

Robert, Carla M. (Treasury)

From: Pleyte, Beth (Treasury)
Sent: Thursday, December 17, 2015 1:11 PM
To: Snyder, Rick (GOV)
Cc: Muchmore, Dennis (GOV); Clement, Elizabeth (GOV); Scott, Allison (GOV); Khouri, Nick (TREASURY); Walsh, John (GOV); Roberts, John (DTMB); Baird, Richard (GOV); Redford, James (GOV); Khouri, Claire (GOV); Wisniewski, Wendy (GOV); Saxton, Thomas (Treasury); Durfee, Sally (TREASURY); Agen, Jarrod (GOV); Bedan, Morgan (GOV); Dickinson, Sarah (GOV); Murray, David (GOV)
Subject: Local Government and Schools Update
Attachments: Gov Memo Local Units - Schools 12-17-15.pdf; Summary Local Units Schools DEC 2015.docx

Sent on behalf of Wayne Workman:

Governor Snyder,

This memo and associated summary will serve as background for the Local Government briefing scheduled on January 6, 2016 at 3:00. Similar information is provided for the schools as well.

Wayne L. Workman
Deputy State Treasurer
Michigan Department of Treasury



STATE OF MICHIGAN
DEPARTMENT OF TREASURY

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DATE: December 17, 2015
TO: Rick Snyder, Governor
FROM: Wayne Workman, Deputy State Treasurer
SUBJECT: Status of Financially Distressed Local Governments

DECEMBER

NOVEMBER

	Cities	Counties	Schools	Total	Cities	Counties	Schools	Total
Emergency Manager	1	0	3	4	1	0	3	4
Financial Review Commission	1	0	0	1	1	0	0	1
Receivership Transition Advisory Board	6	0	0	6	6	0	0	6
Consent Agreement	2	1	2	5	3	1	2	6
Neutral Evaluation	1	0	0	1	1	0	0	1

EMERGENCY MANAGER

Lincoln Park

Emergency Manager: Brad Coulter

Appointed: July 7, 2014

Exit: December 22, 2015

Recent Developments

- In FY15 the anticipated unassigned general fund balance was \$186,901. In FY14 the unassigned general fund balance was a negative \$1.0M.
- The police and fire pension millage failed 53% to 47%. The millage would have raised an additional \$3M annually.
- MERS recently notified the city that its pension ARC is increasing from last year's amount of \$2.2M to a current amount due of \$3.9M. EM Coulter believes the city can only pay \$3.16M. Treasury and the city are working with MERS to reach a resolution regarding annual contributions to the pension plan.