

**RESOLUTION 2025-27**  
**Recommendation to move additional funds**  
**to the Township's PSDLAF GTS bank accounts**  
**for the General and Golf Course Funds**

**A RESOLUTION OF LONDONDERRY TOWNSHIP BOARD OF SUPERVISORS** approving a **\$384,000** and **\$104,000** transfer from the General Fund and Golf Course Fund Mid Penn Bank accounts to the PSDLAF GTS accounts.

**NOW, THEREFORE, BE IT RESOLVED**, that the Supervisors of Londonderry Township enact to approve the transfer of **\$384,000** and **\$104,000** from the General Fund and Golf Course Fund Mid Penn Bank accounts to the PSDLAF GTS accounts.

**THIS RESOLUTION** has been duly acted upon and is hereby adopted by the Supervisors of Londonderry Township this 2<sup>nd</sup> day of September 2025.

**BACKGROUND**

The Finance Office recommends that Londonderry Township transfer additional excess available funds to the Township's financial institution PSDLAF (Pennsylvania School District Liquid Asset Fund - through the financial institution: PMA Financial Network\*\*\*), 2 (two) GTS accounts: (1) for the General Fund and another (2) for the Golf Course Fund.

PSDLAF GTS account is currently yielding interest rates advertised at 4.40%\*, which is more than the alternative: PLGIT (Pennsylvania Local Government Investment Trust)\*\* and much more than the Township's current financial institution Mid Penn Bank of 2.02%. Note, PSDLAF GTS accounts are reserved strictly for Municipalities and School Districts and are collateralized at 110% of the Township's total account balances by PSDLAF. Additionally, a PSDLAF GTS account can be linked to Londonderry Township's Mid Penn Bank accounts to *move* funds electronically between financial institutions, if necessary. Through PSDLAF, Londonderry Township can create specific parameters to follow prior to the initiation of a transfer, such as PSDLAF physically calling Londonderry Township's authorized signatory(ies), as well as limiting external transfers to Mid Penn Bank, and *vice versa* with Mid Penn Bank. These measures would enforce strict controls.

Londonderry Township's current Mid Penn Bank General Fund and Golf Course Fund account balances, as of August 26, 2025, are \$1,213,607.18 and \$880,315.18, respectively. Note, the current PSDLAF General Fund and Golf Course Fund account balances, as of August 26, 2025, are \$5,374,139.53 and \$397,517.65, respectively.

To remain conservative, over the past three-years, on average, the General Fund and Golf Course Fund have total estimated expenses, from August 27 through December 31, of around \$1,455,000 and \$935,000. Alternatively, over the past three-years, on average, the General Fund and Golf Course Fund have total estimated revenues, from August 27 through December 31, of around \$1,160,000 and \$838,000. To remain conservative, the General Fund's six-month total *average* annual expenses are around \$1,750,000 (\$3,500,000 total average annual expenses, which resembles the *d r a f t* 2026 budgeted expenses, divided by two, which is 50% of one year). While, again, to be conservative, the Golf Course Fund's six-month total average annual expenses are around \$870,000 (\$1,740,000 total average annual expenses, which resembles the *draft* 2026 budgeted expenses, divided by two, is which 50% of one year). Therefore, Finance suggests that both the General Fund and Golf Course Fund maintain a minimum of six-months of liquid cash reserves on hand at Mid Penn Bank for each Fund.

## BACKGROUND (continued)

As a result, Finance recommends that the General Fund and Golf Course Fund transfer to deposit \$384,000 (~\$6,600,000 bank balance, including PSDLAF, on August 26, 2025 less \$1,166,000 six-month of total average expenses, which is greater than the draft 2026 budgeted expenses, and less an additional \$575,000 transfer to the Capital Projects Fund) and \$104,000 (~\$1,280,000 bank balance, including PSDLAF, on August 26, 2025 less \$870,000 six-months of total average expenses, which is greater than the draft 2026 budgeted expenses), respectively.

Note, currently, PSDLAF is generating 4.40% of interest earnings. While Mid Penn Bank is only offering 2.02% of interest earnings. This comes out to around 2.38% more interest earnings from PSDLAF over Mid Penn Bank.

If all is approved: Anna, Ron, and / or Bart will need to contact PSDLAF to being the process of transfer to these accounts\*\*\* since they are the authorized signers.

### Footnotes:

\* <https://psdlaf.org/rates/> [GTS Investment= 4.40%]

\*\* <https://www.plgit.com/current-yields> [PRIME= 4.16%]

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

## LONDONDERRY TOWNSHIP BOARD OF SUPERVISORS

Attest:

BY: Signature on File  
Secretary – Michael Geyer

BY: Signature on File  
Chair – Ronald Kopp