

**MEMORANDUM OF UNDERSTANDING
EXCESS BENEFIT PLAN**

In recognition of the Resolution passed by the City of Miami City Commission on July 27, 2000, establishing an Excess Benefit Plan to allow eligible members of the GESE Retirement Trust to continue to receive retirement benefits which would otherwise be limited by the provisions contained in Section 415 of the internal revenue code, the City of Miami, AFSCME-Local 1907, and CIGU agree to the following provisions as it applies to the administration of the Excess Benefit Plan.

1. The excess retirement benefits above the limits permitted by the Internal Revenue Code shall be paid annually, concurrently with the City's annual contribution of normal pension costs, which shall cause the City to realize a reduction in normal pension costs in the same amount.
2. Payment of the City of Miami's contribution for the excess retirement benefits shall be deposited in a separate account established specifically by GESE to receive the City's excess retirement benefit contributions. The account for the Excess Benefit Plan shall be separate and apart from the account established to receive the City's normal pension contributions for the retirement trust.
3. Should additional retirements occur during the year where the eligible member's retirement benefit exceeds the Section 415 limits, the GESE Trust shall calculate the additional excess benefit amount required for the remainder of the fiscal year and should such amount exceed the amount available from the funds provided for the fiscal year, the GESE Trust shall notify the City of the additional funds required.
4. Upon the City's receipt of notice of the additional funds required, the City shall forward the additional funds required. The requirement for additional funds paid by the City to fund the Excess Benefit Plan shall be reflected as a reduction in the City's annual contribution of normal pension costs for the following year.
5. The parties further agree to amend the Pension Ordinance to reflect the Excess Benefits Plan and that no eligible member's annual benefit may exceed the amounts permitted under Section 415 of the Internal Revenue Code as amended, including cost-of-living adjustments.

Charlie Cox
Charlie Cox, AFSCME President

10/17/2000
Date

Norman Charles
Norman Charles, CIGU President

10/18/2000
Date

R. Sue Weller
R. Sue Weller, Labor Relations Officer

10/18/2000
Date