

BERKS LEHIGH REGIONAL POLICE COMMISSION / BOARD OF SUPERVISORS

A special joint meeting of the Berks Lehigh Regional Police Commission (BLRPC); the Board of Supervisors of Upper Macungie and Maxatawny Townships; and the Mayors and Borough Councils of Topton and Lyons Boroughs was held on September 22, 2014, at Fire Station 56, 6510 Schantz Road, Allentown, PA, at 7:00 PM. Those present for commission were: James M. Brunell and Samir P. Ashmar (Upper Macungie Township); Allen Leiby (Maxatawny Township); BLRPC Chairman Tom Biltcliff and Michael Wagaman (Topton Borough); and, Steve Haring (Lyons Borough).

Others present: Kevin Mushano, Esq., Robert Arndt, Stephen Beck, K. Ray Stauffer, Daniel P. Olpere, Kathy Rader, Andrew Schantz, Esq., Sean Summers, Esq., David Tyson, Edward J. Earley, and Charles Friedlander.

Chairman Biltcliff opened the meeting and asked all present to join him in the Pledge of Allegiance to the flag of the United States of America.

At this time:

- Chairman James M. Brunell called the meeting to order for Upper Macungie Township.
- Alan Leiby was authorized to speak for Maxatawny Township
- Kap Stauffer called the Topton Borough Council to Order.
- Steve Haring was authorized to speak for Lyons Borough

The minutes from the August 18, 2014, meeting were approved as recorded.

The bill for Municipal Finance Partners, Inc., of \$2,300.00 was tabled for lack of funds.

CORRESPONDENCE

Maxatawny payments of \$1,393.46 received
Topton payments of \$545.63 received

PMRS Correspondence – emails and documents relating to the transfer of the BLRPC PMRS Account, were received for review and approval at the September 22, 2014 meeting.

OLD BUSINESS**1. Pennsylvania Municipal Retirement System – Charles Friedlander**

The 2014 Minimum Municipal Obligation (MMO) payment of \$81,698.00 is due December 31, 2014, for the BLRP Pension. Actuary Charles Friedlander explained the estimated plan segregation results, as of January 1, 2013, as follows:

For The Aggregated Plan – Actuarial Accrued Liability \$7,085,167; Assets \$5,636,163
Carried Over for the UMT Plan - Actuarial Accrued Liability \$3,941,510; Assets \$1,789,758
Remaining in the BLRPC Plan – Actuarial Accrued Liability \$3,143,657; Assets \$3,846,405

Presently, there are ten participants remaining in the BLRPC Plan. If the plan remains in existence, the Berks Lehigh Regional Police Commission will have to also exist until the last participant is deceased. This could be several decades. In addition to paying an annual MMO to the pension, there would be other costs incurred, i.e. audits, legal fees, etc. Therefore, each municipality would have to pay their percentage of the costs, each year, until the Commission could be dissolved. If Upper Macungie Township agrees to take over the BLRPC plan and merge it with the UMT plan, the Commission could dissolve at that time. Ashmar stated that the pension issue must be resolved and documents submitted by the November 20th PMRS meeting or the existence of the BLRPC will be extended into next year. This could cause a great expense for all four municipalities.

After some discussion, should the plans be merged, the shortfall would need to be satisfied before UMT would even consider taking the Aggregated Plan. The estimated shortfall for the Aggregated Plan is \$1,449,004.00. Each municipality would have to pay their respective percentages, UMT 76.06%; Maxatawny 16.60%; Topton 6.5%; and Lyons .84%, of the \$1,449,004.00 to make the pension fully funded.

In addition to satisfying the shortfall, before PMRS will consider merging the plans, 75% of the present participants (8 out of the 10) must agree to be merged with the Upper Macungie Township Police Pension Plan. If there being a favorable vote, the BLRP Commission must then adopt a Resolution to

merge the plans. Upper Macungie would then need to adopt an ordinance to accept the assets and liabilities of the BLRP Pension Plan.

Upper Macungie Township – VC Ashmar made a motion to agree to have the BLRP Pension Plan merge with the UMT Police Pension Plan, conditional upon the plan being fully funded by the respective percentages of the four participating municipalities and a favorable vote from the ten existing participating officers (or former officers) in the BLRPC Plan. Chairman Brunell seconded the motion and unanimous.

Ashmar then made the motion to have latitude to negotiate to pay PMRS until the end of 2014. Chairman Brunell seconded the motion and it was unanimous.

Maxatawny Township – Leiby reported that Maxatawny is willing to pay liability and dissolve commission.

Borough of Lyons - Steve Haring stated Lyons would be in favor of the proposal as presented. However, there is no quorum and needs to go through a meeting.

Borough of Tipton – Is willing to accept the proposal, however, does not have all of the money to pay their portion of the shortfall, at this time. After much discussion, a separate agreement between Upper Macungie Township and the Borough of Tipton could be executed to have Tipton reimburse UMT the estimated \$32,000.

UMT Vice Chairman Ashmar then made a motion that, if the other members fund their portion of the shortfall, Upper Macungie Township enter into a separate agreement with the Borough of Tipton, drafted by Solicitor Schantz, allowing the amount of the estimated \$32,000, interest free, to be paid in full by June 30, 2015. (The agreement document will have the exact amount.) UMT Chairman Brunell seconded the motion and it was unanimous.

Solicitor Koch & Actuary Friedlander will draft the letters and send them out to the current participants for their vote.

Friedlander will find out where to send the check for the PMRS shortfall.

2. Resolution No. 2014-01

Resolution to withdraw the BLRP Commission's Pension Plan from PMRS and merge with the Upper Macungie Township Police Pension Plan. Upon a motion by Commissioner Leiby, seconded by Commissioner Brunell and unanimous, Resolution No. 2014-01 is hereby adopted.

3. Gross Complaint – Reimbursement

Commission Ashmar stated that this matter has been resolved and the officers reimbursed by Upper Macungie Township.

Solicitor Koch will get quotes for the cost of an audit. Only pending expenses, at this time, are Koch and Friedlander's fees.

Solicitor Koch went over the details of the dissolution agreement.

Upper Macungie Township will meet on October 9th at 3:45 PM to consider the ordinance to accept the BLRPC Pension Plan.

There being nothing further from the commission members, a motion was made by Commissioner Wagaman, seconded by Commissioner Haring...the joint meeting of the Berks Lehigh Regional Police Commission with Upper Macungie Township, Maxatawny Township and the Boroughs of Tipton and Lyons is hereby adjourned at 10:10 PM.


Kathy A. Rader
Secretary