



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

ANDY DILLON
STATE TREASURER

August 2012

**Economic Vitality Incentive Program
Fiscal Year 2013**

As you may be aware, the revenue sharing program for cities, villages, and townships was changed in fiscal year 2012, eliminating the statutory portion of revenue sharing and creating the Economic Vitality Incentive Program (EVIP). For fiscal year 2013, the EVIP is continuing and each eligible local unit must comply with the requirements for a category in order to receive the EVIP funding for that category.

For new reporting requirements, please visit our website www.michigan.gov/revenuesharing or review Section 952 of 2012 Public Act 200 (attached).

The three categories are Accountability and Transparency, Consolidation of Services, and Employee Compensation. For each category an eligible city, village, or township qualifies for, on or before the initial due date, they shall receive 1/3 of their total projected payment amount.

To qualify for a category a local unit must:

1. Make a category's required documents available for public viewing in the city, village, or township clerk's office, or post them on a publicly accessible Internet site by the qualifying dates for the category.
2. Provide to treasury the required certification form and copies of the required documents for the category.

Below are the three categories and their requirements.

1. Accountability and Transparency – Due October 1, 2012

- Required Documents
 - Certification of Accountability and Transparency (form 4886)
 - Citizen's Guide – **NEW REQUIREMENTS IN 2013**
 - Performance Dashboard
 - Projected Budget Report – **NEW REPORT IN 2013**
- Qualification Dates/Payment Information
 - If certified on or before October 1, 2012;
 - Receive the full Accountability and Transparency payment amount
 - ½ paid on October 31, 2012
 - ½ paid on December 28, 2012
 - If certified after October 1, 2012 but on or before November 30, 2012;
 - October payment forfeited
 - Receive ½ of the Accountability and Transparency payment amount
 - Paid on December 28, 2012

2. Consolidation of Services – Due February 1, 2013

- Required Documents
 - Certification of Consolidation of Services (form 4887)
 - Consolidation Plan – **NEW REQUIREMENTS IN 2013**
- Qualification Dates/Payment Information
 - If certified on or before February 1, 2013;
 - Receive the full Consolidation of Services payment amount
 - ½ paid on February 28, 2013
 - ½ paid on April 30, 2013
 - If certified after February 1, 2013 but on or before March 31, 2013;
 - February payment forfeited
 - Receive ½ of the Consolidation of Services payment amount
 - Paid on April 30, 2013

3. Employee Compensation – Due June 1, 2013

- Required Documents (*Choice of two options*)
 - **Option 1** - Employee Compensation Plan
 - Certification of Employee Compensation (form 4888)
 - Employee Compensation Plan
 - **Option 2** - 2011 Public Act 152 Compliant
 - Certification of 2011 Public Act 152 Compliance (form 4978)
 - Board resolution/meeting minutes (if applicable)
 - 80/20 Option - majority vote required
 - Exempt (opt-out) Option - 2/3 vote required annually
- Qualification Dates/Payment Information
 - If certified on or before June 1, 2013;
 - Receive the full Employee Compensation payment amount
 - ½ paid on June 28, 2013
 - ½ paid on August 30, 2013
 - If certified after June 1, 2013 but on or before July 31, 2013;
 - June payment forfeited
 - Receive ½ of the Employee Compensation payment amount
 - Paid on August 30, 2013

Any local unit that falsifies certification documents shall forfeit any future economic vitality incentive program payments and shall repay the state all economic vitality incentive program payments it has received.

Detailed information regarding each category can be found in Section 952 of 2012 Public Act 200 (attached) or on the Michigan Department of Treasury website at www.michigan.gov/revenuesharing.

Attached is a listing of the eligible local units, including the projected payment amounts for each category.

For questions, please feel free to contact the Office of Revenue and Tax Analysis by phone at (517) 373-2697 or e-mail us at our new e-mail address TreasRevenueSharing@michigan.gov.