

Economic Vitality Incentive Program / County Incentive Program

Category 3: Unfunded Accrued Liability Plan

EVIP (for eligible cities, villages or townships) and CIP (for eligible counties) are revenue sharing packages for municipalities. They include three categories of eligibility, each with its own set of requirements and deadlines, and offering 1/3 of the total available incentive revenue. By June 1, 2014, you need to submit a plan to address your unfunded liability to Treasury for Category 3 of EVIP. This sample template is meant to assist you in documenting your plan.

When your plan is complete, submit it along with certification form 5074 to the Department of Treasury, using the contact information on the form. The form can be found at http://www.michigan.gov/documents/treasury/5074_434975_7.pdf.

1. MUNICIPALITY INFORMATION

Municipality Name: County of Arenac - 060000

Fiscal Year: 2012

Pension UAL as reported in the most recent actuarial valuation: - \$ 2,698,671.00

Pension Funded Ratio: 74% No Pension UAL

OPEB UAL as reported in most recent valuation: 0

OPEB Funded Ratio: No OPEB UAL

2. PENSION UAL - ACTIONS TAKEN

You may have a pension UAL only if you offer a defined benefit and/or a hybrid plan.

PLAN DESIGN CHANGES (CHECK IF APPLICABLE)

STRATEGY

Adopted a Lower Tier of Benefits for New Hires (check all that apply):

Lowered multiplier from _____ to _____

Removed Cost of Living Increases

Removed Early Retirement Riders (i.e. 55/25, 50/25)

Increased Vesting from _____ to _____

Increased Normal Retirement Age from _____ to _____

Other: Stopped voted Cost of Living Increases

IMPACT

The long term impact of implementing a lower tier of benefits for new hires is that it reduces the future liability accrual because future benefits will be lower, and therefore less expensive, than the previous benefits offered.

Effective Date: 01/01/2009