

FINAL

COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2018, Legislative Day No. 32

Bill No. 66-18

Introduced by Mr. Peroutka, Chairman
(by request of the County Executive)

By the County Council, June 18, 2018

Introduced and first read on June 18, 2018
Public Hearing set for and held on July 16, 2018
Bill Expires September 21, 2018

By Order: JoAnne Gray, Administrative Officer

A BILL ENTITLED

1 AN ORDINANCE concerning: Deferred Retirement Option Programs – Fire Service
2 Retirement Plan, Police Service Retirement Plan and Detention Officers’ and Deputy
3 Sheriffs’ Retirement Plan
4

5 FOR the purpose of modifying the interest earned on accounts for members of certain
6 Deferred Retirement Options Programs; providing for the application of this
7 Ordinance; and generally relating to retirement plans.
8

9 BY repealing and reenacting, with amendments: §§ 5-1-506(b); and 5-1-508(c) and (d)
10 Anne Arundel County Code (2005, as amended)
11

12 SECTION 1. *Be it enacted by the County Council of Anne Arundel County, Maryland,*
13 That Section(s) of the Anne Arundel County Code (2005, as amended) read as follows:
14

15 **ARTICLE 5. PENSIONS**
16

17 **TITLE 1. GENERAL PROVISIONS**
18

19 **5-1-506. Participation period; mandatory retirement upon expiration.**
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21 (b) **Term of participation period.** The initial term of a DROP participation period is
22 three years. The DROP participation period may be extended by no more than three
23 additional one-year terms for all participants who qualify for participation in DROP under
24 § 5-1-503. A DROP participant shall file an election for each extension on the form
25 required by the Personnel Officer no fewer than 30 days before the end of the current term.

EXPLANATION: CAPITALS indicate new matter added to existing law.
[Brackets] indicate matter stricken from existing law.
Captions and taglines in **bold** in this bill are catchwords and are not law.

1 Failure of a DROP participant to file a timely election for an extension results in the
2 expiration of the DROP participation period at the end of the current term. A participant
3 who is a member of the Detention Officers' and Deputy Sheriffs' Retirement Plan must
4 have the approval of the appointing authority to extend the DROP participation period
5 beyond the initial term and to continue employment with the County. EXCEPT FOR THOSE
6 IN THE CLASSIFICATION OF BATTALION CHIEF, [A] A participant of the FIRE SERVICE PLAN,
7 OR OF THE Police Service Retirement Plan who is in the classification of Police Sergeant,
8 Police Lieutenant, Police Captain, Police Major, Police Deputy Chief, or Police Chief must
9 have the approval of the appointing authority to extend the DROP participation period
10 beyond the fifth year.

11
12 **5-1-508. DROP account.**

13
14 (c) **Account balance.** The account balance credited to a DROP participant includes:

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16 (1) the amount of the retirement benefit determined under subsection (b); and

17
18 (2) EXCEPT FOR THOSE IN THE CLASSIFICATION OF BATTALION CHIEF, for members
19 of the FIRE SERVICE RETIREMENT PLAN, ENTERING THE SIXTH YEAR OF THE DROP AFTER
20 JULY 1, 2018, THE Police Service Retirement Plan, and the Detention Officers' and Deputy
21 Sheriffs' Retirement Plan, interest on amounts earned in years one through six of a
22 member's DROP participation compounded on the account balance as of the first day of
23 each month, at an interest rate of .34745%, which provides an effective annual yield of
24 4.25%]; or

25
26 (3) for members of the Fire Service Retirement Plan, interest on amounts earned in
27 years one through five of a member's DROP participation compounded on the account
28 balance as of the first day of each month, at an interest rate of .34745%, which provides an
29 effective annual yield of 4.25%].

30
31 (d) **Limitations on interest.** No interest will be earned or credited after the expiration
32 of any DROP participation period. For members of the Fire Service Retirement Plan WHO
33 ARE IN THE CLASSIFICATION OF BATTALION CHIEF, no interest will be earned or credited
34 during the sixth year of a DROP participation period.

35
36 SECTION 2. *And be it further enacted,* That the provisions of this Ordinance shall be
37 retroactive to July 1, 2018.

38
39 SECTION 3. *And be it further enacted,* That the provisions of this Ordinance shall
40 take effect 45 days from the date it becomes law.

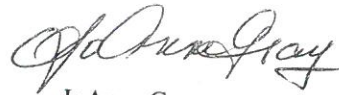
READ AND PASSED this 16th day of July, 2018

By Order:



JoAnne Gray
Administrative Officer

PRESENTED to the County Executive for his approval this 17th day of July, 2018



JoAnne Gray
Administrative Officer

APPROVED AND ENACTED this 20th day of July, 2018

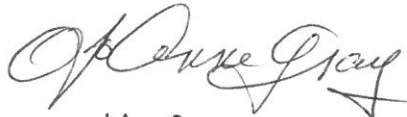


Steven R. Schuh
County Executive

EFFECTIVE DATE:

SEP 3 2018

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF BILL NO.
66-18 THE ORIGINAL OF WHICH IS RETAINED IN THE FILES
OF THE COUNTY COUNCIL.



JoAnne Gray
Administrative Officer