



Changes to your Pension Plan in FY20

New pension plan rates were recommended by the County's actuary and accepted by the Board of Trustees, at their June 26, 2019 meeting.

Employee Pension Plan Rates Effective July 19, 2019

Supplemental Pension Plans		
	Current Rates	Rates as of July 2019
General Schedule (Includes Corrections and Deputy Sheriffs Civilian)	3.34%	3.52%
Police Civilians	4.14%	6.42%
Fire Civilians	4.43%	5.04%
Crossing Guards	4.78%	6.24%
AFSCME	1.30%	1.35%
Deputy Sheriffs (Sworn)	5.20%	5.20%
Corrections (Sworn)	Hired before July 1, 1995 - 5.75% Hired after July 1, 1995 - 6.75%	Hired before July 1, 1995 - 5.75% Hired after July 1, 1995 - 6.75%

Comprehensive Pensions Plans		
	Current Rates	Rates as of July 2019
Police	Max- 10%; MID – 9%; MIN – 7.35%	Max- 10%; MID – 9%; MIN – 7.35%
Fire	Hired before 7/1/08 – 7% Hired after 7/1/08 – 10%	Hired before 7/1/08 – 7% Hired after 7/1/08 – 10%
Corrections	Hired before 07/1/95 – 12% Hired after 07/01/95 – 13%	Hired before 07/1/95 – 12% Hired after 07/01/95 – 13%
Deputy Sheriffs	Hired before 07/01/05 – 10% Hired after 07/01/05 – 11%	Hired before 07/01/05 – 10% Hired after 07/01/05 – 11%

How are pension benefit calculations changing?

In 2018, the County's pension plan actuary conducted an experience study and found significant changes to retirement activity and demographics within the County. Based on these changes, the actuary recommended changing life expectancy expectations for public safety and general employees. The Board of Trustees, at their November 28, 2018 meeting, voted to approve the use of the recommended factors in pension benefit calculations.

What are factors and what does this mean for your monthly pension benefit?

At the time of retirement, employees have the option of selecting a contingent annuitant (survivor annuity). *The purpose of this option is to provide a continued monthly pension benefit payment for the elected beneficiary's lifetime, upon the death of the retiree. The use of factors reduces the retiree's monthly benefit, enabling the pension plan to fund the future benefit of their nominated beneficiary. These factors are based on mortality rate assumptions.

In some but not all cases, the new factors will result in a lower "cost" for those who elect a survivor option at the time of retirement. The new factors came into effect as of July 1, 2019, and will be used to calculate all future pension benefits.

*Contingent annuitant eligibility rules differ by plan. Contact the OHRM Pensions and Investments Division at pensions@co.pg.md.us or 301-883-6390 with questions.

