

Salford Township
Finance Committee
October 6, 2015
Summary

1. Participants: TClemens, JHill, GWitmayer, KLandis, JStyer.
2. Prior Meeting Summary: Distributed shortly after previous meeting. No revisions
3. 2015 Year-end planning: Based on the projections for a strong financial year end position, the following was recommended to be implemented only if the projections are confirmed:
 - A. Pay the QNB debt for the sewer capital -- \$128,000 (loan from GF to the Sewer Fund)
 - B. Add \$200,000 to the Capital Reserve to provide additional funds for major road repairs and building renovations.
4. Proposed 2016 Budget: The budget was reviewed on a line-by-line basis and approval is recommended including the following items:
 - A. The request from the Tylersport Fire Company of \$73,092 was included in the budget. This included a special request for \$10,000 to support the purchase on a new fire truck and \$3,600 to repair/rebuild the community electrical power generator.
 - B. A 2% wage increase was included for employees (+\$4,000). A 3% (\$6,000) should be considered since there are slightly higher out-of-pocket medical costs.
 - C. The sewer operating costs, except the usage fee charged by the Franconia Sewer Authority and the cost of electricity for the pump were included in the General Fund budget. An anticipated FSA rate increase of \$5.00/qtr was included in the Sewer Operating Fund budget.
 - D. Absorption of the sewer operating costs in the General Fund budget would reduce the quarterly fee to \$165/qtr, after including a projected FSA increase of \$5.00 per quarter which would not be passed along to users. However, it was recommended that the current fee of \$175/qtr, be maintained to begin the establishment of a replacement reserve for the sewer system equipment. (\$10,200 + any previous balances)
5. 2016 Budget Additional Recommendations:
 - A. Transfer \$80,000 to the Open Space Reserve to replace the funds used in the purchase of the Moyer farm.
 - B. Transfer \$45,000 to the Parks Reserve for additional items requested
 - C. Increase the current part-time staff position to full-time (approx. cost \$22,000 plus benefits costs)
 - D. Add \$12,000 to establish a retirement fund for employees.
 - E. Total increases \$159,000
6. Security Suggestion: Investigate whether the PASP would consider establishing a sub-station (or stationing an officer) in Salford Township which would provide better service to Salford Township residents.

7. Auditors: The following auditor firms were recommended to be considered to replace the current audit firm provided that the firms have substantial experience in municipal financial auditing, would assign senior staff persons to conduct the audit, could complete the audit reports by 6/30 annually, and proposed a reasonable price, as compared with nearby townships of a similar size.
 - A. Maillie LLP – larger firm located in West Chester, PA
 - B. Bee, Bergvall LLP – midsized firm located in Lansdale, PA
 - C. Styer, LLP – smaller firm located in Souderton, PA

Copies of the audited reports for FY13 and FY14 would be sent to the firms as background information.

Interviews would be scheduled for 11/3 at 6:00 pm, 6:45, and 7:30 pm at the Township Office.

8. Insurance: Requested that Karen set up a meeting with the current insurance agents(s), in March, to review the coverage values and projected costs.
9. Next Meeting: Tuesday, 11/10/15, 7:30.