

**RYE TOWNSHIP  
SUPERVISORS' MEETING  
April 27, 2009**

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**PRESENT:** Chairman Robert Lightner, Vice-Chairman Ron Evans, Supervisor Sharon Cole Engdahl, Daisy Lightner, Secretary/ Treasurer, Ron Cree, Zoning Officer, Sean Fedder, Jean Snyder, Pete and Barbara Fitting, Charles Deiter of Womex, Inc., Glenn Cree, Bill and Barbara Holley, Amy Cooper, Gary Roth, Craig Witmer and Jessica Mihalov of Smith Elliot Kearns and Co., and P. Richard Wagner, Esquire.  
Former Supervisor present: 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. Supervisor Cole Engdahl announced that she was tape recording the meeting.

**CITIZEN PARTICIPATION:** Chairman Lightner asked if there was any citizen participation.

Phyllis Page of 165 Mountain Road questioned the actions of Supervisor Sharon Cole Engdahl in opposing certain reappointments, such as Jacob Auxt and the Secretary/Treasurer, Daisy Lightner. Supervisor Cole Engdahl said "no comment". She votes according to what she believes the majority of the people want. Mrs. Page offered that the current Secretary/Treasurer has done an excellent job for the Township. Page referred to an incident from the 1990s where the Treasurer was not as professional and could not account for all of the monies. With this year as a municipal election year, Page offered that the people will make known their desires for what they truly want. Supervisor Cole Engdahl agreed.

**PERSONS TO BE HEARD:** Chairman Lightner invited the independent auditors Craig Witmer and Jessica Mihalov of Smith, Elliott, Kearns and Company to discuss the findings of the 2008 Financial Audit.

CPA Craig Witmer introduced himself and thanked the Board for the opportunity to conduct the 2008 Financial independent audit for Rye Township. Witmer gave a brief overview of the 2008 audit stating the audit opinion is clean; the year was good financially for the Township. He reviewed and highlighted the important items in the 2008 financial statements. 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 explained that the Management Discussion & Analysis, (M D & A) on pages 3-10, which is prepared by the Secretary/Treasurer, does a very good job of summarizing the year financially. Witmer highlighted page 11-12 which is the Statement of Net Assets and the Statement of Activities. The Total cash value at the end of 2008 increased approximately \$100,000 overall the funds- Governmental and Business (Solid Waste).

Witmer reviewed page 13, the Balance Sheet, and explained the cash & cash equivalents in each fund at the end of 2008 as follows: General Fund - \$635,980 Capital Reserve Fund - \$369,593 Highway Aid fund - \$50,405 for a total \$1,055,978. Witmer noted that the General Fund increased approximately \$140,000. The Capital Reserve Fund decreased due to funds expended for the new dump truck purchase.

CPA Witmer continued by explaining page number 14, the Statement of Revenues, which totaled \$619,367, an increase of over \$45,000. Expenditures for 2008 totaled \$580,444 an

decrease of approximately \$80,000, which is attributed to less road projects in 2008. Highway expenditures were \$81,924 for 2008 in comparison to approximately \$ 103,788 in 2007 because of less paving due to the increase in costs for blacktop. Witmer noted the total interest revenue for the Township, unlike most Townships, increased to approximately \$42,500 from \$39,000 in 2007. Witmer credited smart investments with CDs and shopping around to find better interest rates, and the overall increase in cash within the General Fund generates additional interest.

Page 16, the Statement of Revenues, Expenses and changes in Net Assets for the Solid Waste Fund. Witmer said the expenses for the Solid Waste Fund were fairly consistent with \$175,660 in 2008 and approximately \$174,000 in 2007. Witmer reminded the Board that five (5) quarterly trash payments were received in 2007. The year 2008 received the normal four (4) quarterly trash payments from CTCB.

Pages 18-22 are the Notes to the Financial Statements. Note 1. provides footnotes on basic accounting terminology to expand on the previous statements in the report.

Witmer said the next section, pages 29-34 of the 2008 Financials contains the Budget to actual comparison for individual line items.

Witmer than reviewed the April 13, 2009 management letter, which includes a finding involving the preparation of financial statements. Witmer assured the Board this finding is due solely because of a requirement with 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 and 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. Witmer reiterated that this is not a negative comment reflecting on the Township staff. This is a very common comment for Townships our size or larger.

Witmer reported that a recommendation to reconcile certificates of deposit of multiple investments was instituted in 2008. Witmer commended management for being proactive during 2008 as the Township began reconciling multiple general ledger investment certificates of deposit on a quarterly basis.

Witmer recommended a purchase order system for the Township to tighten internal controls, to better control spending and to help ensure the Township pays for only the items the Township actually receives.

Witmer explained the four colored graphs, which assists the Board in understanding the financial statements. The Cash and Investment Balances Graph shows the trend for the years 2005 through 2008. The General Fund cash and equivalents are increasing. The Solid Waste cash and cash equivalents increased slightly. The Capital Reserve Fund decreased to the purchase of a new dump truck. The Income vs. Expense Analysis Graph the year 2008 was the highest year since 2005 with a surplus of \$92,000. Witmer pointed out that the Revenue graph indicates the highest income for the Township is generated from taxes at 53%.

Supervisor Cole Engdahl asked CPA Witmer if he finds many municipalities complete their own payroll or do they outsource it. CPA Witmer said most municipalities the size of Rye Township complete their payroll in house.

Phyllis Page of 165 Mountain Road offered that the good audit report further solidifies her opinion that Daisy Lightner is an excellent treasurer for the Township.

With no further questions or discussion on the 2008 Financial Audit, CPA Witmer thanked the Board and the residents for their time and he and Jessica Mihalov left the meeting at this time.

**APPROVAL OF THE MINUTES:** Cole Engdahl made a motion and Evans seconded to approve the minutes of the March 23, 2009 supervisors' meeting. Motion carried unanimously. Evans made a motion and Cole Engdahl seconded to approve the April 6, 2009 special meeting minutes. Motion carried unanimously.

**OPEN BIDS:** The resurfacing of the municipal building's front parking lot request for bid was duly advertised and proof of publication is on file. The Secretary/Treasurer opened the nine (9) bids received and Chairman Lightner read them as follows:

<u>BIDDER</u>	<u>TOTAL BID</u>
Schlusser Paving .....	\$19,465.76
Eastern Industries .....	\$22,572.00
Pennsy Supply, Inc. ....	\$16,694.92
Jay Fulkroad & Sons .....	\$19,577.60
Handwerk Site Contractors .....	\$16,219.92
G & R Charles Excavating .....	\$19,551.00
Hempt Bros. ....	\$20,351.28
Mid State Paving, Inc. ....	\$18,846.48
Womex, Inc. ....	\$16,058.80

Solicitor Wagner reviewed and approved for legal form the lowest bid presented. He qualified his review because the folks at Womex are not clients of his, but they are friends of his.

With all bid bonds in place and upon due consideration, Cole Engdahl made a motion with a second from Evans to award the front parking lot resurfacing project bid to the Womex, Inc. the lowest bidder at \$16,058.80. Motion carried unanimously. The Secretary/Treasurer indicated she would prepare and forward the contract documents to Womex for execution.

**MONTHLY MUNICIPAL REPORTS:** Corporal Shoop submitted a copy and Supervisor Lightner read the March Police Report as follows: 113.2 gallons of fuel used, drove 1,768 miles, worked a total of 168.42 hours, 39 incidents including 20 traffic citations, 2 non-traffic citations, animal complaints and 0 warnings. Total fines collected from the District Justice were \$1,010.15, Perry County Court fines of \$507.83 and \$25.00 report fees.

The April Zoning Report was submitted and available for review by Zoning Officer Cree. Cree reported the following: nine calls and complaints, nine (9) zoning permits, one (1) demolition permit, zero certificates of use, traveled 41 miles for a total of \$575.00 in fees collected.

The Board discussed the ongoing violation at the Teats property at 295 Pine Hill Road. Cree said Teats has until May 1<sup>st</sup> to remedy the situation. Interim inspections revealed that the bags of aluminum cans are removed, but the junked trailers and cars are not. The Solicitor offered the option of taking civil action by seeking an injunction for violating the Township Ordinance.

Vice-Chairman Evans made a motion with a second from Cole Engdahl for the Solicitor to take civil action by seeking an injunction with the Court after the May 1<sup>st</sup> deadline for the Romaine Teats property at 295 Pine Hill Road and further moved to authorize Ronald Cree to sign the injunction on behalf of the Board of Supervisors. Motion carried unanimously.

Chairman Lightner expressed concern with a sewage violation at the 1205 Valley Road property owned by John Sopensky. Lightner said raw sewage is being discharged onto the ground. SEO Higgins was notified and issued a citation to the District Justice. Solicitor Wagner said the Board could also authorize a civil action seeking an immediate injunction or contact DEP directly for such a flagrant violation.

Cole Engdahl made a motion with a second from Evans for the Solicitor to take civil action by seeking an immediate injunction with the Court for the John Sopensky property at 1205 Valley Road to remedy a flagrant sewage violation and further moved to authorize Supervisor Ronald Evans to sign the injunction on behalf of the Board of Supervisors. Motion carried unanimously.

The Sewage Enforcement Report was submitted by Mike Higgins, SEO. Chairman Lightner read the report as follows: activities: probes for Ditmar/Corl; evaluate existing system for a final inspection for Clair Harrold and Ann Marie Bressler for a total due in wages of \$520.00.

The April Road Report was submitted by Road Foreman, Brad Sloop and read by Supervisor Evans. Evans noted the road crew was hauling 2A Mod, R-4 stone, and anti-skid to the stockpile as a more cost effective method to purchase stone.

Recreation Board member Amy Cooper reported a successful, although chilly weather-wise Easter egg hunt with approximately 50 children in attendance. Cooper announced the following upcoming events:

- May 9 - Saturday, 9-11:00 AM, Fishing Derby; children from 3 to 12 years old
- June 7 - Sunday, 6:30 PM, Free - Strawberry Festival
- July 10 - Friday, Pool Party-Marysville Pool-7-9:00 PM, with concession stand open

Cooper said the Recreation Board discussed holding an Earth Day activity next year. However, nothing definite was arranged at this time.

No Emergency Management report was offered. Supervisor Cole Engdahl asked if the Emergency Operations Plan was updated. The Secretary/Treasurer said she reviewed the EOP and made some updates, but was waiting for the new officers listing from the Marysville Fire Company. The Secretary/Treasurer indicated she would contact Fire Chief Scott Weaver for the updates.

The March Treasurer's Report and General & Solid Waste Fund Balance Reports were submitted for review by the Secretary/Treasurer. With no discussion, the treasurer's reports presented were accepted as read conditional upon the final audit.

**LEGAL BUSINESS:** Solicitor Wagner reviewed the existing, non-exclusive franchise agreement between Blue Ridge Cable Communications,(BRC) and Rye Township whereby BRC pays a franchise fee of \$1,000.

Discussion ensued. Dissatisfaction with BRC in general was expressed. Options for TV cable services for residents were discussed. Evans made a motion to renew the Franchise agreement with Blue Ridge Cable Communications with an annual fee of \$1,500.00 a year; Cole Engdahl seconded. Motion carried unanimously.

**RESOLUTIONS:** Evans made a motion and Cole Engdahl seconded to approve **Resolution 09-08**, to authorize the Secretary/Treasurer to transfer at the First National Bank of Marysville via dial-a-bank \$10,000 from the General Checking back into the General Savings Account since the receipt of tax revenue replenished the General Checking. Motion carried unanimously.

Evans made a motion and Cole Engdahl seconded to approve **Resolution 09-09**, to authorize the Secretary/Treasurer to transfer \$10,000 from the General Checking to the PLGIT Plus Savings Account for a slightly better rate of return. Motion carried unanimously.

Evans made a motion and Cole Engdahl seconded to approve **Resolution 09-10**, which authorized the Secretary/Treasurer to transfer Highway Aid Funds at the First National Bank of Marysville in the amount of \$88,000 to a short term- 3 month CD for a better rate of interest return; motion carried unanimously.

Cole Engdahl made a motion with a second from Evans to adopt **Resolution 09-11**, which authorizes Daisy Lightner and Ronald Evans as authorized signatures for online for Penn Dot of Highway aid reporting. Motion carried unanimously.

**OLD BUSINESS:** Chairman and Public Safety Superintendent Robert Lightner said he spoke with the road/refuse employees about the future of trash collection. The road employees favor the outsourcing of the trash collection. Lightner offered that he is concerned with the safety of the employees and the possible liability created as they collect trash along busy SR 850. Lightner offered that he would like to outsource the trash collection and keep it very similar to what is currently provided by the Township. He opened the floor for discussion by those in attendance to offer their input and suggestions.

Discussion ensued. Barb Holley of Flowers Lane asked how the Township could be permitted to outsource work with a union contract. Lightner said that issue was discussed and agreed upon during the negotiations and a clause is contained within the current contract that the Board is permitted to outsource for trash collection.

Supervisor Cole Engdahl suggested dividing the Township's trash collection into two(2) days. This would not be as hard physically on the employees and would keep them from collection of trash at dusk along SR 850.

Supervisor Lightner said the employees indicated they do not want to come back for half a day to work in their dirty, sometimes wet clothes.

Phyllis Page of 165 Mountain Road suggested collection of trash in two days divided into a full 8 hour collection day with the remainder of collection on Tuesday. In her opinion, the Board should keep the current trash collection truck a few years longer until it is depreciated more and then make this move to outsource the trash.

Supervisor Cole Engdahl said it is her firm opinion that if the employees stop collection the Township's trash, then they do not get paid the additional \$2.00 per hour on Mondays.

If the Board considers a two day collection, Jean Snyder of New Valley Road suggested that the Board designate a definite boundary for what days and locations the trash will be collected within the Township. Snyder further asked the Board to consider if there is enough of work to keep three (3) employees busy without the trash collection work.

Discussion continued.

Vice-Chairman Evans expressed concern with taking an additional day to collect trash and completion of road maintenance and projects. Evans reminded the Board that the employees when hired agreed to collect trash.

Solid Waste Superintendent Lightner said he would discuss the options suggested tonight with the road crew. Lightner directed the Secretary/Treasurer to add the subject of trash collection to May's meeting agenda for further discussion.

Per the auditor's recommendations at the beginning of the meeting, Supervisor Lightner further directed the Secretary/Treasurer to add the purchase order policy to the May meeting agenda.

**NEW BUSINESS:** The Board discussed correspondence received from the First National Bank of Marysville indicating that an irrevocable letter of credit #141 in the amount of \$1,200.00 held as escrow per a Small Flow Treatment Facility Agreement for Gary and Judith Cryder of 101 Fleisher Road, which is due to expire on June 6, 2009. Since the Cryders will be unavailable in June, they requested the Board approve and renew this letter at this meeting and extend the term to two (2) years instead of one year.

Lightner made a motion and Evans seconded to renew the irrevocable letter of credit #141 in the amount of \$1,200.00 for two (2) years per the SFTF agreement with Gary and Judith Cryder of 101 Fleisher Road. Motion carried unanimously.

Chairman Lightner reported the receipt of the 2008 Planning Commission's Annual Report from the Planning Commission as required by the Pennsylvania Municipal Planning Code. The Board expressed appreciation to all the member volunteers of the Planning Commission for the exceptional, fantastic job they do..

Chairman Lightner made a motion with a second from Cole Engdahl to regretfully accept the resignation of Dave Hammaker from the Park and Recreation Board. Motion carried unanimously.

Cole Engdahl made a motion with a second from Evans to appoint William (Bill) Holley to the Recreation Board to fulfill the term left vacant from the resignation of Dave Hammaker. Motion carried unanimously.

Cole Engdahl made a motion with a second from Evans to hire Jacob Matter as the part time summer help for the Recreation Board at the rate of \$8.00 per hour for approximately 50 hours. Evans seconded. Motion carried unanimously.

Evans made a motion and Cole Engdahl seconded to close Grier Point Road on Saturday, June 13, 2009 for the Bethel Church to hold a Strawberry Festival from 10:00 AM to approximately 8:00 PM. Motion carried unanimously. The Secretary/Treasurer indicated she would prepare the Ordinance for advertisement.

The Secretary/Treasurer with pleasure reported that health insurance rates decreased approximately 2.5% effective June 1, 2009 with no change or decrease in benefits or deductibles. Upon due consideration, Cole Engdahl made a motion and Evans seconded to renew the Township's health insurance effective for June 1, 2009 to June 1, 2010 with Highmark Blue Shield through Pennsylvania Chamber Insurance, (PCI) Insurance. Motion carried unanimously.

Chairman Lightner regretfully passed along news from the County Recycling Coordinator that effective June 1, 2009 clear glass will no longer be recycled in Perry County. Lightner expressed discouragement with this change, which eliminates the collection of any glass, clear or colored. The hauler under contract to pick up the recyclables indicated there is no longer a market for glass.

Vice-Chairman Evans offered that politicians need to consider a deposit on glass bottles and better encourage recycling through legislation.

Chairman Lightner announced the following upcoming events:

- ◆ Spring Clean-up, this Friday, May 1<sup>st</sup> from 6:00 AM to 2:00 PM and Saturday, May 2<sup>nd</sup> from 8:00 AM to 12 noon
- ◆ Cole Engdahl made a motion to hold a special meeting on May 12, 2009 at 7:30 PM to talk with representatives from Geo Technical Services regarding the Trout Lane drainage project. Evans seconded. Motion carried unanimously. The Secretary/Treasurer will advertise the special meeting.

**APPROVAL AND PAYMENT OF THE BILLS:** The Secretary/treasurer provided an April expense check register and submitted the following checks for approval and payment: General Fund Checks #s 11938- 11993 in the amount of \$39,044.15. No checks void.

Payroll checks #s 5383-5395 in the amount of \$6,662.57. Payroll checks #s 5396-5403 in the amount of \$6,226.90. Payroll checks #s 5404-5414 in the amount of \$6,044.29. Payroll checks #s 5415-5427 in the amount of \$8,824.41. No payroll checks void.

Evans made a motion to approve the checks presented & pay the bills except for check numbers 11897 and 11942 issued to Daisy Lightner for mileage reimbursement. Cole Engdahl seconded. Motion carried unanimously.

Cole Engdahl made a motion and Evans seconded to approve checks #s 11897 and 11942 issued to Daisy Lightner for mileage reimbursement. Motion carried. Chairman Lightner abstained since Daisy is his wife.

**CITIZEN PARTICIPATION:** No additional citizen participation was offered.

**ADJOURNMENT OF THE MEETING:** There being no further business before the Board, Chairman Lightner made a motion and Evans seconded to adjourn the meeting at 9:02 pm. Motion carried unanimously.

Respectfully submitted,

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Daisy Lightner  
Secretary/Treasurer