

Regular Meeting
Thursday, October 5th, 2006, 7:30 p.m.
Lynnport PA 18066

Call to Order:

The **regular meeting** of the Lynn Township Board of Supervisors was called to order at **7:30 p.m.** in the Municipal Building by Chairman Thomas C. Creighton III.

Present were Chairman Thomas C. Creighton III, Vice Chairman Dave Najarian, Charles E. Lenhart III, Zoning Officer Kevin N. Deppe, Solicitor Edmund J. Healy, Assistant Secretary Tina Everett, Treasurer Robert Sadler, Northwestern Press Reporter Debbie Palmieri, and approximately 12 citizens.

Pledge of Allegiance:

The Pledge of Allegiance was conducted.

Public Comment:

None

Accept the Minutes and direct the treasurer to pay the bills:

A motion was made by Chairman Thomas Creighton, seconded by Vice Chairman David Najarian to accept the minutes of the regular meeting September 7th, 2006 and the workshop meeting of October 2nd, 2006 and to direct the treasurer to pay the bills. Motion carried unanimously.

Award Joint Salt Bid: (American Rock Salt Co., LLC)

A motion was made by Vice Chairman David Najarian, seconded by Charles E. Lenhart III to award the salt bid to American Rock Salt Co. as set forth in the addendum (excerpted below). Motion carried unanimously.

| Award Bid | 2006 Sodium Chloride Deicing Rock Salt Bids Received | |
|----------------------------|--|--------------------------|
| Company | | Rock Salt 350 Ton +/- |
| American Rock Salt Company | | |
| | Unit-FOB | \$48.00/Ton |
| | Total | \$16,800.00 |
| | Unit-Del. | \$48.48/Ton |
| | Total | \$16,968.00 |

Subdivisions:

Beckley, Douglas & Marilyn-Minor Subdivision-3 Lots-Slateville and Utt Rds., ~ Rev. Final Plan- Represented by Douglas Beckley. An extended discussion was held on this subdivision with the waiver request along with the board voting in favor of decreasing the road improvement fee approximately 1/3 of the fee that was calculated. This would be approximately \$3,800. The applicant agreed to pay a \$4,000 road improvement fee for this subdivision. A recreation fee of \$3,000 will also be required at the time of final approval from the board. Letters were received from the Lehigh Valley Planning Commission and DEP. Since no revised plan was received prior to this meeting, the board decided to table the plan.

A motion was then made by Vice Chairman David Najarian, seconded by Charles E. Lenhart to table the plan. Motion carried unanimously.

Northwestern Elem. School- Existing and Proposed Sewage Capacity Flow:

There was discussion on the letter received today from Robert Whartenby of Cowan Associates dated October 4th, 2006. The letter was to clarify that the 48 students are currently attending the middle school and once the additions and renovations are constructed at the Northwestern Elementary School, those 48 students will transfer back to the elementary school to attend 5th grade. Additionally, it is Cowan Associates understanding that these 48 students are currently accounted for in the overall allotted sewage capacities for the elementary school, middle school, and high school, therefore resulting in no net increase in wasteload to the wastewater treatment plant.

Penn's View II- Extension Request:

Represented by Peg Dissinger and Steve Shadle of Omega Homes. There was discussion on the recreation fees for phase 1 of the Penn's View II development as to when these recreation fees were agreed upon to be paid. There was a letter the Board received dated October 4th, 2006 from Blake Marles of Stevens and Lee. The letter was informing the Board that Penn's View is finalizing cost estimates for the improvements. The letter was also requesting an extension of time, to the extent required by law, through December 7th. Lastly the letter was addressing the payment of recreation fees. It was their understanding that only recreation fees which will due are those associated with the 11 phase I lots for which sewer capacity is now available through the Township Sewer Authority. Recreation fees for the remaining lots in Phase I will be secured as part of the Phase I improvement security, but will not be paid until sewer capacity is available for the lots to which the recreation fees relate. Penn's View has also agreed to pay over the recreation fees for the first 11 lots immediately, to assist the township with our efforts to upgrade Township recreational opportunities for the children.

A motion was then made by Vice Chairman David Najarian, seconded by Charles Lenhart to grant a waiver on SALDO, Sec. 262.2, such that all conditions shall be fulfilled no later than December 7th, 2006 and such recording as per SALDO, Sec. 270, shall occur on or before March 7th, 2007. Motion carried unanimously.

Act 40 of 2005 and Enforcement of Real Estate Transfer Taxes:

Solicitor Healy discussed the recent change in the Realty Transfer Tax (RTT) laws via the passage of Act 40 of 2005. Recently, the state's realty transfer tax laws have been amended. The Department of Revenue has asked the Recorder of Deeds to send out notices to all the municipalities and school districts to review our resolution/ordinance to ensure that our realty tax provisions are up-to-date and uniform with the state law. The letter dated August 23rd, 2006 received by Keith Strohl of Steckel and Stopp also suggested that we review and advertise the ordinance at one time with the other townships involved in order to allow us to share advertising costs and the other costs that will be incurred by the drafting of the ordinance. After discussing this further, the Board decided to table it until the next meeting and to invite Keith Strohl from Steckel and Stopp.

Resolution 2006-13- A resolution of the Board of Supervisors to amend and add to the existing agricultural security area (Kenneth J. & Anna Wiesner):

A motion was made by Charles Lenhart, seconded by Vice Chairman David Najarian to adopt RESOLUTION 2006-13 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE TOWNSHIP OF LYNN, LEHIGH COUNTY, PENNSYLVANIA TO AMEND AND ADD TO THE EXISTING AGRICULTURAL SECURITY AREA. Motion carried unanimously.

Resolution 2006-14- A resolution of the Board of Supervisors amending a previous resolution (#2005-12) to amend and add to the existing agricultural security area:

A motion was made by Vice Chairman David Najarian, seconded by Charles Lenhart to adopt RESOLUTION 2006-14 A RESOLUTION OF THE BOARD OF SUPERVISORS AMENDING A PREVIOUS RESOLUTION OF THE TOWNSHIP OF LYNN, LEHIGH COUNTY, PENNSYLVANIA TO AMEND AND ADD TO THE EXISTING AGRICULTURAL SECURITY AREA. Motion carried unanimously.

Heintzelman- Starting of Maintenance period for Broadtail Ct. (18 months):

An extended discussion on the maintenance period was discussed between Solicitor Healy and the Board. Mr. Healy read Section 509(k) of the MPC, which read as follows... "Where the governing body accepts dedication of all or some of the required improvements following completion, the governing body may require the

posting of financial security to secure structural integrity of said improvements as well as the functioning of said improvements in accordance with the design and specifications as depicted on the final plan for a term not to exceed 18 months from the date of acceptance of dedication. Said financial security shall be of the same type as otherwise required in this section with regard to installation of such improvements, and the amount of the financial security shall not exceed 15% of the actual cost of installation of said improvements.” There was then discussion on the letter dated Oct. 5th, 2006 which was sent today to Mr. Heintzelman from Kevin Deppe in regards to the start of the 18 month maintenance period will end March 13th, 2008. During this period the maintenance of the roads, such as snow plowing, salting in the development will be the responsibility of Mr. Heintzelman. At the end of the maintenance period a final inspection will be conducted prior to the dedication of the road.

There was then some discussion on the \$7,200 which was paid by the developer, Larry Heintzelman for the street lights in this development. The \$7,200 will start the process of Met-Ed ordering the materials, however, Met-Ed will not install without energizing the lights. The lights will not be energized without the resolution from the township. If we send the resolution to Met-Ed to install and energize the township will be billed. We would have to then bill the developer. Any damage to the lights during further construction at the development would also be billed to the township and we would have to then bill the developer. Solicitor Healy suggested we do not pass the resolution until the township is ready to take over the road. Rob Sadler questioned the Board if he should return the \$7,200 back to Heintzelman. The board expressed that we should keep the \$7,200 for now.

CPA Firm for Township:

The Board discussed the three (3) firms in which showed an interest in becoming our CPA Auditing firm for Lynn Twp. The three (3) firms being:

France, Anderson, Basile & Co., P.C., Emmaus, PA- They gave a cost proposal of a maximum audit and accounting fee for 2006 of \$4,800 for the financial statements and related required reports and services, maximum audit and accounting fees of \$2,600 for the agreed upon procedures to the 2005 financial records to perform added attest function procedures to the 2005 records and they quoted \$1,200 if a “single audit” is required by the township for 2006. Their hourly rate is \$80 per hour for Alan France and \$60.00 for any staff assigned to the additional work. Alan France is also a certified fraud examiner (CFE), International. They currently are doing the EIT Audit, and the Lynn Twp. Sewer Authority Audit. Some of the other townships they currently audit are: South Whitehall, Whitehall, Upper Macungie, etc. In addition to being Certified Public Accountants, the principal whom would be assigned to our audit has earned the Certificate of Educational Achievement for Governmental Accounting and Auditing issued by the American Institute of Certified Public Accountants. The most recent statistics available indicate that of the 341,000 membership of the AICPA, only 6,000 have obtained this additional designation.

The second firm being Reinsel Kuntz Leshner from Wyomissing, PA.- As per a letter dated October 5th, 2006 their fee for the agreed-upon procedures engagement from the period of January 1st, 2005 to December 31st, 2005 for the cost not to exceed \$4,500. The cost for them to perform a full audit for the year 2006 will be at a cost not to exceed \$ 6,800 unless the scope of the engagement is changed, the assistance which the township has agreed to furnish is not provided, or unexpected conditions are encountered, in which case they will discuss the situation with the township before proceeding. This firm currently serves as auditors for approximately 60 local governments, including 25 boroughs and townships.

The third firm being Vondercrone & Behrens, CPA, Nazareth, PA- As per a letter dated October 4th, 2006, the cost to review the financial statements of Lynn Township as of December 31st, 2005 and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants their review fee would be at the rate of \$65.00 per hour, but the total fee will not exceed \$3,900. As for their audit proposal dated Oct. 4th, 2006, the audit for the year 2006 would be at a rate of \$65.00 per hour, but the total fee will not exceed \$5,900. The owner, Edward B. Behrens, has over 40 years experience in auditing Pennsylvania Townships and Boroughs and has been a Certified Public Accountant in PA since 1967.

After going over this information, the Board decided to table this matter to next month's meeting. They asked Treasurer Robert Sadler to look over the proposals in more detail and report back to the Board.

Solicitor Healy commented that the Township could have one company do the fraud work and another to do the actual audit for the year 2006.

Harry Gruber questioned class one audit and class two audits, where do they start and stop? Terms didn't come up. The board was unable to answer this question.

Secy./Treas. Position Status:

David Najarian discussed amending the personnel policy and procedures handbook in regards to health benefits starting after a new employee's 90 day period. Then we wouldn't have to track COBRA. Thomas Creighton felt maybe we could pay employees more if they opt out of taking the health benefits. Rob Sadler informed the board that our dental plan handles COBRA directly and we have that option with our major medical plan. After discussing the candidates that were interviewed by the board, Kevin Deppe, Rob Sadler and Tina Everett, the board decided to talk about this further at the end of the meeting in an executive session. Rob Sadler felt that doing a second interview wouldn't benefit them, nor would it be necessary. He does feel the reference check should be done. Office Manager/Zoning Officer Kevin Deppe felt that spending a day or even a week with a person doesn't bring out or show that person's true color. He agreed with Rob Sadler's top three candidates for the position of Secy./Treasurer.

Announcements:

Chairman Thomas Creighton announced the following items: Trick or Treat Night is scheduled for Saturday, Oct. 28th from 6-8 p.m. and the NYAA is having a parent's night on Saturday, Oct. 7th from 7-11 p.m. at the Germansville Fire Company.

Miscellaneous:

David Najarian discussed the status of the feasibility Act 537 plan. Arro Consulting, Inc. informed Dave at the last sewer authority meeting that he would have it to them by the end of the month, but as of today, Oct. 5th we don't have anything. Roy will need this to continue on with his work. The board agreed that they need to stay on top of this to keep things moving. Vice Chairman Najarian will look into this matter with Dave Schlott from Arro. He felt if they can't make a deadline they shouldn't commit to it.

Assistant Secretary Tina Everett questioned the board if she was to be working on a Fall/Winter newsletter. The board agreed that she should start working on the newsletter. Chairman Creighton suggested maybe doing a watered down version due to time.

Public Comment:

None

Executive Session:

At this time, 8:52 p.m. the Board, Office Manager Kevin Deppe and Solicitor Edmund Healy convened to an executive session to discuss personnel issues.

The Board reconvened at 9:00 p.m.

Vice Chairman Najarian informed everyone that the applicant was very excited about getting the job as Secretary/Treasurer.

Chairman Creighton felt she was the best applicant and thanked Rob Sadler, Kevin Deppe and Tina Everett for a job well done.

A motion was made by Vice Chairman David Najarian, seconded by Chairman Thomas Creighton to hire and appoint Tracy Miklus as Township Secretary and Assistant Treasurer, at \$15 per hour, subject to the terms and conditions of the Lynn Township personnel manual, with a start date of Wednesday, October 11th, 2006 conditioned to a successful reference check. Motion carried unanimously.

A motion was made by Vice Chairman David Najarian, seconded by Charles Lenhart to direct Kevin Deppe to check references and report back to the Board. Motion carried unanimously.

Adjournment:

A motion was made by Charles Lenhart, seconded by David Najarian to adjourn meeting. Motion carried unanimously. Meeting adjourned at 9:05 p.m.

Sep 06

Ordinary Income/Expense

Income

| | |
|--|-----------|
| 3 Park Rental Charges | 435.00 |
| 301 Gen Gov Taxes | 9,918.91 |
| 302 Gen -Real Estate -Tax Claim | 313.75 |
| 310.10 Transfer Tax | 14,657.37 |
| 310.20 Gen Gov Earned Income | 47,242.92 |
| 330 Fines & Forfeits | 159.56 |
| 341 Gen Gov Interest | 164.63 |
| 342 Rent and Royalties | 1,000.00 |
| 355.99 Fire Relief Assoc. | 27,675.23 |
| 356.10 Fish&Game in lieu of Tax | 738.22 |
| 361 Zoning/Sub/Land Development | |
| 361.74 Demolition/Razing Permit | 37.00 |
| 361.75 Sewage related activity | 1,225.00 |
| 361.77 Electrical Permits | 50.00 |
| 361.78 Driveway Permits | 100.00 |
| 361.79 Re-inspection | 150.00 |
| 361.80 Renew BLDG, Zone, Plumb | 100.00 |
| 361.81 Business Permit | 100.00 |
| 361.83 Access Struc < 1000 ft | 195.00 |
| 361.84 Pool/Hot Tub/Spa Permit | 127.00 |
| 361.85 BLDG/ALT/Repair Permit | 2,143.00 |
| 361.86 Bldg/Z Permits (NI) | 425.00 |
| 361.87 Books and Maps | 45.00 |
| 361.88 Copying | 90.00 |
| 361.89 Logging/Timber Harvest | 70.00 |
| 361.90 Plumbing Permits | 150.00 |
| 361.91 Plumbing Registrations | 50.00 |
| 361.92 Electrical Registrations | 75.00 |
| 361.94 Misc. Billing | 50.00 |
| 361.97 Zoning Board Appeal Dep. | 750.00 |

| | |
|--|-------------------|
| 361.98 Recreation Fees | 1,000.00 |
| 361.99 Road Improvement Fee | <u>2,762.50</u> |
| Total 361 Zoning/Sub/Land Development | 9,694.50 |
| | |
| 364.30 Gen Gov Landfill | 987.00 |
| 389 Gen Gov Misc Revenue | 1,528.41 |
| Donation | 105.00 |
| Street Light Deposits | <u>31.23</u> |
| Total Income | <u>114,651.73</u> |
| | |
| Gross Profit | 114,651.73 |
| | |
| Expense | |
| 1Street Light Disbursements | 709.11 |
| 3 Supplies & Maintenance | 7,437.29 |
| 403 Gen Gov Tax Collection | 2,071.28 |
| 404 Gen Government Solicitor | 7,001.74 |
| 405 Salary of Secretary | 1,019.65 |
| 406 Convrns, Sminrs Ads & Print | |
| 406.99 Advertising | 28.88 |
| 406 Convrns, Sminrs Ads & Print - Other | <u>397.88</u> |
| Total 406 Convrns, Sminrs Ads & Print | 426.76 |
| | |
| 406 Gen. Government Administratr | |
| 406.110 Supervisor Pay | 402.93 |
| 406.130 Professional Salaries | 4,567.43 |
| 406.140 General Admin Salaries | 5,736.88 |
| 406 Gen. Government Administratr - Other | <u>1,602.69</u> |
| Total 406 Gen. Government Administratr | 12,309.93 |
| | |
| 409 Building and Plants | 343.54 |
| 413 Gen. Gov. Public Safety Ins | |
| 413.03 Salaries for Inspectors | <u>3,909.43</u> |
| Total 413 Gen. Gov. Public Safety Ins | 3,909.43 |
| | |
| 414 Planning and Zoning | |
| 414.02 Zoning Advertising | 69.20 |
| 414.03 Salaries Planning and ZB | 105.93 |
| 414.04 Recording | 444.10 |
| 414.05 Zoning Board Attorney | <u>2,088.00</u> |
| Total 414 Planning and Zoning | 2,707.23 |
| | |
| 415 Emergency Man. & Comm. | 1,097.08 |
| 426 Gen Gov Recycling Col & Dis | |
| 426.01 Salaries Recycling | 888.96 |
| 426 Gen Gov Recycling Col & Dis - Other | <u>478.82</u> |
| Total 426 Gen Gov Recycling Col & Dis | 1,367.78 |
| | |
| 437 Repairs to Tools & Machines | 1,268.16 |
| 438 Repairs to Highways & Bridg | |

| | |
|---|------------------|
| 438.01 Salaries Roads Repairs | 11,848.43 |
| 438 Repairs to Highways & Bridg - Other | <u>1,695.07</u> |
| Total 438 Repairs to Highways & Bridg | 13,543.50 |
| 438 State Maint. Highways & Bri | 9,784.94 |
| 451 Gen Gov. Recreation | |
| 451.01 GenGov.Rec.-Pd by Rec Fd | 517.47 |
| 451.02 Salaries for Park Work | 1,752.29 |
| 451.03 Salaries for Rec Work | <u>1,824.82</u> |
| Total 451 Gen Gov. Recreation | 4,094.58 |
| 487 Employees Benefits & Taxes | 19,767.75 |
| 489 Other misc. | |
| 489.99 Tax Refund | <u>7.26</u> |
| Total 489 Other misc. | <u>7.26</u> |
| Total Expense | <u>88,867.01</u> |
| Net Ordinary Income | <u>25,784.72</u> |
| | <u>25,784.72</u> |

Sep 30, 06

ASSETS

Current Assets

Checking/Savings

| | |
|---------------------------------|-------------------|
| 100 General Fund Checking | 229,660.55 |
| 101 H.L.L.W. Co-op | 28,410.08 |
| 102 Lynn Ontelaunee Park | 28,823.30 |
| 103 Lynn Recreation Fund | 4,130.41 |
| 104 Lynn Shadetree Escrow | 2,149.78 |
| 105 Lynn Subdivision/Zoning | 117,324.29 |
| 106 Lynn Twnshp Capital Reserve | 420,903.44 |
| 107 Lynn Twnship Electric Light | 4,758.36 |
| 108 Lynn Twnshp Rd Bd St Fund | 72,087.68 |
| Escrow 06-073 Baker/Ovations | <u>48,600.00</u> |
| Total Checking/Savings | <u>956,847.89</u> |

Total Current Assets 956,847.89

TOTAL ASSETS 956,847.89

LIABILITIES & EQUITY

Equity

| | |
|--------------------|-------------------|
| Opening Bal Equity | 883,752.88 |
| Retained Earnings | -8,705.36 |
| Net Income | <u>81,800.37</u> |
| Total Equity | <u>956,847.89</u> |

TOTAL LIABILITIES & EQUITY

956,847.89

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