

MINUTES
FINANCE COMMITTEE
SEPTEMBER 5, 2017

The Penn Township Finance Committee convened on Tuesday, September 5, 2017 at 7:25 p.m. Present were Chairman Brown and Commissioners Felix, Heilman, and Van De Castle. Also present were Township Manager Rodgers, Police Chief Laughlin, Police Lieutenant Hettinger, Fire Chief Clouser, Engineer Bortner, WWTP Superintendent Mahone, Interim Zoning Officer Garrett, and Township Secretary Hallett. Commissioner Klunk was absent with notice. The following items were discussed:

ANNOUNCEMENTS: None.

APPROVAL OF THE MINUTES: The minutes of the August 7, 2017 Finance Committee meeting were approved as submitted.

CITIZEN'S COMMENTS: None.

2017 REVENUE AND EXPENSE REPORT: The year to date revenue is 85.48% of what is budgeted and the expenses are 49.22%. At this point in the year we should be at 66.66%. Commissioner Brown asked what major expenses are still outstanding for the year and Manager Rodgers said the MMO's will be paid in October along with some other large expenses.

2018 MMO'S: Manager Rodgers reported that the Minimum Municipal Obligations (MMO) for 2018 have been prepared. She said the police MMO will probably have to be adopted again because Principal has not provided the 2017 valuation. State law requires the Township to adopt the MMO's by September 30th and Principal will not have the valuation by then. She is not sure what caused the delay. Commissioner Heilman said we need to know why Principal couldn't get this taken care of because the Township is paying for their services and we may need to evaluate the situation. Manager Rodgers said her recommendation would be to take the record keeping services away from Principal and move them to Baer Barber who already handle the fire pension actuarial services. Commissioner Heilman said Principal needs to be held accountable.

Commissioner Felix said the approximate numbers going into the budget for each MMO are \$178,024.29 for non-uniform, \$200,075.72 for fire, and \$635,588.75 for police. Commissioner Heilman broke the numbers down per employee; \$5,236 for non-uniform, \$13,338 for fire, and \$28,890 for police. He noted the high dollar amount for police and said it's state law that so much be put in. The Committee recommended approving all three MMO's.

RESOLUTIONS FOR ELIMINATING BANK ACCOUNTS: Manager Rodgers presented two resolutions. One to eliminate the Pollution Control Insurance Fund and combine it with the Sewer Revenue Reserve Fund. This will allow a larger investment spread over a longer period of time and will help reduce cost. The fund was opened in 1988 with

money from the Sewer Revenue Reserve fund and the balance will go back to the Sewer Revenue Reserve. She presented a second resolution to eliminate the Public Works Improvement account. The account was opened in 1992 for five public works improvement projects and final the project was just completed. The remaining funds can be used to reimburse wages in the General Fund. Commissioner Heilman asked why the Pollution Control Insurance fund is still open. Manager Rodgers said it was opened to self-fund insurance but we now have the insurance coverage. Commissioner Heilman asked if we need to discuss this with the solicitor or a CPA. Manager Rodgers said we should be fine since the money is going back to the account it was originally taken from.

BORROWING ORDINANCE: Commissioner Brown asked about the ordinance for the fire borrowing. Manager Rodgers said it has been prepared and she was told it was advertised. The Committee recommended approving the ordinance.

GRACE UNITED METHODIST CHURCH CHRISTMAS BAZAAR: The Committee received a letter dated August 15, 2017 from Grace United Methodist Church requesting a waiver of fees to advertise their annual Christmas bazaar. Manager Rodgers said they usually put their signs up a week before the Bazaar, which is scheduled for Saturday, November 18, 2017. The Committee recommended approving the request.

OTHER MATTERS: Commissioner Felix asked the Committee to think about the meeting schedule for next year. He said the two shortest meetings are Finance and Public Safety. He said the Health & Sanitation meetings will likely be longer next year. He suggested one of the shorter meetings be moved to the first Tuesday of the month with either Public Works or Health & Sanitation. Manager Rodgers will need to advertise the meeting times before the end of the year. Commissioner Brown said the agendas are pretty short at the first of the year and he'd like to be able to have all four committee meetings in one night when possible. Commissioner Felix said this can be hard to do because we have to advertise ten days in advance and it also makes it hard for the public to know when they should plan to attend a meeting.

Manager Rodgers reported on the municipal building HVAC units. Replacements were included in the five year plan and it is now the fourth year of the five year plan and none have been replaced yet. She included the replacement of two in the 2017 budget, but since two more have failed. Allison's Plumbing looked at all nine units and said five of them passed inspection, but they are original units. Manager Rodgers would like to get a quote for replacing all nine units. Commissioner Heilman asked if the work needs to be bid. Manager Rodgers said it will depend on how much it costs but it will save money replacing all of them at once while the crane is here. The Committee instructed Manger Rodgers to get a quote.

Commissioner Felix asked if the Township is replacing the public address system in the meeting room. Manager Rodgers said it's on the five year plan. She got a quote from Digital Sunrise and it was \$26,000 to replace the existing equipment and add two

televisions and a drop down projector. The Committee instructed Manager Rodgers to proceed with getting quotes for this project. The meeting was adjourned at 7:42 p.m.

Respectfully submitted,

Angela M. Hallett
Township Secretary