

**PICK-UP RESOLUTION**  
**FOR THE MARYLAND STATE RETIREMENT AND PENSION SYSTEM**  
**OF THE TOWN COUNCIL OF CENTREVILLE**  
**RESOLUTION NO. 05-2021**

The Town Council of Centreville met at a duly called and authorized meeting on the date set forth below, such meeting being duly called pursuant to a notice stating the time, place and purpose of the meeting received by all [ 5 (five) ] members, and the following resolutions were made, seconded, and adopted by those present at the meeting.

**WHEREAS**, the Town Council of Centreville is currently a participating governmental unit in the Maryland Employees' Pension System and Retirement System (collectively referred to as the Employees' Combined System or "ECS"), and has elected to become a participating governmental unit in the Maryland Law Enforcement Officers' Pension System ("LEOPS") effective on July 1, 2021;

**WHEREAS**, law enforcement officers employed by the Centreville Police Department ("officers") will be eligible to participate in the LEOPS effective July 1, 2021, and all new officers hired on or after July 1, 2021 will be enrolled in LEOPS;

**WHEREAS**, the Town Council of Centreville has the authority to adopt this resolution on behalf of the Centreville Police Department;

**WHEREAS**, the State Retirement Agency has adopted procedures for reporting picked-up contributions in order to provide consistency in the administration of State law;

**WHEREAS**, in accordance with Annotated Code of Maryland, State Personnel and Pensions Article ("SPP"), § 21-313, an approved employer may pick-up all of the mandatory employee contributions for its employees participating in the Maryland State Retirement and Pension System; and

**WHEREAS**, by Resolution No. 04-2021, dated May 20, 2021, attached hereto, and upon approval of the Board of Trustees, the Town Council of Centreville became an approved employer with respect to the ECS, and now desires to confirm that it is an approved employer with respect to the LEOPS, and to pick up all of the mandatory employee contributions for the Centreville Police Department officers participating in the LEOPS;

**NOW, THEREFORE, BE IT RESOLVED**, that beginning on and after July 1, 2021, which is the effective date of the Town Council of Centreville's participation in the LEOPS, the Town Council of Centreville has determined to pick up all of the mandatory contributions by the employees who are members of the LEOPS through a payroll reduction;

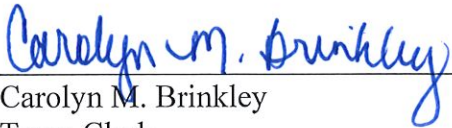
**BE IT FURTHER RESOLVED**, that said picked-up contributions paid by payroll reduction, even though designated as employee contributions for state law purposes, are being paid by the [the Town Council of Centreville] in lieu of said contributions by the employee;

**BE IT FURTHER RESOLVED**, that the pick-up treatment shall continue for all employees of the Centreville Police Department who participate in the ECS; and


**BE IT FURTHER RESOLVED**, that said members of the ECS and LEOPS shall not be entitled to any option of choosing to receive the contributed amounts directly instead of having them paid by the Town Council of Centreville to the ECS and the LEOPS. This pick-up applies to mandatory contributions that the employee is required to make to ECS and the LEOPS.

Dated this 20<sup>th</sup> day of May, 2021, and effective July 1, 2021.

**ATTEST:**

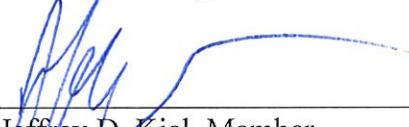
  
\_\_\_\_\_  
Carolyn M. Brinkley  
Town Clerk

**THE TOWN COUNCIL OF CENTREVILLE**

  
\_\_\_\_\_  
Timothy E. McCluskey, President

  
\_\_\_\_\_  
Steven K. Kline, Vice President

  
\_\_\_\_\_  
Robert R. Hardy, Jr. Member

  
\_\_\_\_\_  
Jeffrey D. Kiel, Member

  
\_\_\_\_\_  
Shelby C. Anania, Member

Notes:

1. Picked-up contributions will not be included in the gross income of the employees for tax reporting purposes, that is, for federal income tax withholding taxes, until distributed from the ECS and the LEOPS.
2. Picked-up contributions will be included in the gross income of the employees, for employment tax purposes, if required, as the contributions are made to the ECS and the LEOPS.
3. This resolution is designed to comply with the formal action requirement set forth in Revenue Ruling 2006-43, issued by the Internal Revenue Service. The resolution should only be used where the contributions to be picked up are mandatory employee contributions. This resolution does not apply if a participating employee from and after the date of the “pick-up” has a cash or deferred election right (within the meaning of Section 1.401(k)-1(a)(3)) with respect to designated employee contributions. Thus, for example, participating employees must not be permitted to opt out of the “pick-up”, or to receive the contributed amounts directly instead of having them paid by the employing unit to the System.