

MINUTES
FINANCE COMMITTEE
AUGUST 5, 2013

The Penn Township Finance Committee convened on Monday, August 5, 2013 at 7:28 PM following the public safety committee meeting. Present were Chairman Heilman and Commissioners Klunk, Prieber, Felix and Goldsmith. Also present were Manager Garvick, Police Chief Laughlin, Fire Captain Miller, and Administrative Assistant Rodgers. The following matters were discussed:

ANNOUNCEMENTS: None.

APPROVAL OF MINUTES: The minutes of the July 1, 2013 finance committee meeting were approved as submitted.

CITIZEN'S COMMENTS: None.

2013 BUDGET AND OPERATING EXPENSE REPORT: Administrative Assistant Rodgers reported on the 2013 budget and operating expense report. The Township is about \$412,000 short in revenue compared with 2012 but that would be due to not having the tax anticipation note. The expenses are currently above those in 2012 due to the paving projects.

FUTURE BORROWING: Manager Garvick provided a report from RBC with information about borrowing between three and eight million dollars over the next ten to fifteen years to complete the projects on the five-year plan. Manager Garvick also provided a breakdown of the projects and costs, presented by year, from the five-year plan. If all the projects are completed it will cost almost five million dollars. The Township will be retiring nearly half a million dollars of debt over the next three years. The Committee scheduled the next finance committee meeting for August 28, 2013 at 6:30 PM to discuss the borrowing options. Manager Garvick will get quotes from other banks prior to the meeting.

POLICE PENSION AUDIT: Manager Garvick reported that there is a problem with the police pension audit regarding the 2011 deposit. The state auditor's office called and noted that the Township did not meet their MMO for 2011. The Township extracted employee contributions in 2012 and deducted that amount from the Township's projected obligation. The auditor stated that the contributions would have had to have been included in the MMO when it was adopted to be taken against the obligation. The Township is short about \$68,000 on the deposit.

PUBLIC QUESTIONS FOR THE COMMITTEE: None

The meeting adjourned at 7:48 PM.

Respectfully submitted,

Kristina J. Rodgers
Township Secretary