IMPORTANT RETIREMENT DEFINITIONS

ERS Retirement Eligibility  An employee is eligible for full benefits at age 65 with at least five (5) years of service, or with 30 years of service credit regardless of age. Eligibility for early retirement or reduced retirement benefit is age 55 with at least five (5) years of service credit.

Average Final Compensation (AFC) is the average of your highest three (3) consecutive salaries effective January 1st of each applicable year.

Deferred Vested Pension  An employee who has not attained age 55 and has ten (10) years of service credit, or an employee who has attained age 55 and has five (5) years of service credit (who has not elected early retirement) is eligible for a deferred vested pension. An employee must be 55 years or older to begin receiving benefits. Deferred vested members must contact the ERS office to file for retirement when they qualify or when they decide to begin receiving their benefits.

Military Service Credit entitles qualified members up to three (3) year of service credit for military service prior to starting employment with the City of Baltimore, provided certain eligibility requirements are met.

Mandatory Employee Contributions 5% of gross pay is withheld on a pre-tax basis every pay period after one year of permanent Baltimore City service.
Additional service credits may be earned by:
• **Transferring service credit.** An employee may transfer accumulated or earned service credit into ERS from the State of Maryland retirement system or any city (including Baltimore City), county or municipal retirement system within the State of Maryland if there is no break in service between prior employment and employment with the City of Baltimore. The request for transfer of service credit must be made within one (1) year of becoming a member of ERS.
• **Purchasing additional service credit.** Under certain circumstances, an employee may purchase service credit for any other noncredited employment with Baltimore City. In addition, an employee may purchase service credit for his/her first year of City employment (prior to ERS membership). The cost for purchasing service credit is calculated as follows: the employee’s annual salary at the time of purchase times the contribution rate at the time of purchase times the number of years or part of a year to be purchased. The purchase must be made in a single payment.
• **Military Service Credit.** Under certain circumstances, an employee may receive up to three (3) years of service credit for military service served prior to starting employment with the City of Baltimore.

### One-Year Mandatory Waiting Period/Service Credit
ERS membership eligibility begins on the first anniversary date after which the employee began work as a permanent full or part-time employee of the City of Baltimore. An employee whose job classification requires 1,000 or more hours in a fiscal year will receive credit for one year of service, provided that the employee is in pay status for every pay period in the fiscal year. If the job classification requires 500-999 hours in a fiscal year, an employee will receive credit for ½ year of service. If the job classification requires less than 500 hours in the fiscal year, the employee does not receive service credit. An employee will receive service credit for a full year only if he/she is in pay status for every pay period in the fiscal year; if he/she is not in pay status during every pay period, the service credit will be prorated.

Additional service credits may be earned by:
• **Transferring service credit.** An employee may transfer accumulated or earned service credit into ERS from the State of Maryland retirement system or any city (including Baltimore City), county or municipal retirement system within the State of Maryland if there is no break in service between prior employment and employment with the City of Baltimore. The request for transfer of service credit must be made within one (1) year of becoming a member of ERS.

### Procedures for Enrollment
To be formally enrolled into ERS, an employee must:
• **Attend an ERS Enrollment Seminar.** As stated above, under normal operating conditions, an employee would be invited to attend one of the ERS Enrollment Seminars a few months prior to reaching the one-year anniversary date of employment. At the seminar, an ERS Benefits Analyst is available to explain and answer questions regarding retirement benefits and vesting eligibility guidelines in detail. In addition, the employee would verify and complete the enrollment card and if applicable, the military application for service credit. However, the seminars have been suspended until regular operating services are resumed. Alternately, enrollments are being conducted via USPS Mail until normal operations are recommenced.
• **Complete the Active Death Beneficiary Designation Form.** An employee may designate a beneficiary(ies) for his/her ERS death benefit by completing this form. An employee may appoint a sole beneficiary or multiple beneficiaries. Contingent beneficiaries may also be named. An employee must file a new Active Death Beneficiary Designation Form each time he/she chooses to change beneficiaries. The filing of a new form revokes any previous beneficiary designation. A custodian must be named for beneficiaries who are minors, and an additional form, Designation of Custodian for Member’s Minor Child, must be completed for minor children (under age 18).
• **Submit the necessary documents.** Upon enrollment, an employee will need to submit documentation for self, spouse and children, if applicable.
  - **Birth Certificates for the employee, spouse and children (or other named beneficiaries).** If birth certificates are not available, alternative documents must be presented. Please contact an ERS Benefits Analysts regarding acceptable alternative documents.
  - **Court Order** which legally changes the employee’s name if the present name is different from the name on the birth certificate.
  - **Marriage Certificate, Divorce Decree with Settlement or Separation Agreements,** if applicable
  - **Spouse’s Social Security Number,** if applicable
  - **Military Separation Papers (Form DD214 or equivalent)** to receive for pre-employment military service credit
• **Verification of Employment** for any prior employment with Baltimore City, State of Maryland and/or any city (including Baltimore City), county or municipal retirement system within the State of Maryland or any city (including Baltimore City), county or municipal retirement system within the State of Maryland if there is no break in service between prior employment and employment with the City of Baltimore. The request for transfer of service credit must be made within one (1) year of becoming a member of ERS.

### Settlement or Separation Agreements
If birth certificates are not available, alternative documents must be presented. Please contact an ERS Benefits Analysts regarding acceptable alternative documents.

1. **Designation of Beneficiary.** If an employee is married or a legal guardian, a beneficiary designation must be submitted. The employee will choose a sole beneficiary or multiple beneficiaries. The filing of a new form revokes any previous beneficiary designation. An employee must file a new Active Death Beneficiary Designation Form each time he/she chooses to change beneficiaries.
2. **Designation of Custodian.** If a beneficiary is a minor child, a custodian must be named for each beneficiary. The filing of a new form revokes any previous custodian designation. An employee must file a new Custodian Designation Form each time he/she chooses to change custodians.

### Verification of Employment
For any prior employment with Baltimore City, State of Maryland and/or any city (including Baltimore City), county or municipal retirement system within the State of Maryland if there is no break in service between prior employment and employment with the City of Baltimore. The request for transfer of service credit must be made within one (1) year of becoming a member of ERS.