

December 11, 2013
Curtis Hall

A regular meeting of the **FINANCE COMMITTEE** was held tonight, Chairman Daniel Norris presiding. Members present were Commissioners Portner, McKeown, Hampton, Sharkey and Simon.

Staff present were Public Works Coordinator Michael Fleming; Director of Public Works Mark McDonnell; Acting Director of Fiscal Affairs, Bruce Rangnow; and Township Manager Bryan Havir. Also present were Joseph M. Bagley, Esq. Solicitor and Stephen Burns, Finance Officer. A Public Attendance List is attached.

Mr. Norris called the meeting to order at 7:30 p.m. and reported that the Commissioners held an Executive Session prior to the meeting to discuss litigation issues.

1. Mr. Simon questioned why the EIT year to date revenue was reported as being at 105% of the 2013 Budget in the Executive Financial Summary Report for November 30, 2013. Mr. Burns explained that there were additional fundings received from Berkheimer Associates in 2013 that were owed to the Township from 2012, along with less EIT revenue having been posted to the accounting period 13 of 2012 at the start of the 2013 budget year.

Upon motion of Mr. Simon, the Committee unanimously accepted the Executive Financial Summary Report and the Five-Year Analysis for the period ended November 30, 2013.

2. **Recommendation to the Board of Commissioners:** Upon motion of Mr. Norris, the Committee unanimously recommended to the Board of Commissioners the adoption of a Resolution approving necessary transfers within the 2013 General Operating Budget (see attached).

3. Mr. Simon was not supportive of increasing the proposed 12-hour parking meter fee from \$1 to \$3. He felt the increase was too excessive. Mr. Sharkey acknowledged having the same concern, stating that SEPTA only charges \$1 for a similar 12-hours of parking in their parking lots.

Discussion ensued regarding a more appropriate fee increase. The Committee unanimously agreed that the proposed parking meter fee be decreased to \$2 and directed Staff to reevaluate said fee and the revenue impact as a result of this change and report back at the Board of Commissioners' meeting on December 18, 2013.

4. **Recommendation to the Board of Commissioners:** Upon motion of Mr. Norris, the Committee unanimously recommended to the Board of Commissioners the adoption of a Resolution increasing/adding certain revenue fees, effective January 1, 2014, as amended (see attached).

5. Tyler Braun of PFM Advisors, the Township's Pension Plan advisor, updated the Committee on the Requests for Proposal ("RFP") for a new Pension Custodian for the Township's four (4) Pension Plans. He distributed a report and reviewed the results of the proposals that were opened on December 9, 2013. Mr. Braun recommended U.S. Bank as being the best candidate for serving as the Pension Plan Custodian starting in January 2014.

6. **Recommendation to the Board of Commissioners:** Upon motion of Mr. Simon, the Committee unanimously recommended to the Board of Commissioners the appointment of U.S. Bank Institutional Trust & Custody, 101 E. 5th Street, St. Paul, MN 55101, as the new Pension Plan Custodian for the Township's four (4) Pension Plans as recommended by PFM Advisors.

7. Mr. Norris reviewed changes made to the 2014 Proposed Operating Budget made as a result of the Finance Committee meeting on November 20, 2013. He stated that there would be a \$250,000 budget decrease in Real Estate Taxes to \$600,000 from \$850,000 and that the Unappropriated Fund Balance allocation of \$650,000 would be increased by \$150,000 to \$800,000. For a household with an average assessed valuation of \$145,000 the reduction in Real Estate Taxes would lower the proposed 2014 tax increase from \$66 down to \$49.

Mr. Simon suggested that our EDU Tapping Fees for 2014 be increased by \$2,000 each from \$1,500 to \$3,500, and that the additional revenue of approximately \$100,000 could be used to further decrease the proposed 2014 Real Estate Tax increase. There was continued discussion on this matter.

It was Mr. Norris' opinion any additional revenue resulting from an approved increase in the EDU Tapping Fees could also be utilized by either reducing down the use of the Township's Fund Balance to help preserve bond borrowing capacity or to reduce the Township's Other Post Employment Benefits ("OPEB") liability. Since a change in said fees has not yet been approved, there is no immediate impact on the 2014 Preliminary Budget as relates to the EDU Tapping Fee. It was noted that further discussion would take place at the Board of Commissioners meeting on December 18, 2013 when the Commissioners consider adoption of the 2014 Budget.

8. Old Business - None.

9. New Business:

a. Mr. Havir recommended that the Committee consider recommending the adoption of a Resolution for retiring Commissioner Kathy Hampton.

b. **Recommendation to the Board of Commissioners:** Upon motion of Mr. Norris, the Committee unanimously recommended to the Board of Commissioners the adoption of a Resolution recognizing the service of Commissioner Kathy A. Hampton upon the completion of her term on December 31, 2013. Said Resolution will be presented at the Board of Commissioners meeting on December 18, 2013.

c. Mr. Sharkey suggested that the Committee consider ways to address ways of generating new revenue in 2014 and suggested the formation of a citizens' committee to do so.

10. Citizen's Forum – None.

There being no further business, upon motion of Mr. Norris, and unanimously approved by the Committee, the meeting was adjourned at 8:30 p.m.



Bryan T. Havir
Township Manager

as per Bruce Rangnow

**TOWNSHIP OF CHELTENHAM
RESOLUTION NO. ____-13**

**RESOLUTION INCREASING CERTAIN FEES
AND ADDING NEW FEES**

WHEREAS, the Board of Commissioners of the Township of Cheltenham has determined, upon the recommendation of the Township Administration, that the revenue received from certain fees is insufficient to cover the reasonable and necessary expenses generally incurred by the Township; and

WHEREAS, certain Township departmental requests do not have a fee charge; and

WHEREAS, the Township of Cheltenham has the right to set fees pursuant to Chapter A300 of the Cheltenham Code; and

WHEREAS, the Board of Commissioners of the Township of Cheltenham must address a potential deficit in the Township budget for 2014 resulting from decreases in real estate tax revenue and the general economic climate; and

WHEREAS, the existing fees and lack of fees for certain services are no longer economically viable for the Township.

NOW, THEREFORE, BE IT RESOLVED, the Board of Commissioners of the Township of Cheltenham deems that it is in the best interest of the Township and its citizens to increase and add the following fees effective January 1, 2014:

| <u>PROPOSED INCREASE IN EXISTING FEES:</u> | <u>FROM</u> | <u>TO</u> |
|--|-------------|-----------|
| Police Department | | |
| - Parking Fines | \$20 | \$25 |
| - Parking Meters (2 Hr Meters) | 25¢ | 50¢ |
| (12 Hr Meters) | \$1 | \$2 |
| - Special Details | \$85 | \$95 |
| Public Works | | |
| - Special Collection Fee (Home Pick-Up) | \$15 | \$25 |
| (Drop-Off at Yard) | \$10 | \$15 |

PROPOSED NEW FEES:

| | | |
|--------------------------------|-----|------|
| Police Department | | |
| - Individual Background Checks | -0- | \$10 |

I HEREBY CERTIFY that the foregoing Resolution was adopted by the Board of Commissioners of the Township of Cheltenham, County of Montgomery, Commonwealth of Pennsylvania, at its meeting held at Curtis Hall, 1250 W, Church Road, Wyncote Pennsylvania 19095 on this the 18th day of December, 2013.

ATTEST:

TOWNSHIP OF CHELTENHAM
BOARD OF COMMISSIONERS

Bryan T. Havir
Township Manager and Secretary

By: _____
Art Haywood, President

**TOWNSHIP OF CHELTENHAM
RESOLUTION NO _____-13**

**AUTHORIZING THE TRANSFER OF FUNDS
WITHIN THE 2013 OPERATING BUDGET**

WHEREAS, the Board of Commissioners of the Township of Cheltenham has determined, upon the recommendation of the Township Administration, that it is necessary to transfer certain funds within certain Township Departments to cover incurred expenses;

0, the Board of Commissioners of the Township of Cheltenham deems that it is in the best interest of the Township to transfer the following funds within certain departmental budgets effective December 18, 2013:

| <u>FROM:</u> | | | <u>TO:</u> | | |
|------------------------------|---------------------------|----------|------------------------------|------------------------|----------|
| <u>Administration</u> | | | <u>Administration</u> | | |
| 01005 | Office Supplies & Postage | \$ 5,000 | 01019 | Economic Development | \$ 2,000 |
| | | | 01012 | Telephone | \$ 3,000 |
| 01004 | Wages Clerks & Assistants | \$50,000 | 01016 | Other Expenses (Legal) | \$50,000 |
| <u>Administration (Misc)</u> | | | <u>Administration (Misc)</u> | | |
| 01160 | Fire & General Insurance | \$25,000 | 01172 | Unemployment Comp | \$25,000 |
| <u>Finance</u> | | | <u>Finance</u> | | |
| 01111 | Other Expenses | \$ 5,000 | 01112 | EIT Collection | \$ 5,000 |

DONE IN ELKINS PARK, PENNSYLVANIA, under my hand and the Seal of the Township of Cheltenham, this 18TH day of December, A.D., 2013, in the year of the Township of Cheltenham the one hundred ninth.

Resolved and adopted this **18th day of December, A.D., 2013**.

TOWNSHIP OF CHELTENHAM

BY: _____
Art Haywood, President
Board of Commissioners

ATTEST: _____
Bryan T. Havir
Township Manager/Secretary

(SEAL)

PUBLIC ATTENDANCE LIST
Finance Committee @ 7:30 AM
Public Works Committee @ 7:45 PM
Wednesday, December 11, 2013
Curtis Hall
Wyncote, PA 19095

| NAME (Please Print) | AFFILIATION/COMPANY AND/OR ADDRESS | EMAIL ADDRESS AND/OR TELEPHONE NUMBER |
|------------------------|---------------------------------------|--|
| Ann Rappoport | Wyncote | |
| Colleen O'Neill | Glenside | |
| Dorothy O'Neill | Glenside | |
| S Strahs | CotCott | |
| Liz Cheeseman | ARRO | |
| Youn FESSETH | | |
| Robert Hyslop | 211 HARRISON 19030 | 215 886-0813 |
| JEFF SKINNER | | |
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