

CLARE COUNTY ROAD COMMISSION

Minutes of the regular meeting of the Board of County Road Commissioners of Clare County, Michigan, hereinafter referred to as the Board, held at its office at 3900 East Mannsiding Road, Harrison, Michigan on September 16, 2020.

The meeting was called to order at 9:00 a.m. by Commissioner Richard Haynak.

Commissioners present: Merle Harmon, Richard Haynak, Karen Hulliberger, Tim Haskin, and William Simpson.
Commissioners absent: none.

Staff present: Dewayne Rogers, Managing Director; Kimberly Jones, Finance Director/Board Secretary, and David Bondie, Superintendent.

Guests present: Max Schunk, Sheridan Township resident (2021 newly elected Board of Clare County Road Commissioner, barring any successful write-in candidates in November).

The minutes of the September 2, 2020 meeting were read and approved as read.

The fund balance report was presented and discussed. On a motion by Commissioner Harmon, seconded by Commissioner Hulliberger and approved unanimously, it was moved to approve payments for: AP (#73689-73711), PR 9/6 (#53312-53319, #8271-8313); MERS and HRA totaling \$285,419.65.

Dewayne Rogers, Managing Director, reported that there were 25 applicants for the \$5.2 million grant but still waiting for awards to be presented.

David Bondie, Superintendent, discussed the following: update on Keehn Road, Adams Road is wrapping up just waiting on gravel, estimated for 10/1; Willow Road trees done, stumping next, and gravel will be done at the same time. Ashard Road is having trees cut by Kelly's Tree Service. Lake of the Pines is completed. Shoulder work with graders being done. Ride along with Townships going well.

Dewayne Rogers, Managing Director, discussed the 401(A) plan to be effective October 1, 2020 for all new hire employees, and all current employees will have a one-time option to opt into the 401(A). Dewayne also presented a Letter of Understanding between the Clare County Road Commissioners and the Union that all new hires will hire in under the MERS Defined Contribution 401(A) retirement plan.

On a motion by Commissioner Haynak, seconded by Commissioner Hulliberger and carried unanimously, it was moved to approve the MERS Defined Contribution 401(A) Plan, effective October 1, 2020 for all new hires. Further discussion on transferring existing employees will be done at a later meeting. A copy of the signed Defined Contribution 401(A) Plan may be found following these minutes.

On a motion by Commissioner Simpson, seconded by Commissioner Harmon and carried unanimously, to sign the Letter of Understanding between AFSCME and the Clare County Road Commission with Commissioner Haynak signing the agreement. A copy of the Letter of Understanding may be found following the minutes.

Audio and video for board room was discussed.

Dewayne Rogers, Managing Director, discussed the ongoing project with the Cedar Road culvert. The EGLE permit was signed Monday. Al put out a request for quotes for a 28'x 8" aluminum culvert and received two quotes. Contek was the low bid and will provide drawings. CCRC to construct the bridge.

On a motion by Commissioner Simpson, seconded by Commissioner Haskin and carried unanimously, to accept the lower bid from Contek in best interest for the Clare County Road Commission.

The Commissioners set an additional meeting for Wednesday, September 30, 2020 at 9:00 am to go over end of year items.

Kim Jones, Finance Director/Board Secretary discussed the annual safety awards, and a refund in the amount of \$24,014 from MCRCSIP.

On a motion by Commissioner Haskin, seconded by Commissioner Simpson and carried unanimously, it was moved to approve the safety awards for a \$175 Jays gift card.

Clare County Road Commissioners and staff discussed a golf outing and at this time a golf outing was not approved.

Dewayne Rogers, Managing Director, discussed that bids were sent out for annual pavement markings. AI only received one bid in the amount for \$48,336 from PK Contracting.

On a motion by Commissioner Haskin, seconded by Commissioner Harmon and carried unanimously, to approve the bid from PK Contracting in the amount of \$48,336 for pavement markings.

Dewayne Rogers, Managing Director, discussed a culvert project that will start on Lake Station, the Maple Grove project, and AI will have one more mile of paving until complete. Maple Grove, Keehn Road, and Ridge Road will be receiving pavement.

Commissioner Simpson had attended a meeting at Frost Township, and everything is going well.

Commissioner Hulliberger reported that she will be writing an article for the paper.

Commissioner Harmon had discussed a previous complaint on Kapplinger Road and Locust to see if it has been inspected. Surrey Road concern of wash out by the s-curve, and for an update on the Jason Montney's issue.

Commissioner Haynak had attended Surrey Township and Grant Township meetings. Surrey Township had concerns about Surrey Lake Dam, and Grant had some concerns with low shoulders.

There being no further business to come before the Board, the meeting was adjourned at 10:12 a.m.



Kayla Randle, Finance Clerk



Richard Haynak, Chairman

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20-35 A

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 Clare CRC Municipality #: 1801

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 , 20 .

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 # 11 & 12 and/or current Hybrid division #

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.

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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. The following groups of employees are eligible to participate:

All Full Time Employees

(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 0 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).

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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
 - 20 % after 1 year of service
 - 40 % after 2 years of service
 - 60 % after 3 years of service (min 25%)
 - 80 % after 4 years of service (min 50%)
 - 100 % after 5 years of service (min 75%)
 - % 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 _____% to _____% OR dollar amount range \$_____ to \$_____

Direct Required Employee Contributions pre-tax

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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 2 _____% 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.

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4. **Loans:** shall be permitted shall not be permitted
If Loans are elected, please refer to the Defined Contribution & 457 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.

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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 Clare County Road Commission on the day of , 20 .
(Name of Approving Employer)

Authorized signature: _____

Title: Donna Henke _____

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

Dated: _____, 20____ Signature: _____
(Authorized MERS Signatory)

Resolution Adopting the MERS Defined Contribution Plan



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

www.mersofmich.com

This Resolution is entered into under the provisions of 1996 PA 220 and the Municipal Employees' Retirement System of Michigan ("MERS") Plan Document, as each may be amended.

WHEREAS, the participating entity desires to adopt the MERS Defined Contribution Plan for its designated employees;

WHEREAS, the participating entity has furnished MERS with required data regarding each eligible employee and retiree;

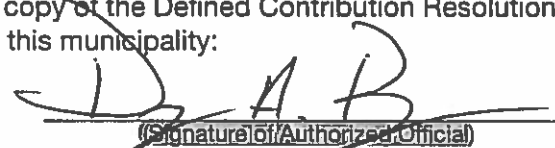
WHEREAS, as a condition of MERS membership, and pursuant to the MERS Retirement Board's power as plan administrator and trustee under Plan Document Section 71 and MCL 38.1536, as each may be amended, it is appropriate and necessary to enter into a binding agreement providing for the administration of the Defined Contribution Plan, the reporting of wages, and the payment of the required contributions of a participating entity and withholding of employee contributions; now, therefore,

IT IS HEREBY RESOLVED:

On behalf of the participating entity, the governing body of
Clare CRC _____ adopts the MERS Defined Contribution Plan in accordance with Plan Section 4 for its eligible employees as described in the MERS Defined Contribution Adoption Agreement, subject to the MERS Plan Document and as authorized by 1996 PA 220, as both may be amended;

I hereby certify that the above is a true copy of the Defined Contribution Resolution adopted at the official meeting held by the governing body of this municipality:

Dated: 09-16, 2020.


(Signature of Authorized Official)

Printed name: Dewayne A. Rogers
(Authorized Official - printed)

This Resolution shall have no legal effect under the MERS Plan Document until a certified copy of this adopting Resolution is filed with MERS, MERS determines that all necessary requirements under the Plan Document, the Adoption Agreement, and this Resolution have been met, and MERS certifies the Resolution below.

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

Dated: _____, 20_____
(Signature of Authorized MERS Representative)



CLARE COUNTY
ROAD COMMISSION



20-35 H

Letter of Understanding

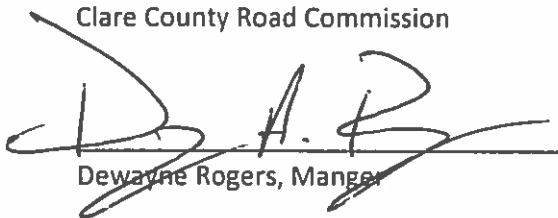
To,

Clare County Road Commission Employees of
AFSCME Local #1855

Dated: 09/10/2020

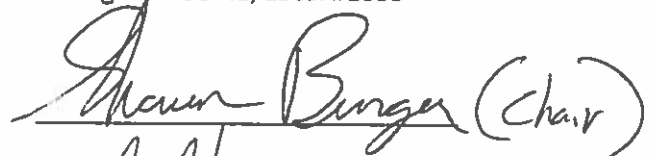

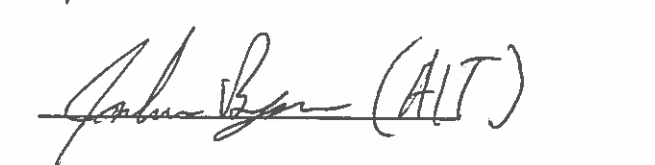
This is the letter of Understanding between the Board of County Road Commissioners of Clare County and the American Federation of State, County, and Municipal Employees, Local #1855. These parties have decided in agreement that upon Clare County Road Commission Board approval, new hires into the Local #1855 will hire in under the MERS Defined Contribution 401A retirement plan. All other benefits and wages will remain the same per the contract agreement made on September 18, 2019.

Clare County Road Commission


Dewayne Rogers, Manager


Richard Haynak, Chairman of the Board

Michigan, AFSCME, Local #1855

 (Chair)
 (ALT)
 (ALT)