EMERGENCY FINANCIAL MANAGER OF THE CITY OF ECORSE
(Directive No. 053)

ORDER OF THE EMERGENCY MANAGER OF THE CITY OF ECORSE, COUNTY OF WAYNE, STATE OF MICHIGAN, CONCERNING OPERATIONS OF THE TREASURER'S OFFICE.

WHEREAS, under the Local Government and School District Fiscal Accountability Act, Act 4, Public Acts of Michigan, 2011, as amended ("Act 4") and a Contract (the "Contract") between the State of Michigan and Joyce A. Parker, dated October 30, 2009, Joyce A. Parker has been appointed as the Emergency Manager (the "EM") of the City of Ecorse, County of Wayne, Michigan (the "City") and charged with the power and authority to take all actions necessary to develop and implement financial and operational plans to regulate expenditures, investments and the provision of services for the City of Ecorse in conformity with and using the powers set forth in Act 4; and

WHEREAS, pursuant to Public Act 4 of 2011, Section 26, local **elected and appointed officials** and employees are mandated to promptly and fully provide the assistance and information requested by the Emergency Manager. Public Act 4, Section 26 further states that the "failure of a government official to abide by this act shall be considered gross neglect of duty", further indicating that an Emergency Manager may report the gross neglect of duty to the state's financial authority and the attorney general which could result in a review followed by a hearing. The elected city official may be removed from their elected office by the Governor, where such action has been recommended.

WHEREAS, pursuant to Public Act 4 of 2011, Section 19 (1) (ee) the power of an emergency manager is superior to and supersedes the power of any officer or employee **whether elected or appointed** and, therefore, allows the Emergency Manager to exercise the power and authority of any elected or appointed position, including the elected position of City Treasurer, to properly accomplish the work.

WHEREAS, under the elected leadership and authority of the present City Treasurer, the City of Ecorse failed over a two year period of time to properly disperse taxes to the County of Wayne and the Ecorse Board of Education resulting in a $6.6 million dollar contribution to the City's serious deficit which has financially crippled the City.

WHEREAS, the County of Wayne refuses to bond the City Treasurer due to the City's financial condition requiring the City to find a means by which to assist the City Treasurer to comply with State law.

WHEREAS, there exists unexplained discrepancies in the records concerning the Treasury Office including, but not limited to, certain tax receipts received but tax delinquency notices sent out by the County Assessor's Office regarding the same property and certain money receipts accounted for later being changed to reflect a different dollar amount.

WHEREAS, over the last several months and in particular, the past several weeks, the City Treasurer has failed and/or neglected to cooperate and perform all the tasks requested by the Emergency Manager to implement the proper policies, procedures and internal controls necessary to accomplish the work of the Treasurer's office with transparency, honesty, and integrity. The City Treasurer has further failed and/or neglected to cooperate and properly and timely meet and communicate effectively with the Emergency Manager about the issues of the Treasurer's office.

WHEREAS, the Ecorse Emergency Manager directs the City Treasurer and those working in the Treasurer's office to comply with the letter and spirit of Public Act 4 of 2011 by immediately and continually demonstrating complete cooperation with the Emergency Manager; to carry out fully and promptly every directive and request made by the Emergency Manager, whether verbal or in writing; to work closely and share all financial and Treasury information with the Emergency Manager, Financial Controller and Deputy Financial Controller; to meet with the Emergency Manager when requested, promptly return telephone calls, communicate fully and productively with the Emergency Manager concerning all financial and Treasury office issues, concerns and tasks; provide promptly substantive documentation to explain the Treasury record discrepancies; and to deliver to the Emergency Manager within 24 hours of receipt of this ORDER a proposed written schedule of the days and hours the Treasurer will consistently report to work each week, a list of the specific tasks the Treasurer is capable of accomplishing and those tasks the Treasurer requires training on.

This Directive is necessary in order to carry out the duties and responsibilities required of the Emergency Manager as set forth in Public Act 4 of 2011, the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Manager and, additionally, is considered necessary to implement the financial plan.

RESOLVED, IT IS HEREBY ORDERED BY THE EMERGENCY MANAGER OF THE CITY OF ECORSE, PURSUANT TO PUBLIC ACT 4 of 2011 AND THE CONTRACT, THAT:

1. The City Treasurer and those working in the Treasurer's office shall comply with the letter and spirit of Public Act 4 of 2011 by:

    a. The Treasurer and the Treasurer's Office shall immediately and continually demonstrate complete cooperation with the Emergency Manager, promptly acting upon and/or implementing all requests;

    b. The Treasurer and the Treasurer's Office shall carry out fully and promptly every directive and request made by the Emergency Manager, whether verbal or in writing;

    c. The Treasurer and the Treasurer's Office shall work closely, pro-actively sharing all financial and treasury information with the Emergency Manager, Financial Controller and Deputy Financial Controller;

    d. The Treasurer and the Treasurer's Office shall meet with the Emergency Manager when requested, promptly return telephone calls, communicate fully and productively with the Emergency Manager concerning all financial and Treasury office issues, concerns and tasks;

    e. The Treasurer shall deliver to the Emergency Manager within 24 hours of receipt of this ORDER a proposed written schedule of the days and hours the Treasurer will consistently report to work each week, a list of the specific tasks the Treasurer is capable of accomplishing and those tasks the Treasurer requires training on;

    f. The Treasurer shall provide promptly substantive documentation to explain the discrepancies in the Treasury Office records;

    g. The Treasurer shall meet with the Emergency Manager on Friday, June 17, 2011 at 1:30pm to discuss Treasury Office issues and determine the work schedule and activities of the Treasurer.

2. This ORDER is issued to an elected official and shall be binding and shall carry with it the full extent of consequences for non-compliance stated under Public Act 4 of 2011, especially as set forth in Section 17 and Section 26.

3. Repeal. All orders of the Emergency Manager, resolutions of the City Council of the City and parts of resolutions or orders in conflict with this Order are hereby repealed to the extent of such conflict.

IT IS SO ORDERED this 14th day of June, 2011.

Joyce A. Parker
Emergency Manager
City of Ecorse