



The City of Friendship

City of Ecorse

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Ecorse Update
Joyce A. Parker, Emergency Manager
January 9, 2012

As part of my commitment to keep Ecorse residents informed about developments in their community, the following is an update on our continuing efforts to address the financial emergency in the City of Ecorse.

At the end of December, 2011, the city's Audit Report was completed and submitted to the State of Michigan. For the fiscal year ended June 30, 2011, Ecorse's general fund showed a positive fund balance for the first time since June of 2005. In total, the City was under budget, with total operating expenditures being approximately \$1.7 million less than the amended budget. There are a few reasons why revenues were higher than expenditures, including the sale of judgment bonds, an emergency loan, a reduction in expenditures, and the write-off of an old inter-fund payable. Finally, the City's combined net assets are up, over a year ago, by approximately \$1.7 million.

While restructuring Ecorse's significant debt addresses what happened in the past, throughout 2012, I will be addressing the next task, which is to put in place the operational structures that will allow the City to properly operate within a balanced budget as it moves forward. The City's budget for the current (2012) fiscal year is balanced despite drops in both property tax revenues and revenue sharing payments from the state. In order to balance the budget, the City reorganized many departments, eliminated positions, and moved some employees from full to part-time to reduce costs. In addition, we will be moving to a Public Safety Department, rather than having separate Police and Fire Departments. This will increase the number of officers and firefighters on call and reduce operating expenses. I am hopeful that this change will decrease operating expenses to a point where we can begin the process of rolling back the Special Assessment on the city's tax rolls. The transition to a Public Safety Department was mandated by an Arbitration Award, so the City is obligated to do this.

Last November, the City of Ecorse received the Small Deal of the Year Award from The Bond Buyer Magazine. Ecorse was presented the award for the issuance of Judgment Bonds earlier in the year to pay off outstanding judgments against the City. I was very proud to represent the City, with others involved in the transaction, at the award ceremony. Issuing the bonds was a team effort that included a number of professional firms, our State Legislature, and the Department of Treasury. On behalf of the City of Ecorse, I would like to thank everyone for their support and participation in structuring the bond deal.

Finally, you have heard me discuss “Envision Ecorse!” on numerous occasions. Everyone involved in the process, residents and other stakeholders is to be commended for their participation and involvement in “Envision Ecorse!.” Based on your efforts and input, a mission and Citizens Strategic Plan for Developing the Ecorse Community have been developed. Eight goals have been established as a road map for the City’s future.

Goal committees will be established to implement the missions and strategic plan. If you would like to assist in implementing these important goals by participating on any of the 8 committees, please contact my Administrative Assistant at (313) 386-2410. Goal committees will be co-chaired by city officials and residents. We were pleased that more than 150 persons attended each of the three community meetings held in 2011. We were also pleased with the number of applications received from residents for serving on City Boards and Commissions. I would like to take this opportunity to thank the Citizen Advisory Council and residents for working with the City on this very important planning process.

As always, I appreciate the community’s understanding and support as we continue our critical work to address the City’s financial emergency.

Sincerely,

Joyce A. Parker
Emergency Manager
City of Ecorse