

MINUTES
FINANCE COMMITTEE
FEBRUARY 6, 2018

The Penn Township Finance Committee convened on Tuesday, February 6, 2018 at 7:00 p.m. Present were Chairman Felix and Commissioners Brown, Heiland, Klunk, and Van de Castle. Also present were Township Manager Rodgers, WWTP Superintendent Mahone and Township Secretary Hallett. The following items were discussed:

ANNOUNCEMENTS: Commissioner Felix announced an executive session to discuss personnel was held following the Public Works Committee meeting on February 5, 2018.

APPROVAL OF THE MINUTES: The minutes of the January 2, 2018 Finance Committee meeting were approved as submitted.

CITIZEN'S COMMENTS: Scott Barnhart, Burkentine & Sons Builders, asked the Committee if he could address a waiver request for Beechwood Way. He missed the Public Works Committee meeting on February 5, 2018. Commissioner Felix allowed him to proceed. Mr. Barnhart said he would respect the Public Works Committee's recommendation to deny the residential street lighting request, but he wanted to make sure everyone understood what was being asked for. He said there would be lights on the units, every twenty-five feet. The face of the homes is fifteen feet from the curb and the post lights would sit within two to three feet of the porch lights. He said the porch lights would be on a dusk to dawn timer and would give off the same lumens as a post light. After discussion the Committee upheld the recommendation for denial.

SAINT JOSEPH PARISH WAIVER REQUEST: The Committee received a letter dated January 4, 2018 from Saint Joseph Parish requesting a waiver of the permits required for their annual yard sale. The Committee recommended approving the request.

SOUTH WESTERN HIGH SCHOOL BANDS WAIVER REQUEST: The Committee received a letter on January 23, 2018 from South Western High School Bands for a waiver of the permit fees to host their annual Spring Marketplace. The Committee recommended approving the request.

DISABILITY PROPOSAL: Manager Rodgers reported on a proposal for disability insurance. There is a large number of Township employees whose salary exceeds the disability levels. To raise the maximum threshold salary from \$1000 to \$1500 would increase the premium from .481 cents to .491 cents per \$10 of weekly benefit. The total premium increase would be \$54 per month. After discussion the Committee recommended approving an increase in disability benefits. The change will take place on April 1, 2018 when the policy renews.

CONSOLIDATION OF BANK ACCOUNTS: Manager Rodgers reported that the Township is paying an excessive amount of service fees for bank accounts. She recommended consolidating the Building Reserve fund and the Police Special Projects fund into the General fund. Right now we are set up to receive earnings credits instead of interest. The earnings credit rate is .35% and the interest rate is currently .5%. The interest paid on the accounts would be higher than the earnings rate we're getting currently. If we move to interest bearing accounts, the interest will likely offset the fees.

Commissioner Felix asked if the Police Special Projects could be included with the Fire Rescue Reserve and renamed Public Safety Reserve. We could keep an internal accounting of which funds are for police and which are for fire. Manager Rodgers said that could be done and mentioned that the Fire Rescue Reserve is in a trust account so there are limited withdrawals allowed. Commissioner Klunk said the Building Reserve fund could be consolidated with the Capital Reserve Equipment fund. After discussion the Committee recommended consolidating the Police Special Project fund into the Fire Rescue Reserve and the Building Reserve into the Capital Reserve Equipment fund. They also recommended switching to interest bearing accounts rather than earnings credits.

PENSION THIRD PARTY ADMINISTRATION: Manager Rodgers reported on pension issues relating to third party administration. She said Principal is no longer serving as third party administrator on new contracts. They will invest but don't write plan documents. R.J. Hall is willing to serve as third party administrator and the fees are slightly lower than Principal's. We rarely write documents and R.J. Hall will only charge us when we need documents. After discussion the Committee recommended we use R.J. Hall for third party administration.

DUTCH DAYS WAIVER REQUEST: The Committee received a letter dated January 25, 2018 from Hanover Area Chamber of Commerce requesting a waiver of the sign permit fees for Dutch Days. Manager Rodgers informed the Committee that they are giving us a free booth for our stormwater presentation. The Committee recommended approving the request.

2018 REVENUE AND EXPENSE REPORT: The year to date revenue is 4.34% of what is budgeted and the expenses are 8.58%. At this point in the year we should be at 8.33%. The sewer expense looks high because the bond payment is due February 1st.

OTHER MATTERS: Commissioner Felix said there was a request from the Police Department concerning the purchase of old guns. Commissioner Brown said some of the officers would like to purchase their old weapons instead of the Township trading them in. There are twenty-five weapons total. Manager Rodgers said the guns would be considered one unit and the total value of all twenty-five exceeds the \$1,000 bid limit; therefore, the guns can't be sold to the officers.

Commissioner Felix reported that David Baker has applied for another term on the Planning Commission. His term expires in May. Commissioner Felix said Mr. Baker

has done a good job on the Planning Commission and is currently serving as Chairman. The Committee recommended reappointing Mr. Baker for another term.

Commissioner Klunk asked if the Township should consider a stormwater tax since the expenses for our MS4 permit are increasing. He said all the money paying for stormwater issues is coming out of the General Fund which comes primarily from property taxes. Tax exempt properties are not contributing towards stormwater at all but they would not be exempt from a stormwater tax. Manager Rodgers said she believes only second class townships were given authority to collect the tax and first class townships would have to create an authority. She will research whether or not a first class township can collect a stormwater tax without an authority.

The meeting was adjourned at 7:46 p.m.

Respectfully submitted,

Angela M. Hallett
Township Secretary