

CHARTER TOWNSHIP OF FLUSHING
6524 N. SEYMOUR ROAD
FLUSHING, MICHIGAN 48433
BOARD OF TRUSTEES

DATE: JULY 10, 2008 **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

Ann L. Fotenakes
Scott Minaudo
Barry Pratt
Ida M. Reed

TOWNSHIP ATTORNEY:

STEVEN MOULTON
Cooley Moulton & Smith LLP
727 S. Grand Traverse Street
Flint, Michigan 48502

MEETING CALLED TO ORDER at 7:00 p.m. by **SUPERVISOR ANDREW TROTOGOT (TROTOGOT)** with Roll Call and the Pledge to the American Flag.

ROLL CALL: Trotogot, Morford, Liepmann, Fotenakes, Pratt, Reed, and Attorney Steve Moulton

MEMBERS ABSENT: Minaudo

OTHER INDIVIDUALS PRESENT: 27 other interested residents

TROTOGOT requested to add to the Agenda, listed under "Closed Session", Number 2, Purchase and Possible Sale of Land in Flushing Township.

APPROVAL OF THE AGENDA: PRATT MOVED, seconded by Reed to adopt the Agenda with the addition listed under "Closed Session", Number 2, Purchase and Possible Sale of Land in Flushing Township. **MOTION CARRIED.**

APPROVAL OF MINUTES OF JUNE 12, 2008: REED MOVED, seconded by Pratt to approve the Minutes of June 12, 2008 as printed. **MOTION CARRIED.**

APPROVAL OF BILLS: FOTENAKES MOVED, seconded by Pratt to pay the bills as listed.

ROLL CALL VOTE:

AYES: Fotenakes, Pratt, Reed, Morford, Liepmann, and Trotogot

NAYS: 0 **MOTION CARRIED.**

ABSENT: Minaudo

UNFINISHED BUSINESS:

- 1. Second Reading of AN ORDINANCE TO AMEND SECTION 18-148(a) OF THE CODE OF ORDINANCES REGARDING THE PROCEDURE TO ESTABLISH THE RATE OF INTEREST CHARGED WITH RESPECT TO SEWER CONNECTION FEES PAID IN INSTALLMENTS.**

FOTENAKES MOVED, seconded by Liepmann to approve the second reading of AN ORDINANCE TO AMEND SECTION 18-148(a) OF THE CODE OF ORDINANCES REGARDING THE PROCEDURE TO ESTABLISH THE RATE OF INTERST CHARGED WITH RESPECT TO SEWER CONNECTION FEES PAID IN INSTALLMENTS (Ordinance No. 86-08). **MOTION CARRIED.**

NEW BUSINESS

1. Municipal Employees' Retirement System (MERS) – Retiree Health Funding Vehicle

LIEPMANN explained that under the Governmental Accounting Standards Board (GASB) 43 and 45, Flushing Township had to establish a method of funding future retiree health coverage. The health coverage would only be for the Police Department because they (Police Department) would be the only department that would need retiree health benefits in the future; health benefits would not be available for Elected Officials and the Office Personnel.

MERS has a system set up so the township could fund the future retiree health coverage by actuarially or simply by whatever the employees wanted to put into the system.

LIEPMANN stated the Board of Trustees (Board) needed to establish the program now and then review the type of funding for the program over the next few years.

LIEPMANN MOVED, seconded by Pratt to approve the Resolution presented by MERS to use MERS as the Retiree Health Funding Vehicle company.

DISCUSSION:

1. **FOTENAKES** wanted to know if the Township had to give the program to the employees or could the township stop the benefits. **LIEPMANN** stated health funding was a negotiated item in the police department because they were the only employees that would have future retiree benefits. **LIEPMANN** stated the money that went into MERS could only be used for the specified purpose. The Township would only be allowed to draw on the money, in the future, that was in the fund to make the retiree health payments. The program was similar to the Flushing Township Water Fund where the money was put away to cover water lines, etc. for Flushing Township, in the future, and at the same time would be earning interest.
2. **LIEPMANN** has talked to the City Manager from Port Huron who was very pleased with the MERS Health Funding Vehicle but the city has only been in the MERS program for six (6) months.
3. **FOTENAKES** wanted to know if the program was only a place to invest the money? **LIEPMANN** stated it was a place to invest the money where MERS would be much better and would have a larger pool of money to work with.
4. **LIEPMANN** stated Flushing Township was required to have a funding vehicle by December 1, 2008.
5. **FOTENAKES** wanted to know if we could change employees' retirement vehicles at any time? **LIEPMANN** stated there were very few companies to deal with.
6. **LIEPMANN** stated all that had to be done was to sign the Retiree Health Funding Vehicle Uniform Resolution, send a copy of the certified minutes stating the governing body had approved the Resolution, and any union contract language that Flushing Township had or even a Personnel Policy.
7. **FOTENAKES** wanted to know where the money would come from? **LIEPMANN** stated the money had been programmed within the budget. Due to the requirements from the Federal Government, there would be approximately \$50 to \$100 thousand per year put into the program until it was funded; at the particular time, that would not happen. The budget would have to be adjusted to take care of MERS and the Police Millage. The millage would still be on the November ballot.
8. **REED** wanted to know the age of retirement? **LIEPMANN** stated the requirements were 50 years of age and 25 years of service.
9. **FOTENAKES** wanted to know if the millage was passed would it be fully funded? **LIEPMANN** stated it would be fully funded within the actuarial period, and if not, the funding would come with layoffs.

LIEPMANN summarized the MERS Retiree Health Funding Vehicle Uniform Resolution to the audience. MERS would charge an annual administration fee of 45 (.45%) basis points on the entire portfolio.

LIEPMANN MOVED, seconded by Pratt to approve the Resolution presented by MERS to use MERS as a Retiree Health Funding Vehicle. **MOTION CARRIED.**

7:30 P.M. ADJOURNED TO GO INTO CLOSED SESSION:

- 1. **LIEPMANN MOVED**, seconded by Pratt to go into Closed Session at the employee’s request to consider a possible buy-out offer and potential retirement.

ROLL CALL VOTE:

AYES: Pratt, Reed, Morford, Liepmann, Fotenakes, and Trogot

NAYS: 0 **MOTION CARRIED.**

ABSENT: Minaudo

- 1. **LIEPMANN MOVED**, seconded by Reed to go into Closed Session to discuss the possible purchase of and/or the sale of land.

ROLL CALL VOTE:

AYES: Pratt, Reed, Morford, Liepmann, Fotenakes, and Trogot

NAYS: 0 **MOTION CARRIED.**

ABSENT: Minaudo

8:25 RECONVENED FROM CLOSED SESSION:

FOTENAKES MOVED, seconded by Pratt to reconvene from Closed Session. **MOTION CARRIED.**

- 1. **LIEPMANN MOVED**, seconded by Pratt that the Police Administrative Assistant, Joan Pajtas’, retirement be effective on November 30, 2008 and the Township agree to a buy-out in the amount of \$12,000 with the major portion of the money being used to purchase service time from November 30, 2008 to October 9, 2009 giving her (Joan Pajtas) twenty-five (25) years seniority. The Supervisor is approved to sign the Agreement with Ms. Pajtas that provides for the above contract.

DISCUSSION:

- 1. **LIEPMANN** stated the \$12,000 would not have to be paid by Flushing Township in a lump sum and would be through the Retirement System with the actuarily being distributed through the money which would be paid into the retirement system over a period of years. The purpose of the retirement of Joan Pajtas was to improve the budget and fund balance for the Flushing Township Police Department Budget with the idea of reducing costs for the police department. (There would be a \$42,000 savings the second year).

ACTION OF THE MOTION:

ROLL CALL VOTE:

AYES: Reed, Morford, Liepmann, Fotenakes, Pratt, and Trogot

NAYS: 0 **MOTION CARRIED.**

ABSENT: Minaudo

- 2. **FOTENAKES MOVED**, seconded by Morford that the Board approve the Supervisor and Treasurer to negotiate the final sale on Parcel 08-04-400-008, a land-locked property located off Seymour Road, from the Genesee County Treasurer’s Office. (The land was turned over to Flushing Township from the Genesee County Land Bank). **MOTION CARRIED.** (NOTE: There were five (5) property owners involved but only one (1) property owner was interested.)

3. **PRATT MOVED**, seconded by Fotenakes that the Supervisor be approved to inspect and/or purchase two (2) parcels of land that has been offered to Flushing Township from the Genesee County Treasurers Office for the purchase of back taxes.

DISCUSSION:

1. **LIEPMANN** stated under Public Act 123 all parcels foreclosed upon by the Genesee County Treasurer’s Office must be offered to the State of Michigan, City, Village, or Township the parcels are located in before the parcels could be taken to public action. Flushing Township has been given the opportunity to purchase two (2) parcels that have been foreclosed. The Supervisor would inspect and decide if Flushing Township would like to purchase the parcels. The idea would be for Flushing Township to purchase the parcels for a minimum amount of back taxes and then sell the parcels to make a profit.

ACTION OF THE MOTION:

ROLL CALL VOTE:

AYES: Liepmann, Fotenakes, Pratt, Reed, Morford, and Trogot

NAYS: 0 MOTION CARRIED.

ABSENT: Minaudo

COMMITTEE REPORTS:

None

REPORTS:

1. **Building Inspector’s Report: LIEPMANN MOVED**, seconded by Morford to accept the Building Inspector’s Report. MOTION CARRIED.

BUILDING PERMITS ISSUED:

NEW HOMES	0
ACCESSORY BUILDINGS	1
DECKS	4
REMODELING	0
ADDITIONS	1
GARAGES	1
FENCE PERMITS	1
ROOF REPAIR	0
POOL	0
COMMERCIAL	0
SIGN	0
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TOTAL PERMITS ISSUED	8
PERMIT VALUATION FOR JUNE 2007	\$ 49,100
PERMIT VALUATION FOR JUNE 2008	157,240
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PERMIT FEES COLLECTED FOR JUNE 2008	\$ 858
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TRAILER INSPECTIONS (2)	100
TRASH AND RECYCLING CHARGES	0
SPECIAL USE PERMIT	0
HOME OCCUPATION PERMIT	0
EARTH REMOVAL PERMIT	0
VARIANCE REQUEST	0

REZONING REQUEST	0
CODE BOOKS	0
FOR A TOTAL OF	\$ 958
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CONSTRUCTION TO DATE JUNE 2007	1,406,450
CONSTRUCTION TO DATE JUNE 2008	745,340
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FOR A DECREASE OF	\$ 661,110

2. Treasurer’s Report: **FOTENAKES MOVED**, seconded by Pratt to accept the Treasurer’s Report. MOTION CARRIED.

8:25 P.M. OPEN FOR PUBLIC COMMENTS:

1. **Morley Terbush, 3256 Dillon Road, Flushing** – “according to the retirement, will the position be left open?”
2. **David Ranson, 5084 Deland Road, Flushing** – “is the land locked parcel sold?”

8:30 P.M. CLOSED FOR PUBLIC COMMENTS

BOARD COMMENTS:

None

THE NEXT BOARD OF TRUSTEES MEETING IS SCHEDULED FOR THURSDAY, AUGUST 14, 2008 AT 7:00 P.M.

ADJOURNMENT: Due to lack of further business, **TROTOGOT** adjourned the meeting at 8:30 p.m.

JULIA A. MORFORD, Clerk

ANDY TROTOGOT, Supervisor

APPROVED DATE: _____