

**MINUTES OF A SPECIAL MEETING OF THE CITY COUNCIL FOR THE CITY OF  
EASTPOINTE, MACOMB COUNTY, MICHIGAN, HELD ON MONDAY,  
JULY 16, 2007, IN THE EASTPOINTE MEMORIAL LIBRARY**

The meeting was called to order at 6:05 p.m. by Mayor Austin with the following Council Members present:

Klinefelt, Pixley, Selvidge and Sweeney

Administrators present: Hribar, Mancani and Parks

Mayor Austin announced negotiation of the City Attorney's contract.

City Attorney Hribar discussed last year's contract increase and asked Council to give him another year at the same rate.

Councilman Selvidge responded that it was fine with him. Councilwoman Klinefelt agreed with Mr. Hribar's request and discussed that the Council took something major away from the City Attorney last year but raised his retainer.

City Attorney Hribar thanked the Council for the opportunity to serve the City for another year.

Mayor Austin announced negotiation of the Finance Director's contract.

Councilwoman Klinefelt discussed longevity. Finance Director Mancani explained that she is capped right now at \$2,950.00 and in the Administrative Rules and Regulations it allows up to ten percent of base and this was just an idea of something she put into the contract.

Councilwoman Klinefelt discussed the City's finances and discussed giving three percent raises and increases in other items.

Councilman Selvidge suggestion was last year's contract plus a three percent raise.

Councilwoman Klinefelt discussed Ms. Mancani's compensatory time and explained that Ms. Mancani is trying to incorporate things into the contract so she doesn't have to refer back to the Administrative Rules and Regulations. Ms. Mancani's thought for doing this was to lay out what the Administrative Rules and Regulations say.

Mayor Austin explained that all Ms. Mancani is doing is that instead of cross referencing the Administration Rules and Regulations she is putting it in her contract.

Council discussed compensatory time. Mayor Austin asked if Council wants to give Ms. Mancani the seventy-five hours of compensatory time that was taken away once. Ms. Mancani explained that Council took away the compensatory hours from her previous position but not the compensatory hours as Finance Director. Mayor Austin suggested leaving the compensatory time as is for now and when the Administrative Rules and Regulations are changed the contract would be changed.

Councilman Selvidge liked that it was verbally in the contract rather than looking at the Administrative Rules and Regulations.

Mayor Austin asked Council if they agreed with the contract as written, plus a three percent raise.

Council agreed with the contract as written with everything spelled out except for the longevity clause. The sections of the contract with changes are IV. Compensation – salary increased by three percent to \$89,205, VI. Hours of Work – "The Finance Director shall be paid seventy-five (75) hours of compensatory time at the time of termination or retirement", VII. Insurance Coverage – Health and Hospitalization Insurance; Sick and Accident Benefits; Optical Insurance; Dental Insurance – rewritten to

reflect what the Administrative Rules and Regulations state and VII. Vacation, Sick Time and Other Leave Time – Vacation; Sick Time; Personal Business Days rewritten to reflect what the Administrative Rules and Regulations state.

Council discussed longevity and Mayor Austin explained that he is not keen on longevity. Ms. Mancani explained that it was based on the idea of an incentive to keep employees.

Mayor Austin announced negotiation of the City Manager's Contract.

City Manager Parks discussed his letter of June 20<sup>th</sup> to the Council requesting that severance pay be increased from four months to six months, a three percent adjustment in salary and reference in the contract that his work week is 37.5 hours. Mr. Parks provided Council with data from other communities comparable to Eastpointe in terms of population and indicated that the average City Manager salary is \$102,000 for the 2006/2007 year. Mr. Parks requested a three percent increase in automobile allowance; requested to be removed from the defined benefit program and placed in a defined contribution program, requested that he be allowed to accumulate up to 240 days of sick time but otherwise would like to sell his thirty-five sick days back at half pay and would like to sell back vacation days that he doesn't use.

Councilwoman Klinefelt agreed with the three percent raise and discussed that she understands the City Manager's position with the retirement system.

Ms. Mancani explained that the Charter states that the City Manager has to be in the retirement system and discussed the Reciprocal Act.

Council discussed the defined benefit plan and defined contribution plan and decided to look at this and perhaps have a Charter amendment.

Mr. Parks discussed Supreme Court decisions regarding this issue and that a contract can supersede the Charter and explained that Mr. Hribar should give the Council an opinion.

Councilwoman Klinefelt asked if Council could collectively agree that Council would be willing to do this. Councilman Sweeney agreed and Councilman Selvidge commented that he doesn't want to give the City Manager a defined benefit and a defined contribution.

Mayor Austin asked what number the City Manager is looking for. Mr. Parks said he is looking at fifteen percent but twelve percent would be acceptable.

Councilwoman Klinefelt discussed that the City Manager is looking for proration for last year. Mr. Parks explained that if he can be in a defined contribution plan it reduces the liabilities in the pension program for his service credit.

Council agreed with twelve percent for a defined contribution plan if the opinion from Mr. Hribar allows it.

Mayor Austin asked if Council had any problem with a three percent raise with no response.

Councilwoman Klinefelt discussed that she would like to leave the forty hour work week because she is trying to get away from compensatory time and the paying out of those things.

Mr. Parks discussed that when he was interviewed he was presented with the Administrative Rules and Regulations and when he received his contract things had been taken out of his contract. Mr. Parks stated that Council would be getting the Administrative Rules and Regulations in the next month or two and explained to Council that he is one hundred and ten percent supportive of whatever the Council wants to do with the rules.

Councilman Selvidge asked that when we are changing the Administrative Rules and Regulations that would be for new hires. Mr. Parks commented that not necessarily, for the major items it would be dealing with new employees except for health care which would change under the retirement plan so that

if you retire after January 1, 2008 health care benefits would be no better than current employees and there may be other changes for current employees

Councilwoman Pixley asked if Mr. Parks wants compensatory time with pay. Mr. Parks explained that it wasn't a real issue with him but there needs to be some flexibility that the City Manager's work hours should be flexible. Councilwoman Klinefelt explained that Council didn't want to get into a situation where the City Manager was getting paid for compensatory time but the City Manager can take a day off if he is attending night meetings but not a week.

Councilwoman Pixley discussed vacation time. Mr. Parks responded that he is a firm believer in taking vacation time. Councilman Sweeney commented that he believes in use it or lose it. Mayor Austin stated that vacation time will be left as is.

Councilwoman Klinefelt commented to keep the work week at forty hours but if the City Manager doesn't work forty hours each week the Council won't come down on him. Mayor Austin agreed with this.

Mayor Austin suggested the following changes to the City Manager contract: three percent raise, forty hour work week, defined contribution at twelve percent (wait on Mr. Hribar), three percent increase in automobile allowance and termination and severance stays at four months. Council was in agreement with this.

Councilwoman Klinefelt explained how the City Manager's contract got changed from the Administrative Rules and Regulations.

Councilwoman Pixley asked Ms. Mancani if she wanted to go to a defined contribution plan. Ms. Mancani commented that she would like to receive two retirements by also being able to be in a defined contribution plan and she would be interested in that if Council wanted to do that.

Mayor Austin announced the Hearing of the Public, with no public participation.

Mayor Austin announced Council Reports:

Councilwoman Klinefelt had no report.

Councilwoman Pixley had no report.

Councilman Selvidge had no report.

Councilman Sweeney had no report.

Mayor Austin had no report.

Motion by Sweeney, seconded by Selvidge, to adjourn the meeting at 7:00 p.m.

Yeas: Sweeney, Selvidge, Klinefelt, Pixley and Austin

Nays: None

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DARWIN D. PARKS  
CITY CLERK

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DAVE AUSTIN  
MAYOR