



Retirement News Highlights

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Perryville nixes state retirement system

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PERRYVILLE — Saying it would be cost-prohibitive, town officials have decided against enrolling town employees in the Maryland State Pension System.

George Patchell, Perryville Town Administrator, said as town employees did research on the state pension they were getting differing answers from department heads.

“We also learned we’d have to do an actuary on each employee each year and the town would pay per employee,” Patchell said. He added that pension system trustees vote annually to decide what to charge the town.

An actuary is basically a risk analysis on each employee based on their age, health, job and other factors and using that to determine future costs.

“After a discussion with Debbie (Debra Sharpe, director of finance) we decided to look at other alternatives and the financial impact on the town in the future,” Patchell said. He added such a system would be especially of less value for the town police department, whose employees have shorter tenure than other staff.

Sharpe said a survey of town employees showed they want a better system.

“The town only matches 3%, which is extremely low,” Sharpe said, noting other towns match from 7- to 12%. “What if we brought it up to 6%?”

The mayor and commissioners agreed to keep looking for another pension system.