

UPPER MERION TOWNSHIP BOARD OF SUPERVISORS
JOINT MEETING
APRIL 14, 2016

The Board of Supervisors of Upper Merion Township met for Joint Meetings on Thursday, April 14, 2016, in the Board Room, in the Township Building in King of Prussia. The meeting was called to order at 7:05 p.m., followed by a pledge to the flag.

DISCUSSIONS:

POLICE CITIZEN ADVISORY BOARD

Supervisors present were: Greg Philips, Bill Jenaway, Erika Spott, and Carole Kenney. Also present were: Dave Kraynik, Township Manager; Sally Slook, Assistant Township Manager; Tom Nolan, Chief of Police; Jennifer Schauble, Chairperson; Judie Nuskey; Frank Rodrique, Vice Chairperson; Alison Andrei; Harry Nuskey, Community Relations Officer; Angela Caramenico, Assistant to the Township Manager. Supervisor Waks was absent.

Ms. Jennifer M. Schauble, Chairperson, highlighted a variety of ways the Police Department interacts with the citizens of the township:

- Fingerprinting of children:
 - There were approximately 100 kids fingerprinted at different events including the Police Week Demonstration at the King of Prussia Plaza, Upper Merion Farmers Market, Camp Beech Tree at Candlebrook School and Camp Beech Tree at Roberts Elementary School.
- National Prescription Drug Take-Back Day, formerly sponsored by the Drug Enforcement Administration, is now done in conjunction with the Montgomery County District Attorney's Office twice a year throughout the county in April and September. Last year 170 pounds of unused or unwanted medications were collected. It was noted medical return boxes are in the police lobby for disposal of medications throughout the year. Residents are welcome to dispose of any unused, unwanted or expired medical prescriptions or any unused pharmaceutical controlled substances at any time during the year.
- Safety Presentation in conjunction with Lafayette Ambulance
 - Summer Safety Presentation for all elementary schools last year and it is anticipated this presentation will be made again before school lets out in June.
 - Park and Recreation summer camp counselors - it is anticipated

the Park and Recreation Department will request this be done before camps begin in June.

- Police Week
 - National Police Week celebrated next month, with a demonstration at the King of Prussia Plaza on May 21, 2016.
 - Police Memorial Day, May 15, 2016
- Annual Cop Camp held last year on June 15 through June 19, 2015
 - Program for ages 11-13 who live in the township
 - 24 cadets and multiple UMPD officers from all divisions of the Police Department
 - Designed to educate on Police Department job responsibilities and activities along with the Montgomery County bomb squad, fire department and Lafayette Ambulance
 - Cop Camp will be held again this year from July 11 through 15th
- Township Citizen Academy was held this year and featured the Police Department during the second week of the Academy. Several officers instructed on the operations of the Police Department and provided an update on recent community issues.
- In conjunction with and partnership with Petrucci's, a new program started providing coupons for free water ice as rewards to children doing the right thing (e.g., wearing a bike helmet).
- Another new program this year is the Parent/Police Friend Card reminding parents that children should not be afraid of police officers.
- Three new officers were introduced to CAB: Jay Nakahara, Daniel Mease, and Jessie Daywalt

Mr. Jenaway thanked the Police Citizen Advisory Board for all their hard work and service.

Mrs. Spott commented on the new program to remind and instill in our youth that the police officer is our friend and helper.

Mr. Philips commended the Upper Merion Police Department for the great job they are doing. He said the Cop Camp Program is very good and mentioned how much his daughter enjoyed participating in the camp.

Mrs. Kenney asked if the Police Academy will be held again this year. Chief Nolan responded in the affirmative. He said the Citizens Academy and Police Academy will be held in alternate years. Chief Nolan stated the Department is looking for ways to open up the Academy to more people. Mrs. Kenney commended the Upper Merion Police Department for their professionalism, the training they undergo, and their involvement with the community

Mr. Jenaway stated the number one purpose of local government is to provide a safe police for people to live, work, worship and play. The police force is an integral part of our community's public safety operation and the Police Citizen Advisory Board plays a major public relations role in fostering a police-community partnership making sure the community has a communication link into the police department. Mr. Jenaway mentioned Officer Nuskey's video presentation at the schools about the dangers of aerosol guns. It was noticed on social media that some of the aerosol manufacturers picked up on that video. Chief Nolan said Upper Merion Township may be one of the first in the nation to tackle the problem with aerosol guns and pointed out that it is a great example of community policing – seeing a problem and taking a proactive step to fix it.

Frank Rodrique commended the police department for increased patrols in neighborhoods.

Chief Nolan stated the police department made a push recently with traffic safety and traffic calming to do more directed patrols when problems are identified and sending officers at certain times to look at those areas.

BOARD OF COMMUNITY ASSISTANCE (BCA)

ROLL CALL:

Supervisors present were: Bill Jenaway, Erika Spott, Greg Philips, and Carol Kenney. Also present were David Kraynik, Township Manager; Sally Slook, Assistant Township Manager; Lydia Dan Sardinas, Vice Chairperson; Judith Vicchio. Supervisor Waks was absent.

Ms. Dan Sardinas, Vice Chairperson, stated when the Board of Community Assistance was first established in 2013 there was \$145,000 available to distribute back to the community. Through the application process, recommendations were made to the Board of Supervisors who approved \$128,000 for award to recipients. It was noted approximately \$15,000 is left in the coffers each year in the event of an emergency. In 2016, there is \$153,760 and it has yet to be determined how much will be awarded this year.

Ms. Dan Sardinas provided statistical information documenting a positive trend in the increase of applications from organizations, sports and scholarships which was due to the support of the Board of Supervisors and the work the BCA has done to promote the BCA scholarship grant applications. She provided statistical information

This year BCA presented the following objectives:

- Continue to revisit the application process

- Auditing the award recipients
- Continued efforts to promote the BCA application process.

BCA's 2016 accomplishments are as follows:

- Revised applications for both organizations and scholarships
 - Focused on making sure BCA better understood the projects and beneficiaries for the organizations/sports.
 - Scholarships – focused on making sure community service was post award
 - Developed logo for BCA
- Audit process
 - each recipient will provide a year-end summary that includes
 - receipts as appropriate
 - acknowledgment of meeting community service hours
- Community service hours.
 - Made a recommendation which the BOS approved to tie community service to the award amount.

Ms. Dan Sardinas stated scholarships have ranged from \$500 to \$10,000. Last year two new scholarships were instituted which will be continued this year. The \$10,000 General Von Steuben Scholarship and the \$5,000 Ronald G. Wagenmann Scholarship.

With regard to BCA's 2016 objectives, Ms. Dan Sardinas indicated it is planned to continue along the same lines as the previous objectives, taking feedback from prior years and continuing to refine and improve procedures.

Mr. Jenaway commended the BCA members for their hard work and accomplishments.

Mrs. Kenney asked about the auditing of the organizations and scholarship recipients and whether this has always been done or if this is the first year. Ms. Dan Sardinas responded the auditing process started about two years ago. She said the BCA wanted to make sure the money was used for the stated purpose.

Mrs. Kenney asked if there is a specific deadline for submitting the documentation for the audit. Mrs. Dan Sardinas responded the documentation must be submitted by December 31st. It was noted this deadline is for both scholarships and organizations and thus far there has been a 100% response with the year-end summaries.

Ms. Vicchio thanked the Board of Supervisors for the appointment to the

BCA. With regard to community organizations, Ms. Vicchio noted the BCA follows up with the applicant, as necessary, if the BCA has any questions before any award is made.

PENSION ADVISORY BOARD

ROLL CALL:

Supervisors present were: Greg Philips, Bill Jenaway, Erika Scott, and Carole Kenney. Also present were: Dave Kraynik, Township Manager; Sally Slook, Assistant Township Manager; Police Chief Tom Nolan; Eric Medrow, Chairperson; Tom Minger; Bill Daywalt, Non-Uniformed Representative; Sara Evans, Human Resources Director; Supervisor Waks was absent.

Mr. Eric Medrow, Chairperson, discussed the Upper Merion Township 401(a) Defined Contribution Retirement Plan for civilian employees as of December 31, 2015. Highlights as follows:

401(a) Defined Contribution Plan

- 401(a) is similar to a 401(k) which is administered by ICMA-RC, Washington, D.C.
- Plan participation is mandatory for all civilian employees.
- Each employee contributes 3% of wages and the township contributes 6% of wages.
- The plan has tier level vesting, but requires 6 years of service to be fully vested.
- There are currently 116 active employee participants in the Plan #109382.
- Employee contributions are \$6,519,947.94 and the employer contributions are \$10,559,161.78.
- Total assets in the 401(a) Defined Contribution Plan are \$17,254,990.47
- There are no loan provisions allowed in the 401(a) plan.
- The total outstanding loan balance (as previously allowed) is now \$0.00

Act 600 Police Pension Defined Benefit Plan

- Unlike the 401(a) Retirement Plan, the Police Pension Plan is a "Defined Benefit Plan."
- A Defined Benefit Plan provides employees a certain amount of benefit when he/she retires and that benefit is funded totally by the employer/Township.
- There are 58 active employee participants.
- Custodian of funds is PNC Bank, Pittsburgh, PA
- The Fund Manager is Daniel F. Dent, Baltimore, Maryland.
- The Pension Administrator is Thomas J. Anderson & Associates, Media,

- PA
- The Actuary is Beyer-Barber

Act 600 Police Pension Defined Benefit Plan as of December 31, 2015:

Cash Equivalents	\$ 549,831.00
Fixed Income	\$13,746,145.00
Equities	\$29,044,349.00
Total Assets:	<u>\$43,340,325.00</u>

Activity for 2015:

- Investment Income: \$ 648,414.00
- Benefits Paid: \$2,771,289.00
- Fees & Charges: \$ 15,300.00

457 Deferred Compensation/Supplemental Pension Plan:

As of 12/31/15:

- Service Provider is ICMA-RC, Washington, DC (#301437)
- Participation is mandatory for all police employees and optional for non-uniform employees.
- There are 77 active non-uniformed employees in the plan.
- There are 65 active police employees in the plan.
- Assets are: \$15,814,867.84

Mr. Medrow stated at the present time the defined benefit plan for the Police Department is worth approximately \$42 million and it is one of the best funded employee benefit plans in the state. The Upper Merion Police Pension is funded in excess of 92% at the present time. Mr. Medrow mentioned when looking at the total portfolio against an 8% assumed rate it looks very difficult to reach that percentage now and discussions have been held to see if there is any way to reduce that percentage. He said it is an issue the Pension Advisory Board will be looking at very carefully.

Retirement Health Savings Plan (RHS)

As of 12/31/15:

- Plan is administered by ICMA-RC, Washington, DC
- Participation is open to all Township employees on a voluntary basis. However, employees must be in a defined group, and contribute a fixed percentage as agreed upon by the group per IRS Code.
- Currently, there are two groups defined in the RHS: Executive Group and

- the Police Command Staff.
- There are 16 active employees participating.
 - Assets are: \$1,204,200.64

Final Comments:

Mr. Medrow stated the Pension Advisory Board has formed an Executive Committee in 2014 to address, review and evaluate the current Police Pension Plan and Non-Uniform Retirement Plans. The members of the Executive Committee include Eric Medrow, Chairperson; David G. Kraynik, Township Manager and Thomas Nolan, Chief of Police. The Executive Committee will discuss with the entire Pension Board, the Committee's findings.

Mr. Jenaway commented last year the state held hearings in Upper Merion Township regarding pension programs and the greatest concern was that many of those programs were not even 50% funded let alone anywhere close to Upper Merion's amazing rate. He said what has been accomplished in Upper Merion is a real testament to the good stewardship of the township's assets.

Mr. Philips commended the Pension Advisory Board on the great job in managing the pension funds.

Mrs. Kenney recalled seeing a chart showing all 50 states and she did not recall any that were 90% funded as Upper Merion.

Mrs. Spott asked if hardship withdrawals are permitted in the 401(a). Mrs. Evans responded loans or hardship withdrawals are not allowed in the 401(a), but loans can be drawn on the 457 Deferred Compensation/Supplemental Pension Plan.

With regard to the Defined Contribution and Supplemental plan, Mrs. Spott asked if employees managed those funds on their own, if there is a pool of investment selections and who decides on these. Mr. Medrow responded by law the ICMA administers the plan and are not allowed to give investment advice. Mrs. Evans stated there are 39 investment options selected by ICMA-RC. Out of the 39 options employees can decide based on how much risk they are willing to take and go into the stable fund or move into a higher investment risk.

Mrs. Spott asked if there is any input from the township as to what those funds are. Mr. Kraynik responded ICMA administers municipal pension plans across the country and internationally and their board determines those 39 plans.

Mr. Medrow said the individual employee can chose and can ask for help through a certified financial planner.

Mrs. Spott asked for clarification about the availability of the certified

financial planner. Mr. Medrow responded it is up to the employee to manage that and mentioned the videos that employees can refer to online.

Mrs. Spott asked if the planning information is free of charge. Mrs. Evans responded in the affirmative and indicated ICMA has an on-site representative available (Gene Espinosa) who comes out every quarter to meet with those employees who make appointments with him for individual meetings. During those conversations if the employee is interested in additional risk options or wants to move their money around and take more chances a certified financial planner will be called in free of charge, not just for the employee, but also their spouse and determine which investment is best for them.

Mr. Medrow stated as of the last report 30% of employees put their money into the safest possible fund and more needs to be done to reduce that 30%.

Mrs. Spott asked if ICMA provides demographic information. Mrs. Evans responded in the affirmative and mentioned ICMA will be presenting in June and during that meeting she has requested they present the demographic breakdown in terms of the employee base and which employees are in particular stable funds and which are taking more risk. Mrs. Evans said everything is done to educate employees on their retirement options and suggest they look into all options.

Mrs. Spott asked if employees can contribute more than 3%. Mrs. Evans responded according to the advisory agreement it is a fixed percentage.

With regard to the 30% in the stable fund, Chief Nolan commented it is not known what other investment options employees have personally and where this falls into their personal finance. He pointed out this may be their more safe option.

Mrs. Spott asked how long the health savings account has been in place. Mr. Kraynik responded it is in excess of 15 years.

Mrs. Evans pointed out attempts were made to expand the health savings account recently but it is difficult to agree on a percentage or flat rate and/or to be in a specific group. She pointed out the executive group is a formed group. All those in a particular group would have to participate and agree on an actual percentage.

Mrs. Kenney asked for clarification about the number of participants in the Act 600 Police Defined Benefit Pension Plan since there are 65 officers on the police force. Mrs. Evans responded while there are 58 active employee participants the remainder are in the DROP Program and no longer in that plan.

A discussion followed regarding the 8% target referred to earlier in this

presentation and the need for further dialog.

Mrs. Spott mentioned the new actuarial standards. Mr. Kraynik noted this was taken into consideration when staff was preparing the budget for 2016 and there was an increase in the Minimum Municipal Obligation (MMO) because of these changes in mortality.

PARK AND RECREATION BOARD

ROLL CALL:

Supervisors present were: Greg Philips, Bill Jenaway, Erika Spott, and Carole Kenney. Also present were: David Kraynik, Township Manager; Sally Slook, Assistant Township Manager; Dan Russell, Director, Park and Recreation; Chairperson; Tina Garzillo, Chairperson; Rob DeFelice; Mike Trachtenberg, Vice Chairperson; Eileen Connelly; Mary Ann Ahearn; David Burns. Supervisor Waks was absent.

Ms. Tina Garzillo offered introductory remarks and welcomed Supervisor Philips and thanked him for his service.

Mr. Dan Russell, Director, Park and Recreation said it is an exciting time in Upper Merion Township for recreational services and on behalf of the Park and Recreation Department he expressed appreciation to the Board of Supervisors for making parks and recreation a priority in our community. He pointed out this service reflects well on home values, property values and quality of life. It was noted some of the exciting accomplishments include the trail opening, community center opening very shortly and the park and recreation master plan.

Ms. Garzillo outlined additional park and recreation accomplishments as follows:

- Coordinated efforts when the township regained possession of the swimming pool to make it possible for a 2015 summer opening.
- Revised park guidelines and the grant application process
- Standardized check list for monthly park evaluations
- Meeting with sports organizations to discuss issues of concern

Ms. Garzillo discussed some of the upcoming park and recreation issues to be addressed as follows:

- Changes coming with the Upper Merion Area School District, e.g., loss of some of their fields
- Population burst that will soon occur
- Use of some underutilized parks
- Collaboration with other citizen boards

- Upcoming plans to have second week of May for park clean up

As Board Liaison to the Park and Recreation Board, Mr. Jenaway pointed out the many challenges they face because of the volume of activity that is generated and managed.

Mr. Russell stated the Master Plan subcommittee passed their recommendation to the Board of Supervisors today. This document was prepared by T&M Associates and Mr. Russell said he would make sure the Board of Supervisors get hard copies for their review. He mentioned T&M Associates is prepared to come before the Board of Supervisors in a workshop meeting for a brief presentation.

Mr. Trachtenberg discussed the need to come up with some creative ideas to work out field space. He said there are many parks that are underutilized that potentially could be transformed into some type of athletic fields.

Mr. Philips commented forward thinking is what this township has always embodied and he commended the Park and Recreation Board for their attention to studying the possibilities that exist with the underutilized parks.

Mrs. Kenney asked for more information about working with the school district on these issues. Mr. Russell responded a collaborative meeting is scheduled with the school district at the end of this month to talk about indoor and outdoor facilities and their potential request about the use of the community center and park space.

Mrs. Kenney asked what is planned for the Gulph School and Belmont School. Mr. Russell responded the Park and Recreation Department has been placed on notice to vacate Belmont School by the beginning of this summer. There was one classroom used for park and recreation activities. The Park and Recreation has also been placed on notice to vacate the Gulph gym by the end of this year because they will be shutting down the utilities. A variety of programs were scheduled at this location. Mr. Russell noted while it would be a loss of one net gym in the community, three gyms are gained as a result of building the Community Center.

Ms. Garzillo discussed the use of goats as a solution for invasive species removal.

Mary Ann Ahearn discussed the plans in place to introduce goats as a solution for invasive species removal at Bob White Park. There will be a video interview with Larry Cihanek that will be broadcast. The next step is to mark the perimeter of the area and install the double fence in Bob White Park where the goats will live for the next 5-6 months. There will be a solar electric fence with another fence on the outside so that no one reaches in and touches the goats

which will probably be covered with poison ivy. Goats will be checked on periodically by a local handler. Volunteers will make sure the goats are supplied with water on a daily basis.

Mrs. Spott asked if there is a communication plan for residents around Bob White Park. Mr. Russell responded letters have been sent out to the residents. Information sessions were also held with residents to let them know how the procedure would work.

Mrs. Spott asked if any consideration has been given to having a “day with the goats” at the schools. Mr. Russell responded that is something that could be placed on the Park and Recreation agenda.

Mr. Jenaway asked for more information about the cleanup day scheduled for the pool. Mr. Russell responded there will be a Community Cleanup Day scheduled on Saturday.

Robert DeFelice mentioned there will be an open house at the swimming pool on May 21st.

Mrs. Kenney asked if Larry Cihanek provides signs along with his fencing warning people not to touch the goats. Ms. Ahearn responded she would verify with him.

Mr. Jenaway mentioned the openings on some of the boards and commissions in the township and encouraged interested citizens to apply. He also noted the meetings that are held periodically with the supervisors and chairs of each board and commission to work as a team for the betterment of Upper Merion Township.

ADJOURNMENT:

It was moved by Mr. Philips, seconded by Mrs. Kenney, all voting “Aye” to adjourn the joint meeting at 8:41 p.m. None opposed. Motion approved 4-0.

DAVID G. KRAYNIK
TOWNSHIP MANAGER

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Minutes Approved:
Minutes Entered: