

FREEMAN TOWNSHIP ORDINANCE NO. 16

**FREEMAN TOWNSHIP 401 (a) GOVERNMENTAL PENSION PLAN
ORDINANCE.**

An ordinance to create and establish a 401 (a) governmental pension plan for the officers of Freeman Township and to authorize the Freeman Township Supervisor and the Freeman Township Clerk to contact, in the name of Freeman Township, for such plan; to define those classes of officers who shall be covered by such plan; to set forth the respective percentage shares which Freeman Township and the elected officials shall contribute to the premium or charges arising under such 401 (a) governmental pension plan contract, and to further provide for deduction of contributions from officers' compensation; to establish the time at which existing and future officers shall become eligible for such plan and to further establish the normal retirement date for all officers; to provide a method for non-coverage of an officer of the plan; to set forth a date wherein each person covered under the plan shall have vested right or interest in such plan; to ratify and confirm the validity of any plan in existence on effective date of this ordinance; and to repeal all ordinances or parts of ordinances in conflict herein.

THE TOWNSHIP OF FREEMAN, CLARE COUNTY, MICHIGAN ORDAINS:

SECTION 1:

This ordinance shall be known and cited as the "Freeman Township 401 (a) Governmental Pension Plan Ordinance".

SECTION 2:

Pursuant to Public Act 27 of 1960, as amended, the Township of Freeman hereby creates and establishes a 401 (a) governmental pension plan and program for the retirement of its officers, and for such purposes, also hereby authorizes the Township Supervisor and the Township Clerk to contact, in the name of the Township Board, with any company authorized to transact such business within the State of Michigan for 401 (a) governmental pension plans.

SECTION 3:

The 401 (a) governmental pension plan created, established and contracted for under this ordinance shall cover each person within the following class of officers:

All elected officials of the Freeman Township Board.

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SECTION 4:

- A. Freeman Township shall contribute seven and one half percent (7 ½ %) of the compensation of each eligible participant of the 401 (a) governmental pension plan. Each eligible participant shall contribute seven and one half percent (7 ½ %) of their compensation to the 401 (a) governmental pension plan. The Freeman Township Treasurer is authorized to deduct the seven and one half percent (7 ½ %) contribution amount and apply the same to such person's responsibility.**
- B. Each elected official who is in office on the effective date of the 401 (a) governmental pension plan shall be eligible for coverage on the first day of employment.
An official's normal retirement date shall be the first day of the month following the participant's sixty fifth (65th) birthday.**
- C. Any person desiring not to be covered or participate in the 401 (a) governmental pension plan shall give written notice to the Freeman Township Clerk that he desires not to be covered. This notice of non-coverage or non-participation shall be in the form of a signed "waiver" which is irrevocable. Notice of non-coverage or non-participation must be given at the immediate time of term of office commencement and is forever irrevocable.**

SECTION 5:

Each person so covered under the 401 (a) governmental pension plan shall be one hundred percent (100%) vested immediately upon term of office.

SECTION 6:

The Township of Freeman hereby ratifies and confirms the validity of any 401 (a) governmental pension plan in existence on the effective date of this ordinance.

SECTION 7:

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

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This ordinance becomes effective thirty (30) days after newspaper publication.

Newspaper publication date: _____

Effective Date: _____

Adopted by the Freeman Township Board: _____

Al Housler, Freeman Township Supervisor, Clare County, Michigan

_____, Date _____

Patricia Humphrey, Freeman Township Clerk, Clare County, Michigan

_____, Date _____