

MINUTES
FINANCE COMMITTEE
DECEMBER 5, 2016

The Penn Township Finance Committee convened on Monday, December 5, 2016 at 7:15 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, Fire Chief Cromer, Police Chief Laughlin, and Township Secretary Hallett. The following items were discussed:

ANNOUNCEMENTS: Commissioner Brown announced an executive session to discuss personnel will be held following this meeting.

APPROVAL OF THE MINUTES: The minutes of the October 31, 2016, November 7, 2016 and November 17, 2016 Finance Committee meetings were approved as submitted.

CITIZEN'S COMMENTS: None.

2016 BUDGET & OPERATING EXPENSE REPORT: The year to date revenue is 106.86% of what is budgeted and the expenses are 84.53%. We should be at 91.67% at this point in the year. Commissioner Heilman asked if the large payroll has already run for the year and it has not. Manager Rodgers said it will be reflected on December 1, 2016.

TAX COLLECTOR COMPENSATION 2018-2021: Manager Rodgers reported that we are currently paying the tax collector the maximum allowed (\$10,000). In addition to this we pay \$3,000 to have the Local Service Taxes (LST) collected. The tax collector fees for 2018-2021 need to be adopted by ordinance by the end of January 2017. Manager Rodgers said the York Adams Tax Bureau (YATB) can collect the LST for a 2% fee. Given our taxes this would be around \$8,500. Our tax collector is only paid to collect the taxes, she does not perform any audits, reconciliations, or processing of refunds. YATB has better information because they already collect the earned income tax so it will be easier for them to perform audits and determine if taxes are not being paid. After discussion the Committee recommended paying the Tax Collector \$10,000 beginning in 2018 and having YATB collect the LST.

2017 BUDGET: Manager Rodgers said there have not been any significant changes to the general fund budget. The cash carryover is currently projected at \$1.4 Million. There have been changes to the sewer budget because we completed more projects than were anticipated. The carryover will only be \$1.5 million so the transfer from Sewer Capital Reserve was adjusted to \$200,000 to offset some of the 2017 projects. The budget reflects the tax increase to 4.30 mills. She pointed out that we collected more than 98% of the taxes due in 2016 so the delinquent payments may be lower next year.

The Committee reviewed and discussed a written announcement concerning the tax increase.

FEE RESOLUTION: The Committee reviewed the proposed 2017 Fee Resolution. Manager Rodgers pointed out increase to the SEO fees and explained they will affect a very small number of residents. There are approximately four hundred twenty-five on-site septic systems in the Township and that will decrease by approximately one hundred twenty-five due to the Oak Hills project. The Fee Resolution also shows an increase in trash bags to \$4.00.

HIGHWAY AID AUDIT: Manager Rodgers reported the highway aid audit findings were received. There was a finding stating that the excessive funds must be in an interest-bearing account. The account will be changed to a money market effective January 1, 2017. The fees will be consolidated on the account analysis with the rest of our bank fees.

OTHER MATTERS: Commissioner Klunk asked to revisit the donation to the Guthrie Memorial Library. He no longer thinks it's necessary to review the donation in July. He suggested increasing the donation to \$75,000. After discussion the Committee decided to commit to a \$70,000 donation.

The meeting was adjourned at 7:34 P.M.

Respectfully submitted,

Angela M. Hallett
Township Secretary