

MINUTES

FINANCE COMMITTEE MEETING

October 17, 2017

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

OTHERS: Finance Director Barron
Township Manager/Secretary Manfredi

CALL TO ORDER: 7:01 p.m.

MINUTES:

Commissioner Kline made a MOTION, seconded by Commissioner Luker to approve the minutes of the September 19, 2017 Finance Committee Meeting.

MOTION was ADOPTED 5-0.

TOTAL EXPENDITURES:

The Committee reviewed voucher list for the month of September 2017.

Commissioner Kline made a MOTION, seconded by Commissioner Luker to recommend approval to the full Board, expenditures, salaries and wages for September 2017 in the amount of \$3,001,801.69 and \$2,775,065.17, respectively.

Commissioner Sanchez questioned voucher #43348 - Paul Swanger.

Mr. Barron replied that was for music/entertainment during the Roslyn Valley Car Show.

Commissioner Sanchez questioned voucher #43461 – Eagles Limited Partnership.

Mr. Barron replied that was for three Eagles Cheerleaders to attend the Roslyn Valley Car Show.

Commissioner Sanchez questioned voucher # 43718 – Larmon Photo Inc.

Mr. Barron replied that Larmon Photo was used for this “Right To Know” request.

Commissioner Kline questioned voucher #43483 – Ed Micciolo.

Mr. Barron replied that was reimbursement for a roundtable seminar on recycling/refuse

Commissioner Kline questioned voucher #43618 – Code Inspections.

Mr. Barron replied that was for plan review, inspections and BCO work.

Commissioner Kline asked for this to be looked into further.

Mr. Barron agreed.

Commissioner Kline questioned voucher #43633 – Innovative IT Concepts.

Mr. Barron replied this company is used to backs up the ATFD's computer.

Commissioner Kline asked for this to be looked into further.

MOTION was ADOPTED 5-0.

CLEARING FUND/DEFERRED REVENUE/EXPENSE & PETTY CASH

Commissioner Kline made a MOTION, seconded by Commissioner Farren to recommend approval to the full Board the Clearing Fund activity, Deferred Revenue/Expense activity and Petty Cash balances for the month of September 2017.

Clearing Fund receipts and disbursements for the month of September 2017 were \$894.34 and (\$217.68), respectively.

Deferred Revenue/Expense receipts and disbursements for the month of September 2017 were \$391,085.05 and (\$423,586.76), respectively.

Petty Cash balances were approved as presented.

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 2017 totaled \$0.00 and \$2,377.81, respectively.

YTD Training and Conference Expenditures totaled \$22,829.93.

Commissioner Kline questioned Latent Print Photography as listed on Training and Conference expenditures.

Mr. Barron replied he will look into it.

MOTION was ADOPTED 5-0.

STATEMENT OF CONDITONS:

The Committee reviewed statement of conditions for various funds.

CONTINGENGY EXPENSE REPORTS:

The Committee reviewed contingency expense reports.

OTHER MATTERS:

Third Quarter 2017 – Budget Review:

General Overview:

Revenues:

Mr. Barron presented was a comparison of 2016 and 2017 actual receipts and expenditures to budgeted dollars for the nine-month period ending September 30, 2017.

General Fund collected as of 9/30/17 was \$34,152,464 or 89.81% as compared to last year at \$33,121,666 or 88.39%. Sewer Operating Fund collected \$8,141,042 or 92.05% as compared to last year at \$8,592,595 or 94.10%. Refuse Fund collected \$5,918,203 or 102.35% as compared to last year at \$5,652,071 or 97.33%.

Expenditures:

General Fund - spent to-date was \$24,337,894 or 62.8% as compared to last year at \$26,254,908 or 64.9%. Sewer Operating Fund – spent to-date \$6,165,524 or 51.2% as compared to last year at \$5,399,541 or 45.0%. Refuse Fund – spent to-date \$4,420,488 or 57.4% as compared to last year at \$4,669,291 or 70.9%.

GENERAL FUND –Revenues:

Revenues for nine-month period ending September 30, 2017 were \$34.1 million, or 89.8% of budgeted revenues. When comparing 2017 to 2016 revenues for the same timeframe, collections were above prior period by \$1.0 million. An analysis of major revenue variations between 2017 and 2016 were reviewed with Finance Committee.

Revenues for 2017 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 2017 budget (\$155,850.)

Expenditures:

Year-to-date expenditures were \$24.3 million or 62.8% of adjusted budget. This compares to \$26.2 million spent in 2016. The \$1.9 spending variance between 2017 and 2016 was reviewed with Finance Committee.

While reviewing 2017 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 OPERATIONS -Revenues:

As of September 30, 2017, the Sewer Operating Fund revenue collections are slightly below prior year collections in both dollars, \$8.14 million and percentages, 92% collected as compared to \$8.59 million and 94% in 2016.

The variation is traced to the collection of Sewer Rents fro 2017. Sewer rent collections were up \$309,000 from third quarter 2016. Sewer rent refunds were up \$125,000. "Payments from Others" – down \$928,000 from 2016 collections (timing). Interim sewer rents were up \$152,000.

Expenditures:

Year-to-date expenditures were \$6.2 million or 52.0% adjusted budget as compared to \$5.4 million or 45.5% in 2016. The pattern for expenditures is consistent with the sewer fund historical data. The difference is in "Payments to Others" expense up \$482,000, which is due to timing. Also, capital expenses were up \$354,000 compared to last year.

REFUSE FUND –

Revenues:

Mr. Barron replied monies reimbursed by the State for recycling was higher than expected.

Expenditures:

Year-to-date expenditures were slightly down in dollars spent last year, \$4.4 million (76%) as compared to 2016 expenses of \$4.6 million (73%). Department expenditures were consistent with historical spending patterns for the Refuse Fund. Increase is more to capital expenses.

Commissioner Kline commented that funds were allocated from fund balance for the past two years and then not used and also there was a surplus; is there any way to get closer to projections?

Manager Manfredi replied a very conservative approach is taken on revenues and a realistic approach on expenses, and when expenses and revenues do not reach levels as projected, there are higher revenues and lower expenses resulting in more money in the fund balance. Expenses were cut back in 2018 proposed budget, and as they are reduced and revenues remain the same, the fund balance will fluctuate to a point where we will stop dipping into it and continue cutting expenses.

Board Action Request - Expenditure from Unallocated Permanent Improvement Fund Balance (LOSAP)

Commissioner Kline made a MOTION, seconded by Commissioner Farren to recommend to the full Board to authorize an expenditure from Unallocated Permanent Improvement Fund Balance (Account #07-00-000-5999) in the amount of \$45,855.00 (2017 allotment) to be distributed equally (\$9,171.00 each) among the five volunteer fire companies serving Abington Township.

MOTION was ADOPTED 5-0.

Proposal for Services – Simone Collins Landscape Architecture:

Commissioner Kline said Simone Collins Landscape Architects, who created the Township's Bicycle Master Plan, prepared and submitted grant application - TA (Transportation Alternative) Set Aside Grant Program for implementation of another segment of the Township's planned bicycle trail system at their own risk because of the timing of when the application was due, and their fee of \$4,400.00 for preparation and submittal of grant application is being presented to the Finance Committee for consideration.

Manager Manfredi presented Proposal for Services from Simone Collins to Finance Committee for review. If approved, it will be recommended to the full Board to ratify and authorize him to execute proposal in the amount of \$4,400.00 for TA Set Aside Grant Program application as well as approve total invoice in the amount of \$4,514.24 that includes incidental expenses and grant application fee of \$4,400.00.

Commissioner Hecker made a MOTION, seconded by Commissioner Luker to recommend approval to the full Board to approve expenditure in the amount of \$4,400.00 for preparation and submittal of TA Set Aside Grant Program application and authorize Township Manager Manfredi to execute Proposal for Services agreement – total invoice amount of \$4,514.24 submitted by Simone Collins Landscape Architecture.

MOTION was ADOPTED 5-0.

ADJOURNMENT: 7:51 p.m.

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