

**Sec. 44. Election to Change Benefit and Contribution Programs; Protection of Accrued Benefits; Actuarial Determination of Required Contributions.**

- (1) A participating municipality may elect to change the benefit programs and member contribution programs which apply to the employees of the municipality by an affirmative vote by a majority of the members of the municipality's governing body, or by resolution of the joint board or commission of the municipalities that are required by law to fund the participating municipality if those municipalities have entered into a contract to transfer functions and responsibilities pursuant to 1967 PA 8 (Ex Sess), MCL 124.531 to 124.536. The municipality shall specify the effective date of the change in coverage and the benefit programs and member contribution programs which shall apply to the employees of the municipality from the effective date of the change. The effective date of the change in coverage shall be the first day of a calendar month. A change in benefit program or member contribution program shall not reduce the accrued benefit of any member based on the member's credited service and final average compensation as of the effective date of the change in coverage.
- (2) The municipality shall certify to the Retirement System, in the manner and form prescribed by the System, the determination of the participating municipality under subsection (1). The certification shall be made within 10 days after the date of the vote by the governing body.
- (3) A change in benefit programs shall not be adopted unless the Retirement System has provided the municipality a supplemental actuarial valuation pursuant to 1965 PA 314, MCL 38.1140h(3), and the Retirement Board's Restated Initial Actuarial Valuation and Supplemental Valuation Procedure.