

**CITY OF LINDEN**  
**Minutes for City Council Regular Meeting**  
**Held at 7pm on Monday, August 24, 2015**

**CALL TO ORDER**

The meeting was called to order at 7 p.m. by Mayor David Lossing. The meeting was held in the Council Chambers on the lower level of the Mill Building at 201 N. Main Street, Linden, Michigan.

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance to the American Flag was recited by all present. A moment of silence in memory of those who have served on behalf of the United States was observed by all.

**ROLL CALL**

Present: Mayor David Lossing, Ray Culbert, Danielle Cusson, Brad Dick, Matt Chapman, Ed Ciesielski, Charlie Ross

Absent: None

Others Present: Paul Zelenak, City Manager and Chuck McKone, Attorney

**MINUTES**

Motion by Culbert, second by Cusson, to approve the minutes of the August 10, 2015 Regular City Council Meeting. Motion carried by full yea vote.

**PUBLIC HEARING/PRESENTATION**

Linden Historic Fairview Cemetery Presentation by Dave and Barb Kincaid. It is being held on September 13<sup>th</sup> from 1pm-4pm.

**CORRESPONDENCE**

Mayor noted the receipt of the following correspondence items;  
(A) Letter from Linden Businesses

**CITIZENS COMMENTS**

Gloria Kirshman-

Discussed her concerns on retiree health care and the coverage for retired employee's spouses. She believes the intent of the City of Council when the Handbook was put together that the spouses would remain on the City's plan, like current full-time employees. The current plan is high deductible and high copay. Along with Tier 4 and Tier 5 prescription drugs are not covered. I do appreciate having retiree health care. The City has been proactive in saving for health care.

**CONSENT AGENDA**

**UNFINISHED BUSINESS**

**NEW BUSINESS**

**(A) CAS 51-15 Resolution No. 13-15 Refinancing of Bonds**

Motion by Culbert, second by Ross, to approve Resolution No. 13-15 Refinancing of Bonds. Motion carried by full yea vote.

**YEAS: Ross, Culbert, Ciesielski, Cusson, Lossing, Chapman, Dick**

**NAYS: None**

**ABSENT: None**

## **(B) CAS 52-15 457 Loan Amendment & Loan Addendum**

Motion by Cusson, second by Dick, to approve the 457 Loan Amendment and Loan Addendum with MERS. Motion carried.

### **CITY MANAGER'S REPORT**

City Manager, Paul Zelenak reported on:

**Brick Replacement and Repair:** Is complete. They have repaired the bricks on the corner at Bridge and Broad, the locations of all the light poles. And the bench locations around town, the dam area and the gazebo seating area. They did an excellent job. They also did the repair at the large planter at Broad Street and the Cemetery.

**Parking Study:** As a result of looking at parking in the downtown, we are assessing whether we can add additional on street spaces at various locations in the downtown. We have done a preliminary assessment of the parking and are looking at if it's feasible to make certain low traffic streets one-way or not. We will also be ordering additional signs directing people to public parking.

**Façade Improvement Program / Community Fund Grant:** The DDA is moving forward with the Façade Improvement Program. We will be contacting downtown businesses to advise them of the program and offering to meet with them to explain the program. We will establish a subcommittee of DDA Board members to review the applications as they come in. Additionally the City applied to the Community Fund Grant for matching contribution for our Façade Grant program. We will know by early fall as to whether we received the matching funds.

**B & B Gas Station Report:** As you know B&B will be drilling monitoring wells and conducting tests in the downtown. The report you received identifies the locations and the procedures. We met with the DEQ recently and discussed their plans for additional testing in the downtown. They are also putting together a newsletter to residents and businesses to advise them of the activities associated with this work. I believe the city should pay the cost to have this copied and sent out to all property owners in the city. I have also been in contact with B&B and their attorney about them giving City Council an update at one of your meetings as to their activities. I will update you when I know of their attendance at one of our meetings.

**Retiree Health Care:** We have been approached by a retiree who is requesting the city to change how we are currently handling city provided health care for our retirees. We currently offer a health care plan to our retirees and their spouses as specified in the employee handbook, for employees who were hired before 2011. (BCN HMO Preferred Silver) The plan is completely paid for by the city. We also pay for a health care plan for our current employees. (BCN HMO Platinum) I have attached a copy of a comparison of the two plans, which shows the coverage for each plan. The former employee is specifically requesting that we offer and pay for the same health care plan that we offer current employees to our retirees and their spouses. Our employee handbook states: *The City will fully pay for health insurance for qualified City employees for participation in the City's health insurance plan.* It does not state what that plan will be. It also does not state that we must offer the same plan that is offered to current employees.

As you know our health care costs have been going up each year. The city elected to cut off paying for retiree health care for employees hired after January 1, 2011. In the upcoming years we will have several more employees from the police department, DPW and city staff that will be entering retirement, who will along with their spouses will qualify for retiree health care. So, any changes we make to what we offer current employees, will affect future retirees as well. Unfortunately, due to the expense, the city cannot continue to fund for Platinum Health Care Plans for our employees and our retirees. We must continue to look at ways to reduce costs for City provided health care.

Just last year we cut coverage for current employees and had them also make monthly contributions to have City provided health care. This was due to the double digit percentage increase we received with our renewals. It is projected that within the next 10 years our healthcare costs will be more than the average wage for an employee. This year again we will be looking at comparing health care plans to see if there are

ways that we can reduce the city costs to provide health care to our employees. If we are to offer the same health care plan to our retirees that are offered to our current city employees, then we will be forced to change health care coverage again to a lesser coverage, and ask the current employees to pay more out of pocket expenses.

I believe that our City needs to honor our employee handbook and pay for health care for retirees. However, we can't continue to offer the Cadillac of health care plans for those employees. The City can't afford it. No one can afford it. That's why other companies have cut health care plans for their current retirees. We may have funds set aside for retiree health care, but that retiree health care fund is only 25% funded.

This is not an easy subject. It is an ongoing discussion within each budget year. But we need to have it. We need to keep in mind that any decision we make now will affect future employees who enter retirement. If we decide to make the change, we will need to make cuts to this year's budget and future year's budgets in order to meet those obligations.

Ciesielski- Asked Gloria Kirshman if she is more worried about her husband, Scott's plan? She stated yes she is.

Cusson- Do our current employees pay in right now? Zelenak stated, yes they do.

Ross- Have we heard anything from the Architect? Considering one-way streets?

Zelenak- Just looking to say we looked into as an option.

#### **CITY ATTORNEY'S REPORT**

Next year we will see major changes in health care. First 3 years were subsidized by the government.

#### **DEPARTMENT REPORTS**

Nothing

#### **COUNCIL COMMENTS AND REPORTS**

Lossing- Where are we with purchase of real property? Waiting to get all the owners. The attorney is working on this.

Cusson- Had our first Holiday-Happenings Meeting tonight. Try to get businesses in town for their support and input.

Ciesielski- DDA getting monthly financial statements? Zelenak, yes they are.

Lossing- Looking for a council member to take his spot on the DDA for the next 8 months.

Motion by Lossing, second by Ross, to appoint Ed Ciesielski to the DDA Board until May 2016. Motion carried.

#### **FINANCIAL REPORTS**

Motion by Cusson, second by Culbert, to approve accounts payable in the amount of \$142,352.28. Motion carried by full yeas vote.

**YEAS: Lossing, Ross, Culbert, Cusson, Dick, Ciesielski, Chapman**

**NAYS: None**

**ABSENT: None**

#### **ADJOURNMENT**

The meeting was adjourned at 7:52 p.m.

Respectfully Submitted,

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Lynn M. Henry, City Clerk

Approved: \_\_\_\_\_