



# EVIP Next Steps



michigan municipal league  
Better Communities. Better Michigan.





# Can you hear us?

If not, dial:

**1-866-200-5786**

When prompted, enter conference ID:

**4847273**



- **October 1, 2011 - Communities must have a citizens guide and dashboard for citizens. The dashboard must include unfunded liabilities.**
  
- **2. January 1, 2012 – Communities must produce a plan with 1 or more proposals to increase existing levels of cooperation, collaboration and consolidation within their jurisdiction or with other jurisdictions. The plan must list previous efforts of cooperation, collaboration and consolidation and with any cost savings and estimates of any potential savings of future efforts.**
  
- **3. May 1st, 2012 – Communities must certify they INTEND to implement the employee compensation criteria in the act for any new, modified or extended contract or employment agreements for employees not covered under contract or employment contract.**

# **EVIP – Consolidation of Services**

**Evah Cole  
Michigan Department of Treasury  
December 13, 2011**

## Am I Eligible?

- Did your local unit receive total statutory revenue sharing payments greater than \$4,500 in the state's 2010 fiscal year?

Yes - Eligible - Must comply with requirements to receive maximum EVIP amount

No - Not Eligible - Do not have to comply with requirements

# How Does A Local Unit “Qualify” for EVIP Payments?

- Eligible does not mean an automatic payment
- A local unit must become “qualified” to receive a payment
- How?? Provide the required documentation to the Michigan Department of Treasury by January 1, 2012

# Consolidation of Services Requirements to Qualify for Payments

- Treasury must receive the following in order for an eligible local unit to qualify for payments:
  1. A completed Certification Form (form # 4887) signed by the Chief Administrative Officer
  2. A copy of the local unit's Cooperation, Collaboration and Consolidation Plan

# Consolidation of Services Requirements to Qualify for Payments

- Documentation due to Treasury by January 1, 2012  
(not the next business day)
- Cooperation, Collaboration and Consolidation Plan  
must be made readily available to the public

# Cooperation, Collaboration and Consolidation Plan

- Listing of any previous services consolidated, with the cost savings realized
- Listing of any new cooperation, collaboration or consolidations being planned, with the estimated potential savings Indicated
- Act requires one or more proposals to increase existing level of cooperation, collaboration or consolidation

# Cooperation, Collaboration, and Consolidation Plan - Example #1

VILLAGE OF  
COUNTY, MICHIGAN  
COOPERATION, COLLABORATION, and CONSOLIDATION PLAN

Previous Cooperation, Collaboration, or Consolidations

**Police Protection:** The Village of currently partners with Township, County, for police protection services. The Village of and Township pay equal amounts for a dedicated police car to patrol the Village and the Township. The Village saves approximately \$21,000 annually through this partnership.

**Roads and Streets:** The Village of partners with the Area Schools for the School Street Improvement project from 2007. The Village received a 15 year \$565,000 Capital Improvement Bond with an annual estimated payment of \$ 52,000. The Village of and Area Schools pay equal amounts of the loan payment each year until the year 2022. The Village will save \$388,000 over the life of the loan through this partnership.

Planned Cooperation, Collaboration or Consolidations

**Zoning Administrator:** As of August 1, 2011, the Village of partners with Township and Township for Zoning Administrator services. The Village pays for one day per week for a Zoning Administrator to be available for Village Zoning needs. The training costs required for the Zoning Administrator is split between the municipalities to further enhance the knowledge of the position. The Village will save approximately \$1,000 annually through this partnership.

**Clerk/Treasurer Position:** As of November 7, 2011, the Village of has combined the position of Village Clerk and Village Treasurer to create one full-time position (Clerk/Treasurer) and a part-time position of Office Assistant/Deputy. The Village of will save approximately \$17,028 annually through the consolidation of these positions.

**Sanitary Sewer Cleaning:** The Village of plans to partner with the City of for sewer cleaning services. This partnership will save the Village the cost of purchasing and maintaining equipment. The partnership will also save on hiring an additional employee to operate the equipment. Estimated cost savings for the Village are \$100,000 over five years, plus the cost of equipment.

# Cooperation, Collaboration, and Consolidation Plan - Example #2

## VILLAGE OF COOPERATION, COLLABORATION AND CONSOLIDATION PLANS

October 10, 2011

### EXISTING PLANS

- A. Village of (Savings\$263,000)
  - 1. Fire Department
    - a. Housing Agreement – Shared Equipment
  - 2. Township
    - a. Joint Master Plan (Savings of \$17,000)
    - b. Holds elections (Savings of \$1,000)
    - c. PA 425 agreements – Future cost of repairs
    - d. Annexation – Added \$10 million in taxable value to tax role
  - 3. DPW collaboration on equipment
    - a. School
    - b. Library
    - c. Fire Department
    - d. county Mutual Aid Agreement
  - 4. County
    - a. Salt Storage (Savings \$185,000)
  - 5. County
    - a. Consolidated Emergency 911 dispatch services (Savings \$60,000 if hired 2 dispatchers)

### NEW PLAN

- A. Village of (Savings\$30,000 +)
  - 1. Township
    - a. Shared Police Service
  - 2. School
    - a. Safe Way to School
    - b. Purchase of office supplies

# Cooperation, Collaboration and Consolidation Plan Template Instructions

## Instructions - Cooperation, Collaboration, and Consolidation Plan

The Cooperation, Collaboration, and Consolidation Plan Template is a word document and can be expanded as needed. Local Units are not required to use this template. Local Units may submit the required information in any format that they choose.

### Required Information:

1. A listing of any previous services consolidated with the cost savings realized from each consolidation.
2. One or more proposals to increase the existing level of cooperation, collaboration and consolidation and an estimate of the potential savings.

### Template Instructions:

**Plan Available to the Public:** Indicate method used to make the plan available to the public.

#### **Previous Service Consolidations(s) Box**

1. **Service Consolidation:** List any previous services that have been consolidated either within the jurisdiction or with other jurisdictions. If none, indicate N/A.
2. **Date Consolidated:** Indicate the date the consolidation took effect.
3. **Jurisdictions Involved:** List the other Jurisdictions Involved. If the consolidation was done within your jurisdiction indicate the areas that consolidated (i.e. Police Department and Fire Department).
4. **Realized Savings/(Loss):** Indicate the cost savings (or loss) that has been realized due to the consolidation.
5. **Description of Cost Savings/(Loss):** Describe what period of time your cost savings amount represents (i.e. \$150,000 savings annually over 5 years or \$750,000 over 5 years).
6. **Other Consolidation Benefits:** Sometimes consolidations may not necessarily result in cost savings; however, they may provide the taxpayers with better service and/or may be more efficient. Indicate if the consolidation provided improved service and/or improved efficiencies. Feel free to include any additional benefits you have experienced. Indicate N/A, if not applicable.
7. **Additional Information:** Consolidation #1 – If you would like, briefly describe the first consolidation you listed. (What/Who was consolidated, benefits realized and barriers experienced). Continue with Consolidation #2, if applicable.

#### **Proposed Service Consolidations(s) Box (must include at least one new consolidation)**

1. **Service Consolidation:** List any proposed new service consolidations being planned either within the jurisdiction or with other jurisdictions.
2. **Jurisdictions Involved:** List the other jurisdictions that may or would be involved. If the proposed consolidation will be done within your jurisdiction, indicate the areas that are being proposed for consolidation (i.e. Police Department and Fire Department).
3. **Estimated Savings/(Loss):** Indicate the estimated cost savings (or loss) for the proposed consolidation.
4. **Description of Estimated Savings/(Loss):** Describe what period of time your estimated cost savings amount represents (i.e. \$150,000 savings annually over 5 years or \$750,000 over 5 years).
5. **Other Consolidation Benefits:** Sometimes consolidations may not necessarily result in cost savings, but they may provide taxpayers with improved service and/or improved efficiencies. Indicate if the proposed consolidation will provide improved service and/or improved efficiencies. Feel free to include any additional benefits you are anticipating.
6. **Additional Information:** Proposed Consolidation #1 – If you would like, briefly describe the first proposed consolidation you listed. (What/Who will be consolidated, benefits expected and anticipated barriers). Continue with Proposed Consolidation #2, if applicable.

# Cooperation, Collaboration and Consolidation Plan Template Page 1

## Economic Vitality Incentive Program Cooperation, Collaboration, and Consolidation Plan as of:

Local Unit Name:  
County:

Plan Available to the Public (check all that apply):  In Municipal Offices  Internet Website  Other \_\_\_\_\_

Previous Service Consolidation(s)					
Service Consolidation	Date Consolidated	Jurisdictions Involved	Realized Savings/(Loss)	Description of Cost Savings/(Loss)	Other Consolidation Benefits
1.					
2.					
3.					
4.					
5.					
Additional Information:					
Consolidation #1:					
Consolidation #2:					
Consolidation #3:					
Consolidation #4:					
Consolidation #5:					

# Cooperation, Collaboration and Consolidation Plan Template Page 2

**Economic Vitality Incentive Program  
Cooperation, Collaboration, and Consolidation Plan  
as of:**

Local Unit Name:

County:

<b>Proposed Service Consolidation(s)</b>				
<b>Service Consolidation</b>	<b>Jurisdictions Involved</b>	<b>Estimated Savings/(Loss)</b>	<b>Description of Estimated Savings/(Loss)</b>	<b>Other Consolidation Benefits</b>
1.				
2.				
3.				
4.				
5.				
<b>Additional Information:</b>				
Consolidation #1:				
Consolidation #2:				
Consolidation #3:				
Consolidation #4:				
Consolidation #5:				

# EVIP Internet Location

Select:  
"Local Government  
Services"

Address <http://www.michigan.gov/treasury/>

**Department of Treasury**

Michigan.gov Home | [Treasury Home](#) | [Sitemap](#) | [Contact Treasury](#) | [FAQ](#) | [Forms](#) | [Online Services](#)

**Taxes**  
**Unclaimed Property**  
**Paying for College**  
**Local Government Services**  
**Bond (Loan) Finance & Investments**  
**Reference Library**  
**Inside Treasury**  
**Michigan Land Bank**

**Search for Forms**  
Search by form number or key word for Treasury Forms.  
 **GO**

**What's New at Treasury**

- [Governor Snyder's Tax Restructuring Proposal](#)
- [Income Tax Updates for Tax Year 2010](#)
- [2010 Individual Income Tax Forms and Instructions](#)
- [MBT E-file Mandate for Tax Year 2010](#)  
MBT Forms and Instructions will not be mailed this year
- [Michigan Business One Stop](#)  
Register for business taxes online, in addition to all the tools needed to start and maintain a business in Michigan.
- [Property Tax Explanation Presentation](#)

**Check My Income Tax Info**  
Access Your Tax Information Online

**Treasury Quick List**

How Do I Find...  **GO**

Forms  **GO**

**Featured Resources**

**Michigan.gov**  
The Official State of Michigan Website

Search  **GO**

**MI Business One Stop**

- [Departments/Agencies](#)
- [Online Services](#)
- [Surveys](#)
- [RSS Feeds](#)

**Treasury Quick Links**

- [Search for Forms](#)
- [EFT Vendor Payments](#)
- [Garnishments](#)
- [Press Releases](#)
- [Revenue Administrative Bulletins](#)
- [Revenue, Economic & Budget Data](#)
- [Collections](#)
- [State Employees](#)
- [IRS Web Site](#)
- [Personal Property Examiner List](#) **PDF**

# EVIP Internet Location

Select:  
"Revenue Sharing"

The screenshot shows the Michigan Department of Treasury website. The address bar displays <http://www.michigan.gov/treasury/0,1607,7-121-1751---,00.html>. The page header includes the Michigan Department of Treasury logo and the text "Michigan.gov The Official State of Michigan Website". A navigation bar contains links for "Michigan.gov Home", "Treasury Home", "Sitemap", "Contact Treasury", "FAQ", "Forms", and "Online Services".

The left sidebar contains a "Local Government Services" menu with the following items:

- > Forms / Instructions
- > Accounting Information
- > Local Unit Audit Reports
- > Municipal Finance
- > Revenue Sharing
- > State Tax Commission
- > Property Tax Foreclosures
- > Local Government Fiscal Health
- > Contact Information

The "Highlights" section features a list of links:

- [Statutory Tax Collection Distribution Dates 2010-2011](#) PDF
- [Consumer Price Level \(CPL/CPI\) Memo](#) PDF
- [2008-2011 Mandatory Six-Hour Renewal Programs](#)  
2008-2011 Mandatory Six-Hour Renewal Programs
- [Local Unit Fiscal Forecasting Estimator](#)
- [2011 Property Tax Collection Calendar](#) PDF
- [New - Online Filing for State Equalization](#)
- [Fiscal Indicator Scores](#)
- [State Tax Foreclosed Parcel Listing](#)
- [How a Financial Emergency Works](#) PDF
- [Local Government Task Force Final Report](#) PDF

The "Quick List" section includes search boxes for "Go To" and "FAQ", both with "Select a topic" dropdown menus and "GO" buttons.

The right sidebar contains a "Search" box and a "MI Business One Stop" menu with the following items:

- Departments/Agencies
- Online Services
- Surveys
- RSS Feeds
- Treasury Quick Links
  - Search for Forms
  - EFT Vendor Payments
  - Garnishments
  - Press Releases
  - Revenue Administrative Bulletins
  - Revenue, Economic & Budget Data
  - Collections
  - State Employees
- IRS Web Site
- Personal Property Examiner List PDF
- Local Government Quicklinks
  - DNR Pitt
  - Land Bank
  - MuniCodes
  - Property Tax Estimator and Millage Rates

The bottom of the page features two boxes: "Property Tax Related Issues" (Such as Exemption, Abatement, Deferment, or SET information) and "ListServ Subscription" (Sign up for one of the Bureau of Local Government Services electronic mailing).

# EVIP Internet Location

The screenshot shows the Michigan Department of Treasury website. The main content area features a section titled "Economic Vitality Incentive Programs (EVIP)" with two bullet points: "Incentive Program" (accountability and transparency, consolidation of services, employee compensation) and "Grant Program" (for mergers, inter-local agreements, and cooperative efforts). A blue arrow points from the text "Select: 'Incentive Program: (accountability and transparency, consolidation of services, employee compensation)'" to the "Incentive Program" bullet point. Below this is a section for "IMPORTANT PAYMENT INFORMATION" and a "County Revenue Sharing Reserve Fund" section with links to various reports.

Select:  
"Incentive Program:  
(accountability and  
transparency, consolidation  
of services, employee  
compensation)"

# EVIP Internet Location - Incentive

Eligible Local Units

- [Eligible Local Units - FY 2012](#) PDF

Projected Payments

- [Projected Payments - FY 2012](#) PDF

Certification Forms

- [Certification of Accountability and Transparency, form 4886](#) PDF
- [Certification of Consolidation of Services, form 4887](#) PDF
- [Certification of Employee Compensation, form 4888](#) PDF

Payment Categories

- [Accountability and Transparency](#)
- [Consolidation of Services](#)
- [Employee Compensation](#)

[Michigan.gov Home](#) | [Contact Treasury](#) | [State Web Sites](#) | [FAQ](#) | [Sitemap](#)  
[Privacy Policy](#) | [Link Policy](#) | [Accessibility Policy](#) | [Security Policy](#) | [Michigan News](#) | [Michigan.gov Survey](#)

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The required Certification Form (Form 4887) can be found on the Incentive Program website.

# EVIP Internet Location - Incentive

The screenshot displays a website interface with a dark blue sidebar on the left and a main content area on the right. The sidebar contains the following sections and links:

- Eligible Local Units**
  - [Eligible Local Units - FY 2012](#) PDF
- Projected Payments**
  - [Projected Payments - FY 2012](#) PDF
- Certification Forms**
  - [Certification of Accountability and Transparency, form 4886](#) PDF
  - [Certification of Consolidation of Services, form 4887](#) PDF
  - [Certification of Employee Compensation, form 4888](#) PDF
- Payment Categories**
  - [Accountability and Transparency](#)
  - [Consolidation of Services](#)
  - [Employee Compensation](#)

At the bottom of the page, there is a footer with the following text: [Michigan.gov Home](#) | [Contact Treasury](#) | [State Web Sites](#) | [FAQ](#) | [Sitemap](#) | [Privacy Policy](#) | [Link Policy](#) | [Accessibility Policy](#) | [Security Policy](#) | [Michigan News](#) | [Michigan.gov Survey](#)

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Information regarding the Consolidation of Services category can be found on the Incentive Program website by selecting the payment category link.

# EVIP Internet Location - Incentive

The screenshot shows the Michigan Department of Treasury website. The header includes the Michigan Department of Treasury logo and the text 'Michigan.gov The Official State of Michigan Website'. Below the header is a navigation bar with links for 'Michigan.gov Home', 'Treasury Home', 'Sitemap', 'Contact Treasury', 'FAQ', 'Forms', and 'Online Services'. A search bar is also present. The main content area is titled 'EVIP - Consolidation of Services' and contains the following text:

To qualify for the Consolidation of Services portion of the EVIP, eligible local units must:

- Certify to the Michigan Department of Treasury (using [form #4887](#)) that by January 1, 2012 they have produced and made readily available to the public, a plan with one or more proposals to increase its existing level of cooperation, collaboration, and consolidation, either within the jurisdiction or with other jurisdictions. A plan shall include a listing of any previous services consolidated with the cost savings realized from each consolidation and an estimate of the potential savings for any new service consolidations being planned.
- Submit a copy of their cooperation, collaboration and consolidation plan, in accordance with the provisions of Public Act 63 of 2011, section 951(3)(b), to the Michigan Department of Treasury.

The left sidebar contains a 'Local Government Services' menu with items like 'Forms / Instructions', 'Accounting Information', 'Local Unit Audit Reports', 'Municipal Finance', 'Revenue Sharing', 'State Tax Commission', 'Property Tax Foreclosures', 'Local Government Fiscal Health', and 'Contact Information'. Below this are sections for 'Taxes', 'Unclaimed Property', and 'Paying for College'. The right sidebar features a 'MI Business One Stop' menu with 'Departments/Agencies', 'Online Services', 'Surveys', and 'RSS Feeds'. A 'Related Content' section lists links to 'Economic Vitality Incentive Program (EVIP) - Incentive Program', 'EVIP - Accountability & Transparency', 'EVIP - Employee Compensation', and 'Economic Vitality Incentive Program (EVIP) - Grant Program'.

The Consolidation of Services page lists what must be provided to Treasury and the Template will be on the bottom of this page.

## EVIP Conditions

- Falsifying certification documents – all future EVIP payments are forfeited and the local unit must repay any prior EVIP payments received
- EVIP payments are subject to withholding for failure to file the local unit's annual audit report, F65 report and/or report of a deficit condition

## Summary – What to Submit to Treasury

- Certification Form #4887
- Cooperation, Collaboration and Consolidation Plan

# How To Submit Documentation to Qualify for Payments

- Use One of the Following Methods:
  1. Email to: [TreasORTA@michigan.gov](mailto:TreasORTA@michigan.gov)
  2. Mail to: Michigan Department of Treasury  
Office of Revenue & Tax Analysis  
P.O. Box 30722  
Lansing, Michigan 48909

# Submitting Documentation to Qualify For Payments

- Postmark dates will not be accepted
- Links to websites will not be accepted
- Please send one email (per category) with all the required documentation
- PDF's preferred

# For Information about the Economic Vitality Incentive Program

**Evah Cole, Revenue Sharing Manager**

**Office of Revenue and Tax Analysis  
Michigan Department of Treasury**

**517-373-2697**

**[www.michigan.gov/treasury](http://www.michigan.gov/treasury)**



## Hard Cap

For the medical benefit plan coverage year beginning on or after January 1, 2012, a public employer may not pay more of the annual costs for medical benefit plans than a total amount equal to:

- \$5,500 times the number of employees with single person coverage
- \$11,000 times the number of employees with individual and spouse coverage
- \$15,000 times the number of employees with family coverage



80/20

By a majority vote of its governing body, a public employer may opt-out of the hard cap and into an 80% cap option wherein the public employer may not pay more than 80% of the total annual costs of all the medical benefit plans it offers or contributes to for its employees and elected officials.



## Opt Out Option

By a 2/3 vote of its governing body each year, a local unit of government may exempt itself from the requirements of this Act for the next year. An exemption is not effective for a city with a mayor who is both the chief executive and chief administrator, unless the mayor also approves the exemption.



This law does not apply to existing collective bargaining agreements or other contracts until the agreements or contracts expire, are extended, or renewed. However, any collective bargaining agreement executed on or after September 15, 2011, must comply.



# Questions?