

Fire, Police Unions File Suit Against City

Suit Claims F&P Plan 'Grossly Underfunded'

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The unions representing firefighters and police have filed a lawsuit against Baltimore City. The main complaint of the 57-page lawsuit -- which the unions have lodged in previous statements -- is that the city and pension board have underfunded the pension system and breached their obligations to police and firefighters, according to the I-Team's Jayne Miller.

"The city has just said, 'We're going to ignore the actuary's advice and not fund the system the actuary has recommended,'" said Bob Sledgeski of City Fire Union Local 734. "Whatever words you want to use, deceit, theft, the bottom line is that we feel it's unlawful," said Bob Cherry of the Baltimore City Fraternal Order of Police. The lawsuit also demands monetary reparations, which the mayor said the city cannot afford.

"None of us asked to be in this situation," said Mayor Stephanie Rawlings-Blake. "I don't have any choice but to play the cards that I'm dealt." The lawsuit also aims to stop a pension reform bill that would require police and firefighters to up their own contributions to the plan. It would change the way increases are determined for retirees, and it would lengthen the amount of time members have to work before they are eligible to retire.

"The city can't continue to dump hundreds of millions into a pension fund that isn't sustainable long-term," said Baltimore City Council member Bill Cole. "To a certain extent, it's also about protecting these retirements. Your retirement is going to be there when you are ready."

Rawlings-Blake said if the lawsuit derails pension reform, the city will have to pay another \$64 million into the system by the end of June. She said that amount with decimate city services.

"I think it is unfair that we have officers who will be getting pink slips who want to serve and communities that will be looking at closed fire stations," she said. The suit was filed late Thursday afternoon.

"For more than a year now, the police and fire labor organizations have submitted proposals to address the funding problems of the (fire and police) plan, to no avail," said Robert Cherry, president of the Baltimore Fraternal Order of Police. "Despite filing this lawsuit, the police and fire labor organizations remain committed to continuing discussions with the city."

Baltimore's public safety workers contribute 6 percent of each paycheck to the retirement system.

Union leaders said, "one of the key issues has been the City's desire to take away the variable benefit in the F&P Plan, which provides periodic benefit increases for retirees." The unions also claimed the F&P plan is in a "grossly underfunded state." Baltimore is facing a \$121 million budget deficit. Officials have warned that pension costs will further bankrupt the city without reform.