



Barry County Board of Commissioners
NOTICE OF VIRTUAL/ELECTRONIC MEETING
5-5-20

In accordance with the Governor's Executive Order No. 2020-21 regarding shelter in place and social distancing to prevent the further spread of COVID-19 and Executive Order No. 2020-15 allowing meetings of a public body to be conducted remotely, **the regular meeting of the Committee of the Whole of the Barry County Board of Commissioners scheduled for May 5, 2020 at 9:00 am will be conducted electronically.**

Citizens wanting to participate in the meeting may do so:

Via Zoom: <https://zoom.us/j/3864704552> or

Via telephone: 1-929-205-6099 meeting ID 386-470-4552

*[Phone controls for participants: The following commands can be entered via DTMF tones using your phone's dial pad while in a Zoom meeting: *6 - Toggle mute/unmute *9 - Raise hand]*

The live meeting can be viewed at:

<https://www.youtube.com/channel/UCMgDTT5WBXs7I5xuIF7kZAw/live>

This notice is given pursuant to and in accordance with the provisions of the Open Meetings Act (Public Act 267 of 1976) and the Governor's Executive Order No. 2020-15.

For further information please contact Barry County Administration at 269-945-1414 or visit www.barrycounty.org.

Posted: April 29, 2020

Please be advised that the Barry County Board of Commissioners has scheduled an **electronic** Committee of the Whole meeting on May 5, 2020 at 9:00 a.m. for the purpose of:

AGENDA for
Barry County Board of Commissioners - Committee of the Whole
May 5, 2020; 9:00 a.m.; **Remote Via Zoom**
For more information go to: www.barrycounty.org

- 9:00 Pledge of Allegiance
Public Comment
- 9:05 Sheriff Leaf/Undersheriff Houchlei – Request to Approve Comp Time for Essential Workers
- 9:20 Michael Brown - 1) Budget Calendar for 2021
 2) MMRMA Property & Liability Insurance Renewal
 3) Proposal for OPEB Valuation
- Public Comment
Adjournment

Unless otherwise posted in accordance with the Open Meetings Act, Board of Commissioners meetings are held at the Barry County Courthouse, Commissioners Chambers, 220 W. State St., Hastings, MI 49058. Questions regarding the meeting may be addressed to Michael Brown, Barry County Administrator, Barry County Courthouse, 220 W. State St., Hastings, MI 49058; (269) 945-1284.

Meetings of the Barry County Board of Commissioners are open to all without regard to race, sex, color, age, national origin, religion, height, weight, marital status, political affiliation, sexual orientation, gender identity or disability. Barry County will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting/hearing, to individuals with disabilities at the meeting/hearing upon four (4) business days notice to the County. Individuals with disabilities requiring auxiliary aids or services should contact the County by writing or calling: Michael Brown, County Administrator, Barry County, 220 W. State St., Hastings, MI 49058; 269-945-1284.

Only members of the Barry County Board of Commissioners shall be given the floor to speak during any Board meeting, except 1) Anyone who desires to speak under Limited Public Comment; 2) County officials and/or personnel may speak with the consent of the Chairperson; 3) Any person, with the consent of the Chairperson and/or a majority of the Board; 4) Public comment shall be limited to no more than three minutes per individual and at the times designated as stated above, except where extended privileges are granted by the Chairperson.

Barry County Board of Commissioners
NOTICE OF VIRTUAL/ELECTRONIC MEETING
4-28-20

In accordance with the Governor’s Executive Order No. 2020-21 regarding shelter in place and social distancing to prevent the further spread of COVID-19 and Executive Order No. 2020-15 allowing meetings of a public body to be conducted remotely, **the regular meeting of the Committee of the Whole of the Barry County Board of Commissioners scheduled for May 5, 2020 at 9:00 am will be conducted electronically.**

Citizens wanting to participate in the meeting may do so:

Via Zoom: <https://zoom.us/j/3864704552> or

Via telephone: 1-929-205-6099 meeting ID 386 470 4552#

*[Phone controls for participants: The following commands can be entered via DTMF tones using your phone's dial pad while in a Zoom meeting: *6 - Toggle mute/unmute *9 - Raise hand]*

The live meeting can be viewed at:

<https://www.youtube.com/channel/UCMgDTT5WBXs7I5xulF7kZAw/live>

This notice is given pursuant to and in accordance with the provisions of the Open Meetings Act (Public Act 267 of 1976) and the Governor’s Executive Order No. 2020-15.

For further information please contact Barry County Administration at 269-945-1414 or visit www.barrycounty.org.

Posted: April 29, 2020

AGENDA REQUEST FORM

PROPOSED FOR MEETING OF: Committee of the Whole May 5, 2020

DEPARTMENT: Sheriff

PREPARED BY: Dar Leaf/Cheryl Hartwell

SUBJECT: Compensatory Time for Essential Workers during COVID-19 Stay-at-home order.

SPECIFIC ACTION(S) REQUESTED: To recommend to the Board of Commissioners approval to allow full time and part-time essential employees to earn compensatory time for working during COVID-19 stay at home orders as outlined, retroactive to March 18, 2020, and re-evaluated after May 31, 2020.

SPECIFIC ACTION(S) RECOMMENDED BY THE COW (Admin. use only):

DESCRIPTION OF ACTION: Approve essential employees such as full time MCOLES licensed law enforcement officers, corrections officers, and kitchen staff to earn 12 hours of compensatory time per pay period for working during the COVID-19 stay-at-home order. In addition, approve 6 hours of compensatory time be earned by part-time employees required to work, such as court screeners, corrections officers, and cadets for each pay period of stay-at-home order. This compensatory time, tracked in a separate account, is for time off use only with no ability for cash-in of these hours. Use of these hours will comply with current compensatory time off requirements.

TIME FRAME OF ACTION: Immediate

FUNDING REQUIRED: YES _____ NO X _____

IF YES, ANSWER THE FOLLOWING:

1. FUNDING SOURCE (Federal, State, or Local) Local _____
2. IF LOCAL, SPECIFY FUND: _____
3. AMOUNT REQUESTED: _____
4. AMOUNT OF ONGOING COST, AND INTERVAL (Monthly, Quarterly, Annual, etc.) _____
5. FINANCIAL IMPACT ON OTHER DEPARTMENTS: _____

PERSONNEL IF REQUIRED: No additional personnel is needed.

NEW OR RENEWAL: New

ANY OTHER PERTINENT INFORMATION:

CONTACT PERSON WITH PHONE NUMBER: Sheriff Dear Leaf 269-948-4805 or 269-838-6070.

AGENDA REQUEST FORM

PROPOSED FOR MEETING OF: Committee of the Whole, 5/5/20

DEPARTMENT: Administration

PREPARED BY: Luella Dennison, Deputy County Administrator

SUBJECT: 2021 Budget Calendar (For Preparation of a Three (3) Year Budget)

SPECIFIC ACTION(S) REQUESTED: To recommend to the Board of Commissioners approval of the 2021 Budget Calendar.

SPECIFIC ACTION(S) RECOMMENDED BY THE COW (Admin. use only):

DESCRIPTION OF ACTION: Each year the budget process begins in the month of May with the approval of the Budget Calendar for the coming year. The budget process concludes in October with a public hearing and adoption of the budget.

TIME FRAME OF ACTION: Board of Commissioners approval on May 12, 2020.

FUNDING REQUIRED: YES _____ NO X _____

IF YES, ANSWER THE FOLLOWING:

1. FUNDING SOURCE (Federal, State, or Local) _____
2. IF LOCAL, SPECIFY FUND: _____
3. AMOUNT REQUESTED: _____
4. AMOUNT OF ONGOING COST, AND INTERVAL (Monthly, Quarterly, Annual, etc.) _____
5. FINANCIAL IMPACT ON OTHER DEPARTMENTS: _____

PERSONNEL IF REQUIRED: NA

NEW OR RENEWAL: Renewal, annual process.

ANY OTHER PERTINENT INFORMATION: None. See attached proposed budget calendar.

CONTACT PERSON WITH PHONE NUMBER: Michael Brown, County Administrator or Luella Dennison, Deputy County Administrator, 269-945-1284.

Budget Calendar

May 5, 2020	Committee of the Whole Recommends Budget Calendar.
May 12	Board Approves Budget Calendar.
June 1	Administrator's Office prepares and distributes budget packet to departments, prepares preliminary 2020 revenue/current service cost estimates, and is available to provide departments assistance in completing budget document.
June 26	Departments submit completed operating and capital budget requests to Administrator.
July	Administrator formulates budget recommendation.
July 28	Administrator's recommendation distributed to departments and Committee of the Whole for review.
August 4	Committee of the Whole reviews the Recommended Budget, and holds a Budget Workshop to discuss program/policy issues which have resulted.
August TBD	Conducts Budget Hearings/Appeals to review departmental concerns, adjusts revenue and expenditure projections, if necessary, and reviews proposed Capital Budget.
August 31	Administrator finalizes budget recommendation based on budget hearings.
September 15	Committee of the Whole formulates 2020 millage recommendation and proposes 2021 Budget and General Appropriations Resolution.
September 22	Administrator sends out notice of Public Hearing on 2021 Budget to be held on October 22, 2019.
October 27	Board holds Public Hearing on 2021 Budget, including proposed millage rate. Board approves Resolution to Adopt 2021 Budget, General Appropriations Act and Millage.

AGENDA REQUEST FORM

PROPOSED FOR MEETING OF: COW/ 5-5-20
DEPARTMENT: County Administration
PREPARED BY: Michael Brown, County Administrator

SUBJECT: Renewal of the Liability, Vehicle Physical Damage and Property and Crime Insurance coverage through the Michigan Municipal Risk Management Authority (MMRMA).

SPECIFIC ACTION(S) REQUESTED: To recommend to the Board of Commissioners approving the renewal of the Liability, Vehicle Physical Damage and Property and Crime Insurance coverage through the Michigan Municipal Risk Management Authority for the period of July 1, 2020 to July 1, 2021 in the amount of \$408,526 and authorize the member representative to sign the agreement.

<u>SPECIFIC ACTION(S) RECOMMENDED BY THE COW (Admin. use only):</u>
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DESCRIPTION OF ACTION: This is a request to renew the County's liability, vehicle & property and crime coverage through the Michigan Municipal Risk Management Authority (MMRMA.) The MMRMA is a public entity self-insurance pool that provides liability and property coverage to municipal government entities across Michigan. The MMRMA was created in 1980 by three member municipalities as a joint purchasing arrangement, which allowed them to secure necessary insurance coverage at a reasonable price. Today, MMRMA's membership is comprised of more than 300 local government entities across Michigan. For comparative purposes, below are the rates for the past few years:

2020-2021	\$408,526
2019-2020	\$395,227
2018-2019	\$381,067
2017-2018	\$381,914
2016-2017	\$372,760
2015-2016	\$368,739

TIME FRAME OF ACTION: Immediate.

FUNDING REQUIRED: YES _____ NO X* _____
*Already included in 2020 General Fund budget

IF YES, ANSWER THE FOLLOWING:

1. FUNDING SOURCE (Federal, State, or Local) Local
2. IF LOCAL, SPECIFY FUND: General Fund
3. AMOUNT REQUESTED: \$408,526
4. AMOUNT OF ONGOING COST, AND INTERVAL (Monthly, Quarterly, Annual, etc.) Annual Premium
5. FINANCIAL IMPACT ON OTHER DEPARTMENTS: None

PERSONNEL IF REQUIRED: None.

NEW OR RENEWAL: Renewal.

ANY OTHER PERTINENT INFORMATION: None

CONTACT PERSON WITH PHONE NUMBER: Michael Brown, County Administrator, 269-945-1284.

MICHIGAN MUNICIPAL RISK MANAGEMENT AUTHORITY COVERAGE PROPOSAL

Member:	County of Barry	Proposal No: Q000012553
Date of Original Membership:	November 1, 1985	
Proposal Effective Dates:	July 01, 2020 To July 01, 2021	
Member Representative:	Michael Brown	Telephone #: (269) 945-1284
Regional Risk Manager:	Ibex Insurance Agency	Telephone #: (248) 538-0470

A. Introduction

The Michigan Municipal Risk Management Authority (hereinafter "MMRMA") is created by authority granted by the laws of the State of Michigan to provide risk financing and risk management services to eligible Michigan local governments. MMRMA is a separate legal and administrative entity as permitted by Michigan laws. **County of Barry** (hereinafter "Member") is eligible to be a Member of MMRMA. **County of Barry** agrees to be a Member of MMRMA and to avail itself of the benefits of membership.

County of Barry is aware of and agrees that it will be bound by all of the provisions of the Joint Powers Agreement, Coverage Documents, MMRMA rules, regulations, and administrative procedures.

This Coverage Proposal summarizes certain obligations of MMRMA and the Member. Except for specific coverage limits, attached addenda, and the Member's Self Insured Retention (SIR) and deductibles contained in this Coverage Proposal, the provisions of the Joint Powers Agreement, Coverage Documents, reinsurance agreements, MMRMA rules, regulations, and administrative procedures shall prevail in any dispute. The Member agrees that any dispute between the Member and MMRMA will be resolved in the manner stated in the Joint Powers Agreement and MMRMA rules.

B. Member Obligation - Deductibles and Self Insured Retentions

County of Barry is responsible to pay all costs, including damages, indemnification, and allocated loss adjustment expenses for each occurrence that is within the Member's Self Insured Retention (hereinafter the "SIR"). **County of Barry's** SIR and deductibles are as follows:

Table I
Member Deductibles and Self Insured Retentions

COVERAGE	DEDUCTIBLE	SELF INSURED RETENTION
Liability	N/A	\$75,000 Per Occurrence
Vehicle Physical Damage	\$1,000 Per Vehicle	\$15,000 Per Vehicle \$30,000 Per Occurrence
Fire/EMS Replacement Cost	N/A	N/A
Property and Crime	\$1,000 Per Occurrence	N/A
Sewage System Overflow	N/A	N/A

The member must satisfy all deductibles before any payments are made from the Member's SIR or by MMRMA.

Member's Motor Vehicle Physical Damage deductible applies, unless the amount of the loss exceeds the deductible. If the amount of loss exceeds the deductible, the loss including deductible amount, will be paid by MMRMA, subject to the Member's SIR.

The **County of Barry** is afforded all coverages provided by MMRMA, except as listed below:

1. Sewage System Overflow
2. Specialized Emergency Response Expense Recovery Coverage
- 3.
- 4.

All costs including damages and allocated loss adjustment expenses are on an occurrence basis and must be paid first from the Member's SIR. The Member's SIR and deductibles must be satisfied fully before MMRMA will be responsible for any payments. The most MMRMA will pay is the difference between the Member's SIR and the Limits of Coverage stated in the Coverage Overview.

County of Barry agrees to maintain the Required Minimum Balance as defined in the Member Financial Responsibilities section of the MMRMA Governance Manual. The Member agrees to abide by all MMRMA rules, regulations, and administrative procedures pertaining to the Member's SIR.

C. MMRMA Obligations - Payments and Limits of Coverage

After the Member's SIR and deductibles have been satisfied, MMRMA will be responsible for paying all remaining costs, including damages, indemnification, and allocated loss adjustment expenses to the Limits of Coverage stated in Table II. The Limits of Coverage include the Member's SIR payments.

The most MMRMA will pay, under any circumstances, which includes payments from the Member's SIR, per occurrence, is shown in the Limits of Coverage column in Table II. The Limits of Coverage includes allocated loss adjustment expenses.

Table II
Limits of Coverage

Liability and Motor Vehicle Physical Damage	Limits of Coverage Per Occurrence		Annual Aggregate	
	Member	All Members	Member	All Members
1 Liability	15,000,000	N/A	N/A	N/A
2 Judicial Tenure	100,000	N/A	N/A	N/A
3 Sewage System Overflows	0	N/A	0	N/A
4 Volunteer Medical Payments	25,000	N/A	N/A	N/A
5 First Aid	2,000	N/A	N/A	N/A
6 Vehicle Physical Damage	1,500,000	N/A	N/A	N/A
7 Uninsured/Underinsured Motorist Coverage (per person)	100,000	N/A	N/A	N/A
Uninsured/Underinsured Motorist Coverage (per occurrence)	250,000	N/A	N/A	N/A
8 Michigan No-Fault	Per Statute	N/A	N/A	N/A
9 Terrorism	5,000,000	N/A	N/A	5,000,000

Property and Crime	Limits of Coverage Per Occurrence		Annual Aggregate	
	Member	All Members	Member	All Members
1 Buildings and Personal Property	98,876,471	350,000,000	N/A	N/A
2 Personal Property in Transit	2,000,000	N/A	N/A	N/A
3 Unreported Property	5,000,000	N/A	N/A	N/A
4 Member's Newly Acquired or Constructed Property	10,000,000	N/A	N/A	N/A
5 Fine Arts	2,000,000	N/A	N/A	N/A
6 Debris Removal (25% of Insured direct loss plus)	25,000	N/A	N/A	N/A
7 Money and Securities	1,000,000	N/A	N/A	N/A
8 Accounts Receivable	2,000,000	N/A	N/A	N/A
9 Fire Protection Vehicles, Emergency Vehicles, and Mobile Equipment (Per Unit)	5,000,000	10,000,000	N/A	N/A
10 Fire and Emergency Vehicle Rental (12 week limit)	1,000 per week	N/A	N/A	N/A
11 Structures Other Than a Building	15,000,000	N/A	N/A	N/A
12 Storm or Sanitary Sewer Back-Up	1,000,000	N/A	N/A	N/A
13 Marine Property	1,000,000	N/A	N/A	N/A
14 Other Covered Property	10,000	N/A	N/A	N/A
15 Income and Extra Expense	5,000,000	N/A	N/A	N/A
16 Blanket Employee Fidelity	1,000,000	N/A	N/A	N/A
17 Faithful Performance	Per Statute	N/A	N/A	N/A
18 Earthquake	5,000,000	N/A	5,000,000	100,000,000
19 Flood	5,000,000	N/A	5,000,000	100,000,000
20 Terrorism	50,000,000	50,000,000	N/A	N/A

Table III

Network and Information Security Liability, Media Injury Liability, Network Security Loss, Breach Mitigation Expense, PCI Assessments, Social Engineering Loss, Reward Coverage, Telecommunications Fraud Reimbursement.				
	Limits of Coverage Per Occurrence/Claim	Deductible Per Occurrence/Claim		Retroactive Date
	\$5,000,000			
Coverage A Network and Information Security Liability: Regulatory Fines:	Each Claim Included in limit above Each Claim Included in limit above	\$25,000	Each Claim	7/1/2013
Coverage B Media Injury Liability	Each Claim Included in limit above	\$25,000	Each Claim	7/1/2013
Coverage C Network Security Loss Network Security Business Interruption Loss:	Each Unauthorized Access Included in limit above Each Business Interruption Loss Included in limit above	\$25,000	Each Unauthorized Access Retention Period of 72 hours of Business Interruption Loss	Occurrence
Coverage D Breach Mitigation Expense:	Each Unintentional Data Compromise Included in limit above	\$25,000	Each Unintentional Data Compromise	Occurrence

Coverage E PCI Assessments:	Each Payment Card Breach \$1,000,000 Occ./\$1,000,000 Agg. Included in limit above	\$25,000	Each Payment Card Breach	Occurrence
Coverage F Social Engineering Loss:	Each Social Engineering Incident \$100,000 Occ./\$100,000 Agg. Included in limit above	\$25,000	Each Social Engineering Incident	Occurrence
Coverage G Reward Coverage	Maximum of 50% of the Covered Claim or Loss; up to \$25,000 Included in Limit above		Not Applicable	Occurrence
Coverage H Telecommunications Fraud Reimbursement	\$25,000 Included in limit above		Not Applicable	Occurrence

Annual Aggregate Limit of Liability

Member Aggregate	All Members Aggregate
\$5,000,000	\$25,000,000

The total liability of MMRMA shall not exceed \$5,000,000 per Member Aggregate Limit of Liability for coverages A, B, C, D, E, F, G, and H, in any Coverage Period.

The total Liability of MMRMA and MCCRMA shall not exceed \$25,000,000 for All Members Combined Aggregate Limit of Liability for coverages A, B, C, D, E, F, G, and H, in any Coverage Period.

It is the intent of MMRMA that the coverage afforded under the Subjects of Coverage be mutually exclusive. If however, it is determined that more than one Subject of Coverage applies to one coverage event ensuing from a common nexus of fact, circumstance, situation, event, transaction, or cause, then the largest of the applicable Deductibles for the Subjects of Coverage will apply.

Table IV
Specialized Emergency Response Expense Recovery Coverage
Limits of Coverage

Specialized Emergency Response Expense Recovery	Limits of Coverage per Occurrence		Annual Aggregate	
	Member	All Members	Member	All Members
	N/A	N/A	N/A	N/A

Table V
Specialized Emergency Response Expense Recovery Coverage
Deductibles

Specialized Emergency Response Expense Recovery	Deductible per Occurrence
	Member
	N/A

D. Contribution for MMRMA Participation

County of Barry

Period: July 01, 2020 To July 01, 2021

Coverages per Member Coverage Overview:	\$370,466
Stop Loss Coverage:	\$13,060
Member Loss Fund Deposit:	\$25,000
TOTAL ANNUAL CONTRIBUTIONS:	\$408,526

E. List of Addenda

1. Stop Loss Program Participation Agreement

This document is for the purpose of quotation only and does not bind coverage in the Michigan Municipal Risk Management Authority, unless accepted and signed by both the authorized Member Representative and MMRMA Representative below.

Accepted By:

Proposal No:

County of Barry

Q000012553

MMRMA

 Member Representative

 MMRMA Representative

 Date

 Date

ADDENDUM

**STOP LOSS PROGRAM
PARTICIPATION AGREEMENT**

Optional

The Stop Loss Program limits the Member's cash payments during a July 1 - June 30 year for those costs falling within the Member's SIR. The Stop Loss Program responds only to cumulative Member SIR payments, including damages, indemnification, and allocated loss adjustment expenses, within a July 1 - June 30 calendar year. The paid costs include payments for any coverage provided to the Member by MMRMA provided that the costs are actually paid within the July 1 - June 30 period. On July 1 of each year, the Member's paid costs accumulate from zero.

If the Member has chosen to participate in the Stop Loss Program, and if the Member's paid costs exceed the member's entry point, the Stop Loss Program will pay, until July 1, all costs that would, in the absence of the Stop Loss Program, be paid from the Member's SIR. **County of Barry's** entry point is **\$250,000**. Withdrawing Members do not participate in the Stop Loss Program after the date of withdrawal.

The Member agrees to be bound by MMRMA rules relating to the Stop Loss Program.

Accepted by:

Member Representative

Date: _____

MMRMA

Authorized Representative

Date: _____

AGENDA REQUEST FORM

PROPOSED FOR MEETING OF: Committee of the Whole, 5/5/20

DEPARTMENT: County Administration

PREPARED BY: Luella Dennison, Deputy County Administrator

SUBJECT: Proposal for the December 31, 2019 Actuarial Valuation for OPEB (Other Post Employment Benefits)

SPECIFIC ACTION(S) REQUESTED: To recommend to the Board of Commissioners approval of the proposal from GRS Consulting in the amount of \$12,000 to complete the December 31, 2019 Actuarial Valuation of Other Post Employment Benefits (health and life insurance) for Barry County in compliance with GASB Statement No. 45, and approval of the attached Business Associate Agreement.

SPECIFIC ACTION(S) RECOMMENDED BY THE COW (Admin. use only):

DESCRIPTION OF ACTION: The Governmental Accounting Standards Board (GASB) issued Statement No. 45 requiring state and local government agencies to report in their annual audit the financial liability for other (than pension) post employment benefits (OPEB). The most common OPEB is retiree health care. GASB Statement No. 45 was implemented with a phased in effective date based on agency revenue. For Barry County, reporting began with our 2008 audited financial statement. The liability is determined actuarially and must be completed every two years, and this will be our 7th valuation (prior valuations were as of 12/31/06, 12/31/08, 12/31/10, 12/31/12, 12/31/15, and 12/31/17). The requested report as of 12/31/19 will give us the information that is needed for completion of the 2020 and 2021 Barry County audited financial statements. The first three valuations were completed by Gabriel, Roeder & Smith (GRS) as they offered a discount to entities that participate in MERS (GRS was the actuary for MERS and there was a savings related to data sharing). Just prior to the completion of our 12/31/10 OPEB valuation, the relationship between MERS and GRS ended resulting in additional work on our part to gather the required information. For the 12/31/12 report, we contracted with Tegrit Group, a new division of MERS for completion of our OPEB report. In June of 2014, Tegrit Group was acquired by CBIZ Retirement Plan Services. CBIZ Retirement Plan Services completed our most recent valuations based on data as of 12/31/15 and 12/31/17. We are proposing an agreement with GRS to complete the 12/31/19 OPEB valuation, as MERS is now working with GRS on pension valuations and we believe their relationship with MERS, and experience completing our previous OPEB report will provide the most cost effective and efficient means of completing the required report. The proposed valuation cost of \$12,000.

TIME FRAME OF ACTION: Immediate to allow completion of the report in advance of 12/31/20.

FUNDING REQUIRED: YES NO

IF YES, ANSWER THE FOLLOWING:

1. FUNDING SOURCE (Federal, State, or Local) Local
2. IF LOCAL, SPECIFY FUND: General Fund Contingency
3. AMOUNT REQUESTED: \$12,000

4. AMOUNT OF ONGOING COST, AND INTERVAL (Monthly, Quarterly, Annual, etc.) New proposal every two years
5. FINANCIAL IMPACT ON OTHER DEPARTMENTS: None

PERSONNEL IF REQUIRED: Data must be collected and data files must be updated by Administration staff and provided to GRS for analysis.

NEW OR RENEWAL: Renewal. Actuarial report must be done every two years.

ANY OTHER PERTINENT INFORMATION: Please see attached GRS proposal and Business Associate Agreement.

CONTACT PERSON WITH PHONE NUMBER: Michael Brown, County Administrator, or Luella Dennison, Deputy County Administrator, 269-945-1284.



March 23, 2020

Ms. Luella Dennison
Deputy County Administrator
Barry County
220 West State Street
Hastings, MI 49058

Re: Proposed Fees for the December 31, 2019 Actuarial Funding Valuation of the Barry County Retiree Health Care Plan and December 31, 2020 and December 31, 2021 GASB Accounting Reports

Dear Ms. Dennison:

Gabriel, Roeder, Smith & Company (GRS) would be pleased to provide actuarial and consulting services for the Barry County Retiree Health Care Plan. This engagement letter describes the scope of services and fees for preparing an actuarial funding valuation of the retiree health care benefits and two GASB accounting reports. Also included is a list of data items that will be needed to complete the actuarial funding valuation.

GRS Background in Health Care Consulting

GRS specializes in assessing complex health care and benefit issues. GRS has extensive experience in the design, evaluation, pricing, financing, and implementation of retiree health care benefit programs, particularly retiree health care plans sponsored by state and local governments. We have a thorough understanding and hands-on experience with the health care marketplace, both nationally and regionally. Our expertise and insight into public employee retirement systems are highlighted by the fact that our consultants and actuaries have experience in benefit design, managed care strategies, plan administration and legislative issues, as well as valuation related services.

Scope of Services

Actuarial Funding Valuation

In order to prepare the necessary information, we will need to prepare an actuarial funding valuation of the retiree health care benefits for the Barry County Retiree Health Care Plan, as of December 31, 2019. The actuarial funding valuation will encompass the phases indicated below:

- Determination of the:
 - Actuarial present value of projected benefits
 - Actuarial accrued liability
 - Actuarial value of assets
 - Unfunded actuarial accrued liability
 - Normal cost
 - Actuarially Determined Contribution for the fiscal years ending December 31, 2020, December 31, 2021, and December 31, 2022
- The actuarial retiree health care valuation will be based on an “intermediate” health care trend assumption, and include the following:
 - Five contribution amounts plus a grand total with assets.
 - Central Dispatch
 - Charlton Park
 - Commission on Aging
 - General Fund
 - Transit
 - Grand Total
 - One set of initial per capita costs based on up to six distinct retiree medical plans.
 - The retiree medical and prescription drug plans are fully-insured with Blue Cross Blue Shield and Blue Care Network, for pre-65 retirees only.
 - The County offers life insurance coverage.
 - We will prepare our calculations using one interest rate assumption which is consistent with the investment policy of the Plan, and which is approved by the Plan Sponsor.
 - We will prepare our calculations using one set of assumptions which is approved by the Plan Sponsor after consultation with the actuary. This includes the potential use of assumptions compliant with the most recent PA 202 uniform assumptions.
- Our fees do not include any meetings, additional studies for changes in benefits, or any other items not detailed in this letter. If the County would like to meet to discuss the results of the valuation, GRS will charge for the meetings based on time and expense. The standard hourly rate for this would range from \$236-\$420 per hour.



GASB Accounting Report

In order to prepare the necessary information for the fiscal years ending December 31, 2020 and December 31, 2021, for GASB Statement Nos. 74 and 75, we will need to prepare additional accounting reports of the retiree health care benefits for the Barry County Retiree Health Care Plan. The accounting reports will be provided following the availability of the necessary information and the end of the applicable fiscal year. The GASB Statement Nos. 74 and 75 reports will include, but are not limited to, the following information:

GASB Statement Nos. 74 and 75 Reporting:

- Determination of the Single Discount Rate;
- Statement of Changes in the Net OPEB Liability and Related Ratios, using the Single Discount Rate as determined above;
- Schedule of Net OPEB Liability;
- Schedule of Actuarially Determined Contributions (and notes);
- Statement of Fiduciary Net Position and Changes in Fiduciary Net Position;
- A sensitivity analysis providing the Net OPEB Liability based on a 1% higher and 1% lower discount rate and a 1% higher and 1% lower health care trend assumption;
- A description of the types of benefits provided by the plan;
- The number and classes of employees covered by the benefit terms;
- OPEB Expense calculation which separately tracks annual gains and losses due to demographic experience, asset experience, assumption changes, and plan changes; and
- Deferred Outflows and Inflows of Resources related to OPEBs.

Note that there is still other information not listed above that will be required in the Plan's financial statements and/or the CAFR to fully comply with GASB Statement Nos. 74 and 75. This additional information will need to be provided by the Plan's investment consultant and its accountants or other financial statement preparers. This other information includes the annual money-weighted rate of return on OPEB plan investments. If the Plan's investment consultant and its accountant are unable to provide this calculation GRS can provide it, for an additional fee. Please let us know if you require GRS to perform the calculation.



Adjust Blended Fully-Insured Premium Rate

In fully-insured ratings, actives and non-Medicare retirees are often assigned the same rate. Since health risk and utilization of medical services increases with age, this practice produces an implied subsidy to the retiree population. The Society of Actuaries' Actuarial Standards of Practice require the use of "true" retiree cost in retiree health care valuations. GRS will develop the retiree premiums associated with each individual age by adjusting the blended fully-insured rates with the ratio of the expected cost at that age and the expected cost at the average age of the blended active and non-Medicare eligible population.

Professional Consulting Staff

The GRS team assigned to the actuarial valuation of the retiree health care benefits for the County has extensive experience and expertise in retirement plans, health care benefits, and their associated costs. The team will include members with the following credentials listed below:

- A qualified health actuary who is either an Associate of the Society of Actuaries (ASA), or a Fellow of the Society of Actuaries (FSA). This individual will be responsible for analyzing your premiums and/or claims experience, determining a per person health care cost appropriate for your Plan, and determining the appropriate health inflation assumption to be used in your actuarial valuation.
- A qualified OPEB actuary who is either an Associate of the Society of Actuaries (ASA), a Fellow of the Society of Actuaries (FSA), or an Enrolled Actuary (EA). This individual will be responsible for calculating the liabilities and the Actuarially Determined Contribution.

The Actuarial Standards require that any actuary providing a Statement of Actuarial Opinion (SAO) be qualified to do so. The actuaries certifying the County's actuarial valuation must be qualified to provide the SAO. The GRS actuaries assigned to the project satisfy the above requirements.



Consulting Fees

Gabriel, Roeder, Smith & Company’s professional consulting fees are based on the time spent by our associates in performing these services for you. The table below shows our proposed fees broken down by Fiscal Year for each Valuation Project:

Valuation Project	Fees ¹
1. Actuarial Funding Valuation as of 12/31/2019	\$12,000
2. GASB Report (based on 12/31/2019 actuarial funding valuation) In accordance with GASB Statement Nos. 74 and 75 for FYE 12/31/2020 ²	6,000
3. GASB Report (based on 12/31/2019 actuarial funding valuation) In accordance with GASB Statement Nos. 74 and 75 for FYE 12/31/2021 ²	6,000
4. PA 202 – Uniform Assumption Results ³	2,500
Timing: Projected delivery 12-16 weeks after receiving clean and complete data for Item 1 and 4-6 weeks for Items 2 and 3. Item 4 is included as part of Items 2 and 3.	

¹ The fees above will be charged following the completion of each project listed.

² Additional fees may apply if there have been significant changes to the Plan since the Actuarial Funding Valuation was completed or there are component units.

³ Please note that due to Public Act 202, all Local Units of Government must provide figures for uniform reporting on Form 5572 submissions for the State of Michigan. In order to generate the information necessary for PA 202 uniform assumption reporting, the County could consider using the uniform assumptions as the funding valuation assumptions. If the County would prefer to use funding valuation assumptions which differ from the PA 202 uniform assumptions, a supplemental calculation for uniform assumption reporting purposes would be necessary. The cost for this additional calculation is noted above for each valuation cycle, absent changes in the uniform assumptions and benefit provisions

The fees provided above are based on a biennial valuation cycle where roll-forward techniques will be applied to the December 31, 2019 funding valuation for the purpose of preparing the information for GASB Statement Nos. 74 and 75 for the fiscal years ending December 31, 2020 and December 31, 2021.

A high quality valuation must be based on accurate member data, benefit cost data and plan design information. We base all of our calculations on this information which is supplied by the Plan Sponsor and their designees. If, after commencement of the valuation, it is determined that some of the information is inaccurate or incomplete requiring re-work on our part, we will increase our fees based on actual time spent on the additional work.



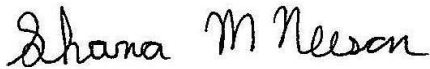
Ms. Luella Dennison
March 23, 2020
Page 6

Project Timing

We are prepared to initiate the funding valuation upon receipt of the data and following your approval of the proposal. We project that an actuarial funding valuation will be delivered twelve to sixteen weeks after receipt of clean and complete data. The consulting fees included in this engagement letter are guaranteed for one year.

Please do not hesitate to contact us at 1-248-799-9000 should you need additional information or clarification. We look forward to assisting Barry County in the valuation of its retiree health care benefits.

Respectfully submitted,



Shana M. Neeson, ASA, FCA, MAAA

SMN:ah
Enclosure



Acceptance of Letter of Engagement

The undersigned hereby authorizes Gabriel, Roeder, Smith & Company to commence work on the selected items below as outlined in the proposal dated March 23, 2020.

Acceptance for: Barry County Retiree Health Care Plan

By: _____

Printed Name: _____

Title: _____

Date: _____

Please indicate which services Barry County would like to approve.

- December 31, 2019 Actuarial Funding Valuation
- December 31, 2020 GASB Statement Nos. 74 and 75 Report
- December 31, 2021 GASB Statement Nos. 74 and 75 Report
- PA 202 Uniform Assumption Calculation

Report Distribution List

We plan to mail the funding valuation report to the following recipient. Please indicate how many copies of the report you would like sent to the following recipient and if you would like to add any different recipients to the mailing list.

Ms. Luella Dennison
Deputy County Administrator
Barry County
220 West State Street
Hastings, MI 49058

Would you like a copy/copies of the report mailed to this person?

_____ Yes _____ No Number of copies to be sent _____

Would you like a copy emailed?

_____ Yes _____ No If so, email address: _____

Please indicate the following information, if you wish to have a copy of the report mailed to a different recipient:

Name: _____

Company: _____

Mailing Address: _____

Number of copies to be sent: _____

Would you like a copy emailed?

_____ Yes _____ No If so, email address: _____

Barry County Retiree Health Care Plan Data Request

Upon acceptance of the Letter of Engagement, the elements included on the following pages are necessary in order to complete the actuarial funding valuation.

For security purposes, we request that all file transfers occur via the secure file transfer portion of the GRS Advantage™ Website. Information related to using GRS Advantage™ is provided below. Please follow the instructions below to register or access the GRS Advantage™ Website. The reference guide mentioned below details how to download and upload files to the site.

GRS Advantage™ Website

Access or activate your personalized account on the GRS Advantage™ Website

- I. Go to <https://advantage.gabrielroeder.com>
- II. Download and open the GRS Advantage user reference guide (<https://advantage.gabrielroeder.com/Documents/Help/GRSAdvantageUserReferenceGuide.pdf>)
 - a. Follow along with the “GRS Advantage Website - Requesting Access to the Website” help topic to activate your account and personalize your password.
 - b. Read over the “GRS Advantage Website - Using the GRS Advantage™ Website” help topic, specifically item “2.” which describes the navigation bar.
 - c. Read over the “Secure File Transfer” section, which describes how to send and retrieve file transfers.

Demographic Data Requirements

In order to complete the valuation, a listing will be needed containing the necessary member census information (active, deferred vested (if applicable), and retired). Following approval of our proposal, we will provide an excel spreadsheet requesting the necessary information. The data will be collected via the GRS Advantage™ Website.

Plan Provisions

We understand there have been no changes to the plan provisions since the information reported in the December 31, 2017 CBIZ OPEB Report, per a March 11, 2020 e-mail from Luella Dennison.

Asset Information and Pay-As-You-Go Cost

Following approval of our proposal, we will provide an excel spreadsheet requesting the necessary asset and pay-as-you-go information.



Barry County Retiree Health Care Plan Data Request

OPEB Initial Per-Capita Cost Information

Please provide all data electronically, where available.

1. Please explain which groups/divisions are available for current and future retirees. If more than one group/division is still available, please explain what would cause a retiree to choose one group/division over another. We believe the easiest way to present this information is to provide a table similar to the table below. The information in the table is an example.

OPEB Group: **Sample**

Retiree Group/Division	Offered to Pre-65 and Post-65 Retirees?	Applicable Group	Anticipated Plan Design Changes?	Eligible Active Division(s)/Plan(s)*	Comments **
0001	Pre-65 only	Retired before Jan. 1, 2006	None	Closed to future retirees	
0002	Pre-65 only	Retired on or after Dec. 31, 1995	7/1/2008 - will change Rx Copay to \$10/\$40	0001, 0002 & 0003	
0015	Post-65 only	Retired any time	None	Open to all current/future retirees	

* Please list which active division(s)/plan(s) are eligible to retire into each corresponding retiree division. Note that multiple retiree divisions/plans may be available to each active division/plan.

** Enter any additional information which you feel may be relevant.

2. Please explain any major changes to the Retiree Health plan (e.g., changes in copays, deductibles, change from fully-insured to self-insured, introduction to high deductible health plans, etc.) in the past three years.
3. Please provide a summary of Health Care Coverage Plan Provisions for each health care option. For example, please list copays, and deductibles for the PPO, HMO, etc. If a summary is not available, a member booklet should suffice.
4. Please provide us with the 2020 fully-insured monthly active and retiree premium rates for one person and two-person coverage. For the retirees, we would like both pre-65 (regular premium rates) and post-65 (complementary premium rates). If available, it would be helpful to have the premium rate broken down by coverage component (i.e., medical, prescription drug, dental, and/or vision).

Please provide the annual Rate Sheet for each group/division from your provider. For all Rate Sheets submitted, please indicate the full period these rates are effective. Billing statements do not contain the information needed; therefore, they are not necessary to send.

5. Please provide the amount of the Health Insurer Fee (HIF) included in the 2020 fully-insured monthly active and retiree premium rates. Please indicate the amount of the HIF separately for pre-65 and post-65 coverage.

BUSINESS ASSOCIATE AGREEMENT

This BUSINESS ASSOCIATE AGREEMENT (this "Agreement") is entered into by and between GABRIEL, ROEDER, SMITH & COMPANY, a Michigan corporation ("GRS") and Barry County Retiree Health Care Plan (the "Plan") (together, the "Parties", effective as provided below.

RECITALS

WHEREAS, the Plan is a "covered entity" within the meaning of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (45 CFR Parts 160-164) ("HIPAA") and the requirements of the Health Information Technology for Economic and Clinical Health Act, as incorporated in the American Recovery and Reinvestment Act of 2009 (the "HITECH Act"; HIPAA and the HITECH Act are collectively referred to in this Agreement as "HIPAA/HITECH"); and

WHEREAS, GRS has entered into an agreement with Barry County acting on behalf of the Plan, to provide certain consulting and/or actuarial services in connection with the Plan (the "Service Agreement"); and

WHEREAS, HIPAA/HITECH requires covered entities such as the Plan to obtain and document satisfactory assurances from "business associates" (as defined therein) regarding appropriate safeguarding of certain "protected health information" (as defined therein) received or created by the business associate (a "BA Agreement"); and

WHEREAS, GRS, in the performance of its services in connection with the Plan, is a "business associate" within the meaning of HIPAA/HITECH; and

WHEREAS, the Parties desire to enter into an agreement intended to satisfy the BA Agreement requirement as and to the extent such requirement may be applicable.

NOW, THEREFORE, in consideration of the premises and the respective covenants and agreements herein contained, the Parties agree as follows:

AGREEMENT

1. **Definitions**

Capitalized terms not expressly defined in this Agreement shall have the meanings as defined in HIPAA/HITECH. For purposes of this Agreement:

- (a) "**Data Aggregation**" shall have the same meaning as the term "data aggregation" in 45 CFR 164.501.
- (b) "**Designated Record Set**" shall have the same meaning as the term "designated record set" in 45 CFR 164.501 in respect of the Plan.
- (c) "**Effective Date**" shall have the meaning as set forth in Section 5(a) of this Agreement.
- (d) "**Individual**" shall have the same meaning as the term "individual" in 45 CFR 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).

- (e) **“Plan Administrator”** shall mean the person(s) or office(s) with the discretionary authority to act on behalf of the Plan on matters relating to HIPAA/HITECH and this Agreement.
- (f) **“HIPAA/HITECH”** shall have the meaning as set forth in the RECITALS portion of this Agreement.
- (g) **“Protected Health Information”** shall have the same meaning as the term “protected health information” in 45 CFR 160.103, but limited to the information received or created by GRS from or on behalf of the Plan.
- (h) **“Required by Law”** shall have the same meaning as the term “required by law” in 45 CFR 164.103, to the extent not preempted by Federal law.
- (i) **“Secretary”** shall mean the Secretary of the Department of Health and Human Services or his designee.
- (j) **“Service Agreement”** shall have the meaning as set forth in the RECITALS portion of this Agreement.
- (k) **“Significant Breach”** shall mean a pattern of activity or practice that constitutes a material breach or violation of this Agreement in the written opinion of legal counsel for the Plan. For purposes hereof, a “pattern of activity or practice” shall consist of at least three (3) discrete acts and/or omissions within a period of not more than 180 consecutive days.

2. **Obligations of GRS**

GRS agrees to:

- (a) not use or disclose Protected Health Information other than as permitted or required by this Agreement or as Required By Law;
- (b) use appropriate safeguards and comply, where applicable, with the Security Standards for the Protection of Electronic Protected Health Information set forth in 45 CFR Part 164, Subpart C with respect to electronic protected health information, to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement;
- (c) report to the Plan Administrator any use or disclosure of Protected Health Information not provided for by this Agreement of which it becomes aware, including breaches of unsecured Protected Health Information as required by 45 CFR 164.410;
- (d) in accordance with 45 CFR 164.502(e)(1)(ii), ensure that any subcontractors that create, receive, maintain, or transmit Protected Health Information on behalf of GRS agrees to the same restrictions and conditions that apply through this Agreement to GRS with respect to such information; provided that the Plan shall not have any right to disapprove any subcontractors of GRS or to review any agreements with such subcontractors, except to the extent specifically provided herein or in the Service Agreement;

- (e) provide, in a commercially reasonable time and manner, access to Protected Health Information to the Plan Administrator to the extent necessary to meet the requirements under 45 CFR 164.524, provided that (i) such access shall be provided only to the extent such Protected Health Information is in the possession of GRS and maintained in a Designated Record Set and (ii) the Plan shall reimburse to GRS any of the following costs incurred in providing such access:
 - (i) copying (including the cost of supplies and labor);
 - (ii) postage; and
 - (iii) preparation of an explanation or summary of the Protected Health Information;
- (f) make, in a commercially reasonable time and manner, any amendment(s) to Protected Health Information that the Plan Administrator directs or agrees to pursuant to 45 CFR 164.526, provided that such amendment(s) shall be made only to the extent such Protected Health Information is in the possession of GRS and maintained in a Designated Record Set;
- (g) make available to the Plan Administrator, in a commercially reasonable time and manner, information in the possession of GRS as and to the extent required for the Plan to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528;
- (h) to the extent GRS is to carry out the Plan's obligations regarding Privacy of Individual Identifiable Health Information set forth in 45 CFR Part 164, Subpart E (the "Privacy Requirements"), comply with the Privacy Requirements that apply to the Plan in GRS' performance of such obligations; and
- (i) make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from the Plan, or created or received by GRS on behalf of the Plan, available to the Secretary for purposes of the Secretary determining the Plan's compliance with the Privacy Requirements.

3. *Permitted Uses and Disclosures by GRS*

- (a) General Use and Disclosure Provisions. Except as otherwise limited in this Agreement, GRS may use or disclose Protected Health Information to perform its duties, functions, activities, or services for, or on behalf of, the Plan, provided that such use or disclosure would not violate (i) HIPAA/HITECH if done by the Plan or (ii) the minimum necessary policies and procedures of the Plan as and to the extent intended to comply with HIPAA/HITECH and communicated by the Plan Administrator to GRS.
- (b) Specific Use and Disclosure Provisions.
 - (i) GRS may use Protected Health Information for the proper management and administration of GRS or to carry out the legal responsibilities of GRS.
 - (ii) Except as otherwise restricted by this Agreement, GRS may disclose Protected Health Information for the proper management and administration of GRS or to carry out the legal responsibilities of GRS, provided that:
 - (A) disclosures are Required By Law, or

- (B) GRS obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidentially and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies GRS of any instances of which it is aware in which the confidentiality of the information has been breached.
- (iii) Except as otherwise limited in this Agreement, GRS may use Protected Health Information to provide Data Aggregation services as permitted by 45 CFR 164.504(e)(2)(i)(B).
- (iv) GRS may use or disclose Protected Health Information to report violations of law to appropriate Federal and/or State authorities, consistent with 45 CFR 164.502(j).
- (v) Except as otherwise limited in this Agreement, GRS may disclose Protected Health Information to other “business associates” (within the meaning of HIPAA/HITECH) of the Plan (i) as directed by the Plan Administrator or (ii) to perform its duties under the Service Agreement. Notwithstanding any provision hereof or any other prior agreement by the Parties, it shall be the Plan’s sole responsibility (and not GRS’s responsibility) to ensure that the Plan has entered into appropriate business associate agreements with (or has obtained similar written assurances from) its business associates.
- (vi) Except as otherwise limited in this Agreement, GRS may disclose Protected Health Information to the Plan’s sponsoring employer(s) as directed by the Plan Administrator; provided that the Plan Administrator shall include in such direction the specific person(s) or official(s) to whom such disclosure shall be made. Notwithstanding any provision hereof or any other prior agreement by the Parties, it shall be the Plan’s sole responsibility (and not GRS’s responsibility) to ensure that the Plan has, in its official plan document, an appropriate provision regarding disclosures of Protected Health Information to any sponsoring employer of the Plan.

4. *Obligations of the Plan and Plan Administrator*

- (a) General. Except as otherwise specifically provided under this Agreement, the Plan shall not request or permit GRS to (and shall not cause the Plan Administrator to request or permit GRS to) use or disclose Protected Health Information in any manner that may not be permissible under HIPAA/HITECH if done by the Plan.
- (b) Notification of Privacy Practices and Restrictions. The Plan shall cause the Plan Administrator to promptly notify GRS of:
 - (i) the name or office of each person authorized to act as the Plan Administrator for purposes of this Agreement, and any changes thereto;
 - (ii) any limitation(s) in the Plan’s notice of privacy practices in accordance with 45 CFR 164.520, to the extent that such limitation may affect GRS’s use or disclosure of Protected Health Information;

- (iii) any changes in, or revocation of, permission by an Individual regarding use or disclosure of Protected Health Information relating to that Individual, to the extent that such changes may affect GRS's use or disclosure of Protected Health Information;
- (iv) any restriction to the use or disclosure of Protected Health Information that the Plan has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect GRS's use or disclosure of Protected Health Information; and
- (v) any policies and procedures of the Plan to the extent that such policies or procedures may affect GRS' use or disclosure of Protected Health Information.

5. Term and Termination

- (a) Term. The term of this Agreement shall be for a period commencing as of the later of (i) March 26, 2020 or (ii) the first date as of which HIPAA/HITECH applies to the Plan (the "Effective Date"), and ending when all of the Protected Health Information provided by the Plan to GRS, or created or received by GRS on behalf of the Plan, is destroyed, returned to the Plan or further protected in accordance with the termination provisions in this Section 5.
- (b) Termination for Cause. Upon the Plan Administrator's knowledge of a Significant Breach of GRS's obligation under this Agreement and subject to Section 5(c) hereof, the Plan Administrator may commence termination of this Agreement by providing a notice of termination to GRS. Notwithstanding the foregoing, this Agreement shall be considered to have been terminated pursuant to this Section 5(b) only if, prior to such notice of termination:
 - (i) the Plan Administrator shall have given to GRS written notice describing with specificity the Significant Breach;
 - (ii) a period of 60 days from and after the giving of such notice shall have elapsed without GRS's having substantially cured or remedied such reason for termination during such 60-day period, unless such reason for termination cannot be substantially cured or remedied within 60 days, in which case the period for remedy or cure shall be extended for a reasonable time (not to exceed 60 days), provided that GRS has made and continues to make a diligent effort to effect such remedy or cure; and
 - (iii) a final determination shall have been made by the Plan Administrator that the Significant Breach persists, following a meeting at which GRS shall be entitled to appear and contest the determination.
- (c) Condition Precedent. Upon receipt of a notice of termination pursuant to Section 5(b) hereof, or for termination of this Agreement for any other reason, GRS shall return or destroy all Protected Health Information received from the Plan, or created or received by GRS on behalf of the Plan, that GRS still maintains in any form, and shall retain no copies of such information, except that if GRS determines that such return or destruction is not feasible, GRS shall extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible.

- (d) Report to Secretary of HHS. If, in the reasonable determination of the Plan Administrator, termination of the Agreement pursuant to Section 5(b) hereof is not feasible, the Plan Administrator shall report the Significant Breach to the Secretary.

6. Other Provisions

- (a) Separate from Service Agreement. Notwithstanding anything herein to the contrary, this Agreement shall not be construed, and is not intended, to be a part of any Service Agreement or to otherwise impose on GRS any duties, responsibilities, obligation whatsoever in respect of the administration of the Plan, including any duties, responsibilities or obligation of the Plan pursuant to HIPAA/HITECH.
- (b) No Liability. To the fullest extent permitted by law, GRS shall be under no liability for any use or disclosure made in accordance with the directions of the Plan Administrator or other Plan representatives.
- (c) No Duty to Question. Notwithstanding anything herein to the contrary, GRS shall not be under any duty to question any directions received from the Plan Administrator, nor to review in any respect the manner in which any fiduciary of the Plan exercises its authority and discharges its duties with respect to the Plan.
- (d) Amendment. The Parties agree to take such action to amend this Agreement from time to time as is necessary for the Plan to comply with the requirements of HIPAA/HITECH.
- (e) Ambiguities. Any ambiguity in this Agreement shall be resolved in a manner that is consistent with the applicable requirements under HIPAA/HITECH.
- (f) Notice. Any notice required to be given hereunder shall be in writing and delivered by hand or sent by facsimile, registered or certified mail, return receipt requested, or by air courier, to the address (or fax number) cited in the signature block of this Agreement or to such other address (or fax number) as shall be specified by like notice by either Party, and shall be deemed given only when received.
- (g) Headings. The title, headings, and subheadings of this Agreement are solely for the convenience of the Parties and do not affect the meaning or interpretation of any provision of this Agreement.
- (h) Governing Law. Except to the extent preempted by Federal law, this Agreement shall be governed by and enforceable in accordance with the laws of the State of Michigan without giving effect to the principles of conflict of laws thereof.
- (i) Arbitration. Any controversy or claim arising out of this Agreement, or the breach or violation thereof, shall be settled by binding arbitration in the City of Southfield, MI in accordance with the rules then obtaining of the American Arbitration Association, and the arbitrator's decision shall be binding and final, and judgment upon the award rendered may be entered in any court having jurisdiction thereof.
- (j) Entire Agreement. This Agreement contains the entire understanding between the Plan and GRS with respect to the subject matter hereof and, except as specifically provided herein, cancels and supersedes any and all other agreements between the Plan and GRS with respect to the subject matter hereof. Any amendment or modification of this Agreement shall not be binding unless in writing and signed by both the Plan and GRS.

- (k) Severability. In the event that any provision of this Agreement is determined to be invalid or unenforceable, the remaining terms and conditions of this Agreement shall be unaffected and shall remain in full force and effect, and any such determination of invalidity or unenforceability shall not affect the validity or enforceability of any other provision of this Agreement.
- (l) No Benefit to Others. The representations, covenants and agreements contained in this Agreement are for the sole benefit of the Parties, and they shall not be construed as conferring, and are not intended to confer, any rights on any other persons.
- (m) Counterparts. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the Parties have entered into this Business Associate Agreement, effective as of the Effective Date.

BARRY COUNTY RETIREE HEALTH CARE PLAN

Date: _____

By: _____

Name: _____

Title: _____

Address: _____

GABRIEL, ROEDER, SMITH & COMPANY



Date: _____

By: _____

Name: Christine Scheer

Title: Corporate Secretary

Address: One Towne Square, Suite 800

Southfield, Michigan 48076