

Economic Vitality Incentive Program Certification of Employee Compensation

Issued under authority of Public Act 63 of 2011. Filing is mandatory to qualify for payments.

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

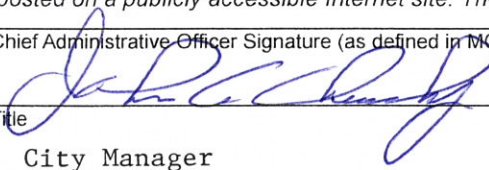
1. Certify to the Michigan Department of Treasury (Treasury) that the local unit listed below has developed an employee compensation plan that the local unit intends to implement with any new, modified, or extended contract or employment agreements for employees not covered under contract or employment agreement. 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.

This certification, along with the employee compensation plan, **must be received by May 1, 2012** (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 Iron River	
Local Unit Code 36501	Local Unit County Iron
Contact Name John A. Archocosky	Contact Telephone Number 906-265-4719

PART 2: CERTIFICATION

<i>In accordance with Public Act 63 of 2011, the undersigned hereby certifies to Treasury that by May 1, 2012, the above mentioned local unit has developed an employee compensation plan and has made the plan available for public viewing in the clerk's office or posted 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) 	
Title City Manager	Date 4/4/12

Completed and signed forms (including required attachments) should be e-mailed to: TreasORTA@michigan.gov

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

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

Treasury Use Only		
EVIP Eligible	Certification Received	EVIP Notes
Y N	Plan Received	
Final Certification		

City of Iron River

106 W. Genesee
IRON RIVER, MICHIGAN 49935

John A. Archocosky
City Manager
jarchocosky@ironriver.org

RESOLUTION CITY OF IRON RIVER EMPLOYEE COMPENSATION PLAN

Phone: 906-265-4719
Fax: 906-265-5776
Web. Page: www.ironriver.org

WHEREAS, the State of Michigan has enacted legislation requiring municipalities to certify they have developed an Employee Compensation Plan with certain limitations;

WHEREAS, those limitations have been set forth as follow:

Per Public Act 63 of 2011, Section 951 (3) (c), at a minimum the employee compensation plan shall include the following:

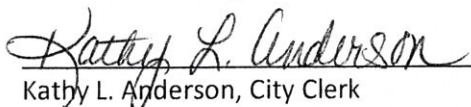
- New hires who are eligible for retirement plans are placed on retirement plans that cap annual employer contributions at 10% of base salary for employees who are eligible for social security benefits. For employees who are not eligible for social security benefits, the annual employer contribution is capped at 16.2% of base salary.
- 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%.
- 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.
- 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.

WHEREAS, the City of Iron River is compelled to comply with the foresaid legislation or forfeit a portion of its Revenue Sharing:

NOW THEREFORE, BE IT RESOLVED, that the City of Iron River **intends** to implement a plan consistent with the foregoing employee compensation criteria for any new, modified or extended contract or employment agreements for employees not covered under contract.

BE IT FURTHER RESOLVED, that the City of Iron River reserves the right to modify, amend, or nullify its Employee Compensation Plan whenever it deems it to be in the best interest of the City.

CERTIFICATION: I hereby certify that the foregoing is a true and complete resolution adopted by the City Council for the City of Iron River at a regular meeting held this 3th day of April, 2012.


Kathy L. Anderson, City Clerk