

Workman, Wayne (TREASURY)

From: Workman, Wayne (TREASURY)
Sent: Monday, January 18, 2016 9:48 AM
To: mdavidoff@deloitte.com
Cc: Baird, Richard (GOV)
Subject: FW: Water and General Fund financial information needed

Mark, I think Rich may have already sent the information we requested from the City, but I take the liberty of double coverage. After you talk with Mayor Weaver, please feel free to contact me to discuss how Treasury can assist you and the City. We already have a number of things started and communicate with City staff daily. Thanks, Wayne Workman cell phone 231-590-0503

From: Workman, Wayne (TREASURY)
Sent: Wednesday, January 13, 2016 3:25 PM
To: kweaver@cityofflint.com; Natasha Henderson
Cc: Schafer, Suzanne K. (Treasury) ; Byrne, Randall (Treasury) ; Saxton, Thomas (Treasury)
Subject: Water and General Fund financial information needed

Mayor Weaver,

This is to confirm our discussion on January 12, 2016 regarding the financial information Treasury needs for the City of Flint. Please submit the following:

1. Monthly cash flow reports (for both General Fund and the Water/Sewer Fund) for the period of 7/1/2015 thru 6/30/16. The report should show the actual cash flow for the months already past and the projected cash flow for the remainder of the city's fiscal year. It should show the ending cash balance assuming that the Shearer decision is upheld and a second balance assuming the Shearer decision is reversed.
2. Water shutoff history starting 1/1/2015 to present. The history should include the number of shutoffs and what that represents in terms of percentage of customers and percentage impact on revenues.
3. Water bill collection history starting 1/1/2015 to present.
4. Reports required by the emergency loan agreement issued in April 2015 (requirements will be sent in a separate letter).

As I mentioned, if the City needs additional resources to help gather this information quickly, Treasury is prepared to offer financial help for the City to retain the help of your auditors. If you want to pursue this please contact Randy Byrne regarding estimated cost.

We look forward to working with the City to identify and secure additional funds from foundations, corporations and the federal government to provide long term solutions for Flint's water system.

Should you have any additional questions or need assistance on the formatting or content of the reports, please do not hesitate to contact Suzanne Schafer at 517-373-0533. We look forward to getting this information as soon as possible.

Thank you, Wayne

Workman, Wayne (TREASURY)

From: Baird, Richard (GOV)
Sent: Monday, January 18, 2016 1:47 PM
To: Workman, Wayne (TREASURY)
Subject: Re: FW: Confirming our Discussion tonight

Marks call I think. He and Joel need to get Mayor agreement that he will be her second in command.

Sent from my Verizon Wireless 4G LTE DROID

On Jan 18, 2016 10:19 AM, "Workman, Wayne (TREASURY)" wrote:

Trading calls with Davidoff. Is it OK to let Flint CFO know about Deloitte? I would like get a call set up for Tuesday with Treasury, City and Deloitte if they are going to do the work.

From: Jody Lundquist [mailto:jlundquist@cityofflint.com]
Sent: Sunday, January 17, 2016 8:30 PM
To: Natasha Henderson
Cc: Karen Weaver ; Baird, Richard (GOV) ; Workman, Wayne (TREASURY) ; Hollins, Harvey (GOV)
Subject: Re: Confirming our Discussion tonight

Good evening, Ms. Henderson.

In response to the email from the State regarding Yeo & Yeo's cost, availability and timeline, I reached out to Jamie Rivette. I provided her with exactly the same description of the cash flow report included in the email from Mr. Workman last week.

She provided the following response:

"Our estimated cost for performing monthly cash flow reports for both General Fund and the Water/Sewer Fund for the period of 7/1/2015 thru 6/30/16 (to include the information you specified below) would be billed at our standard hourly rates. I would expect this to take approximately 60 hours and cost around \$15,000.

Dave and I would be available to start this project next week Thursday."

My original timeline of two weeks was consistent with that confirmed by Yeo & Yeo. I am happy to prepare the cash flow reports as I had intended and can make this a priority for completion by week's end now that I understand the priority and urgency placed on this item by the State. Should the State so desire to completely offset the cost of outsourcing the production of this report, I am happy to engage Yeo & Yeo, however it will cost more, take longer and require nearly the same amount of time and effort by City staff in order to provide them with the requisite information and assumptions.

Please let me know how you would like to proceed.

Best regards,

Jody N. Lundquist