

**Pontiac Receivership Transition Advisory Board (TAB)**  
**Minutes**  
**December 18, 2013**  
**1:00 pm**

*APPROVED JANUARY 22, 2014)*  
Pontiac City Hall

Council Chambers – 2<sup>nd</sup> Floor  
47450 Woodward Avenue  
Pontiac, MI 48342

Members Present

Edward Koryzno  
Robert Daddow  
Keith Sawdon  
Louis Schimmel

Members Absent

None

Staff Present

R. Eric Cline, Treasury  
Angela Dempkowski, Treasury  
Joseph Sobota, 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 TAB agenda.

C. Approval of Draft Minutes of November 20, 2013

Motion made (Sawdon) and supported (Daddow), the Board unanimously voted to approve the Draft Minutes of November 20, 2013.

**II. OLD BUSINESS**

None

### **III. NEW BUSINESS**

#### **A. Approval of Resolutions & Ordinances for City Council Meetings**

##### **1. November 14, 2013 Regular Meeting**

Koryzno – Entertain a motion to approve all City Council resolutions from the November 14, 2013 Regular Council Meeting.

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

##### **2. November 21, 2013 Regular Meeting**

Koryzno – Entertain a motion to approve all City Council resolutions from the November 21, 2013 Regular Council Meeting with the exception of Resolution #13-282 (Bond Payment for TIFA).

Sawdon – Requests that Resolution #13-286 (Actuarial Study for GERS System) be set aside for separate consideration.

Motion made (Daddow) and supported (Schimmel), to approve all City Council resolutions from the November 21, 2013 Regular Council Meeting with the exception of Resolution #13-282 (Bond Payment for TIFA) and Resolution #13-286 (Actuarial Study for GERS System). The Board deadlocked on this motion by a vote of 2-2.

Cline – Noted for the Board that they were voting on the approval of all resolutions except #13-282 and Resolution #13-286.

The Board agreed to a reconsideration of the prior motion. A new motion was entertained.

Motion made (Daddow) and supported (Sawdon) to approve all City Council resolutions from the November 21, 2013 Regular Council Meeting with the exception of Resolution #13-282 (Bond Payment for TIFA) and Resolution #13-286 (Actuarial Study for GERS System). The Board unanimously approved the motion.

- a. Approval of Resolution #13-282 regarding a budget amendment to permit the making of a TIFA bond payment.

Koryzno – Entertain a motion to recommend to the State Treasurer approval of Resolution #13-282 to authorize a budget amendment to permit the making of a bond payment for TIFA District #2.

Koryzno – Both the Final EM Order and PA 436 require State Treasurer approval to amend a two-year budget adopted by an Emergency Manager. Therefore, a recommendation from the TAB to amend the budget is necessary.

Sawdon – Does the resolution also include more staff?

Sobota – The main motion is for the bond payment. Due to the death of the purchasing agent, we need to extend the part-time employee's contract to work for a longer period of time.

Sawdon – What is the effect on the budget bottom line?

Sobota – None.

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

- b. Approval of Resolution #13-286 regarding an actuarial study for the GERS System.

Koryzno – Entertain a motion to approve Resolution #13-286 regarding an actuarial study for the GERS System.

Koryzno - This is for the study only. The expectation is that if the City wishes to make any changes in the GERS system, TAB approval must be sought.

Daddow – Suggested the City review the Michigan State Constitution. It may contain language which prohibits the City from additional employee benefits after separation.

Sawdon – What is the actuarial study going to study?

Sobota – It will study what the cost will be to provide pensions to laid off employees. Three employees were laid off when the Emergency Manager was in charge. The proposal is to modify the age and service requirements for these employees. This is only a study to find out what the cost would be to the GERS System. The City Council recommends the study.

Sawdon – Pensions are required to be treated equally by statute. Suggests that City Administrator check with the City Attorney regarding this issue.

Motion made (Daddow) to approve Resolution #13-286 regarding an actuarial study for the GERS System. The motion received No Second and therefore Resolution #13-286 regarding an actuarial study for the GERS System is NOT APPROVED.



### 3. November 25, 2013 – Regular Meeting

Koryzno – Entertain a motion to approve all City Council resolutions from the November 25, 2013 regular council meeting.

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

### 4. December 5, 2013 Regular Meeting

Koryzno – Entertain a motion to approve all City Council resolutions from the December 5, 2013 Regular meeting.

Koryzno – Approval of Resolution #12-296 regarding the authorization for litigation counsel to attempt to negotiate a settlement in the case of Tyrone Combs v. City of Pontiac is to authorize approval to attempt to negotiate a settlement only. The expectation is that if a tentative settlement is reached, TAB approval must be sought.

Sobota – The City's recommendation for settlement was \$25,000. Settlement discussions have broken down between the plaintiff and the City. Discussions will continue and the City will come back to the TAB with a new settlement amount.

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

## B. City Administrator Items

### 1. Approval of Job Descriptions

Koryzno – Entertain a motion to void all existing City job descriptions and approve issuance of newly drafted job descriptions as developed by the City Administrator and Human Resources Specialist.

Sobota – This item includes all full-time jobs that are presently filled. It will modernize the job descriptions and will provide for minimum requirements per the EM Order.

Sawdon – I would like to amend the order to include “for those positions currently in use.

Koryzno – Entertain an amended motion to void all existing City job descriptions and approve issuance of newly drafted job descriptions for those positions currently in use as developed by the City Administrator and Human Resources Specialist.

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

2. Modification of EM Order S-273 – Employee Benefits

Koryzno – Entertain a motion to deny the recommendation to modify EM Order S-273.

Koryzno – Concern exists over the future financial impact to the City, administration of this feature and the adding of new benefits.

Sobota – When the original order was issued, the City was self-insured at that time. The City now has a fully insured health insurance policy and employees came to me with the request. As City Administrator, I communicated that this is not currently permitted but I would still make the request.

Motion made (Schimmel) and supported (Sawdon), the Board unanimously approved the motion. Modification of EM Order S-373 is NOT APPROVED.

3. DPW Assistant Director – Change from Part-Time to Full-Time

Koryzno – Entertain a motion to deny the recommended change to employment status.

Koryzno – Concern exists over increasing the number for full-time staff and the lack of justification for the necessity of this change.

Sobota – When the budget was being prepared, it was originally proposed that this position be a part of the program. The DPW Director needs a full-time person to help with winter contracts.

Motion made (Sawdon) and supported (Schimmel) the Board unanimously approved the motion. DPW Assistant Director – Change from Part-time to Full-Time is NOT APPROVED.

4. Approval of CDBG Grand Application for Demolition #758,000

Koryzno – Entertain a motion to approve the City's CDBG application for \$758,000.

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

5. Submit Application thru Federal Aide Task Force for Road Funding

Koryzno – Entertain a motion to approve the City's application to the Federal Aid Task Force for road funding.

Koryzno – The project is scheduled for 2017 funding but the application must be submitted now. The project will be cancelled if matching funds are not available at the time of implementation.

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

IV. NON ACTION ITEMS

A. Monthly Financial Report

Sobota – The City appears to be completing the last fiscal year with an \$875,000 general fund surplus. Overall we are doing well. The audit is now fully complete and we will close the fiscal year and will file the audit within the next few days. We plan to make a presentation at our next City Council meeting. The City will provide financial reports to the TAB as soon as possible.

B. Quarterly Report

A reminder to the City that the quarterly report from the City will be due to the TAB at its January 2014 meeting.

C. TAB Role in Hiring

The TAB wishes to remind the City that regarding hiring decisions, EM Order S-334 requires:

- The City Administrator to hire or retain Department Heads or other employees
- The City Council may, as per the City Charter, confirm the appointment of Department Heads
- The TAB may overturn the confirmation decisions of the City Council regarding Department Heads
- The TAB must confirm all hiring or retention decisions made by the City Administrator.

D. Board Comments

Koryzno reminded the Board to review the communication from the AG's office regarding entering into a closed session.

**V. PUBLIC COMMENT**

Larry Dixon, Pontiac, MI – Owns David's Bar and Grill. Asking Council to reconsider its liquor license.

Pearl Benton, Pontiac, MI – Spoke in favor of the resolution to do the GERS actuarial study.

Gloria Miller, Pontiac, MI – Spoke in favor of the resolution to do the GERS actuarial study.

Billie Swazer, Pontiac, MI – Spoke in favor of the resolution to do the GERS actuarial study.

Robert Cluckey, Pontiac, MI – Requested an answer regarding when the elected officials pay would be resumed.

Deidre Waterman, Pontiac, MI – Communicated that as the new Mayor she has formed transition committees to help with the change in the City.

Larry Marshall, Pontiac, MI – Spoke in favor of the resolution to do the GERS actuarial study.

**VI. ADJOURNMENT**

There being no further business a motion made (Sawdon) and supported (Daddow), the meeting was unanimously adjourned at 1:45 pm.



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Angela Dempkowski