

**Warrington Township Permanent Finance Committee  
Minutes for January 21, 2008 Meeting**

The regular meeting of the Warrington Township Permanent Finance Committee was held at 7:05 p.m. on January 21, 2008 at the Township Building located at 852 Easton Road Warrington, PA 18976. The members present were as follows:

Michael J. Braun	Member
Marianne Achenbach	Member
Russ Bragg	Member
Gerald Grant	Member
Paul H. Plotnick	Supervisor Liaison (arrived at 7:50 p.m.)
Timothy J. Tieperman	Township Manager
Vivian S. Bell	Finance Director

1. **Call to Order:** The meeting was called to order at 7:05 p.m.
2. **Organization of the Permanent Finance Committee:** Mr. Tieperman asked the Committee how they would like to reorganize for 2008. He also mentioned that the meetings would be held on the third Monday of the month at 7:00 p.m. It was decided that the next meeting would be February 25 at 7:00 p.m. due to President's Day on February 18. It was decided by the Committee that there would not be a standing chairman at this time.
3. **New Business:**

3.1. Review of draft purchasing policy: Mr. Braun asked Mr. Tieperman if all Department heads have seen the purchasing policy. Mr. Tieperman said that some have and some have not. Mr. Braun stated that getting staff's feedback is very important because you need to have your staff tell you what their concerns are about the policy in general and also how to purchase items needed throughout the year. Ms. Achenbach asked if the Finance Department created the financial statements and what the process is. Ms. Bell stated that she inputs the information into the system and then reviews the financial statements herself. Ms. Bell stated that all departments receive a copy of the budget report. Mr. Grant asked if the budget report would be printed by the time that the Committee meets on the third Monday of the month. Ms. Bell stated that yes they are usually printed out by the end of the first week or the beginning of the second week in the current month for the prior month.

A discussion was had about the budget. Mr. Braun asked can you put all the salaries together in a one pile grouping, can it be done manually or within the system. Ms. Bell stated that she

thought it could be done within the system. Mr. Tieperman expressed that he put together a spreadsheet with all the salaries and benefits with their cost centers to show the breakdowns.

Mr. Braun stated that the Department Heads should be more responsible for their budgets and that Tim should set up policies regarding budget transfers and so forth so that Department Heads get in the mind set that they should not spend all the money in their budgets and that if they are over-budget in a certain category they can make the appropriate budget transfer. He advised Mr. Tieperman that staff needs to be trained in this and that it is a learning process.

Mr. Tieperman asked the Committee what their feedback is of an emergency expense. Mr. Braun stated define what an emergency is, your emergency is not necessarily mine. Ms. Achenbach stated it all goes back to holding department heads responsible to make those decisions. Mr. Braun stated that a policy should be implemented in regards to an emergency expense and who gets to make the call.

Mr. Tieperman stated that right now purchase orders are needed for all items over \$1,000. Mr. Braun stated that his PO's start at \$5,000 not \$1,000 and that the Township might want to look at that figure again. Ms. Bell stated that all employees must provide receipts and the appropriate paperwork before bills are paid.

Mr. Bragg asked are Department Managers the same as Department Heads. Mr. Tieperman answered that we call them Department Heads. Mr. Bragg asked if the Permanent Finance Committee had a job description. Mr. Tieperman stated that the Committee has a charge and that he would email it to him.

While looking over the budget report, the Committee noticed that the new budget report had some expenditures in it and asked Ms. Bell why these expenditures were there. Ms. Bell said that she would check with Margie. Ms. Bell stated that the budget needs to be closed as of 12/31/07. Mr. Tieperman mentioned that this is one inadequacy of our financial software. Ms. Bell stated that she wants to make sure that 2007 bills are not being posted to the 2008 budget and that she would look into it.

Mr. Tieperman expressed that he would like the Committee's feedback on the purchasing policy document before it goes to the Board of Supervisors. Mr. Braun asked if the policy was Warrington's or if it was the State's. Mr. Tieperman stated that it is the policy of the municipality and coincides with the Second Class Township Code. Mr. Grant asked for purchases under \$1,000 it states that the Department Head should obtain three quotes, are they verbal or written quotes and are they even needed. Mr. Tieperman agreed that the quotes are not needed and should be eliminated. Mr. Braun asked in an extreme emergency is the Township allowed to go to the State and ask for permission to not bid if the Township needs to provide for the safety of the area and its employees. He advised Tim to set up some sort of protocol for this type of circumstance and to investigate it because it will save time and money.

Mr. Tieperman asked Mr. Braun if his Board approves their bill list and how often. Mr. Braun stated that the Board approves his bill list monthly. Mr. Tieperman advised the Committee that the Township's bill lists are approved twice a month. Mr. Plotnick commented that the bill list shows the expenses with the accounts and a line stating what it is for but that he is not always certain what all the bills are for that he is approving.

Ms. Bell asked if something should be in the purchasing policy in regards to manual checks. Mr. Tieperman advised there should be. Mr. Braun stated that the facsimile signatures need to be approved by the State and to check to make sure that they have been registered. Mr. Braun asked how are the invoices received. Ms. Bell stated that the original invoices come to the Township and then are sent out to the appropriate Department Heads.

Ms. Achenbach asked about the bill list and what the process is. Mr. Tieperman stated that Margie comes in and asks him if the bill list was approved by the Board at their meeting and then the checks are sent out. Ms. Bell explained that we have a cover sheet that explains all the account funds and the total for the period. Mr. Braun asked if the checks are not allowed to be released until the Manager notifies Margie, what happens in the event of a discount period. Ms. Bell said that Margie looks for the discounts. Mr. Braun stated that it should be put in the policy and approved by the Board. He also stated that the procedure for accounts payable and invoices should be spelled out more clearly than it is now. Mr. Grant asked if the PO creates an accounting entry. Ms. Bell stated that it does and it is put under the encumbered funds section of the budget report. Mr. Plotnick commented that the PO should match up directly with the bill because sometimes you do not always get the exact amount that you order.

Mr. Braun asked if time sheets are stamped in or written in. Mr. Tieperman stated that they are written in. Mr. Braun asked who approves the overtime. Mr. Tieperman stated that the Department Head does and then the Township Manager. Mr. Braun expressed that an overtime report should be put in front of the Board for approval so that they know what it is for and for which department.

Mr. Grant asked about human resources. Mr. Tieperman stated they we do not have an HR department and that his Assistant is working on it. Mr. Grant stated that this is very important to have in an organization and Mr. Braun and Ms. Achenbach agreed. Mr. Braun thought it would be a good idea to have the Board approve all township salaries before hand so that there are no questions about them later.

After more discussion, the Committee agreed that the comments they made should be incorporated into the policy and brought back to them for another review before going to the Board.

The Committee set a time limit for their meetings and that they would be no longer than two hours (7PM- 9PM).

3.2. Discussion about capital budget and 2009 budget timelines: Mr. Tieperman asked the Board to give some thought on the timeline for the capital budget as it is an overwhelming task. The focus is a five year capital project funded by bonding. Mr. Braun stated that this is a good time to invest into bonds since interest rates are so low.

**4. Future Agenda Topics:** No discussion took place.

**5. Adjournment:** With no further business to discuss the meeting adjourned at 9:05 p.m.

Respectfully submitted,  
Katie Braun  
Administrative Assistant