

**TOWN OF INDIAN SHORES POLICE OFFICERS' PENSION TRUST FUND
PENSION BOARD OF TRUSTEES SPECIAL MEETING MINUTES
Municipal Center, Fourth Floor, 19305 Gulf Blvd., Indian Shores, FL 33785**

Thursday, August 29, 2019 at 4:00PM

TRUSTEES PRESENT: Mark McKee
Justin Guillory
Matt Ehrhart
Daniel Bauer

TRUSTEES ABSENT: Don Vinel

OTHERS PRESENT: Bonni Jensen, Klausner, Kaufman, Jensen & Levinson
Ferrell Jenne, Foster & Foster

1. **Call to Order** – Matt Ehrhart called the meeting to order at 4:19PM.
2. **Roll Call** – As reflected above.
3. **Public Comments** – None.
4. **New Business**
 - a. Discussion of pending proposed Ordinances
 - i. Bonni Jensen briefly reviewed the Chief opt-out proposed Ordinance. Bonni commented the Town contacted her last week and requested the current Chief to be able to opt-out of the pension plan. Bonni commented they are looking to change the Ordinance to mirror Chapter 185. Bonni informed the board the current proposed Ordinance passed first reading. Bonni reviewed some tax related issues that could arise if the plan allows the current Chief to opt-out. Bonni commented the tax issues will take extensive research and she didn't want to incur fees or change the language without board direction.
 - ii. Bonni Jensen commented the Chief did voice the want to opt-out of the plan upon his initial hiring. Bonni reminded the board they are a Chapter Plan. Bonni reviewed the issues that will need to be addressed in order to allow the current Chief to opt-out. Bonni commented plans that have a Chief opt-out provisions allow those departments to attract seasoned Chiefs who may not stay long and will therefore not vest in the pension plan. Bonni commented the Chief would go into the Town's DC plan and the contribution rate is higher than that of the DB plan.
 - iii. Bonni Jensen suggested the Ordinance amendment should be retroactive to the Chief's hire date. Bonni commented she will defer to the Town's attorney to make the amendment retroactive. Bonni commented from an IRS prospective, retroactive amendment are very common. Bonni stated the pension board had no authority to change plan provisions or benefits, but they can approve proposed Ordinances and send them to the Town for consideration.
 - iv. Bonni Jensen commented the Chief has made contributions into the plan, but the Town has not yet made any contributions, as an actuarial valuation report hasn't been done since he has been hired. Bonni commented the Town would have to decide on what to do with the contributions that were made by the Chief.
 - v. Bonni Jensen reviewed the actuarial impact statement that was done by GRS. Bonni informed the board Chapter 185 has a Chief opt-out provision, but the specific language is not included in the current plan Ordinance. The board discussed the downside of the Chief opt-out

provision. Bonni commented the only negative is if the Chief is able to opt-out of the plan, his/her contributions would not be deposited into the plan.

- vi. Matt Ehrhart commented the prior Chief was promoted from within the department and that is the reason this hasn't come up before.

The board gave Bonni Jensen authority to amend the proposed Ordinance to track the State Statutes upon motion by Daniel Bauer and second by Mark McKee; motion carried 4-0.

The board directed Bonni Jensen to make the Chief opt-out provision retroactive upon motion by Mark McKee and second by Matt Ehrhart; motion carried 4-0.

5. **Adjournment** – The meeting adjourned at 4:40PM.

6. **Next Meeting** – September 18, 2019 at 4:30PM, Quarterly Meeting

Respectfully submitted by:

Kim Kilkogore

Ferrell Jenne, Plan Administrator

Kim Kilkogore

Date Approved by the Pension Board:

Approved by:

M.Ehrhart

As: Chair

9/18/19