

# BUCKS COUNTY CONSORTIUM

Thursday, February 3, 2011

## Meeting Minutes

### Call to Order:

A meeting of the Bucks County Consortium was held at Buckingham Township on February 3, 2011 and called to order by Ms. Weniger at 9:40 a.m.

### Roll Call and Introductions:

The following Bucks County communities were represented at the meeting:

Virginia Wheeler, Warminster Municipal Authority	Ted Taylor, Lower Southampton Township
Carolyn McCreary, Plumstead Township	Eileen Bradley, New Britain Township
Stephanie Mason, Doylestown Township	Joseph Golden, Upper Southampton Township
Herb Schoell, Upper Southampton municipal Authority	Dana Cozza, Buckingham Township
Jill Pistory, Buckingham Township	Gail Weniger, Warwick Township
John Boyle, Newtown Township	Darrell Card, Chalfont Borough
Frank Celona, Lower Southampton Township	Linda McNeill, Tinicum Township
Vivian Bell, Warrington Township	Sandra Zadell, Doylestown Township
Bob Armelin, Northampton Township	Joe Czajkowski, Newtown Township
Bob Pellegrino, Northampton Township	Andrea Coaxum, Perkasie Borough

### **Other Guests:**

Rick Borgerson, Citizens Bank

Brian Jeter, Comcast

David Jones, Boucher & James Inc. Engineers

### **Approval of Minutes – October 7, 2010:**

The meeting minutes were approved on a motion by Stephanie Teoli and seconded by Ted Taylor.

### **Treasurer's Report and Payment of Bills:**

Vivian Bell presented the Treasurer's Report for the month of January 2011. The report was approved.

### **Presentation:** Pennsylvania Municipal Pension Plans

Christopher P. Englebert with Morgan Stanley Smith Barney was the guest speaker at the February meeting. Mr. Englebert spoke about how to switch plans over a period of ten

years. He also explained that his company professionally manages defined contribution plans. By switching, employees make investment decisions. However, he explained that most unions and employees will not look favorably on the switch and it will take careful planning to accomplish this successfully.

Most unions will try to negotiate that all new employees get moved to the defined contribution plan and close the defined benefits plan. But the problem is that all employees in the defined benefit plan will continue to get older and eventually draw on the plan but there will be no one new contributing. So the plan may run out of money.

He advises starting with an actuarial evaluation. Currently, there are 2,800 pension plans in the Commonwealth and between 18 and 20 firms administering the defined benefit plans. Moving to a defined contribution plan will put them out of a job, which is why most don't suggest the move.

Currently, those municipalities that are with PMRS pay between 2.5-3% in administrative fees to run the plan. A typical fee for Chris to run a municipality's defined contribution plan is only .75-1%.

**Community Updates:**

None.

**Other Business:**

- Ted Taylor asked the group if any other municipality was looking into litigation against International Salt for breach of contract following the last series of snow storms. He was wondering if someone could look into any performance bond that is being held on that contract.

**Adjournment:**

The meeting was adjourned at 11:00 am.

Respectfully submitted,

Andrea L. Coaxum  
Consortium Coordinator