

**Finance Committee Meeting Minutes
Montgomery Township
Monday, March 18, 2019**

The Finance Committee meeting of March 18, 2019 was called to order by Chairman Jeff Thomson at 6:05 pm.

Present at the meeting were:

Committee Members: Mary Griffith-Alfarano, Jeff Thomson and Allan Nappen
Board of Supervisor Member: Candyce Fluehr Chimera
Finance Director: Ami Tarburton
Accountant: Vickie Zidek

On a motion by Mr. Thomson, seconded by Ms. Griffith-Alfarano, the Minutes of the January 21, 2019 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 February 28, 2019. Listed below is the information from those reports:

General Fund Revenues

- **Tax Revenues**
 - Real Estate Tax Collections are down slightly, as compared to same period prior year. Tax bills were mailed to residents in February and as such, minimal tax revenue is expected in February. March through April is known as the 'discount period' where residents receive a 2% discount for payment during that time, and the bulk of these tax revenues will be collected during these months.
 - Earned Income Tax (EIT) collections in the General Fund are up \$23K above February of the prior year.
 - Real Estate Transfer Tax Revenues are up 35% or \$9K as compared to same period prior year. Receipts reported in February are for January. This increase is due to limited activity in 2018 and the fact that there was a commercial real estate transaction in February of 2019.
 - Mercantile Tax revenue collections are down 48% or \$209K as compared to same period prior year. This decrease is due to the timing of receiving some of our larger taxpayers' remittances. 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 down \$3K or 2%. This decrease is largely due to the reduction of employees at the Township's Teva Pharmaceuticals. The first due date for employer remittances for 2019 is April 30th.
 - Amusement tax receipts are down \$3,500 as compared to same period prior year.

- Business Privilege Tax (BPT) receipts are up 2% (\$2K) as compared to same period prior year. This increase is due to the timing of receiving some of our larger taxpayers' remittances. The due date for this tax is March 15th. Revenue collections are highest during the months of February, March and April.
- Overall, tax revenues are down 10%, about \$182K, as compared to the same period last year. This decrease is due mainly to the timing of Business Privilege and Mercantile Tax receipts, and we will have a clearer picture of our tax revenues in April.
- Other Revenue Sources
 - Building Permit revenues are up 24% (\$28K) as compared to same period 2018 due to numerous ongoing commercial projects. The primary season for this revenue source is spring into summer.
 - Cable Franchise Fees are down slightly by \$500 as compared to same period 2018.
 - Overall revenues are down 7% or \$158K compared to February 2018. The biggest contributor to this decrease are the timing of Business Privilege and Mercantile Tax Revenues.
- Expenditures
 - Overall, year-to-date expenditures are up 2.6% as compared to same period prior year. This increase can be attributed to the police department, stemming from the delay of 2018 salary/wage increases due to the police arbitration.

In other business, Ms. Tarburton reviewed the CRC financials, discussed the annual audit and ongoing land development projects.

The next meeting will be held Monday, April 15, 2019 at 6:00 pm.

There being no further business, the meeting adjourned at 6:32 pm.

Respectfully Submitted,

Victoria M. Zidek
Accountant