

December 20, 2005, reflects the inconsistent participation and concerns about the responsiveness of the Plan Administrator, ING. This concern is again reflected in the minutes of the Board meeting of January 3, 2006. The Board thereafter pursued investigation of a new Plan administrator and modifications in the plan and made contact with the current Plan administrator, Burnham & Flower, as reflected in the Board Minutes of its meeting of March 7, 2006. The minutes of the meeting of the Board of April 18, 2006, reflect a presentation by Ms. Amber Howe of Burnham & Flower in which she explained the availability of adopting a Section 401a Plan to supplement the Section 457 Plan. The minutes of the Board meeting of May 9, 2006, reflect a second presentation by Burnham & Flower and a summary and discussion of the distinction between the then existing Section 457 Plan and the proposed Section 401a Plan. The minutes of the meeting of the Board of June 6, 2006, reflect a motion by Trustee Wilbrink to adopt the Section 401a Plan as proposed by Burnham & Flower and to enroll all elected officials in the Plan with a contribution by the Township of 7.65%, the contribution for social security, and an employee mandatory match of 7.65%. An administrative services agreement between the Township and Burnham & Flower Group, Inc., was executed on August 31, 2006 and the Williamstown Township Governmental Non-Erisa Retirement Plan was adopted on January 31, 2007. Consistent with the Board's resolution adoption, the Plan provided for the participation of elected officials and provides for the Township contribution of 7.65% and the employees mandatory matching contribution of 7.65%. See Plan Article 3, Section 3.1(a)(1) and Section 3.5(a)(1).

Implementation of the 401a Plan proceeded without a clear understanding of eligible participation or the Section 218 Agreement and the Medicare component of federal withholding. Former Clerk Davis' report of November, 2006, reflects that Trustee Wilbrink and then Constable Dahlstrom had not completed and submitted their enrollment forms for the 401a Plan. Further, in a memorandum of January 16, 2007, then Clerk Dahlstrom documents a concern raised at the prior Board meeting by a Ruth Templeton regarding Medicare payments. The concern related to the failure of the Township to transmit the 1.45% Medicare contribution to the State of Michigan. He reflects that he raised this issue with a Ms. Amber Howe at Burnham & Flower. Mr. Dahlstrom also reflects making contact with Abraham and Gaffney, CPAs and BS&A regarding the payroll software program. A memorandum of February 1, 2007, from Ms. Amber S. Howe, Group Retirement Manager, Burnham & Flower, to Howard Dahlstrom, Clerk, reflects a meeting with Mr. Dahlstrom to discuss several issues, including those issues raised in Clerk Dahlstrom's memorandum of January 16, 2007. This memorandum reflects an