

ORDINANCE NO. 2217

AN ORDINANCE OF THE CITY OF SALISBURY APPROVING AN AMENDMENT OF THE FY 13 GENERAL FUND AND WATER AND SEWER FUND BUDGETS TO APPROPRIATE FUNDS TO COVER THE CITY'S SHARE OF THE MARYLAND STATE RETIREMENT AND PENSION FUND'S ADMINISTRATIVE AND OPERATING COSTS

WHEREAS, the City of Salisbury employees are enrolled in the Maryland State Retirement and Pension System; and

WHEREAS, in the 2011 session the Maryland General Assembly enacted legislation requiring all participating employers to pay a pro-rata share of the operational and administrative expense of the Maryland State Retirement and Pension System; and

WHEREAS, this requirement became effective in Fiscal Year 2013; and

WHEREAS, the City's FY13 approved budget does not include an appropriation for this expense; and

WHEREAS, the first quarterly payment is due to the retirement system by October 1, 2012.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF SALISBURY, MARYLAND that the City's Fiscal Year 2013 General Fund Budget be and hereby is amended as follows:

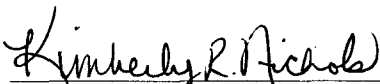
- 1) Increase General Fund Current Surplus Available (01000-469810) by \$36,045
- 2) Increase General Fund Debt Service and Other Uses by \$36,045

AND, BE IT FURTHER ORDAINED that the City's Fiscal Year 2013 Water and Sewer Fund Budget be and hereby is amended as follows:

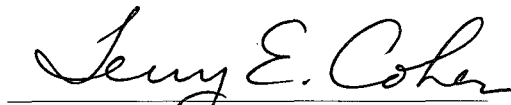
- 1) Increase Water and Sewer Fund Current Surplus Available (60100-469810) by \$13,365
- 2) Increase Water Fund by \$5,805
- 3) Increase Sewer Fund by \$7,560

THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on the 10th day of September, 2012, and thereafter, a statement of the substance of the Ordinance having been published as required by law, was finally passed by the Council on the 24th day of September, 2012.

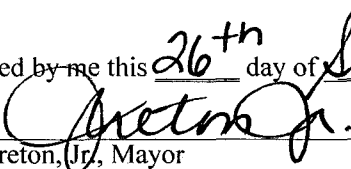
ATTEST:



Kimberly R. Nichols, City Clerk



Terry E. Cohen, President
Salisbury City Council

Approved by me this 26th day of September 2012.


James Ireton, Jr., Mayor

Memo

To: John Pick, City Administrator
From: Gerri Moore, Acting Director Internal Services *Gerri Moore*
Date: August 28, 2012
Re: State Retirement and Pension System of Maryland –Administrative and Operating Costs

After the adoption of the FY 13 Budget, I received notification of a new expense item that the City is required to pay beginning with the FY 13 budget. Because I was unaware of this new mandate, I did not request that it be added to the FY 13 budget. This new mandate, which was adopted by the Maryland General Assembly in the 2011 session, requires all governmental units that participate in the Maryland State Retirement and Pension System to pay a pro rata share of the system's administrative and operating costs. Recently, I received the bill for these costs. The City's share for FY 13 is \$49,410.

I am requesting that the Council adopt a budget amendment to appropriate the funds needed to cover this expense. I am also requesting that the Council take this action during its legislative meetings in September so that we can make the first quarterly payment by the due date of October 1, 2012. The attached budget amendment allocates this cost between the General Fund (\$36,045) and the Water and Sewer fund (\$13,365). I have received assurances from the Retirement System that we will receive notification of our share of these costs early enough in the process next year so that we will be able to include them in the FY 14 budget

If you have any questions, please let me know.