

PINE GROVE TOWNSHIP SUPERVISORS
175 OAK GROVE ROAD, PINE GROVE, PA 17963
JUNE 22, 2005 SPECIAL MEETING MINUTES



Special meeting for the purpose of discussing financial and budget reports of the Township.

Chairman Larry Zimmerman opened the meeting at 7 PM. Attending were Supervisors Diane Tobin, Herman Clemens, Allen Aungst and Jerry Wise; Secretary / Treasurer Kathy Ferguson, no members of the public were present.

Township Budget

Ferguson gave the Supervisors a Profit & Loss report that she prepared for the Township General Fund and Liquid Fuels Fund that showed actual Revenue and Expense amounts from January 1, 2005 through June 22, 2005 as compared to the budgeted amounts. Ferguson explained the details of the report and noted the percent of the budget amounts should be around 50% since it is near the end of June. Ferguson pointed out the following items that were over or under 50% of the budgeted amount:

- ♦ The "Per Capita" tax revenue is at 78.9% of the amount budgeted because the majority of this tax is collected in the beginning of the year. Ferguson said Frances Heinbach, tax collector, reported that by the end of May 2,011 people had paid the tax and approximately 711 additional people are expected to pay the tax before the end of the year.
- ♦ "Subdivision / Land Development" revenue is 49.57% over budget and Ferguson said that is due to a large sum of engineering fees billed to applicants last year but paid during this year.
- ♦ "Sewage Permits" income is zero because it is now tracked through a liability account.
- ♦ Wages expenses are under 50% because there is one more payroll period to be posted in the first half of the year for most employees; however the "Admin Elected Officials Meeting Pay" is at 50% because the Board has received six months of their pay.
- ♦ "Admin - Mileage" expense is at 100% because the amount budgeted was for mileage to the convention in April.
- ♦ The expense for the "Elected Tax Collector" is over budget because the Township has reinstated the per capita tax and now has to pay the tax collector commission for the collection of that tax.
- ♦ "Heating Oil" expense for the garage is over budget.
- ♦ There are no expenses shown for "Highway - Salt and Cinders" on the General Fund report because these expense items were moved to the Liquid Fuels Fund on the report only; the actual funds transfer will be done at the end of the year. (The same was done for the "Highway - Street Lights - Ravine" expense item.)
- ♦ "Insurance - Property and Liability" are over budget for the year.

Aungst requested a statement of income received and Ferguson said she will develop an income statement report for the supervisors and submit it to them on a monthly basis.

A discussion was held on how payments for work performed by the Township Sewage Enforcement Officers are handled. Ferguson said the resident gives a check made

payable to the Township to Light-Heigel or Fisher Engineering. Light-Heigel or Fisher Engineering sends us the check along with an invoice for the services they performed; the Township deposits the

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resident's check and enters the invoice for payment. Ferguson said it is regarded as a liability; it is not recorded as revenue and expense. Aungst and Zimmerman questioned how these payments for Light-Heigel and Fisher Engineering are tracked as liabilities. Ferguson said it is tracked similar to payroll and other liability accounts, the liability accounts should be zero at certain times of the year. Aungst asked if it is easier to do it that way than put it under the expenses and Ferguson said it is the correct way to do it. Tobin said it is categorized as a liability, not an expense. Zimmerman asked if a report could be printed at the end of the year that tells how much was received for Light Heigel or Fisher Engineering and how much was paid out to them. Ferguson said yes, a report can be printed for any of the liability accounts detailing the entries during the year. Ferguson noted also that the auditor pays close attention to the liability accounts.

Aungst questioned the amount collected for the UCC permits and what reports we have received. Ferguson said that Light-Heigel is paying us when they have completed the permit process and they send us a file folder for each applicant. The board discussed the permanent filing of the UCC permits, zoning permits and septic permits. Zimmerman said the zoning permits should be out of the Zoning Officer's office and put into the township office permanent files when complete; Aungst agreed. Ferguson asked if the sewage permits should be handled the same way, stating the Township has no record of sewage permits issued. Ferguson said she has asked the SEO's for copies of the permits, she has written to them and emailed them asking for information when they issue a permit, but they do not send any information to the Township. Ferguson said she has started requesting a copy of the septic permit from the residents when they apply for a zoning permit. The board said Ferguson should write a letter to Light-Heigel and Fisher Engineering requesting a copy of the septic permit when it is issued, if they do not start sending copies of the permits, the board will address this at a meeting.

Ferguson suggested the Township set up a filing system by parcel number and file all records and permits for sewage, zoning, building and subdivisions under the parcel number, but noted all the forms would have to be changed to require the tax parcel number. The Board agreed that it would make sense to file records by the tax parcel number. Ferguson said the current file cabinets are overflowing and she doesn't know where to put new files. Zimmerman asked if the old fireproof files are still being used and Ferguson said one is in use and the other one was damaged when it was taken downstairs to the storage room and the drawers do not close, it is no longer fireproof. Zimmerman suggested making one room fireproof for filing instead of buying a lot of fireproof cabinets. Ferguson said another idea for record storage would be digital scanning, but the computers would not support that at this time.

Zimmerman asked if the engineer's fees are separated into Township engineer's fees and those for subdivisions and land developments. Ferguson said they are not separate at this time, neither are the new legal fees for subdivision and land developments. Ferguson said she can do separate line items for these items and the Board agreed they would like the items separated.

Ferguson gave the Board a report with details for the "Highway Repairs - Trucks" line item that showed all the itemized expenses for the year to date listed by truck number. Ferguson said this report was an example of the type of detailed report that can be printed whenever they would like the information.

Ferguson reported the Liquid Fuels budget report shows the Township to be right on target with the exception of the "Highway Construction" expense item and that is because the paving for the year has not been done yet.

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Ferguson also showed the Board the Profit & Loss Detail report that is available which shows the details of each line item for the revenue and expense accounts. Zimmerman asked if we have an extra computer that could be put in the supervisor's office for them to pull reports and look at them when they want them. Ferguson said there aren't any extra computers and in order to have one available for the supervisors to use that way, the Township would have to set up a server and network. Ferguson said there is a possibility of a review copy that she could keep updated for them to use in their office. Clemens asked about the status of the current computers and Ferguson said she is having problems with her printer and monitor, she thinks some of the software needs to be updated and perhaps the computers are getting too old to work with the high speed internet connections that we have. Wise asked about the cost of installing a server and Ferguson said she did not have enough experience in that area to be able to estimate the cost.

PLGIT Accounts Reports

Ferguson presented a series of eight spreadsheets she designed for the Township PLGIT accounts covering the period from January, 2003 to June, 2005. Ferguson said she thought it was important for the supervisors to understand what had been done with the PLGIT accounts and as treasurer she wanted to document the transactions. Ferguson explained the history of the PLGIT accounts and said in her first month working for the Township, while they were setting up the MSL accounting system; seven PLGIT accounts were closed into the one PLGIT Plus account which had a higher rate of interest. Ferguson said the new MSL accounting system was supposed to be able to track them as sub-accounts, but it could not accurately do that and after several months the Plus account was separated into the different accounts again. Interest was not allocated at that time, however, and the series of spreadsheets allocates the interest due to the fire companies etc. for the time their money was combined with Township funds. Ferguson said the attached statements show the interest and that some of the 2003 interest allocations were done by Doug White, an accountant assisting the Township with the MSL accounting software; other allocations of interest were figured using PLGIT's formula.

Wise said some of the interest amounts seemed low and Ferguson said if they check the attached PLGIT statements, the interest rates were very low in that time period, for example in August of 2003 the interest rate was only .88%.

The PLGIT accounts were discussed at length with Ferguson providing details of the transactions listed on the spreadsheets.

Ferguson said she would like to allocate the interest from June, 2005 to the PLGIT accounts on July 1st and transfer the interest owed to the fire companies the same

day. Ferguson said she feels the Landfill Trust account should be re-opened in order to comply with the terms of the host agreement.

Tobin moved to approve the transfer of interest amounts owed to the fire companies from the Township PLGIT accounts to the Ravine and Suedberg PLGIT individual accounts. Clemens seconded the motion, all were in favor and motion carried 5 to 0.

Tobin moved to approve re-opening the Landfill Trust PLGIT account, Wise seconded the motion, all were in favor and motion carried 5 to 0.

Aungst moved to adjourn the meeting at 9:20 PM, Zimmerman seconded the motion, all were in favor and motion carried 5 to 0.

Respectfully Submitted,

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Kathy Ferguson
Secretary / Treasurer
July 13, 2005

Approved by Board of Supervisors on

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