



City of Boyne City
Founded 1856

319 N. Lake Street

Boyne City, Michigan 49712
www.boynecity.com

Phone (231)582-6597
Fax (231)582-6506

Memorandum

To: Boyne City Commission

From: Mayor Tim Nemecek

Date: September 23, 2025

Subject: City Manager Hiring Process – Review of Counteroffer

Background

Yesterday the City Commission held a special meeting to review the counteroffer submitted by John Mathews to the City Attorney.

On the day of receiving Mr. Mathews' counteroffer, I contacted City Attorney Matt Cross to schedule a meeting to discuss next steps. Mr. Cross and I held a call on Wednesday at 11:00 AM, during which we reviewed the counteroffer. We noted a significant gap between the negotiation terms established by the City Commission in a prior meeting and the terms proposed by Mr. Mathews.

Mr. Cross and I agreed that the most appropriate next step would be to convene a special closed session meeting of the City Commission in order to carefully review and determine a unified response to Mr. Mathews' counteroffer. Holding a closed session will allow the Commission to have a focused and candid discussion on the details of the counteroffer, including how it aligns with the City's established salary and benefit parameters, and whether any adjustments should be considered in light of the Commission's budgetary responsibilities and long-term goals for the position. In addition, the response should include a clearly defined deadline for acceptance, so that the Commission can avoid further delays in the hiring process and provide certainty for both Mr. Mathews and the City. Setting such a deadline will help maintain momentum in the recruitment process and allow the Commission to move forward efficiently, whether that be with Mr. Mathews or through alternative options.

If Mr. Mathews does not accept the counter offer by that deadline, the Commission would then be in a position to authorize Pivot Municipal Services to repost the position at the salary level agreed upon. For example, if the Commission were to agree on a base salary of \$145,000, Pivot would repost the position at that salary following either Mr. Mathews' rejection or the expiration of the deadline.

An Equal Opportunity Provider and Employer
Hometown Feel, Small Town Appeal

Mission Statement:

The people of Boyne City are the reason we are here; we are therefore committed to working with the community to provide ethical and responsible local government so everyone can enjoy the benefits of living and working in Boyne City.

After discussing a path forward with Mr. Cross, I reached out to City Clerk Jessica to let her know that Mr. Cross would be providing her with an opinion letter for a special meeting with a closed session topic. I also requested that Jessica prepare a salary and fringe benefits report similar to those provided in past budget work sessions. She provided that report to the Commission on September 17, 2025. I believe this report will be helpful in evaluating the overall budget impact, and I strongly feel this decision must be made with that impact in mind. Referencing this budget estimation report used during our budget work sessions, you will notice that the overall salary and benefits package requested by Mr. Mathews represents an increase of nearly 28% compared to the previous City Manager. The previous City Manager's total salary and benefits package was \$179,018, while Mr. Mathews is requesting a total package of \$229,006.

Consultation with Pivot Municipal Services

While attending the MML Convention in Grand Rapids, I also met with James Freed from Pivot to review this proposed path forward. Mr. Freed expressed caution with this approach and indicated he would reach out to Mr. Mathews directly after learning more about his counteroffer.

Following his discussion with Mr. Mathews, Mr. Freed provided me with the following key points and recommendations.

Key Points from James Freed

- **Salary Range Recommendation:** Repost the position with a salary range of **\$130,000–\$145,000** to attract a stronger candidate pool.
- **Against “Highest & Best” Deadline:** Advised not to present Mr. Mathews with a formal “highest and best” counteroffer that includes a deadline.
- **Market Comparison:** Noted that while Mr. Mathews may be qualified, his requested salary is not aligned with the responsibilities of managing a community the size of Boyne City. Other cities with populations in the tens of thousands are paying less.
- **Salary Cap Caution:** Recommended not exceeding \$145,000.

An Equal Opportunity Provider and Employer
Hometown Feel, Small Town Appeal

Mission Statement:

The people of Boyne City are the reason we are here; we are therefore committed to working with the community to provide ethical and responsible local government so everyone can enjoy the benefits of living and working in Boyne City.

- **Equity Concern:** Questioned how the City could justify paying former City Manager Mike Cain \$120,000 and then offering significantly more to Mr. Mathews.
- **Candidate Pool Quality:** Emphasized that reposting the position within the suggested salary range would likely result in stronger applicants.
- **James Freed outlined two possible paths forward:**
 - Revisit the existing candidate pool (**not recommended**).
 - Repost the job for a 20-day window with a salary range of **\$130,000–\$145,000 (recommended)**.

An Equal Opportunity Provider and Employer

Hometown Feel, Small Town Appeal

Mission Statement:

The people of Boyne City are the reason we are here; we are therefore committed to working with the community to provide ethical and responsible local government so everyone can enjoy the benefits of living and working in Boyne City.