

**Finance Committee Meeting Minutes  
Montgomery Township  
Monday, June 25, 2018**

The Finance Committee meeting of June 25, 2018 was called to order by Chairman John Holsinger at 6:04 pm.

Present at the meeting were:

Committee Members: Mary Griffith-Alfarano, Barbara Vinciguerra and John Holsinger  
Finance Director: Ami Tarburton  
Accounting Supervisor: Vickie Zidek

On a motion by Ms. Griffith-Alfarano, seconded by Ms. Vinciguerra, the Minutes of the April 16, 2018 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 May 31, 2018. Listed below is the information from those reports:

**General Fund Revenues**

- Tax Revenues
  - Real Estate Tax Collections are up slightly, as compared to same period prior year. 92% of the 2018 budgeted revenues have been received as of May 31.
  - Earned Income Tax (EIT) collections in the General Fund are up \$37K above May of the prior year. Berkheimer EIT revenues are up 1% as compared to 2017.
  - Real Estate Transfer Tax Revenues are down 35% or \$74K as compared to same period prior year. Receipts reported in May are from April transactions. This decrease stems from limited transactions through the winter months and lack of commercial real estate transactions in January through April.
  - Mercantile Tax revenue collections are up 5.6% or \$110K as compared to same period prior year. The due date for this tax was March 15<sup>th</sup>. Revenue collections are highest during the months of February, March and April. We should see additional revenues trickling in as we push for compliance with our delinquent accounts throughout the summer.
  - Local Services Tax revenue collections for 2018 are down \$9.5K, or 3.3% as compared to 2017 revenues. The first due date for employer remittances for 2018 was April 30<sup>th</sup>.
  - Amusement tax receipts are down \$1800 as compared to same period prior year.

- Business Privilege Tax (BPT) receipts are up 6.6% (\$52K) as compared to same period prior year. This increase has been enhanced by the finance department's business tax audit program, maintaining the goal of applying the township's ordinance fairly and consistently throughout the business community.
- Overall, tax revenues are up 1.5%, about \$123K, as compared to the same period last year, resulting from an increase in most tax revenues, notably Business Privilege and Mercantile Tax, combined with a decrease in the transfer tax.
- Other Revenue Sources
  - Building Permit revenues are up 28% (\$74K) as compared to same period 2017 due to numerous new construction homes and a clothing store relocation in the Mall. The primary season for this revenue source is spring into summer.
  - Cable Franchise Fees are down 5% (\$16K) as compared to same period 2017.
  - Overall revenues are up 2.4% or \$211K compared to May 2017. The biggest contributors to this increase are Business Privilege and Mercantile Tax Revenues along with the increased building permit activity.
- Expenditures
  - Overall, year-to-date expenditures are up 11% as compared to same period prior year. Most of this increase can be attributed to the police retroactive salary payment issued in May, stemming from the recent police arbitration award.

In other business, Ms. Tarburton reviewed the Police Arbitration award and CRC financials with the Committee. The Rec Center financial performance is much improved from the same period last year.

The next meeting will be held July 16, 2018.

There being no further business, the meeting adjourned at 7:01 pm.

Respectfully Submitted,

Victoria Zidek  
Accounting Supervisor