

EMERGENCY FINANCIAL MANAGER CITY OF FLINT GENESEE COUNTY MICHIGAN

ORDER No. 11 WATER SERVICE PROCEDURES

BY THE POWER AND AUTHORITY VESTED IN THE EMERGENCY FINANCIAL MANAGER ("EMERGENCY FINANCIAL MANAGER") FOR THE CITY OF FLINT, MICHIGAN ("CITY") PURSUANT TO PUBLIC ACT 72 OF 1990, THE LOCAL GOVERNMENT FISCAL RESPONSIBILITY ACT, MCL 141.1201 et seq ("PUBLIC ACT 72"), EDWARD J. KURTZ, THE EMERGENCY FINANCIAL MANAGER, ISSUES THE FOLLOWING ORDER:

On May 15, 1990, the Local Government Fiscal Responsibility Act, Public Act 72 of 1990, ("Public Act 72") was enacted to provide for review, management, planning, and control of the financial operation of units of local government; to provide criteria to be used in determining the financial condition of a local government; to permit a declaration of the existence of a local government financial emergency and to prescribe the powers and duties of the governor, other state boards, agencies, and officials, and officials and employees of units of local government; and

On August 8, 2012, the Local Emergency Financial Assistance Loan Board appointed Edward J. Kurtz as the Emergency Financial Manager for the City of Flint; and

Pursuant to Public Act 72, the Emergency Financial Manager exercises the authority and responsibilities of the Mayor and City Council concerning the adoption, amendment, and enforcement of ordinances and resolutions affecting the financial condition of City of Flint; and

Pursuant to Public Act 72, the Emergency Financial Manager has the authority to approve or disapprove all outstanding financial obligations of the City of Flint; and

Pursuant to Public Act 72, the Emergency Financial Manager has the authority to approve or disapprove any appropriations, contract, expenditure or loan; and

The City of Flint sells water to thousands of customers. The City's procedures and rate structure for the provision of water service has a substantial financial impact on the City. The Emergency Financial Manager has determined that it is necessary to make a number of changes to these procedures.

It is hereby ordered that the following new procedures are adopted regarding water service:

- 1. Property owners who apply for and are granted the annual poverty tax exemption will also be exempted from the monthly ready to serve charge for water service. Exemptions will be for the period of July1 to June 30. Exemptions from the March Board of Review will begin July 1. Exemptions from the July and December Board of Review will be retroactive to July 1.
- 2. For individuals who have a "Decision Notice" from the Michigan Department of Human Services (DHS), wherein DHS has agreed that it will pay the water deposit, the City will accept the DHS maximum deposit payment (currently \$200). However, the individual will remain responsible for the affidavit fee and the water turn-on fee.
- 3. For customers where the water has been shut off and a fee is required to turn the water back on, the fee will be reduced to \$100 if the customer agrees to a payment plan for all unpaid water and sewer charges.
- 4. Same day turn on service will be available ONLY if the customer pays the \$175 fee AND pays all unpaid water and sewer charges bill in full.
- 5. The Infrastructure Division will develop an implementation and business plan for aggressively pursuing alleged instances of water theft. The plan will also address increasing the capacity for quickly shutting off water and reducing the time between the delinquency and the actual shut off.

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

Dated: 3-27-13

By: Edward J. Kurtz

Emergency Financial Manager

City of Flint

xc: State of Michigan Department of Treasury

Mayor Dayne Walling Flint City Council Inez Brown, City Clerk