

DETROIT CHARTER REVISION COMMISSION
PROPOSAL/ISSUE REVIEW SUMMARY

ISSUE NUMBER: BF 6

ISSUE CATEGORY: Budget and Finance

SOURCE: Edward Rago, former Budget Dir.,
City of Detroit, Letter dated 11/16/09

RELATED CHARTER SECTIONS: Article 11 (Retirement Plans)

RELEVANT ORDINANCE SECTION: Part III,
Ch. 47 (Retirement Systems)

RELEVANT LAW(S): MCL 432.201 et seq. (Public Employee Retirement
Act)

ISSUE/PROPOSAL STATEMENT: Prohibit the distribution to retirement plan participants of “excess” fund returns (i.e. 13th check).

RATIONALE: See Rago’s letter dated November 16, 2010.

ANALYSIS: See legal opinion on Public Employee Relations Act and retirement/pension systems.

DISPOSITION/COMMISSION ACTION:

NOTES: