

# Memo

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To: Board of Supervisors  
From: Jon Altshul  
Re: January 2017 Financial Report  
Date: February 16, 2017

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Net of pass-through accounts, as of January 31<sup>st</sup> the general fund had revenues of \$386,278 and expenses of \$945,137 for a year-to-date deficit of \$558,859. Compared to the YTD budget, revenues were \$175,233 over budget and expenses were \$52,465 under budget for a favorable budget variance of \$227,698. As of January 31<sup>st</sup>, the general fund balance was \$4,434,792.

As you know, January is the low point annually for cash flow. The reasons for this are two-fold: 1) the WEGO payment for January is always the largest of the year and 2) we have not yet received any real estate tax revenue. However, the positive budget variance in January augurs well for the rest of the year. At the same time, there is not enough financial data after one month for this month's report to be very meaningful.

Public Works was \$62,820 under-budget due to the absence of any major snow events. Codes was 11,832 over-budget, due primarily to the normal slowdown in building permit activity in January.

On the revenue side, Earned Income Tax was \$150,528 over budget, due to the final January disbursement likely reflecting Q4 withholdings (normally, we receive the first large disbursements from Q4 in the first week of February). Real Estate Transfer Tax is \$25,338 over budget due to in large part to the transfer of three properties for over \$1 million in December.

## Other funds

- The **State Liquid Fuels Fund** had \$0 revenues and \$0 expenses. The fund balance is \$302.
- The **Sinking Fund** had \$66,851 in revenues (primarily from the last installment of the bridge grant) and \$126,516 in expenses. The fund balance is \$6,019,610.
- The **Transportation Fund** had \$384 in revenues and \$0 in expenses. The fund balance is \$1,075,243.
- The **Sewer Operating Fund** had \$344,161 in revenues and \$406,893 in expenses. The fund balance is \$489,444.
- The **Refuse Fund** had \$116,570 in revenues and \$91,692 in expenses. The fund balance is \$641,784.
- The **Sewer Sinking Fund** had \$105 in revenues and \$14,148 in expenses. The fund balance is \$2,069,821.
- The **Operating Reserve Fund** had \$234 in revenues and no expenses. The fund balance is \$2,490,838.
- The **Events Fund** had \$1 in revenues and no expenses. The fund balance is \$60,028.

## Audit Update

The auditors completed their fieldwork on February 10<sup>th</sup>. No issues were identified.

Cost of Services Report

The Cost of Service report is attached.

Date for Annual Financial Planning Session

I would like to begin planning for the 2017 annual planning session. Please let me know if Wednesday, May 24<sup>th</sup> at 10:00am works with your schedules.

**EAST GOSHEN TOWNSHIP**  
**JANUARY 2017 GENERAL FUND SUMMARY**  
**January 31, 2017**

<b>Account Title</b>	<b>Annual Budget</b>	<b>Y-T-D Budget</b>	<b>Y-T-D Actual</b>	<b>Budget-Actual Variance</b>
<b>GENERAL FUND</b>				
EMERGENCY SERVICES EXPENSES	4,520,632	508,135	510,731	2,596
PUBLIC WORKS EXPENSES	2,615,463	210,796	148,175	(62,621)
ADMINISTRATION EXPENSES	1,883,346	201,795	197,377	(4,418)
ZONING/PERMITS/CODES EXPENSES	413,748	31,484	35,520	4,036
PARK AND RECREATION EXPENSES	682,542	34,415	42,354	7,939
<b>TOTAL CORE FUNCTION EXPENSES</b>	<b>10,115,731</b>	<b>986,625</b>	<b>934,158</b>	<b>(52,467)</b>
EMERGENCY SERVICES REVENUES	61,480	2,281	2,998	717
PUBLIC WORKS REVENUES	1,005,147	241	440	199
ADMINISTRATION REVENUES	377,720	17,093	13,843	(3,250)
ZONING/PERMITS/CODES REVENUES	279,875	17,226	9,431	(7,795)
PARK AND RECREATION REVENUES	272,435	4,992	9,721	4,729
<b>TOTAL CORE FUNCTION REVENUES</b>	<b>1,996,657</b>	<b>41,833</b>	<b>36,432</b>	<b>(5,401)</b>
NET EMERGENCY SERVICES EXPENSES	4,459,152	505,854	507,733	1,879
NET PUBLIC WORKS EXPENSES	1,610,316	210,555	147,735	(62,820)
NET ADMINISTRATION EXPENSES	1,505,626	184,702	183,534	(1,168)
NET ZONING/PERMITS/CODES EXPENSES	133,873	14,258	26,090	11,832
NET PARK AND RECREATION EXPENSES	410,107	29,423	32,634	3,211
<b>CORE FUNCTION NET SUBTOTAL</b>	<b>8,119,074</b>	<b>944,792</b>	<b>897,726</b>	<b>(47,066)</b>
DEBT - PRINCIPAL	520,999	0	0	0
DEBT - INTEREST	129,198	10,977	10,979	2
<b>TOTAL DEBT</b>	<b>650,197</b>	<b>10,977</b>	<b>10,979</b>	<b>2</b>
<b>TOTAL CORE FUNCTION NET</b>	<b>8,769,271</b>	<b>955,769</b>	<b>908,705</b>	<b>(47,064)</b>
<b>NON-CORE FUNCTION REVENUE</b>				
EARNED INCOME TAX	4,916,400	121,038	271,566	150,528
REAL ESTATE PROPERTY TAX	2,027,128	1,200	684	(516)
REAL ESTATE TRANSFER TAX	525,000	40,000	65,338	25,338
CABLE TV FRANCHISE TAX	473,690	0	0	0
LOCAL SERVICES TAX	348,000	4,359	6,561	2,202
OTHER INCOME	40,341	2,615	5,697	3,082
<b>TOTAL NON CORE FUNCTION REVENUE</b>	<b>8,330,559</b>	<b>169,212</b>	<b>349,846</b>	<b>180,634</b>
<b>NET RESULT</b>	<b>(438,712)</b>	<b>(786,557)</b>	<b>(558,859)</b>	<b>227,698</b>

SUMMARY OF FUNDS REPORT (AKA "JOE REPORT")  
 ALL FUNDS JANUARY 2017  
 \* 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>01/01/17 BEGINNING BALANCE</b>	\$5,099,106	\$302	6,079,275	1,074,859	552,175	616,907	\$2,083,864	\$2,490,604	\$60,027	\$18,057,119	\$1,415,651
<b>RECEIPTS</b>											
310 TAXES	\$344,686	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$344,686	\$0
320 LICENSES & PERMITS	\$2,118	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,118	\$0
330 FINES & FORFEITS	\$2,998	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,998	\$0
340 INTERESTS & RENTS	\$14,485	\$0	\$846	\$384	\$16	\$191	\$105	\$234	\$1	\$16,263	\$595
350 INTERGOVERNMENTAL	\$0	\$0	\$66,005	\$0	\$0	\$0	\$0	\$0	\$0	\$66,005	\$0
360 CHARGES FOR SERVICES	\$20,194	\$0	\$0	\$0	\$344,145	\$116,379	\$0	\$0	\$0	\$480,717	\$0
380 MISCELLANEOUS REVENUES	\$4,112	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,112	\$0
390 OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<u>\$388,593</u>	<u>\$0</u>	<u>\$66,851</u>	<u>\$384</u>	<u>\$344,161</u>	<u>\$116,570</u>	<u>\$105</u>	<u>\$234</u>	<u>\$1</u>	<u>\$916,900</u>	<u>\$595</u>
<b>EXPENDITURES</b>											
400 GENERAL GOVERNMENT	\$93,949	\$0	\$7,236	\$0	\$0	\$0	\$14,148	\$0	\$0	\$115,333	\$0
410 PUBLIC SAFETY	\$637,583	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$637,583	\$0
420 HEALTH & WELFARE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
426 SANITATION & REFUSE	\$9,257	\$0	\$0	\$0	\$376,617	\$91,692	\$0	\$0	\$0	\$477,566	\$9,249
430 HIGHWAYS,ROADS & STREETS	\$117,771	\$0	\$76,317	\$0	\$0	\$0	\$0	\$0	\$0	\$194,088	\$0
450 CULTURE-RECREATION	\$38,213	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$38,213	\$0
460 CONSERVATION & DEVELOPMENT	\$180	\$0	\$42,963	\$0	\$0	\$0	\$0	\$0	\$0	\$43,143	\$0
470 DEBT SERVICE	\$11,353	\$0	\$0	\$0	\$30,276	\$0	\$0	\$0	\$0	\$41,629	\$0
480 MISCELLANEOUS EXPENDITURES	\$143,216	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$143,216	\$0
490 OTHER FINANCING USES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<u>\$1,051,522</u>	<u>\$0</u>	<u>\$126,516</u>	<u>\$0</u>	<u>\$406,893</u>	<u>\$91,692</u>	<u>\$14,148</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,690,772</u>	<u>\$9,249</u>
<b>2017 SURPLUS/(DEFICIT)*</b>	(662,930)	\$0	(\$59,665)	\$384	(\$62,731)	\$24,878	(\$14,043)	\$234	\$1	(\$773,872)	(\$8,654)
<b>CLEARING ACCOUNT ADJUSTMENTS</b>	(\$1,384)										
<b>1/31/2017 ENDING BALANCE</b>	<u>\$4,434,792</u>	<u>\$302</u>	<u>\$6,019,610</u>	<u>\$1,075,243</u>	<u>\$489,444</u>	<u>\$641,785</u>	<u>\$2,069,821</u>	<u>\$2,490,838</u>	<u>\$60,028</u>	<u>\$17,281,862</u>	<u>\$1,406,997</u>

# 2016 Cost of Services Report

East Goshen Township

Total Township Indirect Costs	1,998,198	336,071
PW share of these costs	1,018,700	
Non-PW share of costs	979,497	

Activity	Direct Costs	Non-Public Works Personnel Costs	Public Works Personnel Costs	Non-Public Works Indirect Costs	Public Works Indirect Costs	Total Expense	Total Revenue	Net Expenses	% of all net expenses
<b>EMERGENCY SERVICES</b>									
Police	3,775,328	-	-	-	-	3,775,328	46,184	3,729,144	41.2%
Fire	404,202	4,493	-	13,333	-	422,028	26,903	395,125	4.4%
<b>Subtotal</b>	<b>4,179,530</b>	<b>4,493</b>	<b>-</b>	<b>13,333</b>	<b>-</b>	<b>4,197,356</b>	<b>73,087</b>	<b>4,124,269</b>	<b>45.6%</b>
<b>PUBLIC WORKS</b>									
Road Maintenance	424,451	-	14,525	40,781	33,470	513,228	4,927	508,301	5.6%
Stormwater & MS4	204,355	6,182	46,461	141,094	106,908	505,000	-	505,000	5.6%
Snow	127,728	-	63,528	145,417	119,347	456,020	100,247	355,773	3.9%
Paving	610,109	-	81,299	230,626	189,280	1,111,313	489,174	642,139	7.1%
Trees	65,380	-	28,840	79,584	65,316	239,120	-	239,120	2.6%
Signs/Signals	198,287	-	8,015	24,010	19,706	250,019	78,050	171,969	1.9%
<b>Subtotal</b>	<b>1,630,311</b>	<b>6,182</b>	<b>242,668</b>	<b>661,512</b>	<b>534,027</b>	<b>3,074,700</b>	<b>652,398</b>	<b>2,422,302</b>	<b>21.2%</b>
<b>ADMINISTRATION</b>									
ABCs	28,398	23,723	-	55,177	-	107,299	-	107,299	1.2%
District Court	169,691	-	-	-	-	169,691	104,934	64,757	0.7%
<b>Subtotal</b>	<b>198,089</b>	<b>23,723</b>	<b>-</b>	<b>55,177</b>	<b>-</b>	<b>276,990</b>	<b>104,934</b>	<b>172,056</b>	<b>1.9%</b>
<b>ZONING/PERMITS/CODES</b>									
Zoning & Codes	42,398	73,357	-	131,157	-	246,912	3,775	243,137	2.7%
Permits	12,766	156,505	-	481,538	-	650,809	277,309	373,499	4.1%
Re-Occupancy	1,000	28,845	-	81,875	-	111,720	49,430	62,290	0.7%
Comp Plan	-	-	-	-	-	-	-	-	0.0%
Deer	1,046	2,473	-	4,333	-	7,852	-	7,852	0.1%
<b>Subtotal</b>	<b>57,211</b>	<b>261,180</b>	<b>-</b>	<b>698,903</b>	<b>-</b>	<b>1,017,293</b>	<b>330,514</b>	<b>686,779</b>	<b>7.6%</b>
<b>PARK AND RECREATION</b>									
Park Maintenance	373,414	-	59,106	172,032	141,190	745,742	8,773	736,969	8.1%
Open Space	22,400	-	35,405	98,802	81,089	237,696	-	237,696	2.6%
Grass - Park	-	-	11,171	38,958	31,974	82,103	-	82,103	0.9%
Other Park Events	30,150	8,973	2,064	24,594	4,317	70,099	-	70,099	0.8%
Rec Programs	42,323	26,500	-	66,208	-	135,032	43,570	91,462	1.0%
Trail Planning	30,888	7,298	-	15,167	-	53,353	4,600	48,753	0.5%
Summer Rec	37,478	24,433	-	59,375	-	121,285	43,389	77,896	0.9%
Milktown Dam	110,525	-	-	-	-	110,525	-	110,525	1.2%
Bathrooms & Park Trash Service	636	-	13,855	38,125	31,290	83,907	-	83,907	0.9%
Community Day	22,167	4,487	3,375	18,646	6,412	55,086	25,111	29,976	0.3%
Ball Fields	3,708	7,178	1,700	22,125	3,933	38,644	12,080	26,564	0.3%
HM Dam	19,481	-	-	-	-	19,481	-	19,481	0.2%
Tot-Lot	2,060	4,487	753	12,917	1,710	21,927	-	21,927	0.2%
Tennis Courts	218	897	39	2,323	128	3,606	2,730	876	0.0%
<b>Subtotal</b>	<b>695,448</b>	<b>84,253</b>	<b>127,468</b>	<b>569,272</b>	<b>302,044</b>	<b>1,778,485</b>	<b>140,252</b>	<b>1,638,233</b>	<b>18.1%</b>
<b>General Fund Totals</b>	<b>\$6,760,589</b>	<b>\$379,831</b>	<b>\$370,136</b>	<b>\$1,998,198</b>	<b>\$836,071</b>	<b>\$10,344,824</b>	<b>\$1,301,185</b>	<b>\$9,043,639</b>	