

MINUTES
FINANCE COMMITTEE
OCTOBER 3, 2016

The Penn Township Finance Committee convened on Monday, October 3, 2016 at 7:37 P.M. following the Public Safety Committee meeting. Present were Chairman Brown and Commissioners Felix, Heilman, Klunk, and Van de Castle. Also present were Township Manager Rodgers, Police Chief Laughlin, Fire Chief Cromer, and Township Secretary Hallett. The following items were discussed:

ANNOUNCEMENTS: None.

APPROVAL OF THE MINUTES: The minutes of the September 6, 2016 Finance Committee meeting were approved as submitted.

CITIZEN'S COMMENTS: None.

2016 BUDGET & OPERATING EXPENSE REPORT: The year to date revenue is 92.82% of what is budgeted and the expenses are 57.62%. Commissioner Brown said we should be at 75% at this point in the year. He said there are some payments to be made in October that will adjust the expenses. Manager Rodgers said the minimum municipal obligations will be paid in October.

SAINT JOSEPH PARRISH CHRISTMAS BAZAAR: The Committee received a letter dated September 12, 2016 from Saint Joseph Parrish requesting a waiver of permit fees to advertise their Christmas Bazaar. The Bazaar will be held November 12, 2016. The Committee recommended approving the request.

MASON DIXON CREDO RETREAT: The Committee received a letter dated September 27, 2016 from Mason Dixon Credo requesting a waiver of permit fees to advertise their retreat. There was discussion on where Mason Dixon Credo is located and what the retreats are for. The Committee recommended approving the request.

PRO ELECTRIC CHANGE ORDER: Manager Rodgers reported that Pro Electric submitted two change orders for the Municipal Lighting Upgrade. They have been forwarded to the Solicitor and he has not given an opinion yet. Some of the costs are related to the project being held up including storage fees and resubmittal fees. There is also a cost increase for the change in fixtures, which may be questionable. Commissioner Heilman said that a change order is usually submitted through the Architect or Engineer and asked where these came from. Manager Rodgers said Pro Electric sent them to Penn Township and to the Architect but the Architect has not yet approved the change orders. Commissioner Heilman is concerned that protocol is not being followed. The Committee discussed the details of the cost increases on the change orders. Manger Rodgers said they are currently working on installing the lights. The Committee recommended getting some more information before making a decision on the change orders.

2017 BUDGET: Manager Rodgers reported that there were two changes to the draft budget since the Committee received a copy. The cash carry-over amount was adjusted and an account was added for health insurance reimbursement. As the budget shows right now it would take a 1.17 mill increase to get it to balance. Manager Rodgers pointed out that there is a \$300,000 decrease in revenue from this time last year and it was mostly in realty transfer. Commissioner Heilman said the realty transfer revenue was very high last year and its decrease was anticipated. He said there is plenty of time to review the budget and see what adjustments can be made. He asked if there are any additional personnel in the budget. Manager Rodgers said there is an MS4 Coordinator budgeted and the part time position for the Recycling Department was made into a full time position.

Commissioner Klunk suggested the budget be approved in a special meeting held the last week of December to give as much time as possible to consider adjustments. The Committee discussed what the contributing factors are in the budget increase. There is no large equipment budgeted and there are only a couple of small projects, some of which will be needed for MS4. Commissioner Heilman asked if Union wage increases are included in the budget and they are. Manager Rodgers said there is an estimated 10% increase for insurance but we don't have the final number yet. Everything except the health insurance renews on November 1 so those numbers should be available soon.

Manager Rodgers said the first reading of the budget will be on October 17, 2016. The Committee will hold a Finance Committee meeting on October 31, 2016 at 7:00 P.M. to discuss the budget in detail.

CITIZEN'S COMMENTS: None.

The meeting was adjourned at 8:05 P.M.

Respectfully submitted,

Angela M. Hallett
Township Secretary