

MINUTES

FINANCE COMMITTEE MEETING

October 25, 2016

PRESENT: Committee Members: Kline-Luker-Sanchez-Hecker-Farren

OTHERS: Finance Director Barron
Commissioner Myers

CALL TO ORDER: 7:00 p.m.

MINUTES:

Commissioner Kline made a MOTION, seconded by Commissioner Luker to approve the minutes of the Finance Committee Meeting of September 20, 2016.

MOTION was ADOPTED 5-0.

INVESTMENTS:

Commissioner Kline made a MOTION, seconded by Commissioner Hecker to recommend approval to the full Board investments for September, 2016 in the amount of \$1,948,000.00 that was reviewed, approved as presented. It was noted that investment yield rate ranged from 0.85% to 0.80%.

MOTION was ADOPTED 5-0.

TOTAL EXPENDITURES:

The Committee reviewed voucher list for the month of September, 2016.

Commissioner Kline made a MOTION, seconded by Commissioner Hecker to recommend approval to the full Board, expenditures, salaries and wages for September, 2016 in the amount of \$3,815,666.57 and \$2,747,178.91, respectively.

Commissioner Sanchez questioned voucher #36488 – Clean Machine Carwash, and suggested looking into a car wash service located in Abington Township.

Mr. Barron explained that was for cleaning police vehicles as needed, and he will look into the price of Abington Carwash.

Commissioner Sanchez questioned voucher #36589 – Riviera D'Italia.

Mr. Barron explained that was food for a reception held for new hires prior to the September 8, 2016 Board meeting.

Commissioner Sanchez questioned voucher #36866 – Michael Webb.

Mr. Barron explained that Michael Webb handles petty cash for the police department and a detailed log is kept and audited every other month.

Commissioner Farren questioned settlement checks as listed on the voucher list.

Mr. Barron explained they are for right-of-way easement agreements related to the Edge Hill/Tyson project in which the Township is reimbursed 80%.

Commissioner Farren questioned voucher #36398 – Lynn Charney – Counseling.

Mr. Barron explained that was for a counseling session.

Commissioner Farren questioned sobriety check points as listed on voucher list.

Mr. Barron explained that the police department receives grants for sobriety checkpoints and other police departments assist and then reimbursed through those grants.

Commissioner Farren questioned voucher #36494 – Express Scripts Inc.

Mr. Barron explained the Township pays express scripts every two weeks and a spreadsheet is kept on those payments.

Commissioner Farren questioned why there are different providers for repairs of police vehicles.

Mr. Barron replied because there are Dodge vehicles and Ford vehicles.

Commissioner Farren asked about payments for Aikido Instructor.

Mr. Barron explained that it is payment for instructor for classes held through Parks and Recreation Department.

Commissioner Farren suggested rewording the description listed for voucher # 36801.

Mr. Barron agreed.

Commissioner Farren questioned voucher #36914 – David Schramm.

Mr. Barron explained that was for travel reimbursement.

Commissioner Farren questioned voucher #36917 – Sig Sauer Inc.

Mr. Barron replied that was a purchase of guns for police department.

Commissioner Kline questioned voucher #36921- Liz Webb.

Mr. Barron explained that was for travel reimbursement.

Commissioner Myers questioned voucher #36545 – Clark Hill PLC.

Mr. Barron explained that Clark Hill is Joe Rudolph's firm who is the Township's Labor Attorney.

MOTION was ADOPTED 5-0.

CLEARING FUND/DEFERRED REVENUE/EXPENSE & PETTY CASH

Commissioner Kline made a MOTION, seconded by Commissioner Hecker to recommend approval to the full Board the Clearing Fund activity, Deferred Revenue/Expense activity and Petty Cash balances for the month of September, 2016.

Clearing Fund receipts and disbursements for the month of September, 2016 were \$918.61 and (\$16.00), respectively.

Deferred Revenue/Expense receipts and disbursements for the month of September, 2016 were \$451,433.30 and (\$436,875.96), respectively.

Petty Cash balances were approved as presented.

Commissioner Hecker questioned – DVIT-Dodge Charger as listed under the deferred/revenue/expense category.

Mr. Barron replied one of the police vehicles was totaled, so DVIT reimbursed the Township to buy another vehicle.

Also reviewed was the cash and investments report.

MOTION was ADOPTED 5-0.

TRAINING AND CONFERENCE EXPENDITURES:

Commissioner Kline made a MOTION, seconded by Commissioner Luker to recommend approval to the full Board the Training and Conference Expenditures activity. Advance and Travel expenditures for the month of September, 2016 totaled \$0.00 and \$6,457.16, respectively.

YTD Training and Conference Expenditures totaled \$35,888.83.

Commissioner Hecker asked for total budget for training and conference.

Mr. Barron replied \$40,000.

MOTION was ADOPTED 5-0.

STATEMENT OF CONDITIONS:

The Committee reviewed statement of conditions for various funds.

Commissioner Farren questioned whether there are any plans for unspent appropriations.

Mr. Barron replied there are a lot of multi-year projects that are carried over, and at the end of each year, each department is sent a report for review.

CONTINGENCY EXPENSE REPORTS:

The Committee reviewed contingency expense reports.

DISCUSSION ONLY:

Finance Committee reviewed payments to Rudolph Clarke, LLC.

OTHER MATTERS:

Third Quarter 2016 Budget Review:

Mr. Barron provided a comparison of 2015 and 2016 actual receipts and expenditures to budgeted dollars for the nine-month period ending September 30, 2016 as reflected in the report.

Explanation of original and adjusted budget differences for 2016 was reviewed by the Finance Committee including general fund expenditure adjusted budget; sewer operating fund expenditure adjustments and refuse fund expenditures adjustments.

GENERAL FUNDRevenues

Revenues for the nine-month period ended September 30, 2016 were \$33.1 million or 88% of budgeted revenues. When comparing 2016 to 2015, revenues for the same timeframe, collections were above prior period by \$1.8 million. An analysis of major revenue variations between 2016 and 2015 were reflected in the report.

Revenues for 2016 were estimated to be on-track with total budget forecast. At this time, it appears the Township will not need to utilize the fund balance pledged to balance the 2016 budget (\$69,416).

Expenditures

Year-to-date expenditures were \$26.2 million or 65.6% of adjusted budget. This comparison to \$25.1 million spent in 2015. The \$1.1 spending variance between 2016 and 2015 was summarized in the report. When looking at the 2016 operating budget (no fund balance expense activity) estimated expenses are expected to come in under budget in the range of \$400,000 to \$500,000.

SEWER OPERATIONSRevenues

As of September 30, 2016, the Sewer Operating Fund revenue collections were slightly below with prior year collections in both dollars, \$8.59 million, and percentages, 94% collected as compared to \$8.86 million and 99% in 2015.

The variation was traced to the collection of Sewer Rents for 2016. Sewer rent collections were down \$288,000 from third quarter 2015. Sewer rent refunds were down \$38,000. "Payments from Others" – down \$25,000 from 2015 collections. This fluctuation was caused by water usage (the basis for the sewer rent calculations).

Expenditures

Year-to-date expenditures were \$5.4 million or 45.5% of adjusted budget as compared to \$6.1 million or 56.4% in 2015. The pattern for expenditures is consistent with the sewer fund historical data. The difference is in "Payments to Others" expenses down \$469,000, which is just due to timing.

REFUSE FUND

Revenues

Revenues collected through September 30, 2016 were \$5.6 million or 97.3% of budget and compared favorably to 2015 collections of \$6.0 million or 103.3% for the same timeframe. The variation is tied to the decrease in money received for sale of assets from transfer station. All other revenues are nearly equal to prior years.

Expenditures

Year-to-date expenditures were slightly up in dollars spent last year, \$4.6 million (73%) as compared to 2015 expenses of \$3.9 million (69%). Department expenditures are consistent with historical spending patterns for the Refuse Fund. Increase is more to capital expenses.

ADJOURNMENT: 7:55 p.m.

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