

January 14, 2014

The Regular meeting of the Otsego County Board of Commissioners was held in the County Building at 225 West Main Street, Room 100. The meeting was called to order at 9:30 a.m. by Chairman Lee Olsen. Invocation by Commissioner Ken Borton, followed by the Pledge of Allegiance led by Commissioner Rich Sumerix.

Roll call:

Present: Tammy LaBouef, Paul Beachnau, Paul Liss, Lee Olsen, Erma Backenstose, Richard Sumerix, Doug Johnson, Ken Borton, Bruce Brown.

Motion by Commissioner Paul Beachnau, to nominate Ken Borton as the Vice-Chairperson for 2014.

Nominations were closed by Chairman Lee Olsen.

Roll Call Vote:

Ayes: Tammy LaBouef, Paul Beachnau, Paul Liss, Lee Olsen, Erma Backenstose, Richard Sumerix, Doug Johnson, Ken Borton, Bruce Brown.

Nays: None.

Motion carried. Ken Borton elected as Vice-Chairperson.

Motion by Commissioner Paul Beachnau, to approve the regular minutes of December 17, 2013 with attachments Ayes: Unanimous. Motion carried.

Consent Agenda:

Motion to approve the reappointment of Michael Colosimo to the Construction Board of Appeals with the term to expire December 31, 2016. Ayes: Unanimous. Motion carried.

Motion to approve the reappointment of Darrell Fleming to the Parks and Recreation Commission with the term to expire December 31, 2016. Ayes: Unanimous. Motion carried.

Motion to approve the appointment of Michael Mang to the Zoning Board of Appeals with the term to expire on December 31, 2015. Ayes: Unanimous. Motion carried.

Administrator's Report:

John Burt reported the ice rink has been started on the Courthouse lawn; Renovations of the information center have started for the Red Cross; USDA grant applied for; Conservation district; Radio sign-up sheet; MERS resolution.

Motion by Commissioner Paul Beachnau, to adopt Resolution OCR 14-01 MERS uniform transfer provision.

Roll Call Vote:

Ayes: Tammy LaBouef, Paul Beachnau, Paul Liss, Lee Olsen, Erma Backenstose, Richard Sumerix, Doug Johnson, Ken Borton, Bruce Brown.

Nays: None.

Motion carried/Resolution adopted. (see attached)

City Liaison, Township and Village Representatives:  
Bill Wishart reported on the City Council meeting.

Correspondence:

Chairman Lee Olsen received a letter from the DNR.

New Business:

Motion by Commissioner Bruce Brown, to approve the December 23, 2013 Warrant in the amount of \$193,004.14 as presented. Ayes: Unanimous. Motion carried.

Motion by Commissioner Tammy LaBouef, to approve the December 30, 2013 Warrant in the amount of \$204,739.62 as presented. Ayes: Unanimous. Motion carried.

Motion by Commissioner Doug Johnson, to approve the January 7, 2014 Warrant in the amount of \$14,100.38 as presented. Ayes: Unanimous. Motion carried.

Motion by Commissioner Ken Borton to approve the January 14, 2014 Warrant in the amount of \$359,042.97 as presented. Ayes: Unanimous. Motion carried.

Public Comment:

Chairman Lee Olsen opened up the meeting for public comment.

Board Remarks:

Commissioner Doug Johnson reported on the Parks and Recreation meeting.

Commissioner Tammy LaBouef reported on the Veterans Committee meeting.

Commissioner Paul Beachnau had no report.

Commissioner Erma Backenstose attended a public hearing at Otsego Lake Township, new DHS offices.

Commissioner Paul Liss had no report.

Commissioner Bruce Brown had no report.

Commissioner Rich Sumerix attended the Bagley Township meeting.

Commissioner Ken Borton attended the MAC Environmental meeting.

Chairman Lee Olsen announced there is a downtown renaissance meeting on January 15, 2014 from 6:30-8:30 at the City Hall; Announced that the next 2 board meetings of January 28<sup>th</sup> and February 11<sup>th</sup> will be held at the Multi-Purpose Room at the Alpine Center beginning at 9:30 a.m.

Meeting adjourned at 10:14.

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Lee F. Olsen, Chairman

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Susan I. DeFeyter, Otsego County Clerk

**EMPLOYER RESOLUTION ESTABLISHING  
UNIFORM TRANSFER PROVISION**



**WHEREAS**, the County of Otsego is a participating municipality or court in the Municipal Employees' Retirement System of Michigan ("MERS"); and

**WHEREAS**, the Standard MERS Transfer Rules became effective in August 2007; and

**WHEREAS**, under the Standard Rules, all transferees to a new division are covered under the active employee plan in the new division; where the defined benefit plan in the new division is closed to entrants, the accrued defined benefit (based on benefits, service and wages as of transfer date) of transferees is frozen as of transfer date.

**WHEREAS**, pursuant to Retirement Board action on November 10, 2010, the employing municipality or court will be allowed, on a one-time irrevocable and uniform basis, to adopt for all its MERS divisions (present and future) an alternate policy which allows all transferred employees an individual choice at the time of transfer to either be placed in: (1) the division's open plan, or (2) the closed plan if it is the same plan type, provided there are active employees remaining in the plan type.

**WHEREAS**, this alternate transfer provision applies to transferred employees only; rehired employees will continue to be enrolled into the active plan; and

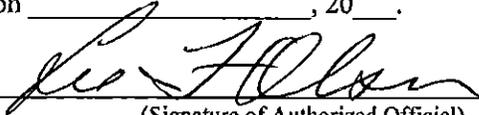
**NOW THEREFORE BE IT RESOLVED**, that effective January 1<sup>st</sup>, 2013, the Governing Body adopts this Resolution (or for a participating court, the Chief Judge by Administrative Order) for all present and future employee divisions requiring that all transferred employees (select only one):

- shall be covered under the active employee plan in the division they are transferred into.
- shall be given the individual choice to either be placed in the open plan or the closed division if it is the same plan type (in the division from which the employee is transferred from) provided there are active employees remaining in the closed plan type.

**CERTIFICATION FOR PARTICIPATING MUNICIPALITY OR COURT**

I hereby certify that this Resolution was adopted by (check one):

- The Governing Body of the Otsego County Board of Comm. at its meeting held on January 14, 2014.
- Administrative Order No. \_\_\_\_\_ adopted by the Chief Judge of the \_\_\_\_\_, on \_\_\_\_\_, 20\_\_\_\_.

  
 \_\_\_\_\_  
 (Signature of Authorized Official)  
 Chair, Board of Commissioners  
 \_\_\_\_\_  
 (Title)

## **Example Scenarios of the Uniform Transfer Rules**

### **Example 1**

**The City of Tree has two divisions: Division 01 has the MERS Defined Benefit Plan with a 2.0% multiplier. Division 99 converted from the MERS Defined Benefit Plan with a 2.25% multiplier to the MERS Defined Contribution Plan in 2000. Thus for division 99 the Defined Contribution Plan is the open plan, and the Defined Benefit Plan is the closed plan. However in this scenario the City of Tree still has active employees that are covered under the closed Defined Benefit Plan in division 99.**

#### **Under Standard Transfer Rules**

John transfers from division 01 to division 99. Under the standard rules he would go into the active plan, which is the Defined Contribution Plan. John's accrued pension earned under the previous Defined Benefit Plan would be frozen and he would be enrolled in the Defined Contribution Plan moving forward.

#### **Transfer Rules with Employee Choice**

John transfers from division 01 to division 99. Under the alternative rules, he would receive the choice to either join the closed division with the same plan type (Defined Benefit) having active employees, or he could freeze his accrued pension and enroll in the open Defined Contribution Plan. If John chooses to enroll in the closed Defined Benefit Plan, then his entire accrued pension earned under the previous Defined Benefit Plan with the 2.0% multiplier would be transferred to the closed Defined Benefit Plan with the 2.25% multiplier (all defined benefit service applied to 2.25% multiplier).

### **Example 2**

**The City of Tree has two divisions: Division 01 has the MERS Defined Benefit Plan with a 2.0% multiplier. Division 99 converted from the MERS Defined Benefit Plan with a 2.25% multiplier to the MERS Defined Contribution Plan in 2000. Thus for division 99 the Defined Contribution Plan is the open plan, and the Defined Benefit Plan is the closed plan. However in this scenario the City of Tree has NO active employees under the closed Defined Benefit Plan in division 99.**

#### **Under Standard Transfer Rules**

John transfers from division 01 to division 99. Under the standard rules he would go into the active plan, which is the Defined Contribution Plan. John's accrued pension earned under the previous Defined Benefit Plan would be frozen and he would be enrolled in the Defined Contribution Plan moving forward.

#### **Transfer Rules with Employee Choice**

John transfers from division 01 to division 99. He does not receive the choice to enroll in the closed Defined Benefit Plan however, because there are NO active employees in the closed plan. John's accrued pension earned under the previous Defined Benefit Plan would be frozen and he would be enrolled in the open Defined Contribution Plan moving forward.