u>
7.68%	Carman Ainsworth S/D	\$40,208,000	\$3,087,974
100.00	Flint S/D	12,760,000	12,760,000
1.33	Swartz Creek S/D	12,615,000	167,780
8.81	Genesee County	74,170,696	6,534,438
8.32	Genesee ISD	46,050,000	3,831,360
8.81	Mott Community College	10,430,000	<u>918,883</u>
NET OVERLAPPING DEBT			<u>27,300,435</u>
NET DIRECT AND OVERLAPPING DEBT			<u>\$43,875,435</u>

Source: Municipal Advisory Council of Michigan

DEBT RATIOS*Per Capita (102,434)*

Net Direct Debt	\$161.81
Net Direct and Overlapping Debt	\$428.33

Ratio to 2013 Taxable Value (\$776,654,903)

Net Direct Debt	2.13%
Net Direct and Overlapping Debt	5.65%

Ratio to 2013 State Equalized Valuation (\$795,172,400)

Net Direct Debt	2.08%
Net Direct and Overlapping Debt	5.52%

Ratio to 2013 Estimated True Cash Value (\$1,590,344,800)

Net Direct Debt	1.04%
Net Direct and Overlapping Debt	2.76%

• Preliminary, subject to change.

DEBT HISTORY

The City has no record of default.

FUTURE FINANCING

The City has entered into a contract with the Karegnondi Water Authority and the County of Genesee pursuant to which the Authority will issue an additional \$80,000,000 of bonds over the next 3 to 15 months in anticipation of payments to be made by the County and the City to finance a raw water supply project to serve the County, the City and several other municipalities. The City will make a limited tax general obligation pledge of the City on approximately 30% of these bonds.

LEGAL DEBT MARGIN

Section 7-302 of the City Charter, adopted November 4, 1975, limits "net" debt to 7% of the assessed value of all real and personal property in the City, but does not define "net" debt. The following computation is based on previous practice and is consistent with the requirements of State of Michigan Public Act 279 of 1909.

2013 State Equalized Valuation - excluding IFT values	\$795,172,400
Debt Limit - 10 % of State Equalized Valuation	\$79,517,240
Amount of Direct Debt Outstanding	\$215,003,242
Less: Revenue Bonds and Exempt Authority Bonds	(198,428,242)
Total Subject to Debt Limit	16,575,000
Additional Debt Which Could Be Legally Incurred	\$62,942,240

Founded in 1852
by Sidney Davy Miller

MILLER CANFIELD

SYLVIA DIMOV
TEL (313) 496-7542
FAX (313) 496-8450
E-MAIL dimov@millercanfield.com

Miller, Canfield, Paddock and Stone, P.L.C.
150 West Jefferson, Suite 2500
Detroit, Michigan 48226
TEL (313) 963-6420
FAX (313) 496-7500
www.millercanfield.com

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April 16, 2014

Mr. Harlan Goodrich
Michigan Department of Treasury
Local Audit and Finance Division
430 West Allegan Street
Treasury Building, First Floor
Lansing, Michigan 48922

Re: Karegnondi Water Authority, Counties of Genesee, Lapeer and Sanilac, State of Michigan, \$220,500,000 Water Supply System Bonds (Karegnondi Water Pipeline), Series 2014A

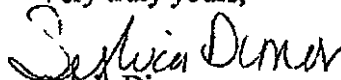
Dear Mr. Goodrich:

Enclosed for filing are the following documents with regard to the above-captioned issue that was delivered to J.P. Morgan Securities LLC, as underwriter, on this date:

- 1 Bond Authorizing Resolution,
- 2 Order Awarding Sale,
- 3 Bond Purchase Agreement,
- 4 Specimen Bond,
- 5 Approving Opinion,
- 6 Official Statement,
- 7 Rating Letters, and
- 8 Security Report Form.

If you have any questions or require additional documentation, please do not hesitate to contact me.

Very truly yours,


Sylvia Dimov
Paralegal

Enclosures

22003743.1\152665-00001

RECEIVED
DEPT. OF TREASURY

APR 22 2014 4/21

LOCAL AUDIT & FINANCE DIV.



R-1
UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF GENESEE

KAREGNONDI WATER AUTHORITY
WATER SUPPLY SYSTEM BOND
(KAREGNONDI WATER PIPELINE), SERIES 2014A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
3.00%	November 1, 2017	April 16, 2014	48563UAA9

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: Two Million Dollars

KAREGNONDI WATER AUTHORITY, a public corporation of the State of Michigan (the "Issuer"), acknowledges to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America on the Maturity Date specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on November 1, 2014, and semiannually thereafter. Principal of this bond is payable upon presentation and surrender thereof at the designated corporate trust office of The Huntington National Bank, Grand Rapids, Michigan, or such other transfer agent as the Issuer may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who or which is as of the fifteenth (15th) day of the month preceding each interest payment date, the registered owner, at the registered address as shown on the registration books of the Issuer maintained by the Transfer Agent.

NOTICE

The bonds of this issue are payable solely from the proceeds of contractual payments ("the Contractual Payments") to be paid by the City of Flint in the County of Genesee, Michigan and the County of Genesee, Michigan (the "Local Units") to the Issuer pursuant to a certain contract dated as of August 1, 2013 (the "Contract"), among the Local Units and the Issuer, whereby the Issuer is to assist in the financing of the cost of acquiring and constructing water supply system improvements and appurtenances and attachments thereto in the Local Units, said system being designated as the Water Supply System (the "System"). By the provisions of the Contract and pursuant to the authorization provided by law, the Local Units have pledged their limited tax full faith and credit for the payment of their respective Contractual Payments, and the Local Units are obligated to pay such amounts from its general funds, including collections of ad valorem taxes on all taxable property within its boundaries, subject to applicable charter, statutory, and constitutional tax rate limitations. The bonds of this issue are further secured by funds held in the Debt Retirement Fund, including the Debt Service Reserve Account. The Issuer has irrevocably pledged to the payment of this series of bonds the Contractual Payments, which said Contractual Payments are established in the amount required to pay the principal of and interest on the bonds of this series when due.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of \$220,500,000, issued under and in pursuance of a resolution duly adopted by the Board of Trustees of the Issuer (the "Resolution") under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 233, Public Acts of Michigan, 1955, as amended, for the purpose of paying part of the cost of constructing the System.

The bonds maturing in the years 2017 to 2023, inclusive, shall not be subject to redemption prior to maturity. Bonds or \$5,000 portions thereof maturing in the years 2024 to 2043, inclusive, shall be subject to redemption prior to maturity, at the option of the Issuer, in any order and by lot within a single maturity, on any date on or after November 1, 2023. Bonds called for redemption shall be redeemed at par and accrued interest to the date fixed for redemption.

Bonds of this issue maturing on November 1, 2040 and November 1, 2043 (the "Term Bonds"), are subject to mandatory redemption, in by lot, at par plus accrued interest to the date fixed for redemption without premium on November 1 of each of the years and in the principal amounts set forth in the following schedule:

Term Bonds Due November 1, 2040

<u>Redemption Dates</u>	<u>Principal Amounts</u>
November 1, 2036	\$10,190,000
November 1, 2037	10,725,000
November 1, 2038	11,290,000
November 1, 2039	11,880,000
November 1, 2040 (maturity)	12,505,000

SPECIMEN

Term Bonds Due November 1, 2043

<u>Redemption Dates</u>	<u>Principal Amounts</u>
November 1, 2041	\$13,160,000
November 1, 2042	13,820,000
November 1, 2043 (maturity)	14,510,000

The principal amount of the Term Bonds to be redeemed on the dates set forth above shall be reduced, in the order determined by the Issuer, by the principal amount of the Term Bonds of the same maturity which have been previously redeemed or called for redemption (other than as a result of a mandatory redemption) or purchased or acquired by the Issuer and delivered to the Transfer Agent for cancellation.

In case less than the full amount of an outstanding bond is called for redemption, the Transfer Agent upon presentation of the bond called in part for redemption shall register, authenticate and deliver to the registered owner a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owner of any bond to be redeemed by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered owner at the address of the registered owner as shown on the registration books of the Issuer kept by the Transfer Agent. Bonds shall be called for redemption in multiples of \$5,000 shall be treated as representing the number of bonds obtained by dividing the denominations of the bond by \$5,000 and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that upon surrender of the bond to be redeemed, a new bond or bonds in the same aggregate principal amount equal to the registered owner thereof with the same interest rate and maturity. No further interest shall accrue on bonds called for redemption after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the bond or portion thereof.

Any bond may be transferred by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney or legal representative, upon surrender of the bond to the Transfer Agent for cancellation, together with a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond is surrendered for transfer, the Transfer Agent shall authenticate and deliver, a new bond or bonds, in like aggregate principal amount, interest rate and maturity. The Transfer Agent shall require the registered owner requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent shall not be required to issue, register the transfer of or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption and ending at the close of business on the day of that mailing.

SPECIMEN

It is hereby certified and recited that all acts, conditions and things required to be done, exist and happen, precedent to and in the issuance of this bond and the series of bonds of which this is one, in order to make them valid and binding obligations of the Issuer, have been done, exist and have happened in regular and due form and time as provided by law, and that the total indebtedness of the Local Units does not exceed any applicable constitutional, statutory, or charter limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

For a complete statement of the funds from which and the conditions under which this bond is payable and the general covenants and provisions pursuant to which this bond is issued, reference is made to the Contract and the Resolution.

IN WITNESS WHEREOF, the Issuer, by its Board of Trustees, has caused this bond to be signed in its name with the facsimile signature of its Chair and to be countersigned by the facsimile signature of its Secretary and a facsimile of its corporate seal to be hereunto imprinted, all as of the Date of Original Issue.



KAREGNONDI WATER AUTHORITY

By:


Chair

Countersigned:

By:


Secretary

RESOLUTION

Date of Authentication: April 16, 2014

Certificate of Authentication

This bond is one of the bonds described in the within-mentioned Resolution.

The Huntington National Bank
Grand Rapids, Michigan
Transfer Agent

By: _____
Authorized Signature



ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite name and address of transferee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed: _____

NOTICE: The signature(s) to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever. When assignment is made by a guardian, trustee, executor or administrator, an officer of a corporation, or anyone in a representative capacity, proof of such person's authority to act must accompany the bond.

Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program. The Transfer Agent will not affect transfer of this bond unless the information concerning the transferee requested below is provided.

PLEASE INSERT SOCIAL
SECURITY NUMBER OR OTHER
IDENTIFYING NUMBER OF
TRANSFeree

(Insert number for first named
transferee if held by joint account)

Name and Address: _____

(Include information for all joint owners if
the bond is held by joint account)

Founded in 1832
by Sidney Davy Miller

MILLER CANFIELD

Miller, Canfield, Paddock and Stone, P.L.C.
150 West Jefferson, Suite 2500
Detroit, Michigan 48226
TEL (313) 963-6420
FAX (313) 496-7500
www.millercanfield.com

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April 16, 2014

Karegnondi Water Authority
Counties of Genesee, Lapeer and Sanilac
State of Michigan

We have acted as bond counsel to the Karegnondi Water Authority, Counties of Genesee, Lapeer and Sanilac, State of Michigan (the "Issuer") in connection with the issuance by the Issuer of bonds in the aggregate principal sum of \$220,500,000 designated Water Supply System Bonds (Karegnondi Water Pipeline), Series 2014A (the "Bonds"). In such capacity, we have examined such law and the transcript of proceedings relating to the issuance of the Bonds and such other proceedings, certifications and documents as we have deemed necessary to render this opinion.

The Bonds are in fully-registered form in the denomination of \$5,000 each or multiples thereof, numbered in order of registration, bearing original issue date of April 16, 2014, payable as to principal and interest as provided in the Bonds, subject to redemption prior to maturity in the manner, at the times and at the prices specified in the Bonds.

The Bonds are issued under the provisions of Act 233, Public Acts of Michigan, 1955, as amended, in anticipation of and are payable as to both principal and interest solely from the proceeds of certain specified contractual payments to be made to the Issuer by the County of Genesee ("Genesee") and the City of Flint, County of Genesee ("Flint," and together with Genesee, the "Local Units"), pursuant to a certain contract referred to in the Bonds (the "Contract"). The Issuer has pledged all of such contractual payments for the payment of the principal of and interest on the Bonds.

As to questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Bonds have been duly authorized and executed by the Issuer and are valid and binding obligations of the Issuer, payable as to both principal and interest solely from moneys to be paid under the Contract.
2. The Contract is a valid and binding obligation of the Issuer and the Local Units. The Local Units have each pledged their full faith and credit for the payment of such moneys to the Issuer as set out in the Contract. Genesee's obligations under the Contract to which Genesee has pledged its full faith and credit include the requirement to make all payments that Flint fails to make to the

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

Karegnondi Water Authority

-2-

April 16, 2014

Issuer under the Contract as described in Exhibit B of the Contract. The full faith and credit pledges of the Local Units are limited tax general obligations of the Local Units, and the Local Units are required to pay their commitments with respect to the Bonds as a first budget obligation from their general funds, including the collection of any ad valorem taxes which they are authorized to levy. However, the ability of the Local Units to levy such taxes is subject to applicable constitutional, statutory, and charter tax rate limitations.

3. The interest on the Bonds (a) is excludable from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. It should be noted, however, that with respect to corporations (as defined for federal income tax purposes), the interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. Further, the Bonds and the interest thereon are exempt from all taxation by the State of Michigan or by any taxing authority within the State of Michigan except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof. The opinions set forth in this paragraph are subject to the condition that the Issuer and the Local Units comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excludable from gross income for federal and Michigan income tax purposes. The Issuer and the Local Units have covenanted to comply with all such requirements. Failure to comply with certain of such requirements could cause the interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds.

Except as stated in paragraph 3 above, we express no opinion regarding other federal or state tax consequences arising with respect to the Bonds and the interest thereon.

The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By



David P. Massaron

**KAREGNONDI WATER AUTHORITY
ACTING IN LAPEER COUNTY, MICHIGAN**

RESOLUTION NO. 2013-15

**A RESOLUTION AUTHORIZING THE ISSUANCE OF
NOT TO EXCEED \$300,000,000 KAREGNONDI WATER AUTHORITY
WATER SUPPLY SYSTEM BONDS (KAREGNONDI WATER PIPELINE)**

At a meeting of the Karegnondi Water Authority Board, acting in Lapeer County, Michigan, held on November 20, 2013, at 2 p.m., local time.

PRESENT: Joshua Freeman, Larry Green, Richard E. Hammel, Ted Henry, Marilyn Hoffman, Steve Landaal, Sheldon Neeley, Thomas Svrcek, Tracey Tucker, Paula Zelenko, Joseph Suma, Dale Kerbyson, Greg Alexander

ABSENT: Dayne Walling, Jamie Curtis

The following preamble and resolution were offered by Josh Freeman and seconded by Larry Green;

**RESOLUTION AUTHORIZING THE ISSUANCE OF
NOT TO EXCEED \$300,000,000
KAREGNONDI WATER AUTHORITY WATER SUPPLY SYSTEM BONDS
(KAREGNONDI WATER PIPELINE)**

WHEREAS, the Karegnondi Water Authority (the "Authority") has been incorporated under the provisions of Act 233, Public Acts of Michigan, 1955, as amended (the "Act"), for the purposes set forth in the Act; and

WHEREAS, the Authority and the City of Flint in the County of Genesee and the County of Genesee (collectively the "Local Units" and each a "Local Unit") have each approved and executed a Contract dated August 1, 2013 (the "Contract") for the acquisition, construction and installation of various water supply system improvements, together with all necessary appurtenances and attachments thereto, to serve the Local Units all as more fully described in the Contract (the "System"); and

WHEREAS, the Local Units have published a notice of intent to enter into the Contract, which provides that the Contract shall become effective upon the expiration of a forty-five day referendum period beginning on the date of publication thereof (the "Referendum Period"), provided that during such period no petition for a referendum is signed by at least ten percent of or 15,000, whichever is less, of the registered electors of either Local Unit and properly filed with the clerk of such Local Unit; and

WHEREAS, the Referendum Period has passed and no such petition has been filed with either Local Unit; and

WHEREAS, plans, specifications and estimates of cost for the System have been prepared by the Authority's consulting engineers, Wade Trim (the "Consulting Engineers"), and are hereby granted the approval of the Authority; and

WHEREAS, under the provisions of the Contract, the Local Units have obligated themselves to pay the cost of the System to be financed by the issuance of bonds of the Authority by paying the principal installments plus interest thereon, as specified in Section 9 of the Contract, and the Local Units have further obligated themselves to levy taxes annually to the extent necessary for the purpose of meeting said installments plus interest thereon, subject, however, to applicable constitutional, statutory and charter tax rate limitations, all as provided in Section 10 of the Contract; and

WHEREAS, the use of the System will be made available to the Local Units, and citizens thereof, in return for annual payments which will be applied to offset the payment obligations of the Authority; and

WHEREAS, the Authority now proposes to issue one or more series of its bonds, as authorized by Section 9 of the Act in anticipation of and secured solely by the contractual obligations of the Local Units to provide the necessary funds to pay the Local Units' share of the cost of acquiring and constructing the System, including capitalized interest therefor, and all things necessary to the authorization and issuance of the Authority's bonds under the Act having been done and the Authority being now empowered to issue, and desirous of authorizing the issuance of, the bonds.

THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE AUTHORITY AS FOLLOWS:

Section 1. Definitions. Wherever used in this Resolution or in the Bonds to be issued hereunder, except where otherwise indicated by the context:

- (a) "Authority" means the Karegnondi Water Authority.
- (b) "Authorized Officer" means the Chief Executive Officer of the Authority or his designee.
- (c) "Bonds" means any of the \$300,000,000 Water Supply System Bonds (Karegnondi Water Pipeline), authorized by Section 4 hereof.
- (d) "Contract" means the Contract, dated as of August 1, 2013 among the Authority and the Local Units which has been approved by the Local Units and which the Authority hereby approves and authorizes its Chair and Secretary to execute.
- (e) "Contractual Payments" means the debt service installment payments required to be made by the Local Units to the Authority pursuant to the provisions of Section 9 of the Contract and pledged to the payment of the principal of and interest on the Bonds authorized by the provisions of this Resolution.
- (f) "Debt Service Reserve Account" means the Debt Service Reserve Account within the Debt Retirement Fund all created pursuant to Section 9 of this Resolution.
- (g) "Depository Bank" means the Michigan bank or trust company selected by the Board of Trustees of the Authority or the Authorized Officer, which is a member of the Federal Deposit Insurance Corporation.
- (h) "Government Obligations" means (i) direct obligations of the United States of America (including obligations issued or held in book-entry form), (ii) obligations the timely payment of the principal of and interest on which are fully guaranteed by the United States of America, (iii) non-callable, non-prepayable obligations of agencies of the United States of America, including, without limitations, obligations of the Federal Home Loan Bank, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Tennessee Valley Authority, Farm Credit System, Washington Metropolitan Area Transit Authority, United States Import-Export Bank, United States Department of Housing and Urban Development, Farmers Home Administration, General Services Administration and United States Maritime Administration, or any other agency or corporation which has been or is hereafter created pursuant to an act of Congress of the United States as an agency or instrumentality of the United States of America (provided the agencies listed in this clause (iii) retain ratings equivalent to or higher than the ratings held by direct obligations of the United States of America by Moody's Investors Service, Inc., by Standard & Poor's Ratings Services, a part of McGraw Hill Financial or Fitch Ratings, Inc., or any successor entities performing a similar function from which the State has requested a rating for the Bonds, as of the date the obligations are acquired); and (iv) certificates which evidence ownership of the right to payment of the principal of and interest on obligations described in clauses (i), (ii) and (iii) hereof; provided that such obligations are held in the custody of a bank or trust company satisfactory to the Authority in a special account separate from the general assets of the custodian; provided, however, Government Obligations shall not include any investment which is prohibited or not permitted by the Act or other applicable law.

(h) "Outstanding" means, when used in reference to the Bonds as of any given date, all Bonds which have been duly authenticated and delivered by the Transfer Agent under this Resolution except:

(a) Bonds which have been canceled by the Transfer Agent at or prior to such date or which have been delivered to the Transfer Agent at or prior to such date for cancellation;

(b) Bonds which have been defeased pursuant to Section 23 hereof.

(i) "Reserve Account Requirement" means the (i) lesser of (a) the maximum annual principal and interest requirements during any calendar on the Bonds then Outstanding, (b) ten percent (10%) of the initial face amount of the Bonds, less original issue discount, if any, or (c) one hundred twenty-five percent (125%) of the average annual principal and interest requirements during any calendar on the Bonds then Outstanding or (ii) such other amount as shall be set forth in the Sale Order for the initial series of Bonds.

(j) "System" means the Karegnondi Water Authority Water Supply System (Karegnondi Water Pipeline), consisting of the acquisition, construction and equipping of water supply system improvements to serve the Local Units, including site acquisition and development therefor, as more particularly described in the Contract, together with all necessary appurtenances and rights in land thereto, being defrayed from the proceeds of the Bonds.

(k) "Sale Order" means an order of an Authorized Officer awarding the sale of a series of Bonds and setting the terms of such series of Bonds.

(k) "Transfer Agent" means a bank or trust company qualified and approved by the Authorized Officer of the Authority to serve as transfer agent for the Bonds.

Section 2. Plans and Specifications; Necessity. The plans, specifications and cost estimates for the System as prepared by the Consulting Engineers are hereby accepted and approved, and it is hereby determined to be advisable and necessary for the public health of citizens of the Local Units to complete the acquisition, construction, and completion of the System as provided in said plans and specifications.

Section 3. Estimated Cost; Useful Life of System. The total estimated cost of acquiring and constructing the System, including payment of incidental expenses as specified in Section 4 of this Resolution, in the amount of approximately \$300,000,000 and the Local Units' share thereof (100%) is hereby approved and confirmed. The cost of the System shall be defrayed from Bonds to be issued by the Authority under the Contract in an amount not to exceed \$300,000,000, in one or more series. The estimated period of usefulness of the System is determined to be not less than thirty (30) years.

Section 4. Authorization of Bonds. For the purpose of defraying the Local Units' share of the cost of the System, including payment of engineering, legal and financing expenses, including a bond discount and capitalized interest, and other expenses incident thereto and incident to the issuance of the Bonds, there shall be borrowed the sum of not to exceed \$300,000,000, in one or more series, and in evidence thereof Bonds of the Authority shall be issued in an equivalent aggregate principal amount.

Section 5. Details of Bonds. The Bonds shall be designated KAREGNONDI WATER SUPPLY SYSTEM BONDS (KAREGNONDI WATER PIPELINE) (the "Bonds"), are authorized to be issued in

the aggregate principal sum of not to exceed Three Hundred Million Dollars (\$300,000,000) with such changes to the designation of the Bonds as provided in the Sale Order, in one or more series, for the purpose of paying all or a portion of the cost of the System as provided in Section 4, and the costs incidental to the issuance, sale and delivery of the Bonds. Each series of Bonds shall consist of Bonds in fully-registered form of the denomination of \$5,000, or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, numbered consecutively in order of registration. Each series of the Bonds will be dated as of the date of delivery (or such other date as provided in the Sale Order), be payable on such dates as provided in the Sale Order in the annual amounts determined at the time of sale of each series of Bonds as provided in the Sale Order with a final payment not later than 30 years from the date of issuance. Each series of the Bonds shall subject to redemption prior to maturity, or subject to mandatory redemption, as shall be determined at the time of sale as provided in the Sale Order.

The Bonds shall bear interest at a rate or rates to be determined at the time of sale as provided in the Sale Order, but in any event not exceeding 10% per annum, payable as determined at the time of sale for each series of the Bonds, and semiannually thereafter, by check drawn on the Transfer Agent, mailed to the registered owner at the registered address, as shown on the registration books of the Authority maintained by the Transfer Agent. Interest shall be payable to the registered owner of record as of the fifteenth day of the month prior to the payment date for each interest payment. The date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the Authority to conform to market practice in the future. The principal of the Bonds shall be payable upon presentation and surrender of the appropriate Bond at the office of the Transfer Agent.

Section 6. Execution and Delivery of Bonds; Transfer Agent Duties. The Bonds shall be signed with the facsimile signature of the Chair of the Authority and countersigned by the facsimile signature of the Secretary of the Authority. The Bonds shall have the corporate seal, or a facsimile thereof, of the Authority impressed or imprinted thereon. No Bond of any series shall be valid until authenticated by an authorized officer of the Transfer Agent. Executed blank bonds for registration and issuance to transferees shall simultaneously, and from time to time thereafter as necessary, be delivered to the Transfer Agent for safekeeping.

Any Bond may be transferred upon the books required to be kept pursuant to this section by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Transfer Agent shall authenticate and deliver a new Bond or Bonds, of the same series and aggregate principal amount and maturity date and bearing the same rate of interest as the surrendered Bond or Bonds. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.

The Transfer Agent shall keep or cause to be kept, at its principal office, sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the Authority. Upon presentation for such purpose, the Transfer Agent shall, under such reasonable regulations as it may prescribe, transfer or cause to be transferred, on said books, Bonds as hereinbefore provided.

The Authorized Officer is hereby authorized to execute an agreement with the Transfer Agent regarding the duties and responsibilities of the Transfer Agent.

Section 7. Source of Payment; Pledge; Remedies. The Bonds and the interest thereon shall be payable solely from the Contractual Payments received by the Authority and from any funds held in the Debt Retirement Fund, for the payment of which the Local Units have, in the Contract, pledged their limited tax full faith and credit pursuant to the provisions of the Act, in the amounts set forth in the Contract. Each Local Unit has covenanted and agreed to provide annually general or special funds in amounts sufficient to meet when due its Contractual Payments in anticipation of which the Bonds, including the replenishment of the Debt Service Reserve Account as set forth in Section 9 hereof, are issued, or, if necessary, to levy ad valorem taxes on all taxable property within its boundaries for such purpose, subject to applicable constitutional, statutory, and charter tax rate limitations. All of such Contractual Payments are hereby irrevocably pledged solely and only for the payment of principal of and interest on the Bonds. The holder or holders of the Bonds, representing in the aggregate not less than twenty percent (20%) of the entire issue then Outstanding, may, by suit, action or other proceedings, protect and enforce the aforesaid pledge and enforce and compel the performance of all duties of the officials of the Authority, including, but not limited to, compelling the Local Units, by proceedings in a court of competent jurisdiction or other appropriate forum, to make the Contractual Payments, appropriate general funds, and levy and collect appropriate taxes as herein authorized and as may be required under the Contract to be so appropriated, certified, levied and collected by the Local Units for the Contractual Payments.

Section 8. Custody of Funds. The Treasurer of the Authority shall be custodian of all funds of the Authority belonging to or associated with the System, and such funds shall be deposited in the Depository Bank.

Section 9. Establishment of the Debt Retirement Fund.

(a) The Authority shall, after the adoption of this Resolution and the delivery of the initial series of Bonds herein authorized, open a special depository account with the Depository Bank to be designated DEBT RETIREMENT FUND - KAREGNONDI WATER AUTHORITY WATER SUPPLY SYSTEM (KAREGNONDI WATER PIPELINE) (the "Debt Retirement Fund"), pursuant to which there shall be deposited all Contractual Payments as received. The moneys from time to time on hand in the Debt Retirement Fund shall be used solely and only for the payment of the principal of and interest on all series of Bonds issued pursuant to this Resolution.

(b) Within the Debt Retirement Fund, the Authority shall establish a Debt Service Reserve Account. From the proceeds of each series of Bonds or other legally available funds, the Authority shall deposit an amount equal to the Reserve Account Requirement. There shall be credited to the Debt Service Reserve Account beginning on the 1st day of the month following any month in which the amount in the Debt Service Reserve Account shall be less than an amount equal to the Reserve Account Requirement as a result of the failure of a Local Unit to pay its Contractual Payments, and continuing on the 1st day of each month thereafter, an amount equal to one-thirty-sixth (1/36) of any deficit therein, until the amount on deposit is equal to the Reserve Account Requirement; however, if the amount on deposit in the Debt Service Reserve Account is less than 100% of the Reserve Account Requirement as a result of investment losses with respect to the Debt Service Reserve Account, commencing on the 1st day of the month

following such evaluation, and continuing on the first day of each month thereafter, an amount equal to one-fourth (1/4) of the amount necessary to restore the Debt Service Reserve Account to 100% of the Reserve Account Requirement, unless and until the amount on deposit in the Debt Service Reserve Account shall equal 100% of the Reserve Account Requirement. Further, if a Local Unit fails to pay its Contractual Payment causing a shortfall and the Debt Service Reserve Account is drawn upon to pay the Bonds, the replenishment of such Debt Service Reserve Account shall be an obligation of the Local Unit that failed to pay such Contractual Payment, in the manner described above. Provided, however, if the City of Flint fails to fulfill its obligation to replenish the Debt Service Reserve Account, as with other payment obligations under the Contract, the County of Genesee has agreed in the Contract to make such payments. If there is a deficiency in the Debt Service Reserve Account as a result of investment losses, each Local Unit shall have an obligation to pay a pro-rata share of the Authority's monthly replenishment obligation with such pro-rata share being equal to the percentage set forth on Exhibit B of the Contract.

(c) Assets held for the credit of the Debt Service Reserve Account shall be used solely for the purpose of paying interest on the Bonds and maturing principal of the Bonds, whether at the stated payment date or by the retirement of Bonds in satisfaction of the redemption requirements therefor, whenever and to the extent that the moneys held for the credit of the Debt Retirement Fund from Contractual Payments shall be insufficient for those purposes.

(d) Whenever there shall be held in the Debt Retirement Fund, including any funds in the Debt Service Reserve Account, a total amount sufficient for paying in full all Outstanding Bonds, including the principal of and the interest on all Bonds and any redemption premium and any amounts needed to pay redemption expenses, such moneys shall be applied by the Transfer Agent to the payment, purchase or redemption of the Bonds and the payment of all expenses in connection with the payment, purchase or redemption. The Local Units shall receive a pro-rata credit for the amount of such balance against the Contractual Payment next due for any such funds so used.

Section 10. Operation and Maintenance. The operation, maintenance and administration of the System, and the acquisition and construction thereof, shall be under the overall jurisdiction and control of the Authority.

Section 11. Bond Form. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

STATE OF MICHIGAN
COUNTY OF GENESEE

KAREGNONDI WATER AUTHORITY
WATER SUPPLY SYSTEM BONDS
(KAREGNONDI WATER PIPELINE)
SERIES _____

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	April 1, _____	_____, 201__	

Registered Owner:

Principal Amount:

Dollars

KAREGNONDI WATER AUTHORITY, a public corporation of the State of Michigan (the "Issuer"), for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America on the Maturity Date specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on _____ 1, 201__, and semiannually thereafter. Principal of this bond is payable upon presentation and surrender thereof at the principal corporate trust office of _____, Michigan, or such other transfer agent as the Issuer may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who is as of the fifteenth (15th) day of the month prior to each interest payment date, the registered owner, at the registered address as shown on the registration books of the Issuer maintained by the Transfer Agent.

The bonds of this issue are payable solely from the proceeds of contractual payments ("the Contractual Payments") to be paid by the City of Flint in the County of Genesee, Michigan and the County of Genesee, Michigan (the "Local Units") to the Issuer pursuant to a certain contract dated as of August 1, 2013 (the "Contract"), among the Local Units and the Issuer, whereby the Issuer is to assist in the financing of the cost of acquiring and constructing water supply system improvements and appurtenances and attachments thereto in the Local Units, said system being designated as Karegnondi Water Authority Water Supply System (Karegnondi Water Pipeline) (the "System"). By the provisions of the Contract and pursuant to the authorization provided by law, the Local Units have pledged their limited tax full faith and credit for the payment of their respective Contractual Payments, and the Local Units are obligated to pay such amounts from its general funds, including collections of ad valorem taxes on all taxable property within its boundaries, subject to applicable charter, statutory, and constitutional tax rate limitations. The bonds of this issue are further secured by funds held in the Debt Retirement Fund, including the Debt Service Reserve Account. The Issuer has irrevocably pledged to the payment of this series of bonds the Contractual Payments, which said Contractual Payments are established in the amount required to pay the principal of and interest on the bonds of this series when due.

This bond is one of a series of bonds aggregating the principal sum of \$_____, issued under and in pursuance of a resolution duly adopted by the Board of Trustees of the Issuer (the "Resolution") under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 233, Public Acts of Michigan, 1955, as amended, for the purpose of paying part of the cost of constructing the System.

[Insert term bond provisions, if applicable]

[Bonds maturing in the years _____ to _____, inclusive, shall not be subject to redemption prior to maturity.]

[Bonds or \$5,000 portions thereof maturing in the years _____ to _____, inclusive, shall be subject to redemption prior to maturity, at the option of the Authority, in any order and by lot within a single maturity, on any date on or after April 1,

2022. Bonds called for redemption shall be redeemed at par and accrued interest to the date fixed for redemption.]

Notice of redemption shall be given to the registered owner of any bond to be redeemed by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered owner at the address of the registered owner as shown on the registration books of the Authority kept by the Transfer Agent. Bonds shall be called for redemption in multiples of \$5,000 shall be treated as representing the number of bonds obtained by dividing the denominations of the bond by \$5,000 and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that upon surrender of the bond to be redeemed, a new bond or bonds in the same aggregate principal amount equal to the registered owner thereof with the same interest rate and maturity. No further interest shall accrue on bonds called for redemption after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the bond or portion thereof.

Any bond may be transferred by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney or legal representative, upon surrender of the bond to the Transfer Agent for cancellation, together with a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond is surrendered for transfer, the Transfer Agent shall authenticate and deliver, a new bond or bonds, in like aggregate principal amount, interest rate and maturity. The Transfer Agent shall require the registered owner requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent shall not be required to issue, register the transfer of or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption and ending at the close of business on the day of that mailing.

It is hereby certified and recited that all acts, conditions and things required to be done, exist and happen, precedent to and in the issuance of said bonds, in order to make them valid and binding obligations of said Authority, have been done, exist and have happened in regular and due form and time as provided by law, and that the total indebtedness of said Local Units does not exceed any applicable constitutional, statutory, or charter limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

For a complete statement of the funds from which and the conditions under which this bond is payable and the general covenants and provisions pursuant to which this bond is issued, reference is made to the Contract and the Resolution.

IN WITNESS WHEREOF, KAREGNONDI WATER AUTHORITY, by its Board of Trustees, has caused this bond to be signed in the name of said Authority by the facsimile signature of its Chair and to be countersigned by the facsimile signature of its Secretary and a facsimile of its corporate seal to be hereunto imprinted, all as of the Date of Original Issue.

By: _____

Chair

(SEAL)

Countersigned:

By: _____

Secretary

[FORM OF TRANSFER AGENT'S CERTIFICATE OF AUTHENTICATION]
Certificate of Authentication

This bond is one of the bonds described in the above- referenced Resolution.

_____, Michigan
Transfer Agent

By: _____
Authorized Signature

Date of Registration: _____

MILLER, CANTFIELD, PATRICK AND STONE, P.L.C.

Section 12. Additional Bonds. Nothing contained in this Resolution or in the Contract shall be construed to prevent the Authority from issuing additional bonds under the provisions of the Act for the purpose of the paying additional costs of the System or improvements thereto, subject to the requirements of the Act and other applicable law.

Section 13. Construction Fund. The proceeds of sale of the Bonds, other than proceeds for accrued interest and capitalized interest described below, shall be deposited in a special depository account in the Depository Bank designated "KAREGNONDI WATER AUTHORITY WATER SUPPLY SYSTEM (KAREGNONDI WATER PIPELINE) CONSTRUCTION FUND" (the "Construction Fund"). Proceeds of the Bonds representing any accrued interest paid at the time of delivery of the Bonds and any funds to be used for capitalized interest as determined at the time of sale of any series of Bonds shall be deposited into the Debt Retirement Fund established under the provisions of Section 9 of this Resolution. The moneys in the Construction Fund shall be used solely and only to pay costs of the System authorized in this Resolution and any engineering, legal, bond insurance, financing or other expenses incidental thereto on authorization of the Authority, in accordance with the provisions of the Contract. Any unexpended balance remaining in the Construction Fund after completion of the System may be used for the improvement or enlargement of the System or for other projects of the Authority undertaken on behalf of the Local Units, if such use be approved by the Local Units. Any balance remaining after such use, if any, shall be paid into the Debt Retirement Fund, and the Local Units shall receive a credit for the amount of such balance against the Contractual Payment next due.

Section 14. Investment of Funds. Moneys in any funds and accounts of the Authority may be invested by the Authority in United States government obligations, the principal of and interest on which are guaranteed by the United States government, or in interest-bearing time deposits, as shall from time to time be determined by the Authority. In the event such investments are made, the securities representing the same shall be kept on deposit with the depository or depositories of the fund or funds from which such investments are made and such securities and the income therefrom shall become part of the fund from which such investments are made.

Section 15. Resolution and Contract. The provisions of this Resolution, together with the Contract, shall constitute a contract between the Authority and the holder or holders from time to time of the Bonds, and after the issuance of the Bonds, no change, variation or alteration of the provisions of this Resolution and the Contract may be made which would materially lessen the security for the Bonds.

Section 16. Covenants with Bondholders. The Authority covenants and agrees with the successive holders of the Bonds, so long as any of the Bonds remain Outstanding and unpaid as to either principal or interest, as follows:

(a) The Authority will punctually perform all of its obligations and duties under this Resolution and the Contract, including the collection, segregation and application of the Contractual Payments in the manner required by the provisions of this resolution.

(b) The Authority will apply and use the proceeds of sale of the Bonds for the purposes and in the manner required by the Contract and this Resolution.

(c) The Authority will maintain and keep proper books of record and account relative to the application of funds for the construction of the System and the Contractual Payments

received pursuant to the Contract. Not later than six (6) months after the end of each fiscal year, the Authority shall cause to be prepared a statement in reasonable detail, sworn to by its chief accounting officer, showing the application of the proceeds of sale of the Bonds, the cash receipts from the Contractual Payments during such year and the application thereof, and such other information as may be necessary to enable any taxpayer or any holder or owner of the Bonds, or anyone acting in their behalf, to be fully informed as to all matters pertaining to the construction of the System and application of funds therefor or for the payment of the Bonds during such year. A certified copy of said statement shall be filed with the Clerks of the Local Units and a copy shall also be sent to the holder or owner of the Bonds requesting the same. The Authority shall also cause an annual audit of the books of record and account for the preceding operating year to be made by a recognized independent certified public accountant and shall mail such audit to the holder or owner of the Bonds requesting the same. The aforesaid audit may be submitted to such holder or owner of the Bonds in place of the aforesaid statement.

Section 17. Tax Covenant. The Authority shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditure and investment of Bond proceeds and moneys deemed to be Bond proceeds.

Section 18. Negotiated Sale. The Authority has considered the option of selling the Bonds through a competitive sale and a negotiated sale, and, pursuant to the requirements of Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), hereby determines that a negotiated sale of the Bonds will result in the most efficient and expeditious means of selling the Bonds, to allow better control over pricing of the Bonds and to achieve the most advantageous interest rates and cost to the Authority.

Section 19. Bond Purchase Agreement; Delegation to Authorized Officer; Sale Order. The Authorized Officer is hereby authorized to appoint one or more underwriters (the "Underwriter") and, subject to the parameters set forth in this Resolution, negotiate and execute a Bond Purchase Agreement, execute a Sale Order specifying the final terms of each series of Bonds and take all other necessary actions required to effectuate the sale, issuance and delivery of the Bonds within the parameters authorized in this Resolution.

Section 20. Adjustment of Bond Terms. The Authorized Officer is hereby authorized to adjust the final bond details as set forth herein to the extent necessary or convenient to complete the sale of a series of Bonds and in pursuance of the forgoing is each authorized to exercise the authority and make the determinations pursuant to Sections 315(1)(d) of Act 34, including but not limited to determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, date of issuance, interest payment dates, redemption rights, designation as qualified tax-exempt obligations and other matters; provided, however, that the interest rate on any series of Bonds shall not exceed 10%, have a final maturity later than 30 years from the date of issuance of such series of Bonds, and aggregate principal amount of all series of Bonds issued pursuant to this Resolution shall not exceed \$300,000,000.

Section 21. Other Actions. The Authorized Officer is hereby authorized and directed to cause the preparation and circulation of a preliminary and final Official Statement with respect to each series of Bonds; to procure a policy or policies of municipal bond insurance with respect to each series of Bonds or cause the qualification of the each series of Bonds therefor if, upon the advice of the

Authority's financial advisor for the Bonds, the acquisition of such insurance would be of economic benefit to the Authority; and to obtain ratings on the Bonds. The Authorized Officer is hereby authorized to complete, execute and file any and all applications or requests for waivers with the Michigan Department of Treasury necessary to effectuate the sale and delivery of any series of Bonds as contemplated by this Resolution, including, if necessary, an Application for State Treasurer's Approval to Issue Long-Term Securities, in such form as shall be approved by such officer. The Authorized Officer is further authorized to pay any necessary fees in connection with any such applications or waivers.

The Authorized Officer is hereby authorized and directed to execute and deliver all other documents and certificates and to take all other actions and to make such other filings with any parties necessary or advisable to enable the sale and delivery of the Bonds as contemplated herein, including the filing of a qualifying statement or application for prior approval to issue the Bonds in accordance with Act 34.

Section 22. Selection of Financial Advisor/Bond Counsel. Stauder, Barch & Associates, Inc. Associates, is hereby approved as the financial advisor to the Authority. Miller, Canfield, Paddock and Stone, P.L.C. is hereby approved as Bond Counsel to the Authority. The Authority acknowledges that Miller, Canfield, Paddock and Stone, P.L.C. currently represents, and has represented in the past, the County of Genesee, the County Agency of Genesee County, and the City of Flint in various matters, including representing the County of Genesee in its financing of the water intake system to be used by the Authority. Miller, Canfield, Paddock and Stone, P.L.C. also represents several underwriters and investment banks in unrelated matters, including J.P. Morgan Securities, LLC. The Authority hereby consents to such representation of the those entities by Miller, Canfield, Paddock and Stone, P.L.C.

Section 23. Defeasance. If all the Bonds (i) shall have become due and payable in accordance with their terms, (ii) are to be paid at their maturity or maturities or (iii) to be redeemed prior to maturity shall have been duly called for redemption or irrevocable instructions to call the Bonds for redemption shall have been given to the Transfer Agent by the Authority, and the whole amount of the principal of and the interest and the premium, if any, so due and payable upon all of the Bonds then Outstanding shall be paid or sufficient cash, or cash and Government Obligations (as defined below), the principal of and interest on which without reinvestment, when due and payable, will provide sufficient moneys for such payment, shall be segregated and held by an escrow agent for the benefit of the owners of the Bonds, then this Resolution shall be defeased and terminated with respect to the Bonds and all obligations of the Authority hereunder with respect to the Bonds, shall thereupon cease except the bondholders shall still have the right to receive payment of the principal of, premium, if any, and interest on the Bonds from the cash or Government Obligations deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein and the tax covenant contained in the section of this Resolution entitled "Tax Covenant," shall be continued in force until the Bonds have been fully paid. Any Government Obligations held pursuant to this section shall not be callable at the option of the issuer of such obligation, if such call could result in less than sufficient money being available for the purposes required hereby

Section 24. Cancellation. All Bonds surrendered to the Transfer Agent for payment upon redemption or maturity, or for transfer or exchange, shall be canceled by the Transfer Agent by perforation, and notice of such cancellation shall be given by the Transfer Agent to the Authority. Upon the direction of the Authority, all such canceled Bonds shall be destroyed, and a certificate of destruction

with respect thereto shall be delivered by the Transfer Agent to the Authority.

Section 25. Headings. Section headings are for convenience only and do not constitute a part of this resolution.

Section 26. Repealer. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution be and the same hereby are repealed.

[reminder of page left intentionally blank]

Section 27. Effective Date. This Resolution shall become effective immediately upon its adoption.

Minutes of a Regular Meeting of the Board of Trustees of the Karegnondi Water Authority held on the 20th day of November, 2013 at which the following Trustees were present:

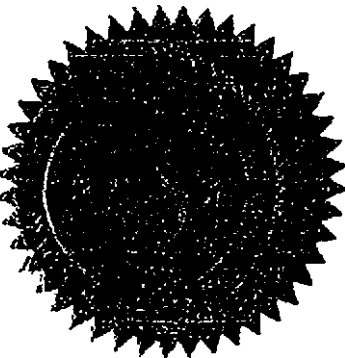
Joshua Freeman, Larry Green, Richard E. Hammel, Ted Henry, Marilyn Hoffman, Steve Landaal, Sheldon Neeley, Thomas Svrcek, Tracey Tucker, Paula Zelenko, Joseph Suma, Dale Kerbyson, Greg Alexander, and the following were absent: Dayne Walling, Jamie Curtis.

The attached resolution was moved by Trustee Josh Freeman and seconded by Trustee Larry Green.

VOICE VOTE: Motion carried on unanimous voice vote.

RESOLUTION 2013-15 DECLARED ADOPTED.

SELLER, CAMFIELD, PADDOCK AND STONE, P.L.C.



STATE OF MICHIGAN }
 } ss
COUNTY OF GENESEE }

Printed Name: Dayne Walling
Its: Chairperson

Printed Name: Janis M. Wells
Its: Deputy Secretary

I, Janis M. Wells, Deputy Secretary of the Karegnondi Water Authority Board, do hereby certify the foregoing is a true and complete copy of a resolution adopted by the Karegnondi Water Authority Board, acting in Lapeer County, at a regular meeting held on November 20, 2013, and that public notice of said meeting was given pursuant to Act 267 of the Michigan Public Acts of 1976, as amended, including in the case of a special or rescheduled meeting, notice by publication or posting at least eighteen (18) hours prior to the time set for the meeting.

IN WITNESS WHEREOF, I have affixed my official signature on this 23rd day of January, 2014.

Printed Name: Janis M. Wells

KAREGNONDI WATER AUTHORITY
COUNTIES OF GENESEE, LAPEER AND SANILAC
STATE OF MICHIGAN

ORDER APPROVING SALE OF
WATER SUPPLY SYSTEM BONDS
(KAREGNONDI WATER PIPELINE), SERIES 2014A

WHEREAS, by resolution adopted on November 20, 2013 (the "Resolution"), the Karegnondi Water Authority, Counties of Genesee, Lapeer and Sanilac (the "Issuer") authorized the issuance of its Water Supply System Bonds (Karegnondi Water Pipeline), in one or more series, in the aggregate principal amount of not to exceed Three Hundred Million Dollars (\$300,000,000) (the "System Bonds"), for the purpose of paying the costs of improvements to the Karegnondi Water System (the "System"), including, but not limited to acquiring, constructing and equipping of water supply system improvement to serve the City of Flint in the County of Genesee and the County of Genesee (collectively, the "Local Units" and each a "Local Unit"), including site acquisition and development therefor, together with all necessary appurtenances and rights in land thereto (collectively, the "Project"), and

WHEREAS, under the provisions of the Resolution, the Chief Executive Officer of the Authority is authorized to (a) negotiate the sale of the Bonds and approve and execute a Bond Purchase Agreement and Sale Order specifying the final terms of each series of the System Bonds within the authorized parameters of the Resolution; (b) approve the circulation of a preliminary and a final Official Statement describing the System Bonds; and (c) do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the System Bonds within the parameters authorized in the Resolution; and

WHEREAS, the Issuer has received an offer to purchase the first series of the System Bonds from J.P. Morgan Securities LLC, as representative for the underwriters (the "Underwriters"), and the Issuer has determined that it is in the best interest of the Issuer to accept the offer; and

WHEREAS, the Issuer desires to sell the first series of the System Bonds to the Underwriters pursuant to a Bond Purchase Agreement (the "Bond Purchase Agreement"), between the Issuer and the Underwriters, dated the date of this sale order (the "Sale Order"), in the amount, at the prices, with the interest rates and other terms, specified in the Resolution and as provided by this Sale Order.

NOW THEREFORE, BE IT ORDERED BY THE ISSUER THAT:

1. Sale Order Made in Accordance with Resolution. This Sale Order authorizing the sale and delivery of the first series of the System Bonds and making determinations regarding certain terms of the first series of the System Bonds is hereby found to be made in accordance with the provisions of the Resolution.

2. Acceptance of Offer; Execution of Bond Purchase Agreement. The offer of the Underwriters presented to the Issuer to purchase the first series of the System Bonds in the principal amount and at a purchase price as shown on Exhibit A, attached hereto and made a part hereof, and as set forth in the Bond Purchase Agreement, dated as of date even herewith, between the Issuer and the Underwriters is hereby accepted and approved and the Chief Executive Officer is authorized and directed to execute and deliver the Bond Purchase Agreement on behalf of the Issuer.

3. Bond Details. The first series of the System Bonds shall be designated as "Water Supply System Bonds (Karegnondi Water Pipeline), Series 2014A" (the "Bonds"), be dated as of the date of delivery, shall mature, bear interest and be subject to redemption as shown on Exhibit A.

4. Transfer Agent. The Huntington National Bank, Grand Rapids, Michigan is hereby approved as the transfer agent with respect to the Bonds (the "Transfer Agent").

5. Use of Proceeds. Upon delivery of the Bonds, the Bond proceeds shall be used as provided in Exhibit A hereto.

6. Preliminary Official Statement. The Preliminary Official Statement relating to the Bonds, dated March 21, 2014, and its use by the Underwriters is hereby authorized, approved, ratified and confirmed.

7. Final Official Statement. The Final Official Statement relating to the Bonds, dated April 1, 2014, is hereby authorized and approved. The Chief Executive Officer is hereby authorized and directed to execute and deliver the Final Official Statement on behalf of the Issuer, and is further authorized to approve, execute and deliver any amendments and supplements to the Final Official Statement necessary to assure that the statements therein are, and as of the time the Bonds are delivered to the Underwriters will be, true, and that the Final Official Statement does not contain any untrue statement of a material fact and does not omit to state a material fact necessary in order to make the statements, in light of the circumstances under which they were made, not misleading and is further authorized and directed to execute and deliver any and all documents and certificates in connection with the closing of the Bonds.

8. Tax Covenant. The Issuer shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditure and investment of Bond proceeds and moneys deemed to be Bond proceeds, and to prevent the Bonds from being or becoming "private activity bonds" as that term is used in Section 141 of the Code.

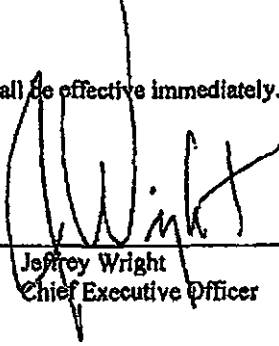
9. Additional Covenants. The Issuer hereby covenants to provide electronic notice to each Local Unit within one day of any missed payment by either Local Unit under (i) the Karegnondi Water Authority Financing Contract dated as of August 1, 2013, among the Issuer, the City of Flint and the County of Genesee, (ii) the Water Purchase Contract dated as of August 16, 2013, as amended, between the Genesee County Drain Commissioner, as County Agency, or (iii) the Raw Water Supply Contract dated as of June 28, 2013, as amended, between the City of Flint and the Issuer.

10. Additional Actions. The officers, agents and employees of the Issuer are authorized to take all other actions necessary and convenient to facilitate sale and delivery of the Bonds in accordance with law, this Sale Order and the Resolution, including executing such closing documents as may be required.

11. Rescission. All orders and all parts of orders insofar as they conflict with the provisions of this order be and the same hereby are rescinded.

12. Immediate Effect. This Sale Order shall be effective immediately.

By


Jeffrey Wright
Chief Executive Officer

Dated: April 1, 2014

WILLIS TOWERS WATSON LLP

EXHIBIT A

Dated Date: April 16, 2014
First Interest Payment: November 1, 2014
Principal Amount: \$220,500,000
Purchase Price: \$231,369,169.15 (representing principal amount of \$220,500,000.00, plus net original issue premium of \$11,815,544.05, less Underwriters' discount of \$946,374.90)

Maturity Schedule, Interest Rate(s) and Yield(s):

<u>Maturity November 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
2017	\$2,105,000	5.00%	1.460%
2017	2,000,000	3.00	1.460
2018	2,975,000	5.00	1.870
2018	1,300,000	4.00	1.870
2019	2,475,000	5.00	2.320
2019	2,000,000	3.00	2.320
2020	2,655,000	5.00	2.780
2020	2,000,000	4.00	2.780
2021	2,870,000	5.00	3.050
2021	2,000,000	3.00	3.050
2022	5,075,000	5.00	3.310
2023	5,325,000	5.00	3.490
2024	5,595,000	5.00	3.660*
2025	5,875,000	5.00	3.820*
2026	6,165,000	5.00	3.940*
2027	6,475,000	5.25	4.050*
2028	6,815,000	5.25	4.110*
2029	7,175,000	5.25	4.200*
2030	7,550,000	5.25	4.290*
2031	7,945,000	5.25	4.380*
2032	8,365,000	5.25	4.450*
2033	8,800,000	4.50	4.670
2034	9,200,000	5.25	4.570*
2035	9,680,000	5.25	4.620*
2040†	56,590,000	5.25	4.740*
2043†	41,490,000	5.00	4.890*

† Term Bonds

* Yield to the November 1, 2023 first call date.

Optional Redemption of Bonds

The Bonds maturing in the years 2017 to 2023, inclusive, shall not be subject to redemption prior to maturity. The Bonds, or portions of Bonds in multiples of \$5,000, maturing in the year 2024 and thereafter shall be subject to redemption prior to maturity at the option of the Issuer, in such order of maturity as the Issuer shall determine and within a single maturity by lot, on any date on or after November 1, 2023 at par plus accrued interest to the date fixed for redemption.

Mandatory Redemption of Term Bonds

The Bonds maturing November 1 in the years 2040 and 2043 are term bonds (the "Term Bonds") subject to mandatory redemption, in part, by lot, on the redemption dates and in the principal amounts set forth below, and at a redemption price equal to the principal amount thereof, without premium, together with interest thereon to the redemption date.

Term Bonds Due November 1, 2040

<u>Redemption Dates</u>	<u>Principal Amounts</u>
November 1, 2036	\$10,190,000
November 1, 2037	10,725,000
November 1, 2038	11,290,000
November 1, 2039	11,880,000
November 1, 2040 (maturity)	12,505,000

Term Bonds Due November 1, 2043

<u>Redemption Dates</u>	<u>Principal Amounts</u>
November 1, 2041	\$13,160,000
November 1, 2042	13,820,000
November 1, 2043 (maturity)	14,510,000

When Term Bonds are purchased by the Issuer and delivered to the Transfer Agent for cancellation or are redeemed in a manner other than by mandatory redemption, the principal amount of Term Bonds affected shall be reduced by the principal amount of the Term Bonds so purchased or redeemed in the order determined by the Issuer.

Use of Bond Proceeds

The net proceeds of the Bonds shall be deposited as follows:

(i) \$28,282,364.06 shall be deposited into the Debt Retirement Fund to be used to pay interest on the Bonds through November 1, 2016;

(ii) \$15,237,437.50 shall be deposited into the Debt Retirement Fund for credit to the Debt Service Reserve Account; and

(iii) \$187,849,367.59 shall be deposited in the Construction Fund created under the Resolution and used to pay a portion of the costs of the Project and the costs of issuance of the Bonds.

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MILLER, CAMPBELL, PADDOCK AND STONE, P.L.C.

Execution Copy

KAREGNONDI WATER AUTHORITY
COUNTIES OF GENESEE, LAPEER AND SANILAC
STATE OF MICHIGAN

\$220,500,000

WATER SUPPLY SYSTEM BONDS
(KAREGNONDI WATER PIPELINE), SERIES 2014A

BOND PURCHASE AGREEMENT

April 1, 2014.

Karegnondi Water Authority
G-4610 Beecher Road
Flint, Michigan 48532

Attention: Jeffrey Wright, Chief Executive Officer

Ladies and Gentlemen:

J.P. Morgan Securities LLC, as representative (the "Representative") of the Underwriters specified on Exhibit F hereto (collectively, the "Underwriters") hereby offers to enter into this Bond Purchase Agreement ("Agreement") with the Karegnondi Water Authority, Counties of Genesee, Lapeer and Sanilac, Michigan (the "Issuer") for the purchase by the Underwriters of the Issuer's \$220,500,000 Water Supply System Bonds (Karegnondi Water Pipeline), Series 2014A (the "Bonds"). This offer is made subject to written acceptance by the Issuer and the execution and delivery by the City of Flint ("Flint") and the County of Genesee ("Genesee") of the Letters of Representation attached hereto as Exhibit B and Exhibit C, respectively (individually a "Letter of Representation" and collectively, the "Letters of Representation"), on or before 9:00 P.M., New York City time, on the date hereof, and upon such acceptance and delivery of the Letters of Representation, this Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer and the Underwriters.

The Bonds are issued under the provisions of Act 233, Public Acts of Michigan, 1955, as amended ("Act 233"), a resolution adopted by the Board of Trustees of the Issuer on November 20, 2013, authorizing the issuance of the Bonds (the "Resolution"), and an order executed on April 1, 2014 by the Chief Executive Officer of the Issuer, approving the sale of the Bonds (the "Sale Order"). The Bonds are being issued for the purpose of paying a portion of the cost of acquiring and constructing the Issuer's Water Supply System (the "System"), which will consist of approximately 63 miles of watermain and 2 related pump stations initially to serve Flint and Genesee, funding the Debt Service Reserve Account (as defined in the Resolution), paying capitalized interest on the Bonds and paying the costs of issuing the Bonds, all as more fully described in the Official Statement relating to the Bonds, dated April 1, 2014 (the "Official Statement").

The Bonds are to be issued in anticipation of, and are payable primarily as to principal of and interest from, payments (the "Contractual Payments") to be made by Flint and Genesee pursuant to a contract among the Issuer, Flint and Genesee dated as of August 1, 2013 (the "Contract"). The Contractual Payments will be in installments that will equal the principal and interest payments on the Bonds. Flint and Genesee each has pledged its limited tax full faith and credit for the payment of its Contractual Payments.

In addition, the Issuer has entered into two water purchase contracts, effective October 1, 2013: one with Flint to supply up to 18 million gallons per day ("mgd") (the "Flint Water Purchase Contract") and one with the Genesee County Drain Commissioner, as County Agency of Genesee under Act 342, Public Acts of Michigan, 1939, as amended (the "County Agency"), on behalf of Genesee, to supply up to 42 mgd (the "Genesee Water Purchase Contract" and together with the Flint Water Purchase Contract, the "Water Purchase Contracts"). The charges to be paid by Flint and the County Agency in the Water Purchase Contracts will consist of two distinct portions, an annual fixed or capital fee and an annual commodity or operations and maintenance fee, which charges are expected to be paid by Flint and the County Agency from the revenues of their respective water supply systems.

Capitalized terms used herein, unless otherwise defined, shall have the meanings given thereto in the Official Statement.

Section 1. Sale, Purchase Price and Termination. Upon the terms and conditions and upon the basis of the representations and agreements set forth herein, the Underwriters agree to purchase from the Issuer and the Issuer agrees to sell to the Underwriters all, but not less than all, of the Bonds at the purchase price set forth in Exhibit A attached hereto. The Bonds shall be issued in the principal amount, be dated, have the maturities, bear interest at the rates per annum, be sold with original issue premiums and discounts, if any, and be subject to redemption prior to maturity on the terms and in the manner set forth in Exhibit A attached hereto.

The Underwriters agree to make a bona fide public offering of the Bonds at the initial offering price or prices set forth in the Official Statement. The Underwriters reserve the right to change such initial offering price or prices of the Bonds as the Underwriters shall deem necessary in connection with the marketing of the Bonds and to offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at

prices lower than the initial offering price or prices set forth in the Official Statement. The Underwriters also reserve the right (i) to over-allot or effect transactions which stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market and (ii) to discontinue such stabilizing, if commenced, at any time.

If the Issuer is unable to satisfy the conditions to the obligations of the Underwriters contained in this Agreement, or if the obligations of the Underwriters are terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriters nor the Issuer shall be under any further obligation hereunder, except as provided in Section 8 hereof.

Section 2. Representations and Warranties of the Issuer. The Issuer represents and warrants to the Underwriters, as follows:

(a) The Issuer is duly created and validly existing under the constitution and laws of the State of Michigan (the "State") and has full legal right, power and authority under the constitution and laws of the State, including without limitation Act 233, to adopt the Resolution, to execute and deliver the Contract, the Sale Order and the Continuing Disclosure Undertaking of the Issuer in substantially the form attached as Appendix D to the Official Statement (the "Issuer Continuing Disclosure Undertaking"), to issue, sell and deliver the Bonds as provided herein, and to carry out and consummate the transactions contemplated by the Resolution, the Contract, this Agreement and the Official Statement.

(b) By all necessary official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized and approved (i) the distribution of the Preliminary Official Statement, dated March 21, 2014 relating to the Bonds (the "Preliminary Official Statement") and the execution, delivery and distribution of the Official Statement for use by the Underwriters in connection with the public offering of the Bonds, (ii) the issuance and sale of the Bonds upon the terms set forth herein and as contemplated by the Resolution, the Contract, the Sale Order and the Official Statement and (iii) the execution and delivery of, and the performance by the Issuer of the obligations on its part contained herein and in the Resolution, the Contract, the Sale Order and the Issuer Continuing Disclosure Undertaking.

(c) The Bonds will be issued in conformity with and entitled to the benefit and security of the Resolution and the Contract, including the limited tax full faith and credit pledge of Flint and Genesee in the Contract to their respective Contractual Payments.

(d) Each of this Agreement, the Contract and the Issuer Continuing Disclosure Undertaking constitutes a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms; and the Bonds, when issued, authenticated and delivered in accordance with the Resolution and the Sale Order and sold to the Underwriters as provided herein, will be the legal, valid and binding obligations of the Issuer enforceable in accordance with their terms; in all cases subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights.

(e) The Issuer is not in breach of or default in any material respect any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer is or any of its property or assets are otherwise subject, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the Issuer under any of the foregoing.

(f) The adoption, execution and delivery of the Bonds, the Resolution, the Sale Order, the Contract, this Agreement and the Issuer Continuing Disclosure Undertaking, and compliance with the provisions on the Issuer's part contained therein, will not conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its property or assets are otherwise subject, and such adoption, execution, delivery or compliance will not result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature upon the Contractual Payments or the property or assets, if any, of the Issuer to be pledged to secure the Bonds or under the terms of any such law, regulation or instrument, except as provided by the Bonds, the Resolution, the Sale Order, the Contract, this Agreement and the Issuer Continuing Disclosure Undertaking.

(g) All authorizations, approvals, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect, the issuance of the Bonds or the due performance by the Issuer of its obligations under the Resolution, the Sale Order, the Contract, this Agreement, the Issuer Continuing Disclosure Undertaking and the Bonds have been duly obtained or will be obtained prior to the Closing (as hereinafter defined), except for such authorizations, approvals, consents and orders (if any) as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the offering and sale of the Bonds.

(h) The Preliminary Official Statement as of its date did not, and the Official Statement as of its date does not and as of the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, the foregoing representation and warranty does not extend to information set forth under the heading "UNDERWRITING," in Appendix A, "COUNTY OF GENESEE - GENERAL FINANCIAL, ECONOMIC AND STATISTICAL INFORMATION," in Appendix B, "COUNTY OF GENESEE - AUDITED FINANCIAL STATEMENTS," in Appendix C, "CITY OF FLINT - GENERAL FINANCIAL, ECONOMIC AND STATISTICAL INFORMATION," in Appendix D, "CITY OF FLINT - AUDITED FINANCIAL STATEMENTS," and in Appendix G, "BOOK-ENTRY-ONLY SYSTEM."

(i) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, agency, public board or body, pending or, to the knowledge of the Issuer, threatened against the Issuer: (i) affecting the existence of the Issuer or the titles of its officers to

their respective offices, (ii) seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds or the pledge or collection of the Contractual Payments by the Issuer or the making of any other required deposits with respect to the Bonds, (iii) in any way contesting or affecting the validity or enforceability of, or the power or authority of the Issuer to issue, adopt or to enter into (as applicable), the Bonds, the Resolution, the Sale Order, the Contract, this Agreement or the Issuer Continuing Disclosure Undertaking, (iv) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any amendment or supplement thereto, (v) except as disclosed in the Official Statement, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the Issuer or would result in any material adverse change in the ability of the Issuer to pledge or apply the Contractual Payments to pay debt service on the Bonds, or (vi) contesting the status of the interest on the Bonds as excludable from gross income for federal income tax purposes or as exempt from any applicable state tax, in each case as described in the Official Statement.

(j) In accordance with Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), the Issuer will enter into the Issuer Continuing Disclosure Undertaking. The Issuer has not previously entered into any undertakings in a written continuing disclosure contract or agreement under Rule 15c2-12.

(k) The Resolution, the Sale Order, the Contract, the Issuer Continuing Disclosure Undertaking and the Bonds conform to the description thereof contained in the Official Statement.

Section 3. Preliminary Official Statement and Official Statement. Prior to the Issuer's acceptance hereof, the Issuer made available to the Underwriters copies of the Preliminary Official Statement, which the Issuer confirms it deemed final as of its date for purposes of and as provided in Rule 15c2-12, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(1) of Rule 15c2-12. The Issuer ratifies and confirms its authorization of the distribution and use by the Underwriters prior to the date hereof of the Preliminary Official Statement in connection with the public offering and sale of the Bonds.

The Issuer shall deliver or cause to be delivered to the Underwriters promptly after its acceptance hereof and in any event, by a date no later than the earlier of the Closing Date or seven business days from the date this Agreement is accepted (i) two manually executed copies of the final Official Statement, and (ii) sufficient copies of the final printed Official Statement to comply with the requirements of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board ("MSRB"). The Representative agrees to promptly submit the Official Statement to the MSRB in an electronic format as prescribed by the MSRB.

The Issuer agrees that the Official Statement may be used, in accordance with applicable law, by the Underwriters in connection with the offering of the Bonds. The Issuer agrees to cooperate with the Underwriters if the Underwriters decide to qualify the Bonds under the securities laws of any jurisdiction and furnish the Underwriters with copies of resolutions, applications, reports and other documents, certified as appropriate, as shall be necessary in the reasonable judgment of the Underwriters, to effect registration or confirmation of the exemption

from registration of the Bonds under such laws; provided, however, that the Issuer shall not be required, with respect to the offer or sale of the Bonds, to consent to suit or consent to service of process in any jurisdiction.

The Issuer represents to and agrees with the Underwriters that: (a) both at the time of acceptance hereof by the Issuer and at all times during the period from the date hereof to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the Bonds, as determined in accordance with Section 7 hereof, the statements and information contained in the Official Statement, including the Appendices thereto, as the same may be supplemented or amended by the Issuer, are and will be true, correct and complete in all material respects and the Official Statement, including the Appendices thereto, but excluding the information contained under the heading "UNDERWRITING," in Appendix A, "COUNTY OF GENESEE - GENERAL FINANCIAL, ECONOMIC AND STATISTICAL INFORMATION," in Appendix B, "COUNTY OF GENESEE - AUDITED FINANCIAL STATEMENTS," in Appendix C, "CITY OF FLINT - GENERAL FINANCIAL, ECONOMIC AND STATISTICAL INFORMATION," in Appendix D, "CITY OF FLINT - AUDITED FINANCIAL STATEMENTS," and in Appendix G, "BOOK-ENTRY-ONLY SYSTEM," as the same may be supplemented or amended by the Issuer, and to the knowledge of the Issuer does not as of the date of acceptance hereof and will not at all times during the period from the date hereof to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the Bonds, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading in any material respect; and (b) if the Official Statement is supplemented or amended pursuant to Section 7 hereof, at the time of each supplement or amendment thereto and at all times during the period from the date of such supplement or amendment to and including twenty-five (25) days following the End of the Underwriting Period for the Bonds, the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.

Section 4. Closing; Delivery and Payment. The delivery of the Bonds by the Issuer and the payment for the Bonds by the Underwriters as provided herein is referred to as the "Closing." The Closing shall be held at 10:00 a.m. on April 16, 2014 or at such other time and date as shall be mutually agreeable to the parties hereto (the "Closing Date"). At the Closing, the Underwriters will accept delivery of the Bonds from the Issuer, and the Underwriters will make payment therefor as provided herein in Federal Funds immediately available to the Issuer upon tender of the Bonds to the Underwriters by the Issuer and delivery to the Underwriters of all of the Closing Documents (as defined in Section 5 hereof). Delivery of the Bonds shall be made at the offices of The Depository Trust Company ("DTC") or at the offices of The Huntington National Bank, Grand Rapids, Michigan, as custodian and agent for DTC. Delivery of the Closing Documents shall be made at the offices of Miller, Canfield, Paddock and Stone, P.L.C., in Detroit, Michigan, or at such other place as shall be mutually agreeable to the parties hereto. The Bonds shall be delivered in denominations equal to the principal amount of each maturity and registered in the name of CEDE & Co., as nominee of DTC. The Bonds shall be made

available at the office of DTC or at the office of The Huntington National Bank for checking, on or before 10:00 a.m. (New York City time) of the business day prior to the Closing.

It is anticipated that CUSIP Identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the Underwriters to accept delivery of and pay for any of the Bonds, in accordance with the terms of this Agreement.

Section 5. Closing Conditions. The Underwriters have entered into this Agreement in reliance upon the representations, warranties and agreements of the Issuer contained herein and of Flint and Genesee contained in the Letters of Representation and upon the accuracy of the statements to be contained in the documents and instruments to be delivered at the Closing. Accordingly, the Underwriters' obligations under this Agreement to purchase, accept delivery of and pay for the Bonds are subject to the performance by the Issuer of its obligations required to be performed under this Agreement at or prior to the Closing, to the right of the Underwriters to terminate this Agreement as provided in Section 6 and to the additional conditions precedent set forth below.

(a) Both now and at the date of Closing, the Resolution, the Sale Order and the Contract shall have been duly adopted and executed by the Issuer and, in the case of the Contract, by Flint and Genesee, and shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Representative, and there shall have been taken in connection therewith and in connection with the issuance of the Bonds all such actions, as in the opinion of Miller, Canfield, Paddock and Stone, P.L.C. ("Bond Counsel") and counsel for the Underwriters, shall be necessary or appropriate in connection with the transactions contemplated hereby, and at the date of Closing, the Issuer Continuing Disclosure Undertaking shall be in full force and effect.

(b) At or prior to the Closing, the Representative shall receive the following documents (the "Closing Documents"):

(i) the Resolution certified by the Deputy Clerk of the Issuer as having been duly adopted and the Order executed by the Chief Executive Officer of the Issuer on the date hereof; and

(ii) a fully executed counterpart of the Contract; and

(iii) fully executed counterparts of the Water Purchase Contracts;

(iv) a certificate, dated the Closing Date, signed by the Chief Executive Officer of the Issuer or other authorized representative of the Issuer satisfactory to the Representative and in form and substance satisfactory to the Representative, to the effect that (A) each of the representations of the Issuer set forth in this Agreement is true, accurate and complete on the Closing Date as if made on and as of the Closing Date, and (B) each of the covenants of the Issuer to be complied with and each of the obligations of the Issuer to be performed under this Agreement on or prior to the Closing Date has been complied with and

performed; and (C) except for the information under the heading "UNDERWRITING," in Appendix A, "COUNTY OF GENESEE - GENERAL FINANCIAL, ECONOMIC AND STATISTICAL INFORMATION," in Appendix B, "COUNTY OF GENESEE - AUDITED FINANCIAL STATEMENTS," in Appendix C, "CITY OF FLINT - GENERAL FINANCIAL, ECONOMIC AND STATISTICAL INFORMATION," in Appendix D, "CITY OF FLINT - AUDITED FINANCIAL STATEMENTS," and in Appendix G, "BOOK-ENTRY-ONLY SYSTEM," the Preliminary Official Statement, as of its date, did not include any untrue statement of material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, and the Official Statement, including any amendments or supplements thereto, did not, as of its date, and does not, as of the Closing Date, or will not as of the date of any such amendment or supplement, include any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they are or were made, not misleading;

(vi) a certificate, dated the Closing Date, signed by the Emergency Manager of Flint or other authorized representative of Flint satisfactory to the Representative and in form and substance satisfactory to the Representative, to the effect that (A) each of the representations of Flint set forth in the Flint Letter of Representation is true, accurate and complete on the Closing Date as if made on and as of the Closing Date, (B) each of the covenants of Flint to be complied with and each of the obligations of Flint to be performed under the Flint Letter of Representation on or prior to the Closing Date has been complied with and performed, and (C) the information in the Preliminary Official Statement relating to Flint, as of its date, did not include any untrue statement of material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, and the information in the Official Statement relating to Flint, including any amendments or supplements thereto, did not, as of its date, and does not, as of the Closing Date, or will not as of the date of any such amendment or supplement, include any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they are or were made, not misleading;

(vii) a certificate, dated the Closing Date, signed by the Controller of Genesee and the Genesee County Drain Commissioner, as County Agency, or other authorized representatives of Genesee satisfactory to the Representative and in form and substance satisfactory to the Representative, to the effect that (A) each of the representations of Genesee set forth in the Genesee Letter of Representation is true, accurate and complete on the Closing Date as if made on and as of the Closing Date, (B) each of the covenants of Genesee to be complied with and each of the obligations of Genesee to be performed under the Genesee Letter of Representation on or prior to the Closing Date has been complied with and performed, and (C) the information in the Preliminary Official Statement relating to Genesee and the County Agency, as of its date, did not include any untrue statement of material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, and the information in the Official Statement relating to Genesee and the County Agency, including any amendments or supplements thereto, did not, as of its date, and does not, as of the Closing Date, or will not as of the date of any such amendment or supplement, include any untrue statement of a material fact or omit to state any material fact

necessary to make the statements made therein, in light of the circumstances under which they are or were made, not misleading;

(viii) A certificate dated as of the Closing Date, signed by the Emergency Manager of Flint, to be satisfactory in form and substance to the Representative, to the effect that the financial statements of Flint included or incorporated by reference in Appendix D to the Official Statement fairly represent the financial position of Flint as of June 30, 2013, and there has been no material adverse change in the financial condition of Flint from June 30, 2013 to the Closing Date;

(ix) A certificate dated as of the Closing Date, signed by the Controller of Genesee, to be satisfactory in form and substance to the Representative, to the effect that the financial statements of Genesee included or incorporated by reference in Appendix B to the Official Statement fairly represent the financial position of Genesee as of September 30, 2013, and there has been no material adverse change in the financial condition of Genesee from September 30, 2013 to the Closing Date;

(x) A certificate dated as of the Closing Date, signed by the County Agency, to be satisfactory in form and substance to the Representative, to the effect that the financial statements of the Genesee County Drain Commissioner, Division of Water and Waste Services (the "Division") included or incorporated by reference in Appendix B to the Official Statement fairly represent the financial position of the Division as of December 31, 2012, and there has been no material adverse change in the financial condition of the Division from December 31, 2012 to the Closing Date;

(xi) the unqualified approving legal opinion of Bond Counsel, in substantially the form set forth as Appendix F to the Official Statement, and the supplemental opinion of Bond Counsel, in substantially the form set forth in Exhibit D hereto;

(xii) the opinion of counsel for the Underwriters, in substantially the form set forth in Exhibit E hereto;

(xiii) the opinion of counsel for the Issuer to the effect that the Water Purchase Contracts have been duly authorized, executed and delivered by the Issuer and are legal, valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their respective terms, in form and substance satisfactory to Bond Counsel and counsel for the Underwriters;

(xiv) the opinion of counsel for Flint to the effect that the Flint Water Purchase Contract has been duly authorized, executed and delivered by Flint and is a legal, valid and binding obligation of Flint enforceable against Flint in accordance with its terms, in form and substance satisfactory to Bond Counsel and counsel for the Underwriters;

(xv) the opinion of counsel for County Agency to the effect that the Genesee Water Purchase Contract has been duly authorized, executed and delivered by the County Agency and is a legal, valid and binding obligation of the County Agency enforceable against the

County Agency in accordance with its terms, in form and substance satisfactory to Bond Counsel and counsel for the Underwriters;

(xvi) two (2) complete, true and correct, manually executed copies of the Official Statement;

(xvii) appropriate certifications, in form and substance satisfactory to Bond Counsel, pursuant to the requirements of Section 148 of the Internal Revenue Code of 1986, as amended;

(xviii) evidence satisfactory to the Underwriters that Moody's Investors Service and Standard & Poor's Corporation have assigned ratings for the Bonds of "A2" and "A+," respectively, and that, as of the Closing Date, such ratings have not been modified or withdrawn and are not under review;

(xix) Internal Revenue Service Form 8038-G executed by the Issuer;

(xx) an executed copy of this Agreement;

(xxi) the Blanket Issuer Letter of Representations between the Issuer and DTC;

(xxii) the Issuer Continuing Disclosure Undertaking executed by the Issuer;

(xxiii) the Continuing Disclosure Undertaking of Flint executed by Flint in substantially the form attached to the Official Statement as Appendix E (the "Flint Continuing Disclosure Undertaking");

(xxiv) the Continuing Disclosure Undertaking of Genesee executed by Genesee in substantially the form attached to the Official Statement as Appendix E (the "Genesee Continuing Disclosure Undertaking");

(xxv) evidence that the Michigan Department of Treasury has approved this issuance of the Bonds under Act 34, Public Acts of Michigan, 2001, as amended, effective as of the Closing Date;

(xxvi) a specimen for the Bonds; and

(xxvii) such additional certificates as the Representative may reasonably request from the Issuer to evidence performance of or compliance with the provisions hereof and the transactions contemplated hereby and by the Official Statement, all such certificates to be satisfactory in form and substance to the Representative.

If any of the conditions specified in this Section shall not have been fulfilled when and as required by this Agreement, or if any of the opinions, instruments, documents, proceedings or certificates mentioned above or elsewhere in this Agreement shall not be in all material respects reasonably satisfactory in form and substance to the Representative, this Agreement and all

obligations of the Underwriters hereunder may be canceled by the Representative, or at any time prior to, the Closing Date. Notice of such cancellation shall be given to the Issuer in writing, or by fax confirmed in writing.

Section 6: Termination by Underwriters. This Agreement may be terminated by the Underwriters upon written notification to the Issuer if any one or more of the following shall occur subsequent to the date hereof, but prior to the Closing Date:

(i) legislation shall be enacted, passed by either house of the United States Congress, or introduced in, or recommended for passage by the Chairman or ranking minority member of the United States Senate Committee on Finance or the United States House of Representatives Committee on Ways and Means, or favorably reported for passage by the United States Congress or the Michigan Legislature (including any committee or conference thereof), or a court decision shall be rendered, or a ruling, regulation, decision or official statement by or on behalf of a governmental agency or department having jurisdiction of the subject matter shall be made or proposed, with respect to federal or State taxation upon interest received on obligations the general character of the Bonds and which, in the opinion of the Representative, (A) would have the effect of making interest on the Bonds includable in gross income for federal or State income tax purposes, or (B) would call into question the federal income tax treatment of the interest on the Bonds the effect of which materially affects the marketability of the Bonds;

(ii) legislation shall be introduced in or enacted (or resolution passed) by the Congress or an order, decree or injunction shall be issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice shall be issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect the obligations of the general character of the Bonds are not exempt from the registration under or other requirements of the Securities Act of 1933, as amended, or that the Resolution or the Sale Order are not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect;

(iii) a stop order, ruling or regulation by the Securities and Exchange Commission shall hereafter be issued or made, the reasonable effect of which is that the issuance, offering or sale of the Bonds, as contemplated herein or in the Official Statement, or of obligations of the general character of the Bonds, is in violation of any provisions of the Securities Act of 1933, as amended and as then in effect, the Trust Indenture Act of 1939, as amended and as then in effect, or any rule or regulation promulgated under any such acts;

(iv) any event shall occur or exist which, in the opinion of the Representative, either makes untrue or incorrect in a material respect any statement or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements or information contained therein not misleading in any material respect;

(v) between the date hereof and Closing (A) there shall be in force a general suspension of trading on the New York Stock Exchange or general minimum or maximum prices for trading on the New York Stock Exchange shall have been fixed and be in force, (B) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any United States, New York or Michigan governmental authority or by any United States national securities exchange, (C) a general banking moratorium shall have been established by federal, State or New York authorities, or (D) a major financial crisis or a material disruption in commercial banking or securities settlement or clearance services shall have occurred, or (E) there shall have occurred any escalation or new outbreak of hostilities or other national or international calamity or crisis, the effect of any of which, in the reasonable judgment of the Representative, materially adversely affects the marketability of the Bonds; or

(vi) there shall have occurred any downgrading or published negative credit watch or similar published information from a rating agency that at the date of this Agreement has assigned an unenhanced rating to the Issuer or to any of the Issuer's debt obligations, which action (A) reflects a change, or possible change, in the unenhanced ratings assigned to the Issuer or any debt obligations of the Issuer (including any unenhanced rating assigned to the Bonds) and (B) in the reasonable judgment of the Representative, materially adversely affects the marketability of the Bonds,

Section 7. Amendments and Supplements to the Official Statement. The "End of the Underwriting Period" for the Bonds for all purposes under Rule 15c2-12 is the Closing Date. In the event the Representative requests from the Issuer an extension of the Underwriting Period because there exists an unsold balance of the Bonds, the End of the Underwriting Period shall be deemed extended for thirty days from the date of the written request. The deemed End of the Underwriting Period shall be extended for additional periods of thirty days each upon receipt of a written request to extend the period because there exists at the time an unsold balance of Bonds. During the period from the date hereof to and including a date which is twenty-five (25) days following the End of the Underwriting Period for the Bonds the Issuer will (a) not adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Representative shall reasonably object to in writing unless the Issuer has obtained the opinion of Bond Counsel, stating that such amendment or supplement is necessary in order to make the Official Statement not misleading in the light of the circumstances existing at the time that it is delivered to a purchaser of the Bonds and (b) if any event relating to or affecting the Issuer or the Bonds shall occur as a result of which it is necessary, in the opinion of counsel to the Underwriters, to amend or to supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser of the Bonds, forthwith prepare and furnish to the Underwriters (at the expense of the Issuer) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Issuer and the Underwriters) which will amend or supplement the Official Statement so that such Official Statement, as amended or supplemented, will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser of the Bonds, not misleading. For

the purpose of this Section 7, the Issuer will furnish such information as the Underwriters may from time to time reasonably request.

Section 8. Expenses. All expenses and costs of the Issuer incidental to this financing, including but not limited to the fees and expenses of Bond Counsel, the Issuer's financial advisor, the Issuer's, Flint's and Genesee's auditors, and any other consultants or experts retained in connection with the issuance of the Bonds, municipal rating agencies fees and expenses, the cost of preparing, printing and circulating the Preliminary Official Statement and the Official Statement, the cost of printing the Bonds, the cost of printing the blue sky memoranda and legal investment survey, if any, and the expenses of physical delivery of the Bonds to the Underwriters, shall be paid by the Issuer. All out-of-pocket expenses of the Underwriters, including traveling, advertising and other expenses and the fees, expenses and disbursements of their counsel, shall be paid by the Underwriters.

Section 9. Notice. Any notice or other communication to be given to the Issuer shall be given by delivering the same in writing at the address set forth above and any notice or other communication to be given in writing to J.P. Morgan Securities LLC, 1450 Brickell Avenue, Floor 33, Miami, FL 33131, Attention: T.J. Whitehouse, Executive Director.

Section 10. Survival of Representations. This Agreement is made solely for the benefit of the parties hereto and no other person, including any holders of the Bonds, shall acquire or have any right hereunder or by virtue hereof. All representations, warranties, and agreements of the Issuer shall remain in full force and effect regardless of any investigation made by or on behalf of the Underwriters and shall survive the delivery of the Bonds.

Section 11. Representative. The Representative represents that it has been duly authorized by the Underwriters to execute this Agreement and has been duly authorized to act hereunder on behalf of the Underwriters with full authority to take such action as it may deem advisable in respect of all matters pertaining to this Agreement. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the Issuer hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriters may be waived by the Representative in its sole discretion, and the approval of the Representative when required hereunder for the determination as to the satisfaction as to any document referred to herein shall be in writing, signed by an authorized representative of the Representative, and delivered to you.

Section 12. Role of Underwriters. The Issuer acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between the Issuer and the Underwriters, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principal and are not acting as a financial advisor of the Issuer, (iii) the Underwriters have not assumed a financial advisory responsibility in favor of the Issuer with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Issuer on other matters) and the Underwriters have no obligation to the Issuer with respect to the offering contemplated

hereby except the obligations expressly set forth in this Agreement; (iv) the Issuer has consulted its own legal, financial, tax and other advisors to the extent it has deemed appropriate; and (v) the Underwriters have financial and other interests that differ from those of the Issuer. For both subsections (ii) and (iii) herein, it is the Issuer's understanding that a financial advisory relationship shall not be deemed to exist when, in the course of acting as an underwriter, a broker, dealer or municipal securities dealer, advice is rendered to an issuer, including advice with respect to the structure, timing, terms and other similar matters concerning a new issue of municipal securities. The Underwriters hereby notify the Issuer that they are not acting as Municipal Advisors (as defined in Section 15B of the Securities Exchange Act of 1934, as amended), they are not agents of the Issuer, and they do not have a fiduciary duty to the Issuer in connection with the matters contemplated by this Agreement.

Section 13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan.

Section 14. Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

[Signature Page of Bond Purchase Agreement to Follow]

The approval and acceptance of this offer by the Issuer, as evidenced by the execution of the acceptance clause below, shall cause this document to constitute a contract for the sale by the Issuer and the purchase by the Underwriters of the Bonds, subject to and in accordance with the terms and conditions herein outlined and established.

Respectfully submitted,

J.P. MORGAN SECURITIES LLC,
as Representative

By T.J. Whitehouse
T.J. Whitehouse
Its Executive Director

Accepted:
Pursuant to the Resolution and the Sale Order

KAREGNONDI WATER AUTHORITY

By _____
Jeffrey Wright, Chief Executive Officer

The approval and acceptance of this offer by the Issuer, as evidenced by the execution of the acceptance clause below, shall cause this document to constitute a contract for the sale by the Issuer and the purchase by the Underwriters of the Bonds, subject to and in accordance with the terms and conditions herein outlined and established.

Respectfully submitted,

J.P. MORGAN SECURITIES LLC,
as Representative

By T.J. Whitehouse
Its Executive Director

Accepted:
Pursuant to the Resolution and the Sale Order

KARENDA WATER AUTHORITY

By Jeffrey Wright
Jeffrey Wright, Chief Executive Officer

EXHIBIT A

BOND PURCHASE AGREEMENT

FOR

KAREGNONDI WATER AUTHORITY

WATER SUPPLY SYSTEM BONDS
(KAREGNONDI WATER PIPELINE), SERIES 2014A

BOND DETAILS

Aggregate Principal Amount: \$220,500,000 **Dated Date:** April 16, 2014

Purchase Price: \$231,369,169.15 (being the par value plus a net original issue premium of \$11,815,544.05 less the Underwriters' discount of \$946,374.90)

Interest Payment Dates: November 1, 2014, and semi-annually thereafter each May 1 and November 1

<u>Due November 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Priced to Yield</u>
2017	\$2,000,000	3.000%	1.460%
2017	\$2,105,000	5.000%	1.460%
2018	\$1,300,000	4.000%	1.870%
2018	\$2,975,000	5.000%	1.870%
2019	\$2,000,000	3.000%	2.320%
2019	\$2,475,000	5.000%	2.320%
2020	\$2,000,000	4.000%	2.780%
2020	\$2,655,000	5.000%	2.780%
2021	\$2,000,000	3.000%	3.050%
2021	\$2,870,000	5.000%	3.050%
2022	\$5,075,000	5.000%	3.310%
2023	\$5,325,000	5.000%	3.490%
2024	\$5,595,000	5.000%	3.660%*
2025	\$5,875,000	5.000%	3.820%*
2026	\$6,165,000	5.000%	3.940%*
2027	\$6,475,000	5.250%	4.050%*
2028	\$6,815,000	5.250%	4.110%*
2029	\$7,175,000	5.250%	4.200%*
2030	\$7,550,000	5.250%	4.290%*
2031	\$7,945,000	5.250%	4.380%*
2032	\$8,365,000	5.250%	4.450%*
2033	\$8,800,000	4.500%	4.670%

2034	\$9,200,000	5.250%	4.570%*
2035	\$9,680,000	5.250%	4.620%*
2040	\$56,590,000	5.250%	4.740%*
2043	\$41,490,000	5.000%	4.890%*

*Yield to the November 1, 2023 first call date

Mandatory Redemption of Term Bonds:

The Bonds maturing in the years 2040 and 2043 are term bonds (the "2040 Term Bonds" and the "2043 Term Bonds," respectively, and collectively, the "Term Bonds") that are subject to annual mandatory redemption on November 1 of the following years and in the following amounts, at par, plus accrued interest to the date of mandatory redemption:

2040 Term Bonds

<u>Redemption Date</u>	<u>Principal Amount of 2040 Bonds to be Redeemed</u>
November 1, 2036	\$10,190,000
November 1, 2037	\$10,725,000
November 1, 2038	\$11,290,000
November 1, 2039	\$11,880,000
November 1, 2040*	\$12,505,000

*Final Maturity

2043 Term Bonds

<u>Redemption Date</u>	<u>Principal Amount of 2043 Bonds to be Redeemed</u>
November 1, 2041	\$13,160,000
November 1, 2042	\$13,820,000
November 1, 2043*	\$14,510,000

*Final Maturity

When Term Bonds are purchased by the Issuer and delivered to the Transfer Agent for cancellation or are redeemed in a manner other than by mandatory redemption, the principal amount of Term Bonds affected shall be reduced by the principal amount of the Term Bonds so purchased or redeemed in the order determined by the Issuer.

Optional Redemption:

Bonds maturing in the years 2017 to 2023, inclusive, are not subject to redemption prior to maturity. Bonds or portions of Bonds in multiples of \$5,000 maturing in the year 2024 and thereafter shall be subject to redemption prior to maturity, at the option of the Issuer, on any date on or after November 1, 2023, in any order of maturity and by lot within a maturity, at par and accrued interest to the date of redemption.

Notice of Redemption:

Notice of redemption shall be given to the registered owner of any Bond or portion thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. A Bond or portion thereof so called for redemption shall not bear interest after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem said Bond or portion thereof.

EXHIBIT B

LETTER OF REPRESENTATION - CITY OF FLINT

April 1, 2014

J. P. Morgan Securities LLC
1450 Brickell Avenue, Floor 33
Miami, Florida 33131
As Representative

Ladies and Gentlemen:

The Karegnondi Water Authority (the "Issuer") proposes to issue \$220,500,000 aggregate principal amount of its Water Supply System Bonds (Karegnondi Water Pipeline), Series 2014A (the "Bonds") pursuant to Act No. 233, Public Acts of Michigan, 1955, as amended ("Act 233").

The Bonds are issued pursuant to a resolution adopted by the Board of Trustees of the Issuer on November 20, 2013, authorizing the issuance of the Bonds (the "Resolution"), and an order executed on April 1, 2014 by the Chief Executive Officer of the Issuer, approving the sale of the Bonds (the "Sale Order"). The Bonds are to be issued in anticipation of, and are payable primarily as to principal of and interest from, payments (the "Contractual Payments") to be made by Flint and Genesee pursuant to a contract among the Issuer, the City of Flint ("Flint") and the County of Genesee ("Genesee"), dated as of August 1, 2013 (the "Contract"). The Contractual Payments will be in installments that will equal the principal and interest payments on the Bonds. Flint and Genesee have each pledged their limited tax full faith and credit for the payment of its Contractual Payments.

In addition, the Issuer has entered into two water purchase contracts, effective October 1, 2013: one with Flint to supply up to 18 million gallons per day ("mgd") (the "Flint Water Purchase Contract") and one with the Genesee County Drain Commissioner, as County Agency of Genesee under Act 342, Public Acts of Michigan, 1939, as amended (the "County Agency"), on behalf of Genesee, to supply up to 42 mgd (the "Genesee Water Purchase Contract" and together with the Flint Water Purchase Contract, the "Water Purchase Contracts"). The charges to be paid by Flint and the County Agency in the Water Purchase Contracts are broken down into two distinct portions, an annual fixed or capital fee and an annual commodity or operations and maintenance fee, which charges are expected to be paid by Flint and the County Agency from the revenues of their respective water supply systems as an operation and maintenance expense.

The Bonds will be sold by the Issuer pursuant to a Bond Purchase Agreement dated April 1, 2014 (the "Bond Purchase Agreement"), between the Issuer and the underwriters listed therein (the "Underwriters"). The proceeds of the Bonds will be applied by the Issuer as described in or contemplated by the Preliminary Official Statement dated March 21, 2014 relating to the Bonds, including the Appendices thereto (the "Preliminary Official Statement"), and the Official Statement dated April 1, 2014 relating to the Bonds, including the Appendices thereto (the "Official Statement"). Unless the context requires otherwise, the capitalized terms

not herein defined shall have the same meanings as set forth in the Bond Purchase Agreement.

Section 1. Representation and Warranties. In order to induce the Underwriters and the Issuer to enter into the Bond Purchase Agreement and to sell the Bonds, Flint represents and warrants, and agrees with each of the Underwriters and the Issuer as follows:

(a) Flint has full right, power and authority to (i) execute and deliver the Contract, the Flint Water Purchase Contract, this Letter of Representation, and the Flint Continuing Disclosure Undertaking and (ii) perform its obligations under, and carry out and consummate all other transactions carried out by it or to be consummated by it described in, the Resolution, the Bond Purchase Agreement, the Contract, the Flint Water Purchase Contract, the Flint Continuing Disclosure Undertaking, and this Letter of Representation. Flint has complied with or will comply with on or prior to the Closing Date all provisions of applicable law (specifically including, without limiting the generality of the foregoing, the Constitution and laws of the State of Michigan) and all matters applicable to Flint relating to such transactions.

(b) Flint has duly authorized all necessary action to be taken by it for the execution, delivery and performance by Flint of this Letter of Representation, the Contract, the Flint Water Purchase Contract, the Flint Continuing Disclosure Undertaking, and any and all such other agreements and documents as may be required to be executed, delivered and received by Flint in order to carry out the transactions contemplated by such instruments and by the Official Statement. The Contract, the Flint Water Purchase Contract, the Flint Continuing Disclosure Undertaking, and this Letter of Representation have been duly executed and delivered by Flint, and assuming the due authorization, execution and delivery of such instruments by the other parties thereto and their Issuer to perform pursuant to such instruments, will constitute legal, valid and binding obligations of Flint enforceable against Flint in accordance with their respective terms, except that the enforceability thereof may be limited by laws relating to bankruptcy, insolvency, reorganization or other similar laws of general application affecting the rights of creditors and general principles of equity.

(c) The execution and delivery by Flint of the Contract, the Flint Water Purchase Contract, the Flint Continuing Disclosure Undertaking, and this Letter of Representation and the consummation of the transactions described in all of the foregoing instruments, did not at the time of such execution and delivery, do not and will not conflict with or constitute on the part of Flint a breach or violation of any of the terms and provisions of, or constitute a default under, (i) any existing laws, court or administrative rules or regulations, decree, order or judgment, (ii) any agreement, indenture, mortgage, lease, deed of trust, note or other instrument to which Flint or its properties are or may be bound, or (iii) the Charter of Flint.

(d) The information set forth in the Preliminary Official Statement and the Official Statement relating to Flint, including information in Appendices C and D thereto, is true and correct in all material respects and, with respect to the information relating to Flint, the Preliminary Official Statement (except as to the statements contained in the Preliminary Official Statement that have been changed or supplemented in the Official Statement) and the Official Statement do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(e) The combined balance sheets of Flint as of June 30, 2013, and the related combined financial statements of revenues and expenses/expenditures, changes in fund balances and changes in financial position of proprietary and similar trust funds for the year ended June 30, 2013, including the notes thereto included in Appendix D of the Official Statement, present fairly the financial position of Flint as of the dates indicated and the results of its operations and changes in fund balances and financial position of proprietary and similar trust funds for the years specified, and such financial statements have been prepared in conformity with generally accepted accounting principles consistently applied in all material respects.

(f) Except as set forth in the Preliminary Official Statement and the Official Statement, subsequent to the respective dates as of which information is given in the Preliminary Official Statement (except as to dates or information contained in the Preliminary Official Statement that have been changed in the Official Statement) and the Official Statement, Flint has not incurred any liabilities, direct or contingent, or entered into any transactions, not in the ordinary course of business, that are material to the business and affairs of Flint and there has not been any material adverse change in the condition, results of operation or general affairs of Flint (financial or otherwise).

(g) Except as disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity by or before any court or public board or body pending or threatened against or affecting Flint (or, to the knowledge of Flint, any basis therefor) that in any way questions the powers of Flint referred to in Section 1(a) of this Letter of Representation, or the validity of any proceedings taken by Flint in connection with the execution and delivery of the Contract, the Flint Water Purchase Contract or the Flint Continuing Disclosure Undertaking or that might result in a material adverse change in the condition (financial or otherwise), business or affairs of Flint, or wherein an unfavorable decision, ruling or finding would adversely affect (i) the material transactions described in the Resolution, the Official Statement, the Bond Purchase Agreement, the Flint Continuing Disclosure Undertaking, the Contract, the Flint Water Purchase Contract, or this Letter of Representation, or (ii) the validity or enforceability of the Resolution, the Bond Purchase Agreement, the Flint Continuing Disclosure Undertaking, the Contract, the Flint Water Purchase Contract, this Letter of Representation or any agreement or instrument to which Flint is a party and which is used or contemplated for use in the consummation of the material transactions described in the Official Statement or this Letter of Representation.

(h) Flint is not in breach of or in default under any existing law, court or administrative regulation, decree, order, agreement, indenture, mortgage, lease or sublease or other instrument to which it is a party or by which it is bound, and no event has occurred or is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default thereunder, except (in each case) for such minor breaches, defaults or potential defaults or events of default, if any, which individually and in the aggregate would have no material adverse effect on Flint's financial condition, operations or properties.

(i) All material consents, certificates, approvals or resolutions necessary for the execution, delivery and/or performance by Flint of the Contract, the Flint Water Purchase Contract, the Flint Continuing Disclosure Undertaking and this Letter of Representation required to be obtained have been obtained.

(j) Flint's obligations incurred under the Contract to pay Contractual Payments to the Issuer with respect to the Bonds are necessary for Flint to comply with an administrative consent order dated March 20, 2014, between Flint and the Michigan Department of Environmental Quality, the successor to the Michigan Water Resources Commission, and as such, are excluded when computing Flint's statutory debt limitation set forth in Section 4a of the Home Rule Cities Act (Act 279, Public Acts of Michigan, 1909, as amended), being MCL 117.4a.

(k) Flint has elected not to exercise its option to cancel the Flint Water Supply Contract as provided in Section 7.04(b) therein.

(l) Any certificate signed by an authorized officer of Flint delivered to the Underwriters shall be deemed a representation and warranty by Flint to such parties as to the statements made therein.

Section 2. Special Covenants. Flint covenants and agrees with each of the Underwriters and the Issuer as follows:

(a) Flint agrees that from the time the Official Statement becomes available to any person from the Municipal Securities Rulemaking Board (the "MSRB") until twenty-five (25) days following the "end of the underwriting period" (as such term is defined below), (i) to notify the Underwriters of the occurrence of any event relating to Flint, the result of which would make it necessary to amend or supplement the Official Statement in order to make the statements relating to Flint contained therein, in light of the circumstances in which they were made, not misleading, and (ii) to cooperate in the preparation of a revised Official Statement or amendments or supplements to the Official Statement so that such statements in the Official Statement, as so amended or supplemented, will not, in light of the circumstances in which they were made, be misleading.

For purposes of this Letter of Representation, the term "end of the underwriting period" shall be the later of the Closing or when a participating Underwriter or selling group member no longer retains (directly or as a syndicate member) an unsold balance of the Bonds for sale to the public. The Representative agrees that the date on which the end of the underwriting period will occur will be the Closing Date, unless the Representative otherwise notifies Flint in writing prior to such date that, to the best of its knowledge, there exists an unsold balance of the Bonds, in which case the end of the underwriting period shall be extended thirty (30) days each upon receipt of an additional written notification from the Representative that, to the best of its knowledge, there exists an unsold balance of the Bonds.

(b) Flint deems the Preliminary Official Statement final, as of its date, with respect to information contained therein relating to Flint.

(c) Flint shall not take any action or omit to take any action required to be taken by it that will in any way cause the proceeds from the sale of the Bonds to be applied or result in their being applied in a manner other than as provided in or as contemplated by the Contract, the Official Statement and the Resolution.

(d) Flint shall not take any action or permit any action to be taken on its behalf, or

cause or permit any circumstances within its control to arise or continue, if such action or circumstance would result in the loss of exclusion from federal gross income of the interest on the Bonds.

(e) Between the date hereof and the date of the Closing, Flint will not take any action which would cause the representations and warranties contained in Section 1 to be untrue on the date of the Closing. On the Closing Date, Flint shall deliver or cause to be delivered all opinions, certificates and other documents to be delivered by it or on its behalf as provided for in the Bond Purchase Agreement, and to deliver such additional certificates and other documents as the Underwriters may reasonably request to evidence performance of or compliance with the provisions of this Letter of Representation and the transactions contemplated by the Official Statement, the Resolution, the Contract and this Letter of Representation, all such certificates and other documents to be satisfactory in form and substance to the Underwriters.

(f) Flint will make available such information to such parties at such times as shall be necessary to enable the Underwriters to meet their responsibilities under applicable federal securities statutes and regulations.

Section 3. Survival of Representations and Warranties. All representations, warranties, covenants and agreements contained in this Letter of Representation or contained in certificates of officers of Flint submitted pursuant hereto or pursuant to the Bond Purchase Agreement shall remain operative and in full force and effect regardless of any investigations made by or on behalf of the Underwriters or any other person, and shall survive (i) delivery of the Bonds to the Underwriters and payment by the Underwriters therefor pursuant to the Bond Purchase Agreement, (ii) any termination of the Bond Purchase Agreement by the Underwriters pursuant to the provisions thereof, or (iii) any failure on the part of Flint or the Issuer to satisfy any condition to the obligations of the Underwriters specified in the Bond Purchase Agreement, which failure results in a refusal by the Underwriters to purchase and pay for the Bonds.

Section 4. Parties In Interest. This Letter of Representation shall be binding upon Flint and shall inure solely to the benefit of the Underwriters and the Issuer and, to the extent set forth herein, officers, directors and employees of and persons controlling the Underwriters and the Issuer, and their respective personal representatives, successors and assigns, and no other person or firm shall acquire or have any right under or by virtue of this Letter of Representation.

Section 5. Notices. Any notice or other communication to be given to the Underwriters, the Issuer or Flint under this Letter of Representation shall be given by delivering the same in writing addressed, as the case may be, as follows: If to the Underwriters, to J.P. Morgan Securities LLC, 1450 Brickell Avenue, Floor 33, Miami, Florida 33131, Attention: T.J. Whitehouse, Executive Director; if to the Issuer, to Karegnondi Water Authority, G-4610 Beecher Road, Flint, Michigan 48532, Attention: Chief Executive Officer; and, if to Flint, to City of Flint, 1101 S. Saginaw Street, Flint, Michigan 48502, Attention: Emergency Manager.

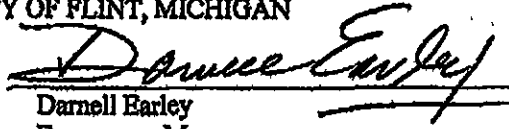
Section 6. General. This Letter of Representation shall be governed by and construed in accordance with the laws of the State of Michigan. This Letter of Representation may be executed in one or more counterparts, each of which shall constitute one and the same instrument.

If the foregoing is in accordance with your understanding of the agreement between us, kindly sign and return to Flint a duplicate of this Letter of Representation whereupon this will constitute a binding agreement of Flint in accordance with the terms hereof.

Very truly yours,

CITY OF FLINT, MICHIGAN

By:


Darnell Earley

Its: Emergency Manager

Accepted and confirmed as of
the date first above written

J.P. MORGAN SECURITIES LLC
as Representative

By:


T.J. Whitehouse

Its: Executive Director

On behalf of the Underwriters

KAREGNONDI WATER AUTHORITY

By:


Jeffrey Wright, Chief Executive Officer

If the foregoing is in accordance with your understanding of the agreement between us, kindly sign and return to Flint a duplicate of this Letter of Representation whereupon this will constitute a binding agreement of Flint in accordance with the terms hereof.

Very truly yours,

CITY OF FLINT, MICHIGAN

By: _____
Darnell Barley
Its: Emergency Manager

Accepted and confirmed as of
the date first above written

J.P. MORGAN SECURITIES LLC
as Representative

By: T.J. Whitehouse
T.J. Whitehouse
Its: Executive Director

On behalf of the Underwriters

KAREGNONDI WATER AUTHORITY

By: _____
Jeffrey Wright, Chief Executive Officer

If the foregoing is in accordance with your understanding of the agreement between us, kindly sign and return to Flint a duplicate of this Letter of Representation whereupon this will constitute a binding agreement of Flint in accordance with the terms hereof.

Very truly yours,

CITY OF FLINT, MICHIGAN

By: _____
Darnell Earley
Its: Emergency Manager

Accepted and confirmed as of
the date first above written

J.P. MORGAN SECURITIES LLC
as Representative

By: _____
T.J. Whitehouse
Its: Executive Director

On behalf of the Underwriters

KAREGNONDI WATER AUTHORITY

By: _____
Jeffrey Wright, Chief Executive Officer

EXHIBIT C

LETTER OF REPRESENTATION – COUNTY OF GENESEE

April 1, 2014

J. P. Morgan Securities LLC
1450 Brickell Avenue, Floor 33
Miami, Florida 33131
As Representative

Ladies and Gentlemen:

The Karegnondi Water Authority (the "Issuer") proposes to issue \$220,500,000 aggregate principal amount of its Water Supply System Bonds (Karegnondi Water Pipeline), Series 2014A (the "Bonds") pursuant to Act No. 233, Public Acts of Michigan, 1955, as amended ("Act 233").

The Bonds are issued pursuant to a resolution adopted by the Board of Trustees of the Issuer on November 20, 2013, authorizing the issuance of the Bonds (the "Resolution"), and an order executed on April 1, 2014 by the Chief Executive Officer of the Issuer, approving the sale of the Bonds (the "Sale Order"). The Bonds are to be issued in anticipation of, and are payable primarily as to principal of and interest from, payments (the "Contractual Payments") to be made by Flint and Genesee pursuant to a contract among the Issuer, the City of Flint ("Flint") and Genesee of Genesee ("Genesee"), dated as of August 1, 2013 (the "Contract"). The Contractual Payments will be in installments that will equal the principal and interest payments on the Bonds. Flint and Genesee have each pledged their limited tax full faith and credit for the payment of its Contractual Payments.

In addition, the Issuer has entered into two water purchase contracts, effective October 1, 2013: one with Flint to supply up to 18 million gallons per day ("mgd") (the "Flint Water Purchase Contract") and one with the Genesee County Drain Commissioner, as County Agency of Genesee under Act 342, Public Acts of Michigan, 1939, as amended (the "County Agency"), on behalf of Genesee, to supply up to 42 mgd (the "Genesee Water Purchase Contract" and together with the Flint Water Purchase Contract, the "Water Purchase Contracts"). The charges to be paid by Flint and the County Agency in the Water Purchase Contracts are broken down into two distinct portions, an annual fixed or capital fee and an annual commodity or operations and maintenance fee, which charges are expected to be paid by Flint and the County Agency from the revenues of their respective water supply systems as an operation and maintenance expense.

The Bonds will be sold by the Issuer pursuant to a Bond Purchase Agreement dated April 1, 2014 (the "Bond Purchase Agreement"), between the Issuer and the underwriters listed therein (the "Underwriters"). The proceeds of the Bonds will be applied by the Issuer as described in or contemplated by the Preliminary Official Statement dated March 21, 2014 relating to the Bonds, including the Appendices thereto (the "Preliminary Official Statement"),

and the Official Statement dated April 1, 2014 relating to the Bonds, including the Appendices thereto (the "Official Statement"). Unless the context requires otherwise, the capitalized terms not herein defined shall have the same meanings as set forth in the Bond Purchase Agreement.

Section 1. Representation and Warranties. In order to induce the Underwriters and the Issuer to enter into the Bond Purchase Agreement and to sell the Bonds, Genesee represents and warrants, and agrees with each of the Underwriters and the Issuer as follows:

(a) Genesee has full right, power and authority to (i) execute and deliver the Contract, this Letter of Representation, and the Genesee Continuing Disclosure Undertaking and (ii) perform its obligations under, and carry out and consummate all other transactions carried out by it or to be consummated by it described in, the Resolution, the Contract, the Genesee Continuing Disclosure Undertaking, and this Letter of Representation. Genesee has complied with or will comply with on or prior to the Closing Date all provisions of applicable law (specifically including, without limiting the generality of the foregoing, the Constitution and laws of the State of Michigan) and all matters applicable to Genesee relating to such transactions.

(b) Genesee has duly authorized all necessary action to be taken by it for the execution, delivery and performance by Genesee of this Letter of Representation, the Contract, the Genesee Continuing Disclosure Undertaking, and any and all such other agreements and documents as may be required to be executed, delivered and received by Genesee in order to carry out the transactions contemplated by such instruments and by the Official Statement. The Contract, the Genesee Continuing Disclosure Undertaking, and this Letter of Representation have been duly executed and delivered by Genesee, and assuming the due authorization, execution and delivery of such instruments by the other parties thereto and their Issuer to perform pursuant to such instruments, will constitute legal, valid and binding obligations of Genesee enforceable against Genesee in accordance with their respective terms, except that the enforceability thereof may be limited by laws relating to bankruptcy, insolvency, reorganization or other similar laws of general application affecting the rights of creditors and general principles of equity.

(c) The execution and delivery by Genesee of the Contract, the Genesee Continuing Disclosure Undertaking, and this Letter of Representation and the consummation of the transactions described in all of the foregoing instruments, did not at the time of such execution and delivery, do not and will not conflict with or constitute on the part of Genesee a breach or violation of any of the terms and provisions of, or constitute a default under, (i) any existing laws, court or administrative rules or regulations, decree, order or judgment, or (ii) any agreement, indenture, mortgage, lease, deed of trust, note or other instrument to which Genesee or its properties are or may be bound.

(d) The information set forth in the Preliminary Official Statement and the Official Statement relating to Genesee and the County Agency, including information in Appendices A and B thereto, is true and correct in all material respects and, with respect to the information relating to Genesee and the County Agency, the Preliminary Official Statement (except as to the statements contained in the Preliminary Official Statement that have been changed or supplemented in the Official Statement) and the Official Statement do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the

statements made therein, in light of the circumstances under which they were made, not misleading.

(e) The combined balance sheets of Genesee as of September 30, 2013, and the related combined financial statements of revenues and expenses/expenditures, changes in fund balances and changes in financial position of proprietary and similar trust funds for the year ended September 30, 2013, including the notes thereto included in Appendix B of the Official Statement, present fairly the financial position of Genesee as of the dates indicated and the results of its operations and changes in fund balances and financial position of proprietary and similar trust funds for the years specified, and such financial statements have been prepared in conformity with generally accepted accounting principles consistently applied in all material respects.

(f) Except as set forth in the Preliminary Official Statement and the Official Statement, subsequent to the respective dates as of which information is given in the Preliminary Official Statement (except as to dates or information contained in the Preliminary Official Statement that have been changed in the Official Statement) and the Official Statement, Genesee has not incurred any liabilities, direct or contingent, or entered into any transactions, not in the ordinary course of business, that are material to the business and affairs of Genesee and there has not been any material adverse change in the condition, results of operation or general affairs of Genesee (financial or otherwise).

(g) Except as disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity by or before any court or public board or body pending or threatened against or affecting Genesee (or, to the knowledge of Genesee, any basis therefor) that in any way questions the powers of Genesee referred to in Section 1(a) of this Letter of Representation, or the validity of any proceedings taken by Genesee in connection with the execution and delivery of the Contract or the Genesee Continuing Disclosure Undertaking or that might result in a material adverse change in the condition (financial or otherwise), business or affairs of Genesee, or wherein an unfavorable decision, ruling or finding would adversely affect (i) the material transactions described in the Resolution, the Official Statement, the Bond Purchase Agreement, the Genesee Continuing Disclosure Undertaking, the Contract, or this Letter of Representation, or (ii) the validity or enforceability of the Resolution, the Bond Purchase Agreement, the Genesee Continuing Disclosure Undertaking, the Contract, this Letter of Representation or any agreement or instrument to which Genesee is a party and which is used or contemplated for use in the consummation of the material transactions described in the Official Statement or this Letter of Representation.

(h) Genesee is not in breach of or in default under any existing law, court or administrative regulation, decree, order, agreement, indenture, mortgage, lease or sublease or other instrument to which it is a party or by which it is bound, and no event has occurred or is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default thereunder, except (in each case) for such minor breaches, defaults or potential defaults or events of default, if any, which individually and in the aggregate would have no material adverse effect on Genesee's financial condition, operations or properties.

(i) All material consents, certificates, approvals or resolutions necessary for the

execution, delivery and/or performance by Genesee of the Contract, the Genesee Continuing Disclosure Undertaking and this Letter of Representation required to be obtained have been obtained.

(j) The County Agency has elected not to exercise its option to cancel the Genesee Water Supply Contract as provided in Section 7.04(b) therein.

(k) Any certificate signed by an authorized officer of Genesee delivered to the Underwriters shall be deemed a representation and warranty by Genesee to such parties as to the statements made therein.

Section 2. Special Covenants. Genesee covenants and agrees with each of the Underwriters and the Issuer as follows:

(a) Genesee agrees that from the time the Official Statement becomes available to any person from the Municipal Securities Rulemaking Board (the "MSRB") until twenty-five (25) days following the "end of the underwriting period" (as such term is defined below), (i) to notify the Underwriters of the occurrence of any event relating to Genesee or the County Agency, the result of which would make it necessary to amend or supplement the Official Statement in order to make the statements contained therein relating to Genesee or the County Agency, in light of the circumstances in which they were made, not misleading, and (ii) to cooperate in the preparation of a revised Official Statement or amendments or supplements to the Official Statement so that such statements in the Official Statement, as so amended or supplemented, will not, in light of the circumstances in which they were made, be misleading.

For purposes of this Letter of Representation, the term "end of the underwriting period" shall be the later of the Closing or when a participating Underwriter or selling group member no longer retains (directly or as a syndicate member) an unsold balance of the Bonds for sale to the public. The Representative agrees that the date on which the end of the underwriting period will occur will be the Closing Date, unless the Representative otherwise notifies Genesee in writing prior to such date that, to the best of its knowledge, there exists an unsold balance of the Bonds, in which case the end of the underwriting period shall be extended thirty (30) days each upon receipt of an additional written notification from the Representative that, to the best of its knowledge, there exists an unsold balance of the Bonds.

(b) Genesee deems the Preliminary Official Statement final, as of its date, with respect to information contained therein relating to Genesee and the County Agency.

(c) Genesee shall not take any action or omit to take any action required to be taken by it that will in any way cause the proceeds from the sale of the Bonds to be applied or result in their being applied in a manner other than as provided in or as contemplated by the Contract, the Official Statement and the Resolution.

(d) Genesee shall not take any action or permit any action to be taken on its behalf, or cause or permit any circumstances within its control to arise or continue, if such action or circumstance would result in the loss of exclusion from federal gross income of the interest on the Bonds.

(e) Between the date hereof and the date of the Closing, Genesee will not take any action which would cause the representations and warranties contained in Section 1 to be untrue on the date of the Closing. On the Closing Date, Genesee shall deliver or cause to be delivered all opinions, certificates and other documents to be delivered by it or on its behalf as provided for in the Bond Purchase Agreement, and to deliver such additional certificates and other documents as the Underwriters may reasonably request to evidence performance of or compliance with the provisions of this Letter of Representation and the transactions contemplated by the Official Statement, the Resolution, the Contract and this Letter of Representation, all such certificates and other documents to be satisfactory in form and substance to the Underwriters.

(f) Genesee will make available such information to such parties at such times as shall be necessary to enable the Underwriters to meet their responsibilities under applicable federal securities statutes and regulations.

Section 3. Survival of Representations and Warranties. All representations, warranties, covenants and agreements contained in this Letter of Representation or contained in certificates of officers of Genesee submitted pursuant hereto or pursuant to the Bond Purchase Agreement shall remain operative and in full force and effect regardless of any investigations made by or on behalf of the Underwriters or any other person, and shall survive (i) delivery of the Bonds to the Underwriters and payment by the Underwriters therefor pursuant to the Bond Purchase Agreement, (ii) any termination of the Bond Purchase Agreement by the Underwriters pursuant to the provisions thereof, or (iii) any failure on the part of Genesee or the Issuer to satisfy any condition to the obligations of the Underwriters specified in the Bond Purchase Agreement, which failure results in a refusal by the Underwriters to purchase and pay for the Bonds.

Section 4. Parties In Interest. This Letter of Representation shall be binding upon Genesee and shall inure solely to the benefit of the Underwriters and the Issuer and, to the extent set forth herein, officers, directors and employees of and persons controlling the Underwriters and the Issuer, and their respective personal representatives, successors and assigns, and no other person or firm shall acquire or have any right under or by virtue of this Letter of Representation.

Section 5. Notices. Any notice or other communication to be given to the Underwriters, the Issuer or Genesee under this Letter of Representation shall be given by delivering the same in writing addressed, as the case may be, as follows: If to the Underwriters, to J.P. Morgan Securities LLC, 1450 Brickell Avenue, Floor 33, Miami, Florida 33131, Attention: T.J. Whitehouse, Executive Director; if to the Issuer, to Karegnondi Water Authority, G-4610 Beecher Road, Flint, Michigan 48532, Attention: Chief Executive Officer; and, if to Genesee, to County of Genesee, G-4608 Beecher Road, Flint, Michigan 48532, Attention: Drain Commissioner, as County Agency.

Section 6. General. This Letter of Representation shall be governed by and construed in accordance with the laws of the State of Michigan. This Letter of Representation may be executed in one or more counterparts, each of which shall constitute one and the same instrument.

If the foregoing is in accordance with your understanding of the agreement between us, kindly sign and return to Genesee a duplicate of this Letter of Representation whereupon this will constitute a binding agreement of Genesee in accordance with the terms hereof.

Very truly yours,

COUNTY OF GENESEE,
STATE OF MICHIGAN

By: Keith Francis

Keith Francis

Its

Controller

And:

Jeffrey Wright

Its

Drain Commissioner, as County Agency

Accepted and confirmed as of
the date first above written

J.P. MORGAN SECURITIES LLC
as Representative

By: T.J. Whitehouse

T.J. Whitehouse

Its

Executive Director

On behalf of the Underwriters

KARBONNDI WATER AUTHORITY

By: Jeffrey Wright, Chief Executive Officer

Jeffrey Wright, Chief Executive Officer

If the foregoing is in accordance with your understanding of the agreement between us, kindly sign and return to Genesee a duplicate of this Letter of Representation whereupon this will constitute a binding agreement of Genesee in accordance with the terms hereof.

Very truly yours,

COUNTY OF GENESEE,
STATE OF MICHIGAN

By: _____

Kelth Francis

Its: _____

Controller

And: _____

Jeffrey Wright

Its: _____

Drain Commissioner, as County Agency

Accepted and confirmed as of
the date first above written

J.P. MORGAN SECURITIES LLC
as Representative

By: _____

T.J. Whitehouse

Its: _____

Executive Director

On behalf of the Underwriters

KAREGONDI WATER AUTHORITY

By: _____

Jeffrey Wright, Chief Executive Officer

If the foregoing is in accordance with your understanding of the agreement between us, kindly sign and return to Genesee a duplicate of this Letter of Representation whereupon this will constitute a binding agreement of Genesee in accordance with the terms hereof.

Very truly yours,

COUNTY OF GENESSEE,
STATE OF MICHIGAN

By: _____
Keith Francis
Its: Controller

And: _____
Jeffrey Wright
Its: Drain Commissioner, as County Agency

Accepted and confirmed as of
the date first above written

J.P. MORGAN SECURITIES LLC
as Representative

By: T.J. Whitehouse
T.J. Whitehouse
Its: Executive Director

On behalf of the Underwriters

KAREGONDI WATER AUTHORITY

By: _____
Jeffrey Wright, Chief Executive Officer

EXHIBIT D

[Letterhead of Miller, Canfield, Paddock and Stone, P.L.C.]

April 16, 2014

Karegnondi Water Authority
Counties of Genesee, Lapeer and Sanilac
State of Michigan

J.P. Morgan Securities LLC,
as Representative of the Underwriters
New York, New York

This opinion is submitted pursuant to Section 5(b)(xi) of the Bond Purchase Agreement (the "Purchase Agreement"), dated April 1, 2014, between the Karegnondi Water Authority, Counties of Genesee, Lapeer and Sanilac, State of Michigan (the "Issuer") and J.P. Morgan Securities LLC, as Representative for the underwriters (the "Underwriters"), relative to the purchase and sale by the Issuer of its Water Supply System Bonds (Karegnondi Water Pipeline), Series 2014A (the "Bonds"), in the aggregate original principal sum of \$220,500,000, and is supplementary to our approving opinion bearing even date herewith. Terms used herein shall have the same meaning ascribed to them in the approving opinion or in the Purchase Agreement.

We have examined (in addition to the proceedings and documents specified in the approving opinion) executed counterparts of the Purchase Agreement and the Official Statement pertaining to the Bonds, dated April 1, 2014, and on the basis of such examination and our review of such other information, records and documents as in our judgment is necessary and advisable, we are of the opinion that:

1. The Issuer had at the time of execution of the Purchase Agreement, and has as of the date hereof, full legal right, power and authority (i) to enter into the Purchase Agreement and (ii) to sell and deliver the Bonds to the Underwriters as provided in the Purchase Agreement, the Resolution, the Sale Order and the Official Statement. The Issuer had at the time of execution of the Purchase Agreement, and has as of the date hereof, duly authorized and approved the execution and delivery of, and the performance of its obligations contained in, the Purchase Agreement.

2. No further authorization or approval is required for the execution and delivery of the Purchase Agreement, and the Purchase Agreement constitutes a legal, valid and binding obligation of the Issuer, enforceable in accordance with its terms; and no further authorization or approval is required for the performance by the Issuer of its obligations under the Purchase Agreement.

3. The Issuer has duly authorized and approved the Preliminary Official Statement regarding the Bonds dated March 21, 2014 (the "Preliminary Official Statement"), and has duly authorized, approved and executed the Official Statement.

4. Other than the approvals which have been obtained, no consent or approval of, or registration or declaration with, any federal, state or other governmental commission, board, regulatory body or instrumentality, is required for authorization and issuance of the Bonds or in connection with any of the actions of the Issuer described in paragraphs 1, 2, or 3 hereof (except for such approvals, consents or authorizations as are required by blue sky or securities laws of any state, as to which no opinion is expressed), nor is any election or referendum of voters required in connection therewith.

5. All proceedings necessary to fulfill in all material respects the terms and conditions of the Bonds including payment of the principal thereof and interest thereon and to carry out the transactions contemplated by the Purchase Agreement are in full force and effect.

6. The fulfillment of the terms and conditions of, and the carrying out of the transactions contemplated by, the Purchase Agreement do not and will not conflict with or constitute on the part of the Issuer, a breach of, or a default under, any existing law, including, without limitation, the Constitution of the State of Michigan, to which the Issuer is subject or by which it is bound.

7. The Continuing Disclosure Undertakings of the Issuer and each of the Local Units have been duly authorized, executed and delivered by the Issuer and each of the Local Units and constitute the legal, valid and binding obligation of the Issuer and each of the Local Units, enforceable in accordance with their respective terms; and no further authorization or approval is required for the performance by the Issuer and each of the Local Units of their respective obligations under the Continuing Disclosure Undertakings.

8. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution and the Sale Order are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

9. The statements contained in the Preliminary Official Statement and the Official Statement under the headings "PURPOSE," "SECURITY," "THE BONDS," "PRIOR REDEMPTION OF BONDS," "TRANSFER OUTSIDE BOOK-ENTRY-ONLY SYSTEM," "TAX MATTERS," "APPROVAL BY THE MICHIGAN DEPARTMENT OF TREASURY," "BOND COUNSEL'S RESPONSIBILITY," and "CONTINUING DISCLOSURE" (first two paragraphs only), insofar as such statements summarize the language and effect of the Resolution, the Sale Order, the Contract, the Bonds and the Constitution and the laws of the State of Michigan and the United States of America are fair and accurate summaries thereof in all material respects.

Although we have not independently verified and are not passing upon or assuming any responsibility for the accuracy, completeness or fairness of the statements in the Official

Statement (except to the extent expressly set forth in paragraph 9 hereof), in our capacity as Bond Counsel, in which capacity we have been dependent on information provided by representatives of the Issuer, we participated in conferences with representatives of the Issuer and representatives of and counsel for the Underwriters for the purpose of drafting such portions of the Preliminary Official Statement and the Official Statement expressly set forth in paragraph 9 hereof. Such information and conferences did not disclose to us any information which causes us to believe that the Preliminary Statement contained, as of its date, and the Official Statement contained, as of its date, or contains as of the date hereof, any untrue statement of a material fact or omitted as of its date, or omits as of the date hereof, to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. As Bond Counsel, we have not been retained to examine, nor have we attempted to examine, the financial or statistical information contained in the Preliminary Official Statement and the Official Statement, including Appendices A, B, C, D, G and I, and we express no opinion with respect thereto.

The foregoing opinion is qualified to the extent that the enforceability of the rights and remedies set forth in the Purchase Agreement, the Resolution, the Sale Order, the Contract, the Continuing Disclosure Undertaking and the Bonds may be limited by bankruptcy, insolvency laws regarding fraudulent conveyances, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights generally now existing or hereafter enacted, and are subject to general principles of equity including those relating to equitable subordination regardless of whether such enforceability is considered in a proceeding at law or in equity.

The Underwriters shall be entitled to rely on all opinions rendered by us on the date hereof in connection with the delivery of the Bonds, including but not limited to our approving opinion bearing even date herewith, the same as if all such opinions were addressed to them.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By: _____
David P. Massaron

EXHIBIT E

[Letterhead of Dickinson Wright PLLC]

April 16, 2014

**J.P. Morgan Securities LLC
New York, New York
as Representative of the Underwriters
of the Bonds referred to below**

**Re: Karegnondi Water Authority
Water Supply System Bonds
(Karegnondi Water Pipeline), Series 2014A**

Ladies and Gentlemen:

We have acted as counsel for the underwriters (the "Underwriters") in connection with the purchase by the Underwriters of the above-referenced bonds (the "Bonds") pursuant to the Bond Purchase Agreement, dated April 1, 2014 (the "Purchase Agreement"), between you, as Representative of the Underwriters, and the Karegnondi Water Authority (the "Issuer"). Capitalized terms not otherwise defined herein shall have the meanings given such terms in the Purchase Agreement.

We, as counsel for the Underwriters, have examined and relied upon the following:

(a) A certified copy of the resolution adopted by the Board of Trustees of the Issuer on November 20, 2013, authorizing the issuance of the Bonds (the "Resolution"), and an executed order of the Chief Executive Officer of the Issuer, dated April 1, 2014, approving the sale of the Bonds (the "Sale Order");

(b) A copy of the Preliminary Official Statement of the Issuer, dated March 21, 2014, relating to the Bonds, including the cover page and appendices thereto (the "Preliminary Official Statement"); and

(c) A copy of the Official Statement of the Issuer, dated April 1, 2014, relating to the Bonds, including the cover page and appendices thereto (the "Official Statement"); and

(d) An executed copy of the Purchase Agreement; and

(e) An executed counterpart of the Contract, dated as of August 1, 2013, among the Issuer, the City of Flint ("Flint") and the County of Genesee ("Genesee") relating to the Bonds; and

(f) Executed copies of the Continuing Disclosure Undertaking of the Issuer, dated April 16, 2014, relating to the Bonds (the "Issuer Continuing Disclosure Undertaking"), the Continuing Disclosure Undertaking of Flint, dated April 16, 2014, relating to the Bonds (the "Flint Continuing Disclosure Undertaking"), and the Continuing Disclosure Undertaking of Genesee, dated April 16, 2014, relating to the Bonds (the "Genesee Continuing Disclosure Undertaking" and together with the Issuer Continuing Disclosure Undertaking and the Flint Continuing Disclosure Undertaking, the "Continuing Disclosure Undertakings"); and

(g) Executed copies of the opinions of Miller, Canfield, Paddock and Stone, P.L.C., Bond Counsel, delivered to you pursuant to Section 5(b)(iv) of the Purchase Agreement.

In addition, we have examined and relied on originals or copies, certified or otherwise identified to our satisfaction, of such other records, opinions and documents, and have made such investigation of law, as we have deemed necessary or appropriate for purposes of this opinion.

In arriving at the conclusions hereinafter expressed, we are not expressing any opinion or view on, and with your permission are assuming and relying on the validity, accuracy and sufficiency of the records, documents, certificates and opinions referred to above, including the representations and legal conclusions regarding the due authorization, issuance, delivery, validity and enforceability of the Bonds and the exclusion of interest thereon from gross income for federal income tax purposes. We have assumed that all records, documents, certificates and opinions that we have reviewed, and the signatures thereon are genuine.

Based upon and subject to the foregoing, and in reliance thereon, we are of the opinion that:

1. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution and the Sale Order are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

2. We are not acting upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement, including the appendices thereto, and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements; however, in our capacity as counsel for the Underwriters, we met in conferences and participated in telephone conferences with your representatives and with representatives of the Issuer, Bond Counsel, and others, during which conferences the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed. Based upon our participation in the above-mentioned conferences, and our reliance thereon, and on the records, documents, certificates and opinions herein mentioned, we advise you that, during the course of our representation of you in this

matter, no information came to our attention which caused us to believe that the Preliminary Official Statement as of its date, and the Official Statement as of its date and as of the date of this opinion (except for financial, statistical and technical information, data and projections or estimates included in the Preliminary Official Statement and the Official Statement, including information contained in Appendices A, B, C, D, G, and I and any information relating to The Depository Trust Company, as to all of which we express no opinion or view), contained or contains any untrue statement of a material fact or omitted or omits to state a material fact that is necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

3. On our basis of the review of Rule 15c2-12 promulgated under the Securities Exchange of 1934, as amended (the "Rule"), certain releases of the Securities and Exchange Commission ("SEC") accompanying the publication thereof and amendment thereto, and various commentary and interpretation of the Rule by the SEC in response to questions posed by the National Association of Bond Lawyers and by the American Bar Association, among others, it is our opinion that each of the Continuing Disclosure Undertakings complies as to form in all material respects with the requirements of paragraph (b)(5) of the Rule.

We are furnishing this letter to you pursuant to Section 5(b)(xii) of the Purchase Agreement solely for your benefit as Representative of the Underwriters. Our engagement with respect to this matter is terminated as of the date herein and we disclaim any obligation to update this letter. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person, but may be referred to in the closing transcripts. This letter is not intended to be relied upon by the owners of the Bonds.

Respectfully submitted,

EXHIBIT F

LIST OF UNDERWRITERS

**J.P. Morgan Securities LLC
Wells Fargo Bank, National Association
Stifel, Nicolaus & Company, Incorporated**

MOODY'S

INVESTORS SERVICE

New Issue: Moody's assigns initial A2 to Karegnondl Water Authority's (MI) \$220M Water Bonds, Ser. 2014A

Global Credit Research - 20 Mar 2014

Affirms A2 rating on Genesee County's outstanding GOLT debt

GENESEE (COUNTY OF) MI
Water Enterprise
MI

Moody's Rating

ISSUE

RATING

Water Supply System Bonds (Karegnondl Water Pipeline), Series 2014A A2

Sale Amount \$220,000,000

Expected Sale Date 04/01/14

Rating Description General Obligation Limited Tax

Moody's Outlook NOO

Opinion

NEW YORK, March 20, 2014 -- Moody's Investors Service has assigned an initial A2 to the Karegnondl Water Authority's (KWA) \$220 million Water Supply System Bonds (Karegnondl Water Pipeline), Series 2014A. Concurrently, Moody's has affirmed the A2 rating on Genesee County's outstanding General Obligation Limited Tax (GOLT) debt. The Series 2014A bonds are secured by contractual payments from Genesee County and the City of Flint, which are secured by the GOLT pledges of the county and city for their respective contractual payments. Genesee County is further required, under the financing contract, to correct any payment shortfall on the part of Flint. Contractual payments are expected to be paid with net revenues of the water enterprises of both entities. Proceeds from bonds will finance a portion of the cost to construct a water supply system to KWA member communities.

SUMMARY RATINGS RATIONALE

The A2 rating on KWA's Series 2014A bonds is based on the GOLT credit quality of Genesee County given the GOLT pledge for contractual payments and the requirement for the county to step up to fully cover any payments missed by the City of Flint. Moody's assessment of Genesee County's ability to absorb the full amount of debt service is a key rating factor given ongoing financial distress within the City of Flint. The A2 rating also reflects solid security features incorporated into the financing and underlying water supply contracts including provisions for monthly capital set asides and a debt service reserve fund. The A2 rating on Genesee County's outstanding GOLT debt reflects the county's large tax base that has realized a multi-year trend of material depreciation, relatively narrow financial position with very limited liquidity, and modest debt burden that increases significantly if debt service for current and future KWA issuances fail to be supported by the county's water enterprise.

STRENGTHS

- Strong project management and planning, coupled with minimal project complexity, help mitigate construction risk
- Step-up provisions require Genesee County to fully cover debt service if the City of Flint cannot meet its obligation
- Sizable service area with potential for further expansion
- Participants have significant rate setting flexibility

CHALLENGES

- Financial distress within the City of Flint increases the likelihood that Genesee County will be solely responsible for debt service
- KWA issuances substantially increase Genesee County's debt burden if local unit water enterprises do not remain self-supporting
- Long-term economic stress in the service area as indicated by the multi-year trend of tax base devaluation and above average unemployment

DETAILED CREDIT DISCUSSION

STRONG STEP UP PROVISIONS; GENESEE COUNTY WOULD NEED TO IMPLEMENT SUBSTANTIAL RATE INCREASES TO ABSORB ADDED COSTS

Under the financing contract, Genesee County is required to pay 85.8% of debt service and the City of Flint is required to pay 34.2%. The allocations have been adjusted for capital expenses already incurred by Genesee County for the project. Each local unit has covenanted to make full contractual payments equivalent to debt service 30 days prior to debt service due dates. If the City of Flint fails to make its payments, Genesee County has covenanted to make payments within 15 days of being notified by KWA. KWA is required to immediately notify each local unit if there has been a missed payment. Additionally, KWA is required to undertake all legal actions and make use of all remedies to recoup any missed payments. The financing contract also requires a debt service reserve equivalent to the lesser of maximum annual debt service, 10% of par, or 125% average annual principal and interest payments. The reserve will be cash funded with bond proceeds.

The City of Flint is under severe financial distress, increasing the likelihood that Genesee County would need to fully cover debt service payments. In December 2011, the State of Michigan appointed an emergency manager to oversee the city's financial operations. The city ended fiscal 2013 with a General Fund balance deficit of \$12.9 million, or a highly distressed 21% of revenues. Favorably, the deficit was reduced from 35.2% of revenues in fiscal 2012 as a result of substantial revenue and expenditure adjustments. The city's water enterprise operations have historically been stressed as well with a history of poor debt service coverage, declining reserves, and a lack of capital investments. The city implemented a 35% rate increase for fiscal 2012, which substantially improved the enterprise's financial operations. A lawsuit challenging the rate increase is pending.

We believe that the county would need to promptly and significantly increase its water rates to absorb full debt service should Flint be unable to make payments. Genesee County water rates would need to increase approximately 22% to cover Flint's share of principal and interest as well as operating and maintenance costs. The county has ample rate setting authority as the county drain commissioner is able to increase rates without approval from the county board or any outside agencies. We expect the county would promptly increase rates, given management's history of making substantial adjustments to revenue and expenditures. The county has also developed pro-forma financial projections that include such a scenario. Should the county fail to increase rates, it would place substantial pressure on county reserves. One year of Flint's share of debt service payments is equivalent to 70% of the county's General Fund balance or 90% of the water enterprise's unrestricted net assets. Failure of the county to promptly adjust rates, would likely place substantial downward pressure on the credit ratings of both KWA and Genesee County.

STRONG PLANNING FOR NEW REGIONALLY IMPORTANT WATER SYSTEM

We believe that strong management and planning minimize the construction risk to establish the regionally important water authority. KWA was formed in 2010 for the purpose of providing a new source of water for the member communities of Genesee County, the County of Lapeer, the County of Sanilac, the City of Lapeer and the City of Flint. While only Flint and Genesee County immediately benefit from the current project, the other KWA members may tap into the water system at a later date. Participants identified a need for an alternative source of water from Detroit Water and Sewer Department, given significant annual rate increases, aging infrastructure, and somewhat regular loss of water service.

KWA expects to eventually supply raw water to a three county area consisting of 2,232 square miles and over 500,000 residents. The system will initially serve Genesee County with a population of 426,000 and the City of Flint, which is home to 24% of county residents. KWA has secured permits from the Michigan Department of Environmental Quality for a maximum annual draw of 85 million gallons per day (MGD) from Lake Huron. Under signed water supply contracts, Genesee County has the right to draw up to 42 MGD and Flint 18 MGD. Capital

charges to cover system infrastructure are on a take or pay basis, while O&M charges are prorated by usage. Current maximum usage between the two communities approximates 50 MGD.

Major project components consist of an intake facility, 63 miles of pipe, and two pump stations. The Intake facility was financed separately by Genesee County and is currently under construction. KWA has identified the pipeline route, prepared preliminary permits for the route, and begun design of the pipeline and pump stations. The necessary land and easements have all been acquired. The City of Flint is currently in the process of upgrading its water treatment plant at a cost of \$8 million, which it is cash financing from water enterprise reserves. Genesee County will be building its own treatment facility at a cost of \$60 million, which will be financed by additional bonds. The total system is expected to be completed by May 1, 2016.

FUTURE BORROWING PLANNED BY KWA AND GENESEE COUNTY

Genesee County currently has a modest debt burden of 0.8% of full valuation. The debt burden does not include KWA debt or outstanding GOLT bonds that are self supporting from the water system, MTF revenue, or delinquent tax collections. The county plans to issue \$48 million in GOLT debt in July 2014 and \$12 million in September 2015 to construct the aforementioned water treatment plant. KWA plans to issue \$80 million next year to complete the water pipeline project. The county's debt burden rises to an above average 2.8% inclusive of all planned KWA debt and the planned water treatment plant financing.

SERVICE AREA CONTINUES TO FACE ECONOMIC PRESSURES

Genesee County and the City of Flint have experienced significant economic pressure in recent years including elevated unemployment and tax base depreciation. Located in southeast Michigan, Genesee County lies just north of Oakland County (GOLT rated Aaa, stable) and approximately 60 miles northwest of the City of Detroit (GO rated Caa3, negative). Approximately 24% of Genesee County's 426,000 residents reside in the City of Flint. Over the past five years, the county has realized a cumulative 35% loss of full market valuation, which has declined at an average annual rate of 8.1%. A 2% decline in full valuation in 2013 was much more moderate compared to declines of 13.4% and 8% in 2010 and 2011, respectively. The trend of devaluation has resulted in a still sizeable \$18 billion full valuation in the current year. Tax base depreciation within the City of Flint has been severe with the tax base declining 58% from 2008 to its current size of \$1.6 billion.

While the regional economy has diversified over the past decade following growth in the healthcare sector, the county maintains close ties to durable goods manufacturing, primarily within the automotive sector. General Motors Corporation (Ba1, stable) remains the largest employer in the county with over 3,400 employees and, at 1.1% of assessed valuation, is the county's second largest taxpayer. While the company reduced employment and closed facilities in the run up to its 2009 bankruptcy, local operations have since stabilized and the company announced in April that it will make a \$215 million investment in its Flint Engine Plant. The demographic profile of the county has weakened somewhat over the past decade. Median family income is estimated at 86% of the national figure, down from the 100% reported in the 2000 US Census. The median family income in Flint is extremely low at 50% of the national figure. The county's unemployment rate was elevated at 8.8% as of December 2013, while the City's of Flint's unemployment rate was very high at 15.6%.

GENESEE COUNTY'S FINANCIAL POSITION EXPECTED TO REMAIN STABLE; OPERATIONS HAVE BENEFITED FROM MANAGEMENT'S WILLINGNESS TO REDUCE EXPENDITURES TO MATCH DECLINING REVENUES

Going forward, the county's overall financial position is expected to remain stable, though moderate downward pressure on operating revenues may persist in the immediate term. From fiscal 2005 through fiscal 2012, the county's General Fund balance declined from \$18.8 million, or 19.6% of revenues, to \$11.7 million, or 14.3% of revenues. Fund balance declines since fiscal 2008 have been almost entirely the result of annual declines in operating revenues, most notably that of property taxes. From fiscal 2008 through fiscal 2012, annual property tax collections declined by a cumulative 15% as taxable values within the county steadily dropped. The loss of revenue contributed to a material \$5.6 million operating shortfall in fiscal 2009 that brought the General Fund to its lowest point of \$5.3 million, or a narrow 5.6% of revenues. Since fiscal 2009, management has been successful in reducing annual General Fund expenditures, which declined by a total of nearly 19% through fiscal 2012. The expenditure reductions, which included attrition of staff and concessions in employee contracts, supported operating surpluses of \$5.8 million and \$828,000 in fiscal years 2010 and 2011, respectively. Fiscal 2012 operations were nearly balanced, with the General Fund balance declining by a very modest \$63,000.

Positive General Fund operating results in fiscal years 2010 and 2011 are also attributed to the county's transfer of money from its Delinquent Tax Revolving Fund (DTRF). Fees and interest collected on delinquent taxes can

accumulate in the DTRF and are unrestricted for any county purpose, providing additional liquidity outside of the General Fund. In fiscal 2010, the county's transfer of \$9.4 million to the General Fund completely depleted the DTRF's unrestricted net asset position, leaving the county with no discretionary reserves outside of the General Fund. Transfers of \$4.4 million and \$5.5 million occurred in fiscal years 2011 and 2012, respectively. Positively, despite the transfers in those years, interest and fees were large enough to enable the county to maintain liquidity in the fund. The DTRF closed fiscal 2012 with an unrestricted net asset position of \$3.5 million.

Adding further pressure to the county's annual operations has been the depletion of year-end cash reserves in the General Fund since fiscal 2005. Throughout the year, the General Fund relies on a number of different operating funds for cash flow. Across all governmental funds, the county maintained a pooled cash and investments balance of \$71.9 million, \$48.5 million of which was held in the Mental Health Fund. Available cash and investments in the Mental Health Fund at fiscal year-end 2012 amounted to 23.2% of combined Mental Health and General Fund operating revenues. Effective January 1, 2013, the county's mental health operations have been spun off into a legally separated Community Mental Health Authority. The authority and county have signed an agreement whereby the authority will maintain its financial assets in the county's pooled bank account for the next three years, enabling continuation of the use of mental health cash reserves to maintain positive cash flow for general operations.

Although audited financial statements are not yet available for fiscal 2013, management estimates the county ended the year with a General Fund surplus of \$570,000, inclusive of a \$4.9 million transfer from the DTRF. While total General Fund revenues are estimated to have declined by a further 3%, additional cost reductions are expected to yield a 3.2% or greater decline in expenditures relative to fiscal 2012. Going forward, material improvement will be dependent on renewed growth in property tax collections, which comprised 57% of total General Fund revenues in fiscal 2012. While moderation of the annual decline in taxable values may be indicative of near-term stabilization and new growth, it may take years for property tax revenues to return to prior year levels as the Michigan constitution limits property tax revenue growth to the lesser of 5% or inflation unless voters approve an override. As growth in taxable value returns, it will likely fall well below the annual rate of decline that the county realized over the past five to six years. Management's continued efforts to maintain or further reduce annual expenditures will be a key determinant in the county's ability to increase financial reserves over the longer term.

WHAT COULD CHANGE THE RATING - UP (KWA)

- Upward movement in Genesee County's GO rating

WHAT COULD CHANGE THE RATING - DOWN (KWA)

- Downward movement in Genesee County's GO rating
- Failure of Genesee County to promptly adjust rates if called upon to make payments on behalf of the City of Flint
- Deterioration of water enterprise operations of Genesee County or the City of Flint

WHAT COULD CHANGE THE RATING - UP (Genesee County)

- Material improvement in economic indicators, including appreciation of the county's tax base, improvement in demographic trends, and further moderation of the unemployment rate
- Growth in General Fund liquidity that limits the need to rely on other funds for annual cash flow

WHAT COULD CHANGE THE RATING - DOWN (Genesee County)

- Further, material declines in the county's tax base that put additional downward pressure on revenues
- Continued economic stress as measured by a worsening of the county's unemployment level or renewed destabilization of major employers
- Operational imbalances in the county's General Fund that contribute to a narrowing of existing financial reserves
- Failure to rebuild cash reserves in the General Fund and improve annual cash flow

KEY STATISTICS (Genesee County)

2013 Full valuation: \$18 billion

2013 Estimated full value per capita: \$42,465

2006-2010 American Community Survey median family income: 86% of US

Fiscal 2013 Available Operating Fund balance: \$29.3 million (14% of revenues)

5-Year Dollar Change In Operating Fund Balance as % of Revenues: -4.43%

Net operating net cash balance: \$48.4 million (23% of revenues)

5-Year Dollar Change In Cash Balance as % of Revenues: 12%

Institutional Framework: "A"

Operating History: 5-Year Average of Operating Revenues / Operating Expenditures: 0.99

3-Year Average of Moody's ANPL / Full Value: 1.39x

3-Year Average of Moody's ANPL / Operating Revenues: 1.3x

Net Direct Debt / Full Value: 0.8% (2.8% inclusive of KWA debt)

Net Direct Debt / Operating Revenues: 0.7x (2.37x inclusive of KWA debt)

PRINCIPAL METHODOLOGY

The principal methodology used in the rating of the Karegnond Water Authority bonds was US Local Government General Obligation Debt published in January 2014. The additional methodologies used in the rating of the water supply bonds were U.S. Municipal Pool Program Debt published in March 2013 and Analytical Framework For Water And Sewer System Ratings published in August 1999. The principal methodology used in the rating of the Genesee County bonds was US Local Government General Obligation Debt published in January 2014. Please see the Credit Policy page on www.moodys.com for a copy of these methodologies.

REGULATORY DISCLOSURES

For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the rating action on the support provider and in relation to each particular rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the Issuer/entity page for the respective issuer on www.moodys.com.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Please see www.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the ratings tab on the Issuer/entity page on www.moodys.com for additional regulatory disclosures for each credit rating.

Analysts

David Levett
Lead Analyst
Public Finance Group
Moody's Investors Service

Matthew Butler

Backup Analyst
Public Finance Group
Moody's Investors Service

Hetty Chang
Additional Contact
Public Finance Group
Moody's Investors Service

Contacts

Journalists: (212) 553-0378
Research Clients: (212) 553-1653

Moody's Investors Service, Inc.
250 Greenwich Street
New York, NY 10007
USA

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**STANDARD & POOR'S
RATINGS SERVICES**

McGRAW HILL FINANCIAL

130 East Randolph Street
Suite 2900
Chicago, IL 60601
tel 312-233-7000
reference no.: 1285783

March 19, 2014

Genesee County
Water and Waste Services
G-4610 Beecher Road
Flint, MI 48532
Attention: Mr. Jeff Wright, Drain Commissioner

Re: *US\$220,000,000 Karegnondi Water Authority, Counties of Genesee, Lapeer and Sanilac,
State of Michigan, Water Supply System Revenue Bonds (Karegnondi Water Pipeline),
Series 2014A, dated April 10, 2014, due November 01, 2043*

Dear Mr. Wright:

Pursuant to your request for a Standard & Poor's Ratings Services ("Ratings Services") rating on the above-referenced obligations, Ratings Services has assigned a rating of "A+". Standard & Poor's views the outlook for this rating as stable. A copy of the rationale supporting the rating is enclosed.

This letter constitutes Ratings Services' permission for you to disseminate the above-assigned ratings to interested parties in accordance with applicable laws and regulations. However, permission for such dissemination (other than to professional advisors bound by appropriate confidentiality arrangements) will become effective only after we have released the rating on standardandpoors.com. Any dissemination on any Website by you or your agents shall include the full analysis for the rating, including any updates, where applicable.

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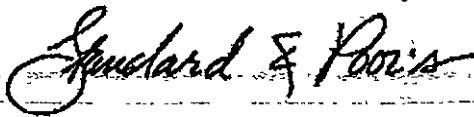
Please send hard copies to:

Standard & Poor's Ratings Services
Public Finance Department
55 Water Street
New York, NY 10041-0003

The rating is subject to the Terms and Conditions, if any, attached to the Engagement Letter applicable to the rating. In the absence of such Engagement Letter and Terms and Conditions, the rating is subject to the attached Terms and Conditions. The applicable Terms and Conditions are incorporated herein by reference.

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Sincerely yours,

The logo for Standard & Poor's, featuring the company name in a stylized, cursive script.

Standard & Poor's Ratings Services

ah

enclosures

cc: Ms. Brenda L. Voutyras
Mr. Jerry Ambrose
Mr. Keith Francis
Mr. Larry Richardson
Mr. Paul Stauder
Mr. Raymond J. Slomba
Mr. Thomas J. Whitehouse



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OFFICE USE ONLY	
Debt Type	Debt Kind

Security Report

Issued under Authority of Public Act 34 of 2001.

INSTRUCTIONS. File this report within 15 business days of completing issuance of any municipal securities. Mail this form to Local Audit and Finance Division, Michigan Department of Treasury, P.O. Box 30728, Lansing, MI 48909-8228. Direct questions to (517) 373-0660 or e-mail to TREAS_LAFD@michigan.gov.

NQ 5661

ISSUE INFORMATION

Issuer Name KAREGNONDI WATER AUTHORITY		Name of Issue Water Supply System Bonds (Karegnondi Water Pipeline), Series 2014A	
Amount of Issue \$220,500,000	Dated Date of Issue 4/18/14	Legal Authority (Public Act) Act 233 of 1955	
Purpose For the purpose of paying a portion of the cost of acquiring and constructing the Issuer's Water Supply System that is being established for the purpose of supplying raw water to its member communities, funding the Debt Service Reserve Account, paying the capitalized interest on the Bonds and paying the costs of issuing the Bonds.			
Full Faith and Credit Pledge ☒ Limited Tax ☐ Unlimited Tax ☐ None		First Call Date 11/1/23	Date Sold 4/18/14 Net Interest Rate 4.8911%
Check All That Apply ☐ Voted ☐ School Bond Loan Fund Qualified ☐ Special Education Funded ☐ Vocational Education Funded			

PARTICIPANT INFORMATION

Include all Municipalities that are responsible for repayment of security.

Name	% Participation	% Revenue	% Taxes
County of Genesee	100.00%	0.00%	85.80%
County of Flint	100.00%	0.00%	34.20%

MATURITY SCHEDULE

Date	Principal	Interest Rate
11/1/17	\$2,105,000	5.000%
11/1/17	\$2,000,000	3.000%
11/1/18	\$2,975,000	6.000%
11/1/18	\$1,300,000	4.000%
11/1/19	\$2,475,000	5.000%
11/1/19	\$2,000,000	3.000%
11/1/20	\$2,885,000	5.000%
11/1/20	\$2,000,000	4.000%
11/1/21	\$2,870,000	5.000%
11/1/21	\$2,000,000	3.000%
11/1/22	\$5,075,000	6.000%
11/1/23	\$5,325,000	5.000%
11/1/24	\$5,585,000	5.000%
11/1/25	\$5,875,000	5.000%
11/1/26	\$6,165,000	5.000%
11/1/27	\$6,475,000	5.250%
11/1/28	\$6,815,000	5.250%
11/1/29	\$7,175,000	5.250%

Date	Principal	Interest Rate
11/1/30	\$7,550,000	5.250%
11/1/31	\$7,945,000	5.250%
11/1/32	\$8,365,000	5.250%
11/1/33	\$8,800,000	4.500%
11/1/34	\$9,200,000	5.250%
11/1/35	\$9,680,000	5.250%
11/1/36	\$10,180,000	5.250%
11/1/37	\$10,725,000	5.250%
11/1/38	\$11,290,000	5.250%
11/1/39	\$11,880,000	5.250%
11/1/40	\$12,505,000	5.250%
11/1/41	\$13,160,000	5.000%
11/1/42	\$13,820,000	5.000%
11/1/43	\$14,510,000	5.000%

REC'D 4/22/14 PM 4/21



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

R. KEVIN CLINTON
STATE TREASURER

DATE: April 22, 2014
TO: Kevin Clinton, State Treasurer
FROM: Wayne Workman, Deputy State Treasurer
SUBJECT: City of Flint No Bid Contract Approval

On April 9, 2014, the City of Flint requested approval of a \$55,815 no bid contract with Ozonia North America for ozone generators as part of the City's upgrades to its Water Plant. Public Act 436 of 2012 requires that any no bid contract with a value exceeding \$50,000 must receive approval of the State Treasurer.

Justification by the City

Follow-up from the City indicates that there is only one supplier of the requested equipment and no other compatible parts exist. The City's justification for this purchase is as follows:

The City purchased ozone generators in 2005 as part of a facility upgrade at the Water Plant. The manufacturer selected for these generators was Ozonia North America. This manufacturer was selected instead of the Fuji or General Electric brand. The Water Plant is requesting to purchase dielectrics and their corresponding components for said generators. These are internal parts of the Ozonia generators, and other manufacturer parts are not compatible. Therefore, Ozonia is the only vendor that can provide these parts.

The City originally canvassed vendors that service the generators to procure the requested parts, however, it was determined that these vendors also order their parts from Ozonia. It was determined that the City order parts directly from Ozonia.

Recommended Change to EM Order

Approval of this contract is being requested. No adverse impacts resulting from this purchase have been identified.

Attached for review is a copy of the Emergency Manager Resolution authorizing this no bid purchase.

If additional information is desired, please let me know.

Attachment

State Treasurer Approval:

I, R. Kevin Clinton, State Treasurer for the State of Michigan, pursuant to the authority assigned by the Governor of the State of Michigan at the time of appointment of the Receivership Transition Advisory Board, do hereby:

_____ Approve Submitted Recommendation

_____ Deny Submitted Recommendation

R. Kevin Clinton, State Treasurer
Michigan Department of Treasury

Date

14-5089

(Request # 140000174)

EM SUBMISSION NO.: EME2282014

PRESENTED: 4-8-14

ADOPTED: _____

BY THE EMERGENCY MANAGER:

RESOLUTION TO OZONIA FOR VARIOUS OZONE PARTS

BY THE EMERGENCY MANAGER

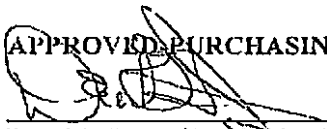
RESOLUTION

The Department of Purchases and Supplies has received a quote for various Ozone parts that are needed @ the Water Plant as part of an upgrade project to said facility; and

Ozonias, 600 Willow Tree Rd., Leonia, NJ is the original equipment manufacturer (OEM) and thereby the sole vendor to procure said parts. The funding for this request will come from the following account number: 591-545.300-801.000; and

IT IS RESOLVED, that the Department of Purchases and Supplies, upon the Emergency Manager's approval, is hereby authorized to issue a purchase order to Ozonia for various Ozone parts in an amount not to exceed \$55,815.00. (Water Fund)

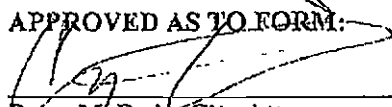
APPROVED PURCHASING DEPT:


Derrick Jones, Purchasing Manager

APPROVED AS TO FINANCE:


Gerald Ambrose, Finance Director

APPROVED AS TO FORM:


Refer M. Bade, City Attorney

VEFM DISPOSITION:

ENACT _____ REFER TO COUNCIL _____ FAIL _____

Darnell Earley, Emergency Manager

DATED: _____

071013 - DFJ

Widigan, Robert (TREASURY)

From: Koryzno, Edward (Treasury) <KoryznoE@michigan.gov>
Sent: Thursday, April 24, 2014 4:37 PM
To: Cline, Richard (Treasury); Dube, Mathieu (Treasury); Vandegrift, Drew (TREASURY); Widigan, Robert (TREASURY)
Cc: Dempkowski, Angela (Treasury)
Subject: FW: MEDIA ADVISORY: Flint River Water Transition Event

FYI



Edward B. Koryzno, Jr. | Director - Bureau of Local Government Services
State of Michigan | 430 W. Allegan Street, 3rd Floor | Lansing, MI 48922
(517) 373-4415 | (517) 373-0633 (fax)
KoryznoE@michigan.gov



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Thank you

From: Jason Lorenz [mailto:jlorenz@cityofflint.com]
Sent: Thursday, April 24, 2014 4:33 PM
Subject: MEDIA ADVISORY: Flint River Water Transition Event

MEDIA ADVISORY:

City of Flint Transition to Flint River Water Ceremony

WHERE: Flint Water Treatment Plant, 4500 N. Dort Hwy. by Stewart Ave.

WHEN: Friday, April 25, 2014 at 2:00pm

Description: The City of Flint is holding a ceremony tomorrow to officially begin the transition to use of the Flint River by shutting the valve to the intake pipe from Detroit.

The DEQ has given Flint final authorization to begin water distribution from the Flint Water Treatment Plant. City, Genesee County, and Michigan Department of Environmental Quality officials will be on hand to witness this historic event and answer media questions.

-Jason Lorenz
Public Information Officer
City of Flint
(810) 237-2039
jlorenz@cityofflint.com

Byrne, Randall (Treasury)

From: Jason Lorenz <jlorenz@cityofflint.com>
Sent: Friday, April 25, 2014 4:23 PM
Subject: PRESS RELEASE: Flint Officially Begins Using River
Attachments: Flint.River.Transition.4.25.14.pdf

For Immediate Release

**City of Flint Officially Begins Using Flint River
as Temporary Primary Water Source**

Flint, Michigan – April 25, 2014 – For the first time in fifty years, the City of Flint is using the Flint River—part of the Saginaw River watershed—as a primary water source for city residents. Today the valve to the pipeline from Detroit was closed and the Flint River officially became Flint’s water supply. The temporary switchover is scheduled to support the city’s primary water needs for the next two years while construction of the forthcoming pipeline from Lake Huron is completed by Karegnondi Water Authority. Officials from the City of Flint, the Genesee County Drain Commission and the Michigan Department of Environmental Quality were all on hand to witness the historic event.

The Flint River was once the primary source of water for city residents up to the 1960s. Over the past 40 years, it has provided water to city residents as a back-up to water provided to us by Detroit. During our partnership with Detroit, Flint has had to transition to the use of the Flint River for residential water on a few different occasions, with the most recent temporary switchover happening in 2009. Each temporary stint on local water proved three things to city employees and residents alike: That a transition to local river water could be done seamlessly, and that it was both sensible and safe for us to use our own water as a primary water source in Flint.

Even with a proven track record of providing perfectly good water for Flint, there still remains lingering uncertainty about the quality of the water. In an effort to dispel myths and promote the truth about the Flint River and its viability as a residential water resource, there have been numerous studies and tests conducted on its water by several different independent organizations. In addition to what has been found in independent

studies, it is also the responsibility of the City of Flint Water Service Center to continually test the water provided to city residents. Michael Prysby of the Michigan DEQ Office of Drinking Water verified that “the quality of the water being put out meets all of our drinking water standards and Flint water is safe to drink.”

For nearly 10 years Mike Glasgow has worked in the laboratory at the City of Flint Water Service Center. He has run countless tests on our drinking water to ensure its safety for public use. Mike has not only conducted tests on water provided to us by Detroit, but also on local water from nearby rivers, lakes and streams including the Flint River. When asked if over the last decade if he has seen any abnormalities of major concern in the water, his response was an emphatic, “No.” In his words, “there has been nothing seen that was of major concern,” during his ongoing tenure working in the lab. “The tests results have shown that our water is not only safe, but of the high quality that Flint customers have come to expect,” announced DPW Director Howard Croft, “we are proud of the end result.”

Apart from the water plant’s devotion to ensuring that our water is good, Flint is doubly blessed in having the Flint River Watershed Coalition as a separate organization dedicated to monitoring the overall welfare of local bodies of water, overseeing more than 30 different nearby locations. Rebecca Fedewa has been director of the watershed coalition since 2008. By virtue of her passion for her work and her position on the board, she is very conversant with the condition of the Flint River. In her words, “The Flint River is increasingly healthy, and completely suitable as a drinking water source.” Fedewa and FRWC are working closely with the city “to monitor flows and habitats between the intake and the waste water treatment plant to ensure there are minimal to no impacts to the overall health of the river.”

FRWC also invites city residents to be a part of their monitoring exercises during this spring in order “to gain firsthand knowledge in the health and vitality of our Flint River.” Mayor Dayne Walling invited everyone at today’s event to toast to Flint’s water. “It’s regular, good, pure drinking water, and it’s right in our backyard,” said Mayor Walling, “this is the first step in the right direction for Flint, as we take this monumental step forward in controlling the future of our community’s most precious resource.”

–END–

Koryzno, Edward (Treasury)

From: Maxine Murray <mmurray@cityofflint.com>
Sent: Tuesday, April 29, 2014 1:22 PM
To: Byrne, Randall (Treasury); Kapp, Gene (MSP); Muchmore, Dennis (GOV); Roberts, John (DTMB); West, Samantha (GOV); Dempkowski, Angela (Treasury); Baird, Richard (GOV); Larkin, Brian (GOV); Darnell Earley; Deasy, Thomas (MSP); Koryzno, Edward (Treasury); Clement, Elizabeth (GOV); Elizabeth Murphy; Etue, Kriste (MSP); Hollins, Harvey (GOV); James Tolbert; Jerry Ambrose; Klotz, Josephine (MSP); Lee, Nichole (MSP); McGowan, Emmitt (MSP); Sands, Thomas (MSP); Sipes, Stephen (MSP); O'Neill, Stephen (MSP); Saxton, Thomas (Treasury); Workman, Wayne (TREASURY)
Subject: Agenda and Materials for April 30th Call
Attachments: Agenda and MIOSHA document.PDF

Good afternoon,

Please find attached the agenda and materials for the Wednesday, April 30th, 9:00 am conference call.

Thank you.

--

Maxine Murray
Executive Assistant to
Mayor Dayne Walling
Darnell Earley, Emergency Manager
1101 S. Saginaw Street
Flint, MI 48502
810.237.2035 Telephone
810.766.7218 Fax

**City of Flint Wednesday 9:00 am Phone Conference Agenda
April 30, 2014**

1) Public Safety Update – FPD, MSP (FFD if needed)

- a) Flint Fire Dept. – MIOSHA citation (see attached)
- b) Public Safety Study – preparing to sign contract and begin study.
- c) Police Initiatives provided to Governor – what is the status?
- d) Other update by Chief Tolbert and MSP.

2) Governor’s Office Update –Rich Baird, H. Hollins

3) Retiree Lawsuit – Status, Issues

There was a 4/22/14 meeting with attorneys and Judge Tarnow. Results: Judge Tarnow continues to pressure the plaintiff’s attorney to work with the City on reaching a settlement and finishing up depositions.

Regarding an E&Y “Ability to Pay” analysis: waiting for a proposal.

4) Financial Update

- a) Budget compilation underway, presentation to City Council Wednesday, April 30. The FY15 and FY16 budgets are balanced; however, significant cuts were made in public safety.
- b) Is bankruptcy now on the table for discussion now? See 5 yr. financial analysis.
- c) Update on E&Y 5 Year projections: reviewing final drafts.
- d) Model Contract Status – Preparing materials for imposition of FPOA contract and AFSME 1600 contract.

5) City Council Update

- a) Schedule for Council review of two year budget will be finalized upon receipt of proposed budget on April 30. Council, working through its Finance Committee plans to meet between May 5 and May 17 to review budget. Council plans to hold public hearing on May 18 and to provide comments and recommendations to EM by May 28.

b) The next regular City Council meetings are scheduled for Wednesday, April 30; Monday, May 19; Monday June 16, 2014.

6) Blue Ribbon Committee

The BRC plans to hold 3 charette style meetings which will begin May 3rd, followed by May 10th and 15th. Following the public meetings the committee will finalize their recommendations. Emergency Manager is considering timeline for a Charter Commission approval in the November election.

6) Water Issues

a) The City has successfully transitioned from DWSD to full operation on the Flint River. Shut-off ceremony was held on Friday, April 25, 2014. All DEQ requirements have been met.

b) Negotiations with GCDC continue with regards to sale of the pipeline section. COF current proposal is for \$3.9 million sale price, the value established in recent valuation. Valuation has been submitted and reviewed by Treasury. Submission to Treasury for approval is anticipated prior to ending relationship with DWSD. Also, COF is negotiating back-up service agreement for GCDC for period between DWSD termination and KWA start-up.

State approval needed so that notice may be issued to Flint City Council.

7) Other Items

Created on: 04/29/14

[REDACTED] access code [REDACTED]



Dayne Walling
Mayor

FLINT FIRE DEPARTMENT



David Cox Jr.
Chief of Fire

Darnell Earley
Emergency Manager

TO: Darnell Earley, Emergency Manager

FROM: David Cox Jr., Chief of Fire

DATE: April 28, 2014

RE: MIOSHA Update

On April 14, 2014, Matthew Macomber of MIOSHA conducted a closing meeting regarding the alleged safety violations in the Flint Fire Department. This meeting included Fire Safety/Training Officer, Lt. Ramsey Clapper along with myself and Flint Fire Fighters Union Local 352 representatives.

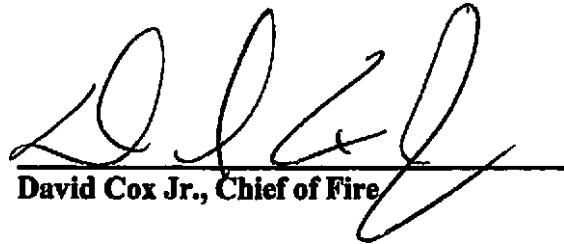
Mr. Macomber informed us that the Fire Department was being fined for two violations. Violation #1 is the mechanical exhaust ventilation systems located within the fire stations are inoperable. Mr. Macomber referenced MIOSHA Part 74; Rule 7415 which states: *"All equipment used for the control of exhaust emissions from fire apparatus shall be used, inspected and maintained in accordance with manufacturer's recommendations."*

Violation #2 is that employees, that utilize respirators, have reported breathing problems and were not properly cleared to return to work. Mr. Macomber stated that these employees must pass a pulmonary function test (PFT) prior to returning to work. He also stated that it would be in the City's best interest to perform PFT's on the entire fire department rather than to have MIOSHA research all employees' medical history.

Mr. Macomber stated he would present the two violations as one infraction to his superiors. If this occurs, it would be advantageous to the fire department because the original fine of \$50,000.00 would be cut in half to \$25,000.00. He also advised that if the fire department resolves both issues within 30 days of receiving the official written notice of violation, the fines could be cut in half again.

All of the fire stations' exhaust systems have been repaired with the exception of fire station 6 located at 716 W. Pierson Rd. City of Flint Maintenance Supervisor, Lee Osborne is currently waiting for a part that has been ordered. It should be repaired in no time once the part is received.

The Employee Health Clinic has been notified of the need to perform PFTs. They too are currently taking steps to make sure this will be completed within the specified time.

A handwritten signature in black ink, appearing to read 'D. Cox Jr.', is written over a horizontal line. The signature is stylized with large, flowing loops.

David Cox Jr., Chief of Fire



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
Michigan Occupational Safety & Health Administration
MARTHA B. YODER
DIRECTOR

STEVE ARWOOD
DIRECTOR

April 25, 2014

Chief David Cox Jr.
Flint Fire Department
310 E. 5th Street
Flint, MI 48502

Dear Chief Cox:

RE: Inspection #312044290

On March 4, 2014, the Michigan Occupational Safety and Health Administration (MIOSHA), General Industry Safety and Health Division began an occupational health inspection at your worksite located at:

310 E. 5th Street
Flint, MI 48502

This inspection has resulted in at least one citation. Please review the citation(s) for information regarding penalties, abatement requirements, deadlines, settlement agreement instructions, and appeal information.

Enclosed you may find additional information such as recommendations, data sheets, an Inspection Findings for Complaint and Referral Issues form (IFCRI form), and supplemental information on occupational safety and health. This inspection may have resulted in citations not directly related to the complaint or referral items. These citations are not included in the description on the IFCRI form.

MIOSHA standards as well as additional consultation, education, and training materials are located online at www.michigan.gov/miosha.

Please direct all correspondence to our Saginaw office, located at 411 E. Genesee Ave., Saginaw, MI 48607. If you should have any questions concerning this matter, please contact me or Carla Mose at (989) 758-1726. Your personal support and interest in the safety and health of your employees is appreciated.

Flint Fire Department
April 25, 2014
Page 2

Sincerely,

Matthew Macomber

Matthew Macomber, M.S., CIH
Certified Industrial Hygienist

MM:ks

Enclosure(s): Citations
Air Contaminant Data Sheet
IFCRI form

Cc: Lt. Kovach, Union President
Flint Fire Department
310 E. 5th Street
Flint, MI 48502



Citation and Notification of Penalty

To:
Flint Fire Dept
and its successors
310 E 5th St
Flint, MI 48502

Inspection Number: 312044290
Inspection Date(s): 03/04/2014-04/14/2014
Issuance Date: 04/25/2014

Inspection Site:
310 E 5th St
Flint, MI 48502

Reporting ID: 0552652
CSHO ID: F5827
Optional Rptg Nr:

SUMMARY: An inspection at the site noted above has revealed conditions we believe do not comply with the provisions of the Michigan Occupational Safety and Health Act, Act 154, of the P.A. of 1974, as amended (MIOSHAct). The nature of such alleged violation(s) is described on the citation(s) with reference to the applicable standards, rules, regulations, orders and provisions of the Act. Following is a list of items the employer must consider carefully, to resolve the issues alleged in the citation(s). Following this numbered summary is a more detailed explanation of the requirements.

1. The violation(s) alleged in the citation(s) must be corrected on or before the date(s) shown in the line marked "Date By Which Violation Must Be Abated." If the line is marked "Immediately Upon Receipt", the violation must be corrected on or before the date that the citation is received by the employer. If the violation was corrected during the inspection, the line will be marked "Abated". Correcting a violation does not eliminate the requirement to pay the penalty nor does payment of the penalty negate having to correct the violation. Appeal rights are not affected by correcting a violation.
2. A copy of the citation(s) must be posted at or near the location of the violation(s) for a minimum of 3 days or until the item(s) have been corrected, whichever is later.
3. Documentation of abatement must be provided to the issuing Division. Failure to provide such documentation may result in a follow-up inspection.
4. The employer may enter into an informal settlement with the issuing division that can result in up to a 50% reduction in any assessed penalties. The employer should contact the issuing division within 5 workdays upon receiving a citation(s) if interested in an informal settlement.
5. The employer may file a first appeal for modification or dismissal of a citation item and/or any proposed penalty or request an extension of time for abatement. The appeal must be in writing and be postmarked within 15 workdays of receipt (workday is defined below). The first appeal can also result in a penalty reduction of up to 50%.
If an appeal is untimely, the citation(s) becomes a Final Order of the Board of Health and Safety Compliance and Appeals (Board) and is no longer subject to review by the issuing division. An employee or employee representative may appeal abatement dates.
6. Monetary penalties must be paid within 15 workdays of a citation becoming a Final Order of the Board.

7. The employer may file a request for an extension of time to abate a citation(s) that has become a Final Order of the Board. Such a request must be in writing and received or postmarked no later than 1 working day following the abatement date.
8. It is unlawful to discriminate against an employee for exercising any of his/her rights under MIOSHA.

Note: As defined in statutes, "workday" or "working day" means any day other than a Saturday, Sunday, or state legal holiday. The state legal holidays are:

January 1, New Year's Day
The third Monday in January, Martin Luther King, Jr. Day
February 12, Lincoln's birthday
The third Monday of February, Washington's birthday
The last Monday of May, Memorial or Decoration Day
July 4, Independence Day
The first Monday in September, Labor Day
The second Monday in October, Columbus Day
November 11, Veterans' Day
The fourth Thursday of November, Thanksgiving Day
December 25, Christmas Day

Please note that whenever January 1; February 12; July 4; November 11; or December 25 fall on a Sunday, the next Monday following is deemed a public holiday (non-working day) for appeal purposes. However, there is no compensating day when one of the five dated holidays falls on a Saturday. Also, when computing the 15 working days, you do not count the date on which it is received; you start with the next working day. Additionally, the count is based on when the citation was received at the employer's location, not when it got to any particular person or office at the employer's location.

I - CITATIONS: The nature of the alleged violation(s) is described on the enclosed citation(s). These conditions must be corrected on or before the date(s) shown in the line marked "Date By Which Violation Must Be Abated." The issuing division may be contacted by telephone at the number indicated on the front of the citation for the purpose of discussing any issues related to the inspection or citation(s).

A copy of the citation(s) must be posted at or near the location of the violation for a minimum of 3 days or until the items have been corrected, whichever is later. The MIOShAct provides for civil penalties of up to \$7,000 for each violation for failure to comply with posting requirements. When compliance is achieved, a copy of the citation must be signed and returned to the issuing division along with documentation of abatement.

Documentation of abatement for citation items originally classified as "serious," "repeat," "fail-to-abate," "willful," or "instance-by-instance," require documentation as deemed appropriate by the issuing division. Examples of documentation for these violation classifications are:

- (a) A detailed description of how the violation was abated.
- (b) Work orders or an invoice indicating the corrective work that has been done.
- (c) Photographs of the abated conditions.
- (d) Other forms of conclusive evidence that your employees are no longer exposed to the hazards.

For citation items classified as "other," submitting to the issuing division a signed copy of the citation item indicating the item has been abated is acceptable documentation of abatement. Submitting a document in writing, certifying abatement of the particular citation item is also acceptable for citation items classified as "other."

If the employer does not provide adequate documentation of abatement, a reinspection may be conducted. Failure to correct an alleged violation within the abatement period may result in new or additional proposed penalties.

Correcting a violation prior to the expiration of the abatement date does not eliminate the requirement to pay the penalty. Payment of the penalty does not eliminate the requirement of correcting the violation.

II - INFORMAL SETTLEMENT: In addition to the appeal rights afforded by the MIOSHA Act, the Michigan Occupational Safety and Health Administration has implemented a program for negotiating informal settlement with the employer. This is a program designed to reach abatement of the hazard at the earliest opportunity and reduce the need for formal appeals. The informal settlement can result in a penalty reduction of up to 50% provided the issuing division and the employer agree to a number of specified conditions. These conditions include an agreement by the employer to:

- (a) Not appeal further.
- (b) Abate all items within the abatement period.
- (c) Provide proof of abatement.
- (d) Pay all agreed upon penalties.
- (e) Abide by any other mutually agreed upon actions.

If you are interested in pursuing an informal settlement, you should contact the issuing Division within 5 workdays upon receipt of the citation(s), but no later than the 15th workday beyond receipt of the citation(s). If the employer wishes to accept the conditions stated above and the process can be completed within 15 workdays from receipt, then no appeal needs to be filed.

III - CITATION APPEAL: An employer may file a first appeal to the issuing division in writing for modification or dismissal of a citation item and/or any proposed penalty or an extension of time for abatement. The first appeal can also result in a penalty reduction of up to 50% providing the issuing Division and the employer agree to the conditions (a) through (e) as stated in Section II, INFORMAL SETTLEMENT (above).

An employee or employee representative may appeal in writing the reasonableness of the abatement date(s). The envelope containing an appeal must be postmarked no later than the 15th workday following receipt of the citation.

If a citation is not appealed within 15 workdays of receipt, then the citation becomes a Final Order of the Board of Health and Safety Compliance and Appeals (Board). Final Order citations are not subject to review by the issuing division unless the Bureau of Hearings establishes good cause for the late appeal.

An appeal must specify the item(s) appealed and that portion of the item (e.g., violation, abatement date, penalty) that is being appealed and include a certification that the appeal has been posted or given to affected employees or their representatives. If the issuing division meets with the employer to discuss an appeal, the issuing division will notify the employee representative and allow attendance at the meeting.

The issuing division will notify an employer of its decision within 15 workdays of the receipt of the employer's written appeal. The decision must be posted at the location of the subject citation.

If an employer, employee or employee representative is not satisfied with this decision they may file a second appeal. The appeal must be in writing and the envelope containing the second appeal must be postmarked within 15 workdays of the receipt of the issuing division's decision on the first appeal. If the issuing division's decision is not appealed, the citation becomes a Final Order of the Board.

IV - MONETARY PENALTIES: Payment must be made within 15 workdays of the date a proposed penalty of a citation becomes a Final Order of the Board. This would be the 30th workday after receipt of each citation item that is not appealed. For payment of a penalty, make a check or money order payable to the "State of Michigan" and

remit to the issuing division at the address shown on the citation. Please record the inspection number, citation and item number on the check, money order or transmittal letter.

V - EXTENSION OF TIME TO ABATE: An employer may file a petition for modification of abatement date(s) (PMA) on an item of a citation that has become a Final Order of the Board. The PMA must be submitted to the issuing division in writing by personal delivery or postmarked no later than one day following the abatement date, and a copy posted near the place the citation was posted. An employer must have made a good faith effort to correct the violation by the abatement date, and has not been or will not be successful because of factors beyond the employer's reasonable control. A PMA must include:

- (a) Steps taken to achieve compliance.
- (b) The specific additional abatement time necessary.
- (c) The reasons the additional time is needed.
- (d) Available interim steps being taken to safeguard the employees against the cited hazard during the abatement period.
- (e) A certification that a copy of the PMA has been posted for employees at the location of the subject citation. The posted copy must remain posted for a minimum of 10 workdays.

If the issuing division or affected employees file an objection to the PMA within 10 workdays of the employer's filing date, the Board will schedule a hearing and advise the employer of the date, time, and place of the hearing.

VI - EMPLOYEE DISCRIMINATION: Section 65 of the MIOSHA Act, prohibits discrimination against an employee for filing a complaint or exercising any rights under the MIOSHA Act, as amended. If an employee believes that he or she was discharged or otherwise discriminated against as a result of filing a complaint, they may file a complaint with the MIOSHA Employee Discrimination Section within 30 calendar days after the violation occurs.

VII - STATE CONSULTATION EDUCATION AND TRAINING SERVICES: The MIOSHA Consultation Education and Training (CET) Division offers a wide range of services to help businesses with their health and safety practices. CET services include: helping employers create a Safety and Health Management System, seminars and workshops, onsite consultations, hazard surveys, an equipment loan program and information material. The majority of CET services are provided free of charge to Michigan employers and employees. For information on these services, contact the CET Division at (517) 322-1809 or visit their web site at www.mi.gov/miosha.

Michigan Department of
Licensing and Regulatory Affairs
General Industry Safety and Health Division

Inspection Number: 312044290
Inspection Dates: 03/04/2014 - 04/14/2014
Issuance Date: 04/25/2014
CSHO ID: F5827
Optional Inspection Nbr:



Citation and Notification of Penalty

Company Name: Flint Fire Dept
Inspection Site: 310 E 5th St, Flint, MI 48502

Citation 1 Item 1a Type of Violation: **Serious**

RESPIRATORY PROTECTION, PART 451, 1910.134(e)(7)(i):

The employer shall provide additional medical evaluations that comply with the requirements of this section if: an employee reports medical signs or symptoms that are related to ability to use a respirator:

Firefighters have had lost time injuries, job transfers or restrictions for respiratory disorders. The employer has not provided follow up medical evaluations.

Date By Which Violation Must be Abated:	05/28/2014
Proposed Penalty:	\$ 4500.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: Flint Fire Dept
Inspection Site: 310 E 5th St, Flint, MI 48502

Citation 1 Item 1b Type of Violation: **Serious**

FIRE FIGHTING, PART 74, 408.17415, RULE 7415(7):

All equipment used for control of exhaust emissions from fire apparatus shall be used, inspected, and maintained in accordance with the manufacturer's recommendations:

In the main fire station, equipment used to control exhaust emissions from fire apparatus was not maintained. There were drop legs with no attachment points and magnetic attachments with no magnets in them. Some of the exhaust hoses present were damaged and inoperable. Duct work was damaged.

Date By Which Violation Must be Abated: 05/28/2014

Carlammo

Authorized Signature

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

Michigan Department of Licensing & Regulatory Affairs
Michigan Occupational Safety and Health Administration (MIOSHA)
General Industry Safety and Health Division
7150 Harris Dr., PO Box 30644
Lansing, MI 48909-8144
Phone: (517)322-1831 FAX: (517)322-6353



PROPOSED PENALTY INVOICE

Company Name: Flint Fire Dept
Inspection Site: 310 E 5th St
Flint, MI 48502
Issuance Date: 04/25/2014

Reporting ID: 0552652
CSHO ID: F5827
Optional Rptg Nr:

Summary of Penalties for Inspection Number 312044290

Citation 1: Serious	= \$	4500.00
TOTAL PROPOSED PENALTIES	= \$	4500.00

Correcting a violation prior to the expiration of the abatement date does not eliminate the requirement to pay the penalty. Payment of the penalty does not eliminate the requirement of correcting the violation.

The state does not agree to any restrictions or conditions or endorsements put on any check or money order for less than full amount due, and will cash the check or money order as if these restrictions, conditions, or endorsements do not exist.

Payment must be made within 15 working days of the date a proposed penalty of a citation item becomes a final order of the board. This would be the thirtieth (30th) working day after receipt of each citation item which is not appealed. For the payment of any penalty, make a check or money order payable to the "State of Michigan" and remit to the Department of Licensing & Regulatory Affairs at the address shown on the citation. PLEASE RECORD THE APPLICABLE INSPECTION NUMBER, CITATION NUMBER(S) AND ITEM NUMBER(S) ON THE CHECK, MONEY ORDER OR YOUR TRANSMITTAL LETTER.

Enclose this invoice page (or a copy thereof) with your payment.

A handwritten signature in cursive script, appearing to read "Paulamrose", written over a horizontal line.

Authorized Signature

AIR CONTAMINANT DATA SHEET

Michigan Department of Licensing and Regulatory Affairs
Michigan Occupational Safety & Health Administration
(MIOSHA)
General Industry Safety & Health Division

IH: Matt Macomber, CIH

I# 312044290
Date: March 26, 2014
Employer: City of Flint Fire Department
Location: 310 East 5th, Flint, MI 48502

Contaminant	TWA (ppm)	STEL (ppm)	C (ppm)	AL (ppm)	Equipment
Nitrogen Dioxide	NA	1	NA	NA	Dragger colorimetric detector tube #CH30001

Identification/Description	Time	Contaminant	Results (ppm)	Type	Exposure(ppm)	Note
326-1, Fire engine exhaust. Station 1	12:00 pm	Nitrogen Dioxide	>25	NA	NA	3
326-2, Fire engine exhaust. Station 1	12:03 pm	Nitrogen Dioxide	>25	NA	NA	3
326-3, Fire engine exhaust. Station 1	12:05 pm	Nitrogen Dioxide	>25	NA	NA	3

Note 1: Employees exposure does not exceed the Permissible Exposure Limit.

Note 2: Employees exposure exceeds the Permissible Exposure Limit.

Note 3: Sample exceeded the range of the tube.

TWA (Time-Weighted Average) = exposure limit averaged over an 8-hour period
STEL (Short-Term Exposure Limit) = averaged over a 15-minute period
C (Ceiling) = exposure limit not to be exceeded during any part of the workday
AL (Action Level) = exposure limit averaged over an 8-hour period
Results = average exposure concentration during the sample period
Exposure = employee's exposure; compare it to the limit

E_m = exposure for mixture; see R325.51104

E_m shall not exceed 1

> = greater than

< = less than

NA = not applicable

ND = none detected

ppm = parts per million

ppb = parts per billion

µg/m³ = micrograms per cubic meter

mg/m³ = milligrams per cubic meter

f/cc = fibers per cubic centimeter

INSPECTION FINDINGS FOR COMPLAINT AND REFERRAL ISSUES

Michigan Department of Licensing and Regulatory Affairs

MIOSHA

Est. Name: **City of Flint Fire Department**

Insp#: **312044290** CSHO: **F5827**

Site Address:

310 E 5th St, Flint, MI 48502

Inspection Dates:

March 4, 2014 – April 14, 2014

Complaint#:

209282839

ALLEGED HAZARD:

The Nederman System within the fire stations has been inoperable for over two years. Exhaust from diesel engines, which includes carbon dioxide, carbon monoxide, nitric oxide, nitric dioxide, sulfur oxides, hydrocarbons, PAHs and traces of metallic compounds are being emitted into the air. Exhaust emissions from a cold-start engine can reach toxic levels within a closed building such as with the firehouse. Although vehicles only run a short time inside the fire stations, the vehicle exhaust builds up in the building.

INSPECTION FINDINGS:

Part 74, Fire Fighting, requires that all equipment used for the control of exhaust emissions from fire apparatus shall be used, inspected, and maintained in accordance with the manufacturer's recommendations. The Fire Department has not maintained the equipment used for exhaust ventilation according the manufacturer's recommendations.

See attached citation.

ALLEGED HAZARD:

Members are developing breathing problems.

INSPECTION FINDINGS:

The MIOSHA Forms 300 Log of Work- Related Injuries and Illnesses were reviewed for calendar years 2011- 2013 and employees have reported respiratory ailments and breathing problems. Employees have not had appropriate medical evaluations that meet the requirements of Part 451, Respiratory Protection.

See attached citation.

INSPECTION FINDINGS FOR COMPLAINT AND REFERRAL ISSUES

Michigan Department of Licensing and Regulatory Affairs
MIOsha

Est. Name: City of Flint Fire Department

Insp#: 312044290 CSHO: F5827

ALLEGED HAZARD:

Hazard: R408.17415. Fire station safety, Rule 7415

(6) all new construction or significantly remodeled facilities (50% or more area) that house fire apparatus shall install a controlled process exhaust ventilation system that will effectively control exhaust emissions created by the fire apparatus and will assure that employee exposure to the exhaust emissions do not exceed applicable MIOsha exposure limits. If a general mechanical exhaust ventilation system is utilized, then a mechanical air supply system shall be provided if its absence will result in building negative pressures sufficient to cause back drafting of vents from fuel-fired equipment.

(7) All equipment used for the control of exhaust emissions from fire apparatus shall be used, inspected, and maintained in accordance with manufacturer's recommendations.

INSPECTION FINDINGS: See attached citation.

ALLEGED HAZARD:

Hazard: R408.17411 Rule 7411

(1) An employer shall comply with all of the following requirements: (c) Assure that job-required equipment and tools are maintained free of recognized defects that could cause an injury.

INSPECTION FINDINGS: See attached citation.

Byrne, Randall (Treasury)

From: Gerald Ambrose <gambrose@cityofflint.com>
Sent: Tuesday, April 29, 2014 7:24 PM
To: Workman, Wayne (TREASURY); Koryzno, Edward (Treasury); Byrne, Randall (Treasury)
Cc: Darnell Earley
Subject: Final draft - Flint proposed 2 year budget and 3 year projections
Attachments: final projected budget.PDF

Wayne, Ed, and Randy,

The attached document will be presented to City Council tomorrow night. We will also be briefing the media.

You will see that the current state of the retiree healthcare lawsuit is having a very significant impact on city finances.

Jerry

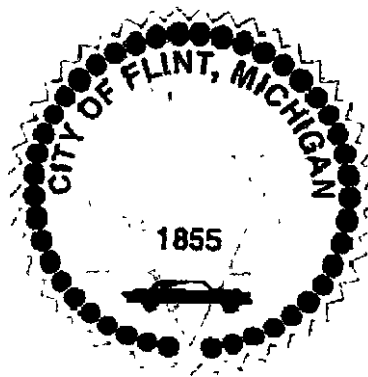
CITY OF FLINT, MICHIGAN

Setting a Sustainable Course for the City of Flint

Five Year Financial Projections 2015-2019

Proposed Budgets for FY15 and FY16

Future Projections for FY17, FY18 and FY19



**Darnell Earley, ICMA-CM, MPA
Emergency Manager**

Prepared by
Department of Finance
Gerald Ambrose, Finance Director
Antonio Brown, Deputy Finance Director

CITY OF FLINT
OFFICE OF THE EMERGENCY MANAGER



Darnell Earley, ICMA-CM, MPA
Emergency Manager

TO: Dayne Walling, Mayor,
Scott Kincaid, President
Flint City Council

FROM: Darnell Earley, ICMA-CM, MPA
Emergency Manager

RE: Proposed Budget for Fiscal Years 2014/15, 2015/16

DATE: April 30, 2014

Transmitted herewith is the proposed biennial budget for the City of Flint. This budget covers the 2014/15 and 2015/16 fiscal years which begin July 1, 2014 and July 2015, respectively. As you may know, Public Act 436 discusses adoption and implementation of a 2-year budget before appointment of a transition advisory board. See MCL 141.1561

The budget as proposed represents a balanced, responsible and sustainable spending plan for the two fiscal years. Because it is expected that sometime within the implementation of this budget the City of Flint will transition to local control as provided in Public Act 436, your input and engagement in this process is requested.

The Finance and Administration Committee will begin its review of the budget and staff will be available to discuss the recommendations, speak to the utilization of resources, and assist the committee in its understanding of the proposals as presented.

I look forward to the dialogue on the proposed spending plan. Please keep in mind that in order for your input to be productive, it must take into account the significant financial challenges confronting the City. Public Act 436 requires the adoption of a balanced budget.

Please call me should you have any questions regarding the process, timelines, etc.

Contents

1. **City of Flint 5-Year Financial Plan**
 - a. **Preface**
 - b. **Background**
 - c. **Overview**
 - d. **Highlights**
2. **City Council Adopted Vision and Mission Goals**
3. **City Council Approved Budget Priorities**
4. **Organization Chart**
5. **FY15 and FY16 Budgets and 3-Year Forecast**
6. **FY15 and FY16 General Fund Budget**
7. **City of Flint Staffing Projection**
8. **Projected 5-Year Facilities Improvements**
9. **Deficit Elimination/Reserve Accumulation Projections**
10. **Five Year Outlook – Pension and Retiree Healthcare Costs**
11. **Projected Taxpayer Impact**

City of Flint 5-Year Financial Plan

Preface

This proposed budget for the City of Flint covers the FY15 and FY16 fiscal years which begin July 1, 2014 and July 1, 2015 respectively. Financial projections for the following 3 fiscal years are included as well.

This budget has been developed within the context of the City's recently adopted Master Plan, the Vision, Mission, and Goals for the City government as adopted by the City Council, and the Budget Priorities as adopted by the City Council. Accompanying this budget is a preliminary statement of objectives initially proposed to be accomplished during the two years. As the budget is finally adopted, the objectives will also be finalized.

Taken together, the budget and strategic plan will serve as a template to move the City government forward to become a well-managed, financially stable, and accountable organization focused on creating a vibrant and growing community which will attract and retain residents, businesses, students, and visitors and improve our quality of life.

However, this budget demonstrates the continuing financial challenges facing the City of Flint. Stagnant revenue growth in property tax and income tax revenues, coupled with significant increases in legacy costs, retiree health care in particular, create a significant gap between revenues and expenses which require increases in other revenues and decreases in City staffing and services including the possibility of adjustments in public safety services.

Unfortunately, the financial forecast for the next several years beyond FY16 show a continuing gap between projected revenues and expenses. Within the next few years, without significant means to identify and collect additional revenues, or to further reduce the cost base, the City of Flint will be extremely challenged to provide even the most basic of City services.

Over the next several weeks, this proposed budget will be reviewed by the City Council, which will also hold a public hearing to receive citizen input. The Mayor and Council will subsequently provide comments and recommendations pertaining to the budget to the Emergency Manager, and the budget and strategic plan will be adopted in early June.

Background

The City of Flint has been in state receivership since December, 2011, as a result of consistent deficits in the General Fund, a decline in pooled cash, unrealistic budgeting, and unfunded liabilities for postemployment benefits. Significant progress has been made in addressing these financial issues, as the \$19.1 million deficit at the end of FY12 had been reduced to \$12.9 million at the end of FY13, cash position had improved, and the FY14 budget was realistically balanced, with further reduction of the deficit anticipated.

The FY14 budget was designed and implemented with the same goals in mind – operating within the constraints of available revenues; restructuring operations and cost factors to enhance future financial stability, and continuing to reduce the remaining \$12.9 million deficit. The FY14 budget was constructed with the specific intent of further reducing the deficit by a minimum of \$1 million, by budgeting expenses at \$1 million less than projected revenues. As of January 31, 2014, seven months into the FY14 year, revenues and expenses are on target.

In order to regain and maintain financial solvency, it is not only necessary to eliminate the remaining accumulated deficit but to have an adequate amount of reserves to protect the City in the event of unexpected financial losses. Planning to accomplish this requires a continual dedication of revenues over the next several years to eliminate the remaining deficit and establish an adequate reserve level. A draft deficit elimination plan to accomplish this is currently under review by the Michigan Department of Treasury.

Making progress to date has required hard decisions and sacrifices for all. The FY13 and FY14 budgets were balanced through a mixture of significant revenue increases, significant expenditure decreases, and steps taken to reduce legacy costs. Revenue increase included a 25 percent increase in water and sewer rates, passage of a 6 mill property tax increase for police and fire, establishment of a special assessment district for street lighting, and implementation of a fee sufficient to cover the cost of waste collection. Expenditure reductions included elimination of 20 percent of the City's workforce, compensation decreases equivalent to a 20 percent wage reduction for remaining employees, and the restructuring of health and retirement benefits for current employees and retirees necessary to develop a credibly balanced spending plan.

The actions taken to-date to restructure healthcare benefits for current employees and retirees have also had a significant impact on reducing both current costs and long-term liabilities. The 20% reduction in the workforce required significant reorganizational activities focused on reducing current costs. Long term liabilities were reduced by eliminating traditional defined benefit pension programs for new employees in favor of hybrid plans; by moving the City's retirement system into the a state wide retirement system; by restructuring health insurance benefits for current employees and placing retirees into those same plans; and by eliminating the promise of retiree health care for new employees in favor of providing retiree medical savings accounts. Much of the positive financial result in FY13 came from these actions. The restructuring, which was implemented during the course of FY12, reduced the City's OPEB liabilities alone from nearly \$900 million to less than \$325 million as noted in the FY13 audit.

The efforts of the City to regain financial solvency have been aided by support from numerous Federal, State and private partners. State police troopers have been placed in the City to support local law enforcement efforts, and funds have been allocated to enhance prosecution activities and to operate the City's lock up. The Governor's proposed budget continues this support.

The steps taken to begin to restore the City to financial solvency have not been without conflict and changing circumstances. A significant legal challenge has been made to the decision to move retirees from their historical health insurance plans into the same plans offered current employees. This action resulted in an initial cost reduction in FY13 of \$3.5 million to the City and imposed deductibles and co-pays on retirees. This challenge is currently pending in federal court. If the challenge is ultimately upheld, it will pose a significant challenge to the City in its efforts to regain and maintain financial and service solvency. Due to the stay imposed by the federal court, the City must increase its budget for retiree healthcare costs in the FY15 budget by \$5 million and may even need to pay more as retirees seek reimbursement for past medical expenses. These healthcare expenses will continue to increase in subsequent years.

Legacy costs in total will continue to be a cost burden to the City of Flint. In FY 14, the City budgeted \$30.2 million for its retiree healthcare and pension costs, an amount equal to 17% of its total revenues. The General Fund alone budgeted \$16.4 million, an amount equal to 31% of its total revenues. By FY19, it is projected that the City will need to budget over \$43 million, an amount equal to 23% of its total revenues. For the General Fund alone, the amount projected to be needed will exceed \$21 million, an amount equal to 34% of General Fund revenues.

The future financial solvency of Flint will also be challenged by a continuing structural deficit. As part of the planning for future financial solvency, five year projections and a strategic plan were developed. This exercise indicated a significant financial challenge forthcoming in FY15, due to the current status of the retiree health care lawsuit and the ending of a major grant supporting firefighting resources. Future year projections also show a continuing gap between revenues and projections.

Finally, the most important challenge to be addressed in the City of Flint will be instituting structural changes in the organization of the City to foster financial solvency as a core value and to assure that future governance and management of the City is conducted in a financially responsible manner. To this end, the current Emergency Manager has created a Blue Ribbon Committee on Governance, charged with developing recommended changes to current ordinances, procedures, and the Charter. The recommendations of the Task Force are anticipated within six months.

Overview

The City of Flint has spent considerable time planning for the community's future through the comprehensive master plan and creating an organizational framework focused on the City's new vision, mission, and goals. The 2-Year budget has been developed in a balanced manner to best meet the needs of a variety of service areas and challenges.

However, challenges to changes in retiree healthcare and the loss of grant funds have required that a new service baseline be established; this also poses significant and immediate challenges to the City's financial viability. Current court rulings in regards to the retiree health care lawsuit have increased retiree health care expenses nearly \$5 million in FY15, and the loss of the SAFER grant (\$ 3.4 million) eliminates funding for 39 of the City's 65 firefighters.

The harsh winter increased the need to remove hundreds (if not thousands) of damaged and fallen trees throughout the city, and to repair damaged roads and sidewalks. The winter also placed additional stress on the antiquated city facilities as they faced water leaks and damage to walkways and sidewalks. Implementing the master plan, and continuing to eliminate blight will also require dedicated resources going forward.

The recently completed study of the water and sewer system finances also demonstrated a shortfall in revenues needed to operate this critical service and provide for necessary maintenance. As much as the high rates for providing water and sewer services pose significant financial challenges and community implications, the alternative of not addressing basic maintenance and adjustments based on guidance in the master plan is equally challenging.

These factors have a significant effect on the proposed staffing levels. Reductions in city staffing over the past two years have come almost exclusively from City services other than police, fire, and 911. As a result, those remaining city services are thinly staffed, and despite valiant efforts of dedicated employees, service levels have been reduced. In some cases, the reductions have been severe and counter-productive. For example, reductions in customer service at Treasury and staffing at Utilities has reduced capacity to effectively pursue collection of delinquent bills. Reductions in Information Technology have slowed the implementation of technology which can improve effective processing. Reductions in Human Resources have slowed the process of hiring employees. Reductions in Building Safety have slowed the process of conducting inspections and issuing permits, and have eliminated much in the way of code compliance efforts.

Therefore, balancing the budget in a financially sustainable way requires addressing the impact of these issues. It also requires that they are addressed within the context of the Mayor's and Council's stated budget priorities. The Council's stated priorities are:

- Maintaining police and fire staffing levels at the maximum level feasible
- Reducing the General Fund deficit by at least \$1 million
- Continuing efforts to reduce blight, including demolition
- Hiring an experienced City Administrator
- Assure that capacity exists to implement the Master Plan
- Add capacity in the areas of Economic Development

- Fund years 1 & 2 of capital improvements identified in the Master Plan
- Improve street maintenance
- Establish parks partnerships
- Improve customer service through training and technology
- Increase removal of dead and diseased trees
- Evaluate ways to reduce water and sewer rates for constituents in the budget process

Balancing the budget responsibly in the context of these immediate and significant financial challenges, while addressing stated priorities, is a significantly difficult task. The unplanned addition of \$5 million in expenses for increased retiree health care is a “Game-Changer” and seriously undermines the ability of the City government to move forward in becoming a positive force helping to create a vibrant and growing community which will attract and retain residents, businesses, students, and visitors and improve quality of life.

As the development of the FY15 budget began, there was a significant gap between projected General Fund revenues and General Fund expenses alone. While some revenue sources indicated a slight increase over the current year, projected expenses were significantly above the current year. The expense increases are due primarily to a nearly \$5 million increase in costs for retiree health care and an increase in the per person cost of pension contribution. In addition, there was recognition of the need to assure capacity to implement the Master Plan to continue addressing blight, to address increased costs of health care for current employees, and to address critically needed facility maintenance.

The budget presented here is balanced in a financially responsible manner, in that revenues and expenses meet. However, the consequence is that, where possible, revenues have been increased, and where necessary, expenses have been decreased. Whether the result is an acceptable result, in the context of the needs and the future of the City, is uncertain.

It is clear that proposed changes in service levels reflected in this budget are significant, and that at the same time the financial plan is being finalized within the confines of available revenues, considerable efforts will continue to mitigate the impacts. Continued efforts to achieve a satisfactory resolution of the retiree healthcare lawsuit, as well as to continue searching for additional sustainable funding, or to engage in mutually beneficial partnerships will continue. The changes necessary to achieve necessary balancing of revenues and expenses will be done in a managed way, not in a crisis response.

The financial projection for the years following FY15 and FY16 show the continuing challenge of a structural deficit. Without a means to identify a new significant revenue source or to sustain and even make further reductions in the City’s cost base, such as retiree health care, Flint will be extremely challenged to provide even the most basic of City services in future years.

Highlights of the Proposed Budget

Costs to taxpayers are increased....

- Property tax levies remain unchanged
- Street lighting assessment increased to \$71 in FY15 and \$74 in FY16
- Solid Waste fee increased to \$163 in FY15 and \$169 in FY16
- Water and Sewer rates increased by a total of 6.5% in FY15 and 6% in FY16

Costs to City employees are increased....

- 20% premium share for health insurance implemented
- Premium contribution for non-Medicare eligible employees retiring after July 1, 2014 established
- 50% premium share for dental and vision insurance implemented
- Vacation and sick leave replaced with PTO, new accumulation caps established
- All new employees enrolled in hybrid pension plan
- All new employees enrolled in RMSA in lieu of promise of retiree health care

Legacy costs are increased significantly...

- General Fund costs for retiree health care are increased 25%, from \$8 million to \$10 million in FY15, increasing on an annual basis thereafter
- General Fund costs for retiree health care and pension in total are projected to increase from \$16.4 million (31% of total revenues) in FY14 to \$21.5 million (34% of total revenues) by FY19
- For all funds, total costs for retiree healthcare and pension are projected to increase from \$30.4 million (or 17% of total revenues) in FY14 to \$43.5 million (23% of total revenues) by FY19

City staffing is budgeted at 528 in FY15 and 529 in FY16....

- Staffing is maintained in District Court, 911, Finance, Assessing, Transportation, IT, and Fleet
- Police Department – Total department staffing will be 115, with 7 vacant positions and 29 additional positions eliminated through attrition by end of FY15. Additionally, a recently offered COPS Hiring grant for six School Resource Officers will not be accepted. The next several months will be focused on mitigating the impact of this through reorganization with the assistance of consultants specialized in police and fire service; seeking additional funds; and obtaining assistance from law enforcement partners in order to achieve the best possible level of police response.
- Fire Department – Total department will be 75, with 19 positions eliminated as the SAFER grant expires. There are several vacant positions to be eliminated as part of this, with a goal of needed reduction no later than December, 2014. The next several months will be focused on mitigating the impact of this through reorganization and restructuring obtained with the assistance of consultants specialized in fire and police service.

- Planning and Development Department - Staffing is at 22, with 2 positions eliminated. The department is being reorganized to assure capacity to implement the newly adopted Master Plan and continue efforts of blight management. Continued assistance in the form of grants and partnerships will be utilized, and general fund support for those activities is increased.
- Public Works Department - 6 positions are added to the Utilities division as the Water Treatment Plant begins operation as the primary source for Flint water; 1 position is added to Facilities to address critically needed maintenance issues.
- Finance and Administration Department - 1 position is added to the Treasurer's Office to increase delinquent collections, with the added cost to be offset by additional revenues.
- Governance – As efforts to resolve the financial emergency progress, the position of City Administrator will be filled. Additionally, the salaries of Mayor and Council are partially restored as their role in governance increases.

Council budget priorities are addressed as follows:

- Maintaining police and fire staffing levels at the maximum level feasible – Due to revenue shortfall, increased retiree health care, and lack of other options, staffing is reduced. The Police and Fire millage funds will be used to fund 20 fire fighters and 26 police officers through FY15 and FY16. However, the accumulated millage funds will be fully used by the end of FY16.
- Reducing the General Fund deficit by at least \$1 million – General Fund expenses are budgeted at \$1 million less than revenues, and \$800,000 in Capital Improvement Funds will be appropriated to the Utilities, thus reducing the General Funds debt to the Utility Fund by an additional \$800,000. The plan is to continue this commitment for the next several years until the deficit is eliminated, and then the commitment will become one of building a financial reserve equal to 15% of General Fund revenues.
- Continuing efforts to reduce blight, including demolition – CDBG funds continue to be used for demolition and General Fund is assuming partial cost of the Blight Coordinator position
- Hiring an experienced City Administrator – Funds are included in budget.
- Assure that capacity exists to implement the Master Plan – General Fund is assuming partial cost of the Planning and Development Director, and Associate Planner, and a position of GIS technician is created, whose funding is shared among various city funds. Lead partners will be identified in each work area. Also, the Mayor has committed to overseeing the process of assuring that Master Plan implementation is an ongoing important part of city operations.
- Add capacity in the areas of Economic Development-The P&D Director is committed to defining a program for small business development, to be funded in FY16 through CDBG funds. Additionally, 20% of staff time of two DCED staffers and a portion of the Director's time will be devoted to economic development. Also, the Mayor has committed to leading the City's economic development efforts with partners and the assistance of this City staff.
- Fund years 1 & 2 of capital improvements identified in the Master Plan – the CIP portion of the Master Plan will be finalized in FY15, and the results will be considered for inclusion in the FY16 budget.

- **Improve street maintenance** – Due to minimal increases in state funding for streets, maintenance efforts will continue at the current levels. State financial support has been sought and obtained for some major street projects, in particular those related to economic development projects.
- **Establish parks partnerships** – The Planning and Development Department now has oversight of Parks, and as one of its strategic objectives, has committed to increase the number of parks partnerships in FY15 and FY16. Funding even the most basic of parks maintenance activities is increasingly challenging within the constraints of the parks millage funds. The goal is to eliminate General Fund support of these activities by the end of FY16.
- **Improve customer service through training and technology**– Human Resources, as it did in FY14, is committed to continuing ongoing training for supervisors and will be extending these efforts to all employees. IT likewise is committed to providing ongoing training for employees. Finally, most departments are including funds for ongoing training for employees. For example, the Treasury's customer service division is committed to specific customer service training for its front line employees.
- **Increase removal of dead and diseased trees** – Oversight of removal of trees within street right of ways is now the responsibility of the Transportation Division of Public Works, removal of trees within Parks is now the responsibility of Planning and Development; and removal of trees on other city properties is the responsibility of the Facilities Division of Public Works. Unfortunately, there is only a limited amount of funds available for these purposes, and the general effort will be focused on emergency responses. However, the Transportation Division is committed to attempting to secure assistance from other entities to increase capacity to address this problem.
- **Evaluate ways to reduce water and sewer rates for constituents in the budget process**–The results of the recent rate study confirm that it is unlikely that water and sewer rates can be decreased at any time in the foreseeable future, and in fact, rates need to be increased. However, the actions taken to date to join KWA and to temporarily use the Flint River show that future rate increases will be less than had the City stayed with its prior provider.

Absent new sources of funding or reduced expenses in areas such as retiree healthcare, the commitments to progress and the staffing and service levels here are anticipated to continue for both FY15 and FY16. It is anticipated that the slight additional revenues in the General Fund for FY 16 will not be sufficient to cover increased costs, and it will be necessary to utilize additional funding from the police and fire millage to cover the costs of some police or fire positions in the General Fund in FY15. Depending on the rate of attrition in the Police Department, there should be sufficient remaining funds in the Police and Fire millage to avoid additional reductions in police or fire positions in FY16.

FLINT STRATEGIC PLAN
2015 -2019
Setting a Sustainable Course for the City of Flint

The Vision for the City Government of Flint:

A well managed, financially stable, and accountable government focused on creating and maintaining a vibrant and growing community which will attract and retain residents, businesses, students, and visitors and improve our quality of life.

The Mission of the City Government:

To assure that residents, businesses, students and visitors in the City of Flint receive municipal services in a customer friendly and financially responsible manner

The Goals:

In order to realize our Mission, residents, businesses, students and visitors can expect that:

The City will provide a highly trained and professional staff of elected leaders, appointed officials and employees

The City will provide for a safe, secure, and healthy environment in which to live, work, learn and play

The City will provide access to dependable and affordable water, sewer, and waste collection

The City will provide access to an adequate and well maintained transportation network serving motorized, non-motorized, and pedestrian needs

The City will foster cooperation between business, non-profit, and foundation partners and residents to create a climate that supports community and economic development

The City government will also:

Seek partnerships with Local, State and Federal governmental partners and other private entities in order to maximize efficiencies and resources in meeting its Mission

Provide municipal services consistent with the City's Master Plan and also work with residents, businesses, and others to foster development of the City and its infrastructure in a manner consistent with its Master Plan

Encourage partnerships for recreation and access to open space across the City

Enforce building and occupancy codes and to aggressively work with others to address blighted conditions

Assure that City ordinances and regulatory activities are consistent with the Master plan and supportive of economic development

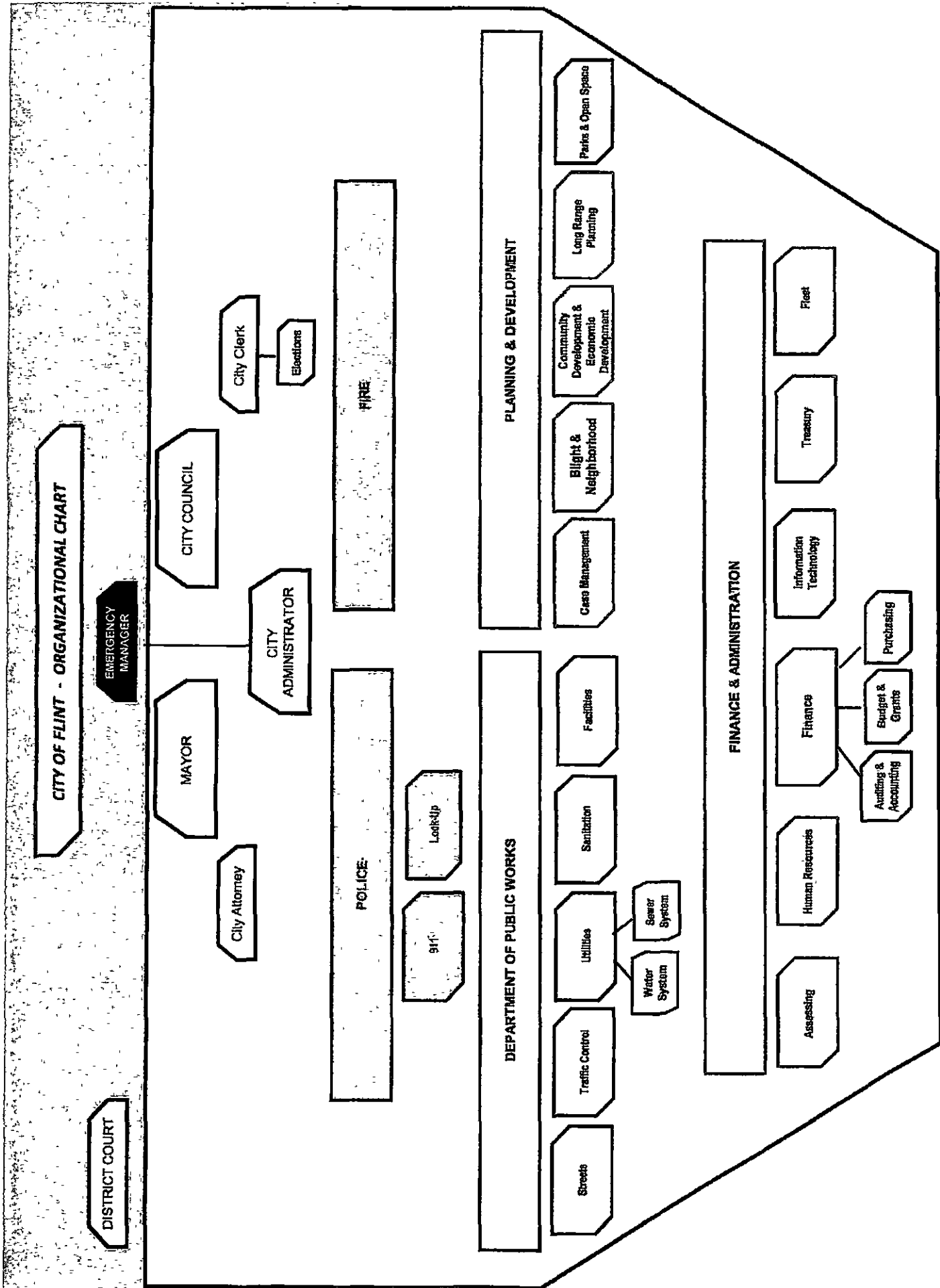
Operate in an open and financially sustainable manner, including improving citizen access, focusing on measurable results, improving the City's financial position, and eliminating accumulated deficits

Mayor and Council Priorities for Developing the Two-year (FY15 & FY16) Budget

The Mayor and Council request that the two-year budget to be developed will include a set of objective which, when achieved, will result in significant progress being made towards achieving their stated Vision, Mission, and Goals.

Additionally, the Mayor and Council request that the two-year budget to be developed address the following specific priorities:

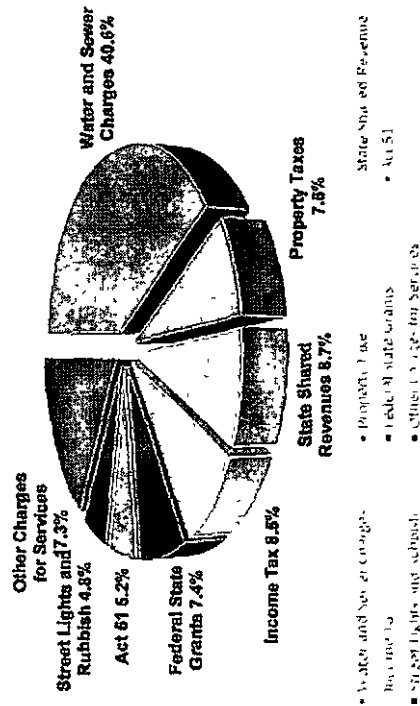
1. Maintain police and fire staffing levels at the maximum level feasible
2. Reduce the General Fund deficit by at least \$1 million
3. Continue efforts to reduce blight, including demolition
4. Hire an experienced and professional City Administrator
5. Assure that capacity exists to implement the Master Plan
6. Add capacity in the area of Economic Development
7. Fund years 1 & 2 of capital improvements identified in the Master Plan
8. Improve street maintenance
9. Establish parks partnerships
10. Improve customer service through training and technology
11. Increase removal of dead and diseased trees
12. Evaluate ways to reduce water and sewer rates for constituents in the budget process



REVENUE PROJECTIONS - ALL FUNDS

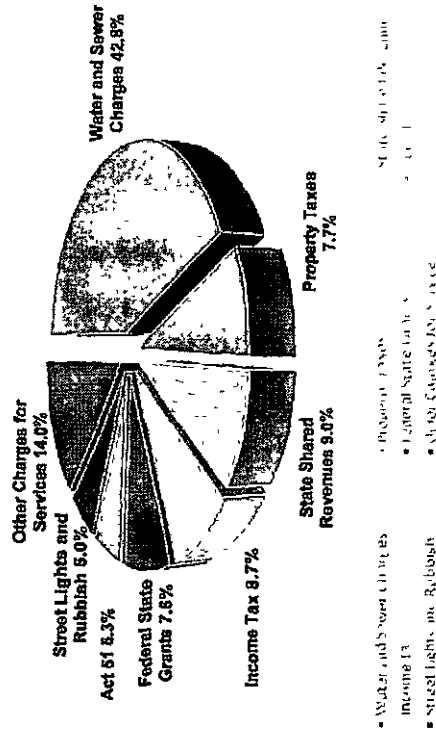
FY15

\$167,649,430



FY16

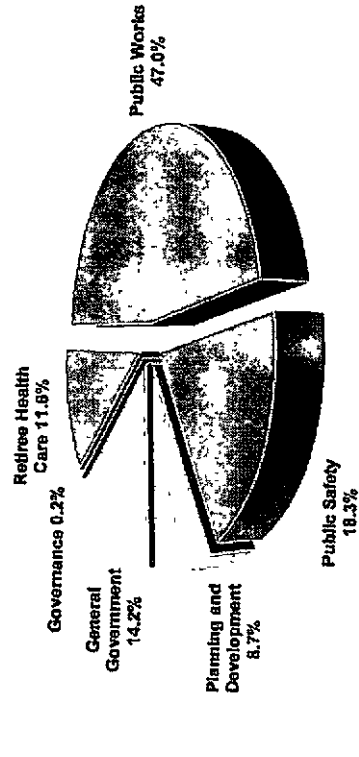
\$164,225,881



EXPENSE PROJECTIONS - ALL FUNDS

FY15

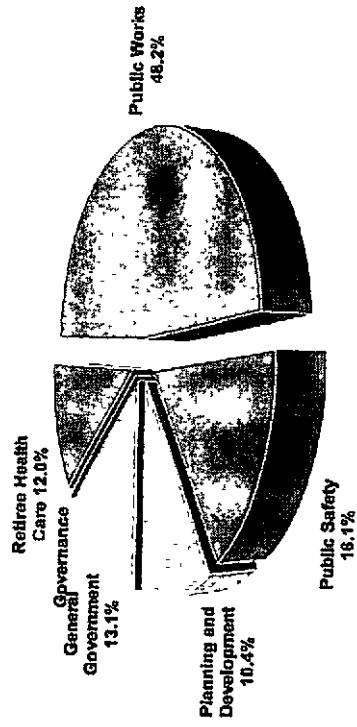
\$164,225,881



- Public Works
- Public Safety
- Planning and Development
- Retiree Health Care
- Governance

FY16

\$167,327,726



- Public Works
- Public Safety
- Planning and Development
- Retiree Health Care
- Governance

CITY OF FLINT - FIVE YEAR OUTLOOK
All Funds Summary

	Current FY14	Proposed FY15	Proposed FY16	Projected FY17	Projected FY18	Projected FY19
General Fund						
101						
Revenues*	\$53,558,121	\$55,080,609	\$56,232,982	\$56,739,059	\$56,909,276	\$57,421,459
Expenses	\$53,558,121	\$55,080,609	\$56,232,982	\$56,538,513	\$56,938,692	\$57,558,952
Cumulative Gap	\$0	\$0	\$0	(\$1,799,455)	(\$5,828,771)	(\$11,966,264)
Annual Gap	\$0	\$0	\$0	(\$1,799,455)	(\$4,029,317)	(\$6,137,493)
*Includes \$1 million for deficit elimination						
Major Streets						
202						
Revenues	\$6,335,406	\$7,022,888	\$8,116,688	\$8,343,935	\$8,677,565	\$8,826,314
Expenses	\$6,331,408	\$7,022,888	\$8,116,688	\$8,416,985	\$8,711,579	\$9,025,186
Cumulative Gap	\$4,000	\$0	\$0	(\$73,050)	(\$207,084)	(\$405,946)
Annual Gap	\$0	\$0	\$0	(\$73,050)	(\$134,014)	(\$198,882)
Local Streets						
203						
Revenues	\$2,601,080	\$2,684,458	\$2,783,112	\$2,841,557	\$2,904,072	\$2,987,991
Expenses	\$2,601,080	\$2,684,458	\$2,783,112	\$2,880,521	\$2,972,898	\$3,067,824
Cumulative Gap	\$0	\$0	\$0	(\$38,964)	(\$107,590)	(\$207,452)
Annual Gap	\$0	\$0	\$0	(\$38,964)	(\$68,626)	(\$98,883)
Police and Fire Millage						
205						
Revenues	\$1,845,827	\$9,258,560	\$7,248,000	\$4,494,540	\$4,602,941	\$4,671,985
Expenses	\$1,845,827	\$9,258,560	\$7,248,000	\$7,538,960	\$7,848,057	\$8,169,828
Cumulative Gap	\$0	\$0	\$0	(\$3,074,420)	(\$6,315,537)	(\$9,817,379)
Annual Gap	\$0	\$0	\$0	(\$3,074,420)	(\$3,245,117)	(\$3,497,843)
Neighborhood Police Millage						
207						
Revenues	\$1,550,180	\$1,378,104	\$1,233,874	\$1,258,561	\$1,297,567	\$1,317,030
Expenses	\$1,550,180	\$1,378,104	\$1,233,874	\$1,283,229	\$1,335,841	\$1,380,611
Cumulative Gap	\$0	\$0	\$0	(\$24,677)	(\$62,952)	(\$136,533)
Annual Gap	\$0	\$0	\$0	(\$24,677)	(\$38,275)	(\$73,581)
Parks Millage						
208						
Revenues	\$373,084	\$440,140	\$341,423	\$348,251	\$359,047	\$364,433
Expenses	\$373,084	\$440,140	\$341,423	\$355,080	\$369,638	\$384,793
Cumulative Gap	\$0	\$0	\$0	(\$6,828)	(\$17,419)	(\$37,780)
Annual Gap	\$0	\$0	\$0	(\$6,828)	(\$10,581)	(\$20,360)
Lighting Special Assessment						
219						
Revenues	\$2,982,960	\$2,684,870	\$2,686,300	\$2,561,485	\$2,433,411	\$2,311,740
Expenses	\$2,982,960	\$2,684,870	\$2,686,300	\$2,696,300	\$2,696,300	\$2,696,300
Cumulative Gap	\$0	\$0	\$0	(\$134,815)	(\$397,704)	(\$782,264)
Annual Gap	\$0	\$0	\$0	(\$134,815)	(\$262,889)	(\$384,580)

		Current FY14	Proposed FY15	Proposed FY16	Projected FY17	Projected FY18	Projected FY19
Waste Collection	228						
	Revenues	\$5,132,480	\$5,398,283	\$5,450,723	\$5,178,187	\$4,919,278	\$4,873,314
	Expenses	\$5,132,480	\$5,398,283	\$5,450,723	\$5,558,737	\$5,670,832	\$5,784,361
	Cumulative Gap	\$0	\$0	\$0	(\$381,551)	(\$1,170,205)	(\$2,244,243)
	Annual Gap	\$0	\$0	\$0	(\$381,551)	(\$751,655)	(\$1,111,037)
Drug Forfeiture	265						
	Revenues	\$435,042	\$425,063	\$433,399	\$448,401	\$458,783	\$473,587
	Expenses	\$435,042	\$425,063	\$433,399	\$448,401	\$458,783	\$473,587
	Cumulative Gap	\$0	\$0	\$0	\$0	\$0	\$0
	Annual Gap	\$0	\$0	\$0	\$0	\$0	\$0
HUD Grant 2014	274						
	Revenues	\$11,787,728	\$5,035,899	\$5,035,899	\$5,188,878	\$5,342,585	\$5,502,883
	Expenses	\$11,787,728	\$5,035,899	\$5,035,899	\$5,188,878	\$5,342,585	\$5,502,883
	Cumulative Gap	\$0	\$0	\$0	\$0	\$0	\$0
	Annual Gap	\$0	\$0	\$0	\$0	\$0	\$0
Other Grants	286						
	Revenues	\$7,483,888	\$4,884,876	\$4,884,876	\$5,010,825	\$5,161,253	\$5,316,081
	Expenses	\$7,477,831	\$4,884,876	\$4,884,876	\$5,010,825	\$5,161,253	\$5,316,081
	Cumulative Gap	\$5,758	\$0	\$0	\$0	\$0	\$0
	Annual Gap	\$0	\$0	\$0	\$0	\$0	\$0
Federal Stimulus Grant	297						
	Revenues	\$4,524,108	\$0	\$0	\$0	\$0	\$0
	Expenses	\$4,524,108	\$0	\$0	\$0	\$0	\$0
	Cumulative Gap	\$0	\$0	\$0	\$0	\$0	\$0
	Annual Gap	\$0	\$0	\$0	\$0	\$0	\$0
Public Improvement Fund	402						
	Revenues	\$2,150,000	\$2,887,887	\$2,887,887	\$2,825,347	\$3,018,032	\$3,061,273
	Expenses*	\$2,150,000	\$2,887,887	\$2,887,887	\$2,882,708	\$3,104,987	\$3,232,302
	Cumulative Gap	\$0	\$0	\$0	(\$57,360)	(\$146,325)	(\$117,354)
	Annual Gap	\$0	\$0	\$0	(\$57,360)	(\$88,965)	(\$171,029)
* Includes \$800,000 for deficit elimination							
Building Safety Fund	542						
	Revenues	\$2,548,456	\$2,395,529	\$2,484,700	\$2,484,700	\$2,484,700	\$2,484,700
	Expenses	\$2,548,456	\$2,395,529	\$2,484,700	\$2,584,088	\$2,887,452	\$2,784,950
	Cumulative Gap	\$0	\$0	\$0	(\$99,388)	(\$302,140)	(\$812,388)
	Annual Gap	\$0	\$0	\$0	(\$99,388)	(\$202,752)	(\$310,250)
TOTAL General City							
	Revenues	\$103,288,162	\$99,538,346	\$99,791,023	\$97,789,914	\$98,467,519	\$99,392,750
	Expenses	\$103,278,404	\$99,538,346	\$99,791,023	\$103,480,422	\$107,299,719	\$111,397,647
	Cumulative Gap	\$9,758	\$0	\$0	(\$5,690,508)	(\$14,522,707)	(\$26,527,604)
	Annual Gap	\$0	\$0	\$0	(\$5,690,508)	(\$8,832,200)	(\$12,004,897)

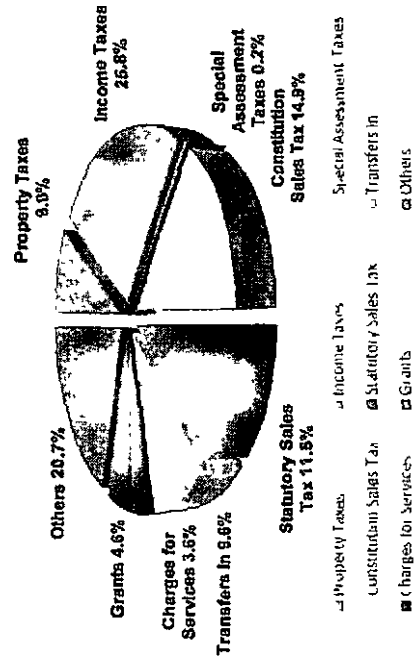
	Current FY14	Proposed FY15	Proposed FY16	Projected FY17	Projected FY18	Projected FY19
Water Fund						
591						
Revenues	\$31,829,289	\$30,258,545	\$32,348,745	\$32,348,745	\$32,348,745	\$32,348,745
Expenses	\$31,829,289	\$30,258,545	\$32,348,745	\$34,808,099	\$36,149,143	\$37,216,967
Cumulative Gap	\$0	\$0	\$0	(\$2,262,354)	(\$6,054,752)	(\$10,834,864)
Annual Gap	\$0	\$0	\$0	(\$2,262,354)	(\$3,802,398)	(\$4,870,212)
Revenues	\$47,806,872	\$37,500,000	\$37,500,000	\$37,500,000	\$37,500,000	\$37,500,000
Expenses	\$47,898,872	\$34,503,530	\$35,012,250	\$38,841,189	\$40,741,908	\$41,943,725
Cumulative Gap	\$0	\$2,986,470	\$2,487,750	(\$1,341,189)	(\$4,583,095)	(\$9,026,820)
Annual Gap	\$0	\$0	\$0	(\$1,341,189)	(\$3,241,905)	(\$4,443,725)
Water and Sewer						
590 & 591						
Revenues	\$79,826,141	\$67,758,545	\$69,846,745	\$69,846,745	\$69,846,745	\$69,846,745
Expenses	\$79,826,141	\$64,760,075	\$67,358,985	\$73,450,288	\$76,891,049	\$79,160,682
Cumulative Gap	\$0	\$2,998,470	\$2,487,760	(\$3,603,543)	(\$10,647,847)	(\$19,961,784)
Annual Gap	\$0	\$0	\$0	(\$3,603,543)	(\$7,044,304)	(\$9,313,937)
TOTAL CITY						
Revenues	\$183,114,303	\$167,294,891	\$169,637,768	\$167,636,659	\$168,314,264	\$169,239,495
Expenses	\$183,104,545	\$164,298,421	\$167,150,018	\$176,930,710	\$184,190,788	\$190,558,328
Cumulative Gap	\$9,758	\$2,996,470	\$2,487,750	(\$9,294,051)	(\$25,170,554)	(\$46,489,388)
Annual Gap	\$0	\$0	\$0	(\$9,294,051)	(\$15,876,504)	(\$21,318,834)

GENERAL FUND REVENUE PROJECTIONS

PROPOSED 4/30/14

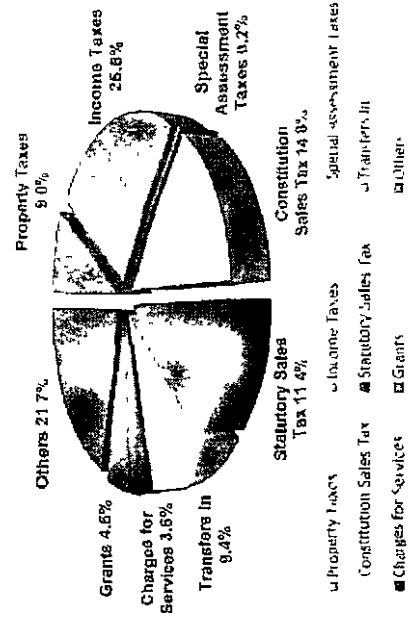
FY15

\$55,008,069



FY16

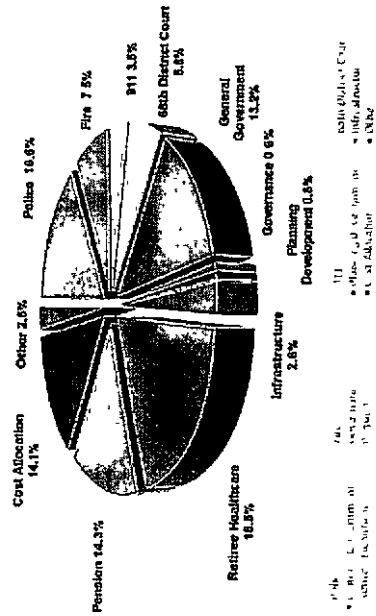
\$56,232,962



GENERAL FUND EXPENSE PROJECTIONS

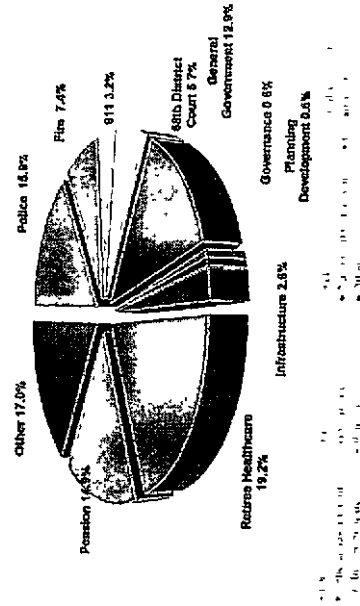
FY15

\$55,008,069



FY16

\$86,232,982



**CITY OF FLINT PROPOSED FINANCIAL BUDGET
FOR FISCAL YEARS 2015 AND 2016
GENERAL FUND**

DESCRIPTION	2014-15 AMENDED BUDGET	2014-15 PROPOSED BUDGET	2015 -16 PROPOSED BUDGET
Fund 101 - General Fund			
ESTIMATED REVENUES			
Function: General government			
Property Taxes	4,822,000	\$ 4,970,000	\$ 5,069,400
Income taxes	14,210,000	14,200,000	14,342,000
Special assessment taxes	97,941	89,000	89,000
State revenues	16,730,120	17,181,829	17,347,719
License and Permits	1,303,626	1,296,626	1,396,626
Fines and forfeitures	1,825,000	1,862,800	1,967,000
Charges for service rendered	9,942,485	11,151,068	11,558,859
Interest and dividend income	850,000	880,000	1,080,000
Other revenues	898,946	598,948	604,360
Transfers in	4,077,998	3,777,998	3,777,998
Drawings from fund balance	(1,000,000)	(1,000,000)	(1,000,000)
Total - Function General government	53,558,116	65,008,069	66,232,962
TOTAL ESTIMATED REVENUES	53,558,116	65,008,069	66,232,962
APPROPRIATIONS			
Function: Legislative			
City Council	373,225	382,505	389,560
Total - Function Legislative	373,225	382,505	389,560
Function: General Government			
District Court	5,194,307	4,082,999	4,167,618
Office Of Mayor	228,813	216,426	219,757
City Administrator	396,646	352,911	356,032
Finance -Admin/Accounting/Payroll	1,188,137	953,331	965,026
Finance Purchasing	130,229	139,185	141,145
Total Finance and Purchasing Department	1,318,366	1,092,516	1,106,171
Office Of City Clerk	220,644.72	124,626	125,436
City Clerk-License And Permits	90,850.00	99,654	101,668
City Clerk-Board Of Review	10,500.00	11,601	11,601
City Clerk-Election	403,182.51	393,241	399,979
City Clerk Elec Div. - Election Workers	138,654.00	179,591	179,591
Total City Clerk and Elections	863,831	808,713	818,275
Customer Services-Treasury Operations	380,320.85	279,977	285,850
Customer Services-Income Tax	465,824.55	433,000	445,990
Customer Services-Water Collection	1,018,851.38	1,265,933	1,284,419
Customer Service-Sewer collection	1,020,101.38	1,266,133	1,284,625
Delinquent Collections	167,686.31	263,063	267,313
Total Treasury Department	3,052,784	3,508,106	3,568,197
Assessment	1,084,221	1,236,921	1,255,032
Law Office Operations	962,042	947,089	960,492
Human Relations Commission	26,237	22,547	22,891

Personnel Office	551,542.14	604,462	615,444
Personnel Office-Personnel-Training	70,625.00	55,500	56,415
Total Human Relations and Personnel	648,404	682,509	694,750
Police - Fleet	990,000	990,000	1,000,000
Police Reduction	-	(2,608,823)	(2,859,741)
Pol Admin Bureau - Admin	6,028,126.72	412,169	419,941
Pol Admin Bureau-Inspections	127,353.25	125,504	126,864
Pol Admin - City Lock up	2,673,649.00	2,554,329	2,554,329
Pol Tech Serv-Records & Identification	1,826,592.14	2,134,209	2,172,785
Pol Tech Serv-Planning, Research, & Trai	135,358.24	134,846	135,692
Pol Tech Serv - City Impound	437,322.43	438,576	450,124
Pol Invst Ovrhd - Criminal Invest Overh	2,469,996.19	2,371,162	2,398,335
Pol Invst Ovrhd - Police School Liason	764,010.96	751,475	760,749
Pol Invst Ovrhd - Special Operations	707,250.66	736,801	749,143
Patrol Bureau - Administration	5,502,822.71	4,265,473	4,326,179
Patrol Bureau-School Crossing Guards	267,854.28	285,711	285,712
Total Police	21,930,337	12,593,432	12,520,112
Public Safety 911 - Administration	3,745,525	2,605,021	2,540,188
Office Of Fire Chief	753,546.51	698,577	715,258
Fire Admin-Maintenance	116,000.00	412,500	424,500
Fire Admin - Training	253,398.99	161,541	164,771
Firefighting Division-Fire Battalion Chi	3,349,960.21	496,649	506,293
Firefighting Division-Fire Station Overh	5,858,148.62	4,101,133	4,168,260
SAFER Grant EMW-2011-FH-00643	1,083,369.78		
Fire Prevent - Inspection And Training	285,370.79	315,903	322,422
Total Fire Department	11,699,796	6,186,303	6,301,504
Development-Planning & Zoning	121,875.00	126,397	128,702
DCD - Administration	186,292.34	357,603	364,681
Golf Division - Kearsley Lake Gc	3,500.00		
Golf Division-Swartz Crk Gc	1,600.00		
Golf Division-Mott Park Gc	-	9,000	9,270
Total Planning and Development	313,267	493,000	502,653
Facilities Maint-Municipal Center	1,207,381	1,494,973	1,532,361
Total - Function General Government	52,645,721	36,300,920	36,543,142
Cost Allocation and Retiree Healthcare	-	17,911,942	18,986,659
Transfer out to Fund 208		99,140	-
Transfers out to fund 542	539,169.96	313,561	313,561
Total - Function Transfers out	539,170	412,701	313,561
TOTAL APPROPRIATIONS	\$ 53,558,116	\$ 55,008,068	\$ 56,232,922
NET OF REVENUES/APPROPRIATIONS - FUND 101	0	1	40
BEGINNING FUND BALANCE	\$ (12,895,642)	\$ (11,895,642)	\$ (10,895,642)
ENDING FUND BALANCE	\$ (11,895,642)	\$ (10,895,642)	\$ (9,895,642)

CITY OF FLINT 5 YEAR STAFFING PROJECTION

	FY14 CURRENT	FY15 PROPOSED	FY16 PROPOSED
GOVERNANCE AND ADMINISTRATION	19	19	19
POLICE	151	115	115
911	23	23	23
FIRE	94	75	75
DISTRICT COURT	31	31	31
DEPARTMENT OF PUBLIC WORKS	166	173	173
PLANNING AND DEVELOPMENT	24	22	23
FINANCE AND ADMINISTRATION	57	60	60
TOTALS	565	518	519

PROJECTED FACILITIES IMPROVEMENTS FY15-FY19

IMPROVEMENT	RANK	COST	FY15	FY16	FY17	FY18	FY19
City Hall Elevators(2 main only)	1	400,000.00	\$ 400,000.00				
Rep/Rep Chiller in city Hall - only 1.5 of 4 cmprs for air	2	155,000.00	\$ 155,000.00				
Assessing Renovations	3	65,000.00	\$ 65,000.00				
Roof Repair - Main Fire Station	4	127,400.00	\$ 127,400.00				
Roof Repair - Alherton Rd Fire Station	5	10,000.00	\$ 10,000.00				
Repair walkway between Police and City Hall Main Bldg	6	20,000.00	\$ 20,000.00				
U.S. Water Leaks PART I OF II	7	50,000.00	\$ 50,000.00				
Legal Renovations	8	40,000.00	\$ 40,000.00				
Police Station Bridge to 5th St	9	30,000.00	\$ 30,000.00				
Roof Repair - North building	10	99,384.00	\$ 99,384.00				
Motion Lights, City Hall & Police	11	100,000.00	\$ 100,000.00				
Pave City Hall Parking Lot	12	100,000.00	\$ 100,000.00				
911 Consoles & Telephones	13	330,000.00	\$ 330,000.00				
U.S. Water Leaks PART II OF II	14	50,000.00	\$ 50,000.00				
Council Chambers Renovations PART I OF III	15	116,666.67	\$ 116,666.67				
City Hall Building Facade PART I OF III	16	500,000.00	\$ 500,000.00				
Parking lot lighting - City Hall, Pol, Stevens & 7th St Lots	17	250,000.00		\$ 250,000.00			
Council Chambers Renovations PART II OF III	18	116,666.67		\$ 116,666.67			
City Hall Building Facade PART II OF III	19	500,000.00		\$ 500,000.00			
Council Chambers Renovations PART III OF III	20	116,666.67			\$ 116,666.67		
City Hall Building Facade PART III OF III	21	500,000.00			\$ 500,000.00		
Police Shooting Range	22	250,000.00			\$ 250,000.00		
Fire Station Kitchens - Remodel	23	60,000.00			\$ 60,000.00		
TOTAL		\$3,926,784.00	\$ 1,096,784.00	\$ 1,096,666.67	\$ 886,666.67	\$ 926,666.67	\$ -

DEFICIT ELIMINATION AND RESERVE ACCUMULATION PROJECTIONS

FINANCIAL COMMITMENT NECESSARY TO ELIMINATE THE DEFICIT AND ACCUMULATE AN APPROPRIATE BUDGET STABILIZATION RESERVE OF 10% -15%

DEFICIT REDUCTION							
	FY14	FY15	FY16	FY17	FY18	FY19	FY20
DEFICIT							
GF CONTRIBUTION	(\$12,895,642)	(\$11,095,642)	(\$9,295,642)	(\$7,495,642)	(\$5,695,642)	(\$3,895,642)	(\$2,095,642)
CIP CONTRIBUTION	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
REMAINING DEFICIT	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000
	(\$11,095,642)	(\$9,295,642)	(\$7,495,642)	(\$5,695,642)	(\$3,895,642)	(\$2,095,642)	(\$295,642)
GENERAL FUND REVENUE	\$53,555,121	\$55,080,609	\$56,281,965	\$56,788,503	\$56,958,868	\$57,471,498	\$58,620,928
RESERVE ACCUMULATION							
RESERVE							
GF CONTRIBUTION	(\$295,642)	\$1,504,358	\$3,304,358	\$5,104,358	\$6,904,358		
CIP CONTRIBUTION	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000		
ACCUMULATED RESERVE	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000		
	\$1,504,358	\$3,304,358	\$5,104,358	\$6,904,358	\$8,704,358	Equals 13%	
GENERAL FUND REVENUE	\$59,793,347	\$60,989,213	\$62,208,998	\$63,453,178	\$64,722,241	of GF Revenues	

CITY OF FLINT - FIVE YEAR OUTLOOK
Pension and Retiree Healthcare Costs

		Current FY14	Proposed FY16	Proposed FY18	Projected FY17	Projected FY18	Projected FY18
General Fund							
	101						
Retiree Healthcare Expense		\$8,034,324	\$10,187,701	\$10,777,763	\$11,424,429	\$12,109,886	\$12,836,488
Pension Expense		\$8,401,336	\$7,887,617	\$7,360,876	\$7,862,629	\$8,270,680	\$8,766,921
Other expenses		\$37,122,462	\$37,026,291	\$38,143,328	\$39,362,558	\$40,811,121	\$42,010,830
Total Expenses		\$53,668,124	\$55,080,609	\$66,281,865	\$68,589,526	\$69,881,885	\$70,814,338
Retiree Healthcare as % of Total Expenses		16%	18%	19%	19%	20%	20%
Pension as % of Total Expenses		16%	14%	13%	13%	14%	14%
Healthcare & Pension Costs as % of Total		31%	33%	32%	33%	33%	34%
Major Streets							
	202						
Retiree Healthcare		\$698,165	\$1,059,160	\$1,119,651	\$1,180,724	\$1,257,528	\$1,333,403
Pension		\$699,632	\$651,416	\$688,663	\$632,367	\$670,268	\$710,616
Other expenses		\$5,187,419	\$5,415,263	\$6,400,654	\$6,892,904	\$7,363,353	\$7,881,277
Total		\$6,585,216	\$7,022,868	\$8,116,868	\$8,410,885	\$8,711,879	\$9,025,186
Healthcare & Pension %		18%	23%	21%	22%	23%	23%
Local Streets							
	203						
Retiree Healthcare		\$388,761	\$200,624	\$212,873	\$225,645	\$238,194	\$253,533
Pension		\$331,106	\$330,318	\$354,959	\$376,267	\$389,632	\$422,762
Other expenses		\$1,881,223	\$2,183,316	\$2,216,280	\$2,276,618	\$2,354,882	\$2,391,827
Total		\$2,601,090	\$2,694,468	\$2,765,112	\$2,880,521	\$2,972,688	\$3,067,894
Healthcare & Pension %		28%	20%	20%	21%	21%	22%
Police and Fire Millage							
	205						
Retiree Healthcare		\$0	\$1,337,828	\$1,418,058	\$1,503,184	\$1,593,376	\$1,688,977
Pension		\$446,624	\$2,663,063	\$2,746,678	\$2,813,600	\$2,868,416	\$2,973,721
Other expenses		\$1,397,393	\$5,327,639	\$5,082,223	\$5,126,176	\$5,196,267	\$5,199,130
Total		\$1,844,027	\$9,258,660	\$7,246,000	\$7,638,960	\$7,640,057	\$8,168,928
Healthcare & Pension %		24%	42%	67%	69%	60%	61%
Neighborhood Police Millage							
	207						
Retiree Healthcare		\$0	\$0	\$0	\$0	\$0	\$0
Pension		\$376,934	\$300,765	\$316,844	\$337,676	\$358,283	\$376,748
Other expenses		\$1,170,249	\$1,077,379	\$916,030	\$946,264	\$977,588	\$1,010,863
Total		\$1,547,183	\$1,378,104	\$1,233,874	\$1,283,940	\$1,335,871	\$1,387,611
Healthcare & Pension %		25%	22%	26%	25%	27%	27%
Parks Millage							
	208						
Retiree Healthcare		\$0	\$0	\$0	\$0	\$0	\$0
Pension		\$5,591	\$20,683	\$20,683	\$21,903	\$22,217	\$24,610
Other expenses		\$397,473	\$419,477	\$320,762	\$353,177	\$356,421	\$360,183
Total		\$373,064	\$440,140	\$341,445	\$374,080	\$378,638	\$384,793
Healthcare & Pension %		1%	6%	6%	6%	6%	6%
Lighting Special Assessment							
	219						
Retiree Healthcare		\$0	\$0	\$0	\$0	\$0	\$0
Pension		\$0	\$6,028	\$6,380	\$6,773	\$7,160	\$7,611
Other expenses		\$2,982,890	\$2,888,841	\$2,888,841	\$2,888,841	\$2,888,841	\$2,888,841
Total		\$2,982,890	\$2,894,870	\$2,894,870	\$2,894,870	\$2,894,870	\$2,894,870
Healthcare & Pension %		0%	0%	0%	0%	0%	0%

		Current FY14	Proposed FY15	Proposed FY16	Projected FY17	Projected FY18	Projected FY19
Waste Collection	226						
		\$821,180	\$411,202	\$433,874	\$482,028	\$489,748	\$519,133
Retiree Healthcare		\$25,336	\$12,988	\$13,787	\$14,593	\$15,468	\$16,397
Pension		\$4,488,853	\$4,872,113	\$5,001,092	\$5,083,118	\$5,165,718	\$5,248,821
Other expenses		\$5,132,493	\$5,366,293	\$5,450,723	\$5,565,737	\$5,670,832	\$5,784,351
Total		13%	8%	8%	9%	9%	9%
Healthcare & Pension %							
Drug Refillure	265						
		\$0	\$0	\$0	\$0	\$0	\$0
Retiree Healthcare		\$127,738	\$52,408	\$97,351	\$82,692	\$68,148	\$104,038
Pension		\$372,593	\$342,657	\$349,046	\$353,828	\$361,846	\$369,550
Other expenses		\$433,042	\$476,063	\$433,398	\$448,401	\$459,783	\$473,887
Total		26%	18%	20%	21%	21%	22%
Healthcare & Pension %							
HUD Grant 2014	274						
		\$0	\$0	\$0	\$0	\$0	\$0
Retiree Healthcare		\$230,189	\$202,418	\$202,418	\$209,863	\$209,861	\$248,276
Pension		\$1,637,870	\$4,743,481	\$4,743,481	\$4,877,013	\$5,016,074	\$5,154,888
Other expenses		\$11,767,726	\$5,038,898	\$5,038,898	\$5,186,876	\$5,342,585	\$5,502,863
Total		2%	6%	6%	6%	6%	6%
Healthcare & Pension %							
Other Grants	296						
		\$0	\$0	\$0	\$0	\$0	\$0
Retiree Healthcare		\$40,027	\$230,805	\$230,805	\$244,441	\$249,108	\$274,884
Pension		\$7,437,894	\$4,834,371	\$4,834,371	\$4,788,484	\$4,802,145	\$5,041,438
Other expenses		\$7,477,831	\$4,864,878	\$4,864,878	\$4,810,823	\$5,161,253	\$5,318,081
Total		1%	6%	5%	6%	5%	8%
Healthcare & Pension %							
Federal Stimulus Grant	297						
		\$0	\$0	\$0	\$0	\$0	\$0
Retiree Healthcare		\$1,305,881	\$0	\$0	\$0	\$0	\$0
Pension		\$3,488,127	\$0	\$0	\$0	\$0	\$0
Other expenses		\$4,824,108	\$0	\$0	\$0	\$0	\$0
Total		30%		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Healthcare & Pension %							
Public Improvement Fund	402						
		\$0	\$0	\$0	\$0	\$0	\$0
Retiree Healthcare		\$2,150,000	\$2,550,857	\$2,887,887	\$2,882,708	\$3,104,897	\$3,232,302
Pension		\$2,150,000	\$2,850,857	\$2,887,887	\$2,882,708	\$3,104,897	\$3,232,302
Other expenses		\$0	\$0	\$0	\$0	\$0	\$0
Total		0%	0%	0%	0%	0%	0%
Healthcare & Pension %							
Building Safety Fund	642						
		\$882,954	\$393,833	\$417,281	\$442,288	\$488,823	\$488,853
Retiree Healthcare		\$181,734	\$237,628	\$281,898	\$288,888	\$283,018	\$300,000
Pension		\$1,833,788	\$1,784,268	\$1,816,853	\$1,874,803	\$1,858,888	\$1,887,857
Other expenses		\$2,948,468	\$2,385,828	\$2,484,700	\$2,389,408	\$2,687,452	\$2,784,850
Total		28%	26%	27%	27%	28%	28%
Healthcare & Pension %							
TOTAL General City							
		\$10,205,394	\$13,867,388	\$14,381,410	\$16,244,286	\$16,158,852	\$17,128,488
Retiree Healthcare Expense		\$12,058,297	\$12,545,978	\$12,283,001	\$13,019,981	\$13,801,180	\$14,828,261
Pension Expense		\$81,014,723	\$73,425,003	\$73,175,616	\$78,267,189	\$77,382,680	\$79,885,284
Other Expenses		\$103,278,404	\$89,638,346	\$89,840,026	\$103,831,434	\$107,362,822	\$111,483,034
Total Expenses		10%	14%	14%	15%	16%	18%
Retiree Healthcare as % of Total Expenses		12%	13%	12%	13%	13%	13%
Pension as % of Total Expenses		22%	26%	27%	27%	28%	28%
Healthcare & Pension Costs as % of Total							

		Current FY14	Proposed FY15	Proposed FY16	Projected FY17	Projected FY18	Projected FY19
Sewer Fund	680						
	Retiree Healthcare	\$2,329,863	\$2,447,569	\$2,694,420	\$2,750,065	\$2,815,060	\$3,069,898
	Pension	\$2,176,100	\$2,040,715	\$2,163,159	\$2,292,949	\$2,430,525	\$2,576,367
	Other expenses	\$37,430,188	\$25,768,284	\$27,689,168	\$29,568,065	\$30,603,627	\$31,550,004
	Total	\$31,828,289	\$30,256,545	\$32,346,745	\$34,609,069	\$35,149,143	\$37,216,857
	Healthcare & Pension %	14%	16%	16%	15%	16%	18%
Water Fund	581						
	Retiree Healthcare	\$1,630,062	\$2,963,535	\$3,141,403	\$3,329,887	\$3,529,680	\$3,741,431
	Pension	\$1,616,697	\$1,863,068	\$1,911,284	\$2,025,661	\$2,147,519	\$2,276,370
	Other expenses	\$44,597,123	\$29,739,844	\$29,659,563	\$33,499,341	\$35,054,707	\$36,824,854
	Total	\$47,896,872	\$34,606,530	\$33,012,260	\$39,841,189	\$40,741,806	\$41,943,725
	Healthcare & Pension %	7%	14%	14%	14%	14%	14%
Water and Sewer	680 & 581						
	Retiree Healthcare	\$4,010,045	\$5,411,184	\$5,735,823	\$6,078,872	\$6,444,771	\$6,831,487
	Pension	\$3,994,787	\$3,843,813	\$4,074,443	\$4,318,810	\$4,578,044	\$4,852,727
	Other expenses	\$71,821,309	\$59,605,108	\$57,848,728	\$63,081,406	\$65,868,254	\$67,478,498
	Total	\$79,826,141	\$68,760,076	\$67,348,985	\$73,480,288	\$76,891,049	\$79,160,682
	Retiree Healthcare as % of Total Expenses	8%	8%	8%	8%	8%	9%
	Pension as % of Total Expenses	8%	8%	8%	8%	8%	8%
	Healthcare & Pension %	10%	14%	16%	14%	14%	15%
TOTAL CITY							
	Retiree Healthcare	\$14,216,428	\$18,578,522	\$20,117,233	\$21,324,257	\$22,603,723	\$23,869,848
	Pension	\$16,093,084	\$18,389,788	\$16,387,444	\$17,338,891	\$18,379,224	\$19,481,978
	Other expenses	\$162,839,032	\$128,930,111	\$130,724,344	\$138,318,586	\$143,280,524	\$147,171,792
	Total	\$183,104,545	\$164,298,421	\$167,189,021	\$176,981,722	\$184,243,871	\$190,613,718
	Retiree Healthcare %	8%	12%	12%	12%	12%	13%
	Pension %	9%	10%	10%	10%	10%	10%
	Healthcare & Pension %	17%	22%	23%	22%	22%	23%

PROJECTED TAXPAYER IMPACT

\$41,000 House, \$40,000 Income

	FY14	FY15	FY16
	<u>Current</u>	<u>Proposed</u>	<u>Proposed</u>
<u>Values</u>	<u>Winter & Summer</u>	<u>Winter & Summer</u>	<u>Winter & Summer</u>
House value	\$41,000.00	\$41,000.00	\$61,500.00
Taxable value	\$20,500.00	\$20,500.00	\$30,750.00
Annual Income	\$40,000.00	\$40,000.00	\$50,000.00
Tax rate (mills)	65.88	65.88	65.88
Street Lights	\$67.00	\$70.94	\$74.14
Garbage	\$143.00	\$162.63	\$168.84
Water Bill	\$1,800.00	\$1,917.00	\$2,032.02
<u>Payments</u>			
Property taxes	\$1,351.00	\$1,351.00	\$1,351.00
Street lights	\$67.87	\$70.09	\$74.14
Rubbish	\$146.00	\$162.63	\$168.84
Income tax	\$400.00	\$400.00	\$400.00
Water bill	\$1,800.00	\$1,917.00	\$2,032.02
Total Payments	\$3,764.87	\$3,900.72	\$4,026.00

\$61,500 House, \$50,000 Income

	FY14	FY15	FY16
	<u>Current</u>	<u>Proposed</u>	<u>Proposed</u>
<u>Values</u>	<u>Winter & Summer</u>	<u>Winter & Summer</u>	<u>Winter & Summer</u>
House value	\$61,500.00	\$61,500.00	\$61,500.00
Taxable value	\$30,750.00	\$30,750.00	\$30,750.00
Annual Income	\$50,000.00	\$50,000.00	\$50,000.00
Tax rate (mills)	65.88	65.88	65.88
Street Lights	\$67.87	\$70.94	\$74.14
Garbage	\$146.00	\$162.63	\$168.84
Water Bill	\$1,800.00	\$1,917.00	\$2,032.02
<u>Payments</u>			
Property taxes	\$2,026.00	\$2,026.00	\$2,026.00
Street lights	\$67.87	\$70.09	\$73.82
Garbage	\$146.00	\$146.37	\$155.61
Income tax	\$500.00	\$500.00	\$500.00
Water bill	\$1,800.00	\$1,917.00	\$2,032.02
Total Payments	\$4,539.87	\$4,659.46	\$4,787.45