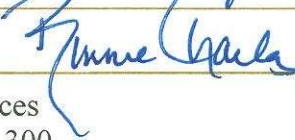



<b>FROM</b>	NAME & TITLE	Ronnie E. Charles, Director 	CITY of <b>BALTIMORE</b> <b>MEMO</b>	
	AGENCY NAME & ADDRESS	Department of Human Resources 201 E. Baltimore Street, Suite 300		
	SUBJECT	<b>City Council Bill No. 13-0223</b> <b>Change to Grow: 10 Year Plan</b> <b>Employees' Retirement System - Benefits</b>		

DATE:

May 6, 2013

**TO**

The Honorable Bernard "Jack" Young and  
Members of the Baltimore City Council  
City Hall  
100 North Holliday Street, Room 406  
Baltimore, Maryland 21202

The Department of Human Resources (DHR) supports this effort to improve the funding status of the Employees Retirement System. The current financial condition and future sustainability of the plan is of key importance. Baltimore City Government has a large number of current and future retirees who rely on the Employees Retirement System's defined benefit plan as the centerpiece of their financial security in retirement. DHR supports the City's efforts to ensure the plan has sufficient assets to cover future liabilities.

DHR supports the proposed July 1, 2013 effective date, provided the measure is passed in sufficient time to communicate changes to employees and retirees. DHR recommends that employees be given adequate notice of the amount of required contributions, when contribution requirements will increase, the extent of those increases and the impact of their contributions on their pension benefit. Ideally, DHR would like to see an information campaign that affords employees the opportunity to ask questions about the various aspects of the new plan.

DHR is sensitive to the concern that employees have been asked to absorb a number of changes to health and welfare benefits in recent years. However, DHR is confident that as we move toward greater fiscal health and stability through the reforms proposed in the Mayor's 10-Year Plan, the City will be better positioned in the future to compete on a level playing field with other public and private employers.

In conclusion, DHR supports of **City Council Bill No. 13-0223** *Change to Grow: 10 Year Plan – Employees' Retirement System – Benefits*.

