

**MONTGOMERY TOWNSHIP  
AGENDA  
FINANCE COMMITTEE  
Thursday, November 18, 2010  
7:30 pm**

1. Call to order.
2. Approval of Meeting Minutes of October 28, 2010 Meeting
3. Presentations for financing the Zehr Tract:
  - 7:30 pm – James Schlesinger from Concord Public Finance
  - 8:00 pm – Denise Yannarell from Univest
  - 8:30 pm – Lucien Calhoun from Delaware Valley Regional Finance Authority (DVRFA)
4. Updated and new business including review of:
  - October 2010 Financial Reports
  - Business Tax Report
  - Real Estate Tax Report
  - Fund Balance Report
  - IT Report
4. Other Business
5. Adjournment

## Montgomery Township Inter-Office Memo

**To:** Lawrence J. Gregan, Interim Township Manager 

**From:** Shannon Q. Drosnock, Interim Finance Director 

**Date:** November 16, 2010

**Subject:** October 2010 Finance Department Report

Following is a list of activities and notes of interest for the Finance Department for the Month of October 2010:

- Business Tax staff has received 88% of expected Business Privilege returns, 90% of expected Mercantile Tax returns and 96% of Wholesale returns. As of October 31<sup>st</sup>, 80% of the Occupational Privilege Tax returns have been received. It is suspected that approximately 15% of the late OPT returns are \$0 returns which are required by the Township but will bear no impact on the revenue.
- During the month of October, Finance staff spent a lot of hours working on the official statement for the Sewer Authority. The Authority is currently in the process of refinancing their bond issue to obtain a lower interest rate. As Grantor of the bonds, the Township was officially notified by Standard and Poor's of its award of an enhanced bond rating for this issue.
- During the first week of November, the Township received notification from the Pennsylvania Emergency Management Agency (PEMA) that we were approved for the Public Assistance Program for February 2010 Snowstorm. A grant of \$32,295 has been awarded to the Township. The money will be used to offset 75% of the costs of overtime, equipment time and salt materials used during the storm of February 5<sup>th</sup> to the 7<sup>th</sup>.
- Cross-training of the Finance Department staff continued through the month of October. This is for the purpose of contingency planning.

The following reports and charts are included with this report:

- Statement of Changes in Fund Balances Report for General Fund as of October 31, 2010 with notes.
- Chart comparing the Local Enabling Tax receipts year to date to the same time period in 2010.
- Chart showing the comparison of the General Fund's Projected Cash Balances in 2009 vs. 2010. Note that the year end fund balance projection for 2010 is based on actual revenues and expenditures as of October 2010 with the projected revenues and expenditures for November and December. The projected revenues/expenditures are based on the monthly revenue and expenditures percentages from 2009 applied to the 2010 Budget.
- Earned Income Tax Revenue comparison report.
- Side by Side Fund Balance report showing the fund balances currently available in each of the Township's twenty (20) funds and the change in the fund balances since the beginning of the year.
- Quarterly Capital Reserve Fund Report showing the detail of designated funds projects and undesignated balances for the period through November 11, 2010.
- A copy of the Business Tax Collection, Real Estate Tax Collection and Technology Manager's reports for the Month of October 2010.
- Minutes from the October 28, 2010 Finance Committee Meeting.

**Notes to Statement of Changes in Fund Balance**  
**Report- General Fund**  
**October 2010 vs. October 2009**

- **Tax Revenues** – These revenues represent 85% of all General Fund revenues.
  - **Property Tax** – This tax is at 98.6% of budget collected to this point. Taxes are currently in the delinquent period. Overall property taxes are up slightly from this period 2009 (.5%). The Township is beginning to receive notifications of pending assessment appeals. Details are expected to be available for the November report.
  - **Earned Income tax** – This tax is down .9% from this period last year. EIT represents 1/3rd of our total general fund revenues. We have requested a projection from Berkheimer for 2011 collections which should be received shortly and will be used in projecting the revenue for the 2011 budget.
  - **Real Estate Transfer Tax** – Currently 5.3% ahead of prior year and projected to be similarly ahead of budget. In October there were again 14 deeds contributing to revenue for a total of \$18,240.
  - **Business Taxes - Business Privilege Taxes (services)** are down 17.3% from this period last year. While **Mercantile Taxes (goods)** are up 6.3% from same period. This tells us that goods are managing the economic downturn in this area better than services. Overall we expect to be within 5% of budget for this year and less than 1% down compared to fiscal year ending 2009.
- **Permits and License fees** - are up in comparison to the same period 2009. Building Permits are up 16.5% partially due to the fee re-structure that was put into place for this year. Cable Franchise fees are expected to be more than 10% above budget for this fiscal year. This will be reflected more clearly in the November report where the final payments are included.
- **Other Sources of Revenue** - While this line item remains relatively flat to prior year, the components represent significant change. Fines, Department Services and Other Financing Sources are all up over same period 2009 (8.7%, 47.2%, and 34.1% respectively). Interest is down 69.3% from same period 2009 while Grants are relatively flat (-.9%) compared to that period. As the economy remains unstable, the interest rates have continued to decline. As of October 1<sup>st</sup> the interest rate on the Money Market accounts reduced again to .35% from .5%. Department Services are up related to the administrative fee charged to developers on escrow. While this is up from prior year, the budget anticipated this increase therefore the account is flat to budget. Lastly, the Other Financing Sources line item is up over \$24,000 related to the dividend checks distributed to the Township from the Delaware Valley Insurance Trusts.
- **Total Revenues** - Overall, the combined revenues of the General Fund are down slightly (.1%) as compared with same period 2009. Total revenues are at 89% of

budget. Based on the General Fund projected Cash Balance Report, total revenues are expected to be .11% below budget at year end.

## **Expenses**

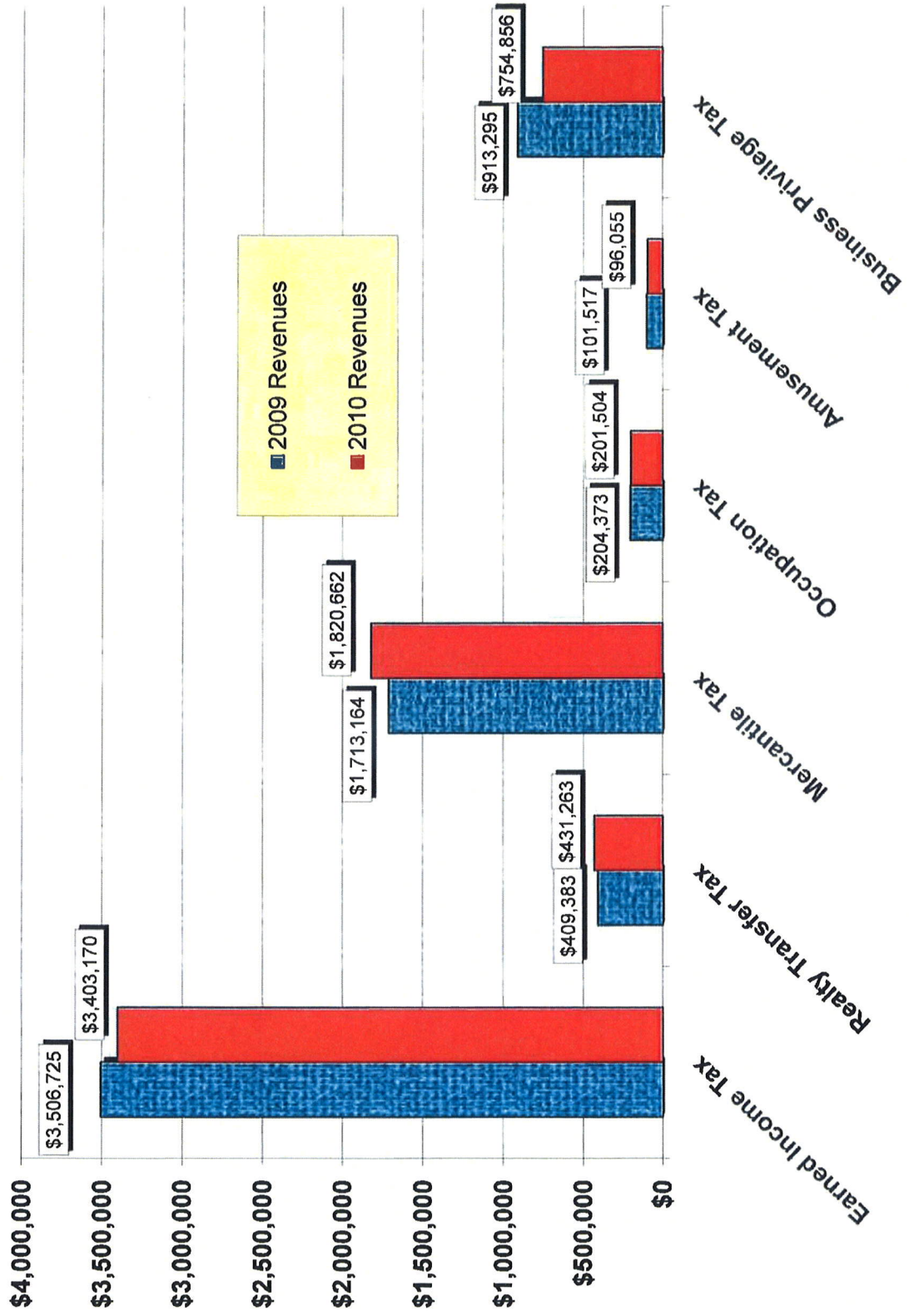
- Administration – Admin expenses are down 11.6% compared to this time last year. A majority component of this reduction is related to solicitor fees. These expenses were higher in 2009 as a result of legal fees related to a labor lawsuit which was settled earlier in 2010.
- Finance – Finance expenses include the 403 account, Business Tax Collection and the 405 account, General Finance. This line item is up 11.8% from prior year. This is related to staffing wages. In 2009 the payroll position was vacant for 6 months causing 2009 to be artificially low. Additionally there has been a staff member added to the Business Tax Collection as of March 2010.
- Police – The Police expenditures are 7.6% above same period prior year. This translates to over \$300,000. There are two components to the increase from prior year. The first is wages. Uniformed officers received a pay increase of 4% for 2010 according to their collective bargaining agreement. The second component is insurance. The combination of the two account for the difference from 2009 to 2010.
- Code – A very slight increase above same period prior year related to wages (increase of 3% given to staff).
- Public Works – This line item is 10.4% above the same period prior year. The main components of this increase are wages, overtime, fuel and vehicle maintenance related to the snow. This represents \$137,713. However, in November the Township received payment of \$32,295 from Pennsylvania Emergency Management Agency as disaster reimbursement of additional expenses incurred during the heavy snowstorms last February. The reimbursement covered 75% of the costs for overtime, equipment time and salt materials used during the storm event of Feb 5 – Feb 7. The funds will be used to offset the additional overtime charges incurred by the Public Works department during the storms.
- Total Expenses – Overall the General Fund total expenses are up \$390,461 (5.3%) as compared to same period prior year. A major component of this is the timing of payrolls. As of September 30, 2009 21 payrolls had been processed. As of September 30, 2010 22 of the 26 payrolls have been processed. Payroll represents 55% of total General Fund expenditures. As such, it has a large impact on the percentage increase over prior year illustrated in this report.



**MONTGOMERY TOWNSHIP**  
**STATEMENT OF CHANGES IN FUND BALANCE**  
**GENERAL FUND**  
**AS OF OCTOBER 31, 2010**  
**Exhibit A**

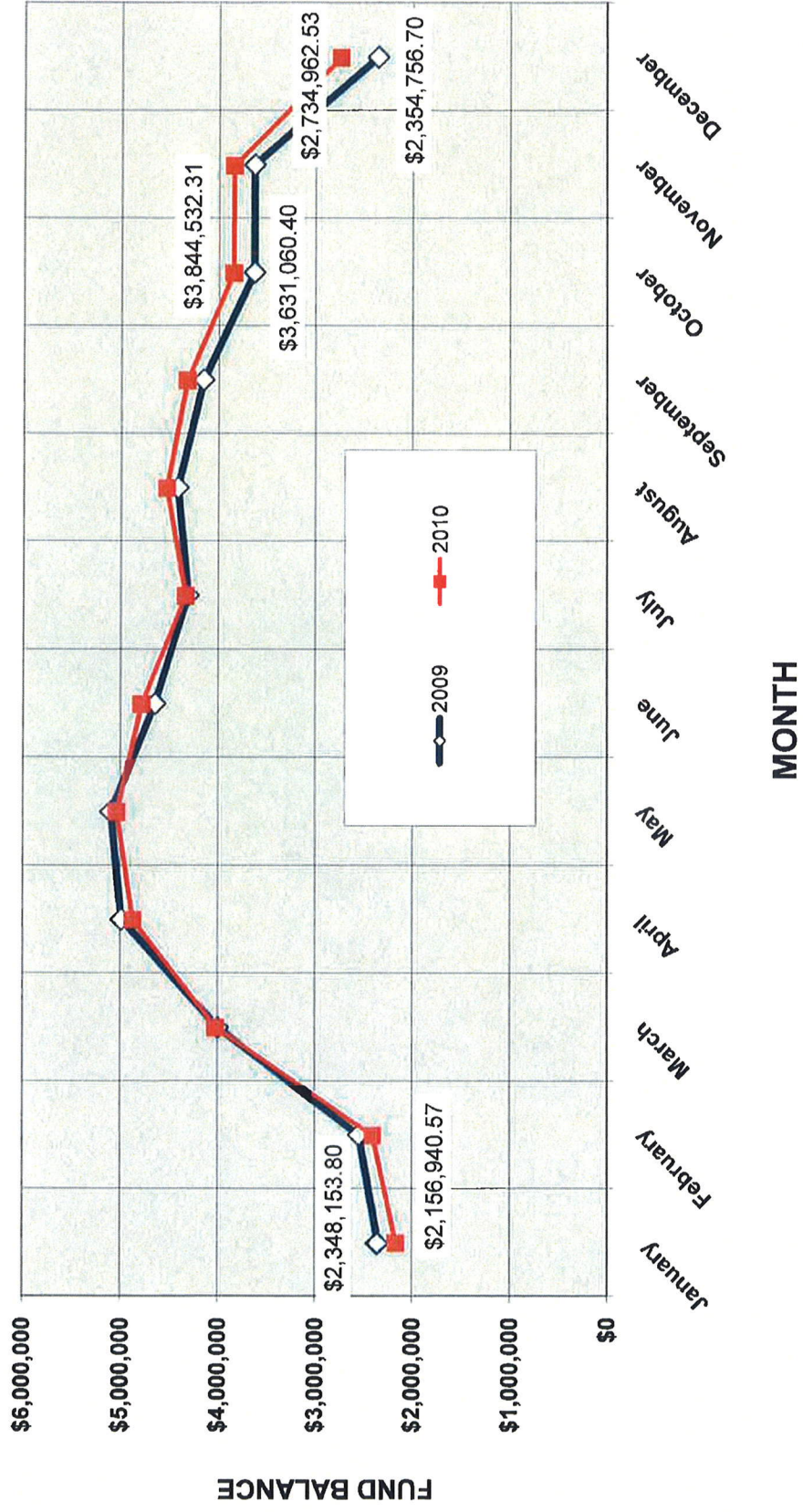
							DOLLAR VARIANCE	PERCENT VARIANCE
	2010 BUDGET (1)	2010 ACTUAL (2)	% of TOTAL (3)	2009 BUDGET (4)	2009 ACTUAL (5)	% of TOTAL (6)	2009-2010 ACTUAL (2 - 5)	2009-2010 ACTUAL (2 - 5)
<b>REVENUES</b>								
<b>Taxes</b>								
Real Estate Tax	1,585,600	1,562,941	16.2%	1,596,100	1,554,937	16.1%	8,003	0.5%
Earned Income Tax	3,890,000	3,208,170	33.2%	3,990,000	3,236,725	33.5%	(28,554)	-0.9%
Real Estate Transfer Tax	450,000	431,263	4.5%	900,000	409,383	4.2%	21,880	5.3%
Mercantile Tax	1,840,000	1,820,662	18.8%	2,055,000	1,713,164	17.7%	107,498	6.3%
Occupation Privilege Tax	235,000	201,504	2.1%	267,500	204,373	2.1%	(2,869)	-1.4%
Amusement Tax	119,000	96,055	1.0%	124,000	101,517	1.0%	(5,462)	-5.4%
Business Privilege Tax	875,000	754,856	7.8%	920,000	913,295	9.4%	(158,439)	-17.3%
Total Taxes	8,994,600	8,075,450	83.6%	9,852,600	8,133,393	84.1%	(57,943)	-0.7%
<b>Permits and Licenses</b>								
Building Permits	453,000	417,802	4.3%	459,500	358,708	3.7%	59,095	16.5%
Cable TV	390,000	325,041	3.4%	365,000	363,769	3.8%	(38,728)	-10.6%
All Others	87,900	99,459	1.0%	71,400	86,613	0.9%	12,846	14.8%
Total Permits and Licenses	930,900	842,302	8.7%	895,900	809,090	8.4%	33,212	4.1%
<b>Other Sources</b>								
Fines	114,000	110,644	1.1%	139,000	101,746	1.1%	8,898	8.7%
Interest	40,000	17,203	0.2%	145,000	55,998	0.6%	(38,795)	-69.3%
Grants	418,000	455,045	4.7%	378,700	459,012	4.7%	(3,967)	-0.9%
Department Services	78,875	64,974	0.7%	78,875	44,140	0.5%	20,834	47.2%
Other Financing Sources	55,000	96,808	1.0%	55,000	72,188	0.7%	24,619	34.1%
	705,875	744,674	7.7%	796,575	733,084	7.6%	11,589	1.6%
<b>TOTAL REVENUES</b>	<b>10,631,375</b>	<b>9,662,425</b>	<b>100.0%</b>	<b>11,545,075</b>	<b>9,675,567</b>	<b>100.0%</b>	<b>(13,141)</b>	<b>-0.1%</b>
<b>EXPENSES</b>								
Administration	1,228,960	878,768	11.3%	1,334,385	993,732	13.4%	(114,964)	-11.6%
Finance	780,060	622,854	8.0%	803,310	557,272	7.5%	65,583	11.8%
Police	5,549,540	4,285,257	55.1%	5,387,965	3,984,168	53.9%	301,089	7.6%
Code	784,135	526,034	6.8%	819,790	524,994	7.1%	1,040	0.2%
Public Works	1,962,895	1,468,216	18.9%	1,899,615	1,330,502	18.0%	137,713	10.4%
Other Financing Uses	-	-	0.0%	-	-	0.0%	0	
<b>TOTAL EXPENSES</b>	<b>10,305,590</b>	<b>7,781,129</b>	<b>100.0%</b>	<b>10,245,065</b>	<b>7,390,667</b>	<b>100.0%</b>	<b>390,461</b>	<b>5.3%</b>
<b>NET REVENUES/(EXPENSES)</b>	<b>325,785</b>	<b>1,881,297</b>		<b>1,300,010</b>	<b>2,284,899</b>		<b>(403,603)</b>	<b>-17.7%</b>
<b>INCOMING TRANSFERS</b>	<b>417,275</b>	<b>237,127</b>		<b>347,830</b>	<b>219,357</b>		<b>17,769</b>	<b>8.1%</b>
<b>OUTGOING TRANSFERS</b>	<b>(630,060)</b>	<b>(553,852)</b>		<b>(1,350,300)</b>	<b>(1,054,131)</b>		<b>500,280</b>	<b>-47.5%</b>
<b>{DEFICIT}/SURPLUS</b>	<b>113,000</b>	<b>1,564,572</b>		<b>297,540</b>	<b>1,450,125</b>		<b>114,446</b>	<b>7.9%</b>
<b>BEGINNING FUND BALANCE</b>	<b>2,354,757</b>	<b>2,279,961</b>		<b>2,180,935</b>	<b>2,180,935</b>		<b>99,025</b>	<b>4.5%</b>
<b>ENDING FUND BALANCE</b>	<b>2,467,757</b>	<b>3,844,532</b>		<b>2,478,475</b>	<b>3,631,060</b>		<b>213,472</b>	<b>5.9%</b>

# Local Enabling Tax Revenue Comparison 2009 - 2010 As of October 31, 2010





GENERAL FUND CASH BALANCE  
2009 ACTUAL VS 2010 PROJECTION  
AS OF OCTOBER 31, 2010





### Cash Balance - General Fund 2009

	<b>Beginning Bal</b>	<b>Revenues</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$2,180,935.28	\$440,776.49	\$273,557.97	\$2,348,153.80
February	\$2,348,153.80	\$977,648.98	\$781,063.67	\$2,544,739.11
March	\$2,544,739.11	\$2,472,690.11	\$1,019,647.01	\$3,997,782.21
April	\$3,997,782.21	\$1,939,521.82	\$949,608.00	\$4,987,696.03
May	\$4,987,696.03	\$964,234.99	\$854,327.33	\$5,097,603.69
June	\$5,097,603.69	\$640,742.18	\$1,091,641.28	\$4,646,704.59
July	\$4,646,704.59	\$419,932.55	\$759,881.97	\$4,306,755.17
August	\$4,306,755.17	\$892,536.00	\$783,972.81	\$4,415,318.36
September	\$4,415,318.36	\$714,743.42	\$976,416.42	\$4,153,645.36
October	\$4,153,645.36	\$432,097.29	\$954,682.25	\$3,631,060.40
November	\$3,631,060.40	\$866,116.41	\$866,885.02	\$3,630,291.79
December (prior to surplus balance transfer)	\$3,630,291.79	\$268,672.19	\$1,544,207.28	\$2,354,756.70
	PROJECTED	\$11,029,712.43	\$10,855,891.01	
	FINAL BUDGET	\$11,892,905.00	\$11,595,365.00	
	OVER/(UNDER)	(\$863,192.57)	(\$739,473.99)	
	OVER/(UNDER)	-7.26%	-6.38%	

### General Fund Cash Balance Projection 2010

January	\$2,279,960.70	\$318,390.23	\$441,410.36	\$2,156,940.57
February	\$2,156,940.57	\$947,498.99	\$703,286.78	\$2,401,152.78
March	\$2,401,152.78	\$2,499,091.78	\$883,383.44	\$4,016,861.12
April	\$4,016,861.12	\$1,960,830.52	\$1,107,412.52	\$4,870,279.12
May	\$4,870,279.12	\$992,693.02	\$828,252.56	\$5,034,719.58
June	\$5,034,719.58	\$467,593.28	\$716,472.62	\$4,785,840.24
July	\$4,785,840.24	\$466,643.57	\$919,682.19	\$4,332,801.62
August	\$4,332,801.62	\$1,114,595.93	\$919,684.15	\$4,527,713.40
September	\$4,527,713.40	\$750,808.85	\$959,188.58	\$4,319,333.67
October	\$4,319,333.67	\$381,405.52	\$856,206.88	\$3,844,532.31
November	\$3,844,532.31	\$867,603.50	\$873,254.08	\$3,838,881.72
December	\$3,838,881.72	\$269,133.49	\$1,373,052.68	\$2,734,962.53
	PROJECTED	\$11,036,288.68	\$10,581,286.84	
	BUDGET	\$11,048,650.00	\$10,935,650.00	
	OVER/(UNDER)	(\$12,361.32)	(\$354,363.16)	
	OVER/(UNDER)	-0.11%	-3.24%	

# EIT Revenues - All Funds 2006-2010

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Projection	
January	\$ 58,962	\$ 136,497	\$ 186,772.55	\$ 198,653.38	\$ 155,295.63	A
February	\$ 531,082	\$ 459,933	\$ 523,019.51	\$ 514,210.32	\$ 572,852.38	A
March	\$ 121,897	\$ 302,112	\$ 293,342.45	\$ 339,228.16	\$ 277,442.94	A
April	\$ 120,707	\$ 253,215	\$ 334,279.73	\$ 356,292.49	\$ 389,664.19	A
May	\$ 948,223	\$ 789,083	\$ 754,979.88	\$ 721,936.71	\$ 799,890.40	A
June	\$ 398,439	\$ 347,129	\$ 374,463.86	\$ 276,479.82	\$ 142,114.32	A
July	\$ 83,523	\$ 91,669	\$ 155,334.99	\$ 105,750.48	\$ 129,589.83	A
August	\$ 464,007	\$ 556,144	\$ 521,070.90	\$ 632,303.66	\$ 587,764.98	A
September	\$ 238,311	\$ 226,128	\$ 252,335.22	\$ 203,019.57	\$ 205,802.98	A
October	\$ 122,777	\$ 106,475	\$ 122,179.40	\$ 158,849.96	\$ 142,752.49	A
November	\$ 440,106	\$ 584,661	\$ 465,214.11	\$ 577,861.85	\$ 577,861.85	E
December	\$ 240,924	\$ 115,984	\$ 230,980.14	\$ 135,325.74	\$ 135,325.74	E
Sub total collections	\$ 3,768,958	\$ 3,969,030	\$ 4,213,972.74	\$ 4,219,912.14	\$ 4,116,357.73	

5.31%

6.17%

0.14%

-2.45%

- FUND ACCOUNTING  
DATE: 11/12/10  
TIME: 14:02:09

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MONTGOMERY TOWNSHIP  
SIDE BY SIDE BALANCE SHEET

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LINE	DESCRIPTION	FUND 01 OCTOBER 2010	FUND 04	FUND 05	FUND 06	FUND 07	FUND 19
5	ASSETS						
10	SHORT TERM ASSETS						
15	CASH & CASH EQUIVALENTS	3,945,192.03	199,393.33	548,050.79	318,316.83	647,583.08	-20,170.55
17	INVESTMENTS	0.00	0.00	0.00	0.00	0.00	0.00
20	DUE TO/FROM	0.00	0.00	0.00	0.00	0.00	0.00
25	ACCOUNTS RECEIVABLE	958,702.14	14,536.49	8,410.24	0.00	0.00	0.00
30	PREPAID ASSETS	3,200.00	0.00	0.00	0.00	0.00	0.00
35	SUBTOTAL SHORT TERM ASSETS	4,907,094.17	213,929.82	556,461.03	318,316.83	647,583.08	-20,170.55
40	LONG TERM ASSETS						
45	FIXED ASSETS	0.00	0.00	0.00	0.00	0.00	0.00
50	ACCUMULATED DEPRECIATION FI	0.00	0.00	0.00	0.00	0.00	0.00
55	INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00	0.00
57	ACCUMULATED DEPRECIATION IN	0.00	0.00	0.00	0.00	0.00	0.00
60	SUBTOTAL LONG TERM ASSETS	0.00	0.00	0.00	0.00	0.00	0.00
65							
67	TOTAL ASSETS	4,907,094.17	213,929.82	556,461.03	318,316.83	647,583.08	-20,170.55
75	LIABILITIES						
80	SHORT TERM LIABILITIES						
85	ACCOUNTS PAYABLE	153,909.58	7,326.07	11,736.95	0.00	543.19	0.00
90	ACCRUALS AND OTHER PAYABLES	134,792.19	0.00	0.00	0.00	0.00	0.00
95	DEPOSITS	0.00	0.00	0.00	0.00	0.00	0.00
100	DEFERRED REVENUE	773,860.09	4,367.87	4,880.74	0.00	0.00	0.00
105	SUBTOTAL SHORT TERM LIABILI	1,062,561.86	11,693.94	16,617.69	0.00	543.19	0.00
110	FUND BALANCE						
115	BEGINNING FUND BALANCE	2,279,960.70	112,178.91	427,717.19	378,470.54	602,359.15	418.26
120	CURRENT YEAR REVENUE/LOSS	1,564,571.61	90,056.97	112,126.15	-60,153.71	44,680.74	-20,588.81
125	SUBTOTAL FUND BALANCE	3,844,532.31	202,235.88	539,843.34	318,316.83	647,039.89	-20,170.55
130	TOTAL LIABILITIES AND FUND	4,907,094.17	213,929.82	556,461.03	318,316.83	647,583.08	-20,170.55

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MONTGOMERY TOWNSHIP  
SIDE BY SIDE BALANCE SHEET

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LINE	DESCRIPTION	FUND 23	FUND 30	FUND 31	FUND 35	FUND 50	FUND 91
5	ASSETS						
10	SHORT TERM ASSETS						
15	CASH & CASH EQUIVALENTS	770,015.29	11,837,689.83	188,813.20	558,372.22	0.00	993,807.06
17	INVESTMENTS	0.00	0.00	0.00	0.00	0.00	0.00
20	DUE TO/FROM	0.00	0.00	0.00	0.00	0.00	-28,436.00
25	ACCOUNTS RECEIVABLE	7,864.64	0.00	0.00	0.00	0.00	-804,089.26
30	PREPAID ASSETS	0.00	0.00	0.00	0.00	0.00	0.00
35	SUBTOTAL SHORT TERM ASSETS	777,879.93	11,837,689.83	188,813.20	558,372.22	0.00	161,281.80
40	LONG TERM ASSETS						
45	FIXED ASSETS	0.00	0.00	0.00	0.00	0.00	0.00
50	ACCUMULATED DEPRECIATION FI	0.00	0.00	0.00	0.00	0.00	0.00
55	INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00	0.00
57	ACCUMULATED DEPRECIATION IN	0.00	0.00	0.00	0.00	0.00	0.00
60	SUBTOTAL LONG TERM ASSETS	0.00	0.00	0.00	0.00	0.00	0.00
65							
67	TOTAL ASSETS	777,879.93	11,837,689.83	188,813.20	558,372.22	0.00	161,281.80
75	LIABILITIES						
80	SHORT TERM LIABILITIES						
85	ACCOUNTS PAYABLE	0.00	12,607.59	0.00	0.00	0.00	0.00
90	ACCRUALS AND OTHER PAYABLES	0.00	-0.01	0.00	0.00	0.00	0.00
95	DEPOSITS	0.00	0.00	0.00	0.00	0.00	0.00
100	DEFERRED REVENUE	6,166.41	0.00	0.00	0.00	0.00	0.00
105	SUBTOTAL SHORT TERM LIABILI	6,166.41	12,607.58	0.00	0.00	0.00	0.00
110	FUND BALANCE						
115	BEGINNING FUND BALANCE	482,977.30	11,823,425.42	181,507.07	877,167.62	0.00	187,622.31
120	CURRENT YEAR REVENUE/LOSS	288,736.22	1,656.83	7,306.13	-318,795.40	0.00	-26,340.51
125	SUBTOTAL FUND BALANCE	771,713.52	11,825,082.25	188,813.20	558,372.22	0.00	161,281.80
130	TOTAL LIABILITIES AND FUND	777,879.93	11,837,689.83	188,813.20	558,372.22	0.00	161,281.80



- FUND ACCOUNTING  
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MONTGOMERY TOWNSHIP  
SIDE BY SIDE BALANCE SHEET

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LINE	DESCRIPTION	FUND 92	FUND 93	FUND 94	FUND 95	FUND 96	TOTAL
5	ASSETS						
10	SHORT TERM ASSETS						
15	CASH & CASH EQUIVALENTS	20,301.87	618,516.96	704,246.70	20,002.05	59,425.90	21,409,556.59
17	INVESTMENTS	0.00	0.00	0.00	0.00	0.00	0.00
20	DUE TO/FROM	0.00	0.00	0.00	0.00	0.00	-28,436.00
25	ACCOUNTS RECEIVABLE	0.00	0.00	0.00	0.00	0.00	185,424.25
30	PREPAID ASSETS	0.00	0.00	0.00	0.00	0.00	3,200.00
35	SUBTOTAL SHORT TERM ASSETS	20,301.87	618,516.96	704,246.70	20,002.05	59,425.90	21,569,744.84
40	LONG TERM ASSETS						
45	FIXED ASSETS	0.00	0.00	0.00	0.00	0.00	0.00
50	ACCUMULATED DEPRECIATION FI	0.00	0.00	0.00	0.00	0.00	0.00
55	INFRASTRUCTURE	0.00	0.00	0.00	0.00	0.00	0.00
57	ACCUMULATED DEPRECIATION IN	0.00	0.00	0.00	0.00	0.00	0.00
60	SUBTOTAL LONG TERM ASSETS	0.00	0.00	0.00	0.00	0.00	0.00
65							
67	TOTAL ASSETS	20,301.87	618,516.96	704,246.70	20,002.05	59,425.90	21,569,744.84
75	LIABILITIES						
80	SHORT TERM LIABILITIES						
85	ACCOUNTS PAYABLE	0.00	1,506.60	0.00	4,167.06	0.00	191,797.04
90	ACCRUALS AND OTHER PAYABLES	0.00	0.00	0.00	0.00	0.00	134,792.18
95	DEPOSITS	0.00	0.00	0.00	0.00	0.00	0.00
100	DEFERRED REVENUE	0.00	0.00	0.00	0.00	0.00	789,275.11
105	SUBTOTAL SHORT TERM LIABILI	0.00	1,506.60	0.00	4,167.06	0.00	1,115,864.33
110	FUND BALANCE						
115	BEGINNING FUND BALANCE	17,802.35	582,597.55	721,420.23	19,239.43	79,330.28	18,774,194.31
120	CURRENT YEAR REVENUE/LOSS	2,489.52	34,412.81	-17,173.53	-3,404.44	-19,904.38	1,679,686.20
125	SUBTOTAL FUND BALANCE	20,301.87	617,010.36	704,246.70	15,834.99	59,425.90	20,453,880.51
130	TOTAL LIABILITIES AND FUND	20,301.87	618,516.96	704,246.70	20,002.05	59,425.90	21,569,744.84

Montgomery Township					
Capital Reserve Fund (30)					
11/11/10					
CAPITAL RESERVE (30)					
DESIGNATED RESERVES					
14 Year Road Plan, curbing, sidewalk					
Paving Materials	0.00				
Engineering	15,000.00				
Non Liquid Fuel Curb and Sidewalk	150,500.00				
	165,500.00				
10 Year Equipment Plan		18,624.00	0.00	0.00	237,126.55
Transfer to General Fund					
Curb and sidewalk - Public Safety		0.00	0.00	0.00	
Park Equipment Plan		0.00	0.00	0.00	101,080.00
Fire Equipment Plan		0.00	0.00	0.00	445,623.00
Basin Equipment Plan		0.00	0.00	0.00	782,299.00
Township Building Parking Lot		0.00	0.00	0.00	237,366.00
Township Building (\$10,000 for 5 years NEW 2007)		0.00	0.00	0.00	140,000.00
Roof Replacement (5th of 10 yr Plan)		0.00	0.00	0.00	40,000.00
HVAC System Upgrades for Township Building		0.00	0.00	0.00	190,000.00
Operating Contingency		0.00	0.00	0.00	130,000.00
NPDES Permit		43,733.85	78,292.75	0.00	680,583.00
MS 4 Program and NPDES Report	15,000.00			0.00	206,425.00
Drainage Projects		0.00	0.00	0.00	0.00
Horsham Road Land Acquisition		0.00	0.00	0.00	114,388.00
Horsham Road (General Hancock to N. Wales Road)		0.00	17,489.87	0.00	1,097.00
Construction Oversight	15,000.00			0.00	160,354.00
Five Points Project		0.00	1,665.23	0.00	0.00
Engineering and Construction/Oversite	10,000.00			0.00	101,158.00
Route 202 Parkway		0.00	16,418.59	0.00	386,704.00
Engineering and Construction Oversight	25,000.00				
Route 202 /Route 309					150,000.00
Adaptive/Traffic Responsive Signal Oversight	15,000.00				0.00
County Line Road Improvements		0.00	2,803.02	0.00	241,053.00
County Line Rd Engineering and Construction Oversight	15,000.00		0.00	0.00	0.00
Route 202 Parkway (PADOT Easement Payments)					0.00
Capital Improvements from Developers		0.00	0.00	0.00	0.00
Open Space		0.00	2,985.13	0.00	108,899.00
Park Capital Plan (2007- 2011)		0.00	0.00	0.00	2,928,696.00
Park Capital Plan (2006- 2008)		0.00	0.00	0.00	2,925,710.87
Police Radios		0.00	0.00	0.00	413,000.00
Communication Center System Replacement	350,000.00	0.00	74,105.98	0.00	413,000.00
Technology Improvements		0.00	0.00	0.00	116,288.00
Engineering	15,000.00	0.00	4,466.25	0.00	399,490.02
Subtotal Designated Reserves	625,500.00	609,705.85	367,585.25	0.00	473,596.00
UNDESIGNATED RESERVES					
MISCELLANEOUS REVENUE		5,000.00			425,348.00
INTEREST REVENUE		38,423.77			15,000.00
ADMINISTRATION			(9,473.74)		10,617,152.05
Fixed Cameral System for Public Meeting Room	1,100.00		9,473.74		
E Gov Website 2nd year Development fee	6,300.00		0.00		
Keyless Entry System for Administration Bldg	25,000.00		0.00		
Safety Equipment DVIT Grant	1,170.00		0.00		
Kronos			14,038.25		

[illegible]

**BUSINESS TAX OFFICE**  
**MONTHLY REPORT**  
**Oct-10**

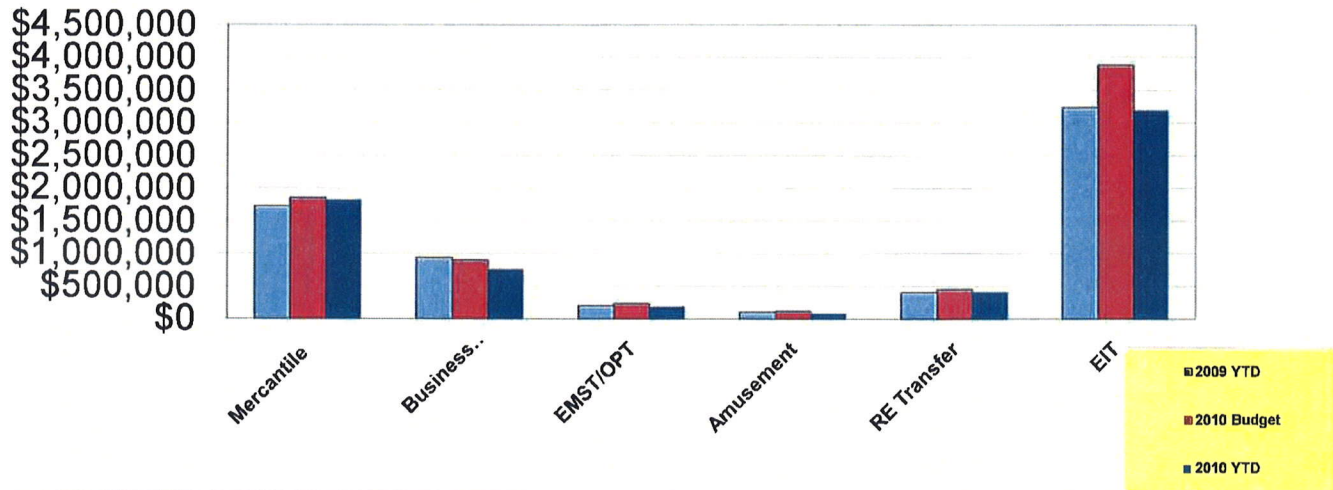
**NEW BUSINESSES ADDED TO TAX ROLLS**

**NAME**

Hitech LED Lights, LLC	Verizon Business Network Services
Baja Fresh/BFPA, LLC	Pennsylvania Aesthetic Services, PC

**ACT 511 TAXES**

	Mercantile	Business Privilege	EMST/OPT	Amusement	RE Transfer	EIT	TOTALS
2009 YTD	\$1,724,764	\$934,018	\$204,373	\$101,517	\$409,383	\$3,236,725	\$6,610,779
2010 Budget	\$1,853,000	\$897,000	\$235,000	\$119,000	\$450,000	\$3,890,000	\$7,444,000
2010 YTD	\$1,832,742	\$775,056	\$201,504	\$96,055	\$431,263	\$3,208,170	\$6,544,790
Current Month	\$35,096	\$5,506	\$4,530	\$11,139	\$35,500	\$142,752	\$234,524
% of Budget	98.91%	86.41%	85.75%	80.72%	95.84%	82.47%	87.92%

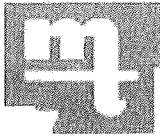


**REAL ESTATE DEED REGISTRATIONS -**

The Township ceased preregistration of Real Estate Deed Transfers in December 2008. The following information is based on Deed Transfer Information provided by the Recorder of Deeds Office along with the monthly Real Estate Transfer Tax.

<u>TYPE</u>	<u># OF UNITS</u>	<u>AVG. PRICE</u>
NEW	3	\$393,775
RESALE	20	\$295,907
DEED CHGS	15	N/A
COMMERCIAL	0	\$0
INDUSTRIAL	0	\$0
LAND	0	\$0
SHERIFF	0	\$0
TRANSFER TAXES PAID		\$35,500.14





## Montgomery Township Inter-Office Memo

**To:** Lawrence J. Grogan, Interim Township Manager  
Shannon Drosnock, Interim Finance Director  
**From:** Richard Grier, Technology Manager  
**Date:** November 3, 2010  
**Subject:** September 2010 IT activities

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The following are the activities of the Technology Manager for the Month of October, 2010

- Setup Finance staff access in FinancePLUS for dual-role and cross training
- Working to improve voice communication for Battalion 1
  - Troubleshooting one-way call issue
  - Upgraded firewall license - purchased and installed
- Resolved Verizon circuit drops to Public Works building
- Upgraded Firehouse Software for 2009 International Fire codes
- Setup, attended and recorded EAC Energy Summit
- Created RMA for return of defective external hard drive on the Township video server
- Working with Verizon account manager to renew PRI (voice) contract
- Upgraded and setup Planning Directors new Smartphone
- Setup PC for Administration Secretary in Parks & Rec office
- Finalized quote for Police upgrades cited in the their Network Security Audit
- Assisted Vice Chairman in resolving a security breach in his personal email and laptop
- Resolved issue where staff couldn't email anyone at the Kravco Simon Corporation (Mall)
  - Lingering effects of Police security breach from last month

### Scheduled work for November 2010 and beyond

- Complete Department Head Kronos Training, finalize policy and complete export to Pentamotion
- Focus attention on Business Continuity project and assist with Police upgrades
- Email retention policy

**Tax Collector's Monthly Report to Taxing Districts**  
**For the Month of October 2010**  
**Montgomery Township Taxing District**

	Real Estate	Interim 2009	Interim 2010	Street Light
<b>A. Collections</b>				
1. Balance Collectable - Beginning of Month	26,728.36		\$ 1,376.59	\$ 1,540.00
2A. Additions: During the Month ( * )			\$ 2,386.13	
2B. Deductions: Credits During the Month - (from line 17)				
3. Total Collectable	\$ 26,728.36	\$ -	\$ 3,762.72	\$ 1,540.00
4. Less: Face Collections for the Month	\$ 1,914.30		\$ 76.17	\$ 200.00
5. Less: Deletions from the List ( * )				
6. Less: Exonerations ( * )				
7. Less: Liens/Non-Lienable Installments ( * )				
8. Balance Collectable - End of Month	\$ 24,814.06	\$ -	\$ 3,686.55	\$ 1,340.00
<b>B. Reconciliation of Cash Collected</b>				
9. Face Amount of Collections - (must agree with line 4)	\$ 1,914.30	\$ -	\$ 76.17	\$ 200.00
10. Plus: Penalties	\$ 191.45	\$ -	\$ 2.44	\$ 20.00
11. Less: Discounts	\$ -	\$ -	\$ 1.04	\$ -
12. Total Cash Collected per Column	\$ 2,105.75	\$ -	\$ 77.57	\$ 220.00
13. Total Cash Collected - (12A + 12B + 12C + 12D)				\$ 2,403.32

( \* ) ATTACH ANY SUPPORTING DOCUMENTATION REQUIRED BY YOUR TAXING DISTRICT

<b>C. Payment of Taxes</b>			
14. Amount Remitted During the Month ( * )	Transaction #	Amount	TOTAL ALL TAXES
11/05/10		2,403.32	
15. Amount Paid with this Report Applicable to this Reporting Month	Transaction #	Total \$	2,403.32
16. Total Remitted This Month		\$	2,403.32
17. List, Other Credit Adjustments ( * )			
Parcel #	Name	Amount	
	Total \$	-	

18. Interest Earnings (if applicable)	\$	
<div style="display: flex; justify-content: space-between;"> <div> <p><u>TAXING DISTRICT USE (OPTIONAL)</u></p> <p>Carryover from Previous Month</p> <p>Amount Collected This Month</p> <p>Less Amount Paid this Month</p> <p>Ending Balance</p> </div> <div> <p>\$</p> <p>-</p> </div> </div>		
<p><i>Travis D. Kelly</i></p> <p>Tax Collector</p>		<p>11/5/10</p> <p>Date</p>
<p>I verify this is a complete and accurate reporting of the balance collectable, taxes collected and remitted for the month.</p>		
<p>Received by (taxing district):</p>		<p>Date:</p>
<p>Title:</p>		<p>Date:</p>
<p>I acknowledge the receipt of this report.</p>		

MONTGOMERY TOWNSHIP BOARD OF SUPERVISORS  
**BOARD INFORMATION SUMMARY**

October 28, 2010

SUBJECT: Bond Rating Upgrade

MEETING DATE: N/A

ITEM NUMBER:

MEETING/AGENDA: N/A

ACTION

CONSENT

NONE **XX**

REASON FOR CONSIDERATION: Operational:

Policy:

Discussion:

Information: XX

INITIATED BY: Lawrence J. Grogan  
Interim Township Manager

BOARD LIAISON: Robert Birch, Esq.  
Liaison, Finance Committee

BACKGROUND:

In conjunction with the pending refunding of the Montgomery Township Sewer Authority (MTSA) \$6,820,000 Guaranteed Sewer Revenue Bonds Standard and Poor's recently reviewed the underlying rating for this Bond Issue and have assigned its unenhanced 'AA+' rating , and "stable outlook" and affirmed its 'AA+' underlying rating (SPUR), with a stable outlook , on the authority's existing guaranteed sewer revenue debt, issued for the Township..

In its Rationale for the rating (copy attached) Standard and Poor's noted the Township's:

- Diverse local economy with additional access to the Philadelphia metropolitan statistical area (MSA),
- Sizeable and diverse property tax base with very strong wealth and income levels.
- Consistently strong financial position despite a decline in economically sensitive revenues over the past three fiscal years, and
- Low debt burden with limited additional capital needs.
- "Good" management practices under it Financial Management Assessment (FMA) methodology

ZONING, SUBDIVISION OR LAND DEVELOPMENT IMPACT: None.

PREVIOUS BOARD ACTION: None.

ALTERNATIVES/OPTIONS: None.

BUDGET IMPACT: None.

RECOMMENDATION: None.

MOTION/RESOLUTION: None.

DISTRIBUTION: Board of Supervisors, Frank R. Bartle, Esq.