

**Finance Committee Meeting Minutes
Montgomery Township
Monday, May 19, 2014**

The Finance Committee meeting of May 19, 2014 was called to order by Chairman John Dale at 7:37 pm.

Present at the meeting were:

Committee Members: Anthony Diasio, Jim Kelly and John Dale
Finance Director: Shannon Drosnock
Accounting Supervisor: Vickie Zidek

On a motion by Mr. Kelly, seconded by Mr. Dale, the Minutes of the April 21, 2014 meeting were approved.

Ms. Drosnock reviewed for the committee members the information from the various financial reports prepared for the Committee and the Board of Supervisors as of April 30, 2014. Listed below is the information from those reports:

- Tax Revenues – These revenues represent just slightly less than 85% of all General Fund revenues.
 - Real Estate Tax revenues for April are up \$58K or 4% from prior year. Overall these revenue collections are strong this year to date and are 5% ahead of collections over a 5 year average.
 - Earned Income Tax (EIT) revenues for April are down 17% representing a total of \$320K from same period prior year. Although receipts were down in April as compared to prior year, this was anticipated in the 2014 budget. The full implementation of ACT 32 had a one-time positive impact on collections in 2013 and the budget was adopted for 2014 with this in consideration. Overall receipts are slightly less than expected but with 65% of the year remaining staff is not concerned at this time.
 - Business Tax revenues including Business Privilege, Mercantile and Amusement Taxes are strong for 2014. These collective revenues are \$212K or 8.9% above prior year collections. Additionally, Mercantile collections have surpassed the 2014 budget and Business Privilege collections are on target with the 2014 budget.
 - LST revenues are above prior year collections by a modest 1.2% or \$2.7K. This revenue stream has trended upward since its implementation in 2012 indicating that employment opportunities in Montgomery Township are stable if not slightly increasing.
- Other Revenue Sources include fines, interest, grants, etc. These revenues are 27.8% (\$33K) below prior year revenues. These revenues are the smallest category of Township revenues comprising only 7% of all General Fund budgeted revenues. Additionally, the largest component of this group is the State Aid funds given by the State to be used towards pension funding. These revenues are not received until late 3rd Quarter and as such the revenues

collected here year to date are only 1.3% of all revenues collected through April 2014.

- Expenditures

- Overall expenditures for April are up 12.1% or \$326K as compared to prior year; however these expenses are on target with the 2014 budget. The difficult winter weather is mainly responsible for the increase in expenses over prior year.

In other business, Ms. Drosnock provided updates on the Community Center, credit card acceptance in the Park and Rec department, RFP for finance software and Zehr Tract.

The next meeting will be held June 16, 2014.

There being no further business, the meeting adjourned at 8:34 pm.

Respectfully Submitted,

Victoria M. Zidek
Accounting Supervisor