



## Legislation Details (With Text)

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<b>Enactment date:</b>		<b>Enactment #:</b>			
<b>Title:</b>	Transitioning Retirement Systems for City Employees				
	FOR the purpose of calling on the Baltimore City Retirement System Board to work with the City Council to prepare a bill that would transition the Baltimore City Employees' Retirement Systems away from the defined benefit, pension style system that is currently in place, and towards a modern and sustainable approach to retirement planning for future employees.				
<b>Sponsors:</b>	Helen L. Holton, President Young, Carl Stokes, James B. Kraft, William "Pete" Welch, Nick Mosby, Sharon Green Middleton, Brandon M. Scott, Edward Reisinger, William H. Cole, IV, Robert Curran				
<b>Indexes:</b>	Resolution				
<b>Code sections:</b>					
<b>Attachments:</b>	1. 13-0105R - Adopted.pdf, 2. ERS - 13-0105R.pdf				

Date	Ver.	Action By	Action	Result
3/18/2013	0	City Council	Introduced	
3/18/2013	0	City Council	Advanced to 2nd Reader on same day	
3/18/2013	0	City Council	Adopted	

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INTRODUCTORY\*

CITY OF BALTIMORE  
COUNCIL BILL        R  
(Resolution)

Introduced by: Councilmember Holton

### A RESOLUTION ENTITLED

#### A COUNCIL RESOLUTION concerning **Transitioning Retirement Systems for City Employees**

FOR the purpose of calling on the Baltimore City Retirement System Board to work with the City Council to prepare a bill that would transition the Baltimore City Employees' Retirement Systems away from the defined benefit, pension style system that is currently in place, and towards a modern and sustainable approach to retirement planning for future employees.

## Recitals

As part of the City's ongoing efforts to close its long-term structural budget gap, it is important to keep all options on the table. One area that will have to be addressed is the ballooning costs of pension obligations for future retirees.

Baltimore must explore the possibility of moving future employees into defined contribution or hybrid retirement systems and away from the current unsustainable defined benefit, pension style system. Both the private sector, and many government jurisdictions, have found these approaches to be more effective and affordable methods of safeguarding their employees' postemployment years.

In order to begin a serious discussion about what this approach might look like in Baltimore, it is important that the Council have an actual concrete proposal before it to examine.

Accordingly, we call on the Baltimore City Retirement System Board, and its staff, to work with us to prepare a bill for introduction by July 1st, 2013 that would transition the Baltimore City Employees' Retirement Systems away from the defined benefit, pension style system that is currently in place. The bill should mandate that any new employee in the MAPS classification must participate in a new defined contribution plan, and it should allow current MAPS employees who have not yet vested in the current plan to move into the new plan if they choose to do so. The bill should also establish a new hybrid retirement plan for new unionized employees. Finally, it should state that the existing plan will be extinguished upon the death of its last current member.

Taking this step now will allow the Council and Administration to work together to find the right fit for Baltimore City's next-generation retirement system.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE, That the Council calls on the Baltimore City Retirement System Board to work with it to prepare a bill that would transition the Baltimore City Employees' Retirement Systems away from the defined benefit, pension style system that is currently in place, and towards a modern and sustainable approach to retirement planning for future employees.

AND BE IT FURTHER RESOLVED, That a copy of this Resolution be sent to the Executive Director of Baltimore City Employee Retirement Systems, the Mayor, and the Mayor's Legislative Liaison to the City Council.

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ccres/DefCompMAPS/tw

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