

**FRANKENLUST TOWNSHIP
BAY COUNTY, MICHIGAN**

ORDINANCE NO. 10B

An Ordinance to create and establish an annuity or pension plan for certain elected officials and employees of Frankenlust Township 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 elected officials and employees who shall be covered by such annuity or pension plan; to set forth the respective *per centum* shares which Frankenlust Township and eligible elected officials and employees shall contribute to the premium or charges arising under such annuity or pension contract and to further provide for the deduction of contributions from eligible elected officials' and employees' compensation; to establish the time at which existing and future employees shall become eligible for such plan; to set forth a date wherein each person covered under the annuity or pension plan shall have a vested right or interest in such plan; to ratify and confirm the validity of any annuity or pension plan in existence on the effective date of this ordinance; and to repeal *Frankenlust Township Ordinances Nos. 10 and 10A* and all other ordinances or parts of ordinances in conflict herewith.

THE TOWNSHIP OF FRANKENLUST, BAY COUNTY, MICHIGAN ORDAINS:

Sec. 1. **TITLE.** This ordinance shall be known and cited as the "Frankenlust Township Pension Plan Ordinance."

Sec. 2. **ESTABLISHMENT.** Pursuant to 1989 PA 77, as amended, the Township of Frankenlust hereby creates and establishes an annuity or pension plan and program for the pensioning of certain elected 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 subject to the approval of the Township Board, with any company authorized to transact such business within the State of Michigan for annuities or pensions.

Sec. 3. **PERSONS COVERED.** The following classes of elected township officials and employees shall be eligible to participate in the annuity or pension plans created, established and contracted for under this Ordinance:

- A. All members of the Township Board; and,
- B. All Township employees who are employed for more than 20 hours per week on a regular basis.

Notwithstanding anything contained in this section to the contrary, any township elected official who is not a Township Board member, any township firefighter, or any township employee whose employment with the Township is governed by an employment contract shall be ineligible to participate in any annuity or pension plan created, established, or contracted-for under the authority of this ordinance. Any employee subject

to an employment agreement with the Township shall receive only those benefits specified in the agreement.

Sec. 4. CONTRIBUTIONS BY TOWNSHIP, EMPLOYEES; ELIGIBILITY FOR COVERAGE.

A. The Township of Frankenlust shall annually contribute 100% *per centum* of that portion of the premium or charges arising under such annuity or pension contract for each person within the classes of eligible elected officials and employees enumerated in *Section 3* hereof. Such contributions shall be secured from the general fund of the Township. Each person within such classes of elected officials and employees may annually contribute under such annuity or pension contract an amount not to exceed 25% of the person's gross annual compensation paid by the Township for the year in which the contribution is made.

B. Eligibility

1. Each Township Board member or employee who is serving or employed on the effective date of the annuity or pension plan shall be eligible to participate on that day provided he or she then meets the following requirements, otherwise to be eligible on the first policy anniversary on which he or she meets them.

a. He or she is actually serving or employed with Frankenlust Township. There is no minimum duration of employment requirement.

b. His or her age is at least 18 years.

2. Every Township Board member or employee who commences serving or becomes employed after the effective date of the annuity or pension plan shall be eligible to participate on the first policy anniversary on which he or she meets the following requirements:

a. He or she is actually serving or employed with Frankenlust Township. There is no minimum duration of service requirement.

b. His or her age is at least 18 years.

SECTION 5. RATIFICATION. The Township of Frankenlust hereby ratifies and confirms the validity of any annuity or pension contract for the benefit of eligible Township participants in existence on the effective date of this Ordinance and, also, hereby ratifies and confirms all prior actions, decisions and resolutions of the Township Board whatsoever pertaining in any way to any annuity or pension contract for the benefit of eligible Township participants.

SECTION 6. SEVERABILITY. If any Section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by

any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

SECTION 7. ORDINANCE REPEALED. *Frankenlust Township Ordinances Nos. 10 and 10A* and all other ordinances and parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

SECTION 8. EFFECTIVE DATE. This Ordinance shall be effective January 7, 2019.