

**TOWN OF ELSMERE
PENSION COMMITTEE MEETING MINUTES
May 15th, 2025
COUNCIL CHAMBERS
6:30 p.m.**

Call to Order: Chairman Neal Strauss called the meeting to order at 6:30pm.

Pledge of Allegiance:

Moment of Silent Prayer for Those Wishing to Do So:

Roll Call:

CHAIRMAN	NEAL STRAUSS	PRESENT
SECRETARY	VACANT	VACANT
MAYOR	JOANN PERSONTI	PRESENT
COUNCIL WOMAN	JANE MCDANIEL	PRESENT
COMMITTEE MEMBER	SCOTT ALLEN	PRESENT
COMMITTEE MEMBER	VACANT	
COMMITTEE MEMBER	VACANT	

Chief of Police, Laura Giles – Present
Town Manager, Steven Martin – Present
Finance Director, Valarie Strzempa - Present
Attorney, Tim Snyder - Present

Approval of Minutes:

1. Minutes from the November 13, 2024, Pension Committee Meeting.

ACTION: A motion was made by Mayor Joann Personti to approve the minutes from November 13, 2024, Pension Committee Meeting. The motion was seconded by Committee Member Scott Allen.

VOTE: 4 – 0 Motion carried

Review of Financial Activity Occurring Since Last Committee Meeting:

1. Monthly Statement of Accounts.
2. Monthly Payment Reports.

Town Manager Steven Martin stated that the reports are available if the committee members would like to review them and the reports can be emailed. He stated that the reports are sent out based on request.

Old Business:

None

New Business:

1. Appointment of New Member:

- a. Elsmere Police Officer Thomas Maddams
- b. A Council member, which will be determined at the May 8, 2025, Council Meeting.

Chairman Neal Strauss stated that Councilmember Jane McDaniel has been appointed, and he welcomed everyone, including Mayor Joann Personti to the committee and thanked them for serving on the committee.

2. Items for the Elsmere Police Pension.

- a. Authorization and Approval to pay First State Trust for the 4th Quarter 2024 and 1st, 2nd, and 3rd 2025 Quarter Asset Based Fees, Distribution of checks fees and Distribution of cash.

Chairman Neal Strauss stated that the service charges for disbursement with the checks through the company is \$3,376.00, the billing for the market value is \$6,300 for Odyssey. He stated that the movement of money will be \$165,071.95, totaling 174,747.95 in money that will need to be moved from the DELRIP funds to cover expenses from July 1, 2025, to December 31, 2025.

Mayor Joann Personti asked if the total being discussed was for item b.

Chairman Neal Strauss apologized and stated that the total he provided was for all items under this section of the agenda (a, b, and c).

- b. Authorization of the amount of money which needs to be transferred from DELRIP to First State Trust to cover expenses from July 1, 2024, through December 31, 2024.
- c. Authorization of payment to Odyssey Advisor by First State Trust for 2025 Actuarial costs.

ACTION: A motion was made by Mayor Joann Personti to approve both the Fourth Quarter of 2024 and First, Second, and Third Quarter of 2025 Asset Based fees, distribution of check fees and cash. Also to authorize the amount to be transferred from DELGRIP to First State Trust to cover expenses from July

1, 2025, through December 1, 2025. The motion was seconded by Councilwoman Jane McDaniel.

VOTE: 4 – 0 Motion carried

Chairman Neal Strauss stated that the grand total of funds is \$174,747.95.

3. Items for the State of Delaware County/Municipal Police Pension Plan

a. COLA Increases

Chairman Neal Strauss asked if the COLA Increase percentage was 3.29% and if these numbers were coming from Parker.

Town Manager Steven Martin replies yes.

Mayor Joann Personti asked if it was Parker Elmore they were talking about.

Chairman Neal Strauss stated yes and continued that every February COLA increases are collected from the Philadelphia CPI. He will sign the COLA letters, and they will be sent out to the pensioners.

4. Items for the Elsmere Police Secondary Pension Plan.

- a. Closure of the Elsmere Police Secondary Pension Plan effective June 30, 2025.**
All officers will be entered into the State of Delaware Municipal and Fire Pension Plan effective July 1, 2025, due to collective bargaining efforts

Chairman Neal Strauss stated that with the new contract signed with the Elsmere Police Department. He asked if there was anything that needed to be done due to this contract.

Attorney Tim Snyder stated that a motion will need to be made to terminate the plan.

ACTION: A motion was made by Mayor Joann Personti to close the Elsmere Police Secondary Pension Plan effective June 30, 2025 as all officers will be entered into the State Municipal and Fire Pension Plan effective July 1, 2025, due to collective bargaining efforts. The motion was seconded by Councilwoman Jane McDaniel.

VOTE: 4 – 0 Motion carried

Finance Director Valarie Strzempa stated that there are still funds in the plan. She asked if the Town would require the employees to withdraw their funds since they cannot bring them into their new plan.

Attorney Tim Snyder stated that they cannot withdraw the funds until they stop working for the Town. He stated that the plan would be frozen and then employees would cash out upon termination of employment with the Town.

Mayor Joann Personti asked if employees would be able to make their own contributions to the plan even though the Town will no longer contribute.

Attorney Tim Snyder replied that the plan will be frozen.

Chief Laura Giles asked if the employees could move their money into another qualifying financial investment.

Attorney Tim Snyder stated when you terminate a plan and have other plans around you cannot make the distribution until the employee stops working for the Town.

Finance Director Valarie Strzempa stated that there are employees that no longer work for the Town and choose to leave their funds in this plan, would there be a discussion to motivate them to move their money out of the plan since they are terminated from the Town.

Attorney Tim Snyder stated that employees can be encouraged but if they have more than \$7,000, they can't be forced out. He stated that a letter can be written explaining that there will no longer be a Town contribution and recommending that they roll the funds into another plan.

Chairman Neal Strauss asked how many employees are still in this plan that currently no longer with the Police Department.

Finance Director Valarie Strzempa stated 3 or 4 and that there is 1 employee who has been withdrawing incrementally.

Attorney Tim Snyder asked how the money is invested.

Finance Director Valarie Strzempa stated by choice of auto-invest for into a category that they have preset.

Chief Laura Giles asked if Officer Thomas Maddams would still need to represent on the committee.

Chairman Neal Strauss stated that we would have to review the ordinance.

Mayor Joann Personti asked if the secondary pension plan is frozen and if there is no interest in the employee retirement plan would there be a need for a Pension Committee.

Chairman Neal Strauss replied yes because of the original pension plan for the police.

5. Items for the Town of Elsmere Employee Retirement Plan.

a. Discussion regarding Town Employees participating in the retirement plan.

Town Manager Steven Martin stated that there is has been consideration of utilizing the employee's longevity pay that is given in November, bifurcating that and using half as a contribution to the pension plan for each employee. He stated the first thought was to start contributions on January 1 so contributions will be allocated each month, and another thought was to just pay the contributions in November like normally done. Town Manager Steven Martin stated that there was consideration to have an open enrollment in December to see who would like to participate and to see if this would be mandatory.

Chairman Neal Strauss asked if this was previously discussed last year as a 401k with a matched percentage.

Town Manager Steven Martin replied yes.

Chairman Neal Strauss stated that this was discussed last year, and the previous Mayor was not on board. He stated that it was figured out that the Town contribution would be about \$13,000 to \$15,000 a year for all employees to have a 2% match.

Town Manager Steven Martin stated that the scenario he was presenting was changed and the contribution would be from the Town, but it is already a budgeted item. He stated he would take half of that funding and contribute that to the pension plan and there would be no further impact on the Town. Town Manager Steven Martin stated that it would be nice if we could join the State Plan.

Mayor Joann Personti asked if other municipalities have civilian employees in the state plan.

Chairman Neal Strauss stated that he believes other Towns have pension plans. He asked if Elsmere employees went on the State Pension Plan, they can technically stop paying Social Security if they meet certain requirements.

Attorney Tim Snyder stated that he wasn't sure that was still available and that he believed they changed that. He stated he would have to investigate that.

Chairman Neal Stauss stated it is still available where municipalities must meet a certain threshold and the pension must be greater or better than Social Security.

Attorney Tim Snyder stated he will research and send an email.

Mayor Joann Personti asked if it was the same plan she has through the state and she stated that she still pays for Social Security.

Finance Director Valarie Strzempa stated that it is different and it's called the County Municipal General Employee Pension Plan and the fiscal 26 rate is 5.48.

Town Manager Steven Martin addressed Chairman Neal Strauss stated he would like to take this to Council in the July meeting to discuss creating the Employee Pension Plan.

Mayor Joann Personti stated that since this doesn't require any additional budgeting that this can be brought up at the August meeting.

Chief Laura Giles asked if the committee would want to compare plans.

Chairman Neal Strauss stated that the committee should figure out what they will discuss and have both pensions information available to discuss and see what the better value, cost, and everything, not that we would choose them but just so all the information is available and compare the plans.

Town Manager Steven Martin stated that he will circle back with Attorney Tim Snyder and see how much information he has.

Mayor Joann Personti stated that open enrollment wouldn't be until December so even if it isn't discussed until September or October, it won't be an issue.

Attorney Tim Snyder asked what the longevity pay would be as a percentage of payroll.

Town Manager Steven Martin stated that each person is different based on their years of service with the Town.

Attorney Tim Snyder asked if it would be greater than 5.48.

Finance Director Valarie Strzempa stated it depends on salary and how long the employee has been with the Town. She stated that financial reports could be produced based on the cost of each person's contribution at this rate verses the longevity that is set in the budget.

Chairman Neal Strauss asking if the State Pension for municipalities has medical at the end.

Town Manager Steven Martin stated that he wasn't sure.

Finance Director Valarie Strzempa stated when she looked at the pension office, she stated they have information for benefits for any type of plan and that the rates are set based on the type of plan. She stated that the difference ends up being in the premiums that are paid.

Chairman Neal Strauss stated that this would be good for the employees.

Mayor Joann Personti stated that some plans you have 20 years to start paying for the medical, but you pay more.

Chairman Neal Strauss stated that there is a stipulation on how many years of service you do that evaluates how much percentage you're going to pay. He stated that before discussing with Council that he would like to have a meeting with Mayor Joann Personti, Attorney Tim Snyder, and himself to discuss to Social Security matter.

Town Manager Steve Martin stated that this is discussed it will probably go on the September agenda at the earliest.

Chairman Neal Strauss stated he would like to get everything together and discuss it by December. He stated that the discussion for contribution and matching can be discussed anytime. Chairman Neal Strauss asked again if employees would have to pay Social Security and the pension. He stated that would be a big hit.

Review of Reports:

a. None.

Statements Submitted by Committee Members:

Public Comment:

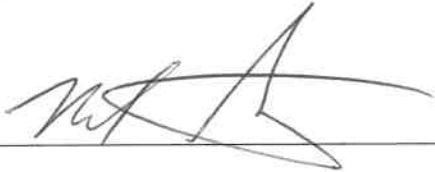
None.

Adjournment:

ACTION: A motion was made by Mayor Joann Personti to adjourn. The motion was seconded by Councilwoman Jane McDaniel.

VOTE: 4 – 0 Motion carried

These minutes summarize the agenda and other issues discussed at this meeting. Votes are recorded accurately. The audio tape(s) of this meeting will be available at Town Hall for a period of two years from the date these minutes are approved. The audio tapes may be reviewed at Town Hall by appointment and in accordance with the Freedom of Information Act.



**NEAL D. STRAUSS
CHAIRMAN**

SECRETARY