

Workshop Meeting Activity

July 14, 2014

TITLE

MOTION

SECOND

Approve June 16, 2014 Leg. Mtg. Min.

Comm Jones

Comm Schollaert

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TOWNSHIP OF ALEPPO

BOARD OF COMMISSIONERS

MEETING MINUTES

JULY 14, 2014

CALL TO ORDER:

Vice-President Matthew Doebler called the meeting to order at 7 PM with the Pledge of Allegiance and roll call. Those in attendance were Commissioners Joanne Schollaert, George Jones, John Seifarth, Manager Gwen Patterson, Solicitor Christopher Lovato and Secretary Martha B. Rogers. President Rodney Gartner was not in attendance.

MINUTES:

Commissioner Jones made a motion to approve the June 16, 2014 Legislative Meeting Minutes. Commissioner Schollaert seconded. The motion passed unanimously.

2013 AUDIT:

Mr. Mark Turnley, the CPA doing the 2013 audit made a presentation to the Board. The management letter was handed out to everyone. It indicates recommendations for the year. He also handed out a two-page letter which indicates there were no disagreements when performing the audit. An anti-fraud policy is discussed in the management letter. Every municipality should have one and he recommends we have one. He recommends municipalities go through and check their policies especially ones related to financials. He recommends municipalities have payroll training and submit 1099's to the

Government every year. The anti-fraud policy is a statement of what the Board expects of its employees. Each employee signs off on that on an annual basis.

He asks that the Board read the management discussion and analysis section that is in Roman Numeral Pages 3 through 8.

On Page 3, the balance sheet indicates total fund balances at the bottom. The general fund has a good fund balance. The debt service fund is money being sent to the Township to pay off the sewer revenue bonds from 2011. It is money restricted for that purpose. Construction fund is the moneys from that sewer revenue note to be used for infrastructural related projects. Non-major governmental funds is a combination of two pots of moneys, Liquid Fuels and infrastructure fund. Commissioner Jones asked Mr. Turnley if he has any suggestions as to investing some of the money we have in our checking account. He said PLGIT and CD's. Financial service departments in all banks would be able to make recommendations also.

Page 5 is the profit and loss statement for all funds. Important information is on the bottom three lines. Our expenditures exceeded revenues by \$119,127.00. He believes the millage cut is an explanation for this to some degree.

In the back of the book starting on Page 27, there are detailed schedules of budget versus actual information for the general fund only. Pages 27 and 28 are dedicated to our revenues. Starting on Page 29, information is dedicated to expenditures.

Commissioner Jones asked what the County has Aleppo valued at for 2014. Manager Patterson will get that information for him. He also noticed \$67,000.00 in uncollected real estate taxes. Mr. Turnley said they are delinquent taxes to be collected in the future. Manager Patterson said that is multiple years. Our collection rate is 96 or 97 per cent. There are ongoing actions against living people.

Commissioner Jones asked if our pensions are fully funded. Manager Patterson said the police pension is fully funded. The non-uniform pension is not a defined benefit pension. It is a defined contribution pension. There is never a set amount that needs to be funded. Mr. Turnley said, on Page 35 there is a schedule funding progress related to the pension.

There is a verbal agreement in the report related to the Sewickley tap-in fee. It is for \$400,000.00 dated 2013. The documents state it was verbally agreed to prior to Manager Patterson's employment. Manager Patterson said the sewer project started after she began her employment with Aleppo. She said 2013 is the date that we have the first formal communication or the first letter requesting the first year's payment. Mr. Turnley said the information can be easily changed if necessary.

2014 ROAD PAVING BIDS:

Manager Patterson said the bid opening was this morning. There were two bidders. It was El Grande and Faciano who did our paving last Fall. El Grande's total was

\$507,015.50 and Faciano's number was \$752,645.00. Mr. George Anderson of Mitall was here today and conducted the bid opening. He was comfortable with El Grande's number because they were closer to the estimate. He will research the company this week.

Next Monday the Board will need to decide which roads will be done. The first recommendation would be to disregard School Street. Commissioner Jones said we have \$515,000.00 in the capital improvements fund. We could not do all roads. He asked if we originally wanted to do all the roads. Manager Patterson said, no. We originally intended to find out how much we could do. All were bid by unit prices. Overlook should be done. \$250,000.00 was set aside to do Overlook Dr. McCoy and South McCoy need to be done. Water lines will be replaced on South McCoy. School Street will not be done. Commissioner Jones would like to see a ten-year plan for road repairs established. Commissioner Jones asked if repairs on Glen Mitchell Road are done. Manager Patterson said it is a County road. Standards for renovations are completed up to County standards.

Commissioner Seifarth asked about progress on Overlook Drive. Manager Patterson said the property manager said estimates they have received are being taken to ownership. They asked us to confirm that the plans that they have were still acceptable. She checked with Bob at KLH and he said yes they are still the same and fine.

Commissioner Jones asked about the non-major governmental fund. Manager Patterson said that fund contains liquid fuels and the infrastructure fund which is different than the capital improvement fund. \$146,778.00 is non-major governmental fund made up of two things, Liquid Fuels which is \$31,076.00 and capital improvement fund which is the fund that was set aside to fund up front any sewer costs. In the 2014 budget, \$100,000.00 of the \$115,000.00 is scheduled to transfer into the general fund.

FLOODPLAIN ORDINANCE:

Manager Patterson gave Board Members a draft of the mandated floodplain ordinance which must be adopted by September 26, 2014. We have a small floodplain area on Glenfield Road. Bob from KLH worked with Leslie, the State Coordinator of the floodplain ordinance. The draft went to her and we are not allowed to change anything other than the signature blanks at the end. Manager Patterson will advertise it to be adopted in August. We have Section A in the floodplain ordinance. Vice-President Doebler asked Solicitor Lovato if this exposes us to any liabilities and he said, no.

PROFESSIONAL LIABILITY INSURANCE TAIL COVERAGE:

Solicitor Lovato said this is about purchasing from the entity that cancelled our coverage. Manager Patterson said there is a 6, 12 or 18 month policy which were \$6,000.00 per each increase of time. We checked it with two insurance agents. Neither of them felt it was required. The language in the old and new policy were sufficient to cover any kinds of activities or claims that may come up as a result of the sewer project. We did file that

vaguely worded notice that there might be something out there some day with the old insurance policy regarding any other lawsuits. They grouped that with the existing lawsuit claim.

UNFINISHED BUSINESS:

Commissioner Jones said Kevin Flannery offered to put the tap-in fee into a letter agreement. He said he would like that to occur and thinks it is advisable.

NEW BUSINESS:

Commissioner Jones said Tony Lisanti has decided along with his family that he cannot remain on the Authority Board and become a commissioner as elected. Commissioner Seifarth has agreed that should Tony resign from the Authority, he will move to the Authority Board. A vote will be needed from the Board Members on this issue.

Vice-President Doebler said the Authority has passed a new rate which will need to be advertised if it is an ordinance.

Mr. Len Kinter said for accounting purposes, the Authority may go back to quarterly billing for water. Manager Patterson said for the accounting systems that are in place, both quarterly must be done or both monthly. You cannot have one billed monthly and one billed quarterly.

CITIZEN PARTICIPATION:

NA.

At 8:30 PM, the Board went into executive session and returned to regular session at 8:40 PM.

ADJOURNMENT:

The meeting was adjourned at 8:40 PM.

Respectfully submitted,

Martha B. Rogers
Township Secretary