

**ANN ARBOR CITY COUNCIL
EXECUTIVE SESSION - JANUARY 23, 1995**

The Executive Session of the Ann Arbor City Council was called to order at 7:50 p.m. in the City Hall Council Chamber by Mayor Ingrid B. Sheldon.

ROLL CALL OF COUNCIL

Present: Councilmembers Hanna-Davies, Jane Lumm, Peter Nicolas, Christopher Kolb, Elisabeth Daley, Mayor Ingrid Sheldon, 6

Absent: Councilmembers Patricia Vereen-Dixon, Peter Fink, Jean Carlberg, Haldon Smith, Stephen Hartwell, 5

MOVE TO EXECUTIVE SESSION APPROVED

Councilmember Daley moved that Council convene the executive session for the purpose of discussing legal opinions on the deferred compensation program and pending litigation regarding City personnel.

On a voice vote, the Mayor declared the motion carried unanimously.

MOTION TO CONSIDER "Y" PENDING LITIGATION FAILS

Councilmember Hanna-Davies moved that Council add the consideration of "Y" pending litigation to the Executive Session agenda.

On roll call the vote was as follows: Yeas, Councilmembers Hanna-Davies, Kolb, Daley, Mayor Sheldon, 4
Nays, Councilmembers Lumm, Nicolas, 2

The Mayor declared the motion defeated.

Exit Councilmember Daley. Executive session delayed due to lack of quorum.

Enter Councilmembers Vereen-Dixon, Carlberg, 2

The Mayor declared a quorum present and the executive session was convened.

ADJOURNMENT

At the conclusion of the executive session, Councilmember Hanna-Davies moved that the executive session be adjourned.

On a voice vote, the Mayor declared the motion carried and the meeting adjourned at 8:40 p.m.

Winifred W. Northcross
Clerk of the Council

Linda J. Wise
Recording Secretary

**ANN ARBOR CITY COUNCIL
SPECIAL SESSION - JANUARY 23, 1995**

The special session of the Ann Arbor City Council was called to order at 8:40 p.m. in the City Hall Council Chamber by Mayor Ingrid B. Sheldon.

ROLL CALL OF COUNCIL

Present: Councilmembers Tobi Hanna-Davies, Patricia Vereen-Dixon, Jane Lumm, Jean Carlberg, Peter Nicolas, Christopher Kolb, Mayor Ingrid Sheldon, 7

Absent: Councilmembers Peter Fink, Haldon Smith, Stephen Hartwell, Elisabeth Daley, 4

READING OF ORDER AND NOTICE OF CALL OF SPECIAL SESSION

The order and notice of call of the special session was read and filed with the City Clerk.

PUBLIC COMMENTARY - RESERVED TIME

EDITH EPSTEIN - ART FAIR

Edith Epstein, 310 E. Liberty Street, said that her property is taken over during the annual art fairs by artists, tax free. Because of this tax-free status enjoyed by the artists, she requested a property tax adjustment.

BARRY PAUSELL - DEFERRED COMPENSATION PROGRAM

Barry Pausell, representing Diversified Financial Consulting, said that they were hired to correct irregularities in the deferred compensation program. He asked that Council first consider what employees would be giving up, such as diversity and lower administration fees, before canceling Diversified's contract.

PHIL SAWICKI - DEFERRED COMPENSATION PROGRAM

Phil Sawicki, Ann Arbor Police Department employee, expressed appreciation for the advice and counsel that he received from Diversified Financial Consulting and the timely manner in which information was supplied to him regarding his account status.

APPROVAL OF AGENDA

AGENDA APPROVED AS AMENDED

Councilmember Nicolas moved that the agenda be approved with the following changes:

D - MOTIONS AND RESOLUTIONS

Revised: Resolution Canceling Contract with Diversified Financial Consulting and Authorizing Amendment of Administrative Services Agreement with ICMA-RC

On a voice vote, the Mayor declared the motion carried.

MOTIONS AND RESOLUTIONS

R-35-1-95 APPROVED

RESOLUTION CANCELING CONTRACT WITH DIVERSIFIED
FINANCIAL CONSULTING AND AUTHORIZING AMENDMENT
OF ADMINISTRATIVE SERVICES AGREEMENT WITH ICMA-RC

Whereas, The City of Ann Arbor intends to restructure the City's 457 Deferred Compensation Plan to improve the fiscal integrity, avoid potential tax liabilities and improve record keeping;

Whereas, ICMA-RC has provided administrative services to participants of the City's 457 Deferred Compensation Plan for over ten years;

Whereas, The City desires to cancel the contract with Diversified Financial Consulting, the third party administrator for the commercial investment options of the City's Deferred Compensation Plan; and

Whereas, The Deferred Compensation Board recommends ICMA-RC to provide interim administration during restructuring of the City's plan;

RESOLVED, The City Administrator is hereby authorized to cancel the contract with Diversified Financial Consulting and execute a letter of agreement with ICMA-RC to assist in restructuring the City of Ann Arbor's 457 Deferred Compensation Plan.

Councilmember Lumm moved that the resolution be approved.

On a voice vote, the Mayor declared the motion carried unanimously.

REPORTS FROM COUNCIL COMMITTEES

None.

COUNCIL PROPOSED BUSINESS

None.

COMMUNICATIONS FROM THE MAYOR

None.

COMMUNICATIONS FROM THE CITY ADMINISTRATOR

None. City Administrator Alfred Gatta received requests from Councilmembers for information on items of concern to be presented at the next Council meeting.

COMMUNICATIONS FROM THE CITY ATTORNEY

None.

COMMUNICATIONS FROM COUNCIL

Councilmember Lumm asked that private interests be represented on the RFP review committee for the City's proposed "Drop-Off" center.

Councilmember Hanna-Davies expressed disappointment that the Council did not receive unanimous consent to add the "Y" litigation discussion to the executive session.

PUBLIC COMMENTARY - GENERAL

None.

ADJOURNMENT

There being no further business, Mayor Sheldon declared the meeting adjourned at 9:10 p.m.

Winifred W. Northcross
Clerk of the Council

Linda J. Wise
Recording Secretary