

Pontiac Local Officers Compensation Commission

Minutes

May 9, 2013

Call to order

The regular meeting of the Local Officers Compensation Commission, the sixth meeting of 2013, was called to order on Thursday, May 7, 2013 at 6:05 p.m. by Chair Richard Taylor.

Roll call

Members present: Cheryl Crandell, Kathie Henk, Richard Taylor, Kent Piatt, and Don Woodward.

Member absent: Susan Loveland (called Chair) and John Smith.

A quorum is noted.

Approval of agenda

Moved by Woodward, supported by Henk, to approve the agenda (Attachment A). **Motion carried by unanimous vote.**

Public comment

Council member Kermit Williams was recognized. Council member Williams stated that compensating for attending committee meetings is a good thing. He stated that he is the only council member that has regular office hours and was wondering if that could merit consideration for additional compensation. He suggested that low pay for council members makes things easy for graft, and that three former members of the city council had already been convicted. Council member Williams noted that the previous compensation for a council member was \$15,000 salary, a car, and health insurance benefits, but that time has passed. He did some research and indicated that the City of Lansing has a \$30 million budget and pays its council members \$22,000 and the City of Davison pays its council members \$14,000. The City of Youngstown, Ohio, an old General Motors town that has experienced financial difficulties pays its council members \$27,000. He believes that a salary of \$10,000 without any benefits or car would be proper for Pontiac. The City's population and benefits needs to be examined.

Commissioner Woodward noted that the position is part-time council member.

Council member Williams stated that other communities with an emergency manager, like Flint, have higher salaries. Council member Williams requested the Commission to consider that the council does not have any staff.

Commissioner Piatt asked Council member Williams if the cities he cited were solvent and noted that the proposal was not to slap the council members in the face and that the Commission considered many factors and was looking at the whole picture.

Council member Williams told the Commission that he spends approximately \$135 to \$195 a month for council-related expenses, such as going to gatherings. He believes that his proposed reduction in compensation from \$65,000 to \$10,000 is a reasonable reduction. He wrote a grant for computers. He attends district council meetings, and does other things behind the scenes. The residents of his district hold him accountable 24/7. Council meetings are not reflective of a council person. Not all council people are created equal. He posed the question: how do you get qualified people to run for council and raise the level of leadership? When there are issues, people go to the council member and not the mayor. The city does not pay for conferences or travel. Council member Williams stated that \$10,000 is reasonable, but \$7,500 or \$8,000 would be acceptable. Finally, council member Williams asked the Commission to consider the headlines if there was a disagreement between the Commission's recommendation and Council's desires. Council member Williams stated that \$21,000 is the mean for salaries of council members in the United States. He stated that he spends one to two hours per month at CDC meetings and pays for food at these meetings.

Commissioner Woodward left the room at 6:45 p.m. and returned at 6:46 p.m.

Mr. Sobota noted that the present composition of the CDC is not in compliance with state law and is not considered a public body, and the CDC no longer has a function concerning the distribution of CDBG funds because the County has a resident advisory council with two Pontiac citizen representatives.

Approval of minutes

Moved by Woodward, supported by Henk, to approve the minutes of the meeting of May 7, 2013.

Motion carried by unanimous vote.

Compensation for City Council

Moved by Taylor, supported by Woodward, that the following proposal is adopted:

1. **Compensation of the Part-Time Council Members**

Effective January 1, 2014, the part-time Council members will be paid by the City the sum of eighty dollars (\$80.00) for each official regular meeting of the Council attended by the member. However, no member of the Council shall receive more than four thousand one hundred sixty dollars (\$4,160) in any one calendar year for attending regular council meetings.

Effective January 1, 2014, the part-time Council members will be paid by the City the sum of fifty dollars (\$50.00) for each committee meeting of the Council attended by the member, provided that the committee makes a public oral and written report concerning items discussed at the committee meeting no later than at the first regular council meeting following the committee meeting that is held the calendar week immediately following the committee meeting. The City Council must pass a resolution accepting and filing the report. However, no member of the Council shall receive more than one hundred fifty dollars (\$150.00) in any one month for attending committee meetings. For illustrative purposes, this means that a council member can

be compensated for attending one meeting of three different committees in a month or two meetings of the same committee and one meeting of another committee in a month. This committee compensation is in addition to the \$4,160 limit for attending regular council meetings.

No part-time Council member shall be entitled to receive any health insurance, dental insurance, or life insurance while a member of the City Council or upon leaving office. No part-time Council member shall be entitled to use any City vehicle or receive any stipend for use of personal vehicles. No part-time Council member shall be entitled to participate in any defined benefit retirement plan offered by the City. A part-time Council member shall be entitled to participate in a defined contribution or deferred compensation plan offered to other employees of the City at no cost to the City. A part-time Council member shall be entitled to reimbursement for incidental office expenses in accordance with City policy and the budget.

2. Council members shall not receive any compensation or benefits which are not identified above.
3. Council members shall sign their own payroll request form, and the City Clerk shall certify the payroll for Council members.

Moved by Taylor, supported by Crandell, that the proposal is amended to strike "eighty dollars" and replace with "one hundred dollars" and to strike "four thousand one hundred sixty dollars" and replace with "fifty-two hundred dollars".

Yea – Woodward, Crandell, and Taylor

Nay – Henk and Piatt

Motion failed. [The call of the chair was that the amendment was adopted, but a later review of the law after the meeting stated that four votes are required to adopt the motion, hence the minutes are recorded using the correct ruling under the law. As a result of the call of the chair, the motion as amended was considered, a roll call vote was held, and that motion received "Yea" votes from Commissioners Woodward, Taylor, and Crandell and "Nay" votes from Commissioners Henk and Piatt. The motion as amended was declared adopted; however, since the amendment was not properly adopted, the main motion could not be adopted as amended, and since the main motion as adopted failed to receive four votes, such motion is not adopted under the law.]

Discussion of compensation for mayor

Commissioner Piatt stated that in light of the action the Commission just took, does the Commission still want to consider reducing the compensation of the mayor.

A discussion was held about the financial benefits to the city of allowing the mayor to opt out of receiving health and dental insurance. Mr. Sobota reported that the previous rate presented to the

Commission for life insurance was the current rate (\$2.07/\$1,000 of value/month) and could be reduced if the new life insurance plan is implemented city-wide.

Moved by Taylor, supported by Woodward that the mayor's salary should be eighty-five thousand dollars per year, allow for a fifteen thousand dollar increase if the mayor opts out of health and dental insurance, that the \$100,000 life insurance benefit remain as all other provisions of the mayor's compensation as indicated in the current compensation plan remain, that the complete proposal is voted on at the meeting of May 16, 2013, which will start at 5:30 p.m. instead of 6:00 p.m., but that no vote on the compensation shall be held before 6:00 p.m.

Yea – Woodward, Crandell, Piatt, and Taylor
Nay – Henk.

Motion carried.

Other items

Moved by Woodward, supported by Crandell, to cancel the meeting of May 14, 2013. **Motion carried by unanimous vote.**

Moved by Henk, supported by Woodward, to schedule a meeting for Thursday, April 9, 2015 at 5:30 p.m. in Pontiac City Hall. The purpose of the meeting is to elect a chair and a co-chair, to establish a meeting schedule for 2015, and to discuss the compensation of the mayor and the council. If the current chair is still a member of the Commission, he shall call the meeting to order; however, if the chair is no longer a member of the Commission, the current co-chair shall call the meeting to order; and if neither the current chair or co-chairs are members of the commission, then the commissioner who has the shortest term of office (expiring in 2015) shall call the meeting to order. **Motion carried by unanimous vote.**

Adjournment

Moved by Woodward, supported by Crandell, to adjourn. **Motion carried by unanimous vote.** Meeting adjourned at 7:53 p.m.

Respectfully submitted,



Joseph M. Sobota, M.P.A.
Assistant to the Emergency Manager

Attachment A
Pontiac Local Officers Compensation Commission
Regular Meeting Agenda
6th Meeting of the Commission in 2013
May 9, 2013

1. Call to order
2. Roll Call
3. Approval of agenda
4. Public Comment (2-minute limit per person)
5. Approval of minutes
6. Compensation for City Council

a. Compensation of the Part-Time Council Members

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- b. Council members shall not receive any compensation or benefits which are not identified above.
- c. Council members shall sign their own payroll request form, and the City Clerk shall certify the payroll for Council members.

7. Discussion of compensation for Mayor
8. Set first meeting for 2015
9. Adjust meeting schedule for 2013
10. Adjournment