

Memo

To: Board of Supervisors
From: Jon Altshul
Re: July 2018 Financial Report
Date: August 6, 2018

Net of pass-through accounts, as of July 31st, the general fund had revenues of \$6,493,510 and expenses of \$5,604,995 for a year-to-date surplus of \$888,514. Compared to the YTD budget, revenues were \$105,593 over budget and expenses were \$417,464 under budget for a positive budget variance of \$523,057. As of July 31st, the general fund balance was \$6,296,421.

On the expense side, Administration, Emergency Services, Parks & Recreation and Public Works are all under budget, while Codes is slightly over budget (+\$7,222). Public Works, in particular, is \$312,119 under budget, due to the timing of storm water expenses and road work, despite being over budget for snow removal. Administration is \$40,008 under budget due to unexpected insurance proceeds and lower-than-expected insurance premiums. Parks and Recreation is \$75,892 under budget due to lower-than-expected costs for the Marydell Pond project. Codes is over-budget due to higher-than-expected legal costs, although permit activity has picked up recently and is now above budgeted levels.

On the revenue side, Real Estate Transfer Tax (+\$70,676) was buffeted in July by strong residential sales volumes in June. Other Income (i.e. Interest; +\$17,364) and Real Estate Property Tax (+\$16,039), were also over budget, while Cable Franchise revenue remains \$12,829 under budget presumably due to "cord cutting". Local Services Tax is right on budget.

Other funds

- The **State Liquid Fuels Fund** had \$553,313 in revenues and \$0 expenses. The fund balance was \$553,815.
- The **Capital Reserve Fund** had \$317,314 in revenues, including \$225,000 from DCNR for the playground that was received in July and the sale of the sweeper, and \$919,750 in expenses. The fund balance is \$5,421,596.
- The **Transportation Fund** had \$4,847 in revenues and \$596 in expenses. The fund balance is \$1,083,408.
- The **Sewer Operating Fund** had \$1,944,796 in revenues and \$1,897,531 in expenses. The fund balance is \$933,937.
- The **Refuse Fund** had \$699,073 in revenues and \$595,432 in expenses. The fund balance is \$717,770.
- The **Bond Fund** had \$63,833 in revenues and \$613,317 in expenses. The fund balance is \$6,786,839.
- The **Sewer Capital Reserve Fund** had \$21,609 in revenues and \$18,858 in expenses. The fund balance is \$2,165,429.
- The **Operating Reserve Fund** had \$22,179 in revenues and no expenses. The fund balance is \$2,526,533.

Year-End Projections

I am now projecting that the General Fund will finish the year with a deficit of \$258,379, an improvement of about \$50,000 since last month. How close the General Fund will be to finishing the year in the black will probably be a function of the following factors:

- 1) How much the Township will have saved in resurfacing vehicle rental as a result of purchasing the larger paver
- 2) How much under-budget the stormwater repairs in the Meadows will ultimately run
- 3) The timing of the storefront and vehicle wash bay projects. Specifically, if those projects are delayed, the General Fund will almost certainly run a surplus this year.

I have not changed any year-end projections for other funds since last month.

2019 Budget Schedule

I would like to propose that the proposed budget be presented at the November 13th meeting, which would provide for sufficient time to adopt on December 4th. Please advise if this schedule is agreeable.

**EAST GOSHEN TOWNSHIP
GENERAL FUND SUMMARY
As of July 31, 2018**

Account Title	Annual Budget	YTD Budget	YTD Actual	Variance
EMERGENCY SERVICES EXPENSES	4,101,440	2,875,028	2,834,806	40,222
PUBLIC WORKS EXPENSES	2,637,576	1,307,063	1,010,573	296,490
ADMINISTRATION EXPENSES	2,218,972	977,304	980,586	(3,282)
CODES EXPENSES	465,911	273,154	281,439	(8,285)
PARK AND RECREATION EXPENSES	690,256	454,693	362,375	92,318
TOTAL CORE FUNCTION EXPENSES	10,114,155	5,887,242	5,469,779	417,463
EMERGENCY SERVICES REVENUES	77,628	61,168	56,355	(4,813)
PUBLIC WORKS REVENUES	1,010,195	226,671	242,300	15,629
ADMINISTRATION REVENUES	334,024	151,279	194,569	43,290
CODES REVENUES	259,725	166,821	167,885	1,064
PARK AND RECREATION REVENUES	140,976	81,359	64,934	(16,425)
TOTAL CORE FUNCTION REVENUES	1,822,548	687,298	726,042	38,744
NET EMERGENCY SERVICES	4,023,812	2,813,860	2,778,451	35,409
NET PUBLIC WORKS	1,627,381	1,080,392	768,273	312,119
NET ADMINISTRATION	1,884,948	826,025	786,017	40,008
NET CODES	206,186	106,333	113,555	(7,222)
NET PARK AND RECREATION	549,280	373,334	297,442	75,892
CORE FUNCTION NET SUBTOTAL	8,291,607	5,199,944	4,743,737	456,207
DEBT - PRINCIPAL	549,000	-	-	0
DEBT - INTEREST	249,458	135,217	135,216	1
TOTAL DEBT	798,458	135,217	135,216	1
TOTAL CORE FUNCTION NET	9,090,065	5,335,161	4,878,953	456,208
NON-CORE FUNCTION REVENUE				
EARNED INCOME TAX	5,181,600	2,898,852	2,872,982	(25,870)
REAL ESTATE PROPERTY TAX	2,026,129	2,001,626	2,017,665	16,039
REAL ESTATE TRANSFER TAX	575,000	335,417	406,093	70,676
CABLE TELEVIS.FRANCHISE	489,600	244,800	231,971	(12,829)
LOCAL SERVICES TAX	348,000	181,198	182,666	1,468
OTHER INCOME	469,736	38,726	56,090	17,364
TOTAL NON CORE FUNCTION REVENUE	9,090,065	5,700,619	5,767,468	66,849
NET RESULT	0	365,458	888,514	523,056

SUMMARY OF FUNDS REPORT (AKA "JOE REPORT")

ALL FUNDS JULY 31, 2018

* NOTE: GENERAL FUND INCLUDES PASS-THROUGH ACCOUNTS

	GENERAL FUND*	LIQUID FUELS STATE FUND	CAP RESV FUND	TRANSPORT. FUND	SEWER OP. FUND	REFUSE FUND	SEWER CAP RESV FUND	OPERATING RESERVE	TOWNSHIP FUNDS	MUNICIPAL AUTHORITY	BOND FUND
01/01/18 BEGINNING BALANCE	\$5,531,289	\$502	6,024,031	1,079,157	886,672	614,128	\$2,162,678	\$2,504,354	\$18,057,119	\$142,331	7,336,323
RECEIPTS											
310 TAXES	\$5,536,599	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,536,599	\$0	\$0
320 LICENSES & PERMITS	\$238,761	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$238,761	\$0	\$0
330 FINES & FORFEITS	\$24,840	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,840	\$0	\$0
340 INTERESTS & RENTS	\$116,920	\$2	\$88,086	\$4,847	\$5,266	\$5,051	\$21,609	\$22,179	\$263,960	\$542	\$63,833
350 INTERGOVERNMENTAL	\$32,667	\$553,311	\$225,000	\$0	\$0	\$0	\$0	\$0	\$810,978	\$0	\$0
360 CHARGES FOR SERVICES	\$260,661	\$0	\$0	\$0	\$1,939,083	\$694,022	\$0	\$0	\$2,893,767	\$3,128	\$0
380 MISCELLANEOUS REVENUES	\$975,696	\$0	\$0	\$0	\$447	\$0	\$0	\$0	\$976,142	\$564	\$0
390 OTHER FINANCING SOURCES	\$203,958	\$0	\$4,228	\$0	\$0	\$0	\$0	\$0	\$208,186	\$60,071	\$0
	\$7,390,103	\$553,313	\$317,314	\$4,847	\$1,944,796	\$699,073	\$21,609	\$22,179	\$10,953,235	\$64,306	\$63,833
EXPENDITURES											
400 GENERAL GOVERNMENT	\$818,990	\$0	\$51,919	\$0	\$0	\$0	\$0	\$0	\$870,909	\$0	\$0
410 PUBLIC SAFETY	\$3,955,484	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,955,484	\$0	\$0
420 HEALTH & WELFARE	\$61,601	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$61,601	\$0	\$0
426 SANITATION & REFUSE	\$0	\$0	\$0	\$0	\$1,254,969	\$595,432	\$18,858	\$0	\$1,869,258	\$198,730	\$256,359
430 HIGHWAYS,ROADS & STREETS	\$812,447	\$0	\$518,326	\$596	\$0	\$0	\$0	\$0	\$1,331,369	\$0	\$0
450 CULTURE-RECREATION	\$311,581	\$0	\$329,928	\$0	\$0	\$0	\$0	\$0	\$641,508	\$0	\$356,958
460 CONSERVATION & DEVELOPMENT	\$2,294	\$0	\$19,578	\$0	\$0	\$0	\$0	\$0	\$21,872	\$0	\$0
470 DEBT SERVICE	\$157,168	\$0	\$0	\$0	\$582,562	\$0	\$0	\$0	\$739,729	\$0	\$0
480 MISCELLANEOUS EXPENDITURES	\$500,158	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500,158	\$0	\$0
490 OTHER FINANCING USES	\$71	\$0	\$0	\$0	\$60,000	\$0	\$0	\$0	\$60,071	\$71	\$0
	\$6,619,794	\$0	\$919,750	\$596	\$1,897,531	\$595,432	\$18,858	\$0	\$10,051,960	\$198,801	\$613,317
2018 SURPLUS/(DEFICIT)*	\$770,310	\$553,313	(\$602,435)	\$4,251	\$47,265	\$103,641	\$2,751	\$22,179	\$901,276	(\$134,496)	(\$549,484)
CLEARING ACCOUNT ADJUSTMENTS	(\$5,177)										
07/31/2018 ENDING BALANCE	\$6,296,421	\$553,815	\$5,421,596	\$1,083,408	\$933,937	\$717,770	\$2,165,429	\$2,526,533	\$19,698,911	\$7,836	\$6,786,839