

December 16, 2008

The Regular 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 9:34 a.m. by Chairman Glasser. Invocation by Chairman Glasser, followed by the Pledge of Allegiance led by Commissioner Backenstose.

Roll call:

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

Excused: Bentz.

The Regular meeting minutes of November 25, 2008, with attachments were approved as presented.

Consent Agenda:

Motion to adopt OCR-08-36 MSHDA HRF Authorizing Resolution.

Roll Call Vote:

Ayes: Backenstose, Bates, Beachnau, Liss, Olsen, Glasser, Johnson, Hyde.

Nays: None.

Excused: Bentz.

Motion carried/Resolution adopted. (see attached)

Motion to approve the reappointment of Jim Mathis to the Commission on Aging with the term to expire December 31, 2011. Motion approved via unanimous consent.

Motion to approve the reappointment of Michael J. Colosimo to the Construction Board of Appeals with the term to expire December 31, 2011. Motion approved via unanimous consent.

Motion to approve the reappointment of Bill Touroo to the Construction Board of Appeals with the term to expire December 31, 2011. Motion approved via unanimous consent.

Motion to approve the reappointment of Carl (Butch) Mankowski to the Construction Board of Appeals with the term to expire December 31, 2011. Motion approved via unanimous consent.

Motion to approve the reappointment of William Ahrenberg to the Veterans Affairs with the term to expire December 31, 2012. Motion approved via unanimous consent.

Motion to approve the reappointment of Kenneth R. Arndt to the Planning Commission with the term to expire December 31, 2011. Motion approved via unanimous consent.

Motion to approve the reappointment of John Ernst to the Planning Commission with the term to expire December 31, 2011. Motion approved via unanimous consent.

Motion to approve the reappointment of Frances Nowak to the Planning Commission with the term to expire December 31, 2011. Motion approved via unanimous consent.

Motion to approve the reappointment of Duane E. Hoffman to the Zoning Board of Appeals with the term to expire December 31, 2011. Motion approved via unanimous consent.

Motion to approve the reappointment of Kenneth Glasser to the Board of Public Works with the term to expire December 31, 2011. Motion approved via unanimous consent.

Motion to approve the reappointment of Paul Beachnau to the Board of Public Works with the term to expire December 31, 2011. Motion approved via unanimous consent.

Motion to approve the budget amendment of the Circuit Court/FOC Budget amendment as presented. Motion approved via unanimous consent. (see attached)

Motion to approve the Miscellaneous Court Budget amendment as presented. Motion approved via unanimous consent. (see attached)

Administrator's Report:

John Burt reported on the Alpine woodwork repair; Roof truss repair; new website; Holiday decoration replacement; Citizens Jail Committee meeting; Courthouse open space meeting.

Department Head Report:

Sheriff Jim McBride presented the Board his quarterly report.

Motion by Commissioner Backenstose, to adopt OCR 08-37 Recognition of Donald Huff as presented.

Roll Call Vote:

Ayes: Backenstose, Bates, Beachnau, Liss, Olsen, Glasser, Johnson, Hyde.

Nays: None.

Excused: Bentz.

Motion carried/Resolution adopted. (see attached)

Motion by Commissioner Hyde, to adopt OCR-08-38 Recognition of Judith Estelle as presented.

Roll Call Vote:

Ayes: Backenstose, Bates, Beachnau, Liss, Olsen, Glasser, Johnson, Hyde.

Nays: None.

Excused: Bentz.

Motion carried/Resolution adopted. (see attached)

Motion by Commissioner Olsen, to adopt OCR-08-39 Recognition of Joseph Edwartowski as presented.

Roll Call Vote:

Ayes: Backenstose, Bates, Beachnau, Liss, Olsen, Glasser, Johnson, Hyde.

Nays: None.

Excused: Bentz.

Motion carried/Resolution adopted. (see attached)

Motion by Commissioner Liss, to adopt OCR-08-40 Recognition of Vernon Kassuba as presented.

Roll Call Vote:

Ayes: Backenstose, Bates, Beachnau, Liss, Olsen, Glasser, Johnson, Hyde.

Nays: None.

Excused: Bentz.

Motion carried/Resolution adopted. (see attached)

Motion by Commissioner Johnson, to adopt OCR-08-41 Recognition of Richard Sumerix as presented.

Roll Call Vote:

Ayes: Backenstose, Bates, Beachnau, Liss, Olsen, Glasser, Johnson, Hyde.

Nays: None.

Excused: Bentz.

Motion carried/Resolution adopted. (see attached)

Motion by Commissioner Olsen, to adopt OCR-08-42 Recognition of Robert Harkness as presented.

Roll Call Vote:

Ayes: Backenstose, Bates, Beachnau, Liss, Olsen, Glasser, Johnson, Hyde.

Nays: None.

Excused: Bentz.

Motion carried/Resolution adopted. (see attached)

Motion by Commissioner Liss, to adopt OCR-08-43 Recognition of Chester Kozlowski as presented.

Roll Call Vote:

Ayes: Backenstose, Bates, Beachnau, Liss, Olsen, Glasser, Johnson, Hyde.

Nays: None.

Excused: Bentz.

Motion carried/Resolution adopted. (see attached)

Motion by Commissioner Beachnau, to adopt OCR-08-44 Recognition of Lee Olsen as presented.

Roll Call Vote:

Ayes: Backenstose, Bates, Beachnau, Liss, Olsen, Glasser, Johnson, Hyde.

Nays: None.

Excused: Bentz.

Motion carried/Resolution adopted. (see attached)

Motion by Commissioner Bates, to adopt OCR-08-45 Recognition of Allan Bentz as presented.

Roll Call Vote:

Ayes: Backenstose, Bates, Beachnau, Liss, Olsen, Glasser, Johnson, Hyde.

Nays: None.

Excused: Bentz.

Motion carried/Resolution adopted. (see attached)

The Budget and Finance Committee met on December 10, 2008 for their regular meeting. At that meeting they recommended the following motions:

Motion by Commissioner Beachnau, to grant authority to the County Administrator to amend the budget up to \$12,000 for the Bus System budget, and \$5,000 per line item for all other budgets, with subsequent approval by the Otsego County Board of Commissioners at their January board meeting. Ayes: Unanimous. Motion carried.

Motion by Commissioner Beachnau, to loan \$32,452.98 to the Otsego County Emergency Management Services for a new snow plow truck, interest at 4.24% with monthly payments of \$961.61 for 36 months. Loan to come from the public improvement Fund (fund 245) Ayes: Unanimous. Motion carried.

Motion by Commissioner Beachnau, to adopt OCR-08-46 the MERS Hybrid Retirement Plan for the non-union and department manager groups for all new hires, to begin January 1, 2009. The defined benefit portion will be set at 1.25%, and the defined contribution portion will be up to 3% of eligible compensation for employee contributions and a 1% match for the employer contribution. Vesting for employer contributions for the defined contribution portion will be Graded as follows: 25% after 3 years of service, 50% after 4 years, 75% after 5 years, and 100% after 6 years.

Roll Call Vote:

Ayes: Backenstose, Bates, Beachnau, Liss, Olsen, Glasser, Johnson, Hyde.

Nays: None.

Excused: Bentz.

Motion carried/Resolution adopted. (see attached)

The Transportation and Airport Committee met on December 11, 2008 for their regular meeting.

At that meeting they recommended the following motions:

The Michigan Airport Development Program package (2009-2013) for the Gaylord Regional Airport calls for the Rehabilitation and lengthening of runway 36 with the following costs: Federal \$1,168,500; State \$30,700; Local (County): \$30,750 for a total project cost of \$1,230,000. Motion by Commissioner Hyde, to approve the URS Contract (Project #12941589) for 2009 runway rehab and extension work at the Gaylord Regional Airport. Ayes: Unanimous. Motion carried.

Gaylord ARFF has been providing extra services including a significant increase in work for Randy Bricker's time, since the resignation of the Airport Director. The Committee has determined \$3,200 to be fair compensation for the extra services. Motion by Commissioner Hyde, to approve the Contingency/Airport budget amendment to cover the cost of extra

services provided by Gaylord ARFF. Ayes: Unanimous. Motion carried. (see attached)

The Committee discussed bids received and moved to recommend disposing of the Bus shop truck and seven crown victorias. Motion by Commissioner Hyde, to sell the following vehicles: 1991 Ford pick-up (VIN 2FTEF26H3MCA24787) for \$1,200 to Kyle Clark; Crown Victoria (VIN2FAFHP71W64X102832) for \$300 to Ronald Dale; Six Crown Victorias for \$275 to Jeff Borowiak/Diggers Corporation VIN2FALP71W2TX189878; VIN2FALP71W1VX182553; VIN2FAFP71W8XX108594; VIN2FAFP71W51X124484; VIN2FAFP71W8YX103560; VIN 2FALP71WSX184616. Ayes: Unanimous. Motion carried.

The County Infrastructure Committee met on December 15, 2008 for their regular meeting. At that meeting they reviewed bids for painting and carpeting for the County Building, and recommended the following motions:

Motion by Commissioner Olsen, to award the painting bid (BID 2008-21) to Bulldog Painting in the amount of \$19,000 to be paid from the Capital Projects Fund (fund 499) Ayes: Unanimous. Motion carried.

Motion by Commissioner Olsen, to award the carpeting bid (BID 2008-22) to Hickerson Floor & Tile in the amount of \$32,392. Ayes: Unanimous. Motion carried.

The County 9-1-1 Committee met on December 11, 2008 for their regular meeting. At that meeting they recommended the following motion:

Motion by Commissioner Liss, to authorize the purchase of new communications equipment for Otsego County EMS/MFR units utilizing the Public Safety Interoperable Communications (PSIC) Grant with matching funds up to \$35,000 to be paid from the 9-1-1 Emergency Services Fund (Fund 261). Ayes: Unanimous. Motion carried.

Joe Edwartowski on the Charlton Township meeting.

Elizabeth Haus reported on the Village of Vanderbilt's Planning Commission.

Correspondence:

Chairman Glasser received a letter from NEMCOG.

New Business:

Motion by Commissioner Beachnau, to approve Warrant B2008-49 in the amount of \$191,844.39 as presented. Ayes: Unanimous. Motion carried.

Motion by Commissioner Backenstose, to approve Warrant B2008-50 in the amount of \$97,247.29 as presented. Ayes: Unanimous. Motion carried.

Motion by Commissioner Bates, to approve Warrant B2008-51 in the amount of \$104,637.77 as presented. Ayes: Unanimous. Motion carried.

The Board of Commissioners organizational meeting will be scheduled for January 5, 2009 at 3:00 p.m. in the Multi-Purpose Room.

Public Comment:

Sheriff McBride thanked Lee Olsen and Allan Bentz.

Joe Edwartowski asked about the status regarding the hiring of the Airport manager.

Wayne Tyler addressed his concerns regarding the Post Office.

Board Remarks:

Commissioner Johnson: Health Department meeting; Workers Comp meeting.
Thanked Lee.
Wished everyone a Merry Christmas.

Commissioner Liss: Interviews for the Airport Director.
Thanked Lee.
Wished everyone a Merry Christmas.

Commissioner Beachnau: Thanked Lee.

Commissioner Hyde: Wished everyone a Merry Christmas and a Happy New Year.

Commissioner Olsen: ORV Ordinance meeting.
Thanked everyone.
Wished everyone a Merry Christmas and a Happy New Year.

Commissioner Backenstose: Thanked Lee.

Commissioner Glasser: Attended Consortium meeting.
ORV Ordinance.
Thanked the Board members.
Thanked the Administration staff.
Wished everyone a Merry Christmas.

Meeting adjourned at 10:50 a.m. at the call of the Chair.

Kenneth R. Glasser, Chairman

Susan I. DeFeyter, County Clerk

RESOLUTION NO. OCR 08-36
AUTHORIZING RESOLUTION
OTSEGO COUNTY BOARD OF COMMISSIONERS
December 16, 2008

WHEREAS, the County of Otsego is interested in the continuing effort to rehabilitate housing conditions for its low income residents; and

WHEREAS, The County has demonstrated a need for this assistance with data outlined in the application; and

WHEREAS, The County intends to meet this need by submission of an application to Michigan State Housing Authority (MSHDA) 2008 Housing Resource Fund (HRF) County Allocation Community Development Block Grant and by funds leveraged with USDA, Rural Development, MSHDA Property Improvement Program (PIP), Northeast Michigan Community Service Agency (NEMCSA) Weatherization Program and local Department of Human Services (DHS) Emergency Services Fund thus meeting more needs; and

WHEREAS, The County Board of Commissioners accepts the recommendation of the Housing Committee to apply for \$175,000; now, therefore, be it

RESOLVED, that the Otsego County Administrator, on behalf of the Otsego County Board of Commissioners, John M. Burt be the Authorized Official to sign and submit said MSHDA's HRF Application and Marlene K. Hopp, Director of the Otsego County Housing Committee be the Agency Administrator to prepare the grant and submit other documents as required.



OTSEGO COUNTY BUDGET AMENDMENT

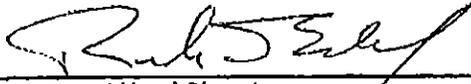
FUND/DEPARTMENT: 131,136,148,141,215

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 Sv)

EXPENDITURE

Account Number	Increase	Decrease
101 - 131 - 930.450	\$	\$ 3,380.75
101 - 131 - 704.110	\$ 2,712.34	\$
101 - 136 - 704.110	\$ 298.04	\$
101 - 148 - 704.110	\$ 352.37	\$
- -	\$	\$
101 - 141 - 940.010-JNET	\$	\$ 3,689.98
101 - 141 - 704.110	\$ 3,689.98	\$
215 - 141 - 940.010-JNET	\$	\$ 650.91
215 - 141 - 704.110	\$ 650.91	\$
- -	\$	\$
- -	\$	\$
- -	\$	\$
- -	\$	\$
Total	\$ 7,701.64	\$ 7,701.64



 Department Head Signature

12/10/08

 Date

Finance Department
Entered:
By:

 Administrator's Signature

 Date

 Board Approval Date (If necessary)

 Budget Adjustment #

 Posting Number

RESOLUTION NO. OCR 08-37
COMMENDATION IN HONOR OF DONALD HUFF
OTSEGO COUNTY BOARD OF COMMISSIONERS
December 16, 2008

WHEREAS, Donald R. Huff has faithfully served the Otsego County Road Commission for 24 years; and

WHEREAS, Donald R. Huff served on the Otsego County Parks and Recreation Commission for over 20 years; and

WHEREAS, Donald R. Huff previously served on the Otsego County Board of Commissioners; and

WHEREAS, Donald R. Huff previously served four years as Supervisor for Dover Township; and

WHEREAS, Donald R. Huff has put in immeasurable time on his own regarding road problems, real estate and mineral leases; and

WHEREAS; Donald R. Huff will be greatly missed by his fellow commissioners, office staff and employees; now, therefore, be it

RESOLVED, that Donald R. Huff is to always be remembered by fellow workers and the public as unselfishly giving of his time and talents to make Otsego County a better place to live and the roads in Otsego County to be the best and safest possible; and be it further

RESOLVED, that the Otsego County Board of Commissioners want to commend and honor Donald for his outstanding service to our community.

**RESOLUTION NO. OCR 08-38
COMMENDATION IN HONOR OF JUDITH ESTELLE**

**OTSEGO COUNTY BOARD OF COMMISSIONERS
December 16, 2008**

WHEREAS, Judith Estelle has voluntarily served Otsego County as the Hayes Township Treasurer from 1980 to 1989; and

WHEREAS, she then served Hayes Township as a Trustee from July 1999 to November 20, 2008; and

WHEREAS, Judith has lived in Hayes Township since her marriage to Ed in 1960, and they continue to farm the area; and

WHEREAS, the Otsego County Board of Commissioners is honoring Judith for her outstanding service to the County and expresses their pride in her accomplishments; now, therefore, be it

RESOLVED, that the Otsego County Board of Commissioners wishes to thank Judith for her tireless commitment to the County and her leadership and dedication to Hayes Township and the community.

RESOLUTION NO. OCR 08-39
COMMENDATION IN HONOR OF JOSEPH EDWARTOWSKI
OTSEGO COUNTY BOARD OF COMMISSIONERS
December 16, 2008

WHEREAS, Joseph Edwartowski has served Charlton Township as a Trustee for the last four years, and

WHEREAS, Joseph Edwartowski spent many years as a member on the Board of Review, and

WHEREAS; Joseph Edwartowski will be missed by his fellow Township officials, now, therefore, be it

RESOLVED, that Joseph Edwartowski be remembered by fellow Charlton Township colleagues and the public for the giving of his 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 want to commend and honor Joseph for his outstanding service to our community.

RESOLUTION NO. OCR 08-40
COMMENDATION IN HONOR OF VERNON KASSUBA

OTSEGO COUNTY BOARD OF COMMISSIONERS

December 16, 2008

WHEREAS, Vernon Kassuba has faithfully served Corwith Township as their Supervisor since 1990, and

WHEREAS; Vernon Kassuba will be greatly missed by his fellow Township officials and colleagues, now, therefore, be it

RESOLVED, that Vernon Kassuba will be highly regarded by his fellow Township Officers and the public by the giving of his time to make Otsego County and Corwith Township a better place to live and work, and be it further

RESOLVED, that the Otsego County Board of Commissioners want to commend and honor Vern for his outstanding service to our community.

RESOLUTION NO. OCR 08-41
COMMENDATION IN HONOR OF RICHARD SUMERIX

OTSEGO COUNTY BOARD OF COMMISSIONERS

December 16, 2008

WHEREAS, Richard Sumerix has served Bagley Township as a Trustee since November 20, 1976, and

WHEREAS, Richard Sumerix has served on the Bagley Township Planning Commission since 1980, and

WHEREAS, Richard also served on the Otsego County Planning Commission as well as the Zoning Board of Appeals, and

WHEREAS, Richard continues to serve Bagley Township as their Code Enforcement Officer, now, therefore, be it

RESOLVED, that Richard Sumerix be remembered by fellow Bagley Township colleagues, Otsego County Planning Commission, the ZBA board members and the public for the giving of his 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 want to commend and honor Richard for his outstanding service to our community.

RESOLUTION NO. OCR 08-42
COMMENDATION IN HONOR OF ROBERT H. HARKNESS
OTSEGO COUNTY BOARD OF COMMISSIONERS
December 16, 2008

WHEREAS, Robert H. Harkness has served Chester Township as their Supervisor since November 2004, he served his entire term of office and was elected Otsego County Commissioner-District IV in November 2008, and

WHEREAS, while Bob was Supervisor he regularly attended and contributed at the Township's monthly meetings, and

WHEREAS, during Bob's tenure he helped complete road improvement projects with the Otsego County Road Commission, and

WHEREAS, Bob was instrumental with the township so they could finance an annual clean up day for their residents 2005 through 2008, and

WHEREAS, prior to Bob becoming Supervisor and while in office he worked as a volunteer mediator for the Gaylord Community Mediation office as well as Northern Community Mediation, he contributed more than 100 hours for each office, and

WHEREAS; in 2007 Bob was awarded the Volunteer Mediator of the Year award by Northern Community Mediation, and

WHEREAS, Robert H. Harkness will be missed by his fellow Township officials, now, therefore, be it

RESOLVED, that Robert H. Harkness be remembered by fellow Chester Township colleagues and the public for the giving of his time and talents to make Otsego County and Chester Township a better place to live and work, and be it further

RESOLVED, that the Otsego County Board of Commissioners want to commend and honor Bob for his outstanding service to our community. And to congratulate him on his new position as County Commissioner representing District IV.

RESOLUTION NO. OCR 08-43
COMMENDATION IN HONOR OF CHESTER KOZLOWSKI
OTSEGO COUNTY BOARD OF COMMISSIONERS
December 16, 2008

WHEREAS, Chester Kozlowski has served Dover Township as a Trustee for over three decades, and

WHEREAS, Chester Kozlowski has been a Dover Township resident since 1950, and

WHEREAS, Chester opened his excavating business in Otsego County over 30 years ago, and

WHEREAS, Chester served on the Otsego County Fire Board as a Dover Township representative for the past 12 years, and

WHEREAS; Chester Kozlowski will be missed by his fellow Township officials, now, therefore, be it

RESOLVED, that Chester Kozlowski be remembered by fellow Dover Township colleagues and the public for the giving of his 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 want to commend and honor Chester for his outstanding service to our community.

RESOLUTION NO. OCR 08-44
COMMENDATION IN HONOR OF LEE OLSEN
OTSEGO COUNTY BOARD OF COMMISSIONERS
December 16, 2008

WHEREAS, Lee Olsen has faithfully served the Otsego County Board of Commissioners for five terms; and

WHEREAS; Lee Olsen will be greatly missed by his fellow Commissioners; and

WHEREAS; the accuracy of that thar grammar used in County documents will surely suffer by the absence of Commissioner Olsen; now, therefore, be it

RESOLVED, that the Commissioners do wish him the best of luck in the sale of his Arizona estate; and be it further

RESOLVED, that Lee Olsen will be highly regarded by his fellow Commissioners and the public by the giving of his time to make Otsego County a better place to live and work; and be it further

RESOLVED, that the Otsego County Board of Commissioners want to commend and honor Lee for his outstanding service to our community.

RESOLUTION NO. OCR 08-45
COMMENDATION IN HONOR OF ALLAN BENTZ
OTSEGO COUNTY BOARD OF COMMISSIONERS
December 16, 2008

WHEREAS, Allan Bentz has faithfully served the Otsego County Board of Commissioners for six terms; and

WHEREAS, Allan always fights the good fight; and

WHEREAS; Allan was always willing to voice his opinion, at length, on any unfunded mandates dictated by the State; and

WHEREAS; Allan Bentz will be truly missed by his fellow Commissioners, and County employees; now, therefore, be it

RESOLVED, that Allan Bentz will be highly regarded by his fellow Commissioners and the public by the giving of his time to make Otsego County a better place to live and work; and be it further

RESOLVED, that the Otsego County Board of Commissioners want to commend and honor Allan for his outstanding service to our community.



**OTSEGO COUNTY
BUDGET AMENDMENT**

FUND/DEPARTMENT: General Fund / Airport

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 Additional services provided by ARTF, to assist until a new Airport

Account Number	Decrease	Increase	Director is
281.050 - 699.030 Transfer In	\$	\$ 3,200	hired.
-	\$	\$	
-	\$	\$	
-	\$	\$	
Total	\$	\$	

EXPENDITURE

Account Number	Increase	Decrease
101.941 - 999.000 - Contingency	\$	\$ 3,200
101.966 - 999.000 - Airport Allocation	\$ 3,200	\$
-	\$	\$
281.537 - 940.010 - Contracted Svcs.	\$ 3,200	\$
-	\$	\$
-	\$	\$
Total	\$	\$

Rachel Frisch
Department Head Signature

12.11.08
Date

Finance Department	
Entered:	
By:	

Administrator's Signature

Date

Board Approval Date (if necessary)

Budget Adjustment #

Posting Number

* Cash tsf



MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN

MERS UNIFORM HYBRID PROGRAM (BENEFIT PROGRAM H) RESOLUTION

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 postemployment 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, on December 1, 2006, the Retirement Board entered into an Amended and Restated Alliance Agreement (the "2006 Alliance Agreement") with ICMA-RC (the International City Management Association Retirement Corporation) as third-party administrator for the DC Program or components established under the MERS Plan Document (which replaced the 2001 Alliance Agreement dated November 14, 2001).

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



MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN

shall not be implemented unless in strict compliance with the terms and conditions of this Resolution as provided under section 19B(17):

- 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 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. This obligation applies to any documents deemed necessary to the operation of the DC component by MERS' third-party administrator.

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

I. NEW EMPLOYEES

Effective 1-1, 2009, (to be known as the ADOPTION DATE), the
Otsego County hereby adopts Benefit Program H for
 (MERS municipality/court)
Div 01 Gnrl Non Union, Div 13 Electd/Appt Spvs
 (specify division #s)

first hired or rehired or transferred 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. **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.



MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN

- For the DC Component, employee and employer contributions shall be required as allowed and specified in Plan section 19B(6) 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.

(C) HYBRID PLAN VESTING

- For the DB Component, 6 year vesting is mandatory.
- For the DC Component, employee and employer contributions shall be required as allowed and specified in Plan section 19B(6) 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(16):

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 with a 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;



MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN

- (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,

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(2)) 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(4))

- (3) The Benefit shall be payable at age 60 (Plan Section 19B(3)(b)).

- (4) Credited Service shall be comprised solely of the sum of (a) the total of the member's credited service under the previous DB program on the effective date of coverage under the Hybrid Plan (Plan Section 19B(14)(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(15)(b)).

- For the DC Component (Plan Section 19B(10)):

Upon termination of membership, a vested former member or a beneficiary, as applicable, shall elect 1 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(9)(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.



MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN

- (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 10.* ***STOP***

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 SECTION 19B(11)-(15))

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 SIXTY PERCENT (60%).

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

- (A) Effective on the Adoption Date, pursuant to Plan Section 19B(11) (select either (1) or (2)):
 - (1) 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(12) 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.



MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN

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 7 - 1, 2009, (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.

X not apply to any employee who separates from or terminates employment with this municipality after the Adoption Date.

(2) all current members of the retirement system shall be mandatorily covered under, and deemed to elect, Benefit Program H so long as the conditions of Section 19B(11) (a), (b) and (c) are met.

(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(14), the Retirement Board shall transfer the following amounts from the reserve for employee contributions and the reserve for employer contributions 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 reserve for defined contribution plan.



MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN

(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 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 to the reserve for defined contribution plan. For purposes of this sub-paragraph:

- (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 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.

- (F) Per Plan Section 19B(14), 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:



MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN

- (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 and valuation assets of all reserves) 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):

Funded level for the division (not 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 not less than funded level percentage and 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

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

- (A) Effective on the Adoption Date, pursuant to Plan Section 19B(11) (select either (1) or (2)):



MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN

- (1) 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(12) 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**.

- (2) all current members of the retirement system shall be mandatorily covered under, and deemed to elect, Benefit Program H, so long as the conditions of Section 19B(11) (a), (b) and (c) are met.
- (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.



MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN

- (E) For each employee irrevocably electing to participate in Benefit Program H, then under Plan Section 19B(15), the following shall apply:
- (a) The 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 reserve for defined contribution plan under Benefit Program H.
 - (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. IMPLEMENTATION DIRECTIONS FOR MERS HYBRID PROGRAM DC COMPONENT TO THIRD-PARTY ADMINISTRATOR.

- (A) The governing body of this MERS participating municipality or court as Employer desires that MERS Hybrid Program DC Component be administered by MERS' duly-designated third-party administrator and that some or all of the funds held under such plan be invested in the TPA's retirement trust established for the collective investment of funds held under the Employer's retirement, defined contribution, and deferred compensation plans.
- (B) The Employer hereby establishes MERS Hybrid Program DC Component as authorized by Section 19B(5)-(16) of the Municipal Employees' Retirement System of Michigan Plan Document, in the form of the third-party administrator's IRS-qualified retirement trust.
- (C) The Declaration of Trust of the Vantage Trust (Attachment 1, Appendix A, adopted and executed concurrent with and incorporated by reference in this Resolution) is operative and applies with respect to any MERS Hybrid Program DC Component, DC plan, retirement or deferred compensation plan previously or subsequently established by the Employer, if the assets are to be invested in the Vantage Trust.
- (D) Trisha M. Adam, Human Resources Director
Otsego County 225 W. Main St., #203 Gaylord, MI 49735
989-731-7522 tadam@otsegocountymi.gov
(name and title of official, address, telephone number, and e-mail address) shall be the Employer's MERS Hybrid Program Plan coordinator; shall receive necessary reports, notices, etc., from MERS and the third-party administrator or its retirement trust; shall cast, on behalf of the Employer, any required votes under the retirement trust; may delegate any administrative duties relating to the defined contribution plan to appropriate departments.



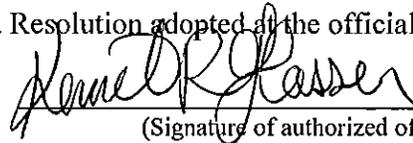
- (E) The Municipal Employees' Retirement Board retains full and unrestricted authority over the administration of MERS Benefit Program H, including but not limited to the appointment and termination of the third-party administrator, or MERS' self-administration of the defined contribution program in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

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 December 16, 2008


(Signature of authorized official)

Please send MERS fully executed copy of: this Resolution; Adoption Agreement with 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)

Att.



MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN

MERS UNIFORM HYBRID DC COMPONENT ADOPTION AGREEMENT

The Employer, a participating municipality or participating court within the State of Michigan that has adopted MERS coverage, hereby establishes MERS Benefit Program:

Section 19B, DC Component ("MERS Hybrid DC")

in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust and attached Declaration of Trust of VantageTrust, as amended and as authorized by Sections 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 Year," "Plan Participant," "Participant," or "Program," shall mean the MERS Hybrid DC, unless otherwise specified.

I. EMPLOYER: Otsego County (Name of municipality or court)

II. The Effective Date of the Benefit Program here adopted shall be the first day of the Plan Year during which the Employer adopts the Plan, unless an alternate Effective Date is hereby specified: 1-1-09

III. Normal Retirement Age shall be age 60.

IV. ELIGIBILITY REQUIREMENTS

1. The following group or groups of Employees are eligible to participate in the Plan: Div 01 Gnrl Non-Union and Div 13 Electd/Appt Spvs (Specify employee classification and division numbers)

2. Only those Employees eligible for MERS Membership (Section 3 of the MERS Plan Document) shall be eligible to participate. (A copy of ALL employee enrollment forms must be submitted to MERS as well as ICMA.)

V. CONTRIBUTION PROVISIONS

1. The Employer shall contribute on behalf of each Participant * % of Earnings or \$ - for the Plan Year (subject to the limitations of sections 415(c) and (e) of the Internal Revenue Code). Each Participant is required to contribute * % of Earnings for the Plan 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.

Table with 3 columns: Employer 1% match, Employee Options, 1%, 2%, 3%

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. 81-35, 1981-1 C.B. 255. 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.

Neither an advisory opinion letter issued by the Internal Revenue Service with respect to the MERS Plan, nor a determination letter issued to an adopting Employer, is a ruling by the Internal Revenue Service that Employee contributions that are picked up by the Employer are not includible in the Employee's gross income for federal income tax purposes. The Employer may seek such a ruling.]

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



Weekly



Bi-weekly



Monthly

VI. EARNINGS

Earnings shall be the Medicare taxable wages reported on the Employee's W-2 statement.

VII. VESTING PROVISION FOR EMPLOYER CONTRIBUTIONS

The Employer hereby specifies the following vesting schedule:

- (i) Immediate Vesting upon Participation; or

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 MERS Benefit Program H.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this 16 day of December, 2008.

Employer: Otsego County

By: Kenneth R. Glasser

Title: Chairman, Board of Commissioners

Attest: 

Appendix A

DECLARATION OF TRUST

This Declaration of Trust (the "Group Trust Agreement") is made as of the 19th day of May 2001, by VantageTrust Company, which declares itself to be the sole Trustee of the trust hereby created.

WHEREAS, the ICMA Retirement Trust was created as a vehicle for the commingling of the assets of governmental plans and governmental units described in Section 818(a)(6) of the Internal Revenue Code of 1986, as amended, pursuant to a Declaration of Trust dated October 4, 1982, as subsequently amended, a copy of which is attached hereto and incorporated by reference as set out below (the "ICMA Declaration"); and

WHEREAS, the trust created hereunder (the "Group Trust") is intended to meet the requirements of Revenue Ruling 81-100, 1981-1 C.B. 326, and is established as a common trust fund within the meaning of Section 391:1 of Title 35 of the New Hampshire Revised Statutes Annotated, to accept and hold for investment purposes the assets of the Deferred Compensation and Qualified Plans held by and through the ICMA Retirement Trust.

NOW, THEREFORE, the Group Trust is created by the execution of this Declaration of Trust by the Trustee and is established with respect to each Deferred Compensation and Qualified Plan by the transfer to the Trustee of such Plan's assets in the ICMA Retirement Trust, by the Trustees thereof, in accord with the following provisions:

1. **Incorporation of ICMA Declaration by Reference; ICMA By-Laws.** Except as otherwise provided in this Group Trust Agreement, and to the extent not inconsistent herewith, all provisions of the ICMA Declaration are incorporated herein by reference and made a part hereof, to be read by substituting the Group Trust for the Retirement Trust and the Trustee for the Board of Trustees referenced therein. In this respect, unless the context clearly indicates otherwise, all capitalized terms used herein and defined in the ICMA Declaration have the meanings assigned to them in the ICMA Declaration. In addition, the By-Laws of the ICMA Retirement Trust, as the same may be amended from time-to-time, are adopted as the By-Laws of the Group Trust to the extent not inconsistent with the terms of this Group Trust Agreement.

Notwithstanding the foregoing, the terms of the ICMA Declaration and By-Laws are further modified with respect to the Group Trust created hereunder, as follows:

- (a) any reporting, distribution, or other obligation of the Group Trust vis-à-vis any Deferred Compensation Plan, Qualified Plan, Public Employer, Public Employer Trustee, or Employer Trust shall be deemed satisfied to the extent that such obligation is undertaken by the ICMA Retirement Trust (in which case the obligation of the Group Trust shall run to the ICMA Retirement Trust); and
- (b) all provisions dealing with the number, qualification, election, term and nomination of Trustees shall not apply, and all other provisions relating to trustees (including, but not limited to, resignation and removal) shall be interpreted in a manner consistent with the appointment of a single corporate trustee.

2. **Compliance with Revenue Procedure 81-100.** The requirements of Revenue Procedure 81-100 are applicable to the Group Trust as follows:
- (a) Pursuant to the terms of this Group Trust Agreement and Article X of the By-Laws, investment in the Group Trust is limited to assets of Deferred Compensation and Qualified Plans, investing through the ICMA Retirement Trust.
 - (b) Pursuant to the By-Laws, the Group Trust is adopted as a part of each Qualified Plan that invests herein through the ICMA Retirement Trust.
 - (c) In accord with the By-Laws, that part of the Group Trust's corpus or income which equitably belongs to any Deferred Compensation and Qualified Plan may not be used for or diverted to any purposes other than for the exclusive benefit of the Plan's employees or their beneficiaries who are entitled to benefits under such Plan.
 - (d) In accord with the By-Laws, no Deferred Compensation Plan or Qualified Plan may assign any or part of its equity or interest in the Group Trust, and any purported assignment of such equity or interest shall be void.
3. **Governing Law.** Except as otherwise required by federal, state or local law, this Declaration of Trust (including the ICMA Declaration to the extent incorporated herein) and the Group Trust created hereunder shall be construed and determined in accordance with applicable laws of the State of New Hampshire.
4. **Judicial Proceedings.** The Trustee may at any time initiate an action or proceeding in the appropriate state or federal courts within or outside the state of New Hampshire for the settlement of its accounts or for the determination of any question of construction which may arise or for instructions.

IN WITNESS WHEREOF, the Trustee has executed this Declaration of Trust as of the day and year first above written.

VANTAGETRUST COMPANY



By: _____
Name: Paul F. Gallagher
Title: Assistant Secretary