

**Finance Committee Meeting Minutes  
Montgomery Township  
Monday, September 19, 2016**

The Finance Committee meeting of September 19, 2016 was called to order by Vice Chairman Jim Kelly at 7:00 pm.

Present at the meeting were:

Committee Members: Jim Kelly, Anthony Diasio, Allan Nappen, John Holsinger and John Dale  
Finance Director: Ami Tarburton  
Accounting Supervisor: Vickie Zidek

On a motion by Mr. Holsinger, seconded by Mr. Nappen, the Minutes of the July 18, 2016 meeting were approved.

Ms. Tarburton reviewed for the committee members the information from the various financial reports prepared for the Committee and the Board of Supervisors as of August 31, 2016. Listed below is the information from those reports:

**General Fund Revenues**

- Tax Revenues
  - Real Estate Tax Collections are up \$19K, as compared to same period prior year. The “discount period,” in which residents receive a 2% discount for payment during that time, ended April 30<sup>th</sup>. We have received 98% of our 2016 budgeted real estate tax.
  - Earned Income Tax (EIT) collections in the General Fund are up 4% or \$152K above August of the prior year. Berkheimer reported increased year-end bonuses as a reason for this increase in revenue.
  - Real Estate Transfer Tax Revenues are up 10% or \$44K as compared to same period prior year. Receipts reported in August are for July. This increase is attributable to a couple of larger commercial real estate transactions that occurred this year, most recently 758-764 Bethlehem Pike for \$3.3M.
  - Mercantile Tax revenue collections are up 6% or \$118K as compared to same period prior year. The due date for this tax was March 15<sup>th</sup>. Revenue collections are highest during the months of February, March and April, and we expect minimal additional revenue through year end.
  - Local Services Tax (LST) revenue collections are up \$65K or 18%. The next due date for employer remittances for 2016 will be October 31<sup>st</sup>.
  - Amusement tax receipts are up \$4K as compared to same period prior year.
  - Business Privilege Tax (BPT) receipts are up 5% or \$38K from the same period prior year. The due date for this tax was March 15<sup>th</sup>.

Revenue collections are highest during the months of February, March and April. The tax department is in the process of identifying delinquent accounts and those who need to more clearly substantiate their tax returns.

- Overall tax revenues are up 5% (\$440K) as compared to August 31, 2015. Increased revenues in all tax categories combine to position us ahead of our anticipated 2016 budgeted tax revenues.
- Other Revenue Sources
  - Building Permit revenues are down almost 20% (\$100K) as compared to same period 2015. This decrease is due to a high volume of commercial permit activity in 2015, mostly in the Montgomery Mall, which elevated 2015 revenues.
  - Cable Franchise Fees are up about 4% as compared to same period 2015.
  - Overall revenues are up 4% or \$375K compared to August 2015. Our increase in tax revenues is the largest component of these additional revenues.
- Expenditures
  - Overall year-to-date expenditures are up 3.5%, as compared to same period prior year. Cost controlling efforts have been successful in maintaining steady, necessary expenditures.

In other business, police contract negotiations and fire arbitration are still ongoing. Ms. Tarburton also discussed the Costars salt contract renegotiations, debt refinancing, investment funds program and the budget meeting schedule. Ms. Tarburton also reviewed the CRC financials with the Committee.

The next meeting will be held November 21, 2016.

There being no further business, the meeting adjourned at 7:50 pm.

Respectfully Submitted,

Victoria M. Zidek  
Accounting Supervisor