

**GENERAL MUNICIPAL AUTHORITY OF THE TOWNSHIP OF MANHEIM
FRIDAY, APRIL 19, 2013 MINUTES**

The regular meeting of the General Municipal Authority of the Township of Manheim was held on Friday, April 19, 2013 at 7:30 a.m. at the Manheim Township Municipal Building, 1840 Municipal Drive, Lancaster, Pennsylvania. Authority members present were: James J. Lombardo, Edward J. Plakans, Gary R. Johnson and J. Michael Flanagan. Mr. Kline was absent. Also present were Solicitor William C. McCarty, Brandon Harder, Esq. from HUB, Engineer representative, Dale Kopf, Director of Planning and Zoning, Lisa Douglas, Director of Finance, Dawn Stratchko, and Michael D. Rimer, Recording Secretary.

Mr. Flanagan called the meeting to order at 7:31 a.m. and led all in attendance in the Pledge of Allegiance to the flag of the United States of America.

Mr. Flanagan opened the meeting by announcing that the Authority held an Executive Session to discuss legal and litigation matters at its last meeting. Mr. Flanagan thanked Mrs. DiPerna for putting this reminder on the agenda. Mr. Flanagan asked for any public comment. There being none, the Authority proceeded on to its business.

On a motion from Mr. Lombardo, seconded by Mr. Johnson the Authority took action to approve the minutes of the January 18, 2013 meeting. The motion was approved unanimously.

Mr. Flanagan directed the Authority members to the Financial Reports and asked Mrs. Stratchko for a summary. Mrs. Stratchko noted that the financial reports this meeting were "draft" as the Township Audit is still underway and the Finance Department was unable to close out for the meeting. Mrs. Stratchko indicated that the Authority received \$139,000 in tapping fees for the period. Mr. Lombardo asked whether the insurance payments listed were to Manheim Township or the Authority. Mrs. Stratchko indicated that they are to the Authority. Mrs. Stratchko explained to the Authority that there is approximately \$2.6 million in the Authority's account including some liens. There was a question as to why these liens were still on the books. Mrs. Stratchko explained that in the past, property owners with tapping fees and other costs were given payment plans that have remained on the books in some form. Each year Mrs. Stratchko will adjust for the proper statute of limitations to clear or write off these financial assets. With no further questions and on a motion from Mr. Lombardo to accept the Financial Reports for January, February and March 2013, and with a second by Mr. Plakans, the financial reports were accepted unanimously.

On motion from Mr. Lombardo and a second from Mr. Plakans the following bills and invoices were unanimously approved for payment:

1. Payment to Manheim Township in the amount of \$70,791.88.
2. Payment to Hartman, Underhill and Brubaker, LLC in the amount of \$2,291.30.

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Under presentations, Mr. Flanagan welcomed Lisa Douglas, Director of Planning and Zoning, to the meeting to go over the residential absorption analysis put together by the staff over the past several months. Mr. Rimer indicated that Mr. Lombardo and the Authority felt that it was important to learn what number of potentially new residential homes or units were on the horizon to estimate tapping fee revenue in the future. Mr. Rimer requested this study and learned that some data already existed. Mr. Rimer credited Lisa Douglas and Rita Williams of the Planning and Zoning Department staff who worked through previous years' data, inventoried plans and building permit information to establish the absorption trends.

Mrs. Douglas indicated that the data chart illustrates total lots/units created in single family or multi-family projects. She indicated that the chart also shows units being constructed and when, with the final column illustrating the estimated number of remaining units to be built as of the end of 2011. Mrs. Douglas discussed that the Township is reaching a point where the number of "easily developed parcels" are lessening and future residential developments are working in more sensitive sites with environmental limitations, reduced sizes, slopes, etc.

Mr. Flanagan questioned whether there are any rezoning petitions that would permit additional development expansion. Mrs. Douglas indicated that there are none at the moment. Mrs. Douglas indicated that Landis Homes is expanding on its own land. The Authority had several other questions and it was agreed that some of the development projects on the comprehensive list would not apply to tapping fees for the Authority. Mrs. Douglas agreed to segregate development that would require tapping fees to the Authority to ensure that the total residential lots remaining for development are illustrated more specifically to the Authority's service area and to the whole Township. Certain developments pay tapping fees to the City of Lancaster and not to the Authority. Mr. Flanagan and the Authority thanked Lisa for her work and efforts.

There was no "Old Business."

Under New Business, Mr. Flanagan directed the Authority members' attention to the mission statement packet and to Mr. McCarty for an explanation of the language. Mr. McCarty took some time to explain the purpose of this item and, in summary, explained that due to recent amendments to the PA Municipal Authorities Act, related to certain prohibition of donations by Authorities in Pennsylvania, the Authority needed to review and adopt an Amendment to its Articles of Incorporation to approve a mission statement.

Mr. McCarty explained that on June 27, 2012 the amendment to Section 5612 of the Authorities act was amended to specifically exclude Authorities from making certain expenditures beyond an Authority's mission and purpose, except for certain "de minimis" charitable donations. As set forth in the Authorities Act Amendment, no money of an Authority may be used for any grant, loan or other expenditure for any purpose

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other than a service or project directly related to the mission or purpose of the Authority "...as set forth in the Articles of Incorporation or in the resolution or ordinance establishing the authority..."

Mr. McCarty indicated that what is before the Authority for consideration is a mission statement for the Authority to approve, which would be followed by formal amendment to the Authority's Articles of Incorporation. In order to establish a mission statement, the Manheim Township General Municipal Authority needs to make an amendment to its Articles of Incorporation and mission statement. This is especially true with the Authority's desire to offer conduit financing issues to not-for-profits, etc. Mr. McCarty explained that this process requires Board of Commissioner approval and then filing of the corporate documents with the Commonwealth of Pennsylvania.

Paragraph #5 of the Articles of Incorporation amendment documentation amends/adds the following new second paragraph to the text of paragraph 4 as follows:

"Without limiting the generality of the foregoing paragraph and the existing grant to the Authority of all powers authorized and permitted to be granted to an authority under the Municipality Authorities Act, the mission, powers and purposes of the Authority shall include the taking of all action, including, without limitation, the making of monetary contributions, grants, loans and expenditures in any amount approved by the Authority, and the provision of services, facilities, equipment and resources of the Authority in such amounts and of such value as approved by the Authority, for the direct or indirect benefit of Manheim Township, the incorporating municipality of the Authority, and of any nonprofit, community, or beneficial organization or entity, determined by the Authority to provide direct or indirect benefits to Manheim Township or the health, welfare, commerce and quality of life of the residents of Manheim Township."

Mr. McCarty summarized that the new language preserves the existing mission, plus activities for the citizens of the Township. Mr. Flanagan stressed that the direct or indirect benefit to Township residents is a key point in the mission. Mr. McCarty also commented when doing conduit financing in the future, the Authority is really not doing an infrastructure project. The Authorities Act is not clear and this amendment is helpful for the Authority in the future.

On a motion by Mr. Lombardo and second by Mr. Johnson, the Authority approved the proposed amendment of the Articles of Incorporation and a Resolution of the Authority to adopt the amendment of the Articles of Incorporation of the Authority to provide a mission statement; amend the by-laws of the Authority as to the same; directing the submission of the Articles of Amendment to the Manheim Township Board of Commissioners which incorporated the Authority, and directing and authorizing the taking of all related necessary and appropriate action. This motion was approved unanimously by the Authority.

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There was no correspondence for the Authority to review and with no further discussion, Mr. Flanagan started an Executive Session to discuss legal matters of the Authority at 8:14 a.m.

EXECUTIVE SESSION

The Authority ended its Executive Session at 8:51 a.m. There being no further business, on a motion by Mr. Johnson, seconded by Mr. Lombardo, the meeting of the Authority was adjourned at 8:53 a.m. Motion carried unanimously.

The next scheduled meeting will be Friday, July 19, 2013 at 7:30 a.m.

Respectfully submitted,

Michael D. Rimer,
Recording Secretary