

INDEPENDENT AUDITOR'S REPORT

to all active members & retirees of the Police and Fire Retirement System of the City of Detroit

*The financial statements of the Police and Fire Retirement System of the City of Detroit have been audited by the independent auditing firm of Plante Moran. Plante Moran's report is available for review on the Retirement System's web site, **www.rscd.org**. Copies of the report can be obtained by a request, in writing, to the Retirement System's Office.*

**POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT
SUMMARY OF 2013-14 BUDGET REQUEST***

Salaries-Full time	718,238
Salaries-Overtime	50,000
Emp. Benefits-Pension	86,540
Emp. Benefits-Pension UAAL	166,617
Emp. Benefits-Hosp.	132,309
Emp. Benefits-Hosp. Ret.	198,002
Emp. Benefits-FICA	58,847
Emp. Benefits-Unemployment	23,154
Worker's Comp.	37,924
Emp. Benefits-Miscellaneous	1,076
Retirement Sick Leave	10,770
Emp. Benefits-Longevity	—
Other Pomp-Suppl	1,690
Life Insurance	1,460
Eye care - Active	1,460
Eye care - Ret.	1,921

Income Protection	1,460
Dental - Active	9,846
Dental - Retired	9,846
Actuarial	122,350
Medical - Other	37,500
Investment Consultant Fees **	15,666,008
Contract Services-Other misc	1,071,250
Office Supplies	18,500
Repairs & Maint.-Equip.	16,500
Printing	54,250
Rental - Bldg.	133,996
Telecommunications	19,743
Purchased Comp. Serv.	512,500
Travel and Education **	150,000
Office Equip.	13,000

TOTAL **19,326,757**

* shared costs with the General Retirement System

** Police and Fire Retirement System only

**STATEMENT OF NET ASSETS AVAILABLE
FOR PENSION BENEFITS**

ASSETS	2013	2012
Cash	39,561,392	8,470,026
Investments, at Market Value	2,946,329,771	2,823,439,843
Accrued Investment Income	18,392,975	15,119,515
Contributions Receivable	0	49,760,229
Receivables From Investment Sales	61,795,113	20,593,289
Other Accounts Receivable	353,595	1,065,750
Capital Assets	18,750,000	18,750,000
Cash Collateral Securities Lending	301,008,907	391,648,750
TOTAL ASSETS	\$3,386,191,753	\$3,328,847,402
LIABILITIES		
Payable for Investment Purchases	\$5,173,191	\$6,235,211
Claims Payable to Retirants and Beneficiaries	4,914,340	4,881,881
Accrued Pension Benefits	0	0
Due to Other Funds	0	0
Other Liabilities	20,532,533	6,711,841
Cash Collateral Securities Lending	320,998,625	336,556,836
TOTAL LIABILITIES	\$351,618,689	\$354,385,769
FUND BALANCES		
Annuity Reserves:		
Annuity Savings Fund	\$178,231,705	\$198,566,556
Annuity Reserve Fund	22,738,451	17,260,868
Survivor Benefit Fund	5,820,742	5,596,867
Pension Reserves:		
Pension Obligation Certificate	701,277,898	694,971,515
Pension Accumulation Fund	(326,939,348)	(50,580,803)
Pension Reserve Fund	2,911,280,932	2,804,974,749
Market Stabilization Fund	(457,837,316)	(696,328,119)
TOTAL FUND BALANCES	\$3,034,573,064	\$2,974,461,633
TOTAL LIABILITIES AND FUND BALANCES	\$3,386,191,753	\$3,328,847,402

**POLICE & FIRE RETIREMENT SYSTEM
CITY OF DETROIT PENSION FUNDS**

Statement of Changes in Plan Net Assets
Year ended June 30, 2013 (with comparative totals for June 30, 2012)

	ANNUITY RESERVES				PENSION RESERVES			TOTAL	
	ANNUITY SAVINGS FUND	ANNUITY RESERVE FUND	MARKET STABILIZATION FUND	PENSION OBLIGATION CERTIFICATE	SURVIVOR BENEFIT FUND	PENSION ACCUMULATION FUND	PENSION RESERVE FUND	2013	2012
REVENUES:									
City Contributions	\$0	\$0	\$0	\$0	\$0	(\$29,026,800)	\$0	(\$29,026,800)	\$49,760,229
Members' Contributions	7,799,790	0	0	0	0	0	0	7,799,790	9,538,384
Investment Income (loss), Net	11,551,771	1,531,772	238,490,803	55,706,250	223,875	(126,334,770)	222,031,726	403,201,427	(138,340,706)
TOTAL REVENUES	\$19,351,561	\$1,531,772	\$238,490,803	\$55,706,250	\$223,875	(\$155,361,570)	\$222,031,726	\$381,974,417	(\$79,042,093)
EXPENSES:									
Pension & Annuity Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$279,885,732	\$279,885,732	\$278,104,785
General & Administrative Expenses	0	0	0	0	0	6,325,153	0	6,325,153	5,300,379
Refunds	35,652,101	0	0	0	0	0	0	35,652,101	43,182,711
TOTAL EXPENSES	\$35,652,101	\$0	\$0	\$0	\$0	\$6,325,153	\$279,885,732	\$321,862,986	\$326,587,875
Net Increase (decrease)	(\$16,300,540)	\$1,531,772	\$238,490,803	\$55,706,250	\$223,875	(161,686,723)	(\$57,854,006)	\$60,111,431	(\$405,629,968)
TRANSFERS NET	(4,034,311)	3,945,811	0	(49,399,867)	0	(114,671,822)	164,160,189	0	0
Fund Balance at Beginning of Year	198,566,556	17,260,868	(696,328,119)	694,971,515	5,596,867	(50,580,803)	2,804,974,749	\$2,974,461,633	\$3,380,091,601
FUND BALANCE AT END OF YEAR	\$178,231,705	\$22,738,451	(\$457,837,316)	\$701,277,898	\$5,820,742	(\$326,939,348)	\$2,911,280,932	\$3,034,573,064	\$2,974,461,633