

Resolution No.: 16-381  
Introduced: November 13, 2007  
Adopted: November 20, 2007

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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By: Council President at the request of the County Executive

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**SUBJECT:** Amendment to Council Resolution No. 15-01 to Provide for Eligibility for Retiree Group Insurance Benefits for Non-merit system Officers

**Background**

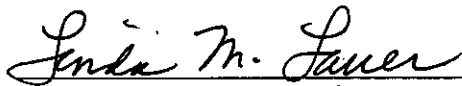
1. For employees in the Employees' Retirement System (ERS), the County's defined benefit plan, *retirees* are those receiving a pension benefit. Council Resolution 10-2233, approved on October 16, 1986, established eligibility and cost sharing criteria for group insurance benefits for retirees in the ERS.
2. On March 10, 1998 the Chief Administrative Officer approved a recommendation from the Director of Human Resources that similar eligibility and cost sharing criteria apply to retirees in the Retirement Savings Plan (RSP), the County's defined contribution plan. This plan applies to employees hired since October 1, 1994, except for represented public safety employees. Vesting requires 3 years of participation or attainment of age 62.
3. In order to recruit top flight non-merit system directors and officers of County departments and offices, the County must be able to offer a competitive benefits package. These directors and officers do not have merit system tenure and frequently have shorter County service than merit system employees, but the eligibility and cost sharing criteria for retiree group insurance benefits do not currently reflect this fact.
4. Many non-merit system directors and officers were employed by federal, state, or local government before coming to Montgomery County.
5. Council Resolution No. 15-01, adopted on December 3, 2002, provided a framework for the Chief Administrative Officer to recommend eligibility for retiree group insurance benefits for non-merit system directors of County departments and offices. On November 8, 2007 the County Executive recommended that this policy be extended to non-merit system officers as well.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

- (a) Before the Council confirms the appointment of a non-merit system director or officer of a County department or office who was previously employed by federal, state, or local government, the Chief Administrative Officer may recommend that the appointee become eligible for retiree group insurance benefits by meeting specified age and County service criteria. The age and service criteria should be reasonably similar to either:
  - (1) the eligibility criteria for similar benefits that the appointee would have received as an employee of federal, state, or local government if the appointee had remained employed by that government during the period that the appointee is employed by County government; or
  - (2) the eligibility criteria that apply to other County employees who retire under the Retirement Savings Plan, but crediting the appointee's prior federal, state, or local government service as creditable County service.
- (b) The Chief Administrative Officer's recommendation must describe:
  - (1) when the appointee could begin receiving retiree group insurance benefits; and
  - (2) what cost-sharing requirements between the County and the appointee would apply.
- (c) The Chief Administrative Officer's recommendation takes effect when the Council confirms the appointment.

This is a correct copy of Council action.

  
Linda M. Lauer, Clerk of the Council