Resolution No. <u>11-25</u>

RESOLUTION: To amend the Amended and Restated City of Rockville Pension Plan, effective as of July 1, 2025.

RECITALS

WHEREAS, pursuant to Article VIII, Section 7 of the Rockville City Charter, the Mayor and Council has the authority to "do all things necessary to include its officers and employees, or any of them, within any retirement system or pension system; and

WHEREAS, on May 6, 2024, the Mayor and Council approved the Amended and Restated City of Rockville Pension Plan, effective July 1, 2024 (the "City of Rockville Pension Plan"), which, among other things, added a Deferred Retirement Option Program (DROP) benefit for Police employees, and included a reduction in the number of months related to the final average earnings calculation for Police employees; and

WHEREAS, pursuant to Section 15-81(b) of the Rockville City Code, amendments to the City of Rockville Pension Plan require approval by the Mayor and Council; and

WHEREAS, the Mayor and Council desires to approve certain amendments to the City of Rockville Pension Plan to provide that certain at-will Classified Civil Service positions that the Mayor and Council placed in the Non-Merit Civil Service pursuant to a Resolution adopted June 9, 2025, shall receive the Thrift Plan Supplemental Contribution under the City of Rockville Pension Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF ROCKVILE as follows:

1. Article I of the City of Rockville Pension Plan is hereby amended by inserting the following definition "At-Will Non-Merit Civil Service Employees" at subsection 1.3, and subsequently renumbering the remaining definitions sequentially (e.g., "Beneficiary" will be renumbered 1.4, "City" will be renumbered 1.5, etc.):

ARTICLE I DEFINITIONS

- "At-Will Non-Merit Civil Service Employees" means the following Classified Civil Service positions that were placed in the Non-Merit Civil Service by the Mayor and Council on June 2025;
 - (a) Deputy City Manager
 - (b) Deputy City Attorney
 - (c) Assistant City Manager
 - (c) All Department Directors

- 2. Article II, Section 2.2, of the City of Rockville Pension Plan is hereby amended and hereinafter shall be read as follows:
 - 2.2 A contract Employee who is in a highly paid or managerial position may be excluded from the Plan under the terms of his/her employment contract with the City. Effective April 1, 1989, a contract Employee who does not join the Plan when first employed, but subsequently joins the Plan, shall be treated as though his/her date of employment were the date he/she begins participation in the Plan and no Credited Service shall be given for prior service. Notwithstanding the foregoing, all At-Will Non-Merit Civil Service Employees non-appointed at-will-contract-employees of the City whose terms of employment contracts—contain provisions authorizing Thrift Plan Supplemental Contributions, shall receive such Thrift Plan Supplemental eContributions under the Thrift Plan.
- 3. Article XVI, Section 16.4, of the City of Rockville Pension Plan is hereby amended and hereinafter shall be read as follows:
 - 16.4 The Thrift Plan Supplemental Contribution set forth in this Section 16.4 covers all charter-appointed employees, and all At-Will Non-Merit Civil Service Employees non-appointed at will-contract employees of the City whose terms of employment contracts contain provisions authorizing this benefit. For each payroll period, the City shall provide an employer contribution equal to 10% of the amount of base salary paid for such payroll period for each Employee eligible therefor under this Section 16.4.
- 4. Appendix A, Cost-of-Living-Adjustments Since January 1, 1988, of the City of Rockville Pension Plan is hereby amended to add the following subsection (t):
 - (t) Increase Effective January 1, 2025:

 Each Retired Employee who commenced to receive Retirement
 Benefits prior to January 1, 2024, shall receive a 1.0% increase in
 his/her Retirement Benefits.

Strikethrough indicates material deleted

Double underlining (red) indicates material added

NOTE:

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I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the Mayor and Council of Rockville as its meeting of June 9, 2025.

Sara Taylor-Ferretl, City Clerk and Director of Council Operations