



**HUMAN RESOURCES COMMITTEE MEETING Via WEBEX
LANSING BOARD OF WATER AND LIGHT BOARD OF COMMISSIONERS**

AGENDA

November 10, 2020

5:00 P.M. - 1201 S. Washington Ave., Lansing, MI 48910

BWL full meeting packets and public notices/agendas are located on the official web site at <https://www.lbwl.com/about-bwl/governance>.

Due to public safety concerns resulting from the COVID-19 Pandemic, this meeting will be conducted via WebEx Conferencing and all Board Members will participate virtually. Instructional options to be in attendance are as follows:

1. Event Address for Attendees:

<https://lbwlevents.webex.com/lbwlevents/onstage/g.php?MTID=ecf5a05123f095d6c15f9035f7910c130>

Event Number for Attendees: 132 548 8521 Event password: B22NmgmSkd3

2. Audio conference: United States Toll +1-408-418-9388 Access code: 132 548 8521


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Call to Order

Roll Call

Public Comments on Agenda Items

Options for Public Comment (PC) participation include:

- Raising your hand by clicking on the hand  icon button in the Participants panel
- Submitting written comments by email to mdenise.griffin@lbwl.com (By the End of PC)
- Submitting written comments to 1201 S. Washington Ave., Lansing, MI 48910

1. Human Resources Committee Meeting Minutes of October 27, 2020..... **TAB 1**
2. Amendment to Defined Contribution Plan and Trust 2 Resolution **TAB 2**
 - a. 401 (a) Plan #2 Adoption Agreement
 - b. Defined Contribution Plan and Trust 2 Addendum

Other

Adjourn

In compliance with the order from the Director of the Michigan Department of Health and Human Services and the order from the Ingham County Health Department, in an effort to protect the health and safety of the public, to mitigate the spread of COVID-19 and to provide essential protections to vulnerable Michiganders and this State’s health care system and other critical infrastructure, it is crucial that all Michiganders take steps to limit in person contact, particularly in the context of large groups. Therefore, the above meeting will be conducted via audio/video conference in accordance with the Open Meetings Act, as amended by Public Act 228 of 2020 effective on October 16, 2020. Members of the public wishing to participate in the meeting may do so by logging into or calling into the meeting using the website or phone number and the meeting ID provided above.

Persons with disabilities who need an accommodation to fully participate in this meeting should contact the Office of the BWL Corporate Secretary at (517) 702-6033 or mdenise.griffin@lbwl.com, or utilize TTY by dialing 7-1-1. A 24-hour notice may be needed for certain accommodations. An attempt will be made to grant all reasonable accommodation requests.

**A quorum of the Board of Commissioners may be in attendance. Actions and Motions will be considered by the Human Resource Committee Members only.*

HUMAN RESOURCES COMMITTEE

Meeting Minutes

October 27, 2020

The Human Resources Committee of the Lansing Board of Water and Light (BWL) met via WebEx (BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI) at 5:30 p.m. on Tuesday, October 27, 2020.

Event Address for Attendees:

<https://lbwlevents.webex.com/lbwlevents/onstage/g.php?MTID=e7ca10a2642bf510c451dbe02041824cb>

Event Number for Attendees: 132 620 4526 Event Password: qiN4RQwC9K3

Audio Conference: United States Toll +1-408-418-9388 Access Code: 132 620 4526

Human Resources (HR) Committee Chairperson Tony Mullen called the meeting to order at 5:30 p.m. and asked the Corporate Secretary to call the roll.

The following Commissioners were present via audio/video:

Tony Mullen remotely, Lansing, MI	Deshon Leek remotely, Holt, MI
Tracy Thomas, remotely, Lansing, MI	Sandra Zerkle remotely, Lansing, MI (arrived 6:16 p.m.)
Stuart Goodrich remotely, Delhi Township	Beth Graham remotely, Lansing, MI
David Lenz remotely, Lansing, MI (arrived @5:43 p.m.)	Larry Merrill remotely, Delta Township, MI
David Price remotely, Lansing, MI	Ken Ross remotely, Lansing, MI

Absent: None

The Corporate Secretary declared a quorum.

Public Comments

None.

Approval of Minutes

Motion by Commissioner Tracy Thomas, **Seconded** by Commissioner Deshon Leek, to approve the Human Resources Committee meeting minutes of September 08, 2020.

Roll Call Vote:

Yeas: Commissioners Tony Mullen, Deshon Leek, and Tracy Thomas.

Nays: None.

Action: Motion Carried.

PA 152 Health Care Premium Resolution

HR Committee Chairperson Tony Mullen introduced General Manager (GM) Dick Peffley who introduced Lynette Keller, Executive Director of Human Resources, to present information regarding the PA 152 Health Care Premium resolution. Ms. Keller reviewed and discussed the public employer contribution to BWL's medical benefit plan regarding the 2011 Public Act 152's employer caps on healthcare cost and the affordability requirement of the Patient Protection & Affordability Care Act. Ms. Keller stated that BWL has three options:

- Comply with PA 152 and limit expenditures on health care cost based on a schedule of dollars provided in the Act using the Hard Cap as updated annually every April;
- Limit expenditures on health care cost based on an 80/20 percentage split, requiring a majority vote

- Exempt itself entirely from the Act & choose some other percentage of Premium sharing, requiring a 2/3 vote.

Ms. Keller explained that BWL's Blue Plan Option and Green Plan Option, which are alternatives to PA 152, are an 80/20 cost share. The Blue Plan Option is the traditional option. The Green Plan Option was added in 2020 for non-bargaining unit employees and has been added for 2021 for bargaining unit employees. The illustrative rates for the plan options indicate that the Blue Plan Option exceeds the hard cap set and the Green Plan doesn't, which attests the Green Plan is a more affordable plan for participants.

Chair Mullen asked why a participant would select the Blue Plan Option instead of the Green Plan Option if they can save \$800 in the Green Plan Option with premium costs. Ms. Keller responded that it is a matter of participant choice as the Blue Plan Option offers a lower deductible of \$250 in comparison to the \$1000 deductible in the Green Plan Option.

The recommendation is that the Board select option 2 and limit expenditures on health cost based on an 80/20 percentage split in premium sharing contribution, requiring a majority vote for all active employees' medical benefits, effective January 1, 2021. Ms. Keller requested that the proposed Resolution be forwarded to the full Board for approval.

Proposed Resolution

PA 152 - Health Care Premium Sharing

WHEREAS, Governor Rick Snyder, on September 27, 2011, signed legislation known as the "Public Funded Health Insurance Contribution Act", Public Act 152 of 2011 (the "Act") limiting the amount public employers may pay for government employee medical benefits, and;

WHEREAS, the Act took effect January 1, 2012 and applies to all public employers including the Lansing Board of Water & Light, and;

WHEREAS, the Act contains three options for complying with the requirements of the Act;

WHEREAS, the three options are as follows:

- 1) Section 3 - "Hard Caps" Option - limits a public employer's total annual health care costs for employees based on coverage levels, as defined in the Act;
- 2) Section 4 - "80%/20%" Option - limits a public employer's share of total annual health care costs to not more than 80%. This option requires an annual majority vote of the governing body;
- 3) Section 8 - "Exemption" Option - a local unit of government, as defined in the Act, may exempt itself from the requirements of the Act by an annual 2/3 vote of the governing body;

WHEREAS, the Board of Commissioners desires to maintain premium sharing at 20% for all active employees for medical benefits effective January 1, 2021 through December 31, 2021;

RESOLVE that the Board of Commissioners by a majority vote has decided to adopt the 80%/20% option as its choice of compliance under the Act;

NOW, THEREFORE, BE IT RESOLVED the Board of Commissioners of the Lansing Board of Water & Light elects to comply with the requirements of 2011 Public Act 152, the Publicly Funded Health Insurance Contribution Act, by adopting the 80%/20% option for the medical benefit plan coverage year January 1, 2021 through December 31, 2021.

Motion by Commissioner Deshon Leek, **Seconded** by Commissioner Tracy Thomas, to forward the proposed resolution for PA 152 Health Care Premium Sharing to the full Board for consideration.

Roll Call Vote:

Yeas: Commissioners Tony Mullen, Deshon Leek, and Tracy Thomas.

Nays: None.

Action: Motion Carried.

Retirement Plan Committee (RPC) Update

HR Chair Mullen introduced GM Peffley who spoke about the Retirement Plan Committee updates. GM Peffley delegated operational oversight of the 401a and 457b retirement plans to the RPC. GM Peffley stated that a retirement plan packet will be sent to each employee with an explanation of corrected errors from the Enterprise Software System (SAP) and that no action is necessary by employees. Participants that were underfunded will receive a credit, but no reimbursement will be required from participants that were overfunded. CFO Ms. Heather Shawa and Ms. Keller were present to answer questions.

Chair Mullen asked whether the costs to the BWL would be out of pocket. GM Peffley responded that the costs were \$2.5 million to BWL and \$500,000 to International City Management Association Retirement Corporation (ICMA-RC). The full error is approximately \$3 million

Chair Mullen asked how many employees currently employed at the Board were affected. CFO Shawa responded that approximately a little over 1,200 participants, including retirees, were affected and there are 1,400 plan participants. Chair Mullen asked whether an average dollar average per person has been figured. CFO Shawa responded that calculations are being made, what process are underway, and that the information will be made available.

Commissioner Ross inquired about the low and high dollar range amount for the 1,200 employees affected, whether there would be tax implications for the Board or employees, and if there was any insurance coverage available to cover the costs. CFO Shawa responded that the dollar amount range of the error includes pay codes for some participants, ICMA-RC allowance for some participants, and a combination of both for some participants. CFO Shawa stated that the data will be provided and should be ready for the next Human Resources Committee meeting. CFO Shawa responded that the current information available is that the minimum is \$2.43 and the maximum is about \$43,000, that there are no individual tax impacts which can't be adjusted through the employee's payroll deduction, and there is no insurance coverage.

Commissioner Graham inquired how the errors were found and whether there were costs incurred with Plante Moran for the corrections. CFO Shawa responded that Plante Moran noticed during the review of BWL's updating of documents and procedures that how the administrative allowance was to be distributed to participant's accounts was not being done. CFO Shawa also responded that Plante Moran had given a fixed price for services to be rendered and no additional costs to Plante Moran were incurred.

Commissioner Leek asked whether participants were immediately notified of the error. CFO Shawa responded that participants are being notified of the error and a formal mailing will be sent out next week. Each participant will be given specific information regarding their plan. ICMA-RC has a dedicated phone line set for any questions, plus BWL Benefit Analyst, Ms. Donna Ford, and Senior Benefits Administrator, Mr. Mark Dykema, will be available for retirees and employees respectively.

Commissioner Thomas asked for an estimate of the total cost along with the \$2.5 million and \$500,000. GM Peffley responded that including internal labor, outside counsel, and a compliance review, an estimate of additional costs would be \$100,000. Commissioner Thomas commented that it was bad news, but wanted to know the numbers for all parts involved.

Commissioner Merrill asked where the liability will be covered in BWL's funds and would any of it be covered in excess funding in the pension plan, whether it would be fully expensed to operations, or whether there will be an adjustment to prior year balance to offset the liability. CFO Shawa responded that the current plan is to cover it with operating funds. In the November 2020 Finance Committee meeting and the annual Trustees meeting, a funding procedure update in the VEBA plan will be presented. CFO Shawa added that it would be covered in the current 2020 fiscal year.

Personnel Matter

Closed Session (Personnel Matter)....MCL 15.268 (h) & MCL 15.243 (g). Internal Auditor Wesley Lewis requested to go into closed session to discuss a personnel matter.

Motion by Commissioner Deshon Leek, **Seconded** by Commissioner Tracy Thomas to go into closed session as requested by Internal Auditor Wesley Lewis for the purpose of discussing a Personnel Matter regarding Mr. Wesley Lewis, as permitted by the Open Meetings Act, specifically MCL 15.268(h) and MCL 15.243(g).

Roll Call Vote:

Yeas: Commissioners Tony Mullen, Deshon Leek, and Tracy Thomas.

Nays: None.

Action: Motion Carried.

Motion by Commissioner Deshon Leek, **Seconded** by Commissioner Tracy Thomas to designate Yolanda Bennett as the Board's attorney and as the Secretary for the purpose of taking notes in the closed session to avoid any potential conflict of interest between Board Appointed Employees.

Roll Call Vote:

Yeas: Commissioners Tony Mullen, Deshon Leek, and Tracy Thomas.

Nays: None.

Action: Motion Carried.

The Human Resources Committee Meeting went into closed session at 6:16 p.m.

Commissioner Zerkle arrived at the HR Committee meeting remotely from Lansing, MI at 6:16 p.m.

Motion by Commissioner Deshon Leek, **Seconded** by Commissioner Tracy Thomas, to return to open session.

Roll Call Vote:

Yeas: Commissioners Tony Mullen, Deshon Leek, Tracy Thomas and Sandra Zerkle.

Nays: None.

Action: Motion Carried.

The Human Resources Committee Meeting reconvened to open session at 7:37 p.m.

Chair Mullen opened the floor for discussion regarding processes in the future for governance issues. A lengthy question and answer and discussion period followed. Commissioner Merrill suggested that Chair Price to appoint a policy committee to put together a comprehensive set of

guidelines and roles and responsibilities of committees, board members and officers. In conclusion it was determined that Commissioner Price, Chair Mullen, General Manager Peffley and Internal Auditor Wesley Lewis would meet for an informal discussion and a report would be brought back to the Body (Board).

Other

None.

Adjourn

Motion by Commissioner Zerkle to adjourn the meeting.

Chair Mullen adjourned the meeting at 8:00 p.m.

Respectfully Submitted,
Tony Mullen, Chair
Human Resources Committee

Proposed Resolution
Amendment to Defined Contribution Plan and Trust 2

WHEREAS, the Board of Water and Light (the "Sponsor") sponsors the Lansing Board of Water and Light Defined Contribution Plan and Trust 2 (the "Plan"); and

WHEREAS, the Sponsor wishes to ensure consistency with the Lansing Board of Water and Light Defined Contribution Plan and Trust 1 and to restate the Plan's Adoption Agreement to specify particular pay code categories that are included or excluded from "Earnings" as defined by the Plan.

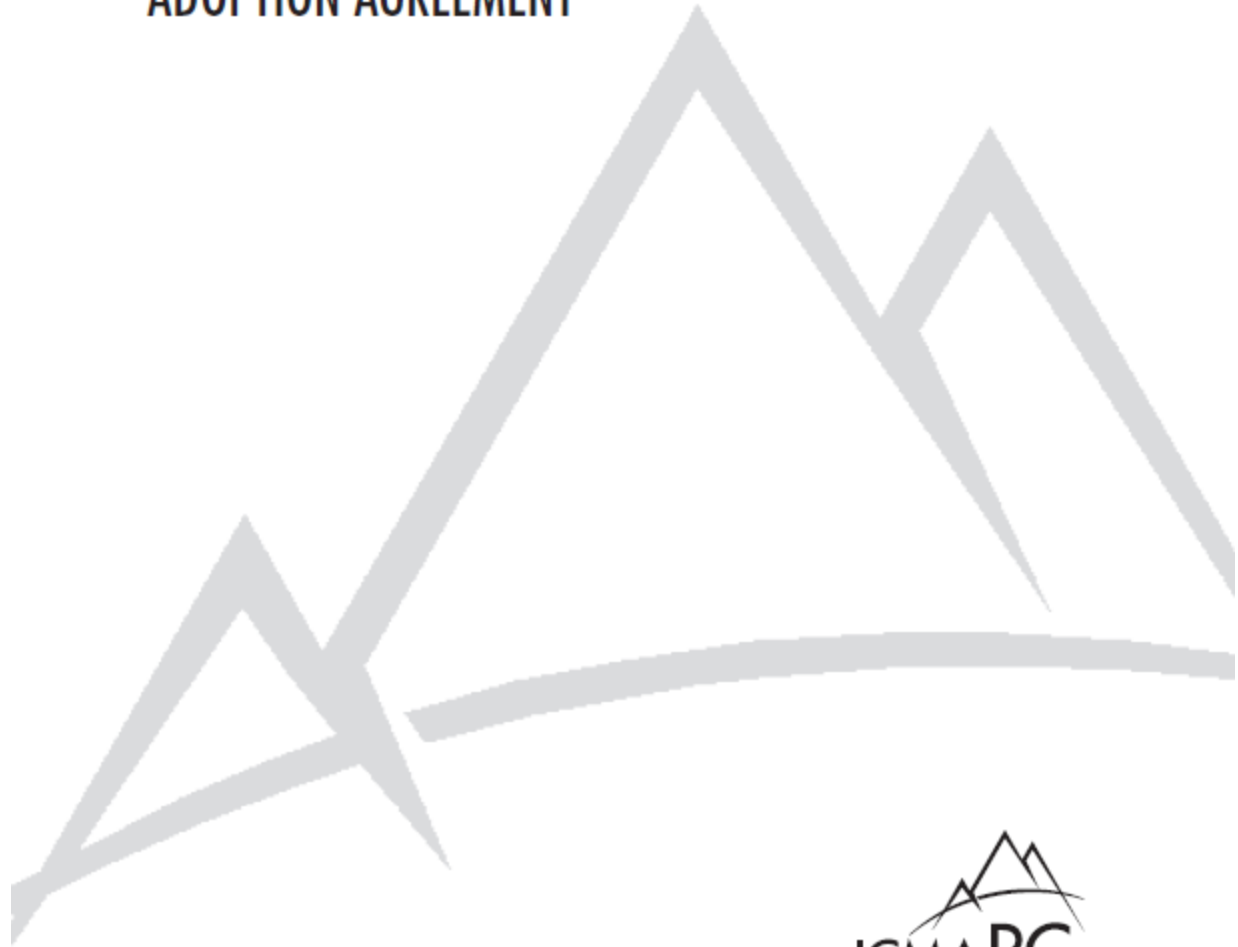
THEREFORE, it is:

RESOLVED, that after its review, the Sponsor adopts and approves the attached restated Adoption Agreement, effective as stated therein; and

FURTHER RESOLVED, that the Chair of the Board is hereby authorized to execute the restated Adoption Agreement and related documents on behalf of the Sponsor.

ICMA RETIREMENT CORPORATION

**GOVERNMENTAL MONEY PURCHASE PLAN & TRUST
ADOPTION AGREEMENT**



**ICMA RETIREMENT CORPORATION
GOVERNMENTAL MONEY PURCHASE PLAN & TRUST
ADOPTION AGREEMENT**

Plan Number 10- 8824

The Employer hereby establishes a Money Purchase Plan and Trust to be known as Lansing Board of Water and Light Defined Contribution Plan and Trust 2 (the "Plan") in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust.

This Plan is an amendment and restatement of an existing defined contribution money purchase plan.

Yes No

If yes, please specify the name of the defined contribution money purchase plan which this Plan hereby amends and restates:

Lansing Board of Water and Light Defined Contribution Plan and Trust 2

I. Employer: Lansing Board of Water and Light

II. Effective Dates

1. **Effective Date of Restatement.** If this document is a restatement of an existing plan, the effective date of the Plan shall be January 1, 2007 unless an alternate effective date is hereby specified: October 25, 2020

(Note: An alternate effective date can be no earlier than January 1, 2007.)

2. **Effective Date of New Plan.** If this is a new Plan, the effective date of the Plan shall be the first day of the Plan Year during which the Employer adopts the Plan, unless an alternate Effective Date is hereby specified:

3. **Special Effective Dates.** Please note here any elections in the Adoption Agreement with an effective date that is different from that noted in 1. or 2. above.

(Note provision and effective date.)

III. Plan Year will mean:

- The twelve (12) consecutive month period which coincides with the limitation year. (See Section 5.03(f) of the Plan.)
- The twelve (12) consecutive month period commencing on 01/01 and each anniversary thereof.

IV. Normal Retirement Age shall be age 55 (not to exceed age 65).

Imporians Note to Employers: Normal Retirement Age is significant for determining the earliest date at which the Plan may allow for in-service distributions. Normal Retirement Age also defines the latest date at which a Participant must have a fully vested right to his/her Account. There are IRS rules that limit the age that may be specified as the Plan's Normal Retirement Age. The Normal Retirement Age cannot be earlier than what is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed. An age under 55 is presumed not to satisfy this requirement, unless the Commissioner of Internal Revenue determines that the facts and circumstances show otherwise.

Whether an age between 55 and 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good faith, reasonable determination will generally be given deference. A special rule, however, applies in the case of a plan where substantially all of the participants in the plan are qualified public safety employees within the meaning of section 72(t)(10)(B) of the Code, in which case an age of 50 or later is deemed not to be earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed.

V. ELIGIBILITY REQUIREMENTS

1. The following group or groups of Employees are eligible to participate in the Plan:

- All Employees
- All Full Time Employees
- Salaried Employees
- Non union Employees
- Management Employees
- Public Safety Employees
- General Employees
- Other Employees (Specify the group(s) of eligible employees below. Do not specify employees by name. Specific positions are acceptable.) See attached Addendum.

The group specified must correspond to a group of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other material in effect in the state or locality of the Employer. The eligibility requirements cannot be such that an Employee becomes eligible only in the Plan Year in which the Employee terminates employment. **Note:** As stated in Sections 4.07 and 4.08, the Plan may, however, provide that Final Pay Contributions or Accrued Leave Contributions are the only contributions made under the Plan.

2. The Employer hereby waives or reduces the requirement of a twelve (12) month Period of Service for participation. The required Period of Service shall be (write N/A if an Employee is eligible to participate upon employment) N/A.

If this waiver or reduction is elected, it shall apply to all Employees within the Covered Employment Classification.

3. A minimum age requirement is hereby specified for eligibility to participate. The minimum age requirement is N/A (not to exceed age 21. Write N/A if no minimum age is declared.)

VI. CONTRIBUTION PROVISIONS

1. **The Employer shall contribute as follows:** (Choose all that apply, but at least one of Options A or B. If Option A is not selected, Employer must pick up Participant Contributions under Option B.)

Fixed Employer Contributions With or Without Mandatory Participant Contributions. (If Option B is chosen, please complete section C.)

- A. **Employer Contributions.** The Employer shall contribute on behalf of each Participant 8 % of Earnings or \$ for the Plan Year (subject to the limitations of Article V of the Plan).

Mandatory Participant Contributions
 are required are not required

to be eligible for this Employer Contribution.

- B. **Mandatory Participant Contributions for Plan Participation.**

Required Mandatory Contributions. A Participant is required to contribute (subject to the limitations of Article V of the Plan) the specified amounts designated in items (i) through (iii) of the Contribution Schedule below:

Yes No

Employee Opt-In Mandatory Contributions. Each Employee eligible to participate in the Plan shall be given the opportunity to irrevocably elect to participate in the Mandatory Participant Contribution portion of the Plan by electing to contribute the specified amounts designated in items (i) through (iii) of the Contribution Schedule below for each Plan Year (subject to the limitations of Article V of the Plan):

Yes No

Contribution Schedule.

- (i) _____ % of Earnings,
- (ii) \$ _____, or
- (iii) a whole percentage of Earnings between the range of _____ (insert range of percentages between 1% and 20% inclusive (e.g., 3%, 6%, or 20%; 5% to 7%)), as designated by the Employee in accordance with guidelines and procedures established by the Employer for the Plan Year as a condition of participation in the Plan. A Participant must pick a single percentage and shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

Employer "Pick up". The Employer hereby elects to "pick up" the Mandatory Participant Contributions¹ (pick up is required if Option A is not selected).

Yes No ("Yes" is the default provision under the Plan if no selection is made.)

- C. Election Window (Complete if Option B is selected):
Newly eligible Employees shall be provided an election window of _____ days (no more than 60 calendar days) from the date of initial eligibility during which they may make the election to participate in the Mandatory Participant Contribution portion of the Plan. Participation in the Mandatory Participant Contribution portion of the Plan shall begin the first of the month following the end of the election window.

An Employee's election is irrevocable and shall remain in force until the Employee terminates employment or ceases to be eligible to participate in the Plan. In the event of re-employment to an eligible position, the Employee's original election will resume. In no event does the Employee have the option of receiving the pick-up contribution amount directly.

2. The Employer may also elect to contribute as follows:

- A. Fixed Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant _____ % of Earnings for the Plan Year (subject to the limitations of Article V of the Plan) for each Plan Year that such Participant has contributed _____ % of Earnings or \$ _____. Under this option, there is a single, fixed rate of Employer contributions, but a Participant may decline to make the required Participant contributions in any Plan Year, in which case no Employer contribution will be made on the Participant's behalf in that Plan Year.

- B. Variable Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant an amount determined as follows (subject to the limitations of Article V of the Plan):

_____ % of the Voluntary Participant Contributions made by the Participant for the Plan Year (not including Participant contributions exceeding _____ % of Earnings or \$ _____);

¹ Neither an IRS advisory letter nor a determination letter issued to an adopting Employer is a ruling by the Internal Revenue Service that Participant contributions that are "picked up" by the Employer are not includable in the Participant's gross income for federal income tax purposes. Pick-up contributions are not mandated to receive private letter rulings; however, if an adopting employer wishes to receive a ruling on pick-up contributions they may request one in accordance with Revenue Procedure 2012-4 (or subsequent guidance).

PLUS _____% of the contributions made by the Participant for the Plan Year in excess of those included in the above paragraph (but not including Voluntary Participant Contributions exceeding in the aggregate _____% of Earnings or \$ _____).

Employer Matching Contributions on behalf of a Participant for a Plan Year shall not exceed \$ _____ or _____% of Earnings, whichever is _____ more or _____ less.

3. Each Participant may make a voluntary (unmatched), after tax contribution, subject to the limitations of Section 4.05 and Article V of the Plan:

Yes No (*"No" is the default provision under the Plan if no selection is made.*)

4. Employer contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

Bi-weekly

5. Participant contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

N/A

6. In the case of a Participant performing qualified military service (as defined in Code section 414(u)) with respect to the Employer:

- A. Plan contributions will be made based on differential wage payments:

Yes No (*"Yes" is the default provision under the Plan if no selection is made.*)

If yes is selected, this is effective beginning January 1, 2009 unless another later effective date is filled in here:

- B. Participants who die or become disabled will receive Plan contributions with respect to such service:

Yes No (*"No" is the default provision under the Plan if no selection is made.*)

If yes is selected, this is effective for participants who died or became disabled while performing qualified military service on or after January 1, 2007, unless another later effective date is filled in here:

VII. EARNINGS

Earnings, as defined under Section 2.09 of the Plan, shall include:

1. Overtime
 Yes No
2. Bonuses
 Yes No
3. Other Pay (specifically describe any other types of pay to be included below)

See attached Addendum.

VIII. ROLLOVER PROVISIONS

1. The Employer will permit rollover contributions in accordance with Section 4.12 of the Plan:

Yes No (*"Yes" is the default provision under the Plan if no selection is made.*)

2. Direct rollovers by non-spouse beneficiaries are effective for distributions after 2006 unless the Plan delayed making them available. If the Plan delayed making such rollovers available, check the box below and indicate the later effective date in the space provided.

Effective Date is _____.

(Note: Plans must offer direct rollovers by non-spouse beneficiaries no later than plan years beginning after December 31, 2009.)

IX. LIMITATION ON ALLOCATIONS

If the Employer maintains or ever maintained another qualified plan in which any Participant in this Plan is (or was) a participant or could possibly become a participant, the Employer hereby agrees to limit contributions to all such plans as provided herein, if necessary in order to avoid excess contributions (as described in Section 5.02 of the Plan).

1. If the Participant is covered under another qualified defined contribution plan maintained by the Employer, the provisions of Section 5.02(a) through (e) of the Plan will apply unless another method has been indicated below.

Other Method. (Provide the method under which the plans will limit total Annual Additions to the Maximum Permissible Amount, and will properly reduce any excess amounts, in a manner that precludes Employer discretion.)

2. The Limitation Year is the following 12 consecutive month period: _____

3. Unless the Employer elects a delayed effective date below, Article 5 of the Plan will apply to limitations years beginning on or after July 1, 2007. _____

(The effective date listed cannot be later than 90 days after the close of the first regular legislative session of the legislative body with authority to amend the plan that begins on or after July 1, 2007.)

X. VESTING PROVISIONS

The Employer hereby specifies the following vesting schedule, subject to (1) the minimum vesting requirements and (2) the concurrence of the Plan Administrator. (For the blanks below, enter the applicable percent – from 0 to 100 (with no entry after the year in which 100% is entered), in ascending order.)

Period of Service Completed	Percent Vested
Zero	100 %
One	%
Two	%
Three	%
Four	%
Five	%
Six	%
Seven	%
Eight	%
Nine	%
Ten	%

XI. WITHDRAWALS AND LOANS

- In-service distributions are permitted under the Plan after a participant attains (select one of the below options):
 - Normal Retirement Age
 - Age 70½ (*"70½" is the default provision under the Plan if no selection is made.*)
 - Alternate age (after Normal Retirement Age): _____
 - Not permitted at any age
- A Participant shall be deemed to have a severance from employment solely for purposes of eligibility to receive distributions from the Plan during any period the individual is performing service in the uniformed services for more than 30 days.
 - Yes
 - No (*"Yes" is the default provision under the plan if no selection is made.*)
- Tax-free distributions of up to \$3,000 for the direct payment of qualifying insurance premiums for eligible retired public safety officers are available under the Plan.
 - Yes
 - No (*"No" is the default provision under the Plan if no selection is made.*)
- In-service distributions of the Rollover Account are permitted under the Plan, as provided in Section 9.07.
 - Yes
 - No (*"No" is the default provision under the Plan if no selection is made.*)
- Loans are permitted under the Plan, as provided in Article XIII of the Plan:
 - Yes
 - No (*"No" is the default provision under the Plan if no selection is made.*)

XII. SPOUSAL PROTECTION

The Plan will provide the following level of spousal protection (select one):

- 1. Participant Directed Election. The normal form of payment of benefits under the Plan is a lump sum. The Participant can name any person(s) as the Beneficiary of the Plan, with no spousal consent required.
- 2. Beneficiary Spousal Consent Election (Article XII). The normal form of payment of benefits under the Plan is a lump sum. Upon death, the surviving spouse is the Beneficiary, unless he or she consents to the Participant's naming another Beneficiary. (*"Beneficiary Spousal Consent Election" is the default provision under the Plan if no selection is made.*)
- 3. QJSA Election (Article XVII). The normal form of payment of benefits under the Plan is a 50% qualified joint and survivor annuity with the spouse (or life annuity, if single). In the event of the Participant's death prior to commencing payments, the spouse will receive an annuity for his or her lifetime. (If C is selected, the spousal consent requirements in Article XII also will apply.)

XIII. FINAL PAY CONTRIBUTIONS

The Plan will provide for Final Pay Contributions if either 1 or 2 below is selected.

The following group of Employees shall be eligible for Final Pay Contributions:

- All Eligible Employees
- Other: _____

Final Pay shall be defined as (select one):

- A. Accrued unpaid vacation
- B. Accrued unpaid sick leave
- C. Accrued unpaid vacation and sick leave
- D. Other (*insert definition of Final Pay – must be leave that Employee would have been able to use if employment had continued and must be bona fide vacation and/or sick leave*):

- 1. **Employer Final Pay Contribution.** The Employer shall contribute on behalf of each Participant _____ % of Final Pay to the Plan (subject to the limitations of Article V of the Plan).
- 2. **Employee Designated Final Pay Contribution.** Each Employee eligible to participate in the Plan shall be given the opportunity at enrollment to irrevocably elect to contribute ____ % (insert fixed percentage of final pay to be contributed) or up to _____ % (insert maximum percentage of final pay to be contributed) of Final Pay to the Plan (subject to the limitations of Article V of the Plan).

Once elected, an Employee's election shall remain in force and may not be revised or revoked.

XIV. ACCRUED LEAVE CONTRIBUTIONS

The Plan will provide for accrued unpaid leave contributions annually if either 1 or 2 is selected below.

The following group of Employees shall be eligible for Accrued Leave Contributions:

- All Eligible Employees
- Other: _____

Accrued Leave shall be defined as (select one):

- A. Accrued unpaid vacation
- B. Accrued unpaid sick leave
- C. Accrued unpaid vacation and sick leave
- D. Other (insert definition of accrued leave that is bona fide vacation and/or sick leave):

1. **Employer Accrued Leave Contribution.** The Employer shall contribute as follows (choose one of the following options):

- For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant the unused Accrued Leave in excess of _____ (insert number of hours/days/weeks (circle one)) to the Plan (subject to the limitations of Article V of the Plan).
- For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant _____% of unused Accrued Leave to the Plan (subject to the limitations of Article V of the Plan).

2. **Employee Designated Accrued Leave Contribution.**

Each eligible Participant shall be given the opportunity at enrollment to irrevocably elect to contribute _____% (insert fixed percentage of accrued unpaid leave to be contributed) or up to _____% (insert maximum percentage of accrued unpaid leave to be contributed) of Accrued Leave to the Plan (subject to the limitations of Article V of the Plan). Once elected, an Employee's election shall remain in force and may not be revised or revoked.

XV. The Employer hereby attests that it is a unit of state or local government or an agency or instrumentality of one or more units of state or local government.

XVI. The Employer understands that this Adoption Agreement is to be used with only the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust. This ICMA Retirement Corporation Governmental Money Purchase Plan and Trust is a restatement of a previous plan, which was submitted to the Internal Revenue Service for approval on April 2, 2012, and received approval on March 31, 2014.

The Plan Administrator hereby agrees to inform the Employer of any amendments to the Plan made pursuant to Section 14.05 of the Plan or of the discontinuance or abandonment of the Plan. The Employer understands that an amendment(s) made pursuant to Section 14.05 of the Plan will become effective within 30 days of notice of the amendment(s) unless the Employer notifies the Plan Administrator, in writing, that it disapproves of the amendment(s). If the Employer so disapproves, the Plan Administrator will be under no obligation to act as Administrator under the Plan.

XVII. The Employer hereby appoints the ICMA Retirement Corporation as the Plan Administrator pursuant to the terms and conditions of the ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN & TRUST.

The Employer hereby agrees to the provisions of the Plan and Trust.

XVIII. The Employer hereby acknowledges it understands that failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

XIX. An adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is qualified under section 401 of the Internal Revenue Code to the extent provided in applicable IRS revenue procedures and other official guidance.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this _____ day of _____, 2020.

EMPLOYER

ICMA RETIREMENT CORPORATION
777 North Capitol St., NE Suite 600
Washington, DC 20002
800-326-7272

By: _____
Print Name: _____
Title: _____
Attest: _____

By: _____
Print Name: _____
Title: _____
Attest: _____



ICMA RETIREMENT CORPORATION
777 NORTH CAPITOL STREET, NE | WASHINGTON, DC 20002-4240
800-669-7400
WWW.ICMARC.ORG
BRC000-214-21268-201405-W1303

**LANSING BOARD OF WATER AND LIGHT
DEFINED CONTRIBUTION PLAN AND TRUST 2
ADDENDUM**

This Addendum amends the Lansing Board of Water and Light Defined Contribution Plan and Trust 2 (the “Plan”), effective October 25, 2020, as set forth below by

1. Item 1 of Article V of the Plan’s Adoption Agreement shall be replaced in its entirety with the following:

1. The following group or groups of Employees are eligible to participate in the Plan:

- All Employees
- All Full Time Employees
- Salaried Employees
- Non-union Employees
- Management Employees
- Public Safety Employees
- General Employees
- Other Employees: The following group or groups of Employees are eligible to participate in the Plan: The Employee who serves as the Corporate Secretary on July 1, 2020 and any other Employee who on or after July 1, 2020 enters into a written agreement with the Employer pursuant to which the Employee participates in this Plan.

2. Item 3 of Article VII of the Plan’s Adoption Agreement shall be replaced in its entirety with the following:

3. Other Pay (specifically describe any other types of pay to be included or excluded below)

- Yes No Accrued Paid Time Off (e.g. Sick, Vacation, and Free Choice)

**Addendum
Plan Number 108824**

- Yes No Working time (e.g. regular, acting manager, shift premium, shift 6 meter reader spec, and shift 401)
- Yes No Workers' Compensation
- Yes No Fringe Benefits (e.g. sick incentive, comp time payout, car allowance, cash in lieu, and parental leave)
- Yes No Non-working time (e.g. rest time, stand-by time, and FMLA unpaid)
- Yes No Bilingual

LANSING BOARD OF WATER AND LIGHT

Dated: _____

By: _____
Its: Chair, Board of Commissioners