



**SOUTH HEIDELBERG TOWNSHIP
BOARD OF SUPERVISORS
WORKSHOP & GENERAL BUSINESS MEETING – 2-16-2021**

CALL TO ORDER/PLEDGE

The Board of Supervisors of the Township of South Heidelberg met at the Municipal Building for the monthly workshop & general business meeting. The meeting was called to order by Chairman Byrne at 9:00 AM, on February 16, 2021 followed by the Pledge of Allegiance to the Flag.

MEETING ATTENDEES

BOARD OF SUPERVISORS

Chairman, Thomas R. Byrne
Vice-Chairman, John N. Musante
Secretary, Tiffany L. Billingsley

TOWNSHIP STAFF & ADVISORS

Township Manager, Sean A. McKee
Police Chief, Leon J. Grim
Public Works Manager, Bill Lanza
Township Solicitor, Andrew George, Esq.
Township Engineer, Gary Kraft

ANNOUNCEMENTS

Mr. Byrne made also made an announcement that the meeting audio is being recorded for the purposes of accurately documenting the meeting minutes.

PUBLIC COMMENT

No public comment.

Pension Administrator Review Uniformed/Non Uniformed Pension Plans with Conrad Seigel

Mr. McKee stated that as part of the pension administrator the request for proposal called for the administrator to meet directly with the Board of Supervisors each year to review and discuss the pension plans and answer any questions the Board may have regarding pensions. Mr. McKee stated that the pension administrator would also conduct yearly meetings directly with employees yearly to review the pension and answer questions that employees may have regarding their pension.

Mr. McKee introduced John Vargo of Conrad Seigel. Mr. Vargo provided an overview of his background as well as his firm. Mr. Vargo referenced pension plan documents that he had provided to the Board prior to the meeting. Mr. Vargo discussed the executive summary to include a history of the plan's funded ratio from 2017 to current. Mr. Vargo also discussed the history of investments and the market value of assets from 2015 through 2020 showing -2.4% in 2015 and in 2019 and 2020 showing 17.3% and 14.8% market value. Mr. Vargo discussed the components of financial requirements to include normal cost, administrative expenses and the amortization of unfunded actuarial accrued liability. Mr. Vargo also reviewed a summary of annual contributions dating back to 2019 through 2022 for both the uniformed and non-uniformed plan.

Mr. Lytle of Conrad Seigel was also present (via Zoom) and reviewed the asset allocation shown in his report with the Board and discussed the portfolio breakdown. Mr. Lytle also discussed the investment performance as of December 31, 2020 and referenced the performance section of the document showing the 1 through 10 year performance and benchmarks.

Pension Administrator Review Uniformed/Non Uniformed Pension Plans with Conrad Seigel

Mr. Lytle also provided an expense review showing the fees and explanation which reflected a total annual fee of .72%. Mr. Lytle provided an overview of the responsibilities as they relate to the plan for administrative improvement and discussed all the various areas (shown in his document) that have been completed. Mr. Lytle discussed the pension distress with the Board and how the actions being taken (shown in his document) are addressing the distress and how that plans will be monitored for further improvement moving forward.

Following the presentations by Mr. Vargo and Mr. Lytle there was discussion in relation to the equity and fixed income percentages. Chief Grim asked if the percentages which were currently at 60% equity and 40% fixed income should be changed to 65% equity and 35% fixed income. Mr. Lytle discussed that change and stated that if the Board would like to make the change to 65%/35% a motion and authorization to do so could be made at a future meeting and then Conrad Siegel could adjust the policy statement and targets.

TOWNSHIP MANAGER REPORT

Mr. McKee referenced his report.

Members First 422 Pipe. Mr. McKee stated that a stormwater facility and pipe located at the corner of Aspen Avenue and Route 422 has been identified as being completely blocked as part of the Members First project. Mr. McKee stated that the Township Engineer and Public Works Manager had been on site with Members First to identify and determine a path to resolve the issue.

Trash/Recycling Bid. Mr. McKee informed the Board that in April 2021, the current contract with JP. Mascaro will end its initial 3 year term and stated there are 2 renewal years. Mr. McKee stated that he has begun to investigate updating the bid document to address concerns of citizens with the possibility of putting the contract out for bid later in the year so that the Board and review the results and determine a path.

Exchange Zone. Mr. McKee stated that an exchange zone has been established in the parking lot of the Township building and that a resolution would need to be adopted to establish the zone formally and set guidelines for its use.

Non-Uniformed Social Security Waiver. Mr. McKee stated that he has been working with the social security administration on the process to allow uniformed personnel to vote on a waiver of social security benefits. Mr. McKee stated the process could take 4 to 6 months and would involve education sessions and a referendum.

McKee asked the Board if there were any questions.

No comment from the Board.

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CHIEF OF POLICE REPORT

Chief Grim referenced his report.

SUV Lease. Chief Grim and Mr. McKee discussed with the Board moving to a lease to own structure for police vehicle purchases. Mr. McKee discussed the lease for the next Police SUV which will be obtained from Manderbach Ford with the lease to own through Ford Credit. Mr. McKee stated the Board could take action to approve the acquisition of the SUV and lease at its next meeting.

Chief Grim asked the Board if there were any questions.

No comment from the Board.

PUBLIC WORKS MANAGER REPORT

Mr. Lanza referenced his report. No comment from the Board.

TOWNSHIP ENGINEER REPORT

Township Engineer Gary Kraft referenced his report.

2021 Road Work – Bid Tabulation and Review. Mr. Kraft stated that the bids for the 2021 Road Work have been received and tabulated and referenced his tabulation sheet provided to the Board. Mr. Kraft stated that based on the tabulation the lowest bidder is Pennsy Supply Inc with a total bid of \$399,681.40. Mr. Kraft stated that the bid was under the estimate of \$470k and referenced other the other bids which were significantly higher than Pennsy Supply. Mr. Kraft stated that some additional milling/base repair could be done on Weaver Road and that he and Public Works Manager Bill Lanza would review that further and discuss with the Board. Mr. Kraft stated the Board would be able to take action at its next meeting to accept the bids and award the project to Pennsy Supply Inc.

Industrial Park Lot 11 Subdivision & Land Development. Mr. Kraft stated that a plan has been received for a medical supply building to be constructed on Lot 11 of the Industrial Park. Mr. McKee stated the Planning Commission has reviewed the plan at its February meeting and recommended approval and the Board could consider the plan at it's next meeting. Mr. Bensinger of Stackhouse Bensinger was present to review the plan and answer any questions from the Board. The Board had no questions concerning the plan.

TOWNSHIP SOLICITOR REPORT

Mr. George reference his report.

Wernersville CCC Zoning Hearing Update. Mr. George provided an update that the Zoning Appeal Hearing with the Berks County Court has changed Judges and that the hearing will be further delayed with a new hearing date of February 19, 2021

Child First Services Hearing Update. Mr. George provided an update regarding the Zoning Appeal Hearing with Berks County Court concerning Child First Services. Mr. George stated that his firm filed a required notice of intervention on February 4, 2021 on behalf of the Township which allows the Township to participate in the appeal. Mr. George stated no hearing date has been scheduled at this point.

The Board had no questions.

RECREATION BOARD

Mrs. Billingsley provided an update regarding the Spotlight for February which is Erin Horack. Mrs. Billingsley also provided an update concerning Easter activities relating to the Recreation Board.

PUBLIC COMMENT

No public comment.

ADJOURNMENT

A motion to adjourn at 11:31am was made by Mr. Byrne seconded Mr. Musante and carried unanimously by the Board.


Tiffany D. Billingsley, Secretary/Treasurer