

**Warrington Township Permanent Finance Committee
Minutes for August 18, 2008 Meeting**

The Regular meeting of the Warrington Township Permanent Finance Committee was held at 7:15 p.m. on August 18, 2008 at the Township Building located at 852 Easton Road Warrington, PA 18976. The members present were as follows:

Michael J. Braun	Chairman (arrived at 7:55 p.m.)
Marianne Achenbach	Member
John Heenan	Member
Paul H. Plotnick	Supervisor Liaison
Glenn P. McKay	Supervisor Liaison
Timothy J. Tieperman	Township Manager
Carolyn Hanel	Director of Admin Services/Parks
Vivian Bell	Finance Director
Lauri Halderson	Finance Director for Water and Sewer
Michael Clarke	Township Solicitor

- 1. Call to Order:** The meeting was called to order at 7:15 p.m.
- 2. Approval of Minutes:** There were no minutes to approve.

New Business:

- 3. Review rate study in preparation for the 2009 operating budget:** David Bush presented the Committee with the rate analysis for Water and Sewer. Mr. Bush introduced himself and spoke about his company and how the primary focus of his business is Water and Sewer finances. He projects where he thinks the revenue and expenses will be for the upcoming years and presents his customers with a fee which can be a fixed or variable of where their water and sewer rate charges should be for the future. He handed out an exhibit entitled "Comparison of Quarterly Water Bills for Residential Customers" so that the Committee could see where Warrington fell as a whole compared to other Townships in the area. According to the rate flow analysis Warrington Township is looking at a 26% increase in their water and sewer rates for the next year in order to get out of the deficit that the water and sewer department is currently in with their current rates. Ms. Halderson explained that this rate analysis was done back in 2005 and showed the same results. Mr. McKay and Mr. Plotnick both stated that this is the first time that they are actually seeing this information and are quite shocked about it. Ms. Halderson stated that this was presented to the Board of Supervisors last year at budget time and nothing was ever done to help with the deficit. Mr. McKay and Mr. Plotnick both requested the information again that was presented to the Board of Supervisors at budget season. Ms. Halderson stated that she would get them the information and the memo about it. Mr. Tieperman asked Ms. Halderson to make a pie chart of where the costs are that are driving this 26% increase so that he can better understand which line item is causing the greatest

increase for the rates. After a lengthy discussion, Ms. Halderson stated that she would get all the information that was requested by the Committee before the next meeting.

4. Review further breakdown of "Due from Water and Sewer Account" and Act 511 Revenues: Due to the lateness of the hour, Ms. Bell explained that included in the agenda packets was a breakdown of the "Due from Water and Sewer Account". She pointed out that nothing in the account is salary related. Ms. Braun handed out the revenue analysis spreadsheet to the Committee and explained that she broke down the Act 511 taxes into their specific categories. Mr. Tieperman asked the Committee to review the document at their leisure.
5. Adjourn into executive session to discuss matters of pending litigation: The Committee adjourned into executive session to discuss pending litigation which dealt with employee's salaries and asked the public to leave. Mr. Clarke was present to discuss the litigation. The tape was turned off during this period.
6. Review 2009 CIP Template: Due to the lateness of the hour this item was not discussed.
7. **Future Agenda Topics:** No future agenda topics were discussed.
8. **Adjournment:** Ms. Achenbach made a motion to adjourn the meeting at 9:35 p.m. This motion was seconded by Mr. Heenan. It passed by a vote of 3-0.

Respectfully Submitted,

Katie Braun
Recording Secretary