

# CITY OF NOVI CITY COUNCIL DECEMBER 7, 2020

**SUBJECT:** Approval of audit of retirement plans provided through the Municipal Employees' Retirement System of Michigan.

**SUBMITTING DEPARTMENT:** Human Resources

#### **BACKGROUND INFORMATION:**

Effective January 1, 2021, the Municipal Employees' Retirement System (MERS) is implementing several modifications to the way in which defined benefit, defined contribution, and hybrid plans are administered. Due to these changes, MERS is requiring all member employers to perform an audit and confirm each of the City's retirement plans.

The City of Novi maintains six (6) Defined Benefit plans, one (1) Hybrid Plan for police officers hired after 3/14/2012, and a Defined Contribution plan for all other employees who were hired after the Defined Benefit Plans were closed. The recommended action proposed by City Administration does not change any of the aforementioned plans, this mearly identifies and confirms their details with MERS.

**RECOMMENDED ACTION:** Approval of audit of retirement plans provided through the Municipal Employees' Retirement System of Michigan.

### **MEMORANDUM**



**TO:** PETE AUGER, CITY MANAGER

VICTOR CARDENAS, ASSISTANT CITY MANAGER

FROM: TIA GRONLUND-FOX, DIRECTOR OF HUMAN RESOURCES

**SUBJECT:** RETIREMENT PLAN AUDIT AND REVIEW

**DATE:** NOVEMBER 24, 2020

Effective January 1, 2021, the Municipal Employees' Retirement System (MERS) is implementing several modifications to the way in which defined benefit, defined contribution and hybrid plans are administered. Due to these changes MERS is requiring all member employers to perform an audit and confirm each of the City's retirement plans. These groups include the following:

#### **Defined Benefit (DB)**

Police Officers (hired prior to 3/14/2012)
Police Command Officers
Fire (hired prior to 6/1/2009)
Michigan Association of Public Employees (hired prior to 12/1/2006)
Police Clerks & Dispatchers (hired prior to 8/23/2011)
Non-Union and Library (hired prior to 5/1/2006)

#### **Defined Contribution (DC)**

All groups hired after dates provided above.

#### **Hybrid Plan**

Police Officers hired after date above.

This audit is mandatory for all entities who participate with MERS, and must be confirmed by the Governing Body of each participating public client by December 31, 2020.

Therefore, I request that the Approval of required Audit of Retirement Plan Documents for the Municipal Employees' Retirement System for all City of Novi employee groups, be placed on the Consent Agenda for the December 7, 2020 meeting.

Thank you.



1134 Municipal Way Lansing, MI 48917 | 800.767.MERS (6377) | Fax 517.703.9711

www.mersofmich.com

The employer, a participating municipality or court within the state of Michigan, hereby agrees to adopt and administer the MERS Defined Contribution (DC) Plan provided by the Municipal Employees' Retirement System of Michigan, as authorized by 1996 PA 220, in accordance with MERS Plan Document, as both may be amended, subject to the terms and conditions herein.

Effective Date
he effective date shall be the first day of <b>January, 2021</b> .
. Employer name Novi, City of
Municipality number 632001
This is an amendment of the existing MERS Defined Contribution Agreement.
Any changes to plan provisions apply to employees in the division on the effective date, as well as to new hires ongoing. Definitions will apply for all service accrued after the effective date.
Division number 632001106187
Division name All permanent FT EEs
Note: This division should reflect how you currently define employees who are eligible to participate,
for example, All full-time Employees, New hires after 1/1/2019, etc.
I. Plan Eligibility
Only those employees eligible for MERS membership may participate in the MERS Defined Contribution Plan. If an employee classification is included in the plan, then employees that meet this definition are required to participate in the plan and earn time toward vesting. All eligible employees must be reported to MERS.
Using your Division Name above, expand on the employee classifications that are eligible to participate in MERS, such as "Clerical staff working more than 160 hours in a month," "Elected

Employee classification contains **public safety employees:**  $\bigcirc$  Yes  $\bigcirc$  No

Permanent Full Time employees working at least 37.5 hours per week.

Officials" or "Admin working >32 hours per week," etc.:

Public safety employees include: law enforcement, parole and probation officers, employees responsible for emergency response (911 dispatch, fire service, paramedics, etc.), public works, and other skilled support personnel (equipment operators, etc.).

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EMPLOYER NAME: Novi, City of

DIV: 632001106187

If you elect to include a special classification (chart below), then the employee will be required to participate in the employer and employee contributions adopted in your plan. An excluded classification will require additional information below.

To further define eligibility (select all that apply):

Employee Classification	Included	Excluded	Not Employed
<b>Temporary Employees:</b> Those who will work for the municipality fewer than $\frac{13}{1}$ months in total.		<b></b> The state of the state</th <th></th>	
Part-Time Employees: Those who regularly work fewer than 37.5 per week.		$\overline{\mathbf{x}}$	
Seasonal Employees: Those who will work for the municipality from March to October only.		Ø	
Voter-Elected Officials	<u></u>	X	
Appointed Officials: An official appointed to a voter-elected office.		X	
Contract Employees	<u></u>	X	0

Pro	obationary Periods (select one):
	Contributions will begin after the probationary period has been satisfied. Probationary periods are allowed in one-month increments, no longer than 12 months. During this probationary period, contributions will not be reported and service toward vesting will begin when probationary period has ended.
	The probationary period will be month(s).
	Comments:
X	Contributions will begin with the employee's date of hire (no Probationary Period). Effective with the

date of hire, wages paid and any associated contributions must be submitted to MERS.

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EMPLOYER NAME: Novi, City of

DIV: 632001106187

#### **IV. Provisions**

#### 1. Leaves of Absence

Regardless of whether an employee is earning a wage while on the following types of leave:

- Third-party wages are not used in determining contributions for periods of leave.
- Vesting under elapsed time continues to accrue even if wages are not earned and contributions are zero.

*Note:* Employers who determine vesting based on an "hours-reported" method, should report actual worked hours for the month where there was a leave.

#### Types of leave include:

- Short Term and Long Term Disability
- Workers Compensation
- Unpaid Family Medical Leave Act (FMLA)

Leaves of absence due to military service are governed by the federal *Uniformed Services Employment and Reemployment Rights Act* of 1994 (USERRA), IRC 414(u), effective January 1, 2007, IRC 401(a)(37).

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EMPLOYER NAME: Novi, City of

DIV: 632001106187

#### 2. Definition of Compensation

The Definition of Compensation is used to determine participant and employer contributions. Wages are strongly recommended to be reported with regular wage/contribution reports to MERS. Contributions cannot exceed IRS limitations.

Select your Definition of Compensation here. If you			
choose to customize your definition, skip this table			
and proceed to page 5.	Base Wages	Box 1 Wages	Gross Wages
Types of Compensation			
Regular Wages Salary or hourly wage X hours PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified) On-call pay	All Regular Wages included	All Regular Wages included	All Regular Wages included
Other Wages Shift differentials Overtime Severance issued over time (weekly/bi-weekly)	Excluded	All Other Wages included	All Other Wages included
Lump Sum Payments PTO cash-out Longevity Bonuses Merit pay Job certifications Educational degrees Moving expenses Sick payouts Severance (if issued as lump sum)	Excluded	All Lump Sum Payments included	All Lump Sum Payments included
Taxable Payments Travel through a non-accountable plan (i.e. mileage not tracked for reimbursement) Prizes, gift cards Personal use of a company car Car allowance	Excluded	All Taxable Payments included	All Taxable Payments included
Reimbursement of Nontaxable Expenses (as defined by the IRS) Gun, tools, equipment, uniform Phone Fitness Mileage reimbursement Travel through an accountable plan (i.e., tracking mileage for reimbursement)	Excluded	Excluded	Excluded
Types of Deferrals			
Elective Deferrals of Employee Premiums/Contributions 457 employee and employer contributions 125 cafeteria plan, FSAs and HSAs IRA contributions	All Elective Deferrals included	Excluded	All Elective Deferra included
Types of Benefits			
Nontaxable Fringe Benefits of Employees Health plan, dental, vision benefits Workers compensation premiums Short- or Long-term disability premiums Group term or whole life insurance < \$50,000	All Nontaxable Fringe Benefits included	Excluded	All Nontaxable Fringe Benefits included
Mandatory Contributions	All Mandatory Contributions included	Excluded	All Mandatory Contributions included
Taxable Fringe Benefits Clothing reimbursement Stipends for health insurance opt out payments Group term life insurance > \$50,000	Excluded	Excluded	All Taxable Fringe Benefits included
Other Benefits / Lump Sum Payments Workers compensation settlement payments	Excluded	Excluded	All Other Lump Sun Benefits included

Workers compensation settlement payments

# **Defined Contribution Plan Adoption Agreement Addendum**

EMPLOYER NAME: Novi, C	ity of	DIV: 632001106187
SKIP THIS TABLE if you selected one of the standar	d definitions of compensation	n on page 4.
CUSTOM: If you choose this option, you must select boxes in ea Compensation. You will be responsible for additional re	ch section you would like to include eporting details to track custom de	e in your Definition of efinitions.
Types of Compensation		
Regular Wages		
Salary or hourly wage X hours	On-call pay	
X PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified)	Other:	
Other Wages apply: YES NO		
X Shift differentials X Overtime	Severance issued over time (weekly/t	DI-weekly)
- Overtime	Other:	
Lump Sum Payments apply: YES NO NO	Educational degrees	
Longevity	Moving expenses	
Bonuses	Sick payouts	
Merit pay	Severance (if issued as lump sum)	
Job certifications	Other:	
Taxable Payments apply: YESX NO		
Travel through a non-accountable plan (i.e. mileage not tracked for reimbursement	()	
Prizes, gift cards	X Car allowance	
Personal use of a company car	Other:	
Reimbursement of Nontaxable Expenses (as defined by the IRS) apply: YES NO		
Gun, tools, equipment, uniform	Mileage reimbursement	
Phone	Travel through an accountable plan (i.	i.e. tracking mileage for reimbursement)
Fitness	Other:	
Types of Deferrals		Transfer asset in
Elective Deferrals of Employee Premiums/Contributions apply: YES NO		
457 employee and employer contributions	IRA contributions	
X 125 cafeteria plan, FSAs and HSAs	Other:	
Types of Benefits		
Nontaxable Fringe Benefits of Employees apply: YES NO		
Workers compensation premiums		
X Short- or Long-term disability premiums	Group term or whole life insurance <	
Mandatory Contributions apply: YES NO	Other:	
Taxable Fringe Benefits apply: YES NO		
Clothing reimbursement	Group term life insurance > \$50,000	
Stipends for health insurance opt out payments	Other:	
Other Benefits / Lump Sum Payments apply: YES NO X		

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EMPLOYER NAME: Novi, City of

DIV: 632001106187

#### 3. Forfeiture

V.

A forfeiture occurs when a participant separates from employment prior to meeting the associated elapsed time (or hours reported) to receive vesting. The percentage of his/her employer contribution account balance that has not vested as of the date of termination will forfeit after 12 consecutive months following the termination date reported by the employer, or earlier, if the System distributes the participant's vested portion. MERS will utilize an available forfeiture balance as an automatic funding source applied to reported employer contributions at the time of reporting.

Execution:
Authorized Designee of Governing Body of Municipality or Chief Judge of Court
This foregoing Addendum is hereby approved by City of Novi
at a Board Meeting which took place on: 12/07/2020
at a Board Meeting which took place on: 12/07/2020 (mm/dd/yyyy)
Authorized Signature:
Printed Name:
Title:
Date:
I understand that approved board minutes are required to complete this request.
Roand minutes should be sent to. DataCollectionProject@mersofmich.com

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1134 Municipal Way Lansing, MI 48917 | 800.767.MERS (6377) | Fax 517.703.9711

www.mersofmich.com

The employer, a participating municipality or court within the state of Michigan, hereby agrees to adopt and administer the MERS Hybrid Plan provided by the Municipal Employees' Retirement System of Michigan, as authorized by 1996 PA 220, in accordance with MERS Plan Document, as both may be amended, subject to the terms and conditions herein.

# I. Effective Date The effective date shall be the first day of **January**, **2021**. II. Employer name Novi, City of Municipality number 632001 This is an amendment of the existing Adoption Agreement for the MERS Hybrid Plan. Any changes to plan provisions apply to employees in the division on the effective date, as well as to new hires ongoing. Definitions will apply for all service accrued after the effective date. Unless otherwise noted, sections refer to both the Defined Benefit and Defined Contribution portions of Hybrid. Division number 632001HA Division name on file with MERS POLC after 4/1/2012 III. Plan Eligibility Only those employees eligible for MERS membership may participate in the MERS Hybrid Plan. If an employee classification is included in the plan, then employees that meet this definition will receive service credit if they work the required number of hours to meet the service credit qualification defined below. All eligible employees must be reported to MERS. Using your Division Name above, expand on the employee classifications that are eligible to participate in MERS. For example, if Division is "General," please insert specific classifications that are eligible for MERS such as "Clerical Staff," "Elected Officials," "Library Director," etc.: Sworn Police Officers hired after 4/1/2012 Employee classification contains public safety employees: Public safety employees include: law enforcement, parole and probation officers, employees

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and other skilled support personnel (equipment operators, etc.).

responsible for emergency response (911 dispatch, fire service, paramedics, etc.), public works,

	_		
EMPLOYER NAME: Novi, City of		DIV:	632001на
If you elect to include a special classification (chart below), then the employene Service Credit Qualification under the Defined Benefit portion of Hybrid (Provisions) in order to earn a month of service. Excluded classifications we below. For Defined Contribution portion of Hybrid, vesting is determined a hours reported, if applicable).	d as defin /ill require	ed under : additiona	section IV I informatior
To further define eligibility (select all that apply):			
Employee Classification	Included	Excluded	Not Employed
<b>Temporary Employees:</b> Those who will work for the municipality fewer than months in total.			X
Part-Time Employees: Those who regularly work fewer than per			X
Seasonal Employees: Those who will work for the municipality from to only.			Ø.
Voter-Elected Officials			X
Appointed Officials: An official appointed to a voter-elected office.			X
Contract Employees		(3)	X
Probationary Periods (select one):  Service will begin after the probationary period has been satisfied. Pro one-month increments, no longer than 12 months. During this probation not report or provide service.  The probationary period will be month(s).  Comments:			

Service will begin with the employee's date of hire (no Probationary Period). Effective with the date of hire, wages paid and any associated contributions must be submitted to MERS.

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EMPLOYER NAME: Novi, City of

DIV: 632001HA

#### **IV. Provisions**

#### 1. Service Credit Qualification (for Defined Benefit portion of Hybrid)

To clarify how eligible employees earn service credit, please indicate how many hours per month an eligible employee needs to work. For example, if you require 10 eight-hour days, this would be 80 hours per month. If an 'hour per day' has been defined (like ten 7-hour days), electing 70 hours will be required. Employees must meet the definition of Plan Eligibility and service credit qualification in order to earn service credit under the plan.

To receive one month of service credit, an employee shall work (or be paid for as if working)

80 hours in a month.

Note: For purposes of Defined Contribution, vesting is determined by elapsed time or hours reported.

#### 2. Leaves of Absence (for Defined Benefit portion of Hybrid)

Indicate in the chart below, whether the potential for service credit will be allowed if an eligible employee is on one of the following types of leave, regardless of meeting the service credit qualification criteria.

Regardless whether an eligible employee is awarded service credit while on the selected type(s) of leave:

- MERS will skip over these months when determining the FAC amount for benefit calculations.
- Third-party wages are not reported for leaves of absence.
- Employers **are not** required to remit employer contributions based on leaves of absence when no wages are paid by the employer. However, an employer may submit additional voluntary contributions for the period of the leave in an amount determined by the employer.
- For contributory divisions, employee contributions are required for service credit to be retained. Employee contributions will be collected based on the Service Credit Qualification. Employers will calculate employee contributions due using the employee's current hourly rate (prior to leave). For example, if 120 hours is required for service credit, then employee contributions shall be equal to 120 hours times the employee's hourly rate. Employees have three times the length of leave, to a maximum of five years, to pay required employee contributions. Leaves of absence are required to be reported to MERS, including the employee's start and end date per month, along with the employee's hourly rate.

Note: For the Defined Contribution portion of Hybrid service is not "granted" or "excluded" as elapsed time (or accumulated hours) are used to determine vesting. Contributions will be due only for months where wages are paid.

Type of Leave	Service Credit Granted	Service Credit Excluded
Short- and Long-Term Disability		
Workers' Compensation		
Unpaid Family Medical Leave Act (FMLA)		X
Other:		<b></b> The state of the state</td
For example, sick and accident, administrative, educational, sabbatical, etc.		
Other 2: Service credit granted if on payroll or makes mandatory p	ension contribution	upon return to work
Additional leave types as above		

Leaves of absence due to military service are governed by the Federal *Uniformed Services Employment and Reemployment Rights Act* of 1994 (USERRA), IRC 414(u), effective 1/1/07, IRC 401(a)(37). Military reporting requires historical wage and contribution reporting under both Defined Benefit and Defined Contribution portions.

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EMPLOYER NAME: Novi, City of

DIV: 632001HA

#### 3. Definition of Compensation

To streamline your Hybrid administration, MERS encourages you to use the same Definition of Compensation for both the Defined Benefit and Defined Contribution components. Contributions are calculated using the elected definition and must be reported to MERS separately for Defined Benefit and Defined Contribution.

My Defined Contribution portion uses a different definition. Fill out the below for your Defined Benefit portion and contact MERS at <a href="mailto:DataCollectionProject@mersofmich.com">DataCollectionProject@mersofmich.com</a> for instructions.

Select your definition here. If you choose to customize your definition, skip this table and go to page 5.	Base Wages	Box 1 Wages	Gross Wages
Types of Compensation		Tiber of Tren	Northwest !
Regular Wages Salary or hourly wage X hours PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified) On-call pay	All Regular Wages included	All Regular Wages included	All Regular Wages included
Other Wages Shift differentials Overtime Severance issued over time (weekly/bi-weekly)	Excluded	All Other Wages included	All Other Wages included
PTO cash-out Longevity Bonuses Merit pay Job certifications Educational degrees Moving expenses Sick payouts Severance (if issued as lump sum)	Excluded	All Lump Sum Payments included	All Lump Sum Payments included
Taxable Payments Travel through a non-accountable plan (i.e. mileage not tracked for reimbursement) Prizes, gift cards Personal use of a company car Car allowance	Excluded	All Taxable Payments included	All Taxable Payments included
Reimbursement of Nontaxable Expenses (as defined by the IRS) Gun, tools, equipment, uniform Phone Fitness Mileage reimbursement Travel through an accountable plan (i.e. tracking mileage for reimbursement)	Excluded	Excluded	Excluded
Types of Deferrals	1 2 3 3 5	15370	F-01 - 1
Elective Deferrals of Employee Premiums/Contributions 457 employee and employer contributions 125 cafeteria plan, FSAs and HSAs IRA contributions	All Elective Deferrals included	Excluded	All Elective Deferrals
Types of Benefits	1 1	Clark Name	
Nontaxable Fringe Benefits of Employees Health plan, dental, vision benefits Workers compensation premiums Short- or Long-term disability premiums Group term or whole life insurance < \$50,000	All Nontaxable Fringe Benefits included	Excluded	All Nontaxable Fringe Benefits included
Mandatory Contributions Hybrid Plan employee contributions MERS Health Care Savings Program employee contributions	All Mandatory Contributions included	Excluded	All Mandatory Contributions included
Taxable Fringe Benefits Clothing reimbursement Stipends for health insurance opt out payments Group term life insurance > \$50,000	Excluded	Excluded	All Taxable Fringe Benefits included
Other Benefits / Lump Sum Payments Workers compensation settlement payments	Excluded	Excluded	All Other Lump Sum Benefits included

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EMPLOYER NAME: Novi, (	City of DIV: 632001HA
SKIP THIS TABLE if you selected one of the standar	
based on definition selected and the percentage of co	reporting details to track custom definitions. Wages are reported
Types of Compensation	
Regular Wages	
Salary or hourly wage X hours	On-call pay
X PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified)	Other:
Other Wages apply: YES NO	
X Shift differentials	Severance issued over time (weekly/bi-weekly)
X Overtime	X Other: Overtime capped at 350 hours annually.
Lump Sum Payments apply: YES NO	
PTO cash-out	Educational degrees
Longevity	Moving expenses
Bonuses	Sick payouts
Merit pay	Severance (if issued as lump sum)
Job certifications	Other:
Taxable Payments apply: YES NO X	
Travel through a non-accountable plan (i.e. mileage not tracked for reimbursemen	t)
Prizes, gift cards	Car allowance
Personal use of a company car	Other:
Reimbursement of Nontaxable Expenses (as defined by the IRS) apply: YES NO	<u></u>
Gun, tools, equipment, uniform	Mileage reimbursement
Phone	Travel through an accountable plan (i.e. tracking mileage for reimbursement)
Fitness	Other:
Types of Deferrals	
Elective Deferrals of Employee Premiums/Contributions apply: YES NO	
X 457 employee and employer contributions	X IRA contributions
X 125 cafeteria plan, FSAs and HSAs	Other:
Types of Benefits	
Nontaxable Fringe Benefits of Employees apply: YES NO	
X Health plan, dental, vision benefits	
Workers compensation premiums	Group term or whole life insurance < \$50,000
Short- or Long-term disability premiums	Other:
Mandatory Contributions apply: YES NO	
X Hybrid Plan employee contributions	
MERS Health Care Savings Program employee contributions	Other:
Taxable Fringe Benefits apply: YES NOX	
Clothing reimbursement	Group term life insurance > \$50,000
Stipends for health insurance opt out payments	Other:
Other Benefits / Lump Sum Payments apply: YES NO	_
Workers compensation settlement payments	Other:

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V.

# **Hybrid Plan Adoption Agreement Addendum**

EMPLOYER NAME: Novi, City of

DIV: 632001HA

#### 4. Forfeiture (for Defined Contribution portion of Hybrid)

A forfeiture occurs when a participant separates from employment prior to meeting the associated elapsed time (or hours reported) to receive vesting. The percentage of his/her employer contribution account balance that has not vested as of the date of termination will forfeit after 12 consecutive months following the termination date reported by the employer, or earlier, if the System distributes the participant's vested portion. MERS will utilize an available forfeiture balance as an automatic funding source applied to reported employer contributions at the time of reporting.

Execution: Authorized Designee of Governing Body of Municipality or Chief Judge of Court
This foregoing Addendum is hereby approved by City of Novi
at a Board Meeting which took place on: 12/07/2020 (mm/dd/yyyy)
Authorized Signature:
Printed Name:
Title:
Date:
I understand that approved board minutes are required to complete this request.  Roard minutes should be sent to: DataCollectionProject@mersofmich.com

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The employer, a participating municipality or court within the state of Michigan, hereby agrees to adopt and administer the MERS Defined Benefit (DB) Plan provided by the Municipal Employees' Retirement

I Effective Date
may be amended, subject to the terms and conditions herein.
System of Michigan, as authorized by 1996 PA 220, in accordance with MERS Plan Document, as bo
and deminister the MENO Demica Deficit (DD) I fair provided by the Manierpai Employees. Netherner

Effective Date
he effective date shall be the first day of <b>January, 2021</b> .
. Employer name_Novi, City of
Municipality number 632001
This is an amendment of the existing Adoption Agreement for the MERS Defined Benefit.
Any changes to plan provisions apply to employees in the division on the effective date, as well as to new hires ongoing. Definitions will apply for all service accrued after the effective date.
Division number 63200101
Division name on file with MERS General NonUnion
I. Plan Eligibility
Only those employees eligible for MERS membership may participate in the MERS Defined Benefit. If an employee classification is <b>included</b> in the plan, then employees that meet this definition will receive service credit if they work the required number of hours to meet the service credit qualification defined below. All eligible employees must be reported to MERS.
Using your Division Name above, expand on the employee classifications that are eligible to participate in MERS. For example, if Division is "General," please insert specific classifications that are eligible for MERS such as "Clerical Staff," "Elected Officials," "Library Director," etc.:  Departments Directors, Managers, Support Staff that are not represented by a labor group and hired prior to May 1, 2006.
Employee classification contains <b>public safety employees:</b> Yes No  Public safety employees include: law enforcement, parole and probation officers, employees responsible for emergency response (911 dispatch, fire service, paramedics, etc.), public works, and other skilled support personnel (equipment operators, etc.).

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EMPLOYER NAME:	Novi	Citv	οf
EITH COTCH IN HIL.	110011	CICY	01

DIV: 63200101

Not

**Employed** 

Included Excluded

If you elect to include a special classification (chart below), then the employee will be required to meet the Service Credit Qualification as defined under section IV (Provisions) in order to earn a month of service. Excluded classification will require additional information below.

To further define eligibility (select all that apply):

**Employee Classification** 

<b>Temporary Employees:</b> Those who will work for the municipality fewer than $\frac{13}{100}$ months in total.		<b>⊠</b> J	
Part-Time Employees: Those who regularly work fewer than 40 per week		X	
Seasonal Employees: Those who will work for the municipality from to only.			$\overline{\otimes}$
Voter-Elected Officials			X
Appointed Officials: An official appointed to a voter-elected office.			X
Contract Employees		<b>₹</b>	
Service will begin after the probationary period has been satisfied. Pro one-month increments, no longer than 12 months. During this probation not report or provide service.	•	•	
The probationary period will be month(s).			
Comments:			

Service will begin with the employee's date of hire (no Probationary Period). Effective with the date of hire, wages paid and any associated contributions must be submitted to MERS.

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EMPLOYER NAME: Novi, City of DIV: 63200101

#### **IV. Provisions**

#### 1. Service Credit Qualification

To clarify how eligible employees earn service credit, please indicate how many hours per month an eligible employee needs to work. For example, if you require 10 eight-hour days, this would be 80 hours per month. If an 'hour per day' has been defined (like ten 7-hour days), electing 70 hours will be required. Employees must meet the definition of Plan Eligibility in order to earn service credit under the plan.

To receive one month of service credit, an employee shall work (or be paid for as if working) 80 hours in a month.

#### 2. Leaves of Absence

Indicate by checking the boxes below, whether the potential for service credit will be allowed if an eligible employee is on one of the following types of leave, regardless of meeting the service credit qualification criteria.

Regardless whether an eligible employee is awarded service credit while on the selected type(s) of leave:

- MERS will skip over these months when determining the FAC amount for benefit calculations.
- Third-party wages are not reported for leaves of absence.
- Employers are not required to remit employer contributions based on leaves of absence when
  no wages are paid by the employer. However, an employer may submit additional voluntary
  contributions for the period of the leave in an amount determined by the employer.
- For contributory divisions, employee contributions are required for service credit to be retained. Employee contributions will be collected based on the Service Credit Qualification. Employers will calculate employee contributions due using the employee's current hourly rate (prior to leave). For example if 120 hours is required for service credit, then employee contributions shall be equal to 120 hours times the employee's hourly rate. Employees have three times the length of leave, to a maximum of five years, to pay required employee contributions. Leaves of absence are required to be reported to MERS, including the employee's start and end date per month, along with the employee's hourly rate.

Type of Leave	Service Credit Granted	Service Credit Excluded
Short- and Long-Term Disability		X
Workers' Compensation		X
Unpaid Family Medical Leave Act (FMLA)		X
Other: Service credit granted if employee is on payroll or makes	required pributions	upon neturn to wor
For example, sick and accident, administrative, educational, sabbatical, etc.		
Other 2:		
Additional leave types as above		L_*

Leaves of absence due to military service are governed by the Federal Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), IRC 414(u), effective January 1, 2007, IRC 401(a)(37).

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EMPLOYER NAME: Novi, City of

DIV: 63200101

#### 3. Definition of Compensation

The Definition of Compensation is used to calculate a participant's final average compensation and is used in determining both employer and employee contributions. Wages paid to employees, calculated using the elected definition, must be reported to MERS.

choose to customize your definition, skip this table and proceed to page 5.			
	Base Wages	Box 1 Wages	Gross Wages
Types of Compensation			
Regular Wages Salary or hourly wage X hours PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified) On-call pay	All Regular Wages included	All Regular Wages included	All Regular Wages included
Other Wages Shift differentials Overtime Severance issued over time (weekly/bi-weekly)	Excluded	All Other Wages included	All Other Wages included
Lump Sum Payments PTO cash-out Longevity Bonuses Merit pay Job certifications Educational degrees Moving expenses Sick payouts Severance (if issued as lump sum)	Excluded	All Lump Sum Payments included	Ali Lump Sum Payments included
Taxable Payments Travel through a non-accountable plan (i.e. mileage not tracked for reimbursement) Prizes, gift cards Personal use of a company car Car allowance	Excluded	All Taxable Payments included	All Taxable Payments included
Reimbursement of Nontaxable Expenses (as defined by the IRS) Gun, tools, equipment, uniform Phone Fitness Mileage reimbursement Travel through an accountable plan (i.e. tracking mileage for reimbursement)	Excluded	Excluded	Excluded
Types of Deferrals			12000
Elective Deferrals of Employee Premiums/Contributions 457 employee and employer contributions 125 cafeteria plan, FSAs and HSAs IRA contributions	All Elective Deferrals included	Excluded	All Elective Deferra included
Types of Benefits			
Nontaxable Fringe Benefits of Employees Health plan, dental, vision benefits Workers compensation premiums Short- or Long-term disability premiums Group term or whole life insurance < \$50,000	All Nontaxable Fringe Benefits included	Excluded	All Nontaxable Fringe Benefits included
Mandatory Contributions Defined Benefit employee contributions MERS Health Care Savings Program employee contributions	All Mandatory Contributions included	Excluded	All Mandatory Contributions included
Taxable Fringe Benefits Clothing reimbursement Stipends for health insurance opt out payments Group term life insurance > \$50,000	Excluded	Excluded	All Taxable Fringe Benefits included
Other Benefits / Lump Sum Payments Workers compensation settlement payments	Excluded	Excluded	All Other Lump Sun Benefits included

DB-000 (version 2020-09-10)

EMPLOYER NAME: Novi, (	City of DIV: 63200101
SKIP THIS TABLE if you selected one of the standar	
CUSTOM: If you choose this option, you must select boxes in ea Compensation. You will be responsible for additional	ach section you would like to include in your Definition of reporting details to track custom definitions.
Types of Compensation	
Regular Wages	
X Salary or hourly wage X hours	On-call pay
PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified)	Other:
Other Wages apply: YES NO X	
Shift differentials	Severance issued over time (weekly/bi-weekly)
Overtime	Other:
Lump Sum Payments apply: YES NO	
X PTO cash-out	Educational degrees
X Longevity	Moving expenses
X Bonuses	Sick payouts
Merit pay	X Severance (if issued as lump sum)  Other: unless indicated payment is excluded.
Job certifications	X Other: divess indicated payment is excluded.
Taxable Payments apply: YES NO	
Travel through a non-accountable plan (i.e. mileage not tracked for reimbursemen	rt)
Prizes, gift cards	X Car allowance
Personal use of a company car	Other:
Reimbursement of Nontaxable Expenses (as defined by the IRS) apply: YES NO	
Gun, tools, equipment, uniform	Mileage reimbursement
Phone	Travel through an accountable plan (i.e. tracking mileage for reimbursement)
Fitness	Other:
Types of Deferrals	
Elective Deferrals of Employee Premiums/Contributions apply: YES NO \( \)  457 employee and employer contributions	<b></b>
To the project and amproject contributions	IRA contributions
X 125 cafeteria plan, FSAs and HSAs	Other:
Types of Benefits	
Nontaxable Fringe Benefits of Employees apply: YES NO Health plan, dental, vision benefits	
Workers compensation premiums	
Short- or Long-term disability premiums	X Group term or whole life insurance < \$50,000
	Other:
Mandatory Contributions apply: YES NO Defined Benefit employee contributions	
MERS Health Care Savings Program employee contributions	Others
Taxable Fringe Benefits apply: YES NOK	Other:
Clothing reimbursement	Group term life insurance > \$50,000
Stipends for health insurance opt out payments	Other:
Other Benefits / Lump Sum Payments apply: YES NO NO	
Workers compensation settlement payments	Other:

EMPLOYER NAME: Novi, City of

DIV:63200101

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V.	-VA	cution:	
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#### Authorized Designee of Governing Body of Municipality or Chief Judge of Court

igcap I understand that approved board minutes are required to complete this request.

Board minutes should be sent to: DataCollectionProject@mersofmich.com

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1134 Municipal Way Lansing, MI 48917 | 800.767.MERS (6377) | Fax 517.703.9711

www.mersofmich.com

The employer, a participating municipality or court within the state of Michigan, hereby agrees to adopt and administer the MERS Defined Benefit (DB) Plan provided by the Municipal Employees' Retirement System of Michigan, as authorized by 1996 PA 220, in accordance with MERS Plan Document, as both may be amended, subject to the terms and conditions herein.

# II. Employer name Novi, City of Municipality number 632001 This is an amendment of the existing Adoption Agreement for the MERS Defined Benefit. Any changes to plan provisions apply to employees in the division on the effective date, as well as to new hires ongoing. Definitions will apply for all service accrued after the effective date. Division number 63200102 Division name on file with MERS POLC

Only those employees eligible for MERS membership may participate in the MERS Defined Benefit. If an employee classification is **included** in the plan, then employees that meet this definition will receive service credit if they work the required number of hours to meet the service credit qualification defined below. All eligible employees must be reported to MERS.

Using your Division Name above, expand on the employee classifications that are eligible to participate in MERS. For example, if Division is "General," please insert specific classifications that are eligible for MERS such as "Clerical Staff," "Elected Officials," "Library Director," etc.:

Sworn police officers hired prior to March 14, 2012

Employee classification contains <b>public safety employees:</b>	Yes	☐ No	

Public safety employees include: law enforcement, parole and probation officers, employees responsible for emergency response (911 dispatch, fire service, paramedics, etc.), public works, and other skilled support personnel (equipment operators, etc.).

DB-000 (version 2020-09-10) Page 1 of 6

If you elect to include a special classification (ch	nart below), then the employee will be required to meet th	ıe
Sancias Cradit Qualification as defined under sec	ction IV (Provisions) in order to earn a month of service	

DIV: 63200102

Included Excluded

EMPLOYER NAME: Novi, City of

Service Credit Qualification as defined under section IV (Provisions) in order to earn a month of service. Excluded classification will require additional information below.

To further define eligibility (select all that apply):

**Employee Classification** 

Temporary Employees: Those who will work for the municipality fewer than			Lilipioyeu
months in total.			×
Part-Time Employees: Those who regularly work fewer than per			(X)
Seasonal Employees: Those who will work for the municipality from to only.			<b>⊠</b>
Voter-Elected Officials			X
Appointed Officials: An official appointed to a voter-elected office.			X
Contract Employees			<b>▼</b>
one-month increments, no longer than 12 months. During this probat not report or provide service.	tionary peri	od, the e	employer will
The probation are ported will be a promath(s)			
The probationary period will be month(s).			

Service will begin with the employee's date of hire (no Probationary Period). Effective with the date of hire, wages paid and any associated contributions must be submitted to MERS.

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EMPLOYER NAME: Novi, City of

DIV: 63200102

#### **IV. Provisions**

#### 1. Service Credit Qualification

To clarify how eligible employees earn service credit, please indicate how many hours per month an eligible employee needs to work. For example, if you require 10 eight-hour days, this would be 80 hours per month. If an 'hour per day' has been defined (like ten 7-hour days), electing 70 hours will be required. Employees must meet the definition of Plan Eligibility in order to earn service credit under the plan.

To receive one month of service credit, an employee shall work (or be paid for as if working)

80 hours in a month.

#### 2. Leaves of Absence

Indicate by checking the boxes below, whether the potential for service credit will be allowed if an eligible employee is on one of the following types of leave, regardless of meeting the service credit qualification criteria.

Regardless whether an eligible employee is awarded service credit while on the selected type(s) of leave:

- MERS will skip over these months when determining the FAC amount for benefit calculations.
- Third-party wages are not reported for leaves of absence.
- Employers are not required to remit employer contributions based on leaves of absence when no wages are paid by the employer. However, an employer may submit additional voluntary contributions for the period of the leave in an amount determined by the employer.
- For contributory divisions, employee contributions are required for service credit to be retained. Employee contributions will be collected based on the Service Credit Qualification. Employers will calculate employee contributions due using the employee's current hourly rate (prior to leave). For example if 120 hours is required for service credit, then employee contributions shall be equal to 120 hours times the employee's hourly rate. Employees have three times the length of leave, to a maximum of five years, to pay required employee contributions. Leaves of absence are required to be reported to MERS, including the employee's start and end date per month, along with the employee's hourly rate.

Type of Leave	Service Credit Granted	Service Credit Excluded
Short- and Long-Term Disability		X
Workers' Compensation		X
Unpaid Family Medical Leave Act (FMLA)		×
Other: For example, sick and accident, administrative, educational, sabbatical, etc.		Ø
Other 2: Service credit granted if employee is on payroll o Additional leave types as above	r makes mandatory p	ension contribut

Leaves of absence due to military service are governed by the Federal Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), IRC 414(u), effective January 1, 2007, IRC 401(a)(37).

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EMPLOYER NAME: Novi, City of

DIV: 63200102

#### 3. Definition of Compensation

The Definition of Compensation is used to calculate a participant's final average compensation and is used in determining both employer and employee contributions. Wages paid to employees, calculated using the elected definition, must be reported to MERS.

choose to customize your definition, skip this table and proceed to page 5.		O	
and proceed to page of	Base Wages	Box 1 Wages	<b>Gross Wages</b>
Types of Compensation		Figure 1	
Regular Wages Salary or hourly wage X hours PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified) On-call pay	All Regular Wages included	All Regular Wages included	All Regular Wages included
Other Wages Shift differentials Overtime Severance issued over time (weekly/bi-weekly)	Excluded	All Other Wages included	All Other Wages included
Lump Sum Payments  PTO cash-out Longevity Bonuses Merit pay Job certifications Educational degrees Moving expenses Sick payouts Severance (if issued as lump sum)	Excluded	All Lump Sum Payments included	All Lump Sum Payments included
Taxable Payments Travel through a non-accountable plan (i.e. mileage not tracked for reimbursement) Prizes, gift cards Personal use of a company car Car allowance	Excluded	All Taxable Payments included	All Taxable Payments included
Reimbursement of Nontaxable Expenses (as defined by the IRS) Gun, tools, equipment, uniform Phone Fitness Mileage reimbursement Travel through an accountable plan (i.e. tracking mileage for reimbursement)	Excluded	Excluded	Excluded
Types of Deferrals			
Elective Deferrals of Employee Premiums/Contributions 457 employee and employer contributions 125 cafeteria plan, FSAs and HSAs IRA contributions	All Elective Deferrals included	Excluded	All Elective Deferrals included
Types of Benefits			
Nontaxable Fringe Benefits of Employees Health plan, dental, vision benefits Workers compensation premiums Short- or Long-term disability premiums Group term or whole life insurance < \$50,000	All Nontaxable Fringe Benefits included	Excluded	All Nontaxable Fringe Benefits included
Mandatory Contributions Defined Benefit employee contributions MERS Health Care Savings Program employee contributions	All Mandatory Contributions included	Excluded	All Mandatory Contributions included
Taxable Fringe Benefits Clothing reimbursement Stipends for health insurance opt out payments Group term life insurance > \$50,000	Excluded	Excluded	All Taxable Fringe Benefits included
Other Benefits / Lump Sum Payments Workers compensation settlement payments	Excluded	Excluded	All Other Lump Sum Benefits included

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EMPLOYER NAME: Novi,	, City of DIV: 63200102
SKIP THIS TABLE if you selected one of the stand	dard definitions of compensation on page 4.
CUSTOM: If you choose this option, you must select boxes in Compensation. You will be responsible for additional	
Types of Compensation	
Regular Wages	
X Salary or hourly wage X hours	On-call pay
PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified	d) Other:
Other Wages apply: YES NO	
Shift differentials	Severance issued over time (weekly/bi-weekly)    X   Other: Overtime capped at 350 hours annually
X Overtime	X) Other: Over time capped at 330 hours annually
Lump Sum Payments apply: YES NO	Caluarational decrees
X  PTO cash-out	Educational degrees
X Longevity	Moving expenses
Bonuses	Sick payouts
Merit pay	Severance (if issued as lump sum)
Job certifications	Other:
Taxable Payments apply: YES NO	
Travel through a non-accountable plan (i.e. mileage not tracked for reimbursen	
Prizes, gift cards	Car allowance
Personal use of a company car	Other:
	10×1
Gun, tools, equipment, uniform	Mileage reimbursement
Phone	Travel through an accountable plan (i.e. tracking mileage for reimbursement)
Fitness	Other:
Types of Deferrals	
Elective Deferrals of Employee Premiums/Contributions apply: YES NO	
457 employee and employer contributions	IRA contributions
X 125 cafeteria plan, FSAs and HSAs	Other:
Types of Benefits	
Nontaxable Fringe Benefits of Employees apply: YES NO Health plan, dental, vision benefits	
and the state of t	
Workers compensation premiums	Group term or whole life insurance < \$50,000
Short- or Long-term disability premiums	Other:
Mandatory Contributions apply: YES NO	
	П
MERS Health Care Savings Program employee contributions	Other:
Taxable Fringe Benefits apply: YES NO NO	Group term life insurance > \$50,000
Clothing reimbursement	Other:
Stipends for health insurance opt out payments	
Other Benefits / Lump Sum Payments apply: YES NO Workers compensation settlement payments	Other:

Date: \_\_\_\_\_

# **Defined Benefit Plan Adoption Agreement Addendum**

EMPLOYER NAME: Novi, City of

DIV:63200102

V.	Execution: Authorized Designee of Governing Body of Municipality or Chief Judge of Court
	This foregoing Addendum is hereby approved by City of Novi
	at a Board Meeting which took place on: 12/07/2020 (mm/dd/yyyy)
	Authorized Signature:
	Printed Name:
	Title:

I understand that approved board minutes are required to complete this request.

Board minutes should be sent to: 
DataCollectionProject@mersofmich.com

DB-000 (version 2020-09-10) Page 6 of 6



1134 Municipal Way Lansing, MI 48917 | 800.767.MERS (6377) | Fax 517.703.9711

www.mersofmich.com

The employer, a participating municipality or court within the state of Michigan, hereby agrees to adopt and administer the MERS Defined Benefit (DB) Plan provided by the Municipal Employees' Retirement System of Michigan, as authorized by 1996 PA 220, in accordance with MERS Plan Document, as both may be amended, subject to the terms and conditions herein.

ı.	<b>Effective</b>	Data

The effective date shall be the first day of <b>January, 2021</b> .	
II. Employer name Novi, City of	
Municipality number 632001	
This is an amendment of the existing Adoption Agreement for the MERS Defined Benefit.	
Any changes to plan provisions apply to employees in the division on the effective date, as well as new hires ongoing. Definitions will apply for all service accrued after the effective date.	to
Division number 63200105	
Division name on file with MERS Fire Local 3232	
III. Plan Eligibility	
Only those employees eligible for MERS membership may participate in the MERS Defined Benefit an employee classification is <b>included</b> in the plan, then employees that meet this definition will rec service credit if they work the required number of hours to meet the service credit qualification defi below. All eligible employees must be reported to MERS.	eive
Using your Division Name above, expand on the employee classifications that are eligible to participate in MERS. For example, if Division is "General," please insert specific classifications that eligible for MERS such as "Clerical Staff," "Elected Officials," "Library Director," etc.:  Fire Protection Officers hired prior to June 1, 2009	are
Employee classification contains public safety employees: X Yes No	
Public safety employees include: law enforcement, parole and probation officers, employees responsible for emergency response (911 dispatch, fire service, paramedics, etc.), public works and other skilled support personnel (equipment operators, etc.).	;,

DB-000 (version 2020-09-10) Page 1 of 6

EMPLOYER NAME: Novi, City of

DIV: 63200105

Not

**Employed** 

Included Excluded

If you elect to include a special classification (chart below), then the employee will be required to meet the Service Credit Qualification as defined under section IV (Provisions) in order to earn a month of service. Excluded classification will require additional information below.

To further define eligibility (select all that apply):

**Employee Classification** 

			X
Part-Time Employees: Those who regularly work fewer than per			X
Seasonal Employees: Those who will work for the municipality from to only.			X
Voter-Elected Officials	୍ର	0	X
Appointed Officials: An official appointed to a voter-elected office.		$\sim$	$\boxtimes$
Contract Employees			$\overline{\mathbf{x}}$
<ul> <li>Service will begin after the probationary period has been satisfied. Pro one-month increments, no longer than 12 months. During this probation not report or provide service.</li> <li>The probationary period will be month(s).</li> <li>Comments:</li> </ul>			

Service will begin with the employee's date of hire (no Probationary Period). Effective with the date of hire, wages paid and any associated contributions must be submitted to MERS.

DB-000 (version 2020-09-10) Page 2 of 6

EMPLOYER NAME: Novi, City of

DIV: 63200105

#### **IV. Provisions**

#### 1. Service Credit Qualification

To clarify how eligible employees earn service credit, please indicate how many hours per month an eligible employee needs to work. For example, if you require 10 eight-hour days, this would be 80 hours per month. If an 'hour per day' has been defined (like ten 7-hour days), electing 70 hours will be required. Employees must meet the definition of Plan Eligibility in order to earn service credit under the plan.

To receive one month of service credit, an employee shall work (or be paid for as if working)

80 \_\_\_\_\_ hours in a month.

#### 2. Leaves of Absence

Indicate by checking the boxes below, whether the potential for service credit will be allowed if an eligible employee is on one of the following types of leave, regardless of meeting the service credit qualification criteria.

Regardless whether an eligible employee is awarded service credit while on the selected type(s) of leave:

- MERS will skip over these months when determining the FAC amount for benefit calculations.
- Third-party wages are not reported for leaves of absence.
- Employers are not required to remit employer contributions based on leaves of absence when
  no wages are paid by the employer. However, an employer may submit additional voluntary
  contributions for the period of the leave in an amount determined by the employer.
- For contributory divisions, employee contributions are required for service credit to be retained.
   Employee contributions will be collected based on the Service Credit Qualification. Employers will calculate employee contributions due using the employee's current hourly rate (prior to leave). For example if 120 hours is required for service credit, then employee contributions shall be equal to 120 hours times the employee's hourly rate. Employees have three times the length of leave, to a maximum of five years, to pay required employee contributions. Leaves of absence are required to be reported to MERS, including the employee's start and end date per month, along with the employee's hourly rate.

Short- and Long-Term Disability	[♥]
Workers' Compensation	×
Unpaid Family Medical Leave Act (FMLA)	X
Other: For example, sick and accident, administrative, educational, sabbatical, etc.	

Leaves of absence due to military service are governed by the Federal Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), IRC 414(u), effective January 1, 2007, IRC 401(a)(37).

DB-000 (version 2020-09-10) Page 3 of 6

EMPLOYER NAME: Novi, City of

DIV: 63200105

#### 3. Definition of Compensation

The Definition of Compensation is used to calculate a participant's final average compensation and is used in determining both employer and employee contributions. Wages paid to employees, calculated using the elected definition, must be reported to MERS.

Select your Definition of Compensation here. If you choose to customize your definition, skip this table and proceed to page 5.	O Base Wages	O Box 1 Wages	O Gross Wages
Types of Compensation			
Regular Wages Salary or hourly wage X hours PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified) On-call pay	All Regular Wages included	All Regular Wages included	All Regular Wages included
Other Wages Shift differentials Overtime Severance issued over time (weekly/bi-weekly)	Excluded	All Other Wages included	All Other Wages included
Lump Sum Payments PTO cash-out Longevity Bonuses Merit pay Job certifications Educational degrees Moving expenses Sick payouts Severance (if issued as lump sum)	Excluded	All Lump Sum Payments Included	All Lump Sum Payments included
Taxable Payments Travel through a non-accountable plan (i.e. mileage not tracked for reimbursement) Prizes, gift cards Personal use of a company car Car allowance	Excluded	All Taxable Payments included	All Taxable Payments included
Reimbursement of Nontaxable Expenses (as defined by the IRS) Gun, tools, equipment, uniform Phone Fitness Mileage reimbursement Travel through an accountable plan (i.e. tracking mileage for reimbursement)	Excluded	Excluded	Excluded
Types of Deferrals			
Elective Deferrals of Employee Premiums/Contributions 457 employee and employer contributions 125 cafeteria plan, FSAs and HSAs IRA contributions	All Elective Deferrals included	Excluded	All Elective Deferral included
Types of Benefits	Harris Control		TYPE YES
Nontaxable Fringe Benefits of Employees Health plan, dental, vision benefits Workers compensation premiums Short- or Long-term disability premiums Group term or whole life insurance < \$50,000	All Nontaxable Fringe Benefits included	Excluded	All Nontaxable Fringe Benefits included
Mandatory Contributions Defined Benefit employee contributions MERS Health Care Savings Program employee contributions	All Mandatory Contributions included	Excluded	All Mandatory Contributions included
Taxable Fringe Benefits Clothing reimbursement Stipends for health insurance opt out payments Group term life insurance > \$50,000	Excluded	Excluded	All Taxable Fringe Benefits included
Other Benefits / Lump Sum Payments Workers compensation settlement payments	Excluded	Excluded	All Other Lump Sum Benefits included

DB-000 (version 2020-09-10)

EMPLOYER NAME: NOVi, (	city of DIV: 63200105
SKIP THIS TABLE if you selected one of the standar	rd definitions of compensation on page 4.
Compensation. You will be responsible for additional to	
Types of Compensation	
Regular Wages	
Salary or hourly wage X hours	On-call pay
X PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified)	Other:
Other Wages apply: YES NO	
Shift differentials	Severance issued over time (weekly/bi-weekly)
X Overtime	X Other: Overtime capped at 350 hours annually
Lump Sum Payments apply: YES NO	
PTO cash-out	Educational degrees
X Longevity	Moving expenses
Bonuses	Sick payouts
Merit pay	Severance (if issued as lump sum)
Job certifications	Other:
Taxable Payments apply: YES NO	
Travel through a non-accountable plan (i.e. mileage not tracked for reimbursemen	t)
Prizes, gift cards	Car allowance
Personal use of a company car	Other:
Reimbursement of Nontaxable Expenses (as defined by the IRS) apply: YES NO	₹
Gun, tools, equipment, uniform	Mileage reimbursement
Phone	Travel through an accountable plan (i.e. tracking mileage for reimbursement)
Fitness	Other:
Types of Deferrals	
Elective Deferrals of Employee Premiums/Contributions apply: YES NO	
457 employee and employer contributions	IRA contributions
X 125 cafeteria plan, FSAs and HSAs	Other:
Types of Benefits	
Nontaxable Fringe Benefits of Employees apply: YES NO	
X Health plan, dental, vision benefits	=
Workers compensation premiums	Group term or whole life insurance < \$50,000
X Short- or Long-term disability premiums	Other:
Mandatory Contributions apply: YES NO	
X Defined Benefit employee contributions	=
MERS Health Care Savings Program employee contributions	Other:
Taxable Fringe Benefits apply: YES NO X	Crown hours life in warmen at CCO 000
Clothing reimbursement	Group term life insurance > \$50,000
Stipends for health insurance opt out payments	Other:
Other Benefits / Lump Sum Payments apply: YES NO NO	-
Workers compensation settlement payments	Other:

	<b>EMPLOYER</b>	NAME: N	Novi.	City	of
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DIV: 63200105

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#### Authorized Designee of Governing Body of Municipality or Chief Judge of Court

This foregoing Addendum is hereby approved by City of Novi at a Board Meeting which took place on: 12/07/2020 (mm/dd/yyyy) Authorized Signature: Printed Name: \_\_\_\_\_ Date:

I understand that approved board minutes are required to complete this request. Board minutes should be sent to: DataCollectionProject@mersofmich.com

DB-000 (version 2020-09-10) Page 6 of 6



1134 Municipal Way Lansing, MI 48917 | 800.767.MERS (6377) | Fax 517.703.9711

The employer, a participating municipality or court within the state of Michigan, hereby agrees to adopt and administer the MERS Defined Benefit (DB) Plan provided by the Municipal Employees' Retirement System of Michigan, as authorized by 1996 PA 220, in accordance with MERS Plan Document, as both may be amended, subject to the terms and conditions herein.

#### I. Effective Date

The effective date shall be t	the first day of <b>January</b> ,	2021.
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The enective date shall be the first day of <b>January, 2021</b> .	
II. Employer name Novi, City of	
Municipality number 632001	
This is an amendment of the existing Adoption Agreement for the MERS Defined Benefit.	
Any changes to plan provisions apply to employees in the division on the effective date, as well as new hires ongoing. Definitions will apply for all service accrued after the effective date.	to
Division number 63200110	
Division name on file with MERS General Union	
III. Plan Eligibility	
Only those employees eligible for MERS membership may participate in the MERS Defined Benefit an employee classification is <b>included</b> in the plan, then employees that meet this definition will rec service credit if they work the required number of hours to meet the service credit qualification defi below. All eligible employees must be reported to MERS.	eive
Using your Division Name above, expand on the employee classifications that are eligible to participate in MERS. For example, if Division is "General," please insert specific classifications that eligible for MERS such as "Clerical Staff," "Elected Officials," "Library Director," etc.:  Police Clerical hired prior to September 3, 2011	: are
Employee classification contains <b>public safety employees:</b> Yes  No  Public safety employees include: law enforcement, parole and probation officers, employees responsible for emergency response (911 dispatch, fire service, paramedics, etc.), public works	 S,
	3,

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EMPLOYER	NAME:	Novi.	City	of

DIV: 63200110

Not

If you elect to include a special classification (chart below), then the employee will be required to meet the Service Credit Qualification as defined under section IV (Provisions) in order to earn a month of service. Excluded classification will require additional information below.

To further define eligibility (select all that apply):

Employee Classification	Included	Excluded	Employed
<b>Temporary Employees:</b> Those who will work for the municipality fewer than months in total.			X
Part-Time Employees: Those who regularly work fewer than per			$\overline{\times}$
Seasonal Employees: Those who will work for the municipality from to only.			
Voter-Elected Officials			X
Appointed Officials: An official appointed to a voter-elected office.			$\boxtimes$
Contract Employees			(X)
Probationary Periods (select one):  Service will begin after the probationary period has been satisfied. Proone-month increments, no longer than 12 months. During this probation not report or provide service.  The probationary period will be month(s).			
Comments:		_	

Service will begin with the employee's date of hire (no Probationary Period). Effective with the date of hire, wages paid and any associated contributions must be submitted to MERS.

DB-000 (version 2020-09-10) Page 2 of 6

EMPLOYER NAME: Novi, City of

DIV: 63200110

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#### **IV. Provisions**

#### 1. Service Credit Qualification

To clarify how eligible employees earn service credit, please indicate how many hours per month an eligible employee needs to work. For example, if you require 10 eight-hour days, this would be 80 hours per month. If an 'hour per day' has been defined (like ten 7-hour days), electing 70 hours will be required. Employees must meet the definition of Plan Eligibility in order to earn service credit under the plan.

To receive one month of service credit, an employee shall work (or be paid for as if working)

75 hours in a month.

#### 2. Leaves of Absence

Indicate by checking the boxes below, whether the potential for service credit will be allowed if an eligible employee is on one of the following types of leave, regardless of meeting the service credit qualification criteria.

Regardless whether an eligible employee is awarded service credit while on the selected type(s) of leave:

- MERS will skip over these months when determining the FAC amount for benefit calculations.
- Third-party wages are not reported for leaves of absence.
- Employers **are not** required to remit employer contributions based on leaves of absence when no wages are paid by the employer. However, an employer may submit additional voluntary contributions for the period of the leave in an amount determined by the employer.
- For contributory divisions, employee contributions are required for service credit to be retained. Employee contributions will be collected based on the Service Credit Qualification. Employers will calculate employee contributions due using the employee's current hourly rate (prior to leave). For example if 120 hours is required for service credit, then employee contributions shall be equal to 120 hours times the employee's hourly rate. Employees have three times the length of leave, to a maximum of five years, to pay required employee contributions. Leaves of absence are required to be reported to MERS, including the employee's start and end date per month, along with the employee's hourly rate.

Type of Leave	Service Credit Granted	Service Credit Excluded
Short- and Long-Term Disability		X
Workers' Compensation	i i	X
Unpaid Family Medical Leave Act (FMLA)		X
Other: For example, sick and accident, administrative, educational, sabbatical, etc.		
Other 2: Service credit granted if employee is on payroll or Additional leave types as above	makes madatory	pension contributions

Leaves of absence due to military service are governed by the Federal Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), IRC 414(u), effective January 1, 2007, IRC 401(a)(37).

DB-000 (version 2020-09-10) Page 3 of 6

EMPLOYER NAME: Novi, City of

DIV: 63200110

#### 3. Definition of Compensation

The Definition of Compensation is used to calculate a participant's final average compensation and is used in determining both employer and employee contributions. Wages paid to employees, calculated using the elected definition, must be reported to MERS.

choose to customize your definition, skip this table and proceed to page 5.			
and proceed to page 3.	Base Wages	Box 1 Wages	Gross Wages
Types of Compensation	THE RESERVE TO LOW	In a life in a	of my
Regular Wages Salary or hourly wage X hours PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified) On-call pay	All Regular Wages included	All Regular Wages included	All Regular Wages included
Other Wages Shift differentials Overtime Severance issued over time (weekly/bi-weekly)	Excluded	All Other Wages included	All Other Wages included
PTO cash-out Longevity Bonuses Merit pay Job certifications Educational degrees Moving expenses Sick payouts Severance (if issued as lump sum)	Excluded	All Lump Sum Payments included	All Lump Sum Payments included
Taxable Payments Travel through a non-accountable plan (i.e. mileage not tracked for reimbursement) Prizes, gift cards Personal use of a company car Car allowance	Excluded	All Taxable Payments included	All Taxable Payments included
Reimbursement of Nontaxable Expenses (as defined by the IRS) Gun, tools, equipment, uniform Phone Fitness Mileage reimbursement Travel through an accountable plan (i.e. tracking mileage for reimbursement)	Excluded	Excluded	Excluded
Types of Deferrals		P. Colonia	
Elective Deferrals of Employee Premiums/Contributions 457 employee and employer contributions 125 cafeteria plan, FSAs and HSAs IRA contributions	All Elective Deferrals included	Excluded	All Elective Deferra included
Types of Benefits		1 1000	
Nontaxable Fringe Benefits of Employees Health plan, dental, vision benefits Workers compensation premiums Short- or Long-term disability premiums Group term or whole life insurance < \$50,000	All Nontaxable Fringe Benefits included	Excluded	All Nontaxable Fringe Benefits included
Mandatory Contributions Defined Benefit employee contributions MERS Health Care Savings Program employee contributions	All Mandatory Contributions included	Excluded	All Mandatory Contributions included
Taxable Fringe Benefits Clothing reimbursement Stipends for health insurance opt out payments Group term life insurance > \$50,000	Excluded	Excluded	All Taxable Fringe Benefits included
Other Benefits / Lump Sum Payments Workers compensation settlement payments	Excluded	Excluded	All Other Lump Sun Benefits included

DB-000 (version 2020-09-10)

EMPLOYER NAME: Novi,	City of DIV: 63200110
SKIP THIS TABLE if you selected one of the standar	
CUSTOM: If you choose this option, you must select boxes in ea Compensation. You will be responsible for additional	
Types of Compensation	
Regular Wages	
X Salary or hourly wage X hours	On-call pay
X PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified)	Other:
Other Wages apply: YES NO	
X Shift differentials	Severance issued over time (weekly/bi-weekly)
X Overtime	X Other: Overtime capped at 350 hours annually
Lump Sum Payments apply: YES NO	
X PTO cash-out	Educational degrees
X Longevity	Moving expenses
Bonuses	Sick payouts
Merit pay	Severance (if issued as lump sum)
Job certifications	Other:
Taxable Payments apply: YES NO	
Travel through a non-accountable plan (i.e. mileage not tracked for reimbursemen	t)
Prizes, gift cards	Car allowance
Personal use of a company car	Other:
Reimbursement of Nontaxable Expenses (as defined by the IRS) apply: YES NO	<u> </u>
Gun, tools, equipment, uniform	Mileage reimbursement
Phone	Travel through an accountable plan (i.e. tracking mileage for reimbursement)
Fitness	Other:
Types of Deferrals	
Elective Deferrals of Employee Premiums/Contributions apply: YES NO	_
457 employee and employer contributions	IRA contributions
X 125 cafeteria plan, FSAs and HSAs	Other:
Types of Benefits	
Nontaxable Fringe Benefits of Employees apply: YES NO	
Health plan, dental, vision benefits	=
Workers compensation premiums	Group term or whole life insurance < \$50,000
Short- or Long-term disability premiums	Other:
Mandatory Contributions apply: YES NO	
X Defined Benefit employee contributions	
MERS Health Care Savings Program employee contributions	Other:
Taxable Fringe Benefits apply: YES NO NO	Crown term life incurrance - CEO 000
Clothing reimbursement	Group term life insurance > \$50,000
Stipends for health insurance opt out payments	Other:
Other Benefits / Lump Sum Payments apply: YES NO NO	
Workers compensation settlement payments	Other:

V.

# **Defined Benefit Plan Adoption Agreement Addendum**

EMPLOYER NAME:Novi, City of	DIV:63200110
Execution: Authorized Designee of Governing Body of Municipality or Chief Judge of Court	
This foregoing Addendum is hereby approved by City of Novi	Va.
at a Board Meeting which took place on: 12/07/2020 (mm/dd/yyyy)	
Authorized Signature:	
Printed Name:	
Title:	
Date:	

I understand that approved board minutes are required to complete this request.

Board minutes should be sent to: DataCollectionProject@mersofmich.com

DB-000 (version 2020-09-10) Page 6 of 6



1134 Municipal Way Lansing, MI 48917 | 800.767.MERS (6377) | Fax 517.703.9711

www.mersofmich.com

The employer, a participating municipality or court within the state of Michigan, hereby agrees to adopt and administer the MERS Defined Benefit (DB) Plan provided by the Municipal Employees' Retirement System of Michigan, as authorized by 1996 PA 220, in accordance with MERS Plan Document, as both may be amended, subject to the terms and conditions herein.

I. Effective Date	
The effective date shall be the first day of <b>January</b> , <b>2021</b> .	
II. Employer name Novi, City of	
Municipality number 632001	
This is an amendment of the existing Adoption Agreement for the MERS Defined Benefit.	
Any changes to plan provisions apply to employees in the division on the effective date, as well a new hires ongoing. Definitions will apply for all service accrued after the effective date.	s to
Division number 63200111	
Division name on file with MERS MAPE	
III. Plan Eligibility	
Only those employees eligible for MERS membership may participate in the MERS Defined Benefican employee classification is <b>included</b> in the plan, then employees that meet this definition will reservice credit if they work the required number of hours to meet the service credit qualification de below. All eligible employees must be reported to MERS.	ceive
Using your Division Name above, expand on the employee classifications that are eligible to participate in MERS. For example, if Division is "General," please insert specific classifications the eligible for MERS such as "Clerical Staff," "Elected Officials," "Library Director," etc.:  DPW, Clerical, Field Employees hired prior to December 1, 2006	at are
Employee classification contains <b>public safety employees:</b> Yes No  Public safety employees include: law enforcement, parole and probation officers, employees responsible for emergency response (911 dispatch, fire service, paramedics, etc.), public worl and other skilled support personnel (equipment operators, etc.).	ks,

DB-000 (version 2020-09-10) Page 1 of 6

EMPLOYER NAME:	Novi	City	Λf
LIVIT LUTER IVAIVIL.	NOVI.	LIIV	υı

DIV: 63200111

Not

Included Excluded

If you elect to include a special classification (chart below), then the employee will be required to meet the Service Credit Qualification as defined under section IV (Provisions) in order to earn a month of service. Excluded classification will require additional information below.

To further define eligibility (select all that apply):

**Employee Classification** 

			Employed
<b>Temporary Employees:</b> Those who will work for the municipality fewer than months in total.			X
Part-Time Employees: Those who regularly work fewer than 40 per week.	<u>e</u>	×	0
Seasonal Employees: Those who will work for the municipality from April to October only.		<b></b> The state of the state</td <td></td>	
Voter-Elected Officials			X
Appainted Officials As official appainted to a voter elected office		7	100
Appointed Officials: All official appointed to a voter-elected office.	y		[X]
Appointed Officials: An official appointed to a voter-elected office.  Contract Employees			X
Probationary Periods (select one):  Service will begin after the probationary period has been satisfied. one-month increments, no longer than 12 months. During this probation of report or provide service.			re allowed
Probationary Periods (select one):  Service will begin after the probationary period has been satisfied. one-month increments, no longer than 12 months. During this probationary			re allowed

Service will begin with the employee's date of hire (no Probationary Period). Effective with the date of hire, wages paid and any associated contributions must be submitted to MERS.

DB-000 (version 2020-09-10) Page 2 of 6

EMPLOYER NAME: Novi, City of

DIV: 63200111

#### **IV. Provisions**

#### 1. Service Credit Qualification

To clarify how eligible employees earn service credit, please indicate how many hours per month an eligible employee needs to work. For example, if you require 10 eight-hour days, this would be 80 hours per month. If an 'hour per day' has been defined (like ten 7-hour days), electing 70 hours will be required. Employees must meet the definition of Plan Eligibility in order to earn service credit under the plan.

To receive one month of service credit, an employee shall work (or be paid for as if working)

75 \_\_\_\_ hours in a month.

#### 2. Leaves of Absence

Indicate by checking the boxes below, whether the potential for service credit will be allowed if an eligible employee is on one of the following types of leave, regardless of meeting the service credit qualification criteria.

Regardless whether an eligible employee is awarded service credit while on the selected type(s) of leave:

- MERS will skip over these months when determining the FAC amount for benefit calculations.
- Third-party wages are not reported for leaves of absence.
- Employers are not required to remit employer contributions based on leaves of absence when
  no wages are paid by the employer. However, an employer may submit additional voluntary
  contributions for the period of the leave in an amount determined by the employer.
- For contributory divisions, employee contributions are required for service credit to be retained. Employee contributions will be collected based on the Service Credit Qualification. Employers will calculate employee contributions due using the employee's current hourly rate (prior to leave). For example if 120 hours is required for service credit, then employee contributions shall be equal to 120 hours times the employee's hourly rate. Employees have three times the length of leave, to a maximum of five years, to pay required employee contributions. Leaves of absence are required to be reported to MERS, including the employee's start and end date per month, along with the employee's hourly rate.

	Service Credit Granted	Service Credit Excluded
Short- and Long-Term Disability		X
Workers' Compensation	(X)	
Unpaid Family Medical Leave Act (FMLA)		X
Other:		<b>⊠</b>
For example, sick and accident, administrative, educational, sabbatical, etc.		

Leaves of absence due to military service are governed by the Federal Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), IRC 414(u), effective January 1, 2007, IRC 401(a)(37).

DB-000 (version 2020-09-10) Page 3 of 6

EMPLOYER NAME: Novi, City of

DIV: 63200111

### 3. Definition of Compensation

The Definition of Compensation is used to calculate a participant's final average compensation and is used in determining both employer and employee contributions. Wages paid to employees, calculated using the elected definition, must be reported to MERS.

Select your Definition of Compensation here. If you choose to customize your definition, skip this table and proceed to page 5.	Sase Wages	Box 1 Wages	Gross Wages
Types of Compensation		TATION SA	44000
Regular Wages Salary or hourly wage X hours PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified) On-call pay	All Regular Wages included	All Regular Wages included	All Regular Wages included
Other Wages Shift differentials Overtime Severance issued over time (weekly/bi-weekly)	Excluded	All Other Wages included	All Other Wages included
Lump Sum Payments PTO cash-out Longevity Bonuses Merit pay Job certifications Educational degrees Moving expenses Sick payouts Severance (if issued as lump sum)	Excluded	All Lump Sum Payments included	All Lump Sum Payments included
Taxable Payments Travel through a non-accountable plan (i.e. mileage not tracked for reimbursement) Prizes, gift cards Personal use of a company car Car allowance	Excluded	All Taxable Payments included	All Taxable Payments included
Reimbursement of Nontaxable Expenses (as defined by the IRS) Gun, tools, equipment, uniform Phone Fitness Mileage reimbursement Travel through an accountable plan (i.e. tracking mileage for reimbursement)	Excluded	Excluded	Excluded
Types of Deferrals		1	The second
Elective Deferrals of Employee Premiums/Contributions 457 employee and employer contributions 125 cafeteria plan, FSAs and HSAs IRA contributions	All Elective Deferrals included	Excluded	All Elective Deferrals included
Types of Benefits		E 20 0 1	Dr. Dallan X
Nontaxable Fringe Benefits of Employees Health plan, dental, vision benefits Workers compensation premiums Short- or Long-term disability premiums Group term or whole life insurance < \$50,000	All Nontaxable Fringe Benefits included	Excluded	All Nontaxable Fringe Benefits included
Mandatory Contributions Defined Benefit employee contributions MERS Health Care Savings Program employee contributions	All Mandatory Contributions included	Excluded	All Mandatory Contributions included
Taxable Fringe Benefits Clothing reimbursement Stipends for health insurance opt out payments Group term life insurance > \$50,000	Excluded	Excluded	All Taxable Fringe Benefits included
Other Benefits / Lump Sum Payments Workers compensation settlement payments	Excluded	Excluded	All Other Lump Sum Benefits included

DB-000 (version 2020-09-10)

SKIP THIS TABLE if you selected one of the standar	•
Custom: If you choose this option, you must select boxes in ea	ich section you would like to include in your Definition of
Types of Compensation	oporting details to track edition definitions.
Regular Wages	
X Salary or hourly wage X hours	X On-call pay
PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified)	Other:
Other Wages apply: YES NO	
X Shift differentials	Severance issued over time (weekly/bi-weekly)
X Overtime	X Other: Overtime capped at 350 hours annually
Lump Sum Payments apply: YES NO	_
X PTO cash-out	Educational degrees
X Longevity	Moving expenses
Bonuses	Sick payouts
Merit pay	Severance (if issued as lump sum)
Job certifications	Other:
Taxable Payments apply: YES NO	
Travel through a non-accountable plan (i.e. mileage not tracked for reimbursemen	t)
Prizes, gift cards	Car allowance
Personal use of a company car	Other:
Reimbursement of Nontaxable Expenses (as defined by the IRS) apply: YES NO	<u> </u>
Gun, tools, equipment, uniform	Mileage reimbursement
Phone	Travel through an accountable plan (i.e. tracking mileage for reimbursement)
Fitness	Other:
Types of Deferrals	
Elective Deferrals of Employee Premiums/Contributions apply: YES NO	
457 employee and employer contributions	IRA contributions
X 125 cafeteria plan, FSAs and HSAs	Other:
Types of Benefits	
Nontaxable Fringe Benefits of Employees apply: YES NO	
Treater prair, derital, vision benefits	
Workers compensation premiums	Group term or whole life insurance < \$50,000
Short- or Long-term disability premiums	Other:
Mandatory Contributions apply: YES NO	
X Defined Benefit employee contributions	
MERS Health Care Savings Program employee contributions	Other:
Taxable Fringe Benefits apply: YES NO	Group term life insurance > \$50,000
Clothing reimbursement	Other:
Stipends for health insurance opt out payments	
Other Benefits / Lump Sum Payments apply: YES NO	
Workers compensation settlement payments	Other:

Date:

# **Defined Benefit Plan Adoption Agreement Addendum**

EMPLOYER NAME: Novi, City of

DIV: 63200111

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w.		cui	IVII.

### Authorized Designee of Governing Body of Municipality or Chief Judge of Court

This foregoing Addendum is hereby approved by City of Novi
at a Board Meeting which took place on: 12/07/2020
(mm/dd/yyyy)

Authorized Signature: \_\_\_\_\_\_

Printed Name: \_\_\_\_\_\_

Title:

I understand that approved board minutes are required to complete this request.

Board minutes should be sent to: 
DataCollectionProject@mersofmich.com

DB-000 (version 2020-09-10) Page 6 of 6



1134 Municipal Way Lansing, MI 48917 | 800.767.MERS (6377) | Fax 517.703.9711

The employer, a participating municipality or court within the state of Michigan, hereby agrees to adopt and administer the MERS Defined Benefit (DB) Plan provided by the Municipal Employees' Retirement System of Michigan, as authorized by 1996 PA 220, in accordance with MERS Plan Document, as both may be amended, subject to the terms and conditions herein.

. 54.		Date
	2 <i>1</i> -111/0	пізть

The	effective	date	shall	be	the	first	day	of.	January	2021
1110	CHOOLIVO	auto	Julian	$\sim$	uic	111 3 L	uav	011	vailuai v.	2021.

The effective date shall be the first day of <b>January, 2021</b> .
II. Employer name _Novi, City of
Municipality number 632001
This is an amendment of the existing Adoption Agreement for the MERS Defined Benefit.
Any changes to plan provisions apply to employees in the division on the effective date, as well as to new hires ongoing. Definitions will apply for all service accrued after the effective date.
Division number 63200112
Division name on file with MERS Library Emplys
III. Plan Eligibility
Only those employees eligible for MERS membership may participate in the MERS Defined Benefit. If an employee classification is <b>included</b> in the plan, then employees that meet this definition will receiv service credit if they work the required number of hours to meet the service credit qualification defined below. All eligible employees must be reported to MERS.
Using your Division Name above, expand on the employee classifications that are eligible to participate in MERS. For example, if Division is "General," please insert specific classifications that ar eligible for MERS such as "Clerical Staff," "Elected Officials," "Library Director," etc.:  Employees hired prior to May 1, 2006.
Employee classification contains <b>public safety employees:</b> Yes No  Public safety employees include: law enforcement, parole and probation officers, employees responsible for emergency response (911 dispatch, fire service, paramedics, etc.), public works, and other skilled support personnel (equipment operators, etc.)

DB-000 (version 2020-09-10) Page 1 of 6

EMPLOYER NAME:	Novi,	City	of

DIV: 63200112

Not

If you elect to include a special classification (chart below), then the employee will be required to meet the Service Credit Qualification as defined under section IV (Provisions) in order to earn a month of service. Excluded classification will require additional information below.

To further define eligibility (select all that apply):

Employee Classification	Included	Excluded	Employed
<b>Temporary Employees:</b> Those who will work for the municipality fewer than months in total.			X
Part-Time Employees: Those who regularly work fewer than 40 per week.		X	
Seasonal Employees: Those who will work for the municipality from to only.			
Voter-Elected Officials		0	X
Appointed Officials: An official appointed to a voter-elected office.	0		X
Contract Employees			X
Service will begin after the probationary period has been satisfied. Pro one-month increments, no longer than 12 months. During this probation not report or provide service.  The probationary period will be month(s).			
Comments:			

Service will begin with the employee's date of hire (no Probationary Period). Effective with the date of hire, wages paid and any associated contributions must be submitted to MERS.

DB-000 (version 2020-09-10) Page 2 of 6

EMPLOYER NAME: Novi, City of

DIV: 63200112

#### **IV. Provisions**

#### 1. Service Credit Qualification

To clarify how eligible employees earn service credit, please indicate how many hours per month an eligible employee needs to work. For example, if you require 10 eight-hour days, this would be 80 hours per month. If an 'hour per day' has been defined (like ten 7-hour days), electing 70 hours will be required. Employees must meet the definition of Plan Eligibility in order to earn service credit under the plan.

To receive one month of service credit, an employee shall work (or be paid for as if working)

75 hours in a month.

#### 2. Leaves of Absence

Indicate by checking the boxes below, whether the potential for service credit will be allowed if an eligible employee is on one of the following types of leave, regardless of meeting the service credit qualification criteria.

Regardless whether an eligible employee is awarded service credit while on the selected type(s) of leave:

- MERS will skip over these months when determining the FAC amount for benefit calculations.
- Third-party wages are not reported for leaves of absence.
- Employers are not required to remit employer contributions based on leaves of absence when
  no wages are paid by the employer. However, an employer may submit additional voluntary
  contributions for the period of the leave in an amount determined by the employer.
- For contributory divisions, employee contributions are required for service credit to be retained. Employee contributions will be collected based on the Service Credit Qualification. Employers will calculate employee contributions due using the employee's current hourly rate (prior to leave). For example if 120 hours is required for service credit, then employee contributions shall be equal to 120 hours times the employee's hourly rate. Employees have three times the length of leave, to a maximum of five years, to pay required employee contributions. Leaves of absence are required to be reported to MERS, including the employee's start and end date per month, along with the employee's hourly rate.

Type of Leave	Service Credit Granted	Service Credit Excluded
Short- and Long-Term Disability		(X
Workers' Compensation		( <del>\tilde{</del>
Unpaid Family Medical Leave Act (FMLA)		x
Other:		Image: contract of the contract
For example, sick and accident, administrative, educational, sabbatical, etc.		

Leaves of absence due to military service are governed by the Federal Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), IRC 414(u), effective January 1, 2007, IRC 401(a)(37).

DB-000 (version 2020-09-10) Page 3 of 6

EMPLOYER NAME: Novi, City of

DIV: 63200112

### 3. Definition of Compensation

The Definition of Compensation is used to calculate a participant's final average compensation and is used in determining both employer and employee contributions. Wages paid to employees, calculated using the elected definition, must be reported to MERS.

and proceed to page 5.		O	
	Base Wages	Box 1 Wages	Gross Wages
Types of Compensation		10000   July 11 . T	
Regular Wages Salary or hourly wage X hours PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified) On-call pay	All Regular Wages included	All Regular Wages included	All Regular Wages included
Other Wages Shift differentials Overtime Severance issued over time (weekly/bi-weekly)	Excluded	All Other Wages included	All Other Wages included
Lump Sum Payments  PTO cash-out Longevity Bonuses Merit pay Job certifications Educational degrees Moving expenses Sick payouts Severance (if issued as lump sum)	Excluded	All Lump Sum Payments included	All Lump Sum Payments included
Taxable Payments Travel through a non-accountable plan (i.e. mileage not tracked for reimbursement) Prizes, gift cards Personal use of a company car Car allowance	Excluded	All Taxable Payments included	All Taxable Payments included
Reimbursement of Nontaxable Expenses (as defined by the IRS) Gun, tools, equipment, uniform Phone Fitness Mileage reimbursement Travel through an accountable plan (i.e. tracking mileage for reimbursement)	Excluded	Excluded	Excluded
Types of Deferrals			
Elective Deferrals of Employee Premiums/Contributions 457 employee and employer contributions 125 cafeteria plan, FSAs and HSAs IRA contributions	All Elective Deferrals included	Excluded	All Elective Deferra
Types of Benefits	5 E.	My Pr II	
Nontaxable Fringe Benefits of Employees Health plan, dental, vision benefits Workers compensation premiums Short- or Long-term disability premiums Group term or whole life insurance < \$50,000	All Nontaxable Fringe Benefits included	Excluded	All Nontaxable Fringe Benefits included
Mandatory Contributions Defined Benefit employee contributions MERS Health Care Savings Program employee contributions	All Mandatory Contributions included	Excluded	All Mandatory Contributions included
Taxable Fringe Benefits Clothing reimbursement Stipends for health insurance opt out payments Group term life insurance > \$50,000	Excluded	Excluded	All Taxable Fringe Benefits included
Other Benefits / Lump Sum Payments Workers compensation settlement payments	Excluded	Excluded	All Other Lump Su Benefits included

DB-000 (version 2020-09-10)

EMPLOYER NAME: Novi,	City of DIV: 63200112
SKIP THIS TABLE if you selected one of the standa	
Custom: If you choose this option, you must select boxes in excompensation. You will be responsible for additional	
Types of Compensation	
Regular Wages	
Salary or hourly wage X hours	On-call pay
PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified)	Other:
Other Wages apply: YES NO X	
Shift differentials	Severance issued over time (weekly/bi-weekly)
Overtime	Other:
Lump Sum Payments apply: YES NO	
PTO cash-out	Educational degrees
Longevity	Moving expenses
X Bonuses	Sick payouts
X Merit pay	Severance (if issued as lump sum)
Job certifications	Other:
Taxable Payments apply: YES NO X	
Travel through a non-accountable plan (i.e. mileage not tracked for reimburseme	nt)
Prizes, gift cards	Car allowance
Personal use of a company car	Other:
Reimbursement of Nontaxable Expenses (as defined by the IRS) apply: YES NO	<u>R</u> )
Gun, tools, equipment, uniform	Mileage reimbursement
Phone	Travel through an accountable plan (i.e. tracking mileage for reimbursement)
Fitness	Other:
Types of Deferrals	
Elective Deferrals of Employee Premiums/Contributions apply: YES NO	· <b>_</b>
X 457 employee and employer contributions	IRA contributions
X 125 cafeteria plan, FSAs and HSAs	Other:
Types of Benefits	
Nontaxable Fringe Benefits of Employees apply: YES NO	
Workers compensation premiums	Group term or whole life insurance < \$50,000
Short- or Long-term disability premiums	Other:
Mandatory Contributions apply: YES NO	
X Defined Benefit employee contributions	
MERS Health Care Savings Program employee contributions	Other:
Taxable Fringe Benefits apply: YES NO X	
Clothing reimbursement	Group term life insurance > \$50,000
Stipends for health insurance opt out payments	Other:
Other Benefits / Lump Sum Payments apply: YES NO NO	
Workers compensation settlement payments	Other:

DB-000 (version 2020-09-10) Page 5 of 6

<b>EMPLOYER</b>	NAME: N	lovi	, Ci	ty	of
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DIV:63200112

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### Authorized Designee of Governing Body of Municipality or Chief Judge of Court

This foregoing Addendum is hereby approved by City of Novi
at a Board Meeting which took place on: 

| 12/07/2020 | | (mm/dd/yyyy) |

Authorized Signature:	
Printed Name:	
Title:	
Date:	

I understand that approved board minutes are required to complete this request.

Board minutes should be sent to: DataCollectionProject@mersofmich.com



1134 Municipal Way Lansing, MI 48917 | 800.767.MERS (6377) | Fax 517.703.9711

www.mersofmich.com

The employer, a participating municipality or court within the state of Michigan, hereby agrees to adopt and administer the MERS Defined Benefit (DB) Plan provided by the Municipal Employees' Retirement System of Michigan, as authorized by 1996 PA 220, in accordance with MERS Plan Document, as both may be amended, subject to the terms and conditions herein.

1	<b>Effective</b>	Date

The effective date shall be the first day of <b>January, 2021</b> .
II. Employer name Novi, City of
Municipality number 632001
This is an amendment of the existing Adoption Agreement for the MERS Defined Benefit.
Any changes to plan provisions apply to employees in the division on the effective date, as well as to new hires ongoing. Definitions will apply for all service accrued after the effective date.
Division number 63200120
Division name on file with MERS Dispatchers

#### III. Plan Eligibility

Only those employees eligible for MERS membership may participate in the MERS Defined Benefit. If an employee classification is **included** in the plan, then employees that meet this definition will receive service credit if they work the required number of hours to meet the service credit qualification defined below. All eligible employees must be reported to MERS.

Using your Division Name above, expand on the employee classifications that are eligible to participate in MERS. For example, if Division is "General," please insert specific classifications that are eligible for MERS such as "Clerical Staff," "Elected Officials," "Library Director," etc.:

Dispatch employees hired prior to August 23, 2011

Employee classification contains public safety employees: X Yes No

Public safety employees include: law enforcement, parole and probation officers, employees responsible for emergency response (911 dispatch, fire service, paramedics, etc.), public works, and other skilled support personnel (equipment operators, etc.).

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EMPLOYER NAME: NO	V1. C	ity	ОΤ
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DIV: 63200120

Included Excluded

If you elect to include a special classification (chart below), then the employee will be required to meet the Service Credit Qualification as defined under section IV (Provisions) in order to earn a month of service. Excluded classification will require additional information below.

To further define eligibility (select all that apply):

**Employee Classification** 

			التناز لتناز الناسي
Temporary Employees: Those who will work for the municipality fewer than months in total.			X
Part-Time Employees: Those who regularly work fewer than per			X
Seasonal Employees: Those who will work for the municipality from to only.			(X)
Voter-Elected Officials		0	$\widehat{\mathbf{x}}$
Appointed Officials: An official appointed to a voter-elected office.			X
Contract Employees			X
one-month increments, no longer than 12 months. During this probate not report or provide service.  The probationary period will be month(s).	tionary per	iod, the e	mployer wi
Comments:			

Service will begin with the employee's date of hire (no Probationary Period). Effective with the date of hire, wages paid and any associated contributions must be submitted to MERS.

DB-000 (version 2020-09-10) Page 2 of 6

EMPLOYER NAME: Novi, City of

DIV: 63200120

#### **IV. Provisions**

#### 1. Service Credit Qualification

To clarify how eligible employees earn service credit, please indicate how many hours per month an eligible employee needs to work. For example, if you require 10 eight-hour days, this would be 80 hours per month. If an 'hour per day' has been defined (like ten 7-hour days), electing 70 hours will be required. Employees must meet the definition of Plan Eligibility in order to earn service credit under the plan.

To receive one month of service credit, an employee shall work (or be paid for as if working)

80 hours in a month.

#### 2. Leaves of Absence

Indicate by checking the boxes below, whether the potential for service credit will be allowed if an eligible employee is on one of the following types of leave, regardless of meeting the service credit qualification criteria.

Regardless whether an eligible employee is awarded service credit while on the selected type(s) of leave:

- MERS will skip over these months when determining the FAC amount for benefit calculations.
- Third-party wages are not reported for leaves of absence.
- Employers are not required to remit employer contributions based on leaves of absence when
  no wages are paid by the employer. However, an employer may submit additional voluntary
  contributions for the period of the leave in an amount determined by the employer.
- For contributory divisions, employee contributions are required for service credit to be retained. Employee contributions will be collected based on the Service Credit Qualification. Employers will calculate employee contributions due using the employee's current hourly rate (prior to leave). For example if 120 hours is required for service credit, then employee contributions shall be equal to 120 hours times the employee's hourly rate. Employees have three times the length of leave, to a maximum of five years, to pay required employee contributions. Leaves of absence are required to be reported to MERS, including the employee's start and end date per month, along with the employee's hourly rate.

Type of Leave	Service Credit Granted	Service Credit Excluded
Short- and Long-Term Disability		X
Workers' Compensation		(X)
Unpaid Family Medical Leave Act (FMLA)		x
Other:		<b>⊠</b>
For example, sick and accident, administrative, educational, sabbatical, etc.		
Other 2: Service credit granted if on payroll or makes manda Additional leave types as above	tory pen <mark>gi</mark> on contr	ibution <mark>eq</mark> on return

Leaves of absence due to military service are governed by the Federal Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), IRC 414(u), effective January 1, 2007, IRC 401(a)(37).

DB-000 (version 2020-09-10) Page 3 of 6

EMPLOYER NAME: Novi, City of

DIV: 63200120

#### 3. Definition of Compensation

The Definition of Compensation is used to calculate a participant's final average compensation and is used in determining both employer and employee contributions. Wages paid to employees, calculated using the elected definition, must be reported to MERS.

choose to customize your definition, skip this table and proceed to page 5.			
and proceed to page o.	Base Wages	Box 1 Wages	<b>Gross Wages</b>
Types of Compensation		a company of	
Regular Wages Salary or hourly wage X hours PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified) On-call pay	All Regular Wages included	All Regular Wages included	All Regular Wages included
Other Wages Shift differentials Overtime Severance issued over time (weekly/bi-weekly)	Excluded	All Other Wages included	All Other Wages included
Lump Sum Payments  PTO cash-out Longevity Bonuses Merit pay Job certifications Educational degrees Moving expenses Sick payouts Severance (if issued as lump sum)	Excluded	All Lump Sum Payments included	All Lump Sum Payments included
Taxable Payments Travel through a non-accountable plan (i.e. mileage not tracked for reimbursement) Prizes, gift cards Personal use of a company car Car allowance	Excluded	All Taxable Payments included	All Taxable Payments included
Reimbursement of Nontaxable Expenses (as defined by the IRS) Gun, tools, equipment, uniform Phone Fitness Mileage reimbursement Travel through an accountable plan (i.e. tracking mileage for reimbursement)	Excluded	Excluded	Excluded
Types of Deferrals			4
Elective Deferrals of Employee Premiums/Contributions 457 employee and employer contributions 125 cafeteria plan, FSAs and HSAs IRA contributions	All Elective Deferrals included	Excluded	All Elective Deferratincluded
Types of Benefits			
Nontaxable Fringe Benefits of Employees Health plan, dental, vision benefits Workers compensation premiums Short- or Long-term disability premiums Group term or whole life insurance < \$50,000	All Nontaxable Fringe Benefits included	Excluded	All Nontaxable Fringe Benefits included
Mandatory Contributions Defined Benefit employee contributions MERS Health Care Savings Program employee contributions	All Mandatory Contributions included	Excluded	All Mandatory Contributions included
Taxable Fringe Benefits Clothing reimbursement Stipends for health insurance opt out payments Group term life insurance > \$50,000	Excluded	Excluded	All Taxable Fringe Benefits included
Other Benefits / Lump Sum Payments Workers compensation settlement payments	Excluded	Excluded	All Other Lump Sum Benefits included

DB-000 (version 2020-09-10)

EMPLO'	YER NAME: NO	vi, C	city of		DIV: 63200120
			1 1 0 10	,	 4

**SKIP THIS TABLE** if you selected one of the standard definitions of compensation on page 4.

Custom: If you choose this option, you must select boxes in ea	
Types of Compensation	eporting details to track custom definitions.
Regular Wages	
X Salary or hourly wage X hours	X On-call pay
X PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified)	Other:
Other Wages apply: YES NO	
X Shift differentials	Severance issued over time (weekly/bi-weekly)
X Overtime	X Other: Overtime capped at 350 hours annually
Lump Sum Payments apply: YES NO	
X PTO cash-out	Educational degrees
X Longevity	Moving expenses
Bonuses	Sick payouts
Merit pay	Severance (if issued as lump sum)
Job certifications	Other:
Taxable Payments apply: YES NO X	
Travel through a non-accountable plan (i.e. mileage not tracked for reimbursemen	t)
Prizes, gift cards	Car allowance
Personal use of a company car	Other:
Reimbursement of Nontaxable Expenses (as defined by the IRS) apply: YES NO	ζ
Gun, tools, equipment, uniform	Mileage reimbursement
Phone	Travel through an accountable plan (i.e. tracking mileage for reimbursement)
Fitness	Other:
Types of Deferrals	
Elective Deferrals of Employee Premiums/Contributions apply: YES NO	H- 75
X 457 employee and employer contributions	X IRA contributions
X 125 cafeteria plan, FSAs and HSAs	Other:
Types of Benefits	the second secon
Nontaxable Fringe Benefits of Employees apply: YES NO	
Health plan, dental, vision benefits	
Workers compensation premiums	Group term or whole life insurance < \$50,000
X Short- or Long-term disability premiums	Other:
Mandatory Contributions apply: YES NO	
X Defined Benefit employee contributions	_
MERS Health Care Savings Program employee contributions	Other:
Taxable Fringe Benefits apply: YES NO X	
Clothing reimbursement	Group term life insurance > \$50,000
Stipends for health insurance opt out payments	Other:
Other Benefits / Lump Sum Payments apply: YES NO NO	_
Workers compensation settlement payments	Other:

EMPLOYER NAME: Novi, City of

DIV:63200120

V.	Exec	

### Authorized Designee of Governing Body of Municipality or Chief Judge of Court

This foregoing Addendum is hereby approved by City of Novi at a Board Meeting which took place on: 12/07/2020 (mm/dd/yyyy) Authorized Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_ Date:

I understand that approved board minutes are required to complete this request.

Board minutes should be sent to: DataCollectionProject@mersofmich.com

DB-000 (version 2020-09-10)



1134 Municipal Way Lansing, MI 48917 | 800.767.MERS (6377) | Fax 517.703.9711

www.mersofmich.com

The employer, a participating municipality or court within the state of Michigan, hereby agrees to adopt and administer the MERS Defined Benefit (DB) Plan provided by the Municipal Employees' Retirement System of Michigan, as authorized by 1996 PA 220, in accordance with MERS Plan Document, as both may be amended, subject to the terms and conditions herein.

I. Effective Date	
The effective date shall be the first day of	January, 2021.
II. Employer name Novi, City of	
Municipality number 632001	
This is an amendment of the existing A	Adoption Agreement for the MERS Defined Benefit.
	to employees in the division on the effective date, as well as to oly for all service accrued after the effective date.
Division number 63200121	
Division name on file with MERS COA	M Emplys
III. Plan Eligibility	
an employee classification is included	RS membership may participate in the MERS Defined Benefit. If in the plan, then employees that meet this definition will receive number of hours to meet the service credit qualification defined reported to MERS.
participate in MERS. For example, if D	and on the employee classifications that are eligible to Division is "General," please insert specific classifications that are aff," "Elected Officials," "Library Director," etc.:
	lic safety employees:  Yes  No  law enforcement, parole and probation officers, employees use (911 dispatch, fire service, paramedics, etc.), public works,

DB-000 (version 2020-09-10) Page 1 of 6

and other skilled support personnel (equipment operators, etc.).

**Employee Classification** 

# **Defined Benefit Plan Adoption Agreement Addendum**

EWIFLOTEN INAIVIE.	NOVI, CILY OF		DIV. 63200121
elect to include a special classification	n (chart below), then	the employee will be r	required to meet the

DIV. C 2 2 0 0 1 2 1

Not

Included Excluded

If you elect to include a special classification (chart below), then the employee will be required to meet the Service Credit Qualification as defined under section IV (Provisions) in order to earn a month of service. Excluded classification will require additional information below.

To further define eligibility (select all that apply):

		piojou
<b>Temporary Employees:</b> Those who will work for the municipality fewer than months in total.		X
Part-Time Employees: Those who regularly work fewer than per	C	X
Seasonal Employees: Those who will work for the municipality from to only.		<b></b> The state of the state</td
Voter-Elected Officials		X
Appointed Officials: An official appointed to a voter-elected office.		X
Contract Employees		(X)
Service will begin after the probationary period has been satisfied. P one-month increments, no longer than 12 months. During this probat not report or provide service. The probationary period will be month(s).		
Comments:		

Service will begin with the employee's date of hire (no Probationary Period). Effective with the date of hire, wages paid and any associated contributions must be submitted to MERS.

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EMPLOYER NAME: Novi, City of

DIV: 63200121

#### **IV. Provisions**

#### 1. Service Credit Qualification

To clarify how eligible employees earn service credit, please indicate how many hours per month an eligible employee needs to work. For example, if you require 10 eight-hour days, this would be 80 hours per month. If an 'hour per day' has been defined (like ten 7-hour days), electing 70 hours will be required. Employees must meet the definition of Plan Eligibility in order to earn service credit under the plan.

To receive one month of service credit, an employee shall work (or be paid for as if working) 80 hours in a month.

#### 2. Leaves of Absence

Indicate by checking the boxes below, whether the potential for service credit will be allowed if an eligible employee is on one of the following types of leave, regardless of meeting the service credit qualification criteria.

Regardless whether an eligible employee is awarded service credit while on the selected type(s) of leave:

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  no wages are paid by the employer. However, an employer may submit additional voluntary
  contributions for the period of the leave in an amount determined by the employer.
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Type of Leave	Service Credit Granted	Service Credit Excluded
Short- and Long-Term Disability		X
Workers' Compensation	a	×
Unpaid Family Medical Leave Act (FMLA)		Ŕ
Other:		(X)
For example, sick and accident, administrative, educational, sabbatical, etc.		

Leaves of absence due to military service are governed by the Federal Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), IRC 414(u), effective January 1, 2007, IRC 401(a)(37).

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EMPLOYER NAME: Novi, City of

DIV: 63200121

### 3. Definition of Compensation

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choose to customize your definition, skip this table and proceed to page 5.		O	
T	Base Wages	Box 1 Wages	Gross Wages
Types of Compensation	44 1 1188		2 - 3
Regular Wages Salary or hourly wage X hours PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified) On-call pay	All Regular Wages included	All Regular Wages included	All Regular Wages included
Other Wages Shift differentials Overtime Severance issued over time (weekly/bi-weekly)	Excluded	All Other Wages included	All Other Wages included
Lump Sum Payments  PTO cash-out Longevity Bonuses Merit pay Job certifications Educational degrees Moving expenses Sick payouts Severance (if issued as lump sum)	Excluded	All Lump Sum Payments included	All Lump Sum Payments included
Taxable Payments Travel through a non-accountable plan (i.e. mileage not tracked for reimbursement) Prizes, gift cards Personal use of a company car Car allowance	Excluded	All Taxable Payments included	All Taxable Payments included
Reimbursement of Nontaxable Expenses (as defined by the IRS) Gun, tools, equipment, uniform Phone Fitness Mileage reimbursement Travel through an accountable plan (i.e. tracking mileage for reimbursement)	Excluded	Excluded	Excluded
Types of Deferrals		distribution of	
Elective Deferrals of Employee Premiums/Contributions 457 employee and employer contributions 125 cafeteria plan, FSAs and HSAs IRA contributions	All Elective Deferrals included	Excluded	All Elective Deferra included
Types of Benefits		A CHARLES	THE PARTY
Nontaxable Fringe Benefits of Employees Health plan, dental, vision benefits Workers compensation premiums Short- or Long-term disability premiums Group term or whole life insurance < \$50,000	All Nontaxable Fringe Benefits included	Excluded	All Nontaxable Fringe Benefits included
Mandatory Contributions Defined Benefit employee contributions MERS Health Care Savings Program employee contributions	All Mandatory Contributions included	Excluded	All Mandatory Contributions included
Taxable Fringe Benefits Clothing reimbursement Stipends for health insurance opt out payments Group term life insurance > \$50,000	Excluded	Excluded	All Taxable Fringe Benefits included
Other Benefits / Lump Sum Payments Workers compensation settlement payments	Excluded	Excluded	All Other Lump Sur Benefits included

DB-000 (version 2020-09-10)

EMPLOYER NAME: Novi, C	ity of DIV: 63200121
SKIP THIS TABLE if you selected one of the standar	d definitions of compensation on page 4.
Compensation. You will be responsible for additional re	ch section you would like to include in your Definition of eporting details to track custom definitions.
Types of Compensation	
Regular Wages	
Salary or hourly wage X hours	On-call pay
PTO used (sick, vacation, personal, bereavement, holiday leave, or unclassified)	Other:
Other Wages apply: YES NO	
Shift differentials	Severance issued over time (weekly/bi-weekly)  Other: Overtime capped at 350 hours annually
X Overtime	X Other: Over time capped at 330 flours affindarly
Lump Sum Payments apply: YES NO	□
PTO cash-out	Educational degrees
Longevity	Moving expenses
Bonuses	Sick payouts
Merit pay	Severance (if issued as lump sum)
Job certifications	Other:
Taxable Payments apply: YES NO	
Travel through a non-accountable plan (i.e. mileage not tracked for reimbursement	<u> </u>
Prizes, gift cards	Car allowance
Personal use of a company car	Other:
Reimbursement of Nontaxable Expenses (as defined by the IRS) apply: YES NO	7
Gun, tools, equipment, uniform	Mileage reimbursement
Phone	Travel through an accountable plan (i.e. tracking mileage for reimbursement)
Fitness	Other:
Types of Deferrals	
Elective Deferrals of Employee Premiums/Contributions apply: YES NO	_
X 457 employee and employer contributions	X IRA contributions
X 125 cafeteria plan, FSAs and HSAs	Other:
Types of Benefits	
Nontaxable Fringe Benefits of Employees apply: YES NO	
X Health plan, dental, vision benefits	
Workers compensation premiums	Group term or whole life insurance < \$50,000
Short- or Long-term disability premiums	Other:
Mandatory Contributions apply: YES NO	
X Defined Benefit employee contributions	
MERS Health Care Savings Program employee contributions	Other:
Taxable Fringe Benefits apply: YES NO K	_
Clothing reimbursement	Group term life insurance > \$50,000
Stipends for health insurance opt out payments	Other:
Other Benefits / Lump Sum Payments apply: YES NO NO	
Workers compensation settlement payments	Other:

EMPLOYER NAME: Novi, City of

DIV:63200121

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I understand that approved board minutes are required to complete this request.

Board minutes should be sent to: DataCollectionProject@mersofmich.com