

December 17, 2019

The regular meeting of the Otsego County Board of Commissioners was held in Room 100 of 225 West Main Street, Gaylord, Michigan. The meeting was called to order at 9:30 a.m. by Chairman Ken Borton. Invocation by Commissioner Ken Glasser, followed by the Pledge of Allegiance led by Sheriff Matt Nowicki.

Roll Call:

Present: Julie Powers, Henry Mason, Paul Liss, Duane Switalski, Rob Pallarito, Ken Glasser, Doug Johnson, Ken Borton.

Absent: Bruce Brown.

Consent Agenda:

Motion by Commissioner Duane Switalski, seconded by Commissioner Rob Pallarito, to approve the Regular minutes of November 26, 2019 with attachments. Ayes: Unanimous. Motion carried.

Motion by Commissioner Duane Switalski, seconded by Commissioner Rob Pallarito, to approve the updated 2020 Board of Commissioners meeting schedule. Ayes: Unanimous. Motion carried. (see attached)

Court Appointed Attorney Contracts was removed from the agenda.

Motion by Commissioner Duane Switalski, seconded by Commissioner Rob Pallarito of approval of granting authority to the County Administrator to authorize 2019 budget amendments up to \$10,000 per line item, with subsequent approval by the Otsego County Board of Commissioners. Ayes: Unanimous. Motion carried.

Special Presentations: None.

Department Head Reports: None.

Truth in Taxation Hearing opened at 9:33 a.m.

Truth in Taxation Hearing closed at 9:36 a.m.

Motion by Commissioner Ken Glasser, seconded by Commissioner Julie Powers, to approve OCR 19-26, 2020 Budget and Appropriations Act.

Roll Call Vote:

Ayes: Julie Powers, Paul Liss, Duane Switalski, Rob Pallarito, Ken Glasser, Doug Johnson, Ken Borton.

Nays: Henry Mason.

Absent: Bruce Brown.

Motion carried/Resolution adopted. (see attached)

Motion by Commissioner Ken Glasser, seconded by Commissioner Duane Switalski, to approve the budget amendment for \$37,500 to provide for the County's portion of the 50/50 cost-share arrangement to upgrade the emergency communications equipment for Charlton Township. Ayes: Unanimous. Motion carried. (see attached)

Motion by Commissioner Ken Glasser, seconded by Commissioner Henry Mason, to approve the budget amendment for \$8,000 for legal expenses. Ayes: Unanimous. Motion carried. (see attached)

Motion by Commissioner Ken Glasser, seconded by Commissioner Doug Johnson, to approve the budget amendment of \$10,572 for the remainder of the campground electrical upgrade project, in keeping with the approved project total of \$58,611. Ayes: Unanimous. Motion carried. (see attached)

Motion by Commissioner Ken Glasser, seconded by Commissioner Rob Pallarito, to approve the budget amendment for the technology equipment purchase for the HR, Finance and Sheriff Departments totaling \$12,859. Ayes: Unanimous. Motion carried. (see attached)

Motion by Commissioner Ken Glasser, seconded by Commissioner Julie Powers, to approve the repayment plan requested by the Otsego County Fire Department for its half of the emergency communication equipment purchase, \$116,670 and to allow the OCFD to pay \$60,000 immediately and to pay remaining balance of \$56,670 in full by September 30, 2020, in the form of a short-term, non-interest-bearing loan. Ayes: Unanimous. Motion carried.

Motion by Commissioner Doug Johnson, seconded by Commissioner Henry Mason, to award Wolverine Fireworks Display, Inc., the three-year contract for the Otsego Lake Fourth of July fireworks for the three-year total of \$49,575. Ayes: Unanimous. Motion carried.

Motion by Commissioner Doug Johnson, seconded by Commissioner Duane Switalski, to approve the contract with C2AE for engineering services for the planned 2020 Groen Nature Preserve Capital Projects. Ayes: Unanimous. Motion carried. (see attached)

**Administrator's Report:**

Rachel Frisch reported 1-2-20 is the organizational meeting; thanked all Department heads and elected officials, Mel and Trisha for the hard work on the budget; 1-23-20 Awards Banquet, Chamber of Commerce; ice tree is up; Christmas tree in the hallway of the County Building was donated by Walmart; 2-14-20 Economic Alliance partner's meeting; 4-16-20 Economic Alliance pitch night.

City Liaison, Township & Village Representative: None.

Correspondence: None

New Business:

New Business:

Motion by Commissioner Rob Pallarito, seconded by Commissioner Ken Glasser, to approve the December 3, 2019 Warrant in the amount of \$156,628.83 and two voided checks. Ayes: Unanimous. Motion carried.

Motion by Commissioner Julie Powers, seconded by Commissioner Doug Johnson, to approve the December 10, 2019 Warrant in the amount of \$216,394.43. Ayes: Unanimous. Motion carried.

Motion by Commissioner Duane Switalski, seconded by Commissioner Henry Mason, to approve the December 17, 2019 Warrant in the amount of \$416,190.79. Ayes: Unanimous. Motion carried.

Chairman Ken Borton opened up the meeting for public comment.

Commissioner Bruce Brown arrived at 9:55 a.m.

Board Remarks:

Commissioner Duane Switalski reported the Charlton Township Clerk, Ivan Maschke, retired after 41 years of service; Charlton Township Treasurer accepting credit card payments; Successful elk hunt.

Commissioner Julie Powers no report.

Commissioner Henry Mason concerned about the airport hangar price; wished everyone a Merry Christmas.

Commissioner Rob Pallarito wished everyone a Merry Christmas and a Happy New Year.

Commissioner Ken Glasser wished everyone a Merry Christmas and a Happy New Year.

Commissioner Bruce Brown wished everyone a Merry Christmas and a Happy New Year.

Commissioner Paul Liss wished everyone a Merry Christmas and a Happy New Year.

Commissioner Doug Johnson thanked staff, wished everyone a Merry Christmas and a Happy New Year.

Commissioner Ken Borton wished everyone a Merry Christmas and a Happy New Year.

Motion by Commissioner Paul Liss, seconded by Commissioner Rob Pallarito to enter into closed session at the appropriate time for strategy and negotiations connected with the negotiation of a collective bargaining agreement in accordance with the open meeting act, being MCL 15.268(c).

(c) For strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement.

Roll Call Vote:

Ayes: Julie Powers, Henry Mason, Paul Liss, Duane Switalski, Rob Pallarito, Ken Glasser, Doug Johnson, Ken Borton, Bruce Brown.

Nays: None.

Motion carried.

Entered into closed session at 10:07 a.m.

Returned to open session at 10:25 a.m.

Motion by Commissioner Paul Liss, seconded by Commissioner Rob Pallarito, to ratify the proposed Teamsters Clerical Union collective bargaining agreement for 2020-2022 and to approve OCR 19-30 MERS Defined Contribution Plan Adoption Agreement-Teamsters Clerical Unit.

Roll Call Vote:

Ayes: Julie Powers, Henry Mason, Paul Liss, Duane Switalski, Rob Pallarito, Ken Glasser, Doug Johnson, Ken Borton, Bruce Brown.

Nays: None.

Motion carried/Resolution adopted. (see attached)

Meeting adjourned at 10:25 a.m.

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Kenneth C. Borton, Chairman

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Dana Stubli, Deputy Clerk



**2020**

**Board of Commissioners  
Meeting Schedule**

**Second and fourth Tuesdays of each month  
(unless noted), beginning at 9:30 a.m., in Room 100,  
Otsego County Building, 225 West Main Street**

**January 2** \*(Organizational Meeting)

**January 14**

**January 28**

**February 11**

**February 25**

**March 10**

**March 26**\*(4<sup>th</sup> Thursday due to MAC Legislative Conference)

**April 14**

**April 28**

**May 12**

**May 26**

**June 9**

**June 23**

**July 14**

**July 28**

**August 11**

**August 25**

**September 8**

**September 22**

**October 13**

**October 27**

**November 10**

**November 24**

**December 15**\*(One Meeting Held This Month)

Minutes of a regular meeting of the Otsego County Board of Commissioners, held in Room 100, 225 West Main, Gaylord, MI 49735, on the 17<sup>th</sup> day of December, 2019, at 9:30 a.m.

PRESENT:

ABSENT:

The following preamble and resolution were offered by Commissioner Glasser.

**OCR 19-26**  
**Fiscal Year 2020 Budget Resolution**  
**And General Appropriations Act**

**WHEREAS**, the Uniform Budget and Accounting Act (“UBAA”) MCLA 141.421 et seq., requires that the Board enact a general appropriations act designed to meet County-funded expenditures; and

**WHEREAS**, County offices, the courts, county departments, agencies and others have submitted requests for a county appropriation in the 2020 budget; and

**WHEREAS**, the County Administrator has submitted a proposed budget as required by statute; and

**WHEREAS**, the Board of Commissioners has taken into consideration the fact that there are required functions of county government or operations which must be budgeted at a serviceable level in order to provide required services programs; and

**WHEREAS**, the Board of Commissioners has determined the amount of money to be raised by taxation necessary for expenditures and liabilities for the 2020 fiscal year and has ordered that money to be raised by taxation within statutory and constitutional limitations; and

**WHEREAS**, a balanced budget has been presented for 2020; however, as a direct result of the vetoes signed into the State of Michigan budget on the 30<sup>th</sup> day of September, 2019, which significantly cut or eliminated several county revenue streams, budget cuts will be necessary in order to allow for a sustainable balanced budget unless the State restores county funding.

**NOW, THEREFORE, BE IT RESOLVED**

1. That the 2020 Otsego County Budget for the General Fund which is incorporated by reference herein, is hereby adopted on a basis consistent with the Otsego County policies, subject to all County policies regarding the expenditure of funds as well as the conditions set forth in this resolution.

2. Tax rates are to be levied for the 2020 fiscal year as summarized in Appendix A of this document.
3. That this budget reflects a reasonable allocation of available resources to the various County departments, boards, and agencies, and allows for all mandated services, programs, and activities, including the courts to be performed at or beyond a serviceable level.
4. That the Board of Commissioners hereby authorizes monthly county-based surcharge of \$1.72 be placed on all communications service provider equipment able to call 9-1-1 for service as allowed under Public Act 164 of 2007 to defray the costs of being ready to process and of actually processing 9-1-1 calls placed within Otsego County for Fiscal Year 2020, and that such funds shall be used in accordance with all applicable state and federal laws and County policies.
5. That all County elected officials and department heads shall abide by all County policies, including the Purchasing policy, personnel policies, and applicable labor agreements, as adopted and amended by this Board and that the budgeted funds are appropriated contingent upon compliance with these policies.
6. That the approved employee positions on the Approved Position Control Number Roster contained in this Budget as Appendix B, shall limit the number of employees who can be employed. No funds are appropriated for any position or employee not on the Approved Position Control Number Roster. Further, there may be a need to increase or decrease various positions within the Budget and/or impose a hiring freeze and/or impose lay-offs due to the unforeseen financial changes; therefore, the Approved Position Control Number Roster List may be changed from time to time by the Board and/or the Board may impose a hiring freeze. County elected officials and department heads shall abide by whatever changes are made by the Board, if any, relative to the approved positions and the number of employees stated in the Approved Position Control Number Roster List.
7. That the authorized positions in the Approved Position Control Number Roster List contained in each budget indicates the authorized maximum number of employees in their respective classifications for that budget. Any deviations from said list must be specifically approved by the Board.
8. That certain positions contained in the Approved Position Control Number Roster List which are supported in some part by a grant, cost sharing, child care reimbursement, or other source of outside funding, are only approved contingent upon the County receiving the budgeted revenues. In the event outside funding is not received, or the County is notified that it will not be received, then said positions shall be considered unfunded and removed from the Approved Position Control Number Roster List.
9. That the Administrator is authorized upon request of the respective elected official or department head to transfer persons from certain positions contained in the Approved Position Control Number Roster List, which are supported in some part by grant, cost sharing, child care reimbursement or

other source of outside funding, to another grant funded position in order to reduce County cost.

10. That the Board of Commissioners elects to set the limit that Otsego County, as employer, will pay for medical benefit plan coverage at 80% for all Otsego County employees to comply with Michigan Public Act 152 of 2011.
11. That revenues received by the County under Public Act 106 and 107, 1985 (Convention Facility Tax revenues) shall not be used to reduce the County's operating millage levy (2019 Budget Year) as defined by Public Act 2 of 1986.
12. That in accordance with Public Act 106 of 1985 and Public Act 2 of 1986, 50% or approximately \$85,107 of the estimated \$170,214 of the Convention Facility Tax revenues not used to reduce the County's operating tax rate, shall be transmitted to the Northern Michigan Substance Abuse Services with remaining revenues to be deposited into the County's General Fund.
13. That revenues received by the County under Public Act 264 of 1987 (Health and Safety Fund Act) shall not be used to reduce the County's operating millage levy (2020 Budget Year).
14. That in accordance with Public Act 264 of 1987, that 12/17 of the estimated Cigarette Tax revenue, not used to reduce the County's operating tax rate, shall be appropriated to the Northwest Michigan Health Department, for public health prevention programs and services, with remaining revenues to be deposited into the County's general fund. The County's estimated Cigarette Tax revenue for 2020 is \$0.
15. That the Administrator is hereby appointed "Budget Administrator," pursuant to the Uniform Budget and Accounting Act, MCLA 141.421 et seq., with power to administer such duties in connection with said budget, as may be from time to time, delegated to the Office of the County Administrator by this Board.
16. That the Budget Administrator be directed to disburse to the various agencies, the approved County appropriation on the basis of need as determined by the cash balances within their respective funds.
17. That the County Administrator, upon recommendation of the appropriate elected official or department head, be authorized to accept grants on behalf of the County if there is no local match required, or ongoing programming or funding which would require additional appropriations or staffing in current or future fiscal years.
18. That the County Administrator, upon recommendation of the appropriate elected official or department head, be authorized to accept grants on behalf of the County in an amount up to \$50,000 with a local match not to exceed 10% (\$5,000), if required, and if available within the requesting department's current budget, and to record the appropriate budget amendment.
19. That the County Administrator is required and directed to automatically reduce any department each time a reduction is made in federal, state or local funds. The County Administrator, in conjunction with the affected elected official or department head, shall promptly make the necessary lay-offs and

advise those affected by the service that those services are being discontinued as a result of said cutbacks.

20. That the County Administrator is authorized to cause the drafting of contracts where necessary and appropriate within established budgetary limitations and that the County Administrator is authorized to sign said contracts after legal counsel approved each contract as to legal form, and the Board of Commissioners has approved each contract. The County Administrator is authorized to sign all contract renewals without prior approval of the Board if funds are previously approved for said contract and there are no changes to the contract as part of the renewal.
21. That the Board of Commissioners has determined that it is fiscally prudent to carry a \$250,000 fund balance in the Health Care fund (Fund 647). Funds in excess of this amount shall be refunded to the contributing funds outside of the general fund as follows: 208 Parks and Recreation, 209 Groen Operating Fund, 588 Bus, 212 Animal Control, 232 Housing, 281 Airport, 249 Land Use Services. All remaining leftover funds will be transferred to the General Fund.
22. The Board of Commissioners has determined that it is fiscally prudent to maintain a Legal Defense Fund, Fund 280.
23. The Board of Commissioners has determined that it is fiscally prudent to carry a fund balance level of 10% of expenditures from year-to-year in the Building and Grounds Fund, Fund 637, in order to avoid cash flow shortfalls.
24. The Board of Commissioners has determined that the Administrative Services Fund, Fund 645, will need to maintain a fund balance level of 5% of expenditures from year-to-year, in order to avoid cash flow shortfalls.
25. The Board of Commissioners has determined that the Tax Foreclosure Fund, Fund 617, will need to maintain a minimum Fund Balance of \$200,000 to offset potential foreclosure sale losses, and to have funds to pay for property clean-up and maintenance for those parcels that have become County-owned property via the foreclosure process, and to have funds to pay for payroll expenses for staff time spent on managing the foreclosure process and accounting for foreclosures.
26. That the amounts indicated in the "Budgetary Detail" are hereby appropriated from the General Funds and other funds of Otsego County according to the Activity Centers (Departments) contained in that detail which is incorporated herein by reference, and that such appropriations shall be restricted to the functioning of those Activity Centers (Departments), all applicable federal and state laws, County policies, and the provisions of this Act. The "Budgetary Detail" chart is included in this document at Appendix C.
27. The Administrator has the authority to approve all amendments made to the 2020 budget except for instances where a) the amendment will increase the department's total net budget or b) the amendment will affect a payroll account (defined as any account in the 700.000-705.000 expenditure section of the general ledger, except education and training 704.400) and exceeds \$500 in total.



**APPENDIX A  
AUTHORIZED TAX RATES 2020 BUDGET YEAR**

<u>TAXING ENTITY</u>	<u>MILLAGE RATE</u>
COUNTY OPERATING*	0.0040502
ANIMAL CONTROL	0.0003000
BUS	0.0006000
COMMISSION ON AGING	0.0010000
COUNTY PARKS AND RECREATION/COMMUNITY CENTER	0.0002500
EMERGENCY SERVICES	0.0007800
LIBRARY	0.0004000
LIBRARY EXPANSION PROJECT	0.0003750
M TEC	0.0006464
RECYCLING	0.0002500
ROAD COMMISSION	0.0010000
SPORTSPLEX OPERATING	0.0002500
UNIVERSITY CENTER OF GAYLORD	0.0005569
TOTAL	0.0104585

\* In accordance with the state mandated tax shift, the county operating millage will be levied in July, 2020 for the 2020 budget year; all other millages listed will be levied in December, 2019 for the 2020 budget year.

## APPENDIX B

<b>County Roster 2020</b>
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Department	Full-time	Part-time	Seasonal	Elected
Airport	2			
Animal Control	4	1		
Board of Commissioners				9
Bus System	16	6		
Clerk/ROD	4	1		
County Administration	2			
Equalization	3			
Finance	1	1		
Human Resources	1	1		
Land Use Services	5		1	
MSU Extension		1		
Parks and Recreation	5	4	7	
Prosecutor	8			
Sheriff	30	1	1	
Treasurer	4			
Veterans/Housing/Grants	2	1		

*\*full-time elected officials are counted under full-time*

**OTSEGO COUNTY – 2020 COURT EMPLOYEE CENSUS**

TITLE	No. Emp
Judge	1
Court Administrator	1
Admin Assistant/Financial Officer	1
Judicial Secretary/Admin Assistant	1
Friend of the Court Supervisor	1
Juvenile Officer/Case Manager	1
Court Clerk/Supervisor	1
Juvenile Case Workers	2
FOC Case Manager	2
Drug Court Probation Officer	1
FOC Senior Account Specialist	1
FOC Account Specialist	1
FOC Legal Sec./Acct. Specialist	1

TITLE	No. Emp
Juvenile Register	1
Probate Register	1
Deputy Court Clerk – Traffic	1
Deputy Court Clerk – Civil	1
Deputy Court Clerk – Criminal	1
Deputy Court Clerk – Probation/Collections Clerk	1
Part-time Court Officer	3
FOC Part-time Secretary/Receptionist	1

**OTSEGO COUNTY PROPOSED BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2020  
ALL FUNDS AND COMPONENT UNITS  
SUMMARY OF BUDGET TOTALS**

	<u>2019</u>	<u>2020</u>	
	<u>PROPOSED BUDGET</u>	<u>PROPOSED BUDGET</u>	
<b>General Funds</b>			
101 General Fund	\$ 8,611,372	\$ 9,057,897	5.19%
257 Budget Stabilization	\$ 4,000	\$ 2,000	-50.00%
280 Legal Defense Fund	\$ 40,000	\$ 30,000	-25.00%
293 Soldiers' Relief Fund	\$ 5,000	\$ 5,000	0.00%
	<u>\$ 8,660,372</u>	<u>\$ 9,094,897</u>	5.02%
<b>Special Revenue Funds</b>			
205 Work Camp Fund	\$ 120,905	\$ 161,837	33.85%
208 Parks and Recreation	\$ 530,412	\$ 615,778	16.09%
209 Groen Nature Preserve Fund	\$ 229,569	\$ 333,866	45.43%
212 Animal Control	\$ 443,935	\$ 466,221	5.02%
215 Friend of the Court Fund	\$ 527,296	\$ 535,499	1.56%
226 Recycling Fund	\$ 319,219	\$ 332,591	4.19%
232 Housing Fund	\$ 149,756	\$ 83,550	-44.21%
233 HUD Grant Fund	\$ 275,000	\$ 165,000	-40.00%
243 Brownfield Redevelopment	\$ 17,792	\$ 17,792	0.00%
245 Public Improvement Fund	\$ 10,000	\$ 5,000	-50.00%
249 Building Inspection Fund	\$ 630,419	\$ 548,279	-13.03%
251 Iron Belle Trail Maintenance	\$ -	\$ 8,568	100.00%
256 Register of Deeds Automation	\$ 37,000	\$ 37,000	0.00%
260 Michigan Indigent Defense	\$ 144,368	\$ 356,521	146.95%
261 911 Service Fund	\$ 656,000	\$ 708,685	8.03%
263 Concealed Pistol Licensing Fund	\$ 10,150	\$ 18,075	78.08%
264 LCL Officers Training Fund	\$ 4,500	\$ 4,500	0.00%
266 Equipment Fund	\$ 143,475	\$ 155,273	8.22%
269 Law Library	\$ 3,500	\$ 3,500	0.00%
271 Library	\$ 814,883	\$ 791,144	-2.91%
290 Social Welfare Fund	\$ 9,480	\$ 9,480	0.00%
292 Child Care Fund	\$ 903,824	\$ 843,584	-6.67%
294 Veterans' Trust Fund	\$ -	\$ -	0.00%
	<u>\$ 5,981,483</u>	<u>\$ 6,201,743</u>	3.68%
<b>Debt Service Fund</b>	<u>\$ 736,700</u>	<u>\$ 655,525</u>	-11.02%
<b>Internal Service Funds</b>			
637 Building and Grounds Fund	\$ 524,464	\$ 530,943	1.24%
645 Administrative Services Fund	\$ 644,354	\$ 672,915	4.43%
647 Health Care Fund	\$ 1,385,000	\$ 1,307,339	-5.61%
648 Health Care Rebate Fund	\$ 1,300	\$ 2,000	53.85%
	<u>\$ 2,555,118</u>	<u>\$ 2,513,197</u>	-1.64%

**Enterprise Funds**

281	Airport	\$ 1,044,694	\$ 1,067,157	2.15%
282	Airport Special Events Fund	\$ 188,000	\$ -	-100.00%
516	Delinquent Tax Fund	\$ 664,108	\$ 447,173	-32.67%
588	Otsego County Bus System	\$ 1,450,103 *	\$ 1,434,096	-1.10%
593	Advertising - 175 Sign Fund	\$ 500	\$ 500	0.00%
595	Jail Commsary	\$ 15,855	\$ 15,843	-0.08%
616	Homestead Audit Fund	\$ 1,700	\$ 1,600	-5.88%
617	Tax Foreclosure Fund	\$ 316,058	\$ 210,000	-33.56%
618	GIS Project and Aerial	\$ 45,085	\$ 29,944	-33.58%
		\$ 3,726,103	\$ 3,206,313	-13.95%

**Capital Projects Funds**

469	University Center Capital Projects Fund	\$ -	\$ -	0.00%
471	Library Building Fund	\$ -	\$ -	0.00%
472	Library Building Construction Bond Fund	\$ 897,003	\$ 83,041	-90.74%
473	Library Construction Millage Fund	\$ 468,984	\$ 485,291	3.48%
474	Tennis Court Construction Fund	\$ -	\$ -	0.00%
475	Trail Construction Fund	\$ 2,740,133	\$ -	-100.00%
476	Gaylord Gateway Trailhead	\$ 48,827	\$ 770,000	1477.00%
481	Airport Capital Projects	\$ 50,000	\$ 50,000	0.00%
494	Groen Capital Projects Fund II	\$ 310,000	\$ 360,000	16.13%
495	Groen Nature Preserve Capital Projects Fund	\$ -	\$ -	0.00%
497	Courthouse Restoration Fund	\$ 45,000	\$ 46,000	2.22%
498	Facilities Planning Fund	\$ -	\$ 34,000	100.00%
499	Capital Projects Fund	\$ 465,000	\$ 183,500	-60.54%
		\$ 5,024,947	\$ 2,011,832	-59.96%

**TOTAL COUNTY BUDGET, WITHOUT  
COMPONENT UNITS**

\$ 26,684,723	\$ 23,683,507	24.36%
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**Component Units**

201	Road Commission	\$ 11,532,075	\$ 11,376,000	-1.35%
210	EMS/Ambulance	\$ 2,350,343	\$ 2,521,386	7.28%
213	University Center - Restricted	\$ 711,192	\$ 735,310	3.39%
216	University Center - Unrestricted	\$ -	\$ -	0.00%
217	Sportsplex Operating	\$ 867,300	\$ 871,625	0.50%
297	Commission on Aging	\$ 1,967,991 *	\$ 2,066,435	5.00%
465	Road Construction Fund	\$ 1,250,623	\$ 1,294,110	3.48%
468	Sportsplex Building Maintenance Fund	\$ 234,492	\$ 40,000	-82.94%
594	UCMAN	\$ 62,248	\$ 86,267	38.59%
		\$ 18,976,264	\$ 18,991,133	0.08%

**TOTAL COUNTY BUDGET, INCLUDING  
COMPONENT UNITS**

\$ 45,660,987	\$ 42,674,640	-6.54%
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\* Fund has a fiscal year ending 9/30.







**OTSEGO COUNTY  
BUDGET AMENDMENT**

**FUND/DEPARTMENT:** Parks

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)

**DESCRIPTION** Electrical Upgrade

**REVENUE**

Account Number	Decrease	Increase
208-050-400.001 Budgeted Use of Fund Balance	\$	\$ 10,572
	\$	\$
	\$	\$
	\$	\$
<b>Total</b>	\$	\$

**EXPENDITURE**

Account Number	Increase	Decrease
208-901-970.300 Property Improvements	\$ 10,572	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$
<b>Total</b>	\$	\$

 Department Head Signature 12/10/19 Date

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

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

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





123 W. Main St. Suite 200  
Gaylord, MI 49735  
O: 989.732.8131  
www.c2ae.com

November 21, 2019

Ms. Rachel Frisch, Administrator  
Otsego County  
225 W. Main Street  
Gaylord, MI 49735

**Re: Louis M. Groen Nature Preserve  
Site Inspection of the Existing Main House/Museum for ADA Compliance  
Schematic Design/Cost Opinions for a New Pavilion/Restroom Building**

Dear Rachel:

Thank you for the opportunity to present this proposal for architecture/engineering services relative to the projects noted above. It is our understanding that the County would like to verify that the existing Main House/Museum is ADA compliant. Further, the County would like to complete schematic design of a new Pavilion/Restroom Building at the relocated Nature Preserve Entrance Parking Lot, then develop a cost opinion such that project funding can be secured.

#### PROJECT UNDERSTANDING AND SCOPE OF SERVICES

C2AE will meet with the County to discuss the proposed improvements. At the meeting, the Team will develop a preliminary concept of the Proposed Pavilion/Restroom Building based on County input and requirements of the Louis M. Groen Foundation Conservation Easement, including interior/exterior finishes, floor materials, number of restroom facilities required, drinking fountain location and any other miscellaneous appurtenances (picnic tables, benches, chairs, grill, etc.) that maybe required. The building will be located near the northeast corner of new aggregate parking lot. The County will assist C2AE to locate the structure within the approved Conservation Easement areas.

The Scope of Services will also determine; 1) If a new water well is required, 2) If a new septic tank and drainfield are required, 3) If the existing electrical service can be extended from the existing Main House/Museum to provide power necessary for the new Pavilion/Restroom Building, 4) If the electrical service can be extended from the new Pavilion/Restroom Building to the relocated entrance gate (along Heatherton Road) to power a mechanical gate opener and entrance sign/fence lighting, and 5) If there is a possibility of future parking lot lighting that should be included in electrical design.

C2AE will submit two 'Preliminary' concept plan and cost opinions to the County and the Groen Foundation for review and comment. C2AE will revise and update the concept and cost opinions based on input from the County and Groen Foundation. A final Schematic Design and cost opinion will then be provided to the County.

C2AE will also complete a site inspection of the existing Main House/Museum (located just north of the new

aggregate parking lot) to identify any construction improvements necessary to make the structure ADA compliant. Determine if ADA restroom and drinking fountain facilities must be added inside the existing structure. The work shall include a short summary of the modifications necessary and cost opinions for the associated work. We understand that the County would like any construction improvements necessary for the Main House/Museum completed by Memorial Day, 2020.

The Scope of Services will include the following specific tasks:

- Meeting to determine the size/number of fixtures for the Restroom Building, size of the Pavilion, Special Features, Architectural Style, etc.
- Site inspection to include Main House/Museum structure for ADA compliance
- Develop 2 Concept Options for the Pavilion/Restroom Building
- Review the need for a new water well, septic system and possibility of electrical extension
- Review the Concept Options with the County and select the "best" concept for refinement (or blending portions of the two concepts)
- Refine/Finalize the Concept Design for the Restroom Building and Pavilion
- Develop Cost Estimate for the Restroom Building and Pavilion and necessary site improvements
- Review Meeting w/County of Final Concept and Cost Estimate

As an optional added service, C2AE will also create a 3D image of the final concept plan. This fee is shown separately.

- Create 3D Image of the Pavilion/Restroom Building

Please note, this proposal does not include design or construction phase services for either of the projects noted above. This work will be part of future project phases. Further, no additional topographic surveying should be required for design.

FEE

C2AE proposes to complete the above scope of services for the following fee basis:

Base Scope of Services	Lump Sum Fee: \$9,620
Optional 3D rendering	Lump Sum Fee: \$1,100

Schedule

The initial meeting, site inspection and schematic design base options would be completed within 4 weeks of authorization. The final concept plan/rendering would be completed within 2 weeks of receiving the final direction from the County and the Groen Foundation.

Following the completion of the schematic design/cost opinion services for the Pavilion/Restroom Building, C2AE would welcome the opportunity to provide a second proposal for final design/construction engineering services of the buildings based on the outcome of the services noted above.

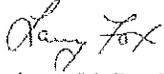
If the terms as stated in this proposal are acceptable, along with the attached Standard Contract Provisions,

please sign two copies in the space provided and return one copy to our office as the authorization to proceed.

C2AE appreciates the opportunity to submit this proposal for consideration.

Sincerely,

C2AE



Larry M. Fox P.E.  
Project Manager

Accepted by:

\_\_\_\_\_  
Otsego County

\_\_\_\_\_  
Date

LMF/jll

Indicate with or without the optional 3D rendering  
 with 3D Rendering \$10,720  
 without 3D Rendering \$9,620

The parties to this agreement, Capital Consultants, Inc., a Michigan Corporation doing business as C2AE in the State of Michigan, hereinafter called the A|E CONSULTANT and Otsego County, Michigan, hereinafter called the OWNER, hereby agree to the following conditions:

- A. Limit of Scope: The services provided by the A|E CONSULTANT shall be limited to those described in the Scope of Services.
- B. Changed Conditions: If, during the term of this Agreement, circumstances or conditions that were not originally contemplated by or known to the A|E CONSULTANT are revealed, to the extent that they affect the scope of services, compensation, schedule, allocation of risks or other material terms of this Agreement, the A|E CONSULTANT may call for renegotiation of appropriate portions of this Agreement. The A|E CONSULTANT shall notify the OWNER of the changed conditions necessitating renegotiation, and the A|E CONSULTANT and the OWNER shall promptly and in good faith enter into renegotiation of this Agreement to address the changed conditions. If terms cannot be agreed to, the parties agree that either party has the absolute right to terminate this Agreement.
- C. Additional Services: Additional services not specifically identified in the Scope of Services shall be paid for by the OWNER in addition to the fees previously stated, provided the OWNER authorizes such services in writing. Special services will be billed monthly as work progresses and invoices are due upon receipt.
- D. Standard of Care: In providing services under this Agreement, the A|E CONSULTANT will endeavor to perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Upon notice to the A|E CONSULTANT and by mutual agreement between the parties, the A|E CONSULTANT will without additional compensation, correct those services not meeting such a standard.
- E. Opinions of Probable Construction Cost: In providing opinions of probable construction cost, the OWNER understands that the A|E CONSULTANT has no control over the cost or availability of labor, equipment or materials, or over market conditions or the Contractor's method of pricing, and that the A|E CONSULTANT's opinions of probable construction costs are made on the basis of the A|E CONSULTANT's professional judgment and experience. The A|E CONSULTANT makes no warranty, express or implied, that the bids or the negotiated cost of the work will not vary from the A|E CONSULTANT's opinion of probable construction cost.
- F. Schedule for Rendering Services: The A|E CONSULTANT shall prepare and submit for OWNER approval a schedule for the performance of the A|E CONSULTANT's services. This schedule shall include reasonable allowances for review and approval times required by the OWNER, performance of services by the OWNER's consultants, and review and approval times required by public authorities having jurisdiction over the project. This schedule shall be equitably adjusted as the project progresses, allowing for changes in scope, character or size of the project requested by the OWNER, or for delays or other causes beyond the A|E CONSULTANT's reasonable control.
- G. Ownership of Reports, Drawings and Other Materials: The OWNER agrees that all reports, drawings, letters, work sheets, plans, preliminary material tables, supportive data, documents and other materials produced by the A|E CONSULTANT in the course of and for the purpose of meeting this contract are the property of the A|E CONSULTANT, and shall remain in the possession of the A|E CONSULTANT. The OWNER shall have access to the above named material during normal business hours of the A|E CONSULTANT during and after completion of this contract. The OWNER may obtain copies of any of the above named material. Copies of electronic media may be obtained by the OWNER via execution of this Agreement. (See Alteration and Reuse of CAD Information provision of this Agreement.)
- H. Alteration and Reuse of CAD Information: Because computer aided design/drafting (CAD) information stored in electronic form can be modified by other parties, intentionally or otherwise, without notice or indication of said modifications, the A|E CONSULTANT reserves the right to remove all indications of its ownership and/or involvement in the material from each electronic medium not held in its possession. The OWNER may retain copies of the work performed by the A|E CONSULTANT in CAD form. Copies shall be for information and used by the OWNER for the specific purpose for which the A|E CONSULTANT was engaged. Said material shall not be used by the OWNER, or transferred to any other party, for use in other projects, additions to the current project, or any other purpose for which the material was not strictly intended without the A|E CONSULTANT's express written permission. Any unauthorized modification or reuse of the materials shall be at the OWNER's

sole risk, and the OWNER agrees to defend, indemnify, and hold the A|E CONSULTANT harmless, from all claims, injuries, damages, losses, expenses, and attorneys fees arising out of the unauthorized modification of these materials.

- I. Payment Terms: Invoices will be submitted by the A|E CONSULTANT monthly, are due upon presentation and shall be considered past due if not paid within thirty (30) calendar days of the due date.
- J. Disputed Invoices: If the OWNER objects to any portion of an invoice, the OWNER shall so notify the A|E CONSULTANT in writing within ten (10) calendar days of receipt of the invoice. The OWNER shall identify in writing the specific cause of the disagreement and the amount in dispute and shall pay that portion of the invoice not in dispute in accordance with other payment terms of this Agreement. Any dispute over invoiced amounts due which cannot be resolved within ten (10) calendar days after presentation of invoice by direct negotiation between the parties shall be resolved within thirty (30) calendar days in accordance with the Dispute Resolution provision of this Agreement. Interest at one-and-one-half (1.5) percent (or the maximum rate allowable by law, whichever is less) shall be paid by the OWNER on all disputed invoice amounts that are subsequently resolved in the A|E CONSULTANT's favor and shall be calculated on the unpaid balance from the due date of the invoice.
- K. Abandonment of Work: If any work is abandoned or suspended, the A|E CONSULTANT shall be paid for services performed prior to receipt of written notice from the OWNER of abandonment or suspension.
- L. Errors and Omissions Insurance: The A|E CONSULTANT maintains an errors and omissions insurance policy as part of normal business practice. The OWNER agrees to limit the A|E CONSULTANT's liability to the OWNER and to all Construction Contractors and Subcontractors on the project due to the A|E CONSULTANT's negligent acts, errors, or omissions, such that the total aggregate liability of the A|E CONSULTANT to all those named shall not exceed \$11,000.
- M. Indemnification: The A|E CONSULTANT agrees, to the fullest extent permitted by law, to indemnify and hold harmless the OWNER against damages, liabilities and costs arising from the negligent acts of the A|E CONSULTANT in the performance of professional services under this Agreement, to the extent that the A|E CONSULTANT is responsible for such damages, liabilities and costs on a comparative basis of fault and responsibility between the A|E CONSULTANT and the OWNER. The A|E CONSULTANT shall not be obligated to indemnify the OWNER for the OWNER's own negligence.
- N. Consequential Damages: Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither the OWNER nor the A|E CONSULTANT, their respective officers, directors, partners, employees, contractors or subconsultants shall be liable to the other or shall make any claim for any incidental, indirect or consequential damages arising out of or connected in any way to the project or to this Agreement. This mutual waiver of consequential damages shall include, but is not limited to, loss of use, loss of profit, loss of business, loss of income, loss of reputation or any other consequential damages that either party may have incurred from any cause of action including negligence, strict liability, breach of contract and breach of strict or implied warranty. Both the OWNER and the A|E CONSULTANT shall require similar waivers of consequential damages protecting all the entities or persons named herein in all contracts and subcontracts with others involved in this project.
- O. Dispute Resolution: The OWNER agrees that all claims, disputes, and other matters in question between the parties arising out of or relating to this Agreement or breach thereof first shall be submitted for nonbinding mediation to any one of the following, as agreed to by the parties: American Arbitration Association, American Intermediation Service, Americord, Dispute Resolution, Inc., Endispute, or Judicate. Any party hereto may initiate mediation within the time allowed for filing per State law and the parties hereto agree to fully cooperate and participate in good faith to resolve the dispute(s). The cost of mediation shall be shared equally by the parties hereto.

If mediation fails to resolve the claim or dispute, the matter shall be submitted to a court of competent jurisdiction.

MERS Defined Contribution Plan Adoption Agreement



1134 Municipal Way Lansing, MI 48917 | 800.767.MERS (6377) | Fax 517.703.9711

www.mersofmich.com

The Employer, a participating municipality or court within the state of Michigan that has adopted MERS coverage, hereby establishes the following Defined Contribution Plan provided by MERS of Michigan, as authorized by 1996 PA 220 in accordance with the MERS Plan Document.

I. Employer Name Otsego County Municipality #: 6902-01

II. Effective Date

Check one:

A.  If this is the **initial** Adoption Agreement for this group, the effective date shall be the first day of January 1, 2020.

This municipality or division is new to MERS, so vesting credit prior to the **initial** MERS effective date by each eligible employee shall be credited as follows (choose one):

Vesting credit from date of hire     No vesting credit

This division is for new hires, rehires, and transfers of current Defined Benefit\* division # 16 and/or current Hybrid division # HE

**Closing this division will change future invoices to a flat dollar amount instead of a percentage of payroll, as provided in your most recent annual actuarial valuation.** (The amount may be adjusted for any benefit modifications that may have taken place since then.)

Current active (defined benefit or hybrid) employees (select one of the following and see Plan Document, Section 64 for more information):

Will have a one-time opportunity to convert the value of their current defined benefit from the existing defined benefit or hybrid plan into the new Defined Contribution Plan as a lump sum, or continue accruing service in the Defined Benefit. (Complete *MERS Defined Contribution Conversion Addendum*.)

Will have a one-time opportunity to cease service accrual in the current plan and transfer to the new Defined Contribution plan for future service accrual, or continue accruing service in the Defined Benefit. The deadline for employees to make their election is:    /    /   

Will be required to cease service accrual in Defined Benefit and will transfer to Defined Contribution for future service accrual.

*\* By completing the section above, the Employer acknowledges receiving Projection Study results and understands the municipality's obligation to continue funding the liability associated with the closed Defined Benefit division.*

B.  If this is an **amendment** of an existing Adoption Agreement (existing division number \_\_\_\_\_), the effective date shall be the first day of \_\_\_\_\_, 20\_\_\_\_.

Note: You only need to mark **changes** to your plan throughout the remainder of this Agreement.

# MERS Defined Contribution Plan Adoption Agreement

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- C.  If this is to **separate employees** from an existing *Defined Contribution division* (existing division number(s) \_\_\_\_\_) into a new division, the effective date shall be the first day of \_\_\_\_\_, 20\_\_\_\_.
- D.  If this is to **merge division(s)** \_\_\_\_\_ into division(s) \_\_\_\_\_, the effective date shall be the first of \_\_\_\_\_, 20\_\_\_\_.

### III. Eligible Employees

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

All Teamsters Local #214 Clerical Unit Employees hired on or after 1/1/20

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

#### To further define eligibility, (check all that apply):

- Probationary periods** are allowed in one-month increments, no longer than 12 months. During this introductory period the Employer will not report or make contributions for this period, including retroactively. Service will begin after the probationary period has been satisfied. The probationary period will be \_\_\_\_\_ month(s).
- Temporary employees** in a position normally requiring less than a total of 12 whole months of work in the position may be *excluded* from membership. These employees must be notified in writing by the participating municipality that they are excluded from membership within 10 business days of date of hire or execution of this Agreement. The temporary exclusion period will be \_\_\_\_\_ month(s).

# MERS Defined Contribution Plan Adoption Agreement

## IV. Provisions

### 1. Vesting (Check one):

- Immediate
- Cliff Vesting (fully vested after below number years of service)
  - 1 year     2 years     3 years     4 years     5 years
- Graded Vesting
  - \_\_\_\_\_ % after 1 year of service
  - \_\_\_\_\_ % after 2 years of service
  - 25 % after 3 years of service (min 25%)
  - 50 % after 4 years of service (min 50%)
  - 75 % after 5 years of service (min 75%)
  - 100 % after 6 years of service (min 100%)

Vesting will be credited using (check one):

- Elapsed time method – Employees will be credited with one vesting year for each 12 months of continuous employment from the date of hire.
- Hours reported method – Employees will be credited with one vesting year for each calendar year in which \_\_\_\_\_ hours are worked

In the event of disability or death, an employee's (or his/her beneficiary's) entire employer contribution account shall be 100% vested, to the extent that the balance of such account has not previously been forfeited.

**Normal Retirement Age** (presumed to be age 60 unless otherwise specified) \_\_\_\_\_

*If an employee is still employed with the municipality at the age specified here, their entire employer contribution balance will become 100% vested regardless of years of service.*

### 2. Contributions

- a. Will be remitted according to Employer's payroll withholding which represents the actual period amounts are withheld from employee paychecks, or within the month during which amounts are withheld (check one):
    - Weekly
    - Bi-Weekly (every other week)
    - Semi-Monthly (twice each month)
    - Monthly
    - Other (must specify) \_\_\_\_\_
  - b. Required Employee Contribution Structure to DC (subject to Internal Revenue Code 415(c) limitations). **Select one:**
    - Employees are required to contribute per payroll period, the percentage \_\_\_\_\_% OR flat dollar amount \$ \_\_\_\_\_
    - Employees are required to contribute within the following range for each payroll:  
Percentage range from 3 % to 10 % OR  
dollar amount range \$ \_\_\_\_\_ to \$ \_\_\_\_\_
- Direct Required Employee Contributions pre-tax**

# MERS Defined Contribution Plan Adoption Agreement

## c. **Employer Contributions**

### **Non-Matching Contributions**

The Employer hereby elects to make contributions to the Program without regard to an employee's contribution to the Program. The Employer elects the following contribution formula (check one):

**Annual Contributions:** A one-time annual contribution of \$ \_\_\_\_\_ OR \_\_\_\_\_ % of compensation per employee.

\$ \_\_\_\_\_ or \_\_\_\_\_ % of compensation per employee for each payroll period.

### **Matching Contributions**

The Participating Employer may make matching contributions and/or non-matching contributions into the Defined Contribution plan based on an employee's voluntary election as outlined in the *Matching Employer Contribution Addendum (MD-073)*.

d. Post-tax voluntary employee contributions are allowable into a Defined Contribution account subject to Section 415(c) limitations of the Internal Revenue Code.

## 3. **Compensation**

Employers may designate the definition of compensation per division participating in Defined Contribution pursuant to section 49 of the MERS Plan Document (check one):

All income subject to income tax reported in Box 1 of Form W-2, plus elective deferrals (Note: this definition aligns to MERS' 457 definition of compensation)

Medicare taxable wages reported in Box 5 of Form W-2

Base wages, to which any of the following may be included:

Longevity pay

Overtime pay

Shift differentials

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

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

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

Transcript fees paid to a court reporter

A taxable car allowance

Short term or long term disability payments

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

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

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

Other: \_\_\_\_\_

Other 2: \_\_\_\_\_

NOTE: For purposes of applying the Internal Revenue Code Section 415(c) limits on annual additions, compensation shall be defined as required under that law.

# MERS Defined Contribution Plan Adoption Agreement

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4. **Loans:**  shall be permitted  shall not be permitted  
If Loans are elected, please complete and attach the *MERS Defined Contribution Loan Addendum*.
5. **Rollovers** from qualified plans are permitted and the plan will account separately for pre-tax and post-tax contributions and earnings thereon.

## V. Appointing MERS as the Plan Administrator

The Employer hereby agrees to the provisions of this *MERS Defined Contribution Plan Adoption Agreement* and appoints MERS as the Plan Administrator pursuant to the terms and conditions of the Plan. The Employer also agrees that in the event of any conflict between the MERS Plan Document and the MERS Defined Contribution Plan Adoption Agreement, the provisions of the Plan Document control.

## VI. Modification of the terms of the Adoption Agreement

If the Employer desires to amend any of its elections contained in this Adoption Agreement, including attachments, the Governing Body or Chief Judge, by resolution or official action accepted by MERS, must adopt a new Adoption Agreement. The amendment of the new Agreement is not effective until approved by MERS.

## VII. Enforcement

1. The Employer acknowledges that the Michigan Constitution of 1963, Article 9, Section 24, provides that accrued financial benefits arising under a public Employer's retirement plan are a contractual obligation of the Employer that may not be diminished or impaired.
2. The Employer agrees that, pursuant to the Michigan Constitution, its obligations to pay required contributions are contractual obligations to its employees and to MERS and may be enforced in a court of competent jurisdiction;
3. The Employer acknowledges that employee contributions (if any) and employer contributions must be submitted in accordance with the *MERS Reporting and Contribution Enforcement Policy*, the terms of which are incorporated herein by reference;
4. The Employer acknowledges that late or missed contributions will be required to be made up, including any applicable gains, pursuant to the Internal Revenue Code;
5. Should the Employer fail to make its required contribution(s) when due, MERS may implement any applicable interest charges and penalties pursuant to the *MERS Reporting and Contribution Enforcement Policy* and Plan Document Section 79, and take any appropriate legal action, including but not limited to filing a lawsuit and reporting the entity to the Treasurer of the State of Michigan in accordance with MCL 141.1544(d), Section 44 of PA 436 of 2012, as may be amended.
6. It is expressly agreed and understood as an integral and non-severable part of this Agreement that Section 43 of the Plan Document shall not apply to this Agreement and its administration or interpretation. In the event any alteration of the terms or conditions of this Agreement is made or occurs, under Section 43 or other plan provision or law, MERS and the Retirement Board, as sole trustee and fiduciary of the MERS plan and its trust reserves, and whose authority is non-delegable, shall have no obligation or duty to administer (or to have administered) the MERS Defined Contribution Plan, to authorize the transfer of any defined benefit assets to the MERS Defined Contribution Plan, or to continue administration by MERS or any third-party administrator of the MERS Defined Contribution Plan.

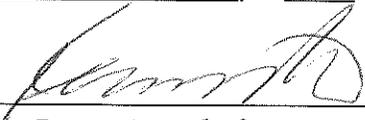
# MERS Defined Contribution Plan Adoption Agreement

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## VIII. Execution

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

The foregoing Adoption Agreement is hereby approved by Otsego County on  
the 17 day of December, 2019.  
(Name of Approving Employer)

Authorized signature: 

Title: Chairman, Otsego County Board of Commissioners

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

Dated: \_\_\_\_\_, 20\_\_\_\_ Signature: \_\_\_\_\_  
(Authorized MERS Signatory)

# MERS Defined Contribution Matching Employer Contribution Addendum



1134 Municipal Way Lansing, MI 48917 | 800.767.2308 | Fax 517.703.9711 [www.mersofmi.org](http://www.mersofmi.org)

This is an Addendum to the Adoption Agreement completed by Otsego County Name of Participating Employer  
for GNRL Local 214 Teamsters Clerical Employee Group of 16/HE Division Code

The Addendum modifies the Adoption Agreement by providing for employer matching contributions to the Program.

The Participating Employer will make matching contributions into the Defined Contribution Plan based on (CHECK ALL THAT APPLY):

- Each Employee's election to defer salary under the MERS 457 program (or any other qualified plan outside of MERS).
- Each Employee's one-time election of required employee contribution for MERS Defined Contribution.

The Participating Employer elects to make employer matching contributions as follows:

The Participating Employer shall make employer matching contributions based on the Employee election(s) indicated above using the following matching contribution formula (**check and complete Percentage or Flat Dollar**):

- Percentage:** For each payroll period in which Employee contributions described above are made, the Participating Employer will contribute 3-5 % of the Employee contribution amount.  
*For example, if an Employer elects a 50% match, then for every \$10 the participant defers to the Program, the Employer will contribute \$5 to the Program.*
- Flat Dollar:** For each payroll period in which Employee contributions described above are made, the Participating Employer will contribute \$ \_\_\_\_\_ per payroll period.

**Optional:** The Participating Employer elects to establish a cap on its matching contributions, so that the match amount cannot exceed a certain amount. The Participating Employer elects the following cap on its matching contribution (**check and complete one of the below**):

- Flat Dollar Cap:** In no event will matching contributions made on behalf of an Employee exceed \$ \_\_\_\_\_ per \_\_\_\_\_ (pay period / year / etc.)
- Cap Equal to Percentage of Total Compensation:** In no event will matching contributions made on behalf of an Employee exceed \_\_\_\_\_ % of the Employee's IRS Section 401(a)(17) includable compensation as defined by the Employers' Adoption Agreement (cannot exceed 100% of Employees' income).