

DETROIT CHARTER REVISION COMMISSION
PROPOSAL/ISSUE REVIEW SUMMARY

ISSUE NUMBER: BF 38

ISSUE CATEGORY: Budget & Finance

SOURCE: Staff

RELATED CHARTER SECTIONS: Art. 11 (Retirement Plans)

Letter, November 2010

RELEVANT ORDINANCE SECTION:

RELEVANT LAW(S):

ISSUE/PROPOSAL STATEMENT: Restrict disbursements to non-retirees. Provide yearly report to City Council projecting financial adequacy of pension fund to support annual pension obligations.

Pension Reform. The City shall not pay retirement funds to non-retirees. The Retire System must prepare and present a report to the Detroit City Council 30 days in advance of the beginning of budget deliberation cycle. The report shall project if adequate funds from the investment of pension funds are sufficient to support the annual pension obligations.

RATIONALE:

ANALYSIS: See legal opinion on PERA and Retirement/Pension systems.

DISPOSITION/COMMISSION ACTION:

NOTES: See "Historical Charter Analysis of Retirement System", dated August 5, 2010.