

CITY OF BRIGHTON  
CITY COUNCIL MEETING  
CITY HALL  
January 19, 2012

**Regular Blue Sky - 7:00 pm:** Review of Agenda Items for this evening's meeting

**REGULAR SESSION - 7:30 P.M.**

1. Call to order
2. Pledge of Allegiance
3. Roll Call
4. Consider approval of the Agenda
5. Approval of [minutes: Regular Meeting](#) and Closed Session of [January 5, 2011](#)
6. Eagle Scout Award proclamation
7. Mayor's Reading of Citizen Inquiries received since the last City Council Meeting
8. Call to the Public

**Consent Agenda**

9. Consider approval of Reappointments to the Arts & Culture Advisory Commission as recommended by the Mayor
10. Consider approval of [two resolutions to allow two City employees to make MERS service credit purchases from their own personal funds](#)
11. Consider approval of [a resolution for the establishment of MERS-related Health Care Savings Program accounts pursuant to recently approved collective bargaining agreements](#)

**Policy Development & Customer Communications' action item**

12. Receive updated 6-year Financial Forecast presentation and related report from the Finance Director and City Manager
13. Consider a motion to approve [one of three possible pay and benefits study contract proposal options for the Michigan Municipal League's Staff for administrative non-union employees \(excluding the City Manager\) for comparison with comparable city governments and City Council review during the 2012 proposed budget review process](#)
14. Consider review of proposed Chip and Seal pavement maintenance projects and consider a possible motion to direct staff to conduct a related competitive bidding process for City Council's approval for the 2012 construction season

**Other Business**

15. Information for City Customers
16. Receive updates from Council Member Liaisons to other Boards and Commissions
17. Call to the Public
18. Conduct a closed session at the request of the City Attorney to receive an attorney-client privilege opinion
19. Consider possible actions as may be recommended by the City Attorney
20. Conduct a closed session at the request of the City Attorney to receive an attorney-client privilege opinion
21. Consider possible actions as may be recommended by the City Attorney
22. Adjournment

**MINUTES OF THE MEETING OF THE CITY COUNCIL OF BRIGHTON**  
**HELD ON JANUARY 5, 2012 AT THE BRIGHTON CITY HALL**  
**200 N. 1ST STREET, BRIGHTON, MICHIGAN**

**BLUE SKY SESSION**

The Council conducted a Blue Sky Session at 7:00 p.m. Present were Mayor Muzzin, Mayor Pro-Tem Cooper, Councilmembers Schillinger, Bandkau, Bohn, Pipoly and Roblee. The Council reviewed the agenda items.

**REGULAR SESSION**

Mayor Muzzin called the regular meeting to order at 7:30 p.m. Following the Pledge of Allegiance, the roll was called, there being present were Mayor Muzzin, Mayor Pro-Tem Cooper, Councilmembers Schillinger, Bandkau, Pipoly, Roblee and Bohn. Also in attendance were Attorney Paul Burns and Brad Maynes and Staff members Dana Foster, Jennifer Burke, Diana Lowe, Amy Cyphert, Matt Schindewolf, Tom Wightman, Kelly Hanna, Matt Modrack and an audience of 10. Press and Media included Nicole Krawcke from The Patch and Tom Tolen from WHMI.

**MINUTES APPROVAL**

It was moved by Councilmember Bandkau, seconded by Cooper to approve the Regular Meeting minutes of December 15, 2011 as corrected. Page 2, Call to the Public, last paragraph, strike: She also stated the Memorial is being paid for by all taxpayers. Motion passed 7-0.

It was moved by Mayor Pro-Tem Cooper, seconded by Bandkau to table the Closed Session Meeting minutes of December 15, 2011. Motion passed 7-0.

It was moved by Mayor Pro-Tem Cooper, seconded by Bandkau to approve the Joint Meeting minutes of December 8, 2011 as presented. Abstain: Schillinger. Motion passed 6-0-1.

It was moved by Mayor Pro-Tem Cooper, seconded by Roblee to approve the Worksession minutes of December 13, 2011 as presented. Motion passed 7-0.

**CITIZEN INQUIRIES**

Susan Walters-Steinacker - Why does the DPS remove sidewalk snow on St. Paul, West, Hyne. First and West North streets? If the reason is city parking lot access, than why are the sidewalks on Second and East North streets not receiving snow removal?

City Manager, Dana Foster stated the sidewalk snow removal that is currently being performed by DPS Staff was established by City Council in the 1990's.

City Manager, Dana Foster stated Pat Cole inquired about the Veteran's Memorial Committee. He stated the City does not have a formal Veteran's Memorial Project Committee, Councilmember Bandkau has been formally appointed as a City Council liaison to such committee and there have been no City taxpayers funds expended for this project.

Councilmember Bandkau stated they have not had any official meetings yet.

### **AGENDA APPROVAL**

It was moved by Mayor Pro-Tem Cooper, seconded by Pipoly to approve the Agenda as amended. Add item #4a, December 8, 2011 Joint Meeting Minutes and item #4b, December 13, Worksession Minutes. Move from Consent Agenda to Action Agenda item #8, Excelda Site Plan. Move from Action Agenda to Consent Agenda item #10, Pay Study. Change the wording of item #10, Consider a motion to authorize the City Manager to obtain a proposed contract... Motion passed 7-0.

It was moved by Councilmember Bandkau, seconded by Roblee to approve the Consent Agenda. Motion passed 7-0.

The following items were approved on the Consent Agenda

1. Authorized the City Manager to sign and execute an intergovernmental contract for I.T. Services to be provided by the City of Howell's I.T. department after final review and approval by the City Attorney and subject to changes in the draft contract to address the following additional items:
  - Access list – permit or deny. Deny all with the exception of the Howell IT staff only. (Limited by MAC address, Port, ACL).
  - How to address a virus or infection from organization's systems getting across to the other's systems.
  - SPAM filter & Firewall between (This would be extended from the existing setup of extranet to also address this proposed intranet configuration).
  - Ship Log/System Auditing off site. This ensures that if an IT person errors then the logs would not be altered.
2. Authorized the City Manager to obtain a contract proposal from the Michigan Municipal League's Staff to conduct a market comparison study of the pay and benefits for administrative non-union employees with other comparable Michigan city governments at the \$1,800, \$3,600 and \$5,400 levels for future City Council action.

### **CALL TO THE PUBLIC**

Mayor Muzzin opened the Call to the Public at 7:43 p.m. The following comments were heard:

Susan Walters-Steinacker stated Council approved minutes that were not on the agenda. She also stated she serves on the CIP Task Force and she is against the millage proposal, as the City cannot afford it. The proposed parking garage will be smaller and cost more. The PSD needs to be monitored.

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Pat Cole, Brighton City, requested to be on the Veteran's Memorial Fund Committee. How can people make tax-deductible donations if they are not 501c Non-Profit? The POW flag goes beneath the United States flag.

Brian Bradford stated he is on the Veteran's Memorial committee and City tax dollars will not be used for the project. The American Spirit Center will facilitate the project, which is 501c Non-Profit.

Mary Holliday, Brighton City Resident, commented on an article published in the December 27, 2011 Press & Argus regarding the DDA. She questioned if the Bombardier purchased by the DDA for snow removal was meeting the needs of the City. She agreed that too many funds are being spent on the downtown area and not residential.

Susan Walters-Steinacker expressed her displeasure with fees she pays to the City.

Hearing no further comments, Mayor Muzzin closed the Call to the Public at 8:00 p.m.

### **EXCELDA SITE PLAN**

Matt Modrack briefed the City Council on the proposed Excelda Site Plan, explaining this is the former Chamber of Commerce site. He described the details of the project.

Piet Lindhout, Lindhout Associates Architects, introduced Geri Barr, VP-Human Resources, Eric Adams, VP-Operations from Excelda and Holly Osterhout and John Eckstein from his office.

Geri Barr stated Excelda has been in business 82 years and this office will be their new headquarters. It will employ 37-50 employees. There are two employees in the Phoenix location and 158 in Livingston County.

Piet Lindhout gave further details regarding the project, pointing out the environmental parts of the plan.

Matt Modrack stated Excelda has agreed to a "parking at night" agreement for their 23 parking spaces to be available in regards to the recent Parking Study.

It was moved by Mayor Pro-Tem Cooper, seconded by Schillinger conditional site plan approval for the Excelda Office Building at 131 Hyne Street #11-014 as depicted on plans prepared by Boss Engineering, sheets, 1-10, project no. 11-216, last dated 12-6-11 and the plans prepared by Lindhout Associates, sheets A1.1, A1.2, and A2.1, project no. 1153, last dated 12-7-11 subject to the following:

1. That all signage comply with applicable Ordinances or variances obtained.
2. That right of way permits be obtained from the Department of Public Services for work within the right of way.
3. That any damages done to the existing sidewalk be repaired to current condition or DDA standards as noted on the plans.
4. The items raised in the City Engineer's letter are addressed during the construction review.

Motion passed 7-0.

### **CHIP AND SEAL PAVEMENT MAINTENANCE**

Department of Public Services Director, Matt Schindewolf briefed the Council on the proposed Chip and Seal pavement maintenance projects. He discussed the benefits of using this process, which is done to extend the life of the existing pavement by three to nine years.

It was moved by Mayor Pro-Tem Cooper, seconded by Bandkau to table the competitive bidding process for the proposed Chip and Seal pavement maintenance projects until City Council receives the Financial Forecast at the January 19<sup>th</sup> City Council meeting. Motion passed 7-0.

### **VOLUNTEER PROGRAM**

City Manager, Dana Foster gave a report regarding staff work to date pursuant to the City Council-established goal regarding the Development of Volunteer programs for City Service Delivery. He discussed various potential projects of beautification and maintenance volunteers may perform.

### **GOALS PROGRESS REPORT**

City Manager, Dana Foster gave a current year City Council-adopted Goals' Progress report with Progress Scores.

### **CITY CUSTOMER INFORMATION**

City Manager, Dana Foster clarified a point from the January 3rd Focus Group meeting regarding a voter approved millage from the 1990's. How do we calculate the street millage each year? May 19<sup>th</sup>, 2011 Council adopted the annual millage. This includes debt millage, which is calculated after the March Board of Review. Debt Millage is calculated in May for the July tax bills. The debt millage is calculated to collect exactly the amount for that year's debt service payment.

Mayor Pro-Tem Cooper stated SELCRA is receiving Recreation Leadership Award to Derick Smith and The MRPA Design Award for their Web Site.

Councilmember Roblee gave a PSD update, stating they are working on the 2012 Marketing Campaigns.

Councilmember Pipoly stated the cost-sharing request for the snow removal equipment was presented to the DDA and a recommendation will come at the next meeting.

### **CALL TO THE PUBLIC**

Mayor Muzzin gave a Call to the Public at 9:37 p.m. The following comments were heard:

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Pat Cole, Brighton City, expressed her concern regarding the comments from Brian Bradford. She requested Council rescind Resolution 11-24, stating the City will not be responsible for the funds or collecting the funds. She stated she had to contact the City to have a neighbor's couch removed from the City's right-of-way.

Hearing no further comment, Mayor Muzzin closed the Call to the Public at 9:43 p.m.

Mayor Pro-Tem Cooper stated some of Ms. Cole's email was terse and accusatory of Staff regarding the removal of the couch that was recently placed in the City's right-of-way by her neighbor. He asked that Staff be treated with respect.

Councilmember Bohn suggested to expand the website so residents have an opportunity to report these types of Code violation problems.

#### **PENDING LITIGATION CLOSED SESSION**

It was moved by Councilmember Schillinger, seconded by Roblee to go into Closed Session to discuss pending litigation of Michigan Tax Tribunal matters pursuant to MCL 15.268(e) at 9:48 p.m. A roll call vote was taken. Yes: Schillinger, Bohn, Cooper, Muzzin, Bandkau, Roblee, Pipoly. No: none. Motion passed 7-0.

The Council convened into Closed Session at 9:50 p.m.

The Council reconvened the Regular Session at 10:15 p.m.

It was moved by Councilmember Pipoly, seconded by Roblee to authorize settlement in the Brighton Cove, Brighton Glens and Brighton Commercial Michigan Tax Tribunal pending litigations as recommended by the City Attorney. Motion passed 7-0.

#### **ADJOURNMENT**

It was moved by Councilmember Roblee, seconded by Bandkau to adjourn the meeting at 10:16 p.m. Motion passed 7-0.

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Diana Lowe, City Clerk

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Jim Muzzin, Mayor

**POLICY REPORT  
CONSIDER GRANTING A REQUEST FOR THE PURCHASE OF RETIREMENT  
SERVICE CREDITS AT THE EMPLOYEE'S COST**

**January 9, 2012**

**Prepared by:**

**Reviewed by:**

\_\_\_\_\_  
**Jennifer Burke**  
**Human Resources Director/Deputy City Clerk**

\_\_\_\_\_  
**Dana W. Foster**  
**City Manager**

**ISSUE/RECOMMENDATION:**

Per the attached request of Officer Mike Mitchell, Police Department of the City of Brighton, consider granting the employee's purchase of generic retirement service credits. We recommend that City adopt the attached resolution prepared by the Michigan Employee's Retirement System (MERS) to grant Officer Mitchell the purchase of generic retirement service credits, **at his sole expense**.

**BAC** **BACKGROUND:**

Historically, the City has allowed such requests, providing the employee pays 100% of the costs. MERS allows, by a majority vote of the governing body, an employee to purchase up to five years of generic credited service.

**BUDGET IMPACT:**

None. The employee will pay 100% of the cost to purchase his service credits.

**RELATIONSHIP TO GOALS:**

Not directly related to City's Goals.

**COUNCIL ACTION:**

Adopt the attached Resolution prepared by MERS to grant Mr. Mitchell the purchase of generic retirement service credits at his expense.



**APPLICATION FOR ADDITIONAL CREDITED SERVICE**  
**Cost Estimate, Member Certification and Governing Body Resolution**

**MEMBER**

Name: Michael A. Mitchell  
 SSN: XXX-XX-2922  
 DOB: 3/5/1969  
 Age: 42 years, 10 months  
 Spouse's DOB: 7/12/1970

**CALCULATION DATE - 2/1/2012**

(Estimate Not Valid After 2 Months)

**BENEFIT PROGRAMS**

Benefit B-4 (80% max)  
 Benefit F50 (With 25 Years of Service)  
 Benefit FAC-5 (5 Year Final Average Compensation)  
 10 Year Vesting

**EMPLOYER**

Name: Brighton, City of  
 Number/Div: 4704 / 02

**ESTIMATED FAC ON CALCULATION DATE: \$79,729.04****CREDITED SERVICE**

Member's Service Credit as of Calculation Date:

16 years, 1 month

**Type of Credited Service to be Granted:**

Generic (Plan Section 7)

**Amount of Credited Service to be Granted:**

5 years, 0 months

**Total Estimated Actuarial Cost of Additional Credited Service:****\$91,185.00** [Payment Options on Reverse]**BENEFIT CALCULATION ASSUMPTIONS**

1. It is assumed that the Member will continue working until the earliest date for unreduced retirement benefits. If the Member terminates prior to becoming eligible for unreduced benefits, the Employer understands and accepts that the actuarial cost will be different from the actuarial cost shown above.
2. The Member's Final Average Compensation (FAC) is projected to increase 4.5% annually from the date of purchase to the date of retirement.
3. The Plan's Investment Return is projected to be 8% annually.

**MEMBER CERTIFICATION**

I certify that the above information is correct and accurate. If this is a purchase of qualifying "other governmental" service, I certify that the service has not and will not be recognized for the purpose of obtaining or increasing a pension under another defined benefit retirement plan.

  
 \_\_\_\_\_  
 Signature of Member

01-11-12  
 \_\_\_\_\_  
 Date

**APPLICATION FOR ADDITIONAL CREDITED SERVICE  
Member Certification and Governing Body Resolution**

**GOVERNING BODY RESOLUTION**

As provided by the MERS Plan Document, and in accordance with the Employer's policy there under, the additional credited service described above is hereby granted this Member by Resolution of the Governing Body of Brighton, City of, at its meeting on \_\_\_\_\_. The Employer understands this is an estimated cost, calculated using actuarial assumptions approved by the Retirement Board. Any difference between the assumptions and actual experience will affect the true cost of the additional service. For example, changes in benefit programs through adoption or transfer of the affected employee to a division with 'better' benefits; increases in wages other than 4.5% per year; and changes to the anticipated date of termination, will affect the actual cost of the additional service (increase or decrease). Thus, actual future events and experience may result in changes different than those assumed, and liability different than that estimated. The Employer understands and agrees that it is accountable for any difference between estimated and actual costs.

\_\_\_\_\_  
Signature of Authorized Official from Brighton, City of

\_\_\_\_\_  
Date

**MERS Use Only**

Payment Received:	Member Payment:
Service Credited:	ER Payment:
Signed:	

**PAYMENT OPTIONS**

The Member's share of the cost may be any amount from zero up to the total estimated actuarial cost, and is due at the time of purchase. The Employer's share is the balance of the total estimated actuarial cost not paid by the Member, and must be paid in a lump sum at the time of purchase.

STEPS FOR PROCESSING APPLICATION FOR ADDITIONAL SERVICE CREDIT

1. The cost estimate (Application for Additional Service Credit) is **valid for 2 months from the calculation date.**
2. If you are paying for the additional service by a rollover distribution from another pension plan (or traditional IRA), you must follow these steps:
  - Contact the other plan administrator (or trustee) to determine their rules for a distribution of your funds.
  - Complete the form "Certification of Qualified Rollover to MERS". After plan administrator signs form, return the completed original to MERS.
  - Send signed, approved Application for Additional Service Credit to MERS prior to sending any payment.
  - MERS' Finance Department will provide wiring instructions, if needed.
3. If you have any questions, please call MERS Employee and Retiree Services at 800-767-2308, or go to [www.mersofmich.com](http://www.mersofmich.com). MERS is a tax-qualified plan under section 401(a) of the Internal Revenue Code, pursuant to IRS Letter of Favorable Determination dated June 15, 2005.

**Burke, Jennifer**

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**From:** Mitchell, Mike  
**Sent:** Monday, January 09, 2012 6:37 AM  
**To:** Burke, Jennifer  
**Cc:** Wightman, Tom  
**Subject:** Service Time Purchase

Jenny,

I am requesting that you put on the City Council Agenda that I wish to purchase service time which will be paid for, by me, 100 percent. If you could please make sure this gets on the agenda by February 29, 2012 if not sooner, it would be appreciated.

If there are any questions please contact me immediately.

Thank you in advance,

Mike Mitchell

**POLICY REPORT**  
**CONSIDER GRANTING A REQUEST FOR THE PURCHASE OF RETIREMENT**  
**SERVICE CREDITS AT THE EMPLOYEE'S COST**

**January 9, 2012**

**Prepared by:**

**Reviewed by:**

\_\_\_\_\_  
**Jennifer Burke**  
**Human Resources Director/Deputy City Clerk**

\_\_\_\_\_  
**Dana W. Foster**  
**City Manager**

**ISSUE/RECOMMENDATION:**

Per the attached request of Officer Robert Bradford, Police Department of the City of Brighton, consider granting the employee's purchase of generic retirement service credits. We recommend that City adopt the attached resolution prepared by the Michigan Employee's Retirement System (MERS) to grant Mr. Bradford the purchase of generic retirement service credits, **at his sole expense**.

**BACKGROUND:**

Historically, the City has allowed such requests, providing the employee pays 100% of the costs. MERS allows, by a majority vote of the governing body, an employee to purchase up to five years of generic credited service.

**BUDGET IMPACT:**

None. The employee will pay 100% of the cost to purchase his service credits.

**RELATIONSHIP TO GOALS:**

Not directly related to City's Goals.

**COUNCIL ACTION:**

Adopt the attached Resolution prepared by MERS to grant Mr. Bradford the purchase of generic retirement service credits **at his expense**.

**APPLICATION FOR ADDITIONAL CREDITED SERVICE**  
**Cost Estimate, Member Certification and Governing Body Resolution**

**MEMBER**

Name: Robert D. Bradford  
 SSN: XXX-XX-5378  
 DOB: 10/7/1972  
 Age: 39 years, 3 months  
 Spouse's DOB: 8/6/1974

**CALCULATION DATE - 2/1/2012**

(Estimate Not Valid After 2 Months)

**BENEFIT PROGRAMS**

Benefit B-4 (80% max)  
 Benefit F50 (With 25 Years of Service)  
 Benefit FAC-5 (5 Year Final Average Compensation)  
 10 Year Vesting

**EMPLOYER**

Name: Brighton, City of  
 Number/Div: 4704 / 02

**ESTIMATED FAC ON CALCULATION DATE:** \$84,354.09**CREDITED SERVICE**

Member's Service Credit as of Calculation Date:

14 years, 6 months

**Type of Credited Service to be Granted:**

Generic (Plan Section 7)

**Amount of Credited Service to be Granted:**

5 years, 0 months

**Total Estimated Actuarial Cost of Additional Credited Service:****\$83,610.00** [Payment Options on Reverse]**BENEFIT CALCULATION ASSUMPTIONS**

1. It is assumed that the Member will continue working until the earliest date for unreduced retirement benefits. If the Member terminates prior to becoming eligible for unreduced benefits, the Employer understands and accepts that the actuarial cost will be different from the actuarial cost shown above.
2. The Member's Final Average Compensation (FAC) is projected to increase 4.5% annually from the date of purchase to the date of retirement.
3. The Plan's Investment Return is projected to be 8% annually.

**MEMBER CERTIFICATION**

I certify that the above information is correct and accurate. If this is a purchase of qualifying "other governmental" service, I certify that the service has not and will not be recognized for the purpose of obtaining or increasing a pension under another defined benefit retirement plan.

 1-10-12  
 Signature of Member Date

**APPLICATION FOR ADDITIONAL CREDITED SERVICE**  
**Member Certification and Governing Body Resolution**

**GOVERNING BODY RESOLUTION**

As provided by the MERS Plan Document, and in accordance with the Employer's policy there under, the additional credited service described above is hereby granted this Member by Resolution of the Governing Body of Brighton, City of, at its meeting on \_\_\_\_\_. The Employer understands this is an estimated cost, calculated using actuarial assumptions approved by the Retirement Board. Any difference between the assumptions and actual experience will affect the true cost of the additional service. For example, changes in benefit programs through adoption or transfer of the affected employee to a division with 'better' benefits; increases in wages other than 4.5% per year; and changes to the anticipated date of termination, will affect the actual cost of the additional service (increase or decrease). Thus, actual future events and experience may result in changes different than those assumed, and liability different than that estimated. The Employer understands and agrees that it is accountable for any difference between estimated and actual costs.

\_\_\_\_\_  
 Signature of Authorized Official from Brighton, City of

\_\_\_\_\_  
 Date

**MERS Use Only**

Payment Received:	Member Payment:
Service Credited:	ER Payment:
Signed:	

**PAYMENT OPTIONS**

The Member's share of the cost may be any amount from zero up to the total estimated actuarial cost, and is due at the time of purchase. The Employer's share is the balance of the total estimated actuarial cost not paid by the Member, and must be paid in a lump sum at the time of purchase.

STEPS FOR PROCESSING APPLICATION FOR ADDITIONAL SERVICE CREDIT

1. The cost estimate (Application for Additional Service Credit) is **valid for 2 months from the calculation date.**
2. If you are paying for the additional service by a rollover distribution from another pension plan (or traditional IRA), you must follow these steps:
  - Contact the other plan administrator (or trustee) to determine their rules for a distribution of your funds.
  - Complete the form "Certification of Qualified Rollover to MERS". After plan administrator signs form, return the completed original to MERS.
  - Send signed, approved Application for Additional Service Credit to MERS prior to sending any payment.
  - MERS' Finance Department will provide wiring instructions, if needed.
3. If you have any questions, please call MERS Employee and Retiree Services at 800-767-2308, or go to [www.mersofmich.com](http://www.mersofmich.com). MERS is a tax-qualified plan under section 401(a) of the Internal Revenue Code, pursuant to IRS Letter of Favorable Determination dated June 15, 2005.

# Memo

**To:** Jennifer Burke, Human Resources Director/Deputy City Clerk  
**From:** Sgt. Rob Bradford  
**Date:** 1/11/2012  
**Re:** Service Credit Purchase

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I request a resolution by the City of Brighton Council prior to February 29, 2012 for me to purchase five (5) years of service credit. I will be purchasing the five (5) years of the total actuarial cost of the additional credited service.

# MERS Health Care Savings Program Participation Agreement



1134 Municipal Way Lansing, MI 48917 | 800.767.2308 | Fax 517.703.9711

www.mersofmich.com

**I. EMPLOYER:** City of Brighton  
Name of municipality or court

**MUNICIPALITY NUMBER:** 470401  
6 digits including reporting unit

## II. EFFECTIVE DATE

1. If this is the initial Participation Agreement relating to the MERS Health Care Savings Program for this covered group, the effective date of the program here adopted shall be:  
7/1/11  
Date

2. If this is an amendment and restatement of an existing Participation Agreement relating to the MERS Health Care Savings Program for this covered group, the effective date of this amendment and restatement shall be effective: \_\_\_\_\_  
Date

This Participation Agreement is intended to replace and serve as an amendment of the Employer's preexisting program, which was originally effective: \_\_\_\_\_  
Date

## III. COVERED EMPLOYEE GROUPS

A participating Employer may cover all of its employee groups, bargaining units or personnel/ employee classifications ("Covered Group"), in Health Care Savings Program. **Contributions shall be made on the same basis within each Covered Group identified by this agreement, and remitted as directed by the Program Administrator.** If the Employer has varying coverage or contribution structures between groups, a separate agreement will need to be completed for each covered group. This agreement encompasses the following group(s):

Full Time Clerical employees hired on or after July 1, 2011  
Name of HCSP Covered Group

## IV. ELIGIBLE EMPLOYEES

Only Employees of a "municipality" may be covered by the Health Care Savings Program Participation Agreement. Independent contractors may not participate in the Health Care Savings Program. Subject to other conditions in the Trust Document and this Participation Agreement, the following Covered Group of Employees are deemed to be "qualified persons" eligible to participate in the Health Care Savings Program:

### Check one or both:

- With respect to Covered Groups, this Participation Agreement covers all employees who are in a collective bargaining unit, subject to the terms of the collective bargaining agreement.
- With respect to Covered Groups, this Participation Agreement covers all employees who are subject to the same personnel policy, according to the terms of the policy.

The Employer shall provide MERS with the name, address, Social Security Number, and date of birth



# MERS Health Care Savings Program Participation Agreement

**REINSTATEMENT OF FORFEITURES.** If a Participant experiences Forfeiture, but is re-employed by the same employer within a defined period assets may be reinstated to the Participant's HCSP account.

**Check only one:**

- Yes, reinstate all Forfeitures for participants re-employed within \_\_\_\_\_ period.  
Time period
- No, do not reinstate Forfeitures.

- B.  Mandatory Salary Reduction (Before-Tax) Contributions.** Before-tax Employer Contributions to the Health Care Savings Program Sub-Trust shall be made that represent a mandatory salary reduction resulting from collective bargaining or the establishment of a personnel policy. These reductions may be made as a percentage of salary or a specific dollar amount.

Contribution structure (specify):

Employees will contribute 2.5% of base salary.
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- C.  Mandatory Leave Conversion (Before-Tax) Contributions.** Before-tax Employer Contributions to the Health Care Savings Program Sub-Trust shall be made that represent a mandatory conversion of accrued leave including, but not limited to vacation, holiday, sick leave, or severance amounts otherwise paid out, to a cash contribution. These contributions may be calculated as a percentage of accrued leave or a specific dollar amount representing the accrued leave. Leave conversions may be made on an annual basis or at separation from service, or at such other time as the Employer indicates. *(Note: The leave conversion program shall not permit employees the option of receiving cash in lieu of the employer contribution.)*

**Check one or more:**

- As of \_\_\_\_\_, \_\_\_\_\_ % of \_\_\_\_\_  
Annual date or X weeks before termination    Percentage    Type of Leave Conversion (sick, vacation, etc.)  
must be contributed to the HCSP.
- As of \_\_\_\_\_, \_\_\_\_\_ % of \_\_\_\_\_  
Annual date or X weeks before termination    Percentage    Type of Leave Conversion (sick, vacation, etc.)  
must be contributed to the HCSP.
- As of \_\_\_\_\_, \_\_\_\_\_ % of \_\_\_\_\_  
Annual date or X weeks before termination    Percentage    Type of Leave Conversion (sick, vacation, etc.)  
must be contributed to the HCSP.
- As of \_\_\_\_\_, \_\_\_\_\_ % of \_\_\_\_\_  
Annual date or X weeks before termination    Percentage    Type of Leave Conversion (sick, vacation, etc.)  
must be contributed to the HCSP.

# MERS Health Care Savings Program Participation Agreement

**Post-Tax Employee Contributions.** Post-tax Employee Contributions made by Eligible Employees within the Covered Group(s) shall be remitted as directed by the Program Administrator, to be credited to the individual accounts of Eligible Employees. All Employee Contributions must be remitted to MERS along with the Participation Report.

## VI. MODIFICATION OF THE TERMS OF THE PARTICIPATION AGREEMENT

If a Participating Employer desires to amend any of its previous elections contained in this Participation Agreement, including attachments, the Governing Body by official action must adopt a new Participation Agreement and forward it to the Board for approval. The amendment of the new Participation Agreement is not effective until approved by the Board and other procedures required by the Trust Agreement and Plan Document have been implemented.

## VII. STATE LAW

To the extent not preempted by federal law, this agreement shall be interpreted in accordance with Michigan law.

## VIII. TERMINATION OF THE PARTICIPATION AGREEMENT

This Participation Agreement may be terminated only in accordance with the Trust Agreement.

## IX. EXECUTION BY GOVERNING BODY OF MUNICIPALITY

The foregoing Participation Agreement is hereby adopted and approved on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Name of Employer: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

Please send MERS fully executed copy of:

1. HCSP Uniform Resolution (MD-169)
2. HCSP Participation Agreement (this form number MD-170)
3. Certified minutes stating Governing Body approval, and a copy of the union contract language and/or personnel policy

**Received and Approved by the Municipal Employees' Retirement System of Michigan**

Dated: \_\_\_\_\_, 20\_\_\_\_  
(Authorized MERS signatory)

# MERS Health Care Savings Program Participation Agreement



1134 Municipal Way Lansing, MI 48917 | 800.767.2308 | Fax 517.703.9711

www.mersofmich.com

**I. EMPLOYER:** City of Brighton  
Name of municipality or court

**MUNICIPALITY NUMBER:** 470401  
6 digits including reporting unit

## II. EFFECTIVE DATE

1. If this is the initial Participation Agreement relating to the MERS Health Care Savings Program for this covered group, the effective date of the program here adopted shall be:  
7/1/11  
Date

2. If this is an amendment and restatement of an existing Participation Agreement relating to the MERS Health Care Savings Program for this covered group, the effective date of this amendment and restatement shall be effective: \_\_\_\_\_  
Date

This Participation Agreement is intended to replace and serve as an amendment of the Employer's preexisting program, which was originally effective: \_\_\_\_\_  
Date

## III. COVERED EMPLOYEE GROUPS

A participating Employer may cover all of its employee groups, bargaining units or personnel/ employee classifications ("Covered Group"), in Health Care Savings Program. **Contributions shall be made on the same basis within each Covered Group identified by this agreement, and remitted as directed by the Program Administrator.** If the Employer has varying coverage or contribution structures between groups, a separate agreement will need to be completed for each covered group. This agreement encompasses the following group(s):

Full Time DPS employees hired on or after July 1, 2011  
Name of HCSP Covered Group

## IV. ELIGIBLE EMPLOYEES

Only Employees of a "municipality" may be covered by the Health Care Savings Program Participation Agreement. Independent contractors may not participate in the Health Care Savings Program. Subject to other conditions in the Trust Document and this Participation Agreement, the following Covered Group of Employees are deemed to be "qualified persons" eligible to participate in the Health Care Savings Program:

### Check one or both:

- With respect to Covered Groups, this Participation Agreement covers all employees who are in a collective bargaining unit, subject to the terms of the collective bargaining agreement.
- With respect to Covered Groups, this Participation Agreement covers all employees who are subject to the same personnel policy, according to the terms of the policy.

The Employer shall provide MERS with the name, address, Social Security Number, and date of birth



# MERS Health Care Savings Program Participation Agreement

**REINSTATEMENT OF FORFEITURES.** If a Participant experiences Forfeiture, but is re-employed by the same employer within a defined period assets may be reinstated to the Participant's HCSP account.

**Check only one:**

- Yes, reinstate all Forfeitures for participants re-employed within \_\_\_\_\_ period.  
Time period
- No, do not reinstate Forfeitures.

- B.  Mandatory Salary Reduction (Before-Tax) Contributions.** Before-tax Employer Contributions to the Health Care Savings Program Sub-Trust shall be made that represent a mandatory salary reduction resulting from collective bargaining or the establishment of a personnel policy. These reductions may be made as a percentage of salary or a specific dollar amount.

Contribution structure (specify):

Employees will contribute 2.5% of base salary.
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- C.  Mandatory Leave Conversion (Before-Tax) Contributions.** Before-tax Employer Contributions to the Health Care Savings Program Sub-Trust shall be made that represent a mandatory conversion of accrued leave including, but not limited to vacation, holiday, sick leave, or severance amounts otherwise paid out, to a cash contribution. These contributions may be calculated as a percentage of accrued leave or a specific dollar amount representing the accrued leave. Leave conversions may be made on an annual basis or at separation from service, or at such other time as the Employer indicates. *(Note: The leave conversion program shall not permit employees the option of receiving cash in lieu of the employer contribution.)*

**Check one or more:**

- As of \_\_\_\_\_, \_\_\_\_\_ % of \_\_\_\_\_  
Annual date or X weeks before termination    Percentage    Type of Leave Conversion (sick, vacation, etc.)  
must be contributed to the HCSP.
- As of \_\_\_\_\_, \_\_\_\_\_ % of \_\_\_\_\_  
Annual date or X weeks before termination    Percentage    Type of Leave Conversion (sick, vacation, etc.)  
must be contributed to the HCSP.
- As of \_\_\_\_\_, \_\_\_\_\_ % of \_\_\_\_\_  
Annual date or X weeks before termination    Percentage    Type of Leave Conversion (sick, vacation, etc.)  
must be contributed to the HCSP.
- As of \_\_\_\_\_, \_\_\_\_\_ % of \_\_\_\_\_  
Annual date or X weeks before termination    Percentage    Type of Leave Conversion (sick, vacation, etc.)  
must be contributed to the HCSP.

# MERS Health Care Savings Program Participation Agreement

**Post-Tax Employee Contributions.** Post-tax Employee Contributions made by Eligible Employees within the Covered Group(s) shall be remitted as directed by the Program Administrator, to be credited to the individual accounts of Eligible Employees. All Employee Contributions must be remitted to MERS along with the Participation Report.

## VI. MODIFICATION OF THE TERMS OF THE PARTICIPATION AGREEMENT

If a Participating Employer desires to amend any of its previous elections contained in this Participation Agreement, including attachments, the Governing Body by official action must adopt a new Participation Agreement and forward it to the Board for approval. The amendment of the new Participation Agreement is not effective until approved by the Board and other procedures required by the Trust Agreement and Plan Document have been implemented.

## VII. STATE LAW

To the extent not preempted by federal law, this agreement shall be interpreted in accordance with Michigan law.

## VIII. TERMINATION OF THE PARTICIPATION AGREEMENT

This Participation Agreement may be terminated only in accordance with the Trust Agreement.

## IX. EXECUTION BY GOVERNING BODY OF MUNICIPALITY

The foregoing Participation Agreement is hereby adopted and approved on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Name of Employer: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

Please send MERS fully executed copy of:

1. HCSP Uniform Resolution (MD-169)
2. HCSP Participation Agreement (this form number MD-170)
3. Certified minutes stating Governing Body approval, and a copy of the union contract language and/or personnel policy

**Received and Approved by the Municipal Employees' Retirement System of Michigan**

Dated: \_\_\_\_\_, 20\_\_\_\_ (Authorized MERS signatory)

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## ***Classification and Compensation Study Methodology, Costs and Timing***

The Michigan Municipal League is committed to strengthening the quality of municipal government and administration in Michigan. We recognize the importance of well designed human resources systems, including classification and compensation systems, in supporting organizational success. Accordingly, we work closely with our clients to customize each project to best meets their needs.

A typical classification and compensation study includes the tasks outlined in this overview. However, each project is tailored to meet the specific needs of the client community or organization. As such, project scope and related fees will vary.

A well designed classification and compensation system that enhances an employer's ability to recruit, retain and motivate quality employees typically includes the following:

### **Task 1: Initiate the Project**

As a first step in the project, we will conduct a meeting to review the objectives and methodology of the study, including the market comparables to be used in the market study. We will also collect background information at this time, including existing job descriptions, pay plans, information related to employee benefits and other relevant documentation.

### **Task 2: Orient Employees to the Study**

We will meet with employees to conduct a group orientation session to explain the purpose of the study, discuss our methodology and answer any questions about the project. With the City's focus limited to market study, we will rely upon the City's existing job descriptions to develop our survey and conduct our analysis.

### **Task 3: Conduct Survey of Wages and Benefits and Analyze Collected Data**

Through discussions with the City, a list of ten to twelve comparable municipal government employers will be established for use in the compensation and benefits survey. We will provide relevant data to support this process. The survey will be customized to include those pay and benefit issues most pressing to the organization and will include positional level analysis to provide an "apples to apples" comparison. This approach is the most methodologically sound survey process.

### **Task 4: Develop Classification and Compensation Plan**

Utilizing the results of the labor market survey, we develop recommended market competitive pay ranges and related analysis. Depending upon the client's preference, the pay ranges can be structured to allow for multiple implementation options including step increases or pay for performance, or some combination of the two.

**Task 5: Develop Implementation and Administrative Procedures**

We will also specify procedures for implementing the system and administering it over time.

Examples include:

- How to place current employees within the new system
- Options for moving employees through the pay range
- Methods for placing new employees
- Reclassification procedures
- How to add a new position
- Annual maintenance practices.

**Task 6: Prepare a Comprehensive Final Report**

We will produce a final report document that includes:

- Methodology utilized
- Recommended pay ranges
- Options for implementing the ranges
- Comparable market survey data related to employee benefits and wages
- Procedures for administering the pay system.

**PROJECT TIMING AND FEES**

**TIMING:** This type of project typically requires four to six weeks to complete. We are available to begin immediately upon formal engagement to do so.

**FEES:** Professional fees are \$150 per classification, or \$1,800 for 12 classifications. This includes a market survey of up to twelve comparable municipal employers regarding pay and benefits.

Given the geographic proximity of Brighton we do not anticipate any travel related expenses.

Contact Heather Van Poucker [hvanpoucker@mml.org](mailto:hvanpoucker@mml.org) or (734) 669-6326 for more information or to schedule a time to talk further in person.

To engage the League to complete the scope of work included in this proposal, please provide authorized signature below:

Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

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## ***Classification and Compensation Study Methodology, Costs and Timing***

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A well designed classification and compensation system that enhances an employer's ability to recruit, retain and motivate quality employees typically includes the following:

### **Task 1: Initiate the Project**

As a first step in the project, we will conduct a meeting to review the objectives and methodology of the study, including the market comparables to be used in the market study. We will also collect background information at this time, including existing job descriptions, pay plans, information related to employee benefits and other relevant documentation.

### **Task 2: Orient Employees to the Study**

We will meet with employees to conduct group orientation sessions to explain the purpose of the study, discuss our methodology and answer any questions about the project. We will also distribute job analysis questionnaires at this time. The questionnaires, when completed, will provide us with information concerning duties, supervisory responsibilities, experience and educational requirements and other job-related criteria.

### **Task 3: Conduct Employee Interviews**

We will conduct on-site interviews with employees in each classification studied. These interviews focus on gaining a full understanding of the duties and responsibilities associated with each position and the knowledge, skills and abilities required to succeed in the position. We also discuss the physical requirements and work setting of each job to guide development of ADA compliant language for inclusion in the job description.

### **Task 4: Recommend Job Title Changes and Create or Modify Job Descriptions**

Having gained a full understanding of each position, we will make recommendations for changes to job titles as appropriate, and create or modify job descriptions to clearly delineate positional duties, responsibilities, reporting arrangements and the knowledge, skills and abilities required for each position. Also, we will consider and incorporate criteria relevant to

the requirements of the Americans with Disabilities Act into each description. We provide draft job descriptions for review and comment prior to finalization.

#### **Task 5: Perform Job Evaluation**

Each classification included in the study is evaluated against each of ten factors to determine a corresponding total point award. The sum of these points provides a ranking for each position relative to others within the organization. In this way, internal equity is appropriately considered when designing pay structures.

Our job evaluation plan considers the following ten factors.

1. Education and relevant experience
2. Judgment and independence of action
3. Supervisory responsibility
4. Job complexity/analytic demands
5. Technology and equipment use
6. Intensity/demand for concentration
7. Impact on programs and operations
8. Internal and external relations
9. Responsibility for the safety of others
10. Physical effort and work environment

#### **Task 6: Conduct Survey of Wages and Benefits and Analyze Collected Data**

Through discussions with the City, a list of ten to twelve comparable municipal government employers is established for use in the compensation and benefits survey. We will provide relevant data to support this process. The survey will be customized to include those pay and benefit issues most pressing to the organization and will include positional level analysis to provide an “apples to apples” comparison. This approach is the most methodologically sound survey process.

#### **Task 7: Develop Classification and Compensation Plan**

Utilizing the results of the job evaluation process if completed, and the labor market survey, we develop a recommended classification and compensation plan including a recommended grade structure with corresponding pay ranges. Depending upon the client’s preference, the pay plan can be structured to allow for multiple implementation options including step increases or pay for performance, or some combination of the two.

#### **Task 8: Develop Implementation and Administrative Procedures**

We will also specify procedures for implementing the system and administering it over time.

Examples include:

- How to place current employees within the new system
- Options for moving employees through the pay range

- 
- Methods for placing new employees
  - Reclassification procedures
  - How to add a new position
  - Annual maintenance practices.

### Task 9: Prepare a Comprehensive Final Report

We will produce a final report document that includes:

- A recommended grade and salary structure
- Options for implementing the pay system
- The point-factor plan utilized to develop the classification system
- A Job Analysis Questionnaire template to use in reclassifying or adding positions
- Comparable market survey data related to employee benefits and wages
- Procedures for administering the pay system.

### PROJECT TIMING AND FEES

**TIMING:** This type of project typically requires three months to complete. We are available to begin immediately upon formal engagement to do so.

**FEES:** Professional fees for a partial study, to include Tasks 1 – 3, *EITHER Task 4 OR Task 5*, and Tasks 6 – 9 are \$300 per classification, or \$3,600 for 12 classifications. This includes market study of pay and benefits (using up to 12 comparable municipal government employers) and job description review/update.

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Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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### PROJECT TIMING AND FEES

**TIMING:** This type of project typically requires three months to complete. We are available to begin immediately upon formal engagement to do so.

**FEES:** Professional fees for a complete study are \$450 per classification, or \$5,400 for 12 classifications. The complete study includes market study of pay and benefits (using up to 12 comparable municipal government employers), job description review/update and point factor job evaluation.

Given the geographic proximity of Brighton we do not anticipate any travel related expenses.

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