

# Temporary Modification to Benefit Provisions



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In recognition of the impact to local units of government and adjustments to their workforce to maintain essential services and comply with the “Stay Home, Stay Safe” directive and the Families First Coronavirus Response Act, MERS will be allowing temporary benefit adjustments to an employer’s definition of a day of work/hours in a month to earn service credit, and definition of compensation. These adjustments may be changed to account for workload and schedule changes, as well as for different types of compensation, such as paid leave. The temporary period of adjustment is March 1, 2020 through December 31, 2020.

By signing below, the Employer affirms it is making temporary benefit adjustments in good faith in the effort to continue operations, and that they are within the parameters outlined in the MERS’ Plan Document and this agreement. These temporary modifications may not result in a diminishment of benefit for participants.

The Employer agrees to adopt and administer the MERS Defined Benefit, Defined Contribution, and Hybrid Plans provided by the Municipal Employees’ Retirement System of Michigan, as authorized by 1996 PA 220, in accordance with the MERS Plan Document, as both may be amended, subject to the terms and conditions herein.

**I. Employer name** \_\_\_\_\_ **Municipality number** \_\_\_\_\_

**Eligible Employee Divisions** \_\_\_\_\_

(List all applicable division numbers)

## II. Temporary Benefit Adjustments

**Service Credit** – For this temporary period, enter the minimum number of hours in a day or in a month that employees will work and earn service credit:

An employee shall work 10 \_\_\_\_\_ hour days.

An employee shall work \_\_\_\_\_ hours in a month.

This modification may not include laid off employees. To provide service credit to furloughed employees that are still employed but on leave, please check here.

All eligible employees, whether full or part time, who meet this criteria must be reported to MERS. Temporary adjustment to day of work definition cannot be more restrictive than the current definition. (This is applicable to Defined Benefit and Defined Benefit portion of Hybrid only.)

**Definition of Compensation** for purposes of determining wages and employer/employee contributions under Defined Benefit, Defined Contribution and Hybrid are temporarily defined as:

Bonuses, paid leave or additional pay related to COVID-19:  INCLUDE  EXCLUDE

By checking this box, the employer indicates that the above provisions are not being modified but directs MERS to skip months reported with a discrepancy code of “Other” and Noted as ‘COVID-19’ when determining an employee’s final average compensation for benefit calculation.

All other terms and conditions of the Employer’s Adoption Agreement and other agreements between the Employer and MERS remain applicable.

By signing this agreement, for months that include discrepancy code of: “Other” and Noted as ‘COVID-19’ (under Defined Benefit and Defined Benefit portion of Hybrid), MERS will proceed according to the following:

- Full service credit is allowed for all employees reported in the above division for the temporary period.
- MERS may skip months reported with code “Other” and Noted as ‘COVID-19’ when determining an employee’s final average compensation for benefit calculation.
- Wages, contributions, and service reported will be treated as an accurate reporting for this period.

## III. Authorization by Designee of Governing Body of Municipality or Chief Judge of Court

\_\_\_\_\_  
(Name of Approving Employer) Title: \_\_\_\_\_

Authorized signature: \_\_\_\_\_ Date: \_\_\_\_\_