

Memo

To: Board of Supervisors
From: Jon Altshul
Re: August 2016 Financial Report & Year-End Projections
Date: September 12, 2016

Net of pass-through accounts, as of August 31st the general fund had revenues of \$7,333,573 and expenses of \$6,604,923 for a year-to-date surplus of \$728,651. Compared to the YTD budget, revenues were \$57,650 over budget and expenses were \$92,376 over budget for a negative budget variance of \$34,727. As of August 31st, the general fund balance was \$5,332,660.

On the expense side, Parks and Recreation was \$130,103 over-budget due to the timing of invoices paid to Gannett Fleming for the Milltown Dam study, tree work in the park and park fencing. Public Works was \$197,902 over budget, due to doing most of the resurfacing in August, which is earlier than usual. The remaining department departments were under-budget.

On the revenue side, Earned Income Tax is now \$151,066 under budget. Real Estate Property Tax is \$41,391 over budget due to a large interim payment. Real Estate Transfer Tax has corrected itself and is now only \$3,814 under budget reflecting sales through July. Local Services Tax continues to be strong with a positive budget variance of \$31,371.

Other funds

- The **State Liquid Fuels Fund** had \$503,801 in revenues and \$0 expenses. The fund balance is \$504,001.
- The **Sinking Fund** had \$36,125 in revenues and \$712,782 in expenses. The fund balance is \$5,590,804.
- The **Transportation Fund** had \$11,747 in revenues and \$0 in expenses. The fund balance is \$1,072,960.
- The **Sewer Operating Fund** had \$2,363,251 in revenues and \$2,135,136 in expenses. The fund balance is \$857,152.
- The **Refuse Fund** had \$708,428 in revenues and \$664,801 in expenses. The fund balance is \$699,310.
- The **Sewer Sinking Fund** had \$1,895 in revenues and \$98,806 in expenses. The fund balance is \$2,006,414.
- The **Operating Reserve Fund** had \$2,110 in revenues and no expenses. The fund balance is \$2,484,645.
- The **Events Fund** had \$8 in revenues and no expenses. The fund balance is \$45,023.

Year-end Projections

As of August 31st, I am projecting that the General Fund finishes the year with a deficit of \$106,085. Because \$323,184 was allocated from fund balance to balance this year's budget, this deficit reflects a positive budget variance of \$217,099. Since last month, I have made a handful of adjustments to the year-end projections, most notably decreasing the Earned Income Tax projection (I anticipate that figure being \$141,500 under budget), but offset by increases to the real estate transfer tax projection, the FEMA reimbursement for superstorm Jonas, and expense savings across a number of line items, including Public Work Roads Wages and Salaries and Resurfacing Materials and Supplies.

Year-end projections for other funds, including sinking, sewer operating and refuse, are unchanged.

EAST GOSHEN TOWNSHIP
AUGUST 2016 GENERAL FUND SUMMARY
August 31, 2016

Account Title	Annual Budget	Y-T-D Budget	Y-T-D Actual	Budget-Actual Variance	Year-End Projection	Budget-YE Proj Variance
GENERAL FUND						
EMERGENCY SERVICES EXPENSES	4,345,656	3,311,196	3,126,321	(184,875)	4,159,413	(186,243)
PUBLIC WORKS EXPENSES	2,634,879	1,428,539	1,697,425	268,886	2,674,547	39,668
ADMINISTRATION EXPENSES	1,646,376	987,328	954,742	(32,586)	1,624,579	(21,797)
ZONING/PERMITS/CODES EXPENSES	538,192	351,511	267,157	(84,354)	415,367	(122,825)
PARK AND RECREATION EXPENSES	531,450	332,168	457,476	125,308	734,257	202,807
TOTAL CORE FUNCTION EXPENSES	9,696,553	6,410,742	6,503,120	92,378	9,608,163	(88,390)
EMERGENCY SERVICES REVENUES	67,595	52,212	48,303	(3,909)	61,279	(6,316)
PUBLIC WORKS REVENUES	974,509	228,882	299,866	70,984	1,140,365	165,856
ADMINISTRATION REVENUES	325,020	166,988	166,124	(864)	322,494	(2,526)
ZONING/PERMITS/CODES REVENUES	242,150	169,577	243,925	74,348	287,228	45,078
PARK AND RECREATION REVENUES	152,878	91,215	86,420	(4,795)	137,249	(15,629)
TOTAL CORE FUNCTION REVENUES	1,762,152	708,874	844,638	135,764	1,948,615	186,463
NET EMERGENCY SERVICES EXPENSES	4,278,061	3,258,984	3,078,018	(180,966)	4,098,134	(179,927)
NET PUBLIC WORKS EXPENSES	1,660,370	1,199,657	1,397,559	197,902	1,534,182	(126,188)
NET ADMINISTRATION EXPENSES	1,321,356	820,340	788,617	(31,723)	1,302,085	(19,271)
NET ZONING/PERMITS/CODES EXPENSES	296,042	181,934	23,232	(158,702)	128,139	(167,903)
NET PARK AND RECREATION EXPENSES	378,572	240,953	371,056	130,103	597,008	218,436
CORE FUNCTION NET SUBTOTAL	7,934,401	5,701,868	5,658,482	(43,386)	7,659,548	(274,853)
DEBT - PRINCIPAL	498,001	0	0	0	498,001	0
DEBT - INTEREST	150,270	101,804	101,803	(1)	150,270	0
TOTAL DEBT	648,271	101,804	101,803	(1)	648,271	0
TOTAL CORE FUNCTION NET	8,582,672	5,803,672	5,760,285	(43,387)	8,307,819	(274,853)
NON-CORE FUNCTION REVENUE						
EARNED INCOME TAX	4,921,500	3,645,241	3,494,175	(151,066)	4,780,000	(141,500)
REAL ESTATE PROPERTY TAX	1,997,165	1,965,951	2,007,341	41,390	2,023,658	26,493
REAL ESTATE TRANSFER TAX	525,000	350,000	346,186	(3,814)	560,000	35,000
CABLE TV FRANCHISE TAX	467,747	350,810	352,531	1,721	469,000	1,253
LOCAL SERVICES TAX	320,000	240,872	272,243	31,371	340,000	20,000
OTHER INCOME	28,076	14,176	16,460	2,284	29,076	1,000
TOTAL NON CORE FUNCTION REVENUE	8,259,488	6,567,050	6,488,935	(78,115)	8,201,734	(57,754)
NET RESULT	(323,184)	763,378	728,651	(34,727)	(106,085)	217,099

SUMMARY OF FUNDS REPORT (AKA "JOE REPORT")
 ALL FUNDS AUGUST 2016
 * 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	\$4,803,331	\$200	6,267,461	1,061,213	629,037	655,683	\$2,103,325	\$2,482,535	\$45,015	\$18,045,508	\$1,461,276
RECEIPTS											
310 TAXES	\$6,517,255	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,517,255	\$0
320 LICENSES & PERMITS	\$68,922	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$68,922	\$0
330 FINES & FORFEITS	\$21,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,400	\$0
340 INTERESTS & RENTS	\$77,454	\$354	\$36,125	\$1,615	\$475	\$644	\$1,895	\$2,110	\$8	\$120,681	\$1,223
350 INTERGOVERNMENTAL	\$50	\$503,447	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$503,497	\$0
360 CHARGES FOR SERVICES	\$383,767	\$0	\$0	\$0	\$2,362,775	\$707,783	\$0	\$0	\$0	\$3,454,326	\$48,428
380 MISCELLANEOUS REVENUES	\$733,889	\$0	\$0	\$10,133	\$0	\$0	\$0	\$0	\$0	\$744,022	\$564
390 OTHER FINANCING SOURCES	\$208,740	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$208,740	\$25,000
	\$8,011,476	\$503,801	\$36,125	\$11,747	\$2,363,251	\$708,428	\$1,895	\$2,110	\$8	\$11,638,842	\$75,215
EXPENDITURES											
400 GENERAL GOVERNMENT	\$812,186	\$0	\$20,044	\$0	\$0	\$0	\$98,806	\$0	\$0	\$931,036	\$0
410 PUBLIC SAFETY	\$4,122,177	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,122,177	\$0
420 HEALTH & WELFARE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
426 SANITATION & REFUSE	\$72,790	\$0	\$0	\$0	\$1,537,108	\$664,801	\$0	\$0	\$0	\$2,274,700	\$116,712
430 HIGHWAYS,ROADS & STREETS	\$1,493,446	\$0	\$145,238	\$0	\$0	\$0	\$0	\$0	\$0	\$1,638,684	\$0
450 CULTURE-RECREATION	\$412,327	\$0	\$477,107	\$0	\$0	\$0	\$0	\$0	\$0	\$889,433	\$0
460 CONSERVATION & DEVELOPMENT	\$1,484	\$0	\$70,393	\$0	\$0	\$0	\$0	\$0	\$0	\$71,877	\$0
470 DEBT SERVICE	\$123,047	\$0	\$0	\$0	\$573,027	\$0	\$0	\$0	\$0	\$696,075	\$0
480 MISCELLANEOUS EXPENDITURES	\$445,141	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$445,141	\$0
490 OTHER FINANCING USES	\$0	\$0	\$0	\$0	\$25,000	\$0	\$0	\$0	\$0	\$25,000	\$0
	\$7,482,597	\$0	\$712,782	\$0	\$2,135,136	\$664,801	\$98,806	\$0	\$0	\$11,094,123	\$116,712
2016 SURPLUS/(DEFICIT)*	\$528,879	\$503,801	(\$676,657)	\$11,747	\$228,115	\$43,627	(\$96,911)	\$2,110	\$8	\$544,719	(\$41,497)
CLEARING ACCOUNT ADJUSTMENTS	\$450										
8/31/2016 ENDING BALANCE	\$5,332,660	\$504,001	\$5,590,804	\$1,072,960	\$857,152	\$699,310	\$2,006,414	\$2,484,645	\$45,023	\$18,592,968	\$1,419,779

SUMMARY OF FUNDS REPORT (AKA "JOE REPORT")
ALL FUNDS YEAR END PROJECTION AUGUST 2016
 * 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	\$4,803,331	\$200	6,267,461	1,061,213	629,037	655,683	\$2,103,325	\$2,482,535	\$45,015	\$18,045,508	\$1,461,276
RECEIPTS											
310 TAXES	\$8,172,658	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,172,658	\$0
320 LICENSES & PERMITS	\$60,755	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$60,755	\$0
330 FINES & FORFEITS	\$34,376	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,376	\$0
340 INTERESTS & RENTS	\$126,392	\$390	\$41,650	\$1,400	\$600	\$821	\$2,500	\$6,500	\$10	\$180,263	\$1,079
350 INTERGOVERNMENTAL	\$147,932	\$503,447	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,051,379	\$0
360 CHARGES FOR SERVICES	\$502,963	\$0	\$0	\$0	\$3,256,964	\$989,613	\$0	\$0	\$0	\$4,749,540	\$46,146
380 MISCELLANEOUS REVENUES	\$144,831	\$0	\$0	\$9,736	\$0	\$0	\$0	\$0	\$0	\$154,567	\$423
390 OTHER FINANCING SOURCES	\$960,442	\$0	\$369,006	\$0	\$28,092	\$0	\$205,750	\$0	\$15,000	\$1,578,290	\$75,000
	\$10,150,349	\$503,837	\$810,656	\$11,136	\$3,285,656	\$990,435	\$208,250	\$6,500	\$15,010	\$15,981,828	\$122,648
EXPENDITURES											
400 GENERAL GOVERNMENT	\$1,245,486	\$0	\$277,560	\$0	\$0	\$0	\$0	\$0	\$0	\$1,523,046	\$0
410 PUBLIC SAFETY	\$4,511,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,511,500	\$0
420 HEALTH & WELFARE	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,000	\$0
426 SANITATION & REFUSE	\$112,000	\$0	\$0	\$0	\$2,423,382	\$1,064,173	\$186,103	\$0	\$0	\$3,785,658	\$179,136
430 HIGHWAYS,ROADS & STREETS	\$2,366,850	\$503,837	\$257,945	\$346,500	\$0	\$0	\$0	\$0	\$0	\$3,475,132	\$0
450 CULTURE-RECREATION	\$679,748	\$0	\$628,674	\$0	\$0	\$0	\$0	\$0	\$0	\$1,308,422	\$0
460 CONSERVATION & DEVELOPMENT	\$5,730	\$0	\$67,892	\$0	\$0	\$0	\$0	\$0	\$0	\$73,622	\$0
470 DEBT SERVICE	\$671,013	\$0	\$0	\$0	\$881,744	\$0	\$0	\$0	\$0	\$1,552,757	\$28,092
480 MISCELLANEOUS EXPENDITURES	\$643,107	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$643,107	\$0
490 OTHER FINANCING USES	\$15,000	\$0	\$0	\$0	\$75,000	\$0	\$0	\$0	\$0	\$90,000	\$0
	\$10,256,434	\$503,837	\$1,232,071	\$346,500	\$3,380,126	\$1,064,173	\$186,103	\$0	\$0	\$16,969,244	\$207,228
2016 SURPLUS/(DEFICIT)*	(\$106,085)	\$0	(\$421,415)	(\$335,364)	(\$94,471)	(\$73,739)	\$22,147	\$6,500	\$15,010	(\$987,416)	(\$84,580)
PROJECTED 12/31/2016 ENDING BAL	<u>\$4,697,246</u>	<u>\$200</u>	<u>\$5,846,046</u>	<u>\$725,849</u>	<u>\$534,567</u>	<u>\$581,945</u>	<u>\$2,125,472</u>	<u>\$2,489,035</u>	<u>\$60,025</u>	<u>\$17,060,383</u>	<u>\$1,376,696</u>