

City of Baltimore Employees' Retirement System

SUMMARY OF RETIREMENT BENEFITS

AS OF FEBRUARY 2010



Stephane Rivard and Blake Wilson

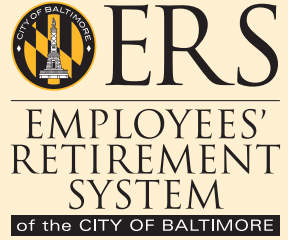
ERS

EMPLOYEES'
RETIREMENT
SYSTEM

of the CITY OF BALTIMORE

FOR CLASS C MEMBERS ONLY

Updates to Summary of Retirement Benefits



The law governing the City of Baltimore Employees' Retirement System has been changed, effective July 1, 2013. Following is an overview of the changes, and an update to the Summary of Retirement Benefits.

Mandatory contributions

A pre-tax deduction is taken from each member's salary (not including overtime, furloughs, or days without pay). The contribution amount for fiscal year 2013-2014 is 1 percent, and is scheduled to increase by an additional 1 percent on July 1 of each fiscal year (July 1 – June 30), until 2017, when it will become fixed at 5 percent.

Each year's mandatory contribution may only be increased if a raise of at least 2 percent is awarded for the same fiscal year.

Non-vested member refund

Members who terminate employment with the City before becoming vested will receive a refund of accumulated contributions (member contributions credited with 3 percent interest) in a lump-sum payment.

Military service credit, page 8

The City will pay a member's employee contributions during his or her unpaid leave of absence due to military service. If the member terminates employment with the City before becoming vested, he or she will not receive a refund of the contributions made by the City for the period of military service.

Maximum retirement allowance, page 9

If a retired member without a surviving spouse or minor child dies while receiving a maximum retirement allowance, and the total amount of benefits received during the member's lifetime is less than the total accumulated contributions, the difference will be paid to the member's designated beneficiary or estate in a lump-sum.

Lump-sum payment, page 14

Your eligible beneficiary will be paid a one-time lump-sum amount equal to your accumulated contributions, plus 50 percent of the greater of:

- Your current annual salary; or
- Your average final compensation

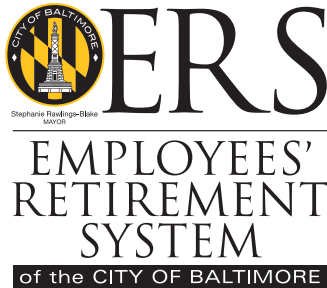
Annual cost-of-living-adjustment, page 28: Variable COLA eliminated

Retirees and beneficiaries are entitled to an annual cost-of-living-adjustment (COLA) of 1.5 percent for retirees under age 65, and 2 percent for retirees age 65 and older.

Every effort has been made to ensure that all information is correct. However, in case of any discrepancy, the policies and law (Article 22 of the Baltimore City Code) embodying the Plan will govern.

SUMMARY OF RETIREMENT BENEFITS

AS OF
FEBRUARY 2010



This booklet describes the essential features of the Employees' Retirement System. Every effort has been made to make sure this information is correct; however, in case of any discrepancy, the provisions of the legal documents, policies, and law (Article 22 of the Baltimore City Code) embodying the Plan will govern.

Introduction

This ERS Summary of Retirement Benefits was designed to provide active and retired members and beneficiaries of the City of Baltimore Employees' Retirement System (ERS) with information about the many benefits and services offered by the ERS. Please note that the information contained in this handbook is a summary. Full details and the prevailing documents governing the benefits provided by the ERS are contained in Article 22 of the City of Baltimore Code.

As a member of a non-contributory defined benefit plan, you may receive a guaranteed lifetime retirement benefit after you qualify for retirement. On page 3, you will find information regarding your retirement eligibility, which is based on your age, final compensation and years of service credit at retirement.

The ERS Summary of Retirement Benefits explains the many components of the City's defined benefit plan, including retirement, disability and death benefits. On pages 4-26, you will find information on membership credit, types of retirement, benefit payment options, formulas, as well as examples of benefit calculations. Information on the retirement process starts on page 29, including a step-by-step checklist for both service and disability retirements.

ERS benefits are paid monthly. Since you are required to provide a minimum of 30 days notice to the ERS when applying for retirement, you may want to coordinate your last day of employment with your retirement date so that you are not without income.

For help with your retirement planning or for additional information:

- Call us at (443) 984-3200
- Visit our office at 7 East Redwood Street — 13th Floor
- Visit the ERS website — www.bcers.org
- Read the ERS Horizon Newsletter
- Refer to the ERS Comprehensive Annual Financial Reports and Article 22 of the City of Baltimore Code. Available by contacting the ERS office.

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Message from the Executive Director

Dear Members and Beneficiaries:

I am pleased to present the latest edition of the City of Baltimore Employees' Retirement System's Summary of Retirement Benefits. This handbook is designed to provide information about your retirement benefits in a concise and easy to understand format. Regardless of your years of service, the information in this handbook will help you make informed decisions throughout your employment with the City.



We serve nearly 20,000 active and retired members and their beneficiaries — and each one of you is our highest priority. Our staff is committed to providing you with timely service and accurate information regarding your retirement benefits.

This handbook is just one way we provide information about your benefits. We also offer retirement educational seminars nearly every month to enhance your knowledge about your pre- and post-retirement benefits.

If you have any questions after reviewing this handbook, please do not hesitate to call, write or visit our office — our dedicated staff is available to assist you.

We appreciate your confidence and look forward to supporting your retirement benefit needs.

Sincerely,

A handwritten signature in black ink that reads "Roselyn H. Spencer". The signature is written in a cursive, flowing style.

Roselyn H. Spencer
Executive Director

Your Pension Plan

Established January 1, 1926, by City Ordinance, the Employees' Retirement System (ERS) is a defined benefit plan that covers regular and permanent employees who are employed in the general administrative service of the City. Excluded from the ERS are uniformed Fire and Police Department personnel and elected City Officials, who are covered under other City pension plans, specifically the Fire and Police and the Elected Officials' Retirement Systems. Also excluded are Baltimore City Department of Education and library personnel, who became members of the Maryland State Retirement System.



All ERS-related administrative and benefit provisions are established by City ordinance, as contained in Article 22 of the Baltimore City Code, and may be amended only by the Mayor and City Council. The plan provisions provide a contractual relationship for the membership, whereby benefits may not be diminished or impaired in any way except as permitted by law.

On July 1, 1979, the ERS established a non-contributory class of membership. All permanent employees hired on or after July 1, 1979, automatically become members of the non-contributory class on their first anniversary of employment. All employees hired prior to July 1, 1979, were given the option to remain in the contributory membership class or to elect to transfer to the non-contributory membership class. Today, 98 percent of the active membership consists of non-contributory class members.



A seven-member Board of Trustees is responsible for the overall fund administration, control and investment of the System's assets. The Board membership consists of the Comptroller of the City; two Baltimore citizens who are not City employees, appointed by the Mayor; three members elected by the active membership; and one member elected by the retired membership. Supporting and executing the actions of the Board are an Executive Director and a professional retirement staff who manage the daily operations and establish and maintain internal controls designed to protect the System's assets. Additionally, the ERS staff is responsible for consulting with ERS members and beneficiaries about their retirement benefits and for processing benefit payments on behalf of qualified members.

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Plan overview

Membership classes	<ul style="list-style-type: none"> • Class A (contributory; closed to new members) • Class B (contributory; closed to new members) • Class C (non-contributory; open to current and new members)
Membership eligibility	<p>Based on:</p> <ul style="list-style-type: none"> • Your employment status with the City of Baltimore and other City Agencies including but not limited to: <ul style="list-style-type: none"> – Baltimore Museum of Art – Walters Art Galley – Baltimore Convention Center – Non-uniformed employees of the Fire and Police Departments – Certain employees of the new Baltimore City Public School System (BCPS) • A one-year employment waiting period
Service retirement eligibility	<p>Depends on your membership class</p>
Disability retirement eligibility	<ul style="list-style-type: none"> • Line-of-duty disability benefits – immediately when you become an ERS member • Non-line-of-duty disability benefits – after five years of membership service
How to earn membership service credit	<ul style="list-style-type: none"> • Being a regular and full-time City employee • Transferring service credit • Purchasing additional service credit • Serving in the military
Vesting eligibility	<ul style="list-style-type: none"> • At 10 years of membership service for Class C members • At 15 years for Class A members
Types of benefits	<ul style="list-style-type: none"> • Service retirement <ul style="list-style-type: none"> – Normal (unreduced benefits) – Early (reduced benefits) – Job abolishment/Layoff benefits • Disability <ul style="list-style-type: none"> – Accidental (line-of-duty) – Ordinary (non-line-of-duty)

Plan overview

<p>Types of benefits (continued)</p>	<ul style="list-style-type: none"> • Death <ul style="list-style-type: none"> – Accidental death (line-of-duty) – Ordinary death (non-line-of-duty) <ul style="list-style-type: none"> • Lump sum payment • 100% survivorship • 40% survivorship
<p>Retirement benefit calculation</p>	<p>Based on:</p> <ul style="list-style-type: none"> • Average final compensation (AFC) • Years of service • Age
<p>Retirement benefit payment options</p>	<ul style="list-style-type: none"> • Maximum allowance option • Option 1 – Reserve guarantee • Option 2 – 100% survivorship • Option 3 – 50% survivorship • Option 4 – Specific benefit • Option 5 – 100% “pop-up” survivorship • Option 6 – 50% “pop-up” survivorship
<p>Service retirement process</p>	<ul style="list-style-type: none"> • Application either in person or by mail, 30-90 days advance notice required • Estimation of benefits • Verification of all documents
<p>Types of beneficiary designation</p>	<ul style="list-style-type: none"> • Standard designation • Specific designation
<p>Refund and cash-out</p>	<p>Available for Class A and C qualified vested members</p>
<p>Annual cost of living adjustment (COLA)</p>	<p>Minimum of 1.5% plus an additional variable benefit based on the fund’s investment earnings and are applied January 1 following the June 30 determination date</p>
<p>Seminars offered</p>	<ul style="list-style-type: none"> • Retirement educational • Retirement ready

Membership

■ Three membership classes

The ERS consists of three membership classes — A, B and C. Only Class C is open to new members.

Class A – Contributory class that covers members hired between January 1, 1954, and July 1, 1979. It required a two-year waiting period. Class A is closed to new members.

Class B – Contributory class that covers members hired before January 1, 1954. There are no active members left in this class.

Class C – Non-contributory class, and the only class open to employees hired on or after July 1, 1979. Class C also includes certain members who transferred from classes A and B.

■ Membership eligibility

Membership eligibility for retirement benefits starts after a one-year mandatory waiting period for Class C membership. Retirement benefits are based on:

- Employment status
- Age
- Membership service
- Average final compensation
- Type of termination

■ Service retirement eligibility

Your eligibility for service retirement depends on your membership class.

Classes A and B

If you are a Class A or B member, you may be eligible to retire if you:

- Are age 60 with five years of membership service, or
- Have 30 years of membership service, regardless of age

Membership

Class C

If you are a Class C member, you may be eligible to retire if you:

- Are age 65 with five years of membership service, or
- Have 30 years of membership service, regardless of age, or
- Are age 55 with at least 5 years of membership service
(You would receive a reduced benefit)

■ Disability retirement eligibility

Regardless of your membership class, you are eligible for:

- **Line-of-duty disability benefits** – immediately when you become an ERS member
- **Non-line-of-duty disability benefits** – after five years of membership service

■ Four ways to earn membership service credit

1. Being a regular and full-time employee of the City or a covered City agency

As a Class C member, your service credit is determined by the hours of work you perform in a fiscal year. For example:

If you are employed by the City or a covered agency in a job classification that requires more than 1,000 hours of work in a fiscal year, you shall receive credit for one year of service.

If you are employed by the City or a covered agency in a job classification that requires 500 to 1,000 hours of work in a fiscal year, you shall receive credit for half of a year of service, provided you are in pay status for each and every payroll period in the fiscal year.

If you are employed by the City or a covered agency in a job classification that requires less than 500 hours of work in a fiscal year, you will not be eligible to receive any service credit for any such employment.

Membership

CONTRACTUAL REQUIREMENTS FOR RETIRED CITY EMPLOYEES

Contractual employees of the City are not eligible for benefits, including retirement and health.

However, as a retired City employee, you may be re-employed by the City on a contractual basis and still receive your retirement benefits if:

- Your requesting agency establishes a need for your services and you have the qualifications necessary to satisfy the requirements of the services to be rendered;
- You have been retired for at least 90 calendar days before beginning service; and
- You enter into a contractual agreement with the Mayor and City Council of Baltimore wherein the contract:
 - Stipulates a time period not to exceed one year and only up to 1,200 paid work hours per contract year
 - Is contingent on funds being available
 - Is approved by the Board of Estimates

Rate determination can be no more than the difference between the maximum salary which you would have received based upon your qualifications if you were employed full-time by the City in the classification at the time of the contract and your maximum City retirement benefit. To determine the maximum hourly rate, the dollar value of the difference is to be divided by the 1,200 work hours allowed per contract year.

EXAMPLE: Rate determination for a contractual year

Maximum full-time salary	\$50,000/year
Maximum City retirement benefit	\$20,000/year

$$\$50,000 \text{ minus } \$20,000 = \$30,000$$

$$\$30,000 \div 1200 \text{ work hours/year} = 25$$

Maximum rate for the year = Up to \$25/hour

Anytime you are re-employed with the City or any City of Baltimore agency, you must check with the ERS office to verify your ERS membership eligibility. (See City's double-dipping policy on page 33)

Membership

MISSING TIME

Missing time is any time you are out of pay status.

If you are a Class A member who is out of pay status, does not receive a paycheck and makes no contribution to the ERS, you are considered to have missing time. You will receive **no service credit** for that period of time.

If you are a Class C member who is out of pay status and does not receive a paycheck for a total of seven or more biweekly pay periods (or 14 or more weekly pay periods) during a single fiscal year, you will receive **no service credit** for that period of missed time.

EXAMPLE

No pay during contributory membership = No service credit

No pay for seven or more bi-weekly pay periods during a single fiscal year (14 or more weekly pay periods) during non-contributory membership = No service credit

2. Transferring service credit

You may transfer accumulated or earned service time into the ERS from State or other political subdivision retirement systems in Maryland.

To receive prior service credit at no cost, you must not have more than a 30-day break in service between your prior job and the City of Baltimore.

If you do not have a break in service of more than 30 days between your prior job and the City of Baltimore, you will become an ERS member after the one-year waiting period. Then, after you become an ERS member, you will have one year to transfer your prior service credit into the ERS at no cost. Thereafter, you will have the option to pay for the transfer of the prior membership credits.

Membership

3. Purchasing additional service credit

If eligible, you may purchase previous membership time, or your first year of employment, for additional membership service credit. If you return after your parity time has expired, you also have the option of purchasing your previous membership time.

You must pay to the ERS an amount equal to your current annual salary times the current purchase rate for each year or partial year you wish to purchase.

PARITY TIME

If you leave City employment for any reason other than military service and you are rehired by the City, your participation before you left will count only if you return within a period of time equal to or less than the period of your previous employment time with the City.

For example, if you left employment with the City after five years of service, and you are rehired by the City within five years, you will receive membership credit for the five years of membership time you earned prior to leaving. Credit for this membership time will be reinstated on the first anniversary of your return.

EXAMPLE: Previous membership of five years

YEAR	MONTH	DAY	
2005	– 7	– 1	Cut-off date from City employment
<u>2000</u>	<u>– 7</u>	<u>– 1</u>	Pension entry date
5	– 0	– 0	Total pension membership
<u>2005</u>	<u>– 7</u>	<u>– 1</u>	Cut-off date from City employment
2010	– 7	– 1	Parity time period expiration

Membership

4. Military service credit

You may receive up to three years of membership service credit for military service served prior to starting City employment if you are a qualified City employee.

Class A

If you are a Class A member, you may earn military service credit if you:

- Have 20 years of membership service, regardless of age, or
- Are at least age 60 with 10 years of membership service

Class C

If you are a Class C member, you may earn military service credit if you:

- Have 20 years of membership service, regardless of age, or
- Are at least age 62 with 10 years of membership service

While employed by the City, you can receive credit for active military service if you provide proper documentation.

RESERVIST TIME

You can also receive credit for active duty reserve time provided you are not in active pay status with the City for the same time period.

■ Vesting eligibility

Vesting qualifies a member to receive retirement benefits after meeting certain qualifications.

If you are a Class C member, you become vested after:

- 10 years of membership service, or
- Five years of membership service, if you are laid-off due to no fault of your own

If you are a Class A member, you become vested after 15 years of service. Should you leave City employment after you are vested, you may be entitled to an immediate or deferred benefit.

If you are a Class C member, with at least 10 years of membership service time and leave your job before age 55, you may qualify for deferred vesting. After turning age 55, deferred vested members should contact ERS to apply for retirement benefits by submitting an application form to the ERS.

Membership benefits

■ Three types of retirement benefits

1. Service retirement benefits

Normal (unreduced benefits)

Normal service retirement is based on membership class, service and age.

Class A

If you are a Class A member, you may receive normal service retirement benefit when you:

- Have 30 years of membership service, or
- Are at least age 60 with five years of membership service

Class C

If you are a Class C member, you may receive normal service retirement benefit when you:

- Have 30 years of membership service, or
- Are at least age 65 with five years of membership service

MAXIMUM RETIREMENT ALLOWANCE

The maximum retirement allowance will provide you with the highest retirement benefit amount. Upon your death, your eligible beneficiary will receive monthly benefit payments of 40% of your retirement allowance. Your beneficiary may also be eligible for health insurance coverage. Your eligible beneficiaries may only include your:

- Spouse to whom you had been married at least one year prior to your retirement, or
- Minor child up to age 18, or 22 if a full-time student

If your spouse remarries, his/hers survivorship benefit will end. You have 30 days after retirement to change your beneficiary designation.

EXAMPLE

Maximum retirement allowance – \$1,000 monthly

Your benefit – \$1,000 monthly

Benefit to eligible beneficiary after your death – \$400 monthly

Membership benefits

Early (reduced benefits)

If you are a Class C member, you can retire as early as age 55 if you have at least 5 years of membership service. If you have less than 30 years of membership service, you will receive reduced benefits based on your age, years of service and your average final compensation. (With 30 or more years of membership, you would receive an unreduced normal benefit.)

The early retirement reduction is based on a factor that is actuarially determined:

6.7% of the normal retirement benefit each year
for retirement between the ages of 60 and 65
plus
3.3% of the normal retirement benefit each year
for retirement between the ages of 55 and 60

VESTED MEMBERS

Class C members are vested after 10 years of membership service with unreduced benefits at age 65 and reduced benefits at age 55.

Class A members are vested after 15 years of membership service, and benefits are payable at age 60. In order to receive benefits, you must leave your contributions with the ERS.

DEFERRED VESTED MEMBERS

Class C members can elect a lump-sum cash-out instead of a retirement allowance if the cash-out amount is \$12,500 or less. A member who receives a lump-sum cash-out is not entitled to parity time or any other benefits from the ERS or the City, and he/she cannot transfer the service to another pension system.

Class A members can elect to receive a refund of accumulated contributions and interest in lieu of a retirement benefit.

Job abolishment/layoff benefits

If you lose your job through a layoff or job abolishment and due to no fault of your own, you may be entitled to:

- **Immediate unreduced retirement benefit** if you have 20 or more years of membership service

Membership benefits

- **Immediate reduced retirement benefit** if you have five or more years of membership service and you are at least age 55
- **Deferred retirement benefit** if you have five or more years of service and you are under age 55 when you separated from the City

Class A

For Class A members, deferred retirement benefit is available at age 60 for normal service retirement. To be eligible, Class A members must leave contributions in the ERS when they leave employment with the City.

Class C

For Class C members, deferred retirement benefit is available at age:

- 55 for early service retirement with reduced benefits
- 65 for normal service retirement

2. Disability benefits

If you become ill or disabled and you cannot continue to work, you may be eligible for disability benefits. Your eligibility to receive these benefits will be determined by an independent hearing examiner hired by the Baltimore City Board of Estimates. There are 2 types of disability benefits:

Accidental disability (line-of-duty)

Accidental or line-of-duty disability benefits are available for members who suffer an injury while performing their job duties, sustaining a 50% total anatomical loss of one or more body parts or functions, or a 25% loss of two body parts or functions. The claim must be filed within five years of the injury and is subject to the ruling of the hearing examiner.

Class A maximum annual accidental disability benefit

$66 \frac{2}{3}\%$ x average final compensation + annuity from your contributions

Class C maximum annual accidental disability benefit

$66 \frac{2}{3}\%$ x average final compensation

Membership benefits

Ordinary disability (non-line-of-duty)

Ordinary or non-line-of-duty disability benefits may be available for members who have a disability that does not qualify as accidental, but is a permanent mental or physical disability that prevents the member from doing his/her job. Member must have a minimum of five years of membership service to qualify.

Class A

For Class A members, the ordinary disability benefit is:

- Based on membership service credit at time of disability
- Not less than 25% of average final compensation
- Subject to reduction in earnings in excess of earnable compensation

Class C

For Class C members, the ordinary disability benefit is:

- Based on membership service credit at time of disability
- Not less than 15% of average final compensation

(See page 31 regarding application process for disability.)

WORKER'S COMPENSATION

Worker's Compensation is a set of laws that protect workers while they are on the job. If you are hurt or disabled while you are on the job, you may be entitled to financial support. If you die because of an accident or illness you sustained on the job, then your family may be eligible to receive financial compensation. Worker's Compensation benefits vary depending on the situation.

If a member receives a Worker's Compensation benefit for the same injury for which they were granted a disability benefit, the amount of the Worker's Compensation benefit (minus doctor and lawyer's fees) is offset against their disability benefit based on their life expectancy.

ERS' disability process is separate from the determination of disability by the Worker's Compensation Commission or termination of your City employment by your department due to illness or injury.

The ERS will verify your eligibility to receive service pending disability or disability retirement benefit. The ERS will also verify any Worker's Compensation benefit you received within the last five years, for the same injury claimed on your disability retirement, even if it is granted after your retirement.

Membership benefits

EXAMPLE: Worker's Compensation computation after offset

Age at disability retirement	40 years
Annuity factor (life expectancy)	15.140 years
Annual pension	\$25,000
Worker's Compensation benefit	\$8,500
Doctor's fees	\$1,500
Lawyer's fees	\$2,000
<hr/>	
\$8,500	Worker's Compensation benefit
– \$1,500	Doctor's fees
– \$2,000	Lawyer's fees
<hr/>	
\$5,000	Amount to be offset
÷ 15.140	Annuity factor (life expectancy)
<hr/>	
\$330.25	Annual offset
\$25,000	Annual pension
– \$330.25	Annual offset
<hr/>	
\$24,669.75	New annual disability benefit

3. Death benefits

Death benefits provide financial compensation to your survivors should you die before retirement or termination of employment. Death benefits may be paid depending on the circumstances of death (line-of-duty or non-line-of-duty) and your eligibility for retirement, as follows:

Accidental death (line-of-duty)

If you should die before retirement or termination of employment due to a work-related incident, your death benefits will be paid to your surviving eligible spouse, child or surviving parent (regardless of membership class). Your beneficiary will receive an annual benefit of 100% of current annual active salary.

Membership benefits

Ordinary death (non-line-of-duty)

If you should die before retirement or termination of employment due to a non-work-related incident, and if you were an ERS member for at least one year, your beneficiary will receive half of your current annual active salary.

Lump sum payment (default option)

To qualify for a lump sum payment, you must have died in active service with less than 20 years of membership service. Your eligible beneficiary will be paid a one-time lump-sum amount.

Benefit equals 50% of the greater of:

- The member's current annual salary
- The member's average final compensation

100% survivorship benefit

In order to qualify for a 100% survivorship benefit, which equals 100% of your calculated maximum normal service retirement, you must have died in active service and must have either been qualified for retirement at the time of your death or within 90 days of your being eligible for retirement.

Your beneficiary may be a spouse to whom you had been married for five years, or any of your surviving parents. Your eligible beneficiary can elect to receive the lump-sum benefit in lieu of the monthly survivorship benefit.

40% survivorship benefit

In order to qualify for a 40% survivorship benefit, which equals 40% of your calculated maximum normal service retirement, you must have died in active service with at least 20 years of membership service.

SPECIAL PROVISION

If a member dies with 20 years of City employment but has only 19 years of membership service, his/her first year of employment will be used to qualify an eligible beneficiary for this benefit; but the first year will not be counted as service credit in calculating the amount of the death benefit.

Your beneficiary must be your spouse to whom you had been married at least one year prior to your death, or any of your unmarried minor children. Your eligible beneficiary can elect to receive the lump-sum benefit in lieu of the 40% monthly survivorship benefit.

Benefit calculations and options

■ Retirement benefit calculation

Class A

Your retirement benefit is calculated based on 1.935% of your average final compensation (AFC) multiplied by your years of credited service. Benefit includes the total of your accumulated contributions and interest.

EXAMPLE

$$1.935\% \times \text{AFC} \times \text{years of service}$$

Class C

Your retirement benefit is calculated based on 1.60% of your average final compensation (AFC) multiplied by your years of credited service and age.

EXAMPLE

$$\begin{aligned} &1.60\% \times \text{AFC} \\ &\quad \text{plus} \\ & .25\% \times \text{AFC in excess of covered compensation} \\ & \quad \times \text{years of credited service up to 30 years} \\ & \quad \text{plus} \\ & 1.85\% \times \text{AFC for each year of credited service in excess of 30 years} \end{aligned}$$

AVERAGE FINAL COMPENSATION (AFC)

Average final compensation (AFC) is the average annual earnable compensation on January 1 for three successive years of service during which earnable compensation was highest or, if less than three years, the average during the total service period. AFC is based on the member's earnable compensation that includes the employee's regular authorized salary plus any longevity pay. Overtime pay is not included.

Covered compensation

Covered compensation means the average of the Federal Insurance Contribution Act (FICA) wage base for the 35-year period ending with the calendar year which ends immediately prior to the earlier of:

- January 1, which is one year prior to January 1 of the calendar year in which member terminates, or
- January 1 of the calendar year in which the member turns age 65

Benefit calculations and options

Covered compensation is the average of the member's maximum wage earnings that are subject to FICA taxes at the age 65. This compensation intends to ensure that a member's pension benefits reflect the general rise in the standard of living. If a member's compensation is more than the maximum wage earnings base set by Social Security Administration, it is subtracted from the base and the difference is calculated with a different multiplier and added to the member's pension benefit.

Determining the covered compensation amount to be used in retirement benefit formulas

The covered compensation amount is based on the earlier of:

- The year the member reaches age 65, or
- The year the employee terminates employment with the City

Once the member attains age 65, the covered compensation becomes fixed. For example, if you continue working beyond age 65, use your year of birth on the schedule and use the covered compensation amount for that year.

EXAMPLE

Member turned age 65 in 1991
Retires in July 2001
Covered compensation = \$16,977

If you are not age 65, use the covered compensation amount that is listed for the calendar year which you will be retiring.

EXAMPLE

Member's job is abolished in July 2001 at age 46
Covered compensation = \$33,066

(See schedule of covered compensation on page 22)

Benefit calculations and options

SAMPLE CALCULATION

Class C – Normal service retirement using covered compensation formula

Average final compensation (AFC) *is more than* covered compensation (CC)

Name: **John Doe**
Retirement date: **June 30, 2010**
Average final compensation: **56,000** Retirement age: **56**
Covered compensation: **53,954** Years of service: **35 0 0**
YRS MOS DAYS
Excess: **2,046.00** Decimal equivalent: **35.00000**

Up to 30 years of service

1) $.01600 \times 56,000.00$ AFC	896.00
2) $.00250 \times 2,046.00$ EXCESS	5.12
3) Sub total (Line 1 + line 2)	901.12
4) Years of service up to 30 years	30.00000
5) Line 3 X line 4	27,033.45

More than 30 years of service

6) $.0185 \times 56,000.00$ AFC	1,036.00
7) Years of service over 30	5.00000
8) Line 6 X line 7	5,180.00
9) Maximum annual retirement allowance (Line 5 + line 8)	32,213.45

Benefit calculations and options

SAMPLE CALCULATION

Class C – Normal service retirement using covered compensation formula

Average final compensation (AFC) *is less than* covered compensation (CC)

Name:	John Doe		
Retirement date:	June 30, 2010		
Average final compensation:	50,000	Retirement age:	56
Covered compensation:	53,954	Years of service:	35 0 0 YRS MOS DAYS
Excess:	0	Decimal equivalent:	35.00000

Up to 30 years of service

1)	.01600 X 50,000.00 AFC	800.00
2)	.00250 X 0 EXCESS	0.00
3)	Sub-total (Line 1 + line 2)	800.00
4)	Years of service up to 30 years	30.00000
5)	Line 3 X line 4	24,000.00

More than 30 years of service

6)	.0185 X 50,000.00 AFC	925.00
7)	Years of service over 30	5.00000
8)	Line 6 X line 7	4,625.00
9)	Maximum annual retirement allowance (Line 5 + line 8)	28,625.00

Benefit calculations and options

SAMPLE CALCULATION

Class C – Early service retirement using covered compensation formula

Average final compensation (AFC) *is more than* covered compensation (CC)

Name: **John Doe**
Retirement date: **June 30, 2010**
Average final compensation: **56,000** Retirement age: **62**
Covered compensation: **53,954** Years of service: **25 0 0**
YRS MOS DAYS
Excess: **2,046.00** Decimal equivalent: **25.00000**

Up to 30 years of service

1) .01600 X 56,000.00 <small>AFC</small>	896.00
2) .00250 X 2,046.00 <small>EXCESS</small>	5.12
3) Sub-total (Line 1 + line 2)	901.12
4) Years of service up to 30 years	25.00000
5) Line 3 X line 4	22,528.00

Early retirement with less than 30 years of service

6) Early age factor	.800
7) Annual retirement allowance	18,022.40

Benefit calculations and options

SAMPLE CALCULATION

Class C – Early service retirement using covered compensation formula

Average final compensation (AFC) *is less than* covered compensation (CC)

Name:	John Doe		
Retirement date:	June 30, 2010		
Average final compensation:	50,000	Retirement age:	55
Covered compensation:	53,954	Years of service:	25 0 0 YRS MOS DAYS
Excess:	0	Decimal equivalent:	25.00000

Up to 30 years of service

1)	.01600 X 50,000.00	800.00
	AFC	
2)	.00250 X 0	0
	EXCESS	
3)	Sub-total (Line 1 + line 2)	800.00
4)	Years of service up to 30 years	25.00000
5)	Line 3 X line 4	20,000.00

Early retirement with less than 30 years of service

6)	Early age factor	.500
7)	Annual retirement allowance	10,000.00

Benefit calculations and options

SAMPLE CALCULATION

Job abolishment benefit vs Early retirement benefit

LEAVING EMPLOYMENT AT AGE 55

Years of service:	20
Termination date:	July 1, 2010
Average final compensation:	\$25,000
Age:	55
Job abolishment benefit:	\$8,000
Early retirement benefit:	\$4,000 (50% reduction — age 55 benefit)

LEAVING EMPLOYMENT BEFORE AGE 55

Years of service:	7
Termination date:	July 1, 2010
Average final compensation:	\$25,000
Age:	35
No immediate retirement benefit	
Retirement benefit at:	
Age 65	\$2,800
Age 55 (early retirement)	\$1,400
Cash-out lump sum:	\$1,544.55 paid immediately

Benefit calculations and options

SCHEDULE OF COVERED COMPENSATION

Year of birth	Retirement date	Covered compensation
1945	January 1, 2010 - December 31, 2010	\$53,954
1944	January 1, 2009 - December 31, 2009	\$51,349
1943	January 1, 2008 - December 31, 2008	\$48,820
1942	January 1, 2007 - December 31, 2007	\$46,351
1941	January 1, 2006 - December 31, 2006	\$44,003
1940	January 1, 2005 - December 31, 2005	\$41,714
1939	January 1, 2004 - December 31, 2004	\$39,451
1938	January 1, 2003 - December 31, 2003	\$37,214
1937	January 1, 2002 - December 31, 2002	\$35,106
1936	January 1, 2001 - December 31, 2001	\$33,066
1935	January 1, 2000 - December 31, 2000	\$31,129
1934	January 1, 1999 - December 31, 1999	\$29,311
1933	January 1, 1998 - December 31, 1998	\$27,580
1932	January 1, 1997 - December 31, 1997	\$25,926
1931	January 1, 1996 - December 31, 1996	\$24,314
1930	January 1, 1995 - December 31, 1995	\$22,720
1929	January 1, 1994 - December 31, 1994	\$21,194
1928	January 1, 1993 - December 31, 1993	\$19,729
1927	January 1, 1992 - December 31, 1992	\$18,323
1926	January 1, 1991 - December 31, 1991	\$16,977
1925	January 1, 1990 - December 31, 1990	\$15,709

Benefit calculations and options

■ Seven service retirement benefit payment options

You may choose from seven service retirement benefit payment options that will suit different family circumstances. The maximum allowance option provides the highest benefit amount to the member, while other options provide lower amount to member and increased amount to beneficiary. The member may change their chosen retirement option within 30 days after retirement.

1. Maximum allowance option

The maximum allowance benefit provides the highest retirement amount to the member, while other options provide a lower amount to the member and a higher amount to the beneficiary.

Under the maximum allowance option, the beneficiary may receive 40% of member's retirement benefit. The beneficiary may only be the eligible spouse, to whom the retired member was married for at least one year before the member's retirement date — to continue for life or until remarriage; or minor children who are under age 18 or who are under age 22, if full-time students. The eligible spouse or minor children are eligible for health insurance coverage.

EXAMPLE

Maximum retirement benefit (prior to reduction) – \$1,000 monthly

Your benefit – \$1,000 monthly

Benefit to eligible beneficiary after your death – \$400 monthly

2. Option 1 — Reserve guarantee

The reserve guarantee benefit is permanently reduced for the member's lifetime to provide for a lump-sum payment to the beneficiary. The lump-sum payment is determined by the life expectancy of the member. The member may change the beneficiary at any time. The beneficiary is not eligible for health insurance coverage.

Benefit calculations and options

EXAMPLE

Maximum retirement benefit – \$1,000 monthly (unreduced)

Your reserve guarantee benefit – \$860 monthly

Expected lifetime benefits – \$113,520

If you die four years after retirement

12 payments a year x 4 years = 48 benefit payments

48 (payments) x \$860 (monthly benefit) = \$41,280 (total benefits paid)

\$ 113,520	Reserve guarantee lifetime benefit
– \$ 41,280	Total benefits paid
<hr/>	
\$ 72,240	Payment to beneficiary

3. Option 2 — 100% survivorship

The 100% survivorship benefit is permanently reduced, based on the age difference between the member and the beneficiary, to provide for a monthly payment to the beneficiary. Upon the death of the member, the eligible beneficiary will receive for life 100% of the member's retirement allowance, even if the beneficiary remarries. The member can change the beneficiary only within 30 days after retirement. The beneficiary is also eligible for health insurance coverage.

EXAMPLE

Maximum retirement benefit – \$1,000 monthly (unreduced)

Your 100% survivorship benefit – \$820 monthly

Beneficiary's benefit – \$820 monthly

Benefit calculations and options

4. Option 3 — 50% survivorship

The 50% survivorship benefit is permanently reduced, based on the age difference between the member and beneficiary, to provide for a monthly payment to the beneficiary. Upon the death of the member, the eligible beneficiary will receive for life 50% of the member's retirement benefit. The member can change the beneficiary only within 30 days after retirement. The beneficiary is also eligible for health insurance coverage.

EXAMPLE

Maximum retirement benefit – \$1,000 monthly (unreduced)
Your 50% survivorship option benefit – \$900 monthly
Beneficiary's benefit – \$450 monthly

5. Option 4 — Specific benefit

The specific benefit provides for a specific lump-sum payment or a specific periodic allowance to the member's beneficiary. The specific benefit must be approved by the Board of Trustees at the time of the member's retirement. If the beneficiary dies before the member, the member will continue to receive the same retirement allowance.

The beneficiary for the specific lump-sum payment can be changed at any time while the beneficiary for a specific periodic allowance can be changed only within 30 days after retirement. The beneficiary for a specific periodic allowance is also eligible for health insurance coverage.

Benefit calculations and options

6. Option 5 — 100% “pop-up” survivorship

The 100% “pop-up” survivorship benefit is permanently reduced, based on the age difference between the member and beneficiary, to provide for a monthly payment to the beneficiary. Upon the death of the member, the eligible beneficiary will receive for life 100% of the member’s retirement allowance. The member can change the beneficiary only within 30 days after retirement. If the beneficiary dies ahead of the member, the member’s benefit increases to the maximum retirement allowance and a new beneficiary cannot be designated. The beneficiary is also eligible for health insurance coverage.

EXAMPLE

Maximum retirement benefit – \$1,000 monthly (unreduced)
Your 100% pop-up benefit – \$770 monthly
Beneficiary’s benefit – \$770 monthly
If beneficiary predeceases you, your benefit – \$1,000 monthly

7. Option 6 — 50% “pop-up” survivorship

The 50% “pop-up” survivorship benefit is permanently reduced, based on the age difference between the member and beneficiary, to provide for a monthly payment to the beneficiary. Upon the death of the member, the eligible beneficiary will receive for life 50% of the member’s retirement allowance. The member can change the beneficiary only within 30 days after retirement. If the beneficiary dies ahead of the member, the member’s benefit increases to the maximum retirement allowance and a new beneficiary cannot be designated. The beneficiary is eligible for health insurance coverage.

EXAMPLE

Maximum retirement benefit – \$1,000 monthly (unreduced)
Your 50% pop-up benefit – \$870 monthly
Beneficiary’s benefit – \$435 monthly
If beneficiary predeceases you, your benefit – \$1,000 monthly

Beneficiary designation

■ Two types of beneficiary designation

You are entitled to designate a beneficiary (or beneficiaries) for your ERS death benefits. If you do not designate a beneficiary, certain death benefits could be paid to your estate for distribution either according to your will or, if you die without a will, then according to the laws of the state of residence. The ERS offers two different beneficiary designations of your pre-retirement death benefits.

1. Standard designation appoints as your beneficiary (or beneficiaries) your next of kin surviving you at the time of your death. In the event of your death, benefits are paid to the first person or group of persons surviving you in the order listed on the Standard Designation Form (*see page 39*). If your marital status changes and/or if your survivors change, your beneficiary designation changes automatically. It is not necessary to file another beneficiary designation form.

2. Specific designation allows you to name any person or entity you want to receive your death benefit. You may appoint a sole beneficiary or multiple beneficiaries. Contingent beneficiaries can also be named. You must file a new Specific Designation Form each time your beneficiary status changes. For example, if you remarry or if your beneficiary dies, you must complete another Specific Designation Form to update your choice of beneficiary. The filing of a designation form revokes any previous beneficiary designation. You must sign the Specific Designation Form and have it notarized. You must name a custodian for beneficiaries who are minors.

UNION DEATH BENEFITS

There is a separate beneficiary designation for any union death benefits paid by the Employee Benefits Division of the Department of Human Resources. This does not establish or change your ERS beneficiary designation.

Refund, cash-out and COLA

■ Refund and cash-out

A refund is available for members who purchased service credit prior to qualifying for retirement, and will receive a full refund of the amount paid plus any interest. If you are a Class A member and you terminate employment with the City of Baltimore prior to qualifying for retirement, you are entitled to receive a refund of your contributions to the fund.

Vested Class C members who leave City employment prior to qualifying for immediate retirement benefits may elect to receive a lump sum cash payout if the present value of their total retirement benefit is \$12,500 or less. If you elect to receive a lump sum cash payout, you are no longer eligible to receive any City retirement health benefits.

EXAMPLE

Average final compensation – \$25,000

Years of service	Age at termination			
	35	40	45	50
10	\$2,121.72	\$3,210.50	\$4,881.42	\$7,485.84
15	\$2,633.07	\$3,984.28	\$6,057.89	\$9,290.01
20	\$3,510.76	\$5,312.38	\$8,077.19	N/A

■ Annual cost of living adjustment (COLA)

Retirees and beneficiaries are entitled to an annual minimum cost of living adjustment (COLA) of 1.5% plus an additional variable benefit based on the fund's investment earnings. COLAs are applied January 1 following the June 30 determination date.

EXAMPLE

A member who retires as of June 30, 2007, will qualify for his/her first COLA after 12 months, which will be on June 30, 2008. He/she will receive the first COLA on January 2009.

Retirement process

■ Service retirement

The service retirement application process is designed to be easy and efficient. After you submit your application, a benefits analyst will advise you of the benefits you are entitled to, make sure your application is complete, let you know if you need to submit additional documents, and explain all of your retirement options.

30/90 days advance notice required

When you are ready to retire, you must file your retirement application with the ERS office no more than 90 days and no less than 30 days in advance.

Once you retire, you have 30 days to make changes to your retirement option election and beneficiary designation. Thirty days after you retire, your retirement option election and beneficiary designation become permanent and you cannot make any changes.

Application process for service retirement

You can file your application for retirement benefits:

- **In person.** To do so, call (443) 984-3200 to make an appointment with an ERS benefit analyst to learn about your retirement benefits. You'll file an application during your appointment.
- **By mail.** You can request an application by calling (443) 984-3200, or you can download one from our website at www.bcera.org. Send the completed application to:
Employees' Retirement System
7 East Redwood Street – 13th Floor
Baltimore, MD 21202
- You must submit copies of certain documents in order to apply for retirement benefits. Normally you submit them upon enrollment, but when life changes occur, you will need to provide supporting documents such as:
 1. Birth certificates for yourself and your spouse (if you are married). If birth certificates are not available, then you must present two other acceptable documents, such as a baptismal certificate, passport or visa, marriage license, or insurance policy

Retirement process

2. A court order legally changing your name, if your present name is different from the name on your birth certificate
3. Marriage license(s) or certificate(s) that documents name changes since birth for you or your spouse
4. Any divorce decrees, settlement agreements, or separation agreements
5. Your spouse's Social Security number (if you are married)
6. Birth certificates for all unmarried children age 22 and younger
7. Military separation papers (Form DD214 or equivalent) to receive credit for military service
8. Employment date information for any prior employment with Baltimore City, Baltimore County, State of Maryland and/or any of its subdivisions

Beneficiary designation

To designate your beneficiary, you will need to submit a completed Standard or Specific Designation Form. If your marital status changes or your current beneficiary pre-deceases you, you must update your beneficiary by submitting a new form — if you don't, someone other than your intended choice could receive your benefits. *(See types of beneficiary designation on page 27)*

Verification process

After you submit your retirement application form, a Benefit Analyst will start the verification process by requesting from your department the following items:

1. Signed salary verification memo
2. Last day in pay status
3. Cut-off ticket issued from your department
4. Validation of your three highest consecutive-year salaries (as of January 1 each year)

If your retirement application is completed in full and the information you provided is verified as correct, within 30 days you will be placed on the retirement payroll.

Retirement process

■ Disability retirement

Your eligibility for disability retirement benefits will be determined by an independent hearing examiner hired by the Baltimore City Board of Estimates.

The disability process can take approximately three to six months. Because of the long process, it is very important that you file a disability application before you have used all of your paid leave. If your leave time runs out before your disability application has been processed, you may temporarily lose your health care and prescription coverage paid by the City until you begin receiving a disability benefit, if eligible. If you file an application for a disability benefit and later are able to return to work, you can withdraw your disability application with no penalty.

Application process for disability retirement

- Visit the ERS office and file an application for disability in person no later than one year following your last day of City employment. Your department cannot file this application for you. File your doctor's report (ERS Form 25) of disability.
- An ERS staff will gather all medical and other pertinent records regarding your disability.
- An ERS staff will schedule you for an examination by a physician representing the City who will evaluate your disability.
- The hearing examiner will schedule a hearing of your claim. The hearings are adversarial proceedings. You may have an attorney represent you at this hearing.
- The hearing examiner will render a decision in writing. For example, if you have been hurt on the job, a hearing examiner must determine that you are incapacitated and unable to perform your job as the result of an injury in the line of duty and that your disability is likely to be permanent. Or, if you have a non-line-of-duty illness or disability, you must have at least five years of membership service, and a hearing examiner must determine that you are incapacitated for the performance of duty and that your disability is likely to be permanent.

Retirement process

- An ERS staff will notify you and your department of the decision of the hearing examiner.
- If the hearing examiner denies your claim, you are entitled to appeal the decision through the Circuit Court for Baltimore City. Likewise, if the City disagrees with the decision of the hearing examiner, the City may also appeal the decision through the court. The appeal must be filed within 30 days after you receive the hearing examiner's decision.
- If the hearing examiner finds that you are eligible for disability benefits, you will be advised of the benefits payable under the various options that provide survivorship benefits. You must then select your benefit option so that you may be placed on the retirement payroll.

Retirement education and other resources

■ Retirement seminars

A comfortable retirement involves planning. Nearly every month, the ERS offers two retirement seminar series that provides information to help you plan for a financially healthy future.

Retirement Educational Seminars are designed for employees who have worked at least one year or up to 10 years with the City of Baltimore. These seminars cover:

- ERS enrollment
- Purchasing service
- Getting credit for military time
- Disability retirement eligibility
- Beneficiary designation
- Membership service credit
- Health insurance changes
- Death/survivorship benefits
- Retirement savings options
- Deferred compensation

Retirement Ready Seminars are for those people who are nearing retirement and who have over 10 years of City employment. These seminars cover:

- Benefit options and retirement eligibility
- Death/survivorship benefits
- Benefit estimates
- Health care coverage upon retirement
- Social Security benefits
- Living wills, and power-of-attorney
- Estate planning

■ Double-dipping policy

After you retire, if you decide to return to work with the City of Baltimore or a City agency in any position (even part-time), your retirement benefits will stop. The only exception is if you work as a contractual employee. You must promptly notify the ERS of your re-employment. You must repay all retirement benefits while re-employed.

Upon re-employment you immediately become an active member of the ERS. Any previous service credit accumulated at the time of retirement will be restored. You will have to re-apply for retirement benefits when you stop working again.

Retirement education and other resources

■ Important contact numbers

City of Baltimore Employees' Retirement System

7 East Redwood Street – 13th Floor
Baltimore, MD 21202

443-984-3200

www.bcercs.org

Baltimore City Department of Human Resources

201 East Baltimore Street – 5th Floor
Baltimore, MD 21202

Employee Benefits Division • 410-396-5830

Life Insurance • 443-984-3816

Employee Assistance Program • 410-396-1859

Baltimore City Central Payroll Division

401 East Fayette Street – Room 800
Baltimore, MD 21202

410-396-3751 • 410-396-3760

Direct Deposit • 410-396-3766

Baltimore City Deferred Compensation Plan

201 E. Baltimore Street – 1st Floor
Baltimore, MD 21202

410-332-0809 • 1-877-223-2748

www.baltimoredeferredcomp.com

Municipal Employees' Credit Union (MECU)

7 East Redwood Street
Baltimore, MD 21202

410-752-8313

www.mecu.com

Baltimore City Commission On Aging and Retirement Education (CARE)

The Equitable Building – Suite 300
10 North Calvert Street
Baltimore, MD 21202

410-396-4932

www.baltimorecity.gov/government/care/

Baltimore City Police Department

Personnel Service Board – 7th Floor
Police Department Headquarters

601 East Fayette Street

Baltimore, MD 21202

410-396-2546

Baltimore City Fire Department

Fire Department Headquarters – 6th Floor

401 East Fayette Street

Baltimore, MD 21202

410-396-3076

Social Security Administration

Office of Public Inquiries

Windsor Park Building

6401 Security Boulevard

Baltimore, MD 21235

1-800-772-1213

www.ssa.gov

Division of Vital Records

Reisterstown Road Plaza

6550 Reisterstown Road

Baltimore, MD 21215

410-764-3038

www.vsa.md.gov

Military Form DD214

National Archives &

Records Administration

8601 Adelphi Road

College Park, MD 20740

1-866-272-6272

Fax 301-837-0483

R. K. Tongue (Insurance)

212 East Lexington Street

Baltimore, MD 21202

410-752-4008

www.rktongue.com

Glossary

A Active employee | A person currently employed by the City of Baltimore.

Actuarial interest rate | The interest rate fixed by the Board of Trustees for the purposes of actuarial valuations of the ERS' assets and liabilities.

Actuarial valuation | Actuarial valuations ensure that benefits provided are fully funded, and they are used to determine employer contribution rates. Actuaries use each employer's schedule of benefits, membership data, and a set of actuarial assumptions (such as life expectancy and inflation rates) to estimate the cost of benefits. Costs are allocated to the fiscal years within the employee's career.

Allowance | A monthly benefit payment issued monthly to a City of Baltimore retiree, beneficiary or survivor.

Annuity | A payment of a fixed sum of money to a benefit recipient.

Average final compensation (AFC) | The average of a member's highest three consecutive salaries.

B Beneficiary | A person eligible to receive a benefit after the death of a member or other benefit recipient.

Board | The ERS Board of Trustees. The seven-member Board has fiduciary and plenary authority over the administration of programs and investments.

D Deferred retirement | A type of retirement wherein a member leaves employment but does not begin receiving retirement benefits.

Defined benefit plan | ERS administers a defined benefit plan. Benefits are based on a set formula, using years of service, age at retirement, and the highest average salary for a three-year period. This differs from a defined contribution plan in which benefits are determined not by a formula, but by the amount of contributions to an account plus interest earnings.

Disability | A permanent inability to substantially perform the duties of your job due to illness or injury.

E ERS | Employees' Retirement System.

F Fiscal year | ERS operates on a fiscal year calendar, which is July 1 to June 30 each year.

Glossary

M Member – An employee who qualifies for membership in the ERS. Also describes ERS retirees, survivors or beneficiaries receiving a benefit from the ERS.

Minor child – The child of a member, former member, or retiree who has not attained age 18; or, if the child is a full-time student, as verified to the satisfaction of the administrator, and has not attained the age of 22.

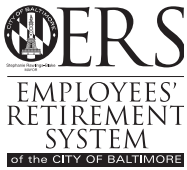
S Service credit – Your credited years of employment with City of Baltimore. This amount of service is used as part of the formula to determine your retirement benefits.

Survivor – A dependent eligible to receive a benefit upon a member's death.

System – Another name often used for ERS.

V Vested or vesting – The right to specified benefits granted to eligible employees after a fixed period of membership.

SAMPLE FORM – Request for Estimate of Retirement Benefits



**THE CITY OF BALTIMORE
EMPLOYEES' AND ELECTED OFFICIALS'
RETIREMENT SYSTEMS**

7 East Redwood Street — 13th Floor
Baltimore, Maryland 21202-3470
Phone 443-984-3200



**REQUEST FOR ESTIMATE
OF RETIREMENT BENEFITS**

IMPORTANT:

It could take up to 30-60 days to receive these figures.

FOR SYSTEM USE ONLY

ERS # _____

Date of Request _____ / _____ / _____
MONTH DAY YEAR

Name _____
FIRST MIDDLE INITIAL LAST

SS# _____ - _____ - _____ Years of Service _____

Estimated Date of Retirement _____ / _____ / _____ Age at Time of Retirement _____
MONTH DAY YEAR

Phone Numbers (_____) (_____)

TYPE OF RETIREMENT
(PLEASE CHECK ONE)

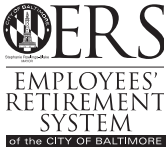
Service

Line-of-Duty Disability

Non-Line-of-Duty Disability

SPECIAL INSTRUCTIONS _____

SAMPLE FORM – Application for Service Retirement Form



THE CITY OF BALTIMORE EMPLOYEES' RETIREMENT SYSTEM

7 East Redwood Street — 13th Floor
Baltimore, Maryland 21202-3470
Phone 443-984-3200

APPLICATION FOR SERVICE RETIREMENT

Name _____

Active # _____ Social Security # _____ — _____ — _____

Date _____

TO THE BOARD OF TRUSTEES:

In accordance with the provisions of the law governing the operation of the Employees' Retirement System of the City of Baltimore, the undersigned, a member of the System, does hereby make application for retirement from active service as a _____ in _____

TITLE OF POSITION AS IT APPEARS ON PAYROLL

DEPARTMENT IN WHICH EMPLOYED

MONTH DAY YEAR

I request that my retirement allowance become effective on _____

I was born on _____

If a non-contributory member, I have attained at least 5 years of membership service credit and age 55 or have 30 years of membership service credit on the date of my retirement. If a contributory member, I have attained at least 5 years of membership service credit and age 60 or have 30 years of membership service credit on the date of my retirement.

I have read or have had explained by a Retirement System Benefits Analyst the extract from the law (printed on the second page of this application) relative to the maximum benefit and optional benefits and believe I should like to receive my allowance under the provisions of _____

The beneficiary whom I would nominate to receive the benefit at my death is my _____
whose name is _____ and who was born on _____

RELATIONSHIP OF BENEFICIARY TO YOU

NAME OF BENEFICIARY

DATE OF BIRTH OF BENEFICIARY

Please send me figures indicating the approximate amount of my allowance if more than one option is mentioned above.

My present home address is _____

Home Phone Number _____

SIGNATURE OF APPLICANT

STATE OF _____, CITY OF _____ to wit:

I HEREBY CERTIFY that on this _____ day of _____, 20_____, appeared before me the above named applicant to me personally known and known to be the individual described in and who executed the foregoing instrument, and he/she duly acknowledged to me that he/she executed the same and that the statements therein contained were true to the best of his/her knowledge and belief.

MY COMMISSION EXPIRES _____

NOTARY PUBLIC

(SEAL)

THE CITY OF BALTIMORE
EMPLOYEES' AND ELECTED OFFICIALS'
RETIREMENT SYSTEMS

FOR OFFICE USE ONLY

ACTIVE #

DATE RECEIVED

STANDARD BENEFICIARY DESIGNATION FORM

Social Security No. _____ Member's Name _____

TO THE BOARD OF TRUSTEES:

I request that the following beneficiary designation take the place of any prior beneficiary designation filed with the Retirement System on my behalf, and I designate the following groups, in the order listed below, as my beneficiaries to receive any and all pre-retirement death benefits that may be payable by the Retirement System:

- a) To my living **SPOUSE**; and if he or she dies before me, then to,
- b) My living **CHILD** or **CHILDREN** in equal shares; but if none of my children survive me, then to,
- c) My living **MOTHER** and **FATHER** in equal shares, or, if either dies before me, to the remaining living parent, and, if neither survives me, then to,
- d) My living **BROTHERS** and **SISTERS** in equal shares; but if none of my brothers and sisters survives me, then to,
- e) My **ESTATE**.

The terms "child" and "children," as used in this form, shall include both natural born and adopted children, whether born or adopted before or after I complete this form.

PLEASE NOTE: Retirement System shall mean the retirement system in which I am a member at the time of filing this form.

Signature of Member _____ Date _____

STATE OF _____, CITY OF _____ to wit:

I HEREBY CERTIFY that on this _____ day of _____, 20_____, subscriber, a Notary Public of the State aforesaid, personally appeared _____ and signed this in my presence.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.

MY COMMISSION EXPIRES _____

NOTARY PUBLIC

(SEAL)

SAMPLE FORM – Specific Beneficiary Designation Form

THE CITY OF BALTIMORE EMPLOYEES' AND ELECTED OFFICIALS' RETIREMENT SYSTEMS

SPECIFIC BENEFICIARY DESIGNATION FORM

FOR OFFICE USE ONLY

ACTIVE # _____

DATE RECEIVED _____

Social Security No. _____ Member's Name _____

TO THE BOARD OF TRUSTEES: I request that the following beneficiary designation take the place of any prior beneficiary designation filed with the Retirement System of which I am an active member at the time of filing this Form.

PRIMARY BENEFICIARY (IES): I hereby designate the following to share and share alike, unless otherwise stated, and request that the beneficiaries listed below be paid the total amount of any and all benefits that may be payable by the Retirement System if I die before I retire from City employment. Should any beneficiary listed below die before me, his or her share of my death benefit will be divided equally **only** among the remaining beneficiaries who are living at the time of my death.

(1) Name _____ (2) Name _____
Address _____ Address _____

% of Benefit _____ Social Security # _____ % of Benefit _____ Social Security # _____
DOB _____ Relationship _____ DOB _____ Relationship _____

(3) Name _____ (4) Name _____
Address _____ Address _____

% of Benefit _____ Social Security # _____ % of Benefit _____ Social Security # _____
DOB _____ Relationship _____ DOB _____ Relationship _____

Check if you used an additional Specific Beneficiary Designation Form to name additional primary beneficiaries.

CONTINGENT BENEFICIARY (IES): If all primary beneficiaries die before me, I hereby designate the following to share and share alike, unless otherwise stated. Should any beneficiary listed below die before me, his or her share of my death benefit will be divided equally **only** among the remaining beneficiaries who are living at the time of my death.

(1) Name _____ (2) Name _____
Address _____ Address _____

% of Benefit _____ Social Security # _____ % of Benefit _____ Social Security # _____
DOB _____ Relationship _____ DOB _____ Relationship _____

(3) Name _____ (4) Name _____
Address _____ Address _____

% of Benefit _____ Social Security # _____ % of Benefit _____ Social Security # _____
DOB _____ Relationship _____ DOB _____ Relationship _____

Check if you used an additional Specific Beneficiary Designation Form to name additional contingent beneficiaries.

Signature of Member _____ Date _____

STATE OF _____, CITY OF _____ to wit:

I HEREBY CERTIFY that on this _____ day of _____, 20_____, subscriber, a Notary Public of the State aforesaid, personally appeared _____ and signed this in my presence.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.

MY COMMISSION EXPIRES _____

NOTARY PUBLIC

(SEAL)



ERS

EMPLOYEES'
RETIREMENT
SYSTEM

of the CITY OF BALTIMORE

7 East Redwood Street
Baltimore, MD 21202
443-984-3200 Phone
877-273-7136 Toll-free
410-528-8428 Fax
www.bcera.org