

Resolution No.: 16-1176
Introduced: November 3, 2009
Adopted: November 3, 2009

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Approval of Executive Regulation 16-09, Amendments to Office of Human Resources Severance Pay Plan Regulations to Allow Participants in the Guaranteed Retirement Income Plan to Receive Severance Benefits

Background

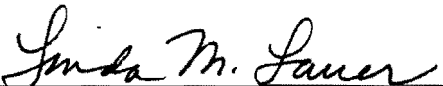
1. On September 17, 2009, the County Council received Executive Regulation 16-09 to amend Office of Human Resources Severance Pay Plan Regulations to allow participants in the Guaranteed Retirement Income Plan to receive severance benefits.
2. Executive Regulation 16-09 is processed under Method 2 and takes effect upon adoption of the Council resolution approving it or on a later date specified in the regulation.
3. The Management and Fiscal Policy Committee reviewed Executive Regulation 16-09 on October 26, 2009 and unanimously recommended approval.

Action

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

Executive Regulation 16-09, to amend Office of Human Resources Severance Pay Plan Regulations to allow participants in the Guaranteed Retirement Income Plan to receive severance benefits is approved.

This is a correct copy of Council action.



Linda M. Lauer, Clerk of the Council



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject	Amendment to OHR Severance Pay Plan Regulations to Allow GRIP Participants to Receive Severance Benefits	Number	16-09
Originating Department	Office of Human Resources	Effective Date	November 3, 2009

Severance Pay for Certain Participants in the Retirement Savings Plan and the Guaranteed Retirement Income Plan

Executive Regulation No. 16-09

Issued by: County Executive

Supersedes: Executive Regulation No. 33-95

Authority: Montgomery County Code, 2004, Section 33-140

Council review: Method 2

Montgomery County Register Volume 26 Issue 8

Comment deadline: August 31, 2009

Effective date: November 3, 2009

Summary: This regulation amends the Office of Human Resources Severance Pay Plan Regulations to allow participants in the Guaranteed Retirement Income Plan to receive severance benefits.

Address for comments: Office of Human Resources, Executive Office Building, 7th Floor
101 Monroe Street, Rockville, Maryland 20850

Staff contact: Stuart Weisberg, 240-777-5051, or stuart.weisberg@montgomerycountymd.gov

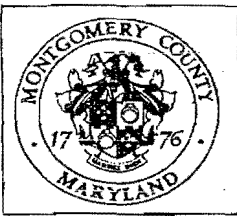
Please use the key below when reading this regulation:

Boldface

* * *

Heading or defined term.

Existing language unchanged by executive regulation.



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Subject Amendment to OHR Severance Pay Plan Regulations to Allow GRIP Participants to Receive Severance Benefits	Number 16-09
Originating Department Office of Human Resources	Effective Date

SEVERANCE PAY FOR CERTAIN PARTICIPANTS IN THE RETIREMENT SAVINGS PLAN AND THE GUARANTEED RETIREMENT INCOME PLAN

PURPOSE

- 1.0 The Severance Pay Plan will pay severance benefits to employees of Montgomery County ("County") and certain employees of participating agencies upon an employee's separation from service pursuant to the terms and conditions of this plan.

DEFINITIONS

- 2.0 Final Earnings - The weekly rate of regular earnings of a participant as of the last day of active service.

Participant - Any employee of the County or a participating agency who satisfies the eligibility requirements of the Severance Pay Plan.

Participating Agency - Any agency that participates in the Retirement Savings Plan and the Guaranteed Retirement Income Plan, uses the County payroll system, elects to participate in the Severance pay plan, and whose participation is approved by the Chief Administrative Officer.

Regular Earnings - Gross pay for actual hours worked exclusive of overtime. Gross pay must be used to determine benefits even if the County implements a pick-up plan under Section 414 of the Internal Revenue code. Gross pay must be used to determine benefits even if a participant has agreed to a reduction of earnings under:



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- (a) the County's deferred compensation plan under Section 457 of the Internal Revenue Code; or
- (b) any other benefit program sponsored by the County permitted by the Internal Revenue Code.

Separation from service or separated from service - The loss of a participant's job through affirmative administrative action of the County or the participating agency excluding dismissal for cause. Separation from service does not include the voluntary decision by a participant to leave the service of the County or the participating agency.

ELIGIBILITY

3.0 An employee of the County or of a participating agency is eligible to participate in this plan upon the employee's separation from service if the employee is then a participant in the Retirement Savings Plan or the Guaranteed Retirement Income Plan under Division 1 of Article VIII of Chapter 33 of the County Code.

SEVERANCE BENEFITS

4.0 Severance benefits will be paid as follows:

- 0 to 1 years of service completed no benefit
- over 1 to 5 years of service completed 6 weeks of the participant's final earnings
- over 5 to 7 years of service completed 8 weeks of the participant's final earnings



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- over 7 to 9 years of service completed 10 weeks of the participant's final earnings
- over 9 years of service completed 12 weeks of the participant's final earnings

DISTRIBUTION OF BENEFITS

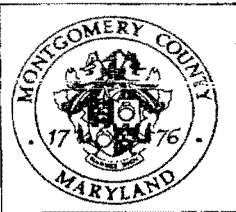
5.0 All benefits must be paid on a bi-weekly basis commencing after the participant separates from service with the County or the participating agency. The first payment will be made on the date that the participant would have received payment of regular earnings had the participant not separated from service. The severance benefits must be paid to the participant directly. All federal and state income taxes must be withheld from the severance benefits paid. To the extent that federal or state unemployment taxes apply, they must be withheld from the severance benefits paid.

SOURCE OF FUNDS

6.0 The County must pay the benefits under this plan from general assets of the County or the participating agency. Assets of the Retirement Savings Plan or Guaranteed Retirement Income Plan may not be used to pay benefits under this plan. Any participating agency must pay the costs of any benefits and any expenses incurred due to the participation of its employees.

APPEALS

7.0 An eligible County employee who is denied severance pay may appeal the final decision of the Chief Administrative Officer by noting an appeal to the Merit System Protection Board. All appeals must be in writing and must be filed within 10 working days of the date on which the employee receives the decision. The Merit System Protection Board



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may overturn the decision of the Chief Administrative Officer only if the Board finds that the decision was arbitrary and capricious.

Approved: Isiah Leggett
Isiah Leggett, County Executive

Sept 16, 2009
Date

Approved as to form and legality:

Amy A. Markowitz 7/20/09
Office of the County Attorney Date