

To: Headen, Frederick (Treasury); Barton, John (Treasury); Workman, Wayne (TREASURY)
Cc: Cline, Richard (Treasury); Byrne, Randall (Treasury)
Subject: RE: City of Flint Emergency Manager Order [MCPS-ACTIVE.FID982479]

Fred,

OFR staff believes that the restructuring of the debt would not need City Council approval. However, because the amount is over \$50K we believe it would require the Treasurer's approval. Do you agree?

Ed



Edward B. Koryzno, Jr. | Director - Bureau of Local Government Services
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Thank you

From: Headen, Frederick (Treasury)
Sent: Monday, March 16, 2015 1:22 PM
To: Barton, John (Treasury); Koryzno, Edward (Treasury); Workman, Wayne (TREASURY)
Cc: Cline, Richard (Treasury); Byrne, Randall (Treasury)
Subject: RE: City of Flint Emergency Manager Order [MCPS-ACTIVE.FID982479]

So, no new borrowing or issuance of debt is to occur? This is merely a restructuring of terms, such as a change in the maturity date?

From: Barton, John (Treasury)
Sent: Monday, March 16, 2015 12:59 PM
To: Koryzno, Edward (Treasury); Workman, Wayne (TREASURY); Headen, Frederick (Treasury)
Cc: Cline, Richard (Treasury); Byrne, Randall (Treasury)
Subject: RE: City of Flint Emergency Manager Order [MCPS-ACTIVE.FID982479]

I believe the provision referenced is 12(1)(x) of PA 436: Enter into agreements with creditors or other persons or entities to restructure debt on terms, at rates of interest, and with security as shall be agreed among the parties, subject to approval by the state treasurer.

From what I understand from Harold and Bill, the modification of the DWRF loans would not require City Council approval as it is simply a restructuring with the MFA.

Thanks
John

From: Koryzno, Edward (Treasury)
Sent: Monday, March 16, 2015 11:29 AM
To: Workman, Wayne (TREASURY); Headen, Frederick (Treasury)
Cc: Cline, Richard (Treasury); Byrne, Randall (Treasury); Barton, John (Treasury)
Subject: RE: City of Flint Emergency Manager Order [MCPS-ACTIVE.FID982479]

We are on it.



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Thank you

From: Workman, Wayne (TREASURY)
Sent: Monday, March 16, 2015 11:14 AM
To: Headen, Frederick (Treasury)
Cc: Koryzno, Edward (Treasury); Cline, Richard (Treasury); Byrne, Randall (Treasury); Barton, John (Treasury)
Subject: Re: City of Flint Emergency Manager Order [MCPS-ACTIVE.FID982479]

Let's get with Harold and Jerry right away

Sent from my iPhone

On Mar 16, 2015, at 10:44 AM, Headen, Frederick (Treasury) <HeadenF@michigan.gov> wrote:

Wayne:

Included in the e-mail you forwarded on Friday was an e-mail from Harold Bulger, at Miller Canfield, stating that Treasury approval of the proposed restructuring would be required by Act 436. However, he did not state which provision of the Act he had in mind. Can someone in your shop pose that question to Harold or request a copy of the proposed EM order?

One question that I would have is whether the proposed restructuring is a borrowing per § 12(1)(u) of the Act? Perhaps the answer is no. However, if yes, Jerry would have to submit the proposal to the City Council per § 19(1). Depending upon the disposition by the City Council, the matter might have to be submitted to the ELB. All of these steps would extend the approval process and Jerry indicated that time is of the essence given the currently scheduled April payment.

I saw from some of the e-mail traffic that John Barton has been involved in this issue. So, I have added him to this reply.

Fred