

Memo

To: Board of Supervisors
From: Jon Altshul
Re: October 2018 Financial Report
Date: November 14, 2018

Net of pass-through accounts, as of October 31st, the general fund had revenues of \$8,491,858 and expenses of \$8,369,371 for a year-to-date surplus of \$122,486. Compared to the YTD budget, revenues were \$57,942 over budget and expenses were \$258,068 under budget for a positive budget variance of \$316,009. As of October 31st, the general fund balance was \$5,486,733.

On the expense side, Emergency Services, Public Works and Administration are all under budget, while Codes (-\$1,979, due to higher-than-budgeted Zoning Consultant expenses) and Parks and Recreation (-\$28,849, due to cost overruns for the Marydell Pond Rehabilitation project) are both over-budget.

On the revenue side, Real Estate Transfer Tax (+\$148,729) continues to perform strongly, and will be further buffeted in November due to the sale of a mid-sized commercial building in October. Other Income (i.e. Interest; +\$29,015), Local Services Tax (+\$1,220) and Real Estate Property Tax (+\$14,749) were also over budget. However, Earned Income Tax (-\$182,189) continues to under-perform relative to the 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 \$617,511 in revenues and \$964,001 in expenses. The fund balance is \$5,677,541.
- The **Transportation Fund** had \$10,613 in revenues and \$863 in expenses. The fund balance is \$1,088,907.
- The **Sewer Operating Fund** had \$2,912,791 in revenues and \$2,662,122 in expenses. The fund balance is \$1,137,340.
- The **Refuse Fund** had \$953,621 in revenues and \$879,491 in expenses. The fund balance is \$688,258.
- The **Bond Fund** had \$96,530 in revenues and \$986,377 in expenses. The fund balance is \$6,446,476.
- The **Sewer Capital Reserve Fund** had \$28,194 in revenues and \$84,884 in expenses. The fund balance is \$2,105,988.
- The **Operating Reserve Fund** had \$34,076 in revenues and no expenses. The fund balance is \$2,538,430.

Year-End Projections

I am now projecting that the General Fund will finish the year with a surplus of \$52,973, an improvement of about \$224,000 since last month. However, before we scream from the rafters, this improvement comes with three important caveats:

1) It is extremely unlikely that we will have any construction invoices for the Vehicle Wash Bay this year. This project, budgeted at \$385,000, will therefore need to be deferred for budget purposes until 2019.

Because I report to you on a cash basis (i.e. based on when invoices are paid, rather than when expenses are incurred), probably no project costs will be reflected in 2018. However, for the purpose of our (more important) audited financial statements, which are reported on a modified accrual basis, much of this project will be reflected as a 2018 expense.

2) Earned Income Tax is not finishing the year as I had hoped, and I have further reduced the year-end projection by \$81,600 since last month.

3) I am projecting that the cost of the Marydell Pond Rehabilitation Project will be \$40,000 over-budget. The reason for the overage is largely related to weather; the unrelenting rain has washed away stone and forced us to extend vehicle rental contracts much longer than originally anticipated.

I have not changed the year-end projection for any other funds, except for the Capital Reserve Fund, on account of the fact that it will not incur costs (or the offsetting Transfer from General Fund) for the Vehicle Wash Bay.

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

Account Title	Annual Budget	YTD Budget	YTD Actual	Variance
EMERGENCY SERVICES EXPENSES	4,101,440	3,724,101	3,686,587	37,514
PUBLIC WORKS EXPENSES	2,637,576	2,026,743	1,740,624	286,119
ADMINISTRATION EXPENSES	2,218,972	1,424,059	1,455,035	(30,976)
CODES EXPENSES	465,911	388,203	414,093	(25,890)
PARK AND RECREATION EXPENSES	690,256	600,513	609,210	(8,697)
TOTAL CORE FUNCTION EXPENSES	10,114,155	8,163,619	7,905,549	258,070
EMERGENCY SERVICES REVENUES	77,628	68,794	77,141	8,347
PUBLIC WORKS REVENUES	1,010,195	320,391	326,978	6,587
ADMINISTRATION REVENUES	334,024	297,049	344,674	47,625
CODES REVENUES	259,725	227,563	251,473	23,910
PARK AND RECREATION REVENUES	140,976	127,443	107,291	(20,152)
TOTAL CORE FUNCTION REVENUES	1,822,548	1,041,240	1,107,557	66,317
NET EMERGENCY SERVICES	4,023,812	3,655,307	3,609,446	45,861
NET PUBLIC WORKS	1,627,381	1,706,352	1,413,645	292,707
NET ADMINISTRATION	1,884,948	1,127,010	1,110,362	16,648
NET CODES	206,186	160,640	162,619	(1,979)
NET PARK AND RECREATION	549,280	473,070	501,919	(28,849)
CORE FUNCTION NET SUBTOTAL	8,291,607	7,122,379	6,797,991	324,388
DEBT - PRINCIPAL	549,000	230,000	230,000	0
DEBT - INTEREST	249,458	233,820	233,823	(3)
TOTAL DEBT	798,458	463,820	463,823	(3)
TOTAL CORE FUNCTION NET	9,090,065	7,586,199	7,261,814	324,385
NON-CORE FUNCTION REVENUE				
EARNED INCOME TAX	5,181,600	4,196,518	4,014,329	(182,189)
REAL ESTATE PROPERTY TAX	2,026,129	2,016,168	2,030,917	14,749
REAL ESTATE TRANSFER TAX	575,000	479,167	627,896	148,729
CABLE TELEVIS.FRANCHISE	489,600	367,200	347,300	(19,900)
LOCAL SERVICES TAX	348,000	270,022	271,242	1,220
OTHER INCOME	469,736	63,601	92,616	29,015
TOTAL NON CORE FUNCTION REVENUE	9,090,065	7,392,676	7,384,301	(8,375)
NET RESULT	0	(193,523)	122,486	316,009

SUMMARY OF FUNDS REPORT (AKA "JOE REPORT")
 ALL FUNDS OCTOBER 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	7,016,377.82	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,016,378	\$0	\$0
320 LICENSES & PERMITS	358,054.40	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$358,054	\$0	\$0
330 FINES & FORFEITS	50,506.76	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,507	\$0	\$0
340 INTERESTS & RENTS	166,473.63	\$2	\$119,288	\$9,821	\$8,801	\$7,884	\$28,194	\$34,076	\$374,539	\$498	\$96,530
350 INTERGOVERNMENTAL	331,591.55	\$553,311	\$250,000	\$0	\$0	\$0	\$0	\$0	\$1,134,903	\$0	\$0
360 CHARGES FOR SERVICES	386,671.94	\$0	\$0	\$0	\$2,903,543	\$945,736	\$0	\$0	\$4,235,952	\$5,128	\$0
380 MISCELLANEOUS REVENUES	1,419,433.09	\$0	\$12,866	\$793	\$447	\$0	\$0	\$0	\$1,433,538	\$564	\$0
390 OTHER FINANCING SOURCES	284,140.19	\$0	\$235,357	\$0	\$0	\$0	\$0	\$0	\$519,497	\$90,071	\$0
	\$10,013,249	\$553,313	\$617,511	\$10,613	\$2,912,791	\$953,621	\$28,194	\$34,076	\$15,123,368	\$96,262	\$96,530
EXPENDITURES											
400 GENERAL GOVERNMENT	\$1,133,836	\$0	\$72,306	\$0	\$0	\$0	\$0	\$0	\$1,206,141	\$0	\$0
410 PUBLIC SAFETY	\$5,432,299	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,432,299	\$0	\$0
420 HEALTH & WELFARE	\$99,321	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$99,321	\$0	\$0
426 SANITATION & REFUSE	\$0	\$0	\$0	\$0	\$1,745,507	\$879,137	\$84,884	\$0	\$2,709,527	\$221,968	\$256,359
430 HIGHWAYS,ROADS & STREETS	\$1,459,702	\$0	\$526,808	\$863	\$0	\$0	\$0	\$0	\$1,987,373	\$0	\$0
450 CULTURE-RECREATION	\$555,961	\$0	\$334,258	\$0	\$0	\$0	\$0	\$0	\$890,219	\$0	\$730,018
460 CONSERVATION & DEVELOPMENT	\$2,473	\$0	\$30,630	\$0	\$0	\$0	\$0	\$0	\$33,103	\$0	\$0
470 DEBT SERVICE	\$486,492	\$0	\$0	\$0	\$826,616	\$0	\$0	\$0	\$1,313,108	\$0	\$0
480 MISCELLANEOUS EXPENDITURES	\$857,821	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$857,821	\$0	\$0
490 OTHER FINANCING USES	\$71	\$0	\$0	\$0	\$90,000	\$354	\$0	\$0	\$90,426	\$71	\$0
	\$10,027,976	\$0	\$964,001	\$863	\$2,662,122	\$879,491	\$84,884	\$0	\$14,619,338	\$222,039	\$986,377
2018 SURPLUS/(DEFICIT)*	(\$14,727)	\$553,313	(\$346,490)	\$9,750	\$250,669	\$74,129	(\$56,690)	\$34,076	\$504,029	(\$125,778)	(\$889,847)
CLEARING ACCOUNT ADJUSTMENTS	(\$29,829)										
10/31/2018 ENDING BALANCE	\$5,486,733	\$553,815	\$5,677,541	\$1,088,907	\$1,137,340	\$688,258	\$2,105,988	\$2,538,430	\$19,277,013	\$16,554	\$6,446,476

EAST GOSHEN TOWNSHIP
OCTOBER 2018 GENERAL FUND YEAR END PROJECTION
As of October 31st, 2018

Account Title	2018 Budget	2018 Year-End Projection	\$ Variance	% Variance
EMERGENCY SERVICES EXPENSES	4,101,440	4,083,940	(17,500)	-0.4%
PUBLIC WORKS EXPENSES	2,620,236	2,497,007	(123,229)	-4.9%
ADMINISTRATION EXPENSES	2,236,312	1,945,847	(290,465)	-14.9%
CODES EXPENSES	465,911	510,011	44,100	8.6%
PARK AND RECREATION EXPENSES	690,256	719,087	28,831	4.0%
TOTAL CORE FUNCTION EXPENSES	10,114,155	9,755,891	(358,264)	-3.7%
EMERGENCY SERVICES REVENUES	77,628	82,880	5,252	6.3%
PUBLIC WORKS REVENUES	1,010,195	1,004,871	(5,324)	-0.5%
ADMINISTRATION REVENUES	334,024	383,047	49,023	12.8%
CODES REVENUES	259,725	269,445	9,720	3.6%
PARK AND RECREATION REVENUES	140,976	115,970	(25,006)	-21.6%
TOTAL CORE FUNCTION REVENUES	1,822,548	1,856,213	33,665	1.8%
NET EMERGENCY SERVICES	4,023,812	4,001,060	(22,752)	-0.6%
NET PUBLIC WORKS	1,610,041	1,492,136	(117,905)	-7.9%
NET ADMINISTRATION	1,902,288	1,562,800	(339,488)	-21.7%
NET CODES	206,186	240,566	34,380	14.3%
NET PARK AND RECREATION	549,280	603,117	53,837	8.9%
CORE FUNCTION NET SUBTOTAL	8,291,607	7,899,679	(391,928)	-5.0%
DEBT - PRINCIPAL	549,000	549,000	0	0.0%
DEBT - INTEREST	249,458	249,458	0	0.0%
TOTAL DEBT	798,458	798,458	0	0.0%
TOTAL CORE FUNCTION NET	9,090,065	8,698,137	(391,928)	-4.5%
NON-CORE FUNCTION REVENUE				
EARNED INCOME TAX	5,181,600	5,050,000	(131,600)	-2.6%
REAL ESTATE PROPERTY TAX	2,026,129	2,038,840	12,711	0.6%
REAL ESTATE TRANSFER TAX	575,000	750,000	175,000	23.3%
CABLE TELEVIS.FRANCHISE	489,600	464,600	(25,000)	-5.4%
LOCAL SERVICES TAX	348,000	348,000	0	0.0%
OTHER INCOME	469,736	99,670	(370,066)	-371.3%
TOTAL NON CORE FUNCTION REVENUE	9,090,065	8,751,110	(338,955)	-3.9%
NET RESULT	0	52,973		

SUMMARY OF FUNDS REPORT (AKA "JOE REPORT")
2018 YEAR END PROJECTION AS OF OCTOBER 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	8,184,040.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,184,040	\$0	\$0
320 LICENSES & PERMITS	475,354.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$475,354	\$0	\$0
330 FINES & FORFEITS	58,020.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$58,020	\$0	\$0
340 INTERESTS & RENTS	190,176.25	\$9,471	\$138,750	\$7,600	\$10,000	\$8,000	\$32,000	\$42,000	\$437,997	\$514	\$100,000
350 INTERGOVERNMENTAL	325,574.07	\$553,311	\$250,000	\$0	\$0	\$0	\$0	\$0	\$1,128,885	\$0	\$0
360 CHARGES FOR SERVICES	423,445.78	\$0	\$0	\$0	\$3,511,727	\$1,098,902	\$0	\$0	\$5,034,075	\$3,128	\$0
380 MISCELLANEOUS REVENUES	1,845,325.57	\$0	\$12,866	\$0	\$0	\$0	\$0	\$0	\$1,858,192	\$565	\$0
390 OTHER FINANCING SOURCES	960,492.00	\$0	\$699,606	\$0	\$0	\$0	\$170,000	\$0	\$1,830,098	\$102,071	\$0
	\$12,462,428	\$562,782	\$1,101,222	\$7,600	\$3,521,727	\$1,106,902	\$202,000	\$42,000	\$19,006,661	\$106,278	\$100,000
EXPENDITURES											
400 GENERAL GOVERNMENT	\$1,492,953	\$0	\$163,422	\$0	\$0	\$0	\$0	\$0	\$1,656,374	\$0	\$2,605
410 PUBLIC SAFETY	\$6,163,040	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,163,040	\$0	\$0
420 HEALTH & WELFARE	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,000	\$0	\$0
426 SANITATION & REFUSE	\$142,605	\$0	\$0	\$0	\$2,420,180	\$1,078,348	\$133,297	\$0	\$3,774,430	\$246,681	\$256,359
430 HIGHWAYS,ROADS & STREETS	\$2,131,575	\$562,782	\$610,739	\$1,000	\$0	\$0	\$0	\$0	\$3,306,096	\$0	\$0
450 CULTURE-RECREATION	\$659,368	\$0	\$334,258	\$0	\$0	\$0	\$0	\$0	\$993,626	\$0	\$791,516
460 CONSERVATION & DEVELOPMENT	\$8,230	\$0	\$72,055	\$0	\$0	\$0	\$0	\$0	\$80,285	\$0	\$0
470 DEBT SERVICE	\$821,606	\$0	\$0	\$0	\$877,373	\$0	\$0	\$0	\$1,698,979	\$0	\$0
480 MISCELLANEOUS EXPENDITURES	\$984,078	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$984,078	\$0	\$0
490 OTHER FINANCING USES	\$0	\$0	\$0	\$0	\$272,000	\$0	\$0	\$0	\$272,000	\$0	\$0
	\$12,409,454	\$562,782	\$1,180,473	\$1,000	\$3,569,553	\$1,078,348	\$133,297	\$0	\$18,934,908	\$246,681	\$1,050,480
2018 SURPLUS/(DEFICIT)*	\$52,973	\$0	(\$79,251)	\$6,600	(\$47,826)	\$28,554	\$68,703	\$42,000	\$71,753	(\$140,403)	(\$950,480)
12/31/2018 PROJ ENDING BALANCE	\$5,584,263	\$502	\$5,944,780	\$1,085,757	\$838,846	\$642,682	\$2,231,381	\$2,546,354	\$18,874,566	\$1,928	\$6,385,843