

**Warrington Township Permanent Finance Committee
Minutes for June 2, 2008 Meeting**

The Regular meeting of the Warrington Township Permanent Finance Committee was held at 7:15 p.m. on June 2, 2008 at the Township Building located at 852 Easton Road Warrington, PA 18976. The members present were as follows:

Michael J. Braun	Chairman
Gerald Grant	Member
Marianne Achenbach	Member
Russ Bragg	Member
John Heenan	Member (arrived at 7:20 p.m.)
Paul H. Plotnick	Supervisor Liaison
Timothy J. Tieperman	Township Manager (arrived at 8:45 p.m.)
Carolyn Hanel	Director of Admin Services/Parks
Vivian Bell	Finance Director (arrived at 7:35 p.m.)
Paul Gdanski	Director of Public Works
Thomas Zarko	Township Engineer

1. **Call to Order:** The meeting was called to order at 7:15 p.m.
2. **Approval of May 28, 2008 Minutes:** Mr. Braun made a comment that in the last section entitled "Review possible expenditure controls in light of economic conditions" that the 25% only represents an example and that he would like the minutes modified to reflect that. Ms. Achenbach made a motion to approve the minutes of May 28, 2008 with the change. This motion was seconded by Mr. Bragg. It passed by a vote of 5-0.

New Business:

3. Continue discussion on an appropriate administrative assessment charge to Water and Sewer enterprise fund and other applicable funds- Mr. Gdanski explained to the Committee that he contacted other municipalities to see how they deal with their assessment charges to water and sewer. He stated that Whitmarsh Township charges \$6,000 per month to the sewer department, Lansdale Borough collects a fee from the electric company but they could not provide him with a figure, Perkasio Borough transfers 42% of whatever the general fund is from the electric company which equates to over \$2,000,000, Warminster transfer funds from the golf to the recreation department when needed, and Quakertown transfers 25% from their funds to the general fund. Mr. Braun asked Mr. Gdanski if he could tell him what Quakertown's 25% equates to. Mr. Gdanski said that they could not give him that information. He said that they look at who the individuals are that have anything to do with the other departments and there are four funds so they divide it by 4 so it is 25% of the managers, the finance director, etc. Ms. Hanel referenced the spreadsheet attached to the agenda which represents what 25% of the salaries would be if the township did it that way. Ms. Achenbach asked why the township is assessing. Mr. Gdanski

answered for administrative purposes. Ms. Achenbach asked why aren't any other departments getting assessed. Mr. Gdanski stated because they are part of the general fund. Ms. Achenbach asked if we are legally able to do this. Mr. Braun said yes but commented that we need to figure out the appropriate figure to charge. Ms. Achenbach stated that if people are being charged to water and sewer that don't do any work for them is that appropriate. Mr. Braun said he is not here to argue that point but is more concerned about the assessment charges. Mr. Braun asked what is the total number that the township has charged water and sewer over the past couple of years. Ms. Bell stated it has been less than \$160,000. Mr. Braun asked Ms. Bell to calculate what the total charges were in the past five years to water and sewer salaries and how much has it increased over the past five years. Ms. Bell stated that she would get those figures for the Committee.

4. Review five-year capital improvement program for Public Works- Mr. Zarko gave a presentation on the projects that the Township is looking to do in 2009. He stated that there are four primary categories: public facilities, roadway improvements, stormwater management, and park improvements. He referred to a handout dated May 29, 2008 entitled "Warrington Township Public Facilities/Public Works Five Year Capital Improvement Plan" and gave descriptions of each of the projects listed on that spreadsheet for each category. Mr. Zarko also gave out another handout entitled "Warrington Township Roadway Maintenance Program Map" and discussed with the Committee the roadway maintenance program.

Mr. Gdanski told the Committee that he created a vehicle replacement program. He handed out a spreadsheet entitled "2008 Vehicle List" and another spreadsheet entitled "2008 Warrington Township Public Works Vehicle Replacement Schedule". He stated that he was looking for replacements every 7 to 8 years with roughly 70,000 miles thinking that the township will get a better kick back with a vehicle auction on vehicles with less than 100,000 miles. Mr. Braun asked Mr. Gdanski if he had any history on the vehicle auctions. Mr. Gdanski stated that he has a copy of the results with him. Mr. Braun asked Mr. Gdanski if he compared the auction prices with the trade in prices when the township goes to purchase. Mr. Gdanski said that he has not had time to look into that yet. Mr. Gdanski stated that he went over this list with the Township's Mechanic, Dave Leader, and asked him what cars could go to auction which were in better conditions than others, etc. He stated that the second colored page is the equipment replacement schedule and he went through that with the Committee. He mentioned that it is a work in progress still.

5. Review current revenue trends and discuss possible expenditure controls in light of economic conditions- Ms. Hanel handed out two spreadsheets one entitled "Real Estate Taxes" and "Act 511 Revenues". Mr. Braun was looking for the total assessment of real estate taxes and that the graph does not really show anything because the differential might have been made up in the assessment. He is looking for how the assessment moves in accordance with where the mills are. Mr. Plotnick stated that this does not apply here. He stated that there was no real estate tax in 2002-2005. Mr. Bragg stated that the Committee wants to see the collections tied to try and

see if there was movement in the amount of money collected tied to economic conditions. Ms. Bell said that she understood what they wanted and would work on it for them. Ms. Bell stated to the Committee to take the information and review it and that she will get the other information they want and discuss it at a later point in time.

6. Discuss department liaisons appointments- This topic was discussed by the Committee and the following Committee members will be assigned to various departments to help them prepare their 2009 operating budgets:
 - Administration and Finance: Marianne Achenbach
 - Park and Recreation/Swim Club: Jerry Grant
 - Water and Sewer/Public Works: Mike Braun
 - Police: Russ Bragg
 - Code/ Planning/ Fire: John Heenan
7. Discuss fund balance policy- this item was not discussed.
8. Review budget transfer requests- this item was not discussed.
9. **Future Agenda Topics:** None.
10. **Adjournment:** Mr. Braun made a motion to adjourn the meeting at 9:00 p.m. This motion was seconded by Mr. Bragg. It passed by a vote of 5-0.

Respectfully Submitted,

Katie Braun
Recording Secretary