

**CHARTER TOWNSHIP OF FLUSHING**  
**6524 N. SEYMOUR ROAD**  
**REGULAR BOARD OF TRUSTEES MEETING**  
**DATE: FEBRUARY 12, 2004**                      **TIME: 7:00 P.M.**  
**PHONE: 810-659-0800**                      **FAX 810-659-4212**  
**WEB PAGE: <http://www.flushingtowship.com>**

**ADMINISTRATION MEMBERS**

SUPERVISOR: Andrew Trotogot  
CLERK: Julia A. Morford  
TREASURER: Carl G. Liepmann

**TRUSTEES**

Ronald R. Flowers  
Ann L. Fotenakes  
Michael S. Gardner  
Ida M. Reed

**TOWNSHIP ATTORNEYS:**

John Siler and Steven Moulton  
Bellairs, Dean, Cooley,  
Siler, Moulton & Smith

**SUPERVISOR TROTOGOT** opened the Board Meeting at 7:02 p.m. with roll call and the Pledge to the American Flag.

**ROLL CALL:** Trotogot, Morford, Liepmann, Flowers, Gardner, and Attorney Moulton

**MEMBERS ABSENT:** Fotenakes and Reed

**OTHERS PRESENT:** Ted Breidenstein, Fritz Schmoak, George and Joan Pajtas, Cathy Velat, and 7<sup>th</sup> Judicial Circuit Court Judge Robert Ransom

**ADOPTION OF THE AGENDA: FLOWERS MOVED**, seconded by Liepmann to adopt the Agenda as presented. **MOTION CARRIED.**

**APPROVAL OF MINUTES OF DECEMBER 11, 2003: LIEPMANN MOVED**, seconded by Flowers to approve the minutes of December 11, 2003 as presented. **MOTION CARRIED.**

**APPROVAL OF BILLS: FLOWERS MOVED**, seconded by Morford to pay the bills as presented in the amount of \$216,919.98

**ROLL CALL VOTE:**

**AYES:** Flowers, Gardner, Liepmann, Morford, and Trotogot

**NAYS:** 0      **MOTION CARRIED.**

**ABSENT:** Fotenakes and Reed

**SPECIAL PRESENTATION:** Honorable 7<sup>th</sup> Judicial Circuit Court Judge Robert Ransom representing Mott Community College of Flint, Michigan was present to give an update of the Local Support for Mott College.

**JUDGE ROBERT RANSOM (JUDGE RANSOM)** stated that Charles Stewart Mott Community College (Mott) would be celebrating its 80<sup>th</sup> year in 2004. In recognition of the 80<sup>th</sup> year the College has decided to get the message out to the community as to the achievements the college has obtained. The college has recognized the support that local cities, townships, and school boards have given to Mott College. **JUDGE RANSOM** stated that it was gratifying to him, as well as to others, that Mott College is:

- No. 1 College of Choice to Flushing Township students
- No. 1 College of Choice for Genesee County
- currently there are 473 Mott students from the Flushing Community
- enrollment at Mott has topped 10,000 students for 4 credit programs and close to 4,000 for non credit programs
- the basketball team is the National Mens' Basketball Champion
- Mott has collaborated with other schools by taking classes at Mott toward a degree at:

1. Kettering
2. Walsh College
3. Northwood University
4. Central Michigan
5. Eastern Michigan
6. Ferris State
7. Rochester College
8. Cleary College
9. Wayne State University

The *Culinary Arts Program* recently entered into a new agreement with the Genesee Area Skill Center (Skill Center) so students could transfer credits from the Skill Center to Mott College begin a culinary arts program.

The *Regional Technology Center (Tech Center)* has trained over 10,000 students including over 1,000 students who are enrolled full time in high tech programs; Microsoft certification training is also provided at the Tech Center.

**JUDGE RANSOM** presented **SUPERVISOR TROTOGOT** with a Certificate of Appreciation from the Mott College Board of Trustees for the ongoing local support of the College.

#### **UNFINISHED BUSINESS FOR CONSIDERATION:**

##### **1. Cellular Tower (Sprint)**

**LIEPMANN** stated the Township has been in negotiations with Sprint to be a carrier on the Cell Tower (located on property to the East of the Township Building). Cingular is the only carrier at the time. After much negotiations with the attorney, the counter offer was \$600 per month with a 10% - 5 year increase, which would net over a 25 year period, (original proposal would net the Township \$202,271- the counter proposal would net the township \$219,780 or approximately \$17,500 more). Communication was received on February 2, 2004, Sprint has agreed to the counter offer for \$600 per month with a 10% - per term exclusion clause. **LIEPMANN MOVED**, seconded by Flowers that the township accept the proposal and empower the Supervisor and Clerk to sign the contract. **GARDNER** inquired if the voting was approving the contract or also the prime allocation funds? **LIEPMANN** stated the voting was just the contract. **MOTION CARRIED.**

#### **NEW BUSINESS:**

##### **1. Genesee County Road Commission Local Road Agreement – Potter Road Double Chip Seal Resurfacing from Sheridan Road to Elms Road**

**TROTOGOT** stated that Clayton Township has requested that Flushing Township enter into a contract with them (Clayton Township) to chip and seal Potter Road from Seymour Road to M-13. The Genesee County Road Commission (Road Commission) will do the patching and the base repair of the road. The cost would be approximately \$37,000. Permission is needed from the Flushing Board of Trustees for the Supervisor to sign the proposed contract. **FLOWERS MOVED**, seconded by Liepmann to have the Supervisor sign the contract with the Genesee County Road Commission for the chip and seal of Potter Road from Seymour Road to M-13.

ROLL CALL VOTE:

AYES: Gardner, Liepmann, Flowers, Morford, and Trotogot

NAYS: 0 MOTION CARRIED.

ABSENT: Fotenakes and Reed

##### **2. Approval for Building Inspector to Attend Building Officials Conference of Michigan in Lansing, Michigan on March 1-4, 2004**

**FLOWERS MOVED**, seconded by Morford to allow the Building Inspector to attend the Building Officials Conference of Michigan and Michigan Chapter International

Conference of Building Officials Conference from March 1-4, 2004 at the Sheraton Lansing Hotel in Lansing Michigan; it is requested that the Building Inspector drive the Township vehicle to and from the conference.

ROLL CALL VOTE:

AYES: Gardner, Liepmann, Morford, Flowers, and Trogot

NAYS: 0 MOTION CARRIED.

ABSENT: Fotenakes and Reed

The credits which the Building Inspector would earn would go toward his Certification Requirements.

**3. Approval of Liepmann to the Genesee County Water and Waste Services' Advisory Committee**

LIEPMANN has been serving on the Genesee County Drain Commissioner's Office, Division of Water and Waste Services Advisory Committee for the last ten (10) to twelve (12) years; a reappointment of LIEPMANN to the position is being requested.

**FLOWERS MOVED**, seconded by Trogot to appoint LIEPMANN to the Water and Waste Advisory Committee. MOTION CARRIED.

**4. Update of Flushing Senior Center**

**FLOWERS** stated that as a Board Member of the Flushing Senior Center, he had received a letter regarding the resignation of Carolyn Sanderson, Director of the Senior Center. The Board of Directors of the Senior Center will meet February 24, 2004 to discuss the resignation of SANDERSON, whose resignation becomes affective May 1, 2004. FLOWERS will bring the results of the Senior Center Board Meeting to the Township Board of Trustees at the Board of Trustees meeting scheduled for March 11, 2004.

**5. Approval of Pension Plan Services**

LIEPMANN has completed an in-depth study of the current Defined Contribution Pension Plan and the proposed Municipal Employees Retirement System of Michigan (MERS) Defined Benefit Pension Plan. There had been opportunity to meet with representatives from both companies. The township has four employees and three elected officials who would not be vested because they would not have eight (8) years of service. The proposed Pension Plan has been reviewed by ATTORNEY STEVE MOULTON who feels the Plan meets the State obligation. ATTORNEY MOULTON stated his concern when changing plans would be to disenfranchise participants who are not fully vested and the rights they have accrued under the Plan.

**(1) LIEPMANN MOVED**, seconded by Flowers that the Township of Flushing transfer the employer contributions, presently held by ManuLife, to the Municipal Employees Retirement System of Michigan, for the purpose of establishing a Defined Benefit Retirement Plan. The Plan as presented to the Board will be known as "B-4 Benefit, Eight (8) Years Vesting, Member Contribution 0%, FAC-3, F55-15 years, Prior Service-Yes." The effective date of the new retirement system to be April 1, 2004. By approval of this motion it empowers the Supervisor to sign the Contract.

ROLL CALL VOTE:

AYES: Liepmann, Morford, Flowers, and Trogot

NAYS: Gardner MOTION CARRIED.

ABSENT: Fotenakes and Reed

**GARDNER** stated he had talked to representatives from both companies and what he understands that once the township is involved with MERS Pension Plan, it is nearly impossible to remove the township from the system. Once the structure is set up, the township cannot control what is being paid out because it is determined by the outflow. **LIEPMANN** stated that the township can control what is being paid out because there would be a basis to go by, 17.27%. **LIEPMANN** stated it would be difficult to get out of the MERS Plan, but is not sure the township would want to get out of the system.

A Defined Contribution is where you have “x” number of dollars in a Pension Fund per employee whether it be employer contribution or employee contribution but not necessarily both. Upon retirement, the money belongs to the employee and could be disbursed in a lump sum or buy annuities through Manulife or receive an amount over a certain period of time. When the money runs out, it is finished.

A Defined Benefit is where you would be paid a certain amount of money over a certain period of time for the rest of your life, or however you would like to accept the money, based on your final compensation.

**LIEPMANN** stated that it would be a great program for the employee as well as the township as it would reduce the township pension costs immediately. **GARDNER** stated that in the long run what is paid in ten or 15 years, there would be no good way to be able to predict what would be paid and there would be no flexibility. With the budget crisis, maybe the Board of Trustees could vote to go to 10% contribution or 15% for retirement depending upon the economic fee. The pension plan would work similar to the dental and vision plans because the township has saved “x” number of dollars over the past ten (10) years on the Plans. If the township should approve the Defined Benefit Plan and would save the 2.73% which would accumulate over the years and, if at a certain point the township has to “bite the bullet”, at least the township had saved money.

**GARDNER** wanted to know why the Board of Trustees couldn't have a representative from both companies, Manulife (Burnham and Flowers) and MERS, at the next meeting of the Board Meetings to answer questions. He would like for the Board of Trustees, as a whole, to have a back and forth question and answer session.

**LIEPMANN** stated that with the Manulife (Burnham and Flowers) quarterly statement, it would show the amount which could be drawn for a particular number of years and how long the amount of money would last. Manulife would be using “employer” contributions and “employee” contributions. MERS would only be using the “employer” contributions to go into the program. Employee contributions would be refunded to the employee with the option to go into an annuity program. **GARDNER** wanted to know if anyone had raised questions as to why MERS would cost the township less money and yet guarantee a payout over possibly thirty (30) or forty (40) years with money that would be paid out the same way. **LIEPMANN** stated the payout was on an actuarial basis with over 60,000 municipal employees involved with MERS at the present time. MERS has over \$4,000,000,000 in assets and is a non-profit corporation that was started by the State of Michigan. **GARDNER** felt since there was a lowering of the amount to be paid in and an extreme amount of benefits being paid out; the market on the average returns a certain rate. **LIEPMANN** stated all the figures were turned over to an actuarial firm based on the age of each individual where a determination is made as to what the cost will be if an individual stayed for six (6) months or sixty (60) years.

**GARDNER** felt that since the MERS would not take affect until April 1, 2004, that prior to the affective date, there should be a full Board of Trustees to discuss the matter. **LIEPMANN** stated that every employee/elected official to fill out a membership form and it took thirty (30) days (per State Law) for Manulife to turn the money over to MERS. **GARDNER** wanted to know what would happen to the four (4) employees and the three (3) elected officials if they did not opt into the MERS Plan would they still have the 20% of the pay wages contributed to Manulife or to a separate account. **LIEPMANN** stated that Manulife had been contacted to agree to the matter, but they would not agree to the situation. The Township would set up a separate fund, themselves, which is the reason the five (5%) percent is mentioned. The township is not equipped to invest in a mutual fund or something similar. The elected officials would be looking at November 2, 2004 for a final determination, but once you reach the eight (8) years you are automatically vested.

(2) **LIEPMANN MOVED**, seconded by Flowers that the Township of Flushing provide protection from loss of pension rights for the following individuals: Ida Reed, Julia

Morford, Michael Gardner, Janet Fite, Dennis Judson, Thomas Enright, and Cathy Velat, by guarantee of the following:

- (a) Any of the above who fail to reach vesting in MERS will receive, upon termination of employment, the pension amount presently held by the employer plus 20%, as presently in affect, at 5% interest.
- (b) It is the Township’s position that no employee will receive less than they were entitled to under the present system except that the interest rate will be as stated above.
- © All employees will agree to membership in the MERS system, elected officials may decline until the end of this term, November 2004.

Anyone hired full time after today’s date would be automatically enrolled in MERS.

ROLL CALL VOTE:

AYES: Morford, Flowers, Gardner, Liepmann, and Trogot

NAYS: 0 MOTION CARRIED.

ABSENT: Fotenakes and Reed

**LIEPMANN** stated that the Charter Township of Flushing would be approximately 55% to 60% vested when the money is turned over to MERS. The employee portion is refunded to the employee. The employee can reinvest the money into an IRA or another 401K or an annuity but Manulife will not allow the money to remain with the Manulife Company. **LIEPMANN** stated the money coming back to the employee will be in two (2) parts. **ATTORNEY MOULTON** wanted to know what would happen to the money for the seven (7) individuals that would not be vested in the MERS Plan but is now in the Defined Contribution Plan. **LIEPMANN** stated the money would be transferred to MERS with the Township guaranteeing; if the individual does not get vested, MERS will refund that portion of monies to the employee. **ATTORNEY MOULTON** mentioned that non-government Defined Benefit Plans were covered by the Pension PRT Corporation; the MERS Defined Benefit Plan would be covered by the Pension PRT Corporation also per **LIEPMANN**.

**GARDNER** wanted to know if the three (3) elected officials that are not vested, won the election in November 2004, would they be forced to go into the MERS Defined Benefit Plan or could they refuse. **LIEPMANN** stated that “yes” the officials would go into the MERS Defined Benefit Plan; per the motion, everyone would have the same protection.

**COMMITTEE REPORTS:**

**1. Master Plan Update**

**FLOWERS** passed out the Update of the Master Plan Review that had recently been updated with the assistance of Doug Piggott of Rowe Inc. Nine (9) major items of the master plan had been reviewed and the finalization is as follows:

“Based on the above analysis the Planning Commission has determined the key indicators show the Township is continuing to develop in general as laid out by the plan and there is no need to conduct a plan update at this time. However, given the age of the plan, it is the Commission’s recommendation the plan be reviewed again in two years rather than the statutory required 5 years.”

**FLOWERS MOVED**, seconded by Liepmann to have the Plan be part of the minutes. MOTION CARRIED.

**2. Notification from HealthPlus Increased Coverage**

LIEPMANN stated a notice from HealthPlus had been received pertaining to the HealthPlus of Michigan Medical Plan increase. The matter will be on the Agenda for the next regular scheduled Board of Trustees meeting.

**3. Update of Computers in the Main Office**

LIEPMANN stated there had been a quote received from J.B. Enterprise (Jon Brown) for the update of the computers for Julia, Marilyn, and Jerry. Jon had also recommended the upgrade of three (3) computers in the office to the Windows XP Pro for Operating System. The quote without the Windows XP Pro update is \$855.00; if the Windows XP Pro update for the three (3) other machines along with the Windows XP Pro the total would be approximately \$1,200.00. **LIEPMANN MOVED**, seconded by Morford to approve the upgrading of the computers.

ROLL CALL VOTE:

AYES: Flowers, Gardner, Liepmann, Morford, and Trogot

NAYS: 0 MOTION CARRIED.

ABSENT: Fotenakes and Reed

**4. Traffic Flow Maps**

FLOWERS stated the Traffic Flow Maps were available from the Genesee County Planning Commission; FLOWERS will bring some into the office as soon as he goes to the Planning Commission.

**5. Genesee County Metropolitan Alliance**

FLOWERS stated that Dan Adamson (Adamson), representative for the Metropolitan Alliance has not missed any meetings and is doing a great job. **ADAMSON** was elected President of the Flushing Senior Center Board.

**6. Bids for the Main Office Window Treatments**

MORFORD stated that Windows Beautiful of Flushing had been the lowest bidder for the windows treatments in the main office at a price of \$1,180.00; J.C. Penney's had a bid of \$1,280.48. **GARDNER** wanted to know if we had to spend that much on decorative window treatments? **LIEPMANN MOVED**, seconded by Flowers to approve Windows Beautiful at a price of \$1,180.00 for the window treatments.

ROLL CALL VOTE:

AYES: Flowers, Liepmann, Morford, and Trogot

NAYS: Gardner MOTION CARRIED.

ABSENT: Fotenakes and Reed

**REPORTS:**

1. **Treasurer's Report** – Reviewed and Accepted

2. **Building Inspector's Report** – Reviewed and Accepted.

**BUILDING PERMITS ISSUED:**

NEW HOMES	1
ACCESSORY BUILDINGS	1
DECKS	0
REMODELING	0
ADDITIONS	0
GARAGES	0
FENCE PERMITS	1
ROOF REPAIR	0
POOL	0
COMMERCIAL	0
SIGN	0

<b>TOTAL PERMITS ISSUED</b>	<b>3</b>
PERMIT VALUATION FOR JANUARY 2003	\$ 385,840
PERMIT VALUATION FOR JANUARY 2004	195,074
<b>PERMIT FEES COLLECTED FOR JANUARY 2004</b>	<b>\$ 997</b>
TRAILER INSPECTIONS (9)	450
TRASH AND RECYCLING CHARGES	0
SPECIAL USE PERMIT	0
HOME OCCUPATION PERMIT	0
EARTH REMOVAL PERMIT	0
VARIANCE REQUEST (1)	0
REZONING REQUEST	0
CODE BOOKS	0
<b>FOR A TOTAL OF</b>	<b>\$ 1,447</b>
CONSTRUCTION TO DATE JANUARY 2003	385,840
CONSTRUCTION TO DATE JANUARY 2004	195,074
<b>FOR A DECREASE OF</b>	<b>\$ 190,766</b>

3. **Code Enforcement Officers Report** – reviewed and accepted.

**PUBLIC COMMENTS OPENED AT 8:05 P.M.:**

1. **William Minarik, 10378 W. Pierson Road, Flushing, Michigan**

**WILLIAM MINARIK (MINARIK)**, a Flushing Township Farmer, has property rented from an individual that owns a private drive on West Pierson Road that goes back to the property which he has rented. The situation involves property where the new owners were given incorrect information concerning an easement. The matter has been turned over to Township **ATTORNEY MOULTON**. **ATTORNEY MOULTON** stated the drive is subject to two (2) easements. Minarik was told it was a civil suit. Per **ATTORNEY MOULTON**, Minarik should use the easterly thirty-three (33') foot easement to get to his property to farm.

**MINARIK** stated he could not get back to his farm due to a Consumers Energy Poles being in the middle of the sixty-six (66') easement. The first pole off West Pierson Road is dead center of the Eastern thirty-three (33') center. There are three (3) poles at present and with the wires hanging, **MINARIK** cannot go under the wires; if the first pole was moved, **MINARIK** could go around the pole. **LIEPMANN** stated the Township could call Consumers Energy and have them (Consumers) come and move the pole whether **MINARIK** likes the situation or not. **MINARIK** stated if all the poles were moved to the side of the easement, there would be no problems. It was determined the one (1) pole would be moved so **MINARIK** could use the easement then he could farm. **LIEPMANN** wanted to know if the pole was moved, would **MINARIK** have to put a culvert in? The culvert was put in last summer.

**ATTORNEY MOULTON** stated the matter had been turned over to three (3) other attorneys for their review.

**TROTOGOT** will contact Consumers Energy and check on the matter of the poles

**PUBLIC COMMENTS CLOSED AT 8:26 P.M.**

**BOARD COMMENTS:**

**THE NEXT BOARD OF TRUSTEES MEETING IS SCHEDULED FOR THURSDAY, MARCH 11, 2004 AT 7:00 P.M.**

**ADJOURNMENT:** There being no further business matters, Supervisor Trogotot adjourned the meeting at 8:29 p.m.

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Julia A. Morford, Clerk

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Andrew Trogotot, Supervisor

APPROVED DATE: \_\_\_\_\_

02/12/04 Regular