

**Finance Committee Meeting Minutes
Montgomery Township
Monday, May 16, 2016**

The Finance Committee meeting of May 16, 2016 was called to order by Chairperson Mary Griffith-Alfarano at 7:00 pm.

Present at the meeting were:

Committee Members: Mary Griffith-Alfarano, Anthony Diasio, Jim Kelly, John Dale and John Holsinger
Finance Director: Ami Tarburton
Accounting Supervisor: Vickie Zidek

On a motion by Mr. Diasio, seconded by Mr. Kelly, the Minutes of the April 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 April 30, 2016. Listed below is the information from those reports:

General Fund Revenues

- Tax Revenues
 - Real Estate Tax collections are up \$17,300 as compared to same period prior year. The “discount period,” in which residents receive a 2% discount for payment during that time, ended April 30th. We have received 91% of our 2016 budgeted real estate tax.
 - Earned Income Tax (EIT) collections in the General Fund are up 6.7% or \$107K above April 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 9% or \$14K as compared to same period prior year. Receipts reported in April are for March. This increase is attributable to a couple of larger commercial real estate transactions that occurred in January of 2016.
 - Mercantile Tax revenue collections are up 12% or \$221K 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. Actual revenue as of April 30, 2016 is \$88k over 2016 budgeted revenue.
 - Local Services Tax (LST) revenue collections are up \$28K or 22%. The first due date for employer remittances for 2016 is April 30th.
 - Amusement tax receipts are up \$6K as compared to same period prior year.
 - Business Privilege Tax (BPT) receipts are up 2% (\$12K) as compared to same period prior year. 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 up 7% (over \$400K) as compared to April 30, 2015. Increased revenues in all tax categories combine to put us ahead of our 2016 budgeted tax revenues.
- Other Revenue Sources
 - Building Permit revenues are up 5% (\$20K) as compared to same period 2015. The primary season for this revenue source is spring into summer.
 - Cable Franchise Fees are up about 3% as compared to same period 2015.
 - Overall revenues are up 6.5% or \$426K compared to April 2015. Our increase in tax revenues is the largest component of these additional revenues.
- Expenditures
 - Overall year-to-date expenditures are up about 5% as compared to same period prior year. Most of this increase can be attributed to the significant snow storm we dealt with this winter, of which some of the expenses will be reimbursed through PEMA/FEMA.

In other business, auditors from Maillie, LLP completed all of their field work the week of April 25, 2016. A Maillie representative will be at the Finance Committee meeting on June 20, 2016. The first contract negotiation meeting with the police, on April 19th, went well. Another meeting is scheduled in May to review healthcare issues. Fire arbitration is scheduled for May 25th. Staff has been gathering information and preparing reports for labor attorneys and economic expert witness. Ms. Tarburton also reviewed YTD financials for the CRC. The committee also asked a question regarding fees on the investment account at Univest. Ms. Tarburton is going to review the contract and report back to the committee what the agreement states.

The next meeting will be held June 20, 2016.

There being no further business, the meeting adjourned at 8:05 pm.

Respectfully Submitted,

Victoria M. Zidek
Accounting Supervisor