

*Andrew Klein*

<b>FROM</b>	NAME & TITLE	Andrew Kleine, Budget Director
	AGENCY NAME & ADDRESS	Department of Finance
	SUBJECT	<b>Fire and Police Employees' Retirement System - Technical Amendments</b>

CITY of  
BALTIMORE  
**MEMO**



**TO**

DATE:

Honorable President and Members  
of the City Council  
c/o Karen Randle  
Room 409, City Hall

June 18, 2014

City Council Bill 14-0366 recommends several technical amendments to the Fire and Police Employees' Retirement System. This bill changes the assumed investment earnings rate from 8.0% to 7.75%. The Finance Department recognizes this as a fiscally responsible change and supports this adjustment.

This bill updates the title of the designee of the Fire Department Chief to accurately reflect the current title and creates flexibility for future title changes to the designee position. The bill updates the law to align the increase from nine board members to eleven board members with an increase in voting board members. The Finance Department takes no position on these changes.

The bill introduces to the plan Internal Revenue Service language regarding vesting on system termination. The Finance Department does not foresee any impact of adding this language to the plan.

Finally, the bill changes paid benefits to minor children ages eighteen through twenty-two to retroactive payments after successful completion of an academic semester instead of prospective payments prior to successful completion of the semester. The Finance Department supports this change.

The Finance Department supports the amendments to the Fire and Police Employees' Retirement System included in Council Bill 14-0366.

Should you have any questions, please contact Mr. Andrew Kleine, Budget Director, at 410-396-5944.

AK

cc: Angela Gibson

