

Patterson Township Board of Commissioners

Agenda (Pre) Meeting

May 11, 2017

Attendants:

Commissioner Policaro

Commissioner Hoover

Commissioner Mahosky

Police Chief David Stanislawski

Dan Flick, Flick Financial

Phil Graeser

Commissioner Bradow

Commissioner Inman

Ken Fawcett / Sherri Hurst, Solicitors

Rebecca Keller, Secretary

Brandon Carangi, Hallett & Assoc

Larry Lennon/Shawn Wingrove, Engineers

Items discussed:

- Discussion started at 5:30 pm. Mr. Dan Flick with Flick Financial attended to review our pension funds and options. There is no surrender charge at retirement to cash in funds. The surrender charge decreases each year based upon how much money has been put in recently. This is calculated on a seven (7) year time period. Fees decrease one percent (1%) each year that monies are not deposited into the fund.

As our policy states pension is to be calculated for Non-Uniform employees, on June 30, 2017 Paula Wagoner is to receive payment of \$1,432.37 per month for her full pension. The MetLife account would pay \$756/month. Huntington would need to pick up the remaining balance of \$676.37/month. If she wishes to take her pension with a survivor benefit her monthly payment would be less.

When the investments were set up thru MetLife it was requested they were in a balanced 60% stocks and 40% bonds fund. The investments can be different for each employee. There is a 1.25% fee charged for managing the investments. Contracts within MetLife do not require Patterson Township to purchase annuities.

Mr. Dan Flick excused himself at 6:08 pm.

- Discussion started at 6:09 pm. Mr. Brandon Carangi with Hallett & Associates, our Actuarial Consultants, presented two options for us to consider in administering pensions: 1.) Purchase the entire cost of an annuity through an insurance company. 2.) Fund of assets that grows over time and a custodian, usually a bank, issuing a monthly check.

If we do not purchase an annuity, annual MMO would be roughly \$25 - \$30,000 / year currently for the Non-Uniform Plan.

If we were to purchase an annuity, the annual MMO would be roughly \$50 - \$60,000 / year currently for the Non-Uniform Plan.

If we do not purchase an annuity, annual MMO would be roughly \$50 - \$60,000 / year currently for the Police Plan.

If we were to purchase an annuity, the annual MMO would be roughly \$100 - \$150,000 / year currently for the Police Plan.

If we continue to purchase annuities at retirement the recommendation is to any contribution goes into the MetLife contracts. If we do not purchase annuities the contribution should be put into a custodial account.

Mr. Carangi excused himself at 6:30 pm.

- MS4 training, to satisfy the required Commissioner Training, was conducted by Larry Lennon with Lennon, Smith, Souleret Engineering, Inc.
- Fire Chief Graeser was provided with a copy of the Risk Assessment document highlighting items that are recommended for improvement within the Fire Department such as:
 - Cooking equipment
 - Inspection of fire extinguishers
 - Rental agreement review

It was requested that Fire Chief Graeser provide a copy of a rental agreement to the Township Office every time the hall is rented.

End of Meeting