

Dempkowski, Angela (Treasury)

From: Gerald Ambrose <gambrose@cityofflint.com>
Sent: Wednesday, March 18, 2015 4:49 PM
To: Elizabeth Murphy
Cc: Howard Croft; Dayne Walling; Natasha Henderson; Kelly Rossman-McKinney; Jason Lorenz; Peter Bade; Workman, Wayne (TREASURY); Stanton, Terry A. (Treasury); Bulger, Harold W., Jr.
Subject: Re: Draft release - restructuring of DWRF bonds

Jason,

Money to be available is \$2.24 million.... and the interest rate remains at 2.5%.... Total interest to be paid (\$12.1 million) is \$228,000 greater than the total interest to be paid in the original issue (\$11.9 m) over the life of the issue...

On Wed, Mar 18, 2015 at 4:39 PM, Elizabeth Murphy <emurphy@cityofflint.com> wrote:

Responding to items in the release:

- 1) is total amount now available \$2.24 or \$2.4 million? Both numbers are used in statement.
- 2) is new interest rate 2.5% + 2%? So 4.5%? That is how I am reading last line in the statement.

LIZ

On Wed, Mar 18, 2015 at 4:29 PM, Howard Croft <hcroft@cityofflint.com> wrote:

Jerry,

I think you make the point in the letter but is of note that the DWRF loan was **specific to the water fund** and not sewer. Along that **same line** is whether or not we intend to tie the funds to a specific project like the \$2 million dollar grant from treasury where there is a direct measurable link from the action to the result.

On Wed, Mar 18, 2015 at 3:45 PM, Gerald Ambrose <gambrose@cityofflint.com> wrote:

Attached for review and comment is a draft release regarding restructuring of the DWRF bonds. It is necessary for me to issue an order to do this, and it is still subject to Treasury approval. Treasury is waiting for the paperwork, so I am expecting approval. Timing is an issue because the restructuring affects debt service payments due April 1.

The plan is to sign the order tomorrow and get it to Treasury same day... so I see it as important to get our message out first.

Note that my discussions with Treasury have been towards freeing up funds for needed capital improvements. Not for reducing rates....

I am asking Jason/Kelly to get this to whomever else at the state should also review. I am copying Terry Stanton.

This needs to be ready for release early in the morning.

Please include Jason in responses regarding editorial comments. let me know if you have issues with substance or timing.

J

--

Howard Croft

Public Works Director

City of Flint

1101 S. Saginaw Street

Flint, MI 48502

PH# 810.766.7135 Ext.2043

hcroft@cityofflint.com

--

Liz Murphy

Assistant to the Emergency Manager

City of Flint

810 237 2025