

1999-18
MERS UNIFORM DEFINED CONTRIBUTION PROGRAM
RESOLUTION

WHEREAS, the MERS Plan Document of 1996, effective October 1, 1996, authorized a defined contribution option (Section 19A, Benefit Program DC); and

WHEREAS, as a new provision, Section 19A, along with the remainder of the Plan, received from the Internal Revenue Service a Letter of Favorable Determination (dated July 8, 1997) that the Plan is a qualified Plan under Section 401 of the Internal Revenue Code, and an exempt trust under Section 501; and

WHEREAS, on May 5, 1997, the Municipal Employees' Retirement Board entered into an Alliance Agreement with ICMA-RC (the International City- Management Association Retirement Corporation) through which "MERS desires to provide its members the services available from RC... for the benefit of its participating municipalities and courts..... includ[ing] the establishment and maintenance of defined contribution plans," as provided under Plan Document Section 19A; and

WHEREAS, concurrent with this Resolution, this governing body has completed and approved and submitted to ICMA-RC all necessary documents specified by ICMA for adoption of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust; and

WHEREAS, this Uniform Resolution is issued by the Board under the authority of 1996 PA 220, Section 36(2)(a), MCL 38.1536(2)(a), declaring that the Retirement Board "shall determine... and establish" all provisions of the retirement system. Under this authority, the Board authorized Section 19A, the Defined Contribution Benefit Program, which shall not be implemented unless in strict compliance with this Resolution; and

WHEREAS, it is expressly agreed and understood as an integral and nonseverable part of this Resolution that Section 43B of the Plan Document shall not apply to this Uniform Resolution and its administration or interpretation; and

WHEREAS, in the event any alteration of the terms or conditions stated in this Uniform Resolution is made or occurs, under Section 43B or other plan provision or other law, 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 authorize the transfer of any defined benefit assets to the Defined Contribution Benefit Program.

NOW, THEREFORE BE IT RESOLVED, that effective June 1, 1999 (to be known as the **ADOPTION DATE**), the Clinton County Board of Commissioners, hereby adopts Benefit Program DC (as set forth in the MERS Uniform Defined Contribution Program Adoption Agreement) for Ryan L. Wood, County Administrator first hired on and after the Adoption Date, and optional participation for any employee or officer of this municipality otherwise eligible to participate in MERS under Sections 2B(3)(a) and 3(3) 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) **CONTRIBUTIONS** shall be as allowed and specified in the Adoption Agreement. (completed and approved and a certified copy submitted to MERS concurrent with and incorporated by reference in this Resolution) **subject to the provisions of MERS Plan Document** Section 19A(2) that employer contributions shall be in any percentage of compensation from 1% to the maximum allowed by the Internal Revenue Code, in increments of 0.1%; and Section 19A(3), under which an employee member may voluntarily contribute additional amounts to the extent allowed by the Code.
- (B) **EARNINGS** under the Adoption Agreement shall include items of "Compensation" under Section 2A(6) of the MERS Plan Document, being the Medicare taxable wages reported on the member's W-2 statement.
- (C) **VESTING** shall be as allowed and specified under in the Adoption Agreement (completed and approved and a certified copy submitted to MERS concurrent with and incorporated by reference in this Resolution).

BE IT FINALLY RESOLVED, that 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 19A, the Alliance Agreement, the Adoption Agreement, and the Resolution have been met. All dates for implementation of Benefit Program DC under Section 19A shall be determined from the date of filing with MERS of a Resolution of proper form and content. In the event an amendatory Resolution or other action by the municipality 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 ICMA-RC, if necessary). Section 54 of the Plan Document shall apply to this Resolution and all acts performed under its authority. I hereby certify that the above is a true copy of a Resolution adopted at the board meeting held on June 29, 1999.

Diane Zuker, County Clerk

MERS UNIFORM DEFINED CONTRIBUTION PROGRAM
ADOPTION AGREEMENT

The Employer hereby establishes a Section 19A, Benefit Program DC to be known as County Administrator Plan (the "MERS Plan") in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust, as amended and as authorized by Section 19A the Municipal Employees' Retirement System of Michigan Plan Document.

I. Employer: Clinton County

II. The Effective Date of the Benefit Program DC shall be the first day of the Plan Year during which the Employer Adopts the Plan, unless an alternate Effective Date is hereby specified: June 1, 1999.

III. Normal Retirement Age shall be age 55 (not to exceed age 65).

IV. ELIGIBILITY REQUIREMENTS:

1. The following group or groups of Employees are eligible to participate in the Program:

County Administrator

(specify employee classification or division #s)

2. Only those employees eligible for MERS Membership (Section 3 of the MERS Plan) shall be eligible to participate.

V. CONTRIBUTION PROVISIONS

1. The Employer shall contribute on behalf of each Participant 10% of Earnings 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 0% of Earnings for the Plan Year as a condition of participation in the Plan. (Write "0" if no contribution is required.) 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.

Yes

No

[Note to Employer: Neither an 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.

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.]

2. Each Employee may make a voluntary (unmatched), after-tax contribution, subject to the limitations of sections 415(c) and (e) of the Internal Revenue Code.

3. Employer contributions and Employee contributions shall be contributed to the Trust in accordance with the following payment schedule:

VI. EARNINGS

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

VII. VESTING PROVISIONS The Employer hereby specifies the following vesting schedule:

Years of Service Completed	Specified Minimum Percent Vesting Vesting Requirements
Zero	100%
One	%
Two	%
Three	%
Four	%
Five	%
Six	%
Seven, or more	%

VIII. Loans are permitted under the Program:

Yes No

IX. The Employer hereby agrees to the Provisions of the MERS Uniform Defined Contribution Program and agrees that in the event of any conflict between Section 19A and the MERS Plan, the Provisions of Section 19A shall control.

X. The Employer hereby appoints the ICMA Retirement Corporation as the Plan Administrator pursuant to the terms and conditions of the Plan.

The Employer hereby agrees to the provisions of the Plan.

XI. 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 Benefits Program DC.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this 29th day of June 1999.

Employer: Clinton County

By: _____

Title: County Clerk

Attest: _____