



Bill No. 24-20  
Concerning: Amend the Frederick County Uniformed Employees Retirement Plan  
Introduced November 19, 2024  
Revised: \_\_\_\_\_ Draft No. \_\_\_\_\_  
Enacted: January 21, 2025  
Effective: July 1, 2025  
Expires: February 16, 2025  
Frederick County Code, Chapter \_\_\_\_\_  
Section(s) \_\_\_\_\_

## COUNTY COUNCIL FOR FREDERICK COUNTY, MARYLAND

By: Council President Brad W. Young on behalf of County Executive Jessica Fitzwater

**AN ACT** to: amend the Frederick County Uniformed Employees Retirement Plan effective July 1, 2025, to reflect the terms of the Deferred Retirement Option Program for law enforcement officers and corrections officers, pursuant to (a) the Agreement between the Sheriff of Frederick County and the Frederick County Deputy Sheriff's Fraternal Order of Police Lodge No. 102, Inc. effective July 1, 2024, through June 30, 2025, and (b) the Agreement between the Sheriff of Frederick County and the Fraternal Order of Police 102A effective July 1, 2024, through June 30, 2025.

Date Council Approved: 1/21/25 Date Transmitted to Executive: 1/23/25

Executive: Jessica Fitzwater Date Received: 1/23/25

Approved: ✓ Date: 1/27/25

Vetoed: \_\_\_\_\_ Date: \_\_\_\_\_

Date returned to Council by County Executive with no action: \_\_\_\_\_

By amending:

Frederick County Code, \_\_\_\_\_ Section(s) \_\_\_\_\_

Other: Frederick County Uniformed Employees Retirement Plan

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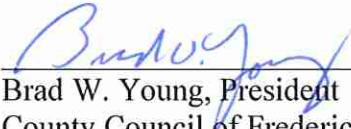
*Heading or defined term.*  
*Added to existing law.*  
*Deleted from existing law.*  
*Existing law unaffected by bill.*

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3 The County Council of Frederick County, Maryland, finds it necessary and appropriate to  
4 amend the Frederick County Uniformed Employees Retirement Plan to implement the changes to  
5 the Deferred Retirement Option Program for Law Enforcement Officers and Corrections Officers.  
6

7 NOW, THEREFORE, BE IT ENACTED BY THE COUNTY COUNCIL OF  
8 FREDERICK COUNTY, MARYLAND, that the Frederick County Uniformed Employees  
9 Retirement Plan be, and it is hereby, amended as shown on the attached Exhibit 1.  
10

11 AND BE IT FURTHER ENACTED, that the amendments shown in Exhibit 1 will be  
12 effective as provided in Exhibit 1 on or after the effective date of this Bill.  
13  
14

15   
16 Brad W. Young, President  
17 County Council of Frederick County,  
18 Maryland  
19  
20

Article XVI of the Frederick County Uniformed Employees Retirement Plan is amended to read as follows effective July 1, 2025:

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## ARTICLE XVI

### DEFERRED RETIREMENT OPTION PROGRAM - LAW ENFORCEMENT OFFICERS AND CORRECTIONS OFFICERS

16.1 Definitions - In this section, the following words have the meanings indicated:

(a) "DROP" means the Deferred Retirement Option Program established pursuant to this Section.

(b) "DROP Account" means the account established for the DROP Participant in accordance with Section 16.7.

[c) "DROP Effective Date" means July 1, 2021.]

(d) "DROP Participant" means a Participant in the Plan who:

(i) is eligible to participate in DROP as provided in this Article XVI; and

(ii) elects to participate in DROP as provided in this Article XVI.

16.2 Eligibility - A Participant in the Plan is eligible to participate in DROP if the Participant:

(a) Is a Uniformed Participant in the category of law enforcement officer or corrections officer;

(b) [Either: (i) Has attained the service requirement for the Participant's Normal Retirement Date, as of the DROP Effective Date, or (ii) Attains the service requirement for the Participant's Normal Retirement Date after the DROP Effective Date];

(c) Has earned no more than 27.0 Years of Eligibility Service[ as of the DROP Effective Date] (for DROP commencement beginning on or after July 1, 2021, and before July 1, 2025) or no more than 30.0 Years of Eligibility Service (for DROP commencement beginning on or after July 1, 2025); and

(d) Has an acceptable performance rating from the Sheriff's Office.

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1                   16.3    Election; Duration of Participation

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3                   An eligible Participant may elect to participate in DROP for a period of between 12 and 36  
4                   months; provided, however, that the elected DROP participation period cannot cause the Participant's  
5                   anticipated Years of Eligibility Service at the end of the DROP participation period to exceed 28.0  
6                   Years of Eligibility Service (for DROP commencement beginning on or after July 1, 2021, and before  
7                   July 1, 2025) or 31.0 Years of Eligibility Service (for DROP commencement beginning on or after  
8                   July 1, 2025).

9  
10                  16.4    Application; Limitation on Enrollment

11  
12                  (a)     Participant's Election: An eligible Participant who elects to participate  
13                  in DROP shall:

14  
15                  (i)     provide a written application to the employee designated by the  
16                  Retirement Plan Committee (the "DROP Coordinator") on a form approved by or acceptable to the  
17                  Retirement Plan Committee, stating:

18                  (A)     the Participant's intention to participate in DROP;

19  
20                  (B)     the date, which shall be the first day of a month, when  
21                  the Participant desires to begin participation in DROP; and

22  
23                  (C)     such other information required by the Retirement Plan  
24                  Committee to implement DROP with respect to the Participant, including a binding letter of resignation  
25                  accepted by the Sheriff in accordance with the Sheriff's Office policies and procedures then in effect,  
26                  setting forth the date the Participant intends to terminate employment following completion of the  
27                  Participant's elected DROP period; and

28  
29                  (ii)    submit the application to the DROP Coordinator no later than  
30                  the first day of the month that is no less than two and no more than three months prior to the first day  
31                  of the month coincident with the date the Participant elects to begin participation in DROP. If the due  
32                  date for the election falls on a Saturday, Sunday or day when the County's offices are closed, the due  
33                  date shall be the next day during which the County's offices are open.

34  
35                  (b)     Limitation on Enrollment in DROP

36  
37                  (i)     The application to participate in DROP by no more than one  
38                  percent of the Frederick County Sheriff's Office Uniformed Law Enforcement officers workforce will  
39                  be accepted for any one month. The application to participate in DROP by no more than one percent  
40                  of the Frederick County Sheriff's Office Uniformed Corrections officers workforce will be accepted  
41                  for any one month. In determining this one percent limitation, the number of Participants eligible to  
42                  elect to enter DROP will be rounded up to the next highest whole number and will be determined as  
43                  of the first day of the payroll period that is two months in advance of the elected DROP participation  
44                  date.

45  
46                  (ii)    If more Participants submit an application to participate in  
47                  DROP than can be accepted due to the limitations set forth in subsection (b)(i) above, the Participants

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1 whose applications will be accepted will be determined on the basis of seniority within the Frederick  
2 County Sheriff's Office.

3  
4 (iii) The applications of Participants whose applications are  
5 deferred pursuant to subsection (b)(ii) above will be considered for the following months on the same  
6 basis as set forth in subsections (b)(i) and (b)(ii); provided, however, that a Participant whose  
7 application is deferred past the date the Participant earns [27.0]the maximum Years of Eligibility  
8 Service in effect at the time of the Participant's election to participate in DROP as defined in Section  
9 16.2(c) will not be eligible to participate in DROP.

10  
11 16.5 Irrevocability of Election

12  
13 A Participant's election to participate in DROP is irrevocable as of the fifteenth day following  
14 the DROP Coordinator's receipt of the Participant's election to participate in DROP, provided that the  
15 acceptance of the Participant's election is not deferred pursuant to Section 16.4(b). In the event the  
16 Participant's application to participate in DROP is deferred pursuant to Section 16.4(b), the election is  
17 irrevocable as of the fifteenth calendar day following the acceptance of the Participant's election to  
18 participate in DROP and notification of the acceptance being provided to the Participant. If the due  
19 date for the revocation of an election to participate in DROP falls on a Saturday, Sunday or day when  
20 the County's offices are closed, the due date shall be the next day during which the County's offices  
21 are open.

22  
23 16.6 Suspension of Participation; Termination of Participation

24  
25 (a) Suspension of Participation - Participation in DROP is suspended upon  
26 the Participant receiving a performance rating from the Sheriff's Office of less than acceptable. During  
27 the time of suspension, no additions will be made to the Participant's DROP Account. The suspension  
28 will be lifted and the Participant will be reinstated to DROP for the remaining DROP participation  
29 period elected by the Participant upon the reinstatement of an acceptable performance rating from the  
30 Sheriff's Office after exhaustion of the Participant's appeal rights under the Frederick County  
31 Personnel Rules in effect at the time; provided, however, that the credits to the Participant's DROP  
32 Account provided for in Section 16.7(b)(i) during the period of suspension will be reinstated to the  
33 DROP Participant's DROP Account following a Participant's successful appeal of his or her  
34 performance rating. In the event that the DROP Participant does not appeal the assignment of the  
35 performance rating or is unsuccessful in the appeal of the assignment of the performance rating, [the  
36 DROP Participant's DROP Account will be reduced to zero dollars and ]the DROP Participant's  
37 retirement benefit determined as of the Participant's Termination Date will be determined in  
38 accordance with Section 16.8(c) as if the DROP Participant reached a Termination Date prior to the  
39 end of the DROP Participant's elected DROP participation period.

40  
41 (b) Termination of Participation - Participation in DROP terminates when  
42 the DROP Participant reaches a Termination Date.

43  
44 16.7 Payment of Retirement Benefit, Accrual of Service Credit, Disposition of  
45 Other Benefits During DROP Participation.

46  
47 (a) Calculation of Retirement Benefit - As of the effective date of  
48 participation in DROP, the DROP Participant's normal retirement benefit as provided for in Section

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6.1, in the form of payment elected by the Participant in accordance with Section 8.2 and without the adjustment for unused sick leave pursuant to Section 6.1(d), shall be determined.

(b) Credit to DROP Account - During the period of the DROP Participant's participation in DROP, the Plan Administrator shall:

(i) Credit the DROP Participant's monthly retirement income determined pursuant to Section 16.7(a) determined as of the DROP Participant's date of participation in DROP, to a DROP Account for the benefit of the DROP Participant;

(ii) Credit the DROP Participant's DROP Account with the investment gains and losses arising out of the individually-directed accounts maintained for this purpose in accordance with Section 16.10; [and]

(iii) Annually adjust the DROP Participant's credit to the DROP account for monthly retirement income under Section 16.7(b)(i) for cost of living increases in accordance with Section 6.8; and

(iv) Credit the DROP Participant's DROP Account with 5% out of the 9% of Compensation made as a pick-up contribution to the Plan pursuant to Section 5.4(a)(i).

(c) No Increase in Years of Eligibility or Credited Service - A DROP Participant will not accrue credit for additional Years of Eligibility or Credited Service during the period of DROP participation.

(d) Compensation during DROP Participation - A DROP Participant's Compensation earned during the period of DROP participation:

(i) Subject to Section 5.4(b), shall be subject to the County pick up contributions provided for in Section 5.4(a)(i), which contributions shall [not] be added to the Participant's DROP Account to the extent provided for in Section 16.7(b)(iv). The remaining 4% of Compensation paid as a pick-up contribution shall be added to the Trust; and

(ii) Shall not be used to increase the DROP Participant's Final Average Earnings.

(e) If during the period of a DROP Participant's participation in DROP, the Participant reaches a Termination Date by reason of Total and Permanent Disability in accordance with Section 6.4(a) ("Ordinary Disability"), the Participant shall receive the benefit calculated pursuant to Section 16.7(a), plus the Participant's DROP Account, calculated as of the Participant's Termination Date. If during the period of a DROP Participant's participation in DROP, the Participant reaches a Termination Date by reason of Total and Permanent Disability in accordance with Section 6.4(b) ("Line of Duty Disability"), the Participant shall receive payment of the DROP Account, plus the greater of: (i) the monthly retirement income calculated pursuant to Section 16.7(a) or (ii) the monthly retirement income calculated pursuant to Section 6.4(b).

(f) If during the period of a DROP Participant's participation in DROP, the Participant reaches a Termination Date by reason of death, the Participant's Beneficiary will receive

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1 the benefit described in Section 7.1, based upon the Participant's Years of Eligibility Service and  
2 Highest Average Earnings earned at the DROP participation date, plus the Participant's DROP  
3 Account. The DROP Participant's Beneficiary designated for purposes of receipt of the death benefits  
4 described in Section 7.1 shall be the same Beneficiary designated for purposes of receipt of the DROP  
5 Account. In the event there is no valid Beneficiary on file for the Participant, payment will be made in  
6 accordance with Section 9.1.

7

8                   16.8    Payment of Retirement Income and DROP Account At Termination Date.

9

10                   (a)    Payment of DROP Account – Termination Following End of Elected  
11 DROP Participation Period: Upon the termination of a DROP Participant's employment with the  
12 County, for reasons other than death or Total and Permanent Disability, as of or following the end of  
13 the Participant's DROP participation period, the Trustees shall pay to the Participant the amount  
14 accrued in the DROP Account for the DROP Participant, determined in accordance with Section 16.7,  
15 as adjusted for investment gains and losses determined pursuant to Section 16.10 through as soon as  
16 reasonably practical before the date of payment, and as elected by the DROP Participant, in the form  
17 of:

18

19                   (i)    An Eligible Rollover Distribution, pursuant to Section 8.4;

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21                   (ii)   A lump sum distribution, reduced by any elected or required  
22 withholding for taxes; or

23

24                   (iii)   Any other form of payment allowed under the individually-  
25 directed account.

26

27                   (b)    Payment of Retirement Benefit - Termination Following End of  
28 Elected DROP Participation Period: Upon the termination of a DROP Participant's employment with  
29 the County for reasons other than death or Total and Permanent Disability, as of or following the end  
30 of the Participant's DROP participation period, the Participant will receive the monthly retirement  
31 income determined in accordance with Section 16.7, in the form of payment elected by the Participant  
32 pursuant to Section 8.2 when the Participant elected to participate in DROP, as adjusted for cost of  
33 living increases pursuant to Section 6.8 during the DROP participation period and as adjusted for hours  
34 of unused sick leave, pursuant to Section 6.1(d), based upon the DROP Participant's unused sick leave  
35 as of the DROP Participant's Termination Date. The DROP Participant's DROP Account will not be  
36 affected by the changes in the DROP Participant's unused sick leave during the period of participation  
37 in DROP.

38

39                   (c)    Termination Before End of Elected DROP Participation Period – Upon  
40 the DROP Participant's reaching a Termination Date, for reasons other than death or Total and  
41 Permanent Disability, prior to the end of the DROP Participant's elected DROP participation period,  
42 the Participant will receive the monthly retirement income determined in accordance with Section  
43 [6.1]16.7, in the form of payment elected by the Participant pursuant to Section 8.2 when the  
44 Participant elected to participate in DROP, as adjusted for cost of living increases pursuant to Section  
45 6.8 during the DROP participation period and as adjusted for hours of unused sick leave, pursuant to  
46 Section 6.[8]1(d), based upon the DROP Participant's unused sick leave as of the DROP Participant's  
47 Termination Date. The DROP Participant's DROP Account will not be affected by the changes in the  
48 DROP Participant's unused sick leave during the period of participation in DROP. The Participant's

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DROP Account will be adjusted for investment gains and losses determined pursuant to Section 16.10 through as soon as reasonably practical before the date of payment, but reduced by the principal amount of Participant pick-up contributions made to the DROP Account pursuant to Section 16.7(b)(iv). The principal amount of Participant pick-up contributions made to the Plan pursuant to Section 16.7(b)(iv) will be retained in the Trust. The balance of the DROP will be paid as elected by the DROP Participant, in the form of: [ ] all determined as if the Participant had never elected to participate in DROP, but payable in the form of benefit elected by the Participant when the DROP Participant elected to participate in DROP. The Participant's DROP Account will then be reduced to zero dollars.]

(i) An Eligible Rollover Distribution, pursuant to Section 8.4;

(ii) A lump sum distribution, reduced by any elected or required

withholding for taxes; or

(iii) Any other form of payment allowed under the individually-

## 16.9 Limitations; Other Benefits of Employment; Segregation of Assets

(a) The benefits payable pursuant to this Article XVI shall be adjusted, if necessary, to conform to the limitations on the accrual of benefits pursuant to Section 6.6.

(b) During the period of a DROP Participant's participation in DROP, the DROP Participant shall continue to be eligible to participate in any health and welfare plan and deferred compensation plan, and receive any other benefits otherwise available to employees of the Frederick County Sheriff's Office and shall continue to be subject to the personnel laws, regulations and policies applicable to an Employee.

(c) The DROP Account is maintained solely for purposes of accounting for the DROP Participant's benefit from DROP. The Trustees shall be under no obligation to segregate funds from the Plan assets for the Participant's DROP Account.

## 16.10 Establishment of Investment Accounts

The DROP Account will be invested in one or more investment funds elected by the DROP Participant from among investment options provided by the Trustees, in their discretion. The DROP account will be adjusted monthly for earnings or losses based on the investment fund(s) selected by the DROP Participant.

## 16.11 Review of DROP

The Administrator will engage the Plan's actuaries to review the operations of the DROP as of July 1, 2026 to determine the level of the DROP's cost neutrality to the Plan.

END OF ARTICLE XVI

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