

Legacy Cost Committee
10 N Division St Suite 302A
September 25, 2017

Attendees: City Manager Rebecca Fleury, Commissioner Susan Baldwin, DPW Director Chris Dopp, IAFF President Chris Love, Finance Director Linda Morrison, Labor Relations Attorney Nancy Mullett, The Planning Group's Rick Tsumas, Commissioner Mike Sherzer

Also present: Sarah McGinnis

Meeting started at 3:30pm

Rebecca Fleury presented a matrix of all of the City's pension and OPEB liabilities by group as of this date as well as the Michigan Municipal League's "Suggestions for Pension and OPEB Solutions". On the matrix Police and Fire groups are on a separate page, with the understanding that these groups do not contribute to and are not eligible for social security. All contracts are in effect with the exception of ATU. The group discussed the following topics:

- Discussed the DROP Program
- Retiree health
- ATU hybrid plan (1.25% multiplier, \$0 contribution from employee for the DB)
- Defined contributions
- Educating staff

IAFF President Chris Love requested employee contribution rates be added to the matrix.

Rebecca stated the City is completing a compensation job study that could assist in locating comparable municipalities. We have been trying to gather this information but we are one of a few that have the information available online. BC Vision has been looking at Burlington, NC as a comparable. They almost mirror Battle Creek. Rebecca asked Chris Love to reach out to comparable Fire Departments for their compensation details.

Commissioner Sherzer states we have to get out of defined benefit program. The costs are not able to be controlled, this is a foreseeable problem. Rebecca stated that if defined benefits are now a dinosaur we need to educate our staff. We need to communicate with each of our employee groups about where we are headed in the future. These benefits help us be competitive when finding talented staff. The State may make changes for us as well, OPEB legislation is probably coming.

Rebecca shared the suggestions for Pension and OPEB solutions from the Michigan Municipal League for review.

Commissioner Sherzer suggested the City needs to move to one plan, make all plans the same.

Next meeting date November 13th, 2017 at 3:30pm.

Adjourn 4:50pm