

MINUTES

FINANCE COMMITTEE MEETING

October 16, 2018

PRESENT: Committee Members: Chairman Kline-Vice Chairman Sanchez-Vahey-Luker (7:17 p.m.)

EXCUSED: Committee Member: Zappone

OTHERS: Finance Director Barron
Assistant Finance Director Herman
Township Manager Manfredi
Township Treasurer Blumenthal

MINUTES:

Commissioner Kline made a MOTION, seconded by Commissioner Sanchez to approve the minutes of the Finance Committee meeting of September 25, 2018.

MOTION was ADOPTED 3-0.

PRESENTATIONS: None.

UNFINISHED BUSINESS: None.

NEW BUSINESS:

Item FC-01-101618 - Motion to approve expenditures, salaries and wages for September 2018:

The Committee reviewed voucher list for the month of September 2018.

Commissioner Kline made a MOTION, seconded by Commissioner Vahey to recommend approval to the full Board, expenditures, salaries and wages for September 2018 in the amount of \$3,619,411.97 and \$1,879,527.83, respectively.

MOTION was ADOPTED 3-0.

Item FC-02-101618 – Motion to approve the Clearing Fund activity, Deferred Revenue/Expense activity and Petty Cash disbursements for September 2018:

Commissioner Kline made a MOTION, seconded by Commissioner Vahey to approve the Clearing Fund activity, Deferred Revenue/Expense activity and Petty Cash disbursements for September 2018.

Clearing Fund receipts and disbursements for the month of September 2018 were \$1,132.42 and (\$203.28), respectively.

Deferred Revenue/Expense receipts and disbursements for the month of September 2018 were \$361,711.25 and (\$356,211.25), respectively.

Petty Cash balances were approved as presented.

MOTION was ADOPTED 3-0.

Item FC-03-101618 – Motion to approve Training and Conference Expenditures – September 2018:

Commissioner Kline made a MOTION, seconded by Commissioner Sanchez to recommend approval to the full Board the Training and Conference Expenditures activity. Advance and Travel expenditures for the month of September 2018 totaled \$0.00 and \$551.89, respectively.

YTD Training and Conference Expenditures totaled \$31,022.23.

MOTION was ADOPTED 3-0.

STATEMENT OF CONDITIONS:

Finance Committee reviewed statement of conditions for various funds.

Commissioner Kline questioned the amount of employee overtime during this past summer from relevant Township departments as compared to budget.

Ms. Herman replied she will report back on it.

CONTINGENCY EXPENSE REPORTS:

Finance Committee reviewed contingency expense reports.

Third Quarter 2018 Budget Review:

Third Quarter report ending September 30, 2018 was provided and reviewed by Finance Committee.

General overview comparison of 2017 and 2018 actual receipts and expenditures to budgeted dollars for nine-month period ending September 30, 2018 were reflected in the report showing revenues were 85.1% collected for General Fund; 100.3% collected for Sewer Fund and 89.9% collected for Refuse Fund. Expenditures – General Fund 69.1% has been spent; Sewer Operating Fund 55.8% and Refuse Fund 65.2%, and explanation of original and adjusted budget differences for 2018 were listed in the report.

GENERAL FUND –Revenues:

Revenues for nine-month period ending September 30, 2018 were \$33.5 million or 85.1% of budgeted revenues. When comparing 2018 to 2017, revenues for the same period, collections have decreased from prior period by \$665,000. Analysis of major revenue variations between 2018 and 2017 were reflected in the report.

Expenditures:

Year-to-date expenditures were \$27.3 million or 69.1% of adjusted budget. This compares to \$24.3 million spent in 2017. The \$2,974,586 spending variation between 2018 and 2017 was summarized in the report.

SEWER OPERATIONS –Revenues:

As of September 30, 2018, Sewer Operating Fund revenue collections were higher than prior year collections in both dollars, \$8.9 million and percentages, 100.3% collected as compared to \$8.1 million and 92% in 2017.

The variation was traced to the collection of ‘Payments from Others’ for 2018, which is \$720,647 higher compared to 2017. ‘Sewer Rent Interims’ were down \$141,917. ‘Sewer Rents’ were up \$54,707 from 2017.

Expenditures:

Year-to-date expenditures were \$6.1 million or 55.8% of adjusted budget as compared to \$6.2 million or 52.0% in 2017. Capital projects were \$362,000 less than previous year. Sewer operation was up \$193,000 and 'Payments to Others' was up \$194,000 because of timing of payments. The pattern for expenditures was consistent with the sewer fund historical data.

REFUSE FUND –

Revenues:

Revenues collected through September 30, 2018 were \$5.3 million or 89.9% of budget as compared to 2017 collections of \$5.9 million or 102.3% for the same period.

The variation was tied to the decrease in State recycling grant money \$613,000 timing of receipt. The increase in Refuse Fee collection \$6,381. All other revenues were nearly equal to prior years.

Expenditures:

Year-to-date expenditures were slightly lower in dollars spent \$3.9 million as compared to 2017 expenses of \$4.4 million.

The decrease in the Refuse Department was from capital spending being down \$341,000 compared to 2017. Debt Service was down by \$323,495, which is timing of payment. Department expenditures were consistent with historical spending patterns for the Refuse Fund.

Item FC-04-101618 – Motion to approve distribution of In-Lieu Fire Taxes for 2018:

Commissioner Kline made a MOTION, seconded by Commissioner Luker to recommend approval to the full Board to authorize expenditure from Miscellaneous Expense in the Permanent Improvement Fund (Account No. 07-00-000-5999) in the amount of \$77,513.00 to be distributed equally among the five volunteers fire companies serving Abington Township (\$15,502.60 each company).

MOTION was ADOPTED 4-0.

Group Life and Disability Insurance Carrier Contract:

Ms. Herman stated that the Township via contact offers group life and disability insurance for employees and it is up for renewal this year. Current carrier is Boston Mutual who offered a rate in September, so we asked our broker to get quotes from other companies and the only company who offered a quote was Standard Insurance Company, which is less than Boston Mutual by \$300. However, switching insurance companies at this time would be an issue because if employees are out of work when making the switch the Township has to convert their insurance from prior to the new carrier because that is considered preexisting, and can be costly. She recommended that the Township stay with current carrier Boston Mutual protecting the Township from having to potentially pay thousands of dollars in conversion costs.

Finance Committee had no objection to continuing with Township's current group life and disability insurance carrier, and this will be brought before the full Board for approval.

ADJOURNMENT: 7:42 p.m.

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