

approved



Board of Directors Special Meeting

Davidson Town Hall
216 South Main St
Davidson, NC 28036
Main meeting room

Tuesday, June 28, 2011, 5:00 PM

Present: John Venzon, Brett Ellis (phone), Dawn Huston (phone), Steve Miller (phone)

Absent: Leamon Brice, Erskine Smith, Ken Essex, Rodney Short

Other Attendees: Alan Hall, Nick Miller, Gail Karish, David Auger, Nola Perkins

1.) Call to Order/Quorum – John Venzon.

Mr. Venzon determined that a quorum was present and called the meeting to order at 5:06 pm.

2.) Discussion and Vote on NC retirement Plan Membership

Mr. Auger advised the Board that BVU employees providing services to MI-Connection are currently members of the Virginia retirement plan. BVU contributes 14% of salary to the VA plan for employees hired prior to July 1, 2010, and for those hired after July 1, 2010 BVU contributes 9.3% and employees contribute 5%.

Mr. Auger advised the Board that MI-Connection was eligible to join the North Carolina municipal retirement system once BVU employees transitioned to MI-Connection employment. Under the North Carolina plan, MI-Connection would contribute about 6.88% (under a formula based upon age and years of employment), and employees would contribute 6.00% based upon North Carolina state retirement plan rules.

He advised that there were a number of requirements that had to be met in order to join the North Carolina retirement system. The Board was required to adopt certain resolutions. Once the board approves, the MI-Connection employees would have to hold a vote on participation in the plan. Finally, the North Carolina retirement system would have to approve the application to join. He also advised that it was only possible to join at the beginning of each calendar quarter. If approved, employees joining prior to MI-Connection's entry date into the retirement system

would have the option to individually opt out. Employees hired later are required to participate in retirement plan and cannot opt out.

There were still some details to clarify such as 1) which employees would be eligible for the vote and when the vote could occur 2) whether there was any possibility to rollover to the North Carolina plan contributions made to the Virginia plan, and 3) which employees would not have the option to opt out of the plan.

Mr. Auger estimated that the impact of joining the North Carolina retirement system would be an incremental cost of \$11,000 for MI-Connection and its employees, however, because other insurance costs would be reduced, this would offset the impact to MI-Connection and its employees.

Mr. Venzon requested an analysis be conducted to show how individual employee take home pay will be affected by the change from BVU to MI-Connection as employer.

Two motions were presented to the board for approval regarding the North Carolina retirement system:

1. RESOLUTION ENROLLING IN NORTH CAROLINA LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM (ATTACHMENT 1)

Mr. Ellis moved that the resolution be adopted. The motion was seconded by Mr. Miller. The motion to adopt the resolution was passed unanimously by the board.

2. RESOLUTION TO ENACT A TAX SHELTER OF EMPLOYEES' CONTRIBUTIONS PAYABLE AS MEMBERS OF THE NORTH CAROLINA LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM (ATTACHMENT 2)

Mr. Ellis moved that the resolution be adopted. The motion was seconded by Mr. Miller. The motion to adopt the resolution was passed unanimously by the board.

3.) Roundtable open discussions – All

Mr. Venzon thanked various board members for attending non-quorum round table discussions on Thursday June 23.

4) Adjournment

Having no other business, Ms. Huston made a motion to adjourn the meeting and it was seconded by Mr. Ellis. The motion passed unanimously and the meeting ended at 5:37 pm.

**RESOLUTION ENROLLING IN
NORTH CAROLINA LOCAL GOVERNMENTAL EMPLOYEES'
RETIREMENT SYSTEM**



WHEREAS, the 1945 General Assembly amended the North Carolina Local Governmental Employees' Retirement System so as to make the benefit of said System available to all counties, Cities, and towns, and

WHEREAS, the governing body of this Unit realizes the necessity of providing its employees with the security and protection provided by a sound retirement plan, and

WHEREAS, Article 3 of Chapter 128 of the General Statutes of North Carolina provides that any governmental unit desiring to enroll its employees in said System shall make application to the Board of Trustees of the North Carolina Local Governmental Employees' Retirement System and shall by resolution elect to participate in said System.

NOW, THEREFORE, be it resolved by the Board of Directors of the MI Connection Communications System (hereinafter "MI Connection"), a joint agency created pursuant to an interlocal agreement by and among the Town of Mooresville, North Carolina, the Town of Davidson, North Carolina, the Town of Cornelius, North Carolina, and the County of Mecklenburg, North Carolina, in regular session.

1. That the MI Connection Board of Directors hereby elects for its employees to participate in the North Carolina Local Governmental Employees' Retirement System.
2. That the MI Connection Board of Directors hereby agrees to comply with all provisions of the North Carolina Local Governmental Employees' Retirement System as defined in Article 3, Chapter 128 of the General Statutes of North Carolina as amended by the 1945 General Assembly.
3. That the Chairman of the Board of Directors of MI Connection is hereby ordered and directed to make application to the Board of Trustees of the North Carolina Local Governmental Employees' Retirement System for enrollment of this Unit and its employees in said System.

Upon motion of Brett Ellis and seconded by Steve Miller,

the above resolution was introduced for passage. The following number voted in the affirmative: 4.

The following number voted in the negative: 0.

**APPLICATION FOR PARTICIPATION OF EMPLOYERS IN THE
NORTH CAROLINA LOCAL GOVERNMENTAL EMPLOYEES'
RETIREMENT SYSTEM**

Date _____

North Carolina Local Governmental Employees' Retirement System
325 North Salisbury Street
Raleigh, North Carolina 27603-1385

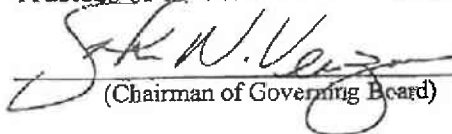
MI Connection Communications System

The above named unit hereby makes application to the Board of Trustees of North Carolina Local Governmental Employees' Retirement System for the enrollment of its employees who may desire to participate in the North Carolina Local Governmental Employees' Retirement System.

1. The MI Connection Communications System hereby agrees to make the contributions required by said Retirement System of participating employers and to make the required deductions from salaries of employees who became members of the System.
2. The MI Connection Communications System further agrees to promptly transmit such contributions and deductions to the Board of Trustees, or their authorized agents, as required by Article 3 of Chapter 128 of the General Statutes.
3. The MI Connection Communications System further agrees to make the employer's contributions for the participation in the Retirement System of all employees entering or re-entering the service of this unit after the date of participation of this unit.

Attached hereto is a certified copy of resolution authorizing participation in the North Carolina Local Governmental Employees' Retirement System.

The MI Connection Communications System agrees to perform the duties required of it under the provisions of Chapter 128, Article 3 of the General Statutes, and lawful regulations of the Board of Trustees of the North Carolina Local Governmental Employees' Retirement System.



(Chairman of Governing Board)



(Attest)

The Board of Trustees of the North Carolina Local Governmental Employees' Retirement System in regular meeting hereby accepts the application of _____,
for participation of its employees in the North Carolina Local governmental Employees' Retirement System.

This the _____ day of _____, 20__.

Participation shall begin on the _____ day of _____, 20__.

Director

NORTH CAROLINA LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM
325 NORTH SALISBURY STREET
RALEIGH, NORTH CAROLINA 27603-1385

CERTIFICATION

This is to certify that:

1. That at a meeting of the Board of Directors for the MI Connection Communications System, held in DAVIDSON, NORTH CAROLINA on the 28th day of June, 2011, the attached resolution was duly introduced and legally passed in accordance with the applicable provisions of law relating to the MI Connection Communications System, a joint agency created pursuant to an interlocal agreement by and among the Town of Mooresville, North Carolina, the Town of Davidson, North Carolina, the Town of Cornelius, North Carolina, and the County of Mecklenburg, North Carolina, and the General Statutes of North Carolina.
2. That the meeting at which said resolution was passed was duly constituted, a quorum was present, and that a resolution was publicized in accordance with the applicable provisions of law and the General Statutes of North Carolina.
3. That the attached resolution is a true and accurate copy of the resolution passed by the Board of Directors for the MI Connection Communications System as the same appears on Page 101 of the Minute Books.

This the 29th day of June, 2011.


(Clerk of the Board)

Corporate Seal (if any)

NORTH CAROLINA LOCAL GOVERNMENTAL EMPLOYEES'
RETIREMENT SYSTEM
DEPARTMENT OF STATE TREASURER
RALEIGH, NORTH CAROLINA 27603-1385

COPY

RESOLUTION TO ENACT A TAX SHELTER OF EMPLOYEES' CONTRIBUTIONS
PAYABLE AS MEMBERS OF THE NORTH CAROLINA LOCAL GOVERNMENTAL
EMPLOYEES' RETIREMENT SYSTEM

WHEREAS, the 1981 Session (1982 Regular Session) of the North Carolina General Assembly, by a duly ratified bill effective July 1, 1982, enacted North Carolina General Statute 128-30(b1), a copy of which is attached hereto, which under the conditions specified therein permits an employer participating in the North Carolina Local Governmental Employees' Retirement System to tax shelter the contributions payable to this System by its employees who are members of this System; and,

WHEREAS, this employer is an employer participating in the North Carolina Local Governmental Employees' Retirement System with respect to its eligible employees; and

WHEREAS, this employer deems it desirable to tax shelter the contributions payable by its employees as members of the North Carolina Local Governmental Employees' Retirement System.

NOW, THEREFORE, BE IT RESOLVED BY the MI Connection Communications System Board of Directors, in regular session, that as of July 1, 2011, MI Connection Communications System elects pursuant to the provision of North Carolina General Statute 128-30(b1) to pick up and pay to the North Carolina Local Governmental Employees' Retirement System the contributions which would be otherwise payable to this System by its employees who are members of this System and to treat in all respects such contributions in the manner specified in said North Carolina General Statute 128-30(b1).

Upon motion by Brett Ellis and
seconded by Steve Miller the above resolution was introduced
and adopted. The number voting in the affirmative was 4 and the number voting in the
negative was 0.

NORTH CAROLINA LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM
325 NORTH SALISBURY STREET
RALEIGH, NORTH CAROLINA 27603-1385

CERTIFICATION

This is to certify that:

1. That at a meeting of the Board of Directors for the MI Connection Communications System held in DAVIDSON, NORTH CAROLINA on the 28th day of JUNE, 2011, the attached resolution was duly introduced and legally passed in accordance with the applicable provisions of law relating to the MI Connection Communications System, County of Iredell, and the General Statutes of North Carolina.

2. That the meeting at which said resolution was passed was duly constituted, a quorum was present, and that a resolution was publicized in accordance with the applicable provisions of law and the General Statutes of North Carolina.

3. That the attached resolution is a true and accurate copy of the resolution passed by the Board of Directors for the MI Connection Communications System as the same appears on Page 102 of the Minute Books. This the 29th day of JUNE, 2011.


(Clerk of the Board)

Corporate Seal (if any)

NORTH CAROLINA GENERAL STATUTE 128-30(b1)

'(b1) Pick Up of Employee Contributions. --- Anything within this section to the contrary notwithstanding, effective July 1, 1982, an employer, pursuant to the provisions of Section 414(h)(2) of the Internal Revenue Code of 1954 as amended, may elect to pick up and pay the contributions which would be payable by the employees as members under subsection (b) of this section with respect to the service of employees after June 30, 1982.

The members' contributions picked up by an employer shall be designated for all purposes of the Retirement System as member contributions, except for the determination of tax upon a distribution from the System. These contributions shall be credited to the annuity savings fund and accumulated within the fund in a member's account which shall be separately established for the purpose of accounting for picked-up contributions.

Members contributions picked up by an employer shall be payable from the same source funds used for the payment of compensation to a member. A deduction shall be made from a member's compensation equal to the amount of his contributions picked up by his employer. This deduction, however, shall not reduce his compensation as defined in subdivision (7a) of G.S. 128-21. Picked-up contributions shall be transmitted to the System monthly for the preceding month by means of a warrant drawn by the employer and payable to the Local Governmental Employees' Retirement System and shall be accompanied by a schedule of the pick-up contributions on such forms as may be prescribed. In the case of a failure to fulfill these conditions the provisions of subsection (f)(3) of this section shall apply."