

The Regular Meeting of Souderton Borough Council, held on Monday, September 11, 2017, was called to order by Borough Council President Brian Goshow at 7:00 p.m. Members of Borough Council present at the regular meeting included the following:

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| President Brian K. Goshow | Councillor Kevin Souder |
| Vice-President D. Jeffrey Gross | Junior Councillor Michael Jones |
| Councillor Ned D. Leight | |
| Councillor Richard Godshall | Mayor John R. Reynolds |
| Councillor Daniel Yocum | Solicitor Robert G. Bricker |
| Councillor Daniel Houser | Borough Manager P. Michael Coll |
| Councillor Tracy W. Burke | Police Officer Adam Moore |
| Councillor Richard Halbom | Public Works Director Steven Coll |

The Invocation was given by Councillor Richard Halbom, followed by the Pledge of Allegiance to the Flag.

Mayor John R. Reynolds administered the Oath of Office to newly appointed Junior Councillor Michael Jones.

Consideration was given to the minutes of the August 7, 2017 Regular Borough Council Meeting and August Work Sessions. A motion was made by Councillor Jeffrey Gross, seconded by Councillor Richard Godshall, to approve the minutes of the August 7, 2017 Regular Borough Council Meeting and August 2017 Work Sessions as presented. The motion was approved.

Mayor John Reynolds commented that PennDOT just completed the milling and overlay of Main Street through the Borough. Mayor Reynolds apologized for the inconvenience during the construction process. The newly paved road surface is a welcomed improvement, however, Mayor Reynolds cautioned the public to be very mindful of speed through the downtown. The Souderton Police Department will be vigilant in monitoring speed through the business district. Mayor Reynolds further commented that the Souderton-Telford Main Streets Art Jam will be held on Saturday, September 30th in the Souderton Community Park.

The Borough Solicitor’s report for the month of August, 2017 was distributed to Borough Council. The Borough Solicitor reviewed the bid specifications for the sale of 30 W. Broad Street. The Solicitor prepared minutes and responded to an audit inquiry letter for the Souderton Industrial Development Authority. The Borough Solicitor had several telephone calls with the Code Enforcement Officer regarding a sewer overflow situation on a residential property at 22 Penn Avenue.

Public Works Director Steven Coll submitted his monthly report to Borough Council. There were no further questions or comments on the report.

Borough Manager Michael Coll noted that the regular meeting schedule will resume in October. The regular monthly meeting will be held on Monday, October 2, 2017 followed by the Public Works Work Session on Monday, October 9 and the Administrative Work Session on Monday, October 16. The Borough Manager noted that October will predominately be devoted to the development of the 2018 Budget. A Budget Work Session will be scheduled for Monday, October 30. Borough Manager Michael Coll then reported on the items scheduled for consideration. Bids for the County Line Road Improvements project were received and opened on August 28, 2017. The bids were tabulated by the Borough Engineer as follows:

<u>Contractor</u>	<u>Base Bid</u>	<u>Base Bid with 3 Alternatives</u>
Ply-Mar Construction Company	\$204,748.00	\$210,048.00

T. Schiefer Contractors, Inc.	\$227,599.00	\$233,549.00
L. C. Costa Contractors, Inc.	\$307,803.95	\$318,552.30

Borough Manager Michael Coll noted that Ply-Mar Construction Company has worked on several projects for the Borough; the most recent was the curb and sidewalk construction project on Green Street. The County Line Road project involves PennDOT permitting and traffic control, which is certainly reflected in the price. The utility poles have been relocated to accommodate construction. This is a Community Development Block Grant project held over from last year. The Borough did receive an extension to complete the project by the end of 2017. A recommendation is made to award the contract to Ply-Mar Construction Company, including all three bid alternatives.

Bids for the Montgomery Avenue Improvements project were received and opened on August 28, 2017. The bids were tabulated by the Borough Engineer as follows:

<u>Contractor</u>	<u>Base Bid</u>
Ply-Mar Construction Company	\$212,714.00
Ettore Ventresca & Sons, Inc.	\$216,779.80
T. Schiefer Contractors, Inc.	\$218,684.00
L. C. Costa Contractors, Inc.	\$278,819.63
G & B Construction	\$284,509.00
Marino Corporation	\$338,717.00

Borough Manager Michael Coll noted that a recommendation is also made to award the contract to Ply-Mar Construction Company.

Borough Council discussed a proposal by PPL Electric utilities Corporation to convert the existing high pressure sodium street light fixtures to LED fixtures. The project will provide a nominal savings to the Borough. A recommendation has been made to authorize execution of an agreement to proceed with the LED conversion. Developer Clayton Heckler has retained a consultant to pursue an application for an Economic Development Liquor License for a future restaurant to be located within the high school redevelopment project. The application must be endorsed by Souderton Borough Council. Police Chief James Leary and members of Borough Council have held several meetings with Souderton School District officials to improve the student drop off at EMC Elementary School. The recommendation is to create a One Way traffic restriction on S. School Lane from Garfield Avenue to Lincoln Avenue during school days. The restriction will be implemented as a temporary restriction for a 90 day trial period. Signs have already been installed to begin the restriction at the beginning of the school year. Borough Manager Michael Coll noted that the employment contract with Police Chief James Leary is proposed to be extended through December 31, 2020, at which time Chief Leary will retire from his position. The 2017 Budget allocated funds to purchase a new self-contained leaf vacuum. The equipment is available under the state COSTARS program; however we just learned that delivery of the equipment is at least six months out. The price of the equipment has increased due to the new emissions requirements for diesel engines. More than likely the purchase will have to be carried over to the 2018 Budget, but we recommend that a purchase order be issued at this time. The last item is authorization to bid a new three year contract for the disposal of biosolids from the Souderton Waste Water Treatment Plant.

Borough Manager Michael Coll noted that bids for the sale of 30 W. Broad Street will be received until 2:00 pm on Monday, September 18, 2017, at which time the bids will be opened and tabulated. The bids will be reviewed with Borough Council at the September 18th Administrative Work Session. The agenda for the September 18th Administrative Work session has been distributed to Borough Council.

Councillor Daniel Houser commented that the temporary traffic restriction at EMC Elementary School seems to be working well. There will be an expected learning curve for some of the parents, with efforts to educate parents and the residents on the purpose for the

change. Councillor Dan Houser and Councillor Tracy Burke personally handed out information to the neighboring residents. Officer Adam Moore expressed appreciation to members of Borough Council for their openness to consider and to implement this safety measure.

Councillor Daniel Yocum reminded Borough Council about the Third Friday's event planned for September 15th. He also noted that the USA Network will be airing the Souderton piece that was created through the efforts of Harry Boardman.

Consideration was given to paying the bills for the month of August, 2017.

GENERAL FUND

21 st Century Media	\$167.03	Comcast Cable	\$291.50
Beatrice Kaizar	200.0	21 st Century Media	758.85
Blooming Glen Quarry	340.08	Bell Mechanical	146.00
Boucher & James, Inc.	5,523.49	Bergey's, Inc.	121.13
Bow Wow Waste Products	137.98	Clemens Uniform Rental	55.00
C & S Lawn & Landscape	250.00	Code Inspections, Inc.	252.00
Charl Wellner	34.94	Constellation NewEnergy, Inc.	1,102.79
Clemens Uniform Rental	169.59	Cope's Garage, Inc.	1,270.62
Comcast Cable	61.95	D. L. Beardsley, Ltd.	225.05
Constellation NewEnergy, Inc.	112.75	Davidheisers, Inc.	1,522.50
Cope's Garage, Inc.	945.27	Derstines	208.47
Country-Fair Cleaners	453.70	Eagles Peak Spring Water	44.05
D. L. Beardsley, Ltd.	164.25	Freedom Systems Corp	945.00
Davidheisers, Inc.	30.00	Fromm Electric Supply Corp	57.29
Delta Dental	1,307.10	George Allen Portable Toilets	373.00
Detlan Equipment, Inc.	335.66	H & K Materials	1,823.65
Eagles Peak Spring Water	42.15	Home Depot	61.14
First Class Entertainment	375.00	Indian Creek Foundation	441.00
Freedom Systems Corp	787.50	J. P. Mascaro & Sons	36,386.70
Fromm Electric Supply Corp	14.46	James P. Leary	280.19
George Allen Portable Toilets	523.00	Keystone Health Plan East	31,397.09
H & K Materials	200.70	Landis Block Nycecrete Co	149.15
Hajoca Corporation	1,042.38	Lawson Products, Inc.	215.85
Hall & Associates	972.09	Metlife	2,905.14
Highway Materials, Inc.	290.93	Moyer Indoor/Outdoor	1,979.14
Home Depot	193.08	NAPA Auto Parts	47.95
Indian Creek Foundation	473.50	Nationwide Trust Company	884.29
J. P. Mascaro & Sons	36,386.70	NetCarrier Telecom, Inc.	364.29
James P. Leary	840.57	North American Benefits Co	1,049.82
Jeffrey Lukens	449.97	North Penn water Authority	30.19
Keystone Health Plan East	31,397.09	Oldcastle Lawn & Garden	2,163.24
Markey Paper & Packaging, Inc.	278.84	PA One Call System	83.64
McDonald Uniform Company	1,890.07	Petty Cash Fund	195.76
Metlife	2,909.07	Plasterer Equipment Co	428.13
Naceville Materials	657.83	PPL Electric Utilities	599.76
Nationwide Trust Company	871.97	PPI Electric Utilities	113.46
North American Benefits Company	1,049.82	Propet Distributors, Inc.	253.00
North Penn Water Authority	47.34	Sealmaster	187.96
PA DCED	128.00	Sudz In a Bucket	5.50
PECO Energy	58.90	Trumbauers Lawn & Rec, Inc.	270.42
Richter Drafting Office Supply	567.00	U S Municipal Supply	283.68
Shelly Enterprises-USLBM, LLC	44.10	Univest VISA	820.85
Suburban Propane	161.54	Univest VISA	49.00
Telford Press Printers	728.00	Univest VISA	218.98
Temple University	600.00	Unum Insurance Company	928.92
Thomas A. Lawson	660.47	Verizon	69.46
TRM-Telford Recycling Materials	210.00	Verizon Wireless	399.27
Univest VISA	85.67	Wise Electric	195.00
Univest VISA	507.14		
Youngs	57.68	Total general Fund	\$188,391.22

SEWER FUND

All Industrial Safety Products	\$136.00	D. L. Beardsley, Ltd	\$61.65
Cintas First Aid & Safety	69.88	Derstine Company	1,080.00
Clemens Uniform Rental	122.85	Empire Scale Corporation	368.68
Comcast Cable	84.90	EVOQUA Water Technologies	2,043.11

Constellation NewEnergy, Inc.	\$187.16	Galco Business Communications	\$99.50
Coyne Chemical	3,709.75	Good Plumbing Heating A/C, Inc.	178.96
Delta Dental	321.47	Hach Company	438.79
EVOQUA Water Technolgies	2,636.82	Irvin G. Tyson & Son, Inc.	1,245.00
Gouldey Welding & Fabrication	1,370.00	J. P. Mascaro & Sons	480.00
J. P. Mascaro & Sons	600.00	Jesse Baro, Inc.	3,762.44
Jesse Baro, Inc.	2,595.11	Keystone Health Plan East	7,382.41
Keystone Health Plan east	6,529.30	Markey Paper & Packaging	216.74
Metlife	46.14	Mary M. Koehler	267.04
North American Benefits Co	255.86	Maryland Biochemical Co., Inc.	779.76
North Penn Water Authority	106.74	Metlife	46.14
Nyco Corporation	87.50	Moyer Indoor/Outdoor	182.99
Postmaster, Lansdale	904.65	Netcarrier Telecom, Inc.	165.53
PPL Electric Utilities	1,335.13	North American Benefits Co	255.86
Telford Press Printers	940.00	North Penn Water Authority	91.46
Warehouse Battery Outlet	9.90	Nyco Corporation	137.99
West Generator Services	1,600.00	PA Rural water	250.00
All Industrial Safety Products	389.28	PPL Electric Utilities	25.95
ATC Group Services, LLC	11,664.00	Rodney Shoemaker Plumbing	194.00
Bearings Drives Solutions	770.69	Suburban Water Testing Labs	3,399.76
Carquest	8.28	Unum Insurance Company	239.54
Cintas First Aid & Safety	91.12	Verizon	70.03
Clemens Uniform Rental	163.80	ZEP Manufacturing Co.	148.01
Constellation NewEnergy, Inc.	21,801.83		
Coyne Chemical	6,163.55	Total Sewer Fund	\$88,313.05

POOL FUND

Adcock	\$94.86	Shelly Enterprises-USLBM, LLC	\$1.48
Airgas National Carbonation	231.51	Univest VISA	1,075.52
Banes Roofing, Inc.	1,338.10	Youngs	18.66
Buckmans, Inc.	1,777.41	Airgas National Carbonation	312.58
Cintas First Aid & Safety	264.93	American red Cross	394.00
Comcast Cable	207.46	Bearings & Drive Solutions	15.75
Commonwealth of PA	10.00	Buckmans, Inc.	2,459.03
Derstines	3,296.39	Derstines	2,225.85
Derstines	2,448.29	Fromm Electric Supply Corp	188.69
Fastenal	40.10	Harleysville Party Rental	111.55
Fire Protection Services, LLC	50.00	Markey Paper & Packaging	177.44
Home Depot	40.22	Moyer Indoor/Outdoor	166.40
Kathy Armitage	426.49	Moyer Specialty Foods, LLC	326.10
Mallon Network Concepts	420.00	Nelsons Creamery, LLC	86.32
Moyer Specialty Foods	69.00	Netcarrier Telecom, Inc.	132.24
Nelsons Creamery, LLC	283.67	North Penn Water Authority	1,783.72
North Penn Water Authority	1,854.39	PPL Electric Utilities	2,777.40
PECO Energy	178.25	Pyrz Water Supply Co., Inc.	445.00
Pepsi Beverage Company	658.39	Richter Drafting Office Supply	110.74
Richter Drafting Office Supply	465.17	Total Pool Fund	\$26,963.10

CAPITAL RESERVE FUND

Boucher & James, Inc.	\$5,423.89	Frankford Umbrellas	\$6,494.95
Davidheisers	2,192.80	Univest Capital	3,155.23
High Brothers Industries	2,238.57		
Redevelopment Authority Montg. Co	108.00	Total Capital Reserve Fund	\$19,613.44

LIQUID FUELS FUND

Constellation NewEnergy, Inc.	\$692.31	PPL Electric Utilities	\$65.60
Armour & Sons Electric	288.50	U S Municipal Supply, Inc.	189.30
Constellation NewEnergy, Inc.	45.12		
PPL Electric Utilities	6,217.94	Total Liquid Fuels Fund	\$7,498.77

A motion was made by Councillor Richard Godshall, seconded by Councillor Ned Leight, to authorize payment of the bills for the month of August, 2017, as presented. The motion was approved.

President Brian Goshow opened the floor to the audience who may wish to address Borough Council on any topic or matter of concern.

Margaret Kiwak, 24 N. School Lane, expressed concern over the lack of progress in

completing the public improvements associated with the Berkeley Court Phase 1 development. Borough Manager Michael Coll commented that he and the Borough Engineer and Borough Solicitor met with representatives of the H & K Group back in May, 2017 about completing the required work. An email message was just sent to them this morning inquiring on the status of completing the items that were discussed. A follow up will be made this week.

Charl Wellner, 18 N. Hunsberger Lane, expressed appreciation to the Borough Manager for his decision not to spray weeds throughout the Borough. She further expressed her disappointment with members of Borough Council for their recent environmentally insensitive decision to resume weed spraying, using Roundup, throughout the entire Borough beginning next year.

Cody Ferdinand, partner with the Butcher and Barkeep restaurant in Harleysville, reported that they have been working to finalize their operating agreement with Boardroom Spirits to open the new restaurant in the Souderton Train Station. They are hoping to have the lease agreement executed by the end of September. The process has been moving much slower than anticipated, especially with the Pennsylvania Liquor Control Board, but the process is nearly complete.

Suzanne Leonard, 258 Highland Avenue, spoke on behalf of the Indian Valley Public Library. She provided copies of an invitation to join the Indian Valley Public Library at a breakfast meeting on September 21st to discuss future visioning and goals for the library.

There being no further public comment, President Goshaw moved to the business portion of the meeting. The first item is consideration of the bids for the County Line Road and Montgomery Avenue Improvements project, both funded by Community Development Block Grants.

A motion was made by Councillor Richard Halbom, and seconded by Councillor Daniel Houser, to award the County Line Road Curb and Sidewalk Construction contract, including all bid alternates, to Ply-Mar Construction Company in the amount of \$210,048.00. The motion was approved.

A motion was made by Councillor Richard Halbom, and seconded by Councillor Daniel Houser, to award the Montgomery Avenue Curb and Sidewalk Construction contract to Ply-Mar Construction Company in the amount of \$212,714.00. The motion was approved.

A motion was made by Councillor Daniel Houser, and seconded by Councillor Tracy Burke, to adopt Resolution No. 2017-07 approving the execution of a Street Light Services Agreement with PPL Electric Utilities Corporation to install new LED street light fixtures throughout the Borough. The motion was approved.

A motion was made by Councillor Daniel Yocum, and seconded by Councillor Jeffrey Gross, to adopt Resolution No. 2017-08 approving the application for an Economic Development Liquor License on behalf of Souderton Food Services, LLC for a development within the 600 block of East Broad Street, Souderton Borough. Councillor Kevin Souderton expressed concern over the lack of specificity with this request. In previous applications Borough Council was aware of the exact location and the type of restaurant proposed. Following conclusion of the comments, Borough Council approved the motion by a vote of 8 yeas and one nay. Councillor Kevin Souder cast the dissenting vote.

A motion was made by Councillor Ned Leight, and seconded by Councillor Daniel Houser, to authorize the posting of a "One Way" traffic restriction on South School Lane, from the intersection of Garfield Avenue to Lincoln Avenue, for a 90 day trial period per Mayor's order. The motion was approved.

A motion was made by Councillor Jeffrey Gross, and seconded by Councillor Ned Leight, to approve an employment agreement with Police Chief James P. Leary extending his employment through December 31, 2020. The motion was approved.

A motion was made by Councillor Daniel Houser, and seconded by Councillor Richard Godshall, to authorize the submission of a Purchase Order to ODB Company to purchase a new self-contained leaf vacuum under the Pennsylvania COSTARS contract funded through the 2018 Capital Reserve Fund budget. The motion was approved.

A motion was made by Councillor Richard Halbom, and seconded by Councillor Tracy Burke, to authorize the advertisement of bids for a three year contract to dispose of biosolids from the Souderton Waste Water Treatment plant through land application to become effective January 1, 2018. The motion was approved.

There being no further business, the meeting was adjourned at 8:01 pm.

Respectfully Submitted,

P. Michael Coll, Secretary

WORK SESSION MINUTES AND COMMITTEE REPORTS

Public Works Work Session – Cancelled due to Council Meeting

The monthly Public Works Work Session was cancelled for the month of September to accommodate the re-scheduled meeting of Souderton Borough Council on Monday, September 11, 2017. The Borough Council Meeting was re-scheduled because of the Labor Day Holiday.

Administrative Work Session- September 18, 2017 (7:00pm-9:44pm)

Council Attendees: John Reynolds, Brian Goshow, Jeffrey Gross, Richard Godshall, Daniel Yocum, Daniel Houser, Tracy Burke and Kevin Souder. Junior Councillor Michael Jones.

Staff Attendees: Code Enforcement Officer Steven Toy and Borough Manager Michael Coll.

1. Police Committee

- a. Chief Leary was on vacation, reports will be made at a subsequent work session. No additional police items were discussed.

2. Administrative Committee

- a. Borough Manager Michael Coll provided Borough Council with copies of the two formal bid proposals that were received at 2:00pm on September 18, 2017 for the purchase of 30 W. Broad Street. Davood and Davide Sowhangar, of Broad Street Pizza, 40 W. Broad Street, Souderton, PA submitted a bid of \$250,000. Barbara Smith Johnson, t/a 30 West Partnership, LLC, 711 Hyde Park, Doylestown, PA submitted a bid of \$200,000 to purchase the property at 30 W. Broad Street. Both of the bidders were present at the work session.

Brian Goshow opened the floor for each bidder to make a presentation to Borough Council concerning their intended use of the building. Barabara Smith

presented Borough Council with her background as a business owner and property owner in Souderton Borough. She is proposing to renovate the building into a public market place containing a series of 18 kiosk style rental spaces for a variety of retail and restaurant uses. The best example of this use is the Easton Public Market. The concept will create a town center to serve as an incubator for small business. The plan will open opportunity to a variety of small businesses to locate in the Borough's downtown supporting other commercial businesses and supporting future plans to restore the Broad Theater. As the small businesses grow they may seek to locate in larger store fronts in the Borough. The concept further takes advantage of the third floor addition and roof top dining.

Davood Sowhangar commented that he was previously before Borough Council to express his interest in the property. They currently operate Broad Street Pizza in the adjoining building at 40 W. Broad Street. They propose to renovate the first floor to serve as an enlarged full service style restaurant. A second commercial space will be created on the first floor to complement the restaurant use, possibly a bakery. The second floor will be divided into smaller shops or office suits. The third floor addition will be renovated as a two bedroom apartment unit. The proposal is submitted by a father and son partnership that has been in operations for 10 years, with an expanded location in Lansdale Borough. The business is well established in the community, unlike the competing proposal. They are proposing a quick cash sale, with construction in two phases. The first phase will be completed and occupied promptly. A construction loan will be obtained to complete the second floor renovations.

Borough Council discussed the time frame to reach a formal decision, noting the bid specification provides for a 45 day review period. Borough Council and the bidders mutually agreed to extend the timeframe for a formal decision until the November 6, 2017 regular Borough Council meeting. Further discussion will be scheduled by Borough Council during the October meetings.

3. Development Committee

- a. Borough Manager Michael Coll reported on the status of discussion with the H&K Group about completing the public improvements in Berkeley Court Phase 1. Timothy Hendricks was the sole developer of this first phase with Blooming Glenn Contractors performing the site work. The stacked townhomes are complete and occupied. Final paving, site lighting, landscaping and site work associated with the commercial pad site remain unfinished. The Borough met with representatives of H & K Group to discuss plans to finish the public improvements. H & K Group confirmed that they ordered the site lighting fixtures in July, 2017 and issued a work order to an electrical contractor to complete the installation. The light fixtures have an extended delivery date of 12 weeks from the order date. They expect the lighting to be completed in November as soon as the fixtures are delivered. Other punch list items will be completed and a time frame will be communicated to the Borough.
- b. Borough Council discussed the status of the review of revised plans for the Berkeley Court Phase 2A development along with the revised concept plan for the balance of the site. The overall number of townhomes within the development continues to be of concern with discussion on how best to limit the number of townhomes within the development. A joint meeting between Borough Council and the Planning Commission was suggested as a way to come to a final consensus on the direction of the concept plan. Borough Council further noted that fencing around the silt basin continues to be a concern. The developer must maintain appropriate fencing around the silt basin for the safety of neighboring residents.

4. Finance Committee

- a. Greg Ede, CPA of Styer Associates attended the work session to present and review the 2016 General Purpose Financial Statements that were previously circulated to Borough Council members for their review. The statements show expenses were up mainly associated with the Train Station restoration project and the delay in receiving the associated federal and state grant revenue. A fair amount of grant revenue was received in the early part of 2017, which they expect to have a positive effect on the statements at the end of 2017. Accounts receivable from delinquent sewer bills is manageable. Portnoff is helping to maintain collections. Greg Ede noted that Souderton Borough is fairly average to his other municipal clients. Greg Ede reported that the Borough's pension liabilities are up, but the Police Pension Plan is 97% funded and the Non-Uniformed Plan is 93% funded. According to current GASB requirements, Uninvest must achieve a 7% return on investments to maintain pension projections, which they did achieve in 2016. If Uninvest realizes a return of 8% or better, then both pension plans will be fully funded. concerning the reporting of pension liabilities which are now more fully described in the financial statements. While the Borough's pension plans are in good financial shape, Borough Council needs to continually be in conversation with pension administrators about actual experience versus the actuarial assumptions used to determine the annual minimum municipal obligation to the plans. Variations in actual experience versus actuarial assumptions can have dramatic impacts on the financial condition of the pension plan. A recommendation was made to formally approve the financial statements as presented at the October 2, 2017 Borough Council meeting.
- b. Borough Council members reviewed the 2018 Minimum Municipal Obligation Work Sheets for the Police Pension Plan and the Souderton Non-Uniformed Pension Plan. The 2018 MMO is based on an estimate of 2017 W-2 wages of the employees covered by each pension plan. Uninvest Municipal Pension Services assisted in the determination of the normal plan cost and any other cost adjustments. The Non-Uniformed Pension Plan normal cost remains at 9.9562% of covered payroll, based on the 2015 Act 205 report. Two full time employees entered the DROP program resulting in a decrease in applicable salaries and wages. As a result, overall plan costs are expected to decrease from \$51,192 to \$42,529 in 2018. The Police Pension Plan normal cost will remain at 12.7626% of covered payroll, derived from the 2015 Act 205 Report. With projected increases in wages, the Police Pension Plan cost will go from \$13,409 to \$17,895 in 2018. State Pension Aid is expected to increase in 2017, which we expect to receive by the end of September, 2017. Based on expectations, the 2018 MMO for the Police Pension Plan will be fully paid by State Aid and State Aid is expected to cover the majority of the 2018 MMO for the Non-Uniformed Pension Plan. Depending on actual 2017 State Aid receipts, Borough Council may need to include some nominal expenses in the 2018 Budget to cover any additional non-uniformed pension obligations.