

Pontiac Receivership Transition Advisory Board (TAB)

Minutes

November 20, 2013

1:00 pm

(Approved December 18, 2013)

Pontiac City Hall
Council Chambers – 2nd Floor
47450 Woodward Avenue
Pontiac, MI 48342

Members Present

Edward Koryzno
Robert Daddow
Keith Sawdon
Louis Schimmel

Members Absent

None

Staff Present

E. Cline, Dept. of Treasury
A. Dempkowski, Dept. of Treasury
J. Sobota, City of Pontiac
N. Nazarko, City of Pontiac

I. CALL TO ORDER

A. Roll Call

Mr. Koryzno called the meeting to order at 1:00 pm. Let the record show that all Board Members are in attendance.

B. Approval of Agenda

Motion made (Sawdon) and supported (Daddow), the Board unanimously voted to approve the November 20, 2013 TAB agenda.

C. Approval of Draft Minutes of October 23, 2013

Motion made (Daddow) and supported (Sawdon), the Board unanimously voted to approve the Draft Minutes of October 23, 2013.

II. OLD BUSINESS

A. Request to Amend EM Order S-330 re Building Department Fees

Koryzno – Discussion of this issue was postponed by the TAB at the October 23, 2013 meeting. The recommendation is to lower application fees for Plumbing and Mechanical fees from \$75 to \$50 and to change the penalties for work done

without a Permit from “Double the Permit Fee” to \$200 in order to be consistent with other City fees.

Koryzno – Entertain a motion to approve the recommendation to the State Treasurer of amendment to EM Order S-330 regarding Building Department Fees.

Sawdon – Are we covering our costs with this amendment?

Sobota – Yes. There was typo in the original order and we would like to correct it.

Motion made (Schimmel) and supported (Sawdon), the Board unanimously voted to approve the motion.

III. NEW BUSINESS

A. Approval of Resolutions & Ordinances for City Council Meetings

1. October 17, 2013 Regular Meeting and Special Meeting

Koryzno – Entertain a motion to approve all City Council resolutions from the October 17, 2013 Regular Council Meeting.

Daddow – If the City Council goes into Closed Session, how is the TAB Board supposed to evaluate what was discussed for approval if we do not have access to that information? (e.g. Tapia v. Pontiac lawsuit).

Sobota – For the record, as City Administrator I recommend approval of the Council decisions made in the Closed Session.

Koryzno - Indicated that he will consult with the Attorney General’s Office for clarification of future Board approvals of items discussed in Closed Sessions and report back to the Board at its next meeting.

Motion made (Schimmel) and supported (Sawdon), the Board unanimously approved the motion.

2. October 24, 2013 Regular Meeting

Koryzno – Entertain a motion to approve all City Council resolutions from the October 24, 2013 Regular Council Meeting.

Motion made (Daddow) and supported (Schimmel), the Board unanimously approved the motion.

3. October 31, 2013 Regular Meeting

Koryzno – Entertain a motion to approve all City Council resolutions from the October 31, 2013 Regular meeting.

Motion made (Sawdon) and supported (Daddow), the Board unanimously approved the motion.

4. November 7, 2013 Regular Meeting and Special Meeting

Koryzno – Entertain a motion to approve all City Council resolutions from the November 7, 2013 Special and Regular Council Meetings.

Sobota – For the record, the City Administrator noted that the City Council approved the minutes of the November 7, 2013 meeting with corrections at its November 14, 2013 meeting.

Daddow - If the City Council goes into Closed Session, how is the TAB Board supposed to evaluate for approval what is discussed if we do not have access to that information? (e.g. Lundy v. Pontiac lawsuit).

Sobota – For the record, as City Administrator I recommend approval of the Council decisions made in the Closed Session.

Koryzno – Indicated that he will consult with the Attorney General’s Office for clarification of future Board approvals of items discussed in Closed Sessions and report back to the Board at its next meeting.

Daddow – Resolution #13-272 is informational only, does not pertain to the TAB, and has no budgetary impact. Therefore I would like to amend the motion to take no position on this item neither supporting nor rejecting the proposal.

Motion made and amended (Schimmel) and supported (Daddow), the Board unanimously approved the motion to approve all City Council resolutions from the November 7, 2013 meeting with the exception of Resolution #13.272 neither supporting nor rejecting the proposal.

B. City Administrator Items

1. Approval of Monaghan, P.C. Contract - Phoenix Center litigation

Koryzno – Entertain a motion to increase the contract amount for Monaghan P.C. from \$10,000 to \$40,000 for Phoenix Center litigation and for the City Administrator to report back bi-monthly to the TAB on the progress of this issue.

Sobota – The worst-case scenario on this matter could cost up to \$30,000 more. We do not anticipate this happening but would like to have permission if necessary. Sobota will monitor the extra expenses on this matter very closely.

Sobota – For the record, the City Administrator praised the recent activities of the City Council and their ability to resolve issues.

Motion made (Schimmel) and supported (Sawdon), the Board unanimously approved the motion.

C. Approval of 2014 Meeting Schedule

Koryzno – Entertain a motion to approve the 2014 TAB meeting scheduled as presented.

Motion made (Daddow) and supported (Sawdon), the Board unanimously approved the motion.

IV. NON ACTION ITEMS

A. Monthly Financial Report

Nazarko – The “total cash” in all funds for the City as of October 31, 2013 was \$18,234,918; however the General Fund portion of that amount is \$1,594,674. This amount is off to the “projected” in the cash flow statement provided last month as the result of the following: 1) Property Tax chargebacks from Oakland County. This was not projected. 2) Income Tax collections were down by approximately \$90,000 in income tax revenue. 3) The interest on the bond payments totaling \$79,459 is a result of our outstanding bonds. He continued to report out and stated that all details are in the cover memo dated November 18, 2013 that was provided to the Board along with the financial report.

There was discussion regarding uncollected receivables. Nazarko is persistent in working with several entities requesting payment.

B. 10/17/13 General Fund Cash Flow Report

The City’s projected cash flow suggests a balance of less than \$36,000 at fiscal year-end. The City is monitoring this.

C. Quarterly Report - Due December

There was discussion regarding the due date of this report. The City requests the quarterly report due date be January 2014 rather than December 2013. This will close out two quarters of its fiscal year budget and the report will be more

accurate at that time. The Board agreed and the quarterly report from the City will be due in January 2014.

D. Board Comments

There were no additional comments made by the Board.

V. PUBLIC COMMENT

Yvette Carson, Pontiac, MI – Inquired as to who pays the salary of the TAB Board.

Robert Cluckey, Pontiac, MI – Would like to see the disbandment of the TAB Board for the City. He believes with the newly elected Mayor and Council that this can happen sooner rather than later.

VI. ADJOURNMENT

There being no further business, the meeting was adjourned at 1:36 pm.