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2 other problems that she had created here. That bond issue  
3 was not of the city's making.

4 I think the other item that came up is you know,  
5 some of the contracts and the problems that were there but  
6 under the way 436 acts and the emergency manager has to act  
7 you have to take those contracts and those changes over  
8 50,000 and the council has to vote on them. We did vote on  
9 them. And then the emergency manager changed those  
10 contracts unilaterally without knowledge of the council.  
11 And sequestered her own attorneys to draft those matters,  
12 not following what she'd presented to the council. Not  
13 following Act 436. And we've tried to cooperate. We know  
14 we had a problem. That mayor and council that acquired  
15 this property while we think it was well-intentioned or  
16 there was some malevolent or some wrongful causes for it  
17 that's the only action that put this city in a uniquely  
18 dire financial situation. We are different.

19 If you look at every other community that has been  
20 under an emergency manager under RTAB, under consent  
21 agreement, we haven't had a long term history of badly  
22 managed departments and our revenue sources have been  
23 relatively good. The CFO obviously is not much of a public  
24 relations guy because he's talking about one percent  
25 increases. Allen Park's residential property for the last

1 three years has gone up 7, 8 and 9 percent respectively but  
2 Headlee says we're limited by the CIP or five percent,  
3 whichever is less and it's been low. And then the  
4 governor's helped us with the repeal of our personal  
5 property tax which for Allen Park is a substantial amount  
6 of money. It's being replaced the first year and I think  
7 we lost --

8 MR. CADY: Thirty-two million.

9 MR. MATAKAS: Well, but I think the actual amount  
10 of money that we got back from the state --

11 MR. CADY: \$166,000.

12 MR. MATAKAS: Yeah, that was replacement with  
13 approximately 11 percent as the state's uniform replacement  
14 action.

15 MS. SCHAFER: Mr. Mayor --

16 MR. MATAKAS: This puts a problem on us as we're  
17 trying to gather the funds to build a new police jail and a  
18 new city hall but I think some of the actions that have  
19 occurred here were just problems indicative of the  
20 emergency manager. I mean I've talked with some of the  
21 other mayors that have been under emergency manager and  
22 unfortunately you can't draft an Act like 436 in 60 days  
23 and then hand the governor that and then go out and try and  
24 find these people who are going to have to be Plato,  
25 Socrates or somebody to figure out how to run these things.

1 I think the elected officials are doing a good job  
2 at this point. I don't see the advantage of this. I see  
3 it as just a situation that causes us real problems so I'm  
4 hoping that whatever is going to the governor at this point  
5 or whether it goes to the governor at the next meeting that  
6 you think hard and long about those consequences. Because  
7 you're staying in place has consequences. It has  
8 consequences in the community, has consequences in the  
9 state. I've done at least five interviews by people  
10 working on Ph.D's about Act 436. And --

11 MS. SCHAFER: Mr. Mayor, I don't mean to cut you  
12 short.

13 MAYOR MATAKAS: Okay.

14 MS. SCHAFER: But it is public comment limited to  
15 two minutes and I follow that up--

16 MAYOR MATAKAS: Thank you for your time and  
17 extension.

18 MS. SCHAFER: Thank you.

19 MR. DOSTINE: The next is Mr. Chuck Rizzo.

20 MS. SCHAFER: I believe he left.

21 MR. DOSTINE: Next is Mr. John Messinger (sic).

22 MR. MENSINGER: It's Mensinger.

23 MR. DOSTINE: Mensinger. Pardon me.

24 MR. MENSINGER: I've only got two minutes, so Ms.  
25 McLeod, John Mensinger Allen Park. They covered everything

1 I was going to ask, a bond issue. My question was how long  
2 are you guys going to be on board? Can't you help us -- if  
3 you can't help us with the bond issue yet it's used as a  
4 tool against us to up our ratings so I'm not going to beat  
5 that up, that was awesome.

6 One thing I did catch, somebody mentioned I  
7 believe Mr. Lites there about the pension board. That city  
8 manager. I'm not speaking for the pension board however I  
9 am on the pension board so I sat in every meeting with her.  
10 The state held our money, two and a half million dollars  
11 for a long time and I don't believe we ever saw a penny of  
12 interest when we did finally get paid as a pension board.  
13 Yes, we're under the 80 percent that you had mentioned.  
14 However our members, our private company that's controlling  
15 our money in our pension beat MERS hands down every time  
16 which is why I believe she couldn't really take us away and  
17 put in an underfunded pension. So that's just my comment  
18 to that is our pension is rock solid. It's doing better  
19 than most, better than MERS, better than most. We like it,  
20 we like PNC's ability to oversee our money from a citizenry  
21 standpoint. Again, I'm on the board, I sat with Joyce and  
22 we had some rash words. We were afraid that they were  
23 going to put <sup>us</sup> ~~is~~ in the state pension and ours is doing  
24 better so glad it didn't change. And I still think our  
25 numbers are higher than those right now. I'd have to check

1 that. But I'm glad that's over.

2 Appreciate anything you can do for us at the state  
3 level. I know that's what my bond rating's down then but  
4 anybody I talked to. I'm nearing the end of my career so  
5 I'm actually putting feelers out to try to see what I'm  
6 going to do for the rest of my life. And they go you guys  
7 are young yet. It's a slinky. We are doing better but  
8 they don't know it yet because the state's still involved.  
9 In other cities the states seem to be pulling out. I hear  
10 on the news Pontiac's out from underneath it. I said  
11 really? Why aren't we out of it. River Rouge -- or  
12 Detroit has already given the rein to turn back over. When  
13 does Allen Park get their receivership is -- I appreciate  
14 it.

15 MS. SCHAFER: Thank you.

16 MR. DOSTINE: The next one is Councilman Harry  
17 Sisko.

18 COUNCILMAN SISKO: Thank you. Good afternoon. I  
19 just got to -- I want to start off with it was mentioned  
20 that when we did our review process that that council at  
21 the time was called a dysfunctional council and I just want  
22 to point out that that dysfunctional council, the majority  
23 of them got reelected this time around and the only reason  
24 why it wasn't a full -- there was four of us that ran for  
25 reelection.

1           One of our members ran for mayor and our current  
2 mayor, Mayor Matakas won in overwhelming fashion and the  
3 other councilmember decided not to run due to some family  
4 issues. So, the citizens of this city returned all of us;  
5 this dysfunctional council and you should know that Allen  
6 Park has always been a very conservative town. I've lived  
7 here my entire life. We've always had conservative roots.  
8 A lot of our parents came out of the depression and so  
9 we've all carried that with us.

10           And to be -- there's a moral issue that I think  
11 you all need to look at. It's not always about dollars and  
12 cents as we've seen in other parts of the state. There is  
13 a moral issue. We are all elected to represent 28,000  
14 people in this city. And I think we've done that. And  
15 we've gone beyond what we were asked for, I believe. We  
16 take everything to heart here. And we want the best for  
17 our city. And for our children. And that's what we are  
18 looking at and I think you really need to understand that  
19 moral issue that when Ms. Parker first came in here she  
20 said the state was behind -- the full force of the state  
21 was behind the city of Allen Park and I bought into that.  
22 But the way I feel about it now is that the full force of  
23 the state is on top of us not behind us. These are issues  
24 that we can get by; that bond issue. You can lay at the  
25 feet of Ms. Parker and Ms. <sup>Folks</sup> ~~Foltz~~ (sic) for being delayed

1 for so long. We all know it here. At one council meeting  
2 and I lead the charge to have Ms. ~~Foltz~~<sup>Folks</sup> removed, by the way  
3 I'm sure some of you know that. At a council meeting after  
4 that Ms. ~~Foltz~~<sup>Folks</sup> had Brian Leffler who is part of the bond  
5 council eviscerate our entire city council and mayor for  
6 having to ask her to be removed. And it was only due to  
7 state demands that it took so long to have her removed.  
8 She was incompetent and didn't belong there. We all know  
9 it. We are the ones that put these people in place. This  
10 city council put this management in place and I think you  
11 need to take that into consideration that we have always  
12 tried to do the right thing. Now it's your turn to do the  
13 right thing.

14 Thank you.

15 MS. SCHAFER: Thank you.

16 MR. DOSTINE: Madam Chair, the next resident is  
17 Ray Magusin.

18 MR. MAGUSIN: Good morning. We're here for a  
19 reason. Because we're in trouble. We were in trouble. We  
20 are not in trouble no more. But we're also here because of  
21 a reason. I brought this up to you guys a number of times.  
22 Because of that American flag. And every time I'll bring  
23 at this meeting and I want to say something: I pledge  
24 allegiance to that flag of the United State of America and  
25 to the republic for which it stands, one nation under God

1 indivisible with liberty and justice for all. It doesn't  
2 take long to say that. A little bit of pride for allowing  
3 us to be up here. A number of citizens in this world that  
4 have fought for that flag and have died for that flag and  
5 are dying today. With that said I want to thank Gail  
6 McLeod, Harry Sisko and the mayor for coming up here.

7 I, as a citizen, every meeting asked that woman to  
8 resign. Every meeting I asked that woman to resign and I  
9 was looked at, "What are you saying Mr. Magusin, why?" She  
10 was the one who put this city in our predicament. She was  
11 the one who sat on the bond council and put ourselves in  
12 that position. We did not appoint her. The state of  
13 Michigan appointed her. Why? Any other city or any other  
14 country we would have been able to get rid of her with no  
15 problem. We try to get rid of individuals. We tried to  
16 get rid of her. It cost the city money to get rid of her,  
17 is what it did. It actually cost us money to get rid of  
18 her after she took us down and destroyed us.

19 I want to thank you all for allowing us to come up  
20 here but now I truly understand and I've said it before why  
21 when someone in Egypt got in trouble they just took their  
22 faces right off, destroyed them. Took their names off the  
23 buildings. This city needs to be put back into the hands  
24 of our city, taken out of the hands of the state. Governor  
25 Snyder, take down this wall.



1                   Have a great day.

2                   MR. DOSTINE: Okay. Madam chair, there's one more  
3 request by Mr. Paul Green.

4                   MR. GREEN: I have an apartment building in Allen  
5 Park and I was aware of the inspection notification ~~it~~ and  
6 I got notice about a month ago, first of March, to take  
7 care of that matter. As you can gather I'm not too mobile.  
8 I spent at least half of my time doing physical therapy.  
9 And the reason for that is so I don't end up in a  
10 wheelchair. So I'm awfully busy.

11                   I got the notice about two weeks ago. I came into  
12 the building department and I paid for the inspections. I  
13 got them scheduled. But last Friday I had to honor the  
14 ticket to have this done. And the hearing was at 9:00.  
15 There was about 200 people waiting and it was about 11:00  
16 before I got my attention to talk to the prosecutor. I  
17 didn't know who he was. I just found out who he was this  
18 afternoon. And rather than reviewing -- rather when he  
19 called me about the inspection checking I told him that I  
20 had made reservations, scheduled them, I showed my  
21 documents there. I showed him that it was paid and the  
22 building department asked me to do this. He ignored that.  
23 I was too tired to challenge him at that time. I  
24 definitely was but I tried to respect him and he suggested  
25 that I take the lesser of the -- having admitting it and

1           having to pay the court fine of \$150. When I got -- I  
2           waited there for two hours and him not explaining it, not  
3           listening to me and at my age I just wanted to get out of  
4           the place. So I agreed to pay the \$150 to get out of  
5           there. Knowing it was not right. But the -- it was not  
6           \$150, it was \$200. That was last Friday. Over the weekend  
7           I kind of got woke up again after I got working on my  
8           income tax and trying to do my physical therapy I said,  
9           this is not fair. There's just something wrong here with  
10          what's going on. Why am I treated as if I'm a piece of  
11          dirt off the street when he didn't explain what -- he  
12          didn't worry about anything I said. I said I have evidence  
13          I have it scheduled and I've got --

14                 MR. DOSTINE: Pardon me, Mr. Green. I'm sorry.  
15                 You know, I think perhaps you might want to direct your  
16                 concerns to Mr. Dave Boomer. I'm not sure this is the  
17                 appropriate board to be, you know, bringing your concern  
18                 to. I'm sorry, I should have talked to you earlier about  
19                 this.

20                 MR. GREEN: Well, you're right. I didn't come to  
21                 this meeting. I came to city hall.

22                 MR. DOSTINE: Right. Yeah.

23                 MR. GREEN: Told me about this meeting.

24                 MR. DOSTINE: Right. This is not a council  
25                 meeting.

1 MR. GREEN: This isn't a council meeting?

2 MR. DOSTINE: It's not a council meeting.

3 MR. GREEN: Oh, it's not a council meeting?

4 MR. DOSTINE: No.

5 MR. KIBBY: Mr. Boomer will be right to help you.  
6 He's standing right behind you.

7 MS. SCHAFER: Thank, Mr. Green.

8 MR. DOSTINE: I apologize, Mr. Green.

9 MR. GREEN: I was not informed as to what this  
10 gathering was except to --

11 MS. SCHAFER: You should get your help there.

12 MR. DOSTINE: Madam Chair, that concludes public  
13 comments.

14 MS. SCHAFER: Thank you.

15 Is there any board comments?

16 Mr. Wollenweber?

17 MR. WOLLENWEBER: One item. First of all I'd like  
18 to thank the administration, the elected officials and the  
19 staff who are here today and you know, having seen this in  
20 the beginning and now coming onto this board there's no  
21 question that this community deserves the kind of  
22 leadership that it now has and again, I just say in my  
23 opinion what was done to this community and residents is  
24 criminal and should have been prosecuted by somebody other  
25 than the Securities and Exchange Commission. But it didn't

1           happen and you guys are paying the price for it. And I  
2           think our job here is, and I can't speak because I was not  
3           involved and I learned more from our colleagues here as to  
4           what happened in terms of the delay and the retendering and  
5           some of these other issues in terms of the court case. But  
6           I really would hope that in -- at our next meeting if it  
7           needs to be earlier, I'm fine with that earlier. Just  
8           today that we look at significant alternatives to meeting  
9           monthly and restoring as much control that we can to the  
10          local community and its elected leadership which I feel and  
11          I'm sure the residents feel they now have confidence in and  
12          the administrative team that they've selected. So I hope  
13          that there are some significant alternatives that we can  
14          look at short of going of business instantaneously. And if  
15          that's the wishes of the board, fine. But it seems to me  
16          in terms of our position as appointees for this we do have  
17          a fiscal and a legal obligation to try to make sure that  
18          the things that caused this are not going to happen again  
19          and that there are some significant challenges that ought  
20          to be faced. And again, I echo the comments that were made  
21          earlier about now who's going to get -- we got what three-  
22          tenths of a percent this year in terms of taxable value  
23          growth and looking at them I will just say and this  
24          probably shouldn't go in the record but I'm going to say it  
25          anyway that there is an attempt by a number of communities,

1 I don't know that Allen Park can participate or not  
2 participate, that would be your choice to contribute to a  
3 potential lawsuit over the Headlee issue and some of the  
4 things that the state has taken away from the communities  
5 and not leave them to some other mandated costs and some of  
6 the issues of Headlee. Like the schools did with some  
7 stuff, so. That's my editorial comment I guess at the end.

8 But thank you to the staff and the community and  
9 the elected officials. You are not like some of the other  
10 communities, not like almost all of the other communities  
11 or school districts that put in this place. This happened  
12 to you by bad leadership in my opinion.

13 UNIDENTIFIED SPEAKER: Can the public speak? I'm  
14 just curious?

15 MS. SCHAFER: The public comment period is over.  
16 Sorry.

17 Are there any other board comments?

18 MS. BARANN: I just want to thank my fellow board  
19 members for the conversation and the discussion. I  
20 appreciate that and would echo Mark's comments. Thank you  
21 so much, the city and the treasury staff for putting  
22 together the annual report and all you do for us.

23 MS. SCHAFER: Any further comments?

24 (No response.)

25 MS. SCHAFER: Okay. The next item is adjournment.

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I will entertain a motion to --

MR. WOLLENWEBER: So move.

MS. BARANN: Support.

MS. SCHAFER: It's been moved and supported. All those in favor of adjourning say aye? Aye.

MS. BARANN: Aye.

MR. WOLLENWEBER: Aye.

MR. LITES: Aye.

MS. SCHAFER: Opposed?

(No response.)

MS. SCHAFER: Hearing none, the meeting is adjourned. Thank you everyone.

(At 3:18 p.m. meeting adjourned.)

STATE OF MICHIGAN

COUNTY OF WASHTENAW ).ss

I certify that this transcript is a complete, true, and correct transcript to the best of my ability of the RTAB meeting held on April 6, 2015 at the city of Allen Park. I also certify that I am not a relative or employee of the parties involved and have no financial interest in this case.

RESPECTFULLY SUBMITTED:

April 15, 2016

*S/Amy Shankleton-Novess*

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Amy Shankleton-Novess (CER 0838)

Certified Electronic Reporter