

<b>FROM</b>	<b>NAME &amp; TITLE</b>	Robert Cename, Budget Director <i>R. C. Cename</i>	CITY of <b>BALTIMORE</b> <b>MEMO</b>	
	<b>AGENCY NAME &amp; ADDRESS</b>	Bureau of the Budget and Management Research Room 432, City Hall		
	<b>SUBJECT</b>	City Council Bill 21-0153 – Supplementary General Fund Operating Appropriation – Mayoralty-Related: Employees’ Retirement Contribution - \$35,500,000		

DATE:

**TO**

The Honorable President and  
Members of the City Council  
City Hall, Room 400

October 6, 2021

**Position: Support**

The Department of Finance is herein reporting on City Council Bill 21-0153, Supplementary General Fund Operating Appropriation – Mayoralty-Related: Employees’ Retirement Contribution - \$35,500,000, the purpose of which is to increase the Fiscal Year 2022 appropriation of General Funds by \$35,500,000 to M-R: Employees’ Retirement Contribution - Service 355 (Employees’ Retirement Contribution), to provide funding for final costs related to the Fire and Police pension litigation.

**Background**

The Baltimore City Charter requires that each agency ends the fiscal year in balance. The Department of Finance recommends appropriation transfers and supplementary appropriations when an agency is projected to close the fiscal year in deficit. A recent court ruling requires the City of Baltimore to provide additional funding related to the Fire and Police pension system. Final costs have now been determined. This supplemental appropriation is required to meet the Charter mandate.

**Fiscal Impact**

Based on the recent court ruling and final cost determinations, an additional appropriation of \$35,500,000 to M-R: Employees’ Retirement Contribution is required for Fiscal Year 2022. Funds from the General Fund Assigned Fund Balance will be used to cover the final costs related to the Fire and Police pension litigation.

**Conclusion**

Final costs related to pension litigation have now been determined, and it is necessary to add additional appropriation in Fiscal Year 2022 to M-R: Employees’ Retirement Contribution.

**For the reasons stated above, the Department of Finance supports City Council Bill 21-0153.**

cc: Henry Raymond  
Natasha Mehu  
Nina Themelis