

COUNTY COMMISSIONERS' WORK SESSION MINUTES  
TUESDAY, JANUARY 15, 2019

The Board of County Commissioners met today in their weekly Work Session.

Present at today's meeting were:

**Joshua G. Parsons, Chairman**  
**Dennis P. Stuckey, Vice-Chairman**  
**Craig E. Lehman**  
**BOARD OF COUNTY COMMISSIONERS**

**Lawrence M. George**  
**CHIEF CLERK**

**Lisa Johnson**  
**ASSISTANT CHIEF CLERK**

**Christina Hausner, Esquire**  
**COUNTY SOLICITOR**

Also present were:

**Charles Douts, Director**  
**FACILITIES MANAGEMENT**

**Benjamin Herskowitz, Radiological Planner**  
**EMERGENCY MANAGEMENT AGENCY**

**Brian Hurter, Controller**  
**CONTROLLER'S OFFICE**

**Matt Knepper, Director**  
**AGRICULTURAL PRESERVE BOARD**

**Emanuel Mahand**  
**NATIONWIDE RETIREMENT SOLUTIONS**

**Ken Phillips, Financial Advisor**  
**RBC CAPITAL MARKETS**

**Tim Shenk, Program Director**  
**IU13**

**Joe Shiffer, Deputy Warden**  
**PRISON - INMATE SERVICES**

**Jay Wenger, Managing Director**  
**SUSQUEHANNA GROUP ADVISORS**

**Lon Wible, Executive Director**  
**OFFICE OF AGING**

Commissioner Parsons called the meeting to order at 10:00 a.m.

Commissioner Parsons announced that the Board of Commissioners met in Executive Session on Monday, January 14, 2019 at 10:20 a.m. to discuss potential Litigation; also, Litigation including Rebecca Brown case, Eastern District of Pennsylvania, docket number 1229-2018; LNP v. Diamantoni case, Lancaster County Court of Common Pleas, docket number 9547-2018, and Personnel matters.

Commissioner Parsons announced the approval of the December 18, 2018 Work Session Minutes and the postponement of approval of the January 8, 2019 Work Session Minutes.

1. Mr. Mahand presented an overview on Nationwide's Change of Guaranteed Minimum Interest Rate Credit and listed the available options for the Board's consideration:
  - **Option 1** - The contract is amended to lower the Guaranteed Minimum Interest Rate annually on the following schedule: 2018 - 3.5%; 2019 - 3.0%; 2020 - 2.5%; 2021 - 2.0%; 2022 - 1.0%, and 2023 - 0.5%. The contract's quarterly Crediting Rate will continue to be set based on Nationwide's normal business practices and may vary depending on market conditions and investment performance.
  - **Option 2** - The contract is amended to lower the Guaranteed Minimum Interest Rate annually on the same schedule as shown in Option 1. Additionally, the per participant exchange and transfer limit is also increased from 20% to 40%. The contract's quarterly Crediting Rate will continue to be set based on Nationwide's normal business practices and may vary depending on market conditions and investment performance. However, because of the increased exchange and transfer limit, the Crediting Rate under this option will be less than under Option 1. This difference is 0.1% annually, but the variance is not guaranteed to remain at this level.
  - **Option 3 (Default Option)** - The existing balance in the current Fixed Contract will maintain the current GMIR for these

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existing balances only, unless otherwise agreed to by Nationwide and the Plan Sponsor. New contributions will no longer be accepted to the current Fixed contract. This includes, but is not limited to, payroll contributions, rollovers, transfers and exchanges. This change will be effective in 2019.

Accordingly, the County will need to provide directions for its participants' future allocations to replace their current Fixed allocation. Two options are available. If this option is chosen, a sub-option will also need to be selected.

- A. Continue to offer Nationwide Fixed Contract. An application for a new Fixed contract is enclosed. This contract will be established with an initial Crediting Rate of 1.2% and a 0.5% GMIR.
- B. Utilize the Plan's existing Default Investment Alternative (DIA). If the Participant does not elect a new investment to replace the Fixed option, it will be treated as if no investment direction has been given and the Default Investment Alternative will be used for future contributions.

Commissioner Lehman stated he is in favor of the Option 3-A because the employees were promised that their money was going to get credited at 3.5%, which deals with the existing money, and then they would have the option to make any choices on how they want to invest new money.

Commissioner Parsons thanked Mr. Mahand for the update and stated that the Board will decide what they are going to do going forward and will get back to him.

2. Mr. Wenger, Managing Director, and Ken Phillips, Financial Advisor, presented an Issuance of General Obligation Bonds.

Mr. Wenger and Mr. Phillips presented an overview of the Ordinance No. 137 and recommended the Issuance of General Obligation Bonds for financing new projects, including Courthouse renovations, media upgrades and prison camera equipment upgrade, and the option for Ag Preservation funding; also, the refunding of 2009A Bonds in the amount of \$4.4 million and refinancing of 2014 Bonds in the amount of \$4.6 million, for a total amount of \$22 million.

Commissioner Lehman once again expressed his opposition to borrowing for the Courthouse renovation project and noted that he is not convinced that the media upgrades at the Courthouse and the Prison cameras should be spent with bond money, because for borrowing money over 25 years, the useful life of those upgrades are not going to be 25 years. However, he does support borrowing for Farmland Preservation.

Commissioner Parsons stated the two refunding pieces make sense and the money for the Courthouse project can be split. By doing a good job adding to the reserve, they may have enough in their reserve to be able to do some work on capital projects in the future, so it does not make sense to borrow it all now.

**NOTE:** For more information please refer to the Ordinance No. 137 of 2019 County Commissioners' Meeting Minutes dated January 16, 2019.

3. Mr. Herskowitz, Radiological Planner, presented a 2019 Hazard Mitigation Plan.

**NOTE:** For more information please refer to Resolution No. 4 of 2019 County Commissioners' Meeting Minutes dated January 16, 2019.

4. Mr. Knepper, Director, presented 2019 Appropriations for Agricultural Conservation Easement Purchase Funds.

**NOTE:** For more information please refer to Resolution No. 3 of 2019 County Commissioners' Meeting Minutes dated January 16, 2019.

5. Mr. Shiffer, Deputy Warden, and Mr. Shenk, Program Director, presented an Agreement on behalf of the Prison.

Mr. Shiffer introduced Mr. Wagner who is a new Re-entry Manager at the Prison.

**NOTE:** For more information please refer to the County Commissioners' Meeting Minutes dated January 16, 2019.

6. Mr. Wible, Executive Director, presented an Amended Agreement on behalf of the Office of Aging.

**NOTE:** For more information please refer to the County Commissioners' Meeting Minutes dated January 16, 2019.

7. Mr. Douts, Director, presented Budget Adjustments.

**NOTE:** For more information please refer to Resolution No. 2 of 2019 County Commissioners' Meeting Minutes dated January 16, 2019.

8. Mr. George, Chief Clerk, presented an Appointment to Capital Area Behavioral Health Collaborative Board of Directors.

**NOTE:** For more information please refer to the County Commissioners' Meeting Minutes dated January 16, 2019.

9. Ms. Johnson presented the January 16, 2019 Commissioners' Meeting Agenda noting that she is waiting for an updated number from Mr. Knepper for the Agricultural appropriation Resolution.

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10. On motion of Commissioner Stuckey, seconded by Commissioner Parsons, the meeting was adjourned at 11:03 a.m.  
Motion passed unanimously.

Respectfully submitted,



Lydia Kovalchuk, Executive Assistant  
Commissioners' Office