

**Finance Committee Meeting Minutes  
Montgomery Township  
Monday, January 16, 2017**

The Finance Committee meeting of January 16, 2017 was called to order by Chairperson Mary Griffith-Alfarano at 7:00 pm.

Present at the meeting were:

Committee Members: Allan Nappen, Mary Griffith-Alfarano, Jim Kelly, Anthony Diasio and John Holsinger  
Board of Supervisor: Bob Birch  
Finance Director: Ami Tarburton  
Accounting Supervisor: Vickie Zidek

On a motion by Mr. Kelly, seconded by Mr. Diasio, the Minutes of the September 19, 2016 meeting were approved.

The Committee held a reorganization meeting to appoint a new Chairman and Vice-Chairman. Mr. Diasio was appointed temporary Chairman to entertain nominations for Chairman. Mr. Kelly nominated Ms. Griffith-Alfarano for Chairwoman and Ms. Griffith-Alfarano nominated Mr. Holsinger for Chairman. On a motion by Mr. Diasio, seconded by Mr. Kelly, Ms. Griffith-Alfarano was appointed Chairwoman. Ms. Griffith-Alfarano entertained nominations for Vice-Chairman. On a motion by Mr. Diasio, seconded by Mr. Nappen, Mr. Kelly was appointed Vice-Chairman.

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 December 31, 2016. Listed below is the information from those reports:

**General Fund 01 – Fund Balance**

The Township received \$14.1M in total General Fund revenues for 2016 which was ~\$1M more than General Fund Budgeted Revenues of \$13.1M, and a 3.8% increase over 2015 numbers. Currently, General Fund Expenditures are \$10.9M for 2016, almost \$900K below budget and \$600K below 2015. However, our salary and wage accrual and accounts payable accrual are not yet finalized or recorded. This entry will increase the annual expense by anywhere from \$600K-800K. Overall, expenditures in each department should be fairly consistent with the 2016 budgeted expenditures.

At this point, our ending 2016 General Fund Balance is \$4.85M, however once the year end accruals are finalized, we should be in the \$4.1M range, leaving us with a surplus balance in excess of \$1M. The various Revenue and Expenditure details are discussed in more detail below.

- Tax Revenue Collections – These revenues represent 83% of all budgeted General Fund revenues.
  - Real Estate Tax revenues for 2016 are up 1.4% (\$21.7K) as compared to prior year.
  - Earned Income Tax (EIT) revenues for 2016 are up 1.6% (\$86K) from prior year and have exceeded the 2016 budget.

- Mercantile Tax revenues are up 6.6% (\$139K) and Business Privilege revenues are up 20% (\$142K) from 2015.
- LST revenues are up 16% (\$81K) from 2015.
- Permits and License Fees – This collective group of revenues is reporting a 9% (-\$133K) decrease from prior year, which is mostly attributable to a reduction in permit fees. This reduction stems from a large increase in permit fees in 2015 due to mall renovation projects.
- Other Revenue Sources – This includes fines, interest, grants, etc. These revenues make up only 7% of the total budgeted revenues. They are 20% (\$168K) above prior year revenues, mainly due to increased grant funding.
- Expenditures
  - Overall expenditures for 2016 will be more accurately determined after year-end accruals have been completed, however should still compare well to both 2015 actual expenses and 2016 budgeted expenses.

In other business, Mr. Birch gave updates on multiple property developments going on in the Township. Ms. Tarburton discussed the upcoming 2016 audit, which is the week of February 13<sup>th</sup>. She also gave a CRC update, police contract negotiations and fire contract arbitration update, and discussed how the Business Tax department is focusing on taxing all businesses fairly. It was suggested to send information in the Township's e-news letter regarding the Business Privilege/Mercantile Tax.

The next meeting will be held March 20, 2017.

There being no further business, the meeting adjourned at 8:00 pm.

Respectfully Submitted,

Victoria M. Zidek  
Accounting Supervisor