

LETTER OF AGREEMENT
CITY OF MOUNT PLEASANT
AND
MOUNT PLEASANT POLICE OFFICERS ASSOCIATION

SUBJECT: Thirteenth Check Provision

This letter sets forth the parameters of a thirteenth check provision agreed upon during negotiations between the City and the police officers leading to settlement of the 1992 agreement.

In accordance with this agreement any police retiree, retiring on or after January 1, 1993, and prior to January 1, 2002, shall be eligible to collect a thirteenth or one additional pension benefit payment payable on an annual basis. Payments shall be processed by the City within two weeks following the City's receipt of the actuarial report for the year immediately preceding and shall be pro-rated according to the number of months retired in the calendar year.

Such benefits will be computed on the following formula:

7.5% **TIMES** total annuities paid to police retirees
in prior year

DIVIDED by total number of eligible police retirees

EQUALS payment to each eligible police retiree

Provided that the fund's actuarial firm, as confirmed by the City's Police and Fire Retirement Board, determine that the Police Officer's Pension Fund maintains no less than an 84% funded position. In the event that the economic conditions of the City and the 345 Pension Fund change, the City and the POAM agree to enter into discussions to review potential amortization schedules.

CITY OF MOUNT PLEASANT

MOUNT PLEASANT PATROL OFFICERS
ASSOCIATION AFFILIATED WITH THE
POLICE OFFICERS ASSOCIATION OF
MICHIGAN

By _____
Mayor

By _____
Negotiating Committee Member

By _____
City Clerk

By _____
Negotiating Committee Member

Dated _____

By _____
Negotiating Committee Member

By _____
Negotiating Committee Member

By _____
POAM Staff Representativ