

VILLAGE OF FAIRGROVE
TUSCOLA COUNTY, MICHIGAN

ORDINANCE NO. 40

PENSION PLAN

An ordinance to create and establish an annuity or pension plan for the officers of the Village of Fairgrove and to authorize the village president and the village clerk to contract, in the name of the village, for such plan; to define the class of officers who shall be covered by such annuity or pension plan; to set forth the respective per centum shares which the Village of Fairgrove and the officers shall contribute to the premium or charges arising under such annuity or pension contract and to further provide for the deduction of contributions from officers' compensation; to establish the time at which existing and future officers shall become eligible for such plan to provide a method for non-coverage of an officer under the annuity or pension plan; to set forth a date wherein each person covered under the annuity or pension plan shall have a vested right or interest in such plan; and to repeal all ordinances or parts of ordinances in conflict herewith.

THE VILLAGE OF FAIRGROVE ORDAINS:

Section 1. TITLE.

This ordinance shall be known and cited as the "Village of Fairgrove Pension Plan Ordinance".

Section 2. PENSION PLAN; AUTHORITY TO CONTRACT.

The Village of Fairgrove hereby creates and establishes an annuity or pension plan and program for the pensioning of its officers; and for such purposes also hereby authorizes the village president and the village clerk to contract, in the name of the village council, with any company authorized to transact such business within the State of Michigan for annuities or pensions.

Section 3. ELIGIBLE PARTICIPANTS.

The annuity or pension plans created, established, and contracted for under this ordinance shall cover all elected village officers as provided for in Chapter II, Section 1 of Public Act 3 of 1895, as amended, and any persons appointed to fill vacancies in those elective offices.

Section 4. ANNUAL PREMIUM; CONTRIBUTIONS; COMMENCEMENT; AND OPTING OUT.

- (A) The Village of Fairgrove shall annually contribute 50 per centum of that portion of the premium arising under such annuity or pension contract for each officer covered. Such contributions shall be secured from the general fund of the village. Each covered officer shall be responsible for the remainder of the premium and the village clerk is hereby authorized to deduct the same from each officer's total pay, salary, or compensation from the village and to pay the same directly to the company furnishing the annuity or pension under contract with the village. The minimum combined total premium exclusive of costs and service charges shall equal the annual social security tax (social security and medicare) withholding that would otherwise have been required under Federal Law. The Village of Fairgrove shall pay all costs and services charges connected with the administration of this pension program.
- (B) Each officer presently in office as of the date of enactment of this ordinance is covered under this annuity or pension plan program. Newly elected officers shall be covered as of the date they legally commence to serve through the date that their successor is qualified to serve. Persons appointed to fill vacancies in a village office shall be covered commencing the date that they legally commence to act until the date that their successor is qualified to serve.
- (C) Any officer desiring not to be covered shall give written notice to the village clerk that he or she desires not to be covered, and if notice is received before the officer has become covered under the contract, he or she shall not be covered thereunder. If the notice is received after the individual has become covered, his coverage under the contract shall cease as provided for in the contract.

Section 5. VESTING.

Each officer so covered under the annuity or pension plan shall have a vested right or interest in such plan commencing from the date the plan becomes effective for such officer.

Section 6. EFFECTIVE DATE AND REPEAL OF CONFLICTING ORDINANCES.

This ordinance shall take effect on the date of its publication. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

ON ROLL CALL – VOTE WAS: YEAS 5 NAYS 0

ADOPTED December 16, 1991

RAYMOND CRAGG, PRESIDENT

ANN MARIE BALL, CLERK

I hereby certify that the above is a true copy of the Ordinance adopted at the special meeting of the Village Council of the Village of Fairgrove, Tuscola County, Michigan, held on December 16, 1991.

ANN MARIE BALL, CLERK