CITY OF BALTIMORE
COUNCIL BILL 14-0366
(First Reader)

Introduced by: The Council President
At the request of: The Administration (Fire and Police Employees' Retirement System)
Introduced and read first time: April 28, 2014
Assigned to: Taxation, Finance and Economic Development Committee
REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Fire and Police Employees' Retirement System, Fire Department, Police Department, Department of Finance

A BILL ENTITLED

1   AN ORDINANCE concerning

2   **Fire and Police Employees' Retirement System – Technical Amendments**

3   FOR the purpose of redefining "regular interest" for valuation purposes; clarifying who may serve
4   on the Board of Trustees as designee of the Fire Chief; increasing the number of Board
5   members required for a quorum; providing for vesting of members on termination or partial
6   termination of the System; requiring the adoption of rules and regulations to govern the
7   deferral of payments to certain minor children pending verification of their full-time student
8   status; correcting and clarifying certain related language; providing for a special effective
9   date; and generally relating to the Fire and Police Employees' Retirement System.

10   BY repealing and reordaining, with amendments
11   Article 22 - Retirement Systems
12   Section(s) 30(9), 33(b), and 33(f)
13   Baltimore City Code
14   (Edition 2000)

15   BY adding
16   Article 22 - Retirement Systems
17   Section(s) 34(x) and (y)
18   Baltimore City Code
19   (Edition 2000)

20   **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE**, That the
21   Laws of Baltimore City read as follows:

22   **Baltimore City Code**

23   **Article 22. Retirement Systems**

24   **Subtitle -- Fire and Police Employees' Retirement System**

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

1 **§ 30. Definitions.**

2 In this subtitle, unless a different meaning is plainly required by the context, the following
3 words and phrases have the meanings indicated:

4 (9) "Regular interest" means interest compounded annually for the reserves and items
5   listed at the following rates:

6   (i) the Annuity Savings Reserve: 3.0%.

7   (ii) for valuation purposes: [8.0%] 7.75%.

8   (iii) for determining actuarial equivalents: 5.0%.

9 **§ 33. Administration.**

10 (b) *Members*.

11 The Board consists of 11 Trustees, as follows:

12 (3) The Chief of the Fire Department, ex officio. The Chief of the Fire Department
13   may designate a representative to attend any meeting of the Board of Trustees in
14   his or her place. This representative must be [a Deputy Fire Chief] THE
15   ASSISTANT CHIEF OF SAFETY AND MEMBER SERVICES OR ANOTHER OFFICIAL WHO
16   HOLDS EQUIVALENT RANK AND WHOSE RESPONSIBILITIES ARE PRIMARILY
17   ADMINISTRATIVE, AS DISTINCT FROM OPERATIONAL, and must be a member of this
18   [system] SYSTEM. This representative has the authority to act in the Chief's place.

19 (f) *Procedures*.

20 Each trustee [shall be] IS entitled to 1 vote on the Board. [5] 6 members of [said] THE
21 Board [shall] constitute a quorum for the transaction of any business, the exercise of any
22 power, or the performance of any duty authorized or imposed by this subtitle.

23 **§ 34. Benefits.**

24 (X) *VESTING ON SYSTEM TERMINATION*.

25 ON THE EFFECTIVE DATE OF A TERMINATION OR PARTIAL TERMINATION OF THIS SYSTEM,
26 AS DETERMINED UNDER APPLICABLE INTERNAL REVENUE SERVICE REGULATIONS AND
27 RULINGS, AND NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, ALL
28 AFFECTED MEMBERS WHO ARE NOT ALREADY VESTED IN THEIR ACCRUED BENEFIT MUST BE
29 IMMEDIATELY VESTED IN THAT BENEFIT, TO THE EXTENT THE BENEFIT IS FUNDED.

30 (Y) *RETROACTIVE PAYMENT OF FULL-TIME STUDENT BENEFITS*.

31 THE BOARD OF TRUSTEES SHALL ESTABLISH RULES AND REGULATIONS GOVERNING
32 DEFERRAL OF PAYMENTS TO MINOR CHILDREN OVER 18 YEARS OF AGE UNTIL THEIR FULL-
33 TIME STUDENT STATUS HAS BEEN VERIFIED.

1   **SECTION 2. AND BE IT FURTHER ORDAINED**, That the catchlines contained in this Ordinance
2   are not law and may not be considered to have been enacted as a part of this or any prior
3   Ordinance.

4   **SECTION 3. AND BE IT FURTHER ORDAINED**, That this Ordinance takes effect on the date it is
5   enacted.