


MEMORANDUM OF UNDERSTANDING  
Central Pension Fund  
City of Grand Rapids

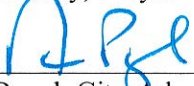
The purpose of the Memorandum of Understanding is to assist both Labor and Management in identifying and implementing the Central Pension Fund (CPF) contribution rate.

The City agrees to participate in the Central Pension Fund of the International Union of Operating Engineers and Participating Employers {"Central Pension Fund"} in accordance with the terms of the Restated Agreement and Declaration Trust of the Central Pension, the Plan of Benefits, and this Memorandum of Understanding.

1. Minnesota Statute § 356.24, Subd. 1(10) expressly authorizes the Employer to contribute public funds to the Central Pension Fund as a supplemental pension plan for the employees of a governmental subdivision who are covered by a collective bargaining agreement that provides for such coverage.
2. Sections 4.1 of the Restated Agreement and Declaration of Trust of the Central Pension Fund and 13.01 of the Plan of Benefits only permits Employer Contributions to the Fund.
3. The Parties agree that the agreed upon CPF contribution amount that would otherwise be paid in salary or wages will be contributed instead to the CPF as a pre-tax Employer contribution. Contributions from the Employer will not be funded from any other source unless agreed upon by the parties.
4. The hourly contribution rate will be applied to every hour compensated {i.e. hours worked, vacation, holiday and sick time) except for overtime hours worked. The Employer shall remit this contribution directly to the Central Pension Fund at 4115 Chesapeake Street N.W., Washington D.C. 20016.
5. A contribution of \$2.40 per straight time hour worked prevents annual Central Pension Fund contributions on behalf of eligible Employees from exceeding \$5,000.00 in a year and therefore complies with the limitations set forth under Minnesota Statute, §356.24, Subd. 1(10) as amended.
6. For purposes of determining future wage rates, the Employer shall first restore the amount of the CPF Contribution, which is currently the rate of \$2.40 per hour, then apply the applicable wage multiplier, then reduce the revised wage by the Central Pension Fund contribution rate.
7. For purposes of calculating overtime compensation, the Employer shall first restore the amount of the CPF Contribution of \$2.40 then apply the applicable 1.5 wage multiplier required under the Fair Labor Standards Act (FLSA) and the Collective Bargaining Agreement, then pay the resulting amount for overtime worked.
8. The Parties agree that the Public Employees Retirement Association (PERA) interprets Employer contributions to the Central Pension Fund as being included in determining "salary" for the purposes of the public pension.
9. The parties agree to abide by the terms and conditions of the Restated Agreement and Declaration of Trust and the Plan of Benefits of the Central Pension Fund.

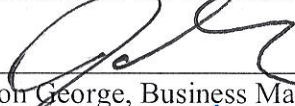
CITY COUNCIL, GRAND RAPIDS

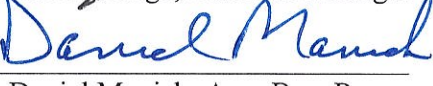
By:   
Dale Christy, Mayor

By:   
Tom Pagel, City Administrator

Date: 11/29/22

LOCAL 49, INTERNATIONAL UNION  
OF OPERATING ENGINEERS

By:   
Jason George, Business Manager

By:   
Daniel Manick, Area Bus. Rep.

Date: 11/23/2022