

**Finance Committee Meeting Minutes
Montgomery Township
Monday, April 20, 2015**

The Finance Committee meeting of April 20, 2015 was called to order by Chairman John Dale at 7:40 pm.

Present at the meeting were:

Committee Members: John Dale, John Holsinger, Jim Kelly, Mary Griffith-Alfarano and Anthony Diasio
Finance Director: Shannon Drosnock
Accounting Supervisor: Vickie Zidek

On a motion by Mr. Diasio, seconded by Mr. Kelly, the Minutes of the March 16, 2015 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 March 31, 2015. Listed below is the information from those reports:

General Fund 01 – Fund Balance

During the 1st Quarter of 2015, the Township received \$4.5M or 35% of 2015 General Fund Budgeted Revenues, which was 2.7% more than the \$4.4M in revenues received during the 1st Quarter 2014 and is slightly ahead of the 2015 budget. General Fund Expenditures during the 1st Quarter 2015 were \$2.6M which amount was 8% higher than the \$1.4M in Expenditures during the 1st Quarter 2014. This increase is mostly a result of the weather this winter and the costs associated with maintaining the Township's superior road conditions. Overall, expenditures in each department are consistent with the 2015 budgeted expenditures.

At the end of the 1st Quarter 2015 the General Fund Balance was \$5.2M, an increase of 3.7% above the 1st Quarter 2014 fund balance of \$5.03M. The various Revenue and Expenditure details are discussed in more detail below.

General Fund Revenues

- Tax Revenues – These revenues represent 83% of all budgeted General Fund revenues.
 - Real Estate Tax revenues for March are down 18.2% (\$40.3K) as compared to same period prior year. However, data indicates that this is related to the timing of some receipts. The end of April will be a more telling indicator of the revenues for the year as April 30th is the end of the discount period for Real Estate Taxes.
 - Earned Income Tax (EIT) revenues for March are up 7.2% (\$89.7K) from same period prior year and are in line with the 2015 budget.
 - Mercantile Tax revenues are down 2.9% (\$51K) and Business Privilege revenues are up 11.2% (\$66K) from March 2014. The due date for these

taxes was March 15th. Over 90% of the anticipated taxes have been received and revenues are currently in line with budget.

- LST revenues are down 26% from March 2014. The first due date of the 2015 fiscal year is April 30th. At this point, the decrease from prior year seems to be timing related.
 - Permits and License Fees – This collective group of revenues is reporting 7.7% (\$20.8K) above the prior year and is within 2% of budget for the year. Permit activities tend to increase entering the late spring/early summer months.
 - Other Revenue Sources include fines, interest, grants, etc. These revenues make up only 7% of the total budgeted revenues. They are 15% (\$7K) above prior year revenues for March but 3.6% below the anticipated budget for this period of time. This is related to the timing of receipts.
- Expenditures
 - Overall expenditures for March are 2.6% (\$55K) above prior year. As discussed earlier, this increase is mostly a result of the weather this winter and the costs associated with maintaining the Township's superior road conditions. Total General Fund expenditures are within 1% of the budgeted expenditures for the 1st Quarter of 2015.

In other business, Ms. Drosnock provided updates on the Community and Recreation Center, 2014 audit and software conversion.

The next meeting will be held on May 18th.

There being no further business, the meeting adjourned at 8:30 pm.

Respectfully Submitted,

Victoria M. Zidek
Accounting Supervisor