



City of Roosevelt Park

Employee Compensation Plan

April 2012

The City of Roosevelt Park intends to implement the following compensation plan to comply with the requirements of Public Act 63 of 2011. The employee compensation plan as described will take affect for all new employees and will guide the developments of any new or modified contract/employment agreement set forth by the City.

- 1) All new hires that are eligible for the City's retirement plan will be placed in a plan that caps the annual employer contributions at 10% of base salary. Any employee that is not eligible for social security benefits will have the annual employer contribution capped at 16.2% of the base salary.
- 2) For the defined benefit retirement plan, the maximum multiplier will be 1.5% for all employees that are eligible for social security benefits except where post-employment health insurance is not provided, in such case the maximum multiplier would then be capped at a maximum of 2.25%.
- 3) For the City's defined benefit retirement plan, the final average compensation for all employees will be calculated using a minimum of three (3) years of compensation and will not include more than two hundred forty (240) hours of paid leave. Overtime hours will not be used in computing the final average compensation for an employee.
- 4) All new hires will be required to contribute a minimum employee share of 20% of the health insurance cost for an employee; or the employer's share of the health insurance costs for an employee will remain competitive with the new state preferred provider organization health plan.