

A regular meeting of the **FINANCE COMMITTEE** was held tonight, Chairman Daniel B. Norris presiding. Members present were Commissioners Brockington, Holland, Pransky, Rappoport and Sharkey. Also present was Ex-Officio Member Simon.

Staff members present were Township Manager, Bryan Havir, Director of Fiscal Affairs, Bruce Rangnow, and Assistant Township Manager Alyson Elliott. Also in attendance was Finance Officer Stephen Burns. A Public Attendance List is not attached because no one signed in.

Mr. Norris called the meeting of the Finance Committee to order at 9.45 p.m.

1. Upon motion of Mr. Norris, the Committee unanimously accepted the Executive Financial Summary Report and the Five-Year Analysis for the period ending June 30, 2016.

2. Mr. Havir made a detailed presentation outlining the framework, timelines and planning processes that will be required to be completed starting in August and continuing through the end of December for preparing and refining the General Operating and Capital Budgets for Fiscal Year 2017. Specific dates and times in the first three weeks of August will be established and set for the head of each operational department to meet with the Township Manager and Director of Fiscal Affairs to review their proposed operational revenue and expenditures and capital budget recommendations for 2017.

A meeting with the Township Manager and the Director of Fiscal Affairs with all of the Fire Companies will take place on either August 23rd or 24th to review and discuss their proposed 2017 operational and capital financial needs.

Mr. Norris requested that all efforts be made to maintain operating expenditure costs at current levels similar to what has been achieved to a significant degree over the past few years, with the desired goal being zero budgeted growth for 2017.

Mr. Sharkey restated a prior request that some form of a contribution plan or program be developed wherein the professional consultants retained or used on a regular basis by the Township would be requested to provide some level of appropriate financial support on specific community projects.

3. Patrick Scott, Vice President of Operations and Subsidiary Information Technology for MuniServices LLC, provided a status report that described in detail the substantial amount of time required to create an accurate database of the Township's currently licensed businesses. The resulting two-month delay in getting the database completed, pushed back the estimated timelines for MuniServices to be positioned to initiate their proprietary licensing and collection efforts until the beginning of July.

MuniServices has identified 625 Township businesses suspect of either operating without a license or that have not been paying their required mercantile and business privilege taxes. A first batch of approximately 100 mailing notifications to test for the accuracy of the 625

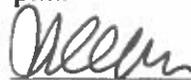
businesses on the suspect list were mailed out the first week of July. A second batch of approximately 100 additional test notifications were mailed out this week. Based on any feedback received from these first mailings the remainder of the required notices on the original suspect list will be sent out before the end of July. It is anticipated that the Township will start to see some of the financial benefits and results of MuniServices implementing their licensing discovery and recovery efforts by the beginning of August 2016.

4. Mr. Burns made a presentation of his real estate tax and other revenue collection efforts to date. Highlights of these collection results and other finance officer related matters presented were as follows:

- * Real Estate Taxes are on target with the 2016 budget.
- * Earned Income Taxes (EIT) are on target with the 2016 budget.
- * Mercantile (Merc) and Business Privilege (BP) tax collections are up 17% over the average collections of 2014 and 2015.
- * There is a need to evaluate what has been getting billed to all of our property owners on their sewer service fees for the past two years to determine if there is any need to make changes to those fees in 2017.
- * The compensation paid for the services which will be provided by the Tax Collector for the period of 2018 through 2021 must be decided and approved by December 31, 2016. All considerations and issues related to this matter need to be discussed and finalized as part of the 2017 budgeting process.
- * There is a need for consideration of hiring special counsel with expertise in business privilege tax litigation in contemplation of the Township filing lawsuits against certain businesses that are not being responsive to requests made to them to file Merc and BP tax returns and make their required tax payments.

5. Old Business – None.
6. New Business – None.
7. Citizen Forum – None.

There being no further business, upon motion of Mr. Norris, the Committee unanimously agreed to adjourn the meeting at 10.15 p.m.



Bryan T. Havar
Township Manager

Per: Bruce Rangnow
Director of Fiscal Affairs