

**CHARTER TOWNSHIP OF GARFIELD
PENSION PLAN ORDINANCE NO. 54
ADOPTED MARCH 26, 2009**

An Ordinance to create and establish a pension plan for the officials and employees of the Charter Township of Garfield and to authorize the Township Supervisor and the Township Clerk to contract, in the name of the Township, for such Plan; to define those classes of officials and employees who shall be covered by such pension plan; to set forth the amounts to which the Charter Township of Garfield shall contribute to the Plan and to further provide for the deduction of voluntary contributions from officials' and employees' compensation; to establish the time at which officials and employees shall become eligible for such Plan; to provide a method for non-coverage of an official or employee of the pension plan; to set forth a date wherein each person covered under the pension plan shall have a vested right or interest in such plans; to ratify and confirm the validity of any pension plan in existence on the effective date of this Ordinance; and to repeal all ordinances or parts of ordinances in conflict herewith.

The Charter Township of Garfield, Grand Traverse County, Michigan, ordains:

Section 1. Title. This Ordinance shall be known and cited as the "Garfield Township Pension Plan Ordinance."

Section 2. Establishment of Pension Plan. Pursuant to Public Act 77 of 1989, as amended, the Township hereby creates and establishes a pension plan and program for the pensioning of its officials and employees, and for such purposes, also hereby authorizes the Township Supervisor and the Township Clerk to contract, in the name of the Township Board, with any company authorized to transact such business within the State of Michigan for pensions.

Section 3. Coverage. The pension plan created, established, and contracted for under this Ordinance shall cover each person within the following classes of officials and employees:

3.1 Class I.

- A. Full-time employees. All non-union Township employees who work at least 37 hours per week on a regular basis.
- B. Township officials. The elected Supervisor, Clerk, Treasurer and Trustees of the Charter Township of Garfield.

3.2 Class II. All Township employees who work at least 37 hours per week on a regular basis and who are union members subject to the Collective Bargaining Agreement between the Township and the Teamsters Local #214 State, County and Municipal Workers.

The persons falling under Class I and Class II shall be referred to collectively as the “Covered Employees.”

Section 4. Eligibility. The Covered Employees shall become eligible for coverage under the pension plan upon meeting the following eligibility criteria:

4.1 Class I.

- A. Completion of 90 days of continuous service as a full-time employee for the Charter Township of Garfield and are no longer on probationary status (in the event of a break in service, the employee must complete another 90 days of continuous service before becoming eligible); and
- B. Is at least 18 years of age.

4.2 Class II. Eligibility for Class II persons shall be as determined by the Collective Bargaining Agreement.

Section 5. Township Contribution.

5.1 Class I. For Class I persons, the Charter Township of Garfield shall annually contribute 10% of each Covered Employee’s gross annual compensation to the pension plan. Such contributions shall be secured from the general fund of the Township. Each Covered Employee may make voluntary after-tax contributions in any amount ranging between 1% and 10% of that Employee’s gross annual compensation.

5.2 Class II. The Township contribution for Class II persons shall be as determined by the Collective Bargaining Agreement.

Each Covered Employee who wishes to make a voluntary contribution shall inform the Township Treasurer and the Township Treasurer is hereby authorized to deduct the same from each person's pay, salary, or compensation and apply the same to such person's account.

Any person desiring not to be covered under the pension plan shall give written notice to the Township Clerk that he/she desires not to be covered, and if the notice is received before the person has become covered under the contract, he/she shall not be covered thereunder. If the notice is received after the individual has become covered, his/her coverage under the contract shall cease as provided for in the contract.

Section 6. Vesting.

6.1 Class I. Each person in Class I shall have a vested right or interest in such plan immediately upon retirement or termination of employment, without regard to length of employment with the Township.

6.2 Class II. Vesting for Class II persons shall be as determined by the Collective Bargaining Agreement.

Section 7. Re-employment. In the event a vested Covered Employee who has terminated employment is later re-employed with the Township, said employee will not be given credit for prior years of service. If the terminated Covered Employee is rehired by the Township, eligibility requirements will again have to be satisfied prior to being eligible to participate in the plan.

Section 8. Ratification of Existing Pension Plan. The Township hereby ratifies and confirms the validity of any pension plan in existence on the effective date of this Ordinance.

Section 9. Repeal of Prior Ordinances. All ordinances or parts of ordinances of the Township in conflict with this Ordinance are hereby repealed.

Section 10. Amendment. The Township reserves the right to change, amend, or terminate the pension plan provided pursuant to this Ordinance at any time.

Section 11. Effective Date. This Ordinance, or a summary thereof, shall be published in a newspaper of general circulation within the Township within 30 days of the date that it is passed, and shall take effect on the day following its publication.

I hereby certify that the foregoing was duly adopted by the Township Board of the Garfield Charter Township, Grand Traverse County, Michigan, at its regular meeting on the 26th day of March, 2009 that of (6) Six members of the Township Board were in attendance and (6) Six voted for the adoption of the Ordinance.



Kay Schumacher, Clerk

Charles Korn, Supervisor
Kay Schumacher, Clerk
3848 Veterans Drive
Traverse City, MI 49684
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