

HANOVER TOWNSHIP, LEHIGH COUNTY
SPECIAL COUNCIL MEETING

November 6, 2017
6:00 P.M.

Present: Councilmen Heimbecker, Lawlor, Paulus, Wegfahrt, Woolley; Sandra A. Pudliner; Vicky Roth

Absent: J. Jackson Eaton, III, Esquire; Al Kortze, P.E.

Attendance: 3

Courtesy of the Floor:

In attendance at the meeting, were Township employees, Josef Fragnito and David Strongowski. They were there for further discussions with respect to salary increases and healthcare benefits. Chairman Paulus opened the discussion by advising the Township employees that he now had figures with respect to the formula which the township utilizes to determine increases. He advised the Township employees that as they may be aware the formula looks at COLA June of the current year over June of a prior year and then takes the rise in healthcare percentage and deducts same from the COLA to calculate an increase in salary. There was a lengthy discussion with respect to healthcare. Chairman Paulus advised that his investigation into the matter has resulted in the fact that 80% of the municipalities in the area require a contribution to their healthcare and only 20% have fully paid family healthcare. Chairman Paulus indicated that he had figures involving Townships which have a three-year contract. He also advised that he has the figures regarding two local townships where employees are currently paying \$50 per pay for healthcare benefits and will be paying \$60 per pay in 2018. Chairman Paulus indicated that his review of salaries paid locally range from a starting rate of \$20.78 to \$28.00 by December 2018. He indicated to Mr. Fragnito that right now he is at a rate of \$26.00 plus and that he felt that that is right in line with what is happening in the area. Chairman Paulus also noted that he has a whole list of Townships and what employees contribute upwards to 14% of their healthcare costs. He also advised Mr. Fragnito that a review of the Township records indicates to him that the healthcare costs on behalf of Mr. Fragnito are in the area of \$23,000 per year. Finalizing the discussion, Chairman Paulus noted for example that Bethlehem Township healthcare contributions range from \$50 per month to \$100 per month.

Approval of Minutes: October 30, 2017 Budget Meeting

Motion: I move we waive the reading of the Minutes of the October 30, 2017 Budget Meeting and accept same as presented.

Paulus, Wegfahrt: Moved and Seconded
Heimbecker, Lawlor, Wegfahrt, Woolley, Paulus: Aye Unan.

New Business:

1. Public Hearing – Continuation of Proposed 2018 Operating, Capital, Liquid Fuels, Water and Sewer Budgets (Review and Discussion)

Chairman Paulus opened the Public Hearing relative to the Proposed 2018 Budgets. The Township Manager advised that with respect to the Township's General Fund the Township has still not addressed the Department for Planning and Zoning. Accordingly, that Department was addressed at this time and after review no changes were made. With respect to the Department for Miscellaneous, the only change which will be made relates to the employee pension as Mrs. Pudliner had previously discussed with the Board. She felt that an increase in the pension from 8% to 10% is something the Township could consider at this time. The formula which relates to the payback to municipalities for pension costs has been increased and even though there is a period of time where the Township would not experience an increase in payment from the state, when the audit is completed every two years that amount will increase and the Township's contribution per employee will be minimal. The board determined that the Township Manager should take the necessary steps to have the pension amended to go from 8% to 10%. There was also a discussion with respect to the category in Administration for Data Management currently set at \$50,000. The discussion involved the acquiring of hardware known as GovSense and Councilman Heimbecker felt that if the Township budgeted an additional \$75,000 in the Data Management category for a total of \$125,000 that should be sufficient money to begin the process which would probably take until the end of 2018 to be up and running. Accordingly, the Township Manager was directed to change to revise the budget to the \$125,000 figure.

The Public Hearing on the Budget process was closed at this time with the next hearing scheduled for Monday, November 13, 2017 at 6:00 p.m.

Courtesy of the Floor: None.

Adjournment:

The meeting was adjourned at 6:50 P.M.

Respectfully submitted,

Sandra A. Pudliner
Township Manager