

# Memo

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To: Board of Supervisors  
From: Jon Altshul  
Re: October 2015 Financial Report  
Date: November 13, 2015

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Net of pass-through accounts, the general fund had revenues of \$8,262,592 and expenses of \$7,776,881, for a year-to-date surplus of \$485,711 through the end of October. Compared to the YTD budget, revenues were \$334,888 over-budget and expenses were \$176,562 under-budget, for a positive budget variance of \$511,450. As of September 30<sup>th</sup>, the general fund balance was \$4,854,609.

Net of core revenues, Public Works is over-budget by \$10,134, an improvement of \$137,741 from last month due to the timing of resurfacing-related invoices. All other departments were under-budget.

Earned Income Tax receipts were somewhat lower than expected and are now slightly under-budget, although receipts through November 9<sup>th</sup> (\$608,813) have been strong.

## Other funds

Other funds continue to be in a strong position.

- The **State Liquid Fuels Fund** had \$431,115 in revenues and no expenses. The fund balance is \$431,319.
- The **Sinking Fund** had \$21,548 in revenues and \$342,253 in expenses. The fund balance is \$5,916,731.
- The **Transportation Fund** had \$3,601 in revenues and \$10,648 in expenses. The fund balance is \$1,060,807.
- The **Sewer Operating Fund** had \$2,683,931 in revenues and \$2,614,333 in expenses. The fund balance is \$663,139. Two developments in the sewer fund are noteworthy. First in the past week or two, we have received \$26,496 in payments on three severely delinquent sewer accounts. Higher revenues are offset by higher-than-expected payments to West Goshen for Chester Creek O&M expenses (\$168,298 over budget, due primarily to the true-up in 2015).
- The **Refuse Fund** had \$831,166 in revenues and \$860,950 in expenses. The fund balance is \$719,114.
- The **Sewer Sinking Fund** had \$2,266 in revenues and \$17,838 in expenses. The fund balance is \$1,934,740.
- The **Operating Reserve Fund** had \$2,618 in revenues and no expenses. The fund balance is \$2,478,229.
- The **Events Fund** had \$7 in revenues and no expenses. The fund balance is \$30,013.

## 2015 Year-End Projections

I am now projecting that the general fund finishes the year with a surplus of \$170,007 and a positive budget variance of \$469,675, or about \$10,000 less than last month. This revised forecast reflects a slight reduction in earned income tax revenue since last month, offset by savings across a number of expense line items. Year-end projections for other funds are summarized below. The only noteworthy

change is in the sewer fund, which is projected to finish the year about \$30,000 lower than what was reported to you last month, due to the final 2015 invoice from West Goshen.

- The **State Liquid Fuels Fund** is projected to have a year-end deficit of \$4 and a year-end fund balance of \$200.
- The **Sinking Fund** is projected to have a year-end deficit of \$19,896 and a year-end fund balance of \$6,217,540.
- The **Transportation Fund** is projected to have a year-end deficit of \$8,411 and a year-end fund balance of \$1,059,442.
- The **Sewer Operating Fund** is projected to have a year-end deficit of \$96,616 and a year-end fund balance of \$496,925.
- The **Refuse Fund** is projected to have a year-end deficit of \$73,789 and a year-end fund balance of \$675,109.
- The **Sewer Sinking Fund** is projected to have a year-end surplus of \$127,420 and a year-end fund balance of \$2,077,732.
- The **Operating Reserve Fund** is projected to have a year-end surplus of \$6,500 and a year-end fund balance of \$2,482,111.
- The **Events Fund** is projected to have a year-end surplus of \$15,008 and a year-end fund balance of \$45,014.

**2016 Budget Update**

Since October 13<sup>th</sup>, the following changes to the 2016 proposed general fund budget have been made:

CHANGES TO 2016 PROPOSED BUDGET SINCE ADVERTISEMENT				
Category	Account Code	Code description	Amount	Description
ADMIN	01409-3740	Twp Bldg Maintenance & Repair	\$9,000	Service agreement for Geothermal HVAC (waived in year 1)
CODES	01414-3050	Zoning Consultant Codes	\$40,000	Consultant study for Paoli Pike corridor (Task 6.2)
EMER SERV	01410-5300	Police Gen Expense	107,941	Based on final PPU figure (42.9%-57.1%)
EMER SERV	01411-6000	Vol Firefighter Workers Comp	(7,935)	Based on SWIF renewal
<b>Total expenses</b>			<b>149,006</b>	
NON CORE REV	01310-1000	Real Estate Taxes	(\$2,053)	Appealed assessments
EMER SERV REV	01380-0110	Out-of-area Vol FF WC Reimburse	(\$4,058)	Based on revised SWIF expense
<b>Total revenues</b>			<b>(\$6,111)</b>	
<b>Total net change</b>			<b>155,117</b>	
Surplus/(deficit funded from existing fund balance) as of 10/14/15			(88,036)	
Revised surplus/(deficit funded from existing fund balance) as of 11/13/15			(243,153)	

An updated general fund budget has been posted on line, as well as in the binder at the front desk. No changes to the proposed budgets of any other funds have been made. We are scheduled to adopt the 2016 budget at the BOS meeting on December 1, 2015.

**EAST GOSHEN TOWNSHIP**  
**OCTOBER 2015 FINANCIAL RESULTS**  
**October 31, 2015**

Account Title	Annual Budget	Y-T-D Budget	Y-T-D Actual	Budget-Actual Variance
<b>GENERAL FUND</b>				
EMERGENCY SERVICES EXPENSES	4,152,253	3,655,063	3,596,125	(58,938)
PUBLIC WORKS EXPENSES	2,497,796	1,758,666	1,718,915	(39,751)
ADMINISTRATION EXPENSES	1,805,260	1,331,135	1,273,850	(57,285)
ZONING/PERMITS/CODES EXPENSES	523,728	434,552	421,037	(13,515)
PARK AND RECREATION EXPENSES	582,149	438,288	431,005	(7,283)
<b>TOTAL CORE FUNCTION EXPENSES</b>	<b>9,561,186</b>	<b>7,617,704</b>	<b>7,440,932</b>	<b>(176,772)</b>
EMERGENCY SERVICES REVENUES	85,977	73,596	60,260	(13,336)
PUBLIC WORKS REVENUES	892,534	332,021	282,136	(49,885)
ADMINISTRATION REVENUES	301,179	265,600	307,692	42,092
ZONING/PERMITS/CODES REVENUES	291,300	216,843	311,329	94,486
PARK AND RECREATION REVENUES	132,987	123,634	131,252	7,618
<b>TOTAL CORE FUNCTION REVENUES</b>	<b>1,703,977</b>	<b>1,011,694</b>	<b>1,092,669</b>	<b>80,975</b>
<b>NET EMERGENCY SERVICES EXPENSES</b>	<b>4,066,276</b>	<b>3,581,467</b>	<b>3,535,865</b>	<b>(45,602)</b>
<b>NET PUBLIC WORKS EXPENSES</b>	<b>1,605,262</b>	<b>1,426,645</b>	<b>1,436,779</b>	<b>10,134</b>
<b>NET ADMINISTRATION EXPENSES</b>	<b>1,504,081</b>	<b>1,065,535</b>	<b>966,158</b>	<b>(99,377)</b>
<b>NET ZONING/PERMITS/CODES EXPENSES</b>	<b>232,428</b>	<b>217,709</b>	<b>109,707</b>	<b>(108,002)</b>
<b>NET PARK AND RECREATION EXPENSES</b>	<b>449,162</b>	<b>314,654</b>	<b>299,753</b>	<b>(14,901)</b>
<b>CORE FUNCTION NET SUBTOTAL</b>	<b>7,857,209</b>	<b>6,606,010</b>	<b>6,348,262</b>	<b>(257,748)</b>
DEBT - PRINCIPAL	476,000	192,000	192,000	0
DEBT - INTEREST	170,418	143,739	143,950	211
<b>TOTAL DEBT</b>	<b>646,418</b>	<b>335,739</b>	<b>335,950</b>	<b>211</b>
<b>TOTAL CORE FUNCTION NET</b>	<b>8,503,627</b>	<b>6,941,749</b>	<b>6,684,212</b>	<b>(257,537)</b>
<b>NON-CORE FUNCTION REVENUE</b>				
EARNED INCOME TAX	4,775,000	3,757,925	3,711,899	(46,026)
REAL ESTATE PROPERTY TAX	1,994,211	1,976,659	1,973,804	(2,855)
REAL ESTATE TRANSFER TAX	640,000	569,092	850,319	281,227
CABLE TV FRANCHISE TAX	455,616	341,712	347,414	5,702
LOCAL SERVICES TAX	310,000	243,970	259,391	15,421
OTHER INCOME	29,132	26,652	27,096	444
<b>TOTAL NON CORE FUNCTION REVENUE</b>	<b>8,203,959</b>	<b>6,916,010</b>	<b>7,169,923</b>	<b>253,913</b>
<b>NET RESULT</b>	<b>(299,668)</b>	<b>(25,739)</b>	<b>485,711</b>	<b>511,450</b>

SUMMARY OF FUNDS REPORT (AKA "JOE REPORT")  
 ALL FUNDS OCTOBER 2015  
 \* NOTE: GENERAL FUND INCLUDES PASS-THROUGH ACCOUNTS

	GENERAL FUND*	LIQUID FUELS STATE FUND	SINKING FUND	TRANSPORT. FUND	SEWER OP. FUND	REFUSE FUND	SEWER SINK FUND	OPERATING RESERVE	EVENTS FUND	TOWNSHIP FUNDS	MUNICIPAL AUTHORITY
<b>01/01/15 BEGINNING BALANCE</b>	<b>\$4,458,873</b>	<b>\$204</b>	<b>6,237,436</b>	<b>1,067,853</b>	<b>593,540.66</b>	<b>748,898</b>	<b>\$1,950,312</b>	<b>\$2,475,611</b>	<b>\$30,006</b>	<b>\$17,562,735</b>	<b>\$1,589,177</b>
<b>RECEIPTS</b>											
310 TAXES	\$7,187,063	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,187,063	\$0
320 LICENSES & PERMITS	\$46,656	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$46,656	\$0
330 FINES & FORFEITS	\$32,425	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,425	\$0
340 INTERESTS & RENTS	\$114,053	\$404	\$17,822	\$2,016	\$508	\$820	\$0	\$2,618	\$7	\$140,514	\$1,280
350 INTERGOVERNMENTAL	\$101,221	\$430,711	\$3,726	\$0	\$0	\$0	\$0	\$0	\$0	\$535,659	\$37,162
360 CHARGES FOR SERVICES	\$771,681	\$0	\$0	\$0	\$2,683,423	\$830,346	\$0	\$0	\$0	\$4,285,450	\$45,165
380 MISCELLANEOUS REVENUES	\$883,779	\$0	\$0	\$1,585	\$0	\$0	\$0	\$0	\$0	\$885,364	\$423
390 OTHER FINANCING SOURCES	\$226,951	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$226,951	\$20,000
	<b>\$9,363,830</b>	<b>\$431,115</b>	<b>\$21,548</b>	<b>\$3,601</b>	<b>\$2,683,931</b>	<b>\$831,166</b>	<b>\$2,266</b>	<b>\$2,618</b>	<b>\$7</b>	<b>\$13,340,083</b>	<b>\$104,030</b>
<b>EXPENDITURES</b>											
400 GENERAL GOVERNMENT	\$968,275	\$0	\$34,389	\$0	\$0	\$0	\$17,838	\$0	\$0	\$1,020,502	\$0
410 PUBLIC SAFETY	\$4,973,869	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,973,869	\$0
420 HEALTH & WELFARE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
426 SANITATION & REFUSE	\$70,306	\$0	\$0	\$0	\$1,779,228	\$860,950	\$0	\$0	\$0	\$2,710,483	\$194,654
430 HIGHWAYS,ROADS & STREETS	\$1,487,276	\$0	\$248,872	\$10,648	\$0	\$0	\$0	\$0	\$0	\$1,746,796	\$0
450 CULTURE-RECREATION	\$381,562	\$0	\$58,992	\$0	\$0	\$0	\$0	\$0	\$0	\$440,554	\$0
460 CONSERVATION & DEVELOPMENT	\$2,910	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,910	\$0
470 DEBT SERVICE	\$358,567	\$0	\$0	\$0	\$815,105	\$0	\$0	\$0	\$0	\$1,173,672	\$0
480 MISCELLANEOUS EXPENDITURES	\$719,917	\$0	\$0	\$0	\$20,000	\$0	\$0	\$0	\$0	\$719,917	\$0
490 OTHER FINANCING USES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,000	\$0
	<b>\$8,962,683</b>	<b>\$0</b>	<b>\$342,253</b>	<b>\$10,648</b>	<b>\$2,614,333</b>	<b>\$860,950</b>	<b>\$17,838</b>	<b>\$0</b>	<b>\$0</b>	<b>\$12,808,704</b>	<b>\$194,654</b>
<b>2015 SURPLUS/(DEFICIT)*</b>	<b>401,147</b>	<b>\$431,115</b>	<b>(\$320,705)</b>	<b>(\$7,046)</b>	<b>\$69,599</b>	<b>(\$29,784)</b>	<b>(\$15,572)</b>	<b>\$2,618</b>	<b>\$7</b>	<b>\$531,379</b>	<b>(\$90,625)</b>
<b>CLEARING ACCOUNT ADJUSTMENTS</b>	<b>(\$5,411)</b>										
<b>10/31/15 BALANCE</b>	<b>\$4,854,509</b>	<b>\$431,319</b>	<b>\$5,916,731</b>	<b>\$1,060,807</b>	<b>\$663,139</b>	<b>\$719,114</b>	<b>\$1,934,740</b>	<b>\$2,478,229</b>	<b>\$30,013</b>	<b>\$18,088,702</b>	<b>\$1,498,552</b>

**EAST GOSHEN TOWNSHIP**  
**2015 YEAR-END PROJECTIONS**  
**October 31, 2015**

Account Title	2015 Adopted	Year-end Proj (Oct)	\$ Variance	% Variance
<b>GENERAL FUND</b>				
EMERGENCY SERVICES EXPENSES	4,152,253	4,094,989	(57,264)	-1.4%
PUBLIC WORKS EXPENSES	2,497,796	2,642,893	145,097	5.8%
ADMINISTRATION EXPENSES	1,805,260	1,694,357	(110,903)	-6.1%
ZONING/PERMITS/CODES EXPENSES	523,728	531,440	7,712	1.5%
PARK AND RECREATION EXPENSES	582,149	572,863	(9,286)	-1.6%
<b>TOTAL CORE FUNCTION EXPENSES</b>	<b>9,561,186</b>	<b>9,536,543</b>	<b>(24,643)</b>	<b>-0.3%</b>
EMERGENCY SERVICES REVENUES	85,977	69,311	(16,666)	-19.4%
PUBLIC WORKS REVENUES	892,534	852,842	(39,692)	-4.4%
ADMINISTRATION REVENUES	301,179	340,368	39,189	13.0%
ZONING/PERMITS/CODES REVENUES	291,300	406,950	115,650	39.7%
PARK AND RECREATION REVENUES	132,987	133,088	101	0.1%
<b>TOTAL CORE FUNCTION REVENUES</b>	<b>1,703,977</b>	<b>1,802,558</b>	<b>98,581</b>	<b>5.8%</b>
<b>NET EMERGENCY SERVICES EXPENSES</b>	<b>4,066,276</b>	<b>4,025,678</b>	<b>(40,598)</b>	<b>-1.0%</b>
<b>NET PUBLIC WORKS EXPENSES</b>	<b>1,605,262</b>	<b>1,790,052</b>	<b>184,790</b>	<b>11.5%</b>
<b>NET ADMINISTRATION EXPENSES</b>	<b>1,504,081</b>	<b>1,353,989</b>	<b>(150,092)</b>	<b>-10.0%</b>
<b>NET ZONING/PERMITS/CODES EXPENSES</b>	<b>232,428</b>	<b>124,490</b>	<b>(107,938)</b>	<b>-46.4%</b>
<b>NET PARK AND RECREATION EXPENSES</b>	<b>449,162</b>	<b>439,775</b>	<b>(9,387)</b>	<b>-2.1%</b>
<b>CORE FUNCTION NET SUBTOTAL</b>	<b>7,857,209</b>	<b>7,733,985</b>	<b>(123,224)</b>	<b>-1.6%</b>
DEBT - PRINCIPAL	476,000	476,000	0	0.0%
DEBT - INTEREST	170,418	170,418	0	0.0%
<b>TOTAL DEBT</b>	<b>646,418</b>	<b>646,418</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL CORE FUNCTION NET</b>	<b>8,503,627</b>	<b>8,380,403</b>	<b>(123,224)</b>	<b>-1.5%</b>
<b>NON-CORE FUNCTION REVENUE</b>				
EARNED INCOME TAX	4,775,000	4,775,000	0	0.0%
REAL ESTATE PROPERTY TAX	1,994,211	1,994,218	7	0.0%
REAL ESTATE TRANSFER TAX	640,000	965,000	325,000	50.8%
CABLE TV FRANCHISE TAX	455,616	463,116	7,500	1.6%
LOCAL SERVICES TAX	310,000	325,000	15,000	4.8%
OTHER INCOME	29,132	28,076	(1,056)	-3.6%
<b>TOTAL NON CORE FUNCTION REVENUE</b>	<b>8,203,959</b>	<b>8,550,410</b>	<b>346,451</b>	<b>4.2%</b>
<b>NET RESULT</b>	<b>(299,668)</b>	<b>170,007</b>	<b>469,675</b>	

SUMMARY OF FUNDS REPORT (AKA "JOE REPORT")  
 2015 YEAR-END PROJECTION ALL FUNDS, October 31, 2015  
 \* NOTE: GENERAL FUND INCLUDES PASS-THROUGH ACCOUNTS

	GENERAL FUND*	LIQUID FUELS STATE FUND	SINKING FUND	TRANSPORT. FUND	SEWER OP. FUND	REFUSE FUND	SEWER SINK FUND	OPERATING RESERVE	EVENTS FUND	TOWNSHIP FUNDS	MUNICIPAL AUTHORITY
01/01/16 BEGINNING BALANCE	\$4,458,873	\$204	6,237,436	1,067,853	593,541	748,898	\$1,950,312	\$2,475,611	\$30,006	\$17,562,734	\$1,589,177
<b>RECEIPTS</b>											
310 TAXES	\$8,522,334	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,522,334	\$0
320 LICENSES & PERMITS	\$40,510	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$40,510	\$0
330 FINES & FORFEITS	\$41,476	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$41,476	\$0
340 INTERESTS & RENTS	\$124,594	\$390	\$28,650	\$2,400	\$625	\$979	\$2,500	\$6,500	\$8	\$166,646	\$1,511
350 INTERGOVERNMENTAL	\$101,041	\$430,711	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$531,752	\$0
360 CHARGES FOR SERVICES	\$887,051	\$0	\$0	\$0	\$3,196,344	\$988,730	\$0	\$0	\$0	\$5,072,125	\$79,150
380 MISCELLANEOUS REVENUES	\$1,145,402	\$0	\$0	\$1,189	\$1,000	\$0	\$0	\$0	\$0	\$1,147,591	\$0
390 OTHER FINANCING SOURCES	\$825,224	\$0	\$354,477	\$0	\$27,409	\$0	\$169,718	\$0	\$15,000	\$1,391,828	\$40,000
	\$11,687,632	\$431,101	\$383,127	\$3,589	\$3,225,378	\$989,709	\$172,218	\$6,500	\$15,008	\$16,914,261	\$120,661
<b>EXPENDITURES</b>											
400 GENERAL GOVERNMENT	\$1,272,172	\$0	\$34,389	\$0	\$0	\$0	\$0	\$0	\$0	\$1,306,561	\$0
410 PUBLIC SAFETY	\$5,745,429	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,745,429	\$0
420 HEALTH & WELFARE	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,000	\$0
426 SANITATION & REFUSE	\$100,000	\$0	\$0	\$0	\$2,383,104	\$1,063,498	\$44,798	\$0	\$0	\$3,591,400	\$204,052
430 HIGHWAYS, ROADS & STREETS	\$2,341,980	\$431,105	\$299,172	\$12,000	\$0	\$0	\$0	\$0	\$0	\$3,084,257	\$0
450 CULTURE-RECREATION	\$516,777	\$0	\$69,462	\$0	\$0	\$0	\$0	\$0	\$0	\$586,239	\$0
460 CONSERVATION & DEVELOPMENT	\$6,654	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,654	\$0
470 DEBT SERVICE	\$669,909	\$0	\$0	\$0	\$878,890	\$0	\$0	\$0	\$0	\$1,548,799	\$27,409
480 MISCELLANEOUS EXPENDITURES	\$843,704	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$843,704	\$0
490 OTHER FINANCING USES	\$15,000	\$0	\$0	\$0	\$60,000	\$0	\$0	\$0	\$0	\$75,000	\$0
	\$11,517,625	\$431,105	\$403,023	\$12,000	\$3,321,994	\$1,063,498	\$44,798	\$0	\$0	\$16,794,042	\$231,461
2015 SURPLUS/(DEFICIT)*	170,007	(\$4)	(\$19,896)	(\$8,411)	(\$96,616)	(\$73,789)	\$127,420	\$6,500	\$15,008	\$120,219	(\$110,800)
EST. 12/31/15 BALANCE	\$4,628,881	\$200	\$6,217,540	\$1,059,442	\$496,925	\$675,109	\$2,077,732	\$2,482,111	\$45,014	\$17,682,953	\$1,478,377