



CITY OF PONTIAC
OFFICE OF THE EMERGENCY MANAGER
LOUIS H. SCHIMMEL

47450 Woodward Avenue
Pontiac, Michigan 48342
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Dated: March 28, 2013

ORDER NO. S-253

RE: Compensation for Elected Officials

TO: Sherikia Hawkins, City Clerk
John Naglick, Finance Director
Elected Officials Compensation Commission

The Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.15411, et. seq.) in Section 10 empowers an Emergency Manager to issue orders to the appropriate local elected and appointed officials and employees, agents, and contractors of the local government a Manager considers necessary to accomplish the purposes of the Act and any such orders are binding on the local elected and appointed officials and employees, agents, and contractors of the local government to whom they are issued.

Section 13 of the Act provides that upon appointment of an emergency manager and during the pendency of the receivership, the salary, wages, or other compensation, including the accrual of postemployment benefits, and other benefits of the chief administrative officer and members of the governing body of the local government shall be eliminated. If an emergency manager has reduced, suspended, or eliminated the salary, wages, or other compensation of the chief administrative officer and members of the governing body of a local government before the effective date of this act, the reduction, suspension, or elimination is valid to the same extent had it occurred after the effective date of this act. The emergency manager may restore, in whole or in part, any of the salary, wages, other compensation, or benefits of the chief administrative officer and members of the governing body during the pendency of the receivership, for such time and on such terms as the emergency manager considers appropriate, to the extent that the emergency manager finds that the restoration of salary, wages, compensation, or benefits is consistent with the financial and operating plan.

WHEREAS, former Emergency Manager Michael Stampfler eliminated the salary of the mayor and members of the City Council; and

WHEREAS, Mayor Leon Jukowski has been paid as a consultant to the Emergency Manager for a period of time; and

WHEREAS, the State of Michigan will now be covering the compensation for the Emergency Manager, thus freeing city funds to pay the compensation of elected officials; and

WHEREAS, the mayor and city council have an elevated and important role during the period of receivership.

It is hereby ordered:

1. Compensation of the Mayor

Effective March 28, 2013, the compensation of the mayor shall be established at the annual rate of \$100,000. The mayor shall be entitled to participate in the health and dental insurance plans offered to other active city employees and share costs in the same manner as other city employees. The mayor shall not be entitled to any health or dental insurance upon leaving office. The mayor shall be entitled to a life insurance policy in the amount of \$100,000. The mayor shall not be entitled to any life insurance upon leaving office. The mayor shall not be entitled to participate in any defined benefit retirement plan. The mayor shall be entitled to participate in a defined contribution or deferred compensation plan offered to other employees of the City at no cost to the City. The mayor shall not be entitled to use any City vehicle or stipend for use of his personal vehicle. The mayor shall be entitled to reimbursement for incidental office expenses in accordance with City policy and the budget. The mayor shall not receive any compensation or benefits which are not identified above.

2. The consulting arrangement with Leon Jukowski is terminated.

3. Compensation of the Part-Time Council Members

Effective March 28, 2013, the part-time Council members will be paid by the City the sum of \$100 for each official regular meeting of the Council attended by the member. However, no member of the Council shall receive more than \$5,200 in any one year.

Effective March 28, 2013, the part-time Council members will be paid by the City the sum of \$50 for each committee meeting of the Council attended by the member, provided that the committee makes a public oral and written report concerning items discussed at the committee meeting at the first regular council meeting following the committee meeting. The City Council must pass a resolution accepting and filing the report. However, no member of the Council shall receive more than \$50 in any one month for attending a meeting of the same committee. If a Council member serves on two committees, and both committees meet during the month, the Council member attends both committee meetings, the second committee reports to the City Council, and the City Council passes a resolution accepting and filing the report of the second committee, then the Council member will also be paid by the City the sum of \$50 for attending the meeting of the second committee. However, no member of the Council shall receive more than \$100 in any one month for attending committee meetings.

No part-time Council member shall be entitled to receive any health insurance, dental insurance, or life insurance while a member of the City Council or upon leaving office. No part-time Council member shall be entitled to use any City vehicle or receive any stipend for use of personal vehicles. No part-time Council member shall be entitled to participate in any defined benefit retirement plan offered by the City. A part-time Council member shall be entitled to participate in a defined contribution or deferred compensation plan offered to other employees of the City at no cost to the City. A part-time Council member shall be entitled to reimbursement for incidental office expenses in accordance with City policy and the budget.

4. Council members shall not receive any compensation or benefits which are not identified above.

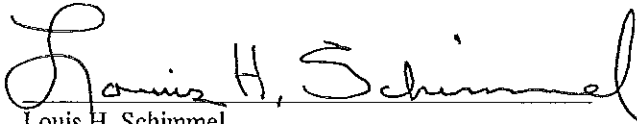
5. Council members shall sign their own payroll request form, and the City Clerk shall certify the payroll for Council members.

6. The Elected Officials Compensation Commission shall have their first meeting by April 12, 2013 and within 45 days of their first meeting present a recommendation to me on the compensation of the mayor and council members to be effective January 1, 2014.

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 Manager as set forth in the Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.15411, et. seq.) and the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Manager.

A handwritten signature in black ink that reads "Louis H. Schimmel". The signature is written in a cursive style with a large initial "L" and "S".

Louis H. Schimmel
City of Pontiac
Emergency Manager

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

