

FROM

NAME & TITLE	Edward J. Gallagher, Director
AGENCY NAME & ADDRESS	Department of Finance Room 448, City Hall (396-4940)
SUBJECT	City Council Bill 09-0295

CITY of
BALTIMORE
MEMO



DATE: March 27, 2009

TO
The Honorable President
And Members of City Council
Room 400 City Hall

Attention: Karen Randle

City Council Bill 09-0295 provides for a series of amendments to the Fire & Police Employees' Retirement System law pertaining to the Deferred Retirement Option Plan (DROP).

According to the systems actuary, these amendments could save the City between \$4.0 million and \$7.0 million a year depending on the behavior of those active members who become eligible for the DROP program after July 1, 2009 in terms of their longevity in City service. Implementation of this legislation could provide an incremental improvement in the cost to the City for this additional benefit.

The Department of Finance recommends a favorable committee report on City Council Bill 09-0295.

Cc: Angela Gibson

MAR 30 2009
BALTIMORE CITY COUNCIL
PRESIDENT'S OFFICE