

## **Howey in the Hills Police Pension Board Meeting Minutes**

### **February 16,2023**

**Board Members Present:** Chief Rick Thomas - Chairman  
Lieutenant George Brown - Secretary  
Trey Purser  
Lynne Husemann  
Jonathan Arnold

**Board Members Absent:** Trey Purser

**Others and Members of  
the Public:**

Town Clerk John Brock, Town Finance Clerk Abigail Herrera,  
Ofc. Knox, Ofc. Johns, Ofc. Corbitt, Ofc. Corman, Ofc. Bond, Cpl.  
Hamelink, Ofc. Hemby. Kevin Stone Attorney, Jeremey Langley  
Investment Advisor

**Roll Call:** All member were in attendance:

Chief Thomas called the meeting to order at 4:00 pm. The meeting agenda is attached. The Chief noted that this was the police pension 4<sup>th</sup> quarter meeting.

Chief Thomas made a motion to change the agenda and allow Town Clerk Mr. Brock to go first to speak about the Core of Values for Civility and Ethics, Public Records training. Mr. Arnold second the Motion which passed unanimously.

Approval of minutes dates: Nov 17, 2022, Chief Thomas solicited a motion to approve the minutes of the meeting of the Police Pension Board. Mr. Arnold moved for approval and Ms. Husemann seconded the motion which was carried unanimously.

Investment reports are submitted to all pension boards members electronically. (Jeremey) was in attendance and went over the investment report. Jeremy advised the report had just come in and he had not had a chance to print it out and bring it with him. The actuarial evaluation came the day before this meeting, so the Chief opted to wait till the next meeting to speak about it.

Attorney reports – (Kevin Stone) “Discission” in attendance: Kevin noted he was not sending Francheska to send her had some scheduling conflicts. Kevin spoke about the Federal Secure acts, and he would get with Jeremey about it. The Town will need to adapt. Kevin spoke about the Sunshine and Ethics training and its importance. The voting conflicts rule are reasonable, and the affects it can have for people voting on things they are involved in. The Chief made a Motion to allow Kevin to work with Jeremey on the plan or document and have something by the next meeting. Mr. Arnold second the motion it passed unanimously.

Old Business: “Discussion &/or Approval”

- A. The Drop Plan – Do we pursue it? The Chief asked us to leave it on hold till we figured out what is going to happen with the FRS and then opened the floor for comments. Lt Brown disagrees and thinks we should move forward and not allow FRS to hinder adding the DROP. Lt Brown also noted this meeting we can’t move forward because we don’t have information on what the impact will be if any. Draw up a drop that is cost neutral per (Kevin) and ask to have that put in place. Jeremy advised there has been no impact statement yet. Jeremy noted if we need a document to bring to council to have a cost, if passed then you would do a true impact statement. Kevin suggested waiting and doing the master document and the drop at the same time since he would be coming back then the council could approve both of move forward with either. Chief noted he would find the emails and forward them to Jeremy and Kevin, and we would bring this back to the next meeting. Jeremy asked if we wanted a cost study done if one had not been done and Chief stated he would send him what he had.
- B. Pension Training Date: December 13, thank you for attending (Discussion Only). Chief thanked everyone for attending.
- C. Email accounts working well? (Discussion only). The chief asked about the accounts, and everything is working well.

New Business:

- A. Town researching the FRS retirement option, Town till moving forward with communications with FRS (Discussion only). (Finance Clerk Abigail) spoke and noted they had not received much and if the state was waiting for the results of our vote. The current vested officers can stay in the same plan of switch but cannot be on both. The town would not invest in both. There were documents provided to each officer to vote which way the officers wanted to go moving forward. Ms. Hussmann asked what the vote was about and if it was about getting more information. Abigail stated that they would be able to switch but if the vote was yes, the new officers would be automatically put into the FRS. Kevin spoke about the FRS and what he knew about the comparisons between our plan and the FRS. Very Similar Benefit by having local law plan it get money from state from the premium tax benefit. Kevin said there is not enough information based on voting on something based on what is being provided. Lt Brown stated what we would have to vote on something to receive more information. Why are we tied to voting for information, looking at our investment plan and the numbers are comparable and if I say yes, we are tied to it. Abigail, the first vote is to proceed, and later have the choice to opt for the plan and the future officers will be going into the FRS. Ms. Hussmann asked about FRS being a perk to bring new officers and Chief stated yes and no. The Chief asked if anyone had any more questions for Abigail because of time. Ofc Hemby stated he had general FRS questions but was not sure anyone in the form could answer them or wait till another day. Jeremy stated he wanted to pig back off the attorney and coming off one of the worst years for investment based on the way they are allocated since 08/09. The plan is still at 119 percent fund

the current contribution rate is lower than FRS speaking about the town side contribution rate. Butting up to peak amounts might not be great the next few years. The contribution rate maybe come down, but the FRS is going to continue to go, and the state would like to see the defined benefits go away n Jeremy. Jeremy also noted the town had a better fund plan and the town pays less. Enhance the current plan and attract candidates and make it more lucrative. Take a health plan and go to another plan and subsize. Cost savings if managed by the town and giving FRS its due based on its portability. Jeremy even suggested allowing them to build their own plan which would be more cost effective. Abigail noted there are some that have time already invested in the FRS. Kevin noted every year there is a bill introduced to eliminate the defined benefit and getting something like a 401K. Lt Brown asked what could be done to keep from forcing new officers into FRS. Chief circled back to Ms. Husemann, Chief note he thought it would be a benefit, but then we could see an influx of people starting here and leaving to big agencies and we suffer. The Chief also stated that the main thing is we lose control of the retirement going to FRS, our plan allows us to change the benefits within our plan. Mr. Arnold noted that he experienced something like the pension change in the air force and when things get changed it not to benefit you but to benefit others. The Chief noted the main thing driving the FRS is people in the town already have time. Ms. Husemann noted if we vote yes we are wanting information and new hires will be offered FRS and if we vote no will they be offered FRS. Chief noted that the plan seems to be if adopted it would place all new officers in FRS. Chief also noted we had another meeting if needed and provide everyone with information need to find out what they need, it is there futural Brown asked who was the shortest time frame to vest. They would have to do the same number of years in our plan and FRS, and the big things we lose control and town pays more money. Jeremy state instead of paying more change the fringe benefits in our current plan. Mr. Arnold spoke about having benefits to attract las retention as well. Lt. Brown stated that we would become a stomping ground for FRS employees because they can jump around. Jeremy noted if the plan was closed, and new people were forced into FRS the cost of our current plan would go up because there would no longer be anyone contributing. Kevin spoke about the loss of the subsidy, and what are the town reasons for going this way. The Chief noted if we vote not the town is moving forward with FRS, but Jeremy then noted they cannot force people into the FRS. The state can't but an ordinance can be changed to do that. Jeremy noted the state subsidy sets our plan way apart from FRS. Ms. Husemann stated that if the officers say then the new officers can go into the current retirement plan. The Chief also stated he could get the board to draft a letter to keep current and future employees in the current plan. The Chief noted that the plan is based on assets and liabilities and how it is structured to be sustainable. Ofc Hemby spoke about buying into FRS and what the cost is. Jeremy said the police have no impact but can ban together to show their stance. The Chief state FRS employees contributed 3 percent and under our plan we currently we contribute 5 percent. Lt brown asked can we be forced into FRS, Jeremy said what they could do is freeze the plan and it would hold and then we would be moved to FRS and what you have accrued will hold. The Chief then stated the town would lose the state subsidies. Kevin noted if they terminate

the plan, they have a year or so to distribute the benefits. The Chief gave a brief rundown of what has occurred so far in the meeting to Ofc. Corbitt. Ofc Hemby asked if we keep current plan can we look at the benefits and possible making changes. Ofc Corman stated on the voting form it states if you checked yes, you are in favor of joining the FRS. Chief noted on March 1<sup>st</sup> we would reconvene to speak about the plan. Kevin noted going to FRS could have more of a financial impact on the town now and in the future. Lt Brown noted that everyone in the room is currently in the pension system. Ofc Hemby it is more of a concern, with possibly being forced to go into something else. The Chief stated he was under the assumption they were going to leave it alone if we choose not to participate.

- B. Core of Values for Civility and Ethics, public records training: John Brock presenting. This was moved to the top of the agenda by a motion.

Consent agenda: Bills and Expenses Paid: Nothing on Consent agenda.

Chief solicited Board Member comments:

Trey Purser – Not in attendance

George Brown – If you have questions about the pension, I have knowledge and can help better understand our plan if needed. Be smart about the decision because it can affect you for your life.

Lynne Husemann – No comment

Rick Thomas – Thank you for coming and we will stay scheduled for the 1<sup>st</sup> of March. The Chief made the motion to adjourn it was second by Lt. Brown and passed unanimously.

John Arnold – No comment

No Public Comment

The meeting was adjourned at 5:57 PM

Respectfully Submitted,

George Brown  
Acting secretary

