

**Minutes - Board of Commissioners
Upper Pottsgrove Township**

May 7, 2012

A meeting of the Board of Commissioners was held on Monday, May 7, 2012, at the Upper Pottsgrove Township Administrative Office, 1409 Farmington Avenue, with Commissioners Dolan, Miller, Noll, Spaide and Taylor present. Also present was Township Manager Jack P. Layne, Jr. Mr. Taylor called the meeting to order at 7:02 P.M. There were 6 people present in the audience.

MOMENT OF SILENCE - Commissioner Taylor requested a moment of silence in honor of the men and women who have served and are currently serving our country in the armed forces.

PLEDGE OF ALLEGIANCE - Those assembled pledged allegiance to the flag.

PUBLIC COMMENT:

JOHN WEST - 1611 Applegate Lane - Advised the members of the Board that he was taping the meeting.

NEW BUSINESS:

There was no New Business.

OLD BUSINESS:

DISCUSSION AND POSSIBLE APPROVAL OF ORDINANCE NUMBER 456 AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2012, TOTALING \$3,090,000 - Commissioner Taylor introduced Ed Murray representing Boenning & Scattergood, Inc. and Matt Dallas, Dallas Data Systems. Mr. Murray provided a brief overview of the Bond Purchase Agreement for \$3,090,000 in General Obligation Bonds, Series 2012. Mr. Murray requested that the Commissioners review Exhibits C through E in the Bond Purchase Agreement to better show and to clarify the savings to the Township as result of this proposed action and the items to be covered with the funds provided with the issuance of General Obligation Bonds, Series 2012. Exhibit C showed that the total bond funding amount would be \$3,090,761.90 (e.g., Refunding 2004 \$1,820,761.90 and Capital Projects \$1,270,000). Exhibit D showed that the Net Present Value Benefit of this proposed action totaled \$238,389.24. Exhibit E showed the Bond Buyer 20 Bond Index for the past 12 month period. Commissioner Noll asked who/what entity would essentially manage this process. Mr. Murray stated that the Fulton Corporation Trust Office would oversee this process. Commissioner Miller inquired as to why Moody's rated the Township A2 as opposed to AAA. Mr. Murray stated that Moody's looks at total credit quality and that some municipalities like Lower Merion Township have significant dollars in cash reserves, e.g., over \$12.5 million, while a number of other municipalities, such as Upper Pottsgrove Township do not. Mr. Murray stated that the A2 Bond Rating that the Township did receive was favorable to investors. He added that 50% of the rating is out of our control. Mr. Murray stated that Moody's would prefer to see the Township increase revenue by increasing taxes, while the Township and other municipalities may not choose this option. Commissioner Taylor added that the Township chose not to place excessive taxes on its residents in order to create a substantial "Rainy Day Fund" but to live within a tight and closely monitored budget. Following additional discussion on this matter, there was a motion by Commissioner Dolan and seconded by Commissioner Miller that the Township authorize the approval of Ordinance Number 456 that authorizes and directs the incurring of non-electoral debt

through the issuance of Township of Upper Pottsgrove General Obligation Bonds, Series 2012 in an aggregate amount of \$3,090,000. Mr. Layne took a roll call vote on this motion: Commissioner Dolan – Aye, Commissioner Miller – Aye, Commissioner Noll – Aye, Commissioner Taylor – Aye and Commissioner Spaide – Aye. The motion was approved unanimously.

PAYMENT OF BILLS - **May 7, 2012** - A motion by Dolan, seconded by Spaide, to approve the Bill Listed dated May 7, 2012, for General Fund in the amount of \$58,936.93; Fire Fund in the amount of \$1,712.29; Sewer Fund in the amount of \$74,839.90; Open Space Fund in the amount of \$66,268.49; State Fund in the amount of \$102.83; and Escrow Fund in the amount of \$581.19. Total Disbursements ~ \$202,441.63. All aye votes.

ADJOURNMENT - There being no further business, a motion by Noll, seconded by Miller, to adjourn the meeting at 7:25 P.M. All aye votes.

Respectfully submitted,

Cynthia H. Saylor,
Township Secretary