MARIA McCOOL, RPR OFFICIAL COURT REPORTER

25

| 1 | MR. WOLFF: Okay. We'll get the |
|----|---|
| 2 | March 11th, 2025, Dunmore Pension Fund meeting |
| 3 | going here. We'll start with roll call, Greg, |
| 4 | Wolff. |
| 5 | MR. COLO: Ralph Colo. |
| 6 | MS. BRIER: Janet Brier. |
| 7 | MR. MENTZ: Gene Mentz. |
| 8 | MR. KAMLA: Greg Kamla. |
| 9 | MR. BURTON: Mark Burton. |
| 10 | MAYOR CONWAY: Max Conway. |
| 11 | ATTY. MACDONALD: Neil MacDonald. |
| 12 | MR. WOLFF: Okay. I need a motion |
| 13 | for approval of the minutes from January 14th, |
| 14 | 2025. |
| 15 | MS. BRIER: I'll make a motion. |
| 16 | MR. BURTON: Second. |
| 17 | MR. WOLFF: I have a motion and a |
| 18 | second. Anyone on the question? All in favor. |
| 19 | ALL MEMBERS: Aye. |
| 20 | MR. WOLFF: Opposed? All right. |
| 21 | I'm not sure where we fit Ralph in, but we have |
| 22 | no old business it looks like. So, Ralph? |
| 23 | MR. COLO: Sure. |
| 24 | MR. WOLFF: Do you want to get us |
| 25 | started? |

MR. COLO: Absolutely. Of course, since the election, you know, the markets have been exceptionally volatile to say the very least. I know we talked about that, you know, at the end of the year.

Currently -- and I'll talk about the allocation first. We have 50 percent of the assets in equities. So I think that we're as far as the investment policy statement goes, we're on the conservative end of things.

Of that 50 percent in equities, almost a third of it is in international equities. The international markets have done really, really well over the last six months, specifically year to date they are up about 8 percent year to date.

What we have seen so far for the Borough through the month of February, is a net return of about 2 percent year to date, which doesn't sound like much. Hopefully we could extrapolate that for the entire year those type of returns.

We have seen exceptional volatility even over the last two weeks with tariffs with what's going on with Canada, with Mexico,

China. And from an allocation standpoint, I think that we are exactly where we need to be. We use our investment policy statement really as a roadmap as far as how the account should be invested and we're sticking to that.

So if anything, if these markets get a little bit more volatile on the downside, I'd say we would probably implement some of the cash. We currently have about 12 percent of the assets of the Borough are in cash, so about 12 percent are in cash, you know very, very conservative.

We're really at the high end of that. We've been that way really since the third quarter of last year. So we move --

MS. BRIER: How about the other 38 percent?

MR. COLO: So there is money in fixed income and then there's also money in alternatives. That's really where the difference --

MS. BRIER: I don't know what that is.

MR. COLO: The alternatives would be things like gold, commodities, currencies, and

these have also done exceptionally well. So when we put on the TV and see we the volatility of the markets, you know, is the Borough immune from any type of downturn, and the answer is no to that, of course.

But I think that our allocation really has proven to pay off. And again, if we see some continued downturn, you know, it would be my recommendation at that point maybe to move some money out of cash, you know, into the markets.

There's been periods of time where we've had our equity exposure, you know, up to 70 percent. You know, right now, again, we're hovering right around 50 percent. So I think that, you know, we're definitely on the conservative end of things.

And again that investment policy statement, we could never be all in or all out of any one asset class. You know, these are long-term investments and we have done exceptionally well. That was really just a, you know, very quick abridged version of what is going on. I'm happy to answer any questions that anyone, you know, may have.

MR. WOLFF: Anybody?

MS. BRIER: Not to prolong the agony but, you know, we invest quite a bit of money every year. And is that the only place where we see growth, just what we've invested?

MR. COLO: So we're seeing growth from a couple different areas. We've seen growth from the assets clearly that are already in the plan. For instance, the portfolio are generating about half a million dollars of sheer income per year which is almost 3 percent aside from what --

MS. BRIER: Aside from what we're contributing.

MR. COLO: Aside from what we're putting in, correct. So when we look at the returns, by the way, the returns are not indicative of the contributions going in. So it's --

MS. BRIER: That's outside of the contribution.

MR. COLO: Correct. That's really just the investment earnings that we're seeing.

MR. MENTZ: So you talk about the 50 percent exposure, you are talking about stuff

that is in a market outside of other assets that are preserved and away from the volatility.

MR. COLO: Correct. Yes. So, you know, there is the Procter and Gambles and Coca-Colas of the world. There is also Microsoft and Amazon and some technology names in there as well. But on the equity side of things, we're more focused on the boring blue chip names than the high flying technology names.

We've kind of, you know, positioned that really over the last year to kind of prepare for some of the volatility.

MR. MENTZ: And we're putting about half of our assets in exposure to that.

MR. COLO: Correct. Yes.

MS. BRIER: Okay, thanks, Ralph.

MR. COLO: Sure.

MR. WOLFF: Any other questions, comments? Okay. We'll move onto we have a request for an increase in pension from Anthony Garzella through his attorney, Debra Dominick. A little background on that Mr. Garzella went on a disability pension last year or the year

prior.

Again through his attorney, they believe that an increase from 50 percent to 60 percent is due. So, Mr. MacDonald, I believe there is a letter from Larry countering that argument, if could you?

ATTY. MACDONALD: Yes. I have a letter from Larry dated February 7th, 2025 to Attorney Dominick regarding Mr. Garzella. He references her position from her letter of August 5th of 2024. And ultimately the only reference that I see is there is a reference to a 60 percent benefit but Larry's conclusion is that the 60 percent benefit simply increases the annual amount that the Borough is required to pay into the plan and does nothing to establish a benefit for Mr. Garzella or for any other Borough employees.

So, I mean, his whole correspondence is here. His position is that there is no basis to increase Mr. Garzella to 60 percent nor any other Borough employee.

MR. WOLFF: So again, I think it was the audit, the 205 where there was an error done by our actuary Mr. Duda that set that 60

percent. All the ordinances, the contract, the CBA, they all indicate 50 percent.

ATTY. MACDONALD: That's correct.

That's also in his letter here.

MR. WOLFF: So Mr. Durkin would not recommend the increase, correct?

ATTY. MACDONALD: That's correct.

The last sentence on the first full paragraph second page says the pension benefit to which Mr. Garzella's entitled is determined pursuant to the ordinances and collective bargaining agreements in effect at the time he vested and subsequently retired from the Borough which is 50 percent of his salary over the last 36 months as outlined under Act 600. So the basis of his -- the 50 percent comes from the ordinances and from the collective bargaining, the CBAs.

MR. WOLFF: Okay. So with that said, would you recommend we look for a motion?

ATTY. MACDONALD: If Mr. Garzella is requesting an increase, you'd have to determine whether there's a motion to entertain his request for the increase or not.

MR. WOLFF: A motion to entertain

the increase or not. I know we have counsel.

And I understood that Miss Dominick was not going to be here. I don't know if he's looking for a vote on it now or not. I know

Mr. Garzella is here in the public.

MR. GARZELLA: I was told to be here at 6:00.

MR. MENTZ: Do we have a document from Debbie Dominick?

ATTY. MACDONALD: Yeah, there's correspondence. It's 12 or 13 pages. But it's from August of 2024. And then Larry's response was in February.

MR. GARZELLA: She actually was at the Borough -- she thought the meeting was at the Borough Building. She's on her way down here.

MS. BRIER: Okay.

ATTY. MACDONALD: I mean, I don't see how we can take a vote or not take a vote if she's not here. At this point, I guess, all we would ask her to do is on behalf of Mr. Garzella based upon her correspondence from August of 2024, we need a motion to increase his benefits or ask that the Board make a

motion to do it, whether or not a motion is made I think would decide whether it gets voted upon.

MR. WOLFF: All right. Would it be appropriate being that we're waiting for her to hold that for now and continue on with the regular?

ATTY. MACDONALD: Yeah, I don't see any problem with that.

MR. WOLFF: Okay. So again, she has an opportunity speak. We could move on with our agenda and return once she arrives. So with that said, we also have a pension application from Vito Ruggiero.

He has placed a request -- again, our actuary Joe Duda has put together numbers for him. He is -- and Larry has reviewed these documents. He is -- it is appropriate to approve his pension.

MS. BRIER: He's entitled.

MR. WOLFF: He's entitled to the pension. It's -- he's vested. You are vested in the nonuniform pension, you're vested after five years. And he had six years in. So he will get a prorated amount. It's not the full

pension amount. So his numbers were 1,726.44 1 per month. 2 3 MS. BRIER: We need to vote on that? MR. WOLFF: So we would need a 4 5 motion to approve his pension. And that will not take effect until -- he will not turn 55 6 until January of 2026. But he requested that 7 8 this be taken care of so it's in order when the 9 comes time. So, yes, I would look for a motion 10 to approve Vito Ruggiero for his pension. 11 MR. MENTZ: I'll make the motion. 12 MR. BURTON: Second. Okay. I have a motion 13 MR. WOLFF: 14 and a second. Any questions? All in favor. 15 ALL MEMBERS: Aye. 16 MR. WOLFF: All right. Moving on. 17 We also received a request from firefighter 18 Colin Kearney who separated with the department 19 in August of 2012. He came aboard on 20 3/24/1999. So he is vested. And again, 21 Mr. Durkin reviewed these documents and it is 22 appropriate for him to receive this pension. 23 He will be due -- he will turn age 24 53 which is eligible age for the fire 25 department pension in September of this year,

2025. So again, I would look for a motion to approve Colin Kearney.

MR. KAMLA: I'll make a motion to approve Colin Kearney.

MS. BRIER: Second.

MR. WOLFF: We have a motion and second. Any questions? All in favor?

ALL MEMBERS: Aye.

MR. WOLFF: Opposed? And then we have Christopher Cichocki for a disability pension. He put in a request along with his attorney Debra Dominick who is here now for firefighter Chris Cichocki as well.

The Borough received -- obtained an independent medical exam for firefighter

Cichocki from an injury that he sustained while on duty. The Borough then began the process to terminate heart and lung benefits. In the meantime they have worked on a settlement agreement and to get his resignation.

So again, it is appropriate. Larry has reviewed the IME. It is appropriate to approve him for a disability pension from the fire department. It will be -- they have an agreement in principle. Is that correct?

ATTY. DOMINICK: Yeah, may I be heard quickly? It is really warm in here. I was here with my son. And then I went to home to get my stuff and to the Borough Building and then I realized it was here. So I apologize. I'm Debbie. Nice to meet you all. I'm sure you've all seen me on the front page. Don't believe anything you read.

Okay, so here's where we are with Mr. Cichocki. He put in February 4th for the disability. Worker's comp, the IME indicated that he can't come back as a firefighter and the heart and lung, same thing. I did not get the agreement by Matt Boyd, no shade on Matt Boyd. We're busy. On Thursday, he was out on Friday. And then it's just like we were under pressure.

It's not that I do not believe what Matt Boyd is telling me, however, my client and I aren't comfortable moving forward with an agreement when I don't know there's a few things, like, for example, it indicates that any accrued sick time will be paid over two years.

I know that is strictly in the

police officers's CBAs. I don't remember seeing it in the firefighters'. I know the life insurance, \$35,000 it was increased for the police. I'm not sure if it was for the --there's certain things I need to look at.

I also am waiting for his, you know, the new contract changed for people on heart and lung what they can and cannot accrue and then --

MS. BRIER: So do you want us to table it?

ATTY. DOMINICK: Well, here's what me and Matt Boyd decided. His worker's comp hearing, they wanted to do a resignation. And again, no shade at anyone. It's not that I don't trust anyone. I'm just -- call it political paranoid. I'm just a little hesitant to have him resign prior to him getting approved for the disability.

So he continued it. And when I talked to Matt Boyd today I said, Matt, I said what if we -- well, I kind of stated it and then he kind of came up with the idea. I said what if we just have a small agreement saying that the disability pension is approved if

you -- if the Board so agrees to do so. And then he and I can work between now and he wanted to give us until Friday.

I said let's not set us up to fail.

Let's get this until next Friday to get the specifics to what he's entitled under the application contract. So if you feel that it's appropriate, we do have an actuary report from Mr. Duda. And history has taught me that he's usually right on point.

But again, I have no documents to confirm it. And I'd like to confirm everything and make an informed decision. So Matt had suggested that we -- that I ask that if your -- if you guys would consider approving it. Now, it says April 1st because he also has those four options, which I'll be honest with you, I'm not completely and totally clear on with regard to his pension.

But that is -- it's not going to start until April 1st. I have Duda's letter if you would like to see it. And if you guys would approve it and then with the specific reservation -- I reserve the right to confirm that the information that Mr. Duda has is

3

5

4

6 7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

Now, the letter from Mr. Duda says I'm not sure why, but again, we March 14th.

And then Mr. Boyd and I will have an correct. agreement within two weeks.

The alternative is to postpone. But my understanding is do you guys meet every other month or does it really depend on --

MR. WOLFF: No. The next meeting is in June. So, yeah, and I spoke to Mr. Boyd as well too and I believe, you know, with just maybe the phrasing between the two of you guys you could work that phrasing contingent upon -the pension is approved contingent upon the agreement.

ATTY. DOMINICK: Would you like to see Mr. Duda's letter?

MR. WOLFF: No, I've seen it. mean, anyone's obviously welcome to see it. But those are his --

ATTY. DOMINICK: The one thing we do agree upon is that for the firemen's pension it's 50 percent of the last three years prior to disability. And my understanding is the disability is the date that you -- the Board approves it.

3

4

5

6

7 8

9

10

11 12

13

14

15

16

17

18

19

20

21

22

23

24

25

working on.

can, you know, change that around as long as everyone knows that I -- again, I don't doubt that Mr. Duda is correct.

However, I reserve the right to challenge it and then accrued time, life insurance, things of that nature really doesn't fall under purview of the Board anyway.

> MR. WOLFF: Correct.

ATTY. DOMINICK: So Matt and I will hopefully bang that out. It was just too much. I was behind the eight-ball and so was he and we were both --

MR. WOLFF: No, and we -- I've been part of it too and we understand that. just want to make sure that the Borough wants to make sure that Mr. Cichocki can find all of these other resolutions that you guys have been

So this is -- my understanding the pension approval was the holdup. So again, as long as for the legal to say however we phrase that of what she just -- I know from my perspective --

ATTY. MACDONALD: So you are voting on whether or not to award disability pension.

If that's the motion and you guys are comfortable and you vote on it and you approve it, that's fine. It still can be approved.

How it affects any of the other stuff, the heart and lung, you guys don't have decisions anyhow to make. So it is kind of the cart in front of the horse.

MR. WOLFF: Someone has to take the first step.

ATTY. DOMINICK: I just don't want to keep pushing workers' comp down, you know, kicking it down the can. It's costing you guys money. It's costing comp money. I guess putting it in your words or in the language that this Board understands, I guess you have to vote on whether or not he meets the criteria for disability pension.

I don't think that is an issue.

Greg, I could ask you afterwards. I know it doesn't start until April 1. So we have some, you know, this is my first time I'm ever here.

So I don't know if he's on heart and lung until April 1. I just don't understand the little things like that.

MR. WOLFF: I could explain the

it's done before April 1st, Mr. Duda will send him something or it will be through me where he could make that selection. He doesn't have to do that tonight.

That's not what we're deciding.

It's just that top number whatever it is, 3,700 a month. Those are Duda's numbers. But what we are doing as a Board is just approving that he does meet the requirements of the disability pension.

The only thing that the Pension

Board and the Borough needs is I guess that's where I would say contingent upon the resignation. We obviously can't have someone on a -- and that's all, you know, the cart before the horse. But someone has to take the first step.

weary about him resigning because if you get technical -- not that this Board would do that, but if he resigned, that changes things.

However, I talked to Jeffery Zietz who is the attorney for the workers' comp carrier. And I said to him what we could do is frame it in the sense that the Board approved that he is --

correct me if I'm wrong, but you're considered terminated, right, once you are approved for or at least that's how it reads in the 700 CBAs that I read recently that he's considered terminated and that he will -- it's going to specifically say that he will not reapply to the Borough of Dunmore in any capacity for any position whatsoever.

MR. WOLFF: Yeah. So that would be -- like I said, I would only make the motion contingent upon the resignation. That would be --

MS. BRIER: And Duda's acceptance -- or the acceptance of Duda's calculation.

MR. WOLFF: Yes, and, of course, if there's any errors if there's an error in calculation.

MS. BRIER: Right. So do you need a motion?

ATTY. DOMINICK: Do you have any questions or are you good? I just want to make sure because this is a little unorthodox what we're doing here.

MR. CICHOCKI: From the last 24 hours, I'm really in a tailspin with it. But

it sounds --

ATTY. DOMINICK: You're comfortable.

MR. CICHOCKI: I'm comfortable.

ATTY. DOMINICK: Okay. Thank you all and I apologize for being late and everything else.

MR. WOLFF: So I would be looking for a motion to approve Christopher Cichocki from the fire department for a disability pension contingent upon his resignation.

MR. KAMLA: I'll make that motion.

MR. MENTZ: I'll second.

MR. WOLFF: We have a motion and a second. Any questions? All in favor?

ALL MEMBERS: Aye.

MR. WOLFF: Opposed? Okay, the last one until we get back to Mr. Garzella is Sal Marchese. He is looking to enter the DROP, so essentially begin his retirement -- be effective in the retirement. He has more than exceeds the age and the time served.

So again, Mr. Durkin has reviewed all of this. He meets all the requirements for his pension. And he will be entering into the DROP. There is an ordinance. The police

1 2 3 4 Retirement Option Plan. 5 6 7 8 9 10 MS. BRIER: 11 MR. BURTON: 12 MR. WOLFF: 13 second. Any questions? 14 MR. KAMLA: 15 MR. WOLFF: 16 MR. KAMLA: 17 MR. WOLFF: 18 ALL MEMBERS: Aye. 19 20 21 22 23 24 25 the -- an opposing view.

obviously receive in their CBA, an 18 month. There was an agreement with Mr. Marchese that he is to receive 60 month DROP, Delayed And the Council did amend the

ordinance from the police department to accommodate his agreement. So everything is --I will need a motion to accept Mr. Marchese's request for retirement and enter the DROP.

I'll make that motion.

Second.

I have a motion and a

You said 16, one-six?

60, six-zero.

Six-zero, so five years.

All in favor? Correct.

MR. WOLFF: Opposed? Okay. So we can resume the conversation with Mr. Garzella. Miss Dominick, if you want to -- we began discussing Mr. Garzella and how you had made a request for the increase in pension. Larry's response was, you know, was not in

sit?

ATTY. DOMINICK: So I'm going to -so going through this, any of this stuff is
like going down a yellow brick road with
enormous potholes. I was going to make copies
which I wasn't going to give to you until after
the meeting because I know from sitting in way
too many meetings you tend to look at that
stuff and don't pay attention.

But my printer broke because that's my life. But if you need any -- I have, you know, one copy of everything and then I could make copies for the Board. I'm just going to need you to -- there's kind of four parts and it's kind of convoluted.

And I just respectfully request that you just bear with me and I tried to narrow it down and get to the heart of it. So if I could, would you like me to proceed now or what would you like me to do?

MR. WOLFF: Yeah, sure.

ATTY. DOMINICK: Do you care if I

MS. BRIER: Excuse me. I have to go. It's very important.

ATTY. DOMINICK: Are you Janet?

1 Nice to met you. 2 MS. BRIER: My granddaughter is a 3 Lady Buck and they have their playoff game 4 today in Stroudsburg. 5 ATTY. DOMINICK: I will not be insulted. Janet, will you be able to read --6 7 MS. BRIER: Can you send it to me 8 electronically? 9 MR. WOLFF: If you send it to me or 10 Matt I'll pass it on. MS. BRIER: I'd love an electronic 11 12 copy. ATTY. DOMINICK: When I talked to 13 14 Jean maybe she said send it to me and I'll get 15 it to everybody because not everybody checks their e-mails. 16 17 MS. BRIER: We check our e-mails. 18 ATTY. DOMINICK: I don't know 19 everybody here. I know you. I know you. 20 MR. COLO: Ralph Colo. I'm with 21 Morgan Stanley. 22 ATTY. DOMINICK: Ralph Coleman. 23 MR. COLO: Colo. 24 ATTY. DOMINICK: Colo. Colo? 25 MR. COLO: Yeah.

ATTY. DOMINICK: I'm terrible with names but I'm good with faces. You look very tan. And I'm jealous of wherever you were. I know you.

MR. KAMLA: Greg Kamla with the fire department.

ATTY. DOMINICK: Yes, I do represent you guys, again, terrible with names. I apologize. It can't be fixed.

MR. KAMLA: They call me Ralph so.

(Brief conversation was held off the record.)

ATTY. DOMINICK: If you guys want me to make you copies or send you things, whatever you would like. I'm trying to really narrow it down. Okay, so my client is currently receiving a retirement in the amount of 50 percent of the last three years prior to the date of disability.

And I think everyone agrees and Matt and I talked about it today that usually the date of disability is the date it's approved by the board, okay? So I had written numerous

things to Larry and I appreciate indulging me and listening to my very long letter.

So I'm just going to touch upon a couple things. Just like we talked about with Mr. Cichocki, he said that really under the purview of the Pension Board is the pension itself and that anything else, any other benefits he's entitled to under whatever applicable CBA is for the labor counsel and not for him or the board. So I will handle that with him.

My only concern is that I did submit this letter to you, Greg, in August. And I had one conversation with him in December. I really want -- I need to try to get it resolved or put it in suit. And I really don't want to do -- I'd like to have a sit-down or something.

MR. WOLFF: Yeah, I know we tried.

There was -- we had weather or something.

ATTY. DOMINICK: Yeah, and I know prior counsel -- one thing he did say he talks about when somebody, you know, that -- the date of vesting is what they're entitled to. And I disagree, but all the ones I've been involved in except for those 70 percenters back in that

case Bradley and all the old bucks -- don't tell them I said that -- when you retire all the ones I've done and I've done three firemen recently -- not real recently Bianchi, Dee, and Sardo, you know, the agreement that was in place at the time that they retire.

His gets a little difficult because when he retires in June -- June 30th of 2023, they were still arbitrating the agreement which they didn't get until the following year. But again, that is for Matt Boyd.

What I want to talk to you guys about is his percentage. So he's currently receiving 50 percent of his compensation for the three years prior to his date of disability. And in -- I'm being -- I mean no -- I'm going to try to talk quickly so I'm not trying to be curt and I mean no disrespect to anybody. You look so young and you make me feel really old.

I was hearing about you recently about the commissioner thing. Be happy that, you know, so anyway, so he's being paid back.

Now, in Attorney Durkin's letter on page one and I don't know if you all have it, but I will

read you the main parts that I'm trying to get to.

It says that, at all times Mr.

Garzella's employment the only pension -- Mr.

Garzella's employment, the only pension benefit available by either ordinance or CBA is the Act 600 pension which he is currently receiving.

So I want to address that in conjunction with the next statement which is on the next page he says the pension benefit to which Mr. Garzella is entitled is determined pursuant to the ordinances and CBAs in effect at the time that he vested -- again, I disagree. But it doesn't matter -- and subsequently retire from the Borough which is 50 percent of his salary or the last 36 months as outlined under Act 600.

And the reason why I take issue with that is because that is not Act 600 compliant. So if you look at Act 600, Act 600 specifically addresses both regular retirement and disability retirement, okay, and the disability retirement -- and I have just the one copy. But you could pass it around if you'd like.

It says in the case of the payment

of pension for permanent injury occurred in service, the amount and commencement of the payment shall be fixed by regulations of the governing body of the Borough and shall be calculated at a rate no less than 50 percent or 50 per centum of the member's salary at the time the disability was incurred.

And it specifically states that it's one year prior to the date of disability. So instead of 50 percent of the last three years, it's no less than 50 percent of the last year prior to the date of disability. So that is what -- this is Act 600 and that's what it states.

Now, I did not, again, for purposes of the fact that my printer decided to die, but the -- all of the compliance audits with the producted by the Auditor General, I have the most recent one. I didn't see another one that was done yet. I assume one is coming up. This is from January of '19 to the end of December of '22. But it's dated November, 2023.

And it specifically says and what I did is I copied the cover page and then the page that counts as opposed to having to read

through everything. And it says benefit provision service related disability benefit, the governing document meaning the what they're looking at in terms of what you guys are paying to disability retirees is 50 percent of the average monthly salary during the last 36 months of employment.

Act 600, this is what they're saying Act 600 is. The benefit must be in conformity with a uniform scale and fixed by the plans governing document at no less than 50 percent of the member's salary at the time the disability was incurred reduced by Social Security.

And it says the police pension's plan structure should be in compliance with Act 600. Borough officials did not specify why the Borough has not yet complied.

So if you don't believe the plain wording of Act 600, the Auditor General found that the disability retirement that's being paid currently to Mr. Garzella -- not just specifically to him but in general disability retirees is, in fact, Act 600 noncompliant.

Now, if you look at Act 205 reports,

now the Act 205 reports which are -- they're more about completed by the actuary and they're about how much you put in a plan and out of the plan and nothing that I want to be familiar and I'm sure neither any of you.

However, the, you know, Mr. Durkin states in his letter that -- he says the effect of the reference in the Borough's Act 205 reports to a 60 percent benefit simply increases the annual amount that the Borough is required to pay into the plan.

So I'm interpreting that and it's my interpretation only but he's basically saying that it doesn't necessarily correlate to the provisions that are in effect in the Borough for disability retirements.

However, if you look at the Act 600 -- Act 205, the latest one which is from 2023 which was submitted on 4/2/2024 in a timely manner. Again, all I did was I copied the page 14. It says presence -- presentation of benefit plan provisions.

And next to disability benefits service related, total and permanent disablement 60 percent of the member's annual

compensation at the date of disability. Now, I'm not comfortable with putting any information and submitting it to the Auditor General unless it's true and correct.

Now, attached to that paper is executed by the actuary Duda and then Jean Hill. All the ones prior to this were executed by Duda and the Borough Manager for whatever reason you didn't, it doesn't matter. The Borough signed it.

So it says by checking this box and typing my name in the text, I hereby certify that I prepared or I reviewed the actuarial data and information mentioned on this form and that the information provided is true and correct to the best of my knowledge.

And then for the Borough, by checking this box and typing my name in the text box I hereby certify to the best of my knowledge, the information provided is complete, accurate, and true.

And I'm sure all of you know -well, at least the attorneys that whenever you
submit documentation to any governing body or
to a court and you certify that the contents of

that report are true, you are subject to
Section 4904 which is unsworn falsification,
which states that a person commits a
misdemeanor of the second degree if with the
intent to mislead a public servant in
performing his function, one, makes any written
false statement which he does not believe to be
true; submits or invites reliance on any
writing which he knows to be forged, altered,
or otherwise lacking in authenticity or submits
or invites reliance on any sample specimen,
blah, blah, blah which he knows to be false.

Misdemeanors of the second degree carry a maximum of two years incarceration and a \$5,000 fine. So I feel as though Attorney Durkin, respectfully, was dismissing the fact that this information was contained right here in the act, all of the actual reports going back decades. I have them all where it says plan benefit and it says 60 percent.

So I take issue with that, especially because, again, sworn falsifications. Now, the plot gets a little thicker because I contacted when I was looking for public information, I contacted an

individual down in the Auditor General's office who was specifically in the Act 205 Department.

And again, I mean no disrespect. I'm just telling you the facts.

When I said to him I'm calling, you know, I'm new to this 205 stuff. He said who are you calling about? Now, there's 67 counties in Pennsylvania. I don't know how many municipalities there are. But there's a lot. And when I said the Borough of Dunmore, his response was, "They are a problem child."

And I don't think anybody wants that for somebody in Harrisburg to refer to us up here as a problem child. I said why and then we started getting into it. He referred me to a woman whose name is Lisa Snyder. Lisa Snyder is the Assistant Director of Bureau of Municipal Pension Audits.

I spoke to her on February 14th of 2024 about the inconsistency between what is in the Auditor General report over and over again and the inconsistency in the Act 205 reports.

And she indicated -- let's see. She indicated that there was a phone call between she said the Auditor General -- Lisa stated that there

was a verbal conversation on 9/29/2023 between the Auditor General and Greg Wolff where the Auditor General, one, informed Mr. Wolff of the pension benefit provision discrepancies between the information provided to the Auditor General's Office for the purpose of conducting police pension compliance audits, audits and the information provided by the Borough in its Act 205 reports; and, two, told Mr. Wolff to ensure that the Act 205 file for 2023 to which I just referred is consistent with the pension benefits as set forth in the Auditor General -- in the Auditor General audit.

And she had indicated to me that had that not been done that there was a possible issue with funding, which I have not spoken to her since then and I'm not getting into the funding part. But my point of this is the fact that any implication that what is written by Borough officials in the actuary for the Borough in an Act 205 report which is given to a government agency, especially after prompting by that government agency to make sure that the information is consistent is very important and should not just be considered, you know, part

of something else and has nothing to do with the pension benefits paid to disabled retirees.

The other issue is that during this case if any of you remember that case from December, it was decided December 7, 2000.

It's like the bad penny that just keeps coming up. In that case, it was about -- I call them the 70 percenters. And in that case basically in a nutshell -- we're not here about the 70 percenters so I'm not going to get into it.

But the premise that I want to talk about that case is that the Borough was saying we agreed to this but it's outside or it's noncompliant with Act 600 and we should not have to pay pension benefits in excess of Act 600 or actually they said we shouldn't have to pay pension benefits that are non -- Act 600 noncompliant.

Okay, so they were arguing that to the arbitrator, to the trial court, to the Commonwealth Court. Throughout that process and yet while we're making that argument -- we, I mean the Borough of Dunmore is arguing to the court and representing to them we only want to pay pension provisions that are Act 600

compliant.

They are paying Act 600 noncompliant benefits to disability retirees. Now, where does the 60 percent come from -- and I'm closing out, okay. Where does the 60 percent come from? The 60 percent comes from the ordinances. Now there are several ordinances that were developed, okay?

Now, there was a distinction by a case on that specifically stated that there's a difference between pension benefits that are pension plans that -- or pension provisions that are developed through the collective bargaining process versus those that aren't.

And the difference is that when a municipality develops pension provisions initially via the collective bargaining process, that they are required to continue that thereafter and cannot unilaterally change the pension provisions without submitting them -- submitting the changes to the collective bargaining process.

The case is -- and again, I have that as well. But it was in my letter -- it's new something. I can never remember it. It's

Upper Chester Township in the PA Commonwealth Court from 1993.

So basically in that case like in this case we -- they developed pension provisions through the collective bargaining process. How do you know that? That's what Matt Boyd asked me. Well, if you look at the early CBAs, they outline the pension provisions.

And then if you look at the earlier ordinances, they mention the CBAs, okay. And the first ordinance that addressed it was the ordinance of number three of 1992 addressed the specific provision for both -- actually for both regular retirement and disability retirement.

And it said shall -- it said the basis of the proportionate of the pension of a member that the date of permanent injury shall be the highest average annual salary which the member received during the last full year of service preceding permanent injury or normal retirement and shall not in any case exceed 60 percent.

There were then a couple ordinances

that started messing with that 70 percent and that 80 percent nightmare that I'm not going to bring up because, again, they have no relevance here.

The next ordinance that has to do with disability pensions is Ordinance No. 8, year 1998. This is signed by Paul Nardozzi. And there's no reference in the CBA that correspondences to this or in the ordinance itself, but basically the Council or I guess it's the Council because it's not -- yeah, it's not the Pension Board.

The Council unilaterally -- yes, unilaterally changed the pension for disability retires from 60 percent of the last year of disability to 50 percent of the last three years. So think about that. That's in 1998, okay?

Then in 2000, they repeal 1998. So the ordinance of 1998 is repealed. It's gone. But there's still an ordinance on the books Ordinance No. 8, year 2000. And they repealed the prior one -- I don't know why really because, you know, when I spoke to Lisa Snyder she's like they changed the wording a little

bit.

But it still states monthly total and permanent disability pension payment shall be set at 50 percent of the average monthly salary of the disabled participant during the last 36 months of employment. So my point is this was June of 2000.

The decision of the Commonwealth

Court came down in December of 2000. So while
the Borough is arguing to the arbitrator,
arguing to the Trial Court, arguing to the

Commonwealth Court, we should not have to pay
noncompliant Act 600 pensions.

They proactively go from an Act 600 compliant disability pension of 60 percent of the last year to a noncompliant disability pension of 50 percent of three years prior.

And they did so without the CBA. So in my opinion, this ordinance should be repealed in my humble, humble opinion. Now, my argument with regard to Mr. Garzella, is that based upon all of this, based upon the fact that the initial ordinance was 60 percent of the last year, based upon the fact that the subsequent ordinances were not implemented and

enacted properly because they weren't part of the negotiation CBA contract process, he is entitled to 60 percent.

Additionally, the fact that the Borough verified both the -- someone from the Borough as well as the Borough's actuary verified that the disability pension is 60 percent over and over and over again and did not even heed the warning of the Auditor General himself, how can we just completely disregard that?

So it's my opinion that his pension should be modified. And we're not talking about a huge amount. I did the numbers. But they're wrong. There's a reason why I wasn't a math teacher. But 60 percent of the last year versus 50 percent of the three years prior will put him in compliance.

And again, my humble opinion, but it's good governing in my opinion if that last ordinance was repealed because it was done outside of the negotiation process. And you will make the Auditor General very happy. The funding will not be placed at risk and he will be paid an Act 600 compliant pension.

So I have here if you guys don't want them,
I'll take them. If you guys do want them, I'll
make copies for everyone as soon as I get my
computer to straighten up. But really, the

And that pretty much is my argument.

going to be providing another one, soon, right?

Auditor General's most recent -- when are they

documents are the Act 205, the most recent; the

MR. WOLFF: I think is it every two years which is an audit.

ATTY. DOMINICK: An audit, right. So this one was 19 to 22. So 23 to 24 --

MR. WOLFF: I think this year.

ATTY. DOMINICK: Okay, so probably at the end of the year I would think.

MR. WOLFF: Yeah, I forget when they come out.

ATTY. DOMINICK: So that and then Act 600 itself, so again, no disrespect to Larry -- to Attorney Durkin. I've known him since I worked out in Luzerne County. He's a very good attorney. But when he says in his letter that, you know, my client's being paid in accordance with Act 600, it's flat out wrong. It's wrong.

So I'm asking for -- I will get the transcript and circulate it. If any of you have cards, I'll give them to everybody. If any of you want anything that I have done here, I did do a letter. But a lot of the letter had to do also with what he's entitled to under the CBA which isn't under your purview.

So if you'd like me to do a letter to focus on what I said here today, but I think that might be overkill. I don't think you want to read it twice. Let me know. And I would really like to have some sort of decision.

Like I said, this has been going on since August. And I know that prior union attorney -- the prior union attorney did not respond and you did -- and Greg's benefit, you did reach out. I think it was you.

Yeah, you and Matt Boyd reached out to try to resolve it because when he retired, Mr. Garzella, he retired with no agreement. He walked away with nothing, like, no agreement in place. Not like today where we're going to have it done in two weeks. It's been two years almost and he has no agreement.

So I need to get this done. I do

not want to litigate it. I personally do not think that it's good for the Borough if we advertise this. And also, if you look at everything that I've said, really look. There could be other ramifications far beyond what is at issue here.

And I believe -- I know selfish because he's my client -- that it's in the Borough's best interest to try to just resolve this and be done with it. Now, one thing Matt did say is, well, we have to worry about other retires.

Again, no disrespect -- I hate when people say that because immediately they say something disrespectful. It happened to me literally for four years.

The bottom line is the only other person who is Sohns -- what's his first name?

He's only here for five years. He's a fireman.

He retired recently. Or is --

MR. MENTZ: Josh Ruddy.

ATTY. DOMINICK: Who? Where did I get Sohns? I have no idea. Josh Ruddy, so, you know, there's been a lot of inconsistency.

And I think Matt Boyd who is going to be great

for the Borough because he's about consistency and things of that matter.

I really, you know, we can't do the wrong thing because there is somebody else out there that may make the claim. His situation is completely different to my guy who worked as a fireman -- or as a police officer for 30 years. And this is what he's entitled to.

I have you know -- I have settlement agreements of firemen, of police officers, none of them are consistent. It's like they get what they want depending on who they are. And again, no shade to anyone. These things happen when new administrations come in. I know that.

So I'm just asking if somebody, you know, could possibly let me know. It's March 11th. By April 15th I'm going to file a complaint in mandamus, which is basically just a breach of contract. But I really would like to meet with you.

And I will meet with you at your convenience. Tuesday and Thursday mornings are the only days I usually can't meet because I have juvie court.

MR. WOLFF: Yeah, obviously this

is beyond my -- this would be a conversation with Larry or Neil. With that, I would say we were just given a lot of information so, you know, that obviously Larry and Neil need to look through. So I would make a recommendation to table this.

ATTY. DOMINICK: How does it normally work? Like, do you table it and then, like, what is -- like, I'm new here.

MR. WOLFF: So we would table it.

But if you guys sought -- I mean, please,
generally speaking if you guys reach an
agreement otherwise, then, you know, then Larry
would make that recommendation. We would have
a special meeting or however it would go.

ATTY. DOMINICK: And I would love to meet with you if you would like me to. I would love to meet with Matt. And, Greg, that's kind of what I was focusing on. I know that it's not under this purview, but if you could, please get -- Matt's busy. I know that. But, please, so I could get this wrapped up.

MR. WOLFF: Yeah.

ATTY. DOMINICK: I would appreciate

it.

MR. MENTZ: In the interim, it's my understanding that you're going to get the information from Attorney Dominick and then distribute what would be required by?

ATTY. DOMINICK: Just the transcript or what else would you like?

MR. WOLFF: That would be up to the Board. I mean, I have most of the information.

MR. MENTZ: Well, I tend to disagree that it wouldn't be in our purview to look at the CBAs that you're referring to. If the ordinance at the time is reflecting 60 percent, I would imagine that that is reflected in the current CBA at the time.

ATTY. DOMINICK: It's not.

MR. MENTZ: And can you provide us with the CBA at that time as well as the ordinance?

ATTY. DOMINICK: Yes. So that's another thing. So the ordinance went from 2018 to 2022, '18, '19, '20, '21, '22, the five years. He retired in June -- June 30th of '23. The agreement for '23 to whatever, 23, 4, 5, 6 7 -- I'm using my hands -- it didn't come out I think until the following February, March,

April, something like that.

The Commonwealth Court and the December 2000 case said when someone retires, they need to know what they are getting and what -- and they --

MR. MENTZ: I agree. So those CBA at the time of Officer Garzella's hiring --

ATTY. DOMINICK: Right. So that was when I -- I'm sorry, I didn't mean to interrupt. But that's what I was trying to say. If I don't say it, I don't remember it. Attorney Durkin said that the 2017 agreement would count or would be applicable because that's when he vested.

I was arguing the next one would, in my opinion, the next one does apply because that was the only one that was in effect at the time that he resigned. However, one thing I have not done but I know them pretty well, I don't think there is much difference between '17 and '18.

I would be happy with either
'17 or '18 because it's the subsequent one that
they lose a lot of what they had in the
prior --

How's

I think

1 MR. MENTZ: If you would just provide the information. 2 3 MR. WOLFF: So you provide me with 4 the information and I will pass it on. 5 ATTY. DOMINICK: I'll provide both documents and I'll provide my position. 6 7 that? 8 MR. MENTZ: Just a real quick 9 followup question, when you're talking about 10 the ordinance presently for the retirees being 11 not Act 600 compliant, what you're referring to 12 is the difference between calculation of three 13 years versus the last year prior to disability. 14 That's the out of compliance portion. 15 ATTY. DOMINICK: Right. So the Act 16 600 says not less than 50 percent of the one 17 year prior to the date of retirement. 18 it actually says something like the highest 19 year or something. 20 MR. MENTZ: And the ordinance says 21 50 percent of the last three years. I got it. 22 So again, we can get a copy of that. 23 ATTY. DOMINICK: Right. And the 24 question is, well, it doesn't really say an 25 So it has to be established by the amount.

Borough or the township because it says not less than 50 percent. So it could be 52 percent, 60 percent.

And the reason why I brought up everything else is because where did the 60 percent come from? That's what the Borough had.

MR. MENTZ: And again, if we could just get a copy of the CBAs at the time as well as --

MR. WOLFF: Yeah, whatever she provides, I will pass that.

MR. MENTZ: Appreciate it.

ATTY. DOMINICK: Okay. Can I give you guys my card?

ATTY. MACDONALD: So you didn't though reply to Attorney Durkin's letter, had you?

ATTY. DOMINICK: I just wrote to him. He wrote to me in that letter and he said to come in if I wanted to be on the agenda. So rather than me go through all of that, I figured I'd come in and explain it and see what the issues are and I will respond to it and give everybody a copy.

ATTY. MACDONALD: I think it would be helpful if you respond to his letter. So if any of it is wrong, explain to us why it's wrong and we can go from there.

ATTY. DOMINICK: I could do that as well.

 $\mbox{ATTY. MACDONALD:} \quad \mbox{I think that would}$ be helpful.

MR. WOLFF: That's your ballpark.

So again, we do have it on the agenda, the request for increase in pension so I would --

ATTY. DOMINICK: So that's what I asked you. So if you table it -- let's say I provide everything within the next two weeks, logistically how does this work?

MR. WOLFF: Well, we have to speak with our counsel if they -- if he changes his position and he says, oh, we're in compliance and we need to do this, then we would organize a meeting and we would vote on it. If it doesn't go that way --

ATTY. DOMINICK: What I will do is, the letter I combined both issues as opposed to -- so I will redo my --

MR. WOLFF: Yeah, because the labor

1 issues don't have anything to do, yeah. ATTY. DOMINICK: And they get very 2 3 complicated. So I will do that. I will get 4 everything ready. I will send it to -- is it 5 okay if I just e-mail it to you and you could disperse it? 6 7 MR. WOLFF: Yep, I have everyone's 8 e-mail. So just a motion to table Garzella's 9 request for increase in pension. 10 MAYOR CONWAY: Make the motion. 11 MR. BURTON: Second. 12 MR. WOLFF: All in favor. 13 ALL MEMBERS: Aye. 14 MR. WOLFF: Opposed? 15 ATTY. DOMINICK: I keep asking the 16 question and I keep interrupting. When does -how does that work? I called you today. 17 18 MR. WOLFF: I know today was -- I 19 don't even want to talk about today. ATTY. DOMINICK: Believe me 20 I know. 21 I represent juveniles now. Be afraid I know. 22 for your children. That's all I'm saying. 23 MR. WOLFF: So with that said, we 24 just need a motion to adjourn. 25 MR. MENTZ: I'll make a motion.

| | | 55 |
|----|-------------------------------|----|
| 1 | MR. KAMLA: Second. | |
| 2 | MR. WOLFF: All in favor. | |
| 3 | ALL MEMBERS: Aye. | |
| 4 | MR. WOLFF: We're adjourned. | |
| 5 | ATTY. DOMINICK: Thank you for | |
| 6 | listening. | |
| 7 | | |
| 8 | | |
| 9 | | |
| 10 | | |
| 11 | | |
| 12 | | |
| 13 | | |
| 14 | | |
| 15 | | |
| 16 | | |
| 17 | | |
| 18 | | |
| 19 | | |
| 20 | | |
| 21 | | |
| 22 | | |
| 23 | | |
| 24 | | |
| 25 | | |
| | | |

$\mathsf{C} \; \mathsf{E} \; \mathsf{R} \; \mathsf{T} \; \mathsf{I} \; \mathsf{F} \; \mathsf{I} \; \mathsf{C} \; \mathsf{A} \; \mathsf{T} \; \mathsf{E}$

I hereby certify that the proceedings and evidence are contained fully and accurately in the notes taken by me of the above-cause and that this copy is a correct transcript of the same to the best of my ability.

Maria McCool,

Official Court Reporter

(The foregoing certificate of this transcript does not apply to any reproduction of the same by any means unless under the direct control and/or supervision of the certifying reporter.)