Emergency Financial Manager of the City of Ecorse
(Order No. 083)

ORDER OF THE EMERGENCY FINANCIAL MANAGER OF THE CITY OF ECORSE, COUNTY OF WAYNE, STATE OF MICHIGAN, CRITERIA FOR WITHDRAWAL OF FUNDS HELD IN ESCROW AT COMERICA BANK FROM THE SETTLEMENT AGREEMENT WITH U.S. STEEL

WHEREAS, under the Local Government Fiscal Responsibility Act, Act 72, Public Acts of Michigan, 1990, as amended ("Act 72") and a Contract (the "Contract") between the State of Michigan and Joyce A. Parker, dated May 13, 2012, Joyce A. Parker has been appointed as the Emergency Financial Manager (the "EFM") of the City of Ecorse, County of Wayne, Michigan (the "City") and charged with the power to take actions with respect to the City, including the power to exercise the authority and responsibilities of the Mayor, as the Chief Administrative Officer of the City, and of the City Council, as the governing body of the City, concerning the adoption, amendment and enforcement of ordinances or resolutions, affecting the financial condition of the City as provided in the Home Rule City Act, Act 279, Public Acts of Michigan, 1909, as amended ("Act 279"); and

WHEREAS, pursuant to Section 21 of Act 72 and the Contract, the EFM, as Chief Administrative Officer of the City, is authorized to, among other things, amend, revise, approve, or disapprove the budget and limit the total amount appropriated or expended as she may deem necessary within her sole discretion to accomplish the purposes of Act 72; and

WHEREAS, U.S. Steel has appealed the value of their property since tax year 2003 with the Michigan Tax Tribunal. The City of Ecorse and U.S. Steel have negotiated a settlement agreement dated January 19, 2012 for tax years 2003 through 2014. This agreement calls for payments by U.S. Steel to the City of Ecorse of (1) $1,100,000 not more than 30 days after the entry of the Consent Judgments, (2) $1,100,000 on or before June 25, 2012, (3) $1,050,000 on or before November 30, 2012, (4) $1,050,000 on or before November 30, 2013.

WHEREAS, based on the terms and conditions of the January 19, 2012 settlement agreement, the payment amounts from U.S. Steel provide the necessary revenue required for operational purposes in the 2013 – 2014 fiscal year and 2014 – 2015 fiscal year general operating budgets, said amounts from U.S. Steel to replace the anticipated reductions in tax revenues.

NOW THEREFORE, BE IT ORDERED BY THE EMERGENCY FINANCIAL MANAGER OF THE CITY OF ECORSE, PURSUANT TO PUBLIC ACT 72 AND THE CONTRACT, THAT:

1. The payment due by November 30, 2012 of $1,050,000 from U.S. Steel shall be placed in an interest bearing premium business money market account at Comerica Bank and shall not to be released to the City of Ecorse until July 1, 2013.
2. The payment due by November 30, 2013 of $1,050,000 from U.S. Steel shall be placed in an interest bearing premium business money market account at Comerica Bank and shall not to be released to the City of Ecorse until July 1, 2014.
3. The above dates may only be changed by the EFM/EM or the State Treasurer.
4. Repeal. All orders of the EFM/EM, 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.

SO ORDERED this 25th/ day of October 2012.

Joyce A. Parker
Emergency Financial Manager
City of Ecorse