

# MERS Restated Uniform Hybrid Program (Benefit Program H) Resolution

no obligation or duty: to administer (or to have administered) the Benefit Program H; to authorize the transfer of any Plan assets to the Hybrid Program; or to continue administration by MERS directly or indirectly, or by any third-party administrator.

**WHEREAS**, concurrent with this Resolution, and as a continuing obligation, this governing body has completed and approved, and submitted to MERS, documents necessary for adoption and implementation of MERS Benefit Program H.

**NOW, THEREFORE, BE IT RESOLVED** that the governing body adopts MERS Benefit Program H (Hybrid Program) as provided below.

## I. NEW EMPLOYEES (Plan Sec 19B(4) – (12))

Effective the first day of April 1, 2014, (to be known as the ADOPTION DATE), the

Chippewa County hereby adopts Benefit Program H for

(MERS municipality/court)

Division 01 - General Other hired after 4/1/12 Ke

(specify division numbers)

first hired or rehired to the division at any time on and after the Adoption Date, and optional participation for any employee or officer of this municipality otherwise eligible to participate in MERS under Section 2B(3)(a) of the Plan Document who has previously elected to not participate in MERS. The employer shall establish the transfer rule for transferred employees in the Employer Resolution Establishing a Uniform Transfer Provision. **ONLY THOSE EMPLOYEES ELIGIBLE FOR MERS MEMBERSHIP (SECTIONS 2B(3) AND 3 OF THE PLAN DOCUMENT) SHALL BE ELIGIBLE TO PARTICIPATE.**

## (A) HYBRID PLAN CONTRIBUTIONS

- The DB Component shall be exclusively funded by the employer, with no member contributions permitted.
- For the DC Component, employee and employer contributions shall be required as allowed and specified in Plan section 19B(8) and the MERS Uniform Hybrid DC Component Adoption Agreement (“Adoption Agreement,” Attachment 1, completed and approved and a certified copy submitted to MERS concurrent with and incorporated by reference in this Resolution). A member is immediately 100% vested in any employee contributions, and is vested in employer contributions under the employer vesting schedule.

## (B) COMPENSATION AND EARNINGS

- For the DB Component, earnings shall include items of “Compensation” under Section 2A(6) of the MERS Plan Document, **with the exception of the last sentence, which shall not apply.**
- For the DC Component, earnings shall include items of “Compensation” under Section 2A(6) of the MERS Plan Document as provided for Benefit Program DC, which equals the Medicare taxable wages as reported by the employer on the member’s federal form W-2, wage and tax statement.

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## (C) HYBRID PLAN VESTING

- For the DB Component, 6 year vesting is mandatory (Plan Sec 19B(5)(b)).
- For the DC Component, employee and employer contributions shall be required as allowed and specified in Plan section 19B(8) and the Adoption Agreement (Attachment 1, completed and approved and a certified copy submitted to MERS concurrent with and incorporated by reference in this Resolution). A member is immediately 100% vested in any employee contributions, and is vested in employer contributions under the employer vesting schedule.
- As provided in Section 19B(3):

Where a member has previously acquired in the employ of any participating municipality or participating court:

- (a) not less than 1 year of defined benefit service in force (including Hybrid Program) with any participating municipality or participating court;
  - (b) eligible credited service where the participating municipality or participating court has adopted the Reciprocal Retirement Act, 1961 PA 88;
  - (c) at least 12 months in which employer contributions by a participating municipality or participating court have been made on behalf of the member under Benefit Program DC;
- such service shall be applied toward satisfying the vesting schedule for the DB Component, and for the DC Component, for employer contributions.

## (D) BENEFITS UNDER HYBRID PLAN

- For the DB component:
  - (1) The Benefit Multiplier (Plan Section 19B(4)) **initially selected shall be irrevocable, shall not later be changed.**

The multiplier shall be one of the following *dependent upon the division's social security coverage status*:

### Social Security Coverage

- 1.00%
- 1.25%
- 1.50%

### No Social Security Coverage

- 1.00%
- 1.25%
- 1.50%
- 1.75%
- 2.00%

- (2) Final Average Compensation (FAC) shall be FAC-3 (Plan Section 19B(6)).
- (3) The Benefit shall be payable at age 60 (Plan Section 19B(5)(b)). The participating municipality or court may also allow retirement if the member or vested former member has attained age 55 years or older and has 25 or more years of credited service. Adoption of F55/25 shall be an irrevocable action and may not be subsequently changed.

Check here to adopt F55/25

KC