

**Finance Committee Meeting Minutes  
Montgomery Township  
Thursday, February 27, 2014**

The Finance Committee meeting of February 27, 2014 was called to order by Chairman John Holsinger at 7:45 pm.

Present at the meeting were:

Committee Members: John Holsinger, Anthony Diasio, Joseph Kobulsky and John Dale  
Finance Director: Shannon Drosnock  
Accounting Supervisor: Vickie Zidek

On a motion by Mr. Diasio, seconded by Mr. Holsinger, the Minutes of the November 14, 2013 meeting were approved.

The Committee held a reorganization meeting to appoint a new Chairman and Vice-Chairman. Mr. Holsinger was appointed temporary Chairman to entertain nominations for Chairman. Mr. Diasio nominated Mr. Dale for Chairman. On a motion by Mr. Diasio, seconded by Mr. Holsinger, Mr. Dale was appointed Chairman. Mr. Dale entertained nominations for Vice-Chairman. On a motion by Mr. Kobulsky, seconded by Mr. Holsinger, Mr. Diasio was appointed Vice-Chairman.

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 January 31, 2014. Listed below is the information from those reports:

- Tax Revenue Collections
  - Real Estate Tax Collections are up \$6.5K, as compared to same period prior year. Tax bills are not mailed to residents until mid to late February and as such, minimal tax revenue is expected in January and February. March through May is known as 'the discount period' where residents receive a 2% discount for payment during that time.
  - Earned Income Tax (EIT) collections in the General Fund are down 53% or \$285K below January of the prior year. This decrease was anticipated as the January 2013 receipts were expected to be a one-time anomaly related to the implementation of ACT 32.
  - Real Estate Transfer Tax Revenues reported in January are for December of 2013 and as such are recognized in period 13 of 2013 therefore showing \$0 in revenue for January.
  - Mercantile Tax revenue collections are up 68.6% or \$18K as compared to same period prior year. The due date for this tax is March 15<sup>th</sup>. Revenue collections are highest during the months of February, March and April.
  - Local Services Tax revenue collections are down \$21K or 18%.
  - Amusement tax receipts are flat as compared to same period prior year.

- Business Privilege Tax (BPT) receipts are down 53% (\$17K) as compared to same period prior year. The due date for this tax is March 15<sup>th</sup>. Revenue collections are highest during the months of February, March and April.
- Overall tax revenues are down 42% or \$300K as compared to same period prior year. This is due mainly to the EIT receipts as above described.
- Other Revenue Sources
  - Building Permit revenues are down 19% or \$7.6K compared to same period 2013. The primary season for this revenue source is spring into summer.
  - Cable TV Franchise Fees were received in January which is an atypical collection time. There were no fees received in January of 2013.
  - Overall Revenues are down 30.5% or \$239K compared to January 2013. The largest component of this is related to the Earned Income Tax.
- Expenditures
  - Overall year to date expenditures are reporting up 33% or \$118K. This is a result of two primary factors. Year-end accruals and reversals are included in January numbers each year and the Public Works expenses are significantly higher than prior year as a result of the numerous and severe snow storms that have occurred this winter. Staff is tracking the snow related costs and will issue a report on these figures in March.

In other business, Ms. Drosnock provided updates on the Recreation Center, 2013 audit, Zehr Tract and RFP for finance software. The Committee also voted to change the monthly meetings from the 4<sup>th</sup> Thursday of every month to the 3<sup>rd</sup> Monday of every month effective April 2014.

The next meeting will be held March 27, 2014.

There being no further business, the meeting adjourned at 8:55 pm.

Respectfully Submitted,

Victoria M. Zidek  
Accounting Supervisor