

September 27, 2011

The Regular meeting of the Otsego County Board of Commissioners was held in the County Building at 225 West Main Street, Room 100. The meeting was called to order at 9:30 a.m. by Chairman Paul Beachnau. Invocation by Chairman Paul Beachnau, followed by the Pledge of Allegiance led by Commissioner Bruce Brown.

Roll Call:

Present: Clark Bates, Paul Beachnau, Paul Liss, Erma Backenstose, Richard Sumerix, Doug Johnson, Ken Borton, Bruce Brown.

Excused: Lee Olsen.

Motion by Commissioner Clark Bates, to correct the Regular minutes of September 13, 2011 with attachments. The minutes were corrected to read: *Motion to adopt OCR 11-24 Approve Rental Rehabilitation Grant Application*. Ayes: Unanimous. Motion carried. Minutes were approved as corrected.

Consent Agenda:

Motion to approve the FY 2011 General Fund/Capital Projects budget amendment. Ayes: Unanimous. Motion carried. (see attached)

Motion to adopt, OCR 11-29 Courts MERS Hybrid Resolution.

Ayes: Clark Bates, Paul Beachnau, Paul Liss, Erma Backenstose, Richard Sumerix, Doug Johnson, Ken Borton, Bruce Brown.

Nays: None.

Excused: Lee Olsen.

Motion carried/Resolution adopted. (see attached)

Administrator's Report:

John Burt reported on the demolition project; Animal Control Building; Pavilion; Cooperative planning meeting.

Elizabeth Haus reported on the Village; Village election that was held.

Roberta Tholl reported on the road updates.

Correspondence:

Chairman Paul Beachnau received a letter from James Varnas.

James Varnas addressed the Board.

Motion by Commissioner Erma Backenstose, to deny request from Mr. James Varnas to have the County waive penalties and interest for delinquent taxes owed on property code #051-150-000-011-00 and 012. Ayes: Paul Beachnau, Paul Liss, Erma Backenstose, Richard Sumerix, Doug Johnson, Ken Borton, Bruce Brown. Nays: Clark Bates. Excused: Lee Olsen. Motion carried.

The August 2011 financial reports were presented.

New Business:

Motion by Commissioner Paul Liss, to approve the September 20, 2011 Warrant in the amount of \$165,714.37 as presented. Ayes: Unanimous. Motion carried.

Motion by Commissioner Clark Bates, to approve the September 27, 2011 Warrant in the amount of \$811,911.53. Ayes: Unanimous. Motion carried.

Motion to adopt Resolution OCR 11-28 Shirley Jenkins Recognition.

Roll Call Vote:

Ayes: Clark Bates, Paul Beachnau, Paul Liss, Erma Backenstose, Richard Sumerix, Doug Johnson, Ken Borton, Bruce Brown.

Nays: None.

Excused: Lee Olsen.

Motion carried/Resolution adopted. (see attached)

Motion by Commissioner Doug Johnson, to approve the agreement with Michigan State University for Extension Services. Ayes: Unanimous. Motion carried.

Motion by Commissioner Erma Backenstose, to approve \$2,500 in funding, along with the associated budget amendment, to the Northeast Michigan Council of Governments for the Otsego County Quality of Life Assessment. Ayes: Unanimous. Motion carried.

Board Remarks:

Commissioner Erma Backenstose: Library meeting.
Township meeting.
Attended the open house for the Veterans homes.

Commissioner Ken Borton: Attended MAC Conference.
Attended Republication leadership conference.

Commissioner Richard Sumerix: NEMCOG
Consortium meeting.

Commissioner Paul Liss: Community Corrections meeting.

Commissioner Clark Bates: City Council meeting.

Commissioner Doug Johnson: Attended MAC Conference.

Chairman Paul Beachnau: Attended Outdoor riders Conference.
Attended the open house for the Veterans homes.
Conservation tour.
Tour the Alpine Haus apartments.

Meeting adjourned at 10:50 a.m.

Paul M. Beachnau, Chairman

Susan I. DeFeyter, Otsego County Clerk

MERS Restated Uniform Hybrid Program (Benefit Program H) Resolution



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

www.mersofmi.com

WHEREAS, under the Municipal Employees Retirement Act of 1984, section 36(2)(a); MCL 38.1536(2)(a); Plan Document Section 36(2)(a), provides the Retirement Board (effective August 15, 1996):

[s]hall determine and establish all of the provisions of the retirement system affecting benefit eligibility, benefit programs, contribution amounts, and the election of municipalities, judicial circuit courts, judicial district courts, and judicial probate courts to be governed by the provisions of the retirement system ... [and] to establish additional programs including but not limited to defined benefit, defined contribution, ancillary benefits, health and welfare benefits, and other post employment benefit programs (as amended by 2004 PA 490).

WHEREAS, pursuant to the Board's powers, the MERS Plan Document of 1996 was adopted effective October 1, 1996, and the Plan has been amended periodically by the Board.

WHEREAS, the MERS Plan, an agent, multiple employer, public employee pension plan, has been determined by the Internal Revenue Service to be a governmental plan that is tax qualified as a trust under Code section 401(a) and exempt from taxation under section 501(a) (Letter of Favorable Determination dated June 15, 2005; and letter dated July 8, 1997).

WHEREAS, on March 14, 2006, the Retirement Board has authorized establishment of a Hybrid Plan, with a defined benefit (DB) and defined contribution (DC) component.

WHEREAS, new Section 19B, Benefit Program H, and related plan amendments, create a new Hybrid Program that a participating municipality or court may adopt for MERS members to be administered in whole or in part under the discretion of the Municipal Employees' Retirement Board as trustee and fiduciary, directly by (or through a combination of) MERS or MERS duly-appointed third-party administrator for the DC component.

WHEREAS, this Uniform Hybrid Program Resolution has been approved by the Retirement Board under the authority of MCL 38.1536(2)(a); Plan section 36(2)(a) declaring that the Retirement Board "shall determine . . . and establish" all provisions of the retirement system. Under this authority, the Retirement Board authorized Section 19B, Benefit Program H, which shall not be implemented unless in strict compliance with the terms and conditions of this Resolution as provided under section 19B(2):

- In the event any alteration of any provision of this section 19B, or other sections of the Plan Document related to the provisions of Benefit Program H, is made or occurs, under section 43B of the Plan Document concerning collective bargaining or under any other plan provision or law, adoption of Benefit Program H shall not be recognized, other than in accordance with this section and other sections of the Plan Document related to the provisions of Benefit Program H.
- In the event any alteration of the terms or conditions stated in this Uniform Resolution is made or occurs, it is expressly recognized that MERS and the Retirement Board, as sole trustee and fiduciary of the MERS Plan and its trust reserves, and whose authority is nondelegable, shall have

MERS Restated Uniform Hybrid Program (Benefit Program H) Resolution

no obligation or duty: to administer (or to have administered) the Benefit Program H; to authorize the transfer of any Plan assets to the Hybrid Program; or to continue administration by MERS directly or indirectly, or by any third-party administrator.

WHEREAS, concurrent with this Resolution, and as a continuing obligation, this governing body has completed and approved, and submitted to MERS, documents necessary for adoption and implementation of MERS Benefit Program H.

NOW, THEREFORE, BE IT RESOLVED that the governing body adopts MERS Benefit Program H (Hybrid Program) as provided below.

I. NEW EMPLOYEES (Plan Sec 19B(4) - (12))

Effective the first day of June, 2011, (to be known as the ADOPTION DATE), the

Otsego County Judicial System hereby adopts Benefit Program H for
(MERS municipality/court)

New Hires division 14 after 6/1/2011
(specify division numbers)

first hired or rehired to the division at any time on and after the Adoption Date, and optional participation for any employee or officer of this municipality otherwise eligible to participate in MERS under Section 2B(3)(a) of the Plan Document who has previously elected to not participate in MERS. The employer shall establish the transfer rule for transferred employees in the Employer Resolution Establishing a Uniform Transfer Provision. **ONLY THOSE EMPLOYEES ELIGIBLE FOR MERS MEMBERSHIP (SECTIONS 2B(3) AND 3 OF THE PLAN DOCUMENT) SHALL BE ELIGIBLE TO PARTICIPATE.**

(A) HYBRID PLAN CONTRIBUTIONS

- The DB Component shall be exclusively funded by the employer, with no member contributions permitted.
- For the DC Component, employee and employer contributions shall be required as allowed and specified in Plan section 19B(8) and the MERS Uniform Hybrid DC Component Adoption Agreement ("Adoption Agreement," Attachment 1, completed and approved and a certified copy submitted to MERS concurrent with and incorporated by reference in this Resolution). A member is immediately 100% vested in any employee contributions, and is vested in employer contributions under the employer vesting schedule.

(B) COMPENSATION AND EARNINGS

- For the DB Component, earnings shall include items of "Compensation" under Section 2A(6) of the MERS Plan Document, with the exception of the last sentence, which shall not apply.
- For the DC Component, earnings shall include items of "Compensation" under Section 2A(6) of the MERS Plan Document as provided for Benefit Program DC, which equals the Medicare taxable wages as reported by the employer on the member's federal form W-2, wage and tax statement.

MERS Restated Uniform Hybrid Program (Benefit Program H) Resolution

(C) HYBRID PLAN VESTING

- For the DB Component, 6 year vesting is mandatory (Plan Sec 19B(5)(b)).
- For the DC Component, employee and employer contributions shall be required as allowed and specified in Plan section 19B(8) and the Adoption Agreement (Attachment 1, completed and approved and a certified copy submitted to MERS concurrent with and incorporated by reference in this Resolution). A member is immediately 100% vested in any employee contributions, and is vested in employer contributions under the employer vesting schedule.
- As provided in Section 19B(3):
Where a member has previously acquired in the employ of any participating municipality or participating court:
 - (a) not less than 1 year of defined benefit service in force (including Hybrid Program) with any participating municipality or participating court;
 - (b) eligible credited service where the participating municipality or participating court has adopted the Reciprocal Retirement Act, 1961 PA 88;
 - (c) at least 12 months in which employer contributions by a participating municipality or participating court have been made on behalf of the member under Benefit Program DC or Hybrid Program, such service shall be applied toward satisfying the vesting schedule for the DB Component, and for the DC Component, for employer contributions.

(D) BENEFITS UNDER HYBRID PLAN

- For the DB component:
 - (1) The Benefit Multiplier (Plan Section 19B(4)) initially selected shall be irrevocable, shall not later be changed and shall be the one here specified (select only one of the following):
 - (a) 1.0 % times (x) years of service times (x) FAC
 - (b) 1.25% times (x) years of service times (x) FAC
 - (c) 1.5% times (x) years of service times (x) FAC
 - (2) Final Average Compensation (FAC) shall be FAC-3 (Plan Section 19B(6)).
 - (3) The Benefit shall be payable at age 60 (Plan Section 19B(5)(b)).
 - (4) Credited Service shall be comprised solely of the sum of (a) the total of the member's credited service (if any) under the previous DB program on the effective date of coverage under the Hybrid Plan (Plan Section 19B(16)(b)(ii); see II (E)(b)(ii) below); plus (b) credited service earned by the member after the effective date of coverage under the Hybrid Plan (Plan Section 19B(17)(b)).
- For the DC Component (Plan Section 19B(12)):

MERS Restated Uniform Hybrid Program (Benefit Program H) Resolution

Upon termination of membership, a vested former member or a beneficiary, as applicable, shall elect one or a combination of several of the following methods of distribution of the vested former member's or beneficiary's accumulated balance, to the extent allowed by federal law and subject to Plan Section 19B(11)(b) and procedures established by the Retirement Board:

- (1) Lump sum distribution to the vested former member or beneficiary.
- (2) Lump sum direct rollover to another eligible retirement plan, to the extent allowed by federal law.
- (3) Annuity for the life of the vested former member or beneficiary, or optional forms of annuity as determined by the Retirement Board.
- (4) No distribution, in which case the accumulated balance shall remain in the retirement system, to the extent allowed by federal law.

STOP If covering new employees only, skip II and III and go to IV on page 9. STOP

MERS Restated Uniform Hybrid Program (Benefit Program H) Resolution

- II. **OPTIONAL PROVISION FOR CURRENT MERS DEFINED BENEFIT MEMBERS WHERE HYBRID PROGRAM FOR NEW EMPLOYEES ESTABLISHED (FOR TRANSFERS FROM MERS DEFINED CONTRIBUTION PROGRAM, SEE SECTION III)**
(Plan Sec 19B(13)-(16))

THIS OPTIONAL SECTION SHALL ONLY BE SELECTED WHERE THE TOTAL FUNDED PERCENT OF AGGREGATE ACCRUED LIABILITIES AND VALUATION ASSETS OF ALL RESERVES SPECIFIED IN TABLE 13 (OR SUCCESSOR TABLE) FOR THE PARTICIPATING MUNICIPALITY OR COURT, AND FOR THE AFFECTED MEMBER BENEFIT PROGRAM CLASSIFICATION(S) (DIVISION(S)) SPECIFIED IN THE MOST RECENT MERS ANNUAL ACTUARIAL VALUATION REPORT IS AT LEAST EIGHTY PERCENT (80%).

IT IS ADDITIONALLY RESOLVED, as provided in each of the following paragraphs:

- (A) Effective on the Adoption Date, pursuant to Plan Section 19B(13):

all current MERS defined benefit members who are members of the same employee classification described in Section I above on the Adoption Date shall be offered the opportunity to irrevocably elect coverage under Benefit Program H. Section 19B(14) specifies an employee's written election to participate shall be filed with MERS: (a) not earlier than the last day of the third month after this Resolution is adopted and received by MERS; and (b) not later than the first day of the first calendar month that is at least six months after MERS receives this Resolution. This means each eligible employee will have about 90 days to make the decision.

After MERS receives this Resolution, this governing body's authorized official and eligible employees will be advised by MERS of the election window timelines and other information to consider in making the irrevocable decision whether to participate in Benefit Program H.

Participation for those electing coverage shall be effective the first day of the first calendar month at least six (6) months after MERS' receipt of the Resolution, here designated as being the month of _____, 20____, (insert month and year) which shall be known as the "CONVERSION DATE."

The opportunity for current employees on the Adoption Date to participate in the Hybrid Program shall (select 1 of the following 2 choices):

- apply to all employees who separate from or terminate employment with this municipality after the Adoption Date and before the Conversion Date, so long as the employee does not receive a retirement allowance (including distributions from Benefit Programs DC or H) from MERS based on service for this municipality.
- not apply to any employee who separates from or terminates employment with this municipality after the Adoption Date.

MERS Restated Uniform Hybrid Program (Benefit Program H) Resolution

- (B) **CONTRIBUTIONS** shall be as provided in Section I (A) above.
- (C) **COMPENSATION AND EARNINGS** shall be as provided in Section I (B) above.
- (D) **HYBRID PLAN VESTING** shall be as provided in Section I (C) above.
- (E) For each employee irrevocably electing to participate in Benefit Program H, then under Plan Section 19B(16), the Retirement Board shall transfer the following amounts from the reserve for employee contributions and the reserve for employer contributions and benefit payments to the reserve for defined contribution plan:
- (a) The member's accumulated contributions, if any, as of 12:01 a.m. on the day the member becomes covered by Benefit Program H shall be transferred from the reserve for employee contributions to the member's credit in the reserve for Benefit Program H Defined Contribution component.
 - (b) The funded excess present value shall be computed as the excess, if any, of the actuarial present value of the accrued benefit associated with the member's coverage under the previous benefit program, over the actuarial present value of the accrued benefit associated with the member's coverage under the defined benefit component of Benefit Program H, after such excess is multiplied by the funded level percentage selected by the governing body in subparagraph (F)(2) below (which shall not be less than 80% nor exceed 100% funded level percentage in any case). The excess, if any, of the funded excess present value over the amount specified in sub-paragraph (a) shall be transferred from the reserve for employer contributions and benefit payments to the member's credit in the reserve for Benefit Program H Defined Contribution component. For purposes of this subparagraph:
 - (i) The actuarial present values shall be computed as of 12:01 a.m. on the day the member becomes covered by Benefit Program H and shall be based on the actuarial assumptions adopted by the Retirement Board.
 - (ii) On the effective date of the change of the benefit program the member's credited service under Benefit Program H shall be equal to the member's credited service under the previous benefit program.
 - (iii) In determining final average compensation there shall not be included any accrued annual leave.
 - (iv) The earliest retirement date (for an unreduced benefit) assumption under the defined benefit program in effect on the effective date of the change of the benefit program shall be utilized. Likewise the earliest retirement date assumption under Benefit Program H shall be utilized.
 - (v) For purposes of the actuarial present value calculation, any future benefit otherwise payable under Benefit Program E or E-1 shall be disregarded.

The transfer shall be made approximately 30 calendar days after the **Conversion Date**, and the transfer amount shall include pro-rated regular interest at the regular Board-established rate for crediting of interest on member's accumulated contributions in the defined benefit program, measured from the **Conversion Date** to the actual transfer date.

MERS Restated Uniform Hybrid Program (Benefit Program H) Resolution

(F) Per Plan Section 19B(16)(b), the Retirement Board has established the assumptions for calculation of the actuarial present value of a member's accrued benefit that may be transferred. The assumptions are:

- (1) The interest rate in effect as of the Adoption Date, to determine actuarial present value, shall be the Board-established investment earnings rate assumption (currently eight percent (8.00%)).
- (2) The funded level for the member's specific MERS division (total funded percentage of the present value of accrued benefits which shall be determined using Termination Liability under Table 12 or successor table and valuation assets of all reserves using Table 13) as of the Adoption Date from the most recent MERS annual actuarial valuation report data provided by MERS actuary. In the APV calculation, the funded level used shall be (select one of the following):
 - Table 12 Termination Liability funded level for the division (not less than 80% nor to exceed 100% funded level).
 - If greater than the division's funded level but not more than 100% funded level, then MERS is directed to compute the funded percentage for the transfer calculation on _____% funded basis (insert number greater than the division's Table 12 Termination Liability funded level percentage but not more than 100%). Where less than 100% funded level exists, this governing body recognizes that such direction shall increase its pension funding liability. MERS shall not implement such direction unless the governing body forwards to MERS sufficient cash up to the funded level selected for all members prior to the Conversion Date; if sufficient cash is not forwarded, then the governing body expressly covenants with MERS and directs, as a condition of this selection, to MERS billing and the governing body remitting to MERS all contributions necessary to fund the unfunded liability occasioned by the aggregate transfer of the difference between the actual funded level for the division and funded level directed above over a period of four (4) years.

III. TRANSFER OF CURRENT MERS DEFINED CONTRIBUTION PROGRAM MEMBERS WHERE HYBRID PROGRAM FOR NEW EMPLOYEES ESTABLISHED Plan Sec 19B(13) – (15), (17)

IT IS ADDITIONALLY RESOLVED, as provided in each of the following paragraphs:

- (A) Effective on the Adoption Date, pursuant to Plan Section 19B(13) all current MERS defined contribution members who are members of the same employee classification described in Section I above on the Adoption Date shall be offered the opportunity to irrevocably elect coverage under Benefit Program H. Section 19B(14) specifies an employee's written election to participate shall be filed with MERS: (a) not earlier than the last day of the third month after this Resolution is adopted and received by MERS; and (b) not later than the first day of the first calendar month that is at least six months after MERS receives this Resolution. This means each eligible employee will have about 90 days to make the decision.

After MERS receives this Resolution, this governing body's authorized official and eligible employees will be advised by MERS of the election window timelines and other information to consider in making the irrevocable decision whether to participate in Benefit Program H.

MERS Restated Uniform Hybrid Program (Benefit Program H) Resolution

Participation for those electing coverage shall be effective the first day of the first calendar month at least six (6) months after MERS' receipt of the Resolution, here designated as being the month of _____, 20____, (insert month and year), which shall be known as the "CONVERSION DATE."

The opportunity for current employees on the Adoption Date to participate in the Hybrid Program shall (select 1 of the following 2 choices):

- apply to all employees who separate from or terminate employment with this municipality after the Adoption Date and before the Conversion Date, so long as the employee does not receive a retirement allowance (including distributions from Benefit Programs DC or H) from MERS based on service for this municipality.
- not apply to any employee who separates from or terminates employment with this municipality after the Adoption Date.

(B) CONTRIBUTIONS shall be as provided in Section I (A) above.

(C) COMPENSATION AND EARNINGS shall be as provided in Section I (B) above.

(D) HYBRID PLAN VESTING shall be as provided in Section I (C) above.

(E) For each employee irrevocably electing to participate in Benefit Program H, then under Plan Section 19B(17), the following shall apply:

- (a) The member's accumulated balance in the reserve for defined contribution plan under Benefit Program DC, if any, as of 12:01 a.m. on the day the member becomes covered by Benefit Program H shall be transferred to the member's credit in the reserve for defined contribution plan under Benefit Program H Defined Contribution component.
- (b) For purposes of calculating benefit amounts under the defined benefit component of Benefit Program H, only credited service earned after 12:01 a.m. on the day the member becomes covered by Benefit Program H shall be recognized.

IV. THIRD PARTY ADMINISTRATION

The Municipal Employees' Retirement Board retains full and unrestricted authority over the administration of MERS Benefit Program H, including but not limited to the appointment and termination of the third-party administrator, or MERS self-administration of the defined contribution program in whole or in part.

MERS Restated Uniform Hybrid Program (Benefit Program H) Resolution

V. EFFECTIVENESS OF THIS RESOLUTION

BE IT FINALLY RESOLVED: This Resolution shall have no legal effect under the MERS Plan Document until a certified copy of this adopting Resolution shall be filed with MERS, and MERS determines that all necessary requirements under Plan Document Section 19B, this Resolution, and other applicable requirements have been met. All dates for implementation of Benefit Program H under Section 19B shall be determined by MERS from the date of filing with MERS of this Resolution in proper form and content. Upon MERS determination that all necessary documents have been submitted to MERS, MERS shall record its formal approval upon this Resolution, and return a copy to the Employer's Hybrid Program Plan Coordinator identified in Section IV (D) above.

In the event an amendatory Resolution or other action by this Governing Body is required, such Resolution or action shall be deemed effective as of the date of the Initial Resolution or action where concurred in by this governing body and MERS (and the third-party administrator if necessary). Section 54 of the Plan Document shall apply to this Resolution and all acts performed under its authority. The terms and conditions of this Resolution supersede and stand in place of any prior resolution, and its terms are controlling.

I hereby certify that the above is a true copy of a Resolution adopted at the official meeting held

on _____, 20_____
(Signature of authorized official)

Please send MERS fully executed copy of:

- MERS 2010 Restated Uniform Hybrid Program (Benefit Program H) Resolution (this form, MD-043)
- MERS Restated Hybrid Plan (Defined Contribution Component) Adoption Agreement (form MD-044)
- Declaration of Trust and certified minutes stating governing body approval, and/or union contract language

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

Dated: _____, 20_____
(Authorized MERS signatory)

SEPTEMBER 27, 2011

OCR-11-29

MERS Restated Hybrid Plan (Defined Contribution Component) Adoption Agreement



1134 Municipal Way Lansing, MI 48917 | 800.767.2308 | Fax 517.703.9711 www.mersofmich.com

The Employer, a participating municipality or participating court ("court") within the State of Michigan that has adopted MERS coverage, hereby establishes the following MERS Benefit Program: Hybrid under MERS Plan Document ("MERS Hybrid DC") as authorized by Section 19B of the Municipal Employees' Retirement System of Michigan Plan Document. All references to "Plan Document" are to sections of the MERS Plan Document; any reference to "Plan," the "MERS Plan," "Plan Participant," "Participant," or "Program," shall mean the MERS Hybrid DC Plan, unless otherwise specified.

This Adoption Agreement, together with Section 19B of the MERS Plan Document and the MERS Restated Uniform Hybrid Resolution ("Resolution"), constitute the entire MERS Benefit Program Hybrid Plan Document.

I. EMPLOYER: Otsego County Judicial System
Name of municipality or court

II. EFFECTIVE DATE

1. If this is the initial Adoption Agreement relating to the MERS Defined Contribution Plan for this Division, the Effective Date of the Benefit Program here adopted shall be the first day of: June 2011
Month and Year

2. If this is an amendment and restatement of an existing adoption agreement relating to the MERS Hybrid DC Plan for this Division, the effective date of this amendment and restatement shall be the first day of: Month and Year. This adoption agreement is

intended to replace and serve as an amendment and restatement of the Employer's preexisting plan, which was originally effective on the first day of: Month and Year

III. ELIGIBILITY REQUIREMENTS

Only those Employees eligible for MERS Membership (Section 3 of the MERS Plan Document) shall be eligible to participate in the MERS Hybrid DC Plan. A copy of ALL employee enrollment forms must be submitted to MERS. The following group(s) of Employees are eligible to participate in the Plan:

New Hires division 14 after 6/1/2011.

Specify employee classification and division numbers

MERS Restated Hybrid Plan (Defined Contribution Component) Adoption Agreement

IV. CONTRIBUTION PROVISIONS

1. The Employer shall contribute on behalf of each Participant 1 % of Earnings or \$_____ for the calendar year (subject to the limitations of Sections 415(c) of the Internal Revenue Code).
2. Each Participant is required to contribute 1, 2 or 3% % of Earnings for the calendar year as a condition of participation in the Plan. (Write "0" if no contribution is required.) *If other contribution options are provided, please list on separate sheet of paper and attach to Adoption Agreement.

If Employee contributions are required, an Employee shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

The Employer hereby elects to "pick up" the Mandatory/Required Employee contribution. The "pick-up" provision allows the employer to direct mandatory employee contributions to be pre-tax.

Yes No

[Note to Employer: Picked up contributions are excludable from the Employee's gross income under Section 414(h)(2) of the Internal Revenue Code of 1986 only if they meet the requirements of Rev. Rul. 2006-43, 2006-35 I.R.B. 329. Those requirements are (1) that the Employer must specify that the contributions, although designated as Employee contributions, are being paid by the Employer in lieu of contributions by the Employee; and (2) the Employee must not have the option of receiving the contributed amounts directly instead of having them paid by the Employer to the Plan. The execution of this Adoption Agreement by the Employer shall constitute the official action required by Revenue Ruling 2006-43.]

3. Each Employee may make a voluntary (unmatched), after-tax contribution, subject to the limitations of Section 415 of the Internal Revenue Code.
4. Employer contributions and Employee contributions shall be contributed to the Trust in accordance with the following payment schedule:

Weekly Bi-weekly Monthly

V. EARNINGS

Earnings shall be defined as "compensation" under Section 2A(6) of the MERS Plan Document, being the Medicare taxable wages reported on the Employee's W-2 statement.

**MERS Restated Hybrid Plan (Defined Contribution Component)
Adoption Agreement**

VI. VESTING PROVISION FOR EMPLOYER CONTRIBUTIONS AND NORMAL RETIREMENT AGE

The Employer hereby specifies the following vesting schedule (choose one):

- Immediate vesting upon participation
- Cliff vesting: The participant is 100% vested upon a stated number of years. Stated year may not exceed maximum 5 years of service:

Stated Year: 1 2 3 4 5

- Graded vesting percentage per year of service: Employers can select the percentage of vesting with the corresponding years of service, however the scale cannot exceed a maximum of six years of service to reach 100% vesting, nor less than the stated minimums below:

_____ % after 1 year of service.
_____ % after 2 years of service.
25 % (not less than 25%) after 3 years of service.
50 % (not less than 50%) after 4 years of service.
75 % (not less than 75%) after 5 years of service.
100 % (not less than 100%) after 6 years of service.

Notwithstanding the above, a member shall be vested in his/her entire employer contribution account, to the extent that the balance of such account has not previously been forfeited, if he/she is employed on or after his/her Normal Retirement Age. "Normal Retirement Age" shall be presumed to be age 60 (unless a different normal retirement age is here specified: _____).

In addition, notwithstanding the above, in the event of disability or death, a member or his/her beneficiary shall be vested in his/her entire employer contribution account, to the extent that the balance of such account has not previously been forfeited as described in Section 19A(7) of the MERS Plan Document.

- VII. Loans (not more than two) are permitted under the Program. MERS recommendation is "No," not to allow loans: loans permit your employees to borrow against their retirement account.**

Yes No

- VIII. The Plan will accept an eligible rollover distribution from an eligible retirement plan described in Section 401(a) (including "401(k)") or 403(a) of the Code, an annuity contract described in Section 403(b) of the Code, an eligible deferred compensation plan described in Section 457(b) of the Code maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state, or an individual retirement account or annuity described in Section 408(a) or 408(b) of the Code, including after-tax employee contributions, as applicable. The Plan will account separately for pre-tax and post-tax contributions and earnings thereon.**

**MERS Restated Hybrid Plan (Defined Contribution Component)
Adoption Agreement**

- IX. The Employer hereby agrees to the provisions of the MERS Uniform Defined Contribution Plan and agrees that in the event of any conflict between MERS Plan Document Section 19B and the MERS Hybrid Plan, the provisions of Section 19B shall control.
- X. The Employer hereby appoints MERS as the Plan Administrator pursuant to the terms and conditions of the Plan.
- XI. The Employer hereby agrees to the provisions of the Plan.
- XII. The Employer hereby acknowledges it understands that failure to properly fill out this Adoption Agreement may result in the ineligibility of the Plan in the DC component of the Hybrid Plan.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this _____ day of _____, 20____.

Employer: Otsego County Judicial System

By: _____

Title: _____

Attest: _____

RESOLUTION NO. OCR 11-28
COMMENDATION IN HONOR OF SHIRLEY JENKINS
OTSEGO COUNTY BOARD OF COMMISSIONERS
September 27, 2011

WHEREAS, Shirley Jenkins moved to Gaylord in 1955 and graduated from Gaylord High School in 1956, after graduation she went onto Cleary Business College; and

WHEREAS, Shirley Jenkins was a public servant of Otsego County for over 50 years; and

WHEREAS, Shirley enjoyed serving her community for many years; and

WHEREAS, Shirley worked several years at the Otsego County Clerk's office and for Bagley Township as the Treasurer then Supervisor; and

WHEREAS, Shirley spent countless hours as a volunteer at the local food pantry, Eagle's bingo hall and on the board of the women's bowling league; and

WHEREAS, Shirley was a devoted member of Trinity Lutheran Church in Gaylord; and

WHEREAS; Shirley died on Wednesday, August 3, 2011 and will be greatly missed by her many friends and colleagues, now, therefore, be it

RESOLVED, that Shirley Jenkins shall be remembered by her fellow colleagues and the public for the giving of her time and talents to make Otsego County a better place to live and work, and be it further

RESOLVED, that the Otsego County Board of Commissioners honor and thank Shirley's family for her outstanding service to our community and offer their condolences.



OTSEGO COUNTY BUDGET AMENDMENT

FUND/DEPARTMENT: General Fund

As provided for in the Uniform Budget and Accounting Act of 1978, as amended, and consistent with Otsego County Policy, the Administrator and Finance Director are hereby authorized to record the following adjustments to the budget.

Fund Type: General Special Revenue Debt Service Capital Project Business-Type (Enterprise or Internal Svc)

REVENUE Otsego Cty's cost share of Quality of Life assessment program managed through NEMCOG

Account Number	Decrease	Increase
- -	\$	\$
- -	\$	\$
- -	\$	\$
- -	\$	\$
Total	\$	\$

EXPENDITURE

Account Number	Increase	Decrease
101-101-940.010 Outside Contracted Svcs	\$2,500	\$
101-941-999.000 Contingency	\$	\$2,500
- -	\$	\$
- -	\$	\$
- -	\$	\$
- -	\$	\$
Total	\$	\$

Department Head Signature _____ Date _____

Administrator's Signature _____ Date _____

9/27/11

Board Approval Date (if necessary) _____ Budget Adjustment # _____ Posting Number _____

Finance Department
Entered:
By: