

The regular meeting of the Thurmont Police Commission was held on Wednesday, April 23, 2008 at 7:30 p.m. Present were: Chairman Thomas Iaccarino; Paul Nolan; Kirby Delauter; Richard Little; Keith Naff; Edwin Hutson; Commissioner Muth, and Mr. Kenny Oland.

First, Chairman Iaccarino welcomed Kirby Delauter as the newest member to the Police Commission.

Next, Chairman Iaccarino introduced Sherlynn Matesky, Deputy Director Legislation of the State Retirement System of Maryland. Ms. Matesky will present the Law Enforcement Officer's Pension System to the Police Commission.

Ms. Matesky provided background on her work history at this time. She started with the agency in the 90s. She then came to her current job in 1998. In 2000, the LEOPs plan was enhanced to what you will see in this summary plan. The City of Cambridge became the first municipality to enter LEOPs. This event started the flood gates on the Eastern Shore. Each year, she receives more calls to enter into LEOPs.

LEOPs is a more expensive plan, but it is tailored for public safety. The Town of Thurmont came into the Employee's Contributory Pension System. In 2006, The ECPS was again enhanced. Currently employees are in the ACPS, Alternate Contributory Pension System.

Membership: you will withdraw a group from the ACPS and transferring them to LEOPs. You can only withdraw and transfer as of June 30th on each fiscal year. We would be looking at joining July 1, 2009. It is optional for those police officers who are active on your payroll by June 30th. Anyone hired after July 1, must be in LEOPs as a condition of employment.

Member contributions: Each member contributes 4%. For the ACPS, it will be 5% as of July 1.

The eligibility to retire is 25 years or age 50. It was emphasized that public safety is a "young man's" game. There is no early retirement.

The allowance is 2% for each year of service up to a maximum of 30 years, or 60% of your average final salary.

Cost of Living is a 3% max. compounded COLA.

Ordinary disability: If you have 5 years of service and are permanently incapacitated, you are paid as if you would have worked to age 50.

Accidental Disability: You are permanently incapacitated, arising out of your job duties, would be 2/3 of average final salary. If you are disabled, you can receive other employment as long as you are no longer a police officer.

Special Death Benefit: If death occurs in the line of duty (or if you die with 2+ years of service), then 2/3 of the average final salary monthly benefit goes to the spouse, or children under the age of 18.

Vested benefit: You are vested with time for five years. If you have five years, and decide to go to another agency, they would have a benefit at age 50. You have to work your five years to be vested.

Employment after service: You have no earnings limitation if you go to another agency.

Survivor benefits: Your base allowance already provides a 50% benefit to your spouse. All benefits are lifetime benefits.

Drop program: A deferred retirement optional program. Once a Law Enforcement Officer has 25 years, you can choose to go into drop. You retire on paper. Your retirement monthly allowance would go into an account while you continue to work, and at the end of your drop period. You would then actually retire and receive your monthly benefit.

Each year, the actuary determines what the contribution rate will be. For FY09, you see a rate of 30.53% of pay. Last year, it was 36%. We expect it to go up for FY10. That compares to about 7.34% that is currently being paid for the ACPS. When you transfer your police officers, you will bring over whatever assets they have from the employer's end into LEOPs. For 95% of municipalities that transfer to LEOPs, they usually received a credit, not a liability. The younger your officers, the greater the credit. You only have to do a final evaluation after you transfer. You can do a preliminary evaluation; however, at \$5500, this year's cost. The preliminary will give you an estimated cost. She suggested waiting until the summer for a preliminary, or we can wait until January and use FY10 rates.

If you go into this program, you have to plan to go into it for the next 25 years. This is not a short term program. For example, Hancock dropped out of the program after 2 years.

Ms. Matesky mentioned that this process is realistically a year long process. The next step, if interested, would be to request a preliminary evaluation. The evaluation usually takes about 6 weeks. She again suggested waiting until July 1.

Again, this rate has not been out the 30s for the past 8 years. A five-year smoothing is applied in order to prevent huge swings in data.

Chairman Iaccarino thanked Ms. Matesky for her time.

Commissioner Muth asked whether it would be more beneficial to pay an extra 25% to get this retirement system, or just offer the employees a 25% raise. Mr. Nolan and Mr. Oland provided comments to support the retirement system. Mr. Delauter asked that the math be done to determine the extra amount the Town would need to pay based

on this year's percentage rates. Commissioner Muth suggested that is something Chief Eyler could complete. Chairman Iaccarino stated he is working on new salaries and could crunch the numbers. Comm. Muth did some round number comparing and came up with approx. \$70,000 extra per year. He also suggested Chief Eyler put the \$5500 for a preliminary evaluation into his upcoming FY09 budget. Comm. Muth also suggested asking Rick May what the cost was to the Town when we joined into the plan under the employee plan. It was suggested that Ed contact Ms. Matesky as a follow up by asking her for the costs to other agencies, their names not included, for us to examine.

The first item on the agenda was the approval of the March 26, 2008 meeting minutes. A motion was made and seconded to accept the minutes. The motion passed unanimously; however, it was noted that it is not necessary in the future to type people's comments verbatim.

The second item was a police activity report for April 2008. Chairman Iaccarino noted that Chief Eyler is out sick. He suggested that all members review that statistics provided and ask Chief Eyler any relevant questions at May's meeting.

The next item addressed the status of the Police Commission projects. First project addressed was the Open House for the new Police Station. Mr. Nolan noted that the group met once since the last TPC meeting. Mr. Little is preparing estimates for the food. The group is in the process of getting quotes together to come up with a budget to present to the Board. The Open House will be in September. Mr. Little noted that he found out there will be no activity on the fields next to the new Police Station on September 6th. Therefore, parking issues should not be a concern. We estimate 200 – 250 invitations and the program should last about 1 hour. Mr. Little is responsible for sending the letter and invitation to the President. This invitation should go out some time in May. A Cub Scout and Brownie Troup will be present for the Pledge of Allegiance. The Star Spangled Banner singer has yet to be determined.

Commissioner Muth asked about parking direction. Mr. Nolan stated that Chief Eyler already has that item taken care of. Regarding flags, Rick May says there are flags in the office. Mr. Nolan also stated to see if we can get flags that were flown over the State House. There will also be a guest book, and invitations and programs are currently being worked on.

Regarding benefits, Mr. Hutson noted that most of his research has been with LEOPs. He explained to Mr. Delauter, the newest member, that the TPC is working on a new benefit system in order to retain current officers. Chairman Iaccarino thanked Mr. Hutson again for bringing Ms. Matesky to the meeting.

Regarding Recognition/Service Awards Program, Chairman Iaccarino noted that he spoke with Mr. Canada, President of the Thurmont Lion's Club. Mr. Canada stated that presenting an Officer of the Year Award is part of their Charter, and they will have to bring that topic before their Board before a decision can be made.

Regarding Salary Review, Chairman Iaccarino noted that Chief Eyler sent out a letter to a number of different police agencies. Chairman Iaccarino stated he received a

ton of information regarding recent salaries, projected salaries, etc. He is currently sorting through that data, and will be meeting with Chief Eyler in the middle of the week to compare ideas and see how the information should be presented. He did mention that the data has definitely changed since 2006, when it was last reviewed. Mr. Oland suggested that a shift differential pay be looked into as well.

Chairman Iaccarino asked if there was any new business to be discussed. Commissioner Muth noted that Brian Williar will start with the Police Department on Monday as the Lieutenant. He will be sworn in Monday night. Also, Vince Testa will be sworn in on May 12th. Mr. Nolan asked if the recruit testing had taken place yet. I responded that the testing will be held on the first Saturday in May.

Mr. Little asked that when the Open House Invitations are available, that he get one right away to mail to the President.

Chairman Iaccarino asked if there was any other new business. There was none. He asked if any old business needed to be addressed. Commissioner Muth stated that he feels the building still has some work to be done. On that subject, Mr. Nolan inquired why the Town crew was installing the lights. Commissioner Muth noted that the Board of Commissioners voted that way in order to save money. Mr. Nolan commented that a crew was hired to clean the floors because the Town staff was too busy, yet Butch and his crew were on site installing lights. Commissioner Muth stated that he was unaware and would ask regarding the matter.

No further old business needed to be addressed.

A motion was made and seconded to be adjourned. The Commission voted unanimously. Meeting adjourned.

Respectfully submitted,

Carrie Stumpf