

**Warrington Township Permanent Finance Committee
Minutes for March 17, 2008 Meeting**

The regular meeting of the Warrington Township Permanent Finance Committee was held at 7:00 p.m. on March 17, 2008 at the Township Building located at 852 Easton Road Warrington, PA 18976. The members present were as follows:

Michael J. Braun	Member
Gerald Grant	Member
Russ Bragg	Member
John Heenan	Member
Paul H. Plotnick	Supervisor Liaison
Glenn P. McKay	Supervisor Liaison
Timothy J. Tieperman	Township Manager
Paul Gdanski	Director of Public Works
Carolyn Hanel	Director of Adm. Services/Parks and Rec.
Vivian Bell	Finance Director

- 1. Call to Order:** The meeting was called to order at 7:05 p.m.

Mr. Tieperman asked if anyone would be interested in being Chairman. Mr. Heenan made a motion for Mr. Braun to be named Chairman of the Permanent Finance Committee. This motion was seconded by Mr. Grant. This motion passed by a vote of 3-0.

- 2. Approval of February 25, 2008 Minutes:** It was moved by Mr. Braun to approve the minutes for February 25, 2008. This motion was seconded by Mr. Bragg. It passed by a 4-0 vote.

- 3. Old Business:**

3.1. Review final changes to purchasing policy recommended by Board of Supervisors prior to adoption: Ms. Braun went through the purchasing manual and pointed out to the Committee the changes that the Board of Supervisors made to the document. Those changes included:

1. On page five, bullet point five, the Board of Supervisors recommended to change “to \$9,999” to read “and less than \$10,000”.
2. On page six, under Section 2-101 (1)(A), the Board of Supervisors recommended to delete “or routine” from this subsection.

3. On page seven, under Section 2-101 (2)(E)(2), the Board of Supervisors recommended to delete the entire bullet point from the policy.

These were the only changes recommended by the Board of Supervisors. The Committee reviewed the changes and agreed with the Board of Supervisors comments and asked that the document be changed to reflect them. The Committee agreed that the document should be put on the agenda for final review by the Board of Supervisors.

4. Old Business:

4.1. Review status of 2008 bonding program and bond upgrade strategy: Mr. Tieperman reported that Staff had a meeting with George Donovan and Associates, the Township's Architecture Firm, and that they are going to be giving the township a critical path analysis for the fire house and a schematic design of options for the township building. Mr. Tieperman stated that the Township is tentatively still targeting a June bond issue. He mentioned that the Reimbursement Resolution that was passed by the Board of Supervisors was forwarded on to our Bond Counsel. He noted that he has received several questions from residents in regards to the Palomino Basin. He stated that he asked Bond Counsel if the township could include the purchase of open space acquisition into the bond issue if it is tied to a grant from the County. Ms. Hanel spoke briefly on the subject and pointed out that one piece of open space was right off of Stump Road and that the other was located further north. Ms. Hanel mentioned that the grant applications are due at the end of April. Mr. Tieperman stated that he spoke to Randy Lawlace, the Township's Financial Advisor, about strategies for bond upgrades and the scheduling of a meeting with Moody's. Mr. Braun mentioned that the bond market is unsteady at the moment and that he thinks the township would be better off waiting until May or June to go out for their bond issue. Mr. Braun mentioned that bank qualified loans are selling at lower rates. Mr. Tieperman stated that he would keep the Committee posted on this issue.

4.2. Discuss 2009 CIP Timeline: Mr. Tieperman stated that he is trying to get the CIP done and finalized before beginning the operating budget for 2009. He is proposing to have the final numbers for the five year plan around May or June. He asked the Committee if this sounded like a reasonable timeline. Mr. Braun asked when the first payment is made and if it is built into the budget. Mr. Tieperman stated that the first payment is due by December 1 and that he did budget for it. Mr. Braun advised Mr. Tieperman to make sure Randy does not change that figure. The Committee agreed it was a reasonable timeline.

4.3. Review preliminary 2007 audited actual (if ready): Ms. Bell reported that the actual audited numbers are not ready yet and that the auditors are just finishing up the state audit report. She expects that by the end of this week or next the township should have all the adjusting journal entries. Mr. Plotnick asked Ms. Bell what she thinks of the auditors. Ms. Bell replied that we have had the same auditors for a number of years. Mr. Braun stated that he thought it would be a good idea to pursue another auditing firm. Mr. Grant said that a larger auditing firm usually rotates its partners so that you do not have the same people doing your audit every year. Mr. Braun asked if Ms. Bell had a general feel if the township is going to be up or down on the fund balance. She felt it would be up. Ms. Bell and Mr. Tieperman stated that some of the revenues were lower than they expected for February.

4.4. Review budget transfer requests: Ms. Hanel handed the Committee the Parks and Recreation budget transfer request. The Committee commented that the template needs more columns to decipher between credits and debits and that they should all be equal. There was consensus on the transfers needed.

4.5. Review with Public Works Director the following:

- a) Discuss assessment districts for street lights and storm water management: Mr. Gdanski reviewed information concerning street lights and showed the Committee a preliminary map of all the street lights and stormwater basins in Warrington.
- b) Current assessment practices in water/sewer division: Mr. Gdanski reported that the Water and Sewer Department does a full rate study every year on assessment charges and that he did not have this information as of yet but that it should be available sometime next week.
- c) Discuss flat rate assessment charge to water/sewer enterprise fund for township operations: Mr. Gdanski was asking for feedback from the Committee on how charges should be assessed to the Water and Sewer Department. Committee members discussed the proper methods for assessing the Water and Sewer Enterprise Fund for general administrative and other overhead charges. There was a general concurrence that a flat rate assessment was the best approach. Mr. Braun asked Mr. Gdanski to investigate the practices of other integrated departments in the area and share his findings at the next meeting.

5. Future Agenda Topics

5.1. Review proposed fund balance policy for certain township operating funds as part of bond upgrade strategy: Mr. Tieperman stated that he wanted to have a discussion on financial policies at the next meeting.

6. Adjournment: Mr. Braun motioned to adjourn at 8:35 p.m. This motion was seconded by Mr. Heenan. It passed by a 4-0 vote.

Respectfully submitted,
Katie Braun
Administrative Assistant