

RESOLUTION 2026-08
Recommendation to move additional funds
to the Township's PSDLAF GTS bank accounts
for the General Fund

A RESOLUTION OF LONDONDERRY TOWNSHIP BOARD OF SUPERVISORS approving a **\$150,000** transfer from the General Fund Mid Penn Bank account to the General Fund PSDLAF GTS account.

NOW, THEREFORE, BE IT RESOLVED, that the Supervisors of Londonderry Township enact to approve the transfer of **\$150,000** from the General Fund Mid Penn Bank account to the PSDLAF GTS account.

THIS RESOLUTION has been duly acted upon and is hereby adopted by the Supervisors of Londonderry Township this 2nd day of February 2026

BACKGROUND AND FINANCIAL JUSTIFICATION

The Finance Office recommends that Londonderry Township transfer excess available General Fund cash from the Mid Penn Bank General Fund checking account to the PSDLAF*** GTS investment account.

The PSDLAF GTS account is currently yielding an advertised interest rate of approximately **3.85%***, which slightly exceeds comparable alternatives such as PLGIT* and is significantly higher than the current interest rate at Mid Penn Bank, which is approximately **1.57%**. This represents an approximate **2.28% higher annual yield** as a result of the funds being maintained by PSDLAF.

PSDLAF accounts are restricted exclusively to municipalities and school districts and are collateralized at **110%** of total account balances. Additionally, the PSDLAF GTS account are electronically linked to the Township's Mid Penn Bank General Fund checking account, allowing funds to be transferred between institutions within approximately 2 (two) business days, when needed.

The Township also establishes enhanced internal controls through PSDLAF, including verification calls to authorized signatories prior to transfers and limitations restricting transfers solely between approved Township accounts at PSDLAF and Mid Penn Bank.

Here is the historical effect on General Fund Interest Earnings – Past Five Years

(Note: The Township opened the PSDLAF investment account in early 2024.)

Year	Income	Interest
2025		\$260,415.45
2024		\$179,516.81
2023		\$ 51,246.36
2022		\$ 17,164.89
2021		\$ 8,140.86

BACKGROUND AND FINANCIAL JUSTIFICATION (continued)

As of January 16, 2026, the Mid Penn Bank General Fund checking account balance was \$562,881.18, while the General Fund balance invested with PSDLAF totaled \$5,555,691.30.

Based on these factors, the Finance Office recommends approving the transfer of \$150,000 from the General Fund Mid Penn Bank account to the General Fund PSDLAF GTS account.

Upon approval, Anna, Ron, Scott, Mike, and/or Bart, as authorized signatories, will coordinate directly with PSDLAF to initiate and complete the transfer.

Footnotes:

* <https://psdlaf.org/rates/> [GTS Investment= 3.85%]

** <https://www.plgit.com/current-yields> [PRIME= 3.80%]

***Contact Info: Financial Institution: PMA Financial Network, Address: 2101 Oregon Pike, Lancaster, PA 17601, Phone: (866) 548-8634 and Email: PSDLAF@pmanetwork.com"

LONDONDERRY TOWNSHIP BOARD OF SUPERVISORS

Attest:

BY: Signature on file
Secretary – Bart Shellenhamer

BY: Signature on file
Chair – Michael Geyer