

## **Band Assembly Bill 15-02-73-12**

A Bill amending the Act known as the Compensation of Elected Officials and numbered in the Mille Lacs Band Statutes as Title 26 that encompasses the compensation for the Chief Executive, Secretary-Treasurer and District Representatives.

The District III Representative introduced the following Bill on the 31<sup>st</sup> day of July, 2012.

### **Preamble**

Be it enacted by the Band Assembly of the Mille Lacs Band of Ojibwe for the purpose of amending Title 26 (previously amended by Bill 15-01-62-12) referred to as the Compensation of Elected Officials numbered in the Mille Lacs Band Statutes as Title 26.

### **Title 26 Compensation of Elected Officials**

**Section 1. Amendment.** Title 26 of Mille Lacs Band Statutes is hereby amended and replaced as follows.

**Section 2. Definitions.** The terms defined in this Bill shall have the meanings given them in this section.

- (a) "Elected Officials" mean the Chief Executive, Secretary-Treasurer, and the District Representatives.
- (b) "Elective Office" means the positions held by the duly elected Chief Executive, Secretary-Treasurer, and District Representatives.
- (c) "Length of Service" means the years, months, weeks, and days, that a duly elected official has been in elective office. This time shall be calculated consecutively as well as non-consecutively taking into account any breaks of service. The time shall be calculated from the date the elected official takes the oath of office to the date that an official vacates elective office.
- (d) "Retirement" means the time after the date that an elected official has officially vacated his/her office for retirement purposes.
- (e) "Pension" means the monthly amount, based on length of service in elective office, that an individual is deemed qualified to receive a stipend after leaving elective office.

- (f) "Pensioner" means a former elected official who is eligible to receive a pension.
- (g) "Pension Loan" means a loan made to a current elected official or former elected official that is capped at 50% of his/her vested amount, but no more than \$20,000.00, according to the terms of this Pension Plan.
- (h) "Salary" means the gross annual rate of pay of elected officials for their employment with the Band calculated before any deductions.
- (i) "Vacate or vacating" means that an elected official no longer holds elective office for any reason.
- (j) "Years of Service" means the number of years an elected official serves in any elective office either consecutively or non-consecutively.

**Section 3. Administration.** The Commissioner of Finance shall administer the provisions of this Bill.

**Section 4. Salary, salary increases, effective date.**

(a) Newly elected officials, current elected officials, and those returning to elected office shall receive a salary based on the elective office held and the total number of years of service in any elective office.

(b) Salary levels shall be adjusted annually for each respective elected office in accordance with the following:

(1) Chief Executive.

First Year: \$175,000.00

To be adjusted annually in the amount of \$5,000.00.

(2) Secretary-Treasurer.

First Year: \$175,000.00

To be adjusted annually in the amount of \$5,000.00.

(3) **District Representatives.**

**First Year: \$150,000.00**

**To be adjusted annually in the amount of \$5,000.00.**

(c) Salary is not to exceed \$240,000.00 after annual adjustments regardless of years/terms of service.

(d) **Effective date. This salary system is effective for any elected official in office on or after July 10, 2012.**

**Section 5. Severance.**

(a) Former elected officials shall, for a period of six (6) months after vacating office, receive a monthly severance equal to eighty percent (80%) of the salary they received in their last month in elective office.

(b) Effect of recall, removal, or conviction. An elected official who has been recalled or removed from elective office by official action for theft, robbery, burglary, embezzlement, fraud, or other similar act against the Band or any Band entity, or has been determined by a court of competent jurisdiction to have committed another similar civil or criminal act against the Band or any Band entity while in elective office, may have their severance reduced, denied or terminated by majority vote of the Joint Session. Such denial of a severance is final and may not be appealed to the Court of Central Jurisdiction.

(c) Severance pay may be garnished only through petitioning the Court of Central Jurisdiction and only for debts owed to the Mille Lacs Band of Ojibwe.

(d) Effective date. This section is effective for any elected official in office on or after **July 10, 2012**, with the exception of any restriction as noted in subsection (b) above.

**Section 6. Pension.**

(a) Former elected officials shall receive a monthly pension for the total cumulative number of years in elective office in the amount prescribed in subsection (d) of this section beginning on the first day of the seventh (7<sup>th</sup>) month after vacating elective office.

(b) Former elected officials shall qualify for a pension based on the total cumulative number of years served in any elective office according to the dollar amount shown in subsection (d) below.

(c) No pension while in elective office. If an elected official who has been receiving or is scheduled to receive a pension returns to elective office, his/her pension

shall be suspended until the elected official vacates elective office. This sub-section is not intended to include those amounts that an elected official may access as per the Pension Loan guidelines in Section 7 of this bill.

(d) Pension amount. Former elected officials shall receive the following pensions:

Total cumulative years of service:	<u>1-2</u>	<u>over 2</u>
Monthly pension, plus interest:	\$1,500	\$2,500

(e) Effect of recall, removal, or conviction. An elected official who has been recalled or removed from elective office by official action for theft, robbery, burglary, embezzlement, fraud, or other similar act against the Band or any Band entity, or has been determined by a court of competent jurisdiction to have committed another similar civil or criminal act against the Band or any Band entity while in elective office, may have their pension reduced, denied or terminated by majority vote of the Joint Session. Such denial of a pension is final and may not be appealed to the Court of Central Jurisdiction.

(f) Judicial and administrative garnishment. Pensions may be garnished only through petitioning the Court of Central Jurisdiction and only for debts owed to the Mille Lacs Band of Ojibwe.

(g) It is the intent of this section to have an effective date of July 9, 2002, the date that the pension plan for elected officials was initially approved, but it is not intended to be retroactive for any former elected official not in office on this Bill's effective date.

#### **Section 7. Pension Loan.**

- (a) Former and current elected officials may apply in writing to the Commissioner of Finance for a loan up to an amount equaling 50% of his/her vested pension, but never more than \$20,000.00.
- (b) All Pension Loans must be paid back to the Pension fund over a period of the lesser of: (1) five (5) years; or (2) the former or current elected official's remaining severance or pension term as of the loan date. The Commissioner of Finance will accept such payments on behalf of the Band.
- (c) Any former or current elected official who requests a Pension Loan must sign a promissory note to the Band.
- (d) Interest on the Note will be charged according to the Wells Fargo Bank N.A.'s prime borrowing rate in effect at the Note's inception.
- (e) Interest earned on the Note would be credited to the pension account.

- (f) There shall be only one Pension Loan in effect at any one time. Additional borrowings would require consolidation of old and new amounts into a new Note with new terms according to this Ordinance.
- (g) Monthly payments of principal and interest on the Note will be withheld against the former or current elected official's pension, severance, per capita and/or payroll payments.
- (h) The Commissioner of Finance will be responsible for administering the granting of and collections on Pension Loans according to the terms of this Ordinance.

**Section 8. Withholding of taxes.** The Commissioner of Finance shall withhold all taxes as required by applicable law.

**Section 9. Notice of pension and/or severance amount, timing of benefit, reduction, denial or termination.**

(a) General notice of amount and timing of benefit.

The Commissioner of Finance shall notify a pensioner or former elected official, within sixty (60) days after vacating elective office, of their eligibility for a pension and/or severance. The notice shall contain the amount of the pension and/or severance, timing of periodic payment, and other pertinent information.

(b) Notice for reduction, denial, or termination.

The Commissioner of Finance shall notify a pensioner or former elected official in writing in the event of any change in the amount or timing of their pension and/or severance, or if a pensioner or former elected official is to have a pension and/or severance denied or terminated. The notice shall contain the reasons for the change, denial, or termination.

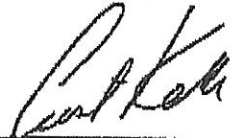
**Section 10. Amendment.** The elected officials reserve the right to review and amend this compensation plan in even numbered years after July 10 of that year.

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Ordinance 73-12

Introduced to the Band Assembly on this  
Thirty first day of July in the year  
two-thousand twelve.

Passed by the Band Assembly on this  
Thirty first day of July in the year  
two-thousand twelve.

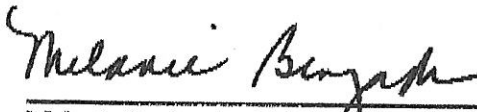


Curt Kalk, Speaker of the Assembly

APPROVED

Date:

8/1/2012



Melanie Benjamin, Chief Executive

OFFICIAL SEAL OF THE BAND