

FINANCE & ADMINISTRATION COMMITTEE

JUNE 11, 2018

SPECIAL MEETING

Present: Councilmen Russ Carlson, Steve Byrne and Walter "Bok" Read; Township Manager Andrew S. Haines and Director of Finance Tim Sander

A. Review of 2017 Audit Report

Mr. Carlson called the meeting to order at 6:00 p.m.

Mr. Timothy L. Sawyer from Barbacane Thornton & Company was present to review the Summary of Audit Results for the year ending December 31, 2017.

Mr. Sawyer handed out the financial statement, which are prepared by the Township, and the audit report. He said the draft was reviewed by Mr. Sander and Mr. Haines. Mr. Sawyer stated the auditor's responsibility is to express opinions on the financial statements based on the audit. He stated he did not audit the financial statements of the Middletown Township Sewer Authority, a blended component unit over the overall report, which represents 99.0 percent, 98.2 percent, and 84.6 percent of the assets, net position, and operating revenues respectively. He commented that the Authority's statements were audited by other firm and its report was been furnished to Barbacane Thornton.

Mr. Sawyer stated in his opinion, based on the audit and reports of other auditors, the financial statements present fairly the financial position of the governmental activities, the business type activities, each major fund, and the remaining fund information of the Township.

Mr. Sawyer stated the total assets and deferred outflows of resources went from \$54,325,378 in 2016 to \$66,099,959 in 2017, which again is inclusive of the capital work completed by the Authority. Mr. Sawyer commented the statement of activities went from a total in 2016 of \$34,263,953. to \$37,516,833 in 2017.

Mr. Sawyer stated as of December 31, 2017, pension plan membership consisted of 17 active employees, 15 retirees and beneficiaries currently receiving benefits and 7 vested terminated members. He stated the pension plan is well funded at 106%. He stated the Sewer Authority has 2 active employees and 5 retired employees, and their pension plan is funded at 92%.

There being no further business, the meeting was adjourned at 6:17 p.m.

Respectfully Submitted,

  
Sharon Browne, Recorder