

CITY OF BALTIMORE

STEPHANIE RAWLINGS-BLAKE, Mayor



DEPARTMENT OF LAW

GEORGE A. NILSON, City Solicitor
101 City Hall
Baltimore, Maryland 21202

October 18, 2013

Honorable President and Members
of the City Council of Baltimore
Room 409, City Hall
100 N. Holliday Street
Baltimore, Maryland 21202

Attn: Karen Randle
Executive Secretary

Re: City Council Bill 13-0248 – Employees’ and Elected Officials’ Retirement
Systems – Actuarial Funding Method and Clarifications

Dear President and City Council Members:

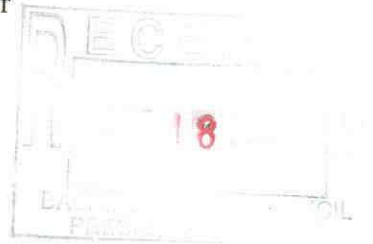
The Law Department has reviewed City Council Bill 13-0248 for form and legal sufficiency. City Council Bill 248 purposes to change the actuarial method used to fund the Employees’ and Elected Officials’ Retirement Systems; clarify the due dates for the City’s contributions to the Employees’ and Elected Officials’ Retirement Systems and; clarify certain provisions of the Employees’ Retirement System that relate to deferred vested pension benefits.

The revisions to the vesting requirements clarify that the ERS and EOS plans comply with the IRS rule that if the City ever terminates the ERS or the EOS, members would be immediately vested in their accrued benefits. This clarification is required by the IRS in order for the plans to receive favorable tax letters.

Art. II, §24 of the Baltimore City Charter gives the Mayor and City Council the authority to establish and maintain a general system of pensions and retirement benefits for its employees. City Council Bill 13-0248 is a valid exercise of that authority. Based on the foregoing, the Law Department approves City Council Bill 13-0248 for form and legal sufficiency.

Sincerely,

Elena DiPietro
Elena DiPietro
Chief Solicitor



cc: George Nilson, City Solicitor
Angela C. Gibson, Mayor's Legislative Liaison
Elena DiPietro, Chief Solicitor
Hilary Ruley, Assistant Solicitor
Victor K. Tervalu, Assistant Solicitor
Jennifer Landis, Assistant Solicitor