

**VILLAGE OF NEWBERRY
VILLAGE COUNCIL MEETING
SPECIAL SESSION
Tuesday, May 23, 2023
Meeting Location: 307 E. McMillan Avenue
Meeting Time: Immediately following the 6:00PM Public Hearing**

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA

4. APPROVAL OF MINUTES

1. n/a

5. PUBLIC COMMENTS ON AGENDA ITEMS: Prior to consideration of official business, citizens may speak to a subject on today's agenda. Please stand at the podium and state your name and physical address. Comments may not exceed three (3) minutes per person.

6. UNFINISHED BUSINESS

1. 2024 Drinking Water SRF Public Hearing Follow-Up
 - a. 2023-05-23 DWSRF Resolution Adopting the 2024 DWSRF Project Plan

9. NEW BUSINESS

1. Protecting MI Pension Grant Application
 - a. Adoption of Resolution 2023-05-23 Pension – a resolution authorizing the Village Manager (CEA) to file a claim for a grant payment.
 1. \$29,140.00

10. PUBLIC COMMENT – At the conclusion of the official business and public hearings, the agenda provides for public comment on any other matters citizens may wish to bring to the attention of the Village Council. Please stand at the podium and state your name and physical address. Comments may not exceed three (3) minutes per person.

11. ASSIGNMENT OF PUBLIC COMMENT RESPONSE

12. COMMENTS BY COUNCIL MEMBERS

13. ADJOURNMENT – SPECIAL SESSION

VILLAGE OF NEWBERRY



302 East McMillan Avenue, Newberry, MI 49868 Phone: 906-293-3433 Fax: 906-293-8890

RESOLUTION 2023-05-23-DWSRF 2024

A RESOLUTION ADOPTING A FINAL PROJECT PLAN FOR WATER SYSTEM IMPROVEMENTS AND DESIGNATING AN AUTHORIZED PROJECT REPRESENTATIVE

VILLAGE OF NEWBERRY COUNTY OF LUCE, STATE OF MICHIGAN

Motion By: _____ Supported By: _____

WHEREAS, the **Village of Newberry** recognizes the need to make improvements to its existing water treatment and distribution system; and

WHEREAS, the **Village of Newberry** authorized **UP Engineers & Architects, Inc.** to prepare a Project Plan, which recommends the construction of **upgrades, repairs, rehabilitation, and replacement of the existing water main system including water mains, hydrants, valves, service lines and replacement of the 100,000-gallon elevated water tower built in 1937**; and

WHEREAS, said Project Plan was presented at a Public Hearing held on **May 23, 2023**, and all public comments have been considered and addressed;

NOW THEREFORE BE IT RESOLVED, that the **Village of Newberry** formally adopts said Project Plan and agrees to implement the selected alternative (Alternative No. 1).

BE IT FURTHER RESOLVED, that the **Village Manager**, a position currently held by **Allison Watkins**, is designated as the authorized representative for all activities associated with the project referenced above, including the submittal of said Project Plan as the first step in applying to the State of Michigan for a revolving fund loan to assist in the implementation of the selected alternative.

AYES: _____

NAYS: _____

ABSTAIN: _____

ABSENT: _____

RESOLUTION DECLARED ADOPTED ON
THE 23rd DAY OF MAY 2023.

VILLAGE OF NEWBERRY

Catherine Freese, Village President

Terese Schummer, Village Clerk

Date: _____, 2023

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Village Council of the Village of Newberry, County of Luce, State of Michigan, at a special session meeting held on _____, 2023 that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Terese Schummer, Village Clerk

The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) & Public Act 530 of 2016 Pension Report

Enter Local Government Name	Village of Newberry	Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementRe .
Enter Six-Digit Municode	483010	
Unit Type	Village	
Fiscal Year End Month	December	
Fiscal Year (four-digit year only, e.g., 2019)	2020	
Contact Name (Chief Administrative Officer)	Gary Moulton	Questions: For questions, please email LocalRetirementReports@michigan.gov . Return this original Excel file. Do not submit a scanned image or PDF.
CAO (or designee) Email Address	finance_newberry@ml.gov	
Contact Telephone Number	906-293-5681	
Pension System Name (not division)	1 MERS	If your pension system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.
Pension System Name (not division)	2	
Pension System Name (not division)	3	
Pension System Name (not division)	4	
Pension System Name (not division)	5	

Line	Descriptive Information	Source of Data	System 1	System 2	System 3	System 4	System 5
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	YES	YES			
2	Provide the name of your retirement pension system	Calculated from above	MERS				
3	Financial Information						
4	Enter retirement pension system's assets (system fiduciary net position ending)	Most Recent Audit Report	2,945,438				
5	Enter retirement pension system's liabilities (total pension liability ending)	Most Recent Audit Report	4,957,597				
6	Funded ratio	Calculated	59.4%				
7	Actuarially Determined Contribution (ADC)	Most Recent Audit Report	200,511				
8	Governmental Fund Revenues	Most Recent Audit Report	1,646,297				
9	All systems combined ADC/Governmental fund revenues	Calculated	12.2%				
10	Membership						
11	Indicate number of active members	Actuarial Funding Valuation used in Most Recent Audit Report	14				
12	Indicate number of inactive members	Actuarial Funding Valuation used in Most Recent Audit Report	4				
13	Indicate number of retirees and beneficiaries	Actuarial Funding Valuation used in Most Recent Audit Report	32				
14	Investment Performance						
15	Enter actual rate of return - prior 1-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	13.59%				
16	Enter actual rate of return - prior 5-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	9.35%				
17	Enter actual rate of return - prior 10-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	7.91%				
18	Actuarial Assumptions						
19	Actuarial assumed rate of investment return	Actuarial Funding Valuation used in Most Recent Audit Report	7.25%				
20	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	Level Percent				
21	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	18				
22	Is each division within the system closed to new employees?	Actuarial Funding Valuation used in Most Recent Audit Report	No				
23	Uniform Assumptions						
24	Enter retirement pension system's actuarial value of assets using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	2,843,972				
25	Enter retirement pension system's actuarial accrued liabilities using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	5,188,121				
26	Funded ratio using uniform assumptions	Calculated	54.8%				
27	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	235,044				
28	All systems combined ADC/Governmental fund revenues	Calculated	14.3%				
29	Pension Trigger Summary						
30	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	Primary government triggers: Less than 60% funded AND greater than 10% ADC/Governmental fund revenues. Non-Primary government triggers: Less than 60% funded	YES	NO	NO	NO	NO

Requirements (for your information, the following are requirements of P.A. 202 of 2017)
 Local governments must post the current year report on their website or in a public place.
 Local governments must electronically submit the form to its governing body.
 Local governments must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years.
 Local governments must have had a peer actuarial audit conducted by an actuary that is not the plan actuary, OR replace the plan actuary at least every 8 years.

By emailing this report to the Michigan Department of Treasury, the local government acknowledges that this report is complete and accurate in all known respects.

Protecting MI Pension Grant Application

Pursuant to Section 979(a) (2) of Public Act 166 of 2022, the Protecting MI Pension: Michigan Local Pension Grant Program was created to help Michigan’s most underfunded municipal pension systems provide enrolled local government employees retirement benefits. Under the Fiscal Year 2022-23 budget, the Michigan Department of Treasury (Treasury) was appropriated \$750 million to establish and operate a local unit municipal pension principal payment grant program for qualified retirement systems with a funded ratio below 60%, as defined in the Protecting Local Government Retirement and Benefits Act, Public Act 202 of 2017, Section 3, MCL 38.2803.

PART 1: REQUESTING LOCAL GOVERNMENT INFORMATION				
Requesting Local Unit Name VILLAGE OF NEWBERRY		Requesting Local Unit County Name LUCE		
Requesting Local Unit Municipal Code 483010		Requesting Local Unit Type VILLAGE		
Contact Name ALLISON WATKINS		Contact Email Address AWATKINS@NEWBERRYMI.GOV		
Mailing Address 302 E MCMILLAN AVENUE		City NEWBERRY	State MI	
Contact Title VILLAGE MANAGER		Contact Telephone Number (906) 293-3433	ZIP Code 49868	
Extension				
PART 2: PENSION SYSTEM DISCREPANCY REPORTING				
Eligibility for the Protecting MI Pension Program: Michigan Local Pension Grant Program will be determined by using the unfunded ratio reported to Treasury as of December 31, 2021, pursuant to Public Act 202 of 2017, MCL 38.2805.				
Are you a city, village, township, county or road commission with a qualified retirement system with a funded ratio less than 60% based upon the last report filed as of December 31, 2021, pursuant to requirements listed in Public Act 202 of 2017?				
<input checked="" type="checkbox"/> YES: The requesting local government certifies that it meets the eligibility criteria listed in Protecting MI Pension: Michigan Local Pension Grant Program.				
<input type="checkbox"/> NO: The requesting local government certifies that it does not meet the eligibility criteria listed in Protecting MI Pension: Michigan Local Pension Grant Program.				
If you answered “Yes” to this question, complete Part 3.				
PART 3: PENSION SYSTEM GRANT AWARD REQUESTED AMOUNT(S)				
Indicate below the requested qualified retirement pension system(s) data. Qualified local governments should provide the name and type of each qualified pension system for which a grant is being requested, the funded ratio of each qualified pension system based on the last report filed as required by section 5 of Public Act 202 of 2017 as of December 31, 2021, and the requested grant award amount for each system (see www.michigan.gov/MIpensionGrant for qualified local governments, qualified pension systems, qualified pension system funded ratios, and maximum grant award amounts). Qualified units for the Michigan Local Pension Grant Program may request a grant award amount not to exceed an amount equal to the amount necessary to achieve a funded ratio of 60% or the grant award cap of \$170 million, whichever is less, as reported on their most recently submitted financial statement audit as of December 31, 2021.				
Qualified Pension System Name	Pension System Account Number of Identifier	Is this a Single-Employer/ Self-Managed Pension System? (Yes or No)	Funded Ratio of Qualified Pension System	Estimated Grant Award Amount for Qualified Pension System (\$)
MERS			59.4%	\$ 29,140

PART 4: QUALIFICATIONS TO RECEIVE GRANT AWARD

To qualify for a grant award under this section, a qualified unit must certify and attest via an affidavit that it shall implement all of the following practices upon the receipt of a grant award as stated in Section 979.a (2) (a-f).

Does your qualified retirement system(s) meet the qualifications to receive a grant award pursuant to Section 979(a) (2) of Public Act 166 of 2022.

- Yes, the requesting local government certifies that it meets the qualifications to receive a grant award.
- No, the requesting local government certifies that it does not meet the qualifications to receive a grant award.

If you answered "Yes" to this question, complete Part 5.

PART 5: REQUIRED SUPPORTING DOCUMENTATION

Qualified units with a qualified retirement system will be required to provide the documents below as part of the Protecting MI Pension Grant Application. Qualified units can file a claim for the Michigan Local Pension Grant Program beginning April 15, 2023, but no later than June 15, 2023.

- Copy of approved local government governing body resolution authorizing the chief administrative officer to file a claim for a grant payment for the Protecting MI Pension Grant Program (Required)
- Copy of certified Protecting MI Pension: Michigan Local Pension Grant Affidavit (Form 5887) that the qualified unit shall implement all the practices as stated in Section 979.a (2) (a-f) (Required)
- Copy of actuarial valuation(s) utilized in audited financial statements used to complete the most recent Form 5572 submitted as of 12/31/2021 for all qualified retirement systems that are requesting grant awards (Required)
- Copy of most recent actuarial valuation as of 12/31/2022 for all qualified retirement systems that are requesting grant awards (Required)
- Copy of court ordered judgement levying a millage to cover local government pension costs (If Applicable)

PART 6: CERTIFICATION

I hereby certify to the best of my knowledge that the information provided in this application is true and that I am authorized to submit a claim on behalf of the qualified unit as the Chief Administrative Officer, to receive funds for the Protecting MI Pension Grant Program pursuant to Public Act 166 of 2022, Section 979.a (2) (a-f).

Chief Administrative Officer Signature (as defined in MCL 141.422b)	Printed Name of Chief Administrative Officer (as defined in MCL 141.422b)
Title	Date

Disclaimer: This form is subject to audit by the Michigan Department of Treasury. All supporting documentation regarding eligibility and monitoring requirements for the Michigan Local Pension Grant Program must be retained by the local government for 7 years.

Protecting MI Pension: Michigan Local Pension Grant Affidavit

LOCAL GOVERNMENT INFORMATION		
Local Unit Name VILLAGE OF NEWBERRY		County LUCE
Six-Digit Municipal Code 483010	Chief Administrative Officer ALLISON WATKINS	Chief Administrative Officer Title VILLAGE MANAGER
Telephone Number (906) 293-3433		Email Address AWATKINS@NEWBERRYMI.GOV

PART 1: PROTECTING MI PENSION GRANT AFFIDAVIT

Pursuant to Section 979(a) (2) of Public Act 166 of 2022, the Protecting MI Pension: Michigan Local Pension Grant Program, for purposes of complying with the reporting requirements of the corrective action plan monitoring process, a qualified unit must certify and attest via an affidavit that it shall implement all of the following practices upon the receipt of a grant award (Must check all to confirm required implementation):

- The qualified unit shall make, in full, all actuarially determined contributions. If a qualified unit's actual contribution is less than the actuarially determined contribution, the qualified unit shall remit an amount equal to the difference to the qualified retirement system within 12 months. If the qualified unit fails to remit this payment within 12 months, the department of treasury may intercept the qualified unit's revenue sharing payment. For a qualified unit that is a road commission, the department of transportation, in cooperation with the department of treasury, may intercept an available state revenue distribution.
- The qualified unit shall not provide contractual benefit enhancements unless the contractual benefit enhancement is 100% prefunded. Failure to meet the conditions of this subdivision requires repayment of the grant award that was received by the qualified unit. The qualified governmental unit shall notify the department of treasury in a form and manner prescribed of any contractual benefit enhancement under this subsection within 30 days.
- A qualified retirement system with a discount rate or assumed rate of return less than or equal to 7% must assume a discount rate or assumed rate of return of not more than the current rate. A qualified retirement system with a discount rate or assumed rate of return greater than 7% must lower its discount rate or assumed rate of a return to a rate at or below 7% within the immediately succeeding 5-year period.
- The qualified retirement system shall adopt, on the recommendation of the actuary and in accordance with all applicable actuarial standards of practice, the most current mortality tables that are most appropriate for the characteristics of the population, which may subsequently be adjusted based on an experience study of the qualified retirement system.
- The qualified unit shall be subject to corrective action plan monitoring by the municipal stability board for 5 years following receipt of any grant award.
- Before completing corrective action plan monitoring in a 5-year period, the qualified unit shall comply with the uniform actuarial assumptions of retirement systems, except for the discount rate and assumed rate of return assumptions, published as of December 31, 2021 by the state treasurer under the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2801 to 38.2812, for the qualified retirement system. A qualified unit, if that unit has, previous to the enactment of this bill, had an amortization schedule approved by an accredited actuary in accordance with all actuarial standards of practice, and if that amortization schedule has been reviewed and approved by the state treasurer, is not subject to the uniform actuarial assumptions of retirement systems' assumption on amortization and may maintain its current amortization schedule.

The implementation of actuarial assumptions required under the Protecting MI Pension Grant Program by local units are to be used for reporting purposes only during corrective action plan monitoring by the Municipal Stability Board. These assumptions are not required to be used to determine a local units underfunded status under PA 202 of 2017 as reported in the audited financial statements of a local government, nor shall it be used to calculate the actuarially determined contribution in any way.

PART 2: LOCAL GOVERNMENT'S ADMINISTRATIVE OFFICER CERTIFICATION OF ACCEPTANCE AND COMPLIANCE

I ALLISON WATKINS, as the government's administrative officer VILLAGE MANAGER
(City/Township Manager, superintendent, Village President, Executive director, Mayor, etc.) certify the following:

I agree to implement and comply with the requirements listed in section 1 of this form on behalf of VILLAGE OF NEWBERRY <insert local government name> as a condition of accepting a grant award under the *Protecting MI Pension: Michigan Local Pension Grant Program*.

Signature	Date	Notary Certification
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Initials _____

AFFIDAVIT AND ATTESTATION TO IMPLEMENT AND COMPLY WITH REQUIRED PRACTICES

As listed in Section 979(a) (2) of Public Act 166 of 2022: To qualify for a grant award under the Protecting MI Pension: Michigan Local Pension Grant Program, a qualified unit must certify and attest via an affidavit that it shall implement six required practices.

INSTRUCTIONS:

1. CONFIRMATION OF IMPLEMENTATION OF REQUIRED PRACTICES

Local governments that elect to receive grant awards under the Protecting MI Pension: Michigan Local Pension Grant Program for a qualified retirement system must certify that they understand and agree to implement the listed required practices

- Local governments must agree to and check the box for each of the listed requirements.
- It is recommended that these decisions be reviewed by legal counsel, your local government's governing body, pension system actuary(s), auditors, and other interested parties before certification
 - A certified board resolution authorizing the chief administrative officer to file a claim for a grant award and submit with the Protecting MI Pension Grant Application (Form 5886) is required.

2. LOCAL GOVERNMENT'S ADMINISTRATIVE OFFICER CERTIFICATION OF ACCEPTANCE AND COMPLIANCE

Must be signed by the local government's chief administrative officer on behalf of the local government and notarized by a public notary.

- Enter name of Chief Administrative Officer
 - MCL 141.422B defines CAO to mean any of the following:
 - The manager of a village or, if a village does not employ a manager, the president of the village.
 - The city manager of a city or, if a city does not employ a city manager, the mayor of the city.
 - The manager of a township or, if the township does not employ a manager, the supervisor of the township.
 - The elected county executive or appointed county manager of a county; or if the county has not adopted an optional unified form of county government, the controller of the county appointed pursuant to section 13b of 1851 PA 156, MCL 46.13b; or if the county has not appointed a controller, an individual designated by the county board of commissioners of the county.
 - The official granted general administrative control of an authority or organization of government established by law that may expend funds of the authority or organization.
- Enter title of Chief Administrative Officer
- Check box agreeing to implement and enter local government name
- Chief Administrative Officer must sign and date
- Notary Public must certify.

VILLAGE OF NEWBERRY



302 East McMillan Avenue, Newberry, MI 49868 Phone: 906-293-3433 Fax: 906-293-8890

RESOLUTION 2023-05-23-PENSION

A RESOLUTION AUTHORIZING A CLAIM FOR THE PROTECTING MI PENSION GRANT VILLAGE OF NEWBERRY COUNTY OF LUCE, STATE OF MICHIGAN

Motion By: _____ Supported By: _____

WHEREAS, Public Act 166 of 2022, Section 979a(1) appropriated funds to the Michigan Department of Treasury (Treasury) for the Protecting MI Pension: Michigan Local Pension Grant Program (Protecting MI Pension) for qualified units that operate a qualified retirement system, and

WHEREAS, a “qualified unit” means a city, county, township, village, or road commission that operates a qualified retirement system as defined in Public Act 166 of 2022, section 979a(7)(c), and; and

WHEREAS, a “qualified retirement system”, as defined in Public Act 166 of 2022, section 979a(7)(b), means a retirement pension benefit within a retirement system, as defined in section 3 of the protecting local government retirement and benefits act, Public Act 202 of 2017, MCL 38.2803, of a qualified unit, with a funded ratio below 60 percent based on the last report filed as required by section 5 of the protecting local government retirement and benefits act, Public Act 202 of 2017, MCL 38.28035, as of December 31, 2021, and

WHEREAS, qualified units with a qualified retirement system are eligible to submit a claim for a grant award for an amount to increase the funding of the qualified retirement system liabilities to 60 percent funded or to a cap of \$170,000,000, whichever amount is less, and

WHEREAS, qualified units with qualified retirement systems shall comply with “grant award requirements”, and WHEREAS, “grant award requirements” are defined in Section 979a (2)(a)-(f) of Public Act 166 of 2022, and further detailed as part of the Protecting MI Pension grant application (Treasury Forms 5886 and 5887), and

WHEREAS, Treasury requires each qualified unit’s governing body to adopt a resolution authorizing the Chief Administrative Officer to file a claim for an award for the Protecting MI Pension Grant Program, and

WHEREAS, the VILLAGE OF NEWBERRY acknowledges that it: (i) is a “qualified unit”; (ii) operates a “qualified retirement system”; (iii) agrees to comply with “grant award requirements”; (iv) authorizes the Chief Administrative Officer to file a claim for a grant award on behalf of the local governments;

And thus, is eligible to participate in a Protecting MI Pension Grant Program; and

NOW, THEREFORE BE IT RESOLVED, that the VILLAGE COUNCIL hereby authorizes participation in the Protecting MI Pension grant program and on behalf of the VILLAGE OF NEWBERRY authorizes ALLISON WATKINS, VILLAGE MANAGER, to provide this resolution indicating its approval to Treasury, and to submit and execute documents requested by Treasury relating to the Protecting MI Pension grant program requirements.

AYES: _____

NAYS: _____

ABSENT: _____

RESOLUTION DECLARED ADOPTED ON
THE 23rd DAY OF MAY 2023.

VILLAGE OF NEWBERRY

Catherine Freese, Village President

Terese Schummer, Village Clerk

Date: _____, 2023

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Village Council of the Village of Newberry, County of Luce, State of Michigan, at a special session meeting held on _____, 2023 that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Terese Schummer, Village Clerk