

Memo

To: Board of Supervisors
 From: Jon Altshul
 Re: March 2017 Financial Report
 Date: April 10, 2017

Net of pass-through accounts, as of March 31st, the general fund had revenues of \$3,611,412 and expenses of \$2,942,172 for a year-to-date surplus of \$669,240. Compared to the YTD budget, revenues were \$92,143 over budget and expenses were \$154,442 under budget for a favorable budget variance of \$246,585. As of March 31st, the general fund balance was \$5,460,644.

On the expense side, Public Works was \$169,354 under-budget due to the mild winter (snow removal was \$132,840 under budget) as well as lower-than-expected storm water expenses (\$45,366 under-budget). Administration was \$27,518 over-budget due to reflooring the garage area in the Public Works annex (this is classified as an Administration expense, and not a Public Works expense, as it relates to Township buildings). Zoning and Codes Enforcement was \$19,292 over budget as permit activity was about \$24,000 lower through the end of the first quarter compared to the same time last year; however, as we head into spring permit activity is likely to pick up. Park and Recreation and Emergency Services were, more or less, right at their budgeted levels.

On the revenue side, Earned Income Tax is \$101,175 over-budget and Real Estate Transfer Tax is \$13,942 over-budget.

Proposal to Amend 2017 Budget

It should be brought to the Board’s attention that there was an error in the adopted budget, which was entirely a data entry mistake by me. Specifically, the line item for Vehicle Maintenance and Repair (01430-2330) was adopted at a budget level of \$12,000, instead of \$120,000. The result is that that line-item is now \$34,286 over budget. Given the cost savings for snow removal, I would suggest that the Board entertain the following motion, as summarized in the table below:

Mr. Chairman, I move that we amend the 2017 general fund budget by reducing the expenses for Snow Wages & Salaries (01432-1400) by \$50,000; Snow Health & Life Insurance (01486-1523) by \$3,000; Snow Materials & Supplies (01432-2500) by \$40,000; and Snow Maintenance & Repairs (01432-2500) by \$15,000 and increasing the expenses for Vehicle Maintenance & Repairs (01430-2330) by \$108,000.

Description	Code	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Proposed Amendment
Snow Wages & Salaries	01432-1400	\$100,771	\$84,848	\$27,564	-\$57,284	-\$50,000
Snow Health/Life Ins	01486-1523	\$16328	\$11,328	\$5,260	-\$6,068	-\$3,000
Snow ER Taxes	01487-1653	\$7,115	\$6,031	\$2,463	-\$3,568	
Snow Materials & Supplies	01432-2460	\$100,000	\$76,734	\$33,927	-\$42,807	-\$40,000
Snow Maintenance & Repairs	01432-2500	\$45,000	\$25,000	\$6,677	-\$18,323	-\$15,000
Snow Equipment Rental	01432-3840	\$12,000	\$9,000	\$4,211	-\$4789	\$0
PW Vehicle Maintenance & Repairs	01430-2330	\$12,000	\$3,000	\$37,286	+\$34,286	+\$108,000

Other funds

- The **State Liquid Fuels Fund** had \$525,571 in revenues and \$0 expenses. The fund balance was \$525,873.
- The **Sinking Fund** had \$69,024 in revenues and \$261,673 in expenses. The fund balance is \$5,886,625.
- The **Transportation Fund** had \$1,168 in revenues and \$0 in expenses. The fund balance is \$1,076,027.
- The **Sewer Operating Fund** had \$1,108,647 in revenues and \$682,382 in expenses. The fund balance is \$978,440.
- The **Refuse Fund** had \$319,391 in revenues and \$256,930 in expenses. The fund balance is \$679,368.
- The **Sewer Sinking Fund** had \$276 in revenues and \$23,385 in expenses. The fund balance is \$2,060,755.
- The **Operating Reserve Fund** had \$1,154 in revenues and no expenses. The fund balance is \$2,491,757.
- The **Events Fund** had \$4 in revenues and no expenses. The fund balance is \$60,031.

Accounts Receivable

Utilities Accounts Receivable fell to its lowest level since Q3 2010. This may be in part because of the change in the due date, although I would have expected the change to have had an opposite impact on receivables.

Interest Income

The average weighted interest rate on Township funds was 0.662% as of March 31st. The highest yielding account was 1.33%. We are currently in the process of moving a portion of the operating reserve fund and the sewer sinking fund to PLGIT, and I would expect the average weighted return to increase to about 0.75% by the end of April.

Upcoming Finance Dates:

- Representatives from PFM are planning to attend the May 2nd meeting to discussing bond financing for our upcoming projects.
- The Long-Range Planning Session will be held on May 24th at 10:30am.

EAST GOSHEN TOWNSHIP
MARCH 2017 GENERAL FUND SUMMARY
March 31, 2017

Account Title	Annual Budget	Y-T-D Budget	Y-T-D Actual	Budget-Actual Variance
GENERAL FUND				
EMERGENCY SERVICES EXPENSES	4,520,632	1,761,414	1,762,078	664
PUBLIC WORKS EXPENSES	2,615,463	610,296	431,954	(178,342)
ADMINISTRATION EXPENSES	1,883,346	455,559	468,294	12,735
ZONING/PERMITS/CODES EXPENSES	413,748	102,683	108,687	6,004
PARK AND RECREATION EXPENSES	682,542	133,726	138,222	4,496
TOTAL CORE FUNCTION EXPENSES	10,115,731	3,063,678	2,909,235	(154,443)
EMERGENCY SERVICES REVENUES	61,480	6,843	8,018	1,175
PUBLIC WORKS REVENUES	1,005,147	112,045	103,056	(8,989)
ADMINISTRATION REVENUES	377,720	58,135	43,352	(14,783)
ZONING/PERMITS/CODES REVENUES	279,875	57,935	44,648	(13,287)
PARK AND RECREATION REVENUES	272,435	23,201	26,315	3,114
TOTAL CORE FUNCTION REVENUES	1,996,657	258,159	225,389	(32,770)
NET EMERGENCY SERVICES EXPENSES	4,459,152	1,754,571	1,754,060	(511)
NET PUBLIC WORKS EXPENSES	1,610,316	498,251	328,897	(169,354)
NET ADMINISTRATION EXPENSES	1,505,626	397,424	424,942	27,518
NET ZONING/PERMITS/CODES EXPENSES	133,873	44,748	64,040	19,292
NET PARK AND RECREATION EXPENSES	410,107	110,525	111,908	1,383
CORE FUNCTION NET SUBTOTAL	8,119,074	2,805,519	2,683,846	(121,673)
DEBT - PRINCIPAL	520,999	0	0	0
DEBT - INTEREST	129,198	32,936	32,937	1
TOTAL DEBT	650,197	32,936	32,937	1
TOTAL CORE FUNCTION NET	8,769,271	2,838,455	2,716,783	(121,672)
NON-CORE FUNCTION REVENUE				
EARNED INCOME TAX	4,916,400	1,102,114	1,203,289	101,175
REAL ESTATE PROPERTY TAX	2,027,128	1,828,525	1,828,842	317
REAL ESTATE TRANSFER TAX	525,000	120,000	133,942	13,942
CABLE TV FRANCHISE TAX	473,690	118,422	120,355	1,933
LOCAL SERVICES TAX	348,000	84,204	87,946	3,742
OTHER INCOME	40,341	7,845	11,650	3,805
TOTAL NON CORE FUNCTION REVENUE	8,330,559	3,261,110	3,386,023	124,913
NET RESULT	(438,712)	422,655	669,240	246,585

SUMMARY OF FUNDS REPORT (AKA "JOE REPORT")
ALL FUNDS MARCH 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
01/01/17 BEGINNING BALANCE	\$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
RECEIPTS											
310 TAXES	\$3,378,277	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,378,277	\$0
320 LICENSES & PERMITS	\$7,842	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,842	\$0
330 FINES & FORFEITS	\$8,018	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,018	\$0
340 INTERESTS & RENTS	\$38,014	\$60	\$3,019	\$1,168	\$185	\$593	\$276	\$1,154	\$4	\$44,472	\$1,879
350 INTERGOVERNMENTAL	\$0	\$525,511	\$66,005	\$0	\$1,107,699	\$318,798	\$0	\$0	\$0	\$2,018,012	\$0
360 CHARGES FOR SERVICES	\$73,753	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$73,753	\$1,692
380 MISCELLANEOUS REVENUES	\$14,938	\$0	\$0	\$0	\$764	\$0	\$0	\$0	\$0	\$15,701	\$0
390 OTHER FINANCING SOURCES	\$99,181	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$99,181	\$25,000
	\$3,620,024	\$525,571	\$69,024	\$1,168	\$1,108,647	\$319,391	\$276	\$1,154	\$4	\$5,645,258	\$28,571
EXPENDITURES											
400 GENERAL GOVERNMENT	\$332,035	\$0	\$24,983	\$0	\$0	\$0	\$23,385	\$0	\$0	\$380,403	\$0
410 PUBLIC SAFETY	\$2,157,865	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,157,865	\$0
420 HEALTH & WELFARE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
426 SANITATION & REFUSE	\$27,038	\$0	\$0	\$0	\$566,555	\$256,930	\$0	\$0	\$0	\$850,523	\$34,254
430 HIGHWAYS,ROADS & STREETS	\$345,239	\$0	\$76,317	\$0	\$0	\$0	\$0	\$0	\$0	\$421,556	\$0
450 CULTURE-RECREATION	\$125,719	\$0	\$27,723	\$0	\$0	\$0	\$0	\$0	\$0	\$153,442	\$0
460 CONSERVATION & DEVELOPMENT	\$467	\$0	\$132,650	\$0	\$0	\$0	\$0	\$0	\$0	\$133,117	\$0
470 DEBT SERVICE	\$34,060	\$0	\$0	\$0	\$90,827	\$0	\$0	\$0	\$0	\$124,887	\$0
480 MISCELLANEOUS EXPENDITURES	\$247,332	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$247,332	\$0
490 OTHER FINANCING USES	\$0	\$0	\$0	\$0	\$25,000	\$0	\$0	\$0	\$0	\$25,000	\$0
	\$3,269,755	\$0	\$261,673	\$0	\$682,382	\$256,930	\$23,385	\$0	\$0	\$4,494,124	\$34,254
2017 SURPLUS/(DEFICIT)*	350,269	\$525,571	(\$192,649)	\$1,168	\$426,265	\$62,461	(\$23,109)	\$1,154	\$4	\$1,151,134	(\$5,683)
CLEARING ACCOUNT ADJUSTMENTS	\$11,269										
3/31/2017 ENDING BALANCE	\$5,460,644	\$525,873	\$5,886,625	\$1,076,027	\$978,440	\$679,368	\$2,060,755	\$2,491,757	\$60,031	\$19,219,521	\$1,409,967