

**TOWN OF ELSMERE  
PENSION COMMITTEE MEETING MINUTES  
November 13th, 2024  
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	ERIC THOMPSON	PRESENT
COUNCILWOMAN	MARY STEPPI	PRESENT
COMMITTEE MEMBER	SCOTT ALLEN	PRESENT
COMMITTEE MEMBER	VACANT	
COMMITTEE MEMBER	VACANT	

Town Manager, Steven Martin - Present  
Finance Director, Valarie Strzempa - Present  
Attorney, Tim Snyder - Present

Chairman Neal Strauss stated there is a vacancy due to Officer Franzone's resignation from the Elsmere Police Department. He stated that Officer Maddams is to be appointed to the Pension Committee, but he is not present.

**Approval of Minutes:**

1. Minutes from the December 6, 2023, Pension Committee Meeting.

**ACTION:** A motion was made by Councilwoman Mary Steppi to approve the minutes from the December 6, 2023, Pension Committee Meeting. The motion was seconded by Mayor Eric Thompson.

**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.

**Old Business:**

None

**New Business:**

**1. Appointment of New Member, Officer Maddams.**

Chairman Neal Strauss stated that this item will be moved to the next meeting due to Officer Maddam's absence.

**2. Items for the Elsmere Police Pension.**

- a. Authorization and Approval to pay First State Trust for the 4<sup>th</sup> Quarter 2023 and 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> 2024 Quarter Asset Based Fees, Distribution of checks fees and Distribution of cash.

**ACTION:** A motion was made by Mayor Eric Thompson to approve both the Fourth Quarter of 2023 and First, Second, and Third Quarter of 2024 Asset Based fees, distribution of check fees and cash in the amount of \$8,452.00. The motion was seconded by Councilwoman Mary Steppi.

**VOTE:** 4 – 0                      Motion carried

- 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.

Chairman Neal Strauss stated that he has authorized and signed to have these funds moved prior to this meeting.

**ACTION:** A motion was made by Mayor Eric Thompson to authorize the amount of \$169,433.90 to be transferred from DELGRIP to First State Trust to cover expenses from July 2024 through December 2024. The motion was seconded by Councilwoman Mary Steppi.

**VOTE:** 4 – 0                      Motion carried

- c. Authorization of the amount of money which needs to be transferred from DELRIP to First State Trust to cover expenses from January 1, 2025, through June 30, 2025.

**ACTION:** A motion was made by Mayor Eric Thompson to authorize the amount of \$167,874.51 to be transferred from DELGRIP to First State Trust to

cover expenses from January 2025 through June 2025. The motion was seconded by Councilwoman Mary Steppi.

**VOTE:** 4 – 0 Motion carried

- d. Authorization of payment to Odyssey Advisor by First State Trust for 2024 Actuarial costs.

**ACTION:** A motion was made by Councilwoman Mary Steppi to approve payment in the amount of \$6,300.00 to Odyssey Advisors by First State Trust. The motion was seconded by Mayor Eric Thompson.

**VOTE:** 4 – 0 Motion carried

- e. COLA Increases.

Chairman Neal Strauss stated that the 2024 Philadelphia Area Index was a 3.36% increase for pensions this year.

Mayor Eric Thompson asked if that is required under the pension plan.

Chairman Neal Strauss responded yes, he continued stating that the COLA increase is found in the month of February since it is the weakest month. He stated that the past couple of years have been 1% or less.

A brief discussion took place between Chairman Neal Strauss and Finance Director Valarie Strzempa regarding the agenda. The COLA Increases were listed in the wrong area on the agenda.

- f. Update of Actuarial Report 2024

Chairman Neal Strauss stated that all members of the committee have received a copy of the actuarial. He stated that the percentage is going down from 2023, from 53% to 49%. There is an increase in the deficit from 1.9 million unfunded in 2023 to 2.1 million unfunded in January 2024. The ratio went from 53.13 funded to 49.66 funded. Chairman Neal Strauss stated that this is a historical issue, that the Pension has always been under funded. He stated that the money is in the best place for the State having them invest it for us.

A brief discussion occurred between the committee and Town Manager Steven Martin regarding when pension funds were with another bank and when there was a loss and the history of how the pension fluctuated.

Chairman Neal Strauss stated that the actuarial gives a recommendation of what the Town should be

contributing but it is never met.

Town Manager Steve Martin stated that the Town budgets the funds to the Pension and there are funds that are given by the State.

Chairman Neal Strauss asked if there were any questions on the actuarial. Then stated that the Actuarially Determined Contribution is \$256,337.

A brief discussion occurred between Councilwoman Mary Steppi, Chairman Neal Strauss, and Attorney Tim Snyder about when the funds for the Pension were with Wilmington Trust and that it was such a short period of time before the funds were pulled from Wilmington Trust.

Mayor Eric Thompson asked if the Pension plan changed and limits how much COLA could increase.

Chairman Neal Strauss stated yes this was changed for the secondary plan for new officers. He stated that there is a COLA cap of 2%, specifically if an officer wasn't vest.

Mayor Eric Thompson asked if there are any officers not vested by September 1, 2003.

Chairman Neal Strauss replied no, and that information should not be in the report. He stated that the cap helped the actuarial and make the plan look better funded.

A brief discussion took place between Mayor Eric Thompson and Chairman Neal Strauss regarding the assumption rate and how other pension plans look better than the Police Pension Plan.

Town Manager Steve Martin stated that he will provide another report to the committee for the next meeting.

Chairman Neal Strauss asked when the Town will receive a letter about the upcoming COLA increases.

Town Manager Steven Martin stated February.

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

- a. None

### **4. Items for the Elsmere Police Secondary Pension Plan.**

- a. None

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

Chairman Neal Strauss asked how many employees we have on this plan now?

Town Manager Steven Martin stated 3 employees and that there has been more interest from the younger employees that have realized the worth in investing in their future.

Councilwoman Marry Steppi stated that even if employees put a small percentage of their salary in, it builds and accumulates over time.

Chairman Neal Strauss asked what type of plan this is, a 401 or 457.

Attorney Tim Snyder stated 457.

Chairman Neal Strauss stated that he didn't realize that with a 457 plan, when you retire, you can withdraw from this plan regardless of your age.

Attorney Tim Snyder stated that employees have to start withdrawing by the minimum required beginning date, but it can be rolled over to an IRA.

### **Review of Reports:**

- a. None.

### **Statements Submitted by Committee Members:**

Town Manager Steven Martin stated that our members should know how important these meetings are, whether they are working or not. He stated he is not mentioning any specifics, but notification would be given to each member making it clear how important these meetings are and that there should be an effort to attend the meetings.

Chairman Neal Strauss stated that there are 2 vacant positions on the committee, one for a Town Resident and another vacancy that he is unsure what the criteria is for that position.

Mayor Eric Thompson stated that it is hard to fill any position.

Councilwoman Mary Steppi asked if the committee would want an uninformed Town resident on the committee.

Chairman Neal Strauss stated that the Town resident is selected by Mayor and Council. He stated that the Mayor and Council could find someone who has some background to fill the position.

Town Manager Stevn Martin stated that he agrees with Councilwoman Mary Steppi that whoever fills that position should be well versed in this type of information not just anyone.

Chairman Neal Strauss stated he believes one seat is for a Town resident and the other is selected by Mayor and Council.

Attorney Tim Snyder stated that he finds members of his union plans that the members who are a part of it will learn and start contributing. He stated that people who are diligent regardless of their background can become good committee members.

Mayor Eric Thompson stated that no one has been rejected based on any criteria, but people aren't signing up for the committees.

Chairman Neal Strauss stated that this committee is different from the others because this committee is bound to what the State says must be done regarding the newest Police Officers with the Police Pension. He stated that the other pensions are just money transfers twice a year and the employee pension have no contribution from the Town, so the responsibility falls on the employee.

Mayor Eric Thompson stated that it is beneficial for the Mayor and Council, giving advanced notice on what to expect come budget time.

Chairman Neal Strauss stated that he wanted to bring up the Windfall Act that is bring brought to the House right now. He stated that Elsmere is involved with that because the Town does not pay Social Security to the Officers.

Attorney Tim Snyder stated if you have a public pension and have a private job while paying Social Security there are limitations on how much Social Security you can receive because of the public pension. He stated that municipality employees suffer and receive small Social Security checks. He stated that congress is trying to repeal that so you can receive both.

Chairman Neal Strauss stated that it is trying to be eliminated that municipality workers and Officers will have to start paying Social Security.

**Public Comment:**


None.

**Adjournment:**

**ACTION:** A motion was made by Mayor Eric Thompson to adjourn. The motion was seconded by Councilwoman Mary Steppi.

**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**