

DETROIT CHARTER REVISION COMMISSION
PROPOSAL/ISSUE REVIEW SUMMARY

ISSUE NUMBER: BF 80

ISSUE CATEGORY: Budget & Finance

SOURCE: Mayor Bing Administration
Letter, Rec'd December 21, 2010

RELATED CHARTER SECTIONS: §11-102 (Continuation of Existing Plans)

RELEVANT ORDINANCE SECTION:

RELEVANT LAW(S):

ISSUE/PROPOSAL STATEMENT: Remove language allowing for changes in retirement plans through the Charter.
Various grammatical changes.

ARTICLE 11. RETIREMENT PLANS

Sec. 11-102. Continuation of existing plans.

The retirement plans of the City existing when this Charter takes effect, including the existing governing bodies for administering those plans, the benefit schedules for those plans and the terms for accruing rights to and receiving benefits under those plans shall, in all respects, continue in existence exactly as before until changed by ~~this Charter or an ordinance~~ or in accordance with this article applicable law.

RATIONALE: *"The adoption of a new Charter, even with the recommended changes to this article, will have no effect on existing plans, the governing bodies administering the plans, or the level of benefits accruing or provided under the plans. Since no change is being made, it is recommended that the words "by this Charter or" be deleted to clarify and avoid possible confusion. It is recommended that the phrase "or in accordance with applicable law" be added to recognize that municipal pension plans can be, and often are, changed through the collective bargaining process, and are always subject to applicable statutes notwithstanding the provisions of local charter."-Bing Administration, Letter, December 21, 2010.*

ANALYSIS: See legal opinion on PERA and Retirement Plans/Systems.

DISPOSITION/COMMISSION ACTION:

NOTES:

