

July 9, 2014  
Curtis Hall

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

Staff members present were Township Manager, Bryan Havar, Director of Fiscal Affairs, Bruce Rangnow, Public Works Coordinator Michael Fleming and Director of Public Works Facility Mark McDonnell. Also in attendance was Finance Officer Stephen Burns. A public attendance sheet is attached.

Mr. Simon stated that an executive session of the Board of Commissioners had been held prior to the start of the Finance Committee meeting to discuss upcoming contract negotiation issues.

Mr. Simon called the meeting of the Finance Committee to order at 7:30 P.M.

1. The Executive Financial Summary Report for the five year period ending June 30, 2014 was reviewed and accepted. Mr. Simon noted that the Township's overall revenue was significantly higher than at the same point in time in previous years. Mr. Burns indicated that this was due to receiving additional EIT revenue in excess of the budgeted amount for the year and that this positive EIT budget variance would continue to be the case throughout the balance of the current calendar year.

2. Mr. Nissen, Managing Director of the Acacia Financial Group, Inc., made a presentation to the members of the Finance Committee for their consideration in recommending to the Board of Commissioners adopting a Continuing Disclosure Policy to ensure that the Township efficiently carries out its continuing disclosure obligations with respect to all bond refundings and fundings it issues pursuant to the Securities Exchange Act of 1934.

**Recommendation to the Board of Commissioners:** Upon motion of Mr. Portner, the Finance Committee unanimously agreed to recommend to the Board of Commissioners the adoption of the Continuing Disclosure Policy in the form as presented to the Finance Committee this evening. (See attached.)

3. Mr. Havar informed the members of the Finance Committee of the intended plans to begin the 2015 General Operating and Capital Budget preparation work process. The first round of budget meetings will commence on August 11, 2014, with the various Township department heads individual meeting with the Township Manager and Director of Fiscal Affairs to present their operating and capital budget recommendations for consideration. It is intended for a complete and balanced 2015 Operating Budget along with the 2015 Capital Budget proposed recommendations to be presented to the Board of Commissioners at the annual budget workshop, which is set to take place at 8 A.M. on October 7, 2014. This will be an all day workshop and it is planned for both the operating and capital budgets to be presented and reviewed. If a second date is needed to complete the review of the 2015 operating or capital budgets such date will be determined and set on October 7, 2014.

Mr. Sharkey indicated that it might make sense to create a new committee comprised of members of the community to explore and present recommendations on possible revenue generating opportunities for the Township to take into consideration.

4. Old Business – None.
5. New Business – None.
6. Citizen’s Forum – None.

There being no further business, upon motion of Mr. Portner, the Committee unanimously agreed to adjourn the meeting at 7:45 P.M.



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Bryan T. Havir  
Township Manager

Per: Bruce Rangnow  
Director of Fiscal Affairs

**PUBLIC ATTENDANCE LIST**  
**Finance Committee @ 7:30 PM**  
**Public Works Committee @ 7:45 PM**  
**Wednesday, July 9, 2014**  
**Curtis Hall**  
**Wyncote, PA 19095**

NAME (Please Print)	AFFILIATION/COMPANY (If Applicable)	ADDRESS
DAVID CITRO	MAINSTAY ENG.	110 W BUTLER AVE AMBLER, PA
TON MUSSELMAN	TTF	4500 W 12th St Phila. PA
Matt Laychock	Private	320 Short Ln 19027
Bill METZGER	Citizen	131 Woodland Wyncote
Tom McHugh	Citizen	127 Hewett Rd Wyncote
Jean Bickley	Private	320 Short Ln ELKINS PK
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## CONTINUING DISCLOSURE POLICY CONCERNING SECURITIES ISSUED BY THE TOWNSHIP OF CHELTENHAM

### **Introduction**

This Continuing Disclosure Policy (the “Disclosure Policy”) is promulgated by the Board of Commissioners (the “Board”) of the Township of Cheltenham, Montgomery County, Pennsylvania (the “Township”) to ensure that the Township efficiently carries out its continuing disclosure obligations with respect to the securities it issues pursuant to Rule 15c2-12, as amended (the “Rule”), promulgated pursuant to the Securities Exchange Act of 1934, as amended.

### **Definitions**

The definitions set forth herein shall apply to any capitalized term used in this Disclosure Policy unless otherwise defined herein. In addition to such terms and the terms defined above, as used in this Disclosure Policy, the following capitalized terms shall have the following meanings:

“Auditor” means the Auditor of the Township.

“CAFR” means the Comprehensive Annual Financial Report annually prepared by the Director of Fiscal Affairs and the Township Manager, which shall include, if prepared, a statement of net assets, a statement of revenues, expenses and changes in net assets and a statement of cash flow. All such financial information (except for the Township’s Operating Data) shall be prepared using generally accepted accounting principles and audited by a certified public accountant; provided, however, that the Township may change the accounting principles used for preparation of such financial information so long as the Director of Fiscal Affairs and the Township Manager include as information provided to the public a statement to the effect that different accounting principles are being used, stating the reason for such change and how to compare the financial information provided by the differing financial accounting principles.

“Director of Fiscal Affairs” means the Director of Fiscal Affairs or Acting Director of Fiscal Affairs of the Township.

“Dissemination Agent” means a person or entity designated by the Board to assist the Township with fulfilling its obligations under this Disclosure Policy.

“Employee” means any person who, as part of his or her employment with the Township, has regular responsibility for the administration of matters related to Obligations.

“EMMA” means the Electronic Municipal Market Access system of the MSRB. Information regarding submissions to EMMA is available at <http://emma.msrb.org/>.

“Fiscal Year” means the fiscal year of the Township, being the period commencing on January 1 and ending on the following December 31.

“Material Event” means any of the events listed in Schedule A of this Disclosure Policy.

“MSRB” means the Municipal Securities Rulemaking Board or any other board or entity which succeeds to the functions currently delegated to the Municipal Securities Rulemaking Board by the Rule.

“Obligations” means any securities issued by the Township.

“Operating Data” means the Township's financial information ~~and operating data~~ disclosed pursuant to this Disclosure Policy, and which shall consist of the information contained in the Township's CAFR that is neither prepared using generally accepted accounting principles nor audited by a certified public accountant.

“SEC” means the Securities and Exchange Commission.

“Township Solicitor” means the Solicitor for the Township.

“Township Manager” means the Township Manager or Acting Township Manager. If those positions are vacant or eliminated, the Director of Fiscal Affairs shall be responsible for performing the duties of the Township Manager under this Disclosure Policy.

#### **Annual Submission of CAFR**

1. Not later than 150 days after the end of each fiscal year of the Township, and annually thereafter while any Obligations remain outstanding, the Township Manager shall submit or cause the Township's CAFR to be submitted to the MSRB through EMMA.
2. The Township Manager shall provide copies of the CAFR to the Township's Director of Fiscal Affairs and to the Board, not less than ten (10) days prior to the above deadline for the submission of the CAFR to the MSRB.
3. Not more than five (5) days after the submission of the CAFR to the MSRB, the Township Manager shall provide to the Board written confirmation that the CAFR has been submitted and filed properly with the MSRB through EMMA.
4. In the event that the CAFR is not completed in time to submit the CAFR to the MSRB through EMMA within the time specified in paragraph 1 above, the Township Manager, or the Township Manager's designee, will file a notice of occurrence of such Event in accordance with the policy and procedures set forth below under “Reporting of Events,” and in accordance with the Rule, and the Township's CAFR shall be submitted as soon as it is available.
5. The CAFR may be provided to the MSRB through EMMA in one document or a set of documents submitted to the MSRB, or may be included by specific reference to documents available to the public on the MSRB's Internet website or filed with the SEC. The Township Manager shall clearly identify each such other document provided by cross reference.
6. The Township's CAFR shall be prepared in accordance with generally accepted accounting principles as in effect from time to time ~~and operating data and operating information ordinarily disclosed by municipal governments.~~ The CAFR shall be The information in the

CAFR prepared using generally accepted accounting principles and audited by a certified public accountant shall be so audited prior to its submission to the MSRB.

7. Any or all of the items listed above may be incorporated by reference to other documents, including official statements of debt issues with respect to which the Township is an “obligated person” (as defined by the Rule), which have been filed with the MSRB through EMMA or the SEC. The Township Manager shall clearly identify each such other document so incorporated by reference. In the event that the Township Manager determines to so incorporate by reference any or all of the items listed above, the Township Manager shall also file a notice through EMMA indicating that all or part of the Township's financial and operating information for that year is contained in documents filed with the SEC or with the MSRB through EMMA.

### **Reporting of Events**

The Township Manager shall file or cause to be filed, in a timely manner, a notice of the occurrence of any Material Event or Events listed on Schedule A hereto with the MSRB via EMMA with respect to any Obligations to which the Event or Events are applicable, in a timely manner not in excess of ten (10) business days after the occurrence of the Event. The Township Manager shall provide notice of such Event to the MSRB through EMMA, as required by the Rule. The Events to be disclosed are listed on Schedule A hereof, which the Township Manager is responsible for updating in a timely manner in the event that there are future changes to the Rule.

Not less than three (3) business days after providing notice of an Event to the MSRB, the Township Manager shall provide a copy of the notice submission filed with the MSRB to the Director of Fiscal Affairs and to the Board, along with written confirmation that such notice submission was properly filed with the MSRB through EMMA, as required by the Rule.

Whenever any Employee obtains actual knowledge of the occurrence of an Event, that employee must inform the Township Manager and the Director of Fiscal Affairs in writing as soon as possible.

### **Manner of Submission**

The documents, reports and notices required to be submitted to the MSRB pursuant to the Disclosure Policy shall be submitted through EMMA in an electronic format, and shall be accompanied by identifying information, in the manner prescribed by the MSRB, or in such other manner as is consistent with the Rule. A description of such format and information as presently prescribed by the MSRB is included in Exhibit A hereto.

### **Training of Employees**

1. The Township Manager is responsible for conducting annual training of Township Employees regarding this Disclosure Policy. Such training shall include a complete review of this Disclosure Policy, the Rule, and the Events listed on Schedule A hereto, and shall include a complete overview of the Township's obligations under the federal securities laws. Upon completion of the annual training, all Township Employees will provide written certification that they have completed the annual disclosure training and that they have reviewed

and understand the Disclosure Policy, the Rule and the Events listed on Schedule A hereto, and that they will comply with the Disclosure Policy. The Township Manager may delegate those responsibilities to the Township Solicitor, the Township's financial advisor or any Dissemination Agent, provided that such delegation is in writing and a copy of which is furnished to the Board.

2. Not later than fourteen (14) business days after the end of each fiscal year of the Township, the Township Manager shall provide annual written certification to the Board that the annual disclosure training has been completed.

### **Public Statements Regarding Financial Information**

Whenever the Township makes statements or releases information relating to its finances to the public that is reasonably expected to reach investors and the trading markets (including, without limitation, all Material Event Notices, statements in the CAFR, and other financial reports and statements of the Township), the Township is obligated to ensure that such statements and information are complete, true, and accurate in all material aspects. The Township Manager shall have primary responsibility for ensuring that such statements and information are accurate and not misleading in any material aspect. The Township Manager, the Township Solicitor and the Director of Fiscal Affairs shall work together to ensure that all public statements and information released by the Township are accurate and non-misleading in all material aspects and that the Township complies with all applicable requirements of the Rule regarding disclosure of any settlement by the Township with the SEC.

### **Issuance**

Whenever the Township issues general obligations bonds or notes, a preliminary offering statement and a final offering statement are prepared. Each of these offering statements contains information relating to the Township's finances. The Township Manager, the Township Solicitor and Director of Fiscal Affairs shall have primary responsibility for ensuring that all such information is accurate and not misleading in any material aspect.

### **Additional Information**

Nothing in this Disclosure Policy shall be deemed to prevent the Township from disseminating any other accurate information using the means of dissemination set forth in this Disclosure Policy or any other means of communication. Further, nothing in this Disclosure Policy shall prohibit the Board from authorizing the Township Manager to contract with a dissemination agent to assist the Township with complying with its continuing disclosure obligations.

## **Schedule A to the Disclosure Policy**

The SEC requires notification of the occurrence of any of the Material Events listed as (1) through (14) below with respect to any applicable Obligation. Notification must be provided in a timely manner, but not more than ten (10) business days after its occurrence.

1. Principal and interest payment delinquencies;
2. Nonpayment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, or a Notice of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to tax status of the Certificates, or other events affecting the tax status of the Certificates;
7. Modifications to rights of registered owners of the Certificates, if material;
8. Bond calls (excluding mandatory sinking fund redemptions), if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Certificates;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or a similar proceeding by an obligated person;
13. Consummation of a merger, consolidation, acquisition involving an obligated person, or sale of all or substantially all of the assets of an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or determination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of an additional or a successor trustee, or the change in name of a trustee, if material.

## EXHIBIT A

### MSRB PROCEDURES FOR SUBMISSION OF CONTINUING DISCLOSURE DOCUMENTS AND RELATED INFORMATION

Securities and Exchange Commission Release No. 34-59061 (the “Release”) approves an MSRB rule change establishing a continuing disclosure service of the MSRB’s Electronic Municipal Market Access system (“EMMA”). The rule change establishes, as a component of EMMA, the continuing disclosure service for the receipt of, and for making available to the public, continuing disclosure documents and related information to be submitted by issuers, obligated persons and their agents pursuant to continuing disclosure undertakings entered into consistent with Rule 15c2-12 (“Rule 15c2-12”) under the Securities Exchange Act of 1934. The following discussion summarizes procedures for filing continuing disclosure documents and related information with the MSRB as described in the Release.

All continuing disclosure documents and related information is to be submitted to the MSRB, free of charge, through an Internet-based electronic submitter interface or electronic computer-to-computer data connection, at the election of the submitter. The submitter is to provide, at the time of submission, information necessary to accurately identify: (i) the category of information being provided; (ii) the period covered by any annual financial information, financial statements or other financial information or operating data; (iii) the issues or specific securities to which such document is related or otherwise material (including CUSIP number, issuer name, state, issue description/securities name, date, maturity date and/or coupon rate); (iv) the name of any obligated person other than the issuer; (v) the name and date of the document; and (vi) contact information for the submitter. Submissions to the MSRB are to be made as portable document format (PDF) files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. If the submitted file is a reproduction of the original document, the submitted file must maintain the graphical and textual integrity of the original document. In addition, as of January 1, 2010, such PDF files must be word-searchable (that is, allowing the user to search for specific terms used within the document through a search or find function), provided that diagrams, images and other non-textual elements will not be required to be word-searchable.

All submissions to the MSRB’s continuing disclosure service are to be made through password protected accounts on EMMA by: (i) issuers, which may submit any documents with respect to their municipal securities; (ii) obligated persons, which may submit any documents with respect to any municipal securities for which they are obligated; and (iii) agents, designated by issuers and obligated persons to submit documents and information on their behalf. Such designated agents are required to register to obtain password-protected accounts on EMMA in order to make submissions on behalf of the designating issuers or obligated persons. Any party identified in a continuing disclosure undertaking as a dissemination agent or other party responsible for disseminating continuing disclosure documents on behalf of an issuer or obligated person will be permitted to act as a designated agent for such issuer or obligated person, without a designation being made by the issuer or obligated person as described above, if such party certifies through the EMMA on-line account management utility that it is authorized to disseminate continuing disclosure documents on behalf of the issuer or obligated person under the continuing disclosure undertaking. The issuer or obligated person, through the EMMA on-

line account management utility, is able to revoke the authority of such party to act as a designated agent.

The MSRB's Internet-based electronic submitter interface (EMMA Dataport) is at [www.emma.msrb.org](http://www.emma.msrb.org).

Document comparison by Workshare Compare on Wednesday, July 09, 2014  
2:52:58 PM

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Description	#116945712v5<PHL> - Cheltenham Disclosure Policies and Procedures
Rendering set	Standard

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<u>Moved to</u>	
Style change	
Format change	
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Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

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Deletions	3
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Moved to	0
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Format changed	0
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