

SPECIAL STUDY SESSION MEETING AGENDA

1. ROLL CALL

Roll Call

- 2. APPROVAL OF AGENDA
- 3. PUBLIC COMMENT
- 4. WINE SAMPLING AT FARMERS MARKET
 - 1. Discussion Wine Sampling at Farmers Market
- 5. BOARD AND COMMITTEE APPOINTMENT PROCESS
 - **1.** Discussion Board and Committee Appointment Process
- 6. GOAL SETTING SESSION
 - 1. Discussion Goal Setting Session
- 7. RESPONSE TO LETTER REGARDING RETIREE HEALTH CARE BENEFITS
 - 1. Discussion Response to Letter Regarding Retiree Health Care Benefits
- 8. COUNCIL COMMENT
- 9. CLOSED SESSION LABOR NEGOTIATIONS
- **10.ADJOURNMENT**

Farmington City Council Staff Report

Council Meeting Date: January 6, 2014 Reference Number (ID # 1444)

Submitted by: Vincent Pastue, City Manager

Description: Discussion - Wine Sampling at Farmers Market

Requested Action:

Background:

Market Master Walt Gajewski and I have discussed adding wine tasting as a feature at the Farmers and Artisans Market beginning in 2014. Wine tasting is a recent authorization from the Michigan Liquor Control Commission (MLCC). We feel it is a good fit with our community brand and would be a complimentary addition to the market.

Attached is a permit from the MLCC website. The intent is to introduce this concept to the City Council. Assuming a favorable response from the City Council, I would ultimately like to present a resolution at the Council's January 21 meeting that would formally grant the Market Master and Public Safety Director the authority to approve a wine tasting application for a small wine maker. Both would need to consider items such as: past violations, security, and product quality. Furthermore, we may consider a limitation such as only one wine tasting per market day.

Attachment

Agenda Review

Review: Vincent Pastue Pending City Manager Pending City Council Pending

Updated: 1/2/2014 2:27 PM by Cheryl Poole

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Attachment: MLCC Wine Tasting Application (1444: Discussion - Wine Sampling at Farmers Market)



4.1

Michigan Department of Licensing and Regulatory Affairs Liquor Control Commission (MLCC) 7150 Harris Drive, P.O. Box 30005 - Lansing, Michigan 48909-7505 Toll Free (866) 813-0011 • <u>www.michigan.gov/lcc</u> (517) 322-5046 (fax)

Farmer's Market Permit General Information and Requirements (MCL 436.1415)

General Information:

- The annual permit issued by the Liquor Control Commission is for a qualified Small Wine Maker to conduct free wine tastings and sell, for consumption off the licensed premises, wine produced by that Small Wine Maker at a Farmer's Market. This permit shall be prominently posted within the approved area.
- For the purpose of qualifying for a Farmer's Market Permit, a qualified Small Wine Maker means a small wine maker who
 manufactures or bottles not more than 5,000 gallons of wine in one calendar year at all locations in one (1) calendar year, and
 may also include an out of state winery.
- One (1) Permit may be issued for each 1,500 of population in a county where the Farmer's Market is located.
- Tastings and sales shall be limited to an exclusive area that is well-defined and clearly marked and under the control of the permit holder.
- The application must include a recommendation of approval for the tastings and sales of wine at the location from the police chief or sheriff who has jurisdiction and the Farmer's Market manager.
- Tasting samples provided to a customer shall not exceed three (3) servings of not more than two (2) ounces of wine in a 24-hour period.
- All wine sold or used for tastings shall be furnished by the Small Wine Maker and removed from the Farmer's Market premises upon conclusion of the Farmer's Market.
- All tastings and sales shall be conducted by employees of the Farmer's Market Permit who have completed a server training program approved by the Commission.
- A licensed Wholesaler is prohibited from conducting or participating in any tastings or sales under this Permit.
- A Farmer's Market Permit issued by the Commission is not transferable.

Requirements:

Complete and submit the "Application for Farmer's Market Permit" (Form LCC-3020), along with the following:

- 1. The signature from the police chief or sheriff who has jurisdiction where the Farmer's Market is located.
- 2. The signature from the the Farmer's Market manager approving the activities.
- 3. \$25.00 Permit fee and a \$70.00 inspection fee Make <u>one</u> check or money order payable to the State of Michigan, or the credit card form (attached).
- 4. A map of the Farmer's Market which clearly shows all booths, stalls or other designated locations where tastings and sales of wine may be conducted by a Small Wine Maker.
- 5. Out of state wineries need to include a copy of the Federal Basic Permit, copy of State license, and copy of the licensing requirements for that state.

If you have questions, contact the Manufacturers and Wholesalers Section at (866) 813-0011, menu option 4.

Page 1 of 3

Attachment: MLCC Wine Tasting Application (1444 : Discussion - Wine Sampling at Farmers Market)



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Business ID:

Request ID:

(For MLCC use only)

Packet Pg.

Application for Farmer's Market Permit

(Authorized by MCL 436.1415)

This application is for a qualified Small Wine Maker to conduct tastings and sell, at retail at a farmer's market, the wine produced by that qualified Small Wine Maker. There is a \$25.00 fee and a \$70.00 inspection fee that must be submitted with <u>each</u> Farmer's Market Permit application.

- To qualify for this authorization, Small Wine Makers may not manufacture more than 5,000 gallons of wine in one calendar year.
- A Small Wine Maker must receive authorization from the Local Law Enforcement Agency who has jurisdiction where the Farmer's Market is located and the Farmer's Market Manager <u>before</u> an eligible Small Wine Maker Permit will be considered by the Michigan Liquor Control Commission. (See Page 3 for authorization information)
- If located outside the State of Michigan, attach a copy of the Federal Basic Permit to this application and copy of the license from your state of issuance as well as the requirements of licensure for that type of license.
- A map of the Farmer's Market showing the well-defined and clearly marked area that is under the control of the qualified Small Wine Maker, at which an approved Small Wine Maker may conduct tastings or sell bottled wine, must accompany this application.

Name of licensee:		
Street Address:		
City:	County:	
Contact Person:		
Contact Phone:	Contact Email:	
How many gallons of wine were	produced in total for all locations in the last calendar year?	
Name of Farmer's Market:		
Street Address:		
City:	County:	

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false** or **fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003. Further, I have read the requirements listed on page one of this application and certify that the Small Wine Maker submitting this application meets all of the requirements under MCL 436.1415.

Date

Authorized license holder, print name and title

Signature

Attachment: MLCC Wine Tasting Application (1444 : Discussion - Wine Sampling at Farmers Market)



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Business ID:

Request ID:

(For MLCC use only)

Application for Farmer's Market Permit

Complete for each location requested

(Authorized by MCL 436.1415)

Authorizations:

Local Police Agency

The Police Chief or Sheriff who has jurisdiction over the location of the Farmer's Market recommends approval of the Permit:

Print name of police agency	
Address of Agency	
Area code and telephone number	
Area code and fax number	
E-mail	
Name and signature of police chief or sheriff	

Farmer's Market Manager

I verify that the Farmer's Market is a defined community sponsored or municipally sponsored location; that the tastings and sales performed by the qualified Small Wine Maker under the Farmer's Market Permit will be conducted in a well-defined and clearly marked exclusive area; and that the area is under the control of the qualified Small Wine Maker. Further, the Farmer's Market Manager at this location recommends approval of the Permit.

Print name of Farmer's Market:	
Address of Market:	
Area code and telephone number	
Area code and fax number	
E-mail	

Name and signature of Farmer's Market manager:

Note: The person(s) listed above will be the person(s) the Michigan Liquor Control Commission contacts to complete this application and will serve as an on-site contact for the Commission. You must inform the Commission of any changes in your market manager(s) or contact information.

armers Market)	A 15 poilqms2 aniW - noissuosid : 4441) noitsoilqqA poits	ant: MLCC Wine Ta	emdosttA
THE OF MICHIGAN	Liquor Control Commission (MLCC)		(For MLCC use only)
	CREDIT CARD AUTHORIZATION FORM Fax completed form to secured	d number: 517-322-52	237
Name Address City	Transaction Amount: Card Number:		
	Name Address	Michigan Department of Licensing and Regulatory Affairs Liquor Control Commission (MLCC) 7150 Harris Drive, P.O. Box 30005 - Lansing, Michigan 48909-3 Toll Free (866) 813-0011 • www.michigan.gov/lcc CREDIT CARD AUTHORIZATION FORM Name Address Card Number;	Liquor Control Commission (MLCC) Request ID: 7150 Harris Drive, P.O. Box 30005 - Lansing, Michigan 48909-7505 Request ID: Toll Free (866) 813-0011 • www.michigan.gov/lcc CREDIT CARD AUTHORIZATION FORM Fax completed form to secured number: 517-322-52 Name Transaction Amount: Address Card Number:

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Packet Pg. 6

Name	Transaction Amount	:		
Address	Card Number:			
State				
	Check one:	← MasterCard	⊂ Visa	C Discover Card
Zip	Expiration Date:			
Payment	Expiration Date:			
is for:	Security Code:			
Phone	Signature			

Notice: This form may be used for payment of goods and services offered by the Michigan Liquor Control Commission, with the exception of the purchase of alcoholic beverages.

Farmington City Council Staff Report

Council Meeting Date: January 6, 2014 Reference Number (ID # 1445)

Submitted by: Vincent Pastue, City Manager

Description: Discussion - Board and Committee Appointment Process

Requested Action:

Background:

City Administration would like to streamline the board and committee appointment process. Ultimately, we would deviate from a long standing Farmington practice whereby applicants interview with the entire City Council before being considered for appointment. The rationale for making the change is that City Administration has limited time with the City Council. We would like to replace the time allotted for interviews to discuss policy matters, city operations, financial matters, and construction projects.

It should be mentioned that in most cases, the City Charter or State statute specifies that the Mayor makes the appointment. I am recommending that the Mayor take a greater role in the appointment process. Consequently, we would more closely follow the Charter and State statutes. As a transition step, we could schedule a time for the Mayor to meet with the applicant and notify the Council if they wish to attend. At the next meeting, the Mayor would make the appointment with City Council ratification.

Agenda Review

Review: Vincent Pastue Pending City Manager Pending City Council Pending

Farmington City Council Staff Report

Council Meeting Date: January 6, 2014 Reference Number (ID # 1446)

Submitted by: Vincent Pastue, City Manager

Description: Discussion - Goal Setting Session

Requested Action:

Background:

The purpose of this study session item is to discuss a possible date for a goal setting session and to discuss the process. Attached is a draft work plan based on the City's recently completed visioning plan, comments City Administration has received from Council members, staff, boards and committees, and the general public. Rather than start a process from scratch, City Administration is recommending that we utilize the draft as the starting point in which Council can add, delete, or refine items in the proposed work plan. It is important to recognize that this draft work plan covers both 2014 and 2015 which coincides with the recently seated city council.

Again, keep in mind this a draft. Additional items will need to be added before the goal setting session. Shortly after his appointment as Mayor, Mayor Galvin asked me where I would like the City to be in five years. I used the general themes from the vision plan to develop the vision statement which is the longest run-on sentence I have ever composed. This served as the foundation for the proposed 2014-2015 work plan.

Attachment

Agenda Review

Review: Vincent Pastue Pending City Manager Pending City Council Pending

Updated: 1/2/2014 2:38 PM by Cheryl Poole

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City of Farmington 2014-2015 Work Plan

Draft Vision Statement

The vision for 2019 is one in which residents and businesses are proud and happy to call Farmington home given the warm and welcoming nature of its people, the high level of <u>engagement</u> by its members in the broader community, its economically and socially viable neighborhoods and commercial districts that are attractive and well maintained, the <u>reliable high-quality municipal services</u> that are <u>financially sustainable</u> and <u>market</u> <u>competitive</u> supporting a community recognized regionally and nationally as a great place to live and work.

Citizen Engagement and Communication

Engagement – meaningful boards and commission directed toward making Farmington a desirable place to live and own a business. *City Administration and City Council must recognize social media has changed the rules of citizen engagement – participants drive the process*. Also, means creating a sense of place: community activities such as festivals, farmers markets, Warner Mansion, ice rink, walkable infrastructure leading to commercial and public space nodes.

- Item 1 Continue support for existing activities and events that promote place making
 - 1A Farmers Market, Summer Concert Series, Festival, Art on the Grand, Swing Dancers, Art on the Grand, Memorial Day Parade, August Run through the Hills, Governor Warner Mansion
 - 1B Create a mindset in which volunteers are encouraged to initiate activities that create a sense of place within our city. For example: Thursday night swing dancers, food caravan, and special concerts.
 - 1C Conduct a comprehensive review of special event requests to improve application and streamline approval process.

Responsibility: **City Manager**, Public Safety Director, Executive Assistant Completion Date: April 2014 Attachment: 2014-2015 Work Plan (1446 : Discussion - Goal Setting Session)



6.1.a

1D Continue to encourage and support neighborhood block parties. Place information and application on website, in spring utility bill newsletter, and on Cable 15 bulletin board.

Responsibility:	City Manager, Executive Assistant
Completion:	Utility Bill Update-Spring 2014 and 2015
	Website – April 2014
	Cable 15 Bulletin Board – April 2014

Item 2 Meet annually with all City Boards and Commissions.

2A Schedule as part of special meetings in January thru April prior to the budget being finalized

Responsibility:City Manager, Executive AssistantCompletion:April 2014

2B Assign staff (and possibly City Council member) as a staff liaison to boards and commissions

Responsibility: City Manager, City Council Completion: Discussion for March 2014 Study Session

2C Meet with the 47th District Court in September to review annual report.

Responsibility: City Manager and Executive Assistant Completion: September 2014

2D Schedule presentation of RRRASOC annual report in April or May each year.

Responsibility: City Manager and Executive Assistant Completion: June 2014

2E City Council to develop on-going strategy to recruit and retain board and committee members.

Responsibility: City Council Completion: December 2014

Item 3 Public Speaking opportunities



3A Actively solicit service club to have City staff or Council provide annual reports or project updates

Responsibility: City Manager, Department Heads, City Council Completion: On-going

3B State of City presentation in February each year

Responsibility: Mayor, City Manager Completion: February 2014

3C Meet with neighborhood groups as projects develop

Responsibility: City Manager, Department Heads, City Council Completion: On-going

3D Attend annual homeowner association meetings when possible.

Responsibility: City Manager Completion: On-going

- Item 4 Improve Electronic Communications
 - 4A. Improve City website by posting meeting materials for Planning Commission and Downtown Development Authority

Responsibility:Executive Assistant, Assistant to City Manager
Economic and Community Development DirCompletion:April 2014, on-going thereafter

4B. Complete City Hall Chamber renovations to allow for Planning Commission, DDA Board, and Board of Zoning Appeals meetings be televised and placed on Cable 15 for replay.

Responsibility:	City Manager
Completion:	June 2014

4C Expand use of City Facebook and Twitter to inform residents of special events, changes in services, election information, and utility bill and tax deadlines.

Responsibility:Clerk (website), Department Heads, City
Manager, Assistant to City ManagerCompletionApril 2014, on-going thereafter



Economically and socially viable neighborhoods and commercial districts that are attractive and well maintained.

- Item 1 Repurpose Existing Public Government Properties
 - 1A Collaborate with Farmington Public Schools to insure that Flanders school site is sold and redevelopment approved by May 2014

Responsibility: City Manager, Economic and Community Development Director Completion: May 2014

1B Continue coordination with Farmington Public Schools to insure that Maxfield Training Center is available for sale by June 2014.

Responsibility:	City	Manager,	Economic	and	Community
	Deve	lopment Dire	ector		
Completion:	June	2014			

1C Open dialogue with Farmington Public Schools to redevelop east portion of Cloverdale School site for ballfields and a neighborhood park.

Responsibility:	City	Manager,	Economic	and	Community
	Deve	lopment Dir	ector		
Completion:	Initiat	te Discussio	n by April 20)14	

1D Courthouse Property – Coordinate PUD process with Balfour for redevelopment of property.

Responsibility:	Economic and Community Development Dir.
Completion:	PUD Plan – Delivered by March 31, 2014
	PUD Review/Approval –Complete by July 2014
	Sale Closing – August 2014

1E Orchards Development Project

Responsibility:	Assistant to the City Manager, Economic and
	Community Development Director, City
	Manager, DDA Board
Completion:	RFP received by February 28, 2014
	Review/Recommendation – Completed by April 2014
	PUD Plan – Delivered by August 2014



6.1.a

PUD Review/Approval – Complete by November 2014 Sale Closing – December 2014

- Item 2 Grand River Corridor Improvement Authority
 - 2A Work with Corridor Improvement Authority to have development and tax increment financing plan completed by May 2014

Responsibility:	Economic	and	Community	Development
	Director and	LSL P	lanning	-
Completion:	Draft Plans t	o CIA -	– April 2014	
	CIA Board Approval – May 2014			
	City Council	Approv	val – June 201	4
	Oakland Co	unty Ap	oproval – Octol	per 2015

2B Meet with owners of Winery to discuss redevelopment opportunities

Responsibility: Economic and Community Development Director Completion: Initiate process by March 2014, on-going thereafter

2C Work closely with Farmington Plaza receiver regarding development of the outdated commercial property consistent with Corridor Improvement Authority's vision.

Responsibility:Economic and Community Development
Director, City ManagerCompletion:December 2013, on-going thereafter

Item 3 Improve general commercial property maintenance of the City by strengthening enforcement and encouraging redevelopment. (Comment: the most efficient and effective code enforcement is for property owners to feel their property is valuable)

Responsibility:	Code Enfo	orcement	Officer,	Economic	and
	Community	Develo	opment	Director,	City
	Manager				
Completion:	On-going				



6.1.a

3A Revise outdoor display ordinance by March 2014

Responsibility:	Economic and Community Development Director, LSL Planning, City Manager
Completion:	Discuss with Planning Comm. – January 2014 LSL/Staff – Present Recommendation and Schedule Ordinance Public Hearing – February 2014
	Planning Commission hold public hearing and submit recommendation to City Council – March 2014 City Council introduces ordinance – April 2014 City Council adopts ordinance – May 2014

3B Work with Main Street Design Committee to restructure Downtown A-frame sign regulations. Discuss with DDA Board offering incentive to comply.

Responsibility:Assistant to City Manager, Design Committee,
DDA Board, City ManagerCompletion:June 2014

- 3C Target commercial centers for improved maintenance.
- Item 4 Staff to work with consultants and citizen participants to create pedestrian and bicycle network that is connected to networks outside the City of Farmington and directed toward commercial and public spaces nodes within the city.
 - 4A Adopt resolution to formally dissolve Traffic and Safety Board
 - 4B Create ad hoc committee to work on pedestrian and bicycle network.
- Item 5 Address Downtown Parking Challenges
 - 5A Establish Downtown parking committee by April 2014
 - 5B
- Item 6 Land Use Planning
 - 6A Initiate process to update of master plan early 2015 (five years as required by statute)

DRAFT

- 6B Develop new parks and recreation master plan. This will be an element of the City Master Plan to begin in the summer of 2014.
- 6C Develop new downtown master plan. This will be an element of the city master plan to begin in the fall of 2014. (It has been ten years)
- 6D Develop area plan connecting Riley Park to Old Courthouse site. This will be presented to the Planning Commission by May 2014.
- 6E Capital Improvements Program to be adopted by June 2014
- Item 7 Recruitment and Retention

7A

Infrastructure reliability

Reliable – city infrastructure: water and sewer services in particular, good streets and roads, public works and public safety vehicles, urban forestry, electronic interfaces with residents and businesses.

- Item 1 Grand River Avenue
 - 1A. Engage MDOT in early 2014 to discuss another mill and overlay.
 - 1B. Discuss a long-term transfer to the City that would involve the City of Farmington Hills and the Road Commission for Oakland County.
- Item 2 Develop comprehensive urban forestry program and policy.
 - 2A. Establish on-going funding source to remove and replace dangerous trees and limbs from the public right-of-way.
 - 2B. Discuss with City Attorney the feasibility of a voluntary special assessment by which property owners can coordinate with the City removal dangerous trees from private property (nuisance abatement) and have cost special assessed over a period of years.
 - 2C. Evaluate the financial and operational feasibility of having Public Works employees chip brush on a regular basis delivered to the curb by property owners. The purpose



would be to improve general property maintenance and remove dangerous limbs from the public right-of-way and on private property.

- Item 4 Maintain and Improve City Streets
 - 4A. Develop updated five-year road improvement program based on Pacer system.
 - 4B. Place on the August or November 2014 ballot a 20-year renewal of the City road millage.
- Item 5. Maintain and Improve City Water and Sewer System
 - 5A. Develop five-year capital improvements plan that includes lining sanitary sewer collection system in the Bel Aire subdivision.
 - 5B. Develop a fire hydrant maintenance and replacement program.
 - 5C. Incorporate into five-year capital improvements plan the installation of water meters that allow for remote electronic reads.
 - 5D. Evaluate for each road reconstruction project whether the sanitary main needs to be lined and/or water main to be replaced.
 - 5E. Work with Oakland County Water Resources Commission and City consult OHM to comply with administrative consent order for the Evergreen Farmington Sanitary Sewer District.
 - 5F. Continue to reduce unaccounted water percentage by installing meters at City facilities and by periodically monitoring flow of large commercial and multi-family customers.
- Item 6 Sidewalks

6A.

Item 7 Focus on technology over the next five years



6.1.a

- 7A Develop a financial plan to install meter reads that will allow all residents and commercial meters to be read electronically. The purpose would be to reduce amount of the DPW personnel time reading meters and focusing on higher-end functions. This allows City to consider monthly billings.
- 7B Expand convenience and reduce cost for residents and businesses to pay utility bills and taxes electronically
- 7C Utilize communication applications in which residents can communicate with public works and other departments regarding service issues: potholes, downed power line, etc.

Maintain high quality and convenient municipal services

- Item 1 Maintain excellent public safety response times.
- Item 2 Maintain public works fall leaf collection program.
- Item 3 Continue practice of plowing all streets within one day of a major snow storm.
- Item 4 Develop and maintain a good parks system.
- Item 5 Connect pedestrian (sidewalks) and bike trails.
- Item 6 Maintain good customer service regarding building department and planning review.
- Item 7 Expand use of electronic invoicing and payment receipt for water/sewer bills, taxes.

Financially sustainability -

- Item 1 Do not engage in long-term deficit spending for operating purposes.
- Item 2 Continue to examine alternatives to reduce operating costs while maintaining or improving services.



- Item 3 Develop five-year capital improvements program in which projects will be financed on a pay as you go basis (presumes on-going funding source) or short-term financing.
- Item 4 Develop a two-year budget within the construct of Council 2014-2015 Work Plan.
- Item 5 Maintain overall millage rate at 15 mills exploring strategy to modestly reduce over time.
- Item 6 Align cost of services with fee structure to equitably finance various services.
- Item 7 Maintain AA bond rating.
- Item 8 Continue to provide five-year budget forecast when developing proposed budget.

Market Competitiveness

- Item 1 Continue to benchmark per capita costs for public safety (typically half General Fund expenditures for most communities).
- Item 2 Monitor Overall Homestead and Non-Homestead millage rates of surrounding communities and comparable sized communities in Metro Detroit.
- Item 3 Monitor wage and benefits of surrounding communities and communities of comparable size with the intent of providing a competitive compensation package to attract and retain good employees and to insure financial resources are utilized effectively.
- Item 4 Monitor water and sewer rates of surrounding communities

Farmington City Council Staff Report

Council Meeting Date: January 6, 2014

Reference Number (ID # 1447)

Submitted by: Vincent Pastue, City Manager

Description: Discussion - Response to Letter Regarding Retiree Health Care Benefits

Requested Action:

Background:

At the December 16, 2013 regular meeting, the City Council accepted a letter received from retirees concerned about changes in the retiree health care plan. The letter is attached. At the study session, I will present a draft letter responding to the letter received.

Agenda Review

Review: Vincent Pastue Pending City Manager Pending City Council Pending Farmington Administrative Retirees

November 26, 2013

Susan K. Halberstadt, Clerk Mayor and Members of Farmington City Council City of Farmington 23600 Liberty Street Farmington, MI 48335

Re: Retiree Healthcare and Pension Benefits

As the City of Farmington's council and citizens have always treated their employees and retirees with respect and fairness, there has never been a reason to doubt the City's intent to honor its compensation promises. We continue to trust in the City's commitment to its retirees and request that Council review recent changes to retiree healthcare benefits to ensure that the City's commitment is not abridged.

The most recent change to retiree healthcare benefits was to move medicare eligible retirees to a medicare advantage plan. City ordinance establishing the present Retiree Health Care Plan provides that the health care benefit a retiree has at retirement will be continued during retirement and the City Administrative Manual contains the City's written policy on providing healthcare benefits at a stipulated premium funding level based on years of service.

The reduction in benefits for medicare eligible retirees, which took effect on July 1, 2013, reduced the health care benefit of medicare eligible retirees, forcing them to give up their original Medicare Part A and Part B and enroll in a Medicare Advantage Plan or lose their City health care benefit. The ADEA prohibits discrimination in wages and benefits based on age, and court rulings have held that providing different benefits to retirees based on non-medicare versus medicare eligibility is a proxy for treating those retirees differently based on age.

We, on behalf of ourselves and our fellow retirees, ask that you reconsider the recent changes to the healthcare benefit and offer a Medicare Advantage Plan to medicare eligible retirees as an option.

We also request that Council review the pension retiree benefit reserve set aside by the Retirement System Plan Ordinance as the means of providing increases in retirement benefits when and if sufficient reserves became available. It has been some time since the funds set aside for this purpose have been evaluated to determine if there are sufficient reserves to provide an ad hoc cost of living increase in pension benefits. Each year a calculation is made to determine the ongoing value of the reserve, deducting benefit payments, adding reserve transfers for new retirees, and crediting interest on the reserves, as provided by plan ordinance.

We ask that the City Clerk present this to the City Council for the next meeting agenda and include a copy of this communication in the minutes of the meeting at which it is presented. And, ask that the Board Secretary present it to the Retiree Health Care Board of Trustees at their next meeting.

Thank you for your consideration as this is of great importance to us and to all City of Farmington retirees. We look forward to a response from Council.

Cordially yours,

7.1

City of Farmington Retirees, Robert Deadman Frank Lauhoff Patsy Cantrell

Cc: Farmington Retiree Health Care Board of Trustees Vincent Pasture, City Manager Christopher Weber, Retiree Healthcare Trust Secretary