



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

PUBLIC NOTICE OF ELECTRONIC MEETING OF THE MICHIGAN MUNICIPAL SERVICES AUTHORITY

PLEASE NOTE: THIS NOTICE IS GIVEN AND PUBLISHED PURSUANT TO EXECUTIVE ORDER 2020-129 ISSUED BY GRETCHEN WHITMER, GOVERNOR FOR THE STATE OF MICHIGAN.

The Executive Committee of the Michigan Municipal Services Authority is meeting electronically as a result of the Covid-19 virus pursuant to law and the mandates of Executive Order 2020-115 issued by Governor Gretchen Whitmer.

The **Executive Committee of the Michigan Municipal Services Authority** will hold a regular meeting on the following date and at the following time:

Date

Thursday, July 9, 2020

Time

9:00 AM

Refer to the MMSA's website to view the complete Agenda and Packet for the meeting.

Specific instructions for public participation via a webinar will be posted on the MMSA's

website: <http://michiganmsa.org/>

This meeting is being held in place of the regular June 18, 2020 Authority Board meeting that was canceled due to lack of quorum.

The meeting is open to the public and this notice is provided under the Open Meetings Act, 1976 PA 267, MCL 15.261 to 15.275.

The meeting location is barrier-free and accessible to individuals with special needs. Individuals needing special accommodations or assistance to attend or address the meeting should contact the Authority at (248) 925-9295 prior to the meeting to assure compliance with Subtitle A of Title II of the Americans with Disabilities Act of 1990, Public Law 101-336, and 42 USC 12131 to 12134.

A copy of the proposed meeting minutes will be available for public inspection at the principal office of the Authority within 8 business days. A copy of the approved minutes of the meeting, including any corrections, will be available for public inspection at the principal office of the Authority within 5 business days after approval.



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

**AUTHORITY BOARD
REGULAR MEETING**

Thursday, July 9, 2020 at 9:00 a.m.

LIVE ZOOM WEBINAR

Capitol View Building
201 Townsend St Suite 900
Lansing, MI 48933

AGENDA

- I. Call to Order**
- II. Roll Call**
- III. Approval of Agenda**
- IV. Approval of Minutes**
 - a. Minutes of the November 14, 2019 Regular Authority Board meeting
- V. Administrative Report**
- VI. Audits**
 - a. Presentation of 2018-2019 Audit
 - i. Resolution 2020-A Approval of Audit for Fiscal Year 2018-2019
 - b. Audit Services Proposal
 - i. Resolution 2020 020-B Procurement of Audit Services
- VII. New Business**
 - a. MMSA Partnership with the State of Michigan
 - b. Authority Board Appointments
- VIII. Public Comment**
- IX. Other Business**
- X. Adjournment**

A copy of the proposed minutes of the meeting will be available for public inspection at the principal office of the Authority within 8 business days. A copy of the approved minutes of the meeting, including any corrections, will be available for public inspection at the principal office of the Authority within 5 business days after approval.



AUTHORITY BOARD

Thursday, November 14, 2019 at 1:30 p.m.

Capitol View Building
Constitution Room – 9th Floor
201 Townsend Street
Lansing, MI 48933

MINUTES

Proposed Minutes Approved Minutes

MEETING TYPE: Regular Special

I. Call to Order

The meeting was called to order at 1:34 p.m. by the Chairperson.

II. Roll Call

	PRESENT	ABSENT
Kelli Scott, Chairperson	X	
Dominick Pallone, Vice-Chairperson*	X	
Eric DeLong, Treasurer*	X	
James Cambridge, Secretary		X
Doug Smith, Member*	X	
Phil Bertolini	X	
Brian Meakin	X	
Jessica Moy	X	

Other attendees:

- Shea Charles, Michigan Municipal Services Authority
- Kristen Delaney, Michigan Municipal Services Authority
- Steven Liedel, Dykema
- Molly Clarin, City of Grand Rapids

III. Approval of Agenda

Moved by: Bertolini
Supported by: Moy

Yes: X No: ___

IV. Approval of Minutes from July 11, 2019 Regular Meeting of the Authority Board as presented.

Moved by: Moy
Supported by: Bertolini

Yes: X No: ___

V. Administrative Report

Charles presented the administrative report. Bertolini and Moy gave feedback on how they would like to see financial reports presented in the future. There was a discussion about the “Miscellaneous” line in the financial report. Bertolini requested page numbers on the agendas moving forward.

Charles gave an update on his recent discussion CGI and the work with the LCSA.

Pallone left the meeting at 2:30 p.m.

VI. Audit Reports

None.

VII. New Business

a. Resolution 2019-B Schedule of Regular Meetings for Calendar Year 2020

Moy noted that the schedule for the Authority Board conflicts with her work schedule and suggested changing the dates if it works for everyone else. The revised meeting schedule would be: March 19, 2020, June 18, 2020 and November 19, 2020.

A motion was made to approve the Schedule of Regular Meetings for Calendar Year 2020 as amended.

Moved by: Moy
Supported by: Bertolini

Yes: X No: ___

b. Discussion of MMSA Visioning Process

Bertolini stated that the board needs to go back to the formation of the MMSA and revisit why the organization was created. Are the premises that it started on still valid? He noted that the Authority has certain legal obligations and those need to be kept in mind as changes are made.

Charles discussed reaching out to organizations to find out what municipalities want. Bertolini noted that we may want to speak directly to municipalities. He noted that before we offer services to small and mid-sized governments, we need to fine out what they want. Bertolini recommended that Charles reach out to MGFOA, MIGIMIS, the purchasing officers group, MME, the clerks group and the human resources association and ask "what are your pain points?".

Smith noted that it would helpful to have a brief overview of what the Authority is doing, not more than 1-2 pages. Smith recommended reaching out to the Regional Economic Studies department at Michigan State University and the MEDC's Redevelopment Ready Communities program.

Bertolini noted that they should be careful because in the past there have been things that were promised that haven't been delivered. Start with a bigger list and let the partner organizations help us narrow it down.

I. Other Business

None.

II. Adjournment

Moved by: Bertolini
Supported by: Moy

Yes: X No:

Meeting adjourned at 2:52 PM

Certification of Minutes

Approved by the Authority Board on July 9, 2020.

Authority Secretary

Date



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

DATE: July 3, 2020
TO: Executive Committee
FROM: Shea Charles, CEO
SUBJECT: May & June Report

I am pleased to submit my report of MMSA activities for May & June.

Monthly Financials

Please find the attached monthly financial report for May 2020. June Financials will be issued next week. One significant change is Kent County and Grand Rapids paid their full CGI & MMSA fee, which improves our overall financial picture this year.

FMS/CGI

As was noted, the COVID situation has stalled on-going negotiations for the migration to the Advantage 4x platform for both Kent County and Grand Rapids. Kent County is having a series of meetings in July with CGI to address previous implementation issues. Once those are complete, we will meet with Kent County and Grand Rapids to determine next steps.

LCSA Administrative Update

Most of May was spent finalizing the 2020 METRO Act payments as well as preparing the May 20th PPT payments. A total of \$27,346,700.92 in METRO Act Payments were issued to 1,753 Cities, Villages and Townships on May 29th. PPT Payments totaled \$131,338,329.05 and 1,122 checks were issued. For each payment cycle we did not have any wrong payments going to same name townships, which was a challenge in 2019.

The LCSA legislation is still pending in front of the Senate. The LCSA does have a fund balance of \$608,373, so it can continue operations this year. There are some preliminary indications this legislation may be considered in July.

MMSA Next steps

Progress on the MMSA visioning plan discussed on March 11th has not moved forward as quickly as I had hoped due to the pandemic. I have been discussing different program options

with partners, but many are in a holding pattern. From the March 11th work session, the following areas were identified:

Topic	Partner	Status
Reaffirm support for MMSA by its founding members	<ul style="list-style-type: none"> • City of Livonia • City of Grand Rapids • State of Michigan. 	<ul style="list-style-type: none"> • Met with Livonia Mayor in June and provided letter of instruction. Anticipate individuals to be named within the next month. • On hold, Molly Clarin as been appointed CFO, need confirmation she will assume Jeff Dood’s spot • Agenda item discussion.
Upon reaffirmation look to host a facilitated visioning session with the Board, stakeholders and representatives from the State of Michigan.	<ul style="list-style-type: none"> • City of Livonia • City of Grand Rapids • State of Michigan • Other partners? 	<ul style="list-style-type: none"> • Kelli Scott and met with Livonia Mayor in June.
Realignment of the MMSA Board	<ul style="list-style-type: none"> • MML • MTA • MAC 	<ul style="list-style-type: none"> • MML – Tony Minhine will be representing MML. • Brian Reed, Delta Township Manager will be representing MTA. • MAC – Spoke with Steve Currie MAC Director and will have person shortly.
Identify Board replacements for Livonia Representatives	City of Livonia	<ul style="list-style-type: none"> • Kelli Scott and met with Livonia Mayor in June.
Initiate formal cooperative agreements with Oakland County’s G2G Marketplace, MAC’s CoPro	Oakland County MiDeal MAC	<ul style="list-style-type: none"> • In conversations with G2G Representative. Meeting with Oakland County IT Director in July to formalize relationship. • MAC affirmed interest in partnering with CoPro. Will continue conversation in July.
Begin comprehensive marketing effort of MMSA to local governments		Identified marketing person who will be able to assist in this effort.
MASIA Insurance Pool (suggested by Steve Liedel)		On hold

The MTA has agreed to publish an article on “What the MMSA can do for you!” in their August monthly publication. Given recent events I am asking this be pushed to September, which will allow us to formalize some programs.

An initial call with Treasury was held on June 16th that has led to the pending partnership to provide technical assistance to the City of Flint. I will update to the Board at the meeting about a discussion with Deputy State Treasurer Joyce Parker about a longer-term project.

June 12, 2020

To: Shea Charles, CEO
Michigan Municipal Services Authority (MMSA) Board of Directors

Re: May 2020 Monthly Statements

Enclosed are the following Monthly Statements for your review:

1. Revenue & Expenditure Report – General Fund
2. Revenue & Expenditure Report – Financial Management System Fund
3. Revenue & Expenditure Report – All Funds
4. Balance Sheet
5. Check Register
6. Bank Account Reconciliation
7. Bank Statement

Please contact Kari Shea (248-223-3287) or Kelly Schimmoeller (734-302-6456) with any questions.

Thank you.

Disclaimer: These financial statements have not been subjected to an audit, review or compilation engagement, and no assurance is provided on them.

Michigan Municipal Services Authority
REVENUE AND EXPENDITURE REPORT
As of May 31, 2020

	Year Ending 09/30/2019	Year Ending 09/30/2020		Year To Date 05/31/2020	
	END BALANCE	ORIGINAL BUDGET	AMENDED BUDGET	YTD BALANCE	% BDGT
Revenue					
671000 - Contract Revenue	150,000	150,000	150,000	112,500	75.00 %
Total Revenue	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>112,500</u>	<u>75.00 %</u>
Expenses					
Salary and Fringes					
701000 - Personal Services	152,089	200,000	181,000	117,294	64.80 %
715000 - Social Security & Medicare	0	0	13,847	9,037	65.27 %
718000 - Insurance - Health	0	0	9,934	4,051	40.77 %
Total Salary and Fringes	<u>152,089</u>	<u>200,000</u>	<u>204,781</u>	<u>130,382</u>	<u>63.67 %</u>
Operating					
752000 - Office Expense	0	0	2,000	892	44.62 %
801000 - Professional and Contractual Services	0	0	0	2,765	0.00 %
801500 - Office Rent	0	0	9,700	2,955	30.46 %
802000 - Legal	13,519	18,000	18,000	9,743	54.12 %
803000 - Accounting	14,930	16,000	16,000	8,539	53.37 %
803500 - Audit	10,600	11,000	11,000	11,000	100.00 %
804000 - Bank Service Charges	2,311	2,500	2,500	394	15.74 %
805000 - HR and Benefits Consulting	12,133	16,000	5,000	616	12.33 %
840000 - Insurance	2,160	2,781	2,810	3,623	128.96 %
861000 - Mileage Reimbursement	0	0	3,500	2,745	78.42 %
910000 - Professional Development	1,170	1,560	2,000	1,645	82.25 %
913000 - Conference Expenses	0	0	1,000	615	61.54 %
955000 - Miscellaneous	10,954	12,000	2,000	882	44.07 %
Total Operating	<u>67,777</u>	<u>79,841</u>	<u>75,510</u>	<u>46,414</u>	<u>61.47 %</u>
Total Expenses	<u>219,866</u>	<u>279,841</u>	<u>280,291</u>	<u>176,796</u>	<u>63.08 %</u>
Revenue in Excess of Expenses	<u>(69,866)</u>	<u>(129,841)</u>	<u>(130,291)</u>	<u>(64,296)</u>	<u>49.35 %</u>
Transfers					
699273 - Interfund Transfer In - FMS	119,637	122,922	92,017	0	0.00 %
Total Transfers	<u>119,637</u>	<u>122,922</u>	<u>92,017</u>	<u>0</u>	<u>0.00 %</u>
Change in Equity	<u>49,771</u>	<u>(6,919)</u>	<u>(38,274)</u>	<u>(64,296)</u>	<u>167.99 %</u>

These financial statements have not been subjected to an audit, review or compilation engagement, and no assurance is provided on them.

Michigan Municipal Services Authority REVENUE AND EXPENDITURE REPORT As of May 31, 2020

	Year Ending	Year Ending		Year To Date	% BDGT
	09/30/2019	09/30/2020	09/30/2020	05/31/2020	
	END BALANCE	ORIGINAL BUDGET	AMENDED BUDGET	YTD BALANCE	
Revenue					
671000 - Contract Revenue	1,885,941	1,889,620	1,417,215	0	0.00 %
Total Revenue	<u>1,885,941</u>	<u>1,889,620</u>	<u>1,417,215</u>	<u>0</u>	<u>0.00 %</u>
Expenses					
Operating					
801000 - Professional and Contractual Services	1,766,304	1,766,698	1,325,198	698	0.05 %
Total Operating	<u>1,766,304</u>	<u>1,766,698</u>	<u>1,325,198</u>	<u>698</u>	<u>0.05 %</u>
Total Expenses	<u>1,766,304</u>	<u>1,766,698</u>	<u>1,325,198</u>	<u>698</u>	<u>0.05 %</u>
Revenue in Excess of Expenses	<u>119,637</u>	<u>122,922</u>	<u>92,017</u>	<u>(698)</u>	<u>(0.76) %</u>
Transfers					
995101 - Transfer Out - GF	(119,637)	(122,922)	(92,017)	0	0.00 %
Total Transfers	<u>(119,637)</u>	<u>(122,922)</u>	<u>(92,017)</u>	<u>0</u>	<u>0.00 %</u>
Change in Equity	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>(698)</u></u>	<u><u>1,745,000.00 %</u></u>

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Michigan Municipal Services Authority
REVENUE AND EXPENDITURE REPORT
As of May 31, 2020

	Year Ending 09/30/2019	Year Ending 09/30/2020		Year To Date 05/31/2020	
	END BALANCE	ORIGINAL BUDGET	AMENDED BUDGET	YTD BALANCE	% BDGT
Revenue					
671000 - Contract Revenue	2,035,941	2,039,620	1,567,215	112,500	7.18 %
Total Revenue	<u>2,035,941</u>	<u>2,039,620</u>	<u>1,567,215</u>	<u>112,500</u>	<u>7.18 %</u>
Expenses					
Salary and Fringes					
701000 - Personal Services	152,089	200,000	181,000	117,294	64.80 %
715000 - Social Security & Medicare	0	0	13,847	9,037	65.27 %
718000 - Insurance - Health	0	0	9,934	4,051	40.77 %
Total Salary and Fringes	<u>152,089</u>	<u>200,000</u>	<u>204,781</u>	<u>130,382</u>	<u>63.67 %</u>
Operating					
752000 - Office Expense	0	0	2,000	892	44.62 %
801000 - Professional and Contractual Services	1,766,304	1,766,698	1,325,198	3,463	0.26 %
801500 - Office Rent	0	0	9,700	2,955	30.46 %
802000 - Legal	13,519	18,000	18,000	9,743	54.12 %
803000 - Accounting	14,930	16,000	16,000	8,539	53.37 %
803500 - Audit	10,600	11,000	11,000	11,000	100.00 %
804000 - Bank Service Charges	2,311	2,500	2,500	394	15.74 %
805000 - HR and Benefits Consulting	12,133	16,000	5,000	616	12.33 %
840000 - Insurance	2,160	2,781	2,810	3,623	128.96 %
861000 - Mileage Reimbursement	0	0	3,500	2,745	78.42 %
910000 - Professional Development	1,170	1,560	2,000	1,645	82.25 %
913000 - Conference Expenses	0	0	1,000	615	61.54 %
955000 - Miscellaneous	10,954	12,000	2,000	882	44.07 %
Total Operating	<u>1,834,081</u>	<u>1,846,539</u>	<u>1,400,708</u>	<u>47,112</u>	<u>3.36 %</u>
Total Expenses	<u>1,986,170</u>	<u>2,046,539</u>	<u>1,605,489</u>	<u>177,494</u>	<u>11.06 %</u>
Revenue in Excess of Expenses	<u>49,771</u>	<u>(6,919)</u>	<u>(38,274)</u>	<u>(64,994)</u>	<u>169.81 %</u>
Transfers					
699273 - Interfund Transfer In - FMS	119,637	122,922	92,017	0	0.00 %
995101 - Transfer Out - GF	(119,637)	(122,922)	(92,017)	0	0.00 %
Total Transfers	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00 %</u>
Change in Equity	<u>49,771</u>	<u>(6,919)</u>	<u>(38,274)</u>	<u>(64,994)</u>	<u>169.81 %</u>

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Michigan Municipal Services Authority COMPARATIVE BALANCE SHEET

	PERIOD ENDED 09/30/2019	PERIOD ENDED 05/31/2020	CHANGE	% CHANGE
ASSETS				
Current Assets				
Bank Accounts	258,277	230,294	(27,983)	(10.83) %
Other Current Assets				
040000 - Accounts Receivable	40,092	0	(40,092)	(100.00) %
123000 - Prepaid Expenses	2,063	695	(1,367)	(66.29) %
Total Other Assets	42,155	695	(41,459)	(98.35) %
Total Current Assets	300,432	230,989	(69,442)	(23.11) %
TOTAL ASSETS	300,432	230,989	(69,442)	(23.11) %
LIABILITIES AND EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
202000 - Accounts Payable	2,791	0	(2,791)	(100.00) %
Total Accounts Payable	2,791	0	(2,791)	(100.00) %
Other Current Liabilities				
257000 - Accrued Salaries Wages	1,658	0	(1,658)	(100.00) %
Total Other Current Liabilities	1,658	0	(1,658)	(100.00) %
Total Current Liabilities	4,449	0	(4,449)	(100.00) %
Total Liabilities	4,449	0	(4,449)	(100.00) %
Equity				
390000 - Fund Balance - Unassigned	246,212	295,983	49,771	20.21 %
Net Revenue	49,771	(64,994)	(114,764)	(230.58) %
Total Equity	295,983	230,989	(64,993)	(21.95) %
TOTAL LIABILITIES AND EQUITY	300,432	230,989	(69,442)	(23.11) %

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Created on: 06/03/2020, 10:02 PM EDT

Michigan Municipal Services Authority Check Register

Date	Payee	Document No	Amount Cleared
	Bank: Bill.com Clearing - Bill.com Clearing	Account No:	
05/18/2020	10000--Segal Consulting		616.29 In Transit
05/18/2020	10002--Plante Moran		935.28 In Transit
05/18/2020	10023--Maner Costerisan		11,000.00 In Transit
05/18/2020	10003--Dykema Gossett, PLLC		735.00 In Transit
05/18/2020	10009--Kristen Delaney		24.00 In Transit
	Total for Bill.com Clearing		<u>13,310.57</u>
	Bank: Fifth Third - 1244 - Firth Third	Account No: 7169301244	
05/04/2020	10015--Gusto		51.00 05/31/2020
05/14/2020	10015--Gusto		2,266.34 05/31/2020
05/28/2020	10005--BCBSM		465.40 05/31/2020
05/28/2020	10015--Gusto		2,266.36 05/31/2020
	Total for Fifth Third - 1244		<u>5,049.10</u>

Michigan Municipal Services Authority Reconciliation Report

As Of 05/31/2020
Account: 5/3 Checking

Statement Ending Balance	230,293.91
Deposits in Transit	0.00
Outstanding Checks and Charges	0.00
Adjusted Bank Balance	230,293.91
Book Balance	230,293.91
Adjustments*	0.00
Adjusted Book Balance	230,293.91

Total Checks and Charges Cleared	28,815.08	Total Deposits Cleared	0.00
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Deposits

Name	Memo	Date	Doc No	Cleared	In Transit
Total Deposits				0.00	0.00

Checks and Charges

Name	Memo	Date	Check No	Cleared	Outstanding
Gusto	April2020 Invoice	05/04/2020		51.00	
General Ledger Entry	05.14.20 Payroll	05/14/2020		5,194.63	
Gusto	05-14-2020 Payroll	05/14/2020		2,266.34	
General Ledger Entry		05/18/2020		13,310.57	
General Ledger Entry	05.28.20 Payroll	05/28/2020		5,194.62	
Gusto	05-28-2020 Payroll	05/28/2020		2,266.36	
BCBSM	Health Care Premium	05/28/2020		465.40	
	May 2020 Bank Fee	05/31/2020		66.16	
Total Checks and Charges				28,815.08	0.00



Statement Period Date: 5/1/2020 - 5/31/2020
 Account Type: COMM'L 53 ANALYZED
 Account Number: [REDACTED]



MICHIGAN MUNICIPAL SERVICE
 200 TOWNSEND ST STE 900
 LANSING MI 48933



0

Banking Center: Grand Rapids
 Banking Center Phone: 616-653-5440
 Commercial Client Services: 866-475-0729

5339

Account Summary - [REDACTED]

05/01	Beginning Balance	\$259,108.99	Number of Days in Period	31
	Checks			
8	Withdrawals / Debits	\$(28,815.08)		
	Deposits / Credits			
05/31	Ending Balance	\$230,293.91		

Withdrawals / Debits

8 items totaling \$28,815.08

Date	Amount	Description
05/04	51.00	GUSTO 6semjm5fpro FEE 629048 6semjog2q1u MICHIGAN MUNICIPAL SER 050420
05/12	66.16	SERVICE CHARGE
05/13	2,266.34	GUSTO 6semjm5gied TAX 654221 6semjogp9h6 MICHIGAN MUNICIPAL SER 051320
05/13	5,194.63	GUSTO 6semjm5gieb NET 654219 6semjogp9gr MICHIGAN MUNICIPAL SER 051320
05/18	13,310.57	Bill.com Payables 016VGGQNE1EPO5U Michigan Municipal Ser Multiple Payments Bill.com Payables 016VGGQNE1EPO5U 051820
05/27	2,266.36	GUSTO 6semjm5isof TAX 730319 6semjohqpk MICHIGAN MUNICIPAL SER 052720
05/27	5,194.62	GUSTO 6semjm5iso7 NET 730311 6semjohqpk MICHIGAN MUNICIPAL SER 052720
05/28	465.40	BCBS Michigan PREMIUM MS283851 MICHIGAN MUNICIPAL SER 052820

Daily Balance Summary

Date	Amount	Date	Amount	Date	Amount
05/04	259,057.99	05/13	251,530.86	05/27	230,759.31
05/12	258,991.83	05/18	238,220.29	05/28	230,293.91

PLEASE NOTE THAT WE HAVE UPDATED OUR ACCOUNT RULES AND TERMS & CONDITIONS. DISCLOSURES CAN BE VIEWED ONLINE AT: -
 COMMERCIAL ACCOUNT RULES: 53.COM/TM-CA-RULES - TREASURY MANAGEMENT TERMS & CONDITIONS: 53.COM/TM-TC



Plante & Moran, PLLC
27400 Northwestern Highway
P.O. Box 307
Southfield, MI 48037-0307
Tel: 248.352.2500
Fax: 248.352.0018
plantemoran.com

July 10, 2020

To: Shea Charles, CEO
Michigan Municipal Services Authority (MMSA) Board of Directors

Re: June 2020 Monthly Statements

Enclosed are the following Monthly Statements for your review:

1. Revenue & Expenditure Report – General Fund
2. Revenue & Expenditure Report – Financial Management System Fund
3. Revenue & Expenditure Report – All Funds
4. Balance Sheet
5. Check Register
6. Bank Account Reconciliation
7. Bank Statement

Please contact Kari Shea (248-223-3287) or Kelly Schimmoeller (734-302-6456) with any questions.

Thank you.

Disclaimer: These financial statements have not been subjected to an audit, review or compilation engagement, and no assurance is provided on them.



Michigan Municipal Services Authority
REVENUE AND EXPENDITURE REPORT
As of June 30, 2020

	Year Ending	Year Ending		Year To Date	% BDGT
	09/30/2019	09/30/2020	09/30/2020	06/30/2020	
	END BALANCE	ORIGINAL BUDGET	AMENDED BUDGET	YTD BALANCE	
Revenue					
671000 - Contract Revenue	150,000	150,000	150,000	112,500	75.00 %
Total Revenue	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>112,500</u>	<u>75.00 %</u>
Expenses					
Salary and Fringes					
701000 - Personal Services	152,089	200,000	181,000	131,207	72.49 %
715000 - Social Security & Medicare	0	0	13,847	10,097	72.92 %
718000 - Insurance - Health	0	0	9,934	4,353	43.81 %
Total Salary and Fringes	<u>152,089</u>	<u>200,000</u>	<u>204,781</u>	<u>145,657</u>	<u>71.13 %</u>
Operating					
752000 - Office Expense	0	0	2,000	1,333	66.64 %
801000 - Professional and Contractual Services	0	0	0	2,765	0.00 %
801500 - Office Rent	0	0	9,700	3,690	38.04 %
802000 - Legal	13,519	18,000	18,000	9,742	54.12 %
803000 - Accounting	14,930	16,000	16,000	9,298	58.11 %
803500 - Audit	10,600	11,000	11,000	11,000	100.00 %
804000 - Bank Service Charges	2,311	2,500	2,500	465	18.61 %
805000 - HR and Benefits Consulting	12,133	16,000	5,000	616	12.33 %
840000 - Insurance	2,160	2,781	2,810	3,624	128.96 %
861000 - Mileage Reimbursement	0	0	3,500	2,745	78.42 %
910000 - Professional Development	1,170	1,560	2,000	1,645	82.25 %
913000 - Conference Expenses	0	0	1,000	615	61.54 %
955000 - Miscellaneous	10,954	12,000	2,000	881	44.07 %
Total Operating	<u>67,777</u>	<u>79,841</u>	<u>75,510</u>	<u>48,419</u>	<u>64.12 %</u>
Total Expenses	<u>219,866</u>	<u>279,841</u>	<u>280,291</u>	<u>194,076</u>	<u>69.24 %</u>
Revenue in Excess of Expenses	<u>(69,866)</u>	<u>(129,841)</u>	<u>(130,291)</u>	<u>(81,576)</u>	<u>62.61 %</u>
Transfers					
699273 - Interfund Transfer In - FMS	119,637	122,922	92,017	0	0.00 %
Total Transfers	<u>119,637</u>	<u>122,922</u>	<u>92,017</u>	<u>0</u>	<u>0.00 %</u>
Change in Equity	<u>49,771</u>	<u>(6,919)</u>	<u>(38,274)</u>	<u>(81,576)</u>	<u>213.14 %</u>

These financial statements have not been subjected to an audit, review or compilation engagement, and no assurance is provided on them.

Michigan Municipal Services Authority
REVENUE AND EXPENDITURE REPORT
As of June 30, 2020

	Year Ending	Year Ending		Year To Date	% BDGT
	09/30/2019	09/30/2020	09/30/2020	06/30/2020	
	END BALANCE	ORIGINAL BUDGET	AMENDED BUDGET	YTD BALANCE	
Revenue					
671000 - Contract Revenue	1,885,941	1,889,620	1,417,215	1,105,988	78.04 %
Total Revenue	<u>1,885,941</u>	<u>1,889,620</u>	<u>1,417,215</u>	<u>1,105,988</u>	<u>78.04 %</u>
Expenses					
Operating					
801000 - Professional and Contractual Services	1,766,304	1,766,698	1,325,198	970,863	73.26 %
Total Operating	<u>1,766,304</u>	<u>1,766,698</u>	<u>1,325,198</u>	<u>970,863</u>	<u>73.26 %</u>
Total Expenses	<u>1,766,304</u>	<u>1,766,698</u>	<u>1,325,198</u>	<u>970,863</u>	<u>73.26 %</u>
Revenue in Excess of Expenses	<u>119,637</u>	<u>122,922</u>	<u>92,017</u>	<u>135,125</u>	<u>146.85 %</u>
Transfers					
995101 - Transfer Out - GF	(119,637)	(122,922)	(92,017)	0	0.00 %
Total Transfers	<u>(119,637)</u>	<u>(122,922)</u>	<u>(92,017)</u>	<u>0</u>	<u>0.00 %</u>
Change in Equity	<u>0</u>	<u>0</u>	<u>0</u>	<u>135,125</u>	<u>(337,812,850.00)</u> <u>%</u>

These financial statements have not been subjected to an audit, review or compilation engagement, and no assurance is provided on them.

Michigan Municipal Services Authority
REVENUE AND EXPENDITURE REPORT
As of June 30, 2020

	Year Ending	Year Ending		Year To Date	% BDGT
	09/30/2019	09/30/2020	09/30/2020	06/30/2020	
	END BALANCE	ORIGINAL BUDGET	AMENDED BUDGET	YTD BALANCE	
Revenue					
671000 - Contract Revenue	2,035,941	2,039,620	1,567,215	1,218,488	77.75 %
Total Revenue	<u>2,035,941</u>	<u>2,039,620</u>	<u>1,567,215</u>	<u>1,218,488</u>	<u>77.75 %</u>
Expenses					
Salary and Fringes					
701000 - Personal Services	152,089	200,000	181,000	131,207	72.49 %
715000 - Social Security & Medicare	0	0	13,847	10,097	72.92 %
718000 - Insurance - Health	0	0	9,934	4,352	43.81 %
Total Salary and Fringes	<u>152,089</u>	<u>200,000</u>	<u>204,781</u>	<u>145,656</u>	<u>71.13 %</u>
Operating					
752000 - Office Expense	0	0	2,000	1,333	66.64 %
801000 - Professional and Contractual Services	1,766,304	1,766,698	1,325,198	973,628	73.47 %
801500 - Office Rent	0	0	9,700	3,690	38.04 %
802000 - Legal	13,519	18,000	18,000	9,743	54.12 %
803000 - Accounting	14,930	16,000	16,000	9,298	58.11 %
803500 - Audit	10,600	11,000	11,000	11,000	100.00 %
804000 - Bank Service Charges	2,311	2,500	2,500	465	18.61 %
805000 - HR and Benefits Consulting	12,133	16,000	5,000	616	12.33 %
840000 - Insurance	2,160	2,781	2,810	3,624	128.96 %
861000 - Mileage Reimbursement	0	0	3,500	2,744	78.42 %
910000 - Professional Development	1,170	1,560	2,000	1,645	82.25 %
913000 - Conference Expenses	0	0	1,000	616	61.54 %
955000 - Miscellaneous	10,954	12,000	2,000	881	44.07 %
Total Operating	<u>1,834,081</u>	<u>1,846,539</u>	<u>1,400,708</u>	<u>1,019,283</u>	<u>72.77 %</u>
Total Expenses	<u>1,986,170</u>	<u>2,046,539</u>	<u>1,605,489</u>	<u>1,164,939</u>	<u>72.56 %</u>
Revenue in Excess of Expenses	<u>49,771</u>	<u>(6,919)</u>	<u>(38,274)</u>	<u>53,549</u>	<u>(139.91) %</u>
Transfers					
699273 - Interfund Transfer In - FMS	119,637	122,922	92,017	0	0.00 %
995101 - Transfer Out - GF	(119,637)	(122,922)	(92,017)	0	0.00 %
Total Transfers	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00 %</u>
Change in Equity	<u>49,771</u>	<u>(6,919)</u>	<u>(38,274)</u>	<u>53,549</u>	<u>(139.91) %</u>

These financial statements have not been subjected to an audit, review or compilation engagement, and no assurance is provided on them.

Michigan Municipal Services Authority COMPARATIVE BALANCE SHEET

	PERIOD ENDED 09/30/2019	PERIOD ENDED 06/30/2020	CHANGE	% CHANGE
ASSETS				
Current Assets				
Bank Accounts	258,277	282,859	24,582	9.51 %
Other Current Assets				
040000 - Accounts Receivable	40,092	1,038,077	997,985	2,489.25 %
123000 - Prepaid Expenses	2,063	695	(1,367)	(66.29) %
Total Other Assets	42,155	1,038,772	996,618	2,364.19 %
Total Current Assets	300,432	1,321,631	1,021,200	339.91 %
TOTAL ASSETS	300,432	1,321,631	1,021,200	339.91 %
LIABILITIES AND EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
202000 - Accounts Payable	2,791	972,099	969,309	34,732.40 %
Total Accounts Payable	2,791	972,099	969,309	34,732.40 %
Other Current Liabilities				
257000 - Accrued Salaries Wages	1,658	0	(1,658)	(100.00) %
Total Other Current Liabilities	1,658	0	(1,658)	(100.00) %
Total Current Liabilities	4,449	972,099	967,651	21,751.80 %
Total Liabilities	4,449	972,099	967,651	21,751.80 %
Equity				
390000 - Fund Balance - Unassigned	246,212	295,983	49,771	20.21 %
Net Revenue	49,771	53,549	3,778	7.59 %
Total Equity	295,983	349,532	53,549	18.09 %
TOTAL LIABILITIES AND EQUITY	300,432	1,321,631	1,021,200	339.91 %

These financial statements have not been subjected to an audit, review or compilation engagement, and no assurance is provided on them.

Created on: 07/01/2020, 12:57 PM EDT

Michigan Municipal Services Authority Check Register

Date	Payee	Document No	Amount Cleared
	Bank: Fifth Third - 1244 - Firth Third	Account No: 7169301244	
06/02/2020	10015--Gusto		51.00 06/30/2020
06/11/2020	10015--Gusto		2,266.32 06/30/2020
06/25/2020	10015--Gusto		2,266.36 06/30/2020
06/30/2020	10005--BCBSM		301.73 06/30/2020
	Total for Fifth Third - 1244		<u>4,885.41</u>

Michigan Municipal Services Authority Reconciliation Report

As Of 06/30/2020
Account: 5/3 Checking

Statement Ending Balance	282,859.10
Deposits in Transit	0.00
Outstanding Checks and Charges	0.00
Adjusted Bank Balance	282,859.10
Book Balance	282,859.10
Adjustments*	0.00
Adjusted Book Balance	282,859.10

Total Checks and Charges Cleared	15,346.38	Total Deposits Cleared	67,911.57
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Deposits

Name	Memo	Date	Doc No	Cleared	In Transit
Kent County	Kent County	06/24/2020		67,911.57	
Total Deposits				67,911.57	0.00

Checks and Charges

Name	Memo	Date	Check No	Cleared	Outstanding
Gusto	May 2020 Invoice	06/02/2020		51.00	
Gusto	06-11-2020 Payroll	06/11/2020		2,266.32	
General Ledger Entry	06.11.20 Payroll	06/11/2020		5,194.64	
Gusto	06-25-2020 Payroll	06/25/2020		2,266.36	
General Ledger Entry	06.25.20 Payroll	06/25/2020		5,194.62	
	June 2020 Bank Fee	06/30/2020		71.71	
BCBSM	Health Care Premium	06/30/2020		301.73	
Total Checks and Charges				15,346.38	0.00



Statement Period Date: 6/1/2020 - 6/30/2020
 Account Type: COMM'L 53 ANALYZED
 Account Number: [REDACTED]



MICHIGAN MUNICIPAL SERVICE
 200 TOWNSEND ST STE 900
 LANSING MI 48933



0

Banking Center: Grand Rapids
 Banking Center Phone: 616-653-5440
 Commercial Client Services: 866-475-0729

5287

Account Summary - [REDACTED]

06/01	Beginning Balance	\$230,293.91	Number of Days in Period	30
	Checks			
7	Withdrawals / Debits	\$(15,346.38)		
1	Deposits / Credits	\$67,911.57		
06/30	Ending Balance	\$282,859.10		

Withdrawals / Debits 7 items totaling \$15,346.38

Date	Amount	Description
06/02	51.00	GUSTO 6semjm5kkso FEE 787800 6semjoifor3 MICHIGAN MUNICIPAL SER 060220
06/10	2,266.32	GUSTO 6semjm5lgmu TAX 816286 6semjoj709s MICHIGAN MUNICIPAL SER 061020
06/10	5,194.64	GUSTO 6semjm5lgms NET 816284 6semjoj709k MICHIGAN MUNICIPAL SER 061020
06/10	71.71	SERVICE CHARGE
06/24	2,266.36	GUSTO 6semjm5npov TAX 891103 6semjokdphg MICHIGAN MUNICIPAL SER 062420
06/24	5,194.62	GUSTO 6semjm5npoq NET 891098 6semjokdphb MICHIGAN MUNICIPAL SER 062420
06/30	301.73	BCBS Michigan PREMIUM MS283851 MICHIGAN MUNICIPAL SER 063020

Deposits / Credits 1 item totaling \$67,911.57

Date	Amount	Description
06/24	67,911.57	INCOMING WIRE TRANS 062420

Daily Balance Summary

Date	Amount	Date	Amount	Date	Amount
06/02	230,242.91	06/24	283,160.83	06/30	282,859.10
06/10	222,710.24				

[REDACTED]



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

DATE: June 12, 2020
TO: Authority Board
FROM: Shea Charles, CEO
SUBJECT: 2018-2019 Audit

Please find enclosed the 2018-2019 MMSA Audit issued by Maner Consterian in March 2019. The auditors did issue a clean opinion for this year's audit. Pursuant to the MMSA By-laws the full Authority Board is responsible for accepting the audit. Maner Consterian will be at the meeting to present the audit and answer any questions.

**MICHIGAN MUNICIPAL SERVICES AUTHORITY
LANSING, MICHIGAN**

REPORT ON FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2019

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	14-15

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Michigan Municipal Services Authority
Lansing, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Michigan Municipal Services Authority (the Authority), a component unit of the State of Michigan, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund, and the aggregate remaining fund information of the Michigan Municipal Services Authority, a component unit of the State of Michigan, as of September 30, 2019, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2020, on our consideration of the Michigan Municipal Services Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Michigan Municipal Services Authority's internal control over financial reporting and compliance.

Maney Costeiran PC

March 10, 2020

**MICHIGAN MUNICIPAL SERVICES AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

The intent of the management's discussion and analysis is to provide highlights of the Authority's financial activities for the fiscal year ended September 30, 2019. Readers are encouraged to read this section in conjunction with the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- Net Position: The assets of the Authority exceeded its liabilities by \$295,983 as of September 30, 2019. This unrestricted net position may be used to meet the Authority's ongoing obligations.
- The total net position increased by \$49,771 as a result of current year activity.

OVERVIEW OF THE FINANCIAL STATEMENTS

The annual report includes this management's discussion and analysis report, the independent auditor's report and the basic financial statements of the Authority, including notes that explain in more detail some of the information in the financial statements.

REQUIRED FINANCIAL STATEMENTS

The financial statements report information of the Authority using accounting methods similar to those used by private-sector companies. These statements offer short and long-term financial information about its activities.

The Statement of Net Position includes all of the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources and provides information about the nature and amounts of investments in resources (assets) and the obligations to their creditors (liabilities). It also provides the basis for evaluating the capital structure of the Authority and assessing their liquidity and financial flexibility.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the Authority's operations over the past year.

The final required financial statement is the Statement of Cash Flows. This statement reports cash receipts, cash payments and net changes in cash resulting from operations, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

FINANCIAL ANALYSIS OF THE AUTHORITY

The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position provide information to determine how the Authority did financially during 2019. The net position, or the difference between assets and liabilities, and the changes in them can indicate whether financial health is improving or deteriorating over time. However, other non-financial factors such as changes in economic conditions and new or changed government legislation also need to be considered in determining the Authority's financial health.

NET POSITION

The Authority's Condensed Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position are presented in the following comparative tables.

**MICHIGAN MUNICIPAL SERVICES AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

TABLE 1

CONDENSED STATEMENT OF NET POSITION

	September 30, 2019	September 30, 2018
Current assets	\$ 300,432	\$ 258,273
Current liabilities	4,449	12,061
Unrestricted net position	\$ 295,983	\$ 246,212

TABLE 2

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	September 30, 2019	September 30, 2018
Operating revenues	\$ 2,035,941	\$ 2,569,250
Operating expenses	1,986,170	2,694,553
Changes in net position	49,771	(125,303)
Beginning net position	246,212	371,515
Ending net position	\$ 295,983	\$ 246,212

The Authority's operating revenues decreased by \$533,309 and operating expenses decreased by \$708,383 from the prior year as a result of decreased participation in the Financial Management System.

BUDGETARY HIGHLIGHTS

The Authority is an enterprise fund and is not required to adopt an annual budget. However, the Authority Board does adopt an annual operating budget. The operating budget includes proposed expenses and the means of financing them. The Authority's operating budget remains in effect but can be revised with the Authority Board approval prior to the September 30 year-end.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Authority's budget for the fiscal year ending September 30, 2020, reflects maintenance of the status quo and includes no changes in revenues or expenses.

**MICHIGAN MUNICIPAL SERVICES AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

CONTACT INFORMATION

This financial report is designed to provide a general overview of the Authority's finances and to demonstrate its accountability for the funds it receives. Questions regarding this report or requests for additional information should be addressed to the Michigan Municipal Services Authority, P.O. Box 12012, Lansing, MI 48901-2012.

BASIC FINANCIAL STATEMENTS

MICHIGAN MUNICIPAL SERVICES AUTHORITY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

	Enterprise Funds			Total Business- type Activities
	Operating Fund	Financial Management System	Nonmajor Virtual Health and Wellness Marketplace	
ASSETS				
Current assets				
Cash	\$ 258,277	\$ -	\$ -	\$ 258,277
Accounts receivable	40,092	-	-	40,092
Prepaid expense	2,063	-	-	2,063
TOTAL ASSETS	300,432	-	-	300,432
LIABILITIES				
Current liabilities				
Accounts payable	2,791	-	-	2,791
Accrued wages	1,658	-	-	1,658
TOTAL LIABILITIES	4,449	-	-	4,449
NET POSITION				
Unrestricted	\$ 295,983	\$ -	\$ -	\$ 295,983

See accompanying notes to financial statements.

MICHIGAN MUNICIPAL SERVICES AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2019

	Enterprise Funds			Total Business-type Activities
	Operating Fund	Financial Management System	Nonmajor Virtual Health and Wellness Marketplace	
OPERATING REVENUES				
Intergovernmental	\$ 150,000	\$ 1,885,941	\$ -	\$ 2,035,941
OPERATING EXPENSES				
Chief Executive	152,089	-	-	152,089
Accounting	25,530	-	-	25,530
Insurance	2,160	-	-	2,160
Attorney	13,519	-	-	13,519
Training	1,170	-	-	1,170
Contractual services	12,133	1,766,304	-	1,778,437
Miscellaneous	13,265	-	-	13,265
TOTAL OPERATING EXPENSES	219,866	1,766,304	-	1,986,170
OPERATING INCOME (LOSS)	(69,866)	119,637	-	49,771
TRANSFERS				
Transfers in	119,637	-	-	119,637
Transfers out	-	(119,637)	-	(119,637)
TOTAL TRANSFERS	119,637	(119,637)	-	-
CHANGE IN NET POSITION	49,771	-	-	49,771
Fund balances, beginning of year	246,212	-	-	246,212
Fund balances, end of year	\$ 295,983	\$ -	\$ -	\$ 295,983

See accompanying notes to financial statements.

**MICHIGAN MUNICIPAL SERVICES AUTHORITY
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2019**

	Enterprise Funds			Total Business-type Activities
	Operating Fund	Financial Management System	Nonmajor Virtual Health and Wellness Marketplace	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers	\$ 145,345	\$ 1,885,941	\$ -	\$ 2,031,286
Cash paid to suppliers	(72,466)	(1,766,304)	(428)	(1,839,198)
Cash paid to employees	(154,584)	-	-	(154,584)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(81,705)	119,637	(428)	37,504
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash received from other funds	119,637	-	-	119,637
Cash paid to other funds	-	(119,637)	-	(119,637)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	119,637	(119,637)	-	-
NET INCREASE (DECREASE) IN CASH	37,932	-	(428)	37,504
Cash, beginning of year	220,345	-	428	220,773
Cash, end of year	<u>\$ 258,277</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 258,277</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (69,866)	\$ 119,637	\$ -	\$ 49,771
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities				
Decrease (increase) in:				
Due from other governmental units	37,500	-	-	37,500
Accounts receivable	(40,092)	-	-	(40,092)
Prepaid expense	(2,063)	-	-	(2,063)
(Decrease) in:				
Accounts payable	(4,689)	-	(428)	(5,117)
Accrued wages	(2,495)	-	-	(2,495)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (81,705)	\$ 119,637	\$ (428)	\$ 37,504

See accompanying notes to financial statements.

**MICHIGAN MUNICIPAL SERVICES AUTHORITY
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Michigan Municipal Services Authority (the Authority) was established on August 1, 2012 pursuant to the Urban Cooperation Act of 1967, as part of an interlocal agreement between the City of Grand Rapids and the City of Livonia. The purpose of the Authority is to engage in cooperative activities that save staff time and taxpayer money.

The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and reporting principles.

The following is a summary of the significant accounting policies:

Reporting Entity

The accompanying financial statements are exclusive presentations of the financial condition and results of operations of the Michigan Municipal Services Authority. The Authority is considered a component unit of the State of Michigan.

The Authority is controlled by a five-member Executive Committee. The Governor shall designate a member of the Executive Committee to serve as its Chairperson at the pleasure of the Governor. The Executive Committee shall elect from among the serving members of the Executive Committee a Vice-Chairperson of the Executive Committee and a Secretary of the Authority.

Basis of Presentation

The financial statements present the Authority's individual major funds. The major individual enterprise funds are reported as separate columns in the financial statements.

The Authority presents the following major enterprise funds:

- The Operating Fund accounts for all financial resources of the Authority except for those that are required to be accounted for in another fund.
- The Financial Management System Fund accounts for the financial resources related to the operation of the Authority's Financial Management System (FMS) program, the costs are financed or recovered primarily through user charges.

Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of this fund are included on the Statement of Net Position. Fund equity (i.e., net position) is segregated into net investment in capital assets, restricted, and unrestricted components. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

MICHIGAN MUNICIPAL SERVICES AUTHORITY
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The proprietary funds are accounted for using the accrual basis of accounting. The revenues are recognized when they are earned, and the expenses are recognized when they are incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are contract fees to other governmental units for services provided. Operating expenses for the Authority include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. If/when both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash

Cash consists of a checking account.

Due from Other Governmental Units

Due from other governmental units consist of amounts due from participating municipalities related to services provided.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until that time. The Authority currently does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority currently does not have any items that qualify for reporting in this category.

Interfund Transactions

During the course of normal operations, the Authority has numerous transactions between funds, including transfers of resources to provide services. The accompanying financial statements generally reflect such transactions as operating transfers.

MICHIGAN MUNICIPAL SERVICES AUTHORITY
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Comparative Data

Comparative data for the prior year have not been presented in the basic financial statements since their inclusion would make the statements unduly complex and difficult to read.

NOTE 2 - CASH

In accordance with Michigan Compiled Laws, the Authority is authorized to invest in the following investment vehicles:

1. Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.
2. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a State or nationally chartered bank or a State or Federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and which maintains a principal office or branch office located in this State under laws of this State or the United States, but only if the bank, savings and loan association, savings bank or credit union is eligible to be a depository of surplus funds belonging to the State under Section 6 of 1855 PA 105, MCL 21.146.
3. Commercial paper rated at the time of purchase within the three (3) highest classifications established by not less than two (2) standard rating services and which matures more than 270 days after the date of purchase.
4. The United States government or Federal agency obligations repurchase agreements.
5. Bankers acceptances of United States Banks.
6. Mutual funds composed of investment vehicles, which are legal for direct investment by local units of government in Michigan.

Deposits

There is a custodial risk as it relates to deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. As of September 30, 2019, the carrying amount and bank balance of the Authority's deposits was \$258,277 and \$258,322, respectively. \$250,000 of the bank balance was covered by federal deposit insurance. The remaining \$8,322 was uninsured and uncollateralized.

Credit Risk

State law limits investments in certain types of investments to a prime or better rating issued by nationally recognized statistical rating organizations (NRSRO's). As of September 30, 2019, the Authority did not have any investments that would be subject to rating by an NRSRO.

**MICHIGAN MUNICIPAL SERVICES AUTHORITY
NOTES TO FINANCIAL STATEMENTS**

NOTE 2 - CASH (continued)

Interest Rate Risk

The Authority will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market and investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the Authority's cash requirements.

Concentration of Credit Risk

The Authority will minimize concentration of credit risk, which is the risk of loss attributed to the magnitude of the Authority's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

Custodial Credit Risk

The Authority will minimize custodial credit risk, which is the risk of loss due to the failure of the security issuer or backer, by limiting investments to the types of securities authorized by the Board and pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the Authority will do business in accordance with Board approved policy.

NOTE 3 - INTERFUND TRANSFERS

Permanent reallocation of resources between funds of the reporting entity is classified as interfund transfers.

Transfers to Operating Fund from Financial Management System Fund	<u>\$ 119,637</u>
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Transfers were used to move unrestricted resources to finance operating costs that the Authority must account for in other funds.

NOTE 4 - RISK MANAGEMENT

The Authority is exposed to various risks of loss for liability and workers' compensation claims. For workers' compensation claims the Authority carries commercial insurance. Settled claims, if any, relating to the commercial insurance have not exceeded the amount of insurance coverage in either of the past three (3) fiscal years.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Michigan Municipal Services Authority
Lansing, Michigan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Michigan Municipal Services Authority (the Authority), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated March 10, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Manes Costeiran PC

March 10, 2020

March 10, 2020

Board of Directors
Michigan Municipal Services Authority
Lansing, Michigan

We have audited the financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Michigan Municipal Services Authority (the Authority), for the year ended September 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 17, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year ended September 30, 2019. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There are no sensitive estimates affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Material misstatements were not detected as a result of our auditing procedures.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 10, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, which is required supplementary information (RSI) that supplements the financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the Michigan Municipal Services Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Manes Costeiran PC



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

**AUTHORITY BOARD
RESOLUTION 2020-A**

Approval of Audit for Fiscal Year 2018-2019

The Authority Board of the Michigan Municipal Services Authority ("Authority") resolves that the audit of the Authority for the fiscal year ending September 30, 2019 prepared by Maner Costerisan, P.C. and presented to the Authority Board at its regular meeting on June 18, 2020, is approved as provided under Section 4.02 of the interlocal agreement that created the Authority.

Secretary's Certification:

I certify that this resolution was adopted by the Authority Board of the Michigan Municipal Services Authority at a properly-noticed open meeting held with a quorum present on July 9, 2020.

By: _____

James Cambridge
Authority Secretary

April 13, 2020

Michigan Municipal Services Authority
PO Box 12012
Lansing, MI 48901

We are pleased to confirm our understanding of the services we are to provide Michigan Municipal Services Authority for the years ended September 30, 2020, 2021, and 2022. We will audit the financial statements of the governmental activities, and the major fund which collectively comprise the basic financial statements, of Michigan Municipal Services Authority as of and for the years ended September 30, 2020, 2021, and 2022. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Michigan Municipal Services Authority's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Michigan Municipal Services Authority's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's discussion and analysis
2. Budgetary comparison schedules

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and will include tests of the accounting records of Michigan Municipal Services Authority and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Michigan Municipal Services Authority's financial statements. Our report will be addressed to the Board of Directors of Michigan Municipal Services Authority. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that Michigan Municipal Services Authority is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

We have advised you of the limitations of our audit regarding the detection of fraud and the possible effect on the financial statements (including misappropriation of cash or other assets). We have offered to perform, as a separate engagement, extended procedures specifically designed to detect fraud and you have declined to engage us to do so at this time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreement; and other responsibilities required by generally accepted auditing standards.

Audit Procedures - Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance of internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Michigan Municipal Services Authority's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. As part of the audit, we will provide certain non-attest services as listed in the attached addendum. You are responsible for making all management decisions and performing all management functions relating to these non-attest services and for accepting full responsibility for such decisions. You will be required to acknowledge in the representation letter that you have evaluated the adequacy of our non-attest services and have reviewed and approved the results of these services, and have accepted responsibility for them. Further, you are required to designate an individual with suitable skill, knowledge, or experience to oversee any non-attest services we provide and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestations engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to Michigan Municipal Services Authority, however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Maner Costerisan and constitutes confidential information. However, pursuant to authority given to it by law or regulation, we may be requested to make certain audit documentation available to an oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Maner Costerisan personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the oversight agency. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

William I. Tucker IV, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fees will be based on the services rendered, plus out-of-pocket costs. Our standard hourly rates vary according to the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as work progresses and are payable on presentation. Past due amounts are subject to a service fee of 1½% per month. In accordance with firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, you will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. Third-party confirmation providers for certain financial institutions may invoice us for responding to confirmation requests and we will pass those costs through to you.

Year Ending <u>September 30,</u>	Financial <u>Audit</u>
2020	\$11,000
2021	11,400
2022	11,800

During the term of this agreement and for a period of one (1) year thereafter, neither party shall directly or indirectly, solicit for employment or for engagement as an independent contractor, or encourage leaving their employment or engagement, any employee or independent contractor of the other party. For the avoidance of doubt, general advertisements for employment and responses thereto, shall not be deemed a violation of the paragraph. The parties agree that any breach of this paragraph would damage the other party in an amount difficult to ascertain with certainty, and that in the event that either party breaches this provision resulting in the other party losing the services of an employee or independent contractor for any period of time, the breaching party shall pay to the other party an amount equal to the annual rate of compensation (paid by the non-breaching party for the immediate prior calendar year) of the applicable employee or independent contractor.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any subsequent peer review reports received during the period of the contract. Our most recent peer review report accompanies this letter.

If reproduction or publication of financial statements audited by us, or any portion thereof, is intended, it is our policy that any master of printer's proofs be submitted to us for review prior to publication.

We will continue to perform our services under the arrangements discussed above from year to year unless for some reason you or we find that some change is necessary. However, the performance of each audit is a separate and severable engagement. Each separate engagement shall be deemed complete and Maner Costerisan will not have a continuing responsibility to perform additional services with respect to that completed engagement when we present to you the final audit report that relates to any given year.

Our audit report on the financial statements to be issued pursuant to this engagement is for your use. If it is your primary intent that our report will benefit or influence a third-party user, we must be informed prior to the beginning of the annual audit engagement.

Considering our current relationship as an independent member of the BDO Alliance USA, the firm may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

In connection with this engagement, we may communicate with you or others via e-mail transmission. As e-mails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that e-mails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure or communication of e-mail transmissions, or for the unauthorized use or failed delivery of e-mails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of e-mail transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of sales or anticipated profits, or disclosure or communication of confidential or proprietary information.

You agree that our maximum liability to you for any negligent errors or omissions committed by us in the performance of the engagement will be limited to the amount of our fees for this engagement, except to the extent determined to result from our gross negligence or willful misconduct.

Because there are inherent difficulties in recalling or preserving information as the period after an engagement increases, you agree that, notwithstanding the statute of limitations of the State of Michigan, any claim based on this engagement must be commenced within twelve (12) months after performance of our service, unless you have previously provided us with a written notice of a specific defect in our services that forms the basis of the claim.

If any dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules. If the parties are unable to resolve the dispute through mediation within 60 days from the date notice is first given from one party to the other as to the existence of a dispute and the demand to mediate, then they may proceed to resolve the matter by arbitration if this agreement provides that the particular dispute is subject to arbitration, or by whatever other lawful means are available to them if this agreement does not provide for arbitration of the particular dispute. Costs of any mediation proceeding shall be shared equally by all parties.

Michigan Municipal Services Authority and Maner Costerisan both agree that any dispute over fees charged by Maner Costerisan to the client or any other disputes will be submitted for resolution by arbitration in accordance with the rules of the American Arbitration Association. Such arbitration shall be binding and final. The arbitration shall take place at Lansing, Michigan. Any hearing shall be before one arbitrator in accordance with Rule 17 of the Commercial Arbitration Rules of the American Arbitration Association (the Rules). Any award rendered by the arbitrator pursuant to this agreement may be filed and entered and shall be enforceable in the appropriate court of the county in which arbitration proceeds. In agreeing to arbitration, we both acknowledge that, in the event of a dispute over fees, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury and instead we are accepting the use of arbitration for resolution. The prevailing party shall be entitled to an award of reasonable attorney's fees and costs incurred in connection with the arbitration of the dispute in an amount to be determined by the arbitrator.

We appreciate the opportunity to be of service to Michigan Municipal Services Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Maner Costerisan PC

RESPONSE:

This letter correctly sets forth the understanding of Michigan Municipal Services Authority.

By: _____

Title: _____

Date: _____

To: Maner Costerisan

After considering the qualifications of the accounting personnel of Michigan Municipal Services Authority we believe they have the qualifications and abilities to generate financial statements, including the required footnotes, in accordance with U.S. generally accepted accounting principles. However, for convenience and other issues, we may contract with you to prepare our financial statements.

Signature: _____

Title: _____

Date: _____

ADDENDUM TO ENGAGEMENT LETTER

As part of the audit engagement, you have requested our assistance with the following services. *Government Auditing Standards* considers these services as “non-attest” or “non-audit” services. Management is required to review, approve and accept responsibility for any non-audit services we may perform.

- Preparation of the financial statements, including the related notes, required and additional supplementary information.
- Assistance with, or the preparation of, year-end adjusting journal entries and work papers.

Thomas G. Wieland
David A. Grotkin
Joel A. Joyce
Brian J. Mechenich



Carrie A. Gindt
Patrick G. Hoffert
Jason J. Wrasse
Joshua T. Bierbach

Report on the Firm's System of Quality Control

July 27, 2017

To the Partners of Maner Costerisan PC and
the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Maner Costerisan PC (the firm) in effect for the year ended March 31, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

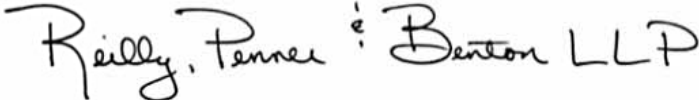
Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including compliance audits under the Single Audit Act; audits of employee benefit plans, and audits of carrying broker-dealers.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Maner Costerisan PC in effect for the year ended March 31, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Maner Costerisan PC has received a peer review rating of *pass*.

A handwritten signature in black ink that reads "Reilly, Penner & Benton LLP". The signature is written in a cursive, flowing style.

Reilly, Penner & Benton LLP



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

DATE: June 12, 2020
TO: Authority Board
FROM: Shea Charles, CEO
SUBJECT: MMSA Audit Proposal

In 2014 the MMSA approved a multi-year letter of engagement for auditing services from Abraham & Gaffney, P.C., which is now Maner Costerisan. The letter of agreement provided services until the audit for Fiscal Year End 2017 and we have been using them year to year since that time.

Over the life of the previous agreement annual costs for audits were as follows:

Year	Approved
FYE 2014	\$9,800
FYE 2015	\$10,200
FYE 2016	\$10,200
FYE 2017	\$10,600
FYE 2018	\$10,600
FYE 2019	\$11,000

Maner Costerisan is offering a three-year extension at the following costs:

Year	Cost
FYE 2020	\$11,000
FYE 2021	\$11,400
FYE 2022	\$11,800

Speaking with our accounts at Plante Moran, they have been pleased with Maner Costerisan's work and recommend the extension. Under MMSA by-laws the full Authority Board has the responsibility of choosing an auditor. The Executive Committee did discuss the proposal at their May meeting and recommended agreeing to the extension.

Attached is Resolution 2020-B, which approves the three year extension and is ready for Board consideration.



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

**AUTHORITY BOARD
RESOLUTION 2020-B**

Procurement of Audit Services

The Authority Board of the Michigan Municipal Services Authority ("Authority") resolves that the Chief Executive Officer of the Authority ("CEO") is authorized to execute the attached engagement letter dated April 13, 2020, with Maner Costerisan to provide audit services for the Authority's fiscal years ending September 30, 2020, 2021 and 2022.

Secretary's Certification:

I certify that this resolution was adopted by the Authority Board of the Michigan Municipal Services Authority at a properly-noticed open meeting held with a quorum present on July 9, 2020.

By: _____

James Cambridge
Authority Secretary



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

DATE: July 8, 2020

TO: Authority Board

FROM: Shea Charles, CEO

SUBJECT: State of Michigan Technical Services Pilot Project – City of Flint Update

Since Monday's special board meeting, we have been working through assorted details to finalize the partnership between the Michigan Department of Treasury and the MMSA to provide technical assistance to the City of Flint.

We are working through revised agreements for Treasury as well as Mr. Wollenweber (Updated agreements attached). The City of Flint's Mayor, Sheldon Neeley, has provided the attached a letter of support for the MMSA providing the proposed assistance. The draft Treasury Agreement is now structured as an interlocal governmental agreement.

We have agreed that Treasury will compensate the MMSA at a rate of \$130/hour for Mr. Wollenweber's services while he has agreed to a rate of \$120/hour. These rates will enable the MMSA to cover its costs for this project. The Department of Treasury understands the financial model is only for this effort and will not carry forward with other projects.

The other outstanding issue currently is the need for professional liability insurance. Our current Director and Officers insurance is through Blackwell Insurance Services. Unfortunately for several reasons the private insurance market has so far declined to quote a policy, though our agent is trying a different source.

I have submitted a coverage application to the Michigan Municipal Risk Management Authority (MMRMA), a municipal insurance pool. The MMRMA provides professional liability insurance as part of the base coverage which would mean moving all our coverage to them. I anticipate having a quote from the MMRMA within a week.

I did start the quote process with the Michigan Municipal League's Property & Liability pool, who also has a similar arrangement for professional liability coverage. Unfortunately they are not able to provide a quote for four weeks. My experience with MML and MMRMA is their costs are often similar for these types of programs. Both plans are well run and respected.

Representatives from Treasury and Mr. Wollenweber will be attending the meeting to answer any questions.



City of Flint

Office of Mayor Sheldon Neeley

Michigan Municipal Services Authority Board
P.O. Box 12012
Lansing, MI 48901-2012

July 6, 2020

Dear MMSA Board

This letter serves as acknowledgement and support of a Memorandum of Understanding between Michigan Municipal Services Authority (MMSA) and Michigan Department of Treasury (Treasury) to contract the services of Mark Wollenweber. Under the leadership of Mayor Sheldon A. Neeley the City of Flint is looking to overhaul the operations of its critical functions. Upon assuming office in November 2019 this administration placed significant attention and focus on the core functions of its Finance department. From completing the audit, to proposing the next fiscal year budget the lifeblood of City Hall runs through its ability to appropriately process, record and direct resources.

Increased capacity is needed within our financial operations to help instill long-term processes and procedures that reflect the existing workforce and can increase efficiencies throughout city government. That is why the support of Mr. Wollenweber would be so greatly appreciated. His wealth of experience in municipal government throughout Michigan would prove invaluable when looking at the core functions of financial operations such as procurement, budgeting, revenue estimation and accounting.

As we work to build a stronger Flint, we are partnering with a range of organizations to bring resources to the City to better serve residents. The assistance of organizations like the MMSA and Treasury is a welcome addition to the tools needed to meet Flint's many challenges. We look forward to working with the authority to utilize Mr Wollenweber's services on a range of projects to move Flint forward.

Sheldon A Neeley
Mayor City of Flint

INTERLOCAL AGREEMENT

This interlocal agreement is dated July [], 2020 and is between the DEPARTMENT OF TREASURY, a principal department of Michigan state government (the “**Department**”) and the MICHIGAN MUNICIPAL SERVICES AUTHORITY, a Michigan public body corporate (the “**Authority**”).

The Department is a principal department of Michigan state government and performs functions and responsibilities relating to local governments in Michigan, including cities. The Department works with local governments experiencing financial or programmatic challenges to assist with actions that can improve a local-government’s stability and long-term success. As part of those efforts, the Department periodically contracts for expertise to assist local governments and compliment the work of local government staff and other partners.

The Authority is a Michigan public body corporate created under the Urban Cooperation Act of 1967, 1967 (Ex Sess) PA 7, as amended, MCL 124. 501 to 124.512 (the “**Act**”), pursuant to an interlocal agreement between the City of Grand Rapids, Michigan and the City of Livonia, Michigan, and is authorized to exercise the joint and common functions of a Michigan county and city.

Both the Department and the Authority are a “public agency” as that term is defined under the Act. Both the Department and the Authority possess the common powers, privileges, and authorities to advise local units of government.

The Department seeks to partner with the Authority to provide professional services relating to assisting the City of Flint (the “**City**”) and complimenting the work of City staff and other partners. The City has indicated that it needs increased capacity with its financial operations to instill long-term processes and procedures that reflect the existing workforce and can increase efficiencies throughout the City.

The parties therefore agree as follows:

1. **Services.** (a) The Authority shall execute this agreement by providing the professional services described in schedule 1 in a manner consistent with this agreement and the work schedule detailed in schedule 2. The Authority shall not use the services of a person other than Mark Wollenweber without the prior written approval of the Department.

(b) The Authority shall perform its obligations under this agreement in a professional and workmanlike manner in accordance with prevailing industry standards and practices.

(c) The Authority shall reperform any work not in compliance with section 1(b) brought to its attention within a reasonable time after the work is performed at no additional cost to the Department.

(d) The Authority shall provide the Department with timely updates of its work under this agreement as requested by Department.

(e) The parties intend that the Authority's relationship to the Department in providing services under this agreement be one of an independent contractor. The Authority shall be responsible for paying any taxes relating to amounts paid to the Authority under this agreement. The Authority will not be an employee of the Department. The Authority may not commit the Department to any nonparty agreement without the Department's prior written consent.

2. **Compensation.** (a) The Department shall compensate the Authority according to the schedule of fees attached as schedule 3.

(b) The Authority shall keep detailed records of its time involved in performing services under this agreement. By the 10th day of each month (the "**Invoice Date**") The Authority shall submit to the Department an invoice for services rendered during the preceding month. Each invoice must include a detailed, itemized fee billing indicating on a daily basis the appropriate time, description of services performed, and the hourly rate. The Department may reject and refuse to pay for any non-conforming services and expenses. Within 30 days of receiving an invoice, the Department shall remit payment to the Authority.

(c) The Department's payment of the Authority's invoices will constitute full payment for all services under this agreement. The Department may withhold payment of the final invoice from the Authority until the Department receives delivery of any final work product from the Authority.

3. **Statements of Fact.** (a) The Authority states that the Authority has the necessary knowledge, experience, abilities, skills, and resources to perform its obligations under this agreement.

(b) The verb used to introduce a statement of fact in this agreement does not affect the remedies available for an inaccuracy of that statement of fact.

4. **Term.** (a) This agreement is effective beginning on the date of this agreement and continues through December 30, 2020 unless terminated earlier pursuant to section 4(b).

(b) The Department may terminate this agreement at any time, with or without cause, upon written notice to the Authority. The Department shall pay the Authority for all work performed by the Authority up to the date of termination.

5. **Insurance.** The Authority shall provide and maintain, at its own expense, and to the satisfaction of the Department, insurance against claims for injuries to person or damages to property which may arise from or in connection with the performance of the work under this agreement, including general liability coverage, automobile liability coverage, worker's compensation insurance, and any applicable professional liability insurance covering all negligent acts, errors and omissions. The Authority shall provide proof of insurance described in this section 5 upon request by Department.

6. **Compliance with Act.** The parties acknowledge all of the following:

- (1) that this agreement is an interlocal agreement permitted under the Act;
- (2) that the parties have the responsibility, authority, and right to manage and direct on behalf of the public the functions or services performed or exercised to the extent provided in this agreement.

- (3) that this agreement does not create an employment relationship between the Department and a person providing services pursuant to this agreement; and
- (4) that this agreement does not create an employment relationship between the Authority and a person providing services pursuant to this agreement.

7. **Catastrophic Event.** (a) If a Catastrophic Event prevents a party from complying with any one or more obligations under this agreement, that inability to comply will not constitute breach if (1) that party uses reasonable efforts to perform those obligations, (2) that party's inability to perform those obligations is not due to its failure to (A) take reasonable measures to protect itself against events or circumstances of the same type as that Force Majeure Event or (B) develop and maintain a reasonable contingency plan to respond to events or circumstances of the same type as that Catastrophic Event, and (3) that party complies with its obligations under section **Error! Reference source not found.**

(b) For purposes of this agreement, "**Catastrophic Event**" means, with respect to a party, any event or circumstance, whether or not foreseeable, that was not caused by that party (other than a strike or other labor unrest that affects only that party, an increase in prices or other change in general economic conditions, a change in law, or an event or circumstance that results in that party's not having sufficient funds to comply with an obligation to pay money and any consequences of that event or circumstance.

(c) If a Catastrophic Event occurs, the noncomplying party shall promptly notify the other party of occurrence of that Catastrophic Event, its effect on performance, and how long the noncomplying party expects it to last. Thereafter the noncomplying party shall update that information as reasonably necessary. During a Catastrophic Event, the noncomplying party shall use reasonable efforts to limit damages to the other party and to resume its performance under this agreement.

8. **Non-assignment.** Neither party may assign any of its rights or delegate any of its obligations under this agreement without the prior written consent of the other party.

9. **Modification; Waiver.** No amendment of this agreement will be effective unless it is in writing and signed by the parties. No waiver of satisfaction of a condition or failure to comply with an obligation under this agreement will be effective unless it is in writing and signed by the party granting the waiver, and no such waiver will constitute a waiver of satisfaction of any other condition or failure to comply with any other obligation. To be valid, any document signed by a party under this section 9 must be signed by an officer of the party authorized to do so by the party.

10. **Notices.** (a) For a notice or other communication under this agreement to be valid, it must be in writing and delivered (1) by hand, (2) by a national transportation company with all fees prepaid, (3) by registered or certified mail, return receipt requested and postage prepaid, or (4) by email.

(b) Subject to section 10(d), a valid notice or other communication under this section will be effective when received by the party to which it was addressed. It will be deemed to have been received as follows:

- (1) if it is delivered by hand, delivered by a national transportation company with all fees prepaid, or delivered by registered or certified mail, return receipt requested and postage prepaid, upon receipt as indicated by the date on the signed receipt;
- (2) if the party to which it is addressed rejects or otherwise refused to accept it, or if it cannot be delivered because of a change in address for which no notice was given, then upon that rejection, refusal, or inability to deliver;
- (3) if it is delivered by email and the sender does not use RPost, when the recipient, by an email sent to the email address for the sender stated in section 10(c) or by a notice delivered by another method in accordance with this section 10, acknowledges having received that email, with an automatic “read receipt” not constituting acknowledgment of an email for purposes of this section 10; and
- (4) if it is delivered by email and the sender uses RPost, when the authorized electronic mail agent of the recipient accepted that email message, with the delivery status of at least “delivered to mail server,” as stated in the RPost “Registered Receipt” received by the sender with respect to that email message.

(c) For a notice or communication to a party under this agreement to be valid, it must be addressed using the information specified below for that party or any other information specified by that party in a notice in accordance with this section

To Department: [Name]
Michigan Department of Treasury
430 W. Allegan St.
Lansing, Michigan 48922
Email: [email]

To the Authority: Chief Executive Officer
Michigan Municipal Services Department
P.O. Box 12012
Lansing, MI 48909
Email: ceo@michiganmsa.org

(d) If a notice or other communication addressed to a party is received after 5:00 p.m. on a business day at the location specified in the address for that party, or on a day that is not a business day, then the notice will be deemed received at 9:00 a.m. on the next business day

11. **Severability.** The parties acknowledge that if a dispute between the parties arises out of this agreement or the subject matter of this agreement, they would want a court to interpret this agreement as follows:

- (1) with respect a provision it holds unenforceable, by modifying that provision to the minimum extent necessary to make it enforceable or, if that modification is not permitted by law, by disregarding that provision;
- (2) if an unenforceable provision is modified or disregarded in accordance with this section 11, by holding that the rest of the agreement will remain in effect as written;

- (3) by holding that any unenforceable provision will remain as written in any circumstances other than those in which the provision is held to be unenforceable;
- (4) if modifying or disregarding the unenforceable provision would result in failure of an essential purpose of this agreement, by holding the entire agreement unenforceable.

12. **Counterparts.** If the parties sign this agreement in several counterparts, each will be deemed an original but all counterparts together will constitute one instrument.

13. **Governing law.** Michigan law governs all adversarial proceedings brought by one party against the other arising out of this agreement.

14. **Entire Agreement.** This agreement constitutes the entire understanding between the parties with respect to the subject matter of this agreement and supersedes all other agreements, whether written or oral, between the parties.

15. **Effectiveness; Date.** This agreement will be effective when all of the following are satisfied:

- (1) the agreement is approved by the executive committee of the Authority;
- (2) the agreement is signed by the chief executive officer of the Authority;
- (3) the agreement is signed by the state treasurer;
- (4) the agreement is approved by the governor pursuant to section 10 of the Act, MCL 124.510;
- (5) a copy of the signed and approved agreement is filed with the county clerk of Ingham County; and
- (6) a copy of the signed and approved agreement is filed with the Office of the Great Seal within the Michigan Department of State.

Each party is signing this agreement on the date indicated in the introductory paragraph.

[signature pages follow]

MICHIGAN DEPARTMENT OF TREASURY

By: _____
Rachael A. Eubanks
State Treasurer

MICHIGAN MUNICIPAL SERVICES AUTHORITY

By: _____
Reid S. Charles II
Chief Executive Officer

APPROVAL BY GOVERNOR

Pursuant to section 10 of the Urban Cooperation Act of 1967, 1967 (Ex Sess) PA 7, as amended, MCL 124.510, I hereby determine that this interlocal agreement between the Michigan Department of Treasury and the Michigan Municipal Services Authority is in proper form and compatible with Michigan law. The interlocal agreement is hereby approved.

Gretchen Whitmer
Governor

SCHEDULE 1
SCOPE OF SERVICES

The Authority shall provide assistance to the management of the City for a range of improvement activities in City's organization and procedures, including:

- (1) assisting the City's executive team in long-term planning and system restructuring;
- (2) assisting the City with hiring and personnel processes and activities;
- (3) assisting the City with purchasing and changes to purchasing systems; and
- (4) assisting the City with grants administration and related record-keeping.

The Authority shall complete a work plan in consultation with the Department and the City consistent with the work schedule detailed in schedule 2.

SCHEDULE 2
WORK SCHEDULE

The Authority shall work with the City and the Department to review the scope of services detailed in schedule 1 and establish a schedule of activity to accomplish the agreed upon activities as approved by the Department.

The Authority shall provide services up to four days per week, which could be a combination of onsite and remote activity through December 31, 2020.

First Month

The Authority shall work with the City and the Department to establish a work plan to positively impact areas of the City's operations, including timelines for deliverables for the implementation of the work plan implementation

Second Month to Completion

The Authority shall provide monthly reports to the Department and the City on progress in implementing the work plan.

The Authority shall recommend periodic adjustments to the work plan as needed, and make modify the work plan as requested by or in consultation with the Department.

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SCHEDULE 3
FEE SCHEDULE

The Authority will bill hourly on a time and materials basis, to the nearest 1/10th of an hour, at the rate of \$130.00 per hour, based on the actual time engaged in performing services under this agreement. The Department shall reimburse the Authority for reasonable travel expenses incurred in Michigan in the performance of services under this agreement.

Total professional fees payable under to this agreement must not exceed \$100,000.00 without the prior written approval of the Department, after written notification by the Authority to the Department that includes an estimate of additional services, hours, and costs.

110122.000001 4825-5144-5185.3

PROFESSIONAL SERVICES AGREEMENT

This professional services agreement is between the MICHIGAN MUNICIPAL SERVICES AUTHORITY, a Michigan public body corporate (the “**Authority**”) and MARK WOLLENWEBER, an individual (the “**Vendor**”).

The Authority is a Michigan public body corporate created under the Urban Cooperation Act of 1967, 1967 (Ex Sess) PA 7, as amended, MCL 124. 501 to 124.512 (the “**Act**”), pursuant to an interlocal agreement between the City of Grand Rapids, Michigan and the City of Livonia, Michigan.

The Authority has entered into an interlocal agreement with the Michigan Department of Treasury (the “**Department**”) under the Act. Pursuant to that interlocal agreement, the Department will be partnering with the Department to provide assistance to the City of Flint (the “**City**”) and complimenting the work of City staff and other partners of the City.

Vendor has extensive experience assistance advising local government, including assistance as a city manager.

The Authority wants to contract with Vendor to provide professional services to the City pursuant to the Authority’s agreement with the Department and Vendor wants to provide those professional services.

The parties therefore agree as follows:

1. **Services.** (a) Vendor shall provide the professional services described in schedule 1 in a manner consistent with this agreement and the work schedule detailed in schedule 2.

(b) Vendor shall perform its obligations under this agreement in a professional and workmanlike manner in accordance with prevailing industry standards and practices.

(c) Vendor shall reperform any work not in compliance with section 1(b) brought to its attention within a reasonable time after the work is performed at no additional cost to the Authority.

(d) Vendor shall provide the Authority with timely updates of its work under this agreement as requested by Authority.

(e) The parties intend that Vendor’s relationship to the Authority in providing services under this agreement be one of an independent contractor. Vendor shall be responsible for paying all taxes relating to amounts paid to Vendor under this agreement. Vendor will not be an employee of the Authority. Vendor may not commit the Authority to any nonparty agreement without the Authority’s prior written consent.

2. **Compensation.** (a) The Authority shall compensate Vendor according the schedule of fees attached as schedule 3.

(b) Vendor shall keep detailed records of its time involved in performing services under this agreement. By the 7th day of each month (the “**Invoice Date**”) Vendor shall submit to the Authority an invoice for services rendered during the preceding month. Each invoice must include a detailed, itemized fee billing indicating on a daily basis the appropriate time, description of services performed, and the hourly rate. The Authority may reject and refuse to pay for any non-conforming services and expenses. Within 30 days of receiving an invoice, the Authority shall remit payment to Vendor.

(c) The Authority’s payment of Vendor’s invoices will constitute full payment for all services under this agreement. The Authority may withhold payment of the final invoice from Vendor until the Authority receives delivery of any final work product from Vendor.

3. **Statements of Fact.** (a) Vendor states that Vendor has the necessary knowledge, experience, abilities, skills, and resources to perform its obligations under this agreement.

(b) The verb used to introduce a statement of fact in this agreement does not affect the remedies available for an inaccuracy of that statement of fact.

4. **Term.** (a) Except as provided in section 4(c), this agreement is effective beginning on the date of this agreement and continues through December 30, 2020 unless terminated earlier pursuant to section 4(b).

(b) The Authority may terminate this agreement at any time, with or without cause, upon written notice to Vendor.

(c) The obligations of Vendor under sections 5, 5(f)(1), and **Error! Reference source not found.** will survive the termination of this agreement.

5. **Inventions and Patent Rights.** (a) Vendor shall promptly disclose to the Authority all ideas, devices, inventions, improvements, technical information and know-how relating to services provided by the Authority or other activities of the Authority during the term of this agreement, whether patentable or not, that Vendor may conceive or make solely or jointly with others during the term of this agreement or within two years of the end of the term of this agreement, if the ideas, devices, inventions, improvements, technical information, or know-how arise out of any work done or concepts developed while performing services under this agreement.

(b) Any right, title, and interest in an idea, device, invention, improvement, technical information, or know-how described in section 5(a) is held by Vendor in a fiduciary capacity for the benefit of the Authority and is the sole and exclusive property of the Authority.

(c) Vendor shall do any of the following when requested by the Authority during or after the term of this agreement relating to the ideas, devices, inventions, improvements, technical information, and know-how described in section 5(a):

- (1) assign and convey to the Authority in writing Vendor’s right, title, and interest;
- (2) assist the Authority and its agents in preparing patent applications;
- (3) sign and deliver applications described in section 5(c)(2) and assignments of the applications to the Authority; and

(4) provide information and testimony, sign documents, and do other things needed or requested by the Authority to facilitate the Authority obtaining, extending, reissuing, maintaining or enforcing patents.

(d) Vendor hereby irrevocably nominates and appoints the Authority as Vendor's attorney-in-fact to sign and deliver documents and perform acts described in section 5(c) in the event of Vendor's absence, unavailability, refusal, or dissolution, with the nomination and appointment granted with full authority in the premises and the authorization coupled with an interest vested in the Authority.

(e) The Authority shall bear all expenses incurred in obtaining, extending, reissuing, maintaining, and enforcing patents as described in section 5(c) and in investing and perfecting title to the patents in the Authority. The Authority shall pay Vendor for any time the Authority may require of Vendor or for any services that may be required of Vendor under section 5(c) after the term of this agreement at an hourly rate provided in schedule 3.

(f) Vendor states that no ideas, inventions, expressions, or works that Vendor made or conceived before the term of this agreement or that Vendor may or may not have yet published, patented, or covered by a pending application are excluded from this section 5.

(1) Copyrights. Any copyright and any other intellectual property rights in a design, software, firmware, and related documentation and works of authorship created by the Vendor while providing services to Authority pursuant to this agreement ("Protected Property") belong to the Authority. Vendor acknowledges that neither the Authority nor its licensees have an obligation to designate the Vendor as an author of Protected Property. Vendor hereby waives and releases all of Vendor's rights to Protected Property.

6. **Catastrophic Event.** (a) If a Catastrophic Event prevents a party from complying with any one or more obligations under this agreement, that inability to comply will not constitute breach if (1) that party uses reasonable efforts to perform those obligations, (2) that party's inability to perform those obligations is not due to its failure to (A) take reasonable measures to protect itself against events or circumstances of the same type as that Force Majeure Event or (B) develop and maintain a reasonable contingency plan to respond to events or circumstances of the same type as that Catastrophic Event, and (3) that party complies with its obligations under section 6(c).

(b) For purposes of this agreement, "**Catastrophic Event**" means, with respect to a party, any event or circumstance, whether or not foreseeable, that was not caused by that party (other than a strike or other labor unrest that affects only that party, an increase in prices or other change in general economic conditions, a change in law, or an event or circumstance that results in that party's not having sufficient funds to comply with an obligation to pay money and any consequences of that event or circumstance).

(c) If a Catastrophic Event occurs, the noncomplying party shall promptly notify the other party of occurrence of that Catastrophic Event, its effect on performance, and how long the noncomplying party expects it to last. Thereafter the noncomplying party shall update that information

as reasonably necessary. During a Catastrophic Event, the noncomplying party shall use reasonable efforts to limit damages to the other party and to resume its performance under this agreement.

7. **Non-assignment.** Neither party may assign any of its rights or delegate any of its obligations under this agreement without the prior written consent of the other party.

8. **Modification; Waiver.** No amendment of this agreement will be effective unless it is in writing and signed by the parties. No waiver of satisfaction of a condition or failure to comply with an obligation under this agreement will be effective unless it is in writing and signed by the party granting the waiver, and no such waiver will constitute a waiver of satisfaction of any other condition or failure to comply with any other obligation. To be valid, any document signed by a party under this section 8 must be signed by an officer of the party authorized to do so by the party.

9. **Notices.** (a) For a notice or other communication under this agreement to be valid, it must be in writing and delivered (1) by hand, (2) by a national transportation company with all fees prepaid, (3) by registered or certified mail, return receipt requested and postage prepaid, or (4) by email.

(b) Subject to section 9(d), a valid notice or other communication under this section will be effective when received by the party to which it was addressed. It will be deemed to have been received as follows:

- (1) if it is delivered by hand, delivered by a national transportation company with all fees prepaid, or delivered by registered or certified mail, return receipt requested and postage prepaid, upon receipt as indicated by the date on the signed receipt;
- (2) if the party to which it is addressed rejects or otherwise refused to accept it, or if it cannot be delivered because of a change in address for which no notice was given, then upon that rejection, refusal, or inability to deliver;
- (3) if it is delivered by email and the sender does not use RPost, when the recipient, by an email sent to the email address for the sender stated in section 9(c) or by a notice delivered by another method in accordance with this section 9, acknowledges having received that email, with an automatic "read receipt" not constituting acknowledgment of an email for purposes of this section 9; and
- (4) if it is delivered by email and the sender uses RPost, when the authorized electronic mail agent of the recipient accepted that email message, with the delivery status of at least "delivered to mail server," as stated in the RPost "Registered Receipt" received by the sender with respect to that email message.

(c) For a notice or communication to a party under this agreement to be valid, it must be addressed using the information specified below for that party or any other information specified by that party in a notice in accordance with this section

To Authority: Chief Executive Officer
Michigan Municipal Services Authority
P.O. Box 12012
Lansing, MI 48909
Email: ceo@michiganmsa.org

To Vendor: Mark Wollenweber
[Address]
Email: [email address]

(d) If a notice or other communication addressed to a party is received after 5:00 p.m. on a business day at the location specified in the address for that party, or on a day that is not a business day, then the notice will be deemed received at 9:00 a.m. on the next business day

10. **Severability.** The parties acknowledge that if a dispute between the parties arises out of this agreement or the subject matter of this agreement, they would want a court to interpret this agreement as follows:

- (1) with respect a provision it holds unenforceable, by modifying that provision to the minimum extent necessary to make it enforceable or, if that modification is not permitted by law, by disregarding that provision;
- (2) if an unenforceable provision is modified or disregarded in accordance with this section 10, by holding that the rest of the agreement will remain in effect as written;
- (3) by holding that any unenforceable provision will remain as written in any circumstances other than those in which the provision is held to be unenforceable;
- (4) if modifying or disregarding the unenforceable provision would result in failure of an essential purpose of this agreement, by holding the entire agreement unenforceable.

11. **Counterparts.** If the parties sign this agreement in several counterparts, each will be deemed an original but all counterparts together will constitute one instrument.

12. **Governing law.** Michigan law governs all adversarial proceedings brought by one party against the other arising out of this agreement.

13. **Entire Agreement.** This agreement constitutes the entire understanding between the parties with respect to the subject matter of this agreement and supersedes all other agreements, whether written or oral, between the parties.

14. **Effectiveness; Date.** This agreement will be effective when all parties have signed it. the date of this agreement will be the date this agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature. If any party signs but fails to date a signature, the date that the other party receives the signing party's signature will be deemed to be the date that the signing party signed this agreement and signing party is authorized to enter the date of receipt as the date of other party's signature.

Each party is signing this agreement on the date stated opposite that party's signature.

[signature pages follow]

MICHIGAN MUNICIPAL SERVICES AUTHORITY

Date: _____, 2020

By: _____
Reid S. Charles II
Chief Executive Officer

Date: _____, 2020

By: _____
MARK WOLLENWEBER

SCHEDULE 1
SCOPE OF SERVICES

Vendor shall provide assistance to the management of the City for a range of improvement activities in City's organization and procedures, including:

- (1) assisting the City's executive team in long-term planning and system restructuring;
- (2) assisting the City with hiring and personnel processes and activities;
- (3) assisting the City with purchasing and changes to purchasing systems; and
- (4) assisting the City with grants administration and related record-keeping.

Vendor shall complete a work plan in consultation with the Authority, the Department and the City consistent with the work schedule detailed in schedule 2.

SCHEDULE 2
WORK SCHEDULE

Vendor shall work with the Authority, the City and the Department to review the scope of services detailed in schedule 1 and establish a schedule of activity to accomplish the agreed upon activities as approved by the Department and the Authority.

Vendor shall provide services up to four days per week, which could be a combination of onsite and remote activity through December 31, 2020.

First Month

Vendor shall work with the Authority, the City and the Department to establish a work plan to positively impact areas of the City's operations, including timelines for deliverables for the implementation of the work plan implementation

Second Month to Completion

Vendor shall provide monthly reports to the Authority, the Department and the City on progress in implementing the work plan.

Vendor shall recommend periodic adjustments to the work plan as needed, and make modify the work plan as requested by or in consultation with the Department and the Authority.

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SCHEDULE 3
FEE SCHEDULE

The Authority will bill hourly on a time and materials basis, to the nearest 1/10th of an hour, at the rate of \$120.00 per hour, based on the actual time engaged in performing services under this agreement. The Vendor shall reimburse the Authority for reasonable travel expenses incurred in Michigan in the performance of services under this agreement approved by the Department.

Total professional fees payable under to this agreement must not exceed \$100,000.00 without the prior written approval of the Authority, after written notification by Vendor to Authority that includes an estimate of additional services, hours, and costs.

110122.000001 4812-5882-1057.3



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

DATE: July 3, 2020

TO: Authority Board

FROM: Shea Charles, CEO

SUBJECT: State of Michigan Technical Services Pilot Project – City of Flint

The MMSA has been working with the Michigan Department of Treasury on a pilot project to provide short term technical services to the City of Flint’s administration. The Department has identified four areas in the attached statement of work.

1. Assist the Flint executive team in long-term planning and system restructuring
2. Assist with hiring and personnel processes and activities
3. Assist with purchasing and changes to purchasing systems
4. Grants administration and record keeping

This effort would begin as soon as agreements between the MMSA and the Department are approved and would go until December 30, 2020. The Department would compensate the MMSA \$125/hour up to \$100,000. Mark Wollenweber, retired City Manager from Grosse Pointe Shores, would be advisor the assisting Flint on behalf the MMSA (resume attached). Mr. Wollenweber was identified by the Department as the resource for this project.

I am in the process of securing professional liability insurance for the MMSA and Mr. Wollenweber. Mr. Wollenweber would also be covered by MMSA’s workers compensation insurance but not by our general liability insurance.

Estimated costs for the MMSA including payroll (via 1099), administrative time, additional insurance, attorney time to prepare agreements etc., and other miscellaneous costs is about \$7,000. The Department had previously committed to compensate Mr. Wollenweber \$125/hour before initiating conversation with the MMSA. Mr. Wollenweber and I are in discussions about his rate for this project. The Department and MMSA will evaluate this effort to see if this a workable model to assist other communities in the future. The Department also understands that the financial structure for this effort will not be the approach for future efforts and has asked MSMA to provide a conceptual model.

Attached are draft agreements between the MMSA and the Treasury Department as well as an agreement for Mr. Wollenweber’s services. I have also enclosed a copy Mr. Wollenweber’s current resume.

Statement of Work

1. BACKGROUND

The Michigan Department of Treasury (Treasury) works with communities experiencing financial or programmatic challenges in order to assist with actions that can improve a community's stability and long-term success. As part of that effort, Treasury periodically contracts for expertise to assist the community and compliment the work of community staff and other partners.

2. SCOPE

Treasury is seeking an outside consulting service to work with Treasury to provide assistance to the management of the City of Flint (Flint) for a range of improvement activities in Flint's organization and procedures. The work associated with this engagement would include but not be limited to:

1. Assisting the Flint executive team in long-term planning and system restructuring
2. Assist with hiring and personnel processes and activities
3. Assist with purchasing and changes to purchasing systems
4. Grants administration and record keeping

3. REQUIREMENTS

The consultant hired will work with Flint and Treasury to review the scope of work listed in (2) and set a schedule of activity to accomplish the agreed upon activities as approved by the contract manager.

4. SERVICE LEVELS

4.1 Compensation

The initial phase of the contract would include up to three days per week of work which could be a combination of onsite and remote activity. This phase would run through no later than 12-31-2020 up to \$100,000 of services at a rate not to exceed \$125/hour.

4.2 Work Plan

- Contractor will be responsible for completing a work plan in consultation with Treasury and Flint.
- Contractor will maintain records of work and progress in meeting timeline goals.
- Contractor will provide status reports as requested by Treasury.

Timeline

Month One

- Contractor will work with Treasury and Flint to establish a work plan to positively impact areas of Flint's operations.
- Contractor will include timelines for deliverables for the work plan implementation

Month Two to completion

- Contractor will provide monthly reports to Treasury and Flint on work plan progress.
- Contractor will initiate periodic adjustments to the work plan as needed.

Mark Wollenweber, AICP
ICMA Credentialed Manager

8120 Old Lakeshore Road
Burtchville, MI 48059
• Home
• Cell

Objective: To provide high quality leadership through experience, education, and continued involvement in all aspects of a challenging public sector environment.

Experience Summary:

City Manager	Village of Grosse Pointe Shores, A Michigan City	03/2012 – Present
Interim City Manager	City of Ferndale	01/2011 – 07/2011
City Administrator	City of Grosse Pointe Woods	10/2004 – 06/2010
City Manager	City of St. Clair Shores	01/1990 – 10/2004
City Manager	City of Huntington Woods	03/1978 – 01/1990
Assistant City Manager/ Administrative Assistant	City of Plymouth	05/1976 – 03/1978
Administrative Assistant to Mayor	City of Westland	03/1974 – 01/1976
Staff & Editorial Assistant	Michigan Municipal League	12/1971 – 03/1974
Graduate Teaching & Research Fellow	University of Detroit	09/1970 – 12/1971

Highlights of Recent Experience:

City Manager, City of Grosse Pointe Shores, A Michigan City

- City Manager of the smallest of the 5 Grosse Pointe Communities with a population of 3008 (2010 Census) which borders two counties, with the majority of homes in Wayne County and 44 homes in Macomb County. The Village is all residential except for the historical Grosse Pointe Yacht Club and the non-profit Edsel & Eleanor Ford House. The average home value exceeds \$500,000 and the Village operates with a General Fund Budget of \$5.6 million.
- Hired originally as Interim City Manager & asked to stay as permanent City Manager.
- Successfully negotiated contracts for Finance Director, Director of Public Works, and Grounds Supervisor to retire and return
- Assisted in balancing 6 City Budgets
- Upgraded Bond Rating in 2015 to AAA
- Assisted in negotiating claim regarding repair of marina dock in 2013
- Refinanced marina bonds saving the city in excess of \$30,000 annually for remaining life of bonds.
- Instrumental in obtaining grants for Department of Public Works trucks, bike racks, & bike fix it stations.

- Responsible for full staffing of Public Safety Department
- Responsible for installation of Splash Pad at the GPS Municipal Park
- Development and implementation of a “green” project resulting in the replacement of all lighting including city owned street lighting, heating & cooling equipment, and the installation of a complex generator powering the municipal building.
- Appointed by the Governor to the Allen Park Financial Review Committee – 2013;
- Appointed by the Governor to the Allen Park Receivership Transition Advisory Board (RTAB) from 2015 to 2017.
- Appointed by the Governor to the Royal Oak Township Financial Review Committee 2014

Interim City Manager, City of Ferndale

- City Manager of first ring, diverse suburb with a substantial industrial base and rapidly expanding Downtown. The City population is 19,900 (2010 Census) and encompasses 3.91 square miles, has 140 full-time employees and over 83 acres of parks, a multi-generational Community Center and a winter Curling Club. The General Fund Budget is \$17.2 million and all funds of \$39.5 million.
- Fulfilled all City Manager responsibilities including successfully negotiating substantial cutbacks in two Police, one AFSCME contracts and in arbitration with the Fire Unit. Switched health care agents and secured annual savings of \$160,000. Assisted in the development of two-year fiscal budget, including OPEB funding a contingent account after developing goals for staff and assisted in the development of guidelines for Council budget review. Helped with information on five-year Headlee Override Millage that voters approved by 53%. Helped implement fire grants that installed truck exhaust system in two stations, valued at \$29,974; an equipment grant worth \$675,000 to purchase a new aerial platform truck and a “SAFER” Grant of \$851,000 to rehire four laid off Fire Fighters.
- Assisted in grant from the Michigan Municipal League Foundation for Fire Department development of consolidation strategies between Ferndale and Hazel Park.

City Administrator, City of Grosse Pointe Woods

- Administrator of well established upper income suburban residential community with approximately 17,000 residents. The City encompasses 3.28 sq. miles, has 57 miles of roads and one large waterfront park. The City’s 2006 taxable role is over \$860 million with a total budget for all funds of over \$33 million.
- Successfully negotiated development protection for City from County Ordinance changes, resulting in lieu of tax payment from St. John Hospital of \$600,000. Involved with major developments and enhancements; Flagstar Bank - \$100,000, new Library Branch - \$500,000, and Sunrise Senior Housing - \$500,000. Adjusted employee benefits resulting in savings of nearly \$150,000 annually. Modified staffing in Clerk’s Department, resulting in \$45,000 net annual savings. Implemented new fees for ambulance service, adding \$150,000 annually to budget. Helped secure donations for historical Cook School of nearly \$70,000. Renovated City pool.
Oversaw Finance Department activities in absence of Comptroller/Treasurer
Integral part of union negotiations, including move to modified health coverage.

- Helped secure a \$68,000 rebate from GP Clinton Refuse Disposal Authority.
Moved Federal funds up one year, value of \$1.8 million, for Vernier Road.
Acquired TIP funding for community, first time in nearly 30 years.
Received Safety grant for Mack Avenue.
Secured grant from St. John Hospital for 12 AED units, valued at \$22,000.
Awarded Governor's Local Jobs Today Grant for Mack Avenue construction.
Secured Federal Aid Grant to reconstruct Vernier Road to city limits.

City Manager, City of St. Clair Shores

- Manager of established suburban residential waterfront community of just over 63,000 residents. City is approximately 11.6 square miles, 6.5 miles of Lake St. Clair shoreline and 14 miles of canals. The City has 186 miles of streets and maintains three waterfront parks. Total budget of all funds was approximately \$75 million (2004) with over 288 full-time employees.
- Secured \$5.3 million dollar boat harbor & park project.
Reorganized & consolidated senior financial staff; resulted in improved moral, restored communication and developed educational improvement programs.
Revised capital improvement plan and refined Motor pool funding.
Implemented computer replacement program.
Developed community information program including newsletter and other type communications to the public.
Responsible for library recertification by rescheduling staff to open additional hours. Supported successful staff grant proposal resulting in fund for three Library additions – expanded study areas, local history room, & restaurant/coffee shop.
Consolidated health care coverage programs to save over \$250,000 year.
Reorganized labor negotiations & hiring procedures savings of over \$50,000/year.
Developed \$32,000,000 improvement program for Milk River and drainage system.
Coordinated review of Fees, which resulted in implementation of new fees (i.e., false alarm fee, reimbursement for OUIL costs, and hazardous waste spills).
Voter approved millages: local street repair 1 mill; subsidize water/sewer rates 1 mill; Police & Fire 1.6 mills; Citywide sewer upgrades/repair 2 mills.
Rebuilt City Hall, renovated 2 of 3 fire stations and entire DPW complex.
Built "Splash Zone" and new bathhouse with cash reserve and park restrooms.
Responsible for \$70,000,000 sewer upgrade program to meet water quality.
Coordinated \$8,000,000 PCB canal clean up with MDEQ and EPA.
Coordinated policy for billboard & cell tower rental fee used solely for recreation.
Worked closely with Citizen Improvement Committee to identify and clean up blight.
Cut staffing from 323 full time employees to 288 with little impact on services.
- Secured additional recreational grants with local share paid by non-city sports fund. Group pledged over \$200,000, which generated over \$2,200,000 in state grants.
Secured contractor donations for park playground equipment exceeding \$75,000.
\$2.6 million grants for expansion of the Jefferson Streetscape.
Federal and state road fund grants for Little Mack, several portions of Jefferson, 11 Mile, 12 Mile, Greater Mack, 1.5 miles of freeway sound walls; one half mile to be constructed during 2005 plus one mile for 05/06.
Nautical Mile Streetscape

Harper Avenue Study

Participated in grant funded Harper Revitalization Study to help fill vacant stores.

Worked with businesses and property owners to design fund and build the Jefferson

Streetscape project in the Secured FEMA Grant for 38 storm water pump stations to replace manually operated temporary pumps.

Nautical Mile TIFA District. Bonded for \$6,000,000 in public improvements resulted in increased tax base of over \$24,000,000 in new or expanded private facilities.

Tested catch basin inserts as part of a CMI state grant supplemented by both EPA and National Sanitation Foundation monies.

City Manager, City of Huntington Woods

- Manager of established middle to upper income metropolitan area community of 7,000 with 51 fulltime employees; a community well known for innovative local government such as a fully integrated Public Safety Department.
- Responsible for budgetary and charter changes resulting in improved cash flow and substantially higher investment income and reduced operating costs.
Steadily increased services and programs for three years with no tax increase.
Supervised electronic phone and data processing conversion including System 34, PCs and City owned lines and equipment.
Planned infrastructure improvements beginning with ballot campaign for total local road paving, approved 3 to 1 by voters.
Implemented entire electronic, remote meter conversion and budget program. As chairperson of 11 City cable authorities, developed bid process for selection of company, negotiated contract and amendment two years later. Oversaw system construction and contract compliance. Responsible for labor negotiations resulting in first settlement with Public Safety Officers without arbitration, implemented pavement management system, equipment and capital facilities budgets, the establishment of job descriptions, pay plan and new personnel rules for non-union employees.
Ongoing revision of an insurance program resulting in a 40% premium reduction and in several cases, enhanced benefits.
Developed monthly employee training program using cable system.
- Secured substantial increases in City grants including energy usage, personnel training, tree inventory, traffic safety equipment, senior transportation, summer concert series, and stained glass windows for Library and redevelopment of the Central Plaza area.

Education:

Master of Arts in Urban Affairs

University of Detroit Mercy; *graduate teaching & research fellowship*

Bachelor of Administration in Urban Studies

University of Detroit Mercy; *magna cum laude*

Pacific Institute – Investment in Excellence

Central Michigan University Institute for Public Administration

Harvard University – John F. Kennedy State and Local Government Program for Senior Executives in State & Local Government; 1994
Taubman Fellowship Awarded by SEMCOG

American Institute of Certified Planners (AICP)
Member 2001 – Present

International City Managers Association Credentialed Manager
2002 – Present

University of Virginia – Senior Executive Institute Weldon Cooper Center for Public Service 2007

Membership & Affiliations:

International City/County Management Association
Midwest Vice President, 1999 – 2002
Data and Information Services Committee Chairperson, 1986
Data and Information Services Committee, 1984 – 1986
Telecommunications Committee, 1982
Conference Planning Committee, 1982, 1996
Conference Evaluation Committee, 1982, 1993, 1994
Senior Advisors 2012 to Present
Awards Panel Member 2015 to Present

Michigan Local Government Management Association
(Currently Michigan Municipal Executives MME)
Transition Committee (currently MME Experience Committee) 1993 – Present
Nominating Committee Chairperson, 1991 – 1992, 2002
Ethics Committee Chairperson, 1991 – 1994
State Association President, 1989 – 1990
Conference Planning Committee Chairperson, 1988
State Training Committee Chairperson, 1986 – 1987
Executive Board Member, 1984 – 1985

Other Professional Affiliations and Awards:

- Grosse Pointe Chamber of Commerce – Board member, 2007 – 2010; 2012 to present
- Detroit Area Agency on Aging – Board member, 2006 – present;
Board Treasurer 2016 to present
- The Library Network (TLN), 2005 to present; Vice Chair, 2011; Chair 2014 to present
- Southeast Michigan Council of Governments (SEMCOG)

Environmental Policy Advisory Council, 1998 to 2009

Water Resources Task Force, 2016 to present

- Michigan Municipal League Special Award of Merit, 1991
- Detroit Metro Chapter of American Society of Public Administration,
City Manager of the Year, 1982
- Suburban Library Cooperative, 1991 – 2005, 2006 to Present; past Vice Chair, Chair
- Services for Older Citizens (SOC) – Board Member, 2010; Vice Chair, 2015;
Chair, 2016 to present.



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

DATE: July 3, 2020

TO: Authority Board

FROM: Shea Charles, CEO

SUBJECT: MMSA Board Appointments

During the May 2020 Executive Committee meeting an update was requested on the Board appointments. Attached is a history of the Board and Executive Committee appointments throughout the history of the Authority. At this time, we do have several vacancies, though the appointments for Grand Rapids will be made soon.

At the March 2020 Authority Board meeting it was discussed adding representatives from the Michigan Municipal League, Michigan Township Association as well as Michigan Association of Counties. There are four appointments that are made by the Governor that could be used to by these associations. Brian Reed, Delta Township Manager, has agreed to serve on behalf of the MTA. Tony Minghine, MML Deputy Executive Director has also agreed to serve. Steve Currie, MAC Executive Director, will be providing a representative for the Board.

I would like to discuss this with the Board before reaching out to the Governor's office.

Appointing Body	Appointee	Term Ends
Governor	Kelli Scott - Chair	September 2020
	Doug Smith (resigned May 2020)	September 2021
	Dominick Pallone	September 2022
	Jessica Moy	At pleasure of Governor
	Phil Bertolini	At pleasure of Governor
	Donald Snider (inactive)	At pleasure of Governor
	Vacant	At pleasure of Governor
	Vacant	At pleasure of Governor
City of Livonia	Jim Cambridge	As decided by Mayor
	Brian Meakin	September 2019
City of Grand Rapids	Eric Delong	September 2019 – reappointment pending.
	Vacant (Molly Clarin, Grand Rapids CFO, to be appointed)	As decided by Mayor



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

APPOINTMENTS

March 5, 2019

Section 4.01. Authority Board Composition. The governing body of each Founding City shall appoint 2 members of the Authority Board. Each member of the Authority Board appointed by the governing body of a Founding City shall be selected from a list of 3 or more individuals nominated by the mayor of the Founding City and submitted to the governing body of the Founding City. For each member of the Authority Board appointed by a Founding City, the Governor or the State shall appoint 2 members of the Authority Board. A member of the Authority Board shall serve at the will of the Person appointing the member. In the event of a vacancy on the Authority Board, the vacancy shall be filled in the same manner as the original appointment.

Section 4.06. Executive Committee. The Authority shall have an Executive Committee consisting of 5 members of the Authority Board. The mayor of each Founding City shall each appoint 1 member of the Authority Board as a member of the Executive Committee. The Governor of the State shall appoint 3 members of the Authority Board as members of the Executive Committee, with not less than 1 of the members appointed by the Governor representing local Public Agencies in the State. Members of the Executive Committee shall not be employees or officers of the State. Appointments by a mayor under this Agreement require no further approval by another governmental body before taking effect. After the initial terms of office, members of the Executive Committee shall be appointed for a term of 4 years. The initial terms of office of the members of the Executive Committee shall be as follows:

(a). One member appointed by the Governor representing local Public Agencies for a term of 4 years.

(b). Each of the 2 members appointed by the mayor of a Founding City for a term of 3 years.

(e). One member appointed by the Governor for a term of 2 years.

(d). One member appointed by the Governor for a term of 1 year.

August 28, 2012 Grand Rapids Appointees

1. Eric Delong
2. Scott Buhner

August 29, 2012 Livonia Appointees

3. James Cambridge
4. Brian Meakin

September 18, 2012 Gubernatorial Appointees

5. Donat R. Leclair, Jr.
6. Stacie R. Behler
7. Robert J. Daddow
8. Donald E. Snider
9. Patricia K. Poppe
10. Peggy H. Jury
11. Douglas R. Wiscinski
12. Richard B. Sheridan

1. Eric Delong was originally appointed to a three-year term on the Executive Committee ending September 17, 2015 and reappointed to a four-year term ending September 17, 2019
2. Scott Buhner was appointed to the Authority Board for a term expiring at the pleasure of the Mayor of Grand Rapids; Buhner retired and Jeff Dood was appointed to the Authority Board for a term expiring at the pleasure of the Mayor of Grand Rapids
3. James Cambridge was originally appointed to a three-year term on the Executive Committee ending September 17, 2015 and reappointed to a four-year term ending September 17, 2019
4. Brian Meakin was appointed to the Authority Board for a term expiring at the pleasure of the Mayor of Livonia
5. Donat R. Leclair, Jr. was originally appointed to a one-year term on the Executive Committee ending September 17, 2013; Alan G. Vanderberg was then appointed to a four-year term ending September 17, 2017; Douglas J. Smith was then appointed to a four-year term ending September 17, 2021. Mr. Smith resigned in May, 2020 due to retirement.
6. Stacie R. Behler was originally appointed to a two-year term on the Executive Committee ending September 17, 2014; She was then reappointed to a four-year term ending September 17, 2018; Dominick Pallone was then appointed to a four-year term ending September 17, 2022
7. Robert J. Daddow was originally appointed by the Governor representing local Public Agencies for a four-year term ending September 17, 2016 but resigned before the term ended; Alan G. Vanderberg was appointed for the remainder of the term; Kelli D. Scott was then appointed to a four-year term ending September 17, 2020
8. Donald E. Snider was appointed to the Authority Board for a term expiring at the pleasure of the Governor
9. Patricia K. Poppe was appointed to the Authority Board for a term expiring at the pleasure of the Governor; Poppe resigned on July 8, 2014; Phillip R. Bertolini was appointed to the Authority Board for a term expiring at the pleasure of the Governor

10. **Vacant:** Peggy H. Jury was appointed to the Authority Board for a term expiring at the pleasure of the Governor; Jury resigned on February 13, 2018 leaving this appointment vacant
11. Douglas R. Wiscinski was appointed to the Authority Board for a term expiring at the pleasure of the Governor; Wiscinski resigned on June 30, 2018; Jessica Moy was appointed to the Authority Board for a term expiring at the pleasure of the Governor
12. **Vacant:** Richard B. Sheridan was appointed to the Authority Board for a term expiring at the pleasure of the Governor; Sheridan resigned on April 9, 2014; Dominick Pallone was appointed to the Authority Board for a term expiring at the pleasure of the Governor; Pallone was later appointed to a four-year term on the Executive Committee (replacing Behler as described above in #6) leaving this appointment vacant

Board Appointments

Authority Board 12 Members, 2 Livonia, 2 Grand Rapids, 8 Governor

Appointing Body	Appointee	Term Ends
Governor	Kelli Scott - Chair	September 2020
	Doug Smith (resigned May 2020)	September 2021
	Dominick Pallone	September 2022
	Jessica Moy	At pleasure of Governor
	Phil Bertolini	At pleasure of Governor
	Donald Snider (inactive)	At pleasure of Governor
	Vacant	At pleasure of Governor
	Vacant	At pleasure of Governor
City of Livonia	Jim Cambridge	As decided by Mayor
	Brian Meakin	September 2019
City of Grand Rapids	Eric Delong	September 2019 – reappointment pending.
	Vacant (Molly Clarin to be appointed)	As decided by Mayor

Executive Committee – 5 Members, 1 Livonia, 1 Grand Rapids, 3 Governor (including chair)

Appointing Body	Appointee	Term Ends
Governor	Kelli Scott - Chair	September 2020
	Doug Smith (resigned May 2020)	September 2021
	Dominick Pallone	September 2022
City of Livonia	Jim Cambridge	As decided by Mayor
City of Grand Rapids	Eric Delong	September 2019