



AGENDA

HUMAN RESOURCES COMMITTEE MEETING

June 28, 2018

4:30 P.M. – 1201 S. Washington Ave.

REO Town Depot

Call to Order

Roll Call

Public Comments on Agenda Items

1. Human Resources Committee Meeting Minutes of September 12, 2017..... **TAB 1**
 2. FY 2019 Board Appointee Performance Reviews
 - a) Corporate Secretary/Proposed Reappointment Resolution..... **TAB 2**
 - b) Internal Auditor/Proposed Reappointment Resolution..... **TAB 3**
 - c) General Manager/Proposed Reappointment Resolution..... **TAB 4**
 3. Subsequent Steps for Board Appointed Employees Contracts.....**DISCUSSION**
 4. Other
- Adjourn

HUMAN RESOURCES COMMITTEE
Meeting Minutes
September 12, 2017

The Human Resources Committee of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 5:00 p.m. on Tuesday, September 12, 2017.

Human Resources (HR) Committee Chairperson Tracy Thomas called the meeting to order and asked the Corporate Secretary to call the roll. The following members were present: Commissioners Tracy Thomas, Anthony McCloud, Tony Mullen, and Sandra Zerkle. Also present: Commissioner David Price; and Non-Voting Commissioners William Long and Robert Nelson.

Public Comments

None

Approval of Minutes

Motion by Commissioner Zerkle, Seconded by Commissioner Mullen, to approve the Human Resources Committee meeting minutes of June 29, 2017.

Action: Motion Carried.

PA152 Health Care Premium Sharing Resolution

HR Committee Chairperson Tracy Thomas introduced Michael Flowers, Executive Director of Human Resources. Mr. Flowers reviewed and discussed BWL's options regarding Public Act 152's requirements associated with capping the amount a public employer may pay for health care insurance.



Public Act 152, 2011

- The BWL has three options:
 - Comply with PA 152 and limit expenditures on health care cost based on a schedule of dollars provided in the Act using the Hard Cap as updated annually; or
 - Limit expenditures on health care cost based on a 80/20 percentage split, requiring a majority vote; or
 - Exempt itself entirely from the Act & choose some other percentage of Premium sharing, requiring a 2/3 vote

In conclusion, the recommendation is that the Board select option 3 and exempt itself from the requirements of PA 152 of 2011 for all active employees' medical benefits, effective January 1, 2018 with an increase from 14% to 16% in premium sharing contribution. The Administration

presented a proposed Resolution and asked that the Committee forward the Resolution to the full Board for consideration.

Proposed Resolution
To Amend Employee Contribution to Medical Benefit Plans

WHEREAS, Governor Rick Snyder, on September 27, 2011, signed legislation known as the “Public Funded Health Insurance Contribution Act”, Public Act 152 of 2011 limiting the amount public employers may pay for government employee medical benefits, and;

WHEREAS, Public Act 152 of 2011 took effect January 1, 2012 and applies to all public employers including the Lansing Board of Water & Light, and;

WHEREAS, Public Act 152 of 2011 created a “hard cap” for medical benefit plan years beginning January 1, 2012, such that a public employer may not pay more than the statutory caps for medical benefit plans, and;

WHEREAS, by a majority vote of its governing body, a public employer may opt-out of the hard cap and into an 80% cap option where the public employer may not pay more than 80% of the total annual costs of all the medical benefit plans for its employees, and;

WHEREAS, by a 2/3 vote of its governing body each year, a local unit of government may exempt itself from the requirements of Public Act 152 of 2011 for the next year, and;

WHEREAS, the Board of Commissioners met on July 24, 2012 and passed a resolution (#2012-07-01) to exempt itself from the requirements of Public Act 152 of 2011 and implemented a 10% premium sharing, and;

WHEREAS, the Board of Commissioners met on July 23, 2013 and passed a resolution (#2013-07-02) to exempt itself from the requirements of Public Act 152 of 2011 and implemented a 12% premium sharing, and;

WHEREAS, the Board of Commissioners met on September 23, 2014 and passed a resolution (#2014-09-03) to exempt itself from the requirements of Public Act 152 of 2011 and kept the 12% premium sharing, and;

WHEREAS, the Board of Commissioners met on July 28, 2015 and passed a resolution (#2015-07-12) to exempt itself from the requirements of Public Act 152 of 2011 and kept the 12% premium sharing through December 31, 2015, and;

WHEREAS, the Board of Commissioners met on November 17, 2015 and passed a resolution (#2015-11-02) to exempt itself from the requirements of Public Act 152 of 2011 and kept the

12% premium sharing through December 31, 2016 for Union employees and implemented a 14% premium sharing for Non-Union employees effective July 1, 2016, and;

WHEREAS, the Board of Commissioners met on November 15, 2016 and passed a resolution (#2016-11-06) to exempt itself from the requirements of Public Act 152 of 2011 and kept the 14% premium sharing effective July 1, 2016, and;

RESOLVE that the Board by at least 2/3 vote desires to exempt itself from the requirements of Public Act 152 of 2011 for the upcoming benefit plan year, effective January 1, 2018 through December 31, 2018.

FURTHER RESOLVE that the Board desires to increase premium sharing from 14% to 16% for all active employees for medical benefits effective January 1, 2018.

Motion by Commissioner Mullen, Seconded by Commissioner McCloud, to forward the proposed resolution for PA 152 Health Care Premium Sharing to full Board for consideration.

Action: Motion Carried.

Other

None

Adjourn

Motion by Commissioner McCloud, Seconded by Commissioner Mullen, to adjourn the meeting.

Action: Motion Carried

Meeting adjourned at 5:11 p.m.

Respectfully Submitted,
Tracy Thomas, Chair
Human Resources Committee

Proposed Resolution

Appointment of the Charter Position of Corporate Secretary

The Board's Rules of Administrative Procedures specify that the Board is to appoint a Director and General Manager, Internal Auditor, and Corporate Secretary, at its first regular meeting following July 1st of each year or as soon as practicable thereafter.

RESOLVED, That the Board of Commissioners hereby appoints the following individual to the Charter position of Corporate Secretary fiscal year 2018-2019 or until a successor is appointed, whichever last occurs:

M. Denise Griffin, Corporate Secretary

FURTHER RESOLVED, That the Chair of the Board of Commissioners is authorized to execute any and all contractual amendment documents which reflect merit adjustments recommended by the Human Resources Committee for FY 2018's performance.

Proposed Resolution

Appointment of the Charter Position of Internal Auditor

The Board's Rules of Administrative Procedures specify that the Board is to appoint a Director and General Manager, Internal Auditor, and Corporate Secretary, at its first regular meeting following July 1st of each year or as soon as practicable thereafter.

RESOLVED, That the Board of Commissioners hereby appoints the following individual to the Charter position of Internal Auditor for fiscal year 2018-2019 or until a successor is appointed, whichever last occurs.

Philip Perkins, Internal Auditor

FURTHER RESOLVED, That the Chair of the Board of Commissioners is authorized to execute any and all contractual amendment documents which reflect merit adjustments recommended by the Human Resources Committee for FY 2018's performance.

Proposed Resolution

Appointment of the Charter Position of Director and General Manager

The Board's Rules of Administrative Procedures specify that the Board is to appoint a Director and General Manager, Internal Auditor, and Corporate Secretary, at its first regular meeting following July 1st of each year or as soon as practicable thereafter.

RESOLVED, That the Board of Commissioners hereby appoints the following individual to the Charter position of Director and General Manager for fiscal year 2018-2019 or until a successor is appointed, whichever last occurs:

Richard R. Peffley, Director and General Manager

FURTHER RESOLVED, That the Chair of the Board of Commissioners is authorized to execute any and all contractual amendment documents which reflect merit adjustments recommended by the Human Resources Committee for FY 2018's performance.