

Approved - 1/21/2015

RTAB141217

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1 CITY OF PONTIAC
2 RECEIVERSHIP TRANSITION ADVISORY BOARD MEETING
3 DECEMBER 17, 2014
4 1:00 p.m.
5
6 Meeting before the
7 RTAB Board at 47450 Woodward Avenue, Pontiac, Michigan, on
8 Wednesday, December 17, 2014.

9

10 BOARD MEMBERS PRESENT:

11 Edward Koryzno - The Chairperson
12 Keith Sawdon
13 Robert Burgess
14 Louis Schimmel

15 OTHERS PRESENT:

16 R. Eric Cline
17 Joseph Sobota
18 Mayor Deirdre Waterman
19 Nevrus Nazarko
20 Hon. Cynthia Walker
21 Lisa Machesky
22 Robert D. Cluckey
23 Billie Swazer
24 Linda Hasson
25

26 REPORTED BY: Mona Storm, CSR# 4460

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1 Pontiac, Michigan
2 Wednesday, December 17, 2014
3 12:59 p.m.

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4 THE CHAIRPERSON: All right. Good afternoon.
5 It's 1:00 p.m. and I will call the City of Pontiac
6 Receivership Transition Advisory Board meeting to
7 order.

8 Mr. Cline, roll call.

9 MR. CLINE: Yes. Edward Koryzno.

10 THE CHAIRPERSON: Here.

11 MR. CLINE: Robert Burgess.

12 MR. BURGESS: Here.

13 MR. CLINE: Keith Sawdon.

14 MR. SAWDON: Here.

15 MR. CLINE: Louis Schimmel.

16 MR. SCHIMMEL: Here.

17 MR. CLINE: Quorum is present.

18 THE CHAIRPERSON: Thank you. I'd like to
19 remind the public to sign the public comment sign-in
20 sheet at the rear of the room. Unless you sign up, you
21 will not be recognized during the public comment
22 portion of the meeting.

23 Next item is Approval of Agenda.

24 MR. SAWDON: I would make that motion for
25 approval.

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1 MR. BURGESS: Second.

2 THE CHAIRPERSON: It's been moved and
3 supported to approve the agenda. Any discussion?
4 Seeing none, all in favor of the motion, say
5 "aye."

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6 BOARD MEMBERS: Aye.
7 THE CHAIRPERSON: All opposed, same sign.
8 The agenda is approved as ~~presented~~ *presented*.
9 Next item is Approval of Minutes, the regular
10 meeting November 26, 2014 RTAB meeting with noted
11 clarifications.
12 MR. SAWDON: Mr. Chairman, I have one other
13 additional change. I noticed in reading, on Page 38,
14 it would be on Line 14, we have two supports for one
15 motion. I think the second support needs to be
16 stricken.
17 THE CHAIRPERSON: So noted. Any other
18 comments regarding the minutes from the November 26th
19 RTAB meeting?
20 MR. SAWDON: I would make the motion for
21 approval with the change.
22 MR. BURGESS: Support.
23 THE CHAIRPERSON: Moved and supported to
24 approve the minutes with the proposed change. Any
25 further discussion?

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1 Seeing none, all in favor of the motion, say
2 "aye."

3 BOARD MEMBERS: Aye.

4 THE CHAIRPERSON: Opposed, same sign.

5 The minutes for the November 26th, 2014
6 meeting have been approved with the proposed change.

7 There is no Old Business so we'll move on to
8 New Business. Item A, Approval of Resolutions and
Page 4

9 Ordinances for City Council Meetings. Item one,
10 November 20, 2014 regular meeting.

11 Mr. Cline.

12 MR. CLINE: Actually, we're recommending
13 approval. This was a pretty non-eventful meeting for
14 the City so we had no objections to anything in there
15 so we're recommending approval.

16 MR. BURGESS: I'll make that motion.

17 MR. SAWDON: Support.

18 THE CHAIRPERSON: It's been moved and
19 supported to approve the November 20, 2014 regular
20 meeting minutes for the City. Any further discussion?

21 Seeing none, all in favor of the motion, say
22 "aye."

23 BOARD MEMBERS: Aye.

24 THE CHAIRPERSON: Opposed, same sign.

25 The minutes are approved.

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1 Next item is November 24th, 2014 regular
2 meeting minutes.

3 Mr. Cline.

4 MR. CLINE: Yes. Generally, this was a --
5 again, a very light meeting for the City Council. One
6 item to draw your attention to is that the City is
7 requesting an adjustment to the fee schedule for rental
8 rates for the senior center. And they actually want to
9 reduce the rental rate from \$35 an hour to \$25 an hour
10 for nonprofit agencies, provided that, as I understand

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11 it, at least one officer of that particular group is a
12 city resident. And they want to establish a weekend
13 rental rate for Saturdays and Sundays at \$35 an hour.
14 Because the rental rates were established via EM order,
15 this would require an amendment to the EM order so that
16 would have to be a recommendation that we'd have to
17 address separately.

18 So what I am recommending is approval of all
19 of the other resolutions from the City Council meeting
20 with the exception of Resolution 446, which is the
21 senior center rental rates, and then we can address
22 that separately. So --

23 THE CHAIRPERSON: Thank you. I'll entertain
24 a motion.

25 MR. SAWDON: I'd make that motion.

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1 MR. BURGESS: Support.

2 THE CHAIRPERSON: It's been moved and
3 supported to approve all the resolutions from the
4 November 24th, 2014 meeting with the exception of
5 Resolution 14-446.

6 Any further discussion?

7 Seeing none, all in favor of the motion, say
8 "aye."

9 BOARD MEMBERS: Aye.

10 THE CHAIRPERSON: Opposed, same sign.

11 The November 24th, 2014 regular meeting
12 minutes are approved with the exception of Resolution
13 14-446.

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14 MR. CLINE: Yes. Now, regarding Resolution
15 14-446, I know that the City Council's Finance
16 Committee looked at this and recommended it. I have a
17 couple of particular concerns about changing this fee
18 schedule. I have a little bit of a concern about the
19 way they have structured it. More importantly, I have
20 some concerns that the -- the last information we had
21 is that the senior center fund was operating in a
22 deficit situation. Despite the fact that they have a
23 millage, that there were some deficit concerns. So I'm
24 not certain why they would want to lower these rates.
25 Subsequently to my writing Mr. Porritt, I

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1 believe Mayor Waterman has approached the City Council
2 to readdress this issue or at least have some further
3 discussion on it. So I believe what I would recommend,
4 at this point, since it appears that the Mayor would
5 like the City Council to still spend some time on this
6 is I think I would recommend postponement of
7 consideration of this issue until our January meeting.
8 Maybe that will give the City an opportunity to kind of
9 firm up their recommendation or see if they want to
10 make any changes to this.

11 I don't know if there's any additional
12 questions or --

13 THE CHAIRPERSON: Any questions for
14 Mr. Cline?

15 MR. SAWDON: Well, I had noticed the same,

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16 that the funding '14/'15 budget was actually in a
17 deficit position and going down in revenue didn't seem
18 to make much sense to me so I think we should postpone
19 until we have further information and the Mayor's
20 proposal.

21 THE CHAIRPERSON: Okay. I'll entertain a
22 motion.

23 MR. SOBOTA: Mr. Chairman, if I may.

24 THE CHAIRPERSON: Yes.

25 MR. SOBOTA: Late breaking news. The City

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1 Council referred this matter to the Community
2 Development Committee and we met last night and the
3 opinion of the Council Members there was let's get this
4 fee approved and we'll work on what the Mayor had
5 discussed at a future meeting with a separate fee
6 schedule amendment. Their concern is to have the new
7 fee structure in effect as soon as possible for this
8 particular group and they're going to look at the
9 larger picture, in terms of expanding a reduction of
10 fees at a future Council meeting.

11 THE CHAIRPERSON: Now, you say they're
12 looking at expanding the reduction of fees?

13 MR. SOBOTA: Correct, to include a broader
14 group. This is limited only to organizations where the
15 officer is a Pontiac resident, what they're looking at
16 doing is expanding it to where any member of the
17 organization is a Pontiac resident; that would be a
18 reduction in a fee. So City Council's fully intending

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19 to be proposing fee reductions rather than increases.

20 THE CHAIRPERSON: Mayor Waterman.

21 MAYOR WATERMAN: Yes. I can add some
22 additional information, since Mr. Sobota was not at the
23 City Council meeting when this was discussed. The
24 problem -- additional problem I had with the way this
25 was structured, too, was because it creates a

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1 specialized class of citizens who are only allowed to
2 be given fee reductions and that, to me, seems to be a
3 question, I presume, to see that.

4 So I have cautioned City Council about that.
5 They wanted to have further discussion. We did meet
6 with the DPW as well as the Community Development
7 Subcommittee. They realize that this may be a problem.
8 I think it was brought about because of lobbying of a
9 particular person on City Council. And I think, with
10 reasoning and going through that again -- and I think,
11 if it's postponed, it will also bring back some
12 explanation for a fine with the deficit budget spending
13 on a certain category, which could also give a criteria
14 for why we feel this is appropriate.

15 So, for those reasons in addition to what
16 Mr. Sobota mentioned, I would appreciate this Council
17 giving us more time for us to work on an appropriate
18 resolution of this.

19 THE CHAIRPERSON: Thank you, Mayor.

20 MR. CLINE: Mr. Chairman, I think that,

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21 despite this additional information, I think I would
22 still maintain my recommendation to postpone this
23 since, apparently, there's some additional discussion
24 that ~~wants~~ ^{needs} to go on. I think, procedurally, the city
25 is looking at a wider scale fee reduction. Just as

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1 this requires State Treasurer approval and everything,
2 I think I would rather take one comprehensive amendment
3 to them as opposed to a series of smaller ones. So the
4 Board can take whatever action it desires but I would
5 still maintain a postponement would be in order.

6 MR. SAWDON: I'll make the motion to
7 postpone.

8 MR. BURGESS: I second.

9 MR. SCHIMMEL: Can we discuss it?

10 THE CHAIRPERSON: It's been moved and
11 supported. Any further discussion?

12 MR. SCHIMMEL: I'm just wondering if it
13 wouldn't help the process if we just didn't deny it
14 right now. But I'll go along with the postponement if
15 you feel like that's a gentle way to go but I thought
16 it might help others.

17 THE CHAIRPERSON: My prospective is I don't
18 see a harm in a postponement --

19 MR. SCHIMMEL: Fine, fine, fine.

20 THE CHAIRPERSON: -- to see what information
21 is available at the next meeting and then we can go. I
22 would hope that, when we do bring this back from the
23 postponement action, that we -- we see some

24 justification on what impact it has on all the funds of
25 the City because we're already in a deficit position in

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1 the senior center and a fee reduction seems to be in
2 the opposite direction of where we need to be going.
3 so I would hope, when we see this come back, we would
4 have that analysis done and, you know, know what it
5 does to the funds.

6 MR. SCHIMMEL: I agree.

7 THE CHAIRPERSON: Any further discussion?

8 All right. It's been moved and supported to
9 postpone the Resolution 14-446. All in favor of the
10 motion, say "aye".

11 BOARD MEMBERS: Aye.

12 THE CHAIRPERSON: Opposed, same sign.

13 Motion is approved.

14 Item 3, December 4, 2014 regular meeting.

15 Mr. Cline.

16 MR. CLINE: Yes. Again, this was a
17 relatively routine IM -- or meeting, rather. The City
18 Council did approve their 2015 meeting schedule. To
19 draw your attention to two resolutions that were
20 passed, the City Council voted to reappoint both
21 Mr. Charlie Harrison and Mr. Kone Bowman to the
22 GERS Board, full recall. The RTAB rejected those
23 reappointments earlier in the year because of both
24 individuals were in a default situation to the City.

25 The City Administrator's informed me that

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1 both of those stated defaults have been eliminated.
2 That would make them eligible for reappointment with
3 the City Council. The City Council has elected to
4 reappointment them. Now that must be confirmed by this
5 body.

6 Notwithstanding those two resolutions, staff
7 has no concerns with the rest of the agenda items and
8 would recommend their approval. You can either
9 collectively vote to approve everything or you can --
10 if you wish to discuss those reappointments separately,
11 you can certainly separate those out, as you just did,
12 and vote on those separately. But that would be at the
13 Board's pleasure, so --

14 THE CHAIRPERSON: Any questions for
15 Mr. Cline?

16 All right. Then I'll entertain a motion.

17 MR. SAWDON: I'd move approval.

18 MR. BURGESS: Second.

19 THE CHAIRPERSON: Okay. It's been moved and
20 supported to approve the December 4th, 2014 regular
21 meeting minutes. Discussion?

22 MR. SCHIMMEL: Well, for reasons I've
23 responded upon on several times, which I'm not going to
24 do again today, but I'm -- I'm willing to approve
25 everything except for the two reappointments. I don't

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1 know if we want to separate it out. I mean, maybe --
2 maybe it's not necessary. But I'm -- I'll be voting
3 no.

4 THE CHAIRPERSON: All right. Is there --

5 MR. SAWDON: On the motion, I'm willing to
6 separate out the two motions, one approval of all other
7 actions except the appointments to the retirement
8 system.

9 THE CHAIRPERSON: Okay.

10 MR. SAWDON: I'm okay with a separation.

11 THE CHAIRPERSON: So in order to separate it,
12 I think it would be advisable that we note the specific
13 resolution that the appointments were accomplished.

14 So, Mr. Cline, can you provide us with that
15 resolution number.

16 MR. CLINE: Yes. It's actually two
17 resolution numbers. The appointment of Mr. Kone Bowman
18 was 14-454 and the appointment of Mr. Harrison was
19 14-455. So Mr. Sawdon is recommending an amendment
20 that would approve all the resolutions with the
21 exception of 14-454 and 14-455; is that correct?

22 MR. SAWDON: Yeah. And they would be
23 considered as a separate motion.

24 MR. CLINE: Yes. And Mr. Burgess seconded
25 that.

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1 THE CHAIRPERSON: Would you --

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2 MR. BURGESS: Yes, I would.
3 MR. CLINE: Okay.
4 THE CHAIRPERSON: Very good. So any further
5 discussion?
6 We're all clear on what we're approving here?
7 MR. SAWDON: Um-hmm.
8 THE CHAIRPERSON: All right. Very good. All
9 in favor of the motion, say "aye."
10 BOARD MEMBERS: Aye.
11 THE CHAIRPERSON: Opposed, same sign.
12 Now we'll consider Resolution 14-454 and
13 Resolution 14-455. I'll entertain a motion.
14 MR. SAWDON: I'll make the motion just for
15 discussion.
16 THE CHAIRPERSON: All right.
17 MR. CLINE: I'm sorry. Motion to?
18 MR. SAWDON: Motion to approve.
19 MR. CLINE: Approve?
20 THE CHAIRPERSON: Okay. Is there a support?
21 As Chair, may I support that?
22 MR. CLINE: I believe so, yes.
23 THE CHAIRPERSON: All right.
24 MR. CLINE: I don't believe that is
25 prohibited, so --

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1 THE CHAIRPERSON: All right. Then I'll
2 support it.
3 A discussion?
4 MR. SAWDON: The question I have is both
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5 gentlemen fell on default with the City and I think the
6 question I have for the administration is -- and
7 possibly the City Council is what actions have they
8 taken. So, in case current members serving on the
9 retirement system should fall in default, what
10 mechanisms do they have for that to be brought to their
11 attention and for them -- those persons in default to
12 be notified that they're in default and that they
13 should not be in default and, if not -- action not
14 taken, that their removal is pending -- removal from
15 the Board is pending.

16 And I think that, number one, I think you
17 have to have a system of how do you correct this for
18 the future and not just when the motion is on the table
19 but throughout the period of their appointment. Is
20 there a process in place now so we don't find this
21 situation in the future?

22 MR. SOBOTA: We would have an annual review.
23 And it may actually be split to two separate reviews
24 because property taxes are due at a time separate than
25 income tax so that is one way of addressing the

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1 situation. Unfortunately, the removal of officers and
2 Board -- and commission members is governed by the
3 various laws that authorize the appointment of such
4 members. I cannot recall, specifically, any of the
5 boards or commissions that the City has in which going
6 into default while a member of the board has a specific

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7 legal cause for removal from that board or commission.

8 There are boards and commissions where
9 members may be removed for -- and I just lost the frame
10 of thought -- malfeasance, nonfeasance and misfeasance
11 in office. If going into default is -- can be argued
12 to be one of those, then there are certain boards and
13 commissions where members can be brought up before the
14 legislative body, have a hearing and then confirmation
15 as to their removal would be done at that time.

16 In other boards and commissions, they are
17 solely under the approval authority of the Mayor and
18 serve at the pleasure of the Mayor. So, if the Mayor
19 was so informed that certain board and commission
20 members came into default, she could be informed and
21 then she is to act on that information, if she so
22 chooses.

23 I hope that's sufficient.

24 MR. SAWDON: That answered my question.

25 THE CHAIRPERSON: Any other discussion?

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1 Seeing none, all in favor of the motion to
2 approve Resolutions 14-454 and -455, say "aye."

3 MR. SAWDON: Aye.

4 THE CHAIRPERSON: Aye.

5 Opposed, same sign.

6 MR. SCHIMMEL: Aye.

7 MR. BURGESS: Aye.

8 THE CHAIRPERSON: The vote is two to two and,
9 therefore, the motion fails.

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10 Next item is Item B, City Administrator
11 Items. Item 1, Approval of Senior Center Specialist.

12 Mr. Cline.

13 MR. CLINE: Yes. This is a request by the
14 City Administrator to fill one of the specialist
15 positions that the RTAB approved when -- when we
16 authorized some staffing and reorganization a couple of
17 months ago.

18 This position will be paid at a base hourly
19 rate, no benefits, which is -- and no benefits, which
20 is consistent with other City employees. The creation
21 of the position has already been approved by the RTAB
22 and the City Administrator just needs authorization
23 from this Board to complete the hiring process.

24 I've looked at this. I have no particular
25 concerns about it so I'm recommending approval. So

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1 we -- we've already vetted the need for the position
2 and everything. So this is just merely filling a
3 vacancy that we allowed them to create in the first
4 place, so --

5 MR. SAWDON: I'll make that motion.

6 MR. BURGESS: Support.

7 MR. SCHIMMEL: Support.

8 THE CHAIRPERSON: Any further -- it's been
9 moved and supported. Any further discussion?

10 Seeing none, all in favor of the motion, say

11 "aye."

12 RTAB141217
BOARD MEMBERS: Aye.
13 THE CHAIRPERSON: Opposed, same sign.
14 The motion is approved.
15 Item 2, Application for 2015 Community
16 Development Block Grant Funds.
17 MR. CLINE: Yes. This is a request from the
18 City. This is an annual application for Community
19 Development Block Grants. The RTAB did approve that
20 this year. The City has indicated that they filed --
21 you know, they filed the required public notice and
22 conducted the public hearing that is required for this
23 project -- or for this -- for this application process.
24 They believe that the funds will be available around
25 September of next year and they'll have about two years

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1 to utilize them.
2 And just as a note, if -- if this is
3 approved, Treasury's going to be working closely with
4 the City on the use of these funds and make sure that
5 the City utilizes them and some other funding that it
6 gets in the most advantageous way possible, get the
7 most bang for the buck, if you will. So, as I
8 understand it, I believe this is they're nearing their
9 submission deadline so RTAB approval is going to be
10 needed for this. So we're recommending approval of
11 this request.
12 MR. SOBOTA: Mr. Chairman, if I may, the
13 County is very strict about the wording of the
14 resolution. So if the proposed wording that I have be

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15 read into the record. I actually have to provide a
16 copy of the minutes with that resolution to the Oakland
17 County when I present the application.

18 MR. CLINE: Okay. And that would be?

19 MR. SCHIMMEL: In that case, I will move the
20 adoption with whatever that wording is.

21 MR. CLINE: Okay. Mr. Chairman, would you
22 like me to read that?

23 THE CHAIRPERSON: Certainly.

24 MR. CLINE: All right. The wording
25 recommended by the City Administrator is, "whereas

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1 Oakland County is preparing an Annual Action Plan to
2 meet application requirements for the Community
3 Development Block Grant Program and other community
4 planning and development programs; whereas Oakland
5 County has requested CDBG eligible projects from
6 participating communities for inclusion in the action
7 plan; whereas the City of Pontiac has duly advertised
8 and conducted a public hearing as follows:

9 Mr. Sobota opened the public hearing at
10 9:04 a.m. on December 4th, 2014 for the purposes -- for
11 the purpose of receiving public comments regarding the
12 proposed use of 2015 CDBG funds in the approximate
13 amount of \$759,000 -- excuse me -- \$759,800."

14 The letter and comments were received from
15 Community Housing Network requesting demolition of
16 houses in the Unity Park neighborhood. A letter and

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17 comments were received from the Alliance for Housing
18 requesting funding directed to homelessness programs, a
19 comment from Robert Cluckey requesting funding directed
20 to homelessness programs.

21 Mr. Sobota closed the public hearing at
22 9:15 a.m. on December 4th, 2014 for the purposes of
23 receiving public comments regarding the proposed use of
24 2015 CDBG funds in the approximate amount of \$759,809
25 and whereas the City of Pontiac, through its City

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1 Administrator and the Transition Advisory Board found
2 that the following project meets the federal objectives
3 of the CDBG program and are prioritized by the
4 community as a high priority need, clearance and
5 demolition in the amount of \$759,809.

6 Therefore, it be resolved that the City of
7 Pontiac CDBG application is hereby authorized to be
8 submitted to Oakland County for inclusion in Oakland
9 County's annual action plan of the U.S. Department of
10 Housing and Urban Development. And the City
11 Administrator is, hereby, authorized to execute all
12 documents, agreements or contracts which result from
13 this application to Oakland County."

14 THE CHAIRPERSON: Thank you. Is there a
15 support?

16 MR. SAWDON: I'll support.

17 THE CHAIRPERSON: It's been moved and
18 supported to approve the CDBG -- or the Community
19 Development Block Grant Fund Application for 2015. Is

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20 there any additional discussion?

21 seeing none, all in favor of the motion, say

22 "aye."

23 BOARD MEMBERS: Aye.

24 THE CHAIRPERSON: Opposed, same sign.

25 The motion is approved.

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1 Item 3, Application for Federal Road Funds.

2 MR. CLINE: Yes. The City Administrator is
3 requesting authorization to submit an application for
4 Federal Road funds for three road projects within the
5 City.

6 The RTAB approved a similar request last year
7 around this time. ~~Unfortunately~~ ^{Unfortunately}, the City was not
8 selected for funding for those projects. I believe one
9 of those roads is submitted, again, in this request and
10 then two additional projects. The City is committing a
11 20 percent local match for the construction and a
12 hundred percent of preliminary engineering costs. They
13 have indicated that sufficient funds exist in the major
14 street fund for -- for this project if they are -- if
15 they are selected.

16 Staff has looked at the -- at the projects
17 and we know that there are a number of road issues here
18 in the community. You know, I have no particular
19 concerns about this. I'm -- I'm recommending approval.
20 I do not know -- I know those programs are extremely
21 competitive so I don't know their chance of approval

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22 but I think that they have sufficient funding so I
23 think, if they could get it, that would be good for
24 them and that I am recommending approval.

25 MR. BURGESS: I'll make that motion.

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1 MR. SCHIMMEL: I'll support it.

2 THE CHAIRPERSON: It's been moved and
3 supported to approve the Application for Federal Road
4 funds. Any further discussion?

5 MR. SAWDON: I do have one question.

6 THE CHAIRPERSON: Mr. Sawdon.

7 MR. SAWDON: It was difficult to determine
8 what dollars, we as a Board, the City would be
9 committing. I know you had dollars listed for the
10 Joslyn project but Pike and Mill, I didn't see any,
11 really, discussion on that. Could you just give me an
12 idea, if approved, what the City would be on -- on the
13 TAB for?

14 MR. SOBOTA: Pike and Mill was last year's
15 application.

16 MR. SAWDON: Okay.

17 MR. SOBOTA: That was decided not to be
18 submitted this year, in lieu of two other projects,
19 which, in the eyes of the administration, have a higher
20 funding priority than the other two. So Joslyn is the
21 only return.

22 MR. SAWDON: And our resolution on our taxes,
23 Joslyn, Pike and Mill?

24 MR. SOBOTA: Ooh, I'm sorry. I used last
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25 year's resolution.

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1 MR. SAWDON: Okay. So we're only talking
2 about Joslyn?

3 MR. SOBOTA: Joslyn, Martin Luther King and
4 South Boulevard. So Pike and Mill would be struck.

5 MR. CLINE: Mr. Sawdon, I'm just doing ~~X~~
6 quick math in my head but it would be about
7 \$2.8 million total.

8 MR. SAWDON: The City would be -- its share
9 would be about ^B2.8 million?

10 MR. CLINE: No, that will be the total.

11 MR. SAWDON: Total?

12 MR. CLINE: Total project.

13 MR. SAWDON: And our share would be a
14 20 percent share?

15 MR. CLINE: 20 percent share.

16 MR. SOBOTA: The City's costs are \$2.8
17 million.

18 MR. CLINE: Oh, I'm sorry.

19 MR. SAWDON: The City's share would be ~~2.8~~ ^{\$2.8 million}?

20 MR. SOBOTA: Right.

21 MR. SAWDON: And you feel confident that
22 major roads can support that?

23 MR. SOBOTA: I'd love to have that problem.

24 MR. SAWDON: Okay.

25 THE CHAIRPERSON: Any additional questions

1 for Mr. Sobota?

2 Any discussion?

3 If not, all in favor of the motion, say

4 "aye."

5 BOARD MEMBERS: Aye.

6 THE CHAIRPERSON: Opposed, same sign.

7 The application for Federal Road Funds is
8 approved.

9 Item 4, Longevity Pay for Judges.

10 Mr. Cline.

11 MR. CLINE: Yes. This is an issue that the
12 City Administrator has been researching and he brought
13 before the TAB for what he believes is -- needed
14 authorization. He has been researching the issue that
15 the judges in the -- the elected judges in the 50th
16 District Court qualify for longevity pay. And there
17 were some concerns about the legalities of this
18 particular issue. And the City Administrator looked
19 into this issue. As you'll note, that the City is the
20 funding unit for district courts. So, certainly, this
21 is a matter of concern for them.

22 The City Administrator contacted the State
23 Court Administrator's office, which provided
24 information, including a determination that came out of
25 a case Elliot v Genesee County that indicated that

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1 these payments are permissible and, also, there's,
2 apparently, a longevity pay schedule that was
3 established for nonunion court employees here in the
4 city back in 2010.

5 So, as I have reviewed the information
6 that -- that has been provided to me, I -- I am forced
7 to concur with the City Administrator that these
8 longevity payments need to be authorized for the
9 judges. I think that, in my opinion, there's probably
10 an opportunity, going forward, that the City should
11 take to undertake maybe revisiting that with the
12 District Court going forward. But at this time, I
13 believe that these -- these payments need to be
14 authorized.

15 I see that I did not make a note of it but,
16 as I recall, the total amount on this is approximately
17 \$10,000 or maybe a little less. And, certainly, you
18 can correct me if I'm wrong on that but I believe we're
19 not talking an extremely high amount of money.

20 But that's one of those situations that has
21 just developed and I think that's something that we
22 need to just weigh in on so -- and I believe that it's
23 not only permissible but it appears that the City has
24 already established a process with the District Court
25 to make these payments.

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1 But, given the RTAB situation, I think that
2 it would be appropriate for us to just confer -- or, I

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3 mean, weigh in on this and give our approval.

4 THE CHAIRPERSON: Thank you.

5 Questions for Mr. Cline?

6 MR. SAWDON: Just one. Our approval, are we
7 approving just the back pay of longevity that wasn't
8 made or are we approving the concept of not only the
9 back pay but future longevity?

10 MR. CLINE: There's no retroactive pay that's
11 been requested. And I think the City Administrator
12 believes that he needs our authority to release these
13 payments because it is -- it's considered -- and
14 arguably, it's considered a change in paying benefits.

15 MR. SAWDON: Okay.

16 MR. CLINE: So -- but I -- to me, it is -- it
17 is something that has been established that they wanted
18 to confirm is proper. It appears that they have
19 confirmed that and I kind of look at it that this is
20 one of those somewhat grayer areas of whether or not
21 our approval is necessary.

22 MR. SAWDON: Okay.

23 MR. CLINE: But I think, if the Board is
24 agreeable to this, I don't think our approval would
25 hurt anything.

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1 MR. SAWDON: Okay.

2 THE CHAIRPERSON: Would this require a budget
3 amendment?

4 MR. CLINE: I don't believe so, no.

5 MR. SAWDON: Current -- current budget
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6 supports it.

7 THE CHAIRPERSON: Sufficient?

8 MR. BURGESS: I'll make that motion.

9 MR. SAWDON: I'll support it.

10 THE CHAIRPERSON: It's been moved and
11 supported to approve longevity payment for the judges.
12 Any further discussion?

13 MR. SCHIMMEL: I have a question. Do union
14 employees get longevity in the courts?

15 MR. SOBOTA: Longevity is based on date of
16 hire. And not all employees obtain -- or receive
17 longevity payments because of their date of hire. I
18 believe the cutoff date was 1998.

19 MR. SCHIMMEL: Oh, yeah. All right. I
20 believe I recall that. So, if you're a new court
21 employee hired in, you don't get it?

22 MR. SOBOTA: Correct. This is, I guess you
23 can call it, a grandfather provision.

24 MR. CLINE: And I believe -- if I may, I
25 think that, even though it appears that this is proper

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1 and should go forward at this point, I think there is
2 an opportunity that the City should, perhaps, take an
3 opportunity to revisit this issue. I'm not sure if
4 longevity pay is a direction they necessarily want to
5 go and that, certainly, they should -- they should
6 avail themselves the opportunity to take a look at it
7 is my recommendation, so --

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8 MR. SCHIMMEL: Another question I have. So
9 the policy for the union is different than the policy
10 for the judges?

11 MR. SOBOTA: I don't recall. It may be true.
12 I only raised the question because of that little
13 provision in state law that is not clear to me based on
14 reading, that longevity was not considered compensation
15 and that has been litigated and decided that it is not.

16 MR. SCHIMMEL: Well, let me just weigh in. I
17 think longevity is something that ought to be a thing
18 of the past. But I don't want to create a legal
19 problem here.

20 THE CHAIRPERSON: Any additional questions?
21 Discussion?

22 Seeing none, all in favor of the motion, say
23 "aye."

24 BOARD MEMBERS: Aye.

25 THE CHAIRPERSON: All opposed, same sign.

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1 The approval of longevity pay for judges
2 is -- passes.

3 Next item is Nonaction Items.

4 Monthly Financial Report, Mr. Nazarko.

5 MR. NAZARKO: Good afternoon, Board Members.

6 THE CHAIRPERSON: Good afternoon.

7 MR. NAZARKO: The financial reports that are
8 in front of you represent the city's financial position
9 as of November 30, 2014. I don't have anything else to
10 add to those reports provided to you with my summary

11 other than the fact that, as authorized by the Board,
 12 we actively were looking for a City Income Tax
 13 Administrator, found and interviewed a candidate and,
 14 upon him -- us presenting a contract to him, as it is
 15 the, pretty much, same contract for all of us, the
 16 candidate declined the position and we are ~~still~~ back
 17 to square one. So that was the only item that has not
 18 made it in the reports. Other than that, if you have
 19 any questions, I'll be more than happy to answer.

20 THE CHAIRPERSON: Any questions for
 21 Mr. Nazarko?

22 MR. SAWDON: No.

23 THE CHAIRPERSON: Thank you, Mr. Nazarko.

24 MR. NAZARKO: Okay. Thank you.

25 THE CHAIRPERSON: The next item is the

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1 Mayor's report.

2 Mayor Waterman.

3 MAYOR WATERMAN: Good afternoon.

4 THE CHAIRPERSON: Good afternoon.

5 MAYOR WATERMAN: I have streamlined my report
 6 a little bit, although we still have some good news to
 7 report here. I'd like to start first with the
 8 litigation issues.

9 As you know, we are in mediation still for
 10 the retiree health OPEB litigation that is proceeding.
 11 As far as the Phoenix Center litigation, Judge Warren
 12 has both dismissed Ottawa's motion for fees and costs

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13 related to the condemnation suit. And they also -- he
14 also has denied Ottawa's motion to reopen the
15 underlying case. So both of those are stayed. There
16 are a couple of other motions pending I don't expect
17 any action on or any results on. That is going to have
18 to be put aside until the first of the year. So that
19 is the status of that.

20 Going on to economic development, there have
21 been several exciting developments, one of which
22 internally we've formed an Economic Development Core
23 Group. We're getting a number of requests, inquiries
24 from economic developers and other businesses looking
25 for locations within Pontiac. We found it was helpful

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1 to develop a group who were able to address those
2 inquiries and questions in a very unified manner,
3 coordinated manner. We want to be able to harvest more
4 of those inquiries and lookers into people that can
5 find affordable sites within Pontiac. So we're doing
6 that with the aid of Building of Safety, our own
7 community and development person, Joe Sobota and I.
8 And we've been able to meet their needs and
9 specifications and find affordable and logistical sites
10 for a number of these people.

11 We continue our partnership with Oakland
12 University. We are extending upon that Town Hall that
13 we had a month ago, we had named the names, including
14 President Hynd's involved in that. I was honored to be
15 their commencement speaker at their graduate school

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16 commencement this past Saturday. We are having a
17 meeting this evening and will carry forward in bringing
18 some ideas in terms of both helping economic
19 development as well as city administration.

20 In terms of other economic developments, we
21 have two more RACER Trust properties who are now under
22 contract, including what we know is Centerpoint
23 Central, which is a 1.2 million square foot facility,
24 as well as Centerpoint II West, which is a 533,000
25 square foot facility, to be used ~~in~~^{as} industrial and --

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1 mixed, industrial and office. That is, indeed, good
2 news as I'll follow.

3 We've had a developer showcase that was
4 developed by RACER Trust for another property that's
5 near downtown of 45 -- of 4.5 acres and there was some
6 interest in that. There is, of course, as reported on
7 M1 Concourse at the last meeting, Leo Savoy and I had
8 the first meeting for the Joint Development Council for
9 Bloomfield Park, that's proceeding. GM is continuing
10 the construction of the storage bay. And MLK, as you
11 heard, is repaved.

12 And despite all those things that are going
13 on, the thing that I get the most inquiries about and
14 people seem happiest about is that Slows Bar BQ is
15 coming to Pontiac. And I've gotten more people, inside
16 and outside Pontiac, that ~~says~~^{say}, "When Slows Bar BQ
17 comes, we are coming." So, with all the other economic

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18 things that are going on, I think that fits the
19 highlight of the news this week. So we're very happy
20 that the Strand Theatre, which is planning it's
21 predevelopment planning and financing, is going to be
22 the conduit to bring not only that entertainment venue
23 but also Slows Bar BQ to Pontiac.

24 Strategically, the Economic Recovery Group is
25 still meeting. This past Monday, December 8th, we did

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1 have the Federal Reserve Bank of Chicago come and they
2 did present their final report and the industrial
3 initiative study. And I don't know whether I mentioned
4 before but that Pontiac was in that study and they gave
5 their strategic analysis about how cities, such as
6 Pontiac, which has been overwhelmed, could match the
7 cities that were transformative. So that was very
8 interesting.

9 The room here was filled, overflowing. We
10 had standing room only. We had overflow in the other
11 room. We also live-streamed this so Pontiac residents
12 could also be a part of that discussion. We had all
13 kinds of state agencies, representing banks,
14 foundations, elected officials.

15 And I have for you -- which we gave to each
16 of the project advisors on this. I gave each one of
17 you a flash drive. On that flash drive, it does have
18 the developers showcase video that we developed for the
19 City of Pontiac. It has the transportation study that
20 was done, the Woodward Loop study. It has the Urban

21 Land Institute study that mimicked a portion of the
22 Clinton River daylighting as well as the Federal
23 Reserve Bank study and also the 2014 master plan. So
24 that was given to others, all the project advisors who
25 attended, for their use and purview. And I just saved

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1 one for each of you for your interest.

2 There are -- the problem is that -- that was
3 a glaring thing is we had no city administration people
4 at that meeting. It was something that a number of
5 people pinpointed to me and said, "Where are they?"

6 And I said, "I don't know." It was a
7 difficult, difficult time for me to explain why we did
8 not have engagement of our own city administration
9 here. And I just brought that to their attention and I
10 do state that here because it was a glaring, glaring,
11 glaring absence.

12 But speaking of support, too, the -- in terms
13 of the blight that's going forward, right now we have
14 another 76 homes that are cleared for demolition.
15 We've got 200 more on the pipeline and 60 that have
16 gone on the hardest hit. So the 910 blighted homes
17 that we originally identified, as part of this, that
18 will be also covered in the blexting project when
19 that's finished.

20 It looks like we may have found funding to be
21 complete, the last of that blexting project for the
22 whole city. And I think I gave you the demonstration

23 last time and why that is a very good thing to help to
24 eradicate blight because it also centralizes data and
25 gives us realtime access to current data for that --

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1 the whole blight eradication process. So we're hoping
2 to get that finished.

3 I'm still waiting for my data plan. I've
4 even had an iPad donated to do that. But right now we
5 don't have City access. I don't have access to my own
6 blexting. And I thought that was the intention of this
7 Board, to have Mr. Sobota come forth with a data plan
8 for it so we can get -- a \$70 fee to get -- to support
9 the system. Right now we don't have any City employee
10 access to this without using our own personal data
11 plans. So I still am asking Mr. Sobota to move forward
12 on this. We're going to be able to save some money, if
13 we can actually get that funding to complete the
14 project, as opposed to the original cost.

15 Mr. Sobota thought he had money in the budget
16 to cover the whole cost, which would have been \$80,000.
17 I don't think that is necessary to be done. I don't
18 want to use my budget for that if I can use it for
19 other things because we have other projects, in terms
20 of community development. So I'm still trying to move
21 forward on that and we will discuss that further.

22 All right. Thank you.

23 THE CHAIRPERSON: Thank you, Mayor.

24 Next item is City Administrator Report.

25 MR. SOBOTA: A few quick items. In January

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1 and February, most of the City's remaining insurance
2 claim lawsuits are going to be argued in court so the
3 city's insurance fund final positions of June 30th,
4 2015 will probably be a very good representation as to
5 where the City stands, in terms of long-term liability
6 for previously-filed litigation. And I'm quite
7 confident that the City is going to do well in each of
8 those cases that are still open.

9 I have been talking to Plante & Moran to
10 arrange for some additional training for our elected
11 officials. They have presented some proposals for a
12 series of financial training sessions. I will be
13 providing information to the City Council to ask them
14 what dates and times would work so that we can proceed
15 with those trainings.

16 I've also asked City Council for a
17 goal-setting session, like we did last year. This is
18 before the budget. Hopefully we will be able to have
19 some nice, clear goals articulated by the Council
20 Members which will then help administration in
21 formulating budget priorities.

22 Next month, I hope to and I believe I will
23 have several policies being presented to you for
24 approval. Most are personnel policies as well as the
25 cell phone policy, which the Mayor had requested be

1 revised and, also, this Board. So even though
2 Council's agenda will be light, looking at the number
3 of personnel policies, he may have some thick packets
4 come January.

5 And that concludes my report unless you have
6 some additional questions.

7 THE CHAIRPERSON: Any questions for
8 Mr. Sobota?

9 Thank you.

10 Next item is Staff Liaison Update.

11 MR. CLINE: Yes. This is a new item we're
12 adding to the agenda. It just gives staff an
13 opportunity to update the Board on any sort of internal
14 items or anything that we need to do. And I won't
15 necessarily always have any comments to make.

16 One thing I just wanted to mention to the
17 Board -- and my apologies to the City -- I had
18 tentatively scheduled to conduct their annual
19 evaluation that the Governor has requested today and,
20 due to some staffing issues with our own office, I've
21 had to delay that again. So I probably will not be
22 able to get that done between now and the holidays. So
23 we will look at taking care of that as soon as
24 practical, right after the holiday's concluded, and get
25 that addressed and then we'll move forward in that

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2 So that's all I have for this particular
3 update. So --

4 THE CHAIRPERSON: All right. Thank you,
5 Mr. Cline.

6 Next item is Public Comment. Per the Board
7 rules, you will have two minutes to speak and Mr. Cline
8 is retrieving the sign-up sheet -- I should say sign-in
9 sheet rather than sign-up.

10 All right. The first individual is Judge
11 Cynthia Walker.

12 JUDGE WALKER: Good afternoon, Mr. Chair and
13 Members of the Board.

14 THE CHAIRPERSON: Good afternoon.

15 JUDGE WALKER: My name is Cynthia Walker.
16 I'm Chief Judge of the 50th District Court in Pontiac.
17 I want to thank you for the action that you have taken
18 today. The reason that I am here, though, is to
19 preserve the record on the issue because that's what
20 lawyers do.

21 The judges of the 50th District Court have
22 made every attempt to work with the city and the city
23 administration. I want to clarify or answer
24 Mr. Schimmel's question versus -- regarding union
25 versus nonunion in the longevity issue effective with

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1 the 2010 collective bargaining agreement for court
2 employees.

3 The court did eliminate longevity payments

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4 for new employees. Employees who were hired before --
5 we eliminated them for anyone who was hired after
6 December 14th of 1998. So there are probably a handful
7 of union employees who are still entitled. There's a
8 handful of nonunion employees who are still entitled to
9 longevity payments. Likewise, after the union issue
10 eliminated longevity, we eliminated it for the nonunion
11 members who were hired after that date as well. And
12 that's why there's only a handful of people who receive
13 that.

14 The reason that I am here preserving the
15 record is because my position was that this item was
16 not within the purview of the RTAB because Order S334
17 requires TAB approval before the City Administrator can
18 modify the benefits package of any employee.

19 I reviewed the TAB and RTAB agendas and
20 minutes from last year and I don't see where there was
21 ever an approval of the reduction in benefits for the
22 judges. And, in my mind, a change in benefits would be
23 up or down. So I didn't see where that had been
24 approved, therefore I didn't see where it was
25 appropriate to bring it before the TAB at this point.

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1 Apparently, Treasury did not agree with me on that
2 issue and I did speak to Mr. Sobota about that.

3 The purpose that I bring it -- and just place
4 it on the record is I don't know if we will have issues
5 in the future regarding the rights and responsibilities
6 of the 50th District Court as relates to City

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7 administration and/or the RTAB. So I make the comment
8 simply that I don't believe that it's an issue that was
9 necessary for the RTAB to take a position on because I
10 think the City Administrator could have done it. But
11 in the event that we ever did have litigation, I didn't
12 want to be in a position where I was present at a
13 meeting, action was taken and I said nothing. So this
14 is strictly to preserve the issue.

15 So thank you --

16 THE CHAIRPERSON: Thank you.

17 JUDGE WALKER: -- for allowing me an
18 opportunity to speak.

19 THE CHAIRPERSON: Thank you, Judge Walker.

20 Next speaker will be Lisa Machesky.

21 MS. MACHESKY: Good afternoon, Members of the
22 Board. I am the new CEO of Lighthouse of Oakland
23 county and I ~~came~~ here today to comment on one of the
24 decisions that was made ~~around~~ ^{on} the Community
25 Development Block Grant funding.

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1 I understand that you have already made a
2 decision and accepted the City Administrator's
3 recommendation to preserve a hundred percent of
4 Community Development Block Grant funding for
5 demolition. But I just want to express the need in
6 this community to think more about preserving people in
7 their homes.

8 Blight is definitely an issue that needs to

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9 be taken care of but we'll never rebuild this community
10 if we allow people to be forced from their home due to
11 financial circumstances. And I would argue that some
12 of those funds should be used to help prevent
13 homelessness and help the issues of housing and to make
14 sure that this community is strong, the neighborhoods
15 are strong where people stay. And this community is
16 very lacking in homeless prevention funds and I want to
17 put that on the record as a way to help build this
18 community and not just tear it down.

19 Thank you for your time.

20 THE CHAIRPERSON: Thank you, Ms. Machesky.

21 Next speaker, Robert Cluckey.

22 MR. CLUCKEY: Good afternoon, Mr. Schimmel,
23 TAB Board, Mayor --

24 THE CHAIRPERSON: Good afternoon.

25 MR. CLUCKEY: -- and department heads. I,

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1 too, are here to speak on the behalf of the CDBG funds.
2 I was also, at the hearing -- oh, I'm sorry. My name's
3 Robert Cluckey and I was at the hearing and I had made
4 mention of the programs but they were not mentioned and
5 I would like to -- for the record, to take note of the
6 programs such as a Robert Manson Nutrition Center up
7 here at St. Vincent de Paul's, the Grace Center of
8 Hope's down here in town, there would be Center Stage
9 down on Perry, they would be the Baldwin Church, it
10 would be also the Hands of Hospitality run by
11 Elizabeth Kelly that are actively helping the homeless

12 in shelters, food. And, of course, the Lighthouse is
13 here to speak for their self.

14 But according to the HUD guidelines, that
15 70 percent of that funding needs to go to these
16 programs that are here in Pontiac. And that's what I'm
17 speaking of and I've left a copy with, again, the
18 Council, Mayor and Mr. Sobota on this and it should be
19 followed. I can't see it not to be followed. And I
20 was under the impression that these funds were already
21 disbursed to save for their next year. I was also
22 under the understanding that you file for next year in
23 the spring of next year.

24 So I'm going to -- mimicked be wrong there,
25 I'm going to double back and check the office where I

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1 got my information from -- and that's where the CDGB
2 (sic) funds come from -- and see if they were disbursed
3 or not. But I was told by them that they were
4 disbursed.

5 So, with that said and the clock is low on my
6 minutes, I thank you for the opportunity to speak.
7 Thank you.

8 THE CHAIRPERSON: Thank you, Mr. Cluckey.
9 Our next speaker is Billie Swazer.

10 MS. SWAZER: Thank you.

11 THE CHAIRPERSON: Good afternoon.

12 MS. SWAZER: My question is I see that you
13 voted down the two appointments for the GERS Board,

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14 Mr. Harrison and Mr. Bowman. Is there a criteria where
15 we can get some people appointed to these boards and
16 that they can not only be appointed but remain?

17 My impression from Mr. Schimmel -- he didn't
18 say much today but -- is that he would prefer that the
19 Board not exist as well -- the GERS Board not exist,
20 that system, and that we take all our funds and go to
21 the state of Michigan and support their fund.

22 And the other thing is last month I asked if
23 the funds aren't transferred from the City of
24 Pontiac -- from the GERS Board to the State Board, does
25 anyone get any money? I've asked that several times

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1 and I'd like to know, does any person get any money,
2 does the City get any money or does any entity get any
3 money?

4 Thank you.

5 THE CHAIRPERSON: Thank you, Ms. Swazer.

6 And our last speaker is Linda Hasson.

7 MS. HASSON: Good afternoon. I am looking
8 here at some past minutes and it states that we are at
9 actuarial for the GERS at 141.8 percent actuarial. I
10 do have other minutes here where Mrs. Davis explained
11 that the actuarial uses of a five-year smoothing method
12 to measure the actuary value of assets. If the
13 smoothing method was not used, contribution amounts
14 would be inconsistent and constantly changing. Using
15 the fair value of assets would result in a funding
16 ratio of 127 percent versus the actuarial value of

17 assets at 160 percent. That is almost approximately
 18 33 percent difference in how much money is really their
 19 actuarial versus the fair value of assets.

20 This is a very important thing that I would
 21 like the Mayor to own and understand before she would
 22 try to transfer any money out of the -- through a 420
 23 transfer. They talk about it in other minutes.

24 I gave a copy of the packet to Mr. Cline for
 25 all of you up there. And, also, there's an interesting

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1 thing, as we discussed about the determination letter
 2 with the IRS, Waterford just applied or was working on
 3 applying their GERS for a determination letter. And
 4 there's a copy of their correspondence back and forth
 5 with their attorney, which I think you will find very
 6 interesting.

7 And, also, there is an example of complying
 8 with amendments for a determination letter from the
 9 IRS. I think that this is information that will
 10 educate us. And, also, to transfer, as far as with the
 11 Attorney General, they want under Act 28, 1966. But
 12 isn't the Police and Fire System a separate system from
 13 the GERS?

14 I don't believe you can take the contribution
 15 from the Reserve Fund and put those monies in from two
 16 separate systems.

17 THE CHAIRPERSON: Thank you, Ms. Hasson.

18 MS. HASSON: Thank you very much.

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19 THE CHAIRPERSON: That is the end of Public
20 Comment.
21 Next item is Board Comments.
22 Any comments from the Board Members?
23 MR. SCHIMMEL: I would like to make just one
24 comment. I really should know your name.
25 MS. SWAZER: Billie Swazer.

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1 THE CHAIRPERSON: Billie Swazer.
2 MR. SCHIMMEL: Billie, we've -- you've been
3 here a few months ~~here~~ and I want to make sure you
4 understand my position. And my position on the pension
5 fund is the numbers, at least a year ago -- maybe
6 Mr. Nazarko can update us or somebody. But the
7 situation is this:
8 The pension fund has about \$450 million in
9 it; is that correct or somewhere near there?
10 MR. NAZARKO: The time being, the market
11 value stands at close to \$ 500 million now, \$492 million.
12 MR. SCHIMMEL: Sorry, we're at \$ 500 million.
13 It only takes \$ 300 million to provide for the full
14 pensions of everybody that's in that system.
15 Approximately correct, Mr. Nazarko?
16 MS. SWAZER: For the rest of their lives?
17 MR. SCHIMMEL: Pardon?
18 MS. SWAZER: I guess -- go ahead.
19 MR. SCHIMMEL: So -- so what I'm saying is if
20 it only takes \$ 300 million to take care of all the
21 retirees in the system for the rest of their lives,
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22 someday in the future, there's going to be another
23 \$200 million that the City is going to have and it's
24 going to be just dropped on the City. And there's no
25 purpose for keeping \$200 million to give to some City

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1 Council 30 years from now.

2 So my argument -- and there's a difference of
3 opinion. And I respect the difference of opinion. But
4 I just want you to know what my opinion is. My opinion
5 is that \$200 million, which is sitting there, which
6 will never be used and has no purpose whatsoever, ought
7 to be used and it should have been used over the last
8 two years to provide full healthcare for retirees, full
9 healthcare, which they're denied now because the
10 current board will not agree to transfer the funds to
11 the MERS system, which would provide or make that
12 happen.

13 So there are those that are arguing that they
14 want to keep the local Pension Board. Keeping the
15 local Pension Board means denying the retirees their
16 full healthcare. So that's where I come from, just so
17 you know. You may disagree with that but I want you to
18 understand that's why I've been carrying on this
19 crusade. And the two members that are up today, it's
20 not nothing personal but I disagree with their view.
21 And my view is it ought to be moved so that everybody
22 can have their full healthcare.

23 THE CHAIRPERSON: Any other Board comments?

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MR. SAWDON: I just wanted to wish everyone a
25 happy and merry Christmas and that their New Year be a

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1 nice one.

2 THE CHAIRPERSON: Thank you. The only
3 comment I have is regarding Ms. Swazer's inquiry about
4 whether there's a cost of transferring the funds. I
5 would refer you to Mr. Sobota or the Municipal
6 Employees Retirement System to pose that question. I
7 don't believe there's a cost involved there but I don't
8 want to speak emphatically on that because I'm not
9 certain.

10 With that, I'll entertain a motion to
11 adjourn.

12 MR. BURGESS: I'll make that motion.

13 MR. SAWDON: Support.

14 THE CHAIRPERSON: It's been moved and
15 supported to adjourn the meeting.

16 All in favor, say "aye."

17 BOARD MEMBERS: Aye.

18 THE CHAIRPERSON: Opposed, same sign.

19 The RTAB meeting is adjourned at 2:00 p.m.

20 Thank you.

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