
CITY OF MINNEAPOLIS

And

**INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS, DISTRICT LODGE NO. 77 -
MACHINISTS UNIT**

LETTER OF AGREEMENT

International Association of Machinists National Pension Fund
Red Zone Designation and Additional Employee Contribution

WHEREAS, the City of Minneapolis (Employer) and the International Association of Machinist and Aerospace Workers, District Lodge No. 77 — Machinists Unit (Union) are parties to a Collective Bargaining Agreement (Agreement) currently in force; and

WHEREAS, Section 1.08 of the Agreement allows Union members employed by the Employer, to contribute to the International Association of Machinists National Pension Fund (IAMNPF); and

WHEREAS, Union members contributed a base of \$0.40 per hour for all hours paid to the IAMNPF in 2022 and 2023; and

WHEREAS, Effective October 1, 2024, Union member will contribute a base of \$0.45 per hour for all hours paid to the IAMNPF; and

WHEREAS, in April 2019 the IAMNPF voluntarily moved the pension fund into the Red Zone as allowed by the Pension Protection Act of 2006 (PPA) to keep the fund on a path to long term stability; and

WHEREAS, in April 2019 the IAMNPF required the Employer to adopt the preferred rehabilitation schedule by June 1, 2019, or be placed in the default rehabilitation schedule; and

WHEREAS, the Employer adopted the preferred rehabilitation schedule plan in 2019 and Union members began the additional pension contributions the same year; and

WHEREAS, the Employer and Union adopted the preferred rehabilitation plan on August 19, 2019, which increased the contribution amount by 2.5% each year for 2019 (an additional \$0.01 for all hours paid), 2020 (an additional \$0.02 for all hours paid), and 2021 (an additional \$0.03 for all hours paid); and

WHEREAS, the IAMNPF continued the preferred rehabilitation schedule contributions from members for the following years and amounts which increase on October 1, of each year. For 2022 an additional \$0.04, for 2023 an additional \$0.05, for 2024 an additional \$0.06, for 2025 an additional \$0.08, for 2026 an additional \$0.09, for 2027 an additional \$0.10, for 2028 an additional \$0.11, for 2029 an additional \$0.12, and for 2030 an additional \$0.14, and for 2031 an additional \$0.15; and

NOW, THEREFORE BE IT RESOLVED, the Employer and Union agree as follows;

1. The Employer will collect and distribute to the IAMNPF the additional pension contributions required as follows beginning on October 1 of each year.

Year	Base Pension Contribution	Additional Fund Contribution	Total
October 1, 2022	\$0.40	\$0.04	\$0.44
October 1, 2023	\$0.40	\$0.05	\$0.45
October 1, 2024	\$0.45	\$0.06	\$0.51
October 1, 2025	\$0.45	\$0.08	\$0.53
October 1, 2026	\$0.45	\$0.09	\$0.54
October 1, 2027	\$0.45	\$0.10	\$0.55
October 1, 2028	\$0.45	\$0.11	\$0.56
October 1, 2029	\$0.45	\$0.12	\$0.57
October 1, 2030	\$0.45	\$0.14	\$0.59
October 1, 2031	\$0.45	\$0.15	\$0.60

FOR THE EMPLOYER:

FOR THE UNION:

Rasheda Deloney 10/1/2024
 Rasheda Deloney Date
 Director of Labor Relations

Ingrid Vendela 09/27/2024
 Ingrid Vendela Date
 Business Agent