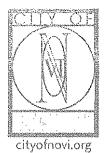
CITY of NOVI CITY COUNCIL



Agenda Item K May 4, 2009

SUBJECT: Approval of resolution for changing MERS benefits for the Fire Fighters Union Local 3232 Division 5, pursuant to the contract approved March 9, 2009 for purposes of computation of final average compensation.

SUBMITTING DEPARTMENT: Finance Department

CITY MANAGER APPROVA

BACKGROUND INFORMATION:

Attached for your consideration is the MERS resolution for the change in benefits for the Fire Fighters Union Local 3232 which amends the final average compensation of the pension benefit factor based on the contract approved March 9, 2009.

RECOMMENDED ACTION: Approval of resolution for changing MERS benefits for the Fire Fighters Union Local 3232 Division 5, pursuant to the contract approved March 9, 2009 for purposes of computation of final average compensation.

	1	2	Υ	N
Mayor Landry				
Mayor Pro Tem Gatt				
Council Member Burke				
Council Member Crawford				

	1	2	Y	N
Council Member Margolis		• 		
Council Member Mutch				
Council Member Staudt			T	



MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN

RESOLUTION FOR CHANGING MERS BENEFITS (OTHER THAN DB COMPONENT OF HYBRID PROGRAM)

In accordance with the MERS Plan Do	ocument of 1996,		
6320 adopts the follow			micipality)
(Municipality No.) adopts the follow	adopts the following benefits for: FIRE LOCAL 3232 DIVISION 5 Reporting Unit No., MERS Div		
A "division" is defined as an employ employee contribution program. Eac Admin.," and is part of a Reporting U	h division has a	specific MERS number and name,	
Supporting Supplemental Valuation is	dated <u>N/A - See allach</u>	ed for changes to FAC computation pursuant to contract	
BENEFIT MULTIPLIER			
From (Current Benefit Multiplier)	To (New Benefi	Effective Date	
Provisions for Earlier Normal Re	tirement		
F50/25 F50/30 F55/15 F55/20 Effective Date	🔲 F55/25	and Out (Specify number of years)	
EMPLOYEE CONTRIBUTION RATE		DDITIONAL BENEFITS FFECTING FUTURE RETIREE	<u>s</u>
New Rate		FAC 3 🛛 FAC 5 🗍 V-6 🗍 V-8	V-10 🗌 RS - 50%
Effective Date		D-2 E-2 DROP + with Effective Date	
RETIREE COST-OF-LIVING B	ENEFIT PRO	GRAMS FOR CURRENT RET	IREES
E Standard E-1			
E - Other (Specify Factor	Adjustn	nent Years)	
Effective Date			
WINDOW PERIOD (If applicable			
From(Date)	Το	(Date)	
ι, r	LD OPPORT DI	. ,	May 4, 2000
I CERTIFY THAT THE ABOVE WAS	ADOPTED BY	Governing Body	May 4, 2009 Date of Meeting
	City Cler	• •	
Authorized Signature		Title	Date

NOTE: Standard/Nonstandard Benefit Provisions—Attach page fully describing provision(s), and (1) a complete copy of the fully executed collective bargaining agreement and a certified copy of official minutes where the collective bargaining agreement or this Resolution was adopted, or (2) a copy of the arbitration or mediation decision. If further information is needed, please contact MERS Employer Services Division at 1 (800) 767-6377.

Resolution for Changing MERS Benefits - Pursuant to Fire Fighters Union Local 3232 contract approved March 9, 2009:

Section 27

The City shall continue to make monthly contributions on behalf of each officer to the Michigan Municipal Retirement System (MERS) to provide at a minimum all of the present and future benefits to which the fire fighters are now entitled under the present arrangement between the City and MERS, as specified under benefit level B-2 including options F-50 with 25 years of service, and FAC-3. All contributions for the B-2 benefit level shall be fully paid by the City. Effective June 30, 2006, this unit shall begin participating under the benefit level B-3. Effective April 1, 2009, this unit shall begin participating under the benefit level B-4. The difference in cost between the B-2 and B-4 benefit shall be totally funded through employee contributions.

For purposes of computing MERS final average compensation:

1. Combined overtime hours shall be capped at 350 hours per fiscal year (based on payrolls from July 1 to June 30 each fiscal year). For all hours exceeding the 350 cap, the employee will receive a reduction in eligible MERS wages for the amount in excess of the cap for purposes of the employee and employer contribution for eligible MERS earnings and the City will make an adjustment to the employee's first payroll in August. The City will also submit corrected ePASS reports to MERS for the months affected by the adjustment. In the event of termination of employment, the cap will be calculated and applied through that date and the MERS eligible wages will be adjusted in the final payment and reported to MERS thru corrected ePASS reports for each month affected by the adjustment.