

LETTER OF AGREEMENT

WHEREAS, Michigan Employment Retirement System (MERS) has contacted the City of Gladstone ("EMPLOYER") regarding the Defined Benefit language in Gladstone Public Safety Command ("UNION").

WHEREAS, both the Employer and the Union acknowledge that no active employee in Defined Benefit retirement is currently in the Union and the Employer no longer offers it as a retirement choice.

NOW IT IS THERFORE AGREED by both parties:

To change the language of Section 17.0, RETIREMENT, as follows: (changes hi-lited)

RETIREMENT

Section 17.0 The retirement benefit plan, for employees hired prior to April 1, 2007, will be the Michigan Employees Retirement System Benefit B-4 with FAC-3 rider with Employees being allowed to retire at any age with a minimum of 25 years of service.

All employees hired after April 1, 2007, will be required to enroll in the MERS Defined Contribution retirement. The City will contribute 8 %; the employee may contribute an additional 4%, of which no more than 3.0% shall be matched by the City for a total of 11 % Employer contribution. Employees may contribute additional funds to a City participating 457 retirement plans as per IRS guidelines.

Commencing with April 1, 2013, Employees who qualify for the MERS defined benefit plan will contribute two (2%) percent of **gross** wages to the MERS obligation, to be deducted from salary. Effective April 1, 2015, the employee's contribution shall increase to three (3) per cent of **gross** wages to the MERS obligation, to be deducted from salary.

Commencing April 1, 2013, a maximum of 240 paid leave hours may be added to the FAC calculation and no overtime will be calculated into the FAC. The City will still pay the balance on vacation, comp time and 25% of sick leave to the employee, but only 240 will be added to the FAC calculation.

For employees covered by MERS Defined Benefit plan, if State law changes and the City loose EVIP due to B4 benefit and level, the Union agrees to reopen this section only.

For the Employer:

Eric W. Buckman

6-13-24

Eric Buckman, City Manager

Date

Joe Thompson, Mayor

Date

For the Union:

Michael Griffin, POLC Business Agent

Date

Mallory Nelsen, Steward

Date