



CITY OF PONTIAC
OFFICE OF THE EMERGENCY MANAGER

LOUIS H. SCHIMMEL

47450 Woodward Avenue
Pontiac, Michigan 48342
Telephone: (248) 758-3133
Fax: (248) 758-3292

Dated: August 7, 2012

ORDER NO. S-236

RE: Charter amendment

**TO: Sherikia Hawkins, City Clerk
John Clark, City Attorney, Giamarco, Mullins & Horton**

The **Local Government and School District Fiscal Accountability Act (Public Act 4 of 2011)** in **Section 17(1)** empowers an Emergency Manager to issue the orders the Manager considers necessary to accomplish the purposes of the Act and any such orders are binding on the local officials or employees to whom they are issued. **Section 19(1)** provides that an Emergency Manager may take on one or more additional actions with respect to a local government in receivership: **(t)** [o]rder, as necessary, 1 or more millage elections for the local government consistent with the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992, sections 6 and 25 through 34 of article IX of the state constitution of 1963, and any other applicable state law. A millage election ordered for a local government pursuant to this subdivision shall only be held at the general November election...; and **19(2)** ...the authority of the chief administrative officer and governing body to exercise power for and on behalf of the local government under law, charter, and ordinance shall be suspended and vested in the Emergency Manager.

WHEREAS, Article V, Chapter 2, Section 5.205 entitled Tax Limits of the Pontiac City Charter presently limits the amount of taxes that may be levied on property in the City in any one year to \$10.00 for each \$1,000.00 assessed valuation, and an additional tax of \$1.50 for each \$1,000.00 of assessed valuation for capital improvements, payment of any principal and interest on bonds and an additional \$2.00 for each \$1,000.00 of assessed valuation may be levied to be utilized for salaries, benefits and other expenses of fireman assigned to duty as required in Section 4.504; and

WHEREAS, the Emergency Manager has determined it would be in the best interests of the City to increase the limits of the provisions of Section 5.205; and

WHEREAS, in order to accomplish amendments to Section 5.205 it is necessary to amend the City's Charter by submitting a Charter Amendment to the electorate at the general election to be held on November 6, 2012, for consideration by the electorate.

It is hereby ordered:

BE IT RESOLVED that Article V, Chapter 2, Taxation and Special Assessments, Section 5.205 of the City Charter shall be amended to read as follows if approved by the voters.

Section 5.205 Tax Limits "The total amount of the taxes which may be levied against property for City purposes in any one year shall not exceed \$10.00 of each \$1,000 of taxable valuation. An additional tax of \$6.50 of each \$1,000 of taxable valuation may be levied for paying the cost of health insurance of retirees. An additional tax of \$1.50 on each \$1,000 of taxable valuation may be levied for capital improvements or to pay any principal and interest on bonds therefore; and further additional tax of \$2.00 on each \$1,000 of taxable valuation may be levied to be utilized for fire protection services, in addition to such other revenues as may be regularly utilized for those purposes. The provisions of this Section shall not prevent the levy and collection of the full amount of taxes required by law for payment of debts."

BE IT FURTHER RESOLVED, that the proposed Charter language be submitted to the Attorney General and the Governor of the State of Michigan for their approval.

BE IT FURTHER RESOLVED, that the following language for the proposed City Charter question after submission to the Office of the Attorney General and Governor of the State of Michigan, for approval be placed on the November 6, 2012 general election;

PROPOSED CHARTER QUESTION:

Shall Article V, Chapter 2, Section 5.205, entitled Tax Limits of the City of Pontiac Charter be amended to add additional \$6.50 on each \$1,000 of taxable valuation that may be levied for paying the cost of health insurance of retirees? A property with taxable value of \$25,000 would be taxed \$162.50 for the millage. The estimated amount that will be collected in the first year that the millage is authorized and levied is \$5,091,000.

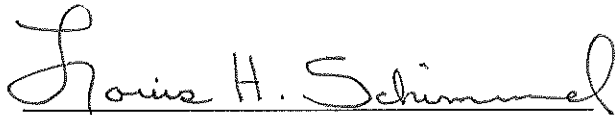
Yes.

No.

The Order shall have immediate effect.

Copies of the documents referenced in this Order are to be maintained in the offices of the City Clerk and the Law Department and may be reviewed and/or copies may be obtained upon submission of a written request consistent with the requirements of the Michigan Freedom of Information Act and subject to any exemptions contained in that state statute and subject to any exemptions allowed under that statute (**Public Act 442 of 1976, MCL 15.231, et. seq.**).

This Order is necessary in order to carry out the duties and responsibilities required of the Emergency Manager as set forth in the **Local Government and School District Fiscal Accountability Act (Public Act 4 of 2011)** and the contract between the State of Michigan and the Emergency Manager.

A handwritten signature in cursive script that reads "Louis H. Schimmel". The signature is written in black ink and is positioned above a horizontal line.

Louis H. Schimmel
City of Pontiac
Emergency Manager

cc: State of Michigan Department of Treasury
Mayor Leon B. Jukowski
Pontiac City Council
Oakland County Clerk Elections Division