

Contribution Addendum for MERS Health Care Savings Program (HCSP)



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This is an Addendum to the Participation Agreement completed by City of Gladstone
Name of Participating Employer
for Director of Parks and Recreation of 300797
Covered Employee Group Division Code

The Addendum modifies the *MERS Health Care Savings Program Participation Agreement*. Please complete this addendum for each contribution structure associated with the covered employee group.

Check one or more (A or B, C and/or D):

- A. ☐ **Employer Contributions for Retirees / Former Employees.** Employer contributions may be made according to any frequency. Identify below the contribution formula or amount that will apply to all in this covered group. *Note: If this contribution is selected, Sections B, C, and D do not apply.*

Contribution structure (specify \$ or %): _____

For active employees, please check one or more below (B, C, and/or D).

- B. ☒ **Basic Employer (Before-Tax) Contributions.** Before-tax employer contributions may be made as a percentage of salary and/or by a specified dollar amount. Identify below the basic employer contribution formula to be applied to the covered groups within the Health Care Savings Program identified in this addendum.

Contribution structure (**specify \$ or %** and, if a %, include the basis for that contribution. For example: Employer will contribute 3% of base wages):

\$100 per pay period

- C. ☒ **Mandatory Salary Reduction (Before-Tax) Contributions.** Before-tax Employer Contributions shall be made that represent a mandatory salary reduction resulting from collective bargaining or the establishment of a personnel policy. These reductions may be made as a percentage of salary or a specific dollar amount.

Contribution structure (**specify \$ or %** and, if a %, include the basis for that contribution. For example: Employees will contribute 3% of base wages):

\$50.00 per pay period

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- D. ☒ Mandatory Leave Conversion (Before-Tax) Contributions.** Before-tax Employer Contributions shall be made that represent a mandatory conversion of accrued leave including, but not limited to vacation, holiday, sick leave, or severance amounts otherwise paid out, to a cash contribution. These contributions may be calculated as a percentage of accrued leave or a specific dollar amount representing the accrued leave. Leave conversions may be made on an annual basis or at separation from service, or at such other time as the Employer indicates. *(Note: The leave conversion program shall not permit employees the option of receiving cash in lieu of the employer contribution.)*

☒ Check here if the covered employee group has the option to direct any/all of the leave conversion lump sum to an existing 457 program.

Check one or more:

- ☒ As of retirement, 100 % of eligible sick and vacation
Annual date or X weeks before termination Percentage Type of Leave Conversion (sick, vacation, etc.)
must be contributed to the HCSP.
- ☐ As of _____, _____ % of _____
Annual date or X weeks before termination Percentage Type of Leave Conversion (sick, vacation, etc.)
must be contributed to the HCSP.
- ☐ As of _____, _____ % of _____
Annual date or X weeks before termination Percentage Type of Leave Conversion (sick, vacation, etc.)
must be contributed to the HCSP.
- ☐ As of _____, _____ % of _____
Annual date or X weeks before termination Percentage Type of Leave Conversion (sick, vacation, etc.)
must be contributed to the HCSP.

Post-Tax Employee Contributions. Post-tax Employee Contributions made by Eligible Employees within the Covered Group(s) shall be remitted as directed by the Program Administrator, to be credited to the individual accounts of Eligible Employees. All Employee Contributions must be remitted to MERS along with the Participation Report.