

Mr. Tomlinson replied it is a nominal fee with the cost on the participant and not the Township. A five-year loan is the maximum and \$50,000.00 is the most that can be borrowed or 50% of account value and \$1,000.00 is the minimum. Interest rate is determined by the Township and participant pays the interest back to themselves over the amortization of the loan. Downside of taking the loan is taking pre-tax money from 457 Plan and paying it back with taxable money and that is fully disclosed to the participant.

Manager Manfredi questioned whether there are advantages from taking a loan v. withdrawing all of it for a hardship.

Mr. Tomlinson replied there are very few circumstances where all of the money can be withdrawn for hardship in a 457 Plan, which are death, disability, medical bills or loss of home, other than that, IRS does not permit withdraw for hardship from 457 Plan.

Commissioner Kline questioned who provides fact information to the employees explaining what their obligations are.

Mr. Tomlinson replied he would speak with employees about the 457 Plan and reps of the other providers would be responsible as well.

Commissioner Kline said a fact sheet would need to be provided to employees. He wants there to be a failsafe in that the Township has no liability for anything related to the loans and that the employees knows that.

Mr. Tomlinson replied IRS requires disclosures to employees attached to loan paperwork and we review it with them as well as what the downside is such as paying taxes twice on this money. The Township's fiduciary obligation is covered by how the loans are setup and disclosures are provided.

Commissioner Kline requested that a copy of the documents from all three providers that are given to employees should be reviewed by Township Solicitor making sure the Township is covered.

Mr. Tomlinson continued that Township officials will need to sign off on any distribution from 457 loans and he provided a copy of a sample resolution to Finance Committee.

Commissioner Kline said prior to adoption of a resolution, Township Solicitor should review all paperwork from providers as well as the sign-off process making sure the Township is relieved from any liability in that process.

Commissioner Luker commented that it would be difficult to recommend adoption of a resolution to the full Board without further review by Finance Committee. Also, could an employee take out multiple loans?

Mr. Tomlinson replied we would not recommend taking out multiple loans; however, there are other programs that allow it.

Commissioner Kline said sample resolution is from InR, and he asked about resolutions from other providers.

Mr. Tomlinson replied there would be a resolution from each provider and the amendment would mention the plan document covering the entire program.

Commissioner Vahey clarified that in the event of default and the loan becomes taxable, the Township will not be responsible for the difference. Is that correct?

Mr. Tomlinson replied that is correct. The Township has no obligation in any circumstance for that money.

Consensus by Finance Committee was to bring this matter back again before Finance Committee at its meeting in October following review by Township Solicitor of documents from the providers; the process of disclosure to employees and sign-off process by the Township as well as resolutions from various providers to be reviewed.

Review Fund Balance Policy:

Finance Committee was requested to review current structure of fund balance policy for budgeting purposes.

Following discussion and review, consensus by Finance Committee was not to change current structure of Township's fund balance policy at this time.

Item FC-01-092518 – Motion to approve investments for August 2018:

Commissioner Kline made a MOTION, seconded by Commissioner Luker to recommend approval to the full Board investments for August 2018 in the amount of \$1,036,000.00 that was reviewed, approved as presented. It was noted that investments yield rate ranged from 2.30% to 2.50%.

MOTION was ADOPTED 4-0.

Item -02-092518 – Motion to approve expenditures, salaries and wages for August 2018:

The Committee reviewed voucher list for the month of August 2018.

Commissioner Kline made a MOTION, seconded by Commissioner Luker to recommend approval to the full Board, expenditures, salaries and wages for August 2018 in the amount of \$3,470,702.52 and \$2,823,583.90, respectively.

Mr. Barron provided a memo dated, September 25, 2018 from Deputy Treasurer Carol B. Thrasher of the Tax Office regarding increase in cash disbursement to the Finance Committee for review.

Commissioner Kline asked for an update on expenditures for the Old York/Susquehanna Roads project to be reviewed at a future Finance Committee meeting.

Commissioner Sanchez questioned voucher #49542 – Adcock, Inc. and voucher #49555 Buckman’s Inc. and he asked about consortium prices for pool chemicals and equipment.

Mr. Barron replied the Township is part of a consortium in bulk pricing contracts for pool chemicals and equipment; however, sometimes there is a need for just one gallon of chlorine, which was purchased separately.

Commissioner Sanchez questioned voucher #49735 – Sir Speedy.

Mr. Barron replied that was for printing of Briar Bush Nature Center’s general brochure.

Commissioner Vahey questioned voucher #49708 - McMahon Associates, Inc. project.

Mr. Barron replied that was for the Fitzwatertown Woodland/North Hills signal grant project.

Commissioner Vahey questioned voucher #49889 – Landscape Architecture, Simone Collins.

Mr. Barron replied that was for the TAP (Transportation Assistance Program) grant for Abington Master Bike Plan.

Commissioner Vahey asked about expenditure for sign for Keswick Cycle.

Mr. Barron replied owner of Keswick Cycle went before EDC in regards to a new sign in which Keswick Cycle paid the invoice and EDC approved reimbursement of 50% to Keswick Cycle as part of an economic grant.

MOTION was ADOPTED 4-0.

Item FC-03-092518 – Motion to approve the Clearing Fund activity, Deferred Revenue/Expense activity and Petty Cash disbursements for August 2018:

Commissioner Kline made a MOTION, seconded by Commissioner Luker to recommend approval to the full Board the Clearing Fund activity, Deferred Revenue/Expense activity and Petty Cash balances for the month of August 2018.

Clearing Fund receipts and disbursements for the month of August 2018 were \$1,062.78 and (\$18,118.71), respectively.

Deferred Revenue/Expense receipts and disbursements for the month of August 2018 were \$29.99 and (\$20,198.42), respectively.

Petty Cash balances were approved as presented.

MOTION was ADOPTED 4-0.

Item FC-04-092518 – Motion to approve Training and Conference Expenditures - August 2018:

Commissioner Kline made a MOTION, seconded by Commissioner Luker to recommend approval to the full Board the Training and Conference Expenditures activity. Advance and Travel expenditures for the month of August 2018 totaled \$0.00 and \$5,278.37, respectively.

YTD Training and Conference Expenditures totaled \$30,470.34.

MOTION was ADOPTED 4-0.

Item FC-05-092518 – Motion to approve a Capital Transfer:

Commissioner Kline made a MOTION, seconded by Commissioner Luker to recommend to the full Board approval of transfer of \$2,377.28 from Capital account #07-24-800-7572 (repave Roychester parking lot) to account #07-24-800-7573 (repave Conway driveway and parking lot.)

Commissioner Vahey asked for the location of Conway driveway.

Mr. Barron replied it is the driveway to Conway field parking lot in Ardsley.

MOTION was ADOPTED 4-0.

STATEMENT OF CONDITIONS:

Finance Committee reviewed statement of conditions for various funds.

CONTINGENCY EXPENSE REPORTS:

Finance Committee reviewed contingency expense reports.

Discussion – Medicare renewal:

Mr. Barron said Aetna is the current provider and he recommended staying with Aetna Medicare Plan with decrease of 10% in costs as well as Aetna offers an eye care program and Humana does not.

Finance Committee agreed to recommend that to the full Board.

Discussion – Electricity Suppliers:

Mr. Barron said current contract provider is Constellation and contract ends in December, and he recommended staying with Constellation 100% green energy saving the Township \$287,762 a year.

Finance Committee agreed to recommend that to the full Board.

PUBLIC COMMENT: None.

ADJOURNMENT: 8:44 p.m.

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