Minutes

YPSILANTI COMMUNITY UTILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING
Tuesday, March 23, 2004 – 3:00 p.m.
YCUA Administration Building
2777 State Road
Ypsilanti, MI 48198-9112

Members Present: Brenda L. Stumbo, Edward B. Koryzno, Jr., Larry J. Doe, Philip W. Wagner and Mark Namatevs

Members Absent: None.

1. CALL TO ORDER: Brenda L. Stumbo called the meeting to order at 3:01 p.m.

2. MINUTES OF THE PREVIOUS MEETING: Motion by Doe to receive and file the minutes of the February 24, 2004 meeting. Support by Wagner. In favor: All. Opposed: None. (Motion carried.)

3. NEW BUSINESS:

A. Presentation of Awards of Appreciation to Peter J. Murdock and Karen Lovejoy Roe - Larry R. Thomas

Larry R. Thomas presented awards of appreciation to Peter J. Murdock and Karen Lovejoy Roe for their years of service to YCUA and their communities. He indicated that Mr. Murdock served as a YCUA Board member for 18 years and Ms. Roe served for nine years.

Informational only; no motion from the Board required.

B. Request to Approve – OHM’s Proposal for Engineering Services re: Bunton Road Sanitary Lead Project - Larry R. Thomas
Mr. Thomas advised the Board that Crystal Ponds Condominiums, a development on Bunton Road in the Township, is installing a sewer on Bunton Road from their project south to Martz Road. He indicated that the installation of the sewer requires significant work within the road and road right-of-way. Mr. Thomas also explained that, at the completion of the sewer installation, Bunton Road will be paved. He pointed out that, in order that residences on the west side may be served by this sewer in the future without work in the road and road right-of-way, he recommends that the leads be put in at this time. Mr. Thomas explained that, typically, the developer is required to install the connections during their construction. He further advised that YCUA’s comments on their submittals were, unfortunately, unclear and the leads to the west side of Bunton Road were not clearly indicated as being part of the developer’s responsibility. Mr. Thomas stated that this is the engineering contract for OHM’s work in design and construction for the project. He acknowledged that their fee for the project is $56,469.20. Mr. Thomas confirmed that installation of sewer leads at this time will avoid future disruption in Bunton Road. He explained that the staff recommendation is to pay for this project from the Benefit Construction Fund.

Mr. Thomas recommended approval of OHM’s Proposal for Engineering Services re: Bunton Road Sanitary Lead Project in the amount of $56,469.20 to be funded from the Benefit Construction Fund.

Motion by Doe to accept Mr. Thomas’s recommendation for approval of OHM’s Proposal for Engineering Services re: Bunton Road Sanitary Lead Project in the amount of $56,469.20 to be funded from the Benefit Construction Fund. Support by Namatevs. In favor: All. Opposed: None. (Motion carried)

C. Request to Proceed Merritt Road Pump Station Improvements Project - T. Michael Jessee

Mr. Jessee advised the Board that YCUA has been in the process of increasing capacity at our Merritt Road water pumping station facility for the last three years. He indicated that the Authority has increased pumping capacity on the original three pumps with the installation of larger motors, larger impellors, and variable frequency drives. Mr. Jessee also explained that this year, continuing this project, YCUA will install a fourth pump in this facility. He pointed out that the Authority has received a quote from Kerr Pump and Supply, Inc. Mr. Jessee explained that they are the sole source supplier for the equipment. He further advised that they can supply
the pump, materials, and service for $33,441. Mr. Jessee stated that demands on the system require an increased capacity for this pumping station. He acknowledged that this is a budgeted item. Mr. Jessee confirmed that staff recommends the use of O and M funds.

Mr. Jessee recommended approval of the Request to Proceed Merritt Road Pump Station Improvements Project from Kerr Pump and Supply, Inc. in the amount of $33,441 to be funded from O and M funds.

Motion by Doe to accept Mr. Jessee’s recommendation for approval of the Request to Proceed Merritt Road Pump Station Improvements Project from Kerr Pump and Supply, Inc. in the amount of $33,441 to be funded from O and M funds. Support by Stumbo. In favor: All. Opposed: None. (Motion carried)

D. Request to Approve – OHM’s Amendment to Engineering Services re: Gerganoff Subdivision Water Main Improvements - Larry R. Thomas

Mr. Thomas directed the Board’s attention to a letter from Matt Pilarz of Orchard, Hiltz, and McCliment, Inc. (OHM) regarding additional engineering services for the Gerganoff Subdivision Water Main Improvements project in the City. He indicated that the additional engineering services are for design and construction engineering associated with work requested by YCUA staff in two areas of the project. Mr. Thomas also explained that the amendment increases the total by $18,500. He pointed out that YCUA staff has examined the request and feels that the increased budgets are justified. Mr. Thomas explained that the two areas of additional work would increase the reliability of the City water supply system by eliminating older, undersized mains that were not originally included in the project. He further advised that YCUA staff requested the work. Mr. Thomas stated that these expenses might be DWRF eligible. He acknowledged that, if not, they will be paid out of City Revenue Bond proceeds.

Mr. Thomas recommended approval of OHM’s Amendment to Engineering Services re: Gerganoff Subdivision Water Main Improvements in the amount of $18,500 to be funded from City Revenue Bond proceeds if it is not DWRF eligible.

Motion by Koryzno to accept Mr. Thomas’s recommendation for approval of OHM’s Amendment to Engineering Services re: Gerganoff Subdivision Water Main Improvements in the amount of $18,500 to be funded from City Revenue Bond proceeds if it is not DWRF eligible. Support by Namatevs.
E. Request to Approve Ainsworth Water Main Improvements Budget Update and Amendment Request - Larry R. Thomas

Mr. Thomas directed the Board’s attention to a letter from Matt Pilarz of Orchard, Hiltz, and McCliment, Inc. (OHM) regarding the engineering services budget for the Ainsworth Park Water Main Improvements project in the City. He indicated that the revised budget increases the total from $189,644 to $253,777. Mr. Thomas also explained that YCUA staff has examined the request and feels that the increased budgets are justified. He pointed out that increased engineering costs were required for this project as detailed in the OHM letter dated March 10, 2004. Mr. Thomas explained that these expenses are DWRF eligible.

Mr. Thomas recommended approval of OHM’s Budget Update and Amendment Request re: Ainsworth Water Main Improvements in the amount of $253,777 to be paid out of DWRF funds.

Motion by Koryzno to accept Mr. Thomas’s recommendation for approval of OHM’s Budget Update and Amendment Request re: Ainsworth Water Main Improvements in the amount of $253,777 to be paid out of DWRF funds. Support by Namatevs. In favor: All. Opposed: None. (Motion carried)

F. Request to Approve Change Order No. 4 re: Wastewater Treatment Plant Expansion/Improvements Project - Larry R. Thomas

Mr. Thomas directed the Board’s attention to Change Order No. 4 for the Wastewater Treatment Plant Expansion/Improvements Project for Christman Construction. He indicated that a letter from Brad Fraker at Tetra Tech MPS detailed the reasons for the individual changes included in the change order. Mr. Thomas also explained that staff has reviewed the change order and is recommending approval. He pointed out that the change order increases the amount of the contract by $201,800. He also directed their attention to a memo from Mike Jessee recommending approval of the change order as well as a spreadsheet showing the YCUA contingency fund for this project, which shows the changes experienced and funds presently available. Mr. Thomas explained that the reasons for the changes are varied but, in staff’s opinion, reasonable. He further advised that sufficient amounts remain in the contingency fund to finance the changes.

Mr. Thomas recommended approval of Change Order No. 4 re: Wastewater
Treatment Plant Expansion/Improvements Project in the amount of $201,800 to be paid out of the contingency fund.

Motion by Koryzno to accept Mr. Thomas’s recommendation for approval of Change Order No. 4 re: Wastewater Treatment Plant Expansion/Improvements Project in the amount of $201,800 to be paid out of the contingency fund. Support by Doe. In favor: All. Opposed: None. (Motion carried)

G. Request to Approve – Change Order No. 2 re: DWSD Second Connection Project - Larry R. Thomas

Mr. Thomas directed the Board’s attention to Change Order No. 2 on the DWSD Second Connection Project. He indicated that the change order increases the price of the contract by $49,170 and was required due to additional work to remove and relocate a PRV vault. Mr. Thomas also explained that, upon excavation of the water main, it was discovered that an unmarked DTE chamber and conduit were in direct conflict with the proposed piping. He pointed out that, although DTE reviewed and located their existing utilities during the design process, this chamber and conduit were not in the records. Mr. Thomas explained that, therefore, it was neither identified during the design process nor located by Miss Dig during the utility location process. He further advised that this change must be done to accommodate DTE’s equipment. Mr. Thomas stated that efforts are underway to hold DTE accountable for their error, failing that these charges would be DWRF eligible.

Mr. Thomas recommended approval of Change Order No. 2 re: DWSD Second Connection Project in the amount of $49,170 to be paid out of DWRF funds or, if they can be held accountable, by DTE.

Motion by Doe to accept Mr. Thomas’s recommendation for approval of Change Order No. 2 re: DWSD Second Connection Project in the amount of $49,170 to be paid out of DWRF funds or, if they can be held accountable, by DTE. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

H. Request to Approve – Bunton Road Sanitary Sewer Lead Installation Contract - Larry R. Thomas

Mr. Thomas advised the Board that YCUA’s consultants at OHM have been in the process of receiving bids from contractors for the installation of sewer leads on Bunton Road relating to Item B above. He indicated that this
project should proceed prior to the paving of Bunton Road. Mr. Thomas also explained that the staff recommendation is to finance this from the Benefit Construction Fund.

Mr. Thomas recommended approval of the Bunton Road Sanitary Sewer Lead Installation Contract with SBG Construction in the amount of $237,675 to be paid out of the Township Benefit for Construction Fund.

Motion by Doe to accept Mr. Thomas’s recommendation for approval of the Bunton Road Sanitary Sewer Lead Installation Contract with SBG Construction in the amount of $237,675 to be paid out of the Township Benefit for Construction Fund. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

I. Request to Approve – Balancing Change Order No. 1 re: Golfside Interceptor Rehabilitation Project - Larry R. Thomas

Mr. Thomas directed the Board’s attention to Change Order No. 1 for the Golfside Road Interceptor Rehabilitation Project. He indicated that this project involved relining portions of the Golfside sewer interceptor. Mr. Thomas also explained that this is the final balancing change order and is a decrease in the contract amount of $19,951. He pointed out that this project is complete and balances actual quantities used versus those bid.

Mr. Thomas recommended approval of Balancing Change Order No. 1 re: Golfside Interceptor Rehabilitation Project in the amount of $19,951 below contract price.

Motion by Stumbo to accept Mr. Thomas’s recommendation for approval of the Balancing Change Order No. 1 re: Golfside Interceptor Rehabilitation Project in the amount of $19,951 below contract price. Support by Doe. In favor: All. Opposed: None. (Motion carried)

J. Request to Approve – Purchase of Backhoe - Larry R. Thomas

Mr. Thomas recommended that this item be tabled until such time as additional bids can be obtained.

Motion by Doe to accept Mr. Thomas’s recommendation that this item be tabled until such time as additional bids can be obtained. Support by Wagner. In favor: All. Opposed: None. (Motion carried)
K. **Request to Approve – YCUA Resolutions 04-4 and 04-5 re: Purchase of Generic or Military Service Credit** - Gwyn Belcher

Mr. Thomas advised the Board that two employees have requested to buy service credit in the Municipal Employees Retirement System (MERS). He indicated that Resolution 04-4 is for Tom Smith, who wishes to purchase two years’ of military service credit. Mr. Thomas also explained that Resolution 04-5 is for Cathy Moorman, who wishes to purchase three years’ of generic service credit. He pointed out that both requests are in compliance with the Authority’s personnel policies. Mr. Thomas explained that the employees are financing the cost of the purchase. He further advised that there is no impact to the Authority.

Ms. Belcher recommended approval of YCUA Resolutions 04-4 and 04-5 re: Purchase of Generic or Military Service Credit.

Motion by Koryzno to accept Mr. Thomas’s recommendation for approval of YCUA Resolutions 04-4 and 04-5 re: Purchase of Generic or Military Service Credit. Support by Doe. In favor: All. Opposed: None. (Motion carried)

L. **Request to Approve – Board Personnel Policy** - Larry R. Thomas

Mr. Thomas advised the Board that staff met with the Personnel Committee on Thursday morning of last week. He indicated that among the items discussed was a policy for the YCUA Board members regarding Authority personnel issues. Mr. Thomas also explained that Karen Lovejoy Roe recommended that the Board have a policy regarding its involvement in personnel issues.

Edward B. Koryzno, Jr. interjected that some questions came up during that meeting and it was his recommendation to refer the matter back to the Personnel Committee and table the item until the April Board meeting.

Motion by Doe to accept Mr. Koryzno’s recommendation to refer the matter back to the Personnel Committee and table the item until the April Board meeting. Support by Koryzno. In favor: All. Opposed: None. (Motion carried)

M. **Request to Approve – Executive and Confidential Employee Handbook** - Larry R. Thomas
Mr. Thomas advised the Board that staff met with the Personnel Committee on Thursday morning of last week. He indicated that among the items discussed were two small revisions to the Executive and Confidential Employee Handbook. Mr. Thomas stated that those changes included the addition of the Purchasing and Planning Director position as well as updating the language regarding health insurance benefits.

Mr. Thomas recommended approval of the updated Executive and Confidential Employee Handbook. Edward B. Koryzno, Jr. concurred with the recommendation.

Motion by Koryzno to accept Mr. Thomas’s recommendation for approval of the updated Executive and Confidential Employee Handbook. Support by Namatevs. In favor: All. Opposed: None. (Motion carried)

N. Request to Approve – Staffing Levels - Larry R. Thomas

Mr. Thomas advised the Board that staff met with the Personnel Committee on Thursday morning of last week. He indicated that among the items discussed was revised Staffing Levels. Mr. Thomas stated that those staffing changes included bringing back the Project Supervisor position full time and bringing back one of the custodian/groundskeeper position in order to keep up with summer grounds keeping demands. He further advised that the economic impact of reinstating those positions for the remainder of the fiscal year totals $34,485.92, which does not result in a significant impact on the finances of the Authority.

Edward B. Koryzno, Jr. interjected that also part of this item is a request to reinstate one-half of the pay reduction that YCUA Director incurred as a part of last spring’s Authority-wide reorganization. He advised that the remaining fiscal year financial impact totals $2,500.

Mr. Thomas recommended approval of the new Staffing Levels. Mr. Koryzno concurred with the recommendation.

Motion by Koryzno to accept Mr. Thomas’s recommendation for approval of the new Staffing Levels. Support by Doe. In favor: All. Opposed: None. (Motion carried)

O. Second Quarterly Production Report - T. Michael Jessee

Mr. Jessee directed the Board’s attention to a production report for the first
quarter of the current fiscal year. He indicated that it was intended to keep the Board members up to date on the operations of the Authority. Mr. Jessee then proceeded to give a detailed report of the information contained in the report and answered questions from the Board.

Informational only; no motion from the Board required.

P. Fund Balance Report Larry R. Thomas

Mr. Thomas directed the Board’s attention to the Fund Balance Report. He then proceeded to give a detailed report of the information contained in the report and answered questions from the Board.

Informational only; no motion from the Board required.


Mr. Thomas directed the Board’s attention to the Financial Report – Receiving Saving Analysis. He then proceeded to give a detailed report of the information contained in the report and answered questions from the Board.

Informational only; no motion from the Board required.


Mr. Thomas directed the Board’s attention to the Usage Report – Consumption Report. He then proceeded to give a detailed report of the information contained in the report and answered questions from the Board.

Brenda L. Stumbo commented that she would like to see a column added for projections for the coming year.

Informational only; no motion from the Board required.

S. Director’s Report – Larry R. Thomas

Mr. Thomas reminded the Board that former YCUA Commissioner Karen Lovejoy Roe had requested a meeting regarding personnel issues and disciplinary action. He further reminded them that the matter had been referred back to the Personnel Committee. Mr. Thomas advised that the matter was discussed by the Personnel Committee at their meeting on Thursday morning of last week and their recommendation is that Board members not meet with individuals regarding
disciplinary actions due to liability and confidentiality issues. Edward B. Koryzno, Jr. concurred with the recommendation.

Motion by Koryzno to accept Mr. Thomas’s recommendation for approval of the recommendation that Board members not meet with individuals regarding disciplinary actions due to liability and confidentiality issues. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

Mr. Thomas directed the Board’s attention to the Authority’s Affirmative Action Report for their information. He advised them that if there were any questions, the Board could call him or Gwyn Belcher at a later date.

Mr. Thomas advised the Board that a Special Board meeting had been scheduled for Wednesday, March 24, 2004 at 1:30 p.m. to discuss the advice of YCUA’s labor attorney on a financial settlement regarding a pending labor issue. Edward B. Koryzno, Jr. responded that he was unable to attend.

4. OLD BUSINESS:

There was no old business for the month.

5. OTHER BUSINESS:

Larry R. Thomas reminded the Board that, each year at this time, the Authority names new hearing officers, which are selected the preside over customer grievances during the coming year. Mr. Thomas recommended approval of the request to appoint Edward B. Koryzno, Jr. as interim Ypsilanti Township Hearing Officer and Larry J. Doe as interim City of Ypsilanti Hearing Officer until such time as new commissioners Phillip W. Wagner and Mark Namatevs have become oriented enough to assume those roles.

Motion by Namatevs to accept Mr. Thomas’s recommendation for approval of the request to appoint Edward B. Koryzno, Jr. as interim Ypsilanti Township Hearing Officer and Larry J. Doe as interim City of Ypsilanti Hearing Officer until such time as new commissioners Phillip W. Wagner and Mark Namatevs have become oriented enough to assume those roles. Support by Wagner. In favor: All. Opposed: None. (Motion carried)

6. STATEMENTS AND CHECKS: Motion by Doe to pay the bills in the amount of $4,494,061.28 plus an addendum in the amount of $1,857,701.12. Support by Koryzno. In favor: All. Opposed: None. (Motion carried.)

7. PUBLIC COMMENTS:
There were no public comments for the month.

8. **ADJOURNMENT:** Motion by Doe to adjourn the meeting at 4:13 p.m. Support by Koryzno. In favor: All. Opposed: None. (Motion carried.)

Respectfully submitted,

LARRY J. DOE, Secretary/Treasurer
Estimated Actuarial Cost of Additional Credited Service

Granville T. Smith  
Division No. 8106BU01 - Ypsilanti Com Util Auth-AFSCME  
Member's Date of Birth: 11/02/1947  
Spouse's Date of Birth: 02/13/1946  
Estimated Final Average Compensation on Calculation Date: $52,208.80  
Credited Service on Calculation Date: 22 Years, 0 Months  
Other Governmental Service (for eligibility): 0 Years, 0 Months  
Type of Credited Service to be Granted: Military  
Additional Credited Service to be Granted: 2 Years, 0 Months  
Total Actuarial Cost of Additional Credited Service: $26,267

The member's share of the cost may be any amount from zero up to the Total Actuarial Cost, and is due at the time of purchase. The employer's share is the balance of the actuarial cost not paid by the member, and may be paid in a lump sum, or amortized over 30 years. For example, amortizing the Total Actuarial Cost over 30 years results in a first year employer contribution of $1,409, increasing 4.5% each year thereafter.

Benefit Provisions in Effect on Calculation Date:
- Benefit B-2
- Benefit FSS (With 25 Years of Ser)
- Benefit FAC-3 (3 Year Final Aver

Resolution to be Adopted by the Governing Body

As provided by the MERS Plan Document, the above additional credited service is granted this member by resolution adopted by the Governing Body at its meeting on . It is understood that calculation of the actuarial cost is based on the assumptions approved by the Retirement Board on the date the calculation was prepared. Actual, future events and experience may result in changes different than those assumed, and liability different than that estimated.

(Signature of Authorized Official)

To Be Completed By The Member

I do hereby certify that the above service credit, for which I am applying, is in accordance with the restrictions regarding purchasing service credit. (Restrictions are outlined on reverse side of this form.)

(Signature of Granville T. Smith)  
(Date)  

Note: Unless previously submitted, a copy of military discharge documents must accompany this form.

Acknowledgement of Purchase (To Be Completed By MERS Staff)

Payment Received:  
Member Payment:  
Employer Payment:  
Service Credited:  
Signed:  
Or Amortized:

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1134 Municipal Way, Lansing, MI 48917
Phone (517) 703-9030 · 1-800-767-6377
Fax (517) 622-3197

Please Return
Signed Original
With Your Payment
RETIREMENT BOARD ASSUMPTIONS FOR CALCULATING ESTIMATED COST TO PURCHASE ADDITIONAL SERVICE CREDIT

1. Member will retire at the earliest date for unreduced retirement benefits. If member will terminate employment before eligibility for unreduced retirement benefits and MERS was not notified at time of calculation, the employer understands they may be incurring an additional liability.

2. Final average compensation is projected to increase 4.5% annually from date of purchase to date of retirement.

3. Investment return is projected to be 8% annually.

______________________________

RESTRICTIONS ON PURCHASES OF OTHER GOVERNMENTAL SERVICE CREDIT

1. Service credit has not and will not be used in any other defined benefit retirement plan for the purpose of drawing a retirement benefit.

2. If the prior plan was not a defined benefit plan, service may be purchased if the former employer did not make contributions on behalf of the member to the retirement fund. This applies whether or not the member is currently receiving, or will in the future, receive a benefit or distribution, except where the former employee did not vest and will not receive any benefit from this fund.

   NOTE: Under federal law changes, effective January 1, 2002, if the distribution is an eligible qualified rollover to MERS from a public sector 401(k) plan, 401(a) defined contributions plan, or 457 deferred compensation plan in which employer contributions were made for the member, then the service period for which the employer contributions were made may be purchased in MERS.

______________________________

EMPLOYER'S AMORTIZATION PAYMENT

If the member will pay a portion, but not all, of the Total Actuarial Cost, and the Balance of the Total Actuarial Cost will be funded by the employer, then the employer can determine the adjusted first year employer contribution, based on the amortization period and method reflected on the calculation printout, using the following formula:

1. Balance of Actuarial Cost = Total Actuarial Cost - Member Payment

2. Adjusted First Year Employer Contribution = First Year Employer Contributions * Balance of Actuarial Cost / Total Actuarial Cost
Estimated Actuarial Cost of Additional Credited Service

Cathryn G. Moorman
Division No. 8106BU12 - Ypsilanti Com Util Auth-Tmstrs
Member's Date of Birth: 07/25/1955
Spouse's Date of Birth: 07/01/1953
Estimated Final Average Compensation on Calculation Date: $57,067.58
Credited Service on Calculation Date: 20 Years, 8 Months
Other Governmental Service (for eligibility): 0 Years, 0 Months
Type of Credited Service to be Granted: Generic
Additional Credited Service to be Granted: 3 Years, 0 Months

Total Actuarial Cost of Additional Credited Service: $29,730

The member's share of the cost may be any amount from zero up to the Total Actuarial Cost. and is due at the time of purchase. The employer's share is the balance of the actuarial cost not paid by the member, and may be paid in a lump sum, or amortized over 30 years. For example, amortizing the Total Actuarial Cost over 30 years results in a first year employer contribution of $1,594, increasing 4.5% each year thereafter.

Benefit Provisions in Effect on Calculation Date:
Benefit 6-2
Base 6-1
Benefit FFS (with 25 years of Ser)
10 Year Vesting
Benefit FAC-3 (3 Year Final Average)

Resolution to be Adopted by the Governing Body
As provided by the MERS Plan Document, the above additional credited service is granted this member by resolution adopted by (Governing Body) at its meeting on . It is understood that calculation of the actuarial cost is based on the assumptions approved by the Retirement Board on the date the calculation was prepared. Actual, future events and experience may result in changes different than those assumed, and liability different than that estimated.

(Signature of Authorized Official)

To Be Completed By The Member
I do hereby certify that the above service credit, for which I am applying, is in accordance with the restrictions regarding purchasing service credit. (Restrictions are outlined on reverse side of this form.)

(Signature of Cathryn G. Moorman )

(Date)

Acknowledgement of Purchase (To Be Completed By MERS Staff)

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Phone (517) 703-9030 - 1-800-767-6377
Fax (517) 622-3197

Please Return Signed Original With Your Payment
RETR EIMENT BOARD ASSUMPTIONS FOR CALCULATING ESTIMATED COST TO PURCHASE ADDITIONAL SERVICE CREDIT

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2. Final average compensation is projected to increase 4.5% annually from date of purchase to date of retirement.
3. Investment return is projected to be 8% annually.

RESTRICTIONS ON PURCHASES OF OTHER GOVERNMENTAL SERVICE CREDIT

1. Service credit has not and will not be used in any other defined benefit retirement plan for the purpose of drawing a retirement benefit.
2. If the prior plan was not a defined benefit plan, service may be purchased if the former employer did not make contributions on behalf of the member to the retirement fund. This applies whether or not the member is currently receiving, or will in the future, receive, a benefit or distribution, except where the former employee did not vest and will not receive any benefit from this fund.

NOTE: Under federal law changes, effective January 1, 2002, if the distribution is an eligible qualified rollover to MERS from a public sector 401(k) plan, 401(a) defined contributions plan, or 457 deferred compensation plan in which employer contributions were made for the member, then the service period for which the employer contributions were made may be purchased in MERS.

EMPLOYER’S AMORTIZATION PAYMENT

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2. Adjusted First Year Employer Contribution = First Year Employer Contributions * Balance of Actuarial Cost / Total Actuarial Cost