

Council Bill 16-0740

Baltimore City Code

Article 22. Retirement Systems

Subtitle – Employees’ Retirement System

§ 1. Definitions.

(31) *PRESENT VALUE.*

“PRESENT VALUE” MEANS THE AMOUNT DETERMINED USING:

(I) REGULAR INTEREST FOR VALUATION PURPOSES UNDER PARAGRAPHS (9)(II)(B)1. OR (9)(II)(C)1. OF THIS SECTION; AND

(II) MORTALITY ASSUMPTIONS BASED ON THE TABLE IN EFFECT UNDER THE DEFINITION OF “ACTUARIAL EQUIVALENT” IN PARAGRAPH (19)(II) OF THIS SECTION.

§ 5. Administration; Board of Trustees.

(b) *Members.*

The Board shall consist of [7 Trustees] 9 TRUSTEES, as follows:

(1) The CITY Comptroller [of the City of Baltimore, ex-officio].

(1A) THE DIRECTOR OF FINANCE.

(2) (i) 3 2 members of [the system] THIS SYSTEM to be elected by the membership of [the system] THIS SYSTEM, under rules and regulations adopted by the Board of Trustees to govern the election. These members shall serve for terms of 4 years each, staggered as provided for the [Trustees] TRUSTEES first elected under this paragraph (2).

(ii) [Effective January 1, 1996, any] A member elected to serve as [Trustee] TRUSTEE under this paragraph (2), who retires during his or her term of office after having served more than 2 years in office and who [is granted an allowance or pension (within the meaning of § 1(14) of this article)] BEGINS RECEIVING A RETIREMENT BENEFIT, [shall] WILL continue to serve [as Trustee] for the balance of his or her term of office.

(3) (i) 2 [citizens] RESIDENTS of the City of Baltimore [who are not employees within the meaning of this subtitle, 1 of whom shall be a responsible officer of a bank authorized to do business within the State of Maryland, or a person with similar experience], to be appointed by the Mayor, ~~with the consent of~~ SUBJECT TO CONFIRMATION BY the City Council, as provided in CITY CHARTER Article IV, § 6 [of the City Charter. These members shall], EACH TO serve for terms of 4 years [each, staggered as provided for the Trustees first

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1 appointed under this paragraph (3)] CONCURRENT WITH THE MAYOR'S TERM
2 OF OFFICE.

3 (II) 1 OF THESE TRUSTEES SHALL POSSESS COMMERCIAL BANKING EXPERIENCE OR
4 SIMILAR FINANCIAL EXPERIENCE.

5 (III) AS OF HIS OR HER APPOINTMENT AND DURING HIS OR HER ENTIRE TERM OF
6 OFFICE, A TRUSTEE APPOINTED UNDER THIS PARAGRAPH (3) MAY NOT BE AN
7 EMPLOYEE.

8 (3A)(i) ~~1 RESIDENT~~ 2 RESIDENTS OF THE CITY OF BALTIMORE OR A SURROUNDING
9 COUNTY, TO BE APPOINTED BY THE MAYOR, ~~WITH THE CONSENT OF~~ SUBJECT TO
10 CONFIRMATION BY THE CITY COUNCIL, AS PROVIDED FOR IN CITY CHARTER
11 ARTICLE IV, § 6, ~~FROM A RECOMMENDATION~~ RECOMMENDATIONS MADE BY
12 THE PRESIDENT OF THE CITY COUNCIL, TO SERVE FOR A TERM OF 4 YEARS
13 CONCURRENT WITH THE MAYOR'S TERM OF OFFICE.

14 (II) AS OF HIS OR HER APPOINTMENT AND DURING HIS OR HER ENTIRE TERM OF
15 OFFICE, A TRUSTEE APPOINTED UNDER THIS PARAGRAPH (3A) MAY NOT BE AN
16 EMPLOYEE.

17 (III) A TRUSTEE APPOINTED UNDER THIS PARAGRAPH (3A) SHALL POSSESS AT
18 LEAST 5 YEARS OF INSTITUTIONAL INVESTMENT, INSURANCE, TAXATION,
19 ACCOUNTING, OR FINANCE EXPERIENCE.

20 (3B) ~~1 MEMBER, TO BE APPOINTED BY THE MAYOR, WITH THE CONSENT OF SUBJECT TO~~
21 ~~CONFIRMATION BY THE CITY COUNCIL, AS PROVIDED FOR IN CITY CHARTER~~
22 ~~ARTICLE IV, § 6, FROM A RECOMMENDATION JOINTLY MADE BY AFSCME LOCAL~~
23 ~~44 AND THE CITY UNION OF BALTIMORE, TO SERVE FOR A TERM OF 4 YEARS~~
24 ~~CONCURRENT WITH THE MAYOR'S TERM OF OFFICE.~~

25 (4) 1 retiree of [the system] THIS SYSTEM to be elected by the retirees under rules and
26 regulations adopted by the Board of Trustees to govern the election. This member
27 shall serve for a term of 4 years [each {sic}], staggered as provided for the
28 [Trustee] TRUSTEE first elected under this paragraph (4).

29 § 9. Class C membership.

30 (m) *Method of payment.*

31 (2) *Benefit options.*

32 (ii) *Reserve guarantee option.*

33 (A) As soon as administratively practicable after the death of a retired member
34 who elected this reserve guarantee option, the balance of the PRESENT VALUE
35 OF THE retired member's [actuarial reserve] BENEFIT at [the time of]
36 retirement, after deducting the total amount of periodic payments received by
37 the retired member during his or her lifetime, shall be paid in the form of a
38 lump-sum cash payment as follows:

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- 1 1. to the retired member’s designated beneficiary; or
- 2 2. if no beneficiary has been designated or if the designated beneficiary
- 3 predeceases the retired member, to the retired member’s estate.

4 (B) A member who elects this option may change his or her designated

5 beneficiary at any time throughout the member’s retirement.

6 **§ 9.2. Class D membership.**

7 (k) *Method of payment.*

8 (2) *Benefit options.*

9 (ii) *Reserve guarantee option.*

10 (A) As soon as administratively practicable after the death of a retired member

11 who elected this reserve guarantee option, the balance of the PRESENT VALUE

12 OF THE retired member’s [actuarial reserve] BENEFIT at [the time of]

13 retirement, after deducting the total amount of periodic payments received by

14 the retired member during his or her lifetime, shall be paid in the form of a

15 lump-sum cash payment as follows:

- 16 1. to the retired member’s designated beneficiary; or
- 17 2. if no beneficiary has been designated or if the designated beneficiary
- 18 predeceases the retired member, to the retired member’s estate.

19 (B) A member who elects this option may change his or her designated

20 beneficiary at any time throughout the member’s retirement.

21 **Subtitle - Elected Officials’ Retirement System**

22 **§ 17A. Definitions.**

23 (9) [*Current annual*] *ANNUAL earnable compensation.*

24 [(i)] “[*Current annual*] *ANNUAL earnable compensation*” means the [*current*] annual

25 [*compensation*] *SALARY* authorized for the highest-paying elected position held by the

26 member [and includes any future increases occurring after the retirement of the elected

27 official from that elected position, which shall, after retirement, index benefits paid under

28 this system subject to applicable reduction for any optional retirement allowance

29 selection.]

30 [(ii) If the position or class of any elected official is abolished and a new position or class

31 is created, then, the current annual earnable compensation authorized for the new

32 position or class, including any future increases, shall be used to index benefits of

33 retired members who held office in the abolished position or class. If a new position

34 or class is not created, then future increases to retirement benefits shall be indexed to

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1 the future compensation percentage increases to the position of Mayor of the City of
2 Baltimore].

3 (17) [*Continued membership.*]

4 ["Continued membership" shall mean a member who leaves City service and who
5 continues to pay into the Retirement System pursuant to the provisions of § 19(c).]

6 (22) [*Normal retirement date.*]

7 ["Normal retirement date" shall be the 1st day of the month after the date at which the
8 elected official has acquired at least 12 years of service credit in this system and attained
9 50 years of age or more or 16 years of service credit in this system.]

10 (24) *PRESENT VALUE.*

11 "PRESENT VALUE" MEANS THE AMOUNT DETERMINED USING:

12 (I) REGULAR INTEREST FOR VALUATION PURPOSES UNDER PARAGRAPH (7)(II) OF THIS
13 SECTION; AND

14 (II) MORTALITY ASSUMPTIONS BASED ON THE TABLE IN EFFECT UNDER THE DEFINITION
15 OF "ACTUARIAL EQUIVALENT" IN PARAGRAPH (18) OF THIS SECTION.

16 **§ 19. Membership.**

17 [The membership shall consist of the following:]

18 (a) *GENERAL PROVISIONS.*

19 (1) "*(AN) OTHER CITY RETIREMENT PLAN DEFINED*"

20 IN THIS SECTION, "*(AN) OTHER CITY RETIREMENT PLAN*" MEANS:

21 (I) THE FIRE AND POLICE EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF
22 BALTIMORE; OR

23 (II) THE EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF BALTIMORE.

24 (2) *COMMENCEMENT OF MEMBERSHIP.*

25 [Any] AN elected official [who is not an A, B, or C member of the Employees'
26 Retirement System of Baltimore City], upon taking the oath of office, shall
27 automatically become a member of this [system] SYSTEM.

28 (3) *PRIOR CITY SERVICE.*

29 [Such] AN ELECTED official [shall be eligible] IS ENTITLED to [receive] PURCHASE
30 credit for [all previous] PRIOR service as an elected official [of Baltimore City, and
31 any service credit for membership in any Maryland State] or OTHER PRIOR City [of

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1 Baltimore] EMPLOYMENT, REGARDLESS OF retirement [system provided that he files a
2 claim with the Board of Trustees within 6 months after becoming a member, and shall
3 pay to this Retirement System, by a single payment or increased rate of contribution,
4 as might be approved by the Board of Trustees, the contributions with regular interest
5 that he would have paid had he been a Class A member of the Employees' Retirement
6 System during that period] PLAN MEMBERSHIP, AS LONG AS:

7 (I) THE PROVISIONS OF THE STATE PERSONNEL AND PENSIONS ARTICLE OF THE
8 ANNOTATED CODE OF MARYLAND GOVERNING TRANSFERS DO NOT APPLY;

9 (II) THE PRIOR EMPLOYMENT DID NOT RESULT IN THE ELECTED OFFICIAL'S BEING
10 ENTITLED TO ANY CURRENT OR FUTURE BENEFITS FOR THAT EMPLOYMENT IN
11 ANOTHER CITY RETIREMENT PLAN; AND

12 (III) THE ELECTED OFFICIAL PAYS TO THIS SYSTEM, BY A SINGLE PAYMENT OR
13 PERIODIC PAYMENTS OVER A PERIOD NOT TO EXCEED THE OFFICIAL'S
14 REMAINING TERM OF OFFICE, AN AMOUNT EQUAL TO:

15 (A) THE ANNUAL EARNABLE COMPENSATION OF THE ELECTED OFFICIAL IN
16 THE YEAR OF PURCHASE, MULTIPLIED BY

17 (B) THE SUM OF THE EMPLOYER RATE FOR THE NORMAL COST AND THE
18 MEMBER CONTRIBUTION RATE UNDER § 24(A) OF THIS SUBTITLE FOR
19 THE YEAR OF PURCHASE, MULTIPLIED BY

20 (C) THE NUMBER OF YEARS, OR PART OF A YEAR, BEING PURCHASED.

21 (4) *TRANSFER OF SERVICE.*

22 (I) *ELIGIBILITY.*

23 AN ELECTED OFFICIAL WHO SATISFIES THE APPLICABLE REQUIREMENTS OF THE
24 STATE PERSONNEL AND PENSIONS ARTICLE OF THE ANNOTATED CODE OF
25 MARYLAND MAY TRANSFER SERVICE FROM A STATE OR LOCAL RETIREMENT OR
26 PENSION SYSTEM WITHIN MARYLAND, INCLUDING ANOTHER CITY RETIREMENT
27 PLAN.

28 (II) *SERVICE CREDIT.*

29 THE SERVICE SO TRANSFERRED WILL BE CREDITED AS SERVICE UNDER THIS
30 SYSTEM.

31 [(2) Any elected official who is an A or B member of the Employees' Retirement System
32 shall have the option within 120 days of his taking his oath of office, to become a
33 member of this Retirement System and shall be eligible to receive credit for all
34 service credit that he has acquired in the Employees' Retirement System, and any
35 service credit for membership in any Maryland State, or Baltimore City retirement
36 system. In order to receive such credit for such membership, within 6 months after
37 becoming a member, the elected official shall pay to this Retirement System by a
38 single payment or increased rate of contribution, as might be approved by the Board

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1 of Trustees, the contributions with regular interest that he would have paid for such
2 membership credit had he been a contributing Class A member of the Employees'
3 Retirement System.]

4 [(3) Any elected official who is a C member of the Employees' Retirement System shall
5 have the option, within 120 days of his taking his oath of office, to become a member
6 of this Retirement System, and he shall be entitled to receive credit in this Retirement
7 System, for all service credit he had acquired while a C member in the Employees'
8 Retirement System, and any service credit for membership in any Maryland State, or
9 Baltimore City retirement system. In order to receive such credit for membership,
10 within 6 months after becoming a member, the elected official shall pay to this
11 Retirement System by a single payment or increased rate of contribution, as might be
12 approved by the Board of Trustees, the contributions with regular interest that he
13 would have paid for such membership credit had he been a contributing Class A
14 member of the Employees' Retirement System.]

15 (b) *NON-PARTICIPATION IN OTHER CITY RETIREMENT PLANS.*

16 (1) *GENERAL RULE.*

17 [An] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AN elected official
18 may not make contributions to, receive any pension or retirement [allowance]
19 BENEFIT from, or accrue any service credit in [any other pension or] ANOTHER CITY
20 retirement [system of the City of Baltimore] PLAN while at the same time accruing
21 service credit in this [system] SYSTEM.

22 [(2) The prohibition set forth in paragraph (1) of this subsection does not apply to
23 contributions made to or benefits received from:

24 (i) the Baltimore City Municipal Deferred Compensation Plan, or

25 (ii) the Social Security System established by the Act of Congress known
26 generally as "The Social Security Act of 1935", as amended from time to
27 time.]

28 (2) *EXCEPTION.*

29 [(3)]Notwithstanding paragraph (1) of this subsection, and pursuant to § 48 of this article,
30 the following [shall] MAY become members of this [system] SYSTEM and accrue
31 service credit in this [system] SYSTEM while [employed in a permanent full-time or
32 permanent part-time position covered by this system] AN ELECTED OFFICIAL:

33 (i) members of another City [system] RETIREMENT PLAN who were eligible to
34 begin receiving retirement benefits from that [system] OTHER PLAN but who
35 [chose to postpone], ON BECOMING AN ELECTED OFFICIAL, POSTPONED receipt
36 of those benefits [and change employment to a position covered by this system
37 (including former members of the Employees' Retirement System with
38 entitlement to deferred vested pension benefits from that system, who ceased
39 all permanent full-time or permanent part time employment covered by that
40 system)]; or

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1 (ii) retirees who were receiving retirement benefits from another City [system]
2 RETIREMENT PLAN but who [chose to suspend], ON BECOMING AN ELECTED
3 OFFICIAL, SUSPENDED receipt of those benefits [and accept reemployment in a
4 position covered by this system].

5 f(c) [Notwithstanding anything to the contrary, any elected official who is a member of this
6 retirement system has the right at his or her option to continue membership in the
7 retirement system after his or her leaving office or the end of the term of office for which
8 he or she was last elected. This right is contingent on that person's making all the
9 payments that would have been made by him or her and also by the City, as determined
10 by the actuary, had he or she continued to hold the elected office. These payments shall
11 be based on the current annual earnable rate of compensation that the person would have
12 received had he or she remained in office. However, to the extent that any elected official
13 leaves office to begin employment in a position covered by another City system and
14 begins to accrue service credit in that other system, pursuant to § 48 of this article, that
15 former elected official may not choose to continue active membership in this system.]

16 [To exercise this option, the elected official is required to deposit the remainder of all the
17 payments in advance, within 30 days after leaving office or the end of the term of office
18 for which the elected official served, for the current fiscal year that would have been paid
19 had he or she continued to hold office. Thereafter, payments shall be made in annual
20 amounts, in advance within 30 days of the beginning of each fiscal year. These payments
21 entitle the official to the same service credit that he or she was receiving as a member
22 before leaving office. On accruing 12 years of membership credits and 50 years of age or
23 more or 16 years of membership credits the elected official is entitled to receive a service
24 retirement allowance as provided for in § 22(a) of this subtitle, computed as if he or she
25 were a member retiring from active service. Should a member so electing die before he
26 or she becomes eligible for any benefits under this subtitle, the amount of his or her
27 accumulated contributions with interest to the date of death shall be paid to his or her
28 estate, or to the person that she or he nominated by written designation duly
29 acknowledged and filed with the Board of Trustees at the time of retirement. The
30 deceased member's beneficiary or estate is not entitled to any benefit under this subtitle
31 other than the return of the deceased member's accumulated contributions.]

32 AN ELECTED OFFICIAL WHO TAKES THE OATH OF OFFICE WITHIN ONE WEEK AFTER THE
33 DATE HIS OR HER TERM OF OFFICE IS DEEMED TO HAVE STARTED UNDER THE CITY
34 CHARTER ("DEEMED TERM START DATE") MAY ELECT TO RECEIVE SERVICE CREDIT FOR
35 THE PERIOD BETWEEN THE DEEMED TERM START DATE AND THE DATE HE OR SHE TOOK
36 THE OATH OF OFFICE AND THUS BECAME A MEMBER OF THIS SYSTEM. TO RECEIVE THE
37 SERVICE CREDIT, THE ELECTED OFFICIAL MUST, BY THE LAST DAY OF THE MONTH IN WHICH
38 HE OR SHE LEAVES OFFICE, MAKE A SINGLE PAYMENT TO THIS SYSTEM. THE AMOUNT OF
39 THE PAYMENT WILL BE DETERMINED BY THE SYSTEM'S ACTUARY AND WILL EQUAL THE
40 EMPLOYEE CONTRIBUTIONS AND CITY CONTRIBUTIONS THAT WOULD HAVE BEEN MADE ON
41 THE OFFICIAL'S BEHALF HAD HE OR SHE BEEN A MEMBER OF THIS SYSTEM AS OF THE
42 DEEMED TERM START DATE.

43 [(d) Any elected official may remain in service as a contributing member regardless of age.
44 However, no contributions shall be made by the member after the member has attained
45 age 60 and has acquired 35 years of service credit in this system.]

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1 **§ 22. Benefits.**

2 (a) *Service retirement benefits.*

3 (1) *Eligibility.*

4 (i) *FIRST BECAME A MEMBER ON OR BEFORE DECEMBER 5, 2016.*

5 [Any member in service may retire] AN ELECTED OFFICIAL WHO FIRST BECAME a
6 member ON OR BEFORE DECEMBER 5, 2016, [provided that] IS ENTITLED TO
7 RECEIVE, COMMENCING ON THE 1ST DAY OF THE MONTH FOLLOWING HIS OR HER
8 RETIREMENT, A SERVICE RETIREMENT BENEFIT, CALCULATED AS PROVIDED IN
9 PARAGRAPH (3)(I) OF THIS SUBSECTION, IF the member has:

10 (A) [acquired] AT LEAST 12 [or more] years of service and attained [the] age
11 [of] 50; or

12 (B) [acquired] AT LEAST 16 years of service [, regardless of age].

13 (ii) *FIRST BECAME A MEMBER ON OR AFTER DECEMBER 6, 2016.*

14 AN ELECTED OFFICIAL WHO FIRST BECAME A MEMBER ON OR AFTER DECEMBER 6,
15 2016, IS ENTITLED TO RECEIVE, COMMENCING ON THE 1ST DAY OF THE MONTH
16 FOLLOWING HIS OR HER RETIREMENT, A SERVICE RETIREMENT BENEFIT,
17 CALCULATED AS PROVIDED IN PARAGRAPH (3)(I) OF THIS SUBSECTION, IF THE
18 MEMBER HAS AT LEAST 12 YEARS OF SERVICE AND ATTAINED AGE 55.

19 (2) *Application.*

20 Prior to receiving a service retirement benefit, a member must:

21 (i) [complete a written] FILE THE APPROPRIATE application [filed] with the Board
22 of Trustees, IN THE FORM AND CONTAINING THE INFORMATION THAT THE
23 BOARD REQUIRES; and

24 (ii) [select an effective date of retirement] SPECIFY ON THE FORM THE DATE, WHICH
25 IS not less than 30 days [or] NOR more than 90 days after the DATE OF filing
26 [of] the [written] application, ON WHICH THE MEMBER DESIRES HIS OR HER
27 BENEFITS TO COMMENCE.

28 (3) *Amount of service retirement benefit.*

29 (i) *AMOUNT.*

30 (A) *IN GENERAL.*

31 [Upon] SUBJECT TO SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH, THE
32 ANNUAL SERVICE retirement [from service,] BENEFIT OF [a member] AN
33 ELECTED OFFICIAL [is entitled to receive an annual maximum service
34 retirement allowance equaling] IS EQUAL TO 2.5% OF the member's [current]

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1 annual earnable compensation AT RETIREMENT multiplied by [the number of
2 years of the member's] HIS OR HER YEARS OF service [credit].

3 (B) *CAP.*

4 FOR AN ELECTED OFFICIAL WHO FIRST BECAME A MEMBER ON OR AFTER
5 DECEMBER 6, 2016, THE ANNUAL SERVICE RETIREMENT BENEFIT MAY NOT
6 EXCEED 60% OF THE MEMBER'S ANNUAL EARNABLE COMPENSATION AT
7 RETIREMENT.

8 (II) *COMPONENTS OF BENEFIT.*

9 [Such] THIS [allowance] BENEFIT shall consist of:

10 (A) [(i)] an annuity equal to the actuarial equivalent of the member's
11 accumulated contributions at [the time of] HIS OR HER retirement; and

12 (B) [(ii)] a pension, equal to the annual [maximum] SERVICE retirement
13 [allowance] BENEFIT less the annuity described in [item (i)]
14 SUB-SUBPARAGRAPH (A) of this [paragraph 2] SUBPARAGRAPH.

15 (d) *Deferred vested retirement benefit.*

16 (1) *Eligibility.*

17 (I) *FIRST BECAME A MEMBER ON OR BEFORE DECEMBER 5, 2016.*

18 [Any member will] AN ELECTED OFFICIAL WHO FIRST BECAME A MEMBER ON OR
19 BEFORE DECEMBER 5, 2016, IS ENTITLED TO receive, COMMENCING ON THE 1ST
20 DAY OF THE MONTH IMMEDIATELY FOLLOWING HIS OR HER 50TH BIRTHDAY, a
21 deferred vested retirement benefit [who], IF THE MEMBER HAS:

22 (A) [(i)] has acquired] at least 12 years of service but less than 16 years OF
23 service [, all of which does not need to be continuous];

24 (B) [(ii)] has] left office before attaining age 50; and

25 (C) [(iii)] has] AFTER LEAVING OFFICE, elected NOT to [leave] WITHDRAW his or
26 her accumulated contributions with [the] THIS System[, with regular
27 interest, while the member is no longer in office].

28 (II) *FIRST BECAME A MEMBER ON OR AFTER DECEMBER 6, 2016.*

29 AN ELECTED OFFICIAL WHO FIRST BECAME A MEMBER ON OR AFTER DECEMBER 6,
30 2016, IS ENTITLED TO RECEIVE, COMMENCING ON THE 1ST DAY OF THE MONTH
31 IMMEDIATELY FOLLOWING HIS OR HER 55TH BIRTHDAY, A DEFERRED VESTED
32 RETIREMENT BENEFIT, IF THE MEMBER HAS:

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- 1 (A) AT LEAST 12 YEARS OF SERVICE;
- 2 (B) LEFT OFFICE BEFORE ATTAINING AGE 55; AND
- 3 (C) AFTER LEAVING OFFICE, ELECTED NOT TO WITHDRAW HIS OR HER
- 4 ACCUMULATED CONTRIBUTIONS WITH THIS SYSTEM.

5 (2) *Application.*

6 Prior to receiving a DEFERRED VESTED retirement benefit [under this subsection (d)],
7 a member must:

8 (i) file [a written] THE APPROPRIATE application [for retirement] with the Board
9 of Trustees, IN THE FORM AND CONTAINING THE INFORMATION THAT THE
10 BOARD REQUIRES; AND

11 (ii) [more] SPECIFY ON THE FORM THE DATE, WHICH IS NOT LESS than 30 days [and
12 less] NOR MORE than 90 days [from the member's effective retirement date]
13 AFTER THE DATE OF FILING THE APPLICATION, ON WHICH THE MEMBER DESIRES
14 HIS OR HER BENEFITS TO COMMENCE.

15 (3) [Amount of deferred vested retirement benefits] *BENEFIT AMOUNT.*

16 [Upon attaining age 50, a member is entitled to receive a] THE deferred vested
17 RETIREMENT benefit [equaling] IS EQUAL TO [an annual maximum] THE MEMBER'S
18 ACCRUED service retirement [allowance] BENEFIT, as [described in paragraph (3) of]
19 CALCULATED UNDER subsection [(a)] (A)(3) of this section.

20 (4) *Death prior to commencement of deferred vested RETIREMENT benefit.*

21 (i) *Scope of [section] PARAGRAPH.*

22 This [section] PARAGRAPH will apply to [any] A member who:

23 (A) [is eligible] SATISFIES THE REQUIREMENTS for a deferred vested
24 RETIREMENT benefit under PARAGRAPH (1) OF this subsection [(d)]; AND

25 (B) [dies before attaining age 50, but after leaving office; and

26 (C)] dies before [properly] filing an application [for benefits] under [this]
27 paragraph [(d)] (2) OF THIS SUBSECTION.

28 (ii) *Return of accumulated contributions.*

29 [The] ON THE MEMBER'S DEATH, HIS OR HER accumulated contributions [of any
30 member described in item (i) above], INCLUDING REGULAR INTEREST TO THE DATE
31 OF DEATH, will be paid:

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- 1 (A) to the member's designated beneficiary;
- 2 (B) if there is no designated beneficiary or if the designated beneficiary
3 predeceases the member, to the member's surviving spouse;
- 4 (C) if there is no designated beneficiary and no surviving spouse, to the
5 member's children, in equal shares;
- 6 (D) if there is no designated beneficiary, surviving spouse, or surviving child,
7 to the member's surviving parents, in equal shares; and
- 8 (E) otherwise, to the member's estate.

9 (iii) [Interest] *NO OTHER BENEFIT.*

10 [The amount of accumulated contributions paid will include interest to the date of
11 the member's death.]

12 [(iv)] Any beneficiary or estate receiving benefits under this paragraph [(3)] (4) is not
13 entitled to any other benefit under this section.

14 (e) *Method of payment.*

15 (2) [*Elections for retirement allowance with actuarial modification*] *BENEFIT OPTIONS.*

16 (ii) *Reserve guarantee option.*

17 (A) [On the retired member's] AS SOON AS ADMINISTRATIVELY PRACTICABLE
18 AFTER THE death OF A RETIRED MEMBER WHO ELECTED THIS RESERVE
19 GUARANTEE OPTION, the balance of the PRESENT VALUE OF THE retired
20 member's [retirement allowance] BENEFIT at [the time of] retirement, after
21 deducting the total amount of [periodical] PERIODIC payments received by the
22 retired member during his or her [life] LIFETIME, [will] SHALL be [payable as]
23 PAID IN THE FORM OF A [lump sum] LUMP-SUM CASH PAYMENT AS FOLLOWS:

- 24 1. to the retired member's designated beneficiary; or
- 25 2. if [there is] no [designated] beneficiary HAS BEEN DESIGNATED or if the
26 designated beneficiary predeceases the retired member, to the retired
27 member's estate.

28 (B) A member [selecting this reserve guarantee] WHO ELECTS THIS option may
29 change his or her designated beneficiary at any time throughout THE
30 MEMBER'S retirement.

31 **§ 24. Method of financing.**

32 [(d) For an elected official who transfers to this System, the Board of Trustees of the
33 Transferring system shall determine and transfer to this System all applicable funds provided

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1 by the City of Baltimore for the transferring member's past service. The amount to be
2 transferred shall be based on the benefit accrued in the transferring retirement system.]

3 **§ 27. POST-RETIREMENT BENEFIT INCREASES.**

4 (A) *AMOUNT.*

5 (1) *FIRST BECAME A MEMBER ON OR BEFORE DECEMBER 5, 2016.*

6 (I) *IN GENERAL.*

7 A RETIREE WHO FIRST BECAME A MEMBER ON OR BEFORE DECEMBER 5, 2016, OR A
8 BENEFICIARY OF A RETIREE WHO FIRST BECAME A MEMBER ON OR BEFORE
9 DECEMBER 5, 2016, IS ENTITLED TO RECEIVE AN ANNUAL INCREASE IN HIS OR HER
10 MONTHLY BENEFIT EQUAL TO THE PERCENTAGE INCREASE IN THE ANNUAL
11 EARNABLE COMPENSATION AUTHORIZED FOR THE HIGHEST-PAYING ELECTED
12 OFFICIAL POSITION HELD BY THE RETIREE WHILE A MEMBER.

13 (II) *IF POSITION ABOLISHED.*

14 (A) IF THE POSITION OF AN ELECTED OFFICIAL IS ABOLISHED AND A REPLACEMENT
15 POSITION IS CREATED, PERCENTAGE INCREASES IN THE ANNUAL EARNABLE
16 COMPENSATION AUTHORIZED FOR THE REPLACEMENT POSITION WILL BE USED
17 TO CALCULATE INCREASES IN MONTHLY BENEFITS UNDER SUBPARAGRAPH (I)
18 OF THIS PARAGRAPH.

19 (B) IF THE POSITION OF AN ELECTED OFFICIAL IS ABOLISHED AND A REPLACEMENT
20 POSITION IS NOT CREATED, PERCENTAGE INCREASES IN THE ANNUAL EARNABLE
21 COMPENSATION AUTHORIZED FOR THE POSITION OF MAYOR OF THE CITY OF
22 BALTIMORE WILL BE USED TO CALCULATE INCREASES IN MONTHLY BENEFITS
23 UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

24 (2) *FIRST BECAME A MEMBER ON OR AFTER DECEMBER 6, 2016.*

25 A RETIREE WHO FIRST BECAME A MEMBER ON OR AFTER DECEMBER 6, 2016, OR A
26 BENEFICIARY OF A RETIREE WHO FIRST BECAME A MEMBER ON OR AFTER DECEMBER 6,
27 2016, IS ENTITLED TO RECEIVE AN ANNUAL INCREASE IN HIS OR HER MONTHLY
28 BENEFIT EQUAL TO THE GREATER OF:

29 (I) 1.5%, OR

30 (II) THE AMOUNT OF ANY CORRESPONDING POST-RETIREMENT BENEFIT INCREASE
31 PROVIDED BY THE FIRE AND POLICE EMPLOYEES' RETIREMENT SYSTEM OF THE
32 CITY OF BALTIMORE TO ITS MEMBERS.

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1 (B) *WHEN INCREASE BEGINS.*

2 (1) *FIRST BEGAN RECEIVING BENEFITS ON OR BEFORE FEBRUARY 1, 2017.*

3 A RETIREE WHO FIRST BEGAN RECEIVING RETIREMENT BENEFITS ON OR BEFORE
4 FEBRUARY 1, 2017, OR A BENEFICIARY OF A RETIREE WHO FIRST BEGAN RECEIVING
5 RETIREMENT BENEFITS ON OR BEFORE FEBRUARY 1, 2017, WILL RECEIVE THE BENEFIT
6 INCREASE BEGINNING IN JANUARY OF THE YEAR FOLLOWING THE YEAR IN WHICH HIS
7 OR HER RETIREMENT BENEFITS BEGAN.

8 (2) *FIRST BEGAN RECEIVING BENEFITS ON OR AFTER MARCH 1, 2017.*

9 (I) A RETIREE WHO FIRST BEGAN RECEIVING RETIREMENT BENEFITS ON OR AFTER
10 MARCH 1, 2017, OR A BENEFICIARY OF A RETIREE WHO FIRST BEGAN RECEIVING
11 RETIREMENT BENEFITS ON OR AFTER MARCH 1, 2017, IS ELIGIBLE FOR THE
12 BENEFIT INCREASE AS OF THE 1ST JUNE 30 AS OF WHICH THE RETIREE AND THE
13 BENEFICIARY, WHETHER INDIVIDUALLY OR IN COMBINATION WITH THE OTHER,
14 HAVE BEEN RECEIVING BENEFIT PAYMENTS FOR AT LEAST 12 CONSECUTIVE
15 MONTHS.

16 (II) A RETIREE WHO FIRST BEGAN RECEIVING RETIREMENT BENEFITS ON OR AFTER
17 MARCH 1, 2017, OR A BENEFICIARY OF A RETIREE WHO FIRST BEGAN RECEIVING
18 RETIREMENT BENEFITS ON OR AFTER MARCH 1, 2017, WILL RECEIVE THE BENEFIT
19 INCREASE BEGINNING IN JANUARY OF THE YEAR FOLLOWING THE JUNE 30 ON
20 WHICH HE OR SHE BECAME ELIGIBLE UNDER SUBPARAGRAPH (I) OF THIS
21 PARAGRAPH (2).

22 (C) *ADMINISTRATION OF BENEFIT INCREASES.*

23 (1) EACH BENEFIT INCREASE WILL CONTINUE FOR THE LIFETIME OF THE RETIREE AND ANY
24 BENEFICIARY, CONSISTENT WITH THE OPTION ELECTED UNDER § 22(E) OF THIS
25 SUBTITLE.

26 (2) THE BENEFIT INCREASES PROVIDED BY THIS SECTION ARE EFFECTIVE REGARDLESS OF
27 THE INVESTMENT PERFORMANCE OF THIS SYSTEM.

28 (3) THE BENEFIT INCREASES PROVIDED BY THIS SECTION ARE PAYABLE IN THE SAME FORM
29 AS THE POST-RETIREMENT BENEFIT PAYMENTS BEING RECEIVED BY THE ELIGIBLE
30 RETIREE OR BENEFICIARY.

31 §[§27-] 28. {Vacant.}

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

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

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Certified as duly passed this _____ day of _____, 20__

President, Baltimore City Council

Certified as duly delivered to Her Honor, the Mayor,
this _____ day of _____, 20__

Chief Clerk

Approved this _____ day of _____, 20__

Mayor, Baltimore City