

Bill No. 19-01

Concerning: Revisions to the Frederick County

Employees Retirement Plan: Grant Funded

Introduced: January 15, 2019

Revised: \_\_\_\_\_ Draft No. \_\_\_\_\_

Enacted: February 19, 2019

Effective: May 20, 2019

Expires: April 15, 2019

Frederick County Code, Chapter \_\_\_\_\_

Section(s) \_\_\_\_\_

## COUNTY COUNCIL FOR FREDERICK COUNTY, MARYLAND

By: Council President M.C. Keegan-Ayer on behalf of County Executive Jan Gardner

**AN ACT** to: amend the Frederick County Employees Retirement Plan to make certain revisions to the Plan to: (1) provide for participation in the Plan by “grant funded” employees and to specify the types of service credit awarded to grant funded employees, and (2), make other nonsubstantive changes.

Executive: Jan H Gardner Date Received: 2-19-19

Approved: \_\_\_\_\_ Date: 2-21-19

Vetoed: \_\_\_\_\_ Date: \_\_\_\_\_

By amending:

Frederick County Code, Chapter, \_\_\_\_\_ Section(s) \_\_\_\_\_

Other: Frederick County Employees Retirement Plan

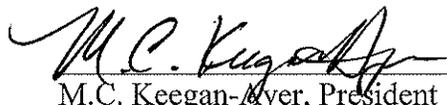
<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law.</i>
[Single boldface brackets]	<i>Deleted from existing law.</i>
***	<i>Existing law unaffected by bill.</i>

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By Ordinance No. 93-11-075, the County established a retirement plan for the employees of the Frederick County Government, effective July 1, 1993. The Frederick County Employees Retirement Plan ("Plan") has been amended several times since then.

The County Council of Frederick County, Maryland, deems it appropriate to make certain additional revisions to the Plan to: (1) provide for participation in the Plan by "grant funded" employees and to specify the types of service credit awarded to grant funded employees, and (2) make other nonsubstantive changes.

NOW, THEREFORE, BE IT ENACTED, that the Frederick County Employees Retirement Plan be, and it is hereby, amended as shown on the attached Exhibit 1.

  
M.C. Keegan-Ayer, President  
County Council of Frederick County,  
Maryland

**AMENDMENT TO THE RESTATED  
FREDERICK COUNTY  
EMPLOYEES RETIREMENT PLAN**

First Change - The definition of "Covered Employee" in Article II shall be amended to read as follows:

Covered Employee - Any regular or probationary, full time or part time Employee of the County who is regularly scheduled to work at least 50% of a full-time schedule who has enrolled in the Plan in accordance with Article III hereof. For purposes of this Plan, any professional or clerical employee of a library that is established or operates under the Education Article of the Annotated Code of Maryland is not an Employee of the County effective July 1, 1993. For purposes of this Plan, a member of the County Council is not an Employee of the County. [For purposes of this Plan,] By Ordinance No. 12-06-601, the Plan was amended to provide that an Employee who is classified as "grant funded" pursuant to the Frederick County Personnel Rules, as amended effective January 1, 2012 and whose Employment Commencement Date or Reemployment Commencement Date is on or after September 16, 2011 [is] was not a Covered Employee. Effective July 1, 2019, an Employee who is classified as "grant funded" pursuant to the Frederick County Personnel Rules, as amended effective January 1, 2012 and whose Employment Commencement Date or Reemployment Commencement Date is on or after September 16, 2011 will be a Covered Employee.

Second Change - The definition of "Employee Contributions Benefit" in Article II shall be amended to read as follows:

Employee Contributions Benefit - The sum of the following amounts (net of any previous distributions):

(i) The contributions made by the Participant through salary reduction and "picked up" by the County, as described in Section 5.4(a)(i) but not 5.4(a)(iii); plus

(ii) The contributions made by the Participant pursuant to Section 5.5 which are not picked up by the County; plus

(iii) The contributions, plus earnings previously credited on such contributions, made by the Participant, pursuant to Section 5.5, through transfer from another Government Employer retirement plan, which were not picked up by such Government Employer; plus

(iv) Contributions, other than contributions comprising a Participant's Pick-Up Contributions Benefit, plus earnings previously credited on such contributions,

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Underlining indicates entirely new matter added to existing law.

[Single boldface brackets] indicates matter deleted from existing law.

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made by the Participant, pursuant to Section 5.4(a)(ii), but not 5.4(a)(iii), and picked up by another Government Employer, all of which are thereafter transferred to the Plan; plus

(v) The Participant's account balance in the Frederick County, Maryland Defined Contribution Plan, transferred to the Plan pursuant to the reinstatement of participation in the Plan of Employees classified as "grant funded" pursuant to the Frederick County Personnel Rules, as amended effective January 1, 2012.

~~[(v)]~~ (vi) Interest of 4.0% on the amounts described in (i) through (iv) above computed on July 1 of each year and compounded annually.

Third Change – The definition of "Year of Creditable Service" in Article II shall be amended to read as follows:

Year of Creditable Service – Subject to Section 4.3(c), and except as provided in Section 4.4, a Plan Year during which a Covered Employee earns Hours of Service at least equal to the Hours of Service which would be earned by an Employee who is employed in the same position of employment for the County on a full-time basis over the full Plan Year. Employees classified as "grant funded" pursuant to the Frederick County Personnel Rules, as amended effective January 1, 2012 who become eligible to participate in the Plan on and after July 1, 2019 will receive credit for Years of Creditable Service beginning on their Employment Commencement Date as Employees for the County as if they had continuously participated in the Plan and made contributions pursuant to Section 5.4.

Fourth Change – The definition of "Year of Eligibility Service" in Article II shall be amended to read as follows:

Year of Eligibility Service - Subject to Section 4.3(a) and (b), and except as provided in Section 4.4, any Plan Year during which an Employee completes 700 Hours of Service. Employees classified as "grant funded" pursuant to the Frederick County Personnel Rules, as amended effective January 1, 2012 who become eligible to participate in the Plan on and after July 1, 2019 will receive credit for Years of Eligibility Service beginning on their Employment Commencement Date as Employees for the County as if they had continuously participated in the Plan and made contributions pursuant to Section 5.4.

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