

Which Payment Method is Best For My Municipality

	FLAT BILLING	PERCENTAGE OF PAY
Best for municipalities that:	Prefer to pay on flat rate each month for their DB plan, regardless of the actual experience of the plan	Prefer to pay the actual cost of the plan on a monthly basis
Benefits:	<ul style="list-style-type: none"> • Costs are the same each month, making annual budgeting easier • If your workforce shrinks during the year, funding will continue to come in to offset unfunded accrued liability 	<ul style="list-style-type: none"> • As your workforce grows throughout the year, costs are adjusted accordingly, offsetting any potential unfunded accrued liability • You can easily determine the cost of the plan per employee
Things to consider:	<ul style="list-style-type: none"> • If your workforce increases throughout the year, your plan billing won't reflect this growth until the following year and new liability will be generated • You cannot easily determine the plan cost by employee 	<ul style="list-style-type: none"> • If your workforce decreases throughout the year, contributions decrease and UAL is not adequately funded

* Note that, for closed divisions, Flat Billing is the only payment method available.

For more information, please contact us at 800.767.6377.