



CITY OF PONTIAC
OFFICE OF THE EMERGENCY FINANCIAL MANAGER

LOUIS H. SCHIMMEL

47450 Woodward Avenue
Pontiac, Michigan 48342
Telephone: (248) 758-3133
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Dated: February 19, 2013

ORDER NO. S-249

RE: Insurance opt-out payments to retirees

TO: Sherikia Hawkins, City Clerk
Cathy Square, City Administrator/Personnel Director/DPW Director
John Naglick, Finance Director

The Local Government Fiscal Responsibility Act (Act 72 of 1990/MCL 141.1201, et. seq.) in Section 141.1219 empowers an Emergency Financial Manager to issue the orders a 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 141.1221 (1) provides that an Emergency Financial Manager may take one or more additional actions with respect to a local government in which a financial emergency has been determined to exist including: ... (f) Make, approve, or disapprove any appropriation, contract, expenditure....”

WHEREAS, the City has been paying retirees up to \$1,920.00 per year for opting out of the City’s health insurance program;

WHEREAS, there does not exist any justification for these payments.

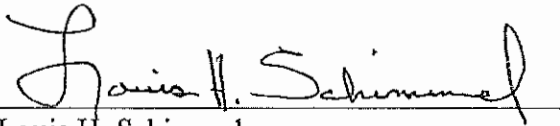
It is hereby ordered:

1. That the practice of paying retirees a stipend for opting out of the City’s health insurance program shall be terminated, and no such payments shall be made beginning in calendar year 2013 and thereafter.

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 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 effective as indicated and is necessary to carry out the duties and responsibilities required of the Emergency Financial Manager as set forth in the Local Government Fiscal Responsibility Act (Act 72 of 1990/MCL 141.1201, et seq.) and the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Financial Manager.

A handwritten signature in cursive script, reading "Louis H. Schimmel", written over a horizontal line.

Louis H. Schimmel
City of Pontiac
Emergency Financial Manager

cc: State of Michigan Department of Treasury
Mayor Leon B. Jukowski
Pontiac City Council