

**Frankford Town Council
Work Shop
Minutes**

July 31, 2014

Town Council	Joanne Bacon, Vice- Pres.
Roll call:	Cheryl Workman, Sec/Treasurer Pamela Davis Charles Shelton- Absent Jesse Truitt- Absent
Town Employees:	Terry Truitt, Town Administrator
Town Attorney:	Dennis Schrader
Others:	Marty Presley Kathy Murray Elizabeth Carpenter Velicia Melson Greg Welch Janet Hearn Jerry Smith Bernard Lynch Robert Murray

The Workshop meeting of the Frankford Town Council was opened by Vice-Pres. Joanne Bacon at 7:18PM.

A motion was made to accept the agenda as posted by Pamela Davis with a 2nd by Cheryl Workman. Motion was unanimous.

Presentation:

Vice-Pres. Joanne Bacon acknowledged Marty Presley in attendance.

Mr. Marty Presley presented Council and those in attendance with a packet for review while giving his presentation which was for the purpose of obtaining information/ clarification on the various types of pensions available. (Copy on file with these minutes). Mr. Presley clarified that while employed by Met Life he was present as a private citizen and not a representative of Met Life noting he has thirty (30) years

Mr. Presley questioned if the three (3) year buy in budgeted included paying the employees contribution? Dennis Schrader replied that no decisions have been made while money has not been allocated it as having been set aside.

Mr. Presley reviewed the various plans including IRA's, 403B's which the various investment options/ participation were outlined.

Mr. Presley outlined the State of Delaware already offers a 403B Plan. Dennis Schrader questioned the difference between the two being the fees? Mr. Presley noted the fees vary between the plans. Mr. Presley noted the main issue with the State Plan is that once you join you cannot get out of it short of disbanding the Police Department.

Terry Truitt noted the Sussex County grant can be used toward the police portion in an approved pension plan but cannot be used toward the allocation of municipal employees.

Cheryl Workman noted that shortly after Nathan Hudson was hired the Town Council noted a pension would be forth coming. She stated that given the delay now three years in moving toward that direction is how the three years (buy in) was derived.

Kathy Murray noted Marty Presley's figures may be wrong based on the 11 month accruals. Joanne Bacon replied the proposed budget did cover full twelve (12) months actuals.

Robert Murray questioned if the council was aware of the \$65,000 was to pay the employee portion? All Council members responded no but was not sure if it were to be inclusive of both employer and employee portions.

Joanne Bacon questioned Mr. Presley if an employee leaves the Town's employment is the Town still responsible for making the contribution toward their retirement plan? Mr. Presley replied no.

Jerry Smith commented that it was not wise to base the grant money received to offset the pension expense.

Cheryl Workman noted Terry Truitt was asked to contact the County with regards to the possibility of using the County grant funding for pension reimbursement. Terry Truitt added the budget for the County grant would require approval by both the County and the Town. She added the Town would then show evidence of expenditure to draw the reimbursement.

Edward Ash questioned if a person passes away does the account have to be rolled over? Mr. Presley questioned which plan he was referring to as each have their own requirements.

Robert Murray questioned if the benefit package of a pension and health care benefits to be combined discussion/ decision? Dennis Schrader noted the shift would go between pensions to health care.

Mr. Presley noted the Affordable Health Care Act deserves to be reviewed even though he is not a fan of it.

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Vice-Pres. Joanne Bacon thanked Mr. Presley for his presentation.

There being no further business, a motion to adjourn was made by Cheryl Workman with a 2nd by Pamela Davis at 9:00 PM. Motion was unanimous.

Respectfully submitted,

Terry H. Truitt
Town Administrator
Town of Frankford