



Mount Joy Borough Council
Administration & Finance Committee Meeting Minutes
July 27, 2017

Members present: Chairman Youngerman and Councilor President Glessner. Councilor Reese was absent

Others present: Borough Manager Samuel Sulkosky and Brian Brubaker

Chairman Youngerman called the meeting to order at 6:35 PM.

Chairman Youngerman announced that Council Executive Sessions were held on July 19th and July 25th for labor issues with no decisions made.

On a MOTION by Glessner and second by Youngerman, the agenda for the July 27, 2017 meeting was approved. *Motion carries unanimously.*

Public Input Period: None

Minutes: On a motion by Glessner and second by Youngerman, the minutes for the June 22, 2017 meeting were approved as presented.

Administration, Budget, and Finance:

Chairperson Youngerman introduced Joseph Scott, Municipal Retirement Trust (MRT) Chief Field Operations Officer. Mr. Scott gave some background information on himself and the MRT. Mr. Scott reviewed a series of tables containing information on investment allocations, investment review, YTD, 3-year, 5-year and 10-year investment returns review and costs comparisons. Mr. Scott broke everything down based on police pension and non-uniform pension plan. Mr. Scott mentioned he could assist with doing a RFP and has done so for about 60 municipalities. Throughout the presentation, the Committee asked numerous questions of Mr. Scott.

Mr. Scott explained that they have \$233 million under management and all funds are not in mutual funds. The investments are in private management accounts which is managed by Morgan Stanley. Generally, all municipalities will receive somewhat identical returns except current year investment proceeds. Scott explained the investment breakdown or portfolio allocation. Mr. Scott explained various investment instruments held within the portfolio such as equities, bonds, real estate, index funds and REITS. Under questioning, Scott explained that since MRT's money managers are private, they would not be ranked by a ranking agency such as Morningstar.

Mr. Scott gave a detailed explanation of the Borough's current pension, administration, financial advisor and actuary costs. Mr. Scott reviewed similar costs comparisons if the Borough was with MRT.

The committee and Mr. Scott had a thorough discussion on investment trends currently in the marketplace. Further discussion occurred on the Borough's return expectation of 7.75% and the effect of lower the return expectation by .25% to .50% would have on the Minimum Municipal Obligation (MMO).

Upon questioning, Mr. Scott explained in detail the process in changing their pension program. The RFP process and soliciting quotes from potential firms. Mr. Scott explained the help and assistance that he can provide in doing the RFP which can be advertised on the Borough's website. The selection criteria were explained in detail. Mr. Scott named a few local municipalities that have MRT such as Mechanicsburg and Millersville.

Manager Sulkosky and the Committee thanked Mr. Scott for the presentation and the hard work in putting all the time and effort into the detailed report.

After the presentation ended, the Committee conducted a brief discussion about the presentation and what their thoughts were individually and collectively.

Manager's Report:

Manager Sulkosky reviewed the report with the Committee. Items covered included:

1. PLGIT: no transactions.
2. Certified Public Manager Program acceptance by Millersville University. Sulkosky explained the tuition reimbursement was covered under the Police Contract and the Employees Handbook. The Committee agreed that no Council action would be required.
3. Jacobs Street Bridge Project update included the HNTB has been contracted by PennDOT District 8 to manage the project. The Borough received Amtrak issues responses from HNTB, update final submissions and cost estimates from HNTB.
4. Sulkosky reports that the Borough Authority has agreed to a 50% cost sharing for the water line relocation on the Marietta Avenue Pedestrian Project. Representative Hickernell's office has been contacted for assistance in finding funding for the water line relocation.
5. Sulkosky reviewed various meetings throughout the month.
6. Sulkosky presented to the Committee a Budget Calendar.
7. A discussion was held on Councilor Youngerman's budget line items suggestions.
8. Sulkosky notified the Committee that a renewal notification was sent to Lebanon Farms Disposal on July 18, 2017 which is in compliance with the required 4-month notification.
9. Sulkosky informed the Committee that Councilor Hall was named Chairperson of the Public Safety Committee.

Land Development, Zoning & Codes:

Codes Report was provided in writing.

Project Updates:

Mount Joy Train Station:

Work on pilings for the platforms and paving of West Henry Street was continuing.

Audible Signals:

Final inspection was done on June 22, 2017.

Public Input Period:

None

Executive Session: None

Other items:

No other matters came before the committee.

On a motion by Glessner, seconded by Youngerman, all in favor, the meeting was adjourned at 9:55 pm.

Submitted by: Samuel Sulkosky, Borough Secretary