

Commissioner Minutes of January 14, 2014

Commissioner Reid opened the meeting with explanation of Commissioner Whittington's health issues, stating that the thoughts and prayers of the Board are with the family during this time.

The Gladwin County Board of Commissioners met in Regular Session on Tuesday, January 14, 2014. The meeting was called to order at 9:20 a.m. by Vice-Chairman Walters. The Pledge of Allegiance was recited. Roll call found all Commissioners present, except Commissioners Whittington and Carl who had been excused.

*Motion by Commissioner Birgel, supported by Commissioner Reid, to approve the consent agenda as presented. Ayes carried, **motion passed.***

The **cash balances** were then read by Commissioner Walters. *General Fund - \$202,913.14. Unallocated has a balance of \$3,460.25.*

Public Comments – none at this time.

Lt. Lisa Speary, MSP Emergency Management & Homeland Security division, spoke on the vacant OEM position in Gladwin. Lt. Speary and Commissioner Walters have met several times in the past week on the replacement of the position, the consequence of accepting federal funds by not having a dedicated person to that position and codes that need to be followed. Discussion. The Board thanked Lt. Speary for speaking on the matter today. Commissioner Walters will continue to keep the Board updated on new developments as they occur.

Bill Borushko, Labor Contract Negotiator, came before the Board with an update on the union negotiating process. There are 4 of 6 union groups that have reached a tentative agreement. Discussion on negotiated items by union group. *Motion by Commissioner Birgel, supported by Commissioner Walters, to ratify the contracts for Deputies, Dispatchers and Unit 6. Discussion. Ayes carried, **motion passed.** Motion by Commissioner Birgel, supported by Commissioner Reid, to authorize the deduction of the "belly button tax" from payroll effective in February for all employees covered under the Non-Union Benefits manual. Ayes carried, **motion passed.***

Commissioner Reports by District -

Commissioner Birgel reported:

- That he attended the Beaverton City and Grout Township meetings.
- On attending the Beaverton Township meeting where he handled many questions from the people in attendance.
- That he has attended several negotiation meetings with various union groups.

Commissioner Walters reported:

- That there will be no vote today to fill Commissioner Reid's vacancy since there is not a quorum. The Board will take action at a special meeting that will be scheduled at a later date.

Commissioner Reid reported:

- On his decision to resign from the Board, noting it was a difficult decision and he is proud of the Board members for their dedication and devotion to the County.

Chairman Walters reported:

- That he spent three days interviewing and working on grant paperwork with Lt. Speary.
- On attending negotiations on the 6th.
- That he attended the Gladwin City meeting.
- On attending the Sage Township meeting on the 8th.
- On the Finance meeting on the 9th.
- That the Road Commission will be holding a public hearing on January 20, 2014 at 6:00 p.m. to discuss Federal and State Road Aid Construction projects.
- That he will be attending the Veterans meeting this afternoon.
- On the passing of Bernard Allen's wife Josie, noting his thoughts are with the family at this time.

The Board approved the Finance matters as listed in their Board packet. *Motion by Commissioner Reid, supported by Commissioner Walters, to approve the following:*

1. Rick Seebeck has submitted paperwork showing an overpayment to Consumers Power on the remodel project at the Lodge. Mr. Seebeck will be asking Consumers to refund that to the County for reimbursement through the USDA grant.
2. Mike Greer, Magistrate, has requested payment of 35 unused vacation hours per his Court Non-Union benefits manual. Total payment of \$1,110.20 will be paid from 101-136-704.00 upon approval.
3. The Treasurer has requested to attend her Winter Conference with a member of her staff. Registration costs are \$250.00 and will come from 101-253-860.000.
4. The committee met with Rick Ghent, Maintenance Supervisor, on the need to update the contract bids for Janitorial services. The committee will bring the Board more information as it becomes available.

Ayes carried, **motion passed.**

Commissioner Walters then introduced the Board to Amy Pfenninger. Ms. Pfenninger is the candidate selected to fill the part time secretary position. Discussion. *Motion by Commissioner Walters, supported by Commissioner Reid, that Ms. Pfenninger is hired under the terms set at the previous meeting.* Ayes carried, **motion passed.** The Board welcomed their new secretary.

Public Comments – none at this time.

Motion by Commissioner Reid, supported by Commissioner Walters, to receive and file various correspondence and reports. Ayes carried, **motion passed.**

*Motion by Commissioner Reid, supported by Commissioner Birgel, to adjourn. Ayes carried, **motion passed.** Meeting adjourned at 9:40 a.m., until the next regular Board meeting on January 28, 2014 at 9:00 a.m., unless otherwise ordered.*

Laura Brandon-Maveal
County Clerk

Terry Walters
Vice-Chairman



Commissioner Minutes of January 28, 2014

The Gladwin County Board of Commissioners met in Regular Session on Tuesday, January 28, 2014. The meeting was called to order at 9:00 a.m. by Chairman Walters. The Pledge of Allegiance was recited. Roll call found all Commissioners present, except the vacancy in District 4 which has not been filled. Brad Lower gave a short prayer before the meeting.

*Motion by Commissioner Smith, supported by Commissioner Carl, to approve the consent agenda as presented. Ayes carried, **motion passed.***

The **cash balances** were then read by Commissioner Birgel. *General Fund - \$50,053.55. Unallocated has a balance of \$4,070.30.*

Public Comments –

Christy VanTiem, County Treasurer, presented the Board members with the 2013 investment report for their review and consideration. Discussion. *Motion by Commissioner Carl, supported by Commissioner Smith, to approve the report as prepared. Ayes carried, **motion passed.***

Penny Wallace thanked those in attendance for their cards and letters in support of Terry's passing. The Board stated that their thoughts are with her and with Terry's family.

*Motion by Commissioner Smith, supported by Commissioner Carl, to go into executive session for the purpose of labor negotiations. Ayes carried, **motion passed.***

EXECUTIVE SESSION 9:10 – 9:20 a.m.

*Motion by Commissioner Smith, supported by Commissioner Carl, to return to regular session. Ayes carried, **motion passed.***

Bill Borushko, Labor Contract Negotiator, presented the last three contracts (Command, Corrections and Unit 7). All contracts have the same provisions which include: Elimination or phasing out of Longevity, reduction of one holiday, MERS contribution from 3.8% to 5.0% and the \$5.25 ACA tax per insured person per month beginning February 1, 2014. Discussion. *Motion by Commissioner Birgel, supported by Commissioner Carl, to ratify the contracts for Command, Unit 7 and Corrections as outlined by Mr. Borushko. Ayes carried, **motion passed.*** Mr. Borushko then presented the resolution for the change to the MERS contribution. *Motion by Commissioner Birgel to amend the MERS Pension Plan to reflect the 5.0% employee contribution for divisions 1, 2, 10, 12, 13, 20, 21 and 22 effective February 1, 2014. Motion supported by Commissioner Carl. Roll call vote as follows: Carl – yes, Walters – yes, Smith – yes, Birgel – yes. 4 yes, 0 no, 1 vacant. Ayes carried, **resolution 2014-001 declared adopted.***

Finance Matters – Commissioner Birgel

1. The committee would like to allow purchasing authority back to the departments, but with limitations. The committee would ask that each department use all "generic or quill brand items" if possible. The Department Head must also sign off on all orders and only order necessary items

- until further notice. *Motion by Commissioner Birgel, supported by Commissioner Smith, to allow purchasing to begin with the listed exceptions. Ayes carried, motion passed.*
2. Shari Spoelman, MSU has requested that the following transfers be made: \$1000.00 from 289-000-675-000 to 101-000-671.257. *Motion by Commissioner Birgel, supported by Commissioner Carl, to allow the Treasurer to move the funds as requested. Ayes carried, motion passed.*
 3. The committee would like authorization to allow the Clerk to apply for a vehicle through USDA if funding is available. Discussion. *Motion by Commissioner Birgel, supported by Commissioner Smith, to allow for the funding request of one vehicle through USDA. Ayes carried, motion passed.*
 4. An Emergency Management Director has been chosen. The committee would like to recommend the hiring of Brad Lower to the position and authorize payment of \$20,000 as an annual salary upon the drafting of a contract. Introduction of Brad Lower and discussion. *Motion by Commissioner Smith, supported by Commissioner Carl, to hire Brad Lower as the Emergency Management Director effective today. Ayes carried, motion passed.*
 5. The committee recommends that the Board authorize the Treasurer to advance up to \$400,000; from the 216 fund (911 millage), to the General Fund as needed for the paying of bills and payroll. Discussion. *Motion by Commissioner Birgel, supported by Commissioner Carl, to allow for the advance as outlined. Ayes carried, motion passed.*
 6. Attached are the VanBelkum, Interact and Radio North service contracts for 2014. The amounts of \$2,780.00, \$12,364.00 and \$29,805.00 will be paid from 280-000-933.000 upon Board approval. *Motion by Commissioner Birgel, supported by Commissioner Carl, to pay the contracts as outlined. Ayes carried, motion passed. This action was corrected later in the meeting to note that the contracts would be paid from the 216 fund. Corrected motion by Commissioner Birgel, supported by Commissioner Carl. Ayes carried, motion passed.*
 7. Shari Spoelman spoke to the committee on Board action to rescind the action to eliminate MSU under the 120 days letter. Discussion. *Motion by Commissioner Carl, supported by Commissioner Smith, to table the matter until March for further consideration and research. Ayes carried, motion passed.*

Commissioner Reports by District –

Commissioner Carl reported:

- That he is happy to be getting back into things and has been keeping contact with his Townships while he has been out, noting some of the Townships are asking for a FEMA update.

Commissioner Smith reported:

- On attending the Tobacco Township meeting.
- That she attended the Hay Township meeting.
- On the Buckeye Township meeting.
- That she attended the Library meeting, noting that the Board elected the same officers as the previous year. The December circulation report for the Library was given to each of the Board members and reviewed.
- There will be a Data meeting on Thursday, January 30th at 9:00 a.m. Any department head that has issues that they would like addressed by the committee are encouraged to attend.

Commissioner Birgel reported:

- On attending the ZBA meeting, noting that Richard Christie had been elected as Chairman.
- That he attended the Fair Board meeting last Thursday where Chairman Walters gave a report on the funding for MSU.
- On attending several contract negotiation meetings for all six contracts with Mr. Borushko.

- On the Human Services committee meeting, commenting that there has been an increase in the number of homeless individuals requiring assistance. The November report was given to the Board for their review.
- That he attended the Region 7B meeting, where they are working to reduce the unemployment rate for the County, noting there are still many people without jobs.
- On a phone call received from a Beaverton Township resident on a creek issue. She was referred to DEQ for further assistance.

Commissioner Walters reported:

- That he has been very busy the last couple weeks.
- On the DPW term held by Adolph Presidio that is soon to expire. The Secretary will get with Mr. Presidio to see if he would like to continue to serve.
- That he attended the Veterans meeting last month.

Veterans Lost: William Wendt, Vietnam – Tobacco Township, Carl Lenarsic, Korea – Gladwin City, Theodore Foreman, Korea – Bourret Township, Leo Asch, Korea – Buckeye Township, Stephen Olikowski, WWII – Beaverton City.

- Letters have been sent to the five townships that Commissioner Whittington served. The Board will consider interested persons at the next Board meeting.
- That the Board has hired Amy Pfenninger as their new secretary. Ms. Pfenninger was introduced.
- That he will be compiling a committee list for approval once the new commissioner has been appointed.

Public Comments – The Treasurer spoke on the 280 fund balance. The Treasurer and Mike Brubaker, 911 Director, commented on the process of the spend down of 280 funds and on how it can be better handled in the future.

Judge Thomas Evans asked if the Board took action today on the Court employees' healthcare effective February 1, 2014. Mr. Borushko commented that the Board did receive the letter from the Courts and they will have BCN coverage effective February 1, 2014.

*Motion by Commissioner Carl, supported by Commissioner Smith, to receive and file various correspondence and reports. Ayes carried, **motion passed.***

*Motion by Commissioner Smith, supported by Commissioner Carl, to adjourn. Ayes carried, **motion passed.** Meeting adjourned at 9:50 a.m., until the next regular Board meeting on February 11, 2014 at 9:00 a.m., unless otherwise ordered.*

Laura Brandon-Maveal
County Clerk

Terry Walters
Chairman

Defined Benefit Plan Adoption Agreement



1134 Municipal Way Lansing, MI 48917 | 800.767.2308 | Fax 517.703.9711

The Employer, a participating municipality or participating court within the state of Michigan, hereby agrees to adopt and administer the MERS Defined Benefit Plan provided by the Municipal Employees' Retirement System of Michigan, as authorized by 1996 PA 220, in accordance with the MERS Plan Document, as both may be amended, subject to the terms and conditions herein.

I. Employer Name Gladwin County Municipality #: 2602

If new to MERS, please provide your municipality's fiscal year: _____ through _____.
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 _____, 20__.

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):

- All prior service from date of hire
- Prior service proportional to assets transferred; all service used for vesting
- Prior service and vesting service proportional to assets transferred
- No prior service but grant vesting credit
- No prior service or vesting credit

Link this new division to division number _____ for purposes of determining contributions (Unless otherwise specified, the standard transfer/rehire rules apply)

B. If this is an **amendment** of an existing Adoption Agreement (Defined Benefit division number 1), the effective date shall be the first day of February, 2014. *Please note:* You only need to mark **changes** to your plan throughout the remainder of this Agreement.

C. If this is a **temporary benefit** that lasts 2-6 months, the effective dates of this temporary benefit are from ___/01/___ through ___/___/___ for Defined Benefit division number _____.
Last day of month
Please note: You only need to mark **changes** to your plan throughout the remainder of this Agreement.

D. If this is to **separate employees from an existing Defined Benefit division** (existing division number(s) _____) into a new division, the effective date shall be the first day of _____, 20__.

E. If this is to merge division(s) _____ into division(s) _____, the effective date shall be the first of _____, 20__.

Defined Benefit Plan Adoption Agreement

III. Eligible Employees

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

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

Only retirees will be in this division.

These employees are (check one or both):

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

To receive one month of service credit (check one):

- An employee shall work 10 _____ hour days.
 An employee shall work _____ hours in a month.

All employees as classified under eligible employees, whether full or part time, who meet this criteria must be reported to MERS. If you change your current day of work definition to be more restrictive, the new definition only applies to employees hired after the effective date.

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 provide service time 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

Valuation Date: _____, 20____

1. This Adoption Agreement will be implemented in conjunction with a current actuarial valuation certified by a MERS actuary that sets contribution rates.
2. Annually, the MERS actuary will conduct an actuarial valuation to determine the employers' contribution rates. Employers are responsible for payment of said contributions at the rate, in the form and at the time that MERS determines.

Defined Benefit Plan Adoption Agreement

3. Benefit Multiplier (1%-2.5%, increments of 0.05%) _____ % (max 80% for multipliers over 2.25%)

Check here if multiplier will be effective for existing active members' future service only (Bridged Benefit as of effective date on page 1)

If checked, select one below:

Termination Final Average Compensation (calculated over the members entire wage history)

Frozen Final Average Compensation (FAC is calculated twice, once for the timeframe that matches the original multiplier, and once for the new multiplier)

4. Final Average Compensation (Min 3 yr, increments of 1 yr) _____ years

5. Vesting (5 -10 yrs, increments of 1 yr) _____ years

6. Required employee contribution (Max 10%, increments of 0.1%) 5.0 %

7. Compensation, for retirement purposes, is defined as base wages and all of the following. Check applicable boxes to *exclude* these types from your MERS reported wages:

Longevity pay

Overtime pay

Shift differentials

Pay for periods of absence from work by reason of vacation, holiday, and sickness

Workers' compensation weekly benefits (if reported and are higher than regular earnings)

A member's pre-tax contributions to a plan established under Section 125 of the IRC

Transcript fees paid to a court reporter

A taxable car allowance

Short term or long term disability payments

Payments for achievement of established annual (or similar period) performance goals

Payment for attainment of educational degrees from accredited colleges, universities, or for acquisition of job-related certifications

Lump sum payments attributable to the member's personal service rendered during the FAC period

Other: _____

Other 2: _____

Defined Benefit Plan Adoption Agreement

8. Early Normal Retirement with unreduced benefits

- Age 50 with 25 years of service Age 50 with 30 years of service
 Age 55 with 15 years of service Age 55 with 20 years of service
 Age 55 with 25 years of service Age 55 with 30 years of service
 Any age with (20-30 yrs, in 1 yr increments) _____ years of service

9. Other

- Surviving Spouse will receive _____% of Straight Life benefit without a reduction to the participant's benefit
 Duty death or disability enhancement (add up to additional 10 years of service credit not to exceed 30 years of service)
 DROP + with _____%

10. Cost-of-Living Adjustment

| | |
|---|---|
| <input type="checkbox"/> All current retirees as of effective date <input type="checkbox"/> Retirees who retire between _____/01/____ and _____/01/____ <i>(one time increase only)</i> | <input type="checkbox"/> Future retirees who retire after effective date |
| Increase of _____% or \$_____ per month | Increase of _____% or \$_____ per month |
| Select one: <input type="checkbox"/> Annual automatic increase <input type="checkbox"/> One-time increase | <input type="checkbox"/> Annual automatic increase |
| Select one: <input type="checkbox"/> Compounding <input type="checkbox"/> Non-compounding | Select one: <input type="checkbox"/> Compounding <input type="checkbox"/> Non-compounding |
| Employees must be retired _____ months (6-12 months, increments of 1 month) | Employees must be retired _____ months (6-12 months, increments of 1 month) |

V. Appointing MERS as the Plan Administrator

The Employer hereby agrees to the provisions of this *MERS Defined Benefit 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 Benefit Plan, the provisions of the Plan Document control.

Defined Benefit Plan Adoption Agreement

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.

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, and prohibits the use of the Employer's required current service funding to finance unfunded accrued liabilities.
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. In accordance with the Constitution and this Agreement, if at any time the balance standing to the Employer's credit in the reserve for employer contributions and benefit payments is insufficient to pay all service benefits due and payable to the entity's retirees and beneficiaries, the Employer agrees and covenants to promptly remit to MERS the amount of such deficiency as determined by the Retirement Board within thirty (30) days notice of such deficiency.
4. The Employer acknowledges that wage and service reports are due monthly, and the employee contributions (if any) and Employer contributions are due and payable monthly, and must be submitted in accordance with the MERS Enforcement Procedure for Prompt Reporting and Payment, the terms of which are incorporated herein by reference.
5. Should the Employer fail to make its required contribution(s) when due, the retirement benefits due and payable by MERS on behalf of the entity to its retirees and beneficiaries may be suspended until the delinquent payment is received by MERS. 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. The Employer acknowledges that changes to the Employer's MERS Defined Benefit Plan must be made in accordance with the MERS Plan Document and applicable law, and agrees that MERS will not administer any such changes unless the MERS Plan Document and applicable law permit same, and MERS is capable of administering same.

Defined Benefit Plan Adoption Agreement

VIII. Execution

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

The foregoing Adoption Agreement is hereby approved by Gladwin County on
the 28th day of January, 2014. (Name of Approving Employer)

Authorized signature: *Troy L. Walters*
Title: Chairperson, Board of Commissioners

Witness signature: *Karla Brandon-Maveal*

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

Dated: _____, 20____ Signature: _____
(Authorized MERS Signatory)

