

**Finance Committee Meeting Minutes
Montgomery Township
Monday, September 17, 2018**

The Finance Committee meeting of September 17, 2018 was called to order by Chairman John Holsinger at 6:07 pm.

Present at the meeting were:

Committee Members: John Holsinger, Jeff Thomson and Barbara Vinciguerra
Accounting Supervisor: Vickie Zidek

On a motion by Ms. Vinciguerra, seconded by Mr. Holsinger, the Minutes of the July 16, 2018 meeting were approved.

Ms. Zidek 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, 2018. Listed below is the information from those reports:

General Fund Revenues

- Tax Revenues
 - Real Estate Tax Collections are up 1%, or \$18K, as compared to same period prior year. 98% of the 2018 budgeted revenues have been received as of August 31.
 - Earned Income Tax (EIT) collections in the General Fund are up \$47K above August of the prior year. Berkheimer EIT revenues are up 1.2% as compared to 2018.
 - Real Estate Transfer Tax Revenues are down 27% or \$142K as compared to same period prior year. Receipts reported in August are from July transactions. This decrease stems from limited transactions through the winter months and lack of commercial real estate transactions in January through July.
 - Mercantile Tax revenue collections are up 4% or \$81K as compared to same period prior year. The due date for this tax was March 15th. Revenue collections are highest during the months of February, March and April. We should see additional revenues trickling in as we push for compliance with our delinquent accounts throughout the fall.
 - Local Services Tax revenue collections for 2018 are down \$4K, or 1%, as compared to 2017 revenues.
 - Amusement tax receipts are down \$1,100 as compared to same period prior year.
 - Business Privilege Tax (BPT) receipts are up 3% (\$28K) as compared to same period prior year. This increase has been enhanced by the finance department's business tax audit program, maintaining the goal of applying

the township's ordinance fairly and consistently throughout the business community.

- Overall, tax revenues are up .3%, about \$27K, as compared to the same period last year. We are reporting an increase in most tax revenues, notably Business Privilege and Mercantile Tax, but due to the significant decrease in transfer tax, the overall tax revenue increase is minimal.
- Other Revenue Sources
 - Building Permit revenues are up 14% (\$66K) as compared to same period 2017 due to numerous new construction homes and a clothing store relocation in the Mall. The primary season for this revenue source is spring into summer.
 - Cable Franchise Fees are down 5% (\$24K) as compared to same period 2017.
 - Overall revenues are up 1% or \$83K compared to August 2017. The biggest contributors to this increase are Business Privilege and Mercantile Tax Revenues along with the increased building permit activity.
- Expenditures
 - Overall, year-to-date expenditures are up 3% as compared to same period prior year. Most of this increase can be attributed to normal salary/wage and benefit expense increases.

In other business, Ms. Zidek reviewed the CRC financials and membership report, July transfer tax report, 2018 budget schedule and Univest CD Investment program.

The next meeting will be held November 19, 2018.

There being no further business, the meeting adjourned at 7:15 pm.

Respectfully Submitted,

Victoria Zidek
Accounting Supervisor