

## SECOND MEMORANDUM OF AGREEMENT

BETWEEN THE WISCONSIN DEPARTMENT OF JUSTICE AND MILWAUKEE COUNTY

For October 1, 2012 through December 31, 2013

### I. PURPOSE

This Agreement is entered into between the Wisconsin Department of Justice (DOJ) and Milwaukee County, a Wisconsin Municipal Corporation, by the Clerk of Circuit Court, (Milwaukee County) for the purpose of providing financial support to Milwaukee County for costs related to (1) the Metro Milwaukee Foreclosure Mediation Program (MMFMP) for the period beginning January 1, 2013 and ending December 31, 2013 and (2) to support related foreclosure activities throughout the state under the program to be known as the Wisconsin Foreclosure Mediation Network, all as operated by the Metro Milwaukee Mediation Services, Inc., (MMMS) for the period beginning October 1, 2012 through December 31, 2013.

There is a related Agreement between the parties entered into on February 22, 2012. This Agreement does not alter, amend or disturb this prior Agreement.

There is a separate Service Contract between Milwaukee County and Metro Milwaukee Mediation Services, Inc., regarding the operation of MMFMP and the Wisconsin Foreclosure Mediation Network. In recognition of MMMS's undertaking to perform these services, MMMS is a signatory to this Agreement.

This Agreement shall become effective only upon an authorizing resolution passed by the Milwaukee County Board.

### II. FUNDING

In 2012, DOJ secured funding pursuant to a Joint State-Federal Mortgage Servicing Settlement with the nation's five largest mortgage servicers. Under the settlement, each State's Attorney General is empowered to designate the use of such funds for various purposes, including, but not limited to: state and local foreclosure mediation programs, foreclosure assistance hotlines, housing counselors, and legal assistance.

DOJ hereby allocates the total sum of \$458,550 for the expansion and continuation of foreclosure mediation services consisting of:

1. \$230,000 for the purpose of continuing the services provided by the Metro Milwaukee Foreclosure Mediation Program, ("MMFMP") through Metro Milwaukee Mediation Services, Inc., during the period beginning January 1,

2013 and ending December 31, 2013, as set forth in the proposed MMFMP 2013 budget.<sup>1</sup>

2. For the remainder of the 2012 calendar year, and retroactive to July 1, 2012, DOJ hereby allocates the sum of \$20,000 for the procurement of legal services, through a subcontract arrangement with a legal service provider selected by Metro Milwaukee Mediation Services, Inc., to assist Metro Milwaukee homeowner Program participants.
3. For the remainder of the 2012 calendar year, DOJ hereby allocates the sum of \$77,550 to procure the services of the Metro Milwaukee Mediation Services, Inc., for (1) the development, expansion and support, through sub-awards, of five Wisconsin regional foreclosure mediation administrative centers, (2) recruitment and training of mediators to serve on rosters throughout the state, and (3) to defray cost incurred in working with counties outside Milwaukee to enhance their existing mediation programs.
4. For the 2013 calendar year, DOJ hereby allocates the sum of \$131,000 to procure the services of Metro Milwaukee Mediation Services, Inc., for supporting the Wisconsin Foreclosure Mediation Network, including but not limited to ongoing mediator recruitment, training and mentoring, a part-time staff position to provide administrative support to the regional centers, a sub grant to support the delivery of ala carte legal services ancillary to the mediation process to homeowner participants, and a sub grant to procure services to assist homeowners prepare complete applications for mortgage assistance where such services are not otherwise available.

During the third quarter of 2013, DOJ will make a determination regarding funding for the 2014 calendar year for the Wisconsin Foreclosure Mediation Network and the Metro Milwaukee Foreclosure Mediation Program giving consideration to the level of demand for such services as well as the measured effectiveness of the programs during the first two quarters of the 2013.

### III. PAYMENT DISTRIBUTION AND REPORTING

Funds provided to Milwaukee County Clerk of Courts under this Agreement shall be distributed on a quarterly basis beginning on October 1, 2012, or as soon thereafter as possible depending upon when the Milwaukee County Board adopts an authorizing Resolution, with such quarterly payments continuing until the later of October 1, 2013 or when grant funds are depleted. The Clerk of Courts shall send invoices prior to each quarterly distribution to:

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<sup>1</sup> A copy of the proposed MMFMP budget is attached hereto and incorporated herein by reference. Funding is limited to the total allocation, but DOJ grants discretion to Metro Milwaukee Mediation Services, Inc., to make necessary reallocations within the budget as approved by their Board of Directors, provided that the reallocations are consistent with the operation of the MMFMP as described in its request for funding to DOJ.

John M. Martin  
Bureau of Budget and Finance  
Wisconsin Department of Justice  
P.O. Box 7857  
Madison, WI 53707-7857

The Clerk of Courts shall provide the DOJ liaison with periodic reports of the mediation program, and the activities of the positions to be funded under this MOA, and shall include in such reports information on program implementation, program structure, volume of requests and cases, program revenue, and other information requested by DOJ, all as furnished by Metro Milwaukee Mediation Services, Inc.

IV. LIAISONS

Liaison between DOJ and the Milwaukee County Clerk of Courts shall be made through the following contacts:

Steven P. Means  
Executive Assistant  
Division of Legal Services  
Department of Justice

John Barrett  
Milwaukee County Clerk of Courts

V. DURATION

This agreement shall cover the period from the date of execution by all parties and ending when grant funds are exhausted, projected to be December 31, 2013.

WISCONSIN DEPARTMENT OF JUSTICE<sup>2</sup>

By: Steve P. Means

Dated: 10-24-12

MILWAUKEE COUNTY CLERK OF COURT<sup>3</sup>

By: John Barrett

Dated 10-29-12

METRO MILWAUKEE MEDIATION SERVICES, INC

By: Debra Tuttle

Date: 10-21-12

<sup>2</sup> Agreement is same form as approved by Steve Means on September 9, 2012

<sup>3</sup> Agreement in same form as approved by Attorney Paul Kuglitsch via email of October 5, 2012

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 Cash Basis

**Grant II - Metro Milwaukee Mediation Services, Inc.**  
**Profit & Loss Budget Overview**  
 September through December 2012

	<u>Sep 12</u>	<u>Oct 12</u>	<u>Nov 12</u>	<u>Dec 12</u>	<u>TOTAL Sep - Dec 12</u>
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
1000 · Non Profit Income		48,775.00		48,775.00	97,550.00
1100 · Services		750.00	750.00		1,500.00
<b>Total Income</b>		<u>49,525.00</u>	<u>750.00</u>	<u>48,775.00</u>	<u>99,050.00</u>
<b>Gross Profit</b>		49,525.00	750.00	48,775.00	99,050.00
<b>Expense</b>					
2000 · Salaries & Wages		2,408.00	2,408.00	2,408.00	7,224.00
2100*OE · Payroll Taxes & Insurance		425.00	425.00	425.00	1,275.00
2300 · Online Software		3,125.00	3,125.00	3,125.00	9,375.00
2500 · Utilities		75.00	75.00	75.00	225.00
2800 · Other Professional Fees	800.00	5,425.00	1,300.00		7,525.00
3000*OE · Office Expenses	350.00	350.00		400.00	1,100.00
3300 · Travel	275.00	275.00	275.00	275.00	1,100.00
3500 · Promotional		500.00	1,100.00		1,600.00
3600 · Meals and Entertainment	350.00	350.00			700.00
3900*OE · Sub-awards		17,917.00	11,250.00	11,248.00	40,415.00
4010 · Regional Center EC		3,000.00	1,000.00	1,000.00	5,000.00
4020 · Regional Center SW		3,000.00	1,000.00	1,000.00	5,000.00
4030 · Regional Center NW		3,000.00	1,000.00	1,000.00	5,000.00
4040 · Regional Center NE		3,000.00	1,000.00	1,000.00	5,000.00
4050 · Regional Center Central		3,000.00	1,000.00	1,000.00	5,000.00
<b>Total Expense</b>	<u>1,775.00</u>	<u>45,850.00</u>	<u>24,958.00</u>	<u>22,956.00</u>	<u>95,539.00</u>
<b>Net Ordinary Income</b>	<u>-1,775.00</u>	<u>3,675.00</u>	<u>-24,208.00</u>	<u>25,819.00</u>	<u>3,511.00</u>
<b>Net Income</b>	<u><b>-1,775.00</b></u>	<u><b>3,675.00</b></u>	<u><b>-24,208.00</b></u>	<u><b>25,819.00</b></u>	<u><b>3,511.00</b></u>

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 Cash Basis

**Metro Milwaukee Mediation Services, Inc.**  
**Profit & Loss Budget Overview**  
 January through December 2013

	<u>Jan 13</u>	<u>Feb 13</u>	<u>Mar 13</u>	<u>Apr 13</u>	<u>May 13</u>	<u>Jun 13</u>
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
1000 · Non Profit Income	90,250.00			90,250.00		
1100 · Services	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00
1110 · Refunds	300.00	300.00	300.00	300.00	300.00	300.00
<b>Total Income</b>	<u>97,550.00</u>	<u>7,300.00</u>	<u>7,300.00</u>	<u>97,550.00</u>	<u>7,300.00</u>	<u>7,300.00</u>
<b>Gross Profit</b>	97,550.00	7,300.00	7,300.00	97,550.00	7,300.00	7,300.00
<b>Expense</b>						
Rent or Lease	0.00	0.00	0.00	0.00	0.00	0.00
2000 · Salaries & Wages	17,551.31	17,551.31	17,551.31	17,551.31	17,551.31	17,551.31
2100*OE · Payroll Taxes & Insurance	2,371.00	2,371.00	2,371.00	2,371.00	2,371.00	2,371.00
2200 · Dues & Subscriptions	275.00		245.00		1,000.00	250.00
2300 · Online Software	1,175.00	975.00	975.00	975.00	975.00	975.00
2400 · Insurance	3,488.00					
2500 · Utilities	620.00	620.00	620.00	620.00	620.00	620.00
2600 · Legal & Professional Fees	310.00	310.00	310.00	310.00	310.00	310.00
2700 · Bank Charges	100.00	100.00	100.00	100.00	100.00	100.00
2800 · Other Professional Fees	400.00	150.00	150.00	150.00	150.00	150.00
3000*OE · Office Expenses	1,205.00	1,205.00	1,205.00	1,205.00	1,205.00	1,205.00
3100 · Licenses & Regulatory Fees	100.00					
3200 · Purchases	2,000.00					
3300 · Travel	415.00	415.00	415.00	415.00	415.00	415.00
3400 · Travel Meals	30.00	30.00	30.00	30.00	30.00	30.00
3600 · Meals and Entertainment	430.00	30.00	30.00	780.00	30.00	30.00
3700 · Advertising	100.00	100.00	100.00	100.00	100.00	100.00
3800 · Tuition or Conference Fees	200.00	200.00	200.00	200.00	200.00	200.00
3900*OE · Sub-awards	11,348.00	11,348.00	11,348.00	11,348.00	11,348.00	11,348.00
<b>Total Expense</b>	<u>42,118.31</u>	<u>35,405.31</u>	<u>35,650.31</u>	<u>36,155.31</u>	<u>36,405.31</u>	<u>35,655.31</u>
<b>Net Ordinary Income</b>	<u>55,431.69</u>	<u>-28,105.31</u>	<u>-28,350.31</u>	<u>61,394.69</u>	<u>-29,105.31</u>	<u>-28,355.31</u>
<b>Net Income</b>	<u><b>55,431.69</b></u>	<u><b>-28,105.31</b></u>	<u><b>-28,350.31</b></u>	<u><b>61,394.69</b></u>	<u><b>-29,105.31</b></u>	<u><b>-28,355.31</b></u>

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**Metro Milwaukee Mediation Services, Inc.**  
**Profit & Loss Budget Overview**  
 January through December 2013

	Jul 13	Aug 13	Sep 13	Oct 13	Nov 13	Dec 13
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
1000 · Non Profit Income	90,250.00			90,250.00		
1100 · Services	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00
1110 · Refunds	300.00	300.00	300.00	300.00	300.00	300.00
<b>Total Income</b>	<u>97,550.00</u>	<u>7,300.00</u>	<u>7,300.00</u>	<u>97,550.00</u>	<u>7,300.00</u>	<u>7,300.00</u>
<b>Gross Profit</b>	97,550.00	7,300.00	7,300.00	97,550.00	7,300.00	7,300.00
<b>Expense</b>						
Rent or Lease	0.00	0.00	0.00	0.00	0.00	0.00
2000 · Salaries & Wages	17,551.31	17,551.31	17,551.31	17,551.31	17,551.31	17,551.31
2100*OE · Payroll Taxes & Insurance	2,371.00	2,371.00	2,371.00	2,371.00	2,371.00	2,371.00
2200 · Dues & Subscriptions						
2300 · Online Software	975.00	975.00	975.00	975.00	975.00	975.00
2400 · Insurance						
2500 · Utilities	620.00	620.00	620.00	620.00	620.00	620.00
2600 · Legal & Professional Fees	310.00	310.00	310.00	310.00	5,810.00	310.00
2700 · Bank Charges	100.00	100.00	100.00	100.00	100.00	100.00
2800 · Other Professional Fees	150.00	150.00	150.00	150.00	150.00	150.00
3000*OE · Office Expenses	1,205.00	1,205.00	1,205.00	1,205.00	1,205.00	1,205.00
3100 · Licenses & Regulatory Fees						
3200 · Purchases						
3300 · Travel	415.00	415.00	415.00	415.00	415.00	415.00
3400 · Travel Meals	30.00	30.00	30.00	30.00	30.00	30.00
3600 · Meals and Entertainment	30.00	30.00	30.00	780.00	30.00	30.00
3700 · Advertising	100.00	100.00	100.00	100.00	100.00	100.00
3800 · Tuition or Conference Fees	200.00	200.00	200.00	200.00	200.00	200.00
3900*OE · Sub-awards	11,348.00	11,348.00	11,348.00	11,348.00	11,348.00	11,348.00
<b>Total Expense</b>	<u>35,405.31</u>	<u>35,405.31</u>	<u>35,405.31</u>	<u>36,155.31</u>	<u>40,905.31</u>	<u>35,405.31</u>
<b>Net Ordinary Income</b>	62,144.69	-28,105.31	-28,105.31	61,394.69	-33,605.31	-28,105.31
<b>Net Income</b>	<u><b>62,144.69</b></u>	<u><b>-28,105.31</b></u>	<u><b>-28,105.31</b></u>	<u><b>61,394.69</b></u>	<u><b>-33,605.31</b></u>	<u><b>-28,105.31</b></u>

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**Metro Milwaukee Mediation Services, Inc.**  
**Profit & Loss Budget Overview**  
January through December 2013

	<u>TOTAL</u>
	<u>Jan - Dec 13</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
1000 · Non Profit Income	361,000.00
1100 · Services	84,000.00
1110 · Refunds	3,600.00
<b>Total Income</b>	<u>448,600.00</u>
<b>Gross Profit</b>	448,600.00
<b>Expense</b>	
Rent or Lease	0.00
2000 · Salaries & Wages	210,615.72
2100*OE · Payroll Taxes & Insurance	28,452.00
2200 · Dues & Subscriptions	1,770.00
2300 · Online Software	11,900.00
2400 · Insurance	3,488.00
2500 · Utilities	7,440.00
2600 · Legal & Professional Fees	9,220.00
2700 · Bank Charges	1,200.00
2800 · Other Professional Fees	2,050.00
3000*OE · Office Expenses	14,460.00
3100 · Licenses & Regulatory Fees	100.00
3200 · Purchases	2,000.00
3300 · Travel	4,980.00
3400 · Travel Meals	360.00
3600 · Meals and Entertainment	2,260.00
3700 · Advertising	1,200.00
3800 · Tuition or Conference Fees	2,400.00
3900*OE · Sub-awards	136,176.00
<b>Total Expense</b>	<u>440,071.72</u>
<b>Net Ordinary Income</b>	<u>8,528.28</u>
<b>Net Income</b>	<u><u>8,528.28</u></u>