

City of Hamtramck

Receivership Transition Advisory Board Meeting Minutes

Tuesday, July 26th, 2016

Hamtramck City Hall

Council Chambers - 2nd floor

3401 Evaline

Hamtramck, Michigan 48212

**RTAB MEMBERS PRESENT:**

**KAREN YOUNG**

**AL BOGDAN**

**MARK STEMA**

**ABSENT:**

**PETER MCINERNEY**

**DEBRA DEBORAH ROBERTS**

**ALSO PRESENT:**

**Drew Van de Grift**

**Michigan Department of Treasury**

Reported by:

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1                   Called to order at 2:00 p.m.

2                   MR. VAN de GRIFT: Albert Bogdan.

3                   MR. BOGDAN: Here.

4                   MR. VAN de GRIFT: Peter McInerney, absent.

5                   Deborah Roberts, absent. Mark Stema.

6                   MR. STEMA: Here.

7                   MR. VAN de GRIFT: Karen Young.

8                   MS. YOUNG: Here.

9                   MR. VAN de GRIFT: The quorum is present.

10                  MR. STEMA: I'd like to remind the public, if

11                  you'd like to speak, please sign up.

12                  Drew, has anybody signed up for us?

13                  MR. VAN de GRIFT: I don't think so, let me take

14                  a look. No public comment today.

15                  MR. STEMA: Can I get a motion to approve the

16                  agenda? With one small change, just, 2:00 on top, instead

17                  of one. A motion, for the record?

18                  MR. BOGDAN: So made.

19                  MS. YOUNG: Second.

20                  MR. STEMA: Next on the agenda is approval of

21                  the RTAB minutes.

22                  MR. VAN de GRIFT: Can we get a vote?

23                  MR. STEMA: Oh. Didn't we get a vote?

24                  MR. BOGDAN: Yeah. Aye.

25                  MR. STEMA: Aye.

1 MS. YOUNG: Aye. We're cruising.

2 MR. STEMA: Cruising along.

3 MR. BOGDAN: You get the next one, Karen.

4 MR. STEMA: Can I get an approval of the RTAB  
5 minutes from the June 28th, regular meeting?

6 MS. YOUNG: Motion to approve.

7 MR. BOGDAN: Seconded.

8 MR. STEMA: Can I get a vote?

9 MS. YOUNG: Aye.

10 MR. STEMA: Aye.

11 MR. BOGDAN: Aye.

12 MS. YOUNG: All in favor.

13 MR. STEMA: All in favor.

14 MS. YOUNG: Aye.

15 MR. STEMA: There we go, that's it.

16 No public comment; there's no old business on  
17 the agenda today.

18 First item of new business is approval of the  
19 resolutions and ordinances of the regular city council  
20 meeting on June 14th.

21 MR. BOGDAN: Make a motion to approve.

22 MS. YOUNG: Second.

23 MR. STEMA: All those in favor.

24 MR. BOGDAN: Aye.

25 MS. YOUNG: Aye.

1 MR. STEMA: Next -- resolution for the  
2 regular city council meeting of June 28th, can I  
3 entertain a motion to approve all ordinances and  
4 resolutions from the June 28th regular city council  
5 meeting?

6 We need a motion to approve or deny -- oh,  
7 with the exception of Resolution 2016-27, contract  
8 with Gabriel Roeder Smith and Company for actuarial  
9 valuation for 2015 and 2016.

10 MS. YOUNG: Okay, motion to approve.

11 MR. BOGDAN: Seconded.

12 MR. VAN de GRIFT: Did I hear a vote?

13 MR. STEMA: Oh, can I get a vote?

14 MS. YOUNG: All in favor. Aye.

15 MR. STEMA: Aye.

16 MR. BOGDAN: Aye.

17 MR. STEMA: All in favor.

18 Ms. Powell, please provide a summary of this  
19 item for the board, on the Gabriel Richard -- Roeder Smith  
20 company actuarial valuation.

21 MS. POWELL: Certainly, sir. GASB (sic) 45  
22 requires an actuarial valuation report be prepared  
23 biannually for OPEB plans, with a total of 200 more -- or  
24 more -- eligible employees, so this is a contract with  
25 Gabriel Roeder Smith and Company to do just that for us.

1 MR. STEMA: And this was -- went out for bid,  
2 all that?

3 MS. POWELL: Yes.

4 MR. STEMA: Okay.

5 MS. YOUNG: Now is this -- is this the first  
6 time we've had this done in a while? Or is it annually?

7 MS. POWELL: No, we have it done every other  
8 year.

9 MS. YOUNG: Is this the company that did it last  
10 year, or is this a different company?

11 MS. POWELL: This is the company that did it the  
12 last time we had it done, yes, ma'am.

13 MR. BOGDAN: Motion to approve.

14 MS. YOUNG: Second.

15 MR. STEMA: All in favor.

16 MS. YOUNG: Aye.

17 MR. BOGDAN: Aye.

18 MR. STEMA: Next on the agenda is the  
19 administrative items. Nope, got one more.

20 Claims and accounts from the regular city  
21 council meeting draft minutes from the July 12th, 2016  
22 meeting. Can I entertain a motion to approve, deny,  
23 postpone claims and accounts from the regular city council  
24 draft minutes for July 12th, 2016?

25 MS. YOUNG: Motion to approve.

1 MR. BOGDAN: Second.

2 MR. STEMA: All in favor. Aye.

3 MS. YOUNG: Aye.

4 MR. BOGDAN: Aye.

5 MR. STEMA: Next is city administrator.

6 Can I get a motion to approve, deny, or postpone  
7 the budget to actual cash flow reports? Which is  
8 Attachment 5a.

9 MS. YOUNG: Motion to approve.

10 MR. BOGDAN: Second.

11 MR. STEMA: Any questions or discussion on the  
12 budget?

13 (No response)

14 MR. STEMA: All in favor. Aye.

15 MS. YOUNG: Aye.

16 MR. BOGDAN: Aye.

17 MR. STEMA: Can I get approval for the invoice  
18 register and preapproved expenditures, Attachment 5b and  
19 5c?

20 Can I get a motion to approve, deny, or  
21 postpone?

22 MR. BOGDAN: Make a motion to approve.

23 MS. YOUNG: Second.

24 MR. STEMA: All in favor. Aye.

25 MS. YOUNG: Aye.

1 MR. BOGDAN: Aye.

2 MR. STEMA: Next is approval of an ordinance,  
3 amended section 34.033 of the Hamtramck Code of  
4 Ordinances.

5 Katrina, can you give us a little background on  
6 this?

7 MS. POWELL: Yes, sir. So, this is an ordinance  
8 that collects the, charges a fee and collects a fee for  
9 emergency responses in the city of Hamtramck. The city  
10 council asked staff to amend this ordinance to include  
11 language that allows a city resident not to be charged  
12 this fee, as long as they can prove that they are a city  
13 resident, either with their license or with their license  
14 or a passport or something that has their address on it.

15 And as long as they're not convicted of a  
16 misdemeanor in connection with any actions or inactions  
17 which are determined to be the proximate cause of the  
18 emergency response situation. If they're found guilty,  
19 then they'll be charged the fee and they'll need to pay  
20 that. Otherwise, we will only charge this fee to people  
21 who are not residents of Hamtramck.

22 MR. STEMA: I have a quick question.

23 Have we calculated what the revenue loss on this  
24 change in ordinance is going to be? Or is it minimal?

25 MS. POWELL: It's minimal.

1 MR. STEMA: Okay. So can I get a motion to  
2 approve or deny, or, any other discussion on this?

3 MR. BOGDAN: I make a motion to approve.

4 MS. YOUNG: Second.

5 MR. STEMA: All in favor. Aye.

6 MS. YOUNG: Aye.

7 MR. BOGDAN: Aye.

8 MR. STEMA: Item five, we already approved the  
9 contract for Gabriel Richard (sic). Approval of  
10 acceptance of a SAFER grant. Because of the timing of  
11 this grant and the city has not yet acted to accept it,  
12 recognizing this grant is important to the city, and that  
13 the time is short, it seems prudent for this board to  
14 approve the grant, pending city council approval.

15 Ms. Powell, do you have anything further to add?

16 MS. POWELL: No; this is the SAFER grant that  
17 we've been waiting on for our fire department, which will  
18 fund the keeping of 12 firefighters, and the additional  
19 hiring of two. So this is extremely important to us.

20 This is what caused us to have a deficit in our  
21 current year budget. So this will completely eliminate  
22 that deficit.

23 MR. STEMA: Discussion? Any questions?

24 (No response.)

25 MR. STEMA: Motion to approve, deny or postpone



1 the acceptance of the SAFER grant?

2 MS. YOUNG: Motion to approve.

3 MR. BOGDAN: Second.

4 MR. STEMA: All in favor?

5 MS. YOUNG: Aye.

6 MR. BOGDAN: Aye.

7 MR. STEMA: Next on the agenda is approval of  
8 the hiring of interim acting fire chief.

9 Ms. Powell, please provide a summary of this  
10 item for the board.

11 MS. POWELL: Certainly. So on June 30th, our  
12 fire chief retired, after 25 years of dedicated service,  
13 and during the interim period of us hiring another full  
14 time fire chief or -- not a full time fire chief, but a  
15 new fire chief, we need to have an interim in place.  
16 Because I'm not qualified to be the fire chief and I don't  
17 want to be the fire chief.

18 So we went out and looked for people who are  
19 experienced fire chiefs who have been retired, and Danny  
20 Hagen's name was brought to the table, and so we were able  
21 to interview candidates, and we've selected him to be our  
22 interim fire chief.

23 He will serve in that capacity, until such time  
24 we hire a new fire chief. He will be paid at the same  
25 salary that our previous fire chief was paid; he will not

1 receive any benefits during this time period, and he has  
2 successfully completed a background check and a drug test.  
3 And so, if you all decide to approve him today, we're  
4 excited about having him come on board. And he will  
5 actually start his first day on August 1st.

6 MR. STEMA: Any questions, discussion?

7 MR. BOGDAN: He's been approved by the city  
8 council?

9 MS. POWELL: He was introduced to the city  
10 council, yes, and they actually introduced him to the  
11 public, at the very last meeting. They don't need -- they  
12 don't have to vote on that, but they did agree to, or,  
13 were excited about him coming on board.

14 MR. BOGDAN: I make a motion to approve.

15 MS. YOUNG: Second.

16 MR. STEMA: All in favor? Aye.

17 MS. YOUNG: Aye.

18 MR. BOGDAN: Aye. Item number eight, approval  
19 of contract for accounts payable and payroll specialist.  
20 Ms. Powell, please provide a summary of this item for the  
21 board?

22 MS. POWELL: Certainly. So, this past fiscal  
23 year, as you aware, our HR director left. We've had, you  
24 know, a couple of people leave that were in key positions,  
25 and we had to select other employees to take over those

1 duties.

2 Well, our accounts payable clerk, at the time,  
3 took over payroll as well as accounts payable, as well as  
4 assisting the city controller with various finance duties.  
5 And so she was no longer qualified as a nonexempt  
6 employee; she really needed to be an exempt employee.

7 And we also were able to adjust her salary as  
8 such, because she has taken on those additional duties.  
9 So this is just a contract doing that. She will now be an  
10 exempt position, with an annual salary of 48; she was  
11 making 41. 48,000.

12 She is now required to also provide additional  
13 funding to her pension, and that's all on her. She will  
14 need to contribute 15 percent versus ten percent that she  
15 was contributing before. So, this is a win-win for the  
16 city. She's a great employee that does great work, and so  
17 we want to make sure that we keep her.

18 MR. STEMA: Discussion, any questions from the  
19 board? I have just one. Was this reflected in last  
20 years' budget, this change? Was it a --

21 MS. POWELL: In this years' budget, yes.

22 MR. STEMA: Yeah, and the one that was just  
23 recently approved, so this was already, you knew about it,  
24 so you're planning on it?

25 MS. POWELL: Yes. We did budget for this, yes.

1 MR. STEMA: Motion to approve, deny or postpone  
2 the hiring of the payroll -- payroll specialist?

3 MS. YOUNG: Motion to approve.

4 MR. BOGDAN: Second.

5 MR. STEMA: All in favor. Aye.

6 MS. YOUNG: Aye.

7 MR. BOGDAN: Aye.

8 MR. STEMA: Item number nine, approval of the  
9 acceptance of the grant through Detroit Wayne County  
10 Mental Health. As before, this grant has not been  
11 approved by the city council before being submitted for  
12 review, because both this board and the city council must  
13 act as it is appropriate, to only approve the grant  
14 pending city council approval.

15 Ms. Powell, please provide a summary of this  
16 item for the board.

17 MS. POWELL: This is an item that provides  
18 funding for a summer youth intern program. It's an eight  
19 week program, and they will contribute \$42,120 for us to  
20 hire interns to come in and assist us, particularly out in  
21 the community, they will be doing cleaning parks and  
22 roadways, and communities, and doing various things that  
23 we need done around the city during the summer, that we  
24 typically don't have to do during the winter.

25 So this is a great thing for us, we're so

1 excited, to have extra help here, that's being paid for by  
2 Wayne County.

3 MR. STEMA: Discussion?

4 MS. YOUNG: Has this project gotten underway  
5 yet, or?

6 MS. POWELL: It has.

7 MS. YOUNG: It has. Okay, and I think there  
8 were 20 individuals who were going to be hired for this?

9 MS. POWELL: Yes, 20 students and 4 adult  
10 supervisors, and so, you can imagine us getting all the  
11 applications and the majority of the -- actually, all of  
12 the applicants are from this community. That was one of  
13 the prerequisites, that they had to live in Hamtramck.  
14 And we went through the school system, also, put the word  
15 out.

16 MR. BOGDAN: Motion to approve.

17 MS. YOUNG: Second. I'll second it.

18 MR. STEMA: We need to -- motion to approve,  
19 pending city council approval.

20 MS. YOUNG: Right, right. Okay.

21 MR. STEMA: Can I get a motion?

22 MS. YOUNG: Motion to approve, pending city  
23 council approval.

24 MR. BOGDAN: Seconded.

25 MR. STEMA: All in favor? Aye.

1 MS. YOUNG: Aye.

2 MR. BOGDAN: Aye.

3 MR. STEMA: Item number ten, approval of the  
4 citywide overtime report. Ms. Powell, please provide a  
5 summary of the progress the city is making in regards to  
6 this issue.

7 MS. POWELL: Well, unfortunately, there was not  
8 a whole lot of progress made this month. Our overtime is  
9 actually up \$25,730.69. And it's across the board, so  
10 it's not any one department that is -- that has a higher  
11 overtime.

12 It looks like with it being the end of the  
13 budget year, a lot of people needed to work extra hours to  
14 get some stuff done. Mostly we had an uptick in public  
15 services, the treasurer's office; of course the police  
16 department, in our overall overtime, as well as traffic.

17 Our FBI people were working overtime, because  
18 they were getting a lot of stuff done. And then of  
19 course, our fire department had an increase of about nine  
20 grand. So these were all contributing factors to the  
21 increase in overtime.

22 MS. YOUNG: Question?

23 MR. STEMA: Go ahead.

24 MS. YOUNG: Was this historical for this time of  
25 year?

1 MS. POWELL: I cannot answer that question. I  
2 did look at that. But I most certainly will check that  
3 out, and report back to you next month.

4 MR. STEMA: In general, how do you think, when  
5 you budgeted for overtime last year, did you compare it to  
6 this year, or are you hoping to keep it down? Because I  
7 know in the earlier months last year, because of  
8 shortages, and now you've filled a couple of roles in the  
9 police department to help cut down on OT, and that.

10 Was it budgeted for last -- this coming fiscal  
11 year?

12 MS. POWELL: We looked at current year numbers -  
13 - or, we looked at the numbers that were currently  
14 available to us when we were creating the budget. Some  
15 went up, some went down.

16 MR. STEMA: Okay.

17 MS. POWELL: Because we kind of figure that  
18 those are realistic numbers. We had good, you know,  
19 baseline to go on. So that's how we were able to budget  
20 for this year's overtime. We did a great job keeping it  
21 down, you know, last year, and so we're hoping that we'll  
22 continue that trend this year.

23 MR. STEMA: Can I entertain a motion to approve,  
24 deny or postpone the citywide overtime report?

25 MS. YOUNG: Motion to approve.

1 MR. BOGDAN: Second.

2 MR. STEMA: All in favor? Aye.

3 MS. YOUNG: Aye.

4 MR. BOGDAN: Aye.

5 MR. STEMA: Last item is just for informational,  
6 and it's the district court revenues.

7 MS. POWELL: And Mr. Chair, if I could add,  
8 while our overtime is up, so is our revenue. Our revenue  
9 is up 15,000 -- almost \$16,000 in the month of June versus  
10 the month of May, so.

11 MR. BOGDAN: Why?

12 MS. POWELL: Why?

13 MR. BOGDAN: Yeah.

14 MS. POWELL: Probably because they wrote more  
15 tickets than before. You know, when you have overtime,  
16 that means you better be writing a lot of tickets, so.  
17 And actually the increase is in the fines and costs, so,  
18 that is where a lot of the revenue is coming from.

19 MR. STEMA: I know I've asked for it in the  
20 past. Is there a way to target, you know, because  
21 obviously with the contract, you know, police are allowed  
22 so many hours of traffic duty overtime?

23 Is there an actual way to track that, to say,  
24 okay, this is the hours they're working overtime traffic  
25 duty, and this is the revenue that's brought in, like



1 tickets and all that? Because I would think that would be  
2 a great determination -- determining factor, if you want  
3 to move that forward in the next contract or not. If you  
4 really need the money.

5 MS. POWELL: We're going to try to get the court  
6 to break that down a little further, because right now, it  
7 just says fines and costs. Which could be, you know, a  
8 plethora of things that come in, not just traffic tickets.

9 MR. STEMA: Oh, okay.

10 MS. POWELL: So, we need to look at them being  
11 able to break that down, and that'll be something they'll  
12 need to do on their side, versus, you know, anything we  
13 can do on our side. Because they just give us the total.  
14 And this is the breakdown that they provide, so.

15 MR. STEMA: So you're not able to get the  
16 correct information to do that? Really, the target  
17 information you need to be able to do that type of thing.

18 MS. POWELL: Correct, so we're going to try to  
19 work with them, to be able that down a little more.

20 MS. YOUNG: Do they have the staff to do that?  
21 To be able to break it down?

22 MS. POWELL: Whether their system will do it or  
23 not will be the issue, if they're able -- if it's  
24 something that's fairly easy to do, then. You know, if  
25 it's a little more complicated, then we'll have to work on

1           that.

2                       MR. STEMA: Any other board comments?

3                       MR. BOGDAN: Just want to say I thought the  
4 Chair did a perfect job in running the meeting.

5                       MR. STEMA: Thank you. Can I get a motion to  
6 adjourn?

7                       MS. YOUNG: Motion to adjourn.

8                       MR. BOGDAN: Second.

9                       MR. STEMA: All in favor. Aye.

10                      MS. YOUNG: Aye.

11                      MR. BOGDAN: Aye.

12                      (Proceedings conclude at 2:17 p.m.)

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STATE OF MICHIGAN  
COUNTY OF WASHTENAW ) .ss

I certify that this transcript is a complete, true, and correct transcript to the best of my ability of the RTAB meeting held on July 26, 2016, City of Hamtramck. I also certify that I am not a relative or employee of the parties involved and have no financial interest in this case.

RESPECTFULLY SUBMITTED: August 4, 2016

*s/ Amy Shankleton-Novess*

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Amy Shankleton-Novess (CER 0838)  
Certified Electronic Reporter

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