

MINUTES
FINANCE COMMITTEE
SEPTEMBER 7, 2010

The Penn Township Finance Committee convened on Monday, September 7, 2010, at 7:18 PM following the Public Safety Committee meeting. Present were Chairman Heilman and Commissioners Prieber, Rewa, and Felix. Commissioner Goldsmith was absent with notice. Also present were Manager Garvick, Police Chief Rhodes, Fire Chief Cromer, Administrative Assistant Rodgers, Township Engineer Bortner, WWTP Superintendent Mahone, and Highway Foreman Mahan. The following matters were discussed:

ANNOUNCEMENTS: None

APPROVAL OF THE MINUTES: The minutes of the August 2, 2010 Finance Committee meeting were approved as submitted.

CITIZEN'S COMMENTS: None.

2010 BUDGET & OPERATING EXPENSE REPORT: Manager Garvick reported on the 2010 operating budget and expense report and included additional information about which revenue and expenditure accounts are tracking above or below 2009 levels through the end of August. The Township is showing an increase in real estate tax revenue due to the increase in the mileage rate for 2010. Manager Garvick reported that new housing starts are below last year by one. The Committee suggested that each department limit their purchases for 2010 to items they absolutely need.

RFP'S FOR TOWNSHIP AUDITOR: Administrative Assistant Rodgers reported that the seven responses she had received for the Township's request for proposal for auditing services were provided to the Committee members at last month's meeting. She also contacted the top three bidders and requested quotes for 2010 which are as follows: Rager Lehman and Houck, \$22,750, Smith Elliot & Kerns \$25,900 and Stambaugh Ness \$19,750. Ms. Rodgers recommended Rager, Lehman, and Houck due to their experience with the Township's software, which would allow them to conduct the audit with minimal disruption to the staff. The Committee recommended appointing Rager, Lehman and Houck as Township auditors for 2010 and 2011 along with option years 2012 and 2013.

2011 MINIMUM MUNICIPAL OBLIGATIONS FOR EMPLOYEE PENSION PLAN: Manager Garvick reported that the 2011 minimum municipal obligations have been calculated utilizing those smoothing techniques allowed by the State. Even with implementing these techniques the Township will experience a \$500,000 shortfall in aid we receive from the State. The Township will experience that same loss in 2010. Manager Garvick suggested that the Committee consider employee contributions from the members of the police and fireman's pension plans to help offset the shortfall. The Committee will take this under advisement. The Committee wants to make sure that the employee contribution to the plan is tax deferred. Administrative Assistant Rodgers believes that that software will be able to handle the deduction.

HANOVER JAYCEES: The Committee received a request dated August 15, 2010 from

the Hanover Jaycees for a waiver of sign permit fees to advertise the annual Halloween parade. Five of the signs will be located within Penn Township. The Committee recommended approving the request.

SOUTH WESTERN BAND BOOSTERS: The Committee received a request dated August 14, 2010 from the South Western Band Boosters for a waiver of the sign permit fee for two signs advertising a fundraiser. The Committee recommended approving the request.

MOUNT OLIVET CEMETERY: The Committee received a request dated August 17, 2010 from Mt. Olivet cemetery for a waiver of the sign permit fee to advertise their pet memorial day. The Committee recommended approving the request.

2011 BUDGET: The Committee would like a balance sheet prepared for all discretionary reserve accounts showing the cash that may be available for the Township to utilize in 2011. They would also like a breakdown of the debt service obligations for 2011 and beyond. The Committee would like to set up budget meetings after the next Board of Commissioners meeting and begin the preparation of the 2011 budget as soon as possible.

The meeting adjourned at 7:44 P.M.

Respectfully submitted,

Jeffrey R. Garvick, Manager