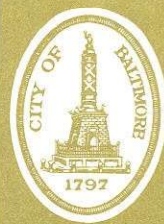


FROM	NAME & TITLE	Deborah F. Moore-Carter, Labor Commissioner <i>DMC</i>	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Office of the Labor Commissioner 417 East Fayette Street, Suite 1405		
	SUBJECT	City Council Bill 13-0248 ERS & EOS Actuarial Funding		

TO

The Honorable Bernard "Jack" Young
and Members of the
Baltimore City Council
c/o Karen Randle
Room 406 City Hall
100 N. Holiday Street

DATE:

8/13/13

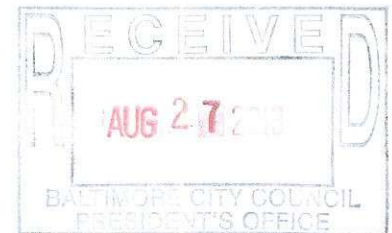
Recommended Position

The Office of the Labor Commissioner (OLC) has reviewed City Council Bill 13-0248, which proposes to change certain provisions governing the Employees' and Elected Officials' Retirement Systems. The OLC supports City Council Bill 13-0248.

Comments and Analysis

City Council Bill 13-0248 proposes to change the actuarial funding method from the current projected unit credit cost method to the entry age normal cost method. Under this method, the cost of each individual's pension is allocated on a level percent of payroll between the time employment starts (entry age) and the assumed retirement date. The goal is to spread the cost over the career of the member as a level percentage of payroll.

The bill also proposes to clarify the contribution due dates, as well as provisions related to deferred and vested pension benefits.



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