

**Sec. 43. – Restrictions on changes to pension plan and retirement plan offerings for City employees.**

43.1. The following restrictions are hereby implemented:

**(a)** While this plan is in effect the City will not create a defined contribution plan for current City employees or new employee hires that has the effect of increasing the overall costs to the City of providing retirement benefits to its employees.

**(b)** While this plan is in effect the calculation of final average compensation for a Tier 1 Member or Tier 2 Member as set forth in Section 2.14 may not be based on any period longer than three years.

**(c)** While this plan is in effect all salary or wages paid to a member by the City for personal services rendered by him to the City will be included in compensation as defined in Section 2.13, and will also be included in final average compensation calculations for the member as set forth in Section 2.14; provided, however, that for Tier 3 Members, payments for unused sick leave and unused vacation time made by the City to the member at the time of retirement from or termination of employment with the City, and payments to the member by the City reimbursing the member for any expense incurred in the course of performing his employment duties for the City, are not compensation within the meaning of Section 2.13, and further provided that the terms of this sentence are not intended to and do not reflect any interpretation of what constitutes compensation for any Tier 1 Member or Tier 2 Member based on the terms of the retirement plan in effect prior to July 1, 2015.

**(d)** Subject to the restrictions in Section 43.1 above, while this plan is in effect there will be no prohibition on the City's ability to make contributions to retirement plans other than this plan on behalf of its employees, with the City retaining full discretion to determine whether to make such contributions not required by law.