

A meeting of the Finance Committee of Upper Dublin Township was held on April 11, 2000, Robert Pesavento presiding. In attendance were Commissioners Pesavento, Herold, and Cassidy. Mr. Bleemer and Commissioner Bryers were also present.

Mr. Pesavento asked those present to pledge allegiance to the flag.

REPORT OF THE FINANCE DIRECTOR:

Jonathan Bleemer highlighted the following in his April 2000 report.

Earned Income Tax (EIT):

- The Commonwealth Court of Pennsylvania ruled a few years ago that income derived from the exercise of a stock option was not taxable as earned income. In February 2000, the Pennsylvania Supreme Court reversed that decision. The Earned Income Tax Office is now in the process of informing all residents who received a refund over the past two years due to the Commonwealth Court decision that payment in the amount of their refund is due back to the Township. The general response from residents heard from thus far is that the reversal was anticipated and no surprise as to the Township's request for payment. It is estimated that the erroneous refund letters will generate approximately \$150,000 over the next few weeks. The refunds will be shared equally between the Township and Upper Dublin School District.
- A resident of Abington Township, who worked in Upper Dublin, appealed the levy of the EIT on his severance pay received in 1998 before the Upper Dublin Earned Income Tax Appeals Board in March. The Board denied the applicant's appeal after review of legal and accounting issues..
- The EIT staff has researched the collection of the EIT from contractors working in the Township. All contractors that were checked are registered with the taxing district of their home office and pay the EIT on all their employees to that taxing district. Conversely, any contractor domiciled in Upper Dublin must register and pay EIT on its employees to Upper Dublin regardless of where a job site may be located. The largest private tax collector in the area, Berkheimer, enforces a similar policy of registering contractors in their domiciled taxing district. The Finance Department will work with the Code Enforcement Department to confirm that all contractors requesting building permits show proof of registration with a local taxing district.

Municipal Tax Bureau (MTB):

- Upper Dublin has submitted a total of \$679,000 in tax claims to the MTB over the past few years. MTB has turned over \$81,000 to the Township, leaving a balance due of \$98,000. The Township is now in the process of determining which individual claims have not yet been honored. This has turned out to be a complex task. On its most recent distribution to the Township of \$187,000, rather than sending the Finance Department detailed back up of the distribution, MTB provided Upper Dublin with a comprehensive detailed listing of all payments made to the Township. The current outstanding issues are:
 1. Determining a process to identify the taxpayers associated with the \$98,000 in outstanding claims.
 2. Deciding whether the Township should pursue the \$78,000 calculated to be due in interest, legal and audit fees. Messrs. Pizer and Bleemer will decide how to proceed.

- The last two distribution checks totaling \$21,000 that the Township submitted to MTB in 1998 were never cashed. Stop payments have been placed on those checks. The Township now has the option to credit this amount against the amount due from MTB and thus reducing the balance due.

Township Audit:

- Kreischer Miller & Co., the Township's independent auditors, has completed field work for the audit of the 1999 financial records. A meeting will be scheduled to report to the Full Board on the financial condition of the Township as well as to discuss internal control recommendations (possibly at the May Stated Meeting).

Miscellaneous:

- The Township received new monthly health insurance premium rates from the Delaware Valley Health Insurance Trust for the period 4/1/00-3/31/01. The rates have increased by 26%, resulting in a \$108,000 premium increase for fiscal year 2000. The total 2000 premium of \$684,000 is approximately \$65,000 over budget.

Rates were well below market last year and are still below market. The Finance Department must determine the reason why the rates went up so much in one year.

- Mr. Bleemer plans to begin the process of sending out an RFP for independent audit of the Township books with the anticipation of providing a recommendation to the Finance Committee in July. He will then look at the possibility of preparing an RFP in the fall for banking services.

Mr. Pesavento suggested that Mr. Bleemer determine the preliminary changes for year 2001 before budget talks begin.

DISCUSSION ITEMS:

Analysis of Township Legal and Engineering Fees:

Legal Fees:

LAW FIRM	TOTAL FEES DURING PAST FIVE YEARS
High Swartz Roberts & Seidel	\$911,565
Reed, Smith, Shaw & McClay	\$52,599
Montgomery, McCracken, Walker & Rhoads	\$124,367
Herbert Rubenstein	\$17,984
George Hardwick	\$49,417

It was noted that 80% of all legal fees are attributed to High, Swartz, Roberts & Seidel, Solicitors for the Township. Their number of hours and retainer fees have gone up during the past five years due to "big ticket" legal issues pertaining to MTV, Wok's Chinese Restaurant, Nutricon, etc.

Engineering Fees:

ENGINEERING FIRM	TOTAL FEES DURING PAST FIVE YEARS
Metz Engineers (General Engineer)	\$1,025,647
Carroll Engineering (Sewer Engineer)	\$946,283
Czop Spector (General Engineer)	\$642,089
Cowan Engineering (Roads and Bridges Engineer)	\$122,146
Larry Hale Engineering (Sewer Engineer)	\$108,082
O'Brien & Gere Engineering (Sewer Engineer)	\$327,989
Roman Jastrzebski Engineering (Structural Engineer)	\$49,443
Suburban Lighting (Street Lighting Engineer)	\$46,816

Total engineering fees have increased significantly, mainly due to special projects.

Carroll Engineering fees pertain strictly to the Upper Dublin Sewer Plant.

Metz Engineers' fees totaled \$284,000 in 1999 for some very large projects. The Twining Road project expenses totaled \$106,000 with funding through an interest-free loan from Montgomery County. The traffic light at Jarrettown Road and Limekiln Pike was another large expense.

Work on the Highland Avenue culvert will be a large expense in 2000.

Jonathan Bleemer will continue to track engineering fees to determine trends.

Mr. Pesavento commented that, since the budget is tightening all of the time, the Staff must keep a close eye on legal and engineering fees.

QUESTIONS/COMMENTS:

- Mrs. Herold favored "shopping" for banking services and asked if there is any reason why the Township could not use a smaller local bank. Mr. Bleemer replied that a smaller bank would be fine as long as it is capable of providing the services required by the Township.
- Mr. Bleemer will go through the 1999 data, and, from this year on, will track who the Township's top ten vendors are so that a determination can be made regarding cost savings.
- Mr. Cassidy asked that Mr. Bleemer produce a chart and graph of vendor services for discussion at the July Finance Committee Meeting.
- Responding to a question raised by Mr. Pesavento regarding the impact to Upper Dublin Township if Abington Township enacts an earned income tax, Mr. Bleemer informed that the administration of Abington expects the EIT to be passed for 2001. The impact to Upper Dublin will be \$300,000 in the first year and \$400,000 every year thereafter. Mr. Pesavento then asked that the Finance Department determine what cuts

can be made to the budget for 2001 if this does come to fruition. The Finance Department should look at alternative sources of revenue as well.

Answering Mr. Pesavento, Mr. Bleemer informed that the proceeds from the \$5,500,000 bond issue earmarked for reconstruction of the Upper Dublin Sewer Plant are in an interest bearing account. A portion of the interest received will have to be paid back to the Federal Government in an arbitrage situation. It should not be a significant amount.

If the work slated for the Township Building occurs earlier than the Sewer Plant reconstruction, Mr. Bleemer recommends using the sewer funds therefor. It is possible that the Township will not have a need to borrow additional funds.

ADJOURNMENT:

Mrs. Herold motioned, with Mr. Cassidy seconding, to adjourn the meeting at 7:00 p.m.

Respectfully submitted,


Louise Birett, Recording Secretary

Approved:


Robert Pesavento, Chairperson

A meeting of the Finance Committee of Upper Dublin Township was held on August 1, 2000, Robert Pesavento residing. In attendance were Commissioners Pesavento and Herold. Messrs. Leonard and Bleemer as well as Commissioners Bryers, Gift and Derr were also present.

Mr. Pesavento asked those present to pledge allegiance to the flag.

Mrs. Herold motioned, with Mr. Pesavento seconding, to approve the Finance Committee Minutes of April, 2000 without reading.

VOTE ON MOTION

ALL YES

MOTION CARRIED

REPORT OF THE FINANCE DIRECTOR:

Jonathan Bleemer highlighted the following in his August 2000 report.

Earned Income Tax (EIT):

- In February 2000, the Pennsylvania Supreme Court reversed a decision of the Commonwealth Court of Pennsylvania ruling that income derived from the exercise of a stock option was not taxable as earned income. The earned income tax office subsequently sent letters to 43 taxpayers who received a refund over the past two years due to the Commonwealth Court decision. The project succeeded in the Township receiving \$147,281 from 41 taxpayers to be shared equally with the school district. One taxpayer had passed away since the refund check was issued and one had moved with no forwarding address.
- The Upper Dublin Earned Income Tax Appeals Board heard an appeal during July of this year. A resident of Upper Dublin appealed the levy of the earned income tax on a portion of her income derived from the exercise of a stock option. After review of the legal and accounting issues, the Board denied the applicant's appeal.
- Upon request by the EIT staff, the Township's tax software programmers rewrote software to track, record and report on amounts due from other taxing districts. The Finance Department now has an even better record of what is due to Upper Dublin Township from each of the other third party tax collectors who collect in taxing districts where Upper Dublin Township residents are employed. As more municipalities enact the tax, the record keeping of payments from other tax collectors becomes an increasingly more important aspect of the EIT administration. The Finance Department will use this information in an effort to receive past amounts due from Centax and other tax collectors.
- The EIT staff has been busy processing the 15,000 residents and 1,200 employer EIT final returns. The staff completed the depositing of final return checks in record time this year, thus increasing the Township's opportunity for interest income. All refunds were issued well within the legal limit of sixty days. The next project will be to issue delinquent and state audit notices.

Township Audit:

- Bids for auditing services for the years 2000-2004 were sent to ten independent auditing firms.

Miscellaneous:

- The Finance Department is pursuing those who are delinquent in paying their EIT and sewer bills. Properties will be liened during the next few weeks for sewer rent that is overdue.

DISCUSSION ITEMS:

Appointment of Assistant Township Secretary:

The Solicitor will be asked to draft a resolution setting forth the duties of the Assistant Township Secretary.

A recommendation was made by the Committee to the Board of Commissioners to appoint Jonathan Bleemer to the position of Assistant Township Secretary. He will have no financial responsibilities, but will be able to sign documents and plans as the need arises in the absence of the Township Secretary.

Monetary Donation Policy:

Upper Dublin Township receives monetary donations from time to time from residents and other private entities.

The Finance Director shall apply donations received by Township Agencies or the Township to the Township's General Fund for use as the Township deems fit.

If the donor specifically designates, in writing, that the donation is for any one of the Township Agencies, the Finance Director shall apply the donation to the budget of the specific Township Agency. In such cases, the donation shall be treated as an addition to the budget established by the Board of Commissioners for the year in which the donation is made. In the event the Finance Director is unable to determine which Township Agency the donor is attempting to designate for receipt of the donation, said donation shall be applied to the Township's General Fund for use as the Township deems fit.

If the donor specifically designates, in writing, that the donation is for a specific project or purpose of any one of the Township Agencies, the Finance Director shall apply the donation to the budget of the specific Township Agency as set forth above. However, in no event shall the Township Agency be restricted to use of the donation for the project or purpose designated by the donor.

The Committee recommended approval by the Board of Commissioners at the August Stated Meeting.

Appointment of Upper Dublin Township Independent Auditors:

Requests for proposals to conduct the annual audit of Upper Dublin Township's financial statements for the years 2000 through 2004 were sent to ten certified public accountant firms on May 31, 2000. Nine firms responded with proposals to provide auditing services.

Mr. Bleemer used the following criteria when evaluating the proposals:

- Responsiveness of the proposal in clearly stating an understanding of audit services to be performed.
- Technical experience of the firm.
- Qualifications of the firm's staff.
- Size and structure of the firm, considering the scope of the engagement.
- Cost.
- The firm has no conflict of interest with regard to any other work performed by the firm for the Township of Upper Dublin.
- Experience auditing Pennsylvania municipalities.

The total cost for auditing services over the five year period ranged from a low of \$82,500 to a high of \$138,175. Based on the criteria set forth above and conversations with references provided by each of the responding firms, the three most qualified firms are Bee, Bergvall & Co., Kreisler, Miller & Co., and Rudolph Palitz.

Mr. Bleemer noted that there are benefits to changing auditors on a periodic basis to provide a new perspective, to recognize inefficiencies, and to provide recommendations for internal control improvements not previously identified. Kreisler, Miller has been the Township's auditor since 1982.

Of the two other most qualified firms, Mr. Bleemer recommended Bee Bergvall & Co. be awarded the contract at a cost of \$82,500 over five years.. This firm has significant experience in the municipal field, is the lowest bidder, and has very strong references

The current client list of Bee, Bergvall & Co., includes the following municipalities:

- Abington Township
- Upper Moreland township
- Haverford Township
- Springfield Township
- Lower Moreland Township
- Horsham Township
- Warrington Township
- Lower Southampton Township
- Limerick Township
- Borough of Hatboro

The Committee recommended appointment of Bee, Bergvall & Co. to the Board of Commissioners. This will be an agenda item at the August Stated Meeting.

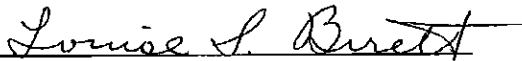
Mr. Leonard interjected that the Board of Commissioners does not have to stay locked into the contract for five years if they are not satisfied with the work performed. He asked that the Solicitor craft the agreement in such a way to allow for termination of the contract at any time if the quality of work is deemed insufficient.

For the record, this decision in no way reflects on Kreischer, Miller's services. It is good to have change, and the price of Bee, Bergvall was very favorable.

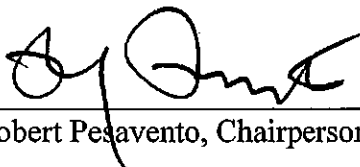
ADJOURNMENT:

Mrs. Herold motioned, with Mr. Pesavento seconding, to adjourn the meeting at 6:50 p.m.

Respectfully submitted,


Louise Birett, Recording Secretary

Approved:


Robert Pesavento, Chairperson

A meeting of the Finance Committee of Upper Dublin Township was held on October 17, 2000, Robert Pesavento presiding. In attendance were Commissioners Pesavento, Herold, and Cassidy. Mr. Bleemer was also present.

Mr. Pesavento asked those present to pledge allegiance to the flag.

MOTION TO APPROVE FINANCE COMMITTEE MINUTES OF APRIL 2000 WITHOUT READING:

Mrs. Herold motioned, with Mr. Pesavento seconding, to approve the Minutes of April 2000 without reading.

VOTE ON MOTION ALL YES MOTION CARRIED

REPORT OF THE FINANCE DIRECTOR:

Jonathan Bleemer highlighted the following in his November 2000 report.

Earned Income Tax (EIT):

- The Township is in receipt of final payment from the Municipal Tax Bureau (MTB) in accordance with the terms of the mutual Release between MTB and the Township.
- The EIT staff has forwarded notices to Township residents indicating that their state reported 1998 taxable compensation differs from their Township reported 1998 taxable compensation. This annual audit has been very successful in identifying delinquent taxpayers and generates approximately \$150,000 in delinquent tax and penalties payments annually.

DISCUSSION ITEMS:

Monetary Donation Policy:

Suggested changes to the Policy for Monetary Donations to the Township and Township Agencies included the following:

Paragraph No. 2:

If the Donor specifically designates, in writing, that the Donation is for any one of the Township Agencies or for a particular purpose, the Finance Director shall submit the request of the Donor to the Board of Commissioners *for approval or denial.*

Paragraph No. 3:

The Board of Commissioners shall decide whether or not it chooses to accept the donation. If the Board of Commissioners accepts the Donation, the Finance Director shall apply the Donation as directed by Resolution of

the Board of Commissioners. In the event the Board of Commissioners chooses not to accept the Donation, said Donation shall be returned to the Donor. *The Board of Commissioners shall apply the Donation as requested by the Donor.*

Mr. Bleemer felt there should be a dollar limit on donations that must be approved by the Board of Commissioners. The Committee decided that donations less than \$500 do not need Board approval.

Review Budget Meeting Schedule:

The Finance Committee approved the following budget meeting schedule, reserving the right to hold additional meetings if deemed necessary.

<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>MEETING</u>
Tuesday	10/24/00		Advertise Budget Workshops
Tuesday	11/7/00		Advertise Budget Hearings
Wednesday	11/8/00	6:30 p.m.	First Budget Workshop (prior to Commissioners' Workshop)
Wednesday	11/15/00	6:30 p.m.	Second Budget Workshop
Tuesday	11/21/00	6:30 p.m.	Hang Budget/First Budget Hearing
Tuesday	12/5/00	6:30 p.m.	Second Budget Hearing (prior to Workshop)
Tuesday	12/12/00	7:00 p.m.	Adopt Budget and Tax Ordinances

Review Status of 20001 Budget:

Staffing Requirements in 2001:

- Net increase of two people.
- One less sanitation employee.
- Two new parks and recreation maintenance employees.
- One more police dispatcher.

Revenues:

Mr. Bleemer has two or three more weeks of work to do on the proposed 2001 budget.

- The Township will lose \$45,000 in revenues if Montgomery Township bases its own Earned Income Tax.
- Looking to end the year at 1.2 million dollars – a very healthy situation for the Township.
- Revenues in 2001 are expected to be stable and compare to those in 2000.

Expenses:

Expenses in 2001 are estimated to be approximately 6% over the current year (\$600,000).

A large portion of expenses allocated are due to salaries (particularly wages of the Police Department).

Health Insurance costs are estimated to jump 17%.

Tipping fees will be up by approximately \$55,000.

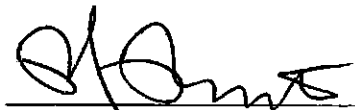
ADJOURNMENT:

Mr. Cassidy motioned, with Mrs. Herold seconding, to adjourn the meeting at 6:50 p.m.

Respectfully submitted,


Louise Birett, Recording Secretary

Approved:


Robert Pesavento, Chairperson

A meeting of the Finance Committee of Upper Dublin Township was held on February 6, 2001, Robert Pesavento presiding. In attendance were Commissioners Pesavento, Herold, and Cassidy. Messrs. Leonard and Bleemer were also present. Commissioners Gift and Derr participated as members of the audience.

Mr. Pesavento asked those present to pledge allegiance to the flag.

MOTION TO APPROVE FINANCE COMMITTEE MINUTES OF OCTOBER 2000 WITHOUT READING:
Mrs. Herold motioned, with Mr. Pesavento seconding, to approve the Minutes of October 2000 without reading.

VOTE ON MOTION

ALL YES

MOTION CARRIED

REPORT OF THE FINANCE DIRECTOR:

Jonathan Bleemer highlighted the following in his January 2001 report.

Township Audit:

The Township's new independent auditors, Bee Bergvall & Co., will begin their field work in early February for the Township's 2000 audit. Upon completion of the field work and preparation of the Township's financial statements, Bee Bergvall will report their findings to the full Board of Commissioners at a public meeting. Preliminary year-end results indicate a continuing healthy financial condition for the Township with year-end balances at or higher than projected levels.

DISCUSSION ITEMS:

Vantagecare Health Retirement Savings Plan ("savings plan"):

This proposal will provide all non-union full-time employees participation in Vantagecare Retirement Health Savings Plan. The staff is recommending implementation of the program in 2001 through the contribution of 1% of each non-union employee's annual salary into the employee's retirement health savings account. The cost of this 1% of salary is included in the approved 2001 budget.

Paul Leonard explained that the proposed is a non-profit 457 plan, professionally managed, and offered by several companies to provide the best retirement medical insurance. He pointed out the following:

- The Township's current plan provides "zero" benefits after termination.
- Cobra benefits are available at the employee's expense.
- Abington and Plymouth Townships as well as other municipalities offer significant benefits for post retirement.
- This plan encourages employees to save and plan for post-retirement and suggests that a portion of their income be set aside in this savings plan.
- Medical expense reimbursements will never be taxed to the employee, spouse, or dependents.
- No income tax withholding or reporting is required.
- The benefits need not be reported at all by the recipient on his or her tax return.
- Payout for sick time has been avoided.
- Each individual employee will have the option how to invest the funds (i.e., medical benefits, benefits to spouse, long-term care insurance, etc.).
- Eligibility in the program begins the first day of full-time employment.
- Contributions are made quarterly.

This plan will be an agenda item at the February Stated Meeting.

ADJOURNMENT:

Mr. Cassidy motioned, with Mrs. Herold seconding, to adjourn the meeting at 6:45 p.m.

Respectfully submitted,


Louise Birett, Recording Secretary

Approved:


Robert Pesavento, Chairperson

A meeting of the Finance Committee of Upper Dublin Township was held on May 1, 2001, Robert Pesavento presiding. In attendance were Commissioners Pesavento, Herold, and Cassidy. Messrs. Leonard and Bleemer were also present.

Mr. Pesavento asked those present to pledge allegiance to the flag.

MOTION TO APPROVE FINANCE COMMITTEE MINUTES OF JANUARY 2001 WITHOUT READING:

Mr. Cassidy motioned, with Mrs. Herold seconding, to approve the Minutes of January 2001 without reading.

VOTE ON MOTION

ALL YES

MOTION CARRIED

REPORT OF THE FINANCE DIRECTOR:

Jonathan Bleemer highlighted the following in his April 2001 report.

Township Audit:

- The Township's new independent auditors, Bee Bergvall & Co., have completed their field work, have prepared the required Department of Community and Economic Development Annual Report, and have drafted the Township's annual financial statements. Bee Bergvall is scheduled to report their findings to the Board of Commissioners at a public meeting to be held on Tuesday, May 29, 2001.
- Mr. Bleemer intends to meet with the auditors on May 2nd to go over the agenda for the May 29th meeting.
- Mr. Bleemer is very pleased with the work done by Bee Bergvall. Their report was better than any received during the past few years and at a cost savings of \$2,000.

Earned Income Tax (EIT):

- The Upper Dublin Earned Income Tax Appeals Board received two appeals in April. The information relating to the appeals has been forward to the Township Solicitor and auditors. A conference call is scheduled during the week of April 30th to address the issues. Thereafter, the Township Solicitor will prepare an "Opinion and Order" on the appeals.

Township Contract for Use of Nextel Phones:

- The Township has entered into a new contract with Nextel reducing the charge for each Township-owned Nextel telephone from approximately \$50 per month to about \$38. This has reduced the annual cost for the use of Nextels by approximately \$4,000. The reduced rate was made possible because the Township has agreed to pool minutes between all Township phones.

Department Relocation:

- In preparation for the Township building project, the Finance staff has temporarily moved to the old Community Room. Mr. Bleemer thanked the Public Works and Parks Department employees for their assistance in construction of the temporary offices and the moving of office equipment and furniture.
- During the construction period, the Township receptionist will be accepting certain payments from residents at the reception window. This is being done for the convenience of residents so they do not have to visit two separate buildings to complete a simple transaction.

Delaware Valley Health Insurance Trust:

- The Township received its health insurance premium renewal rates for the plan year – April 2001-March 2002. The rates increased by 18% resulting in an annual premium of \$825,000 which is about \$65,000 over the budgeted amount (primarily due to pharmaceutical expenses). The Township staff continues to pursue opportunities for alternative health insurance coverage.

Responding to Mr. Cassidy, Mr. Bleemer said the Finance Department intends to go out for bids from various area banks in an effort to lessen the fees for services.

ACTION ITEMS:

Police Pension Survivors Benefits Settlement:

Mr. Leonard explained that the settlement agreement involves three retired police officers.

The issue was discussed with the Township's labor attorney as well as the attorney representing the police. The only change will be that both groups will take the money out of the fund. It involves a one-page amendment to the ordinance regarding survivor benefits.

Mr. Cassidy motioned, with Mrs. Herold seconding, to recommend approval by the Board of Commissioners of the Police Pension Survivors Benefits Settlement Ordinance.

VOTE ON MOTION ALL YES MOTION CARRIED

Approval of Metz Engineering Fees for 2001:

Mr. Bleemer will develop a comparison of fees before the May Stated Meeting of the Board of Commissioners.

Mr. Cassidy was curious as to why the schedule of fees was submitted this late in the year. He felt that said report should have been submitted in January.

Mr. Leonard explained that a large portion of the fees are pass-thrus to developers.

Mrs. Herold motioned, with Mr. Cassidy seconding, to recommend approval of Metz Engineering's fees to the Board of Commissioners.

VOTE ON MOTION ALL YES MOTION CARRIED

Authorization of Payment of Harris Engineering Invoice for Design Costs:

PennDOT has indicated that if the Township pays 100% of the design, they will pay 100% of the project.

Mr. Cassidy motioned, with Mrs. Herold seconding, to recommend authorization of payment to Harris Engineering to the Board of Commissioners.

VOTE ON MOTION ALL YES MOTION CARRIED

Request for Approval of Additional Open Space Purchases.

The recommendation from Paul Leonard is that:

“The Board of Commissioners authorize payment of initial design costs for Frederic R. Harris, Inc. in the amount of \$46,640. Whitemarsh Township has budgeted and committed to pay \$23,000 of this amount, meaning the actual expense to Upper Dublin would be \$23,640.

Harris Engineering costs represents the comprehensive effort to work with PennDOT, Fort Washington Rescape, Upper Dublin Township, and Whitemarsh Township for utilization of % 21 funding and for PennDOT to meet its obligations for historic ‘sensitivity’ for portions of Bethlehem Pike both in Whitemarsh and Upper Dublin Townships. Potential improvements for construction are estimated at \$695,240 to be funded at 100% basis by PennDOT provided that municipal support paid for preliminary engineering. If the Township does not pay this 100% funding of initial engineering, the municipalities would have to fund 20% of the construction or \$139,048 or more.

Whitemarsh Township committed in October 1999 to pay \$23,000 of these improvements based upon a prorated share of the traffic signal ownership and its jurisdiction containing half of Pennsylvania Avenue. They are processing this payment now. Upper Dublin would be responsible for the balance of \$23,640. . .”

Mr. Cassidy motioned, with Mrs. Herold seconding, to recommend approval of additional open space purchases to the Board of Commissioners.

VOTE ON MOTION

ALL YES

MOTION CARRIED

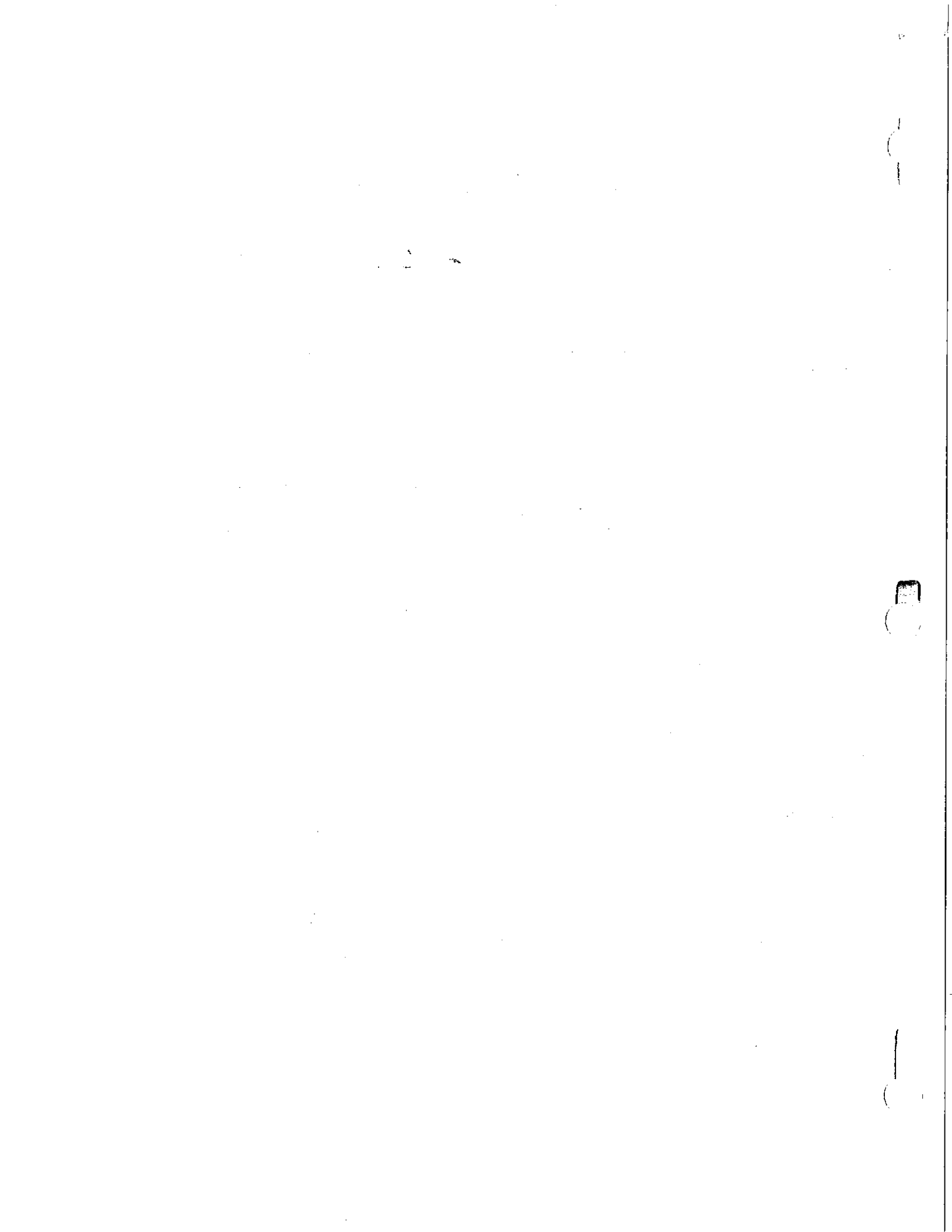
DISCUSSION ITEMS:

Police Recruitment of Additional Police Officer:

In a memo directed to the Township Manager by the Chief of Police, Terrence Thompson, it was stated, in part:

“ . . . I would like the Board to consider offering a candidate a position in our Police Department. We have a plan that was presented to the Board several years ago to hire officers over a number of years. We did not hire in 2001 due to the building expansion plans and other issues. The hiring was put off until the 2002 budget year. I am proposing that this job offer be made with the understanding that the actual hire date would be in the last quarter of the year. We currently have an officer injured on duty and another officer on non-paid military leave. This would result in little or no financial impact on the 2001 budget. We also still have a C.O.P.S. grant that we have not accessed which would further offset costs. . .”

Chief Thompson will be asked to provide feedback as to need to the members of the Public Safety, Works and Services Committee in executive session later this evening.



ADJOURNMENT:

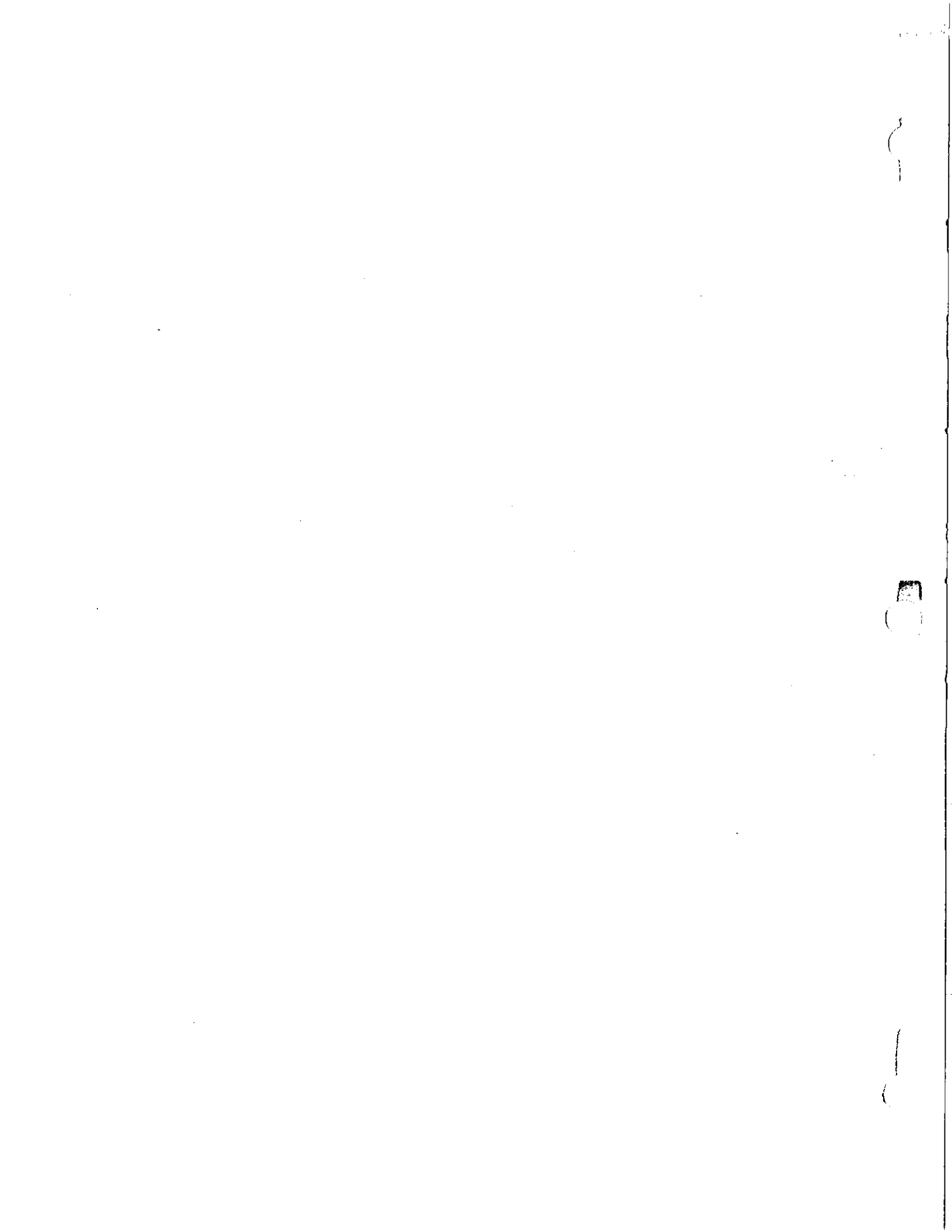
Mr. Cassidy motioned, with Mrs. Herold seconding, to adjourn the meeting at 6:55 p.m.

Respectfully submitted,


Louise Birett, Recording Secretary

Approved:


Robert Pesavento, Chairperson



A meeting of the Finance Committee of Upper Dublin Township was held on Tuesday, August 7, 2001, Robert Pesavento presiding. In attendance were Commissioners Pesavento and Cassidy. Jonathan Bleemer, Finance Director; and Susan Lohoefer, Parks and Recreation Director; were also present.

Mr. Pesavento asked those present to pledge allegiance to the flag.

MOTION TO APPROVE FINANCE COMMITTEE MINUTES OF MAY 2001 WITHOUT READING:

Mr. Cassidy motioned, with Mr. Pesavento seconding, to approve the Minutes of May 2001 without reading.

VOTE ON MOTION

ALL YES

MOTION CARRIED

REPORT OF THE FINANCE DIRECTOR:

Jonathan Bleemer highlighted the following in his August 2001 report.

Fund Balance Policy:

Mr. Bleemer drafted a Fund Balance Policy as a result of a request from Bee Bergvall & Co. This will be a discussion item at the September Stated Meeting.

Upper Dublin Twining Valley Golf Club Audit:

Bee Bergvall submitted a proposal to provide the Township with an audit of the Twining Valley Golf Club (\$15,000-\$20,000). If accepted at the August Stated Meeting, the Township can direct Bee Bergvall to either begin an audit of the Golf Club's fiscal year ending March 31, 2001 immediately or wait until spring/summer of 2002 to audit the fiscal year ending March 31, 2002.

Public Assistance for Tropical Storm Allison Damage:

Meetings were held with PEMA and FEMA regarding the application for public assistance. Claim information (totaling approximately \$100,000) has been forwarded to FEMA for all losses except those dealing with the Upper Dublin Sewer Treatment Plant. Because of the extent of the plant damage (partially covered by DVIT), this claim is a little more complicated and will take longer to complete. Damage to the plant is estimated at \$300,000-\$400,000.

Parks and Recreation Overview:

Susan Lohoefer, Parks and Recreation Director, discussed two memos submitted to the Committee to provide guidance in preparation for budget discussions.

- When the Parks and Recreation Department moves into its new offices, one additional part-time person will be required to man a second service window during peak hours. One additional full-time person will be required to perform weekend and evening supervisory duties.
- When Mr. Pesavento asked for her opinion on keeping the Parks and Recreation Office open to 8:00 p.m. one day per week to handle registrations, etc., Ms. Lohoefer felt that there is no need for extended hours. Those interested in signing up for programs can do so via fax, credit card, drop-offs and mail-ins.
- The parks supervisor feels that 7 parks laborers are required by the Department..
- Interest in fledgling sports is growing.

- There are more traveling soccer teams. The Township has been very supportive of the soccer program, while the Upper Dublin School District has been more supportive of lacrosse.
- The Parks and Recreation staff has suggested that youth sports organizations approach businesses in the Fort Washington Office Park for their permission to allow organized sports groups to use their lands for sports activities. However, the Department is aware that there would be liability issues to overcome.
- In addition, the various sports organizations have approached the School District to use the fields on the Edwards tract.

Mr. Pesavento asked if one or two fields can be taken out of circulation and allowed to rest for a year once the CHAC fields are ready for play? Ms. Lohoefer said that was the justification for developing the CHAC complex. While the Township is not in a position to let fields rest at the present time, the School District has had the opportunity to take some of its fields out of circulation.


ADJOURNMENT:

Mr. Cassidy motioned, with Mr. Pesavento seconding, to adjourn the meeting at 7:00 p.m.

Respectfully submitted,


Louise Birett, Recording Secretary

Approved:


Robert Pesavento, Chairperson

A meeting of the Finance Committee of Upper Dublin Township was held on Tuesday, April 16, 2002, Judy Herold presiding. In attendance was Commissioner Tackel. Jonathan Bleemer, Finance Director was also present.

Ms. Herold asked those present to pledge allegiance to the flag.

REPORT OF THE FINANCE DIRECTOR

Jonathan Bleemer highlighted the following in his April 2002 report.

Township Audit

The Township's independent auditors have completed their field work and will be presenting their annual report to the Board of Commissioners prior to the May stated meeting. Upon the recommendation of the Township auditors, Jennifer Decker, CPA, has been retained to provide accounting and bookkeeping assistance to the Fort Washington Fire Company.

Township Payroll Software

The Township's payroll software vendor has released a new graphical interface version of their payroll and personnel administration software. Members of the finance department have attended a demonstration of the new software and are all impressed with the upgrades and added features. More information on the new software will be accumulated.

DISCUSSION ITEMS

Earned Income Taxes

The potential loss of earned income tax due to other taxing districts enacting the tax was discussed. Mr. Bleemer reported that the total potential loss if all taxing districts enacted the tax was in excess of \$2,000,000. This equates to about \$200 per household of increased real estate tax.

Mr. Bleemer recommended the elimination of the current \$3,000 income exemption due to the high administrative cost to track and issue refunds. This discussion will go to the full board.

Proceeds from Sale of Sewer System

Mr. Bleemer reported that RFPs have been prepared to retain an investment manager for the proceeds from the sale of the Township's sewer system. Mr. Tackel volunteered to review the responses with Mr. Bleemer and report their recommendation to the full board.

Township Budget Process

The Township's budget process was discussed and Mr. Bleemer asked whether the Committee had any recommendations at this time to amend the current process. Although no suggestions were made at this time, the subject will be addressed again at a later Finance Committee meeting.

Mr. Tackel asked that a new monthly report be prepared for the Commissioners agenda book that provided a comparison of budget-to-actual expenses for this year and the prior year in an abbreviated format. Mr. Bleemer agreed that such a report can be provided.

ADJOURNMENT:

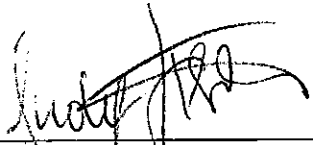
Mr. Tackel motioned, with Ms. Herold seconding, to adjourn the meeting at 6:55 p.m.

Respectfully Submitted,



Jonathan Bleemer
Finance Director/Assistant
Township Manager

Approved:



Judy Herold, Chairperson

The Finance Committee Meeting of Upper Dublin Township was held on Tuesday, July 16, 2002, in the Township Building; Judy Herold presiding.

In attendance were Commissioners Herold and Tackel as well as Jonathan Bleemer, Finance Director.

Mrs. Herold asked those present to pledge allegiance to the flag.

MOVE TO ACCEPT THE MINUTES OF THE APRIL MEETING WITHOUT READING:

Mr. Tackel motioned, with Mrs. Herold seconding, to accept the Minutes of the Finance Committee held in April 2002 without reading.

VOTE ON MOTION

ALL YES

MOTION CARRIED

REPORT OF THE FINANCE DIRECTOR:

• Township Auditors:

- Bee Bergvall & Co. (the Township's auditors) has begun their financial review of the Twining Valley Golf Club's fiscal year ending March 31, 2002. Aimee Laman and Jonathan Bleemer met with Hugh Reilly and Hugh Reilly, Jr. (representing Links Management) to review their cash management procedures and go over what documents are needed to complete Bee Bergvall's review. A meeting has been set up between Ms. Laman and Links Management's accountant.
- Jennifer Decker has completed her work on the Fort Washington Fire Company's 2001 books and is preparing 2001 reports and information to be forwarded to Bee Bergvall to conduct a 2001 audit of the Fire Company. She has been working closely with Fire Company members to revise some accounting procedures and to clean up their chart-of-accounts. She has also provided training to the Fire Company treasurer on their financial software system and has requested them to prepare a training/operations manual. Ms. Decker will continue to review and monitor the Fire Company's financial matters during 2002, and will prepare quarterly reports for the Township.

• Earned Income Tax (EIT):

- Staff continues to monitor other taxing districts' discussions regarding their enactments of an earned income tax. The enactment of an EIT by some neighboring municipalities will have an enormous impact on Upper Dublin revenues:
 - North Penn School District enacted the tax effective July 1, 2002 which will result in a loss of \$180,000 to Upper Dublin Township in 2003.
 - Other municipalities discussing enactment of a tax are Montgomery Township, Lower Merion Township, and Abington Township. Upper Dublin Township will lose the following annual revenue if these municipalities enact the tax:

Abington	\$400,000
Montgomery	\$100,000
Lower Merion	<u>\$ 90,000</u>
 TOTAL	 \$590,000

➤ The above represents a potential \$770,000 "hit" to Upper Dublin Township beginning 2003.

- Listed below are some ways to offset the revenue loss. A combination of some or all of these may be necessary:
 - Increase real estate taxes.
 - Reduce general fund contribution for capital items.
 - Take the cost of sanitation out of the general fund real estate tax and begin charging a sanitation fee to all users of the service.
 - Use some of the proceeds/interest from the sale of the sewer system.
 - Look into reassessment of properties the Township deems as under-assessed.
 - The Committee asked Mr. Bleemer to look into how much revenue reassessment would provide the Township.
 - Look at cost containment, where possible.

- New Technology Consultants:

- Upon the resignation of David Fazio, the Township has hired Keystone Digital Imaging (KDI) as its information systems consultant. Although KDI made it clear they were impressed with Mr. Fazio's set-up, they have made some suggestions on ways to improve the efficiency of the network, most importantly with the Township's backup procedures. So far, their response time and ability to resolve network problems has been terrific. KDI will be working closely with John Sullivan and Jonathan Bleemer on coordinating the move of all network file servers and computer work stations when moving into the new building.

DISCUSSION ITEMS:

- Township Match to Pennsylvania Avenue Streetscape Grant:

- Mr. Bleemer informed that the Township is in receipt of \$400,000 federal grant money for work to be performed on Upper Dublin's side of Pennsylvania Avenue.
- Upper Dublin is obligated for a 10% match (approximately \$40,000).
- Whitmarsh Township will be paying a certain percentage also. Mr. Bleemer will obtain clarification from Paul Leonard.
- The federal agency has allowed Upper Dublin Township to pay over two years (one-half in 2002; one-half in 2003).

- Mr. Bleemer recommends taking \$20,000 out of reserves and budgeting an additional \$20,000 next year in the capital fund. The Board of Commissioners will be asked to act on this recommendation at the Stated Meeting in August.
- Paul Leonard and Commissioner Weiss have been involved in every meeting that has taken place, and Upper Dublin Township is in control of the funds.
- The Finance Committee asked for a brief presentation of what is being proposed.

Mr. Tackel motioned, with Mrs. Herold seconding, to formally appropriate \$40,000 over two years so as to take advantage of the \$400,000 federal TIP grant allocated for Pennsylvania Avenue. The motion is contingent upon Whitmarsh Township paying a share of the costs so that the entire roadway can be improved.

VOTE ON MOTION

ALL YES

MOTION CARRIED

Township Employee Training/Travel Policy:

The purpose of this proposed policy is to establish standard procedures governing the authorization of employee training/travel and the payment of related costs. It is the policy of the Township to take advantage of relevant training and professional development opportunities for all employees.

Mrs. Herold asked to be informed of the background that precipitated the draft policy.

When asked how much is spent on travel expenses on a yearly basis by staff, Mr. Bleemer quoted \$30,000-\$40,000 annually.

When Mr. Bleemer informed that many of the seminars/training sessions do provide discounts by booking through them, Mr. Tackel recommended retaining the services of a specific travel agent to book travel through. In his opinion, rather than relying on conference negotiated pricing, someone should be specifically assigned to make travel arrangements. There are ways to negotiate the best prices. He suggested soliciting bids from various travel agents in the area.

Mr. Tackel would also like to see specific limits set on traveling, i.e., a per diem rate, what is expected in terms of receipts, mileage, etc.

This issue will be discussed further at the next Finance Committee Meeting after Mr. Bleemer has had time to obtain more information.

Update on Proceeds of Sale of Sewer System Proceeds:

Mr. Bleemer informed that the funds are still invested in a 30 day account.

Bob Jones, the Township's Bond Counsel, has been requested to prepare a full report for the Board of Commissioners as to the legal ramifications of holding these fund for a length of time.

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Mrs. Herold related information read in The Record newspaper where a township used funds in dire emergencies. They apparently have it invested where they cannot get to it. She is looking forward to what Bob Jones has to say.

Mr. Tackel thought the Township was hiring someone to provide alternatives for what should be done with the funds.

Mr. Bleemer assured that bids have gone out. He will provide proposals to the Committee.

Mrs. Herold suggested investigating investing in GNMA's and FNMA's.


ADJOURNMENT:

Mr. Tackel motioned, with Mrs. Herold seconding, to adjourn the meeting at 7:50 p.m.

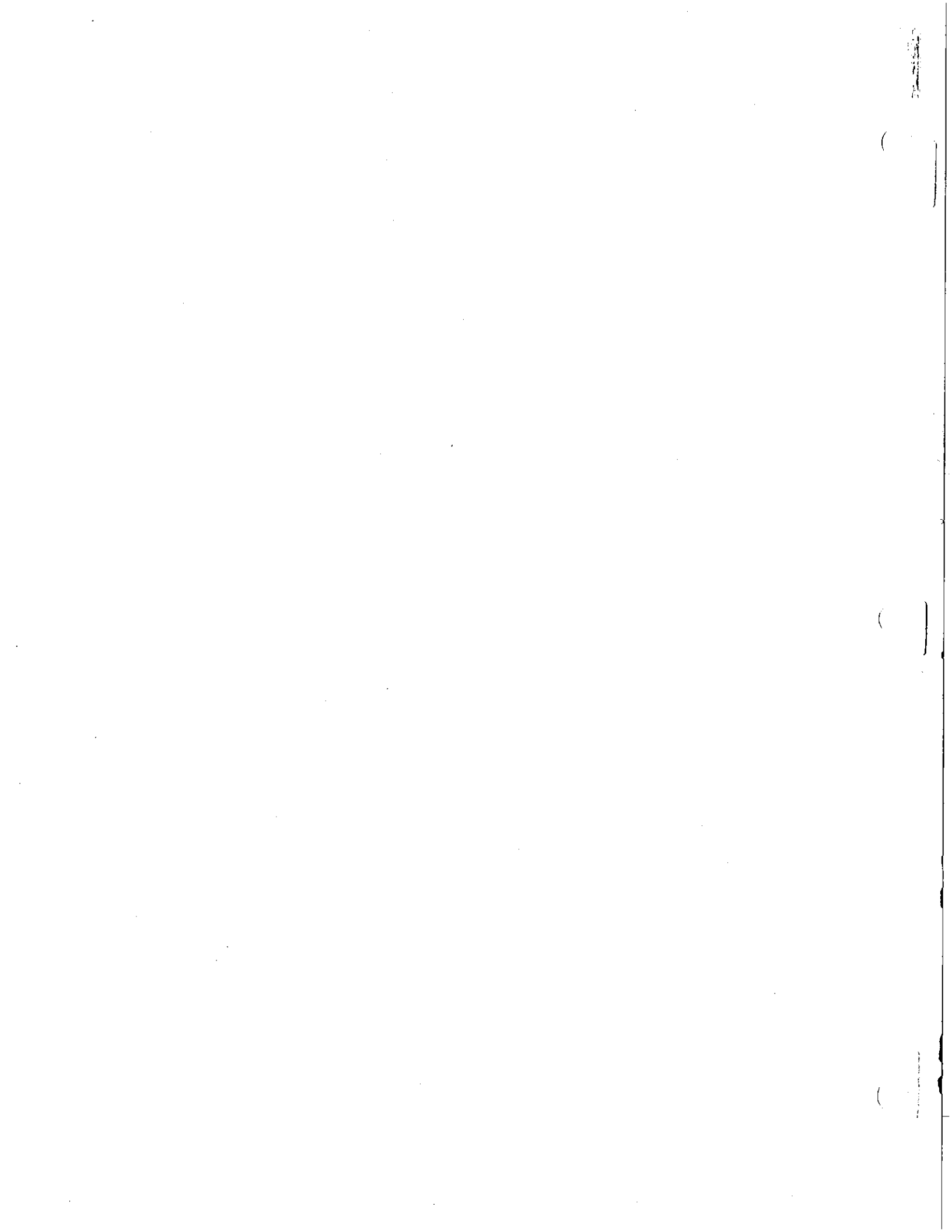
Respectfully submitted,


Louise S. Birett, Recording Secretary

Attest:



Judy Herold, Chairperson



A meeting of the Finance Committee of the Board of Commissioners of Upper Dublin Township was held on Tuesday, October 16, 2002, in the Upper Dublin High School Cafeteria; Judy Herold presiding.

In attendance were Judy Herold, Commissioner; and Jonathan Bleemer, Finance Director.

ACCEPTANCE OF THE MINUTES OF THE JULY MEETING WITHOUT READING:

Mrs. Herold accepted the Minutes of the July 2002 Meeting of the Finance Committee without reading.

DISCUSSION:

Police Pension Employee Contribution:

- The Police Pension contribution has been zero for the past three years because the stock market was doing so well.
- Revenues from the state for foreign insurance tax to Upper Dublin Township is expected to be \$218,216.
- The state aid to the Township for 2003 is expected to cover about \$230,000 of this amount resulting in a \$58,000 contribution (5% from each police officer) from the Township's operating funds to cover the difference.

2003 Township Budget and Budget Schedule:

The following schedule for budget hearings was approved as follows:

Tuesday	October 22		Advertise budget workshops
Tuesday	November 5		Advertise budget hearings
Wednesday	November 6	8-8:30 p.m.	First budget workshop
Wednesday	November 13	6:30-10:00 p.m.	Second budget workshop
Tuesday	November 19	6:30-10:00 p.m.	Hand budget/First budget hearing
Wednesday	November 27	6:30-10:00 p.m.	Second budget hearing
Wednesday	December 4	6:30-10:00 p.m.	Third budget hearing
Tuesday	December 10	7-7:15 p.m.	Adopt budget and tax ordinances

Mrs. Herold made the following comments:

- The expansion of the Parks and Recreation Department will probably overwhelm the Board of Commissioners during budget discussions.
- Expansion in Aidenn Lair Park should not be included in the 2003 budget. The plan adopted last week was for discussion purposes only.

Update on Investment of Proceeds of Sale of Sewer System:

Mr. Bleemer informed:

- As rates continued to go down, he began to invest \$3,000,000 last week in two year FMAC accounts at 2.6% interest (the best rate the Township could get).
- Investments will continue to be made periodically so that they will mature at various intervals. Interest from the proceeds will fund capital projects in the 2003 budget (\$300,000-\$400,000).

Report on Township Sewer Operating Fund:

Recommendations for the Board of Commissioners to consider:

1. **Transfer \$50,000 in 2002 to Parks and Recreation Fund to finance the cost of employee hired mid-year and the cost of Township contribution to the North Hills Community Center.**
 - Upon the sale of the sewer system and approval of the Board, a non-budgeted employee was hired by the Parks and Recreation Department.
 - The Board approved a \$9,000 non-budgeted expenditure to finance the North Hills Community Center After School Recreation Program for the balance of 2002.

2. **Transfer \$1,700,000 in the 2003 budget to the Debt Service Fund to cover future debt service expenses on existing outstanding Township debt.**
 - Over the past few years, the Township has borrowed funds to finance the cost of Twining Road reconstruction, a stormwater management program, the purchase of the Bub property, and for the Township Building Construction project.
 - Current outstanding debt totals \$13,250,000.
 - This use of excess sewer operating funds is an additional way that Township residents will benefit from the sewer system sale since this transfer of funds will avert the need to raise real estate taxes to pay for future debt payments.

3. **After processing of the above two recommendations, the Sewer Operating fund is projected to still have a \$1.2 million balance at the end of 2003. Upon Board approval, these funds can be allocated for:**
 - Cost of Township operating expenditures in 2003 and future years.
 - Cost of Township capital expenditures in 2003 and future years.
 - Added to proceeds from the sewer system sale by depositing in Township's Community Reinvestment Fund.
 - Held in reserve for future consideration.

Mr. Bleemer closed his remarks by saying that the above recommendations will reduce the need to raise taxes, and in this way, the Township will be giving back to the taxpayers.

ADJOURNMENT:

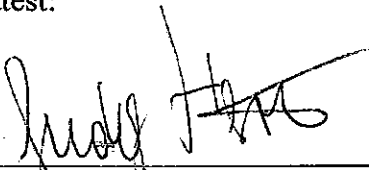
As Mrs. Herold adjourned the meeting at 7:20 p.m., Commissioner Tackel arrived due to a misunderstanding about the start time of the meeting. Mrs. Herold and Mr. Bleemer apprised him of what had transpired during the meeting.

Respectfully submitted,



Louise S. Birett, Recording Secretary

Attest:



Judy Herold, Chairperson

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A meeting of the Finance Committee of the Board of Commissioners of Upper Dublin Township was held on Tuesday, January 21, 2003, in the Township Building; Judy Herold presiding.

In attendance were Commissioners Herold and Tackel as well as Jonathan Bleemer, Finance Director.

ACCEPTANCE OF THE MINUTES OF THE JULY MEETING WITHOUT READING:

Mr. Tackel motioned, with Mrs. Herold seconding, to accept the Minutes of the October 2002 Finance Committee Meeting without reading.

VOTE ON MOTION ALL YES MOTION CARRIED

REPORT OF THE FINANCE DIRECTOR:

Non-Uniformed Pension Plan:

Notification has been received from the Internal Revenue Service (IRS) that the Township's request for a Private Letter Ruling has been approved. This means that employee contributions to the pension plan will be made on a pre-tax basis. The IRS has requested that the Board of Commissioners approve a final resolution to amend the Upper Dublin Township Non-Uniformed Pension Plan to approve "pick-up" contributions to the plan effective July 1, 2002.

Mr. Tackel motioned, with Mrs. Herold seconding, that the Board of Commissioners will consider a resolution on the Non-Uniformed Pension Plan at the February Stated Meeting.

VOTE ON MOTION ALL YES MOTION CARRIED

Mr. Bleemer informed that the 2002 W-2 forms will be amended to reflect the "pick-up" contributions to the plan effective July 2, 2002.

Technology Purchases:

The Township has purchased new Dell computers to replace 12 existing desktop workstations throughout the various departments in the Township. KDI, the Township's new information systems consultant, has been extremely responsive in installing the new hardware onto the network and has provided valuable network support on an on-going basis. For planning purposes, Mr. Bleemer has begun to develop a multi-year replacement schedule for the hardware on the Township's network.

Half of the old units were trashed, while those deemed useable were used as replacements in other departments.

Earned Income Tax (EIT):

Staff continues to monitor the actions of other taxing districts regarding the approval of an EIT. Thus far, for the 2003 fiscal year, Montgomery Township has enacted an EIT effective January 2, 2003, and Abington Township has enacted an EIT as of April 2, 2003. Upper Dublin's budget forecast for 2003 EIT revenues took into account the amount of funds lost due to the levying of the tax by these other taxing districts.

It is possible that one school district will enact an EIT as of July 1, 2003, but there is no definite indication at this point in time.

Department Office Reorganization:

Kimmel Bogrette submitted a plan to rearrange the EIT work area to better utilize the available space and to create resident access to the EIT office from the public rotunda area. A window will be constructed next to the real estate tax window where residents will be able to consult with EIT employees without having to access the office area. Other than the construction of the customer service window, the only costs associated with the reorganization is some electric, computer and telephone wiring, and the purchase of some minor additional furniture. Once the plan is finalized and approved, written quotes for the carpentry work needed to construct the window will be sought.

DISCUSSION ITEMS:

Private Letter Ruling from the IRS:

ReedSmith submitted a draft resolution and amendment regarding the Private Letter Ruling for consideration and passage by the Board of Commissioners.

Investment of Proceeds to Sale of Sewer System:

Four proposals were received a few months ago. A decision needs to be made whether to engage the services of an investment advisor or if investments will be done in-house. Mr. Bleemer recommended using an investment advisor.

Mrs. Herold noted that the costs for engaging an investment advisor are negligible compared with the work being done in-house.

Mr. Bleemer said that one out of the four proposals is ineligible because they are already handling the Township's pension fund. The differences between the other three are insignificant.

Mr. Tackel asked that Mr. Bleemer put together a matrix for feedback from the Finance Committee before the February Stated Meeting. Two out of the three bidders will be chosen to appear before the Board of Commissioners in February.

Date of Next Finance Committee Meeting:

Mr. Bleemer asked that the next Finance Committee be held on April 29, 2002.

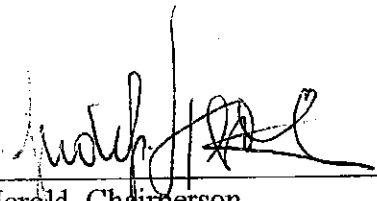
ADJOURNMENT:

Mr. Tackel motioned, with Mrs. Herold seconding, to adjourn the meeting at 7:10 p.m.

Respectfully submitted,


Louise S. Birett, Recording Secretary

Attest:



Judy Herold, Chairperson

A meeting of the Finance Committee of the Board of Commissioners of Upper Dublin Township was held on Tuesday, April 29, 2003, in the Township Building; Judy Herold presiding.

In attendance were Commissioners Herold and Tackel as well as Jonathan Bleemer, Finance Director.

Mrs. Herold asked those present to pledge allegiance to the flag.

ACCEPTANCE OF THE MINUTES OF THE JANUARY 2003 MEETING WITHOUT READING:

Mr. Tackel motioned, with Mrs. Herold seconding, to accept the Minutes of the January 2003 Finance Committee Meeting without reading.

VOTE ON MOTION

ALL YES

MOTION CARRIED

REPORT OF THE FINANCE DIRECTOR:

Building Project Budget:

When securing financing for the Upper Dublin Township Building project, included was a contingency amount for unexpected expenses. Through the end of March 2003, all extra expenses related to the project delays and defective work have been paid out of the contingency fund. As expected, the fund is now depleted and all additional extra expenses will be paid by drawing down on the balance of the Milestone contract still being held by the Township. As of the end of the March 2003, that amount is \$658,000. Both the Finance Director's office and Construction Dynamics Group are keeping records of those extra expenses that the Township feels are legitimately chargeable back to the contractor.

Investment of Sewer Sale Proceeds:

In early April, \$12,000,000 in fund proceeds were wired to Commerce Capital Markets for their investment in the fixed income market. An additional \$3,000,000, a government security being held directly by the Township, will be turned over to Commerce shortly. The Committee will be updated on Commerce's performance over the next few quarters.

Earned Income Tax (EIT):

EIT tax revenues from non-resident sources continues to diminish. As anticipated, Abington Township enacted a .5% EIT effective April 1, 2003. Upper Dublin's budget forecast for 2003 EIT revenues took into account the amount of funds lost due to the levying of the tax. There is a good chance the Springfield School District will enact a .5% tax effective July 1, 2003. The estimated impact of the revenue loss related to Springfield's enactment is \$20,000 for 2003 and was not included in the Township's 2003 budget forecast.

Messrs. High and Bleemer have been in contact with the Central Tax Bureau (CENTAX), a third party EIT collector appointed by many local municipalities. According to Township records, CENTAX owes the Township a substantial amount of EIT. These are funds from Township residents who work in municipalities represented by CENTAX. Within 90 days, CENTAX is obligated to distribute all funds received to the appropriate municipalities, the domiciled municipality of each employee. CENTAX has not been turning over these funds. After contacting CENTAX, the Township immediately received about 1/3 of the amount we allege is due. Until the balance is received, Upper Dublin will hold back any payments due to CENTAX. The Township Solicitor has confirmed the lawfulness of this action.

Department Office Reorganization:

The reorganization of the earned income tax offices in the new Township Building is complete. Mrs. Herold was thanked for her support in getting a new window constructed for resident access to the EIT office from the main hallway and the rearrangement of the workstations for improved workspace and traffic flow.

Application for Public Assistance:

Upper Dublin Township has become eligible for federal disaster funds to pay part of the cost for emergency protective measures undertaken as a result of the Presidents' Day snowstorm. The application for assistance has been completed with the Township seeking reimbursement of eligible costs in the amount of approximately \$55,000.

Upper Dublin Township Employees on Military Leave:

Two employees from the Upper Dublin Police Department who are in the military reserve have been called up to active duty. In accordance with Township Resolution No. 1779, the Township will continue to pay these employees the difference between their salary as a police officer and their military pay for a period of up to one year. Both employees will also remain on the Township benefit package for the same time period.

Update on North Hills Recreation Program:

In early 2003, a request was received from the North Hills Manor Tenant Management Corporation (NHTMC) for the release of start-up costs totaling \$7,200 from the \$18,000 committed by the Board of Commissioners in the Township's 2003 budget for this program. A check was cut with the understanding that the next disbursement request must include an explanation of how the \$7,200 was spent with copies of receipts.

Mr. Bleemer was asked to set down in writing to the NHTMC that the Board of Commissioners expects a full accounting.

Technology:

The Finance staff has looked into and received a demonstration on securing a document file management system initially for use on its EIT records. The system, an intelligent electronic file cabinet, will reduce physical file storage, improve document retrieval speeds, and enable ease of sharing. The Police Department has also shown interest in this management system. In fact, the electronic file cabinet can eventually be accessible to all departments. Upon retrieving additional information and an estimate of costs, Mr. Bleemer will forward this item to the Township's Technology Committee as well as providing all information to the Finance Committee.

Mr. Tackel suggested that the Finance Department investigate an electronic filing system known as "Cannafile B." All documents in this system are encoded with "barcodes" that become the index.

DISCUSSION ITEMS:

Extension of EIT Filing Deadline for Military Personnel in a Combat Zone:

It was agreed that the EIT filing deadline for military personnel in a combat zone will be extended 180 days or longer.

The Solicitor will draft a resolution in this regard.

ADJOURNMENT:

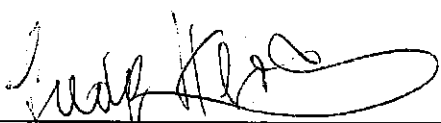
Mr. Tackel motioned, with Mrs. Herold seconding, to adjourn the meeting at 8:00 p.m.

Respectfully submitted,

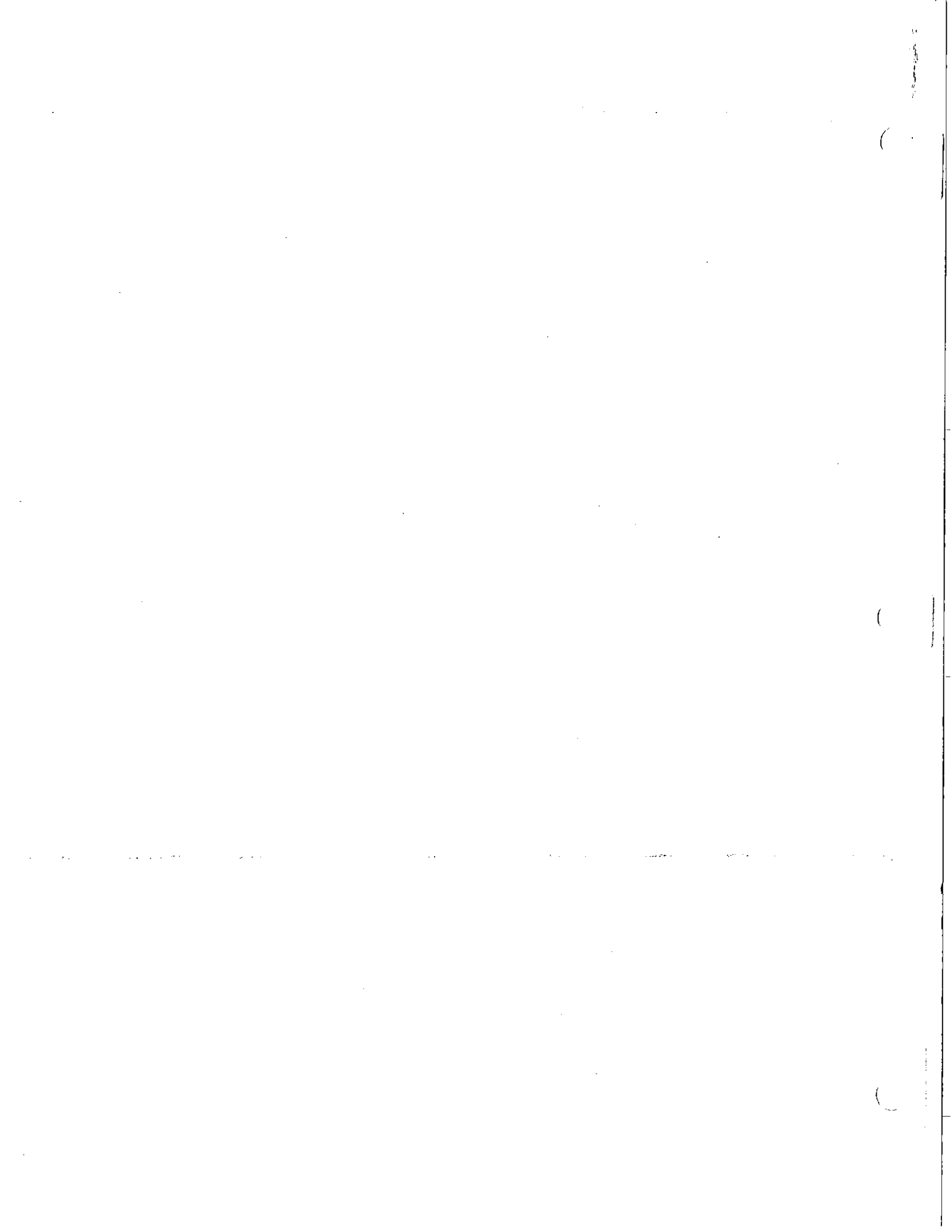


Louise S. Birett, Recording Secretary

Attest:



Judy Herold, Chairperson



A meeting of the Finance Committee of the Board of Commissioners of Upper Dublin Township was held on Tuesday, July 29, 2003, in the Township Building; Judy Herold presiding.

In attendance were Commissioners Herold and Tackel as well as Jonathan Bleemer, Finance Director.

Mrs. Herold asked those present to pledge allegiance to the flag.

MOVE TO ACCEPT THE MINUTES OF THE APRIL MEETING WITHOUT READING:

Mr. Tackel motioned, with Mrs. Herold seconding, to accept the Minutes of the April 2003 Finance Committee Meeting without reading.

VOTE ON MOTION

ALL YES

MOTION CARRIED

REPORT OF THE FINANCE DIRECTOR:

Earned Income Tax (EIT):

The EIT office has intensified efforts to collect delinquent taxes due from Township residents. In compliance with state law, the office has begun the process of instituting wage attachment proceedings against delinquent taxpayers. Prior to implementing these procedures, each delinquent taxpayer is being contacted and given every opportunity to resolve the delinquency. If resolution is unsuccessful, the delinquent taxpayer will receive a notice by certified mail that the Township is commencing with wage attachment proceedings. The taxpayer is given thirty days in which to respond. If the amounts due are still not resolved after the 30 days, the Township will notify the resident's employer with the wage attachment. Pennsylvania state law requires employers to honor wage attachments. If they refuse to do so, they may be held responsible for the tax due.

Mr. Bleemer then reported on amounts due to the Township from the Central Tax Bureau (CENTAX) municipalities. Efforts to collect the amounts due have been very successful, and he reported that an amount less than \$10,000 is now considered delinquent from CENTAX down from close to \$300,000 at the end of 2002. The Finance Department will continue to monitor the CENTAX issue to confirm that they remain current in their payments to the Township.

Update on Sewer Rents:

Approximately 180 properties in the Township remain with balances due on their sewer rent (totaling about \$195,000). All but a handful of these properties have been liened. When considering that the Township has billed from \$2-\$3 million annually since 1987 with very few write-offs, this is an extremely low delinquent amount. The Township continues to collect balances due when property owners refinance their mortgages or sell their property. A board decision can be made to more aggressively attempt to collect the amounts due through the use of a collection agency.

Snow and Ice Removal Expense Reimbursements:

Upper Dublin Township has received payment from the Federal Emergency Management Agency in the amount of \$56,261.09 as reimbursement for Township costs associated with the Presidents' Day snowstorm of 2003. In addition, the Township has been notified that, in accordance with the terms and conditions in the Winter Traffic Service Agreement between the Township and PennDOT, the Township will be receiving payment in the amount of \$24,695.53 from PennDOT. The payment is in regard to a severe winter adjustment clause in the

agreement and is not part of the contract payment budgeted and received from PennDOT annually. Therefore, the \$81,956.62 received in reimbursements comes close to covering the approximately \$100,000 cost overrun in snow removal expenses in the 2003 budget.

Payroll/Personnel:

In response to requests from Township employees, the Finance Department has implemented a payroll deduction on a volunteer basis for payments to the Pennsylvania Tuition Account Plan (a state run program offering savings and investments option as well as tax advantages for future college tuition fees.)

With the help of Township Human Resources Consultant, Hank Hurst, the Finance Department has streamlined and improved the process of inputting summer staff onto the payroll system and have revamped the process of tracking sick leave for all Township employees.

DISCUSSION ITEMS:

Resolution to Establish Accounting Policies to Comply with Governmental Accounting Standards Board (GASB 34).

Mr. Bleemer recommended a straight line appreciation method for recording infrastructure.

Reallocation of Funds to North Hills Community Group, Inc.

The North Hills Community Group, Inc. did not receive expected grant funding for their summer program. They are now asking that Upper Dublin Township reallocate \$6,000 from funds being held in reserve for North Hills programs/building to help make up the loss. At this point in time, the North Hills group is asking only for commitment of the \$6,000, and not actually forwarding funds.

Mr. Tackel said that the North Hills group and the Township agreed in November 2002 that the Township would issue an initial check in the amount of \$7,200. The wording was such that prior to disbursement of any additional funds, a full accounting of previous funds will be forthcoming. To this date, no additional funds have been requested. The North Hills group's belief was that they were not being required to provide accountability until they requested additional funding.

Commissioners Tackel and Weiss as well as Mr. Bleemer attended a meeting with the North Hills group on July 28th and saw an accounting of the \$7,200 initial payment. Mr. Tackel suggested to them that they account for the majority of the money flowing through the program. He stated the group understands that this is a partnership and accountability is the key.

Mr. Bleemer informed that the \$7,200 has not been spent yet, and the group felt they should wait to make a submission to the Board of Commissioners. He made recommendations as to the type of progress reports the Township would like to see.

When Mrs. Herold said that children from other neighborhoods should be allowed to attend the North Hills programs, Mr. Bleemer said they have a limited number of children that they can accommodate.

The Board of Commissioners will discuss this issue at the Stated Meeting in August.

Budget Schedule:

Upper Dublin Township is facing a shortfall in 2004 of \$868,240, largely due to reductions in EIT revenues.

Mr. Bleemer suggested reducing the budgeted general fund expenditures for 2004 by 3% relative to the 2003 budget.

The Township Manager was charged with suggesting new expenditure measures aimed at reducing ongoing costs while maintaining the highest quality essential service delivery levels and assuring the highest caliber workforce.

It was suggested that methods of reducing tax increases be considered by increasing user fees.

Mr. Tackel was uncomfortable with the 3% figure stated above and would like to see 3%, 5%, 10% and 15% reductions. He asked that Township staff recommend cuts using each of the above levels so that the Board of Commissioners will have a clear picture how to cut the operating budget. Mr. Tackel does not believe the Board of Commissioners can make up the difference in its entirety without affecting the level of service provided. He wants staff to set forth the fallout of a reduction in services.

Mr. Tackel noted that the benefits piece of the budget is untouchable.

Mrs. Herold asked staff to recommend whether trash collection and snow removal should continue or whether the work should be bid out to private contractors.

Mr. Tackel would also like to see as much community involvement and would like to understand how the community feels about the impending shortfall.

In conclusion, Mr. Tackel asked for a matrix of reductions and how staff feels reductions can be accomplished.

ADJOURNMENT:

Mr. Tackel motioned, with Mrs. Herold seconding, to adjourn the meeting at 7:45 p.m.

Respectfully submitted,


Louise S. Birett, Recording Secretary

Attest:


Mary Herold, Chairperson

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(9)

(9)

A meeting of the Finance Committee of the Board of Commissioners of Upper Dublin Township was held on Tuesday, October 28, 2003, in the Township Building; Judy Herold presiding.

In attendance were Commissioners Herold and Tackel as well as Jonathan Bleemer, Finance Director.

Mrs. Herold asked those present to pledge allegiance to the flag.

MOVE TO ACCEPT THE MINUTES OF THE JULY MEETING WITHOUT READING:

Mr. Tackel motioned, with Mrs. Herold seconding, to accept the Minutes of the July 2003 Finance Committee Meeting without reading.

VOTE ON MOTION

ALL YES

MOTION CARRIED

REPORT OF THE FINANCE DIRECTOR:

Banking Services:

In August, the Township sent out a request for proposals for general banking services to 8 banking institutions. Six responses were received. The objective of this process was to seek banking services equal to or better than the quality of services currently received by the Township at a lower price. Mr. Bleemer recommended that the Finance Committee authorize a three-year contract with Wachovia Bank who has offered the best package at a lower price than is being paid at the present.

Mr. Tackel motioned, with Mrs. Herold seconding, to authorize negotiations with Wachovia Bank for a three-year contract to reflect the reduced fees.

VOTE ON MOTION

ALL YES

MOTION CARRIED

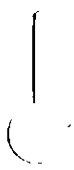
Earned Income Tax (EIT):

The Earned Income Tax Office continues to diligently undertake efforts to collect delinquent taxes due from Township residents. Although the process of attaching wages against delinquent taxpayers has not yet begun, each delinquent taxpayer has been mailed a delinquent notice and is being given every opportunity to resolve the delinquency. To date, this procedure has netted over \$66,000 in delinquent EIT since the program began in June of 2003. For those taxpayers where resolution of the amount due cannot be accomplished, the Department is prepared to commence wage attachment procedures and/or the process of filing civil action complaints with the District Justice.

The Township has been given preliminary notice from Professional Software Solutions, Inc. that, in all probability, the company will be going out of business by the end of 2004. This company wrote the original EIT programs in the late 1980s and, over the years, has provided outstanding support at a very reasonable price. Although the Township's reliance on the company is minimal, there are certain annual procedures that require their services. In early 2004, Mr. Bleemer intends to identify various options that the Township can take to address this matter.

Mrs. Herold informed that some years ago, the Township engaged senior citizens to determine how many people are employed in the various buildings in the Fort Washington Office Park.

In responding to a concern raised by Mrs. Herold, Mr. Bleemer said that the Township is making every effort to find out where businesses are being run out of private residences.



Mrs. Herold noted that Upper Moreland Township has a Business Privilege Tax which keeps a tight tab on their sidents.

2004 Draft Budget:

Department heads have completed their budget requests for what they recommend is needed to effectively operate their departments in 2004. Each individual department head will be asked to be present during budget discussions at the appropriate time when their particular department needs are considered.

GASB34 Compliance:

The Finance Department continues to work on the areas of the recording of capital assets and infrastructure as required under the new GASB statement #34. A number of meetings have been held with the Township auditors for assistance and guidance, and the Townships Public Works, Library and Parks and Recreation Departments have worked with the Finance Department in providing essential information. Although much work still needs to be completed, Mr. Bleemer does not foresee a problem with meeting the deadlines set for compliance with the new accounting standards.

DISCUSSION ITEMS:

The Finance Committee approved the following budget meeting schedule:

Wednesday	November 5, 2003	8:00 P.M.	First Budget Workshop
Wednesday	November 12, 2003	6:30 P.M.	Second Budget Workshop
Wednesday	November 19, 2003	6:30 P.M.	Hang Budget/First Budget Hearing
Tuesday	November 25, 2003	6:30 P.M.	Second Budget Hearing
Wednesday	December 3, 2003	6:30 P.M.	Third Budget Hearing
Tuesday	December 9, 2003	7:00 P.M.	Adopt Budget and Tax Ordinances

ADJOURNMENT:

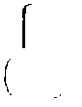
Mr. Tackel motioned, with Mrs. Herold seconding, to adjourn the meeting at 7:30 p.m.

Respectfully submitted,

Louise S. Birett
Louise S. Birett, Recording Secretary

Attest:

Judy Herold
Judy Herold, Chairperson



A meeting of the Finance Committee of the Board of Commissioners of Upper Dublin Township was held on Tuesday, April 27, 2004, in the Township Building; Judy Herold presiding.

In attendance were Commissioners Herold and Pesavanto as well as Jonathan Bleemer, Finance Director.

Mrs. Herold asked those present to pledge allegiance to the flag.

MOVE TO ACCEPT THE MINUTES OF THE OCTOBER 2004 MEETING WITHOUT READING:

Mr. Pesavento motioned, with Mrs. Herold seconding, to accept the Minutes of the October 2004 Finance Committee Meeting without reading.

VOTE ON MOTION

ALL YES

MOTION CARRIED

REPORT OF THE FINANCE DIRECTOR:

Earned Income Tax (EIT):

The Department has redesigned the quarterly EIT forms for the 2004 fiscal year. All four quarterly returns now appear on one sheet and are mailed to residents in one mailing (including 4 preaddressed return envelopes). The format change reduces the cost of printing and postage by approximately \$6,000.

To date, the EIT Department has collected more than \$185,000 in delinquent EIT since the more aggressive program began in June of 2003.

Revenue from Recycling Center:

Blue Mountain Recycling LLC has been operating the recycling facility in the Township for two fiscal quarters. In that time, the Township has received \$18,822 in paper recycling and paid \$8,703 in commingled containers for a net revenue of \$10,119.

Mr. Pesavento was pleased to note that recycling is up by 25% since the recycling facility has been in operation.

Mrs. Herold encouraged all residents to make the effort to recycle as much as possible.

Mr. Bleemer is working on numbers to expand the recycling program, i.e., special pick-ups. Information will be forthcoming at the Public Safety, Works and Services Committee Meeting in May.

2003 Audit:

Bee Bergvall & Co. has completed the Township's independent audit for the period ending December 31, 2003, and has prepared the required reports for submission to the Pennsylvania Department of Community and Economic Development. The Board of Commissioners will discuss the audit report at the Stated Meeting in May.

The Finance Department has completed all required reporting and schedules and has met all deadlines for compliance with the new GASB Statement #34 accounting model regulations.

Training Sessions:

The Finance Director attended two training seminars on the subject of SWAP Agreements.

Since October 2003, Pennsylvania local governments can enter into interest rate swap agreements (a complicated financial contract between two parties to exchange interest rate payments at specified dates in the future). One counterparty pays a fixed rate while the other pays a variable rate. This is an opportunity that may be financially beneficial to the Township if, by swapping some of our fixed rate interest payments with variable rates, the Township could reduce the overall interest paid on outstanding debt. Mr. Bleemer will continue to pursue advice from various sources.

Completion of Building Project:

A non-binding application has been completed for a short-term loan from the Delaware Valley Regional Finance Authority to secure funding to cover the cost of the Township Building Completion Contract.

Responding to a concern raised by Mrs. Herold, Mr. Bleemer will provide information on what was done with trees that were removed from the property.

DISCUSSION ITEMS:

Congressional Bill:

Mr. Bleemer urges the Board of Commissioners to support a new bill currently in Congress which will lower municipal obligations. The Bill will be an agenda item for the Stated Meeting in May.

JOURNMENT:

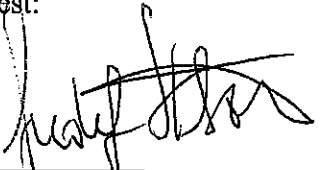
Mr. Pesavento motioned, with Mrs. Herold seconding, to adjourn the meeting at 7:15 p.m.

Respectfully submitted,



Louise S. Birett, Recording Secretary

Attest:



Judy Herold, Chairperson

A meeting of the Finance Committee of the Board of Commissioners of Upper Dublin Township was held on Tuesday, July 27, 2004, in the Township Building; Judy Herold presiding.

In attendance were Commissioners Herold and Pesavanto as well as Jonathan Bleemer, Finance Director.

Mrs. Herold asked those present to pledge allegiance to the flag.

MOVE TO ACCEPT THE MINUTES OF THE APRIL 2004 MEETING WITHOUT READING:

Mr. Pesavento motioned, with Mrs. Herold seconding, to accept the Minutes of the April 2004 Finance Committee Meeting without reading.

VOTE ON MOTION

ALL YES

MOTION CARRIED

REPORT OF THE FINANCE DIRECTOR:

Earned Income Tax (EIT):

Where the Finance Department has the appropriate information, wage attachment notices have been forwarded to those employers of Upper Dublin Township residents who are delinquent in their payment of the EIT. The next step will be to file civil complaints with the District Justice for those taxpayers where the Department has no employer data. The Township Solicitor has provided legal advice on the filing process, and a meeting has been set with the District Justice to discuss filing procedures. To date, the EIT Department has collected over \$233,000 in delinquent EIT since the more aggressive program began in June of 2003.

PECO:

In 1999, the Finance Department discovered a 1992 billing error by PECO that resulted in a large balance due on the Township's street light account. In 1992, PECO shorted the Township by approximately \$4,000 on a payment made by the Township. The shortfall remained on PECO's books building up late charges every month at a 2% per month finance charge. In 1999, Mr. Bleemer discovered the error and began a dialogue with PECO representatives to resolve the problem. After many years and discussions, and a balance due that increased to \$51,000 because of the monthly finance charges, PECO finally admitted the error and the issue was resolved in June 2004.

Due to the installation of low wattage LED signal lamps in the Township's traffic signals, the monthly energy charge from PECO for traffic signals and pedestrian crossing signals has decreased from \$2,796 to \$951 (a decrease of 66%).

Township Auditors:

Bee Berg all & Co. has completed auditing the books of the Fort Washington Fire Company for the period ending June 30, 2003. Due to a change in the Fire Company's fiscal year, the next audit will encompass the period July 1, 2003 through December 31, 2003.

Completion of Building Project:

The Board of Commissioners approved an Ordinance authorizing the Township to borrow \$1.2 million from the Delaware Valley Regional Finance Authority at a variable rate over a five year period.

North Hills Community Center:

On July 21, 2004, Renee Williams assured Mr. Bleemer that the information the Board of Commissioners is requiring prior to release of additional funding would be forwarded by July 26, 2004. To date, the North Hills Manor Tenant Management Corporation has received \$7,500 of the allocated \$30,000 from the Township's fiscal 2004 budget.

A meeting was held on July 20th between representatives of the North Hills Community Group and the Township to discuss the fiscal health of the Group. It was determined that at the current funding levels, the Community Group cannot afford to continue to operate the North Hills Community Center. The Township has offered to step in and, at least temporarily, take over the payment of invoices associated with the cost of operating the building. Subsequently, Kitty Cooke forwarded to Mr. Bleemer copies of current and past due invoices totaling approximately \$2,300. The Township will pay these invoices and apply the cost against the \$1,000 per month allocation approved by the Board of Commissioners in the 2004 budget.

DISCUSSION ITEMS:

Pension Funding:

A meeting is scheduled for August 9th to discuss changing the 10-15 year amortization amount to a 30 year amortization amount as called for by Act 205 of the Pennsylvania Pension Fund regulations.

Mid-year Report of Revenues and Expenditures:

It was noted that revenues are up to 65.17% as compared with the 55.27% revenues in 2003.

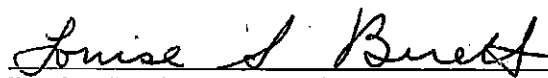
Statistics on the Community Reinvestment Fund as of June 30, 2004 were as follows:

Institution	Amount	Current Rate of Return	Income Year-to-Date	Projected Annual Income
Commerce Capital Markets	12,000,000	2.75%	150,653	316,000
Federal Home Loan Bank	3,000,000	3.25%	39,652	90,000
PLGIT	210,451	1.24%	847	2,100
TOTAL	15,210,451	2.83%	191,152	408,100

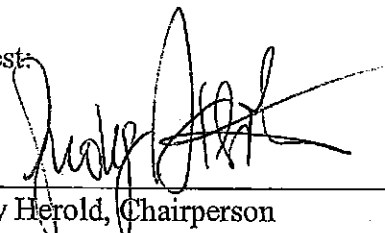
ADJOURNMENT:

Mr. Pesavento motioned, with Mrs. Herold seconding, to adjourn the meeting.

Respectfully submitted,


Louise S. Birett, Recording Secretary

Attest:


Judy Herold, Chairperson

A meeting of the Finance Committee of the Board of Commissioners of Upper Dublin Township was held on Tuesday, October 26, 2004, in the Township Building; Judy Herold presiding.

In attendance were Commissioners Judy Herold and Ira Tackel as well as Jonathan Bleemer, Finance Director.

Mrs. Herold asked those present to pledge allegiance to the flag.

MOVE TO ACCEPT THE MINUTES OF THE AUGUST 2004 MEETING WITHOUT READING:

Mr. Tackel motioned, with Mrs. Herold seconding, to accept the Minutes of the August 2004 Finance Committee Meeting without reading.

VOTE ON MOTION

ALL YES

MOTION CARRIED

REPORT OF THE FINANCE DIRECTOR:

Earned Income Tax (EIT):

Civil complaints were filed with the District Justice against 22 delinquent taxpayers. Of those filed, 14 settled prior to their hearing dates, 5 hearings were held with the Township receiving judgment in each case, and 3 hearings were postponed until October 27th. In January, the Department plans to initiate approximately 20 complaints. To date, the Earned Income Tax Department has collected over \$330,000 since the more aggressive program began in June 2003.

Budget:

Mr. Bleemer has met with each Department Head to review operating budget requests. He is in the process of compiling all requests and preparing the first draft of the 2005 budget document.

The schedule for budget negotiations is as follows:

Wednesday, November 3, 2004	7:00 p.m.	First Budget Workshop
Monday, November 8, 2004	6:30 p.m.	Second Budget Workshop
Monday, November 15, 2004	6:30 p.m.	Hang Budget/First Budget Hearing
Monday, November 22, 2004	6:30 p.m.	Second Budget Hearing
Tuesday, November 30, 2004	6:30 p.m.	Third Budget Hearing

Township Auditors:

Bee Bergvall & Co. has completed auditing the books of the Fort Washington Fire Company for the period ending June 30, 2003. Due to a change in the Fire Company's fiscal year, the next audit will encompass the period July 1, 2003 through December 31, 2003. This audit should be completed by March 2005. Annual audits will then be conducted every February-March for the previous calendar year.

Bee Bergvall is in the process of reviewing Links Management accounting procedures which will include, among other items, a review of Links' internal controls, an examination of revenue records and gross receipts reported to the Township and a review of paid invoices for capital improvements reported to the Township.

Completion of Building Project:

The closing for the loan from the Delaware Valley Regional Finance Authority occurred in August. The Township entered into a five year loan at a variable rate. The current interest rate is 1.18%. Funds will be used to finance the contract with Adams-Bickel Associates to complete the Township Building renovation project and related consultant fees. All fees defined as "extra expenses," including a majority of the Adams-Bickel contract, will be included as part of the Township's claim against the original contractors.

Update on Sewer Rents:

As of the end of September 2004, 110 properties in the Township remain with balances due on their sewer rents totaling approximately \$152,000. Over \$14,000 in outstanding sewer rents has been collected year-to-date. Of the remaining delinquent amounts, liens have been filed against property owners for all but a small portion balance due. These will be collected as property owners refinance their mortgages or sell their properties.

DISCUSSION ITEMS:

North Hills Community Group:

The Board of Commissioners would like to meet with the North Hills Community Group prior to budget meetings. In conjunction therewith, Mr. Bleemer prepared a draft "request form" for the group to use each time they request funding.

Major Issues to be Discussed during Budget Deliberations:

- Funding to implement recommended goals and objectives identified in the recently completed long range plan for the Township Library.
- A proposal in excess of \$40,000 for maintenance, repairs and upgrades to the North Hills Community Center Building.
- Township's required general fund contribution to its two pension funds increases from \$55,000 in 2004 to an estimated \$437,231 for 2005. This increase of \$381,581 represents a 4.9% increase in the real estate tax rate.
 - When Mrs. Herold asked why the increase is taking place in one year, Mr. Bleemer explained that the amount could have been even larger. The Pension Board made a decision a few months ago to amend the way the minimum municipal obligation is calculated so that the Township can extend the amortization over 30 years instead of 12 years. The minimum municipal obligation is based on an actuarial report every two years. The report was last done on January 2, 2003 when the stock market was not doing well. There was a huge loss between 2001 and 2002. Every other municipality is feeling the same crunch. It will remain in this range for the next two years until the next report comes out.
 - Mrs. Herold said the Township might have to dip into its savings fund. She asked that this issue be an agenda item for the Stated Meeting in November.
 - Mr. Bleemer said revenues for 2004 have been good. There have been many home and commercial property sales. This will all be reported in the budget talks beginning November 3rd.
- A review of recommended capital expenditures in the Open Space Fund, Capital Equipment Fund and General Capital Fund and a discussion on funding sources for these projects.

COMMENTS/QUESTIONS:

Richard Petruski asked that the public be provided hand-outs during budget discussions as was done last year. Mr. Bleemer answered that the Township does not intend to send out notices to every resident this year. The cost is prohibitive when the number of interested citizens is considered. Last year, no more than ten people attended budget deliberations. However, announcements will be displayed on the cable TV channel.

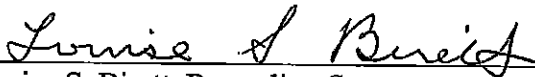
Mr. Petruski asked if the salaried staff pays any portion of their healthcare benefits. Mr. Bleemer informed that there is no contribution required toward the cost of the premium at this time. Mr. Petruski asked that the Board of Commissioners consider contributions from employees as a cost saving measure.

When Mr. Petruski asked to be apprised of the cost of renovating the Township Building and who is paying for it, Mrs. Herold said the Township set aside significant funds from the final payment in the original builder's invoice. The Township is in the process of suing the original builder, and until the litigation process is completed, no information can be released.

ADJOURNMENT:

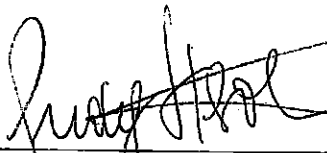
Mr. Tackel motioned, with Mrs. Herold seconding, to adjourn the meeting at 7:00 p.m.

Respectfully submitted,

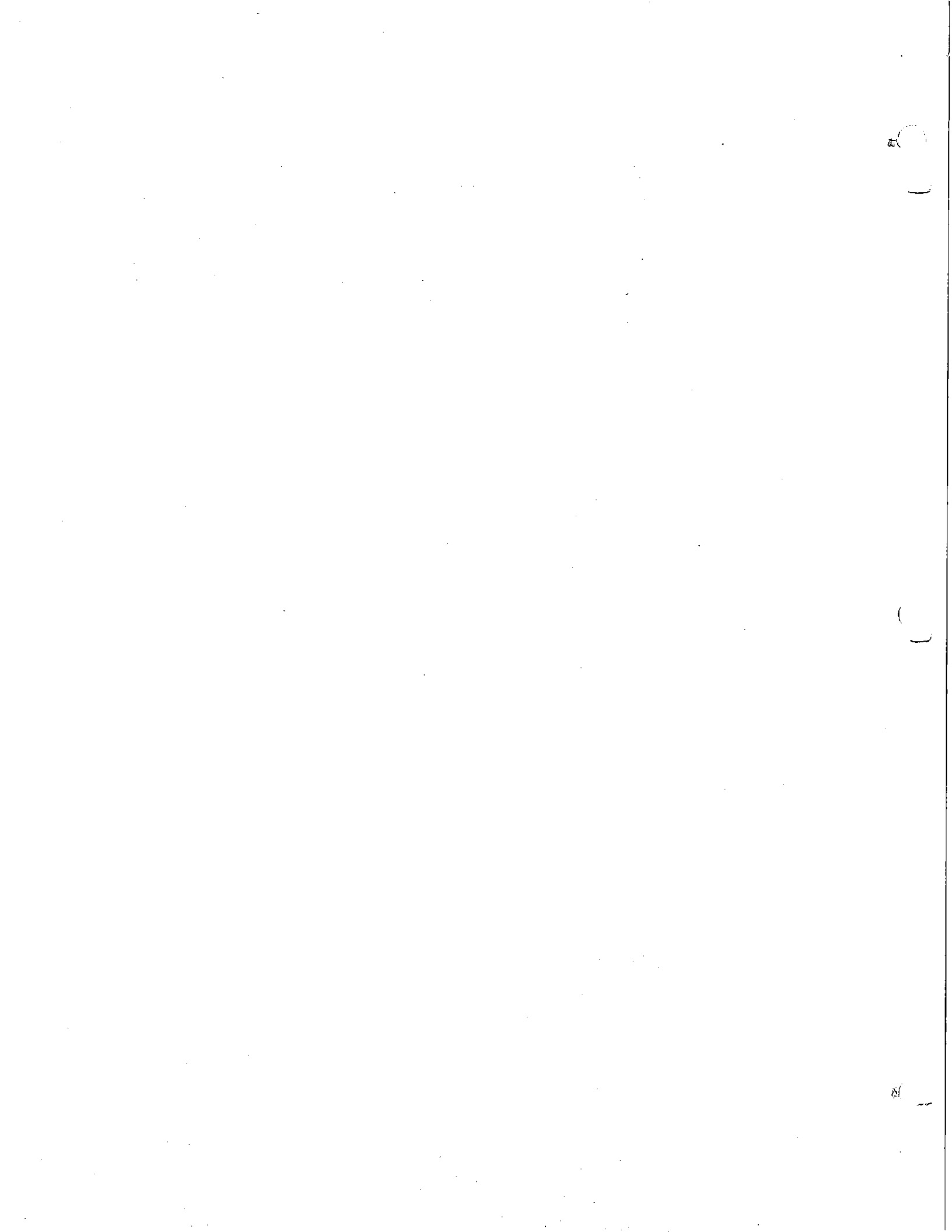


Louise S. Birett, Recording Secretary

Attest:



Judy Herold, Chairperson



A meeting of the Finance Committee of the Board of Commissioners of Upper Dublin Township was held on Tuesday, April 26, 2005, in the Township Building; Judy Herold presiding.

In attendance were Commissioners Judy Herold and Ira Tackel as well as Jonathan Bleemer, Finance Director.

Mrs. Herold asked those present to pledge allegiance to the flag.

MOVE TO ACCEPT THE MINUTES OF THE OCTOBER 2004 MEETING WITHOUT READING:

Mr. Tackel motioned, with Mrs. Herold seconding, to accept the Minutes of the October 2004 Finance Committee Meeting without reading.

VOTE ON MOTION

ALL YES

MOTION CARRIED

REPORT OF THE FINANCE DIRECTOR:

Earned Income Tax (EIT):

The Finance Department has continued to concentrate on the collection of delinquent EIT. Through the use of direct mailings, civil complaints, payment plan agreements, and wage attachments, the Department has succeeded in reducing the number of delinquent taxpayers. To date, the EIT Department has collected over \$500,000 in delinquent EITs since the more aggressive program began in June of 2003.

During the first quarter of 2005, the Department mailed out over 16,000 EIT final return forms and 6,200 quarterly forms. The EIT final form was redesigned this year to provide additional information and to allow spouses to file on one form, if preferred. The reaction from the public regarding the new format has been almost unanimously positive. The Department is now processing the final returns which entails opening the mail, reviewing each return for accuracy, requesting additional information if incomplete, issuing returns, if appropriate, and depositing payments. Completion of the administration of the final returns usually takes about two months following the April 15th deadline. Although by law, the Department has 75 days to issue a refund, under most situations, taxpayers will receive an EIT refund within 30 days of filing their return.

Emergency and Municipal Services Tax (EMST):

A draft ordinance for the enactment of an EMST has been prepared. Attached to the draft ordinance is a memo Mr. Bleemer prepared addressing the enactment and implementation of an EMST.

Enactment of the tax will be discussed by the Board of Commissioners during budget deliberations for 2006.

Grant Application:

With the assistance of Representative Michael Gerber's office, a grant application has been submitted to the Pennsylvania Department of Community and Economic Development to fund an engineering study of the Honey Run watercourse near the Ambler Road and Randolph Avenue properties of Upper Dublin. The proposed study would determine what course of action could be followed to relieve flooding in that area and will address an estimated cost for remediation.

Township Auditors:

Bee Bergvall & Co. has completed their independent audit of the Township's financial condition for the period ending December 31, 2004, and has filed the required reports with the Pennsylvania Department of Community and Economic Development. The auditors' report to the Board of Commissioners has been placed on the agenda for the Stated Meeting in May.

Bee Bervall is also working on the auditing of the books of the Fort Washington Fire Company for the period ending December 31, 2004. The final statements should be completed for the Board of Commissioners' review by mid-May.

Analysis of Engineering Services:

Howard Woods has completed a draft report and analysis of Upper Dublin Township's use of engineering services. The report addresses our current practices associated with the procurement and management of engineering services provided by Metz Engineers and provides recommendations for improvements. After meeting with Township Staff, Mr. Woods will finalize his report which will then be distributed to the Board of Commissioners for review and discussion.

Update on Sewer Rents:

As of the end of March 2005, 88 properties in the Township remain with balances due on their sewer rents totaling approximately \$132,000. Over \$15,000 in outstanding sewer rents has been collected year-to-date. Of the remaining delinquent amounts, liens have been filed against property owners for all but a small portion balance due. Liens will be collected as property owners refinance their mortgages or sell their properties.

DISCUSSION ITEMS:

Mini-Check Run Policy:

The Committee revised the Mini-Check Run Policy to add a new Paragraph 7 describing the types of disbursements allowed in a mini-check run as follows:

"Payment of Electric, gas, telephone and water invoices when the invoice due date precedes the next Board of Commissioners Stated Meeting."

ADJOURNMENT:

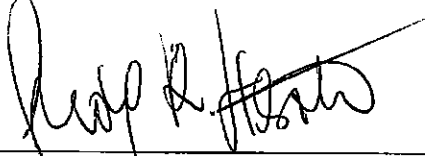
Mr. Tackel motioned, with Mrs. Herold seconding, to adjourn the meeting at 7:15 p.m.

Respectfully submitted,



Louise S. Birett, Recording Secretary

Attest:



Judy Herold, Chairperson

A meeting of the Finance Committee of the Board of Commissioners of Upper Dublin Township was held on Tuesday, July 26, 2005, in the Township Building; Judy Herold presiding.

In attendance were Commissioners Judy Herold and Ira Tackel as well as Jonathan Bleemer, Finance Director.

Mrs. Herold asked those present to pledge allegiance to the flag.

MOVE TO ACCEPT THE MINUTES OF THE APRIL 2005 MEETING WITHOUT READING:

Mr. Tackel motioned, with Mrs. Herold seconding, to accept the Minutes of the April 2005 Finance Committee Meeting without reading.

VOTE ON MOTION

ALL YES

MOTION CARRIED

DISCUSSION ITEMS:

Mid-Year Financial Report:

Mr. Bleemer presented his mid-year financial report and noted the following specifics:

- Revenues:
 - Percentage of total revenues received in the General Fund at the end of June was 69.47%.
 - The large revenue income was due to licenses and permits issued by the Code Enforcement Department.
 - Most of the other fund totals are even with last year's figures.
 - Interest income of \$57,736 was significantly higher as of the end of June as opposed to the 2004 figure of \$19,605.

- Expenses:
 - Percentage of expenses in the General Fund as of the end of June was 50.08% as opposed to the 2004 figure of 51.34%.
 - Expenses for the Township Building and repairs were over budget. Mr. Bleemer will try to keep this category as close to budget as possible.
 - All other fund totals are on budget.
 - Percentage of Library Fund expenses is at 40.80%.
 - Percentage of Parks and Recreation Department expenses is at 47.74%.

- Community Reinvestment Fund:
 - The beginning balance in the Community Reinvestment Fund (principal and interest) totaled \$15,353,714.
 - \$450,000 additional revenue from interest is expected.
 - Total transfers of interest income for Open Space equaled \$62,745.
 - Total transfer for Capital equipment equaled \$220,715
 - Total transfers for capital projects equaled \$520,254.
 - Grand total of transfers from all categories equaled \$803,714.
 - Most of the funds sent to the North Hills Community actually goes to the projects.
 - \$600,000 has been put into streets and storm sewers with more to come.
 - A Community Development Block Grant has been approved and will be going out to bid in the fall.

• Major Projects Budgeted in 2005 Funded through CRF:

- Total projects equals \$1,697,994 as follows:

	Budget	Paid Through 6/30/05
General funding for Open Space Fund projects	62,745	50,000
General funding for Capital Equipment purchases	220,715	150,000
Sprinkler system in Township garage	125,000	73,500
Ardsley drainage flood control project (two easements needed)	356,634	15,500
Burn Brae drainage project	234,000	4,500
Inverness Ave./Highland Ave. drainage project (in design phase)	222,900	
Kane Drive/Willet Drive drainage project (in design phase)	60,000	
Township match for North Hills CDBG	50,000	42,500
North Hills Improvements project	200,000	
Bernard Avenue road reconstruction project	80,000	
Township match for office park grant	86,000	

Unbudgeted Projects in 2005 Funded Through CRF

Purchase of property on Dreshertown Road		170,000
TOTAL PROJECTS	1,697,994	506,000

Emergency and Municipal Services Tax:

Mr. Tackel recommended discussion of this tax as soon as possible rather than waiting for budget negotiations.

Mr. Bleemer said there may be some reasons why the Committee should not discuss this issue. He will confer with the Township Solicitor, and the matter will be placed on the agenda for the Stated Meeting in August.

\$3000 Low Income Exemption for Earned Income Tax (EIT):

Mr. Bleemer recommended a discussion of the EIT at the Stated Meeting in August.

Debt Service on 2004 Bond Issue:

Debt service was entered into in 2004 to finance the building project. It is expected to be paid back when litigation is completed. The Township is beginning to pay the interest amounts due since the litigation is taking longer than expected.

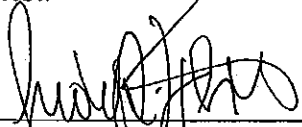
ADJOURNMENT:

Mr. Tackel motioned, with Mrs. Herold seconding, to adjourn the meeting at 7:15 p.m.

Respectfully submitted,


 Louise S. Birett, Recording Secretary

Attest:


 Judy Herold, Chairperson