

May 31, 2013

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

RE: Compliance Form 4888 "Employee Compensation" for City of Lincoln Park, MI

The City of Lincoln Park is pleased to submit its form 4888 compliance documents as per Public Act 200 of 2013 so we can receive the balance of our revenue sharing under the Economic Vitality Incentive Program (EVIP).

Behind this letter you will find a signed form 4888 compliance document by our city administrator, as well as a copy of our council resolution and/or a copy of or plan to either comply with PA-152 or the specific categories of the compensation components per the statute language in PA200.

We will make this information publicly available, either through the Clerk's office, posted on Munetrix, or integrated into our own website.

Thank you for your time and I trust you will contact me if you have any questions or concerns.

Sincerely,

Joseph Merucci
City Manager

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

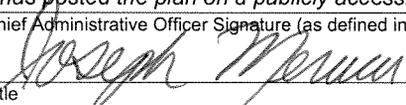
Issued under authority of 2012 Public Act 200. Filing of this form or Form 4978 Certification of 2011 Public Act 152 Compliance is mandatory to qualify for payments.

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 Lincoln Park	Local Unit County Name Wayne County	
Local Unit Code 822180	Contact E-Mail Address lgriggs@citylp.com	
Contact Name Joseph Merucci	Contact Title City Manager	Contact Telephone Number (313) 386-1800
Website Address, if reports are available online http://www.munetrix.com/Michigan/Municipalities/01-SEMCOG/Wayne-County/City/Lincoln-Park		
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) Joseph Merucci	
Title City Manager	Date May 31, 2013	

Completed and signed form (including required attachments) 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 LINCOLN PARK EMPLOYEE COMPENSATION PLAN

Listed below is the City of Lincoln Park Employee Compensation Plan prepared in accordance with the State's Economic Vitality Incentive Program (EVIP) Public Act 63 of 2011, section 951 (3)(c) and submitted to the Michigan Department of Treasury.

As of July 1, 2012, 119 of the 130 full-time City employees, or 92%, belong to one of 6 bargaining units. The remaining 11 employees are considered non-union. The unions can be divided into two groups, sworn and non-sworn, based on their treatment under state labor law. Public safety (Police and Fire) sworn employees have been granted the rights to binding arbitration by the State under Public Act 312 of 1969.

The current bargaining units include:

Non-Union Classified Employees

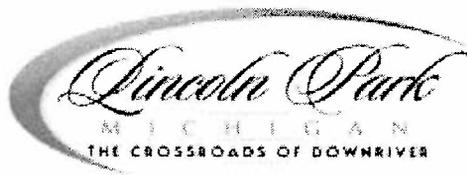
1. Lincoln Park Administrators Association
2. 25th District Court Employees

Union Classified Employees

1. Lincoln Park Police Officers Association
2. Lincoln Park Command Officers Association
3. Lincoln Park Firefighters Association
4. Government Employees Labor Council
5. Technical Professional Officer Workers Assoc. of Michigan – Clerical
6. Technical Professional Officer Workers Assoc. of Michigan – Hourly

All the above listed bargaining units have labor agreements in place covering the period of July 1, 2011 through June 30, 2013. Many of these contracts have provisions that meet or exceed the State's EVIP requirements. In areas where the requirement is not met we have listed the plan to attempt to achieve compliance.

Requirement: New hires that are eligible for retirement plans are placed on retirement plans that cap annual employer contributions at 10% of base salary for employees who are eligible for social security benefits. For



employees who are not eligible for social security benefits, the annual employer contribution is capped at 16.2% of base salary.

- **Status:** All new hires who are eligible for social security benefits, beginning with employees hired after November 1, 2004 - All new hires are covered under a defined contribution pension program or a Hybrid plan as defined under IRS regulations. The City contributes 7.0% of the employee's base wage into these retirements' accounts for defined contribution and 7.34% for hybrid members. New hires that are not eligible for social security benefits are in a reduced defined benefit plan.
- **Plan:** The City's benefits for new hires that are not eligible for social security benefits currently exceed the state requirements.

Requirement: For defined benefit pension plans, a maximum multiplier of 1.5% for all employees who are eligible for social security benefits, except, where postemployment health care is not provided, the maximum multiplier shall be 2.25%. For all employees who are not eligible for social security benefits, a maximum multiplier of 2.25%, except, where postemployment health care is not provided, the maximum multiplier shall be 3.0%.

- **Status:** For social security eligible employees have a multiplier of 2.5 and must work 25 years in order to receive postemployment healthcare. Non-social security eligible employees have a multiplier of 2.8.
- **Plan:** The city is currently negotiating a plan with all bargaining units that meets EVIP requirements.

Requirement: For defined benefit pension plans, final average compensation for all employees is calculated using a minimum of 3 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.

- **Status:** FAC for all employees is calculating using a 3 year average. There is now a cap in place for some employees on the amount of paid



leave included and the City is currently negotiating with the other bargaining unit members to cap this. Non-social security eligible employees FAC is only computed on wages, longevity, holiday pay and gun allowance. All overtime and other forms of pay are excluded from FAC.

- **Plan:** The City of Lincoln Park non-sworn employees already exceed the State's requirement by moving new hire employees to the defined contribution plan. The City plans to make changes for the sworn employees, as soon as possible, within their constraints of public act 345 as discussed above.

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

- **Status:** Effective with all employees new hires in all the City sworn and non-sworn unions must pay 20% of the health insurance premium.
- **Plan:** The City of Lincoln Park will implement the 20% health insurance premiums to all employees effective July 1, 2013.

For more details regarding the employee benefits and complete Union contracts please visit the city's website at the website below:

<http://www.citylp.gov>

The City of Lincoln Park certifies to the Michigan Department of Treasury it has developed an employee compensation plan that the local unit is attempting to implement with any new, modified, or extended contract or employment agreements for employees not covered under contract or employment agreement. This plan is being made available for public viewing on a publicly accessible Internet site.



Joseph Merucci, City Manager

**CITY OF LINCOLN PARK, MICHIGAN
CERTIFIED COPY OF RESOLUTION #2011-302**

REGULAR MEETING OF THE MAYOR AND COUNCIL OF THE CITY OF LINCOLN PARK, WAYNE COUNTY, MICHIGAN, HELD IN THE COUNCIL CHAMBERS OF THE MUNICIPAL BUILDING.

UNDER THE DATE OF: December 19, 2011

MOVED BY: Council President Murphy SUPPORTED BY: Councilman Kaiser

WHEREAS, PA 152, was recently passed by the State Legislature;

WHEREAS, Communities are given essentially three options for complying with the requirements of the Bill, depending on the impact of the Bill on the employees of each public employer and the policy decision each community believes is appropriate for it;

WHEREAS, those three options are as follows:

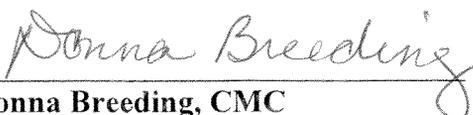
- 1) Apply the Hard Cap (capped dollar amount each government employer may pay towards an employee's healthcare costs);
- 2) Adopt by majority vote the 80% / 20% cost-sharing model;
- 3) Opt out of the cost-sharing model as set forth in the bill and revisit it prior to the next year.

WHEREAS, the City has determined to Opt-Out, and revisit the issue later because of the healthcare concessions already made by its employees;

NOW, THEREFORE BE IT RESOLVED, that the City of Lincoln Park has elected to comply with the requirements of the Publicly Funded Health Insurance Contribution Act by adopting the Opt-Out model as set forth in PA 152.

Motion unanimously carried.

I, **DONNA BREEDING**, duly authorized City Clerk of the City of Lincoln Park, do hereby certify that the above is a true copy of a Resolution adopted by the City Council at a Regular Meeting held under the date of: December 19, 2011.



Donna Breeding, CMC
City Clerk

Lincoln Park, Michigan
December 3, 2012

SPECIAL MEETING

Meeting called to order at 6:30 p.m., Mayor Patricia Krause presiding

PRESENT: Councilpersons Tracy Bush, Mario DiSanto, Joseph Kaiser, Suzanne Moreno
and Thomas Murphy

ABSENT: Councilperson Mark Kandes

ALSO PRESENT: City Clerk Donna Breeding

RESOLUTION 2012-360 Recess

By Councilman DiSanto, supported by Councilwoman Moreno

RESOLVED, that the Mayor and Council recess into Closed Session to discuss Attorney/Client
Privileged correspondence and collective bargaining matters.

Motion unanimously carried.

At 6:31 Mayor and Council adjourned to meet in Closed Session.

Donna Breeding, City Clerk

Lincoln Park, Michigan
December 3, 2012

REGULAR MEETING

The meeting was called to order at 7:30 p.m., Mayor Patricia Krause presiding

Pledge of Allegiance to the Flag

Moment of Silence

PRESENT: Councilpersons Tracy Bush, Mario DiSanto, Mark Kandes, Joseph Kaiser,
Suzanne Moreno and Thomas Murphy

ALSO PRESENT: City Manager Greg Capote, City Attorney Ed Zelenak and City Clerk
Donna Breeding

Mayor's remarks

RESOLUTION 2012-361 Minutes

By Councilwoman Bush, supported by Councilman DiSanto

RESOLVED, that the minutes of the Regular Meeting held under the date of November 19, 2012
be approved as recorded.

Motion unanimously carried.

RESOLUTION 2012-362 Appointment/Library Commission

By Councilwoman Bush, supported by Councilwoman Moreno

RESOLVED, that Thersa Brooks be reappointed to the Library Commission. Term to expire
November 28, 2015.

Motion unanimously carried.

RESOLUTION 2012-363 Appointment/Library Commission

By Councilwoman Moreno, supported by Councilwoman Bush

RESOLVED, that Charmaine Clancy be reappointed to the Library Commission. Term to expire
November 28, 2015.

Motion unanimously carried.

RESOLUTION 2012-364 Appointment/Library Commission

By Councilwoman Moreno, supported by Councilwoman Bush
RESOLVED, that Camilla Horn be reappointed to the Library Commission. Term to expire November 28, 2015.
Motion unanimously carried.

RESOLUTION 2012-365 Accounts & Claims Payable

By Councilwoman Bush, supported by Councilman DiSanto
RESOLVED, that the Accounts & Claims Payable as presented by the Finance Director to the Mayor & Council be approved as follows:
Warrant Report: \$323,228.84.
Motion unanimously carried.

RESOLUTION 2012-366 Charitable Solicitation/LPHS Band

By Councilman DiSanto, supported by Councilwoman Bush
RESOLVED, that the Lincoln Park High School Band, 1701 Champaign, Lincoln Park, MI be granted permission to request donations on the streets of Lincoln Park on March 23, 2013 for a "Lollipop Sale". All reporting provisions of the local ordinance to be timely observed.
Motion unanimously carried.

RESOLUTION 2012-367 Approve 80/20 Healthcare Funding

By Councilwoman Bush, supported by Councilwoman Moreno
WHEREAS, PA 152, passed by the state Legislature, was designed to lessen the burden of employee healthcare costs on public employers, and
WHEREAS, Communities are given three options for complying with the requirements of the Bill, depending on the impact of the Bill on the employees of each public employer, and
WHEREAS, those three options are as follows:
1) Apply the Hard Cap (capped dollar amount each government employer may pay towards an employee's healthcare cost);
2) Adopt by majority vote the 80%/20% cost sharing model;
3) Opt out of the cost-sharing model as set forth in the bill and revisit it prior to the next year.
WHEREAS, the City of Lincoln Park has determined to adopt the 80/20 cost sharing model as its choice of compliance under PA 152.
NOW, THEREFORE BE IT RESOLVED, the Lincoln Park City Council elects to comply with the requirement of Publicly Funded Health Insurance Contribution Act by adopting the 80/20 cost sharing model set forth in PA 152 for calendar year 2013.
Motion unanimously carried.

RESOLUTION 2012-368 Set Special Meeting/Audit Presentation

By Council President Murphy, supported by Councilman DiSanto
RESOLVED, that a Special Meeting of the Mayor and Council be held on Monday, December 17, 2012 at 6 p.m. in the John A. Aloisi Council Chambers at City Hall, 1355 Southfield Rd., Lincoln Park, for the purpose of presenting the Fiscal Year 2011/2012 Financial Statements by Plante & Moran, LLP.
Motion unanimously carried.

RESOLUTION 2012-369 Set Special Meeting/Deficit Reduction Plan

By Councilman Kandes, supported by Council President Murphy
RESOLVED, that a Special Meeting be held immediately following the Audit Presentation. Plante & Moran are requested to present a report outlining full specifics & details on a Deficit Reduction Plan for the City.
Motion unanimously carried.

RESOLUTION 2012-370 Approve Promotion/Police Dept.

By Council President Murphy, supported by Councilman DiSanto

RESOLVED, that funds be approved for the promotion of a Sergeant to Lieutenant. Cost to be approximately \$6,000. Per the recommendation of the Chief of Police.

By Councilwoman Bush, supported by Councilman Kandes

Motion to postpone action on the above resolution.

YES: Councilpersons Bush, Kandes and Moreno

NO: Councilpersons DiSanto, Kaiser, Murphy, Mayor Krause MOTION FAILED

ROLL CALL VOTE on original resolution authorizing the Police Department promotion.

Motion carried.

NO: Councilpersons Bush, Kandes and Moreno

CITIZENS COMMUNICATIONS

ORAL REPORTS OF THE MAYOR AND COUNCIL

CITY MANAGER'S REPORT

There being no further business before the Mayor & Council, the meeting adjourned at 8:55 p.m.

PATRICIA KRAUSE, MAYOR

DONNA BREEDING, CITY CLERK