

Pontiac Local Officers Compensation Commission

Draft Minutes

May 14, 2015

Call to order

The regular meeting of the Local Officers Compensation Commission, the eighth meeting of 2015, was called to order on Thursday, May 14, 2015 at 6:10 p.m. by Chairman Richard Taylor.

Roll Call

Members Present: Kathie Henk, Kent Piatt, Richard Taylor, and John Smith

Members absent: Lee Jones

There are two vacancies on the Commission. A quorum is noted.

Approval of Agenda

Commissioner Henk moved to approve the agenda and Commissioner Smith seconded the motion.

Motion carried unanimously.

Minutes

Commissioner Henk moved to approve the minutes of the May 12, 2015 meeting of the Local Officers Compensation Commission. Commissioner Smith seconded the motion. **Motion carried unanimously.**

Correspondence was received from the Office of the Mayor. City Clerk Hawkins read the letter for the record and each member of the commission was given a written copy. A copy of the letter will be included in these minutes.

Public Comment

Linda Hasson stated she had some concerns about the local officers compensation commission recommending retiree benefits for the mayor, she stated she wasn't for sure but based on her research that the commission could be overstepping their authority. She is recommending an increase for the mayor and city council. She wanted to make sure that the city council would still be attending weekly subcommittees. She also stated she had researched other communities.

Discussion of compensation for the Mayor

Commissioner Taylor stated he didn't want to send an irresponsible message to the Transition Advisory Board (TAB) in the salaries that they were going to set forth.

Commissioner Smith stated that the Mayor's request in her letter was not unreasonable. He also stated that setting compensation rate is not personal. He is setting a professional salary for elected officials. He stated he understood the historical aspect. However he wants to move the city forward.

Commissioner Taylor stated that the mayor's salary was fair and equitable. He further asserted that the current salary was not unreasonable.

Commissioner Piatt stated that the \$100,000 salary for the mayor was fair.

Commissioner Henk stated her views remained the same on the mayor's salary.

Moved by Commissioner Henk and supported by Commissioner Piatt. Compensation of the Mayor Effective July 1, 2015, the compensation of the mayor shall be established at the annual rate of one hundred thousand dollars (\$100,000.00). The mayor shall be entitled to participate in the health and dental insurance plans offered to other active city employees and share costs in the same manner as other city employees. If the mayor chooses to opt out of participation in both the health and dental insurance plans offered to other active city employees, then the mayor shall be paid an additional one hundred sixty-six dollars and sixty-six cents (\$166.66) per month, in a sum not to exceed two thousand dollars (\$2,000.00) per year. The mayor shall not be entitled to any health or dental insurance upon leaving office. The mayor shall be entitled to a life insurance policy in the amount of \$100,000.00. The mayor shall not be entitled to any life insurance upon leaving office. The mayor shall not be entitled to participate in any defined benefit retirement plan. The mayor 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. The mayor shall not be entitled to use any City vehicle; however, the mayor shall be entitled to mileage reimbursement in the same manner as the non-union employees of the City. The mayor shall be entitled to reimbursement for incidental office expenses, including training, in accordance with City policy and the budget. The mayor shall not receive any compensation or benefits which are not identified above.

Ayes: Henk, Piatt, Smith, Taylor.

No: None

Absent: Jones.

Recommendation for Compensation of the Mayor Approved.

Commissioner Jones arrived at 6:41 p.m.

Discussion of Compensation of the Council

Commission Taylor talked about fringe benefits for city council. He stated he believed \$15,000 a year was fair, he stated this amount wasn't about the individuals that are currently on council but this was about the city as a whole.

Commissioner Piatt stated that he thought the salary of the \$12,000 a year was fair.

Commissioner Jones stated he went from \$18,000 a year to \$15,000 a year he stated he firm on \$15,000 a year salary for city council. He stated they were setting a compensation for a position.

Commissioner Henk stated she agreed with Commissioner Piatt. She also stated she didn't want to give the TAB the wrong impression on the raises and she thought it would send the wrong message because frankly we don't have a lot of money to spend.

Moved by Commissioner Piatt and supported by Commissioner Smith. Compensation of the Part-Time Council Members (\$12,000) Effective July 1, 2015, the part-time Council members will be paid by the City the sum of one thousand dollars (\$1,000.00) per month, payable on the last payroll of the month. 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, including training, in accordance with City policy and the budget. Council members shall not receive any compensation or benefits which are not identified above.

Ayes: Henk and Piatt.

No: Jones, Smith, Taylor.

Recommendation for City Council Compensation of \$12,000 failed.

Moved by Commissioner Jones and supported by Commissioner Smith. Compensation of the Part-Time Council Members (\$15,000) Effective July 1, 2015, the part-time Council members will be paid by the City the sum of one thousand two hundred and fifty dollars (\$1,250.00) per month, payable on the last payroll of the month. 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, including training, in accordance with City policy and the budget. Council members shall not receive any compensation or benefits which are not identified above.

Ayes: Jones, Smith , and Taylor.

No: Henk and Piatt.

Recommendation for City Council Compensation of \$15,000 Approved.

Moved by Commissioner Jones and supported by Commissioner Henk to cancel the balance of the 2015 Local Officer's Compensation Meetings. **Motion carried by unanimous vote.**

Moved by Commissioner Jones and supported by Commissioner Henk to schedule the first meeting of the 2017 for April 18, 2017 at 6:00p.m. in the Shrine Room in Pontiac City Hall 47450 Woodward Avenue Pontiac, Michigan 48342.

Motion carried by unanimous vote.

Moved by Commissioner Piatt, supported by Commissioner Jones , that Commissioner Jones and assisted by Commissioner Piatt to write a press release on behalf of the Commission and that the release shall be forwarded by the recording secretary to the Oakland Press, Crain's Detroit Business, Detroit Free Press, and Detroit News, placed on the City's web site, and sent to the mayor, city council members, city administrator and the Transition Advisory Board. **Motion carried by unanimous vote.**


Moved by Commissioner Henk, and supported by Commissioner Smith, that the chair sign the official letter of transmittal of the decisions of the Commission to the City Clerk. **Motion carried by unanimous vote.**

For the April 18, 2017, if still a member of the Commission, the current chair shall call to order the first meeting in 2017; if the chair is not reappointed, then the current vice chair shall call to order the first meeting in 2017; if neither the current chair or vice chair are members of the Commission, then the commissioner with the longest tenure on the Commission shall call to order the first meeting in 2017. The City Clerk shall work with the Finance Director to prepare the first meeting agenda.

Adjournment

Moved by Piatt, supported by Smith, to adjourn. **Motion carried by unanimous vote.** Meeting adjourned at 7:09 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sherikia L. Hawkins", with a long horizontal flourish extending to the right.

Sherikia L. Hawkins
City Clerk



DR. DEIRDRE WATERMAN
MAYOR
CITY OF PONTIAC

May 14, 2015

Local Officers Compensation Commission

RE: Retirement Benefit Policy – Non-union Employees

Dear Members of the Local Officers Compensation Commission:

The current retirement benefit policy for the Mayor is the same retirement benefit policy as the other nonunion employees.

If the other non-union employees receive a retirement benefit in the future, the Mayor will have a different policy. I do not believe that this is not only inequitable, but, also lacks a justifiable explanation for the differential.

Please consider allowing the Mayor to participate in the same retirement benefit policy that is afforded to the other non-union employees of the City.

Sincerely,

Dr. Deirdre Waterman
Mayor

DW/jh