

Economic Vitality Incentive Program/County Incentive Program Certification of Employee Compensation

Issued under authority of 2012 Public Act 200. Filing of this form or Form 4978 Certification of 2011 Public Act 152 Compliance is mandatory to qualify for payments.

Each city/village/township/county applying for Employee Compensation payments must:

1. Certify to the Michigan Department of Treasury (Treasury) that the local unit listed below has developed and publicized an employee compensation plan as required by 2012 Public Act 200. The plan shall be made available for public viewing in the clerk's office or posted on a publicly accessible Internet site.
2. Submit to Treasury an employee compensation plan.

City/village/township: This certification, along with the employee compensation plan, **must be received by June 1, 2013** to receive the June and August payments or on or before July 31, 2013 to receive the August payment. Post mark dates will not be considered. For questions, call (517) 373-2697.

County: This certification, along with the employee compensation plan, **must be received by June 1, 2013** (or the first day of a payment month) in order to qualify for that month's payment. Post mark dates will not be considered. For questions, call (517) 373-2697.

PART 1: LOCAL UNIT INFORMATION		
Local Unit Name City of Allegan		Local Unit County Name Allegan
Local Unit Code 032010		Contact E-Mail Address rhillard@cityofallegan.org
Contact Name Robert Hillard	Contact Title City Manager	Contact Telephone Number (269) 673-5511
Website Address, if plan is available online www.cityofallegan.org		
PART 2: CERTIFICATION		
<i>In accordance with 2012 Public Act 200, the undersigned hereby certifies to Treasury that the above mentioned local unit has developed an employee compensation plan and has made the plan available for public viewing in the city, village, township, or county clerk's office or has posted the plan on a publicly accessible Internet site. The employee compensation plan is attached to this signed certification.</i>		
Chief Administrative Officer Signature (as defined in MCL 141.422b) 		Printed Name of Chief Administrative Officer (as defined in MCL 141.422b) Robert Hillard
Title City Manager		Date 05/01/2013

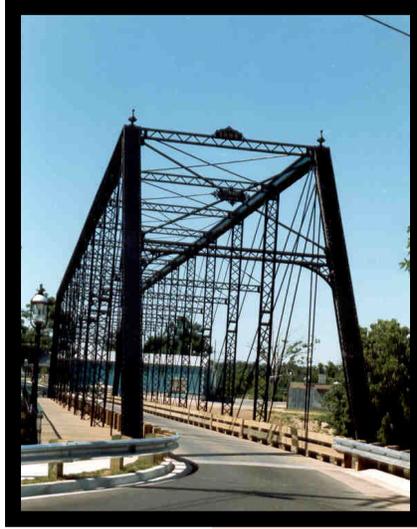
Completed and signed form (including required attachment) should be e-mailed to: **TreasRevenueSharing@michigan.gov**

If you are unable to submit via e-mail, mail the completed form and required attachment to:

Michigan Department of Treasury
Office of Revenue and Tax Analysis
PO Box 30722
Lansing MI 48909

TREASURY USE ONLY		
EVIP/CIP Y N	Certification Received	EVIP/CIP Notes
Final Certification	Plan Received	

City of Allegan



City of

Allegan

City of Allegan, Michigan
Plan for Employee Compensation

Part Three of the State of Michigan
Economic Vitality Incentive Program (EVIP)

City of Allegan

City of Allegan, Michigan

Plan for Employee Compensation

Part Three of the State of Michigan

Economic Vitality Incentive Program (EVIP)

Public Act 63 of 2011 introduced the Economic Vitality Incentive Program (EVIP) as a replacement for statutory state shared revenue for some Michigan communities. One of the requirements of the EVIP is to certify by May 1, 2012, the intention to implement certain employee compensation criteria. This Report is intended to satisfy that requirement.

The City of Allegan has three different union contracts covering specified groups of employees as well as a benefit policy for its non-represented employees. Any changes identified below for the union represented groups will require negotiations with and eventual agreement by both parties. To the extent the City is not already compliant, it is the City's intent to enter into good faith negotiations with its unions with the purpose and intent to negotiate and implement the following compensation Plan (items 1 – 4 below) with any new, modified, or extended contracts (union groups) and employment agreements (non-union employees). This Plan will be made available for public viewing as required by PA 63. In addition, this Report sets forth the City's current status on each of the four required items.

- 1. New hires who are eligible for retirement plans are placed on retirement plans that cap annual employer contributions at 10% of base salary for those eligible for social security benefits and 16.2% for those not eligible.**

The City currently contributes a Maximum of 10% of the employees base salary to a defined contribution plan and 12% of a Department heads base salary. The City offers an additional 457 plan to which employees may contribute, but there are no City contributions to this Plan.

City of Allegan

- 2. For defined benefit plans, where post health care is not provided, the maximum multiplier shall be 2.25% for those eligible for social security benefits and a maximum multiplier of 3% for those not eligible.**

The City of Allegan's current multiplier is 2.5% for the Chief of Police and all union police employees. All other employees of the City are currently on a defined contribution plan. The City of Allegan does not offer post-retirement health care.

- 3. For defined benefit pension plans, the final average compensation for all employees is calculated using a minimum of three years of compensation and shall not include more than a total of 240 hours of paid leave. Overtime hours shall not be used in computing the final average compensation for an employee.**

The City currently has a final average compensation for all employees on a defined benefit pension plan calculated using a minimum of 3 years. Final average compensation shall not include more than a total of 240 hours of paid leave. Overtime hours shall not be used in computing the final average compensation for an employee.

- 4. Health care premium cost for new hires shall include a minimum employee share of 20%; or an employer's share of the total health care plan costs shall be cost competitive with the new state preferred provider organization health plan, on a per-employee basis.**

The City of Allegan is currently compliant. Our share of the total health care plan costs are cost competitive with the new state preferred provider organization health plan on a per-employee basis. The City has scheduled the following increases: 2012-15%, 2013-18% and 2014-20% effective July 1 of each year.

Economic Vitality Incentive Program/County Incentive Program Certification of 2011 Public Act 152 Compliance

Issued under authority of 2012 Public Act 200. Filing of this form or Form 4888 Certification of Employee Compensation is mandatory to qualify for payments.

Each city/village/township/county applying for Employee Compensation payments under the 2011 Public Act 152 compliance option must:

1. Certify to the Michigan Department of Treasury (Treasury) that the local unit listed below provides medical benefits for its employees and elected public officials in compliance with 2011 Public Act 152 or certify that the local unit does not provide medical benefits to its employees and elected public officials.
2. Submit to Treasury any required board resolutions/meeting minutes.

City/village/township: This certification, along with any required board resolutions/meeting minutes, **must be received by June 1, 2013** to receive the June and August payments or on or before July 31, 2013 to receive the August payment. Post mark dates will not be considered. For questions, call (517) 373-2697.

County: This certification, along with any required board resolutions/meeting minutes, **must be received by June 1, 2013** (or the first day of a payment month) in order to qualify for that month's payment. Post mark dates will not be considered. For questions, call (517) 373-2697.

PART 1: LOCAL UNIT INFORMATION		
Local Unit Name City of Allegan		Local Unit County Name Allegan County
Local Unit Code 032010		Contact E-Mail Address tstull@cityofallegan.org
Contact Name Tracy J. Stull	Contact Title Finance Director	Contact Telephone Number (269) 673-5511

PART 2: 2011 PUBLIC ACT 152 COMPLIANCE	
Indicate the option the local unit has selected to comply with 2011 Public Act 152:	
<input type="checkbox"/>	1. Hard Caps (MCL 15.563) (no attachment required) A public employer shall pay no more of the annual costs or illustrative rate and any payments for reimbursements of co-pays, deductibles, or payments to health savings accounts, flexible spending accounts, or similar accounts used for health care costs, than a total amount equal to \$5,692.50 times the number of employees with single person coverage, \$11,385.00 times the number of employees with individual and spouse coverage, plus \$15,525.00 times the number of employees with family coverage, for all medical benefit plan coverage years beginning on or after January 1, 2013.
<input type="checkbox"/>	2. Annual 80/20 (attach board resolution/meeting minutes showing annual majority vote of governing body) (MCL 15.564) A public employer shall pay not more than 80% of the total annual costs of all the medical benefit plans it offers or contributes to for its employees and elected public officials, for a medical benefit plan coverage year beginning on or after January 1, 2012.
<input checked="" type="checkbox"/>	3. Annual Exemption for Calendar Year 2013 (attach board resolution/meeting minutes showing annual 2/3 vote of governing body) (MCL 15.568) A local unit of government may annually exempt itself from options 1 and 2 above, by a 2/3 vote of the governing body.
<input type="checkbox"/>	4. Employee Contract/Work Agreement Still in Effect The local unit's contract/employee work agreements entered into prior to September 15, 2011 do not expire until _____.
<input type="checkbox"/>	5. N/A The local unit does not provide medical benefits to its employees or elected public officials.

PART 3: CERTIFICATION	
<i>In accordance with 2012 Public Act 200, the undersigned hereby certifies to Treasury that the above mentioned local unit has complied with the publicly funded health insurance contribution act, 2011 Public Act 152, or does not provide medical benefits to employees and elected public officials. Any required board resolutions/meeting minutes are attached to this signed certification.</i>	
Printed Name of Chief Administrative Officer (as defined in MCL 141.422b) Robert Hillard	Title City Manager
Chief Administrative Officer Signature (as defined in MCL 141.422b) 	Date 05/02/2013

Completed and signed form (including required attachment, if elected option 2 or 3) should be e-mailed to: TreasRevenueSharing@michigan.gov.

If you are unable to submit via e-mail, mail the completed form and required attachment (if elected option 2 or 3) to:

Michigan Department of Treasury
Office of Revenue and Tax Analysis
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Lansing, MI 48909

TREASURY USE ONLY		
EVIP/CIP Eligible Y N	Certification Received	EVIP/CIP Notes
Final Certification	Resolution Received	

**CITY COUNCIL
CITY OF ALLEGAN
Allegan County, Michigan**

Council member McDaniel, supported by Council member Tripp, moved the adoption of the following resolution:

RESOLUTION NO. 12.46

**A RESOLUTION EXEMPTING THE CITY OF ALLEGAN FROM THE
REQUIREMENTS OF PA 152 OF THE PUBLIC ACTS OF 2011 FOR THE
YEAR 2013.**

WHEREAS, the Publicly Funded Health Insurance Contribution Act ("Act 152") was effective on September 27, 2011; and

WHEREAS, Section 8 of Act 152 allows a local unit of government to exempt itself each year from the requirements of the Act by a 2/3rd vote of its governing body; and

WHEREAS, the City of Allegan is a "local unit of government" as defined in Act 152.

NOW THEREFORE, the City Council does resolve, find and declare as follows:

1. That the City of Allegan exempts itself from the requirements of Act 152 for the year 2013.
2. That all resolutions or parts of resolutions are, to the extent of any conflict with this resolution, hereby rescinded.

Yeas: Day, Ingalsbee, Leverage, McDaniel, McKenzie, Tripp, Mayor Clark

Nays: None

Abstain: None

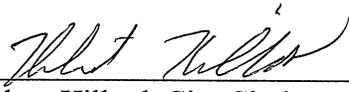
Absent: None

RESOLUTION DECLARED: ADOPTED

CERTIFICATION

As the City Clerk, I certify this is a true and complete copy of a resolution adopted by the City Council of the City of Allegan at a duly noticed meeting held on October 8, 2012.

Date: October 8, 2012



Robert Hillard, City Clerk