

**CITY OF MASON  
REGULAR CITY COUNCIL MEETING  
MINUTES OF FEBRUARY 2, 2015**

Waltz called the meeting to order at 7:31 p.m. in the Council Chambers at 201 W. Ash Street, Mason, Michigan, led the Pledge of Allegiance and offered the invocation.

Present: Councilmembers: Brown, Bruno, Clark, Droscha, Ferris, Mulvany, Waltz  
Absent: Councilmember: None  
Also present: Martin A. Colburn, City Administrator  
Deborah J. Cwiertniewicz, City Clerk  
Eric Smith, Finance Director/Treasurer  
John Stressman, Chief of Police

**ANNOUNCEMENTS**

- Mason Area Disaster Response Team Meeting – Fire Station No. 1 – February 26, 2015
- The Mason 150<sup>th</sup> Club – \$150.00 one-time membership fee, limited to 150 members
- City of Mason 150<sup>th</sup> Celebration – March 9, 2015 – Mason City Hall

**PEOPLE FROM THE FLOOR**

None.

**CONSENT AGENDA**

MOTION by Droscha, second by Brown,  
to approve the Consent Agenda as follows:

- A. Motion – Approval of Minutes – Regular Council Meeting: January 5, 2015
- B. Motion – Approval of Bills - \$85,363.06

MOTION APPROVED

**REGULAR BUSINESS**

**Resolution 2015-10 — Appointment to Historic District Commission**

MOTION by Brown, second by Droscha,  
to consider Resolution No. 2015-10 read.

MOTION APPROVED

Resolution No. 2015-10 was introduced by Brown, seconded by Mulvany.

**CITY OF MASON  
CITY COUNCIL RESOLUTION NO. 2015-10  
MAYOR'S APPOINTMENT TO THE HISTORIC DISTRICT COMMISSION  
JANUARY 2, 2015**

**WHEREAS**, at the November 5, 2014, General Election Mike Waltz was elected to a four-year term on the Mason City Council, thus creating a vacancy on the Historic District Commission.

**NOW, BE IT HEREBY RESOLVED** that the Mayor, with confirmation by the City Council, does hereby appoint Rita Vogel to the Historic District Commission commencing February 5, 2015 through December 31, 2015, filling the unexpired term.

RESOLUTION APPROVED

**Resolution 2015-11 — Adoption of MERS Defined Benefit Plan Agreement**

MOTION by Droscha, second by Brown,  
to consider Resolution No. 2015-11 read.  
MOTION APPROVED

Resolution No. 2015-11 was introduced by Brown, seconded by Mulvany.

introduced: Brown  
Second: Mulvany

CITY OF MASON  
CITY COUNCIL RESOLUTION NO. 2015-11  
FEBRUARY 2, 2015

**Defined Benefit Plan Adoption Agreement**



The Employer, a participating municipality or participating court within the state of Michigan, hereby agrees to adopt and administer the MERS Defined Benefit Plan provided by the Municipal Employees' Retirement System of Michigan, as authorized by 1996 PA 220, in accordance with the MERS Plan Document, as both may be amended, subject to the terms and conditions herein.

I. Employer Name City of Mason Municipality #: 3304

If new to MERS, please provide your municipality's fiscal year: \_\_\_\_\_ through \_\_\_\_\_  
Month Month

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 July, 2014.

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

- All prior service from date of hire
- Prior service proportional to assets transferred; all service used for vesting
- Prior service and vesting service proportional to assets transferred
- No prior service but grant vesting credit
- No prior service or vesting credit

Link this new division to division number 02&21 for purposes of determining contributions (Unless otherwise specified, the standard transfer/rehire rules apply)

B.  If this is an **amendment** of an existing Adoption Agreement (Defined Benefit division number \_\_\_\_\_), the effective date shall be the first day of \_\_\_\_\_, 20\_\_\_\_. *Please note:* You only need to mark **changes** to your plan throughout the remainder of this Agreement.

C.  If this is a **temporary benefit** that lasts 2-6 months, the effective dates of this temporary benefit are from \_\_\_/01/\_\_\_ through \_\_\_/\_\_\_/\_\_\_ for Defined Benefit division number \_\_\_\_\_. *Please note:* You only need to mark **changes** to your plan throughout the remainder of this Agreement.

D.  If this is to **separate employees from an existing Defined Benefit division** (existing division number(s) 02 & 21) into a new division, the effective date shall be the first day of July, 2014.

E.  If this is to **merge division(s)** \_\_\_\_\_ into division(s) \_\_\_\_\_, the effective date shall be the first of \_\_\_\_\_, 20\_\_\_\_.

## Defined Benefit Plan Adoption Agreement

### III. Eligible Employees

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

All Police New Hires after 7/1/2014

(Name of Defined Benefit division - e.g. All Full Time Employees, or General after 7/01/13)

Only retirees will be in this division.

These employees are (check one or both):

In a collective bargaining unit (attach cover page, retirement section, signature page)

Subject to the same personnel policy

To receive one month of service credit (check one):

An employee shall work 10<sup>8</sup> hour days.

An employee shall work \_\_\_\_\_ hours in a month.

All employees as classified under eligible employees, whether full or part time, who meet this criteria must be reported to MERS. If you change your current day of work definition to be more restrictive, the new definition only applies to employees hired after the effective date.

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 provide service time 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).

### IV. Provisions

Valuation Date: December 31, 2013

#### 1. Review the valuation results

It is recommended that your MERS representative presents and explains the valuation results to your municipality before adopting. Please choose one:

Our MERS representative presented and explained the valuation results to the

\_\_\_\_\_ on \_\_\_\_\_  
(Board, Finance Cmte, etc.) (mm/dd/yyyy)

As an authorized representative of this municipality, I Martin A Colburn  
City Administrator \_\_\_\_\_ waive the right for a presentation of the results.  
(Title) (Name)

## Defined Benefit Plan Adoption Agreement

2. This Adoption Agreement will be implemented in conjunction with a current actuarial valuation certified by a MERS actuary that sets contribution rates.
3. Annually, the MERS actuary will conduct an actuarial valuation to determine the employers' contribution rates. Employers are responsible for payment of said contributions at the rate, in the form and at the time that MERS determines.
4. Benefit Multiplier (1%-2.5%, increments of 0.05%) 1.5 % (max 80% for multipliers over 2.25%)

Check here if multiplier will be effective for existing active members' future service only (Bridged Benefit as of effective date on page 1)

If checked, select one below:

- Termination Final Average Compensation (calculated over the members entire wage history)
- Frozen Final Average Compensation (FAC is calculated twice, once for the timeframe that matches the original multiplier, and once for the new multiplier)

5. Final Average Compensation (Min 3 yr, increments of 1 yr) 5 years
6. Vesting (5 -10 yrs, increments of 1 yr) 10 years
7. Required employee contribution (Max 10%, increments of 0.01%) 4.0 %
8. Compensation, for retirement purposes, is defined as base wages and all of the following. Check applicable boxes to *exclude* these types from your MERS reported wages:

- 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: \_\_\_\_\_

## Defined Benefit Plan Adoption Agreement

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9. Early Normal Retirement with unreduced benefits

- Age 50 with 25 years of service       Age 50 with 30 years of service  
 Age 55 with 15 years of service       Age 55 with 20 years of service  
 Age 55 with 25 years of service       Age 55 with 30 years of service  
 Any age with (20-30 yrs, in 1 yr increments) \_\_\_\_\_ years of service  
 \_\_\_\_\_

10. Other

- Surviving Spouse will receive \_\_\_\_\_% of Straight Life benefit without a reduction to the participant's benefit  
 Duty death or disability enhancement (add up to additional 10 years of service credit not to exceed 30 years of service)  
 DROP + with \_\_\_\_\_%

11. Cost-of-Living Adjustment

<input type="checkbox"/> All <b>current</b> retirees as of effective date <input type="checkbox"/> Retirees who retire <b>between</b> _____/01/_____ and _____/01/_____ (one time increase only)	<input type="checkbox"/> <b>Future</b> retirees who retire after effective date
Increase of _____% or \$_____ per month	Increase of _____% or \$_____ per month
Select one: <input type="checkbox"/> Annual automatic increase <input type="checkbox"/> One-time increase	<input type="checkbox"/> Annual automatic increase
Select one: <input type="checkbox"/> Compounding <input type="checkbox"/> Non-compounding	Select one: <input type="checkbox"/> Compounding <input type="checkbox"/> Non-compounding
Employees must be retired _____ months (6-12 months, increments of 1 month)	Employees must be retired _____ months (6-12 months, increments of 1 month)

**V. Appointing MERS as the Plan Administrator**

The Employer hereby agrees to the provisions of this *MERS Defined Benefit 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 any conflict between MERS Plan Document and the MERS Defined Benefit Plan, the provisions of the Plan Document control.

## Defined Benefit Plan Adoption Agreement

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### 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, and prohibits the use of the Employer's required current service funding to finance unfunded accrued liabilities.
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. In accordance with the Constitution and this Agreement, if at any time the balance standing to the Employer's credit in the reserve for employer contributions and benefit payments is insufficient to pay all service benefits due and payable to the entity's retirees and beneficiaries, the Employer agrees and covenants to promptly remit to MERS the amount of such deficiency as determined by the Retirement Board within thirty (30) days notice of such deficiency.
4. The Employer acknowledges that wage and service reports are due monthly, and the employee contributions (if any) and Employer contributions are due and payable monthly, and must be submitted in accordance with the MERS Enforcement Procedure for Prompt Reporting and Payment, the terms of which are incorporated herein by reference.
5. Should the Employer fail to make its required contribution(s) when due, the retirement benefits due and payable by MERS on behalf of the entity to its retirees and beneficiaries may be suspended until the delinquent payment is received by MERS. MERS may implement any applicable interest charges and penalties pursuant to the MERS Enforcement Procedure for Prompt Reporting and Payment and Plan Document Section 45A(3), 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. The Employer acknowledges that changes to the Employer's MERS Defined Benefit Plan must be made in accordance with the MERS Plan Document and applicable law, and agrees that MERS will not administer any such changes unless the MERS Plan Document and applicable law permit same, and MERS is capable of administering same.

Defined Benefit 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 City of Mason on  
the 2 day of February, 2015. (Name of Approving Employer)

Authorized signature: *Deborah J. Wierthmeyer*  
Title: *City Clerk*

Witness signature: *Robert L. Linsley*

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

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

RESOLUTION APPROVED

**Motion – Cancel May 4, 2015 City Council Meeting Due to May 5, 2015 Special Election**

MOTION by Brown, second by Droscha,  
to approve the request of the City Clerk to cancel the Monday, May 4, 2015, meeting due to the Governor calling a Special Election to be held on Tuesday, May 5, 2015, and to approve the request of staff to schedule a special meeting of the City Council on Wednesday, May 6, 2015 to be held at 6:30 p.m.

MOTION by Brown, second by Droscha,  
to amend the motion by striking 6:30 p.m. and inserting 7:30 p.m.  
MOTION APPROVED

VOTE ON THE AMENDED MOTION:  
MOTION APPROVED

**UNFINISHED BUSINESS**

None.

**NEW BUSINESS**

Discussion was held regarding the bridge at the cemetery that was approved on April 7, 2014. Colburn stated that it was slated for construction in 2015. It was the consensus of Council to have staff provide a current status report on the project.

It was the consensus of Council to have the notes of the City Council/City Staff Work Session provided at the next regular meeting.

MOTION by Brown, second by Droscha,  
to excuse Councilmember Bruno from the February 16, March 2 and 16, 2015 Council meetings.  
MOTION APPROVED

**CORRESPONDENCE**

All correspondence was distributed.

**LIAISON REPORTS**

- Droscha informed Council regarding Traffic Commission business

**COUNCILMEMBER REPORTS**

Councilmember Ferris reported on the Ingham County Parks & Recreation Commission Meeting held January 26, 2015, highlighting the agenda item discussion on "Michigan Trails & Greenways: Alliance Building A Strong Regional Rail System."

**ADMINISTRATOR'S REPORT**

Colburn informed Council regarding city business.

Stressman introduced Officer Jeremiah Budd, recent Mason Police Department hire. Officer Budd gave a brief history of his community roots and was welcomed by Council.

**ADJOURNMENT**

The meeting adjourned at 8:15 p.m.

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Deborah J. Cwierniewicz, City Clerk

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Mike Waltz, Mayor