

**WEST HANOVER TOWNSHIP BOARD OF SUPERVISORS
7171 ALLENTOWN BOULEVARD, HARRISBURG, PA 17112
MONDAY, JUNE 29, 2015**

WORKSHOP SESSION

CALL TO ORDER – 6:00 p.m.

Chairman Klein called the workshop to order at 6:00 pm.

ROLL CALL

Harold Harman, Supervisor
Jay Megonnell, Vice Chairman
Gloria Zimmerman, Supervisor

Adam Klein, Chairman
Don Steinmeier, Secretary-Treasurer

PUBLIC COMMENT: None

OLD TOPICS: None

NEW TOPICS

R. J. Hall-Pension Plan- Mr. Hall reviewed with the board the specifications and details of the pension plan the township offers to employees. R. J. Hall currently represents approximately 120 municipalities with retirement plan assistance. Mr. Hall provided information regarding a defined benefit plan which most municipalities offer and the defined contribution plan which the township offers. He addressed the suggestion that new hires receive a 7% employer contribution and 3% employee contribution rate. In Pennsylvania there are no rules and regulations relative to non-uniform pension plans, in essence you can do whatever you want. His concerns are that if the township has the same class of employees and benefits are reduced for new employees versus current employees it would be considered discriminatory activity. The second class township code states that a township cannot provide a lower benefit to active employees lower than what is provided to a working supervisor. Mr. Hall suggested that if the board wants to lower the township contribution that it be for the entire staff. There was discussion that very few township have employees contribute to their pension plans and that most townships have defined benefit plans. Mr. Hall suggested that the solicitor review the second class township code. He again suggested that if the board wants to make changes that the changes will affect all employees. Mr. Megonnell asked if new employees could have a defined benefit plan and current employees remain with the defined contribution plan. Mr. Hall suggested that the board change to a defined benefit plan for all employees. He said he will look into any plans that the board requests. There was discussion regarding the amount of state aid contributed and the township contribution to the employees. He suggested that the board meet with Benecon which is a company that works with townships to develop and administer health insurance. Benecon may be able to help the township reduce health insurance costs and obtain a rebate. Mr. Megonnell asked the Mr. Hall set up a meeting with Benecon to make a presentation to the board. Mr. Harman commented that his pension plan will be used to pay for his health insurance when he is retired and that Mr. Megonnell and Mr. Steinmeier do not have to pay for health insurance. Mr. Megonnell and Mr. Steinmeier stated that their medical insurance is deducted from their pension plan. Mr. Hall ended his presentation by briefly reviewing the investment performance of funds that are in the township pension plan. Each quarter the accounts are reviewed both quantitatively and qualitatively.

Mr. Rosario informed the board that he was contacted by Lower Paxton regarding a road closure which will affect Sarhelm Road and Old Jonestown Road beginning July 6th. Mrs. Zimmerman commented that a letter should be sent to Lower Paxton stating that they should have notified the township weeks ago. There was discussion and the board directed Mr. Rosario to contact Lower Paxton to have signs put up to inform residents of the closing and the detours. Mr. Megonnell said Mr. Rosario should put signs on the resident's doors and bill Lower Paxton for the signs.

Mr. Rosario informed the board of a request from UGI to obtain a 10 foot of right-of way on township land to install natural gas to the resident at 332 Windcrest Road. There was brief discussion regarding this request and the board has no problem with UGI working in the working in the township right-of-way. Mr. Rosario will contact UGI to have them coordinate all work with Mr. Harman.

Mr. Steinmeier asked Mr. Rosario if he has been contacted by Pennsylvania American Water regarding installing a water line to the recreation building. Mr. Rosario stated that he called three times and left messages but no one has returned his calls. Mr. Steinmeier suggested that he contact the president to get an update.

Mr. Steinmeier asked for an update on the water condition at the recreation center. Mr. Rosario said that all tests have come back good. There will be six random tests completed this year.

Mr. Rosario briefly reviewed the email from Mrs. Fesig regarding the projects proposed for 2016. There was brief discussion regarding the proposed projects. He asked the board to email him with any comments or suggestions on the proposed projects. Mr. Megonnell suggested that Mr. Harman call East Hanover Township and see if we can work together to get parking lot at Fairville Park paved.

Mrs. Zimmerman asked the board if they would like to sponsor a tee at the WES business association golf tournament which is being held on July 10th. It was the consensus of the board for the township to sponsor a tee.

Trilogy Group Benefits, LLC-Medical, Dental, Vision Insurance- Mr. Alfonso provided a brief overview of the benefits provided to the employees. He explained the Affordable Care Act and commented that the township is compliant. Mr. Alfonso commented that last year's renewal went well and rates went down. The township's current insurance rate is the same as it was eight years ago. Mr. Steinmeier asked if the township can have new employees pay 15% of the premium. Mr. Alfonso said that due to the Affordable Care Act there can't be different classifications and therefore all employees must pay the same percent of the premiums. Mr. Alfonso explained the Cadillac tax which will be effective for taxable years beginning after December 31, 2017. An excise tax will be imposed on high cost employer-sponsored health coverage. He explained that the government defined Cadillac tax by premium dollars not benefit structure. There was discussion regarding the current plan and what procedures are covered. Mr. Steinmeier asked if the Affordable Care Act cause rate increases. Mr. Alfonso said that the rate increases will affect individuals but will not affect the township's group plan. Mr. Rosario asked if Mr. Alfonso has started working on the 2016 renewal. Mr. Alfonso said he has not received renewal information from the carrier.

OTHER BUSINESS: None

ADJOURNMENT: 7:25 PM