

COUNTY ORDINANCE NO. 09-12

A BILL ENTITLED

AN ACT CONCERNING the creation of a trust to fund costs of health insurance and any other post-employment benefits provided to eligible retirees of Queen Anne's County, the Board of the Queen Anne's County Free Library and the Board of Education of Queen Anne's County and matters in connection therewith.

FOR THE PURPOSE of providing for the creation of a trust to fund costs of health insurance and any other post-employment benefits provided to eligible retirees of Queen Anne's County, the Board of the Queen Anne's County Free Library and the Board of Education of Queen Anne's County; providing for the investment of money held in the trust fund by trustees appointed by the Board of County Commissioners; providing that such trust shall exercise an essential governmental function of Queen Anne's County in providing health insurance and any other post-employment benefits to former employees of Queen Anne's County, the Board of the Queen Anne's County Free Library and the Board of Education of Queen Anne's County; generally determining and providing for matters in connection therewith; and declaring the same to be an Emergency Bill affecting the public health, safety and welfare of Queen Anne's County.

BY AMENDING Section 4-12 O. of the Code of Public Local Laws of Queen Anne's County, Maryland.

SECTION I

BE IT ENACTED BY THE COUNTY COMMISSIONERS OF QUEEN ANNE'S COUNTY, MARYLAND that Section 4-12 O. of the Code of Public Local Laws be amended to read as follows:

4-12. Express Powers.

O. Investments.

(1) The County Commissioners may invest County money:

(a) In bonds or other evidence of indebtedness of the United States Government; or

(b) In federally insured banking institutions in the County if the banking institution pledges United States Treasury bills, notes, or other

obligations of the United States Government to secure in full the County funds deposited.

(2) The County Commissioners may create a trust to fund all or a portion of the health insurance and any other post-employment benefits provided eligible retirees of the County, the Board of the Queen Anne's County Free Library and the Board of Education of Queen Anne's County. Money appropriated by the County to the trust shall be held and invested in accordance with this subsection.

- (a) The trustees of the trust shall be appointed by the Board of County Commissioners and may invest, redeem, sell, exchange, and reinvest moneys under their custody and control in accordance with written policies established by the trustees. The trustees shall comply with fiduciary standards that at least meet the standards set forth in Title 21, Subtitle 2 of the State Personnel and Pension Article of the Annotated Code of Maryland in connection with any funds under their custody or control.
- (b) The trust shall exercise an essential governmental function of the County in providing health insurance and other post-employment benefits to former employees of the County, the Board of the Queen Anne's County Free Library and the Board of Education of Queen Anne's County. It is the intention of the County that the trust shall be treated and classified as a tax exempt trust under Section 115 of the Internal Revenue Code of 1986, as amended.
- (c) The trust is intended solely as a funding mechanism and does not create any obligation of the County, the Board of the Queen Anne's County Free Library or the Board of Education of Queen Anne's County to provide any benefit. No participant or beneficiary of a retiree benefit plan or current or former employee of the County, the Board of the Queen Anne's County Free Library and the Board of Education of Queen Anne's County shall have any right to any trust property.

- (d) To the fullest extent permitted by law, neither the trustees nor any officer, employee or agent of the trust shall be personally liable under any circumstances, except for his own bad faith or willful misconduct. The County shall indemnify the trustees and their heirs and personal representatives from and against any and all claims, costs and expenses (including legal and accounting fees and expenses) of any kind and nature whatsoever in any way related to or arising out of the trust or their service as trustees, provided that in the case of any criminal matter, the trustee had no reasonable cause to believe that his conduct was unlawful.

. . .

SECTION II

BE IT FURTHER ENACTED that this Bill is declared to be an emergency bill affecting the public health, safety and welfare of the County and if passed as such by at least a four-fifths vote shall take effect from the date of its passage, otherwise the same shall take effect on the forty-sixth (46th) day following its passage.

INTRODUCED BY: Commissioner Billups

DATE: May 26, 2009

PUBLIC HEARING HELD: June 23, 2009 @ 7:10 p.m.

VOTE: 5 Yea 0 Nay

DATE OF ADOPTION: June 23, 2009

EFFECTIVE DATE: June 23, 2009