SUMMARY PLAN DESCRIPTION

FOR THE

KENT COUNTY EMPLOYEES' RETIREMENT PLAN

TO OUR EMPLOYEES

Kent County (the "County") established the **Kent County Employees' Retirement Plan** so that you and other employees may have additional income at retirement. The Plan is funded by a combination of County and employee contributions. The retirement benefits you receive from the Plan will be in addition to your benefits from Social Security.

The Plan was established as of December 8, 1948, and has periodically been amended. It was recently amended and restated to comply with new federal laws.

This document is called a "Summary Plan Description." Its purpose is to explain your rights under the Plan. **It is based upon the Plan provisions in effect as of January 1, 2020. If you terminated employment with the County before January 1, 2020, your benefits will generally be based upon the Plan provisions in effect when you terminated employment.** You should carefully read this Summary Plan Description and keep it for future reference.

The Plan contains certain provisions that only apply to certain groups of employees of the County. These provisions are described separately in the applicable supplement at the back of the Summary Plan Description.

This Summary Plan Description has been prepared as accurately as possible. It outlines the Plan, which is a complex and technical legal document. In the event of any difference between the Summary Plan Description and the Plan, the terms of the Plan will control.

If you have any questions regarding the Plan or this Summary Plan Description, you should contact Michelle Balcom.

KENT COUNTY

April 2020

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HOW THE PLAN WORKS

The terms and conditions of the Plan are contained in a written document maintained by the County. The Plan has been amended from time to time. This is a summary of the Plan as amended through January 1, 2020. The Plan specifies the eligibility requirements for participating in the Plan and receiving benefits.

The money contributed to the Plan is held in a "**trust fund**." The trust fund is managed and controlled by the Kent County Employees' Retirement Plan Board of Trustees ("Board of Trustees"). The Board of Trustees is comprised of three (3) persons elected by participants, the chairman or other designee of the Finance Committee of the Board of Commissioners of Kent County ("Board of Commissioners"), one other Commissioner appointed by the Board of Commissioners, and two (2) citizens of Kent County experienced in financial matters who are appointed by the Board of Commissioners. The County transmits employee contributions to the trust fund on a biweekly basis. The County also contributes additional amounts to the trust fund as required to fund the Plan on a sound financial basis. The Board of Trustees has appointed a Custodian to hold and invest the assets of the trust fund and to pay retirement benefits to eligible employees at the direction of the Board of Trustees.

The Board of Trustees is also responsible for administering the Plan in accordance with its terms. The Board of Trustees decides questions concerning eligibility for benefits on the basis of the provisions of the Plan. The Plan provides a right of appeal to persons whose rights are affected by Board of Trustees decisions.

KEY DEFINITIONS TO ASSIST YOUR UNDERSTANDING OF THE PLAN

The Plan uses a number of terms to describe your rights and benefits. Here are some of the more important terms:

- **"Final Average Salary"** means the compensation used in determining the amount of your pension benefits. The calculation of your "final average salary" is described in the "HOW YOUR PENSION BENEFIT IS DETERMINED" section.

- **"Credited service"** is the number of years and months of employment which is used to determine your eligibility for benefits and to calculate the amount of your benefits under the Plan. The manner of calculating your credited service is described in the "HOW YOU EARN SERVICE CREDITS TO BE ELIGIBLE FOR BENEFITS" section.

- **"Hours of service"** are hours of employment with the County that are counted for purposes of eligibility to receive benefits and to determine the amount of benefits. Hours of service are also used to determine vesting under the Plan. An "hour of service" includes the following, provided that you make the required employee contributions specified in the "HOW YOU EARN SERVICE CREDITS TO BE ELIGIBLE FOR BENEFITS" section:

- Each hour that you work and for which you are paid. Overtime hours are credited on the basis of the number of hours actually worked, not the number of hours paid.

- Vacations, holidays and other hours that you do not work but for which you receive pay.

- Each hour lost from work as a result of an authorized leave of absence.

- Each hour of work you miss as a result of military service, provided you return to the County while your rehire rights are protected by law.

- **"Plan year"** is the fiscal year of the Plan, which is January 1 through December 31.

HOW YOU BECOME A PARTICIPANT IN THE PLAN

Eligible Employees

All eligible employees will become participants in the Plan on the first day of the month after completing six (6) months of employment in an eligible position. Eligible employees are those employed in positions that normally require 500 or more hours of service per year and who are:

- Covered by the Management Pay Plan.

- Covered by a collective bargaining agreement providing for participation in the Plan.

- Judges, other than judges who made an election under MCL Section 38.2651b(1)(a) or 38.2504a.

- Cadets in the Sheriff's Department and Security Enforcement Officers hired before July 1, 2006.

- Parks Department employees who elected to participate in the Plan.

- Commissioners and other elected officials who elect to participate in the Plan.

The following employees are not eligible to participate in the Plan:

- Employees who work for the County pursuant to a contract with an employee leasing organization or agency, or an individual employment contract that does not provide for participation in the Plan.

- Employees who participate in the Kent County Parks Department Retirement Savings Plan.
- Persons paid wholly on a fee basis.
- Employees classified as "Medical Examiners".
- Kent County Road Commission Commissioners.
- Employees of the Kent District Library.
- Employees of the Kent Community Hospital.
- Employees of the Kent CMH Authority.

Eligible employees are required to contribute a portion of their compensation to the Plan in order to earn retirement benefits. Your required employee contributions are explained on page 4.

HOW YOU EARN SERVICE CREDITS TO BE ELIGIBLE FOR BENEFITS

Credited Service

The *amount* of your benefit will be based on your total years and months of "**credited service**." If you are in a position normally requiring 1,800 or more hours of service during a plan year, you will be credited with the number of years and months of your service as an employee of the County. You earn a month of service for every calendar month during which you are employed for 80 or more hours. This includes regular time, vacation time, sick time, holidays and other periods for which you are paid by the County.

If you are in a position that normally requires less than 1,800 hours but more than 500 hours per year, you will be given credit for a partial year of service based on a fraction:

> The numerator of which is the number of hours worked during the year and the denominator of which is 1,800 hours.

You will earn no credited service for periods of service during which you do not qualify as an eligible employee. You will earn no credited service for any period you do not make the required employee contribution. The only exception is for the first six (6) months of employment. You receive credit for the first six (6) months of employment even though you do not make contributions for that period.

You may also be able to "purchase" some or all of your military service for purposes of this Plan. Contact the County Human Resources office if you served in the military and would like more information about military service purchases.

Additional Credited Service - Workers Compensation Leave

If your active employment is suspended as a result of an injury or illness resulting in disability, you will be given credit for service as if you were actively employed for the period that you are unable to work due to a duty-related injury until the earliest of your death, return to active employment, redemption of the workers' compensation claim, reaching normal retirement age, or commencement of disability or early retirement. The maximum number of years of credited service a participant may earn while on workers' compensation leave and not actively employed is five (5) years.

Additional Credited Service-Accumulated Leave and Retirement Bank Conversion

Certain employees will have their leave and retirement banks converted into additional months or years of credited service at the time of retirement. The terms of conversion, if any, are described in the supplement for your employee classification.

Vesting

You will be *eligible* for a deferred vested retirement benefit under the Plan as soon as you have earned five (5) or more years of credited service, unless otherwise indicated in the attached supplement. You are always 100% vested in your contributions plus earnings (your "**accumulated contributions**") and these are non-forfeitable. If your employment terminates before you become vested, your benefit is limited to payment of your accumulated contributions plus any accrued interest and no future monthly pension payments will be made.

Required Employee Contributions

You are required to contribute a portion of your compensation to the Plan in order to earn credited service. The current required employee contribution rate for your employee group is described in the applicable supplement at the end of this summary. You are not required to contribute during your first six (6) months of employment but you will receive credited service for those months if you are otherwise eligible to participate. Except as described in the attached supplement for your employment classification, the amount you are required to contribute in each pay period is the lesser of 9.5% of your compensation or a percentage of compensation that is ½ of the sum of the normal cost of benefits and the portion of the unfunded actuarial accrued liabilities applicable to the determination of the current year contribution. The normal cost of benefits and the unfunded actuarial accrued liabilities will be calculated by an actuary.

Employee contributions made after January 4, 1999, are treated as "picked-up" by the County under the Internal Revenue Code. Under this approach, your contributions are not subject to current income tax (but remain subject to FICA taxes).

Service Credits Upon Reemployment

If your employment with the County terminates and you take a distribution of your accumulated employee contributions, you will not be eligible for any other benefits from the Plan. If you are later rehired by the County, your prior credited service will be restored to you after you repay your prior distribution of accumulated employee contributions, plus interest from the date of distribution. If you are rehired and you have not taken a distribution of your accumulated employee contributions, your required employee contributions will begin immediately and your credited service earned after your rehire will be added to your credited service earned during your prior employment.

Rights Upon Return From Military Service

If you take an authorized leave of absence for military service and apply to return to employment with the County during the period in which your reemployment rights are protected by federal law, you will be credited with 40 hours of service for each week of the leave of absence.

If you are on an authorized leave of absence for military service and you die while performing qualified military service, your rights under this Plan will be determined as if you had returned to employment with the County on the day before your death. You will be entitled to the service credits provided above for the period of military service and your surviving spouse or other beneficiaries will be entitled to death benefits provided under the Plan on the basis of your service credits including those credited for the period of military service.

For purposes of determining compensation, you will be deemed to have been paid the compensation you would have received if you had remained in the County's employ during the period of military service. If the County cannot determine that, the County will assume that you would have been paid during each month of military service the average amount you were paid during the 12 month period immediately preceding your leave of absence.

REQUIREMENTS FOR PENSION BENEFITS

You will be eligible for pension benefits under the Plan if your employment with the County terminates after you have completed the age, service and/or other requirements for the particular benefit. You must file a written application for your retirement benefit with the County Human Resources office at least 30 days prior to the date you want your benefit to begin. The requirements for each of the following benefits are:

Normal Retirement

- Attainment of the age and completion of the years of credited service specified in the applicable supplement for your employee group.

Early Retirement

- Attainment of age 55 and completion of at least 15 years of credited service.

Disability Benefit

- Completion of 10 or more years of credited service for a disability not related to work. There is no service requirement for a work-related disability.
- You must have a physical or mental condition that permanently prevents you from satisfactorily performing your usual duties for the County.
- You must be disqualified from receiving benefits from the long term disability program provided by the County as a result of a pre-existing condition.
- You will not be considered disabled for the purposes of this Plan if your condition is the result of alcohol or other controlled-substance abuse or felonious activity.
- You must be eligible for this benefit (disabled) on the last day of active employment or within 30 days of a County-approved leave of absence.
- You must not have attained normal retirement age.

Deferred Vested Benefit

- Completion of five (5) or more years of credited service (unless otherwise indicated in the applicable supplement for your employee group).
- You must not be receiving or entitled to receive any other benefit under the Plan, and have not withdrawn any of your accumulated contributions to the Plan.
- Payments will not begin until after you reach normal retirement age and you apply for benefits as described above.

Death In Service (Survivor) Benefit

- Completion of 5 or more years of credited service.
- You die while an employee of the County.
- You must be survived by a spouse and have not designated someone else as your beneficiary or, if you die after completing 15 or more years of credited service, be survived by a dependent receiving more than ½ of his or her support from you for at least two (2) years immediately preceding your death.
- Your beneficiary has not waived the survivor benefit in favor of the return of accumulated employee contributions.

HOW YOUR PENSION BENEFIT IS DETERMINED

Accrued Benefit

Your accrued benefit is the portion of your normal retirement benefit that you have earned as of a particular date. This is the amount you will be entitled to receive each month for the balance of your life when you reach normal retirement age. Your accrued benefit is equal to your final average salary times your years and months of credited service times 2.5%. The maximum County-financed portion of your accrued benefit may not exceed 75% of your final average salary.

Your **"final average salary"** will be determined by looking at the last 60 months of your employment with the County. From this 60-month period, your final average salary will be determined by taking the 36 consecutive months during which your compensation was the highest and dividing that number by 36.

> *EXAMPLE:* Let's assume you are 45 years old, you have earned 20 years of credited service, and your final average salary ("FAS") is $3,000. Your accrued benefit (payable when you reach normal retirement age) is determined as follows:
>
> 20 years x 2.5%/year x $3,000 FAS
> Monthly Benefit = $1,500

Special rules apply for determining the final average salary of participants working fewer than 1,800 hours per year and participants who receive workers compensation benefits. In addition, up to 12 months of your base wages will be included in determining your final average salary for periods you are receiving County paid supplemental workers compensation benefits and up to an additional 12 months of your base wages will be included for periods you are receiving supplemental payments from your vacation, sick or other time banks, so long as you make the required participant contributions from such supplements.

Compensation

For Plan purposes, "**compensation**" is your salary or wages before any elective contributions made to a flexible benefit plan or 457 plan, including earned shift differential, overtime, management pay plan pay-for-performance amounts, compensation bank payments, holiday pay, and amounts paid to participants for County-sponsored sickness and accident benefits on which the participant contributions were paid.

The following items are excluded from compensation for Plan purposes:

- Compensation paid to you before your entry date into the Plan;

- Reimbursements or expense allowances, longevity pay, payments for unused vacation, additional compensation paid as a consequence of waiving health insurance, retirement incentive bonus, credits for participating in the County's wellness program and the value of any other fringe benefits.

Normal Retirement Benefit

Your normal retirement benefit will be equal to your accrued benefit at your normal retirement age. This benefit is payable on the first business day of each month after you satisfy the eligibility requirements and will continue for the balance of your life. This benefit may be paid in one of the optional forms described in "HOW YOUR PENSION IS PAID AT RETIREMENT." If you work beyond normal retirement age, benefit payments will be delayed until you actually retire. You will, however, earn additional credited service until the date you retire, subject to the 75% of final average salary limit on the County-financed portion of your benefit.

Early Retirement Benefit

Your early retirement benefit will be equal to your accrued benefit, but actuarially reduced to reflect earlier payment. You will be eligible for this benefit if your employment terminates after you attain age 55 and complete 15 or more years of credited service.

If you elect to receive your benefit prior to normal retirement age, your monthly payments will be permanently reduced as described in the example below. The reduction in monthly benefit is intended to reflect the fact that you will receive the early retirement benefit for a longer period of time.

> *EXAMPLE:* Let's assume you retire at age 58 with at least 15 but less than 25 years of service and with an accrued benefit of $1,000/month and that your normal retirement age is age 60. Your early retirement benefit will be determined as follows:

Monthly pension payable at age 60:	$1,000.00
Less "actuarial" early retirement reduction of .1759 x $1,000	-$ 175.90
Benefit payable at age 58:	$ 824.10

You may begin to receive your early retirement benefit on the first day of the month after you meet all the requirements for eligibility for early retirement and file an application for benefits.

Disability Benefit

If you become permanently disabled as a result of any personal injury or disease that is not related to your employment and you have 10 or more years of credited service and you are not covered by the long term disability insurance program maintained by the County or you are disqualified from receiving benefits under the long term disability insurance program provided by the County due to a pre-existing condition, you will be eligible to receive payment of your accrued benefit. The amount of this benefit will be computed based on your years of credited service earned up to the date of your disability. Your disability pension will be payable in one of the optional forms described in "HOW YOUR PENSION IS PAID AT RETIREMENT."

If you become permanently disabled as the direct and proximate result of a personal injury or disease arising out of and in the course of performing your duties as an employee, you will be eligible to receive a disability benefit regardless of the number of your years of credited service. The amount of your accrued benefit for this purpose will be computed by adding to your years of credited service the years from the date of the disability to normal retirement age.

These computations of accrued benefit will be subject to the 75% of final average salary limit on accrued benefits. Your accrued benefits will not be reduced to reflect early payment and will commence after the Board of Trustees approves the payment. Benefits will be retroactive to the date of onset of the disability. The benefit will be paid in one of the forms described in "HOW YOUR PENSION IS PAID AT RETIREMENT."

Your monthly disability benefits will be paid to you as long as you remain disabled. The Board of Trustees may require you to undergo periodic physical examinations to confirm your disabled status. Examinations will not be required more than once per year or after normal retirement age.

If you receive any workers' compensation allowance for the same disability or death during your period of disability or following your death, your payments under this plan will be reduced as needed so that the total amount of all of the following payments do not exceed 90% of your final average salary:

- Payments from this plan;
- Workers' compensation payments;
- Disability benefits from Social Security;
- Disability income payments from sources paid by the County; and
- Compensation or any remuneration from employment or self-employment.

Deferred Vested Benefit

Unless otherwise indicated in the applicable supplement for your employee group, you will be entitled to a deferred vested benefit if you have completed five (5) years of credited service at the time your employment terminates. The amount of your deferred vested pension will be equal to your accrued benefit or your accumulated contributions, whichever is greater. The deferred vested pension will be payable to you commencing at normal retirement age.

> EXAMPLE: Let's assume you terminate your employment at age 40 after completing 15 years of credited service. Let's assume your accrued benefit as of the date of termination is $750 and your normal retirement age is age 60. You are 100% vested in your accrued benefit and, therefore, your deferred vested benefit is $750 per month payable beginning at age 60. You may elect the return of your accumulated contributions any time after termination of employment and, if you do, your deferred vested benefit will be forfeited.

Death (Survivor) Benefit

If you have completed fifteen (15) years of credited service and you die while in service, your beneficiary will be eligible for a death benefit. The death benefit will be equal to the amount chosen by the beneficiary from either of the following:

- Return of your accumulated contributions; or
- The benefit that the beneficiary would have received if you had retired on the day before your death and elected to receive payment in the form of a joint and 100% survivor annuity with the beneficiary, and the monthly amount will not be reduced because of your age at the time of your death. The death benefit will be reduced by workers' compensation payments, disability income payments, and social security benefits.

If your beneficiary is neither your spouse nor a dependent who received more than 50% of their support from you for the two (2) years preceding your death, your beneficiary will be eligible only for a return of your accumulated contributions.

If you have completed at least five (5) years of credited service and you die while in service and have not designated someone other than your spouse as your beneficiary, your spouse will be eligible for a death benefit. The benefit will be determined in the same manner as for participants who die with at least 15 years of credited service, except that the benefit will begin to be paid on the first day of the month after you would have attained your normal retirement age.

You should designate a beneficiary for the death benefit on the form provided by the Board of Trustees. The beneficiary form must be filed with the County Human

Resources office during your lifetime and may be changed any time prior to your death. If you fail to designate a beneficiary or your beneficiary predeceases you, then the death benefit will be paid to your spouse, if still living, and if not, will be paid to your estate.

Non- Vested Benefit - Return of Accumulated Contributions

If your employment terminates prior to earning the minimum number of years of credited service to be eligible for a deferred vested benefit, you will be entitled to the return of your accumulated contributions and earnings thereon. You may choose to have the entire amount of your accumulated contributions paid to you in a lump sum payment, or you may choose to have your accumulated contributions paid in the form of a direct rollover to an IRA or a retirement plan of a subsequent employer.

Post-Retirement Increases

Except to the extent a collective bargaining agreement covering you provides otherwise, retirement benefit payments are adjusted under a formula beginning on the January 1st that is three (3) complete calendar years after the retirement benefit begins. Benefits are increased by one percent (1%) of the original benefit (or the amount stated in the collective bargaining agreement) for each full year in the period from 12 months before the benefit is first adjusted to the January 1st of the year of the adjustment. The benefit increase payable cannot, however, exceed the rise in the "consumer price index" from the date benefits begin until the date the increase is to become payable.

HOW YOUR PENSION IS PAID AT RETIREMENT

Your pension benefit will be paid to you after you have retired and filed an application for benefits. It may be paid to you in various optional forms.

You May Elect A Form Of Payment Before You Retire

The County will furnish you with an explanation of the optional forms of benefit and the monthly benefits available to you under each option. This explanation will be given to you prior to the date on which you are eligible to begin receiving benefits and you will have a reasonable amount of time in which to consider the options.

What Will Happen If You Don't Elect An Optional Form

- If you are single, your pension will be paid monthly for the rest of your life.

- If you are married, your pension will be paid monthly in the form of a joint and 100% survivor benefit. A "**joint and 100% survivor benefit**" will pay you an actuarially reduced amount per month for the balance of your life and thereafter your spouse will receive a benefit equal to 100% of your reduced monthly benefit. You and your spouse may waive the joint and survivor form of payment and elect to have payments made for the balance of your life only or in any of the optional forms. Your spouse must execute the waiver form in the presence of a County representative or a notary public. The waiver must be signed by you and your spouse within 180 days of the date on which payments begin.

Optional Forms Of Payment

You may elect any one of the forms of payment described below. The actuarial value of each form of payment will be the same, but the monthly payment will be adjusted according to the form selected. If you are married at the time payments are to begin, your spouse must consent to your request for payment of your benefit in a form other than the joint and 100% survivor annuity with your spouse.

The optional forms of payment are as follows:

- **Life Benefit**

  This form pays you a monthly pension for your life only. There are no further benefits after your death, other than the terminal benefit described below. This is the normal form of payment to which each other form will be actuarially equivalent.

- **Life With "10-Year Certain" Benefit**

  This form pays you a reduced monthly lifetime pension. If you die before the end of 10 years, payments will be made to your beneficiary for the remainder of the 10-year period. If you live beyond the 10-year period, you will continue to receive the monthly pension until your death. If your death occurs after the 10-year period is over, no death benefit is payable to your beneficiary.

- **Joint and 50% or 100% Survivor Benefit**

  This form pays you a reduced monthly lifetime pension. After your death, 50% or 100% of your reduced monthly pension will be paid monthly to your spouse or other beneficiary for the balance of your spouse's or other beneficiary's life.

- **Return of Accumulated Contributions**

  You may elect payment of your accumulated contributions, but your accrued benefit is forfeited as a result of this payment.

  EXAMPLE: Let's assume that you retire at your normal retirement age of 60, your accrued benefit is $1,000 per month, and your spouse's age is 57.

Form of Payment	Approximate Monthly Payment
Life Option	$1,000
Life with 10-year certain option	$972.62
Joint and 50% Survivor Option to	
• *Retiree*	$924.46
• *Surviving Spouse*	$462.23
Joint and 100% Survivor Option to	
• *Retiree*	$859.53
• *Surviving Spouse*	$859.53
Return of Accumulated Contributions	Total Account Value

The amounts will vary based on your accrued benefit, your age, your spouse's age and the actuarial assumptions in effect at the time your benefit begins.

Reduction Of Benefits For Previous Payment

If you receive a lump sum payment of your accumulated contributions under the Plan before your normal retirement date and are reemployed by the County thereafter, the benefits payable to you upon your retirement will be calculated without regard to your earlier period of service, unless you repay the distributed amount, plus earnings, to the trust.

Suspension Of Benefit

If your benefit commences at retirement and you are subsequently rehired, your benefit payments will be suspended until you again terminate employment. You will receive no benefit increases as a result of your later employment. There are limited exceptions to this and you will be notified at the time of your reemployment whether they apply to you.

Terminal Benefit

If the total of all benefits paid to you up to the time of your death (or the later death of your beneficiary if you had elected a benefit form with continuing benefits for a spouse or other beneficiary) is less than the value of your accumulated contributions determined at the time of retirement, then an additional amount will be paid. The additional amount will be the difference between your accumulated employee contributions and the total of the retirement payments. This amount will be paid to your designated beneficiary, or if none, to your spouse or estate.

Benefit Payments Pursuant To Orders By Divorce Courts

A divorce court may order the Plan to pay part of your benefits under the Plan to your spouse, former spouse, child, or other dependent (an "**alternate payee**") through an "**eligible domestic relations order**" for active employees and deferred vested participants or a "**retiree domestic relations order**" for retirees. If the County receives a domestic relations order involving your benefits under the Plan, the County will notify you of the receipt of the order and give you an opportunity to comment on the contents or the validity of the order. The County will then determine whether the order satisfies the requirements for an eligible domestic relations order and notify you accordingly. If the order qualifies, the County will comply with the terms of the order. Payment to the alternate payee will be made upon proper application by the alternate payee and may begin any time after the date you become entitled to benefit payments under the Plan.

A model eligible domestic relations order is available from the Pension Administrator for use by participants and their attorneys. You may request a copy by sending an e-mail request to kcretirement@kentcountymi.gov.

HOW PAYMENTS FROM THE PLAN ARE TAXED

The amounts contributed to the Plan on your behalf are not included in your income for tax purposes until you begin to receive payments from the Plan. The taxation of your benefits is deferred until you actually receive those benefits. At that time, the payments are taxed as ordinary income. If you participated before January 5, 1999, you made after-tax employee contributions to the Plan, and a portion of each distribution will be non-taxable. The County will advise you of the portion that is taxable and nontaxable at the time distributions begin.

If you are eligible to receive a return of accumulated contributions, special rules apply. The amounts that you contributed as after-tax contributions prior to January 5, 1999 were taxable to you as income in the year of contribution and will not be taxable when they are later paid to you. The contributions you made after January 4, 1999 and earnings on all your contributions will be taxable when paid and may be subject to an *additional* 10% penalty tax if you withdraw these amounts before age 59½. You may be able to defer taxes on the earnings portion of your accumulated contributions and amounts contributed after January 4, 1999 and avoid the additional 10% tax by rolling these amounts over to an individual retirement account (IRA) or the qualified retirement plan of your next employer.

The taxable amount of your accumulated contributions will be subject to a 20% withholding requirement for federal income tax purposes when paid to you. You can avoid that 20% withholding requirement by having the taxable amounts of your accumulated contributions directly rolled over into an IRA or other qualified plan.

When you are eligible for a payment of accumulated contributions from the Plan, you may, in most cases, defer the payment of taxes on the payment until a later date if you have the payment transferred directly into your individual retirement account ("IRA") or the retirement plan of your next employer. This is known as a "**rollover**" of the payment. The IRA may be established with a bank, insurance company, or other financial institution of your choice. You may roll over part of the payment and defer payment of taxes on the amount rolled over. You may also roll over a payment by having it paid to you and then depositing the payment in your IRA within 60 days after you receive the payment. This option is complicated by the fact that the payment to you will be subject to a 20% withholding requirement for federal income tax purposes and, therefore, you will only receive 80% of the amount eligible for a tax free rollover. You will not be eligible for a tax-free rollover of any payment if the payment is made in one of the annuity payment forms. These rules and options will be explained in more detail when you become eligible for a distribution.

The rules on the taxation of distributions from the Plan are complex and contain a variety of exceptions and special provisions. You should contact your own tax adviser to discuss the tax consequences of your distributions and the techniques you may employ to defer or minimize the taxes payable with respect to such distributions or payments.

HOW YOU APPLY FOR BENEFITS

Applying For Benefits

You should apply for your Plan benefits after you retire or terminate your employment and are eligible to begin receiving your plan benefits. All pension benefits begin on the first business day of a calendar month and are paid on the first business day of each month thereafter. You must apply at least 30 days before benefits can begin. Contact the County Human Resources Office for assistance in obtaining an application form. The Pension Administrator will review your application and advise you of the amount of your benefits and the optional methods of payment. If you are not eligible for a benefit, you will be given a written explanation of why you are ineligible, whether you can become eligible by supplying some additional materials, and your right to appeal the decision.

Failure To Apply For Benefits

If you terminate employment and are entitled to a deferred retirement benefit, you must make written application for payment of this benefit. Written application must be received at least 30 days but not more than 180 days before your normal retirement age in order to begin benefits at that date.

The Plan's Appeal Procedure

The procedure for filing an appeal is:

- You may review any documents that are pertinent to your appeal;
- You must file a ***written*** notice of appeal with the Board of Trustees within 60 days after you receive a notice of denial;

- You must file ***in writing*** all the materials and arguments that you wish to have considered in the appeal not later than 30 days after you file your notice of appeal;

- Unless there are special circumstances requiring more time, the Board of Trustees will review your appeal and advise you ***in writing*** of its decision after the next regularly scheduled Board of Trustees meeting that is at least 21 days after the completed application for review is received. If an extension is necessary, you will be notified and a decision will be delayed until the next regularly scheduled Board meeting.

- The Board of Trustee's decision on your appeal will be delivered to you ***in writing***. The decision will be written in an understandable manner and will refer you to the provisions in the Plan upon which the Board of Trustees based its decision.

YOUR RIGHTS AS A PARTICIPANT

Limitations

This Plan is only a retirement plan. The Plan covers eligible employees as long as they remain in the employ of the County. The Plan does not constitute a contract of employment and does not give you any right to continued employment with the County. If your employment with the County terminates for any reason, you will be entitled to the benefits you have earned under the terms of the Plan in effect on the date your employment terminates.

This summary outlines the provisions of the Plan as in effect on and after January 1, 2020. These provisions generally apply to persons who are employed by the County on or after that date. Vested accrued benefits will be determined by the benefit formula and the vesting schedule in effect on the date employment terminates. The rights and benefits, if any, of any other former employees will generally be governed by the provisions of the Plan in effect on the date their employment terminated.

Plan Amendment

The County may amend the Plan at any time and from time to time subject to its collective bargaining obligations. An amendment cannot reduce the benefits that you have earned to the date of the amendment. An amendment will ordinarily be effective on the first day of the plan year in which it is adopted. If the amendment significantly changes the provisions of the Plan outlined in this summary plan description, a new summary plan description or supplement may be furnished to participants and beneficiaries.

Plan Termination

Although the County intends to continue the Plan on a permanent basis, it reserves the right to terminate the Plan at any time subject to its collective bargaining obligations. If the Plan terminates, you will become 100% vested in your accrued benefit to the extent that it is funded by the trust fund.

Plan Assets - Responsibility

The Board of Trustees and other persons responsible for the investment of the Plan's assets are required to act solely in the interest of the participants. They must discharge their duties under the Plan in a sound and prudent manner.

Protection From Creditors

Your interest in this Plan is subject to the "**spendthrift**" provisions of the Plan. The spendthrift provisions protect your interest from garnishment or seizure by your creditors. These provisions also prevent you from assigning or pledging your interest in the Plan as security for a loan or other obligation. These spendthrift provisions do not apply to assignments made in an eligible domestic relations order that is entered by a divorce court.

BASIC PLAN INFORMATION

Plan Sponsor:	The Board of Commissioners of Kent County
Information and Communication:	Kent County Human Resources
Address:	300 Monroe Avenue, N.W. Grand Rapids, Michigan 49503-2222
Phone:	(616) 632-7440
Name of Plan:	Kent County Employees' Retirement Plan
Type of Plan:	This is a defined benefit plan.
Plan Effective Date:	December 8, 1948
Plan Year:	January 1 to December 31
Agent for Service of Process:	Kent County Pension Administrator
Name and Address of Trustee and Plan Administrator:	Board of Trustees Kent County Employees' Retirement Plan c/o Kent County Pension Administrator 300 Monroe Avenue, N.W. Grand Rapids, Michigan 49503
Custodian:	Northern Trust Company 50 South LaSalle Street Chicago, IL 60603

SUMMARY PLAN DESCRIPTION
KENT COUNTY EMPLOYEES' RETIREMENT PLAN

MANAGEMENT PAY PLAN SUPPLEMENT

Normal Retirement Age

For Employees hired before January 1, 2011, the earlier of:

- Attainment of age 60 and completion of five years of credited service; or
- Completion of 25 years of credited service.

For Employees hired after December 31, 2010, the earlier of:

- Attainment of age 62 and completion of five years of credited service; or
- Attainment of age 60 and completion of 25 years of credited service.

Additional Credited Service -Sick Pay Conversion

Your accumulated sick pay bank will be converted into additional months or years of credited service if you retire after June 30, 2000 and after you become eligible for normal, early or disability retirement. The sick pay bank hours will be converted at the rate of one (1) month of credited service for every 173 hours in the sick pay bank. This additional credited service will be used solely for the purpose of determining the amount of the retirement benefit and will not be used for purposes of determining the 25-year period for normal retirement, the minimum number of years of service for deferred retirement or whether any other period relevant to the Plan has been satisfied. This provision does not apply to Security Enforcement Officers.

SUMMARY PLAN DESCRIPTION
KENT COUNTY EMPLOYEES' RETIREMENT PLAN

KCDSA SUPPLEMENT
(including Corrections Officers and Registered Nurses)

Normal Retirement Age

For Employees hired before January 1, 2013, the earlier of:

- Attainment of age 60 and completion of five years of credited service; or
- Completion of 25 years of credited service.

For Employees hired after December 31, 2012, the earlier of:

- Attainment of age 62 and completion of five years of credited service; or
- Attainment of age 50 and completion of 25 years of credited service.

Additional Credited Service -Sick Pay Conversion

Your accumulated sick pay bank will be converted into additional months or years of credited service if you retire after June 30, 2000 and after you become eligible for normal, early or disability retirement. The sick pay bank hours will be converted at the rate of one (1) month of credited service for every 173 hours in the sick pay bank. This additional credited service will be used solely for the purpose of determining the amount of the retirement benefit and will not be used for purposes of determining the 25-year period for normal retirement, the minimum number of years of service for deferred retirement or whether any other period relevant to the Plan has been satisfied.

Additional Credited Service - Holiday Credit Bank

Your holiday credit bank will be converted into additional months or years of credited service after you become eligible for normal retirement (after attaining age 60 and completing five (5) or more years of credited service or after completing 25 or more years of credited service). The holiday credit bank hours will be converted at the rate of one (1) month of credited service for every 173 hours of unused holiday credit bank time. This additional credited service will be used solely for the purpose of determining the amount of the normal retirement benefit and will not be used for purposes of determining the 25 year period for normal retirement, the minimum number of years of service for deferred retirement or whether any other period relevant to the Plan has been satisfied.

Required Employee Contributions

You are required to contribute 1.75% of your compensation plus the lesser of 9.5% of your compensation or one-half (½) of the sum of the normal cost of benefits and the current year portion of the amortized unfunded actuarial accrued liabilities. The normal cost of benefits and the unfunded actuarial accrued liabilities will be calculated by an actuary. Effective March 1, 2028, the first component of this amount will be reduced from 1.75% to 1.49%.

Post-Retirement Increases

If your employment terminates after June 30, 2002, your retirement benefit payments will be adjusted as described on page 11 of the Summary Plan Description, but to an amount equal to the amount set forth in the collective bargaining agreement.

Final Average Salary

A maximum of 750 hours of overtime worked on and after January 1, 2010 will be included in determining your highest 36 consecutive month average compensation.

SUMMARY PLAN DESCRIPTION
KENT COUNTY EMPLOYEES' RETIREMENT PLAN

POLC - CAPTAINS AND LIEUTENANTS SUPPLEMENT

Normal Retirement Age

For Employees hired before January 1, 2011, the earlier of:

- Attainment of age 60 and completion of five years of credited service; or
- Completion of 25 years of credited service.

For Employees hired after December 31, 2010, the earlier of:

- Attainment of age 62 and completion of five years of credited service; or
- Attainment of age 55 and completion of 25 years of credited service.

Additional Credited Service - Sick Pay Conversion

Your accumulated sick pay bank will be converted into additional months or years of credited service if you retire after June 30, 2000 and after you become eligible for normal, early or disability retirement. The sick pay bank hours will be converted at the rate of one (1) month of credited service for every 173 hours in the sick pay bank. This additional credited service will be used solely for the purpose of determining the amount of the retirement benefit and will not be used for purposes of determining the 25-year period for normal retirement, the minimum number of years of service for deferred retirement or whether any other period relevant to the Plan has been satisfied.

Deferred Vested Benefit

You will be entitled to a deferred vested benefit if you have earned eight (8) years of credited service at the time your employment terminates.

Required Employee Contributions

You are required to contribute 3.5% of your compensation plus the lesser of 9.5% of your compensation or one-half (1/2) of the sum of the normal cost of benefits and the current year portion of the amortized unfunded actuarial accrued liabilities. The normal cost of benefits and the unfunded actuarial accrued liabilities will be calculated by an actuary.

Post-Retirement Increases

If your employment terminates after June 30, 2000, your redetermined amount will be the retirement benefit in the month preceding the date of redetermination multiplied by the number set forth in the collective bargaining agreement.

Overtime Compensation

For purposes of determining the average salary when computing your retirement benefit, your annual overtime earnings in any year will not exceed 10% of your base salary for that year.

SUMMARY PLAN DESCRIPTION
KENT COUNTY EMPLOYEES' RETIREMENT PLAN

KCAPAA - PROSECUTING ATTORNEYS SUPPLEMENT

Normal Retirement Age

For Employees hired before January 1, 2011, the earlier of:

- Attainment of age 60 and completion of five years of credited service; or
- Completion of 25 years of credited service.

For Employees hired after December 31, 2010, the earlier of:

- Attainment of age 62 and completion of five years of credited service; or
- Attainment of age 60 and completion of 25 years of credited service.

Additional Credited Service - Sick Pay and Retirement Bonus Conversion

Your accumulated sick pay bank and retirement bonus bank will be converted into additional months or years of credited service if you retire after June 30, 2000 and after you become eligible for normal, early or disability retirement. The sick pay bank and retirement bonus bank hours will be converted at the rate of one (1) month of credited service for every 173 hours in the sick pay bank and retirement bonus bank. This additional credited service will be used solely for the purpose of determining the amount of the retirement benefit and will not be used for purposes of determining the 25-year period for normal retirement, the minimum number of years of service for deferred retirement or whether any other period relevant to the Plan has been satisfied.

Deferred Vested Benefit

You will be entitled to a deferred vested benefit if you have earned eight (8) years of credited service at the time your employment terminates.

SUMMARY PLAN DESCRIPTION
KENT COUNTY EMPLOYEES' RETIREMENT PLAN

FOP SHERIFF'S DEPARTMENT- ROAD PATROL SUPPLEMENT

Normal Retirement Age

The earlier of:

- Attainment of age 60 and completion of five years of credited service; or
- Completion of 25 years of credited service (and attainment of age 50 with respect to employees hired after December 31, 2014).

Additional Credited Service - Sick Pay Conversion

Your accumulated sick pay bank will be converted into additional months or years of credited service if you retire after June 30, 1999 and after you become eligible for normal, early or disability retirement. The sick pay bank hours will be converted at the rate of one (1) month of credited service for every 173 hours in the sick pay bank. The converted amount of sick pay bank hours, however, will not exceed 1,440 hours. This additional credited service will be used solely for the purpose of determining the amount of the normal retirement benefit and will not be used for purposes of determining the 25-year period for normal retirement, the minimum number of years of service for deferred retirement or whether any other period relevant to the Plan has been satisfied.

Deferred Vested Benefit

You will be entitled to a deferred vested benefit if you have earned eight (8) years of credited service at the time your employment terminates.

Required Employee Contributions

You are required to contribute 3.32% of your compensation plus the lesser of 9.5% of your compensation or one-half (1/2) of the sum of the normal cost of benefits and the current year portion of the amortized unfunded actuarial accrued liabilities. The normal cost of benefits and the unfunded actuarial accrued liabilities will be calculated by an actuary. Effective July 1, 2025, the first component of this amount will be reduced from 3.32% to 1.33%.

Final Average Salary

The monthly average of overtime pay you receive in the 10-year period prior to normal retirement will be included in your final average salary.

SUMMARY PLAN DESCRIPTION
KENT COUNTY EMPLOYEES' RETIREMENT PLAN
JUDGES SUPPLEMENT

Judges Retirement Act of 1992

An individual who first becomes a judge after March 30, 1997 is not eligible to participate in the Kent County Employees' Retirement Plan. These judges are eligible for the Tier 2 benefit under the Judges Retirement Act of 1992 (MCL.38.2101, et. seq.) with respect to their entire compensation.

An individual who first became a judge before March 31, 1997 may participate in this Plan for that portion of compensation that is not eligible for benefits under the Judges Retirement Act of 1992. If a Judge makes the election under MCL Section 38.2651b(1)(a) to have 100% of his or her salary that is paid both directly and indirectly by the State of Michigan to be salary for the Tier 2 benefit, then no additional benefits will accrue for that Judge under this Plan after the effective date of the election (July 1, 1998). A Judge making the 100% election will have a benefit under this Plan equal to the accrued benefit determined at the effective date of the election based on the final average compensation (60 months), benefit multiplier (2.25%) and years of credited service determined at the effective date of the election.

A judge making this 100% election will receive additional years of credited service after the effective date of the election for purposes of determining whether the five (5) year vesting requirement, the 5 or 15-year requirement for death benefits and the 15-year requirement for early retirement benefits have been satisfied, but for no other purpose. A judge making the 100% election will be eligible for benefit payments under this Plan at later retirement from the bench on the same basis as other participants whose employment terminates.

Any participant contributions deducted from County compensation of a judge making the 100% election subsequent to the effective date of the election will be paid to the judge in a lump sum at later retirement or at such earlier date as may be permitted under the terms of the Plan and as may be permitted by the Internal Revenue Code. Refund of this amount will not reduce your accrued benefit.

Normal Retirement Age

The earlier of:

- Attainment of age 60 and completion of five years of credited service; or
- Completion of 25 years of credited service.

Required Employee Contributions

You are required to contribute the lesser of 9.5% of your compensation or one-half (1/2) of the sum of the normal cost of benefits and the current year portion of the amortized unfunded actuarial accrued liabilities. The normal cost of benefits and the unfunded actuarial accrued liabilities will be calculated by an actuary.

Compensation

Your compensation excludes amounts paid by the State of Michigan or Kent County for work in the Kent County Circuit Court, District Court and Kent County Probate Court that is considered for purposes of determining retirement plan benefits under a Plan sponsored by the State of Michigan.

SUMMARY PLAN DESCRIPTION
KENT COUNTY EMPLOYEES' RETIREMENT PLAN

COMMISSIONERS AND OTHER ELECTED OFFICIALS SUPPLEMENT

Option to Participate

Members of the Kent County Board of Commissioners and other elected officials have the option of participating or refraining from participation at the time first elected to their office by making an election within the first six (6) months of initial election or appointment to that office. The 500 hours of service per year eligibility requirement does not apply to commissioners and other elected officials.

Normal Retirement Age

The earlier of:

- Attainment of age 60 (age 62 if elected or appointed after December 31, 2010) and completion of five years of credited service; or

- Completion of 25 years of credited service (and attainment of age 60 if elected or appointed after December 31, 2010).

Deferred Vested Benefit

If you are a Commissioner, you will only be entitled to a deferred vested benefit if you have earned eight (8) years of credited service at the time your employment terminates.

Disability Benefit Not Related to Service

You will not be entitled to this benefit irrespective of the number of years of service that you complete.

SUMMARY PLAN DESCRIPTION
KENT COUNTY EMPLOYEES' RETIREMENT PLAN

TEAMSTERS LOCAL 214 - REGISTERED NURSES' SUPPLEMENT

Normal Retirement Age

For Employees hired before January 1, 2012, the earlier of:

- Attainment of age 60 and completion of five years of credited service; or
- Completion of 25 years of credited service.

For Employees hired after December 31, 2011, the earlier of:

- Attainment of age 62 and completion of five years of credited service; or
- Attainment of age 60 and completion of 25 years of credited service.

Additional Credited Service -Sick Pay Conversion

Your accumulated sick pay bank will be converted into additional months or years of credited service if you retire after June 30, 2000 and after you become eligible for normal, early and disability retirement. The sick pay bank hours will be converted at the rate of one (1) month of credited service for every 173 hours in the sick pay bank. This additional credited service will be used solely for the purpose of determining the amount of the retirement benefit and will not be used for purposes of determining the 25-year period for normal retirement, the minimum number of years of service for deferred retirement or whether any other period relevant to the Plan has been satisfied.

SUMMARY PLAN DESCRIPTION
KENT COUNTY EMPLOYEES' RETIREMENT PLAN

TEAMSTER EMPLOYEES - PARK'S DEPARTMENT SUPPLEMENT

Eligibility

Employees of the Parks Department who did not elect to participate in this Plan between January 1, 2003 and February 14, 2003 are not eligible to participate in this Plan.

Normal Retirement Age

For Employees hired before January 1, 2012, the earlier of:

- Attainment of age 60 and completion of five years of credited service; or
- Completion of 25 years of credited service.

For Employees hired after December 31, 2011, the earlier of:

- Attainment of age 62 and completion of five years of credited service; or
- Attainment of age 60 and completion of 25 years of credited service.

Additional Credited Service - Sick Pay Conversion

Your accumulated sick pay bank will be converted into additional months or years of credited service if you retire after March 1, 2006, and after you become eligible for normal, early or disability. The sick pay bank hours will be converted at the rate of one (1) month of credited service for every 173 hours in the sick pay bank. This additional credited service will be used solely for the purpose of determining the amount of the normal retirement benefit and will not be used for purposes of determining the 25-year period for normal retirement, the minimum number of years of service for deferred retirement or whether any other period relevant to the Plan has been satisfied.

SUMMARY PLAN DESCRIPTION
KENT COUNTY EMPLOYEES' RETIREMENT PLAN

UAW EMPLOYEES SUPPLEMENT

Normal Retirement Age

For Employees hired before January 1, 2011, the earlier of:

- Attainment of age 60 and completion of five years of credited service; or
- Completion of 25 years of credited service.

For Employees hired after December 31, 2010, the earlier of:

- Attainment of age 62 and completion of five years of credited service; or
- Attainment of age 60 and completion of 25 years of credited service.

Additional Credited Service - Sick Pay Conversion

Your accumulated sick pay bank will be converted into additional months or years of credited service if you retire after March 1, 2006, and after you become eligible for normal, early and disability retirement, but not a deferred retirement. The sick pay bank hours will be converted at the rate of one (1) month of credited service for every 173 hours in the sick pay bank. The converted amount of sick pay bank hours, however, will not exceed 1,440 hours. This additional credited service will be used solely for the purpose of determining the amount of the retirement benefit and will not be used for purposes of determining the 25-year period for normal retirement, the minimum number of years of service for deferred retirement or whether any other period relevant to the plan has been satisfied.

SUMMARY PLAN DESCRIPTION
KENT COUNTY EMPLOYEES' RETIREMENT PLAN

TPOAM EMPLOYEES SUPPLEMENT

Normal Retirement Age

For Employees hired before January 1, 2011, the earlier of:

- Attainment of age 60 and completion of five years of credited service; or
- Completion of 25 years of credited service.

For Employees hired after December 31, 2010, the earlier of:

- Attainment of age 62 and completion of five years of credited service; or
- Attainment of age 60 and completion of 25 years of credited service.

Additional Credited Service - Sick Pay Conversion

Your accumulated sick pay bank will be converted into additional months or years of credited service if you retire after March 1, 2006, and after you become eligible for normal, early and disability retirement, but not a deferred retirement. The sick pay bank hours will be converted at the rate of one (1) month of credited service for every 173 hours in the sick pay bank. The converted amount of sick pay bank hours, however, will not exceed 1,440 hours. This additional credited service will be used solely for the purpose of determining the amount of the retirement benefit and will not be used for purposes of determining the 25-year period for normal retirement, the minimum number of years of service for deferred retirement or whether any other period relevant to the plan has been satisfied.