Regular City Council Meeting
Agenda
November 22, 2021

7:30 p.m.

Call to Order
Pledge of Allegiance
Roll Call
Approval of City Council Minutes: November 8, 2021
Approval of Bills: None
Approval of Agenda
Consent Agenda
1. **Holiday Spectacular (formerly Cool Yule) Parade Application**

Public Comment

Discussion - Downtown

Fire Chief Report
Police Chief Report

Public Hearing – 2022 CDBG Allocation

MERS Presentation

I. **Unfinished Business**
   1. 2022 CDBG Allocation
   2. Waste Hauling Extension Contract

II. **New Business**
   1. HRC Proposal for Engineering Services
   2. Purchase of New Trimble Yuma 7 Tablet with modules to read meters for Water Department
   3. Resolution Approving Location for Precinct #5
   4. Adoption of FSA Service Agreement
   5. Recommendation to Retain Labor/Union Counsel in Accordance with City Charter Section 6.6(c).

III. **Budget**
IV. **Public Comment**
V. **Manager's Report**
VI. **Council Comments**
VII. **Closed Session: "Closed session pursuant to the Open Meetings Act, MCL 15.268(h), to consider attorney/client privileged communication."**
VIII. **Adjournment**

Please see reverse side for rules of conduct for public comment at City Council meetings

Rules of Conduct for Public Comment at Council Meetings*

Members of the public may speak at a Council meeting upon recognition by the Mayor. Public comment may only occur during periods designated on the agenda for public comment or a public hearing. A person may speak for up to two (2) minutes during each of the two public comment periods on agenda items or non-agenda items. Waivers of the time requirement may only be granted in the discretion of the Mayor, and waivers to speak at a time other than a designated comment period may only be granted by the Council. Any person wishing to make a presentation longer than two minutes or requiring audio-visual equipment is asked to contact the City Clerk requesting to appear on a future agenda.

A person may only address Council from the podium. Only one person may occupy the podium at a time. All remarks are to be directed to the Mayor and Council. Speakers are not to engage in direct dialog with other meeting attendees.

Any person who violates the Rules of Conduct, disturbs the peace at the meeting, and/or interferes with the meeting may be warned, ordered to be seated, removed, and/or ticketed.

*This summarizes Council Resolution 04-18. Complete Rules, including guidelines for considering waivers, are available in the Council Chambers and from the City Clerk.

City of South Lyon
Regular City Council Meeting
November 8, 2021

Mayor Pelchat called the meeting to order at 7:30 p.m.
Mayor Pelchat led those present in the Pledge of Allegiance
Roll Call: Councilmembers: Dilg joined the meeting from South Lyon MI, Kurtzweil joined the meeting from South Lyon MI, and Kennedy joined the meeting from South Lyon MI, Richards joined the meeting from South Lyon MI, Walton joined the meeting from South Lyon MI, and Kivell joined the meeting from South Lyon MI
Also present: City Manager Zelenak, Attorney Hamameh, Chief Sovik, Deputy Chief Weir, DDA Director Mack, Finance and Benefit Administrator Tiernan, and Clerk/Treasurer Deaton
New Councilmembers: Mosier and Hansen

MINUTES
Councilmember Richards stated he wanted to correct information he said at the last meeting. A point of order was called by Councilmember Kivell and Kurtzweil, that adding language that wasn't said is not appropriate for amending minutes.
CM 11-1-21 MOTION TO APPROVE MINUTES
Motion by Kennedy, supported by Kurtzweil
Motion to approve the minutes of October 25, 2021 as presented
VOTE: MOTION CARRIED UNANIMOUSLY

BILLS
CM 11-2-21 MOTION TO APPROVE THE BILLS
Motion by Kivell, supported by Kennedy
Motion to approve the bills as presented
VOTE: MOTION CARRIED UNANIMOUSLY

AGENDA
Mayor Pelchat stated we need to add under new business the nomination of our SEMCOG representative and Mayor Pro Tem.
CM 11-3-21 MOTION TO APPROVE THE AGENDA AS AMENDED
Motion by Kurtzweil, supported by Walton
Motion to approve the agenda as amended
VOTE: MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA
1. Kiwanis Christmas Tree Sale

CM 11-4-21 MOTION TO APPROVE THE CONSENT AGENDA
Motion by Kurtzweil, supported by Walton
Motion to approve the Kiwanis Christmas Tree Sale
VOTE: MOTION CARRIED UNANIMOUSLY

CERTIFICATION OF ELECTION
Clerk/Treasurer Deaton congratulated Mayor Pelchat and Councilmember Kivell on being re-elected and welcomed and congratulated our new Councilmembers Mosier and Hansen. She then stated the Election

went well, it was local so the turnout was only about 18%, but everything went well. She then thanked Deputy Judy Pieper, Carol Brandon the DPW crew as well as the South Lyon Police Department who are always a lot of help. She then swore in Mayor Pelchat on his upcoming 2-year term. Then swore in Councilmembers Kivell, Mosier and Hansen for their upcoming 4-year terms.

PUBLIC COMMENT

Councilmember Richards spoke during public comment before stepping down. He stated it has been an honor to serve the city for the past 4 years. He believes in democracy at work and the voice of the people. He thanked his colleagues for their support and fairness of this stage in his journey. He then stated Dan and Paul have shown great leadership from the unfortunate abyss we came into on the council and we have been better for it. He then stated he stands by his 4 years of voting and decisions that he made and with a humbled heart, he always tried to correct any misinformation that he gave to the best of his ability. In his candidate interview and he was asked by the reporter to give an honest response to the 3.2 mills and he answered truthfully. And although it was painful to do the facts are overwhelming and he wishes the new electors the best on their 4-year journey and he will return to being an activist and he may give facts in the future public comments. He also hopes to be part of the committee for the sesquicentennial that is coming up in a year and a half. He said this is still his home and he will be around.

Councilmember Walton stated it has been an honor and a privilege to work with this Council and we came into this in some very trying times and with an interim city manager and we came then met Paul and he has done a fabulous job for our city and he will continue to do great things and she is happy to see the council we currently have and we have been very successful. We have had interesting times and unprecedented times with the Coronavirus and trying to hold meetings and understand what is happening and not being able to go into city hall for discussions, and we have had to make some different efforts to get things done and this Council has done that. She thanked everyone for the previous 4-years and she is glad to see the city moving forward and she is looking forward to see what the city will do. This is her home and always will be and she is looking forward to being on the First Responders Bell Committee along with other committees.

There were no other public comments made

DISCUSSION- Downtown

Nate Mack, the Downtown Development Director congratulated the new councilmembers and Mayor Pelchat and Councilmember Kivell on their re-election. He then updated Council on numerous items, such as the Famers Market finishing up for the season and it went well, and our Cool Yule event is now being called Holiday Spectacular. The event will still take place the first Saturday in December. We are planning on having a parade and he will share the other events as we get closer. He then stated he attended the Downtown Michigan Association Conference and he is now on the board and he is happy about that. He then reminded Council the DDA meets this week to discuss the new Farmers Market Manager contract with SLARA. He then reminded everyone of Ladies Night this Friday the 12th.

FIRE CHIEF REPORT

Cory Armstrong of the SLFD congratulated the Mayor and Councilmembers. He then stated they will be getting the new gear from the Firehouse Subs grant soon and 8 people will be getting measured on the 23rd. He then stated the challenge coins were delivered today and they can be purchased at the same rate as the PD coins.

POLICE CHIEF REPORT

Chief Sovik congratulated the new members and Council and the members that were re-elected as well as the outgoing members. He is looking forward to working with everyone. He then stated there were no issues with the downtown trick or treating event or the regular trick or treat. He stated they gave out candy in the different subdivisions and took some pictures of costumes and it will be in the yearly report. He then congratulated the Girls South Lyon East Cross-Country Team, they escorted them through the downtown area before they went to their meet and they came in 13th and it was a good meet. He then mentioned that the South Lyon High School Football team remains undefeated. Chief Sovik stated the No Shave November is still happening, for charity and they have received a donation from a councilmember and we will continue our charity fundraising. He then stated the Police Officers that are participating donated at least $50.00 to participate and it is for a good cause. We also sent a few officers to Colonial Acres club house for the live auction event they had on Saturday. They had a good time. Councilmember Kivell stated there were a lot of happy people when the Officers were going through the subs and giving out candy. Chief Sovik stated they gave out about 1,800 pieces of candy. Councilmember Kurtzweil stated she is impressed with the community contacts the Police Departments make, not many other departments follow through with that. Chief Sovik stated he started the community contact program when he became Police Chief. He stated we wanted to be more involved with the community, even when we just go into businesses and introduce ourselves and tell them to contact the PD if they have any issues with anyone or anything. He stated it is a quick couple minute thing that means a lot. He then stated they also go into subdivisions and check in with people, it is intentional contacts, we help people change tires, and if they fall down, we assist picking them up. We want our community to know we are here and we do care about our citizens and having a partnership, which is very important. Councilmember Hansen stated he wanted to thank him too because his daughters got a kick out of being lifted up to get the candy from the officer in the patrol car and he thanks him again for doing that and allowing his officers to do that. Councilmember Kivell stated just those little things make people feel a little better about interactions with officers. Chief Sovik said we only have one chance to make a first impression.

UNFINISHED BUSINESS- None

NEW BUSINESS

1. Waste Hauling Contract Extension

City Manager Zelenak stated the city is planning to move forward with an RFP for waste hauling beginning January 3rd with selections no later than March 28, 2022. He then stated we recently received a letter from GFL requesting to extend the current contract, which would raise the rates by 4.5% beginning July 2022. He further stated he has supplied Council with the letter from GFL along with the copy of the draft RFP. He then stated Mike Csapo from RRRASOC and Sam Caramagno from GFL are here for any questions. Mr. Caramagno stated our contract is due in June and he is asking for an opportunity to extend the contract. He realizes we had some service issues earlier in the year that had to do with staffing issues, but he believes that has been corrected. This year was a trying time as for most people in the service industry. Councilmember Kurtzweil stated she wants to clarify that this contract is asking for a 4.5% increase as of July. She then asked what was the issue with providing the timely issue this past spring. Mr. Caramagno stated it was hard to hire enough employees when the government subsidies were being given out, it was hard to get workers and to get them to come to work. He stated the employees were making between $17-$21 an hour and they are now at $23-$24 and it was a challenge. He thinks they can now stabilize their workforce. Councilmember Kurtzweil stated if they had a union, they could lock in their labor costs, but without a union you cannot. She then stated some employers will be seeing more employee shortages if the vaccine mandate goes through. The increases may need to happen again, if you don't have a fixed labor cost. Mr. Caramagno stated everyone has had to increase wages and they are competitive. Some employees have been bouncing from one company to the next, but he believes their issues have been stabilized. Mr. Csapo of RRRASOC stated there is a third way of looking at this. The context of this should be does the waste hauler provide adequate service that is adequate to the residents. There were some issues over the summer, but he considers that an anomaly in terms of their overall service reputation it is as good as it gets. The service challenges felt by GFL over the summer was not unique to GFL nor, to South Lyon. If you spoke with anyone across the state, there were issues all over, not just with labor shortage, but with mechanics, and truck parts. Also, the demand for service has increased as well. With more people staying home, working from home and doing more projects all makes a difference. Mr. Csapo stated you have to look at if GFL has the staffing and service issues in order and if so, this is a good contract. You can always go out for bid, but there probably wouldn't be a significant decrease in cost. He stated you could negotiate the current proposal. He stated there is another alternative, the city can notify GFL no earlier than 90 days, that the city intends to extend the contract with the current terms. The problem is instead of seeing a 4.5% increase you would see the 2% increase, but costs are going up in this and many under industries. There is a possibility that GFL could walk away because it wouldn't pay for them to sign at 2%. He then stated there are other issues that can be discussed, such as keeping yard waste later into the year as some other communities do. Alternatively, the city could offer adding 2 more weeks of yard waste, and a 3% increase, or changing the term between 3-7 years. If you look at other communities with ranges, the city's contract is comparable. Councilmember Kennedy stated it has been a challenging time and he would hate to think that we gave up on a good company of multiple years due to a short time of issues. He further stated he is interested in extending the yard waste into December as well as consider extending the offer for the 2,000 recycling carts that was made 4 years ago. We have about 700 recycling carts to go. The RFP is thorough but he didn't see the original contract. He then clarified under the current contract, GFL will pick up appliances and the removing of the freon is handled by GFL, he also confirmed there are penalty clauses in case there are service issues once again. He further stated for the most part, he sees the GFL employees ensure are making the trash receptacle is always put back on the driveway and they don't leave it in the street or in front of mail boxes. He thinks that should be standard operating procedure. He also clarified we have a supervisor in our area that is responsive to getting back with the city right away if there are any issues with garbage pick up. He then clarified that the current contract has provisions for leaking hydraulic liquid or other leaks that they will be cleaned up. He stated the feedback he has gotten is most people are happy with the current service. Councilmember Dilg stated she has spoken with a lot of people and they are happy with the current service but she would like to see the extra weeks for the yard waste. Councilmember Kivell stated he would also like to maybe see a smaller percentage in increase along with keeping the option for the rolling bins is a good idea. He further stated we didn't have any issues before the staffing issue came up. Councilmember Kurtzweil stated she hasn't spoken with many people with issues with service, but she is trying to find a medium on the increase. The city is going to be proposing a bond for roads and they are already paying more for everything. She looks at all the increases our residents will pay with this new economy. She would feel better is we can lower the 4.5%. She further stated she isn't that interested in lengthening the time for yard waste pick up. Councilmember Kivell stated the difference between 4.5% and 4% is approximately $8.00 per homeowner. Discussion was held regarding where yard waste is dumped in the winter. Mr. Caramagno stated yard waste companies have extending their time on how late in the year they accept yard waste and now it is to the middle of December. It was a consensus of Council that City Manager Zelenak meet with Mr. Caramagno to discuss moving forward with the contract with a lower percentage increase, along with the increase in yard waste pick up and bring an agreement back to Council.

2. SEMCOG representative and alternate

CM 11-5-21 MOTION TO NOMINATE COUNCILMEMBER KENNEDY AS REPRESENTATIVE

Motion by Kurtzweil, supported by Kivell

Motion to reappoint Councilmember Kennedy as SEMCOG representative

ROLL CALL VOTE:
Kurtzweil- Yes
Mosier- Yes
Hansen- Yes
Kivell- Yes
Kennedy- Yes
Dilg- Yes
Pelchat- Yes
MOTION CARRIED UNANIMOUSLY

CM 11-6-21 MOTION TO APPROVE COUNCILMEMBER DILG AS ALTERNATE

Motion by Kennedy, supported by Kurtzweil

Motion to approve Councilmember Dilg as SEMCOC alternate

ROLL CALL VOTE:
Dilg- Yes
Kivell- Yes
Mosier- Yes
Kurtzweil- Yes
Hansen- Yes
Kennedy- Yes
Pelchat- Yes
MOTION CARRIED UNANIMOUSLY

3. Mayor Pro Tem

CM 11-7-21 MOTION TO NOMINATE COUNCILMEMBER KENNEDY AS MAYOR PRO TEM

Motion by Kennedy, supported by Dilg

Motion to nominate Councilmember Kennedy as Mayor Pro Tem

ROLL CALL VOTE:
Hansen- Yes
Kivell- Yes
Dilg- Yes
Kennedy- Yes
Mosier- Yes
Kurtzweil- Yes
Pelchat- Yes
MOTION CARRIED UNANIMOUSLY

BUDGET- No discussion was held

PUBLIC COMMENT- No public comment

MANAGER'S REPORT

City Manager Zelenak stated at the next Council meeting we will be having our yearly MERS presentation and at a future meeting the Historical Society will be coming to Council to discuss their future plans for placing a barn in the Historical Village. City Manager Zelenak stated we are moving forward with 501 McMunn and the contractor has begun work on identifying the asbestos and other hazardous material and will be followed by the removal of the material and then demolition. City Manager Zelenak stated the Pontiac Trail Drainage Study has begun with the inventory of the public utilities associated with the study. The kick-off meeting was held last week and he will keep Council posted and we hope the report is completed in February 2022. He then stated the grading on Section 11 in the Cemetery has begun and should be done in the next few weeks. He also stated the We Go Swing installation has begun at McHattie Park and they will be finishing in the next couple of weeks. He then updated Council on the DPW Operations and Maintenance Manager position. He stated they have promoted an internal candidate, Jeff Archey in the new budgeted position and we will be advertising for the new vacant laborer position immediately. He then stated the Michigan Downtown Association Conference was last week and he was a speaker, discussing assessing and municipal finance.

COUNCIL COMMENTS

Councilmember Mosier thanked Clerk Deaton and all the staff at City Hall for getting the Election done and it was a long day for everyone and she appreciates all their efforts.

Councilmember Hansen thanked everyone for welcoming him to Council and all the volunteers and folks that helped get all the votes counted and handled the Election seamlessly and he would have liked to see a bigger turnout, but it is an off-election year. He then thanked Chief Sovik for allowing his officers to pass out candy on Halloween and his children loved it. He is humbled to be in this position and looking forward to serving the residents of the city and looks forward to the year ahead.

Councilmember Dilg thanked the outgoing councilmembers and she congratulated Mayor Pelchat and Councilmember Kivell for their re-election, as well as newly elected Councilmembers Hansen and Mosier. She stated this will be a very productive group and she is looking forward to a positive force for our community. She then congratulated our new Mayor Pro Tem Steve Kennedy. She then thanked our Clerk and all the office staff for their work on the Election. She then stated she is excited about Ladies Night and if the downtown trick or treat is any indication, we should have a great turnout and a productive night for the businesses as well as a fun night for all the ladies. She then thanked the Ladies Night Committee, they do a lot of work and they don't get a lot of congratulations, but it is a lot of work.

Councilmember Kivell thanked the electorate for re electing him, it has been 24 years and he is delighted people still believe he has things to offer our community and he hopes to make that evident. He then thanked everyone that runs the elections. He further stated it is great that when you are speaking with someone and they mention when people complain about the security of our elections. He further stated it was wonderful in talking with the Clerk, when she gave him an example of what the process is when someone wants to spoil an absentee ballot and to vote in person, the levels they go through to ensure that is their signature and all the information is proper, it isn't just a simple matter of someone handing in a ballot and you just give them one without proper checking, and he was happy he was able to explain that to people. We have a very secure election system, Michigan in particular and South Lyon especially. They are good at what they do and they take it seriously. He then stated his father-in-law had been the DPW Director in Northville for 25 years, and he also was the assistant fire chief there and unfortunately, we lost him last Friday and it has been difficult for the family and he was a stand-up guy and an example of anything you would want to be working in a municipal environment. He cared for the City of Northville as he cared for his own yard. He was a lovely caring man and he will be missed.

Councilmember Kurtzweil thanked Rose Walton for her time on City Council and now as she moves on to a new career challenge, she will no doubt show the same commitment and dedication to frontliners and first responders. She then wished luck to Rose on her continued success, not only in life but for caring for those most in need and searching for hope and comfort. She then stated Rose left an important gift in the city which was her support and perseverance for the installation of the swing for disabled children in McHattie Park. She will be appreciated for her great commitment to those less fortunate. Councilmember Kurtzweil stated we will see Carl around town collecting data for your projects and reporting back to Council his thoughts and impressions which is always interesting and best wishes to him. She then welcomed our two new Councilmembers and she looks forward to their input and participation in the deliberative process and collectively solving issues in governance that improves the community and enhances the lives of our residents. She then stated she would like to have coffee or lunch with them so she can personally welcome them to city council. She then thanked all the Election workers and she went to each poll location and personally thanked all of them. She further stated she disagrees with Councilmember Kivell because Michigan does have safe and secure elections, except for Wayne County which has become a national disgrace. Thank goodness we aren't in that boat. She has worked very hard behind the scenes on the integrity of elections in Oakland County and have had communications with our City Clerk on various issues that came up last year, to ensure we weren't having any issues and she has confidence that we don't have those concerns here in the city. The city has the safest elections and they always have been which speaks volumes on the management team that has always been in place to ensure our elections are safe, honest and secure without voter fraud. She then thanked everyone that assisted and thank you to Alex and Lori for putting your name out there, it isn't easy and she welcomed them aboard.

Councilmember Kennedy congratulated Mayor Pelchat on his re-election and he stated he received more votes than any other Mayoral candidate in the last 7 years. He then congratulated Councilmember Kivell on his re-election and his 25 years on Council and he has a lot more to bring to the table. He then welcomed Lori Mosier and Alex Hansen to Council and he is looking forward to fresh ideas and fresh perspective and he wishes them well on their upcoming terms. He knows they will be there to help build on some successes Council has already realized and help create new ones going forward. He then thanked Councilmember Dilg for taking on the responsibility of becoming the SEMCOG alternate and he looks forward to working with her once again. He then thanked the mayor and fellow Councilmembers for having faith in him to become the next Mayor Pro Tem. He is honored and he will do his best to fulfil the obligation for the city during the next term. He then reminded everyone of the Ladies Night event on Friday of this week. He then reminded everyone on Saturday November 13th South Lyon Nutrition will be having their grand opening at 9:00 and a ribbon opening at 11:00 and they are located in the King Plaza on Pontiac Trail. He then reminded everyone artists are still needed for the Wellhead Protection's 2021 South Lyon's Art contest, the drawings are due on November 22nd. There are cash prizes available and residency is not a requirement. They are looking forward to all the entries for the new logo.

Mayor Pelchat thanked Carl Richards and Rose Walton for their 4 years of service to our community and he enjoyed working with them and wished them the best. He then congratulated Councilmembers Kivell, Hansen and Mosier on their win of their elections and he is looking forward to working with them the next 2 years. He then thanked the voters of South Lyon for trusting him to lead for another term and he looks forward to working toward the solutions for the city for the next 2 years. He then thanked Bob

Martin for his tireless efforts with the concerts in the park, he will be leaving that position before the start of the next year and we appreciate all of his efforts. Mayor Pelchat reminded everyone that this Friday is going to be a great night for our community. The Ladies Night Out will be a great event as well as a regional high school playoff at the South Lyon High School, the 11-0 Lions will be playing Portage Central at 7:00 pm and he suggests you get there early, and ticket sales online only on the school district website. He then stated if you can't make it to the game, WHMI will be broadcasting live from the game. He encourages everyone to check it out.

ADJOURNMENT
CM 11-8-21 MOTION TO ADJOURN

Motion by Kurtzweil
Motion to adjourn meeting at 9:00 p.m.

VOTE: MOTION CARRIED

Respectfully submitted,

Mayor Dan Pelchat

City Clerk Lisa Deaton

AGENDA NOTE

Consent Agenda Item # 1

MEETING DATE: November 22, 2021

PERSON PLACING ITEM ON AGENDA: Police Chief / **DDA Director**

AGENDA TOPIC: Holiday Spectacular Parade (Formerly Cool Yule)

EXPLANATION OF TOPIC: A request was received, on behalf of the South Lyon DDA, for a permit for the Holiday Spectacular Parade on December 4, 2021. The requested permit necessitates closures of affected portions of Warren St., Whipple St, Lafayette, McHattie St, McMunn St, and Dorothy St between 5:00 p.m. and 8:00 p.m.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:
Parade/Demonstration Application, Approval of Road Closure form, Hold Harmless agreement, Parade Route, Rules & Regulations and Safety Requirements Sheet

POSSIBLE COURSES OF ACTION: Approve/Do Not Approve the requested road closures for the event

SUGGESTED MOTION: Motion by ______________________, supported by ______________________ to approve the closure of Warren St., Whipple St, Lafayette, McHattie St, McMunn St, and Dorothy Street between 5:00 p.m. and 8:00 p.m. on December 4, 2021; and to approve the resolution authorizing the City Clerk to make application to the Road Commission for Oakland County on behalf of the City of South Lyon for the necessary permits related to the closure of Lafayette Street between Whipple St. and McHattie St on December 4, 2021 at 5:00 p.m.

Motion by ___________________, supported by___________________________

Resolved That Lisa Deaton, City Clerk/Treasurer is hereby authorized make application to the Road Commission for Oakland County on behalf of the City of South Lyon in the County of Oakland, Michigan for the necessary permits to conduct the 2021 Holiday Spectacular Parade on December 4, 2021 at 5:00 p.m. and the related road closures:

Lafayette Street between Whipple Street and McHattie Street

and that the City of South Lyon in the County of Oakland, Michigan will faithfully fulfill all permit requirements, and shall save harmless, indemnify, defend and represent the Board against any and all claims for bodily injury or property damage, or any other claim arising out of or related to operations authorized by such permits as issued.

I hereby certify that the foregoing is a true and complete copy of a resolutions adopted by the City Council of the City of South Lyon, County of Oakland, State of Michigan, at a regularly scheduled meeting of November 22, 2021, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said act.

Lisa Deaton
City Clerk/Treasurer

South Lyon Police Department
219 Whipple St.
South Lyon, MI 48178
Ph: (248) 437-1773
Fx: (248) 437-0459

Parade/Event Application

Date(s) of Event: 12/4/21

Applicant's Name: Nathan Mack Ph#: 248-437-1735

Applicant's Address: 335 S. Warren St., South Lyon, MI

Name of Event: Holiday Spectacular (Formerly Cool Yule)

Business/Organization Name: South Lyon DDA

Business Address: 335 S. Warren St., South Lyon, MI

Business Phone Number: 248-437-1735

President/CEO Responsible for Event: Nathan Mack Ph#: 947-777-9355

Event Start Date and Time: 10am (road close @ 5PM) AM / PM

Event End Date and Time: 8PM AM / PM

Approximate number of persons attending: 1500

Approximate number and types of vehicles: 25-30

Approximate number and types of animals: 10

Amount of space maintained between all units in parade: 25

Route to be traveled (Include Street Names and turning directions) or area to be utilized:

Please attach a map of the area and/or route that will be utilized during the event

A map is attached. Parade will start at N. Warren St. (Bartlett Elementary), to Whipple St. (east), to Lafayette St. (south) to McHattie St. (west), to McMunn St. (south), to Dorothy St. (east). Fire lane to be maintained at all times during the event

Nathan Mack 11/16/21
Applicants Signature and Date
SL DDA Director

Nathan Mack
Responsible Party's Signature and Date

☑ PD ☑ FD ☑ DPW ☑ City Hall

Chief Christopher J. Sovik 11/16/21
Chief Christopher Sovik
Date

South Lyon Police Department
219 Whipple St.
South Lyon, MI 48178
Ph: (248) 437-1773
Fx: (248) 437-0459

Parade/Event Insurance Requirements

The applicant/organization must provide a separate hold harmless agreement and certificate of insurance and documentation of the following at the time of application.

1.) **Commercial General Liability Insurance**: The applicant shall procure and maintain during the life of this permit, commercial general liability insurance on an occurrence basis with limits of liability not less than $1,000,000 per occurrence and aggregate.

2.) **Motor Vehicle Liability**: The applicant shall procure and maintain during the life of this permit, Motor Vehicle Liability Insurance including Michigan no-no fault coverages, with limits of liability not than $1,000,000 per occurrence combined single limit for bodily injury and property damage. Coverage shall include all owner vehicles, all non-owned vehicles and all hired vehicles.

3.) **Liquor Liability**: If alcohol beverages will be served, the applicant shall provide proof of liquor Liability coverage with limit not less than $1,000,000 per occurrence and aggregate; name the City of South Lyon as additional insured.

4.) **Additional Insured**: Commercial General Liability, Motor Vehicle Liability and Liquor Liability as described above shall include an endorsement stating that the following shall be additional insured; The City of South Lyon, all elected and appointed officials, all employees, volunteers, all boards, commissions, authorities, and board members. It is understood and agreed by naming the City of South Lyon as additional insured, coverage afforded is considered to be primary and any other insurance the City of South Lyon may have in effect shall be considered secondary and/or excess.

5.) **Cancellation Notice**: All Liability Insurances as described above, shall include an endorsement stating, "It is understood and agreed that 30 days, 10 days for non-payment of premium, advance written notice of cancellation, non-renewal, reduction and/or material change shall be sent to City Manager, Paul Zelenak 335 S. Warren, South Lyon, MI 48178.

6.) **Proof of Insurance Coverage:** The contractor or its subcontractors shall provide the city of South Lyon at the time the contracts are returned for execution, the certificates and policies as listed. **1.)** One copy of Certificate of Insurance for Workers Compensation. **2.)** One copy of Certificate of Insurance for Commercial General Liability. **3.)** One copy of Certificate of Insurance for Vehicle Liability. **4.)** Original policy or original binder pending issuance of policy for Owners and Contractor Protective Liability Insurance. **5.)** Certified copies of all policies mentioned above will be furnished if requested.

7.) If any of the above coverages expire during the term of this contract, the contractor or its subcontractors shall deliver renewal certificates and/or policies to City of South Lyon at least 10 days prior to the expiration date.

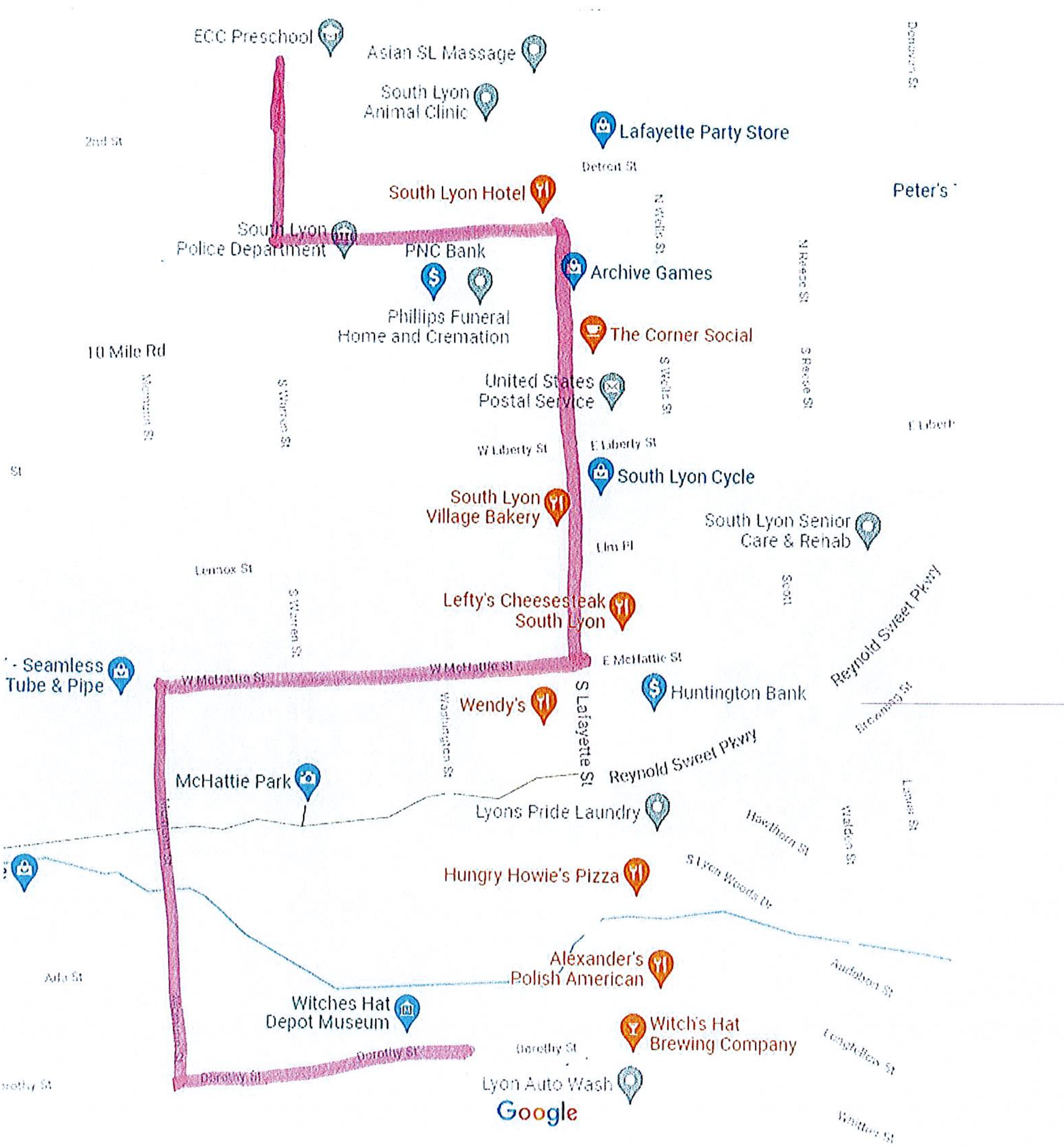
South Lyon Police Department
219 Whipple St.
South Lyon, MI 48178
Ph: (248) 437-1773
Fx: (248) 437-0459

Hold Harmless

To the fullest extent permitted by law the Nathan Mack/South Lyon DDA
(Name of applicant/organization)
agrees to defend, pay on behalf of, indemnify, and hold harmless the City of South Lyon, its elected and appointed officials, employees, volunteers, and other working on behalf of the City of South Lyon against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed, or recovered against or from the City of South Lyon by reason of personal injury, including bodily injury or death and/or property damage including loss of use thereof which arises out of, or is in any way connected or associated with this event. You and/or the organization that holds responsibility will be held liable for the conduct of the event and each of its participants.

Nathan Mack
Signature

11/16/21
Date


ECC Preschool
Asian SL Massage
South Lyon Animal Clinic
Lafayette Party Store
2nd St
Detroit St
South Lyon Hotel
Peter's
South Lyon Police Department
PNC Bank
Archive Games
Phillips Funeral Home and Cremation
The Corner Social
10 Mile Rd
United States Postal Service
W Liberty St
E Liberty St
South Lyon Cycle
South Lyon Village Bakery
South Lyon Senior Care & Rehab
Elm Pl
Lennox St
S Warren St
Lefty's Cheesesteak South Lyon
Reynold Sweet Pkwy
Seamless Tube & Pipe
W McHattie St
E McHattie St
Huntington Bank
Wendy's
Washington St
S Lafayette St
Reynold Sweet Pkwy
McHattie Park
Lyons Pride Laundry
Hawthorn St
Hungry Howie's Pizza
Ada St
Alexander's Polish American
Audubon St
Witches Hat Depot Museum
Witch's Hat Brewing Company
Dorothy St
Longfellow St
Lyon Auto Wash
Google
Whittier St

RULES AND REGULATIONS

1. **All** entries must have lights on them, including walkers, vehicles, animals, etc.
2. No entries will be accepted without committee approval. No applicants will be considered after November 25, 2021
3. The committee reserves the right to reject any entry that it considers inappropriate, not ingood taste, or not in the best interest of the parade.
4. Entries representing a political organization, candidate, or controversial issue will not beconsidered.
5. Maximum height for floats and vehicles is 13' and maximum width is 8' 6".
6. Maneuvers, drills, routines, etc. can slow down and interrupt the flow of the parade, so remember tocontinually move forward. We do not want to take away from your creativity. Just please be aware **the parade must always be moving forward.**
7. If participants are collecting donations along the parade route, please remember that peopleattending the parade must stay off the street. Participants must go to them for donations.
8. All entries must be properly identified, including banners, signs, etc.
9. All literature -- such as flyers, brochures, pamphlets, etc. -- must be approved by the committeebefore the event.
10. Drivers of motor vehicles must be at least 18 years old, with a valid driver's license and current pofinsurance.
11. Please limit use of sirens and horns, and respect other participants in regard to volume of music (ifapplicable).
12. Those in charge of animals are responsible for cleaning up after them (pooper-scoopers may havelights, as well).
13. All parade participants are required to conduct themselves in a manner that does not infringe on therights of those people who live in or along the parade route and staging area.
14. No solicitation of any kind is allowed during event.
15. No Santa's -- we have invited the real one and he will be attending!

SAFETY REQUIREMENTS

1. All parade units must maintain a distance of at least 25 feet between the units around them.
2. Throwing of candy along the parade route is prohibited. Candy can be dropped in front of thechildren or handed directly to them.
3. Open flame and live fire on any float is prohibited.
4. No straw or hay can be used on any float.
5. Fueling of generators during the parade is prohibited. Fuel cans are not allowed on the entry, butcan be stored in the pulling vehicle. (Fuel containers shall be "safety type cans" with self-closinglids).
6. All floats must carry an easily-accessible five pound (2A – 40BC rated) ABC Dry Chemicalextinguisher. Pull pin shall have a safety seal and the gauge must be in the "green" area.
7. Alcohol beverages are not allowed in the staging area, on the float or during the parade.
8. SMOKING IS PR0HIBITED on or near entries.
9. Please place generators in a well-ventilated area on your entry. Maintain a minimum of 18 inchesclearance between combustibles and generators.

Downtown South Lyon

Holiday Spectacular

Saturday, December 4
10am-9pm

10:00 Candy Cane Hunt - McHattie Park

10-3 Christmas in the Country Holiday Shop - South Lyon High School

10-9 Downtown shops open

10-2 Live Reindeer - Olmstead Place Courtyard (N. of Venue)

10:30-12:30 Lunch with Santa - Lake St. Tavern

11-1 Cookies & Milk with Santa - South Lyon Hotel

11:00 Holiday Family Fun - pick up your entries for the Santa Hat Hunt & Festival of Trees contest at the Information Booth

2-4 Visit with Santa - Venue parking lot

3-8 Chili and hot dogs - VFW Hall

4-8 Warming fires - Farmer's Market lot

4:30-7:30 Christmas House Tour - 216 E. Lake St.

5-6 Ice sculpture demonstration - Norm's Total Automotive

5-8 Christmas at the Village - Kiwanis tree sale, visit with Santa, bake sale - Historic Village

6:00 Holiday Spectacular Lighted Parade

6:30 Tree Lighting - Historic Village

7-7:45 Dance Spectacular - Corner of Lafayette St./Lake St.

Downtown South Lyon

Holiday Spectacular

Local Charitable Donations:

Active Faith is accepting new/unused personal hygiene items in the Farmer's Market lot

Sparrow Freedom Foundation is accepting new/unused winter gear (hats, gloves, blankets, scarves, socks, hoodies, etc) in the Venue parking lot

The Christmas House is accepting canned goods for tour entry

This event is brought to you
by the South Lyon DDA

South Lyon
DOWNTOWN DEVELOPMENT AUTHORITY
building a community with character

additional information can be found at
www.facebook.com/downtownsouthlyon

CDBG Public Hearing

MEETING DATE: November 22, 2021

PERSON PLACING ITEM ON AGENDA: City Manager

AGENDA TOPIC: Setting CDBG Public Hearing

EXPLANATION OF TOPIC: Each year the U S Department of Housing and Urban Development (HUD) provides funds to jurisdictions throughout the country for projects that meet their national objectives. Here in South Lyon we receive funds from HUD via Oakland County. This coming year our tentative allocation will be $30,225 Last year the City designated the funds to be used for the Senior Center and Haven. The 2022 CDBG application deadline for receiving CDBG Funds is Friday, December 17, 2021. On October 29, 2021 the City published notice of the CDBG Public Hearing, which tonight gives the opportunity for hearing public comments relating to allocating those funds in South Lyon.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: 2022 CDBG Public Hearing Notice, and tentative South Lyon allocation.

REQUIREMENTS OF TONIGHTS PUBLIC HEARING:

Open the Public Hearing
Hear any Public Comments
Close Public Hearing.

LATER ON TONIGHTS MEETING AGENDA: We will present and vote on the 2022 CDBG Allocation.

MERS

Municipal Employees' Retirement System

Municipal Employees' Retirement System of Michigan

Annual Actuarial Valuation Report December 31, 2020 - South Lyon, City of (6315)

GRS

800.521.0498 | P: 248.799.9000 | www.grsconsulting.com

Spring, 2021

South Lyon, City of

In care of:
Municipal Employees' Retirement System of Michigan
1134 Municipal Way
Lansing, Michigan 48917

This report presents the results of the Annual Actuarial Valuation, prepared for South Lyon, City of (6315) as of December 31, 2020. The report includes the determination of liabilities and contribution rates resulting from the participation in the Municipal Employees' Retirement System of Michigan ("MERS"). This report contains the minimum actuarially determined contribution requirement, in alignment with the MERS Plan Document, Actuarial Policy, the Michigan Constitution, and governing statutes. South Lyon, City of is responsible for the employer contributions needed to provide MERS benefits for its employees and former employees.

The purposes of this valuation are to:

- Measure funding progress as of December 31, 2020,
- Establish contribution requirements for the fiscal year beginning July 1, 2022,
- Provide information regarding the identification and assessment of risk,
- Provide actuarial information in connection with applicable Governmental Accounting Standards Board (GASB) statements, and
- Provide information to assist the local unit of government with state reporting requirements.

This valuation assumed the continuing ability of the plan sponsor to make the contributions necessary to fund this plan. A determination regarding whether or not the plan sponsor is actually able to do so is outside our scope of expertise and was not performed.

The findings in this report are based on data and other information through December 31, 2020. The valuation was based upon information furnished by MERS concerning Retirement System benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal reasonability and year-to-year consistency, but did not audit the data. We are not responsible for the accuracy or completeness of the information provided by MERS.

The Municipal Employees' Retirement Act, PA 427 of 1984 and the MERS' Plan Document Article VI sec. 71 (1)(d), provides the MERS Board with the authority to set actuarial assumptions and methods after consultation with the actuary. As the fiduciary of the plan, MERS Retirement Board sets certain assumptions for funding and GASB purposes. These assumptions are checked regularly through a comprehensive study, called an Experience Study. Studies were completed in 2018 and 2020, and are the basis of the economic and demographic assumptions and methods currently in place. Updated economic assumptions were adopted by the MERS Retirement Board at the February 28, 2019 board meeting and were effective with the December 31, 2019 annual actuarial valuation. **At the February 27, 2020 board meeting, the MERS Retirement Board adopted demographic assumptions effective with the December 31, 2020 annual actuarial valuation, which will impact contributions beginning in 2022.**

The Michigan Department of Treasury provides required assumptions to be used for purposes of Public Act 202 reporting. These assumptions are for reporting purposes only and do not impact required contributions. Please refer to the State Reporting page found at the end of this report for information for this filing.

For a full list of all the assumptions used, please refer to the division-specific assumptions described in table(s) in this report, and to the Appendix on the MERS website at:
http://www.mersofmich.com/Portals/0/Assets/Resources/AAV-Appendix/MERS-2020AnnualActuarialValuation-Appendix.pdf

The actuarial assumptions used for this valuation, including the assumed rate of investment return, are reasonable for purposes of the measurement.

This report reflects the impact of COVID-19 experience through December 31, 2020. It does not reflect the ongoing impact of COVID-19, which is likely to influence demographic and economic experience, at least in the short-term. We will continue to monitor these developments and their impact on the MERS Defined Benefit and Hybrid plans. Actual future experience will be reflected in each subsequent annual valuation, as experience emerges.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of South Lyon, City of as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board, and with applicable statutes.

David T. Kausch, Rebecca L. Stouffer, and Mark Buis are members of the American Academy of Actuaries. These actuaries meet the Academy's Qualification Standards to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor. GRS maintains independent consulting agreements with certain local units of government for services unrelated to the actuarial consulting services provided in this report.

The Retirement Board of the Municipal Employees' Retirement System of Michigan confirms that the System provides for payment of the required employer contribution as described in Section 20m of Act No. 314 of 1965 (MCL 38.1140m).

This information is purely actuarial in nature. It is not intended to serve as a substitute for legal, accounting or investment advice.

This report was prepared at the request of the MERS Retirement Board and may be provided only in its entirety by the municipality to other interested parties (MERS customarily provides the full report on request to associated third parties such as the auditor for the municipality). GRS is not responsible for the consequences of any unauthorized use. This report should not be relied on for any purpose other than the purposes described herein. Determinations of financial results, associated with the benefits described in this report, for purposes other than those identified above may be significantly different.

If you have reason to believe that the plan provisions are incorrectly described, that important plan provisions relevant to this valuation are not described, that conditions have changed since the calculations were made, that the information provided in this report is inaccurate or is in anyway incomplete, or if you need further information in order to make an informed decision on the subject matter in this report, please contact your Regional Manager at 1.800.767.MERS (6377).

Sincerely,

David T Kausch

David T. Kausch, FSA, FCA, EA, MAAA

Rebecca L. Stouffer

Rebecca L. Stouffer, ASA, FCA, MAAA

Mark Buis

Mark Buis, FSA, FCA, EA, MAAA

GRS

Table of Contents

Executive Summary

Funded Ratio

The funded ratio of a plan is the percentage of the dollar value of the actuarial accrued liability that is covered by the actuarial value of assets. While funding ratio may be a useful plan measurement, understanding a plan's funding trend may be more important than a particular point in time. Refer to Table 7 to find a history of this information.

	12/31/2020	12/31/2019
Funded Ratio*	65%	66%

* Reflects assets from Surplus divisions, if any.

Throughout this report are references to valuation results generated prior to the 2018 valuation date. Results prior to 2018 were received directly from the prior actuary or extracted from the previous valuation system by MERS's technology service provider.

Required Employer Contributions

Your required employer contributions are shown in the following table. Employee contributions, if any, are in addition to the employer contributions.

Effective for the December 31, 2020 valuation, the MERS Retirement Board has adopted updated demographic assumptions. Changes to these assumptions are effective for contributions beginning in 2022. Effective with the 2019 valuation, the MERS Retirement Board adopted updated economic assumptions. The combined impact of these assumption changes may be phased in. This valuation reflects the second year of phase-in for the economic assumption update and the first year of phase-in for the demographic assumption update. The remaining combined phase-in period is four years for all assumption changes.

By default, MERS will invoice you based on the amount in the "No Phase-in" columns. This amount will be considered the minimum required contribution unless you request to be billed the "Phase-in" rates. If you wish to be billed using the phased-in rates, please contact MERS, at which point the alternate minimum required contribution will be the amount in the "Phase-in" columns.

	Percentage of Payroll				Monthly $ Based on Projected Payroll			
	Phase-in	No Phase-in	Phase-in	No Phase-in	Phase-in	No Phase-in	Phase-in	No Phase-in
Valuation Date:	12/31/2020	12/31/2020	12/31/2019	12/31/2019	12/31/2020	12/31/2020	12/31/2019	12/31/2019
Fiscal Year Beginning:	July 1, 2022	July 1, 2022	July 1, 2021	July 1, 2021	July 1, 2022	July 1, 2022	July 1, 2021	July 1, 2021
Division								
01 - AFSME	-	-	-	-	$ 19,311	$ 20,397	$ 18,574	$ 19,597
02 - Pol/Fire	-	-	-	-	13,512	15,447	14,776	15,574
10 - Non Union	-	-	-	-	11,630	12,950	11,641	12,556
11 - Clerical	-	-	-	-	2,677	3,346	2,175	2,397
20 - Command	26.52%	28.88%	23.21%	24.52%	12,314	13,409	8,285	8,753
Total Municipality - Estimated Monthly Contribution					$ 59,444	$ 65,549	$ 55,451	$ 58,877
Total Municipality - Estimated Annual Contribution					$ 713,328	$ 786,588	$ 665,412	$ 706,524

Employee contribution rates:

	Employee Contribution Rate	
Valuation Date:	12/31/2020	12/31/2019
Division		
01 - AFSME	2.50%	2.50%
02 - Pol/Fire	1.50%	1.00%
10 - Non Union	1.27%	1.27%
11 - Clerical	2.50%	2.09%
20 - Command	2.00%	2.00%

The employer may contribute more than the minimum required contributions, as these additional contributions will earn investment income and may result in lower future contribution requirements. Employers making contributions in excess of the minimum requirements may elect to apply the excess contribution immediately to a particular division, or segregate the excess into one or more of what MERS calls "Surplus" divisions. An election in the first case would immediately reduce any unfunded accrued liability and lower the amortization payments throughout the remaining amortization period. An election to set up Surplus divisions would not immediately lower future contributions, however the assets from the Surplus division could be transferred to an unfunded division in the future to reduce the unfunded liability in future years, or to be used to pay all or a portion of the minimum required contribution in a future year. For purposes of this report, the assets in any Surplus division have been included in the municipality's total assets, unfunded accrued liability and funded status, however, these assets are not used in calculating the minimum required contribution.

MERS strongly encourages employers to contribute more than the minimum contribution shown above.

Assuming that experience of the plan meets actuarial assumptions:

- To accelerate to a 100% funding ratio in 10 years, estimated monthly employer contributions for the fiscal year beginning in 2022 for the entire employer would be $91,901, instead of $65,549.

How and Why Do These Numbers Change?

In a defined benefit plan, contributions vary from one annual actuarial valuation to the next as a result of the following:

- Changes in benefit provisions (see Table 2),
- Changes in actuarial assumptions and methods (see the Appendix), and
- Experience of the plan (investment experience and demographic experience); this is the difference between actual experience of the plan and the actuarial assumptions.

These impacts are reflected in various tables in the report. For more information, please contact your Regional Manager.

Comments on Investment Rate of Return Assumption

A defined benefit plan is funded by employer contributions, participant contributions, and investment earnings. Investment earnings have historically provided a significant portion of the funding. The larger the share of benefits being provided from investment returns, the smaller the required contributions, and vice versa. Determining the contributions required to prefund the promised retirement benefits requires an assumption of what investment earnings are expected to add to the fund over a long period of time. This is called the **Investment Return Assumption**.

The MERS Investment Return Assumption is **7.35%** per year. This, along with all of our other actuarial assumptions, is reviewed at least every five years in an Experience Study that compares the assumptions used against actual experience and recommends adjustments if necessary. If your municipality would like to explore contributions at lower assumed investment return assumptions, please review the "what if" projection scenarios later in this report.

Assumption Change in 2020

A 5-year experience study analyzing historical experience from 2013 through 2018 was completed in February 2020. In addition to changes to the economic assumptions which took effect with the fiscal year 2021 contribution rates, the experience study recommended updated demographic assumptions, including adjustments to the following actuarial assumptions: mortality, retirement, disability, and termination rates. Changes to the demographic assumptions resulting from the experience study have been approved by the MERS Retirement Board and are effective beginning with the December 31, 2020 actuarial valuation, first impacting 2022 contributions. A complete description of the assumptions may be found in the Appendix to the valuation.

Comments on Asset Smoothing

To avoid dramatic spikes and dips in annual contribution requirements due to short term fluctuations in asset markets, MERS applies a technique called **asset smoothing**. This spreads out each year's investment gains or losses over the prior year and the following four years. This smoothing method is used to determine your actuarial value of assets (valuation assets), which is then used to determine both your funded ratio and your required contributions. **The (smoothed) actuarial rate of return for 2020 was 8.17%, while the actual market rate of return was 12.70%.** To see historical details of the market rate of return, compared to the smoothed actuarial rate of return, refer to this report's Appendix, or view the "How Smoothing Works" video on the Defined Benefit resource page of the MERS website.

As of December 31, 2020, the actuarial value of assets is 97% of market value due to asset smoothing. This means that the rate of return on the actuarial value of assets should exceed the actuarial assumption in the next few years provided that the annual market returns exceed the 7.35% investment return assumption. When all assumptions are met, contribution rates are expected to stay approximately level as a percent of payroll (dollar amounts are expected to increase with wage inflation of 3.0% each year).

If the December 31, 2020 valuation results were based on market value instead of actuarial value:

- The funded percent of your entire municipality would be 66% (instead of 65%); and
- Your total employer contribution requirement for the fiscal year starting July 1, 2022 would be $753,684 (instead of $786,588).

Alternate Scenarios to Estimate the Potential Volatility of Results ("What If Scenarios")

The calculations in this report are based on assumptions about long-term economic and demographic behavior. These assumptions will never materialize in a given year, except by coincidence. Therefore, the results will vary from one year to the next. The volatility of the results depends upon the characteristics of the plan. For example:

- Open divisions that have substantial assets compared to their active employee payroll will have more volatile employer contribution rates due to investment return fluctuations.
- Open divisions that have substantial accrued liability compared to their active employee payroll will have more volatile employer contribution rates due to demographic experience fluctuations.
- Small divisions will have more volatile contribution patterns than larger divisions because statistical fluctuations are relatively larger among small populations.
- Shorter amortization periods result in more volatile contribution patterns.

Many assumptions are important in determining the required employer contributions. In the following table, we show the impact of varying the Investment Return assumption. Lower investment returns would result in higher required employer contributions, and vice-versa. The three economic scenarios below provide a quantitative risk assessment for the impact of investment returns on the plan's future financial condition for funding purposes.

The relative impact of the economic scenarios below will vary from year to year, as the participant demographics change. The impact of each scenario should be analyzed for a given year, not from year to year. The results in the table are based on the December 31, 2020 valuation, and are for the municipality in total, not by division. These results do not reflect a phase-in of the impact of the new actuarial assumptions.

It is important to note that calculations in this report are mathematical estimates based upon assumptions regarding future events, which may or may not materialize. Actuarial calculations can and do vary from one valuation to the next, sometimes significantly depending on the group's size. Projections are not predictions. Future valuations will be based on actual future experience.

12/31/2020 Valuation Results	Lower Future Annual Returns	Lower Future Annual Returns	Valuation Assumptions
Investment Return Assumption	**5.35%**	**6.35%**	**7.35%**
Accrued Liability	$ 25,691,097	$ 22,661,309	$ 20,136,318
Valuation Assets[1]	$ 13,003,502	$ 13,003,502	$ 13,003,502
Unfunded Accrued Liability	$ 12,687,595	$ 9,657,807	$ 7,132,816
Funded Ratio	51%	57%	65%
Monthly Normal Cost	$ 32,789	$ 24,093	$ 17,624
Monthly Amortization Payment	$ 74,254	$ 60,926	$ 47,925
Total Employer Contribution[2]	$ 107,043	$ 85,019	$ 65,549

[1] The Valuation Assets include assets from Surplus divisions, if any.

[2] If assets exceed accrued liabilities for a division, the division may have an overfunding credit to reduce the division's employer contribution requirement. If the overfunding credit is larger than the normal cost, the division's full credit is included in the municipality's amortization payment above but the division's total contribution requirement is zero. This can cause the displayed normal cost and amortization payment to not add up to the displayed total employer contribution.

Projection Scenarios

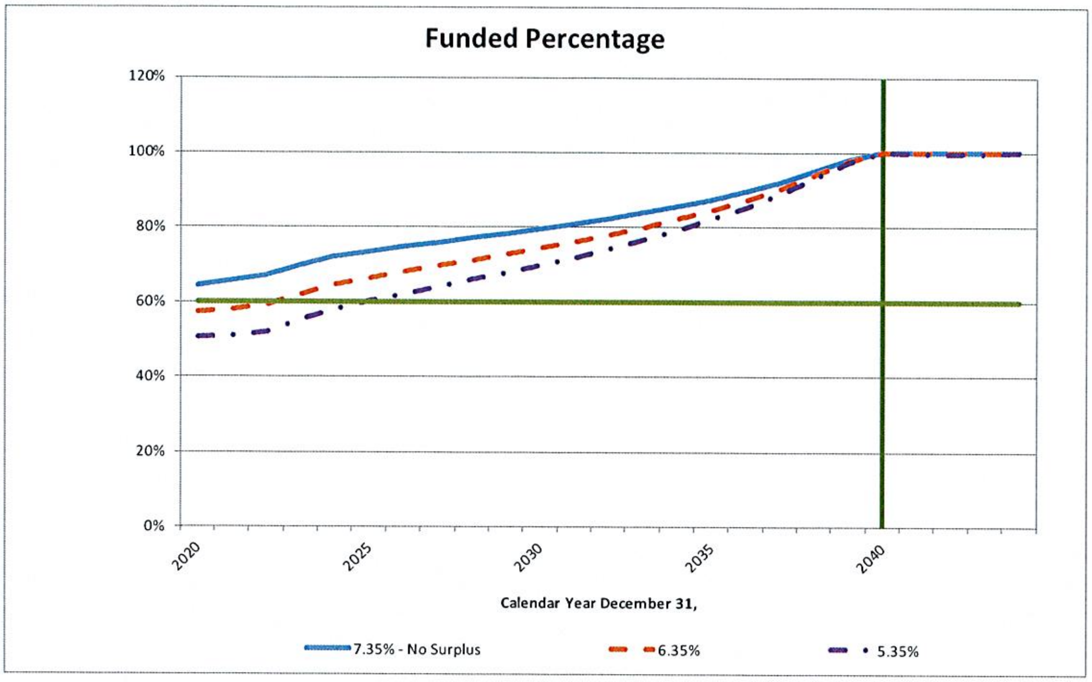
The next two pages show projections of the plan's funded ratio and computed employer contributions under the actuarial assumptions used in the valuation and alternate economic assumption scenarios. All three projections take into account the past investment experience that will continue to affect the actuarial rate of return in the short term.

The 7.35% scenario provides an estimate of computed employer contributions based on current actuarial assumptions, and a projected 7.35% market return. The other two scenarios may be useful if the municipality chooses to budget more conservatively, and make contributions in addition to the minimum requirements. The 6.35% and 5.35% projection scenarios provide an indication of the potential required employer contribution if these assumptions were met over the long-term.

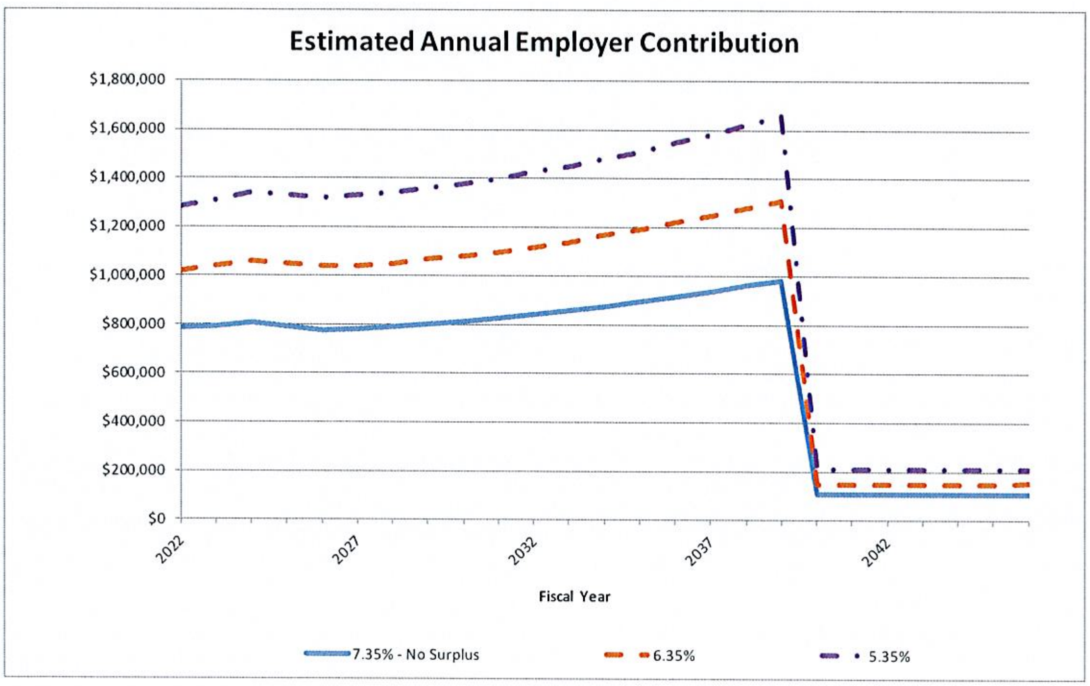
Valuation Year Ending 12/31	Fiscal Year Beginning 7/1	Actuarial Accrued Liability	Valuation Assets[2]	Funded Percentage	Estimated Annual Employer Contribution
7.35%[1] - NO PHASE-IN					
2020	2022	$ 20,136,318	$ 13,003,502	65%	$ 786,588
2021	2023	$ 20,900,000	$ 13,800,000	66%	$ 794,000
2022	2024	$ 21,800,000	$ 14,600,000	67%	$ 809,000
2023	2025	$ 22,600,000	$ 15,800,000	70%	$ 793,000
2024	2026	$ 23,300,000	$ 16,800,000	72%	$ 778,000
2025	2027	$ 24,000,000	$ 17,700,000	74%	$ 783,000
6.35%[1] - NO PHASE-IN					
2020	2022	$ 22,661,309	$ 13,003,502	57%	$ 1,020,228
2021	2023	$ 23,500,000	$ 13,700,000	58%	$ 1,040,000
2022	2024	$ 24,400,000	$ 14,500,000	59%	$ 1,060,000
2023	2025	$ 25,200,000	$ 15,700,000	62%	$ 1,050,000
2024	2026	$ 26,000,000	$ 16,800,000	65%	$ 1,040,000
2025	2027	$ 26,700,000	$ 17,800,000	67%	$ 1,040,000
5.35%[1] - NO PHASE-IN					
2020	2022	$ 25,691,097	$ 13,003,502	51%	$ 1,284,516
2021	2023	$ 26,600,000	$ 13,600,000	51%	$ 1,310,000
2022	2024	$ 27,500,000	$ 14,300,000	52%	$ 1,340,000
2023	2025	$ 28,400,000	$ 15,700,000	55%	$ 1,330,000
2024	2026	$ 29,200,000	$ 17,000,000	58%	$ 1,320,000
2025	2027	$ 29,900,000	$ 18,000,000	60%	$ 1,330,000

[1] Represents both the interest rate for discounting liabilities and the future investment return assumption on the Market Value of assets.

[2] Valuation Assets do not include assets from Surplus divisions, if any.



Notes:
All projected funded percentages are shown with no phase-in.
The green indicator lines have been added at 60% funded and 20 years following the valuation date for PA 202 purposes.



Notes:
All projected contributions are shown with no phase-in.

Table 1: Employer Contribution Details for the Fiscal Year Beginning July 1, 2022

Division	Total Normal Cost	Employee Contribut. Rate	Employer Contributions[1] Employer Normal Cost[6]	Payment of the Unfunded Accrued Liability[4]	Computed Employer Contribut. No Phase-In	Computed Employer Contribut. With Phase-In	Blended ER Rate No Phase-In[5]	Blended ER Rate With Phase-In[5]	Employee Contribut. Conversion Factor[2]
Percentage of Payroll									
01 - AFSME	10.57%	2.50%	-	-	-	-			
02 - Pol/Fire	12.43%	1.50%	-	-	-	-			
10 - Non Union	9.68%	1.27%	-	-	-	-			
11 - Clerical	13.61%	2.50%	-	-	-	-			
20 - Command	10.66%	2.00%	8.66%	20.22%	28.88%	26.52%			0.87%
Estimated Monthly Contribution[3]									
01 - AFSME			$ 5,866	$ 14,531	$ 20,397	$ 19,311			
02 - Pol/Fire			5,794	9,653	15,447	13,512			
10 - Non Union			1,099	11,851	12,950	11,630			
11 - Clerical			844	2,502	3,346	2,677			
20 - Command			4,021	9,388	13,409	12,314			
Total Municipality			**$ 17,624**	**$ 47,925**	**$ 65,549**	**$ 59,444**			
Estimated Annual Contribution[3]			**$ 211,488**	**$ 575,100**	**$ 786,588**	**$ 713,328**			

1 The above employer contribution requirements are in addition to the employee contributions, if any.

2 If employee contributions are increased/decreased by 1.00% of pay, the employer contribution requirement will decrease/increase by the Employee Contribution Conversion Factor. The conversion factor is usually under 1%, because employee contributions may be refunded at termination of employment, and not used to fund retirement pensions. Employer contributions will all be used to fund pensions.

3 For divisions that are open to new hires, estimated contributions are based on projected fiscal year payroll. Actual contributions will be based on actual reported monthly pays, and will be different from the above amounts. For divisions that will have no new hires (i.e., closed divisions), invoices will be based on the above dollar amounts which are based on projected fiscal year payroll. See description of Open Divisions and Closed Divisions in the Appendix.

4 Note that if the overfunding credit is larger than the normal cost, the full credit is shown above but the total contribution requirement is zero. This will cause the displayed normal cost and unfunded accrued liability contributions to not add across.

5 For linked divisions, the employer will be invoiced the Computed Employer Contribution No Phase-in rate shown above for each linked division (a contribution rate for the open division; a contribution dollar for the closed-but-linked division), unless the employer elects to contribute the Blended Employer Contribution rate shown above, by contacting MERS at 800-767-MERS (6377).

6 For divisions with a negative employer normal cost, employee contributions cover the normal cost and a portion of the payment of any unfunded accrued liability.

Please see the Comments on Asset Smoothing in the Executive Summary of this report.

Table 2: Benefit Provisions

01 - AFSME: Closed to new hires

	2020 Valuation	2019 Valuation
Benefit Multiplier:	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)
Normal Retirement Age:	60	60
Vesting:	10 years	10 years
Early Retirement (Unreduced):	55/25	55/25
Early Retirement (Reduced):	50/25	50/25
	55/15	55/15
Final Average Compensation:	5 years	5 years
Employee Contributions:	2.50%	2.50%
DC Plan for New Hires:	2/1/2018	2/1/2018
Act 88:	Yes (Adopted 11/3/1969)	Yes (Adopted 11/3/1969)

02 - Pol/Fire: Closed to new hires

	2020 Valuation	2019 Valuation
Benefit Multiplier:	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)
Normal Retirement Age:	60	60
Vesting:	10 years	10 years
Early Retirement (Unreduced):	55/25	55/25
Early Retirement (Reduced):	50/25	50/25
	55/15	55/15
Final Average Compensation:	5 years	5 years
Employee Contributions:	1.50%	1.00%
DC Plan for New Hires:	4/1/2018	4/1/2018
Act 88:	Yes (Adopted 11/3/1969)	Yes (Adopted 11/3/1969)

10 - Non Union: Closed to new hires

	2020 Valuation	2019 Valuation
Benefit Multiplier:	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)
Normal Retirement Age:	60	60
Vesting:	8 years	8 years
Early Retirement (Unreduced):	55/25	55/25
Early Retirement (Reduced):	50/25	50/25
	55/15	55/15
Final Average Compensation:	5 years	5 years
Employee Contributions:	1.27%	1.27%
DC Plan for New Hires:	1/1/2018	1/1/2018
Act 88:	Yes (Adopted 11/3/1969)	Yes (Adopted 11/3/1969)

11 - Clerical: Closed to new hires

	2020 Valuation	2019 Valuation
Benefit Multiplier:	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)
Normal Retirement Age:	60	60
Vesting:	10 years	10 years
Early Retirement (Unreduced):	55/25	55/25
Early Retirement (Reduced):	50/25	50/25
	55/15	55/15
Final Average Compensation:	5 years	5 years
Employee Contributions:	2.50%	2.09%
DC Plan for New Hires:	3/1/2018	3/1/2018
Act 88:	Yes (Adopted 11/3/1969)	Yes (Adopted 11/3/1969)

20 - Command: Open Division

	2020 Valuation	2019 Valuation
Benefit Multiplier:	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)
Normal Retirement Age:	60	60
Vesting:	10 years	10 years
Early Retirement (Unreduced):	55/25	55/25
Early Retirement (Reduced):	50/25	50/25
	55/15	55/15
Final Average Compensation:	5 years	5 years
Employee Contributions:	2.00%	2.00%
Act 88:	Yes (Adopted 11/3/1969)	Yes (Adopted 11/3/1969)

Table 3: Participant Summary

Division	2020 Valuation Number	2020 Valuation Annual Payroll[1]	2019 Valuation Number	2019 Valuation Annual Payroll[1]	2020 Valuation Average Age	2020 Valuation Average Benefit Service[2]	2020 Valuation Average Eligibility Service[2]
01 - AFSME							
Active Employees	14	$ 941,791	15	$ 918,533	43.5	12.6	12.6
Vested Former Employees	2	38,387	3	66,914	51.2	15.3	21.9
Retirees and Beneficiaries	11	288,179	9	260,058	66.9		
Pending Refunds	1		0				
02 - Pol/Fire							
Active Employees	7	$ 622,997	8	$ 670,884	48.5	21.6	22.3
Vested Former Employees	0	0	0	0	0.0	0.0	0.0
Retirees and Beneficiaries	7	122,656	7	122,656	68.4		
Pending Refunds	2		2				
10 - Non Union							
Active Employees	2	$ 181,830	3	$ 246,132	51.9	24.3	24.3
Vested Former Employees	5	53,143	5	53,143	53.9	6.4	13.6
Retirees and Beneficiaries	8	290,152	8	290,152	69.1		
Pending Refunds	4		3				
11 - Clerical							
Active Employees	2	$ 101,646	2	$ 87,804	57.5	13.2	13.2
Vested Former Employees	0	0	0	0	0.0	0.0	0.0
Retirees and Beneficiaries	6	98,688	6	98,688	68.0		
Pending Refunds	5		5				
20 - Command							
Active Employees	5	$ 517,446	4	$ 397,788	48.6	25.7	25.7
Vested Former Employees	1	38,280	1	38,280	45.6	17.8	17.8
Retirees and Beneficiaries	1	67,839	1	67,839	68.6		
Pending Refunds	0		0				
Total Municipality							
Active Employees	**30**	**$ 2,365,710**	**32**	**$ 2,321,141**	**47.0**	**17.7**	**17.9**
Vested Former Employees	**8**	**129,810**	**9**	**158,337**	**52.2**	**10.1**	**16.2**
Retirees and Beneficiaries	**33**	**867,514**	**31**	**839,391**	**68.0**		
Pending Refunds	**12**		**10**				
Total Participants	**83**		**82**				

1 Annual payroll for active employees; annual deferred benefits payable for vested former employees; annual benefits being paid for retirees and beneficiaries.

2 Descriptions can be found under Miscellaneous and Technical Assumptions in the Appendix.

Table 4: Reported Assets (Market Value)

Division	2020 Valuation		2019 Valuation	
	Employer and Retiree[1]	Employee[2]	Employer and Retiree[1]	Employee[2]
01 - AFSME	$ 3,738,007	$ 165,016	$ 3,386,891	$ 150,228
02 - Pol/Fire	2,949,882	89,696	2,866,037	107,679
10 - Non Union	2,786,481	81,766	2,651,772	79,196
11 - Clerical	1,010,024	22,491	954,110	36,943
20 - Command	2,408,974	120,839	1,766,687	84,978
Municipality Total[3]	**$ 12,893,369**	**$ 479,808**	**$ 11,625,498**	**$ 459,024**
Combined Assets[3]	**$13,373,176**		**$12,084,522**	

1 Reserve for Employer Contributions and Benefit Payments.

2 Reserve for Employee Contributions.

3 Totals may not add due to rounding.

The December 31, 2020 valuation assets (actuarial value of assets) are equal to 0.972357 times the reported market value of assets (compared to 1.013179 as of December 31, 2019). Refer to the Appendix for a description of the valuation asset derivation and a detailed calculation of valuation assets.

Table 5: Flow of Valuation Assets

Year Ended 12/31	Employer Contributions		Employee Contributions	Investment Income (Valuation Assets)	Benefit Payments	Employee Contribution Refunds	Net Transfers	Valuation Asset Balance
	Required	Additional						
2010	$ 373,267		$ 29,381	$ 465,669	$ (272,954)	$ 0	$ 0	$ 7,824,448
2011	391,853	$ 0	29,480	456,252	(318,755)	0	0	8,383,278
2012	382,514	0	28,224	425,240	(368,886)	0	0	8,850,370
2013	390,205	0	28,199	558,574	(410,472)	0	0	9,416,876
2014	407,859	9,252	27,803	554,736	(485,354)	0	0	9,931,172
2015	417,850	2,418	27,094	505,738	(578,427)	(383)	0	10,305,462
2016	469,769	676	29,301	557,986	(574,326)	(1,541)	0	10,787,327
2017	525,383	4,304	34,784	667,228	(591,459)	0	0	11,427,567
2018	547,683	11,471	45,616	430,388	(652,600)	0	0	11,810,125
2019	573,966	7,711	47,115	572,587	(767,721)	0	1	12,243,784
2020	603,057	3,810	47,255	987,171	(881,575)	0	0	13,003,502

Notes:

Transfers in and out are usually related to the transfer of participants between municipalities, and to employer and employee payments for service credit purchases (if any) that the governing body has approved.

Additional employer contributions, if any, are shown separately starting in 2011. Prior to 2011, additional contributions are combined with the required employer contributions.

The investment income column reflects the recognized investment income based on Valuation Assets. It does not reflect the market value investment return in any given year.

The Valuation Asset balance includes assets from Surplus divisions, if any.

Years where historical information is not available will be displayed with zero values.

Table 6: Actuarial Accrued Liabilities and Valuation Assets as of December 31, 2020

	Actuarial Accrued Liability							
Division	Active Employees	Vested Former Employees	Retirees and Beneficiaries	Pending Refunds	Total	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
01 - AFSME	$ 2,486,948	$ 310,510	$ 3,173,110	$ 6,258	$ 5,976,826	$ 3,795,132	63.5%	$ 2,181,694
02 - Pol/Fire	3,156,265	0	1,256,145	3,710	4,416,120	2,955,555	66.9%	1,460,565
10 - Non Union	1,139,635	411,394	2,989,892	9,055	4,549,976	2,788,960	61.3%	1,761,016
11 - Clerical	306,236	0	1,050,401	9,260	1,365,897	1,003,973	73.5%	361,924
20 - Command	3,040,483	155,604	631,412	0	3,827,499	2,459,882	64.3%	1,367,617
Total	**$ 10,129,567**	**$ 877,508**	**$ 9,100,960**	**$ 28,283**	**$ 20,136,318**	**$ 13,003,502**	**64.6%**	**$ 7,132,816**

Please see the Comments on Asset Smoothing in the Executive Summary of this report.

The December 31, 2020 valuation assets (actuarial value of assets) are equal to 0.972357 times the reported market value of assets. Refer to the Appendix for a description of the valuation asset derivation and a detailed calculation of valuation assets.

Table 7: Actuarial Accrued Liabilities - Comparative Schedule

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2006	$ 7,484,995	$ 5,645,947	75%	$ 1,839,048
2007	8,026,181	6,230,762	78%	1,795,419
2008	9,075,100	6,652,636	73%	2,422,464
2009	9,805,033	7,229,085	74%	2,575,948
2010	10,402,369	7,824,448	75%	2,577,921
2011	11,143,466	8,383,278	75%	2,760,188
2012	11,604,233	8,850,370	76%	2,753,863
2013	12,141,556	9,416,876	78%	2,724,680
2014	13,449,214	9,931,172	74%	3,518,042
2015	14,840,169	10,305,462	69%	4,534,707
2016	15,590,665	10,787,327	69%	4,803,338
2017	16,363,409	11,427,567	70%	4,935,842
2018	17,359,423	11,810,125	68%	5,549,298
2019	18,599,406	12,243,784	66%	6,355,622
2020	20,136,318	13,003,502	65%	7,132,816

Notes: Actuarial assumptions were revised for the 2008, 2009, 2010, 2011, 2012, 2015, 2019 and 2020 actuarial valuations.

The Valuation Assets include assets from Surplus divisions, if any.

Years where historical information is not available will be displayed with zero values.

Throughout this report are references to valuation results generated prior to the 2018 valuation date. Results prior to 2018 were received directly from the prior actuary or extracted from the previous valuation system by MERS's technology service provider.

Tables 8 and 9: Division-Based Comparative Schedules

Division 01 - AFSME

Table 8-01: Actuarial Accrued Liabilities - Comparative Schedule

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2010	$ 3,440,471	$ 2,579,141	75%	$ 861,330
2011	3,708,511	2,736,627	74%	971,884
2012	3,803,340	2,873,820	76%	929,520
2013	3,896,120	3,061,905	79%	834,215
2014	4,385,994	3,203,437	73%	1,182,557
2015	4,781,427	3,211,196	67%	1,570,231
2016	4,931,980	3,250,213	66%	1,681,767
2017	5,003,141	3,362,869	67%	1,640,272
2018	5,405,803	3,442,956	64%	1,962,847
2019	5,640,870	3,583,735	64%	2,057,135
2020	5,976,826	3,795,132	63%	2,181,694

Notes: Actuarial assumptions were revised for the 2010, 2011, 2012, 2015, 2019 and 2020 actuarial valuations.

Table 9-01: Computed Employer Contributions - Comparative Schedule

Valuation Date December 31	Active Employees		Computed Employer Contribution[1]	Employee Contribution Rate[2]
	Number	Annual Payroll		
2010	16	$ 814,745	14.83%	1.23%
2011	16	825,208	15.71%	1.23%
2012	16	820,436	16.08%	1.23%
2013	17	853,395	15.11%	1.23%
2014	16	710,251	19.53%	1.23%
2015	15	726,019	23.46%	1.23%
2016	16	808,272	22.93%	1.23%
2017	16	834,168	21.33%	2.50%
2018	16	951,771	$ 18,639	2.50%
2019	15	918,533	$ 19,597	2.50%
2020	14	941,791	$ 20,397	2.50%

1 For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

2 For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

Note: The contributions shown in Table 9 for the 12/31/2015 through 12/31/2020 valuations do not reflect the phase-in of the change in contribution requirements associated with the new actuarial assumptions. The full contribution without phase-in is shown in Table 9 above.

See the Benefit Provision History, later in this report, for past benefit provision changes.

Years where historical information is not available will be displayed with zero values.

Table 8-02: Actuarial Accrued Liabilities - Comparative Schedule

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2010	$ 2,165,598	$ 1,580,636	73%	$ 584,962
2011	2,380,367	1,722,033	72%	658,334
2012	2,544,835	1,862,267	73%	682,568
2013	2,573,181	1,930,008	75%	643,173
2014	3,004,646	2,207,453	74%	797,193
2015	3,417,339	2,385,610	70%	1,031,729
2016	3,644,116	2,587,869	71%	1,056,247
2017	3,963,032	2,827,916	71%	1,135,116
2018	4,321,387	3,020,783	70%	1,300,604
2019	4,525,440	3,012,906	67%	1,512,534
2020	4,416,120	2,955,555	67%	1,460,565

Notes: Actuarial assumptions were revised for the 2010, 2011, 2012, 2015, 2019 and 2020 actuarial valuations.

Table 9-02: Computed Employer Contributions - Comparative Schedule

Valuation Date December 31	Active Employees		Computed Employer Contribution[1]	Employee Contribution Rate[2]
	Number	Annual Payroll		
2010	11	$ 788,715	13.62%	0.80%
2011	11	792,314	14.20%	0.80%
2012	11	798,296	14.80%	0.80%
2013	10	714,630	15.18%	0.80%
2014	10	757,731	16.12%	0.80%
2015	10	756,733	18.62%	0.80%
2016	10	759,278	18.70%	1.00%
2017	10	780,165	19.31%	1.00%
2018	9	724,996	$ 14,286	1.00%
2019	8	670,884	$ 15,574	1.00%
2020	7	622,997	$ 15,447	1.50%

1 For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

2 For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

Note: The contributions shown in Table 9 for the 12/31/2015 through 12/31/2020 valuations do not reflect the phase-in of the change in contribution requirements associated with the new actuarial assumptions. The full contribution without phase-in is shown in Table 9 above.

See the Benefit Provision History, later in this report, for past benefit provision changes.

Years where historical information is not available will be displayed with zero values.

Division 10 - Non Union

Table 8-10: Actuarial Accrued Liabilities - Comparative Schedule

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2010	$ 2,722,477	$ 1,957,119	72%	$ 765,358
2011	2,780,252	2,029,117	73%	751,135
2012	2,875,321	2,034,475	71%	840,846
2013	2,899,374	2,145,607	74%	753,767
2014	3,050,324	2,200,607	72%	849,717
2015	3,246,469	2,248,232	69%	998,237
2016	3,344,356	2,311,190	69%	1,033,166
2017	3,531,675	2,403,779	68%	1,127,896
2018	3,562,997	2,387,946	67%	1,175,051
2019	4,378,020	2,766,960	63%	1,611,060
2020	4,549,976	2,788,960	61%	1,761,016

Notes: Actuarial assumptions were revised for the 2010, 2011, 2012, 2015, 2019 and 2020 actuarial valuations.

Table 9-10: Computed Employer Contributions - Comparative Schedule

Valuation Date December 31	Active Employees		Computed Employer Contribution[1]	Employee Contribution Rate[2]
	Number	Annual Payroll		
2010	7	$ 474,963	18.52%	1.27%
2011	6	409,759	20.47%	1.27%
2012	6	416,489	22.74%	1.27%
2013	4	282,712	25.67%	1.27%
2014	5	399,245	22.14%	1.27%
2015	5	387,215	26.24%	1.27%
2016	6	455,418	24.69%	1.27%
2017	5	411,702	$ 9,202	1.27%
2018	4	321,612	$ 8,664	1.27%
2019	3	246,132	$ 12,556	1.27%
2020	2	181,830	$ 12,950	1.27%

1 For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

2 For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

Note: The contributions shown in Table 9 for the 12/31/2015 through 12/31/2020 valuations do not reflect the phase-in of the change in contribution requirements associated with the new actuarial assumptions. The full contribution without phase-in is shown in Table 9 above.

See the Benefit Provision History, later in this report, for past benefit provision changes.

Years where historical information is not available will be displayed with zero values.

Division 11 - Clerical

Table 8-11: Actuarial Accrued Liabilities - Comparative Schedule

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2010	$ 648,287	$ 593,332	92%	$ 54,955
2011	714,586	651,504	91%	63,082
2012	785,452	708,908	90%	76,544
2013	747,117	705,843	95%	41,274
2014	809,843	769,504	95%	40,339
2015	921,004	830,807	90%	90,197
2016	993,440	901,790	91%	91,650
2017	1,061,743	963,184	91%	98,559
2018	1,125,246	983,399	87%	141,847
2019	1,257,047	1,004,114	80%	252,933
2020	1,365,897	1,003,973	74%	361,924

Notes: Actuarial assumptions were revised for the 2010, 2011, 2012, 2015, 2019 and 2020 actuarial valuations.

Table 9-11: Computed Employer Contributions - Comparative Schedule

Valuation Date December 31	Active Employees		Computed Employer Contribution[1]	Employee Contribution Rate[2]
	Number	Annual Payroll		
2010	6	$ 233,246	12.54%	1.27%
2011	6	233,744	12.47%	1.27%
2012	6	241,452	12.92%	1.27%
2013	6	224,913	12.22%	1.27%
2014	6	230,861	12.14%	1.27%
2015	6	230,782	14.68%	1.27%
2016	6	250,196	14.40%	1.27%
2017	4	165,646	13.99%	1.27%
2018	3	134,465	$ 1,786	1.27%
2019	2	87,804	$ 2,397	2.09%
2020	2	101,646	$ 3,346	2.50%

1 For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

2 For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

Note: The contributions shown in Table 9 for the 12/31/2015 through 12/31/2020 valuations do not reflect the phase-in of the change in contribution requirements associated with the new actuarial assumptions. The full contribution without phase-in is shown in Table 9 above.

See the Benefit Provision History, later in this report, for past benefit provision changes.

Years where historical information is not available will be displayed with zero values.

Table 8-20: Actuarial Accrued Liabilities - Comparative Schedule

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2010	$ 1,425,536	$ 1,114,220	78%	$ 311,316
2011	1,559,750	1,243,997	80%	315,753
2012	1,595,285	1,370,900	86%	224,385
2013	2,025,764	1,573,513	78%	452,251
2014	2,198,407	1,550,171	71%	648,236
2015	2,473,930	1,629,617	66%	844,313
2016	2,676,773	1,736,265	65%	940,508
2017	2,803,818	1,869,819	67%	933,999
2018	2,943,990	1,975,041	67%	968,949
2019	2,798,029	1,876,069	67%	921,960
2020	3,827,499	2,459,882	64%	1,367,617

Notes: Actuarial assumptions were revised for the 2010, 2011, 2012, 2015, 2019 and 2020 actuarial valuations.

Table 9-20: Computed Employer Contributions - Comparative Schedule

Valuation Date December 31	Active Employees Number	Active Employees Annual Payroll	Computed Employer Contribution[1]	Employee Contribution Rate[2]
2010	5	$ 401,619	13.08%	0.86%
2011	5	405,434	13.43%	0.86%
2012	5	396,590	12.51%	0.86%
2013	5	397,208	16.23%	0.86%
2014	5	430,243	18.38%	0.86%
2015	5	432,493	21.71%	0.86%
2016	5	452,336	22.54%	1.00%
2017	5	451,433	22.24%	1.50%
2018	5	455,442	22.66%	1.75%
2019	4	397,788	24.52%	2.00%
2020	5	517,446	28.88%	2.00%

1 For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

2 For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

Note: The contributions shown in Table 9 for the 12/31/2015 through 12/31/2020 valuations do not reflect the phase-in of the change in contribution requirements associated with the new actuarial assumptions. The full contribution without phase-in is shown in Table 9 above.

See the Benefit Provision History, later in this report, for past benefit provision changes.

Years where historical information is not available will be displayed with zero values.

Table 10: Division-Based Layered Amortization Schedule

Division 01 - AFSME

Table 10-01: Layered Amortization Schedule

Type of UAL	Date Established	Original Balance[1]	Original Amortization Period[2]	Amounts for Fiscal Year Beginning 7/1/2022 Outstanding UAL Balance[3]	Remaining Amortization Period[2]	Annual Amortization Payment
Initial	12/31/2015	$ 1,570,231	23	$ 1,682,308	18	$ 134,496
(Gain)/Loss	12/31/2016	46,584	22	52,467	18	4,200
(Gain)/Loss	12/31/2017	(61,945)	21	(69,298)	18	(5,544)
Amendment	12/31/2017	(10,302)	21	(11,512)	18	(924)
(Gain)/Loss	12/31/2018	312,194	20	347,681	18	27,792
(Gain)/Loss	12/31/2019	(107,303)	19	(118,582)	18	(9,480)
Assumption	12/31/2019	170,211	19	177,008	18	14,148
Experience	12/31/2020	108,912	18	121,138	18	9,684
Total				**$ 2,181,210**		**$ 174,372**

[1] For each type of UAL (layer), this is the original balance as of the date the layer was established.

[2] According to the MERS amortization policy, each type of UAL (layer) is amortized over a specific period (see Appendix on MERS website).

[3] This is the remaining balance as of the valuation date, projected to the beginning of the fiscal year shown above.

The unfunded accrued liability (UAL) as of December 31, 2020 (see Table 6) is projected to the beginning of the fiscal year for which the contributions are being calculated. This allows the 2020 valuation to take into account the expected future contributions that are based on past valuations. Each type of UAL (layer) is amortized over the appropriate period. Please see the Appendix on the MERS website for a detailed description of the amortization policy.

Note: The original balance and original amortization periods prior to 12/31/2018 were received from the prior actuary.

Table 10-02: Layered Amortization Schedule

Type of UAL	Date Established	Original Balance[1]	Original Amortization Period[2]	Amounts for Fiscal Year Beginning 7/1/2022 Outstanding UAL Balance[3]	Remaining Amortization Period[2]	Annual Amortization Payment
Initial	12/31/2015	$ 1,031,729	23	$ 1,098,229	18	$ 87,792
(Gain)/Loss	12/31/2016	(9,120)	22	(10,271)	18	(816)
Amendment	12/31/2016	102	22	97	18	12
(Gain)/Loss	12/31/2017	59,683	21	66,760	18	5,340
(Gain)/Loss	12/31/2018	152,161	20	169,450	18	13,548
(Gain)/Loss	12/31/2019	53,077	19	58,661	18	4,692
Assumption	12/31/2019	138,668	19	145,137	18	11,604
Experience	12/31/2020	(71,192)	18	(79,183)	18	(6,336)
Total				**$ 1,448,880**		**$ 115,836**

[1] For each type of UAL (layer), this is the original balance as of the date the layer was established.

[2] According to the MERS amortization policy, each type of UAL (layer) is amortized over a specific period (see Appendix on MERS website).

[3] This is the remaining balance as of the valuation date, projected to the beginning of the fiscal year shown above.

The unfunded accrued liability (UAL) as of December 31, 2020 (see Table 6) is projected to the beginning of the fiscal year for which the contributions are being calculated. This allows the 2020 valuation to take into account the expected future contributions that are based on past valuations. Each type of UAL (layer) is amortized over the appropriate period. Please see the Appendix on the MERS website for a detailed description of the amortization policy.

Note: The original balance and original amortization periods prior to 12/31/2018 were received from the prior actuary.

Table 10-10: Layered Amortization Schedule

Type of UAL	Date Established	Original Balance[1]	Original Amortization Period[2]	Amounts for Fiscal Year Beginning 7/1/2022: Outstanding UAL Balance[3]	Remaining Amortization Period[2]	Annual Amortization Payment
Initial	12/31/2015	$ 998,237	23	$ 1,048,094	18	$ 83,784
(Gain)/Loss	12/31/2016	12,232	22	13,763	18	1,104
(Gain)/Loss	12/31/2017	79,154	21	88,540	18	7,080
(Gain)/Loss	12/31/2018	31,742	20	35,343	18	2,820
(Gain)/Loss	12/31/2019	279,457	19	308,826	18	24,684
Assumption	12/31/2019	146,256	19	152,947	18	12,228
Experience	12/31/2020	118,183	18	131,449	18	10,512
Total				**$ 1,778,962**		**$ 142,212**

[1] For each type of UAL (layer), this is the original balance as of the date the layer was established.

[2] According to the MERS amortization policy, each type of UAL (layer) is amortized over a specific period (see Appendix on MERS website).

[3] This is the remaining balance as of the valuation date, projected to the beginning of the fiscal year shown above.

The unfunded accrued liability (UAL) as of December 31, 2020 (see Table 6) is projected to the beginning of the fiscal year for which the contributions are being calculated. This allows the 2020 valuation to take into account the expected future contributions that are based on past valuations. Each type of UAL (layer) is amortized over the appropriate period. Please see the Appendix on the MERS website for a detailed description of the amortization policy.

Note: The original balance and original amortization periods prior to 12/31/2018 were received from the prior actuary.

Division 11 - Clerical

Table 10-11: Layered Amortization Schedule

Type of UAL	Date Established	Original Balance[1]	Original Amortization Period[2]	Amounts for Fiscal Year Beginning 7/1/2022: Outstanding UAL Balance[3]	Remaining Amortization Period[2]	Annual Amortization Payment
Initial	12/31/2015	$ 90,197	23	$ 102,076	18	$ 8,160
(Gain)/Loss	12/31/2016	(5,246)	22	(5,909)	18	(468)
(Gain)/Loss	12/31/2017	3,351	21	3,748	18	300
(Gain)/Loss	12/31/2018	42,420	20	47,236	18	3,780
(Gain)/Loss	12/31/2019	70,604	19	78,021	18	6,240
Assumption	12/31/2019	37,383	19	40,013	18	3,204
Amendment	12/31/2019	(477)	19	(533)	18	(48)
Experience	12/31/2020	99,563	18	110,739	18	8,856
Total				**$ 375,391**		**$ 30,024**

[1] For each type of UAL (layer), this is the original balance as of the date the layer was established.

[2] According to the MERS amortization policy, each type of UAL (layer) is amortized over a specific period (see Appendix on MERS website).

[3] This is the remaining balance as of the valuation date, projected to the beginning of the fiscal year shown above.

The unfunded accrued liability (UAL) as of December 31, 2020 (see Table 6) is projected to the beginning of the fiscal year for which the contributions are being calculated. This allows the 2020 valuation to take into account the expected future contributions that are based on past valuations. Each type of UAL (layer) is amortized over the appropriate period. Please see the Appendix on the MERS website for a detailed description of the amortization policy.

Note: The original balance and original amortization periods prior to 12/31/2018 were received from the prior actuary.

Division 20 - Command

Table 10-20: Layered Amortization Schedule

Type of UAL	Date Established	Original Balance[1]	Original Amortization Period[2]	Amounts for Fiscal Year Beginning 7/1/2022: Outstanding UAL Balance[3]	Remaining Amortization Period[2]	Annual Amortization Payment
Initial	12/31/2015	$ 844,313	23	$ 898,943	18	$ 71,868
(Gain)/Loss	12/31/2016	67,677	22	76,225	18	6,096
Amendment	12/31/2016	(295)	22	(333)	18	(24)
(Gain)/Loss	12/31/2017	(30,319)	21	(33,918)	18	(2,712)
Amendment	12/31/2017	3,487	21	3,897	18	312
(Gain)/Loss	12/31/2018	27,195	20	30,285	18	2,424
Amendment	12/31/2018	(640)	20	(713)	18	(60)
(Gain)/Loss	12/31/2019	(137,603)	19	(152,061)	18	(12,156)
Assumption	12/31/2019	83,852	19	87,784	18	7,020
Amendment	12/31/2019	(362)	19	(395)	18	(36)
Experience	12/31/2020	449,056	18	499,463	18	39,924
Total				**$ 1,409,177**		**$ 112,656**

[1] For each type of UAL (layer), this is the original balance as of the date the layer was established.

[2] According to the MERS amortization policy, each type of UAL (layer) is amortized over a specific period (see Appendix on MERS website).

[3] This is the remaining balance as of the valuation date, projected to the beginning of the fiscal year shown above.

The unfunded accrued liability (UAL) as of December 31, 2020 (see Table 6) is projected to the beginning of the fiscal year for which the contributions are being calculated. This allows the 2020 valuation to take into account the expected future contributions that are based on past valuations. Each type of UAL (layer) is amortized over the appropriate period. Please see the Appendix on the MERS website for a detailed description of the amortization policy.

Note: The original balance and original amortization periods prior to 12/31/2018 were received from the prior actuary.

GASB Statement No. 68 Information

The following information has been prepared to provide some of the information necessary to complete GASB Statement No. 68 disclosures. GASB Statement No. 68 is effective for fiscal years beginning after June 15, 2014. Additional resources, including an Implementation Guide, are available at http://www.mersofmich.com/.

Actuarial Valuation Date:	12/31/2020
Measurement Date of the Total Pension Liability (TPL):	12/31/2020

At 12/31/2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits:	33
Inactive employees entitled to but not yet receiving benefits (including refunds):	20
Active employees:	30
	83

Total Pension Liability as of 12/31/2019 measurement date:	$	18,084,604
Total Pension Liability as of 12/31/2020 measurement date:	$	19,571,658
Service Cost for the year ending on the 12/31/2020 measurement date:	$	242,132
Change in the Total Pension Liability due to:		
- Benefit changes[1]:	$	719
- Differences between expected and actual experience[2]:	$	240,371
- Changes in assumptions[2]:	$	535,275
Average expected remaining service lives of all employees (active and inactive):		3

[1] A change in liability due to benefit changes is immediately recognized when calculating pension expense for the year.
[2] Changes in liability due to differences between actual and expected experience, and changes in assumptions, are recognized in pension expense over the average remaining service lives of all employees.

Covered employee payroll (Needed for Required Supplementary Information):	$	2,365,710

Note: Covered employee payroll may differ from the GASB Statement No. 68 definition.

Sensitivity of the Net Pension Liability to changes in the discount rate:

	1% Decrease (6.60%)	Current Discount Rate (7.60%)	1% Increase (8.60%)
Change in Net Pension Liability as of 12/31/2020:	$ 2,415,439	$ 0	$ (2,032,289)

Note: The current discount rate shown for GASB Statement No. 68 purposes is higher than the MERS assumed rate of return. This is because for GASB Statement No. 68 purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes it is net of administrative expenses.

Benefit Provision History

The following benefit provision history is provided by MERS. Any corrections to this history or discrepancies between this information and information displayed elsewhere in the valuation report should be reported to MERS. All provisions are listed by date of adoption.

01 - AFSME

2/1/2018	Non-Accelerated Amortization
2/1/2018	DC Adoption Date 02-01-2018
11/1/2017	Participant Contribution Rate 2.5%
12/1/2016	Service Credit Purchase Estimates - Yes
11/1/2008	Benefit B-4 (80% max)
11/1/2008	Member Contribution Rate 1.23%
2/1/2000	Benefit B-3 (80% max)
2/1/2000	Member Contribution Rate 0.00%
3/10/1998	Temporary 8 Year Vesting (03/10/1998 - 05/12/1998)
7/1/1994	Benefit B-2
7/1/1994	Member Contribution Rate 3.40%
7/1/1981	Benefit F55 (With 25 Years of Service)
7/1/1981	Member Contribution Rate 0.00%
1/1/1979	Benefit B-1
5/12/1975	Exclude Temporary Employees
11/3/1969	Covered by Act 88
7/1/1967	Benefit FAC-5 (5 Year Final Average Compensation)
7/1/1967	10 Year Vesting
7/1/1967	Benefit C-1 (Old)
7/1/1967	Member Contribution Rate 3.00% Under $4,200.00 - Then 5.00%
7/1/1967	Fiscal Month - July
	Defined Benefit Normal Retirement Age - 60
	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years

02 - Pol/Fire

9/1/2020	Participant Contribution Rate 1.5%
4/1/2018	Non-Accelerated Amortization
4/1/2018	DC Adoption Date 04-01-2018
12/1/2016	Service Credit Purchase Estimates - Yes
9/1/2016	Participant Contribution Rate 1%
10/1/2008	Benefit B-4 (80% max)
10/1/2008	Member Contribution Rate 0.80%
7/1/2001	Benefit B-3 (80% max)
7/1/2001	Member Contribution Rate 0.00%
7/1/1993	Benefit B-2
7/1/1993	Member Contribution Rate 2.80%
7/1/1981	Member Contribution Rate 0.00%
7/1/1979	Benefit F55 (With 25 Years of Service)
1/1/1979	Benefit B-1
5/12/1975	Exclude Temporary Employees
11/3/1969	Covered by Act 88
7/1/1967	Benefit FAC-5 (5 Year Final Average Compensation)

02 - Pol/Fire

7/1/1967	10 Year Vesting
7/1/1967	Benefit C-1 (Old)
7/1/1967	Member Contribution Rate 3.00% Under $4,200.00 - Then 5.00%
7/1/1967	Fiscal Month - July
	Defined Benefit Normal Retirement Age - 60
	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years

10 - Non Union

1/1/2018	Non-Accelerated Amortization
1/1/2018	DC Adoption Date 01-01-2018
12/1/2016	Service Credit Purchase Estimates - Yes
4/1/2009	8 Year Vesting
4/1/2009	Benefit B-4 (80% max)
4/1/2009	Member Contribution Rate 1.27%
7/1/2001	Benefit B-3 (80% max)
7/1/2001	Member Contribution Rate 0.00%
9/1/1993	Benefit FAC-5 (5 Year Final Average Compensation)
9/1/1993	10 Year Vesting
9/1/1993	Benefit B-2
9/1/1993	Benefit F55 (With 25 Years of Service)
9/1/1993	Member Contribution Rate 3.40%
5/12/1975	Exclude Temporary Employees
11/3/1969	Covered by Act 88
7/1/1967	Fiscal Month - July
	Defined Benefit Normal Retirement Age - 60
	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years

11 - Clerical

7/1/2020	Participant Contribution Rate 2.5%
7/1/2019	Participant Contribution Rate 2.09%
3/1/2019	Participant Contribution Rate 1.68%
3/1/2018	Non-Accelerated Amortization
3/1/2018	DC Adoption Date 03-01-2018
12/1/2016	Service Credit Purchase Estimates - Yes
1/1/2010	Benefit B-4 (80% max)
1/1/2010	Member Contribution Rate 1.27%
7/1/2002	Benefit B-3 (80% max)
7/1/2002	Member Contribution Rate 0.00%
7/1/1995	Benefit B-2
7/1/1995	Member Contribution Rate 3.40%
7/1/1994	Benefit FAC-5 (5 Year Final Average Compensation)
7/1/1994	10 Year Vesting
7/1/1994	Benefit B-1
7/1/1994	Benefit F55 (With 25 Years of Service)
7/1/1994	Member Contribution Rate 0.00%
5/12/1975	Exclude Temporary Employees
11/3/1969	Covered by Act 88
7/1/1967	Fiscal Month - July
	Defined Benefit Normal Retirement Age - 60

11 - Clerical

	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years

20 - Command

7/1/2019	Participant Contribution Rate 2%
7/1/2018	Participant Contribution Rate 1.75%
7/1/2017	Participant Contribution Rate 1.5%
12/1/2016	Service Credit Purchase Estimates - Yes
9/1/2016	Participant Contribution Rate 1%
7/1/2008	Benefit FAC-5 (5 Year Final Average Compensation)
7/1/2008	Exclude Temporary Employees
7/1/2008	10 Year Vesting
7/1/2008	Benefit B-4 (80% max)
7/1/2008	Benefit F55 (With 25 Years of Service)
7/1/2008	Member Contribution Rate 0.86%
11/3/1969	Covered by Act 88
7/1/1967	Fiscal Month - July
	Defined Benefit Normal Retirement Age - 60
	Early Reduced (.5%) at Age 50 with 25 Years or Age 55 with 15 Years

Plan Provisions, Actuarial Assumptions, and Actuarial Funding Method

Details on MERS plan provisions, actuarial assumptions, and actuarial methodology can be found in the Appendix. Some actuarial assumptions are specific to this municipality and its divisions. These are listed below.

Increase in Final Average Compensation

Division	FAC Increase Assumption
All Divisions	4.00%

Miscellaneous and Technical Assumptions

Loads – None.

Amortization Policy for Closed Not Linked Divisions: The default funding policy for closed not linked divisions, including open divisions with zero active members, is to follow a non-accelerated amortization, where each closed period decreases by one-year each year until the period is exhausted. In select instances, closed not linked division(s) may follow an accelerated amortization policy.

Risk Commentary

Determination of the accrued liability, the employer contribution, and the funded ratio requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in the accrued liability, the actuarially determined contribution and the funded ratio that result from the differences between actual experience and the actuarial assumptions.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions due to changing conditions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period, or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Examples of risk that may reasonably be anticipated to significantly affect the plan's future financial condition include:

- **Investment Risk** – actual investment returns may differ from the expected returns;
- **Asset/Liability Mismatch** – changes in asset values may not match changes in liabilities, thereby altering the gap between the accrued liability and assets and consequently altering the funded status and contribution requirements;
- **Salary and Payroll Risk** – actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and contributions differing from expected;
- **Longevity Risk** – members may live longer or shorter than expected and receive pensions for a period of time other than assumed; and
- **Other Demographic Risks** – members may terminate, retire or become disabled at times or with benefits other than assumed resulting in actual future accrued liability and contributions differing from expected.

The effects of certain trends in experience can generally be anticipated. For example, if the investment return since the most recent actuarial valuation is less (or more) than the assumed rate, the cost of the plan can be expected to increase (or decrease). Likewise, if longevity is improving (or worsening), increases (or decreases) in cost can be anticipated.

PLAN MATURITY MEASURES

Risks facing a pension plan evolve over time. A young plan with virtually no investments and paying few benefits may experience little investment risk. An older plan with a large number of members in pay status and a significant trust may be much more exposed to investment risk. Generally accepted plan maturity measures include the following:

	12/31/2020	12/31/2019	12/31/2018
1. Ratio of the market value of assets to total payroll	5.7	5.2	4.2
2. Ratio of actuarial accrued liability to payroll	8.5	8.0	6.7
3. Ratio of actives to retirees and beneficiaries	0.9	1.0	1.2
4. Ratio of market value of assets to benefit payments	15.2	15.7	16.5
5. Ratio of net cash flow to market value of assets (boy)	-1.9%	-1.3%	-0.4%

RATIO OF MARKET VALUE OF ASSETS TO TOTAL PAYROLL

The relationship between assets and payroll is a useful indicator of the potential volatility of contributions. For example, if the market value of assets is 2.0 times the payroll, a return on assets 5% different than assumed would equal 10% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in plan sponsor contributions as a percentage of payroll.

RATIO OF ACTUARIAL ACCRUED LIABILITY TO PAYROLL

The relationship between actuarial accrued liability and payroll is a useful indicator of the potential volatility of contributions for a fully funded plan. A funding policy that targets a funded ratio of 100% is expected to result in the ratio of assets to payroll and the ratio of liability to payroll converging over time.

RATIO OF ACTIVES TO RETIREES AND BENEFICIARIES

A young plan with many active members and few retirees will have a high ratio of actives to retirees. A mature open plan may have close to the same number of actives to retirees resulting in a ratio near 1.0. A super-mature or closed plan may have significantly more retirees than actives resulting in a ratio below 1.0.

RATIO OF MARKET VALUE OF ASSETS TO BENEFIT PAYMENTS

The MERS' Actuarial Policy requires a total minimum contribution equal to the excess (if any) of three times the expected annual benefit payments over the projected market value of assets as of the participating municipality or court's Fiscal Year for which the contribution applies. The ratio of market value of assets to benefit payments as of the valuation date provides an indication of whether the division is at risk for triggering the minimum contribution rule in the near term. If the division triggers this minimum contribution rule, the required employer contributions could increase dramatically relative to previous valuations.

RATIO OF NET CASH FLOW TO MARKET VALUE OF ASSETS

A positive net cash flow means contributions exceed benefits and expenses. A negative cash flow means existing funds are being used to make payments. A certain amount of negative net cash flow is generally expected to occur when benefits are prefunded through a qualified trust. Large negative net cash flows as a percent of assets may indicate a super-mature plan or a need for additional contributions.

State Reporting

The following information has been prepared to provide some of the information necessary to complete the Public Act 202 pension reporting requirements for the State of Michigan's Local Government Retirement System Annual Report (Form No. 5572). Additional resources are available at www.mersofmich.com and on the State website.

Form 5572 Line Reference	Description	Result
10	**Membership as of December 31, 2020**	
11	Indicate number of active members	30
12	Indicate number of inactive members (excluding pending refunds)	8
13	Indicate number of retirees and beneficiaries	33
14	**Investment Performance for Calendar Year Ending December 31, 2020**[1]	
15	Enter actual rate of return - prior 1-year period	13.59%
16	Enter actual rate of return - prior 5-year period	9.35%
17	Enter actual rate of return - prior 10-year period	7.91%
18	**Actuarial Assumptions**	
19	Actuarial assumed rate of investment return[2]	7.35%
20	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Level Percent
21	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any[3]	18
22	Is each division within the system closed to new employees?[4]	No
23	**Uniform Assumptions**	
24	Enter retirement pension system's actuarial value of assets using uniform assumptions	$12,912,578
25	Enter retirement pension system's actuarial accrued liabilities using uniform assumptions[5]	$20,969,453
27	Actuarially Determined Contribution (ADC) using uniform assumptions, Fiscal Year Ending June 30, 2021	$956,436

1. The Municipal Employees' Retirement System's investment performance has been provided to GRS from MERS Investment Staff and is included here for reporting purposes. The investment performance figures reported are net of investment expenses on a rolling calendar-year basis for the previous 1-, 5-, and 10-year periods as required under PA 530.
2. Net of administrative and investment expenses.
3. Populated with the longest amortization period remaining in the amortization schedule, across all divisions in the plan. This is when each division and the plan in total is expected to reach 100% funded if all assumptions are met.
4. If all divisions within the employer are closed, "yes." If at least one division is open (including shadow divisions) indicate "no."
5. Line 25 actuarial accrued liability is determined under PA 202 uniform assumptions which differ from the valuation assumptions. In particular, the assumed rate of return for PA 202 purposes is 7.00%.

AGENDA NOTE

Unfinished Business: Item # 1

MEETING DATE: November 22, 2021

PERSON PLACING ITEM ON AGENDA: City Manager

AGENDA TOPIC: Consider CDBG Application projects for the City of South Lyon.

EXPLANATION OF TOPIC: The 2022 CDBG application deadline is Friday, December 17, 2012. On November 22, 2021 at the regularly scheduled City Council Meeting the City held a Public Hearing relating to the CDBG Funds allocated to the City of South Lyon. The City's tentative funding allocation for 2022 is $30,225. The suggestion is that the City will continue to use the allocation for 2022 to support the projects that we have funded in recent years. (South Lyon Senior Center and Haven)

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: 2022 CDBG Application and supporting documents.

POSSIBLE COURSES OF ACTION: Approve the 2022 CDBG application for the tentative funding allocation of $30,225 (South Lyon Senior Center $25,225, and Haven $5,000) selected projects as identified or choose different projects or choose not to submit the application for funds.

SUGGESTED MOTION: Motion by ________________________, supported by ________________________ to approve the selected projects as identified for the 2022 CDBG Program 30,225 (South Lyon Senior Center $25,225, and Haven $5,000)

PY 2022 CDBG PLANNING ALLOCATIONS

Oakland County does not have information on exact CDBG funding levels for Program Year (PY) 2022. Use the final award figure from PY 2021 to compile your application. Once exact amounts are available necessary adjustments will be made.

City	Planning Allocation	Monitor	City	Planning Allocation	Monitor
Auburn Hills	$84,307	Tierney	Northville*	$7,000	Ferguson
Berkley	$37,117	Tierney	Novi	$133,503	Ferguson
Birmingham	$36,912	Tierney	Oak Park	$131,889	Pucher
Bloomfield Hills*	$7,000	Tierney	Orchard Lake Vlg*	$7,000	Pucher
Clarkston*	$7,000	Tierney	Pleasant Ridge*	$7,000	Pucher
Clawson	$36,446	Tierney	Pontiac	$845,730	Pucher
Farmington	$28,095	Pucker	Rochester	$29,183	Ferguson
Ferndale	$92,102	Tierney	Rochester Hills	164,632	Ferguson
Hazel Park	$87,612	Tierney	South Lyon	$30,225	Pucher
Huntington Woods	$8,998	Tierney	Sylvan Lake*	$7,000	Tierney
Keego Harbor	$14,575	Ferguson	Troy	$182,205	Ferguson
Lathrup Village*	$7,000	Tierney	Walled Lake	$29,851	Pucher
Madison Heights	$145,607	Tierney	Wixom	$52,331	Pucher
Township	**Planning Allocation**	**Monitor**	**Township**	**Planning Allocation**	**Monitor**
Addison	$9,887	Pucher	Milford	$17,157	Pucher
Bloomfield	$53,038	Tierney	Oakland	$23,348	Ferguson
Brandon	$28,358	Ferguson	Orion	$57,425	Ferguson
Commerce	$63,918	Ferguson	Oxford	$31,281	Pucher
Groveland	$7,622	Ferguson	Rose	$9,736	Pucher
Highland	$30,638	Pucher	Royal Oak	$11,955	Pucher
Holly	$20,467	Ferguson	Springfield	$21,129	Pucher

PY 2022 CDBG APPLICATION PART 2 - APPLICANT INFORMATION

A - APPLICANT CONTACT	
Community:	City of South Lyon
PY 2022 CDBG Planning Allocation:	$30,225
Contact Person:	Paul C. Zelenak
Telephone:	248-417-1735
Best time to contact:	M-F 8:30 - 5:00
DUNS #:	02-184-2117
Copy of current SAMS attached:	Yes ✔ If No, Explain:)n File at OC
Is community subject to Single Audit?	Yes ___ No ✔

B - PROPOSED PROJECTS

Example **Project #** 1 **Name:** Code Enforcement **Allocation:** $80,834

Project #	Name	Allocation
1	Senior Center	$ 25,225
2	PS Battered & Abused	$ 5,000
		$
		$

Total # of Projects:	2
# of Public Service Projects:	1
Public Service %:	17%

C - AFFIDAVIT OF COMPLIANCE

The undersigned certifies that the information in this application is true and correct. In applying for CDBG funds, the applicant has read, understands and agrees to comply with all the provisions of all federal regulations issued thereto by the U.S. Department of Housing and Urban Development (HUD), state and local regulations and laws.

Name of Highest Elected Official or Designee:	Dan Pelchat
Title of Highest Elected or Designee:	Mayor
Signature:	

MediaNews Group
MICHIGAN GROUP

AFFIDAVIT OF PUBLICATION

2125 Butterfield Dr, Suite 102N • Troy MI 48084

RECEIVED
NOV - 4 2021
CITY OF SOUTH LYON

CITY OF SOUTH LYON
355 S WARREN STREET

SOUTH LYON, MI 48178
Attention: Lisa Deaton

STATE OF MICHIGAN,
COUNTY OF OAKLAND

The undersigned Cyndy Slater Cyndy Slater, being duly sworn the he/she is the principal clerk of Royal Oak Tribune, Oakland Press, theoaklandpress.com, published in the English language for the dissemination of local or transmitted news and intelligence of a general character, which are duly qualified newspapers, and the annexed hereto is a copy of certain order, notice, publication or advertisement of:

CITY OF SOUTH LYON

Published in the following edition(s):

Oakland Press	10/29/21
theoaklandpress.com	10/29/21
Royal Oak Tribune	10/29/21

City of South Lyon
Notice of Public Hearing
Community Development Block Grant Funds

NOTICE IS HEREBY GIVEN that the City of South Lyon will hold a public hearing regarding the use of Community Development Block Grant Funds. The Hearing will be held on Monday November 22, 2021 at 7:30 pm at the regularly scheduled South Lyon City Council Meeting, which will be held electronically for the purpose of hearing public comments on the Community Development Block Grant (CDBG) Program Year 2022 application to fund eligible projects. Our approximate allocation will be $27,487. All interested citizens may join the electronic meeting. Comments may also be received in writing by Monday November 22, 2021 at 5:00 pm. Arrangements to reasonably accommodate special needs, including handicap accessibility or interpreter, will be made upon receiving 72-hour advance notice. The electronic meeting link will be posted on the City's website. Or you can join by Dialing in with the information below. Contact Lisa Deaton City Clerk/Treasurer at (248) 437-1735 at City Hall for special services.

When: Nov 22, 2021 07:30 PM Eastern Time (US and Canada)
Topic: South Lyon City Council and CDBG public hearing
November 22, 2021 7:30 p.m.
Please click the link below to join the webinar:
https://us02web.zoom.us/j/87524467145
Or One tap mobile :
US: +13126266799,,87524467145#
or +19292056099,,87524467145#
Or Telephone:
Dial (for higher quality, dial a number based on your current location):
US: +1 312 626 6799 or +1 929 205 6099 or +1 301 715 8592 or +1 346 248 7799 or +1 669 900 6833 or +1 253 215 8782 or 888 788 0099 (Toll Free) or 877 853 5247 (Toll Free)
Webinar ID: 875 2446 7145
International numbers available: https://us02web.zoom.us/u/kdUPeNADSJ

Lisa Deaton, City Clerk/Treasurer

VICKI ARSENAULT
NOTARY PUBLIC - STATE OF MICHIGAN
COUNTY OF OAKLAND
My Commission Expires May 11, 2026
Acting in the County of ____________

Sworn to the subscribed before me this 29 Oct, 2021

Vicki Arsenault

Notary Public, State of Michigan
Acting in Oakland County

Advertisement Information

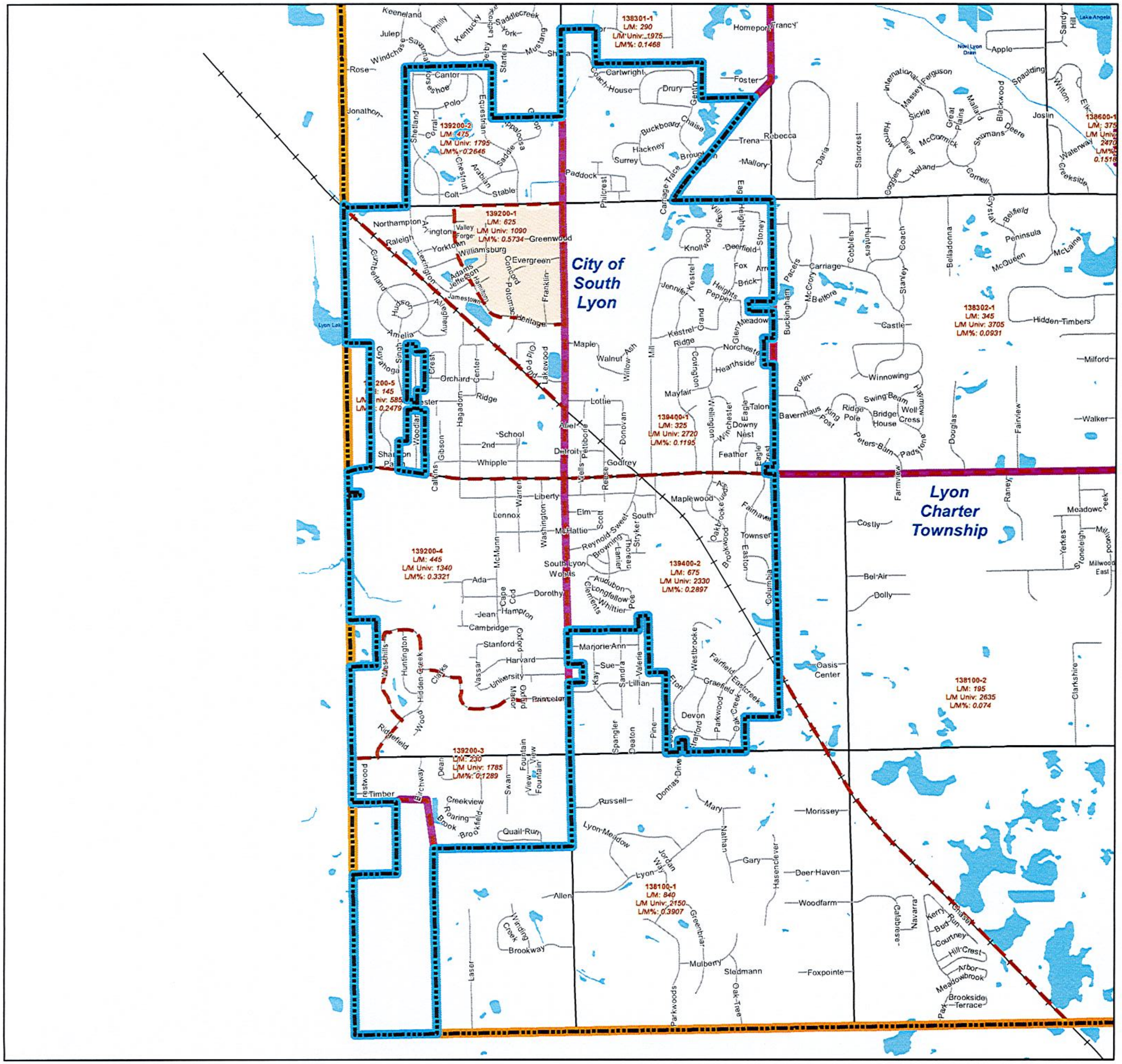
Client Id: 1193769 **Ad Id:** 2242753 **PO:** **Sales Person:** 200308

City of South Lyon
Notice of Public Hearing
Community Development Block Grant Funds

NOTICE IS HEREBY GIVEN that the City of South Lyon will hold a public hearing regarding the use of Community Development Block Grant Funds. The Hearing will be held on Monday November 22, 2021 at 7:30 pm at the regularly scheduled South Lyon City Council Meeting, which will be held electronically for the purpose of hearing public comments on the Community Development Block Grant (CDBG) Program Year 2022 application to fund eligible projects. All interested citizens may join the electronic meeting. Comments may also be received in writing Monday November 22, 2021 at 5:00 pm. arrangements to reasonably accommodate special needs, including handicap accessibility or interpreter, will be made upon receiving 72-hour advance notice. Contact Lisa Deaton City Clerk/Treasurer at (248) 437-1735 at City Hall for special services.

Lisa Deaton, City Clerk/Treasurer

electronic meeting information will be added before publishing



OAKLAND COUNTY MICHIGAN

Economic Development & Community Affairs

David Coulter, County Executive

OAKLAND COUNTY
COMMUNITY & HOME IMPROVEMENT

Oakland Pointe
250 Elizabeth Lake Road, Ste. 1900
Pontiac, MI 48341-0414
248.858.0493
www.oakgov.com/chi

Area-Wide Benefit Map

City of South Lyon

- County Border
- Community Boundary (Highlighted)
- Community Boundary (Adjacent)
- Census Tract 2010
- Eligible Area-Wide Benefit Block Groups
- Non-Eligible Block Groups
- Interstate
- US
- State
- Major
- Minor
- Railroad
- Waterbodies

1 in = 0.48 miles

This Census Block Group map reflects the 2011-2015 American Community Survey (ACS).

Map Created On: 9/1/2020

HAVEN

LIVE WITHOUT FEAR

November 8, 2021

Ms. Lisa Deaton
City of South Lyon
335 S Warren St
South Lyon, MI 48178-1317

Ms. Deaton,

Violence in families is everywhere, crossing racial, ethnic, cultural, social, and economic boundaries. The impact of this violence invades our schools, places of worship, offices, businesses, factories, and throughout our neighborhoods.

Since 1982, HAVEN has been dedicated to building violence-free communities where everyone can live without fear. HAVEN maintains a 24-hour emergency shelter exclusively for domestic violence victims and their children and sexual assault survivors who are afraid to stay in their own homes. HAVEN offers counseling and education that help families stop the violence, begin the process of healing, and create the hope that their future will be free from abuse. The agency steps out into the community – over the phone, in courtrooms, police stations, hospitals, schools, the workplace, and at community meetings – to provide crisis intervention and education to help victims and families prevent violence in future generations. HAVEN staff manage a Personal Protection Order Office exclusively for victims of domestic violence and sexual assault located in the Circuit Court system, helping victims with the creation and filing of Personal Protection Orders, at no charge, as the first step in their safety plan.

HAVEN, through its comprehensive work, serves to break the silence that has kept the crimes of domestic violence and sexual assault behind closed doors. This silence has only served to allow these crimes to flourish. From July 1, 2020 through June 30, 2021, 17 individuals utilized our program services and 6 crisis calls were received from families in the City of South Lyon who took the first step to break their own silence by contacting HAVEN.

Our agency is again reaching out to you for support of our work with an even greater need as we assume the burden of increased clientele and additional staff to maintain these vital services. We ask that you continue to support these families through a Community Development Block Grant of $5000 for fiscal year 2021-2022. Please remember that the federal government presumes that domestic violence victims are considered to be low-income and therefore qualify for inclusion in block grant public service requests.

HAVEN looks forward to the opportunity to meet with you this year to provide further information on this request and answer any questions you may have. In the meantime, if you wish to speak with me, I can be reached at (248) 334-1284, Ext. 319, or you may contact our Executive Assistant, Patricia Hoskins at Ext. 306.

Sincerely,

Marianne Dwyer

Marianne Dwyer
Director of Finance

AGENDA NOTE

Unfinished Business # 2

MEETING DATE: November 22, 2021

PERSON PLACING ITEM ON AGENDA: City Manager

AGENDA TOPIC: Waste Hauling Extension Contract

EXPLANATION OF TOPIC: At our November 8th City Council Meeting, we discussed the possible extension of the Waste Hauling Contract. We previously received a letter from GFL outlining the items pertaining to extending the contract. After discussion, recommendations were made to make additional changes to the extension. Those changes have been incorporated in a new proposal by GFL for a 5-year extension to the existing contract. Please see attached letter dated November 9, 2021, outlining those changes. Including increasing the current rate by 4%, continue the annual CPI language, extending the yard waste through mid December, continue the recycle cart distribution, and adding an option to extend the new contract for an additional 5 years.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: Letter dated November 9, 2021 from Sam Caramagno of GFL outlining the extension. Agreement outlining the extension

POSSIBLE COURSES OF ACTION: Approve or not approve the extension with GFL as outlined in the letter dated November 9, 2021 and per the attached agreement.

SUGGESTED MOTION: Motion by ______________________, supported by ____________________________ to approve the extension with GFL as outlined in the letter dated November 9, 2021 and per the attached agreement.

GFL GREEN FOR LIFE
environmental

November 9, 2021

Paul Zelenak, South Lyon City Manager
335 S. Warren Street
South Lyon, Mi 48178

Michael Csapo, General Manager RRRASOC
20000 W. 8 Mile Road
Southfield, Mi. 48075

RE: Waste Hauling Contract

Dear Paul and Michael

I am writing with regard to the extension of the waste hauling contract between the City of South Lyon and GFL Environmental. As per the contract, section 3.B, GFL may request one (1) Four-year extension of the agreement in written form by six (6) months prior to the current expiration date which is June 30, 2022. I believe that I have addressed the concerns of City Council in the points below.

Please consider this the written notice as required by the contract. I have listed below a proposal for your review.

- Increase current rates by 4% to begin the new contact year 7/1/2022
    1. Single Family $155.62 annual rate
    2. Multi-Family $136.28 annual rate
- Continue annual CPI language as it is currently
- Add one year to the extension term. (5 years)
- Extend annual yard waste collection end date through mid-December.
- Continue recycle cart distribution program in force. 1500 carts available.
- Add an option to extend the new contact for an additional 5 years. Similar to current contract language.

Please let me know if there is a good time for you to discuss and go over any questions you may have.

Sincerely,

39000 Van Born Rd, Wayne, MI 48184
Tel.: 844-GO-GFLUSA (844) 464-3587 | Fax: 586-795-3270 | www.gflusa.com

Second Amendment and Extension of the City of South Lyon
Solid Waste, Yard Waste, Recycling Collection and Disposal Agreement

---

This Amendment and Extension is made and entered into by and between the City of South Lyon (the "City"), 335 S. Warren Street, South Lyon, MI 48178, and GFL Environmental USA Inc. ("GFL"), 6200 Elmridge, Sterling Heights, MI 48313.

WHEREAS, on February 29, 2008, the City of South Lyon ("City") and Duncan Disposal Systems, Inc. ("Duncan") entered into a Solid Waste, Yard Waste, Recycling Collection and Disposal Agreement with a five-year term beginning on July 1, 2008 and expiring June 30, 2013, which was extended on March 12, 2013, by Agreement for an additional five-year term beginning July 1, 2013 and expiring on June 30, 2018 (the "Agreement"); and

WHEREAS, Rizzo Environmental Services, Inc. (RES) acquired the operating assets of Duncan in July 2016; and

WHEREAS, on August 8, 2016, after having been advised of RES's acquisition of Duncan's operating assets and related transactions involving RES and GFL Environmental USA Inc., the City approved a Consent and Waiver of Assignment of the Agreement from Duncan to RES; and

WHEREAS, GFL Environmental USA Inc. closed a stock purchase of RES on September 30, 2016; and

WHEREAS, the City was apprised of the stock purchase by GFL Environmental USA Inc. on November 28, 2016; and

WHEREAS, in a letter dated September 26, 2017, GFL Environmental USA Inc. proposed an extension of and amendments to the Agreement, and it provided a subsequent letter dated January 4, 2018 outlining its proposed amendments and extension to the Agreement; and

WHEREAS, the City Council authorized an Amendment and Extension of the Agreement (the "Amendment and Extension of the City of South Lyon Solid Waste, Yard Waste, Recycling Collection and Disposal Agreement"), which is due to expire on June 30, 2022; and

WHEREAS, in a letter dated October 21, 2021, GFL Environmental USA Inc. proposed a second extension of and amendments to the Agreement; and

WHEREAS, the City Council reviewed GFL's proposed extension and amendments and on November 8, 2021, authorized the City administration to pursue a four-year extension and amendments of the Agreement consistent with the terms outlined in GFL's proposal and discussed during the November 8, 2021 City Council meeting and subject to City Council review and approval; and

WHEREAS, the parties desire to extend the term of the Agreement, acknowledge that GFL is the Contractor under the Agreement, and amend the provisions for future extensions, annual price adjustments, yard waste collection, and recycling collection and carts;

NOW, THEREFORE, the City and GFL agree as follows:

1. The introductory first paragraph identifying the parties to the Agreement is amended to read as follows:

    THIS AGREEMENT, is made and entered into this ___ day of _______, 2021, by and between the City of South Lyon, 335 S. Warren, South Lyon, MI 48178, hereinafter called "THE CITY", and GFL Environmental USA Inc., with offices located at 6200 Elmridge, Sterling Heights, MI 48313, (hereinafter called "Contractor").

2. Sections 3.A. – C. of the Agreement are amended to read as follows:

    A. **<u>Four (4) Year Term:</u>** The term of the Agreement, as amended and extended, shall be for four (4) years. The term of the Agreement, as amended and extended, shall begin July 1, 2022 and expire June 30, 2026.

    B. **<u>Contractor's Extension Options:</u>** The Contractor may request one (1) five-year extension of the Agreement if written notice of such requests are received by THE CITY no later than six (6) months prior to current expiration date. Granting requests for contract extensions shall be at the sole discretion of THE CITY and shall not be contestable or appealed. If THE CITY agrees to accept the Contractor's request for an extension, such extension shall be approved at least three (3) months prior to the current expiration date.

    C. **<u>THE CITY Retains Right to Extend and Postpone Agreement Termination Date:</u>** THE CITY may renew the Agreement for one (1) five-year term (extension) under the conditions set forth in the contract. THE CITY shall give the Contractor written notice of its intention to extend the contract period at least three (3) months prior to the expiration of the Contract.

3. Section 5.K. of the Agreement is amended to read as follows:

    <u>Contact Persons for Legal Notices:</u> The Contractor identifies Sam Caramagno, of GFL Environmental USA Inc., with offices located at 26999 Central Park Blvd, Suite 200, Southfield, MI 48076, who shall be designated to receive all notices and communications on behalf of the contracting parties with regard to the Agreement. Written notice required to be provided to THE CITY pursuant to this Agreement shall be provided the City of South Lyon, c/o City Manager, 335 S. Warren, South Lyon, MI 48178.

4. Section 5.F. of the Agreement is amended to read as follows:

    <u>Insurance Requirements</u>: The Contractor shall submit a Certificate of Insurance prior to the execution of a contract meeting the minimum limits of liabilities as outlined. All insurance carriers must be acceptable to THE CITY and licensed in the State of Michigan.

    A new certificate of insurance shall be provided to THE CITY each year at the time of policy renewal. The Contractor shall not allow for any lapse of insurance coverage in the amounts shown below. Failure of the Contractor to maintain the required insurance shall be grounds for contract cancellation.

1. Workers' Compensation Insurance: The Contractor shall procure and maintain during the life of this contract, Workers' Compensation Insurance, including employers Liability Coverage, in accordance with all applicable statutes of the State of Michigan.

2. Commercial General Liability Insurance: The Contractor shall procure and maintain during the life of the Contract, Commercial General Liability Insurance on an "Occurrence Basis" and motor vehicle insurance with limits of liability not less than $3,000,000.00 (three million dollars) per occurrence, Personal Injury, Bodily Injury, and Property Damage. Coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations Liability; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent; (E) Deletion of all Explosion, Collapse and Underground (XCU) Exclusions, if applicable. Additionally, the Contractor shall procure and maintain Umbrella Coverage of not less than $1,000,000.00 (one million dollars).

3. Automobile Liability: including Michigan No-Fault Coverages, with limits of liability not less than $3,000,000.00 (three million dollars per occurrence combined single limit for Bodily Injury, and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.

4. Environmental/Pollution Liability: Coverage for all pollution and environmental risks, including Contractor's Pollution Liability and Pollution Legal Liability coverage, where applicable, with limits of liability not less than $1,000,000 (one million dollars) per occurrence and aggregate. Coverage shall include, but not be limited to, loading/unloading, transportation, storage, and removal of all hazardous waste/material. If this policy is claims made form, then the contractor shall be required to keep the policy in force, or purchase "tail" coverage, for a minimum of 3 years after the termination of this contract. The Member shall be named as additional insured, by way of endorsement, on said coverage

5. Additional Insured: Policies and coverages as described above, excluding Workers' Compensation Insurance, shall include an endorsement stating the following shall be Additional Insureds: "THE CITY, all elected and appointed officials, all employees and volunteers, agents, all boards, commissions, and/or authorities and board members, including employees and volunteers thereof." It is understood and agreed by naming the Member as additional insured, coverage afforded is considered to be primary and any other insurance the Member may have in effect shall be considered secondary and/or excess.

6. Cancellation Notice: Policies, as described above, shall include an endorsement stating the following. " It is understood and agreed Thirty (30) days, Ten (10) days for non-payment of premium, Advance Written Notice of Cancellation, Non-Renewal, Reduction, and/or Material Change

shall be sent to the City of South Lyon, 335 S. Warren, South Lyon, MI 48178.

Required liability limits may be obtained by using an Excess/Umbrella Liability policy in addition to the primary liability policy(ies). If coverage limits are satisfied by an Excess and/or Umbrella policy, coverage must follow form of the primary liability policy(ies), including but not limited to additional insured and primary/non-contributory coverage.

If any of the above coverages expire during the term of the contract, the Contractor shall deliver renewal certificates and/or policies to THE CITY at least ten (10) days prior to the expiration date.

5. Attachment A (General Provisions), Section 1.1 of the Agreement is amended to read as follows:

1.1 Term

The term of the Contract, as amended and extended, is for four (4) years commencing on July 1, 2022, and ending June 30, 2026. THE CITY may renew the Contract for one (1) five-year term (extension) under the conditions set forth in the Contract. THE CITY shall give the Contractor written notice of its intention to extend the contract period at least three (3) months prior to the expiration of the Contract.

6. Attachment A (General Provisions), Section 1.9 of the Agreement is amended to read as follows:

1.9 Contract Price Adjustments

The contract price schedule shall be reviewed and revised in June of each contract year and extension period, if any, in accordance with the most recent full calendar year annual percentage change in the reference annual Consumer Price Index escalator, and the contract price shall be established for the next contract year beginning on July 1, following the June evaluation, except, however, that the price adjustment shall not exceed two (2) percent or be less than zero (0) percent. No other changes in contract prices are permitted, except as authorized by this agreement.

The reference Consumer Price Index shall be the Consumer Price Index - All Urban Consumers for the Detroit-Ann Arbor-Flint area (all items), base period: 1982-84=100, as published by the Bureau of Labor Statistics, U.S. Department of Labor.

In the event the U.S. Department of Labor, Bureau of Labor Statistics ceases to publish the CPI, another equally authoritative measure of change in the purchasing power of the U. S. dollar as may be then available shall be substituted.

7. Attachment B (Contractor's Service Specifications), Section 2.1.7 of the Agreement is amended to read as follows:

2.1.7 YARD WASTE/LAWN DEBRIS COLLECTION

As part of the solid waste unit price and included as part of weekly regular curbside pick-ups, the Contractor shall separately pick up unlimited, separated yard waste and lawn debris as part of the regularly scheduled collection required by this Contract. The period of collection shall be from the Monday of the first full week of April through the Friday of the second full week of December, unless otherwise specified by mutual agreement between the Contractor and THE CITY. The Contractor will provide, upon request of THE CITY, additional yard waste/ lawn debris collection, provided the Contractor has access to a compost site that is open and accepting material. The rate for this additional service shall be as specified in Attachment C.

All yard waste and lawn debris shall be transported for disposal to an appropriate compost site, in accordance with all municipal, county, state and federal laws, ordinances, and regulations, and under no circumstances to a landfill or disposal facility, unless otherwise specified herein and permitted by law. A written monthly report must be supplied to THE CITY and RRRASOC, or made accessible in a compatible electronic format, via email or Internet, indicating the daily and monthly volume of deliveries made to the facility by the Contractor on behalf of THE CITY. Acceptable yard waste and lawn debris shall include grass clippings, weeds, leaves, small twigs, prunings, shrub clippings, garden waste materials and fruit; old potting soil, Halloween pumpkins, dirt incidental to minor plantings or edging of lawns; brush, branches, tree trimmings, shrub clippings tied and bundled with biodegradable string or twine; and small shrubs and bushes with dirt removed from root systems; or any other material defined by law as "yard clippings".

Acceptable yard waste and lawn debris shall include so called "woody" or "hard" yard waste as long as it is properly prepared. The Contractor will not be required to pick up tree branches or logs greater than three inches (3") in diameter, longer than four feet (4') in length, tied or secured with string or twine in bundles larger than eighteen inches (18") in diameter, or weighing in excess of sixty (60) pounds. Such material shall be collected as part of regular refuse collection unless otherwise prohibited by law.

The yard debris will be bundled as required, placed in large capacity kraft / paper bags or placed loose in cans with a "yard waste recycling" or "compost" sticker provided by THE CITY on opposite sides of the container.

Brush, branches, tree trimmings, shrub clippings tied and bundled and set out for collection at other than the designated yard waste/lawn debris collection season shall be collected as part of the regular refuse collection, unless otherwise prohibited by law.

8. Attachment B (Contractor's Service Specifications), Section 2.1.8 of the Agreement is amended to read as follows:

2.1.8 RECYCLING COLLECTION

As part of the solid waste unit price and not as a separate pay item, included as part of weekly regular curbside pick-ups, the Contractor shall separately pick up on the same day as the regularly scheduled refuse collection required by this Contract, recyclable materials set-out as per the specifications identified by the City in Attachment D and as indicated in the MRF Services Agreement between RRRASOC and the City. Recyclable materials shall be collected and delivered by Contractor to the RRRASOC Materials Recovery Facility at 20000 W. Eight Mile Road, Southfield, MI 48075 in accordance with the MRF Services Agreement.

The Contractor will service homes with recycling carts or bins as part of the regular collection route without additional cost to the City or resident except as provided for herein. Recyclable materials shall be placed in 18-gallon recycling bin or the 64-gallon recycling cart as set forth below. Residents will have the option of continuing to use existing 64-gallon recycling carts or requesting a 64-gallon recycling cart directly from the Contractor, who will provide a telephone number and website page for such requests, or continuing to use the 18-gallon recycling bins.

The Contractor will provide up to 1,500 additional households with recycling carts, delivered to requesting residents on a first come first served basis, and at no cost to the City or residents. Once the Contractor has provided 1,500 additional recycle carts, the Contractor may charge requesting residents for a cart or use of a cart. Residents who currently lease or rent a recycle cart directly with the Contractor may request a replacement cart under this provision, which shall count toward the 1,500 additional carts, but if the Contractor has already provided 1,500 additional carts, the resident may be charged for the cart. The City shall not bear any costs relating to recycle carts. The Contractor will track and report to the City and RRRASOC at least quarterly and annually prior to June 1st, the number of residents including addresses that have received a recycle cart from Contractor pursuant to this provision or through other arrangements between the Contractor and residents (e.g. cart lease or rent arrangement).

If the Agreement is extended or renewed as provided for in Section 1.1, the number of additional recycling carts to be provided by Contractor and made available to residents during the applicable term and the cost thereof shall be subject to negotiations and agreement of the parties which agreement must be in writing and signed by parties' authorized representatives to be valid.

The Contractor will be responsible for replacing any bins or carts damaged by the Contractor within twenty-four (24) hours at no cost to the City.

9. Attachment C (Contractor's Compensation), Paragraph 2. of the Agreement will be amended to read as follows:

    2. **<u>Contractor's Base Price Rate Schedule for collection, transportation, and disposal (solid waste unit price as of July 1, 2022):</u>**

        (a) Residential Units ($/year – total including refuse, yard waste and recycling):

Single-Family Units:	$155.62
Multi-Family / Discount Eligible Units:	$136.28

10. All of the terms, conditions, and provisions of the Agreement, including Attachments, not modified by or in conflict with this Second Amendment and Extension shall remain in full force and effect.

11. This Second Amendment and Extension constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes any prior understandings, agreements, or representations by or among the parties, written or oral, to the extent they relate, in anyway, to the subject matter hereof.

12. This Amendment and Extension is governed by and will be construed in accordance with the laws of the State of Michigan.

[Signatures on the following page]

Acknowledged and agreed:

GFL Environmental USA Inc.

By: ______________________________________

Name: ____________________________________

Title: _____________________________________

Date: _____________________________________

City of South Lyon

By: ______________________________________
Daniel L. Pelchat, Mayor

Date: _____________________________________

By: ______________________________________
Lisa Deaton, Clerk

Date: _____________________________________

AGENDA NOTE

New Business #1

MEETING DATE: November 22, 2021

PERSON PLACING ITEM ON AGENDA: City Manager

AGENDA TOPIC: Professional Engineering Services Roadway Asset Management Plan – Pavement Cores and Analysis

EXPLANATION OF TOPIC: As part of our efforts to improve the conditions of our roads and to develop a Road Improvement Plan, HRC has submitted a proposal for professional engineering services to collect pavement cores, update cost estimates and to assist with the Road Committee meetings.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: Letter from our engineers at HRC describing their proposal.

POSSIBLE COURSES OF ACTION: Approve or not approve HRC to perform Pavement Cores and to assist with the development of the Road Improvement Plan for the City of South Lyon in the amount not to exceed $25,800. We will be making a budget amendment to account #203-451-801

SUGGESTED MOTION: Motion by ______________________, supported by ______________________ to approve HRC to perform Pavement Cores and to assist with the development of the Road Improvement Plan for the City of South Lyon in the amount not to exceed $25,800. Account #203-451-801

HUBBELL, ROTH & CLARK, INC
CONSULTING ENGINEERS SINCE 1915

MAILING: PO Box 824
Bloomfield Hills, MI 48303-0824

SHIPPING: 555 Hulet Drive
Bloomfield Hills, MI 48302-0360

PHONE: 248-454-6300
WEBSITE: hrcengr.com

November 12, 2021

City of South Lyon
335 South Warren Street
South Lyon, MI 48178

Attn: Mr. Paul Zelenak, City Manager

Re: Proposal for Professional Engineering Services
Roadway Asset Management Plan – Pavement Cores & Analysis
HRC Job No. 20200586

Mr. Zelenak:

Thank you for the opportunity to allow Hubbell, Roth & Clark, Inc. (HRC) to submit this proposal for professional engineering services. As we understand, the City of South Lyon (City) wishes to bring a Road Millage ballot proposal to your residents which will be voted on during the November 2022 election. Part of the ballot proposal initiative is to confirm the scope of work and costs of road improvements and preparing this information for meetings with the City's Road Committee. HRC proposes the following tasks and budgets to complete this work:

Scope of Services

Task 1 – Collect Pavement Cores & Report

We have reviewed our records of the past City paving projects that HRC has provided material testing services over the last 20 years. We propose to supplement this information with collecting 60-70 paving cores throughout the City. The results of this information will be documented and used to verify the proper road rehabilitation method.

Task 2 – Update Cost Estimates

Based on the results of Task 1, we will revisit our previous cost estimates to confirm the total cost of the road rehabilitation work. This information will be used to evaluate possible bonding scenarios but will not be used to determine the actual 10 year millage program.

Task 3 – Pavement Cross-Section Display

HRC will create three (3) real life pavement cross-sections obtained from the cores collected in Task 1 and create one (1) new road cross-section. These cross-sections will be able to be displayed at City Hall and at meetings to convey what the real life condition and thickness of the pavement, aggregate base and subgrade are and compare them to the new road cross-section. This information may be helpful to explain to the voters how roadways are constructed and convey what condition the roads are in beyond what can be seen at the pavement surface. The pavement cross-sections will become the property of the City of South Lyon.

Task 4 – Road Committee Meetings

HRC will assist with the preparation of materials for and attendance of three (3) in person meetings. HRC will develop figures, graphs and diagrams which can be used to educate Committee Members and the Public.

Fees:

Task 1 – Collect Pavement Cores & Report	$	12,800.00
Task 2 – Update Cost Estimates	$	3,000.00
Task 3 – Pavement Cross Section Exhibits and Displays	$	2,500.00
Task 4 – Road Committee Meetings Allowance	$	7,500.00
Total Not-to-Exceed Fee	**$**	**25,800.00**

HRC will invoice the City for only the actual time spent to complete these tasks and the total fee will not be exceeded without your authorization. If you have any questions or require any additional information, please contact the Michael Darga at 517-292-1485.

Very truly yours,

HUBBELL, ROTH & CLARK, INC.

Roland N. Alix

Roland N. Alix, P.E.
Vice President

Michael P. Darga

Michael P. Darga, P.E.
Associate

Accepted By:

City of South Lyon

Signature: ______________________
Paul Zelenak, City Manager

Dated: ______________________

AGENDA NOTE

New Business: Item # 2

MEETING DATE: November 22, 2021

PERSON PLACING ITEM ON AGENDA: Douglas Varney, Director, Utilities and DPW

AGENDA TOPIC: Purchase of new Trimble Yuma 7 Tablet with modules to read meters for the water department.

EXPLANATION OF TOPIC: The hand held Trimble device we currently utilize for non-LTE meter reads is no longer available to purchase. We have had some communication problems with the current device in uploading the reads and the department would like to purchase the updated version to read meters. This non-budgeted item can be purchased with the Equipment Miscellaneous account **592.556.977** as outlined in the quote from Badger for $9,113.00 with the included modules to read all types of meters currently installed within the city.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:
1.1 Quote for Trimble Yuma 7 Tablet with two modules
1.2 Yuma 7 Tablet Literature

POSSIBLE COURSES OF ACTION: Approve/deny the purchase of new meter reading hardware with two modules to read meters for $9,113.00 from account **592.556.977**.

SUGGESTED MOTIONS:

(1) Motion by ______________ supported by ______________to waive Sec 2-224 of the City of South Lyon Code of Ordinances, "Approval for purchases or contracts over $2,000.00; competitive bidding for purchases or bidding over $5,000.00" because "no advantage to the city will result" from competitive bidding.

(2) Motion by __________________, supported by _________________ to approve the purchase of new Trimble Yuma 7 Tablet with the two modules for the amount of 9,113.00 under line item **592.556.977** to read meters via radio signal for the water department.

ATTACHMENT 1.1 QUOTE FOR TRIMBLE METER READER

Trimble Yuma 7 Tablet

Trimble Yuma 7 Tablet for BEACON AMA Mobile Solutions	LIST PRICE 13,100.00	NET PRICE 6,550.00
ORION ME & ORION CE Modules for Trimble Yuma 7 Tablet and Ranger 7 Handheld		
ORION ME Module (each)	LIST PRICE 2,563.00	NET PRICE 1,281.50
ORION CE Module (each)	LIST PRICE 2,563.00	NET PRICE 1,281.50

ORION Module with factory installed/programmed ORION ME transceiver or ORION CE receiver. Each module box includes (1) ORION ME or CE module, (1) ORION handheld antenna 66238-007 and (1) ORION Module Quick Start Guide. NOTE: Yuma 7 tablet and Ranger 7 handheld supports installation of both ORION ME & CE modules for dual read capabilities. Price includes 36-month hardware warranty.

Total price: $9,113.00

Regards,

Mark Wright

Every drop counts.

ORION® Modules

for Trimble® Yuma 7 Tablet and Trimble® Ranger 7 Handheld

OVERVIEW

Designed to provide utilities with a rugged ORION dual-read mobile platform, the ORION Migratable (ME) and ORION Classic (CE) modules allow for simultaneous RF reading of ORION ME and CE endpoints.

ORION ME Module

ORION CE Module

SYSTEM

Installed on a Trimble® Yuma 7 tablet or Trimble Ranger 7 handheld, and coupled with the BEACON® AMA mobile suite of applications, the Badger Meter proprietary ORION ME and CE modules capture important utility meter reading data from the ORION endpoint for display in the ORION Mobile Read software. The internal GPS on the tablet and handheld provides meter readers with on-screen mapping capabilities, allowing meter readers to see a visual representation of the location and status of their field assignments.

CONFIGURATIONS

The ORION module can be ordered as an ORION ME transceiver or ORION CE receiver, and is factory programmed to be recognized as an authorized Trimble EMPOWER-enabled module. When connected to either of the available module slots on the back of the Trimble Yuma 7 tablet or the Trimble Ranger 7 handheld, Windows® recognizes the ORION module and assigns a communication (COM) port for use with the ORION Mobile Read and ORION Endpoint Utility applications.

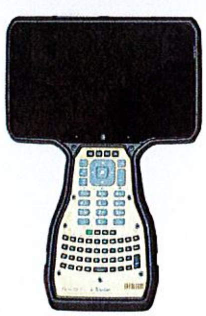
FCC REQUIREMENTS

These devices comply with Part 15 of FCC Rules. Operation is subject to the following conditions: (1) These devices may not cause harmful interference, and (2) these devices must accept any interference received, including interference that may cause undesired operation. See the *Trimble Yuma 7 Tablet Quick Start Guide* or the *Trimble Ranger 7 Handheld Quick Start Guide* for more information.

TRIMBLE YUMA 7 TABLET SPECIFICATIONS

For Trimble Yuma 7 tablet specifications, see *http://trl.trimble.com/docushare/dsweb/Get/Document-899912/Yuma%207_DS_USL_LR.pdf*.

TRIMBLE RANGER 7 HANDHELD SPECIFICATIONS



For Trimble Ranger 7 handheld specifications, see *http://trl.trimble.com/docushare/dsweb/Get/Document-879278/116662-01_Ranger%207_DS_USL_0427_LR.pdf*.

ADDITIONAL INFORMATION

For additional information, refer to these documents, available in the Resource Library at *www.badgermeter.com*.

- *Trimble Yuma 7 Tablet Quick Start Guide for Connecting ORION Modules*
- *Trimble Yuma 7 Tablet Parts List*
- *Trimble Ranger 7 Quick Start Guide for Connecting ORION Modules*
- *Trimble Ranger 7 Handheld Parts List*
- *ORION Mobile Read Quick Start Guide*

www.badgermeter.com

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Europe, Middle East and Africa | Badger Meter Europa GmbH | Nurtinger Str 76 | 72639 Neuffen | Germany | +49-7025-9208-0
Europe, Middle East Branch Office | Badger Meter Europe | PO Box 341442 | Dubai Silicon Oasis, Head Quarter Building, Wing C, Office #C209 | Dubai / UAE | +971-4-371 2503
Asia Pacific | Badger Meter | 80 Marine Parade Rd | 19-07 Parkway Parade | Singapore 449269 | +65-63464836
Switzerland | Badger Meter Swiss AG | Mittelholzerstrasse 8 | 3006 Bern | Switzerland | +41-31-932 01 11

AGENDA NOTE

New Business Item # 3

MEETING DATE: November 22, 2021

PERSON PLACING ITEM ON AGENDA: Clerk/Treasurer Deaton

AGENDA TOPIC: Resolution approving location for Precinct #5

EXPLANATION OF TOPIC: Due to the number of voters in Precinct #1, we must split the precinct. Precinct #1 will remain at the Police Station, but we will be adding a precinct #5. The maximum number of voters per precinct is 2,999. Because we do not have any other buildings of our own to use, we are asking to use the First United Methodist Church and the setup is ideal for our voters.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: Resolution approved by Election Commission to split Precinct #1 and resolution for Council to approve location for Precinct #5 as well as precinct map showing proposed split.

POSSIBLE COURSES OF ACTION: Approve/ not approve Resolution approving Election Precinct #5 location as the First United Methodist Church at 640 S Lafayette

SUGGESTED MOTION:
Motion by ____________________, supported by____________________________
To approve the First United Methodist Church, 640 S Lafayette as Precinct #5 polling location.

RESOLUTION NO.09-21

CITY OF SOUTH LYON ELECTION COMMISSION
OAKLAND CITY, MICHIGAN

RESOLUTION APPROVING A DIVISION OF PRECINCT NO. 1

WHEREAS, Chapter 3, Section 3.3 of the City of South City Charter provides that election precincts shall remain as they existed on the effective date of the Charter unless altered by the Election Commission according to Statute; and

WHEREAS, the Michigan Election Law, Public Act 116 of 1954, MCL 168.661 restricts an optical scan precinct to contain no more than 2,999 registered voters; and

WHEREAS, MCL 168.657 authorizes the Election Commission of the City of South Lyon to divide any precinct into two (2) or more precincts; and

WHEREAS, the City of South Lyon Election Commission has reviewed the number of registered voters at Precinct 1 and determined it is necessary to permanently divide Precinct 1 into two (2) precincts due to the increase in population within that precinct; and

THEREFORE, BE IT RESOLVED, that the Election Commission of the City of South Lyon approves the division of Precinct 1 into two (2) precincts within the City of South Lyon.

BE IT FURTHER RESOLVED, that all resolutions, and parts of resolutions in conflict herewith, are to the extent of such conflict, repealed.

At a regular meeting of the City of South Lyon Election Commission, a motion was made by Commission Member Dave, supported by Commission Member Lisa, to adopt the above resolution.

Ayes: 3
Nays: 0
Absent: 0

RESOLUTION DECLARED ADOPTED.

CERTIFICATION

I certify that this resolution was duly adopted by the Election Commission of the City of South Lyon on Oct 15, 2021.

Lisa Deaton
City Clerk
South Lyon

Lisa Deaton

RESOLUTION NO. 10 -21

CITY OF SOUTH LYON
OAKLAND COUNTY, MICHIGAN

RESOLUTION APPROVING AN ELECTION PRECINCT SPLIT AND ADDING A NEW ELECTION PRECINCT LOCATION

WHEREAS, Chapter 3, Section 3.3 of the City of South City Charter provides that election precincts shall remain as they existed on the effective date of the Charter unless altered by the Election Commission according to Statute, and provides City Council establish new precinct locations; and

WHEREAS, the Michigan Election Law, Public Act 116 of 1954, restricts an optical scan precinct to contain no more than 2,999 registered voters, and the Bureau of Elections requires Council approve new precinct locations; and

WHEREAS, the City of South Lyon Election Commission has reviewed the number of registered voters at Precinct 1 and determined it is necessary to permanently split Precinct 1 into two (2) precincts due to the increase in population within that precinct; and

WHEREAS, City Council has determined the following location as a convenient new precinct location:

Precinct #5 First United Methodist Church, 640 S Lafayette, South Lyon, MI 48178

THEREFORE, BE IT RESOLVED, that the City Council of the City of South Lyon approves the split of Precinct 1 and the addition of the following new precinct location within the City of South Lyon:

Precinct #5 640 S Lafayette, South Lyon, MI 48178 First United Methodist Church

in addition to the following precinct locations for all future elections in the City of South Lyon beginning with the August 2, 2022 Primary:

Precinct #1 214 W Lake Street, South Lyon, MI

Precinct #2 & #3 350 School Street, South Lyon, MI

Precinct #4 335 S Warren, South Lyon, MI

BE IT FURTHER RESOLVED, that all resolutions, and parts of resolutions in conflict herewith, are to the extent of such conflict, repealed.

At a regular meeting of the City of South Lyon City Council, a motion was made by Council Member ____________________, supported by Council Member __________________________, to adopt the above resolution.

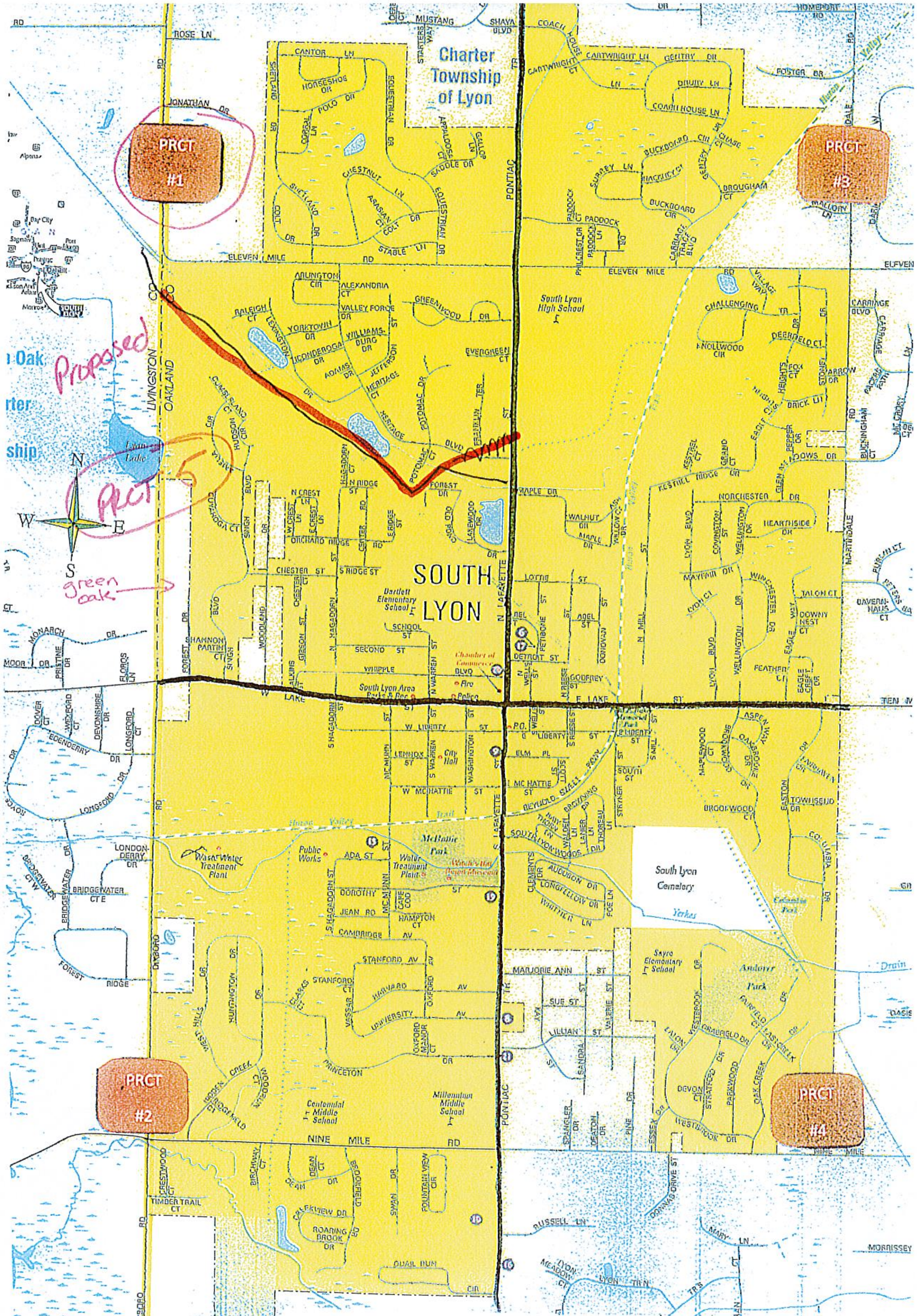
Ayes:
Nays:
Absent:

RESOLUTION DECLARED ADOPTED.

CERTIFICATION

I certify that this resolution was duly adopted by the City Council of the City of South Lyon on ____________________, 2021.

Lisa Deaton
City Clerk
South Lyon



PRECINCT #1
214 W LAKE
POLICE & FIRE ADMINISTRATION BLDG

PRECINCT #2 & #3
350 SCHOOL ST (OFF N. WARREN)
BARTLETT ELEMENTARY SCHOOL

PRECINCT #4
335 S WARREN
CITY & SCHOOL ADMINISTRATION BLDG

AGENDA NOTE

New Business # 4

MEETING DATE: November 22, 2021

PERSON PLACING ITEM ON AGENDA: Patricia Tiernan, Finance & Benefit Administrator

AGENDA TOPIC: Adoption of Vendor Agreements and Resolution for Section 125 Cafeteria Plan Flexible Spending Account & Dependent Care Spending Account.

EXPLANATION OF TOPIC: The City of South Lyon has engaged with Kushner & Co., Inc. to assume administration of the City's Section 125 Cafeteria Plan Flexible Spending Account (FSA) and Dependent Care Spending Account (DCSA). Attached is the Resolution and Client Consulting and Administrative Services Agreement with Kushner & Co., Inc. for the benefit plan year 2022.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: Resolution to Approve Client Consulting and Administrative Services Agreement Between the City of South Lyon and Kushner & Co., Inc., Consulting and Administrative Services Agreement (Exhibit A).

POSSIBLE COURSES OF ACTION: Approve or not approve the Client Consulting and Administrative Services Agreement with Kushner & Co., Inc. to provide FSA & DCSA Section 125 Cafeteria Plan benefits for the City of South Lyon.

SUGGESTED MOTION: Motion by ________________________, supported by ______________________________ to approve the attached Resolution to Approve Client Consulting and Administrative Services Agreement Between the City of South Lyon and Kushner & Co., Inc.

CITY OF SOUTH LYON
RESOLUTION TO APPROVE CLIENT CONSULTING AND ADMINISTRATIVE SERVICES AGREEMENT BETWEEN THE CITY OF SOUTH LYON AND KUSHNER & CO., INC

RESOLUTION NO. ___________

At a regular meeting of the City Council for the City of South Lyon, Oakland County, Michigan, held via Zoom in accordance with the Open Meetings Act, Public Act 267 of 1976, as amended, on the 22nd day of November 2021, at 7:30 p.m.

PRESENT: ____

ABSENT: ____

The following preamble and resolution was offered by ____________________________ and seconded by _________________________________.

WHEREAS, the City Charter, Section 11.1, authorizes the City Council to enter into contracts on behalf of the City; and

WHEREAS, the City Council has considered the Client Consulting and Administrative Services Agreement between the City of South Lyon and Kushner & Co., Inc. (the "Agreement") and has decided that it is in the best interests of the City to approve the Agreement, subject to approval by the City Manager after consultation with the City's Risk Manager regarding the insurance provisions in the Agreement.

NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS:

1. The City Manager shall consult with the City's Risk Manager regarding the insurance provision in the Agreement, determine whether the limits are acceptable in light of the provision of services, and modify the insurance provision in the Agreement, as may be appropriate; and

2. The City Council of the City of South Lyon hereby approves the Agreement, attached hereto as Exhibit A, subject to Paragraph 1, above, and authorizes the City Mayor and the City Clerk to execute any and all documents and take any and all other actions as may be necessary or appropriate in order to effectuate the Agreement, in accordance with the Charter, Section 11.1.

A vote on the foregoing resolution was taken and was as follows:

ADOPTED.

YEAS: ___________________________

NAYS: ___________________________

STATE OF MICHIGAN)
)
COUNTY OF OAKLAND)

I, Lisa Deaton, City Clerk of the City of South Lyon, hereby certify this to be a true and complete copy of Resolution No. ______, duly adopted at a regular meeting of City Council held on the 22nd day of November, 2021.

____
Lisa Deaton
South Lyon City Clerk

Exhibit A

KUSHNER & CO., INC.

CLIENT CONSULTING AND ADMINISTRATIVE SERVICES AGREEMENT

Coversheet of Key Terms

Client: City of South Lyon

Kushner: Kushner & Co., Inc.

Effective Date: January 1, 2022

Initial Term: Completion of the work for one plan year from the Effective Date as more fully explained in the terms and conditions of this Agreement.

Confidentiality Note: As is more fully explained in the terms and conditions of this Agreement, all information shared between and/or among the parties shall be kept fully confidential to the maximum extent allowable, including full compliance with HIPAA (as defined in the Agreement) confidentiality and information security requirements, as necessary. See Section 7 for further reference.

Consulting Services (Check all that apply):

- ☐ Kushner & Company Consulting.

Administrative Services:

- ☒ Health and Welfare Benefit Plans
  - ☒ Flexible Spending Account Administration
    - ☒ Green Option
    - ☐ Standard Option
  - ☐ Health Reimbursement Account Administration
    - ☐ Green Option
    - ☐ Standard Option
  - ☐ Health Savings Account Administration
  - ☐ COBRA Administration
  - ☐ Benefits Enrollment
  - ☐ Other:
- ☐ Retirement Plans
  - ☐ Qualified Retirement Plan Administration
  - ☐ Non-Qualified Retirement Plan Administration
  - ☐ Other:

Exhibits:

A. Client Identification

B. Third Party Service Providers

C. Fee Schedule/Proposal

CITY OF SOUTH LYON
CONSULTING AND ADMINISTRATIVE SERVICES AGREEMENT

This Client Consulting and Administrative Services Agreement ("**Agreement**") is entered into as of January 1, 2022 ("**Effective Date**"), by and among Kushner & Co., Inc., a Michigan corporation ("**Kushner**"), and the other undersigned entity or entities identified on the attached Exhibit A ("**Client**").

RECITALS

A. Kushner is an established HR and organizational consulting and administration company, experienced in providing HR and organizational consulting and administration to entities, such as Client.

B. The Client desires to retain Kushner to provide the HR consulting and administration services identified herein in Section 2 and Kushner is willing to provide such services, either directly or under Kushner's supervision.

NOW, THEREFORE, the parties agree as follows:

1. Retention.

1.1. The Client retains Kushner to perform the Services pursuant and subject to the terms and conditions set forth in this Agreement. Kushner will devote the necessary time and energy to such services, and will provide services under this Agreement with the same degree of care normally exercised by other companies under similar circumstances.

2. Initial Services.

2.1. Kushner shall provide the Client with the following services as indicated by the boxes checked below:

A. ☐ Consulting Services
- ☐ Consulting

B. ☒ Health and Welfare Benefit Plan Administration Services
- ☒ Flexible Spending Account Administration
  - ☒ Green Option
  - ☐ Standard Option
- ☐ Health Reimbursement Account Administration
  - ☐ Green Option
  - ☐ Standard Option
- ☐ Health Savings Account Administration
- ☐ COBRA Administration
- ☐ Benefits Enrollment
- ☐ Other:

C. ☐ Retirement Plan Administration Services
- ☐ Qualified Retirement Plan Administration
- ☐ Non-Qualified Retirement Plan Administration
- ☐ Other:

To the extent that Kushner provides any of the above Services through a third-party service provider, the third-party service provider will be identified on Exhibit B.

2.2. Additional Services. The Client may request and Kushner may agree to provide certain services not indicated in Section 2.1 above, or otherwise in this Agreement, including certain professional consulting, administrative and other services, for which Kushner may charge the Client at its then-current hourly rate and provided by Kushner upon request by the Client.

3. Client Responsibilities.

3.1. Information and Cooperation. At all times during the Term, Client must provide to Kushner in a timely manner such information about Client's employees and operations as Kushner deems reasonably necessary to perform the Services, and Client shall cooperate with and accurately and timely respond to reasonable requests for information by Kushner in the performance of the Services. Without limiting the generality of the foregoing, Client shall deliver to Kushner, on a timely and accurate basis and, if available to Client, in a format requested by Kushner all Client information relating to Client's employees and the Client's organization structure and ownership and this Agreement as may, from time to time, be reasonably requested by Kushner.

3.2. Reliance on Client Information. All information provided at any time by or at the direction of Client (through an agent or otherwise) to Kushner or its subcontractors (including, without limitation, information provided by Client prior to execution of this Agreement or during the Implementation phase) must be true, complete and accurate, and Kushner will be entitled to fully rely upon it. Kushner will not be obligated to verify the truth, completeness or accuracy of the information submitted to Kushner or its subcontractors by or at the direction of Client.

3.3. Client Compliance Obligation. At the time of execution of this Agreement, and at all times throughout the Term, Client must remain in compliance with all federal, state and local laws and regulations applicable to it or its business with respect to which a failure to comply would have any material impact on Kushner or its obligations under this Agreement.

3.4. Client Responsibility for Employees and Agents. Client is solely responsible for the acts, errors and omissions of Client's employees in the conduct of Client's business and, unless arising from the use of the Services, Kushner has no responsibility or liability for any losses, claims, damages, expenses, liabilities or obligations that arise as a result of the operation of Client's business.

4. Implementation and Administrative Fees. The Client must pay Kushner Consulting and Administrative Fees as follows:

4.1. Consulting and Administration Fees.

A. ☐ Net Due Upon Receipt. As of the Effective Date, for all of the consulting and/ or administrative services provided by Kushner to the Client indicated in Section 2, above, the Client must pay Kushner the consulting and/or administrative fees set forth in attached Exhibit C (the "**Service Fees**"), as invoiced in full, payable by the Client upon receipt of the invoice. Client's failure to do so, if not remedied by Client in accordance with Section 3, may be treated by Kushner as a default under the Agreement.

B. ☒ Kushner-Initiated ACH. As of the Effective Date, for all of the consulting and/ or administrative services provided by Kushner to the Client indicated in Section 2, above, the Client must pay Kushner the consulting and/or administrative fees set forth in attached Exhibit C (the "**Service Fees**"), payable by ACH withdrawal on a monthly basis within 10 calendar days after the Client's receipt of an electronic invoice for such services. Kushner will deliver to Client an electronic invoice for the monthly Service Fee for the immediately preceding Billing Period via the Client's last known e-mail address. Client authorizes an ACH withdrawal to be made not earlier than the 10th day after the delivery of the electronic invoice for the full undisputed amount of the applicable monthly Service Fee from a bank account of Client designated by Client ("**Client's Bank Account**"). Client agrees to deposit in Client's Bank Account on a timely basis available funds in an amount sufficient to pay the monthly Service Fee on the date scheduled for the ACH debit, and Client's failure to do so, if not remedied by Client in accordance with Section 3, may be treated by Kushner as a default under the Agreement.

4.2. Out-of-Pocket Expenses. In addition to the Consulting and Administration Fees, all out-of-pocket expenses, such as but not limited to mileage, travel, meals, hotels, photocopy and reproduction expenses, and legal consultation fees shall also be invoiced, and are due and payable upon receipt of the invoice. Client acknowledges and agrees that a ten (10) percent administrative charge shall also be added to each out-of-pocket expense. Before any travel or legal consultation fees are incurred by Kushner, Client must first so authorize such expenses.

4.3. Fee Disputes. The Client shall have the right to dispute any invoice, or any portion of an invoice, within five calendar days after the receipt of the electronic invoice, by email notice to Kushner at accounting@kushnerco.com with the subject line "Fee Dispute", followed by hard copy notice pursuant to the notice provisions contained in this Agreement. In the event that the Client disputes a portion of an invoice, Client agrees to allow the ACH withdrawal by Kushner of the undisputed portion of the invoice in accordance with the terms of this Agreement. The parties shall use good faith and best efforts to resolve payment disputes in as timely a manner as possible. No interest or finance charges will be assessed to Client for the disputed portion of invoices while under dispute. The Client shall allow the ACH withdrawal by Kushner of the portion of an invoice formerly in dispute within 10 calendar days of the date of dispute resolution.

4.4. Annual Adjustment. The fee schedule contained in Exhibit C is subject to annual review by Kushner and the fees may be adjusted accordingly after the initial term of this Agreement. No less than 60 days prior to each anniversary of the Effective Date, Kushner may submit a revised fee schedule to Client for review and consideration. Client will have ten days from receipt of the revised fee schedule to terminate the Agreement for rejection of the revised fee schedule. If 30 days lapse after Client's receipt of a revised fee schedule without acceptance or rejection by Client, Client will be deemed to have accepted the revised fee schedule.

5. Term and Termination.

5.1. Term. The initial term of this Agreement ("**Initial Term**") will be for a period commencing as of the Effective Date and ending after the number of months or completion of the scope of service as stated on the Coversheet of this Agreement, unless terminated earlier as provided below. For any Administrative Services, after the Initial Term, this Agreement shall be renewed automatically for successive equal terms (or, in the case of a short Initial Term of less than twelve (12) months, subsequent renewal term(s) of twelve (12) months) as stated on the Coversheet of this Agreement, unless either party gives the other party at least 90 calendar days' advance written notice of its intention to terminate this Agreement before the start of the next term.

5.2. Termination by the Client. Notwithstanding any other provision of this Agreement, the Client may terminate this Agreement upon the occurrence of any of the following events:

A. Kushner defaults in the performance of any of its obligations under this Agreement and the default is not be cured within 30 days. Provided, however, if such default cannot reasonably be cured within 30 days, the Client may not terminate this Agreement if Kushner has commenced to cure the default within 30 days to the reasonable satisfaction of the Client and thereafter continues diligently to cure such default;

B. The filing by Kushner or against Kushner of any bankruptcy or similar financial reorganization, or if Kushner is deemed unable to pay its debts by a court of competent jurisdiction.

If at any time within the initial term or upon a renewal term, this Agreement is terminated (i) by the Client for any reason other than an express provision of the Agreement that authorizes the Client to provide Kushner with a notice of termination, or (ii) by Kushner due to an uncured Event of Default by the Client, Client must remit to Kushner a one-time lump-sum payment (the "**Client Termination Fee**"). This fee will be calculated by multiplying the "Client's Average Monthly Service Fee" (as defined below) by the difference between the number of months as stated on the Coversheet of this Agreement and the number of months for which a Service Fee was paid by Client to Kushner. The "**Client's Average Monthly Service Fee**" will be calculated by averaging the monthly administrative service fees paid to Kushner by Client during the most recent six months. If the Client's service agreement is terminated during the initial six month period, the Client's Average Monthly Service Fee shall be calculated by averaging the monthly administrative service fees paid or payable by Client during the number of months prior to termination. The Client Termination Fee shall be due and payable by Client within 30 days after the termination of this Agreement by Client. Client's obligation to pay any such Client Termination Fee shall survive the termination of this Agreement. This Section 5.2 may not be construed as the exclusive remedy, an election of remedies, or a waiver of damages resulting from an event of default by Client.

5.3. Termination by Kushner. Notwithstanding any other provision of this Agreement, Kushner may terminate this Agreement immediately upon the occurrence of any of the following events:

A. Client defaults in any monetary obligation due Kushner under this Agreement and the default is not be cured within 30 days after written notice from Kushner;

B. Client defaults in the performance of any of its obligations under this Agreement other than monetary obligations to Kushner, and the default is not cured within 30 days after written notice from Kushner; Provided, however, if such default other than monetary obligations to Kushner cannot reasonably be cured within 30 days, Kushner may not terminate this Agreement if Client has commenced to cure the default within 30 days to the reasonable satisfaction of Kushner and thereafter continues diligently to cure such default;

C. The filing by the Client or against the Client of any bankruptcy, financial reorganization, or if the Client is deemed unable to pay its debts by a court of competent jurisdiction; or

D. Client incurs at least three defaults of any of its obligations within a 12-month period, even if the defaults were subsequently cured.

5.4. Effect of Termination.

A. In the event of termination by any party, Kushner will continue to perform Services until the end of normal working hours on the effective date of termination. Upon the effective date of termination of this Agreement, and except as otherwise provided in this Agreement, neither party will have any further rights or obligations under this Agreement except to the extent accrued through such effective date, including without limitation, the right to receive any accrued but unpaid compensation, and as otherwise set forth in this Agreement. Upon termination, each party shall take all reasonable steps requested by the other party to effect a smooth transition.

B. Recordkeeping after the date of termination of this Agreement will become the responsibility of the applicable Client. Upon any such termination, Kushner will transfer to the Client such information from Kushner's records relating to the Services as shall be necessary for the Client to continue to provide its human resources and employee benefit accounting and Kushner shall also transfer to Client a final accounting. Kushner shall be entitled to receive a fee, as described in Exhibit C for furnishing such information and accounting electronically in a customary computer format. Kushner may retain a copy of such books and records to evidence its compliance with applicable laws and regulations and to assert or defend against any claim arising with respect to the activities of Kushner and/or the Client in connection with this Agreement or the operation of the Client's business.

6. Intellectual Property.

6.1. Ownership. Kushner and its subcontractors retain the copyright and all other intellectual property rights associated with the documents and services provided by Kushner and its subcontractors under this Agreement. The Client acknowledges and agrees that Kushner and its subcontractors possess valuable proprietary rights in their human resources consulting and administrative services programs and any and all documents and materials provided to the Client by Kushner, including but not limited to policy and procedure manuals; public information/education programs; public information messages for print and audiovisual media; quality assurance standards/compliance programs; and the data collection and reporting system. Such proprietary information shall be maintained in confidence and shall, in all circumstances, remain the exclusive property of Kushner and its subcontractors.

6.2. Limited License. All materials furnished by Kushner to Client including, without limitation, all forms, brochures, documents as well as other materials that can be printed through Kushner or a Subcontractor's Web site (collectively, "**Materials**") are licensed (not sold). The term "Materials" shall not be deemed to refer to or include any data or information regarding Client employees. Kushner grants Client a limited, personal, nonexclusive, non-transferable license to use the Materials solely for the purposes of accessing and using the Services consistent with the terms set forth in this Agreement (the "**Materials License**"). Client shall not distribute, alter or use the Materials for any other purpose. Client shall treat all Materials as Confidential Information as defined in Section 7 of this Agreement. Upon the termination of this Agreement, Client must destroy all Materials or, if requested by Kushner, return all Materials to Kushner. Except as expressly authorized in this Agreement, Client may not copy or otherwise reproduce any portion of Kushner or a Subcontractor's website or the Materials, except to the extent necessary for Client to use Kushner or a Subcontractor's website and Materials for their intended purpose, as set forth in this Agreement; cause or permit reverse compilation or reverse assembly of all or any portion of Kushner or a Subcontractor's website; distribute, disclose, market, rent, lease, transfer, or provide or permit access to any portion of Kushner or a Subcontractor's website or the Materials to any third party not authorized under this Agreement; or, use Kushner or a Subcontractor's website or the Materials except as authorized pursuant to this Agreement.

7. Confidential Information.

7.1. Client Obligations. The Client acknowledges and agrees that Kushner will disclose materials labeled as "confidential materials" to it in confidence and with the understanding that such materials constitute valuable business information developed by Kushner at great expenditure of time, effort, and money. With the exception of a disclosure by Client: a) under a valid Freedom of Information Act (FOIA) request; or b) as required by law or court order, the Client agrees to not release such confidential materials without the express written consent of Kushner. The Client further agrees that Kushner may request, without the obligation to post bond, injunctive relief from any court of competent jurisdiction, restraining any threatened or further disclosure of confidential materials not included in the above exceptions. This injunctive relief provision is not applicable as a result of the Client's Managers or employees providing information that is obtainable by the public through the FOIA process. Upon termination of this Agreement by either party for any reason whatsoever, the Client shall promptly return to Kushner all confidential materials in its possession.

7.2. Kushner Obligations. Kushner acknowledges and agrees that as a result of it providing services to the Client under this Agreement, Kushner will obtain confidential information pertaining to the Client, and its affiliates. Such confidential information will include, but not be limited to, employee lists and profiles, financial information, and proprietary business information and methods. Kushner further agrees to keep strictly confidential and hold in trust all confidential information and neither it nor its directors, officers, employees, agents, or affiliates will use such confidential information for any purpose, or, except as required by law, disclose such confidential information to any third party other than for purposes of performance or enforcement of rights under this Agreement, without the express prior written consent of the Client on behalf of itself and its affiliates, as the case may be. Upon termination of this Agreement by either party for any reason whatsoever, Kushner shall promptly return to the Client all material constituting or containing confidential information whether that material consists of original documents provided to Kushner by the Client, or copies produced by Kushner, and Kushner and its affiliates will not subsequently for any purpose, use, appropriate, or reproduce such information or disclose such information to any third party. Kushner further agrees that a violation of this provision may cause irreparable damage to the Client, and/or its affiliates, as the case may be, and the exact amount of such damage may be difficult to ascertain, and for that reason further agrees that the Client, or the applicable affiliate may request, without the obligation to post bond, injunctive relief from any court of competent jurisdiction, restraining any threatened or further violation of this provision; provided, however, that the right to injunctive relief will be cumulative and in addition to whatever other remedies the Client, and its affiliates as applicable, may have.

7.3. Authorized Disclosures. As of the Effective Date of this Agreement, Client authorizes Kushner and its employees to access data and other Confidential Information of Client that is (i) contained in Client's Kushner website, (ii) otherwise is provided, directly or indirectly, by Client to Kushner, or (iii) contained in one or more external data sources containing Client and its employees' information, wherever Kushner needs such access, including access to Client and its employees' data stored by Kushner or Kushner's subcontractors in connection with the Services and this Agreement. Client acknowledges that such data includes, but is not limited to, Client's Confidential Information regarding its ownership structure, financial reports, employee names, addresses, birth dates, social security numbers, and banking information); financial information (including, but not limited to, compensation paid to employees and related tax deductions), and benefit information (including, but not limited to, eligibility and enrollment information related to any health insurance, life insurance, dental insurance, retirement plan, or any other benefit plan provided to employees and their dependents by or through Clients). All disclosures of data and Confidential Information described in this Section are referred to as the "Authorized Disclosures." Client agrees that Kushner shall have no obligation or responsibility for obtaining any employee or other third party consents that may be required in connection with the Authorized Disclosures.

7.4. Privacy and Security of Certain Information. To the extent applicable, each party agrees that it will comply in all material respects with all federal and state mandated laws, regulations, rules, or orders applicable to privacy, security, and electronic transactions, including, without limitation, regulations promulgated under Title II Subtitle F of the Health Insurance Portability and Accountability Act (Public Law 104-191) ("**HIPAA**"). Furthermore, the parties shall promptly amend the Agreement or execute such documents to conform with any new or revised legislation, rules, and regulations to which Client and Kushner are subject now or in the future including, without limitation, HIPAA and Standards for Privacy of Individually Identifiable Health Information or similar legislation ("Laws") in order to ensure that Client and Kushner are at all times in conformance with all Laws. If, within 30 days of either party first providing notice to the other of the need to amend the Agreement to comply with Laws, the parties, acting in good faith, are (i) unable to mutually agree upon and make amendments or alterations to this Agreement to meet the requirements in question, or (ii) alternatively, the parties determine in good faith that amendments or alterations to the requirements are not feasible, then either party may terminate this Agreement upon 30 days' prior written notice.

8. Administrative Services. If Client selects administrative services then the provisions specified below will apply to the provisions of those services:

8.1. COBRA Administration. Whenever Kushner provides COBRA Administration as an Administrative Service under this Agreement, the following provisions apply:

A. Initial COBRA Notice.
(i) Kushner will provide the Initial COBRA Notice to all newly eligible participants in the applicable plans.
(ii) If directed to do so in writing by Client as an additional service, Kushner will provide an Initial COBRA Notice to all active participants in all Client identified applicable plans upon the signing of this Agreement. Additional fees for this service are listed on the fee schedule attached.

B. Sending Required Event Notices. Once notified by the Client, Kushner will send the required event notices to the Principal Qualified Beneficiary (PQB).

C. PQB Communication.
(i) Kushner will be the primary source of communication with PQBs on all matters regarding COBRA administration for Client. Kushner may use paper and/or electronic means in order to communicate with the PQBs.
(ii) Kushner will maintain records of all communications for so long a period as Kushner shall determine to be appropriate. Before the destruction of said records, the Client shall have the right to request that they be transferred to the Client.

D. Billing and Collecting of Premiums.
(i) Kushner will timely bill the PQB for all premiums due and will collect all premium payments by PQB. Kushner will forward all payments received directly to the Client within 10 business days after the end of the month in which such payments are made by the PQBs.
(ii) By the 10th of the month following the premium reporting month, Kushner will provide a report detailing billings and premiums collected.
(iii) By the 10th of the month following the premium reporting month, Kushner will forward a check drawn on its Premium Account for all net premiums collected during the preceding premium reporting month to the Client. Client agrees that Kushner, in addition to its published fees, will retain the allowable two percent premium surcharge paid by all PQBs.

E. Reporting. On a monthly basis, Kushner will provide to Client a report of all new COBRA enrollees (those who have elected to receive the coverage) and all terminations. It is the Client's responsibility to communicate these additions and terminations to Client's insurer or benefit plan administrator(s). Reporting by Kushner may be accomplished either through paper reports sent to Client or through electronic means by directing Client to an appropriate secure Web site.

F. Consultation and Advice. As necessary, Kushner shall report to the Client matters of general interest with respect to COBRA such as law or regulatory changes or administrative issues arising out of this Agreement.

G. Client's Duties.
(i) Client agrees to fully complete Kushner's Information Request(s) and agrees that these form(s) will provide the basis for all of Kushner's administrative actions in providing the services outlined in this Section 8.1. Changes to this form may only be made in writing and are only effective when acknowledged by Kushner in writing.
(ii) Kushner will provide to the Client either paper or electronic forms at its discretion and procedures by which the Client must notify Kushner in the manner so designated by Kushner of any and all of the following:
  (a) All newly eligible participants (including employees and any eligible dependents).
  (b) All terminations and/or reduction-in-hours.
  (c) Any disability extensions granted to a PQB.
(iii) As a condition to Kushner's obligations under this Agreement, the Client shall cooperate with Kushner, provide Kushner with information required by it, comply with the procedures prescribed by it, and make the payments required by this Agreement.

H. Client's Acknowledgment and Agreement. Client acknowledges and agrees to the following:
(i) Kushner is not a fiduciary of the Plan as defined in Section 3 (21) of ERISA (as amended), and that Kushner shall not have any discretionary authority or discretionary control concerning the management of the Plan(s) or any authority or control concerning the management or disposition of the Plan's assets.
(ii) That Kushner shall not have any discretionary authority or discretionary responsibility in the administration of the Plan.
(iii) That Kushner is not rendering tax advice to either the Plan or Plan participants, or have any authority or responsibility to do so.

I. Limitation of Liability. In no event shall Kushner be liable for benefits under the Plan or for any other payment, except as expressly stated in this Agreement. Kushner shall have no liability for any damages to participants in the Plan resulting from a decision of the Client not to comply with any COBRA or HIPAA requirement or where Client does not provide timely and necessary information for Kushner to be able to fulfill its obligations, and Client shall protect, defend at its costs, save and hold harmless, and indemnify Kushner from any such damages, costs, expenses, attorney fees, and court costs.

J. Modification of Plan. The Client shall file with Kushner all amendments of, modifications of or changes in the Plan at least 60 days prior to the proposed effective date of such amendment, modification, or change. Kushner will have no obligation to administer any such benefits provided by such amendment, modification, or change unless agreed in writing. Kushner retains the right to modify the schedule of administrative charges to reflect any additional services required by such amendment, modification, or change.

8.2. Flexible Spending Accounts ("FSA"), Health Reimbursement Accounts ("HRA"), or Health Savings Accounts ("HSA"). Whenever Kushner provides performs administrative services as the plan recordkeeper for Client's Flexible Spending Accounts, Health Reimbursement Accounts, or Health Savings Accounts the follow provisions will apply. Customarily, these provisions will apply when Client has adopted a cafeteria plan under Section 125 of the Internal Revenue Code of 1986, as amended and/or a Health Reimbursement Account under Section 105 (the "Plan") containing eligible reimbursement accounts for the benefit of its employees and the eligible dependents of such employees.

A. Definitions. The term "Client" will mean the Client, Fiduciary and Plan Administrator as may be used in other documents or applications. The term "Kushner" will mean the Plan Recordkeeper as used in other documents or applications. Other defined terms in this Section 8.2 will be as customarily used by Kushner.

B. Services.
(i) Plan Design. Upon written request, Kushner will assist the Client in developing an FSA, HRA and/or HSA plan of benefits for its employees in accordance with specifications provided by the Client. The Plan Document shall be established and maintained pursuant to a written instrument containing the descriptions, provisions and specifications required by law.
(ii) Claims Administration.

(a) Upon receipt of a claim for benefits under the Plan, Kushner will review the claim submitted and determine the amount, if any, which is due and payable. Claims for benefits must be submitted to Kushner in accordance with procedures prescribed by Kushner.

(b) Kushner will maintain records of claims received and determinations made for so long a period as Kushner shall determine to be appropriate. Before the destruction of said records, the Client shall have the right to request that they be transferred to the Client.

(iii) Payment of Claims.

(a) Kushner shall disburse benefit payments to such persons entitled to such payments under the Plan. Such payment shall be made through a banking system established by Kushner and the Client. Kushner shall provide the Client with a monthly summary statement and a monthly reconciliation of claims paid. The Client agrees to maintain on deposit and make available to Kushner funds sufficient to pay claims under the Plan. Kushner is not responsible in any manner whatsoever for providing funds for the payment of claims under this Agreement. The Client is solely liable and responsible for providing funds for the payment of claims under this Agreement.

(b) In the event Kushner pays any person less than the amount to which said person is entitled under the Plan, Kushner will promptly adjust the underpayment. In the event Kushner pays any person more than the amount to which said person is entitled under the Plan, Kushner shall take all reasonable steps to recover the overpayment, unless such payments have been authorized by the Client in writing.

(iv) Administrative Services.

(a) Kushner must approve, design, or assist in preparing all forms, announcement materials, and instructional materials for administration of the Plan and such other materials as are, in Kushner's opinion, necessary or appropriate for the implementation and administration of the Plan. Kushner shall not be responsible for distributing to Plan participants or filing with any government department such Plan descriptions and modifications as may be required by law, but may distribute such materials as Kushner deems necessary to protect itself from liability for any benefits under this Agreement.

(b) Kushner will design administrative procedures, instruct the Client's personnel in their implementation, and will, at the Client's request, review the administration of the Plan with the Employee and make recommendations. Printing of any designed material by Kushner shall be at the specific request of the Client and subject to separate charges, to be paid by the Client.

(c) Kushner shall provide to Client all notices (including any required opt-out notice) reflecting its privacy policies and practices as required by state and federal law (including the Gramm-Leach-Bliley Act). Kushner agrees to amend this Agreement as is necessary from time to time to comply with the requirements of the privacy rules under HIPAA.

(v) Consultation and Advice. Kushner, as necessary, shall report to the Client matters of general interest with respect to the Plan such as problems of a recurring nature, suspected abuses of Plan Benefits, changes in the local situation, etc. Further, upon request, Kushner shall advise and assist the Client in the evaluation and adoption of Plan or Benefit changes.

C. Client's Duty.

(i) Client is the Plan Administrator and a named Fiduciary of the Plan as those terms are defined in ERISA. As such, the Client is responsible for the general management and administration of the Plan, including, but not limited to, the following:

(a) Payment of claims for benefits under the Plan and payments of expenses for the administration of the Plan, including, without limitation, taxes and other governmental fees assessed against the Plan or the Client and any attorneys, auditors, or other professional appointed by the Client in connection with the Plan;

(b) Establishment, amendment, and termination of the Plan and establishment of a funding policy for the Plan;

(c) Final interpretation of the Plan, including determination of eligibility and amount, manner, and time of Plan benefit payments;

(d) Enrollment of eligible persons in the Plan and providing Kushner with a complete and accurate enrollment form for each participant prior to the effective date of the participant's coverage;

(e) Obtaining written waivers of Plan coverage from eligible persons declining such coverage;

(f) Forwarding to Kushner, by the last day of each month, a written list of all persons beginning coverage under the Plan in the next month and persons terminating coverage, complete and accurate enrollment forms for new participants, and signed waivers of Plan coverage for newly eligible persons declining such coverage;

(g) Reviewing Kushner's monthly billing statement for accuracy of enrollment records and immediately informing Kushner of any inaccuracies;

(h) Providing such participant with a Summary Plan Description as required by ERISA. ERISA requires that a Summary Plan Description be distributed to new participants within 90 days of enrollment, that the Client update Summary Plan Descriptions in general every five years, and that a summary of material modifications be distributed within 210 days after the end of any Plan Year that the Plan's benefits were substantially modified.

(ii) The Client will provide written notice to each Participant of the following in accordance with Section 550.932 of the Michigan Compiled Laws:

(a) What benefits are being provided and any changes in such benefits;

(b) The fact that individuals covered by the Plan are not insured;

(c) The fact that in the event the Plan or the Client does not ultimately pay medical expenses that are eligible for payment under the Plan, the individuals covered by the Plan may be liable for those expenses;

(d) The fact that Kushner merely processes claims and does not ensure that any medical expenses of individuals covered by the Plan are paid; and

(e) The fact that complete and proper claims for benefits made by individuals covered by the Plan will be promptly processed, but that in the event there are delays in processing claims, the individuals covered by the Plan will have no greater rights to interest or other remedies against Kushner than as otherwise afforded them by law.

(iii) As a condition to Kushner's obligations under this Agreement, the Client shall cooperate with Kushner, provide Kushner with information required by it, comply with the procedures prescribed by it, and make the payments required by this Agreement.

(iv) Client agrees to forward all Participant claims for benefits to Kushner so that claims can be reviewed in a timely manner and processed in accordance with the claims procedure stated in the Plan. As Plan Administrator, Client shall provide Kushner any and all revisions and changes in the Plan and additions and/or deletions to its list of Participants.

(v) Client shall, if required by law or regulation, notify each Participant and provide each Participant with an opportunity to opt-out (if required) or obtain from each Participant such written authorization for release of any personal financial record and medical records in accordance with applicable state and federal law (including the Gramm-Leach-Bliley Act) to permit Client and/or TPA to perform the obligations under this Agreement.

D. Limitation of Liability. Kushner shall have no liability for any damages to participants in the Plan resulting from a decision of the Client not to pay any claim.. The Client shall also assume the liability for any assessment of tax based upon the existence of the Client's Plan, including all fines, penalties, losses, damages, costs, expenses, attorney fees, and court costs incurred in connection with such assessment. Furthermore, if Kushner shall pay, pursuant to the demand of an appropriate state or federal office, taxes based on the amounts paid into or from the Plan, the Client shall reimburse Kushner upon demand in the full amount of such taxes paid, including any interest and penalties added to and paid by Kushner.

E. Notice of Plan Amendment. The Client shall file with Kushner all amendments, modifications, or changes in the Plan at least 60 days prior to the proposed effective date of such amendment, modification, or change. Kushner shall have no obligation to administer any such benefits provided by such amendment, modification, or change unless agreed in writing. Kushner retains the right to modify the schedule of administrative charges to reflect any additional services required by such amendment, modification, or change.

8.3. Retirement Plan Administration. Whenever Kushner provides retirement plan administrative services as an Administrative Service under this Agreement, the following provisions apply:

A. Plan Design.

(i) Upon written request, Kushner will assist the Client (the "**Plan Sponsor**") in developing a plan of benefits for its employees in accordance with specifications provided by the Client. This plan (the "**Plan**") shall be established and maintained pursuant to a written instrument containing the descriptions, provisions, and specifications required by law (the "**Plan Document**").

(ii) Kushner must approve, design, or assist in preparing all forms, announcement materials, and instructional materials for administration of the Plan and such other materials as are, in Kushner's opinion, necessary or appropriate for the implementation and administration of the Plan. Kushner shall not be responsible for distributing to Plan participants or filing with any government department such Plan descriptions and modifications thereto as may be required by law, but may distribute such materials as Kushner deems necessary to protect itself from liability for any benefits hereunder.

(iii) Printing of any designed material by Kushner shall be at the specific request of the Client and subject to separate charges, to be paid by the Client.

B. Administration.

(i) Kushner will perform each year the services requested by the Client, based upon its then current published Fee Schedule. These Services can include any or all of the following:

- Compliance Testing
- Preparation of Signature-Ready IRS Form 5500 (not including a plan audit, if needed)
- Preparation of IRS Forms 1099-R and IRS Form 1096
- Preparation of plan loans, where allowable by the Plan
- Maintenance of records that enable the determination of a participant's vested percentage
- Preparation and calculations for Hardship Withdrawals, where allowable by the Plan
- Calculation and recalculations for mandatory distributions
- Distribution of Client reports

(ii) The Client, the Plan Trustee, the Plan Administrator, and/or any person or persons it designates shall timely supply all data requested by Kushner in a form and manner so designated by Kushner. Kushner shall rely upon the validity of that data in completing its service. Kushner shall have no liability whatsoever for data omissions or errors. The Client agrees that any additional work or rework required on the part of Kushner due to such data omissions or errors shall result in additional charges on either an hourly basis or from the Fee Schedule to perform or re-perform such work.

(iii) Kushner will perform services in accordance with its understanding of the executed copy of the current Plan Document, executed by the Client. Kushner reserves the right to perform only those services that are compatible with its Administrative System, and to change the style, format, or content of the various reports and services. Kushner will provide Client reports within 30 calendar days following the receipt of complete and accurate information necessary to perform the valuation and allocation process.

(iv) The Client acknowledges and agrees that Kushner does not provide investment advice in its role as a Service Provider.

(v) The Client accepts the responsibility to review the information supplied by Kushner with its legal or other tax or accounting advisor before submitting reports and completed forms to the Internal Revenue Service or other governmental agencies, obliging Kushner only to revising the information prior to submission.

(vi) The Client, Plan Trustee(s), and Plan Administrator acknowledge and agree to the following:

- Kushner is not a fiduciary of the Plan as defined in Section 3 (21) of ERISA (as amended) and that Kushner shall not have any discretionary authority or discretionary control concerning the management of the Plan or any authority or control concerning the management or disposition of the Plan's assets.
- That Kushner shall not render investment advice for a fee or other compensation with respect to any moneys or other property of the Plan, or have any authority or responsibility to do so.
- That Kushner shall not have any discretionary authority or discretionary responsibility in the administration of the Plan.
- That Kushner is not rendering tax advice to either the Plan or Plan participants, or have any authority or responsibility to do so.

(vii) Kushner is not the "Administrator" of the Plan as defined in Section 3 (16) (A) of ERISA (as amended) or the "Plan Administrator" of the Plan as defined in Section 414(g) of the Internal Revenue Code of 1986 (as amended).

(viii) The Trustee, Plan Administrator, and the Client have read the agreement, including any fee agreement and disclosures, and have determined that the fees (including the fee arrangements) are not more than reasonable fees in light of the services contemplated to be performed for the Plan.

C. Consultation and Advice. Kushner, as necessary, shall report to the Client matters of general interest with respect to the Plan such as problems of a recurring nature or suspected abuses of Plan Benefits. Further, upon request, Kushner shall advise and assist the Client in the evaluation and adoption of Plan or Benefit changes.

D. Client's Duty.

(i) As a condition to Kushner's obligations, the Client shall cooperate with Kushner, provide Kushner with information required by it, comply with the procedures prescribed by it, and make the payments required by this agreement.

(ii) The Client agrees to forward all information, in an accurate and timely manner, required for Kushner to perform its duties as indicated in this agreement. All information shall be provided in a form that is acceptable to Kushner. Kushner shall have no responsibility for the accuracy of the information supplied by the Client or for the accuracy of the transmission of such information. The Plan Administrator shall be responsible for the determination of those persons who are eligible for benefits under the Plan and shall provide to Kushner any and all revisions or changes in the Plan and additions and/or deletions to its list of Participants.

(iii) The Client affirms its responsibility to provide guidelines for the proper administration of the Plan and Trust, so that any interpretation, rule, or practice concerning the Plan and Trust document(s), Summary Plan Description, or any Participant Benefit Statement will be determined by the Plan Trustee.

(iv) The Client will designate the appropriate party or parties to submit reports and completed forms to the Internal Revenue Service, the Department of Labor, or other governmental agency. The party or parties shall be the sole signatory to any report or form.

(v) The Client understands that the services provided and the fees charged for those services are dependent upon agreements between Kushner and other parties. The Client understands that Kushner's ability to provide the services of this agreement for the stated fee depends upon the continuation of any agreements in place with other parties.

(vi) The Client agrees to review any transaction confirmations and any Plan level account statements and reports received from the stocks, bonds, or mutual funds, and Kushner promptly upon receipt. The information in the confirmations, statements, and reports will be deemed to be correct unless indicated in writing by the Client within 30 business days. Any failure by the Client to make a timely written objection shall constitute a waiver of claim based upon the accuracy of any confirmation, statement, or report. Client agrees that Kushner is not responsible for the distribution of any prospectuses or other investment communications not explicitly provided for in this Agreement.

(vii) The Client agrees that it is the responsibility of the investment professional or a named fiduciary to be aware of any prospectus provisions regarding fees and expenses charged by the Investment Service Provider(s) or mutual fund. The Client authorizes Kushner to pay fees and expenses from the Plan assets or Participant accounts, unless the Client chooses to pay the fees directly by notifying Kushner in writing.

(viii) The Client agrees that to the best of its knowledge that the Plan is qualified under Section 401(a) of the Internal Revenue Code of 1986 (as amended) and that any cash or deferred arrangement under the Plan is qualified under Section 401(k) of the Internal Revenue Code of 1986 (as amended). The Client agrees to take any necessary actions from time to time to maintain such qualified status.

(ix) The Client affirms its responsibility to determine that a Domestic Relations Order is properly qualified and shall instruct the Plan Trustee and Kushner of its findings.

(x) The Client understands that the investments purchased and held by the Plan are purchases and investments of the Trustee. Notwithstanding that a Participant may direct the purchase of an investment for the benefit of his or her account under the Plan, the Participant has no interest, direct or indirect in any such investment, and is not the purchaser of such investment, but rather has only the right to receive benefits from the Plan as provided under the terms of the Plan.

(xi) The Client understands and agrees that Kushner has not affected any transactions in, or induced or attempted to induce, the purchase or sale of any investment by the Trustee for the Plan.

(xii) The Client, Plan Administrator, and Plan Trustee agree that, to the best of their knowledge, the Plan's governing instruments (namely the Plan and Trust documents) comply with the following requirements:

(a) That the recordkeeping and/or fiduciary expenses of the Plan may be paid from Plan assets.

(b) That one or more of the Client, Plan Administrator, or Plan Trustee has the authority to employ advisors and non-fiduciary agents to assist with the recordkeeping and management of the Plan, including assistance with the maintenance of Plan records. In addition, the Plan Trustee is authorized to appoint a non-fiduciary agent to assist it in carrying out the investment instructions of the Plan participants and of any investment manager or other named fiduciary, and to compensate such agents and advisors from assets of the Plan.

(c) That Plan participants are explicitly allowed to exercise control over the assets in their accounts in the Plan subject to any rules, procedure, or limitations as established by the Client, Plan Administrator, and/or Plan Trustee.

(d) That Plan Trustee is authorized to vote stock and mutual fund proxies on behalf of the Plan and the Plan participants.

E. Tax Liability. The Client shall also assume the liability for any assessment of tax based upon the existence of the Client's Plan, including all fines, penalties, losses, damages, costs, expenses, attorney fees, and court costs incurred in connection with such assessment. Furthermore, if Kushner shall pay, pursuant to the demand of an appropriate state or federal office, taxes based on the amounts paid into or from the Plan, the Client shall reimburse Kushner upon demand in the full amount of such taxes paid, including any interest and penalties added thereto and paid by Kushner. The Client agrees to recognize and abide by Kushner's disposition of such demands for the payment of taxes, whether paid, compromised, settled, or litigated.

9. Limitation of Liability.

9.1. Kushner shall not incur any liability in connection with the following: (a) any action it takes at the written direction of Client or its agents; (b) any action it does not take at the written direction of Client or its agents to not take such action; or (c) any action it takes or does not take in reliance upon any written data supplied by Client or its agents. Written direction and written data includes direction and data given electronically.

9.2. Kushner will not be liable or responsible for delays or errors by acts of God or by reason of circumstances beyond its control, including civil or military authority, national emergencies, labor difficulties, mechanical breakdown, insurrection, war, riots, failure or unavailability of transportation, communication or power supply, fire, flood or other catastrophe, extreme market volatility or trading volumes.

9.3. Kushner will maintain errors and omissions liability protection of no more than $500,000 per incident, $500,000 aggregate coverage.

9.4. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, INCLUDING ALL SCHEDULES AND ATTACHMENTS, KUSHNER'S TOTAL LIABILITY TO CLIENT OR ANY THIRD PARTY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT UNDER ANY THEORY OF LIABILITY SHALL NOT EXCEED THE LESSER OF: (I) THE TOTAL FEES PAID BY CLIENT TO KUSHNER HEREUNDER DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE FIRST EVENT TO WHICH SUCH LIABILITY RELATES, OR (II) TWENTY THOUSAND DOLLARS ($20,000).

9.5. IN NO EVENT SHALL CLIENT BRING ANY CLAIM OR CAUSE OF ACTION AGAINST KUSHNER OR ITS SUBCONTRACTORS MORE THAN ONE (1) YEAR AFTER SUCH CLAIM OR CAUSE OF ACTION ARISES. IN NO EVENT DOES KUSHNER OR ITS SUBCONTRACTORS ASSUME ANY LIABILITY TO ANY PARTY OTHER THAN CLIENT REGARDING THE USE OF KUSHNER OR A SUBCONTRACTOR'S WEBSITE OR THE SERVICES. UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER OR ANY THIRD PARTY FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, OR INCIDENTAL DAMAGES ARISING OUT OF THIS AGREEMENT OR THE USE OF, OR

INABILITY TO USE, KUSHNER OR A SUBCONTRACTOR'S WEBSITE, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

10. General.

10.1. Notices and Electronic Signature. By executing this Agreement, and except for actions requiring a Notice, the parties agree that Kushner and Client may transact business electronically pursuant to the "Electronic Signatures in Global and National Commerce Act," ("**ESIGN**") and any other similar state or local statute that authorizes electronic signatures in commerce, including, without limitation, the "Uniform Electronic Transaction Act" ("**UETA**"). Client agrees that Kushner may rely on electronic authorization by Client to make changes to employee or payroll records or data contained within Kushner website or relating to the Services, and Client releases Kushner and waives any rights to bring an action or seek damages from Kushner based in whole or in party on electronic instructions or authorizations by Client, or relating in any way to Kushner's reliance on electronic authorizations or instructions by Client as authorized under this Agreement.

Any provision of this Agreement that requires notification by Notice shall be deemed to require written notification delivered by hand or mailed by United States First-Class mail, postage prepaid, addressed to the other party at its address set forth below or at such other address as either party may from time to time designate by written notice to the other, and shall conclusively be deemed received three days after the same is deposited in the U. S. mail, or upon actual receipt, whichever is sooner. Alternatively, either party may use a recognized overnight express service, and such notice shall be deemed received the next Business Day after deposit with such recognized overnight express carrier, or upon actual receipt, whichever is sooner.

If to Kushner:	Kushner & Co., Inc. Attn: CEO 2427 West Centre Avenue Portage, MI 49024
With a copy to:	Clark Hill PLC 200 Ottawa, NW - Suite 500 Grand Rapids, MI 49503
If to Client:	City of South Lyon 335 South Warren South Lyon, MI 48178, and Rosati, Schultz, Joppich, & Amtsbuechler 27555 Executive Drive, Suite 250 Farmington Hills, MI 48331

10.2. Professional Services. Client acknowledges that Kushner is not rendering any legal or accounting services or advice. The legal and tax status of the Client's employees and business operations under applicable law is a matter for determination by the Client and not by Kushner. To the extent applicable under the Services, Kushner is neither the plan administrator nor a named fiduciary of the Plan as these terms are defined in ERISA.

10.3. Severability. If any term, covenant or condition of this Agreement or the application of it to any person or circumstance shall, to any extent, be held to be invalid or unenforceable, the remainder of this Agreement, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected by it, and each term, covenant or condition of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.

10.4. Entire Agreement. This Agreement (including the Exhibits, which are incorporated in and form a part of this Agreement) constitutes the entire agreement between Kushner and Client with respect to the subject matter of it, and supersedes any prior proposals or other oral or written representations or agreements between the parties with respect to such subject matter. This Agreement may be amended, modified, or supplemented only by a written instrument executed by both parties, except as otherwise expressly provided. Article and Section headings contained in this Agreement are for reference only and shall not be deemed to have any substantive effect or to limit or define the provisions contained of the Agreement.

10.5. Assignment. This Agreement and the rights and duties under this Agreement may not be assigned by either party without the prior written consent of the other party; provided, however, either party may assign this Agreement to any person or entity that acquires all or substantially all of the assets of that party, whether by asset purchase, merger, consolidation or otherwise after giving 10 days' advance written notice to the other party. Notwithstanding any other provision of this Agreement to the contrary, and without relieving Kushner of its obligations under the Agreement, Kushner has the right to engage subcontractors to provide or perform any portion of the Services as Kushner deems appropriate. Kushner shall contractually require any such subcontractor to protect and safeguard all Confidential Information as required by this Agreement.

10.6. Governing Law and Venue. This Agreement is governed by the internal laws of the State of Michigan (without regard to the conflicts of laws rules of Michigan). Exclusive venue for any action is vested in Oakland County.

10.7. Arbitration-General. If a dispute, controversy, or claim arises out of or relates to this Agreement including, without limitation, its termination or non-renewal, or the alleged breach thereof, and if said dispute cannot be settled through direct discussions, the parties shall endeavor to settle the dispute in an amicable manner by mediation administered by the American Arbitration Association under its Commercial Mediation Rules, before resorting to arbitration. If the matter has not been resolved pursuant to mediation within 30 days of the commencement of such mediation (which period may be extended by mutual agreement in writing), then any such unresolved dispute, controversy, or claim shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. One arbitrator approved by both parties shall conduct the arbitration, or if the parties are unable to agree upon an arbitrator within seven days of the conclusion of the mediation, the American Arbitration Association shall appoint the arbitrator.The arbitrator shall allow each party to conduct limited relevant discovery. The arbitrator shall have no authority to award punitive damages or any damages not measured by the prevailing party's actual damages and may not, in any event, make any ruling, finding, or award that does not conform to the terms and conditions of this Agreement. All fees and expenses of the arbitration shall be borne by the parties equally. However, each party shall bear their own expense of counsel, experts, witnesses, and preparation and presentation of the arbitration matter. Any such arbitration shall be conducted in Kalamazoo County, Michigan.

10.8. Non-Arbitrable Disputes. Notwithstanding the provisions of Section 11.7 of this Agreement, any dispute relating to (i) the validity or enforceability of Section 11.7, (ii) any disclosure of Confidential Information in violation of Section 7, or (iii) the ownership, validity, enforceability, or other rights in the intellectual property of Kushner or its subcontractors shall not be subject to arbitration. Any dispute described in the preceding sentence shall be submitted to the courts of the United States in the Eastern District of Michigan. Each party consents to the jurisdiction of such courts and waives any objections it may have to such venue or claim that such controversy or claim has been brought in an inconvenient forum. Any final judgment in such court shall be conclusive and binding on each party and enforceable against it in any court of competent jurisdiction.

10.9. Survival. Any provision of this Agreement, which by its terms is intended to so survive, shall survive termination or expiration of this Agreement.

10.10. No Third Party Beneficiaries. This Agreement is for the mutual benefit of and governs the relationship between Kushner and Client and it does not create any rights of any kind in any third party; provided that if more than one legal entity executes this Agreement as Client, each such entity shall be jointly and severally liable for all of Client's obligations hereunder. This Agreement shall in no way be construed or interpreted as creating an express or implied employment contract between Kushner and Client or Kushner and any employee of Client.

10.11. Independent Contractors. The parties are independent contractors. Nothing contained in this Agreement or done pursuant to this Agreement will cause either party to be the agent of the other party for any purpose or in any sense whatsoever, or constitute the parties as partners or joint venturers.

10.12. No Waiver. The failure of either party to enforce at any time any of the provisions of this Agreement, or the failure to require at any time performance by the other party of any of the provisions of this Agreement, shall in no way be construed to be a present or future waiver of such provisions, nor in any way affect the validity of either party to enforce each and every such provision. The express waiver by either party of any provision, condition or requirement of this Agreement shall not constitute a waiver of any future obligation to comply with such provision, condition, or requirement.

10.13. Authority. Each party has had the opportunity to consult with its own counsel in connection with the negotiation of this Agreement, and has bargaining power equal to that of the other party in connection with the negotiation, execution and delivery of this Agreement. The terms and conditions of this Agreement shall not be construed in favor of either party, but rather shall be construed according to the ordinary meaning of such terms and conditions.

10.14. Counterparts. This Agreement may be executed in multiple counterparts or duplicate originals and transmitted via facsimile or electronic mail, any and all of which shall be regarded as one and the same instrument, and which shall be construed and enforceable as the official and governing version in the interpretation and enforcement of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above. Client's signature on this page shall also serve as Client's signature on each of the subcontractor agreements referenced in Exhibit B attached, provided that Client will separately execute any subcontractor agreements if required by the subcontractor.

CLIENT:

City of South Lyon
335 South Warren
South Lyon, MI 48178

By: ______________________________

Name: Paul Zelenak

Title: City Manager

Date: ______________________________

KUSHNER & COMPANY, INC.

By: ______________________________

Name: Jennifer Alfieri

Title: CEO

Date: ______________________________

EXHIBIT A

CLIENT IDENTIFICATION

The Client(s) in the Agreement are identified below.

	Name of Client	Federal EIN
1.	City of South Lyon	38-6004651
2.		
3.		
4.		

EXHIBIT B

Third Party Service Providers. All Third-Party Service Providers that have been engaged by Kushner to perform one or more functions under this Agreement shall be identified below, in conjunction with the services performed. Signature of this Agreement shall constitute signature on each of the Third-Party Service Provider Agreements identified below, or shall be provided on a separate agreement with the Third Party Service Provider; the terms and conditions of either method shall be enforceable against Client.

Name	Date of Agreement	Services Covered

EXHIBIT C

FEE SCHEDULE/PROPOSAL (FOLLOWING PAGE(S))

Note: As described in the Agreement, all fees are subject to review and adjustment on an annual basis. In the event that third-party administrators revise their fees, Client's fee schedule shall be adjusted accordingly on a direct pass-through basis.

KUSHNER
& COMPANY
HR AND BENEFIT EXPERTS

- Phone : (269) 342-1700
- Email : info@kushnerco.com
- 2427 W. Centre Avenue
  Portage, MI 49024

FSA
Fee Proposal

City of South Lyon

- Proposal Issued: September 30, 2021
- Proposal Valid To: November 1, 2021

FSA Participants: 16

Plan Implementation, Documents, and Setup

Plan Design Consultation, Preparation of Plan Documents, and Computer Setup — $250

Annual Fee

Billed for second and subsequent year — $250

Monthly Processing Fee Option 1

FSA Green

	4.25 per employee per month	$68.00
	Estimated Annual Fee	$1,066.00

Monthly Processing Fee Option 2

FSA Standard

	$5.00 per employee per month	$80.00
	Estimated Annual Fee	$1,210.00

Notes:

Monthly processing fees are applicable for each active plan year

Minimum monthly fee of $75 for FSA Standard, $50 for FSA Green options

$50 returned ACH fee will apply to any failed ACH transactions

Participants remain participants for the full plan year and any runoff period

Jennifer Alfieri, MBA
CEO and Director of Health and Welfare Services

Additional Notes:
- After preparation of original plan document, charge of $250 per plan doc restatement/amendment.

AGENDA NOTE

New Business # 5

MEETING DATE: November 22, 2021

PERSON PLACING ITEM ON AGENDA: City Attorney

AGENDA TOPIC: Recommendation to Retain Labor/Union Counsel in accordance with City Charter Section 6.6(c).

EXPLANATION OF TOPIC: Laura Amtsbuechler of our office has been assisting the City with its labor/union legal needs. However, while Laura is certainly capable of handling the City's labor and employment needs, her experience is more focused on employment litigation and general labor and employment matters. It is our recommendation that the City retain legal counsel who is more specialized in union related labor issues to handle the more complicated labor union issues that come up. The City should have such a person approved and available in the event that such consultation is needed. Ms. Amtsbuechler has worked with Mr. Gregory Schutz of Keller Thoma and recommends his services.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: Retention Agreement with Gregory T. Schultz of Keller Thoma.

POSSIBLE COURSES OF ACTION: Approve / not approve the Retention Agreement.

SUGGESTED MOTION: Motion by _______________________, supported by _______________________ to approve the Retention Agreement with Gregory T. Schultz.

THOMAS L. FLEURY
LAURI A. READ
GOURI G. SASHITAL
GREGORY T. SCHULTZ
MINDY BARRY*
ELIZABETH A. YOUNG

*Also admitted in Virginia

KELLER THOMA

A PROFESSIONAL CORPORATION

COUNSELORS AT LAW

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GARY P. KING
Of Counsel

LEONARD A. KELLER
(1905 - 1970)

RICHARD J. THOMA
(1904 - 2001)

November 11, 2021

City of South Lyon
City Council
335 S. Warren Street
South Lyon, MI 48178

Re: ***Legal Services***

Dear Council Members:

We are pleased that the City of South Lyon has requested Keller Thoma to serve as legal counsel it in connection with its labor and employment matters. This letter will set forth our agreement with the City in connection with our representation.

The City has elected to retain Keller Thoma on an hourly basis. Our current hourly rate is $190 per hour. The City will not be charged for miscellaneous charges such as routine copying, long-distance charges, or cell phone charges and fax charges. If a substantial amount of copying of documents is required, we will discuss that with the City. Statements normally will be rendered monthly for work performed and expenses recorded on the Firm's books during the previous month.

Either the Firm or the City may terminate the engagement at any time for any reason by written notice, subject on the Firm's part to applicable rules of professional conduct.

Inasmuch as good communication between attorneys and clients is an essential part of effective legal representation, we will keep in close communication with the City regarding the status of matters. We will promptly provide the City with copies of all relevant documents and correspondence. We will expect the City to also inform us promptly of any new developments affecting any matters of which you become aware.

We understand the importance of these matters to the City and we assure you that we will give it the attention and consideration it deserves.

At some point after various matters are completed, under our records retention policy, the City will have the choice of me sending your documents from our files, continuing to retain them or destroying them.

If this letter accurately sets forth the City's understanding of our legal representation and the City agrees to its terms, please date and sign two copies of this letter, and return one copy to me.

If the City has any questions concerning the nature of our services or any matter mentioned in this letter, please call me before signing and returning this letter.

We look forward to working with the City of South Lyon.

Very truly yours,

KELLER THOMA, A PROFESSIONAL CORPORATION

Gregory T. Schultz

AGREED TO AND ACCEPTED this _____ day of November, 2021.

THE CITY OF SOUTH LYON

By: ______________________________

Its: ______________________________

Date: ______________________________