

**RYE TOWNSHIP
SUPERVISORS' MEETING
April 23, 2012**

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PRESENT: Chairman Robert Lightner, Vice-Chairman Ken Quigley, Supervisor, Ron Cree; Daisy Lightner, Secretary/ Treasurer, James Hawk, Zoning Officer, Pete and Barbara Fitting, Sean Fedder, Jean Snyder, Commissioner Paul L. Rudy, Jr., Darlene and Glen Campbell, Gary Roth, Benjamin Kirk of Burget Associates, Luke Roman of the Duncannon Record, and P. Richard Wagner, Esquire.

FORMER SUPERVISORS PRESENT: Ronald Evans and Phyllis Page

The meeting was held at the municipal building and called to order at 7:30 PM. Chairman Robert Lightner convened the meeting with the pledge of allegiance to the flag. The meeting was tape recorded to aid with the preparation of minutes.

CITIZEN PARTICIPATION: Chairman Lightner welcomed everyone and asked if there was any citizen participation. None was offered at this time.

APPROVAL OF THE MINUTES: Vice-Chairman Quigley made a motion to approve the minutes of the March 26, 2012 supervisors' meeting. Supervisor Cree seconded. Motion carried unanimously.

PERSONS TO BE HEARD: Perry County Commissioner Paul Rudy, Jr. approached the Board of Supervisors requesting the completion of a survey to identify businesses for the Perry County Business Campus One located in Penn Township. The Commissioners are seeking input and recommendations from local officials for the types of businesses that are needed within Perry County to better market and attract new business and jobs to the County. The Board of Supervisors agreed to complete and return the survey to Commissioner Rudy within one week.

Craig Witmer, CPA and Jessica Mihalov, CPA of Smith, Elliott, Kearns, & Co were present to provide a brief synopsis of the 2011 Financial Audit report for Rye Township. CPA Witmer thanked the Board for the opportunity once again for SEK to conduct the audit. Witmer said SEK issued an unqualified, clean audit opinion, which is the best opinion that may be given indicating that SEK is confident that the financial statements are not materially misstated. Witmer offered that the major changes this year were to the Fund Balance information with the issuance of GASB 54. The financial statements incorporate the changes and provide clearer fund balance classifications.

CPA Jessica Mihalov explained the letters accompanying the Financial Statements stating that the statements are prepared on the modified cash basis and the opinion, as stated by CPA Witmer, is an unqualified, clean opinion. Paragraph 5 explains that the Township has implemented the new fund balance reporting model as required by GASB 54 as of January 1, 2011. The Management Discussion & Analysis, (M D & A), on pages 3-11, which is not a required part of the financial statements, is prepared by the Secretary/Treasurer and provides a good overall summary of the year financially. The MD & A should be read in conjunction with the financial statements to provide better details of what occurred throughout the year.

Jessica reviewed pages 11-12 and explained the cash & cash equivalents in each fund at the end of 2011 as follows: General Fund - \$766,396; Capital Reserve Fund – \$549,054; Highway Aid Fund - \$85,058 for a total \$1,400,508.

Mihalov noted that Capital Assets and Net Assets increased approximately \$53,000 from the prior year due to the purchase of the new F550 dump truck. Mihalov explained the recent changes in categories of fund balance: Restricted, Committed, and Unassigned designated on page 13 of the Balance Sheet. Note 9 on page 28 of the report provides additional details for the various designated fund balances.

Referring to page 15 - the Statement of Revenues, Expenditures, and Changes in Fund Balances, Mihalov explained that total revenues received increased slightly by \$2,000 from the prior year due to a slight decrease in the unemployment resulting in a small increase in earned income tax revenue received. Accordingly, the Township instituted cost containment measures. Revenues exceeded expenditures for governmental funds in the amount of \$83,184. This is the first full year the Township realized the savings without the expenses for the police department.

Page 16, the Statement of Revenues, Expenses and changes in Net Assets for the Solid Waste Fund figures remain consistent with the prior year. Looking at Revenues and Expenses the net cash provided by operating activities is \$1,154.00, which indicates the fund is pretty much breaking even. Jessica highlighted several notes on pages 19-29 of the 2011 Financials, which contain the footnotes. Supplementary information on the pension plans and budgetary comparison schedules follows the notes on pages 32-36.

Jessica concluded her report by reviewing the April 13, 2012 management letter, which includes the usual finding involving the preparation of external financial statements and footnotes. Jessica assured the Board this finding is solely because of newly revised auditing standards and is included in 95% of their clients' letters. As part of the audit, SEK assists in applying complex accounting standards & prepares the financial statements and footnotes from records provided from the Township staff. For internal control purposes your auditor cannot function as part of your internal control system over financial reporting. Mihalov explained that this is not a negative comment reflecting on the Township staff, but is common practice of most municipalities the size of Rye and even larger.

Jessica explained the colored graphs, which assist the Board in understanding the financial statements. Cash and Investments Balances Graph shows the trend for the years 2008 through 2011. The Revenues increased slightly from 2010 to 2011 due mainly to an increase in earned income tax. The pie graph indicates the largest expenditure for 2011 was once again the Public Works/Highways at 42%. The largest revenue for the Township is taxes at 54%.

Five new graphs showing Municipal Statistics are also included. These statistics are prepared from data accumulated by the State from the 2009 municipal filings.

Administrative Superintendent Ron Cree thanked Daisy Lightner for a job well done. The Secretary/Treasurer expressed appreciation to the Board for their conservative measures to contain costs and keep within the budget and further absorb increases in expenses without raising real estate taxes.

With no further questions or discussion on the 2011 Financial Audit, CPA Witmer and CPA Mihalov thanked the Board and the residents for their time and left the meeting.

MONTHLY MUNICIPAL REPORTS: Zoning Officer, James Hawk provided a verbal report as follows: several calls/complaints, one (1) certified mail -violation notice letter to 960 Valley Road; one (1) zoning permit, (1) demolition report. Zero mileage reimbursement. \$40.00 in fees collected.

No Sewage Enforcement Report was submitted by Madden Engineering. The Board directed the Secretary/Treasurer to contact them about submission of a monthly report.

The April Road Report was submitted by Road Foreman, Brad Sloop. Supervisor Quigley read the report and noted that the majority of work involved drainage repair on Trout Lane.

Supervisor Quigley attended the Spring Road Maintenance Seminar along with the road employees. The report was placed on the table for public review.

Recreation Board member, Darlene Campbell reported the following upcoming events:

- ◆ Fishing Derby on Saturday, May 19, 2012 at the Marysville Sportsmen's Association in Marysville at 9:00 AM- this event is also "Free." Bring along your own bait and pole. The event was relocated to the Sportsmen's Association for better parking with a larger area for easier accessibility for fishing.
- ◆ Strawberry Festival, June 3 at 6:00 PM. This event is FREE.
- ◆ Pool party, July 13 at the Marysville Lions Club

A quote was received and repairs were made to the ball field dugout by Mike Speck.

No Emergency Management report was provided. Chairman Lightner reported that a check is on the agenda for approval tonight for the installation of the standby generator at the Glenvale Church of God, the Township's disaster evaluation center. The installation of the generator is anticipated in the next few weeks.

The March Treasurer's Report was submitted for public review and read by the Secretary/Treasurer & with no discussion was accepted as read pending the final approval of the independent auditors.

SUBDIVISION/LAND DEVELOPMENT PLAN: Ben Kirk of Burget Associates approached the Board for final approval of the Richard S. Albright, II and Marsha A. Albright Final Minor Subdivision Plan. The purpose of the plan is to subdivide an 11.33 acre tract creating two new (2) building lots for his adult children with one (1) residual lot for a total of three (3) lots located along Fleisher Road. Ben Kirk provided a 5 page set of plans dated August 22, 2011 revised as of November 21, 2011 in accordance with the Commission's review comments. A November 22, 2011, Revised as of April 23, 2012 Alteration of Request for a waiver of SALDO, Article 7, Section 501 (Preliminary Plan Submittal), Section 502-H. (Location Map Scale), Section 703.C (Street Width); Section 10.08, (Stormwater Freeboard) was provided. An April 24, 2012 NPDES General Permit Authorization letter from Perry County Conservation District was received. A Stormwater Easement and Maintenance Declaration and Easement and Road Maintenance Declaration were provided. All filing fees were paid and a \$50 security deposit was received.

The Board of Supervisors reviewed the outstanding conditions for approval per the recommendations made at the December 6, 2012 Planning Commission meeting. Solicitor Wagner reviewed and approved of the two Declarations with one revision on each:

1. Add a recording block to the document, gain all signatures and record the agreement in the miscellaneous docket at the Recorder of Deeds at the Perry County courthouse

Upon due consideration and discussion, Supervisor Quigley made a motion with a second from Supervisor Cree to grant the Revised April 23, 2012 Alteration of Requirements and approve the Richard S. Albright, II and Marsha A. Albright Final Minor Subdivision Plan with the following conditions:

1. Add a recording block to the document, gain all signatures and record the Stormwater Easement and Maintenance Declaration and Easement and Road Maintenance Declaration in the miscellaneous docket at the Recorder of Deeds at the Perry County courthouse
2. Label all Building Set Back Lines, (BSL)
3. Relocate the accessory shed on Lot 1 out of the Building Set Back Lines.
4. Acquire all signatures

Motion carried unanimously.

RESOLUTIONS: Supervisor Cree made a motion and Supervisor Quigley seconded to approve **Resolution 12-09**, which authorizes the Secretary/Treasurer to renew and increase a matured CD designated for Road Equipment at the Bank of Landisburg, Shermans Dale branch and add to it monies designated for Road Equipment in the General Savings Money Market Account so the total is at least \$50,000 for a better rate of investment interest.

Supervisor Quigley made a motion with a second from Supervisor Cree to approve **Resolution 12-10** which authorizes the Secretary/Treasurer to transfer a matured General Budget CD currently in the amount of \$2,117.54 at the Bank of Landisburg, Shermans Dale Branch to a four (4) year CD and authorizes the re-designation of the CD for expenses relating to events celebrating Rye Township's "250th Year Anniversary". Motion carried unanimously. Rye Township will be 250 years old in the year 2016.

Chairman Lightner made a motion with a second from Supervisor Quigley to approve **Resolution 12-11**, which certifies the current Board of Supervisors and the Secretary/Treasurer and authorize them to sign on behalf of the Board for investments deposited at Members First Credit Union. Motion carried unanimously. The Board signed the resolution and signature cards.

OLD BUSINESS: The Board asked Solicitor Wagner how to proceed with the sale of the 1987 John Deere Backhoe since the gentleman awarded the sale has chosen not to respond. Solicitor Wagner advised that if the original awardee has proven not to be a responsible bidder, the Board may contact the next highest bidder.

Chairman Lightner announced that the Police Arbitration Award was received by the Township from labor counsel on April 23, 2012. He gave a brief summary of the Award noting the severance payment to the former officer was a lump-sum severance of Three Thousand Dollars, (\$3,000.00), which will be paid at the next regular payroll on May 3, 2012.

NEW BUSINESS: Supervisor Quigley made a motion and Supervisor Cree seconded to authorize the Secretary/Treasurer to advertise for adoption at the May 21, 2012 meeting an Ordinance to temporarily close Grier Point Road for the annual Strawberry/ Bluegrass festival held by the Bethel United Methodist Church on Saturday, June 9, 2012. Motion carried unanimously.

Chairman Lightner announced that the certification of the duplicate amount of real estate and per capita taxes for 2012 was received from tax collector, Stanley Humbert as follows:

Real Estate \$165,266.91 and Per Capita \$ 9,105.00

Chairman Lightner made a motion and Supervisor Quigley seconded to authorize Administrative Superintendent Ron Cree to sign any insurance paperwork as the policy maker on behalf of the Board and to renew the current health insurance with Capital Blue Cross for 2012-2013. Motion carried unanimously.

Supervisor Cree made a motion with a second from Supervisor Quigley to appoint James Hawk as the Driveway Permit Officer. Motion carried unanimously.

An application for a zoning permit was received and paid in full for 201 Evergreen Drive. Chairman Lightner read a letter received from Carolyn Sites requesting permission to replace their existing dilapidated dwelling with a newer mobile home on their non-conforming lot at 201 Evergreen Drive. Solicitor Wagner advised that since the existing home and set backs are non-conforming the use may be expanded and the Board may grant an alteration of requirements.

Chairman Lightner made a motion with a second from Supervisor Cree to grant an alteration of requirements for the 201 Evergreen Drive property to install a newer mobile home on their non-

conforming lot. Motion carried unanimously. A certificate of non-conforming use is required.

Chairman Lightner announced the following events:

- ◆ Spring Clean up- Friday, May 4th from 6:00 AM to 1:45 PM and Saturday, May 5th, 2011 from 8:00 AM to 11:45AM.
- ◆ Special Meeting, May 7th at 7:00 PM to award the Road Bids
- ◆ Revised board meeting schedules for May, June and July as follows: May 21st, June 18th and July 30; all meetings at 7:30 PM
- ◆ May 28 - Memorial Day Service at the Marysville Moose ballroom 10:00 AM – 11:30 AM; free lunch afterwards. Collecting non-perishable items for the troops.

APPROVAL AND PAYMENT OF THE BILLS: The Secretary/treasurer provided an April expense check register and submitted the following checks for approval, signature and payment: General Fund Check s #s 13461-13505 in the amount of \$35,651.04. No checks void.

Payroll checks #s 6197-6205 in the amount of \$5,016.79. No payroll checks void.

Payroll checks #s 6206-6213 in the amount of \$6,088.30. No payroll checks void.

With no discussion on the bills presented, Chairman Lightner made a motion & Supervisor Quigley seconded to approve the checks & pay the bills except for check numbers 13464 and 13469. Check number 13469 is for mileage and Check number 13464 is for reimbursement for expenses for purchase of the Township's virus protection. The Secretary/Treasurer utilized her own personal credit card to pay for the expense via the internet. Motion carried unanimously.

Supervisor Cree made a motion and Supervisor Quigley seconded to approve checks #13464 and #13469 issued to Daisy Lightner as stated above. Motion carried. Chairman Lightner abstained from the vote because of a conflict of interest, because Daisy is his wife.

CITIZEN PARTICIPATION: Chairman Lightner asked if there was any citizen participation at this time. Phyllis Page of Mountain Road asked why the April payroll was higher than average. The Secretary/Treasurer said the second payroll was higher because of the taxes collected. The salary for the tax collector is 4% of the amount of taxes collected.

EXECUTIVE SESSION: Chairman Lightner recessed the meeting to Executive Session at 8:51 PM to discuss personnel issues. Residents, citizens, & the Solicitor left the meeting.

RECONVENE MEETING: Chairman Lightner reconvened the meeting at 9:33 PM stating the Board discussed personnel issues.

Upon due consideration and discussion, Chairman Lightner made a motion with a second from Supervisor Quigley to hire Supervisor Cree as part-time "Roadmaster" to assist the Road Department on an "as needed" basis. Motion carried. Supervisor Cree abstained from the vote.

ADJOURNMENT OF THE MEETING: There being no further business before the Board, Supervisor Cree made a motion and Vice-Chairman Quigley seconded to adjourn the meeting at 9:35 pm. Motion carried unanimously.

Respectfully submitted,

Daisy Lightner
Secretary/Treasurer