

COUNTY OF TUSCOLA

At a regular meeting of the Board of Commissioners of the County of Tuscola, Michigan, held on the 14th day of January, 2016, at 8:00 a.m., Eastern Standard Time, at the H.H. Purdy Building in Caro, Michigan there were:

Present: Commissioner Bardwell, Commissioner Kirkpatrick, Commissioner Bierlein

Absent: Commissioner Trisch

Vacant: District 1 Commissioner Seat

The following preambles and resolution were offered by Commissioner Kirkpatrick and seconded Commissioner Bierlein:

**RESOLUTION APPROVING THE REVISED COMPREHENSIVE PLAN FOR THE COUNTY OF
TUSCOLA RETIREMENT SYSTEM**

WHEREAS, the County of Tuscola, Michigan (the "County") currently provides pension benefits to qualified retirees and/or their spouses and dependents, as provided by the County and its policies; and

WHEREAS, an amendment to Public Act No. 34 of the Public Acts of 2001, as amended ("Act 34") enacted in October of 2012 permits the County to issue Bonds for the purpose of providing funds to fund the unfunded portion of the County's pension obligations; and

WHEREAS, pursuant to Act 34 the County has adopted a bond resolution (the "Resolution") authorizing the issuance of Pension Obligation Bonds and in connection therewith authorized the Controller/Administrator to submit a Comprehensive Financial Plan for the County of Tuscola Retirement System (the "Plan"); and

WHEREAS, in connection with the borrowing, the County has been advised by the Michigan Department of Treasury that they need to utilize actuarial value of the assets in the pension fund instead of market value of such assets; and

WHEREAS, the Controller/Administrator has already prepared and posted the Plan on the County website; and

WHEREAS, the change in asset valuation required the preparation of a Revised Comprehensive Financial Plan for the County of Tuscola Retirement System (the "Revised Plan"), a copy of which is attached hereto as Appendix A.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF TUSCOLA, MICHIGAN, AS FOLLOWS:

1. **Revised Comprehensive Pension Plan.** The Revised Comprehensive Financial Plan for the County of Tuscola Retirement System attached hereto as Appendix A is hereby approved and shall be posted on the County website and filed in the office of the County Clerk.
2. **Conflicting Resolutions.** All resolutions and parts of resolutions in conflict with the foregoing are hereby rescinded.
3. **Effective Date.** This Resolution shall become effective upon its adoption by the County of Tuscola Board of Commissioners.

A roll call vote on the foregoing resolution was then taken, and was as follow:

YES: Commissioner Bardwell, Commissioner Kirkpatrick, Commissioner Bierlein

NO: None

ABSTAIN: None

The resolution was declared adopted.

STATE OF MICHIGAN)
)ss.
COUNTY OF TUSCOLA)

CERTIFICATION

The undersigned, being the Clerk of the County of Tuscola, hereby certifies that the foregoing is a true and complete copy of a resolution duly adopted by the County of Tuscola Board of Commissioners at its regular meeting held on the 14th day of January, 2016, at which meeting a quorum was present and remained throughout and that an original thereof is on file in the records of the County. I further certify that the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, as amended, and that minutes of such meeting were kept and will be or have been made available as required thereby.

Jodi Fetting *Tuscola County*

Jodi Fetting, Tuscola County Clerk

Clerk



Dated: January 14, 2016

MERS Defined Contribution Plan Adoption Agreement



1134 Municipal Way Lansing, MI 48917 | 800.767.MERS (6377) | Fax 517.703.9711 | www.mersdmich.com

The Employer, a participating municipality or court within the state of Michigan that has adopted MERS coverage, hereby establishes the following Defined Contribution Plan provided by the Municipal Employees' Retirement System of Michigan, as authorized by 1996 PA 220 in accordance with the MERS Plan Document.

I. Employer Name Tuscola County **Municipality #:** 7902

If new to MERS, please provide your municipality's fiscal year: January through December.
(Month) (Month)

II. Effective Date

Check one:

A. If this is the **initial** Adoption Agreement for this group, the effective date shall be the first day of January, 2016.

This municipality or division is new to MERS, so vesting credit prior to the **initial** MERS effective date by each eligible participant shall be credited as follows (choose one):

- Vesting credit from date of hire
- No vesting credit

This division is currently in the MERS Defined Benefit Plan or Hybrid Plan and meets the applicable funding level requirements to adopt MERS Defined Contribution, as set forth in Plan Document Section 43C. Unless otherwise specified, the standard transfer/rehire rules will apply.

*** Closing this division will change future invoices to a flat dollar amount instead of a percentage of payroll, as provided in your most recent annual actuarial valuation. (The amount may be adjusted for any benefit modifications that may have taken place since then.)**

This division is for new hires, rehires, and transfers of current Defined Benefit division # 16,17,20,24,25,26 and/or current Hybrid division # _____

We elect to offer a one-time conversion from the existing plan into the new MERS Defined Contribution Plan (see attached MERS Defined Contribution Conversion Addendum incorporated herein by reference).

Review the projection study results

MERS recommends that your MERS representative presents the projection study results to your municipality before adopting MERS Defined Contribution.

Our MERS representative presented and explained the projection study results to the _____ on _____.
(ex. Board, Finance Committee, etc.) (MM/DD/YYYY)

As an authorized representative of this municipality, I Michael R. Hoagland
Controller/Administrator (Name)
(Title) waive the right for a presentation of the projection study results.

Amortization option election

After review of the *Amended Amortization Policy for Closed Divisions Within Open Municipalities*, which offers two options for amortization of Unfunded Accrued Liability, effective with the adoption of Defined Contribution for the divisions listed above, our municipality selects:

- Option A amortization
- Option B amortization (irrevocable once selected)

MERS Defined Contribution Plan Adoption Agreement

- B. If this is an **amendment** of an existing Adoption Agreement (Defined Contribution division number _____), the effective date shall be the first day of _____, 20____.
Please note: You only need to mark **changes** to your plan throughout the remainder of this Agreement.
- C. If this is to **separate employees from an existing Defined Contribution division** (existing division number(s) _____) into a new division, the effective date shall be the first day of _____, 20____.
- D. If this is to **merge division(s)** _____ into division(s) _____, the effective date shall be the first of _____, 20____.

III. Eligible Employees

Only those Employees eligible for MERS membership may participate in the MERS Defined Contribution Plan. A copy of ALL employee enrollment forms must be submitted to MERS. The following groups of employees are eligible to participate:

Full Time Employees

(Name of Defined Contribution division – e.g. All Full Time Employees, or General After 7/01/13)

These employees are (check one or both):

- In a collective bargaining unit (attach cover page, retirement section, and signature page)
 Subject to the same personnel policy

To further define eligibility, (check all that apply):

- Probationary periods** are allowed in one-month increments, no longer than 12 months. During this introductory period the Employer will not report or make contributions for this period, including retroactively. Service will begin after the probationary period has been satisfied.
The probationary period will be _____ month(s).
- Temporary employees** in a position normally requiring less than a total of 12 whole months of work in the position may be *excluded* from membership. These employees must be notified in writing by the participating municipality that they are excluded from membership within 10 business days of date of hire or execution of this Agreement.
The temporary exclusion period will be _____ month(s).

IV. Provisions

1. Vesting (Check one):

- Immediate
- Cliff Vesting (fully vested after below number years of service)
 1 year 2 years 3 years 4 years 5 years
- Graded Vesting
0 % after 1 year of service
0 % after 2 years of service
25 % after 3 years of service (min 25%)
50 % after 4 years of service (min 50%)
75 % after 5 years of service (min 75%)
100 % after 6 years of service (min 100%)

MERS Defined Contribution Plan Adoption Agreement

In the event of disability or death, a participant's (or his/her beneficiary's) entire employer contribution account shall be 100% vested, to the extent that the balance of such account has not previously been forfeited.

Normal Retirement Age (presumed to be age 60 unless otherwise specified) 60

If an employee is still employed with the municipality at the age specified here, their entire employer contribution will become 100% vested regardless of years of service.

2. Contributions

a. Will be remitted (check one):

Weekly Bi-Weekly Monthly

b. Employee/Employer contribution structure (subject to limitations of Section 415(c) of the Internal Revenue Code)

	Enter % or \$ for contribution amounts					
Employee Contribution	0-4%	5%	6%			
Employer Contribution	4%	4.5%	5%			

Direct mandatory employee contributions as pre-tax

c. Voluntary employee contributions may be made after-tax, subject to the Section 415(c) limitations of the Internal Revenue Code

3. Compensation:

Employee compensation includes, generally, wages, elected deferrals, and other payments of compensation (i.e., overtime, bonuses, vacation pay, sick pay) reported on an employee's Form W-2. Employee compensation is defined pursuant to section 19A(4)(c)(ii) of the MERS Plan Document. An employee's compensation shall not exceed the annual limit under section 401(a)(17) of the Internal Revenue Code.

NOTE: Employer plans with effective dates prior to July 11, 2012 may elect to maintain the former definition of compensation which defines compensation as, "Medicare taxable wages reported on the employee's Form W-2" by checking this box

4. **Loans:** shall be permitted shall not be permitted

If Loans are elected, please complete and attach the *MERS Defined Contribution Loan Addendum*.

5. Rollovers from qualified plans are permitted and the plan will account separately for pre-tax and post-tax contributions and earnings thereon.

V. Appointing MERS as the Plan Administrator

The Employer hereby agrees to the provisions of this *MERS Defined Contribution Plan Adoption Agreement* and appoints MERS as the Plan Administrator pursuant to the terms and conditions of the Plan. The Employer also agrees that in the event any conflict between MERS Plan Document and the MERS Defined Contribution Plan, the provisions of the Plan Document control.

VI. Modification of the terms of the Adoption Agreement

If the Employer desires to amend any of its elections contained in this Adoption Agreement, including attachments, the Governing Body or Chief Judge, by resolution or official action accepted by MERS, must adopt a new Adoption Agreement. The amendment of the new Agreement is not effective until approved by MERS.

MERS Defined Contribution Plan Adoption Agreement

VII. Enforcement

1. The Employer acknowledges that the Michigan Constitution of 1963, Article 9, Section 24, provides that accrued financial benefits arising under a public Employer's retirement plan are a contractual obligation of the Employer that may not be diminished or impaired.
2. The Employer agrees that, pursuant to the Michigan Constitution, its obligations to pay required contributions are contractual obligations to its employees and to MERS and may be enforced in a court of competent jurisdiction;
3. The Employer acknowledges that employee contributions (if any) and employer contributions must be submitted in accordance with the MERS Enforcement Procedure for Prompt Reporting and Payment, the terms of which are incorporated herein by reference;
4. The Employer acknowledges that late or missed contributions will be required to be made up, including any applicable gains, pursuant to the Internal Revenue Code;
5. Should the Employer fail to make its required contribution(s) when due, MERS may implement any applicable interest charges and penalties pursuant to the MERS Enforcement Procedure for Prompt Reporting and Payment and Plan Document Section 45A(3), and take any appropriate legal action, including but not limited to filing a lawsuit and reporting the entity to the Treasurer of the State of Michigan in accordance with MCL 141.1544(d), Section 44 of PA 436 of 2012, as may be amended.
6. It is expressly agreed and understood as an integral and non-severable part of this Agreement that Section 43B of the Plan Document shall not apply to this Agreement and its administration or interpretation. In the event any alteration of the terms or conditions of this Agreement is made or occurs, under Section 43B or other plan provision or law, MERS and the Retirement Board, as sole trustee and fiduciary of the MERS plan and its trust reserves, and whose authority is non-delegable, shall have no obligation or duty to administer (or to have administered) the MERS Defined Contribution Plan, to authorize the transfer of any defined benefit assets to the MERS Defined Contribution Plan, or to continue administration by MERS or any third-party administrator of the MERS Defined Contribution Plan.


VIII. Execution

Authorized Designee of Governing Body of Municipality or Chief Judge of Court

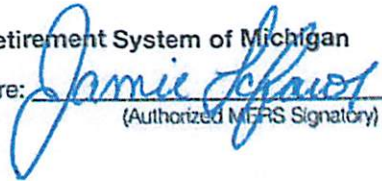
The foregoing Adoption Agreement is hereby approved by Tuscola County on
the 1st day of January, 2016. (Name of Approving Employer)

Authorized signature: 

Title: Chairman of the Tuscola County Board of Commissioners

Witness signature: 

Received and Approved by the Municipal Employees' Retirement System of Michigan

Dated: January 15, 2016 Signature: 
(Authorized MERS Signatory)

Resolution Adopting the MERS Defined Contribution Plan



1134 Municipal Way Lansing, MI 48917 | 800.767.MERS (6377) | Fax 517.703.9111

www.mersmich.com

This Resolution is entered into under the provisions of 1996 PA 220 and the Municipal Employees' Retirement System of Michigan ("MERS") Restated Plan Document of 2012 (the "MERS Plan Document"), as each may be amended.

WHEREAS, the participating entity desires to adopt the MERS Defined Contribution Plan for its designated employees;

WHEREAS, the participating entity has furnished MERS with required data regarding each eligible employee and retiree;


WHEREAS, as a condition of MERS membership, and pursuant to the MERS Retirement Board's power as plan administrator and trustee under Plan Document Section 36 and MCL 38.1536, as each may be amended, it is appropriate and necessary to enter into a binding agreement providing for the administration of the Defined Contribution Plan, the reporting of wages, and the payment of the required contributions of a participating entity and withholding of employee contributions; now, therefore,

IT IS HEREBY RESOLVED:

1. On behalf of the participating entity, the governing body of Tuscola County adopts the MERS Defined Contribution Plan in accordance with Plan Section 41 for its eligible employees as described in the MERS Defined Contribution Adoption Agreement, subject to the MERS Plan Document and as authorized by 1996 PA 220, as both may be amended;
2. The governing body agrees to the terms of and authorizes (title) Chairman of the Tuscola County Board of Commissioners to execute the initial MERS Defined Contribution Adoption Agreement, a copy of which is attached hereto and which is hereby incorporated by reference; and

I hereby certify that the above is a true copy of the Defined Contribution Resolution adopted at the official meeting held by the governing body of this municipality:


Dated: Jan 14, 2016.


(Signature of Authorized Official)

This Resolution shall have no legal effect under the MERS Plan Document until a certified copy of this adopting Resolution is filed with MERS, MERS determines that all necessary requirements under the Plan Document, the Adoption Agreement, and this Resolution have been met, and MERS certifies the Resolution below.

Received and Approved by the Municipal Employees' Retirement System of Michigan:

Dated: January 16, 2016.


(Authorized MERS Signatory)

COUNTY OF TUSCOLA

At a regular meeting of the Board of Commissioners of the County of Tuscola, Michigan, held on the 14th day of January, 2016, at 8:00 a.m., Eastern Standard Time, at the H.H. Purdy Building in Caro, Michigan there were:

Present: Commissioner Bardwell, Commissioner Kirkpatrick, Commissioner Bierlein

Absent: Commissioner Trisch

Vacant: District 1 Commissioner Seat

The following preambles and resolution were offered by Commissioner Kirkpatrick and seconded Commissioner Bierlein:

RESOLUTION APPROVING THE REVISED COMPREHENSIVE PLAN FOR THE COUNTY OF TUSCOLA RETIREMENT SYSTEM

WHEREAS, the County of Tuscola, Michigan (the "County") currently provides pension benefits to qualified retirees and/or their spouses and dependents, as provided by the County and its policies; and

WHEREAS, an amendment to Public Act No. 34 of the Public Acts of 2001, as amended ("Act 34") enacted in October of 2012 permits the County to issue Bonds for the purpose of providing funds to fund the unfunded portion of the County's pension obligations; and

WHEREAS, pursuant to Act 34 the County has adopted a bond resolution (the "Resolution") authorizing the issuance of Pension Obligation Bonds and in connection therewith authorized the Controller/Administrator to submit a Comprehensive Financial Plan for the County of Tuscola Retirement System (the "Plan"); and

WHEREAS, in connection with the borrowing, the County has been advised by the Michigan Department of Treasury that they need to utilize actuarial value of the assets in the pension fund instead of market value of such assets; and

WHEREAS, the Controller/Administrator has already prepared and posted the Plan on the County website; and

WHEREAS, the change in asset valuation required the preparation of a Revised Comprehensive Financial Plan for the County of Tuscola Retirement System (the "Revised Plan"), a copy of which is attached hereto as Appendix A.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF TUSCOLA, MICHIGAN, AS FOLLOWS:

1. **Revised Comprehensive Pension Plan.** The Revised Comprehensive Financial Plan for the County of Tuscola Retirement System attached hereto as Appendix A is hereby approved and shall be posted on the County website and filed in the office of the County Clerk.
2. **Conflicting Resolutions.** All resolutions and parts of resolutions in conflict with the foregoing are hereby rescinded.
3. **Effective Date.** This Resolution shall become effective upon its adoption by the County of Tuscola Board of Commissioners.

A roll call vote on the foregoing resolution was then taken, and was as follow:

YES: Commissioner Bardwell, Commissioner Kirkpatrick, Commissioner Bierlein

NO: None

ABSTAIN: None

The resolution was declared adopted.

STATE OF MICHIGAN)
)ss.
COUNTY OF TUSCOLA)

CERTIFICATION

The undersigned, being the Clerk of the County of Tuscola, hereby certifies that the foregoing is a true and complete copy of a resolution duly adopted by the County of Tuscola Board of Commissioners at its regular meeting held on the 14th day of January, 2016, at which meeting a quorum was present and remained throughout and that an original thereof is on file in the records of the County. I further certify that the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, as amended, and that minutes of such meeting were kept and will be or have been made available as required thereby.

 *Jodi Fetting, Tuscola County*

Jodi Fetting, Tuscola County Clerk *Clerk*

Dated: January 14, 2016