

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

1995 Legislative Session

Bill No. CB-107-1995

Chapter No. 78

Proposed and Presented by Chairwoman MacKinnon (by request - County Executive)

Introduced by Council Members MacKinnon, Del Giudice and Scott

Co-Sponsors

Date of Introduction October 24, 1995

BILL

AN ACT concerning

Prince George's County Supplemental Pension Plan for General Schedule Employees
For the purpose of amending the provisions of the County Code regarding the Prince George's County Supplemental Pension Plan for General Schedule Employees to comply with the requirements of Title 39 of the State Personnel and Pensions Article of the Annotated Code of Maryland, including prohibiting more than one appointed official who is a member of the Plan from managing the Plan or serving on the Board of Trustees; providing that contributions to the Plan be based upon actuarial determinations and include an unfunded liability contribution; prohibiting Plan benefits to be amended other than by ordinance; requiring the Plan trustees to make certain annual certifications to the County Council; and prohibiting the Plan from making cash payments of more than 50% of unused sick leave.

BY repealing and reenacting with amendments:

SUBTITLE 16. PERSONNEL.

Section 16-232.02,

The Prince George's County Code

(1991 Edition, 1994 Supplement).

WHEREAS, Prince George's County, Maryland (the "County"), has adopted the Prince George's County Supplemental Pension Plan for General Schedule Employees, effective December 30, 1990, as amended (the "Plan"); and

WHEREAS, the Plan provides retirement benefits for participants, including benefits

payable at a participant's normal retirement date and upon a participant's involuntary separation from County service; and

WHEREAS, Chapter 616 of the Laws of Maryland of 1995 became effective on July 1, 1995, and added Title 39 to the State Personnel and Pensions Article of the Annotated Code of Maryland ("Title 39"); and

WHEREAS, Title 39 requires that, on or before January 31, 1996, a "special retirement or pension system" that allows the system's benefits to be set or amended by a means other than by ordinance enacted by the governing body, be modified to (i) comply with Section 39-102 and (ii) terminate any benefits that are not allowed under Section 39-102(E)(2) or (F) that an elected or appointed official is eligible to receive or modify those benefits so they comply with Section 39-102(E)(2) or (F); and

WHEREAS, the following legislative act is intended to comply with the requirements of Title 39; now, therefore,

SECTION 1. BE IT ENACTED by the County Council of Prince George's County, Maryland, that Section 16-232.02 of the Prince George's County Code be and the same is hereby repealed and reenacted with the following amendments:

SUBTITLE 16. PERSONNEL.

DIVISION 18. PENSIONS GENERALLY.

Sec. 16-232.02. Supplemental Retirement Benefit for General Schedule employees.

(a) The Prince George's County Supplemental [Retirement] Pension Plan for General Schedule [employees] Employees (hereinafter referred to as the "Plan"), as established by CR-37-1990, and amended from time to time, is hereby recognized.

(b) The Board of Trustees of the Plan shall have five voting members. One of the voting members of the Board of Trustees shall be elected by the members of the Plan. The remaining members of the Board of Trustees shall be designated and appointed by the County Executive. No more than one appointed official who is a member of the Plan may manage or serve as a member of the Board of Trustees.

(c) The Board of Trustees shall ensure that an annual benefit and account statement

shall be made available to each member upon request, and shall make available to each member appropriate actuarial or other available financial information. On or before December 1 of each year, the Board of Trustees shall certify to the County Council the rates to be used to determine the amounts to be paid into the funds of the Plan during the next fiscal year.

(d) The cost of funding the supplemental retirement benefit will be shared by the employee and the County through regular contributions each pay period. The employee shall contribute, through payroll deduction, an amount equal to one half the cost of providing this benefit; provided, however, that the employee contribution rate shall not exceed a rate of three and seven tenths percent (3.7%) of base salary, unless otherwise provided by legislative act. The contributions made under this paragraph shall be based on an actuarial determination of the amounts that are required to preserve the integrity of the funds of the Plan and shall include a contribution computed to amortize any unfunded liability over a period of not more than thirty (30) years.

(e) Supplemental Retirement Benefits. The benefits to be paid under the Plan shall consist of the following:

- (1) Normal Retirement Benefits;
- (2) Early Retirement Incentive Benefits;
- (3) Discontinued Service Benefits; and
- (4) Death Benefits.

Such benefits shall be payable in such amounts, at such times and to such participants and beneficiaries as set forth in the Plan, as amended through October 10, 1995.

(f) Prohibited Benefits.

(1) The Plan shall not pay discontinued service benefits to a participant whose separation from service is caused by:

(A) a request by an appointing authority of an employee or appointed official for the resignation of the employee or appointed official at the expiration of a term of the appointing authority; or

(B) the expiration of a term of an elected official who is ineligible to be elected for an additional term because of term limits.

(2) All discontinued service benefits that are prohibited under clause (f) (1), that an individual who was an elected or appointed official while a member of the Plan is eligible to receive, shall be terminated.

(3) The Plan shall not make cash payments to any member of the Plan of more than 50% of that member's accrued unused sick leave (determined in accordance with Sections 16-221 and 16-221.02 of the Prince George's County Code).

(g) The benefits under the Plan may not be amended except by an ordinance enacted by the County Council.

SECTION 2. BE IT FURTHER ENACTED that the Plan document and related Trust Agreement shall be amended to comply with this Act.

SECTION 3. BE IT FURTHER ENACTED that this Act shall take effect on January 31, 1996.

Adopted this 21st day of November, 1995.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY:

Anne T. MacKinnon
Chairwoman

ATTEST:

Joyce T. Sweeney
Clerk of the Council

APPROVED:

DATE: _____

BY:

Wayne K. Curry
County Executive

KEY:

Underscoring indicates language added to existing law.

[Brackets] indicate language deleted from existing law.

Asterisks *** indicate intervening existing Code provisions that remain unchanged.