

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

Local Unit Name: Charter Township of Plymouth
Local Unit Code: 821070

PREVIOUS ACTION TAKEN TO REDUCE UNFUNDED ACCRUED LIABILITIES

Previous Actions Taken To Reduce Unfunded Accrued Liabilities	
Unfunded Accrued Liability Type	Previous Action Taken
1. OPEB	<p>In the 1st Qtr of 2009 the retiree health care benefits were changed for currently employed non-union, TPOAM Clerical union and Teamster DPW union members where retirees under the age of 65 would only receive township-paid health care premium sharing equal to that paid for active employees and their spouse, any incremental premium sharing above that amount is paid by the retiree, which is typically 30% of the retiree health care premium.</p> <p>At age 65 or when Medicare-Eligible the township would no longer provide the premium equal to an active employee but rather the retiree and spouse would be required to enroll in Medicare and receive an annual \$1500 single/\$3000 couple in a HRA per year to pay for all medical expenses allowed under law including medigap coverage.</p> <p>In addition beginning in the 1st Qtr of 2009, any new non-union, TPOAM Clerical and Teamster DPW employees would no longer be eligible for township employee retiree health care and would instead receive a \$50 per pay period (26 pays per year) deposit into a RHS account with vesting of 50% at 10 years, 75% at 15 years and 100% at 20 years.</p> <p>Each of the above items are part of the Township Personnel Policy and Procedures Benefits Manual for non-union employees and contained within the TPOAM Clerical and Teamsters DPW collective bargaining agreements.</p>
2. OPEB	<p>In May 2012, IAFF Union firefighters began to pay 20% of the health care premium for the retiree and spouse.</p> <p>At age 65 or when Medicare-Eligible the township would no longer provide retiree healthcare coverage but rather the retiree and spouse would be required to enroll in Medicare and receive an annual \$1500 single/\$3000 couple in a HRA per year to pay for all medical expenses allowed under law including medigap coverage.</p>

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		The above provision is contained within the IAFF Fire Fighter collective bargaining agreement.
3.	Pension	<p>In May 2012, contributions by the township employer to the DB Plan were capped at 13.5% and any Annual Required Contribution above that amount is paid by the IAFF Fire Fighter union members.</p> <p>In addition, any new IAFF Fire Fighters hires after May 2012 would no longer be enrolled in the DB Plan, but rather into a DC plan with a fixed 15% contribution of fire fighter base wages being contributed by the township employer plus a 5% employee contribution of their base wages.</p> <p>The above provision is contained within the IAFF Fire Fighter collective bargaining agreement.</p>
4.		

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

Current non-union policies will continue in place, current union collective bargaining agreements retiree health care provisions will remain in place until they expire in 2016.

Additional Actions That Could Be Implemented

Note: Actuarial assumption changes and issuance of debt instruments do not qualify as a new action.

1.	At all future bargaining the township employer will continue to negotiate for OPEB reduction provisions to be incorporated into future collective bargaining agreements.
2.	
3.	