



**MINUTES**  
**Committee on Ways and Means**  
**Wednesday, September 7, 2016 @ 8:15 a.m.**  
**10<sup>th</sup> Floor Conference Room, City Hall**

**CALL TO ORDER**

The meeting was called to order at 8:15 a.m.

**ROLL CALL**

Councilmember Judi Brown Clarke, Chair  
Councilmember Carol Wood, Vice Chair  
Councilmember Tina Houghton, Member

**OTHERS PRESENT**

Sherrie Boak, Council Staff  
Jim DeLine, Internal Auditor  
Mary Sabaj, Office of Community Corrections  
Jim Smiertka, City Attorney- arrived at 8:20 a.m.  
Lynne Meade, Teamsters  
Denise Estee, Retiree  
Lynn Doerr, Retiree  
Mary Lou Andrews, Retiree

**Minutes**

MOTION BY COUNCIL MEMBER HOUGHTON TO APPROVE THE MINUTES FROM AUGUST 3, 2016 AS PRESENTED. MOTION CARRIED 3-0.

MOTION BY COUNCIL MEMBER HOUGHTON TO APPROVE THE MINUTES FROM AUGUST 17, 2016 AS PRESENTED. MOTION CARRIED 3-0.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE MINUTES FROM AUGUST 29, 2016 AS PRESENTED. MOTION CARRIED 3-0.

**Public Comment on Agenda Items**

No Public Comment at this time.

**Discussion/Action:**

**RESOLUTION – Approval of the Office of Community Corrections Funding Application**

Ms. Sabaj outlined the plan which requires an annual approval of the State application for funding for CCAB. The City and CCAB have been in partnership for 25 years, and this is the first year the programs are fully utilized. The programs include cognitive change groups through Wellness, Inc., a probation program with strict eligibility, a relapse recovery program, and pre-trial services. Agencies that participate include Wellness, Inc., Community Mental Health, Northwest Initiative, 30<sup>th</sup> District Court and the Gatekeeper program. This is a joint applicant with Ingham County.

Council Member Brown Clarke asked if in the future if there were no funding increase were they going to start targeting grants? Ms. Sabaj confirmed that the State has provided continuation funding at this level but this year the State increased funding by \$8,000 for data reporting program. They also continue to have strong support from the Judges for the rehabilitation services.

Council Member Wood asked what the recidivism rate was, and Ms. Sabaj acknowledging the data is only for those returning to prison. The rate is at 18% - 2014; 21% in 2015 for new offenses. Again, they only are measuring prison commitment rate. Council Member Brown Clarke asked if other programs are used as deterrents.

Council Member Wood asked how much funding was contributed from the City. Ms. Sabaj acknowledged \$12,500, which is not reflected in the grant, but helps with the administration. This helps to fund Jim Webster's position. Funds will be used this year for two workshops; 1 for the male population and one for the female population to deal with healthy relationships. Council Member Wood then asked if there were any overcrowding issues currently with the jail. Ms. Sabaj confirmed it was the 8<sup>th</sup> month of no overcrowding.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE RESOLUTION FOR APPROVAL OF THE OFFICE OF COMMUNITY CORRECTIONS FUNDING APPLICATION FOR THE PLAN YEAR FY2016-2017 TO THE STATE OF MICHIGAN. MOTION CARRIED 3-0.

**Update on Tie-Bar Memo**

Mr. Smiertka stated that his office did a review on the Tie-Bar issue, and it appears based on the language in other contracts it is consistent. Based on this review and of the collective bargaining contracts that read retirees follow the active. Under the interpretation of the contract, his opinion was that the language is clear that it does follow active employees, so the retiree health care will change from time to time to mirror what active employees are paying. Mr. Smiertka noted that other interpretations assume that the retirees follow what the actives were at the time of retirement. The City Attorney office reviewed twelve different plans where the language was found, and in nine of those plans, the City made the decision that retirees follow the active employees. Mr. Smiertka did note that in three plans which were FOP and Fire, the interpretation is different. The City decision for the Teamster 580 is that the retirees follow the current actives both by the insurances offer and the cost of the plans.

The next steps Mr. Smiertka would be would to meet with Finance, the Human Resources Director and Labor Relations, and then give their findings to Mayor. He did reiterate that currently their decision is based on the legality of the collective bargain contract; he could not speak to whether it was fair or not, but whether it was reasonable to interpret based on the language and the decision in 2010. Unless the Administration changes its position on this, that will be the determination.

Council Member Brown Clarke asked why three Union Contracts were different, and Mr. Smiertka acknowledged that to his knowledge that it was part of the collective bargaining and was determined that the retirees would continue to paid the same amount once they retired.

Council Member Wood informed the group that the Employee Retirement Board asked Karen Williams who deals with employees as they retire what are they told when leaving the employment of the City. It was explained the retiree is told that these are the benefits they will receive.

Mr. Smiertka noted again he will be meeting with the Administration to confirm his determination.

Council Member Brown Clarke asked if there will be a clarifying memo to make sure people know what was determined. Mr. Smiertka confirmed he would need to confirm this with Finance and Administration before he is able to product a memo.

Ms. Estee spoke in opposition of the determination that retirees to follow active. She explained that language only applied to the insurance plans offer by the City to the retirees not the cost of the plan. Ms. Estee went on to reference the 2010 contract, and questioned why 50 of the 150 were pulled out to follow actives. The UAW was given an opportunity to retire by a certain date and retain their health care benefits with no change in 2014, but Teamsters were not. Another reference she made was to the Actuary Report for the ERS system, where it stated that prior to 2/1/2010 City pays 100% benefits.

Ms. Estee asked Mr. Smiertka if the Mayor will be under any obligation to provide the decision in memo out of his office, in addition she noted for the record she still has no responses on her FOIA requests, and submitted another claim to Mr. Smiertka.

Mr. Smiertka made a correction to his earlier statement on retirees "follow" actives, the actual language is that "eligible retirees shall", not "follow".

Council Member Wood asked Mr. Smiertka if 50 people in a 150 group can have their benefits changed and whether or not is it discriminatory. Mr. Smiertka stated he was not part of those discussions so he was not sure what the logic was. In collective bargaining there is give and take process. Council Member Wood asked if be information could be provided that would tell how many retired under the contract, and how many paying for healthcare benefits and how many are not paying and why. Council Member Brown Clarke added that the information is needed to help clarify the determining factors that made changes to 50 retires healthcare plans verse those that are not paying. Mr. Smiertka suggested it could have been the retirement date; it was after 2/20/2004.

Ms. Meade explained that the Mark Kobe memo has is referred was never given to the Union, and asked Mr. Smiertka how a unilateral decision can be made that effects anyone prior to that date be made. Mr. Smiertka stated he would continue to analysis, because his job is to look at what is there and come up with an opinion.

Ms. Meade asked Mr. Smiertka for the opportunity to be at the table when he holds his discussions with the Human Resources and Finance.

Ms. Andrews asked if a Council Member could sit in on the meetings, and Mr. Smiertka acknowledged that would never happen.

Ms. Estee spoke in opposition to the process, how the retirees were affected.

Mr. Smiertka informed the Committee that he is not sure on the timeline when he will meet with the Administration, but hopes to be able to report back at the October 5, 2016 meeting.

Council Member Houghton asked Mr. Smiertka to ask for clarification on the protocol for the determination of the 50 retirees who upon retirement were not charged for healthcare and then after 2010 were. Also for clarification on retirees, how many retired under the plan, why the 2/20/2004 date was selected, and how can they go retroactive.

Ms. Andrews informed Mr. Smiertka that she is too is not paying the same amount either, and has had to switch coverages.

Ms. Estee asked Mr. Smiertka if he could address the State mandated caps, because the 2011 retirees are not subject to the State mandated caps, but the administration never brought anything to Council.

Ms. Meade asked to be part of the meeting with Finance and the Administration.

**ADJOURN**

Adjourn at 9:17 a.m.

Submitted by,

Sherrie Boak, Recording Secretary Lansing City Council

Approved by the Committee on October 5, 2016