

**MINUTES OF THE SOUTHFIELD TOWNSHIP BOARD OF TRUSTEES
MEETING HELD ON NOVEMBER 12, 2013**

Supervisor Schmitt called the meeting to order at 7:30 p.m. at the Township Hall.

ROLL CALL:

Present: Supervisor Schmitt, Clerk Tischler, Treasurer Mooney, Trustees Holloway, Koss Nelson and Walsh

Absent: None

Others Present: Sandra LaJoie, Deputy Clerk
Richard Maxwell, Beverly Hills
Nancy Scott, Deputy Treasurer

ADMINISTRATIVE REPORTS:

Supervisor's Report

Supervisor Schmitt congratulated Treasurer Mooney on being elected Treasurer of the Oakland County Treasurer's Association. Supervisor Schmitt commented he would defer the rest of his comments until the appropriate agenda items.

Clerk's Report

Clerk Tischler mentioned the Planning Commission met on October 22, 2013 and approved the Temporary Use Permit Application required by our Zoning Ordinance section §151.042.

Clerk Tischler noted as of October 30, 2013, 740 dog licenses have been purchased compared to 754 at this time last year and 33 cat licenses compared to 44 at this time last year.

Clerk Tischler stated the flyer included in the Board packet from the league of Women Voters, highlights local jurisdictions and lists representatives with their contact information.

Clerk Tischler noted the invitation from the Oakland County Chapter of the Michigan Townships Association Quarterly Meeting will be held on Thursday December 5th at Bakers in Milford. Reservations need to be sent in by November 27th.

Treasurer's Report

Treasurer Mooney stated 96.1% of our summer tax dollars have been collected.

Treasurer Mooney noted December tax bills will be mailed on November 27, 2013. Included with the bill will be a notice to residents regarding dog and cat licenses.

PUBLIC COMMENTS ON ITEMS NOT CONTAINED ON PUBLISHED AGENDA:

No one wished to be heard.

APPROVAL OF AGENDA:

Supervisor Schmitt requested item #8, Discussion and Possible Approval of Intergovernmental Agreement for Building Official and Inspection Services, be removed from the agenda and placed on the December agenda.

Motion by Mooney, supported by Koss, the agenda be approved as amended.

Motion carried unanimously.

DISCUSSION AND POSSIBLE APPROVAL OF OCTOBER 8, 2013 REGULAR BOARD MEETING MINUTES:

Motion by Koss, supported by Walsh, to approve the October 8, 2013 Board meeting minutes as presented.

Motion carried unanimously.

DISCUSSION AND POSSIBLE APPROVAL OF AUDITING SERVICES THROUGH POST, SMYTHE, LUTZ AND ZIEL (PSLZ):

Supervisor Schmitt reviewed the current audit agreement thru 2013 and the submitted proposal from PSLZ to continue as the Township's auditors for fiscal years ending March 31, 2014 through 2017 noting the proposed fees:

| <u>Fiscal Year:</u> | <u>Audit Fee:</u> |
|----------------------------|--------------------------|
| 2014 | \$8,500 |
| 2015 | \$8,500 |
| 2016 | \$8,500 |
| 2017 | \$8,500 |

Resolved by Mooney, supported by Holloway, to accept the four year proposal with Post, Smythe, Lutz and Ziel (PSLZ) for audit services at the proposed fees.

ROLL CALL:

Ayes: Tischler, Mooney, Holloway, Koss, Nelson, Walsh, Schmitt
Nays: None
Absent: None

DISCUSSION AND POSSIBLE APPROVAL OF RESOLUTION RE-APPOINTING GEORGE HADDAD TO THE ZONING BOARD OF APPEALS FOR A THREE- YEAR TERM ENDING 12-31-2016:

Supervisor Schmitt noted ZBA members are generally appointed for three-year terms. Mr. Haddad's term expires this year and he has agreed to accept re-appointment.

ZBA members are required to have staggered terms, and re-appointing Mr. Haddad through 2016 does not upset the term balance.

Resolved by Schmitt, supported by Koss, to re-appoint George Haddad to the Southfield Township Zoning Board of Appeals for a three-year term, expiring December 31, 2016.

ROLL CALL:

Ayes: Mooney, Holloway, Koss, Nelson, Walsh, Schmitt, Tischler
Nays: None
Absent: None

Resolution declared adopted.

DISCUSSION AND POSSIBLE RESOLUTION STIPULATING TO OAKLAND COUNTY THAT SOUTHFIELD TOWNSHIP DOES NOT WANT OWNERSHIP OF PARCEL NO. TB 24-09-403-005:

Treasurer Mooney noted the parcel in question is in Bingham Farms and by Charter; Bingham Farms is not allowed to own property and has declined the offer. The Township has to decide a course of action. This situation exists because this parcel is land locked and went to tax sale and did not sell.

Treasurer Mooney commented if the offer is accepted, the parcel would be deeded to the Township and it becomes our responsibility to maintain it, possibly insure it or sell it.

If the Township declines the offer, the County becomes the owner.

Resolved by Mooney, seconded by Walsh, that the Southfield Township Board of Trustees approves sending a Letter of Objection to Oakland County stipulating that Southfield Township does not want ownership conveyed to the Township on Parcel Number TB-24-09-403-005, and further, the Treasurer is authorized to sign the letter on the Township's behalf.

ROLL CALL:

Ayes: Koss, Nelson, Walsh, Schmitt, Mooney
Nays: Holloway, Tischler
Absent: None

Resolution declared adopted.

DISCUSSION AND RECOMMENDATIONS OF POSSIBLE RESOLUTIONS REGARDING 2014 HEALTH CARE INSURANCE:

Supervisor Schmitt commented our Insurance agent has notified the Township that our Health Insurance coverage's will be cancelled as of December 31, 2013. Supervisor Schmitt added it is a cost savings to the Township for the employee to purchase an individual policy versus the Township purchasing the policies.

An Ad Hoc Health Insurance Committee was put in place by Supervisor Schmitt prior to our October 2013 meeting. The committee members are Trustee Koss (as chair), Trustee Walsh and Supervisor Schmitt. The committee was charged with looking at the Township's current Health Insurance obligations and making recommendations to the Board of Trustees by the November meeting.

Trustee Koss asked the Board for any comments or discussion.

The topics of discussion by the Board consisted of:

- Current information provided
- Legality of the Resolutions
- Salary of elected officials
- Discussion on the new Resolutions reviewed by the attorney
- A new Actuary study
- Funding of Retiree Healthcare and changes to the Retiree Healthcare Policy
- Concern for employees- the new coverage is comparable to the old
- Township actions are proactive

Trustee Koss noted the data is very difficult to decipher and many questions ensued from the committee. The committee was very precise with their questions, and the cause and effect of each action being taken. Our agent was asked what was covered, what where the deductibles, were taxes included, why the numbers changed so dramatically for some and not for others. Trustee Koss commented the committee had a "101 Class" on the Affordable Health Care Act Health Insurance mandates. Supervisor Schmitt, Trustees Koss and Walsh took a few hours to review, discuss and finally agreed on recommendations and suggested Resolutions to bring to the Board.

Trustee Koss mentioned the recommendations put forth, calls for the Township to cease providing Health Insurance to their active and retired employees and all eligible active or retired elected officials as of December 31, 2013. Trustee Koss added it is also the recommendation of the committee to take the current dollar amounts for the individual Gold Premium Policies and give them to the individual employees or eligible elected officials as raises in lieu of providing health care while employed by the Township and in the future. The committee took the best

policy out on the market at an individual rate (specific to our employee data) on file with our agent and proposed the following recommendations/Resolutions.

Treasurer Mooney questioned the elimination of Dental Insurance for former employees.

Trustee Koss responded the former employees are specially covered under our policies right now by motions made by previous Boards. Trustee Koss noted the provision in the Policies and Procedures Manual will have to be amended.

Nancy Scott inquired as to whether or not the Board was supplied this evening with different Resolutions than what was supplied in the Board packet.

Supervisor Schmitt responded yes and provided a synopsis of the new Resolutions.

Scott asked for clarification as to whether or not the new Resolutions go into more detail as to what kind of Health Care Insurance the Township will provide employees.

Trustee Koss explained the policy the Township currently carries for their employees and the Gold Premier Individual 2014 are comparable.

Scott asked if the coverage is Obama care.

Trustee Koss responded that it is not and the Gold Premier Individual 2014 being referred to is offered through Blue Cross/Blue Shield. The policy outlined by our Insurance agent meets the requirements of the Affordable Health Care Act but is not the government exchange.

Trustee Koss explained our Insurance agent assured Trustee Walsh, Supervisor Schmitt and Trustee Koss that each individual employee will be guided and moved over to the individual plans at listed rates. Trustee Koss added there is no Health Savings Account for these types of policies.

Trustee Koss noted the employee 10% payroll deduction for Health care will cease.

Sandra LaJoie asked Trustee Koss for an explanation of the 80% co-insurance under the plan.

Supervisor Schmitt responded the employee pays 20% and the insurance company pays 80% after the deductible is met.

Scott inquired about the Gold Premier Individual 2014.

Trustee Koss explained the Gold Premier Individual 2014 plan is through Blue Cross/Blue Shield of Michigan and not through the government exchange. Trustee Koss added the employee will work through the Township Insurance agent to pick an insurance plan that fits their needs.

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LaJoie clarified the Gold Premier Individual 2014 Plan is comparable to the Health Care Insurance the Township currently provides the employees.

Clerk Tischler noted the employees have expressed a concern as to whether the plan would be accepted by their current physicians. Clerk Tischler stated that information is not provided.

Trustee Koss responded the Gold Premier Individual 2014 plan is a Blue Cross/Blue Shield PPO.

Clerk Tischler noted dental coverage is not included.

Trustee Koss reassured Scott the committee chose the best policy available to offer to the employees that was not in the government exchange.

Scott asked again for clarification that the plan the Township is proposing has nothing to do with Obama care.

Trustee Koss added this is not an offering from the government Health Care exchange; however it meets the requirements of the Affordable Health Care Act.

LaJoie verified that the Township Insurance agent would work with the employees and guide them through the entire process.

Clerk Tischler reminded Trustees that an increase in base wages would cause an increase the pension contribution.

Supervisor Schmitt responded that is understood.

Clerk Tischler stated costs for Health Care change yearly and will need to be reviewed.

Trustee Koss commented the Health Care should be reviewed on a quarterly basis along with MERS reports.

Trustee Nelson questioned the need for pay raises to have immediate effect.

Trustee Koss responded the employees will need to accumulate the premium payment due for coverage effective January 1st.

Resolved by Koss, seconded by Schmitt, that effective January 1, 2014, Southfield Township will no longer provide Health or Dental Insurance to its active employees or eligible elected officials. The Township will no longer provide Dental benefits, to any former employee.

Supervisor Schmitt called for discussion from the Board.

No one wished to be heard.

Supervisor Schmitt called for comments from the Audience.

No one wished to be heard.

ROLL CALL:

Ayes: Koss, Nelson, Walsh, Schmitt, Tischler, Mooney, Holloway
Nays: None
Absent: None

Resolution declared adopted.

Resolved by Walsh, seconded by Koss, effective immediately, the following raises shall be provided: The Clerk's current salary shall be increased \$9,000.00; the Treasurer's current salary shall be increased \$18,000.00; Deputy Clerk's salary shall be increased \$10,000.00; and The Deputy Treasurer's salary shall be increased \$9,000.00.

Supervisor Schmitt called for discussion from the Board.

No one wished to be heard.

Supervisor Schmitt called for comments from the Audience.

No one wished to be heard.

ROLL CALL:

Ayes: Nelson, Walsh, Schmitt, Tischler, Mooney, Holloway, Koss
Nays: None
Absent: None

Resolution declared adopted.

Resolved by Mooney, seconded by Koss, that the Retirement Health Plan be amended to reflect that all eligible elected officials and full-time employees in the Township's employment as of November 12, 2013, who retire and are eligible to obtain Medicare and have the equivalent of 20 years (39,000 hours) full-time service shall be reimbursed for Medicare Part B, D and Medigap or its equivalent if Medicare is no longer available.

Supervisor Schmitt called for discussion from the Board.

No one wished to be heard.

Supervisor Schmitt called for comments from the Audience.

No one wished to be heard.

ROLL CALL:

Ayes: Walsh, Schmitt, Tischler, Mooney, Holloway, Koss, Nelson
Nays: None
Absent: None

Resolution declared adopted.

Resolved by Koss, seconded by Nelson, that a new actuary study will be performed after January 1, 2014. Further the Township shall make no OPEB contribution until after the new actuary study is reviewed by the Board of Trustees.

Supervisor Schmitt called for discussion from the Board.

No one wished to be heard.

Supervisor Schmitt called for comments from the Audience.

No one wished to be heard.

ROLL CALL:

Ayes: Schmitt, Tischler, Mooney, Holloway, Koss, Nelson, Walsh
Nays: None
Absent: None

Resolution declared adopted.

DISCUSSION AND POSSIBLE APPROVAL OF OCTOBER EXPENDITURES:

Motion by Walsh, supported by Koss, to approve the October expenditures as follows:

| | |
|------------------|---------------------|
| 101 General Fund | \$ 51,023.29 |
| 703 Tax Fund | <u>\$447,768.50</u> |
| | \$498,791.79 |

Clerk Tischler answered all questions.

Motion carried unanimously.

COMMENTS FROM THE AUDIENCE:

No one wished to be heard.

COMMENTS FROM THE BOARD:

Trustee Nelson inquired as to whether or not there ~~will be a~~ were water rate increases.

Trustee Walsh stated the rates have not increased yet. SOCWA is in the process of negotiating.

Trustee Walsh commented that SOCWA will meet tomorrow morning at 8:30 a.m. at the Huntington Woods library.

Clerk Tischler recalled the history of previous Boards of Trustees and how policies affecting employees had been handled to treat employees fairly.

Trustee Holloway commented the Animal Control Committee has met and discussions with A & D Animal Control are underway.

Treasurer Mooney commended the Ad Hoc Committee on Health Insurance, on how well they balanced the dedication of the employees and the finances of the Township.

Treasurer Mooney added at the December meeting information will be supplied on the Potential Personal Property losses.

Trustee Koss thanked everyone for assisting her with compiling all the updated information on the Health Care Insurance.

Supervisor Schmitt adjourned the meeting at 8:17 p.m.

Phillip Schmitt, Supervisor

Sharon Tischler, Clerk