

MILLCREEK GOVERNMENT STUDY COMMISSION

OPTIONAL PLANS OF GOVERNMENT

COMMITTEE OF THE WHOLE

SUMMARY PRESENTATION

GENERAL PROVISIONS

- Municipalities adopting an optional plan of government remain subject to the provisions of their municipal code, except where it is superseded by the structural provisions of the optional plan.
- An optional plan may not diminish any rights or privileges of any present municipal employee in his/her pension or retirement system.
- Municipalities adopting an optional plan of government will gain the kind of structural and administrative change necessary for accountable and effective government.

OPTIONAL PLANS OF GOVERNMENT AVAILABLE

- 1) **Executive (Mayor) – Council Plan A** (department of administration is optional).
- 2) **Executive (Mayor) – Council Plan B** (department of administration is mandated).
- 3) **Executive (Mayor) – Council Plan C** (provides for the office of managing director).

4) Council – Manager Plan.

- All three mayor – council plans and council – manager plan each provide for a form of government which remedies the structural weaknesses in the various municipal codes.
- The most characteristic weaknesses are a blurring of responsibility and the consequent lack of accountability for government action.

EXECUTIVE (MAYOR) – COUNCIL PLANS

- Three of the following optional plans of government center around the executive (mayor) – council form.
- Each of the three mayor – council plans are the “strong” mayor – council form.
- In these strong mayor – council plans of government, the mayor as chief executive is alone responsible for the day-to-day activities of the administrative departments.
- The executive (mayor) makes appointments of department heads with the advice and consent of council and is responsible for preparation of the annual budget with the assistance of the director of administration, or other officer designated by the executive (mayor) which is submitted to council for its approval.
- The annual budget shall be balanced. Council may reduce any item(s) in the executive’s (mayor’s) budget by a vote of a majority of the council, but an increase in any item(s) shall become effective only upon approval of council by a majority plus one (plurality).
- Executive power of the mayor is clearly separated from the legislative power of the council.
- Under each of the three plans, legislative power is lodged in an elected council which has the task of setting general policy.
- Executive responsibility and the power to supervise the administrative departments and enforce laws is given to an executive or mayor who is elected by the voters.

- All ordinances adopted by council must have the approval of the executive (mayor).
- Council may pass an ordinance over the mayor's veto by a vote of a majority plus one (plurality).
- The difference among the three executive (mayor) – council plans center around the establishment of a department of administration and the office of managing director.
- The plans are essentially the same in other respects.
- If the first or third mayor – council plan is adopted, the municipality's governing body may later establish by ordinance a department of administration through the administrative code.
- The provision for a director of department of administration is to function at a high level of professionalism and expertise necessary to carry out the variety of municipal functions.
- The executive (mayor) appoints a director of the department of administration who is selected solely on the basis of their professional qualifications and expertise.
- Functions performed by a director of a department of administration include:
 - preparation and administration of a budget.
 - administer a centralized purchasing system.
 - administer a centralized personnel system.
 - administer a centralized accounting system which accurately reflects the financial condition of the municipality; and,
 - any other duties as council may prescribe through the administrative code or as directed by the executive (mayor).

- The department of administration serves as a principal staff resource to the mayor.
- The third executive (mayor) – council plan mandates the establishment of an office of managing director who is appointed by the mayor with the advice and consent of council.
- The function of the managing director is to provide the mayor with assistance in supervising the activities of the administrative departments, and to serve as the contact officer between the mayor and the departments.
- The managing director makes periodic reports with recommendations to the executive (mayor) on the affairs of municipal government and particularly on the activities of those departments under the managing director's jurisdiction.
- The position of managing director place him/her in the line of command between the mayor and the administrative departments.
- The heads of the administrative departments report to the managing director who in turn is accountable to the executive (mayor).
- The concept of the managing director spring directly from the needs of the mayor for professional management expertise in the administration of municipal activities.
- The managing director helps fill the resource gap.
- As a personal assistant to the mayor, the managing director helps coordinate the activities of the departments and infuse their operation with the kind of administrative expertise necessary to meet the demands on municipal government.

GENERAL PROVISIONS APPLICABLE TO ALL FOUR OPTIONAL PLANS OF GOVERNMENT

- Should one the four optional plans of government in this presentation be selected, the government study commission has a variety of sub-options from which to choose.
- The government study commission must make a decision on each of the following:
 1. Title of executive – either executive or mayor (if selecting one of the three executive (mayor) – council plans of government).
 2. Number of council members (either 3, 5, 7, or 9).
 3. Manner in which council members are elected (either at-large, by district, or combination of at-large and by district).
 4. Whether the office of treasurer will be provided for, and if it is provided for, whether or not the treasurer will be elected or appointed.

COUNCIL – MANAGER PLAN

- A council – manager plan is the fourth optional plan for the consideration of the government study commission.
- Any municipality, regardless of size or type may select the council – manager plan.
- Legislative power to set policy is lodged in an elected council.
- Executive power over the day-to-day activities of the administrative departments is given to a municipal manager who is appointed by council.
- The council-manager plan provides for a mayor, president of council or chairperson, who has no executive responsibility.
- One of the council members is designated as mayor, president of council or chairperson by the council.
- The council is charged with:
 - enacting ordinances and resolutions.
 - approving the annual budget.
 - setting tax rates.
 - adopting an administrative code; and
 - appointing a municipal manager.
- The council has the power to continue or to create or abolish administrative departments and to determine their powers and duties.
- The council may make an investigation into the affairs of departments.
- The council-manager plan specifically provides for a separation of responsibilities in which council is the legislative body and the manager executes their policies and decisions.

- The council is prohibited from involving itself in the daily affairs of the departments.
- Under the council-manager plan, individual members of council cannot issue orders to administrative staff.
- Rather, council must act as a body and deal with the administrative departments solely through the manager, to whom the heads of the administrative departments are responsible.
- In other words, council is not to assume any executive responsibilities. Those are for the manager to exercise.
- Council members are specifically prohibited from heading administrative departments.
- A municipal manager is chosen by council on the basis of his/her executive and administrative qualifications and expertise.
- Municipal manager can hold no elective governmental office.
- Municipal manager need not be a resident of the municipality at the time of appointment. Council has the discretion to waive a residency requirement for the manager.
- A manager serves at the pleasure of council and may at any time be removed by a majority vote of council with or without cause.
- In the event of such removal, the manager may request a public hearing on the reasons for council's decision.

- A manager may enter into an employment agreement with council that may set forth terms and conditions of employment.
- The agreement shall remain in effect for a specified period terminating no later than two years after the effective date of the agreement, or the date of the organization meeting following the next municipal election, whichever occurs first.
- Council may renew the agreement for another two-year period at its organization meeting.
- The employment agreement may include a provision that entitles the manager to severance compensation upon separation.
- One function of the manager is to attend meetings and advise the council but has no vote in council deliberations.
- The council – manager plan is the most popular of all municipal government forms.
- Detailed prescribed powers and duties of a municipal manager are enumerated in the Home Rule Charter and Optional Plans Law.
- A municipal manager shall have the following powers and duties:
 - To be chief executive and administrative officer.
 - To execute all laws and ordinances.
 - To appoint and remove department heads and subordinate officers and employees.
 - To negotiate contracts subject to approval by council.
 - Make recommendations concerning improvements and to execute them as determined by council.
 - To prepare the agenda for and attend all meetings.
 - To make recommendations concerning policy-making, and to keep council and the public informed on the conduct of municipal affairs;

- Prepare and submit the annual budget to council and administer it;
 - Administer a centralized purchasing system.
 - Administer an accounting system.
 - Administer a personnel system.
 - To perform other duties as may be required by ordinance or resolution; and
 - To be responsible to council to carry out all policies and for the proper administration of all affairs of the municipality.
- An advantage of selecting the council-manager plan is that the position is institutionalized into the framework of the optional plan of government and provides permanency.
 - Conversely, the position of manager in all of the municipal codes, including the second-class township, is created by an ordinance of the governing body which may be amended to diminish the power and authority of the manager or repealed.
 - The council-manager plan originated in the municipal reform movement in the early twentieth century.
 - A principal goal was to separate politics from administration.
 - Reformers argued that politics should not influence the actual performance of municipal administrative functions.
 - The council-manager plan has as its goal the separation of the council's "political" or policy-making role from the technical and administrative execution of that policy by a manager.
 - Proponents argued that the manager should be appointed and separated from politics.
 - Reformers likened municipal government to that of a corporation.

- Council was to act as a board of directors setting general policy, while the details of administering the enterprise was left to a chief executive officer or manager.
- These advantages have been compelling reasons to many municipalities choosing the council-manager plan.