



**OFFICE OF THE  
CHIEF FINANCIAL OFFICER**

Coleman A. Young Municipal Center  
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December 19, 2024

The Honorable Detroit City Council  
Coleman A. Young Municipal Center  
2 Woodward Avenue  
Detroit, MI 48226

Re: Transmittal of FY 2024 Local Government Retirement System Annual Report

Dear Honorable City Council Members:

Please find attached the City's Local Government Retirement System Annual Report (Form 5572) for FY 2024, which the Office of the Chief Financial Officer has prepared and filed with the State of Michigan Department of Treasury, in accordance with Section 5 of the Protecting Local Government Retirement and Benefits Act, Public Act 202 of 2017 (PA 202).

Under Section 5 of PA 202, the City is required to prepare this annual report on its retirement pension benefits to determine whether those plans place the City in "underfunded status" as defined in PA 202. The report is based on data presented in the City's FY 2024 Comprehensive Annual Financial Report. **For FY 2024, the City is not in "underfunded status."**

PA 202 also requires this report to be provided to the City Council and posted on the City's public website. It requires no further action. If you have any questions, please do not hesitate to contact me or my staff.

Best regards,

  
Jay B. Rising  
Chief Financial Officer

Att: City of Detroit, Local Government Retirement System Annual Report, FY 2024

Cc: Mayor Michael E. Duggan, City of Detroit  
Conrad Mallet, Corporation Counsel  
Tanya Stoudemire, Chief Deputy CFO/Budget Director  
John Naglick, Chief Deputy CFO/Finance Director - Controller  
Malik Washington, City Council Liaison  
General Retirement System Board of Trustees  
Police and Fire Retirement System Board of Trustees

The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) & Public Act 530 of 2016 Pension Report

Enter Local Government Name	Detroit	Instructions: For a list of detailed instructions on how to complete and submit this form, visit <a href="http://michigan.gov/LocalRetirementReporting">michigan.gov/LocalRetirementReporting</a> .
<a href="#">Enter Six-Digit Municode</a>	822050	
Unit Type	City	
Fiscal Year End Month	June	
Fiscal Year (four-digit year only, e.g. 2019)	2024	Questions: For questions, please email <a href="mailto:LocalRetirementReporting@michigan.gov">LocalRetirementReporting@michigan.gov</a> . Return this original Excel file. Do not submit a scanned image or PDF.
Contact Name (Chief Administrative Officer)	John Naglick, Jr.	
Title if not CAO	Chief Deputy CFO / Finance Director	
CAO (or designee) Email Address	<a href="mailto:naglickj@detroitmi.gov">naglickj@detroitmi.gov</a>	
Contact Telephone Number	313-224-4152	
<b>Pension System Information</b>		
Pension System Name (not division) 1	GRS City of Detroit - Component I	If your pension system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.
Pension System Name (not division) 2	GRS City of Detroit - Component II	
Pension System Name (not division) 3	PFRS City of Detroit - Component I	
Pension System Name (not division) 4	PFRS City of Detroit - Component II	
Pension System Name (not division) 5		

Line	Descriptive Information	Source of Data	System 1	System 2	System 3	System 4	System 5
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	YES	YES	YES	YES	YES
2	Provide the name of your retirement pension system	Calculated from above	GRS City of Detroit - Component I	GRS City of Detroit - Component II	PFRS City of Detroit - Component I	PFRS City of Detroit - Component II	
<b>3 Financial Information</b>							
4	Enter retirement pension system's assets (system fiduciary net position ending)	Most Recent Audit Report	323,056,114	1,402,602,998	393,691,517	2,319,327,994	
5	Enter retirement pension system's liabilities (total pension liability ending)	Most Recent Audit Report	301,513,026	2,246,596,545	386,415,636	3,075,821,366	
6	Funded ratio	Calculated	107.1%	62.4%	101.9%	75.4%	
7	Actuarially Determined Contribution (ADC)	Most Recent Audit Report	13,500,000	82,700,000	27,700,000	89,600,000	
8	Governmental Fund Revenues	Most Recent Audit Report	2,119,224,663	2,119,224,663	2,119,224,663	2,119,224,663	
9	All systems combined ADC/Governmental fund revenues	Calculated	10.1%	10.1%	10.1%	10.1%	
<b>10 Membership</b>							
11	Indicate number of active members	Actuarial Funding Valuation used in Most Recent Audit Report	5,333	1,737	2,855	1,706	
12	Indicate number of inactive members	Actuarial Funding Valuation used in Most Recent Audit Report	830	2,391	792	384	
13	Indicate number of retirees and beneficiaries	Actuarial Funding Valuation used in Most Recent Audit Report	762	10,792	395	7,710	
<b>14 Investment Performance</b>							
15	Enter actual rate of return - prior 1-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	-8.40%	-8.40%	-1.96%	-1.96%	
16	Enter actual rate of return - prior 5-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	4.50%	4.50%	7.36%	7.36%	
17	Enter actual rate of return - prior 10-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider		6.90%		9.01%	
<b>18 Actuarial Assumptions</b>							
19	Actuarial assumed rate of investment return	Actuarial Funding Valuation used in Most Recent Audit Report	6.75%	6.75%	6.75%	6.75%	
20	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	Level Percent	Other	Level Percent	Other	
21	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	14	30	14	30	
22	Is each division within the system closed to new employees?	Actuarial Funding Valuation used in Most Recent Audit Report	No	Yes	No	Yes	
<b>23 Uniform Assumptions</b>							
24	Enter retirement pension system's actuarial value of assets using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	275,775,230	1,501,039,291	329,599,406	2,309,631,242	
25	Enter retirement pension system's actuarial accrued liabilities using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	262,177,190	2,327,504,951	330,188,391	3,162,627,617	
26	Funded ratio using uniform assumptions	Calculated	105.2%	64.5%	99.8%	73.0%	
27	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	16,229,602	91,654,174	27,476,721	94,520,573	
28	All systems combined ADC/Governmental fund revenues	Calculated	10.8%	10.8%	10.8%	10.8%	
<b>29 Pension Trigger Summary</b>							
30	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	<b>Primary government triggers:</b> Less than 60% funded <u>AND</u> greater than 10% ADC/Governmental fund revenues. <b>Non-Primary government triggers:</b> Less than 60% funded	NO	NO	NO	NO	NO

**Requirements (For your information, the following are requirements of P.A. 202 of 2017)**  
 Local governments must post the current year report on their website or in a public place.  
 The local government must electronically submit the form to its governing body.  
 Local governments must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years.  
 Local governments must have had a peer actuarial audit conducted by an actuary that is not the plan actuary OR replace the plan actuary at least every 8 years.

By emailing this report to the Michigan Department of Treasury, the local government acknowledges that this report is complete and accurate in all known respects.

Michigan Department of Treasury  
Form 5572 (7-20)

**The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) & Public Act 530 of  
2016 Pension Report**

City of Detroit  
Explanation of Blank Cells  
Tab 1 – Pension Report

<u>Line</u>	<u>Descriptive Information</u>	<u>Explanation</u>
17	Enter actual rate of return – prior 10-year period	N/A. The GRS – Component I and PFRS – Component I plans have only been in existence since 2014. Therefore, the 10-year returns have not been established (all returns provided are as of 12/31/22).