Finance Committee Meeting August 15, 2024

The stated meeting of the Finance Committee of the Board of Commissioners of the Township of Abington was held on Thursday, August 15, 2024 via webinar and the Township Administration Building, Abington, PA, with Commissioner Winegrad presiding.

CALL TO ORDER: 7:02 p.m.

PRESENT: Commissioners WINEGRAD, SPIEGELMAN, DiPLACIDO,
Excused: Commissioners VAHEY and HENRY

OTHERS: Finance Director Hermann
Township Manager Manfredi
Assistant Township Manager McIlvaine
Commissioner Young-Gertz
Manager of Financial Services Embery
Deputy Chief Porter

CONSIDER APPROVAL OF MINUTES

Commissioner Winegrad made a MOTION, seconded by Commissioner Spiegelman to approve the Finance Committee Meeting minutes from June 20, 2024.

MOTION was ADOPTED 3-0.

UNFINISHED BUSINESS: None.

Item FC-01-091224:

Commissioner Winegrad made a MOTION, seconded by Commissioner Spiegelman to approve the July expenditures in the amount of $3,149,231.90 and salaries and wages in the amount of $2,496,403.46 and authorize the proper officials to sign and approve invoices and supporting documentation in payment of bills and contracts as they mature through the month of October 2024.

Commissioner Winegrad asked for any comments from Commissioners. There were none.

Commissioner Winegrad asked for any public comment.

Lora Lehmann, resident, expressed concern about documents not being available to the public and that Item c. should be removed from the agenda; also, about approving expenditures from months gone by.

MOTION was ADOPTED 3-0.

Item FC-02-091224:

Commissioner Winegrad made a MOTION, seconded by Commissioner Spiegelman to adopt a resolution recognizing that the Township's minimum municipal funding obligation for the calendar year 2025 with respect to the Municipal Non-Uniformed Employee, Police and Non-Uniformed Employee Defined Contribution Plans, is $925,984.00, $3,631,594.00, and $340,000.00, respectively.

Ms. Hermann said each MMO is calculated by the Township's consultant and actuaries and then brought forward to the Finance Committee and Board of Commissioners for approval.

Commissioner Winegrad said approving the minimum at this time would be best as the Township will be considering budget and other financial considerations.

Commissioner Winegrad asked for any comments from Commissioners.

Commissioner Spiegelman asked for the current funding level of the OPEB.

Ms. Hermann replied 116% funded.

Commissioner Winegrad noted that dollar cost averaging was recommended for the pension contributions throughout the year and that helps the Township.

Commissioner Winegrad asked for any public comment.

Lora Lehmann, resident, asked is there anything being spent on things that were already done.

Commissioner Spiegelman replied this is the recognition of what the Township's minimum municipal obligations are for next year and nothing is being spent.

MOTION was ADOPTED 3-0.

Item FC-03-091224:

Consider revising the FY 2024 appropriation of American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) and reallocate the majority of available funds to salary expenditures for January 1, 2024 – June 1, 2024, utilizing standard allowance.

Manager Manfredi said in the FY 2024 budget the Board of Commissioners appropriated various dollars from ARPA, and the Township can only spend those funds in accordance with the provisions of the act that meet the qualifications.

Back in March, the Federal government changed its guidelines and regulations precipitating this change. The Board of Commissioners will need to take several actions: one will be a standard allowance in a form of a resolution as well as approve memorandums of understanding relating to projects that have already been budgeted but not executed due to the new change in the guidance; an agreement relating to budgeted dollars for Second Alarmers; and the contract for the consultant who has been guiding the Township on the federal regulations.

This is the beginning of the process where information is being brought before the Finance Committee for review.

Ms. McIlvaine said in March of this year, the Treasury changed its guidance, and there are several things we need to do to make sure we do not jeopardize losing the funding. The Township needs to obligate the funds by December 31, 2024, and spend it by December 31, 2026.

The Treasury clarified that they would consider an interagency agreement and obligation, and there are several projects where the Township could have an interagency agreement internally with the departments assigning them to act on those projects that have been identified by the Board of Commissioners.

The Township has been working closely with Witt O'Brien consultants to make sure we obligate these funds appropriately and how to mitigate risk. So, the standard allowance is a recommendation in which all communities are permitted to use up to $10 million and/or a formula base allocation and that will help mitigate risk in the future, and there are items in the 2024 budget that we can utilize the funding for that purpose.

Ms. Hermann presented the ARPA allocation total of $19,107,973.00. FY 2022-2024 - $6,236,541.53 has been expended or encumbered on projects leaving a balance of $12,871,431.47 to be designated for FY 2025 and FY 2026 – Standard Allowance: Culture-Recreation Parks Infrastructure Investment and General Government: Economic Development.

Planned for in the budget is a culture recreation line item for approximately $11 million as well as a contribution to EMS – Second Alarmers and the Culture Recreation Manor Woods project. The ARPA consulting – Witt O'Brien is a new item to move forward in 2025 and 2026.

The list of actions that will need to be taken: a resolution relating to the usage of the standard allowance; MOU for Manor Woods as well as park improvements; beneficiary agreement for Second Alarmers Rescue Squad; and a contract for 2025 and 2026 for Witt O'Brien's engagement.

Commissioner Winegrad asked for any comments from Commissioners.

Commissioner DiPlacido recommended that this discussion item be moved forward to the full Board of Commissioners for review and consideration.

Commissioner Winegrad agreed, and will this change result in amending the 2024 budget in some way?

Manager Manfredi replied that we are not requesting appropriating any additional dollars from what was budgeted in 2024.

Commissioner Winegrad asked for further clarification on the standard allowance.

Ms. McIlvaine explained that any community that has received ARPA funding can take up to $10 million for general government services, so we would be looking to take that standard allowance up to $10 million versus using a formula-based allocation, which would be a 2024 expenditure, and that is the recommendation as we would be meeting all guidelines and mitigating risk.

Commissioner Winegrad clarified that the full Board can provide more direction on the projects, and the funds need to be allocated by December 31st. Is that correct?

Manager Manfredi replied yes, the Board can be more specific about the projects; however, it needs to be within the culture-park-recreation category as identified in the FY 2024 budget.

Commissioner Spiegelman asked for the timeline of moving this forward to the full Board for discussion and consideration.

Manager Manfredi replied by September or October at the latest.

Commissioner Winegrad asked for any public comment.

Lora Lehmann, resident, expressed concern about not getting documents, and questioned whether the Alverthorpe project will be done, and if not, whose salary and benefits will those funds go to?

Manager Manfredi replied the documents are being presented this evening and the budget relating to ARPA funds was prepared under the guidance by the Treasury, which they changed in March. We are being proactive in consulting with professionals, making sure that anything recommended to the Board of Commissioners has been thoroughly vetted.

Timothy DiLorenzo, resident, expressed concern that the new guidance needs a deeper dive by the Board of Commissioners.

Commissioner Winegrad noted that the Township is prudent in consulting with professionals when making their decisions.

Manager Manfredi added that since we learned of this change in March, we have done our due diligence to understand what the changes are and how it will impact the Township, so we can present concise and accurate information to the Board of Commissioners for their consideration.

The consensus by the Finance Committee was to move this item forward to the full Board of Commissioners for review and consideration without recommendation.

PUBLIC COMMENT ON NON-AGENDA ITEMS ONLY:

Lora Lehmann, resident, expressed concern that Covid funds should be used to manage the code in apartment complexes because people's lives are in danger.

Tim DiLorenzo, resident, questioned whether there are clear guidelines for what the funds can be used for.

Ms. McIlvaine replied yes, it is clearly defined as to what the funding can be used for and there are specific categories that have remained consistent; however, some of the items within them have evolved, so the guidance by the Treasury has shifted. We are working with the Township's consultant to ensure that any projects we move forward with align with that guidance.

ADJOURNMENT: 8:08 p.m.

Respectfully submitted,

Liz Vile, Minutes Secretary