

November 8, 2007

The Pre-Board meeting of the Otsego County Board of Commissioners was held in the Multi-Purpose Room of the J. Richard Yuill Alpine Center. The meeting was called to order at 8:40 a.m. by Chairman Glasser.

Present: Backenstose, Beachnau, Liss, Glasser, Johnson, Hyde, Bentz.  
Excused: Bates, Olsen.

Others Present: John Burt, Suzy DeFeyter

A discussion was held regarding minutes being more complete from various entities to be able to track actions at a later date.

A discussion was held regarding the status of the investigation on the Animal Control and the Sheriff's department regarding the missing monies. Department policies and procedures on cash handling were discussed.

Meeting adjourned at 9:20 a.m. at the call of the Chair.

---

Kenneth R. Glasser, Chairman

---

Susan I. DeFeyter, County Clerk

November 8, 2007

The Regular meeting of the Otsego County Board of Commissioners was held at the Multi-Purpose room of the J. Richard Yuill Alpine Center. The meeting was called to order at 9:30 a.m. by Chairman Glasser. Invocation by Commissioner Beachnau, followed by the Pledge of Allegiance led by Commissioner Hyde.

Roll call:

Present: Backenstose, Beachnau, Liss, Glasser, Johnson, Hyde, Bentz.

Excused: Bates, Olsen.

The Regular meeting minutes of October 23, 2007 with attachments were approved as presented.

Consent Agenda:

Motion to approve the Information/Tourism Bureau Center lease was removed from the consent agenda and moved under new business as item F).

Motion to approve the purchase of two (2) Crown Victoria Police Interceptor vehicles from Gaylord Ford at a cost of \$42,989.90 to be paid from the Capital Outlay Fund (266E901).  
Motion carried via unanimous consent.

Motion to approve Contingency/Sheriff's Department 2007 Budget amendment. Motion carried via unanimous consent. (see attached)

Motion to approve a payment of \$14,000 to Goodwill of Northern Michigan for the continuance of the Transition House through the end of 2007, with funds to be paid from the Sheriff's Department Fund (101E301). Motion carried via unanimous consent.

Motion to approve Equipment/Land Use 2007 Budget Amendment. Motion carried via unanimous consent. (see attached)

Motion to adopt OCR-07-43 Mortgage discharge to Penny D. Martin.

Roll Call Vote:

Ayes: Unanimous.

Nays: None.

Excused: Bates, Olsen.

Motion carried/Resolution adopted. (see attached)

Motion to adopt OCR-07-44 Mortgage discharge to Cynthia A. Lemke.

Roll Call Vote:

Ayes: Unanimous.

Nays: None.

Excused: Bates, Olsen.

Motion carried/Resolution adopted. (see attached)

Motion to adopt OCR-07-45 Mortgage discharge to Thomas A. Serino and Fumiko Serino.

Roll Call Vote:

Ayes: Unanimous.

Nays: None.

Excused: Bates, Olsen.

Motion carried/Resolution adopted. (see attached)

Administrator's report:

John Burt reported on updating the County website; Roof replacements; Jail Technical Committee meeting November 13, 2007 at 10:00 a.m. in the Multi-Purpose Room; Jail Citizens Committee meeting November 13, 2007 at 5:30 p.m. in the Multi-Purpose Room.

Joe Edwartowski reported on the renovation of the Charlton Township Hall.

Sheriff Jim McBride will present his report to the Board at the next meeting.

New Business:

Motion by Commissioner Beachnau, to approve Warrant B2007-44 in the amount of \$41,507.62 with prepaids in the amount of \$21,905.88 as presented. Ayes: Beachnau, Liss, Glasser, Johnson, Hyde, Bentz. Nays: Backenstose. Excused: Bates, Olsen. Motion carried.

Motion by Commissioner Bentz, to approve Warrant B2007-45 in the amount of \$86,546.41 as presented. Ayes: Unanimous. Motion carried.

Motion by Commissioner Johnson, to approve Warrant B2007-46 in the amount of \$168,158.75 with prepaids in the amount of \$46,441.53. Ayes: Unanimous. Motion carried.

Motion by Commissioner Backenstose, to approve the DHS Social Services Specialist Contract. Ayes: Unanimous. Motion carried. (see attached)

Motion by Commissioner Liss, to adopt Resolution OCR-07-46 MERS Benefit E.

Roll Call Vote:

Ayes: Backenstose, Beachnau, Liss, Glasser, Johnson, Hyde, Bentz.

Nays: None.

Excused: Bates, Olsen.

Motion carried/Resolution adopted. (see attached)

Motion by Commissioner Hyde, to approve the 2008 Otsego County Holiday Schedule. Ayes: Unanimous. Motion carried. (see attached)

Motion by Commissioner Backenstose, to approve the 2008 Board of Commissioners Meeting Schedule. Ayes: Unanimous. Motion carried. (see attached)

Motion to approve the Information/Tourism Bureau Center Lease as presented. Ayes: Backenstose, Liss, Glasser, Johnson, Hyde, Bentz. Nays: None. Abstain: Beachnau. Excused: Bates, Olsen. Motion carried. (see attached)

Board Remarks:

Commissioner Bentz: Board of Health.

Commissioner Backenstose: Master plan meeting November 13, 2007 at 5:30 p.m.

Meeting adjourned at 9:50 a.m. at the call of the Chair.

---

Kenneth R. Glasser, Chairman

---

Susan I. DeFeyter, County Clerk



**OTSEGO COUNTY  
BUDGET AMENDMENT**

FUND/DEPARTMENT: General Fund / Sheriff

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**

| Account Number | Decrease | Increase |
|----------------|----------|----------|
| - -            | \$       | \$       |
| - -            | \$       | \$       |
| - -            | \$       | \$       |
| - -            | \$       | \$       |
| <b>Total</b>   | \$       | \$       |

**EXPENDITURE**

| Account Number               | Increase  | Decrease  |
|------------------------------|-----------|-----------|
| 101E941-999000 - Contingency | \$        | \$ 14,000 |
| 101E301-940010 - Outside     | \$ 14,000 | \$        |
| - - Contracted Svcs          | \$        | \$        |
| - -                          | \$        | \$        |
| - -                          | \$        | \$        |
| - -                          | \$        | \$        |
| <b>Total</b>                 | \$ 14,000 | \$ 14,000 |

Department Head Signature \_\_\_\_\_

Date \_\_\_\_\_

JL BA  
Administrator's Signature

11/2/07  
Date

|                           |  |
|---------------------------|--|
| <b>Finance Department</b> |  |
| Entered:                  |  |
| By:                       |  |

Board Approval Date (if necessary) \_\_\_\_\_

Budget Adjustment # \_\_\_\_\_

Posting Number \_\_\_\_\_



**OTSEGO COUNTY  
BUDGET AMENDMENT**

FUND/DEPARTMENT: Equipment 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**

| Account Number                     | Decrease | Increase |
|------------------------------------|----------|----------|
| 2660050-400001 - From Fund Balance | \$       | \$ 1,700 |
| - -                                | \$       | \$       |
| - -                                | \$       | \$       |
| - -                                | \$       | \$       |
| <b>Total</b>                       | \$       | \$ 1,700 |

**EXPENDITURE**

| Account Number                     | Increase | Decrease |
|------------------------------------|----------|----------|
| 2660901-970440 - Computer Purchase | \$ 1,700 | \$       |
| - -                                | \$       | \$       |
| - -                                | \$       | \$       |
| - -                                | \$       | \$       |
| - -                                | \$       | \$       |
| - -                                | \$       | \$       |
| <b>Total</b>                       | \$ 1,700 | \$       |

Department Head Signature \_\_\_\_\_

Date \_\_\_\_\_

|                           |  |
|---------------------------|--|
| <b>Finance Department</b> |  |
| Entered:                  |  |
| By:                       |  |

*J. Brant*

Administrator's Signature \_\_\_\_\_

11/2/07  
Date \_\_\_\_\_

Board Approval Date (if necessary) \_\_\_\_\_

Budget Adjustment # \_\_\_\_\_

Posting Number \_\_\_\_\_

**RESOLUTION NO. OCR 07-43**  
**AUTHORIZING RESOLUTION**  
OTSEGO COUNTY BOARD OF COMMISSIONERS  
November 8, 2007

**WHEREAS**, the Otsego County Board of Commissioners is the owner of a property located at 6263 Ranger Lake Road, Gaylord, Michigan 49735 and has a mortgage recorded in Liber 916, Pages 100-113 in the name of Penny D. Martin, a single woman and

**WHEREAS**, said Mortgage has been paid in full; now, therefore, be it

**RESOLVED**, that Otsego County hereby issues a DISCHARGE OF MORTGAGE to Penny D. Martin, a single woman and be it further

**RESOLVED**, that the Otsego County Administrator, on behalf of the Otsego County Board of Commissioners, be authorized to sign said document.

**RESOLUTION NO. OCR 07-44**  
**AUTHORIZING RESOLUTION**  
OTSEGO COUNTY BOARD OF COMMISSIONERS  
November 8, 2007

**WHEREAS**, the Otsego County Board of Commissioners is the owner of a property located at 1215 Brook Trout Lane, Gaylord, Michigan 49735 and has a mortgage recorded in Liber 704, Pages 441-448, in the name of Cynthia A. Lemke, a single woman and

**WHEREAS**, said Mortgage has been paid in full; now, therefore, be it

**RESOLVED**, that Otsego County hereby issues a DISCHARGE OF MORTGAGE to Cynthia A. Lemke, a single woman and be it further

**RESOLVED**, that the Otsego County Administrator, on behalf of the Otsego County Board of Commissioners, be authorized to sign said document.

**RESOLUTION NO. OCR 07-45**  
**AUTHORIZING RESOLUTION**  
OTSEGO COUNTY BOARD OF COMMISSIONERS

**WHEREAS**, the Otsego County Board of Commissioners is the owner of a property located at 7964 Mill St., Vanderbilt, Michigan 49795 and has a mortgage recorded in Liber 885, Pages 391-395 in the name Thomas A. Serino and Fumiko Serino, husband and wife, and

**WHEREAS**, said Mortgage has been paid in full; now, therefore, be it

**RESOLVED**, that Otsego County hereby issues a DISCHARGE OF MORTGAGE to Thomas A. Serino and Fumiko Serino, husband and wife and be it further

**RESOLVED**, that the Otsego County Administrator, on behalf of the Otsego County Board of Commissioners, be authorized to sign said document.

Contract No: LRA-08-69001  
County: Otsego  
Contract Amount: \$38,356.63  
Method of Payment: DHS Revenue

**AGREEMENT**  
between

Michigan Department of Human Services  
(DHS) &  
235 South Grand Avenue  
P.O. Box 30037  
Lansing, Michigan 48909

The County of Otsego/46<sup>th</sup> Circuit Trial  
Court (hereinafter referred to as  
"Contractor")  
225 West Main Street  
Gaylord, MI 49735

This Agreement is effective from October 1, 2007 through September 30, 2008.

I. **CONTRACTOR RESPONSIBILITIES**

A. **Geographic Area**

This Agreement shall provide for services in the following geographic area:  
Otsego County.

B. **Location of Facilities**

Otsego County Department of Human Services  
1999 Walden Drive  
Gaylord, MI 49735

Contractor Contact Person Name: Julie Delaney  
Phone Number: 989-731-0210

C. **Services to be Delivered**

**The Contractor shall:**

1. Provide to DHS copies of all rules, regulations, procedures, and staff relations policies to which DHS employee is expected to adhere.
2. Provide necessary administration support services including, but not limited to, confidential office space, telephone, and like items to assure effective service.

D. Contractor Responsibilities

1. The Contractor shall pay to DHS the sum of Thirty eight thousand three hundred fifty-six dollars and 63/100 (\$38,356.63).
2. The Contractor shall send payment to:

Michigan Department of Human Services  
Cashier's Office  
Suite 1100  
235 S. Grand Ave.  
Lansing, MI 48909

For Agreements with a begin date of October 1, 2007, the initial payment to the Department of Human Services (DHS) shall be made no earlier than October 2, 2007 and no later than October 15, 2007.

3. Contractor guarantees that the funds paid to DHS are not federal or state funds, except in such instances as the Federal Act authorizing expenditures of said funds permits their use for matching other federal funds. Furthermore, the Contractor guarantees that these funds have not been used as a match to obtain other federal funds.
- 4.

Payment to DHS shall be made in accordance with the attached schedule. The Contractor shall make final payments to DHS no later than July 1, 2008.

| PAYMENT DUE DATE | AMOUNT OF PAYMENT |
|------------------|-------------------|
| October 15, 2007 | \$9589.16         |
| January 15, 2008 | \$9589.16         |
| April 15, 2008   | \$9589.16         |
| July 1, 2008     | \$9589.15         |
|                  |                   |
|                  |                   |
|                  |                   |
|                  |                   |

5. DHS may vacate a position without penalty for 10 consecutive work days or less due to vacation, illness or position vacancy. If a vacancy exceeds 10 consecutive days, upon execution of an amendment, the amount owed by

the Contractor shall be reduced on a prorated basis determined by DHS and DHS shall refund the amount due to the Contractor.

6. If DHS does not receive a scheduled payment from the Contractor within ten (10) business days of the due date, DHS may terminate this agreement immediately upon written notification to the Contractor.

## II. DHS RESPONSIBILITIES

- A. Assign a full time (1) Social Services Specialist 9B, who is a DHS employee, at the Otsego County Department of Human Services location to provide services consistent with that classification per DHS policy.
- B. **Ensure** that the employee shall be supervised by DHS and shall be a duly trained and qualified employee prior to placement on-site at the location of facilities or local DHS office.
- C. Provide the employee with copies of the Contractor's applicable rules, regulations, procedures, and staff relations policies.
- D. **Ensure** that the DHS employee will follow the rules of conduct, policies, and procedures of the Contractor while still enjoying the benefits and protections afforded under the Civil Service rules and their collective bargaining agreement.
- E. All funds paid to DHS hereunder shall be under DHS' exclusive administrative control.

## III. GENERAL PROVISIONS

- A. Any computer equipment funded through this Agreement by DHS, is the property of DHS and will revert to DHS at the termination of the Agreement.
- B. Further, both parties agree that claims, costs, or judgments against either party shall be the responsibility of that party as defined in this agreement.
- C. Should any complaint or dispute arise between the parties with regard to the provision of services provided for in this agreement, the parties will meet within 14 days of written notice provided by either party and attempt to resolve such concerns in a manner acceptable to both parties. If the concerns cannot be resolved, the agreement will be terminated upon thirty days notice by either party.
- D. The use or disclosure of information concerning services, applicants or recipients obtained in connection with the performance of this Agreement shall be restricted to purposes directly connected with the administration of the programs implemented by this Agreement.

- E. This Agreement contains all the terms and conditions agreed upon by the parties. All items incorporated by reference are to be attached. No other understandings, oral or otherwise, regarding the subject matter of this Agreement may be amended only by a written document signed by all the parties hereto.
- F. DHS may cancel the Agreement without further liability to DHS or its employees by giving the Contractor written notice of such cancellation thirty days prior to the date of cancellation. The Contractor may terminate this Agreement upon thirty days written notice to DHS at any time prior to the completion of the Agreement period.

In case of default by the Contractor, DHS may immediately cancel the contract without further liability to DHS or its employees.

- G. The Contractor shall notify DHS in writing of intent to pursue a claim against DHS for breach of any terms of this Agreement. No suit may be commenced by the Contractor for breach of this Agreement prior to the expiration of ninety days from the date of such notification. Within this ninety day period, the Contractor, at the request of DHS, must meet with the Director of DHS or designee for the purpose of attempting resolution of the dispute. However, in the event that federal reimbursement to DHS is not sufficient to permit DHS to provide services or for any other reason DHS cannot utilize the funds, the obligations of each party hereunder shall be terminated within ten (10) days of receipt of written notice to the Contractor by the Department.







UNIFORM RESOLUTION FOR ADOPTING BENEFIT PROGRAM "E" INCREASE TO BE EFFECTIVE ON ADJUSTMENT DATE JANUARY 1, 2008

Must be filed with MERS by November 21, 2007, to be effective for Calendar 2008

Note: Numbers 1 and 2 must be completed.

1. As authorized by Section 20 of the MERS Plan Document as revised the Otsego County (Participating Municipality)

6902-1 adopts for the following (circle only A or B): (Municipality No.)

A. All retirees and beneficiaries.

or

B. Retirees and beneficiaries in Divisions: 1, 10, 11, 12, 13, 20 Specify Division Number(s)

2. The increase will be (Traditional E or Flexible E—choose either A or B):

A. Traditional E (For all who retired on or before December 31, 2006, as computed in the actuary's cost analysis.)

Two percent (2%) of the retirement allowance payable immediately prior to the adjustment date, for each complete calendar year since the last adjustment date for which Benefit E was adopted, or effective date of retirement allowance, whichever is shorter.

or

B. Flexible E (Complete the following.)

1) Type of increase % or flat dollar amount per month \$

2) Increase applies in the following manner:

(a) Only those retired on or before

(b) Number of years for adjustment

I certify that this Resolution was adopted by the Otsego County Board of Commissioners Governing Body at its meeting held on November 8, 2007.

Dated: 11-8-07

Signature of Authorized Official

Chair, Board of Commissioners

Title

**Otsego County (6902 - 01) - Genl Non Union (Division 1)**  
**Employer Computed Contributions – Based on 12/31/2006 Actuarial Valuation**

Under Benefit Program E, each retirement benefit being paid before the program becomes effective is redetermined the next January 1 by multiplying the retirement benefit otherwise payable by the following percent: 100% plus 2% for each full year in the period from the date the retirement benefit became effective (or the last applicable E adoption date, if later) to the January 1 as of which the redetermination is being made (1/1/2008). Retirees already covered under Benefit Program E-1 or E-2 are not affected.

|   | Current Benefits   | Proposed Benefit E | Difference      |
|---|--------------------|--------------------|-----------------|
| <b>1. Member Counts</b>                             |                    |                    |                 |
| a) Active   | 16                 | 16                 | 0               |
| b) Retired - Affected by Benefit E                  | 19                 | 19                 | 0               |
| c) - Not Affected by Benefit E                      | 0                  | 0                  | 0               |
| d) - Total  | <u>19</u>          | <u>19</u>          | <u>0</u>        |
| e) Vested Former Members                            | 13                 | 13                 | 0               |
| f) Total  | <u>48</u>          | <u>48</u>          | <u>0</u>        |
| <b>2. Annual Payroll</b>                            |                    |                    |                 |
| a) Active Members                                   | \$542,337          | \$542,337          | \$0             |
| b) Retiree Benefits - Affected by Benefit E         | \$122,818          | \$125,275          | \$2,457         |
| c) - Not Affected by Benefit E                      | 0                  | 0                  | 0               |
| d) - Total  | <u>\$122,818</u>   | <u>\$125,275</u>   | <u>\$2,457</u>  |
| e) Deferred Vested Benefits                         | \$84,229           | \$84,229           | \$0             |
| <b>3. Actuarial Value of Assets</b>                 | \$1,674,658        | \$1,674,658        | \$0             |
| <b>4. Actuarial Accrued Liability</b>               |                    |                    |                 |
| a) Active   | \$735,693          | \$735,693          | \$0             |
| b) Retired  | 940,756            | 957,223            | 16,467          |
| c) Vested Former Members                            | 421,502            | 421,502            | 0               |
| d) Pending Refunds                                  | 3,065              | 3,065              | 0               |
| e) Total  | <u>\$2,101,016</u> | <u>\$2,117,483</u> | <u>\$16,467</u> |
| <b>5. Unfunded Accrued Liability (UAL) (4e - 3)</b> | \$426,358          | \$442,825          | \$16,467        |
| <b>6. Division Percent Funded (3 / 4e)</b>          | 79.7%              | 79.1%              | (0.6%)          |
| <b>7. Cost as a Percentage of Payroll</b>           |                    |                    |                 |
| a) Employer Normal Cost                             | 9.15%              | 9.15%              | 0.00%           |
| b) Amort. of UAL (over 29 years)                    | 3.93               | 4.10               | 0.17            |
| c) Total Long Term Employer Contribution (7a + 7b)  | <u>13.08</u>       | <u>13.25</u>       | <u>0.17</u>     |
| d) Overfunding Credit                               | 0.00               | 0.00               | 0.00            |
| e) Total Regular Employer Contribution % (7c + 7d)  | <u>13.08%</u>      | <u>13.25%</u>      | <u>0.17%</u>    |
| f) Total Regular Employer Contribution \$ (7c x 2a) | \$70,932           | \$71,856           | \$924           |

As shown in item 5, the lump sum payment required to fully fund the adoption of Benefit Program E is \$16,467. If, instead, the liability increase is amortized over 29 years, the increase in the long term employer contribution requirement will be 0.17% of active member payroll (item 7c). Based on valuation payroll (item 2a), and overfunding credits, if any, the first year contribution increase will be \$924 (item 7f).

Should this division be closed to new hires, then the Board-approved Amortization Policy for Closed Divisions Within Open Municipalities shall apply. The policy decreases the MERS standard amortization period for unfunded accrued liabilities by 2 years each valuation year, until a minimum 5 year amortization is attained. This would result in larger near-term employer contributions for unfunded liabilities, if any.

**Otsego County (6902 - 01) - Gnr'l Local 214 (Division 10)**  
**Employer Computed Contributions -- Based on 12/31/2006 Actuarial Valuation**

Under Benefit Program E, each retirement benefit being paid before the program becomes effective is redetermined the next January 1 by multiplying the retirement benefit otherwise payable by the following percent: 100% plus 2% for each full year in the period from the date the retirement benefit became effective (or the last applicable E adoption date, if later) to the January 1 as of which the redetermination is being made (1/1/2008). Retirees already covered under Benefit Program E-1 or E-2 are not affected.

|   | Current Benefits | Proposed Benefit E | Difference |
|---|------------------|--------------------|------------|
| <b>1. Member Counts</b>                             |                  |                    |            |
| a) Active   | 44               | 44                 | 0          |
| b) Retired - Affected by Benefit E                  | 7                | 7                  | 0          |
| c) - Not Affected by Benefit E                      | 0                | 0                  | 0          |
| d) - Total  | 7                | 7                  | 0          |
| e) Vested Former Members                            | 10               | 10                 | 0          |
| f) Total  | 61               | 61                 | 0          |
| <b>2. Annual Payroll</b>                            |                  |                    |            |
| a) Active Members                                   | \$1,148,299      | \$1,148,299        | \$0        |
| b) Retiree Benefits - Affected by Benefit E         | \$33,808         | \$34,483           | \$675      |
| c) - Not Affected by Benefit E                      | 0                | 0                  | 0          |
| d) - Total  | \$33,808         | \$34,483           | \$675      |
| e) Deferred Vested Benefits                         | \$34,259         | \$34,259           | \$0        |
| <b>3. Actuarial Value of Assets</b>                 |                  |                    |            |
|   | \$1,748,114      | \$1,748,114        | \$0        |
| <b>4. Actuarial Accrued Liability</b>               |                  |                    |            |
| a) Active   | \$1,893,394      | \$1,893,394        | \$0        |
| b) Retired  | 308,700          | 314,219            | 5,519      |
| c) Vested Former Members                            | 124,080          | 124,080            | 0          |
| d) Pending Refunds                                  | 2,682            | 2,682              | 0          |
| e) Total  | \$2,328,856      | \$2,334,375        | \$5,519    |
| <b>5. Unfunded Accrued Liability (UAL) (4e - 3)</b> |                  |                    |            |
|   | \$580,742        | \$586,261          | \$5,519    |
| <b>6. Division Percent Funded (3 / 4e)</b>          |                  |                    |            |
|   | 75.1%            | 74.9%              | (0.2%)     |
| <b>7. Cost as a Percentage of Payroll</b>           |                  |                    |            |
| a) Employer Normal Cost                             | 9.54%            | 9.54%              | 0.00%      |
| b) Amort. of UAL (over 29 years)                    | 2.59             | 2.62               | 0.03       |
| c) Total Long Term Employer Contribution (7a + 7b)  | 12.13            | 12.16              | 0.03       |
| d) Overfunding Credit                               | 0.00             | 0.00               | 0.00       |
| e) Total Regular Employer Contribution % (7c + 7d)  | 12.13%           | 12.16%             | 0.00%      |
| f) Total Regular Employer Contribution \$ (7e x 2a) | \$139,284        | \$139,632          | \$348      |

As shown in item 5, the lump sum payment required to fully fund the adoption of Benefit Program E is \$5,519. If, instead, the liability increase is amortized over 29 years, the increase in the long term employer contribution requirement will be 0.03% of active member payroll (item 7c). Based on valuation payroll (item 2a), and overfunding credits, if any, the first year contribution increase will be \$348 (item 7f).

Should this division be closed to new hires, then the Board-approved Amortization Policy for Closed Divisions Within Open Municipalities shall apply. The policy decreases the MERS standard amortization period for unfunded accrued liabilities by 2 years each valuation year, until a minimum 5 year amortization is attained. This would result in larger near-term employer contributions for unfunded liabilities, if any.

**Otsego County (6902 - 01) - Grnl Local 1534 (Division 11)**  
**Employer Computed Contributions -- Based on 12/31/2006 Actuarial Valuation**

Under Benefit Program E, each retirement benefit being paid before the program becomes effective is redetermined the next January 1 by multiplying the retirement benefit otherwise payable by the following percent: 100% plus 2% for each full year in the period from the date the retirement benefit became effective (or the last applicable E adoption date, if later) to the January 1 as of which the redetermination is being made (1/1/2008). Retirees already covered under Benefit Program E-1 or E-2 are not affected.

|   | Current Benefits | Proposed Benefit E | Difference     |
|---|------------------|--------------------|----------------|
| <b>1. Member Counts</b>                             |                  |                    |                |
| a) Active   | 16               | 16                 | 0              |
| b) Retired - Affected by Benefit E                  | 2                | 2                  | 0              |
| c) - Not Affected by Benefit E                      | 0                | 0                  | 0              |
| d) - Total  | <u>2</u>         | <u>2</u>           | <u>0</u>       |
| e) Vested Former Members                            | 4                | 4                  | 0              |
| f) Total  | <u>22</u>        | <u>22</u>          | <u>0</u>       |
| <b>2. Annual Payroll</b>                            |                  |                    |                |
| a) Active Members                                   | \$484,660        | \$484,660          | \$0            |
| b) Retiree Benefits - Affected by Benefit E         | \$17,273         | \$17,618           | \$345          |
| c) - Not Affected by Benefit E                      | 0                | 0                  | 0              |
| d) - Total  | <u>\$17,273</u>  | <u>\$17,618</u>    | <u>\$345</u>   |
| e) Deferred Vested Benefits                         | \$16,668         | \$16,668           | \$0            |
| <b>3. Actuarial Value of Assets</b>                 | \$568,845        | \$568,845          | \$0            |
| <b>4. Actuarial Accrued Liability</b>               |                  |                    |                |
| a) Active   | \$517,317        | \$517,317          | \$0            |
| b) Retired  | 190,050          | 193,512            | 3,462          |
| c) Vested Former Members                            | 112,315          | 112,315            | 0              |
| d) Pending Refunds                                  | 439              | 439                | 0              |
| e) Total  | <u>\$820,121</u> | <u>\$823,583</u>   | <u>\$3,462</u> |
| <b>5. Unfunded Accrued Liability (UAL) (4e - 3)</b> | \$251,276        | \$254,738          | \$3,462        |
| <b>6. Division Percent Funded (3 / 4e)</b>          | 69.4%            | 69.1%              | (0.3%)         |
| <b>7. Cost as a Percentage of Payroll</b>           |                  |                    |                |
| a) Employer Normal Cost                             | 8.02%            | 8.02%              | 0.00%          |
| b) Amort. of UAL (over 29 years)                    | 2.76             | 2.80               | 0.04           |
| c) Total Long Term Employer Contribution (7a + 7b)  | <u>10.78</u>     | <u>10.82</u>       | <u>0.04</u>    |
| d) Overfunding Credit                               | 0.00             | 0.00               | 0.00           |
| e) Total Regular Employer Contribution % (7c + 7d)  | <u>10.78%</u>    | <u>10.82%</u>      | <u>0.04%</u>   |
| f) Total Regular Employer Contribution \$ (7e x 2a) | \$52,248         | \$52,440           | \$192          |

As shown in item 5, the lump sum payment required to fully fund the adoption of Benefit Program E is \$3,462. If, instead, the liability increase is amortized over 29 years, the increase in the long term employer contribution requirement will be 0.04% of active member payroll (item 7c). Based on valuation payroll (item 2a), and overfunding credits, if any, the first year contribution increase will be \$192 (item 7f).

Should this division be closed to new hires, then the Board-approved Amortization Policy for Closed Divisions Within Open Municipalities shall apply. The policy decreases the MERS standard amortization period for unfunded accrued liabilities by 2 years each valuation year, until a minimum 5 year amortization is attained. This would result in larger near-term employer contributions for unfunded liabilities, if any.

**Otsego County (6902 - 01) - Elctd Officials (Division 12)**  
**Employer Computed Contributions -- Based on 12/31/2006 Actuarial Valuation**

Under Benefit Program E, each retirement benefit being paid before the program becomes effective is redetermined the next January 1 by multiplying the retirement benefit otherwise payable by the following percent: 100% plus 2% for each full year in the period from the date the retirement benefit became effective (or the last applicable E adoption date, if later) to the January 1 as of which the redetermination is being made (1/1/2008). Retirees already covered under Benefit Program E-1 or E-2 are not affected.

|   | Current Benefits | Proposed Benefit E | Difference   |
|---|------------------|--------------------|--------------|
| <b>1. Member Counts</b>                             |                  |                    |              |
| a) Active   | 0                | 0                  | 0            |
| b) Retired - Affected by Benefit E                  | 1                | 1                  | 0            |
| c) - Not Affected by Benefit E                      | 0                | 0                  | 0            |
| d) - Total  | <u>1</u>         | <u>1</u>           | <u>0</u>     |
| e) Vested Former Members                            | 0                | 0                  | 0            |
| f) Total  | <u>1</u>         | <u>1</u>           | <u>0</u>     |
| <b>2. Annual Payroll</b>                            |                  |                    |              |
| a) Active Members                                   | \$0              | \$0                | \$0          |
| b) Retiree Benefits - Affected by Benefit E         | \$805            | \$821              | \$16         |
| c) - Not Affected by Benefit E                      | 0                | 0                  | 0            |
| d) - Total  | <u>\$805</u>     | <u>\$821</u>       | <u>\$16</u>  |
| e) Deferred Vested Benefits                         | \$0              | \$0                | \$0          |
| <b>3. Actuarial Value of Assets</b>                 | \$5,007          | \$5,007            | \$0          |
| <b>4. Actuarial Accrued Liability</b>               |                  |                    |              |
| a) Active   | \$0              | \$0                | \$0          |
| b) Retired  | 6,755            | 6,874              | 119          |
| c) Vested Former Members                            | 0                | 0                  | 0            |
| d) Pending Refunds                                  | 0                | 0                  | 0            |
| e) Total  | <u>\$6,755</u>   | <u>\$6,874</u>     | <u>\$119</u> |
| <b>5. Unfunded Accrued Liability (UAL) (4e - 3)</b> | \$1,748          | \$1,867            | \$119        |
| <b>6. Division Percent Funded (3 / 4e)</b>          | 74.1%            | 72.8%              | (1.3%)       |
| <b>7. Cost as an Annual Dollar Amount</b>           |                  |                    |              |
| a) Employer Normal Cost                             | \$0              | \$0                | \$0          |
| b) Amort. of UAL (over 20 years)                    | 132              | 132                | 0            |
| c) Total Long Term Employer Contribution (7a + 7b)  | <u>132</u>       | <u>132</u>         | <u>0</u>     |
| d) Overfunding Credit                               | 0                | 0                  | 0            |
| e) Total Regular Employer Contribution \$ (7c + 7d) | <u>\$132</u>     | <u>\$132</u>       | <u>\$0</u>   |

As shown in item 5, the lump sum payment required to fully fund the adoption of Benefit Program E is \$119. If, instead, the liability increase is amortized over 20 years, the increase in the long term annual employer contribution requirement will be \$0. After reflecting overfunding credits, if any, the first year contribution increase will be \$0 (item 7c).

This division is closed to new hires and subject to the Board-approved Amortization Policy for Closed Divisions Within Open Municipalities. The policy decreases the MERS standard amortization period for unfunded accrued liabilities by 2 years each valuation year, until a minimum 5 year amortization is attained. For divisions with unfunded liabilities, this results in 4% - 8% annual increases in employer contributions until full funding is reached.

**Otsego County (6902 - 01) - Electd/Appt Spvs (Division 13)**  
**Employer Computed Contributions -- Based on 12/31/2006 Actuarial Valuation**

Under Benefit Program E, each retirement benefit being paid before the program becomes effective is redetermined the next January 1 by multiplying the retirement benefit otherwise payable by the following percent: 100% plus 2% for each full year in the period from the date the retirement benefit became effective (or the last applicable E adoption date, if later) to the January 1 as of which the redetermination is being made (1/1/2008). Retirees already covered under Benefit Program E-1 or E-2 are not affected.

|   | Current Benefits   | Proposed Benefit E | Difference      |
|---|--------------------|--------------------|-----------------|
| <b>1. Member Counts</b>                             |                    |                    |                 |
| a) Active   | 18                 | 18                 | 0               |
| b) Retired - Affected by Benefit E                  | 14                 | 14                 | 0               |
| c) - Not Affected by Benefit E                      | 0                  | 0                  | 0               |
| d) - Total  | <u>14</u>          | <u>14</u>          | <u>0</u>        |
| e) Vested Former Members                            | 9                  | 9                  | 0               |
| f) Total  | <u>41</u>          | <u>41</u>          | <u>0</u>        |
| <b>2. Annual Payroll</b>                            |                    |                    |                 |
| a) Active Members                                   | \$889,141          | \$889,141          | \$0             |
| b) Retiree Benefits - Affected by Benefit E         | \$218,981          | \$223,362          | \$4,381         |
| c) - Not Affected by Benefit E                      | 0                  | 0                  | 0               |
| d) - Total  | <u>\$218,981</u>   | <u>\$223,362</u>   | <u>\$4,381</u>  |
| e) Deferred Vested Benefits                         | \$81,647           | \$81,647           | \$0             |
| <b>3. Actuarial Value of Assets</b>                 | \$2,211,068        | \$2,211,068        | \$0             |
| <b>4. Actuarial Accrued Liability</b>               |                    |                    |                 |
| a) Active   | \$1,089,747        | \$1,089,747        | \$0             |
| b) Retired  | 2,119,177          | 2,157,379          | 38,202          |
| c) Vested Former Members                            | 349,414            | 349,414            | 0               |
| d) Pending Refunds                                  | 351                | 351                | 0               |
| e) Total  | <u>\$3,558,689</u> | <u>\$3,596,891</u> | <u>\$38,202</u> |
| <b>5. Unfunded Accrued Liability (UAL) (4e - 3)</b> | \$1,347,621        | \$1,385,823        | \$38,202        |
| <b>6. Division Percent Funded (3 / 4e)</b>          | 62.1%              | 61.5%              | (0.6%)          |
| <b>7. Cost as a Percentage of Payroll</b>           |                    |                    |                 |
| a) Employer Normal Cost                             | 10.64%             | 10.64%             | 0.00%           |
| b) Amort. of UAL (over 29 years)                    | 7.81               | 8.04               | 0.23            |
| c) Total Long Term Employer Contribution (7a + 7b)  | <u>18.45</u>       | <u>18.68</u>       | <u>0.23</u>     |
| d) Overfunding Credit                               | 0.00               | 0.00               | 0.00            |
| e) Total Regular Employer Contribution % (7c + 7d)  | <u>18.45%</u>      | <u>18.68%</u>      | <u>0.23%</u>    |
| f) Total Regular Employer Contribution \$ (7e x 2a) | \$164,052          | \$166,092          | \$2,040         |

As shown in item 5, the lump sum payment required to fully fund the adoption of Benefit Program E is \$38,202. If, instead, the liability increase is amortized over 29 years, the increase in the long term employer contribution requirement will be 0.23% of active member payroll (item 7c). Based on valuation payroll (item 2a), and overfunding credits, if any, the first year contribution increase will be \$2,040 (item 7f).

Should this division be closed to new hires, then the Board-approved Amortization Policy for Closed Divisions Within Open Municipalities shall apply. The policy decreases the MERS standard amortization period for unfunded accrued liabilities by 2 years each valuation year, until a minimum 5 year amortization is attained. This would result in larger near-term employer contributions for unfunded liabilities, if any.

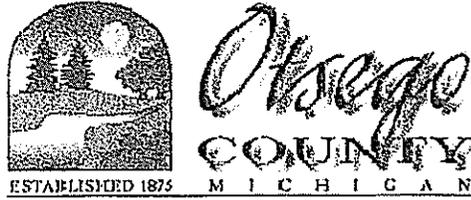
**Otsego County (6902 - 01) - Sheriff Union (Division 20)**  
**Employer Computed Contributions -- Based on 12/31/2006 Actuarial Valuation**

Under Benefit Program E, each retirement benefit being paid before the program becomes effective is redetermined the next January 1 by multiplying the retirement benefit otherwise payable by the following percent: 100% plus 2% for each full year in the period from the date the retirement benefit became effective (or the last applicable E adoption date, if later) to the January 1 as of which the redetermination is being made (1/1/2008). Retirees already covered under Benefit Program E-1 or E-2 are not affected.

|   | Current Benefits   | Proposed Benefit E | Difference      |
|---|--------------------|--------------------|-----------------|
| <b>1. Member Counts</b>                             |                    |                    |                 |
| a) Active   | 8                  | 8                  | 0               |
| b) Retired - Affected by Benefit E                  | 7                  | 7                  | 0               |
| c) - Not Affected by Benefit E                      | 0                  | 0                  | 0               |
| d) - Total  | <u>7</u>           | <u>7</u>           | <u>0</u>        |
| e) Vested Former Members                            | 3                  | 3                  | 0               |
| f) Total  | <u>18</u>          | <u>18</u>          | <u>0</u>        |
| <b>2. Annual Payroll</b>                            |                    |                    |                 |
| a) Active Members                                   | \$330,553          | \$330,553          | \$0             |
| b) Retiree Benefits - Affected by Benefit E         | \$90,177           | \$91,980           | \$1,803         |
| c) - Not Affected by Benefit E                      | 0                  | 0                  | 0               |
| d) - Total  | <u>\$90,177</u>    | <u>\$91,980</u>    | <u>\$1,803</u>  |
| e) Deferred Vested Benefits                         | \$17,741           | \$17,741           | \$0             |
| <b>3. Actuarial Value of Assets</b>                 | \$1,342,642        | \$1,342,642        | \$0             |
| <b>4. Actuarial Accrued Liability</b>               |                    |                    |                 |
| a) Active   | \$705,079          | \$705,079          | \$0             |
| b) Retired  | 931,661            | 948,562            | 16,901          |
| c) Vested Former Members                            | 38,882             | 38,882             | 0               |
| d) Pending Refunds                                  | 0                  | 0                  | 0               |
| e) Total  | <u>\$1,675,622</u> | <u>\$1,692,523</u> | <u>\$16,901</u> |
| <b>5. Unfunded Accrued Liability (UAL) (4e - 3)</b> | \$332,980          | \$349,881          | \$16,901        |
| <b>6. Division Percent Funded (3 / 4e)</b>          | 80.1%              | 79.3%              | (0.8%)          |
| <b>7. Cost as a Percentage of Payroll</b>           |                    |                    |                 |
| a) Employer Normal Cost                             | 9.13%              | 9.13%              | 0.00%           |
| b) Amort. of UAL (over 29 years)                    | 5.31               | 5.59               | 0.28            |
| c) Total Long Term Employer Contribution (7a + 7b)  | <u>14.44</u>       | <u>14.72</u>       | <u>0.28</u>     |
| d) Overfunding Credit                               | 0.00               | 0.00               | 0.00            |
| e) Total Regular Employer Contribution % (7c + 7d)  | <u>14.44%</u>      | <u>14.72%</u>      | <u>0.28%</u>    |
| f) Total Regular Employer Contribution \$ (7e x 2a) | \$47,736           | \$48,660           | \$924           |

As shown in item 5, the lump sum payment required to fully fund the adoption of Benefit Program E is \$16,901. If, instead, the liability increase is amortized over 29 years, the increase in the long term employer contribution requirement will be 0.28% of active member payroll (item 7c). Based on valuation payroll (item 2a), and overfunding credits, if any, the first year contribution increase will be \$924 (item 7f).

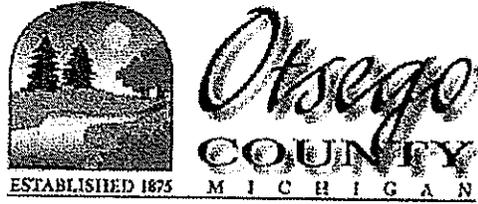
Should this division be closed to new hires, then the Board-approved Amortization Policy for Closed Divisions Within Open Municipalities shall apply. The policy decreases the MERS standard amortization period for unfunded accrued liabilities by 2 years each valuation year, until a minimum 5 year amortization is attained. This would result in larger near-term employer contributions for unfunded liabilities, if any.



---

## 2008 Holiday Schedule

|                            |                           |
|----------------------------|---------------------------|
| Tuesday, January 1         | New Years Day             |
| Monday, February 18        | President's Day           |
| Friday, March 21           | Good Friday               |
| Monday, May 26             | Memorial Day              |
| Friday, July 4             | Independence Day          |
| Monday, September 1        | Labor Day                 |
| Tuesday, November 11       | Veterans Day              |
| Thursday, November 27      | Thanksgiving Day          |
| Friday, November 28        | Friday after Thanksgiving |
| Wednesday, December 24     | Christmas Eve             |
| Thursday, December 25      | Christmas Day             |
| Wednesday, December 31     | New Years Eve             |
| Thursday, January 1 (2009) | New Years Day             |



## BOARD OF COMMISSIONERS 2008 MEETING SCHEDULE

Second and fourth Tuesdays of each month, beginning at 9:30 a.m.  
in the Multi-Purpose Room of the J. Richard Yuill Center

January 8  
January 22  
February 14\* (Thursday)  
February 26  
March 11  
March 25  
April 8  
April 22  
May 13  
May 27  
June 10  
June 24  
July 8  
July 22  
August 12  
August 26  
September 9  
September 23  
October 14  
October 28  
November 6\* (Thursday)  
November 25  
December 16\*\* (Third Tuesday)

\*Thursday

\*\*Third Tuesday

**AGREEMENT FOR MAINTENANCE  
OF THE INFORMATION/TOURISM BUREAU CENTER**

THIS AGREEMENT is made on the 8th day of November 2007 by and between the County of Otsego whose address is 225 West Main, Gaylord, Michigan 49735 (hereafter County) and Gaylord/Otsego County Chamber of Commerce, whose address is 101 West Main Street, Gaylord, Michigan 49735 (hereafter Chamber)

**Recitals**

- A. WHEREAS the County is the owner of certain property located in the County and specifically described as:
- Lots 1, 2, 3, 4, 15, 16, 17, and 18 of Block 10 of the original Plat of the Village (now City) of Gaylord, as recorded in the office of the Register of Deeds for Otsego County.
- B. WHEREAS there exists at such location a Convention and Tourism Bureau Information Center (hereafter Information Center), owned by the Chamber;
- C. WHEREAS the parties wish to arrive at an Agreement as to the maintenance of the Information Center;
- D. WHEREAS in consideration of the foregoing, the parties agree as follows:

**Agreement**

1. **TERM.** This Agreement shall commence on January 1, 2008 and continue in effect until December 31, 2008 unless terminated earlier as provided in this Agreement.
2. **COMPENSATION.** As consideration for the services contemplated under this Agreement, the Chamber agrees to pay to the County the annual sum of Six Hundred and 00/100 Dollars (\$600.00) in four (4) equal installments of One Hundred fifty and 00/100 Dollars (\$150.00) each on or before February 1<sup>st</sup>, May 1<sup>st</sup>, August 1<sup>st</sup>, and November 1<sup>st</sup> of 2008. The County agrees to provide an invoice for the agreed amounts to the Chamber thirty (30) days prior to the scheduled payment due dates.
3. **SERVICES TO BE PROVIDED BY COUNTY.** In consideration of the compensation received by the County from the Chamber in Section 2, as well as the covenants and conditions contained in this Agreement, the County agrees to perform the following services on Mondays through Fridays, excepting County employee holidays:

- a. Snow Removal – The County shall, on an as-needed basis, remove the snow from the walkways and the Information Center pull-in driveway prior to 7:00 am. If further snow removal is required during the day, the Chamber shall contact the County's Building & Grounds Department. The Building & Grounds Department contacts are Dale Fulcher, the Building & Grounds Director, and Bob Britz. The County shall exercise due diligence in having the snow removed at the earliest reasonable opportunity.

The Building & Grounds contact information is:  
Department Telephone: 989-731-731-0295  
Dale Fulcher Work Cell: 989-370-0179

In the event that neither Mr. Fulcher nor Mr. Britz are available, the Chamber may contact John Burt, Otsego County Administrator. Mr. Burt's contact information is:  
Work: 989-731-7527  
Work Cell: 989-370-9485  
Email: [jburt@otsegocountymi.gov](mailto:jburt@otsegocountymi.gov)

- b. Landscape Management – The County shall, on an as-needed basis, mow all lawn areas and generally maintain all landscaped areas, including the removal and disposal of debris and the replacement of damaged sprinkler heads, surrounding the Information Center. Should it be necessary, the Chamber may submit a request for such work by contacting the County's Building & Grounds Department. The Building & Grounds Department contacts are Dale Fulcher, the Building & Grounds Director, and Bob Britz. The County shall exercise due diligence in having the work completed at the earliest reasonable opportunity.

The Building & Grounds contact information is:  
Department Telephone: 989-731-731-0295  
Dale Fulcher Work Cell: 989-370-0179

In the event that neither Mr. Fulcher nor Mr. Britz are available, the Chamber may contact John Burt, Otsego County Administrator. Mr. Burt's contact information is:  
Work: 989-731-7527  
Work Cell: 989-370-9485  
Email: [jburt@otsegocountymi.gov](mailto:jburt@otsegocountymi.gov)

- c. Sprinkler System – The County shall blow out the sprinkler system lines once in the Spring and once in the Fall of 2008.

4. CHAMBER DUTIES. The Chamber shall be responsible for all maintenance of the Information Center building not specifically set forth to be performed by the County in this Agreement.
5. LIABILITY. County's liability, as a result of any claims, liability, loss, and/or expense asserted or incurred as a result of default, negligence, and/or wrongdoing under this Agreement by County, its agents, employees, subcontractors, or persons acting under any of them, is limited to the extent of County's insurance coverage that it may have insuring against such default, loss, damage, or liability.

County is not liable for any defects, claims, liability, loss, and/or expense asserted or incurred as a result of default, negligence, and/or wrongdoing of Chamber, its agents, employees, subcontractors, or persons acting under any of them. Chamber shall indemnify, defend, and hold harmless County from and against any and all expenses, damages, liabilities, and damages resulting from any breach or default by Chamber under this Agreement.

6. TERMINATION. This Agreement shall terminate on the happening of any of the following events:
  - A. By mutual written agreement of the parties.
  - B. If a party defaults in the performance of any obligation imposed under this Agreement, and the default remains uncured by the defaulting party upon expiration of the date provided in the written notice of default given by the other party to remedy the default, the non-defaulting party shall have the right to terminate this Agreement. The defaulting party shall be liable for damages sustained by the other party by reason of the failure to cure the default within the time period provided in the written notice of default.
  - C. Either party may terminate this Agreement, with or without cause, by giving the other party thirty (30) days' written notice of termination.
7. EFFECT OF TERMINATION. In the event of termination of this Agreement, pursuant to subsection B or C of Section 6, the County shall be entitled to the monies provided herein only through the date of termination.
8. NOTICES. All notices required under this Agreement shall be in writing and shall be deemed given when delivered (1) personally, or (2) by registered or certified mail (return receipt requested), addressed as follows (or any other address that is specified in writing by either party):

Chamber: Gaylord/Otsego County Chamber of Commerce

