

## Economic Vitality Incentive Program/County Incentive Program Certification of Unfunded Accrued Liability Plan

Issued under authority of 2013 Public Act 59. Filing is mandatory to qualify for payments.

Each city/village/township/county applying for Unfunded Accrued Liability Plan payments must:

1. Certify to the Michigan Department of Treasury (Treasury) that the local unit listed below has produced and made readily available to the public, an Unfunded Accrued Liability Plan. The plan shall be made available for public viewing in the clerk's office or posted on a publicly accessible Internet site as required by 2013 Public Act 59.
2. Submit to Treasury an Unfunded Accrued Liability Plan, if selecting Option 1 of Part 2 below.

**City/village/township:** This certification, along with the Unfunded Accrued Liability Plan, **must be received by June 1, 2014**, to receive the June and August payments or on or before July 31, 2014, to receive the August payment. Post mark dates will not be considered. For questions, call (517) 373-2697.

**County:** This certification, along with the Unfunded Accrued Liability Plan, **must be received by June 1, 2014**, (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 <b>Redford Township</b>		Local Unit County Name <b>Wayne</b>	
Local Unit Code <b>82-1080</b>		Contact E-Mail Address <b>TSKobylarz@RedfordTwp.com</b>	
Contact Name <b>Tracey Schultz Kobylarz</b>	Contact Title <b>Supervisor</b>	Contact Telephone Number <b>(313) 387-2705</b>	Extension
Website Address, if plan is available online <b>www.RedfordTwp.com</b>			Date of Last Audited Financial Report <b>03/31/13</b>
PART 2: STATEMENT OF UNFUNDED ACCRUED LIABILITIES			
Indicate the option that pertains to your local unit:			
<input checked="" type="checkbox"/> <b>1. Unfunded Accrued Liabilities Exist</b> A local unit who has unfunded accrued liabilities pertaining to pensions or other post-employment benefits must attach a plan as required by 2013 Public Act 59.			
<input type="checkbox"/> <b>2. No Unfunded Accrued Liabilities Exist</b> A local unit who does not have any unfunded accrued liabilities pertaining to pensions or other post-employment benefits must provide, in the box below, an explanation of why the local unit does not have any unfunded accrued liabilities.			
PART 3: CERTIFICATION			
<i>In accordance with 2013 Public Act 59, the undersigned hereby certifies to Treasury that the above mentioned local unit has produced an Unfunded Accrued Liability 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 Unfunded Accrued Liability Plan, if required, 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) <b>Tracey Schultz Kobylarz</b>	
Title <b>Township Supervisor</b>		Date <b>05/28/14</b>	

Completed and signed form (including required attachment, if selected option 1) should be e-mailed to: [TreasRevenueSharing@michigan.gov](mailto:TreasRevenueSharing@michigan.gov)

If you are unable to submit via e-mail, fax to (517) 335-3298, or mail the completed form and required attachment (if selected option 1) to:

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

TREASURY USE ONLY		
EVIP/CIP Eligible <b>Y N</b>	Certification Received	EVIP/CIP Notes
Final Certification	Plan Received	

# Economic Vitality Incentive Program/County Incentive Program FY 2014 Unfunded Accrued Liability Plan

Local Unit Name: Charter Township of Redford

Local Unit Code: 82-1080

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## PREVIOUS ACTION TAKEN TO REDUCE UNFUNDED ACCRUED LIABILITIES

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<b>Previous Actions Taken To Reduce Unfunded Accrued Liabilities</b>		
	<b>Unfunded Accrued Liability Type</b>	<b>Previous Action Taken</b>
1.	OPEB	Beginning in 2009 the Township began to budget for an additional \$200,000.00 contribution to help fund Other Post Employment Benefits for both general employees and police & fire employees.
2.	OPEB	All age eligible retirees were moved out of Blue Cross/Blue Shield and into United Health Care, administered by Professional Benefits Services, on January 1, 2011.
3.	OPEB	Attempted to negotiate changes in health care contributions, effective with the implementation of the new labor agreements.
4.	OPEB	Change in health care policy to move eligible retirees to PBS upon month in which their birthdate falls instead of calendar year end. Effective January 1, 2013, plan year.
5.	OPEB	Changed health care policies through collective bargaining and general policy to disallow new dependents after retirement. Effective January 1, 2010, plan year.
6.	OPEB	Effective January 1, 2011, general employees hired after this date, are required to pay an additional 3% of their annual compensation into a fund established for retiree health care.
7.	OPEB	Employees represented by IAFF and COAM increased their contribution to healthcare to 10%.
8.	Pension	Negotiated a reduction in maximum benefit from 75% to 61.25% of FAC for employees represented by IAFF hired after June 1, 2010.
9.	Pension	Effective January 1, 2012, elected officials are required to contribute 10% to their MERS Defined Pension Plan.
10.	Pension	Effective April 1, 2011 general employees began contributing 2% of their annual compensation into the retirement system.
11.	Pension	Effective January 1, 2011, general employees hired after this date are required to pay 3% of their annual compensation into the retirement system.

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12.	Pension	Negotiated a Deferred Retirement Option Plan for Fire personnel in efforts to realize budget savings, effective June 1, 2010. In attempting to change the DROP program, Police personnel were awarded the DROP through arbitration.
13.	Pension	Effective January 1, 2011 general and appointed employees hired after this date, have a reduced multiplier for retirement (2.25%) for a savings of .25%.
14.	Pension	Effective January 1, 2011, general and appointed employees hired after this date are vested after ten years of services which is an increase of 2 years.
15.	Pension	Effective September 14, 2011, general employees represented by MAPE hired after this date have a multiplier of 1.5% for a savings of 1%
16.	Pension	Effective September 14, 2011 general employees represented by MAPE hired after this date have a change in FAC computation. The maximum payout was limited to 240 total hours of accrued time and excludes overtime in the computation.
17.	Pension	Effective September 1, 2011 the multiplier for new hires in the Police Department represented by POAM was reduced from 2.8% to 2.25%
18.	Pension	Effective September 1, 2011 the vesting requirement for new hires in the Police Department represented by POAM was increased to ten years.
19.	Pension	Effective September 1, 2011 the maximum payout for new hires in the Police Department represented by POAM was limited to 240 total hours of accrued time and excludes overtime in computation.
20.	Pension	Effective September 1, 2011 added age requirement (50 years old) to employees represented by POAM and hired after same date.
21.	Pension	Effective September 1, 2010 the multiplier for new hires in the Fire Department represented by IAFF was reduced from 2.8% to 2.25%
22.	OPEB/Pension	In October of 2013, the Township held two Financial Visioning sessions with residents, business owners and staff to collaborate on cost savings ideas & discussion re: pension and OPEB costs.

### How Will The Local Unit Continue To Implement And Maintain Previous Actions Taken

The Township will continue to implement the policies that are currently in place and work towards maintaining and/or improving pension and health care provisions through collective bargaining.

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<b>Additional Actions That Could Be Implemented</b>	
Note: Actuarial assumption changes and issuance of debt instruments do not qualify as a new action.	
1.	Attempt to negotiate increased employee contributions to the retirement systems for all employees and elected officials.
2.	Attempt to negotiate increased retiree cost sharing for health and prescription coverage upon retirement through collective bargaining that are more aligned with statewide averages.
3.	Attempt to negotiate reduced benefit multipliers through collective bargaining that are more aligned with Statewide averages.
4.	Consider a change in policy through collective bargaining in determination of Final Average Compensation to be calculated solely on base wage.