

HANOVER TOWNSHIP, LEHIGH COUNTY  
SPECIAL COUNCIL MEETING

November 13, 2017  
6:00 P.M.

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

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

Attendance: 1

Courtesy of the Floor: None.

Approval of Minutes: November 6, 2017 Budget Meeting

Motion: I move we waive the reading of the Minutes of the November 6, 2017  
Budget Meeting and accept same as presented.

Paulus, Woolley: Moved and Seconded  
Heimbecker, Lawlor, 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 Budget process. Chairman Paulus also noted that it is the intent at this time for the Board to discuss with those in attendance correspondence dated September 20, 2017 from the Township Auditor to the Hanover Township Council regarding certain matters which he wished to bring to the Board's attention. Chairman Paulus indicated that discussions would be open with respect to the attachment to the Auditor's correspondence dealing with best practices for credit cards and their findings and recommendations to the Board. A lengthy discussion ensued relative to the use of the credit cards and membership club cards. It was noted that in particular the club card had been used for personal use although reimbursed by Township employees for those items. It was the recommendation of the Township Auditor that the use and reimbursement by Township employees should be eliminated. It was determined that the credit card holders would remain as in the past; namely, the Council Township Chairman, the Township Manager and the Township Maintenance Supervisor. However, policies for credit card use were established. It was determined that prior to making purchases, the employee should go to the Township's Administrative Assistant with a detailed list of proposed purchases. She can then match that list with the invoice which is received. With respect to internet purchases, the same policy would apply. Large items would best be served through the purchase order process and tax exemption certificates also needed to be provided to all internet vendors. In addition to

credit card purchases, this policy regarding purchases will apply to items purchased by the Township.

At this point in the meeting, there was a discussion with respect to the issue of healthcare. The Auditor noted that the Township does not have a written policy regarding health insurance coverage for employees of the Township. The Auditor did note that the Township has been providing coverage for each employee, their spouse and dependents. There was a lengthy discussion with respect to the fact that in addition to the Township's employees under 65 years of age, the Township has been providing and paying for premiums to other healthcare insurance providers for employees over 65 years of age as well as those employee's spouses. It was the recommendation of the Township Auditor that the Township review and create a written healthcare policy that provides coverage and complies with the requirements set forth in the Affordable Care Act for the employees of the Township and that this plan should be adopted by Council and amended in writing by Council from time to time as circumstances dictate. In further questioning by the Board, the Township Manager advised that the Township has always provided family coverage for its employees and going back approximately 11 years when the first Township employee went on Medicare, a supplement plan was put in place. The Township Manager's recollection was that the governing body at that point in time was aware of the situation regarding Medicare and a supplement. The Township Manager did note that she had recently reviewed the Township's Codification and is aware that the Codification makes no provisions for the payment of Medicare and supplements. Also, the Township Codification does not make provisions as currently written for family healthcare which has always been in place for the Township employees. There was also a discussion with respect to the reimbursement of Medicare to employees over 65 years of age along with a payment of a supplement. The Township Manager did note that Medicare is in fact the primary coverage for a Township employee over the age of 65. She noted that the reimbursement plan has also been in place for over 10 years and that the elected officials at that time were made aware of the situation. In any event, it was the opinion of the Board that a healthcare plan would need to be put in place and that the Township would provide for a supplement plan which they would choose for any future employee who is over 65 and cannot go on a normal healthcare plan but requires Medicare and a supplement. Chairman Paulus noted that the Township Attorney is in the process of preparing a policy for the Township regarding healthcare.

At this point in the meeting, a discussion turned to the Budget. The Township Manager advised that the Board has been provided with a totally revised Budget setting forth the figures that have been determined for the year 2018. Mrs. Pudliner noted that all the changes have been made to include increasing the Township Pension contribution to their employees' Pension Plan from 8% to 10%. In that regard, Mrs. Pudliner advised that she has been in touch with PMRS and they are getting together the necessary contract and ordinance which needs to be adopted by the Board and hopefully this can all be put in place by January 1, 2018. The Township Manager also noted that the Budget has been revised to reflect the Pension increase to the 10% figure. The Township Manager indicated that all the necessary advertisements and documentation will be prepared and duly

advertised and that the Board could adopt the Budget at their meeting on December 6, 2017 at 7:30 p.m. Chairman Paulus closed the Public Hearing on the Proposed 2018 Budgets at this time.

Courtesy of the Floor: None.

Adjournment:

The meeting was adjourned at 7:05 P.M.

Respectfully submitted,

Sandra A. Pudliner  
Township Manager