

## Detroit Active and Retired Employee Association (DAREA) Position

The City of Detroit has been experiencing financial problems for the many decades. These financial problems are not unique to Detroit, but symptomatic of postindustrial rust belt cities and states, disinvestment of our industrial cities by Big Business. However, it is the position of DAREA that Detroit's financial issues did not raise to the level of state "takeover" by sub-planting Detroit's democratic elected officials and government, with a republican right wing emergency management and extensively expensive outsourced government.

This position is further substantiated by the State of Michigan imposed government circumventing city government by filing a chapter 9 bankruptcy on the same day that civil service unions had filed a "temporary restraining order" in Judge Argulina (check spelling) arguing that **pension are protected by the State Constitution.**

DAREA grew out of this fabricated bankruptcy and was founded on these principles:

- Blatant disregard for the State Constitution which protect pension from being diminished or impaired.
- That Home Rule Laws of Michigan Cities and municipalities must be respected and enforced equally and creating state laws that allows the state to sub-plant state appointed officials violates the state and federal constitutions, which is un-American!
- All cities in Michigan that have a majority African American population are treated differently than majority white municipalities with similar financial problems. African American majority cities are place under the undemocratic emergency management laws (PA 72, 4 and 436), which eliminates the power and value of voting.
- Drastically reducing revenue sharing to Detroit exacerbating its financial crisis, instructing Mayor Bing not to accept union concession that would have ameliorated the general fund debt 2011-12.
- Failing to pay pension obligation.
- Revaluing the pension fund rate of return at a reduced the rate of return to 6.75% creating a higher underfunded liability to Detroit GRS pensions to justify forcing Detroit into bankruptcy.

The above actions have resulted in drastic cuts to Retirees monthly income which will affect their standard of living:

- Eliminating and/ or reducing life-time contractually agreed health-care benefits to retirees at a time in the retirees' lives when health care is greatly needed and cost is at its highest. This has resulted in additional out of pocket cost to retirees from \$100(increase co-pays for Medicare eligible retirees, and as high as \$2,000 per month for non-Medicare eligible retirees.
- Reduction of pensions and elimination of COLA, **6.75% annual loss in income.**
- Disproportionately targeting African Americans in the ASF claw back, fund to be used pay future pension and eliminating the city's pension obligation, will result in additional loss of income for retirees effected of up to **15% annually.**

## Detroit Active & Retired Employee Association

P.O. Box 3724

Highland Park, Michigan 48203

313-649-7018

### CALL TO ACTION!!!!

Dear Retiree,

Judge Steven Rhodes' decision to impair our pensions, health benefits and disregard the State of Michigan Constitution has forced us to appeal the confirmation of the Plan of Adjustment. We realize that these are uncharted waters, but we believe this decision must be challenged to prevent further attacks for us and to protect the generations to come.

**We need your financial support**, because the appeal process is very costly. We must be able to go the distance and it will take **hundreds of thousands of dollars**. Not to fight this judgment will allow this ultra conservative movement to set both workers and civil rights back and we cannot sit by and let that be a part of our legacy!

**Who are we?** We are the newly formed association: **Detroit Active and Retired Employee Association (DAREA)**. This association was formed by a group of retirees, active employees, and concerned citizens who have objected to the bankruptcy. We are focusing on how the bankruptcy confirmation will reduce pensions, annuity savings, and health benefits. Depending on when an individual retired, pensions will be reduced from 17% (no claw back) to 32% (with claw back) annually.

#### **How to get involve with the DAREA:**

Attend weekly meetings, **Mondays @ 11am**, Nandi Café, 12511 Woodward, Highland Pk. 48203. To receive notices of meetings, updates on the appeal and events information please provide us with your email address and phone numbers via email at [detroit2700plus@gmail.com](mailto:detroit2700plus@gmail.com) or call DAREA at **313-649-7018**.

**We need your financial support**; if we get a minimum of 2,000 retirees to donate \$200 we would raise \$400,000 to put this plan into action. We encourage you to please give what you can, more or less, as all donations are needed and appreciated. With the fund raised, we will be able to hire the high caliber of attorneys needed to wage this massive battle.

#### **Please Donate to the LEGAL DEFENSE FUND**

Online:

[www.gofundme.com/pensiondefensefund](http://www.gofundme.com/pensiondefensefund)

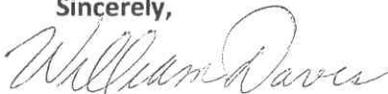
Make checks payable to:

**Detroit Active and Retired Employee Association (DAREA)**

**P.O. Box 3724**

**Highland Park, Michigan 48203**

Sincerely,



**William Davis, President**