

**Finance Committee Meeting Minutes
Montgomery Township
Thursday, March 29, 2012**

The Finance Committee meeting of March 29, 2012 was called to order by Chairman John Holsinger at 7:35 pm.

Present at the meeting were:

Committee Members: Anthony Diasio, Jim Kelly, Joseph Kobulsky, John Dale
and John Holsinger
Finance Director: Shannon Q. Drosnock
Accounting Supervisor: Victoria M. Zidek

On a motion by Mr. Kelly, seconded by Mr. Dale, the Minutes of the February 23, 2012 meeting were approved.

The committee welcomed its' newest member, Joseph Kobulsky, who brings a vast amount of Finance experience, including Internal Auditing. We welcome Joe to the committee and look forward to working with him.

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 February 29, 2012. Listed below is the information from those reports:

- Tax Revenues
 - Earned Income Tax (EIT) collections in the General Fund are up 24% or \$30K above January of the prior year.
 - Mercantile Tax revenue collections are down 38.7% of \$25.1K as compared to same period prior year. The due date for this tax is March 15th. Revenue collections are highest during the months of February, March and April.
 - Local Services Tax revenue collections are up \$105.7K above same period prior year. This is due to the fact that the Local Services Tax began January of 2011 and as such there were no 4th Quarter receipts collected during that time.
- Permits and License Fees – This collective group of revenues is reporting 28.3% (\$64,567) above the prior year. New construction permits are down (16 this year as compared to 136 last year) as a result of the Ryan Homes townhouse complex nearing the final phase. However there has been a high number of other permits (roof, electric, plumbing, etc.) issued within the Township. As a result, overall permit revenues are ahead.
- Other Revenue Sources includes fines, interest, grants, etc. These revenues are 38.6% (\$19,306) below prior year revenues for February; however they are consistent with revenues received to this point in prior years. The major components of this decrease are Fines and Department Services handled through the Police Department.

- Expenditures

- Overall expenditures for February are 8.7% (\$89.7K) below February of 2011. This includes an adjustment for a street sweeper encumbered in 2011. Exclusive of this adjustment, expenses are 6.8% (\$63K) above prior year partially related to increased Police Department expenses as a result of the Collective Bargaining Agreement salary increases this year.

In other business, Ms. Drosnock discussed with the committee which monthly meeting they would like Ed Furman from the Township's auditing firm Maillie, Falconiero & Company to attend and discuss the 2011 CAFR. The committee would like Mr. Furman to attend the May meeting if he is available. The committee requested Ms. Drosnock to email them the draft audit and the current pension valuation.

The next meeting will be held on April 26th.

There being no further business, the meeting adjourned at 8:45 pm.

Respectfully Submitted,

Victoria M. Zidek
Accounting Supervisor