

# Memo

---

To: Board of Supervisors  
From: Jon Altshul  
Re: December 2018 Year-end Financial Report  
Date: January 8, 2018

---

Based on our unaudited financials and net of pass-through accounts, as of December 31<sup>st</sup>, the general fund had revenues of \$10,595,160 and expenses of \$10,436,332 for a year-to-date surplus of \$158,828. As of December 31<sup>st</sup>, the general fund balance was \$5,689,157. As you know, we report our financials internally on a cash basis; our financial statements, which will be prepared this winter and spring, are reported on a modified accrual basis.

On the expense side, Emergency Services (-\$23,045), Codes (-\$168), Public Works (-\$299,657) and Administration (-\$411,116) were all under budget, while Parks and Recreation was 153,871 over budget due largely to cost overruns for the Marydell Pond Rehabilitation project. Administration was substantially under-budget due to not beginning the wash bay or storefront projects in 2018; Public Works was under-budget due to substantial savings on vehicle rental for paving due to the new paver and the deferral of the Meadows storm sewer repair until 2019.

On the revenue side, Real Estate Transfer Tax (+\$160,107) and Real Estate Property Tax (+\$22,049) were both over-budget, while Earned Income Tax (-\$214,868), Cable Franchise Fees (-\$30,627) and Local Services Tax (-\$8,171) were all under-budget.

## Other funds

- The **State Liquid Fuels Fund** had \$563,282 in revenues and \$562,013 expenses. The fund balance was 1,771.
- The **Capital Reserve Fund** had \$1,031,977 in revenues and \$1,096,187 in expenses. The fund balance was \$5,959,821.
- The **Transportation Fund** had \$10,152 in revenues and \$863 in expenses. The fund balance was \$1,088,446.
- The **Sewer Operating Fund** had \$3,486,946 in revenues and \$3,412,674 in expenses. The fund balance was \$960,943.
- The **Refuse Fund** had \$1,124,802 in revenues and \$1,071,808 in expenses. The fund balance was \$667,122.
- The **Bond Fund** had \$119,740 in revenues and \$1,087,755 in expenses. The fund balance was \$6,368,308.
- The **Sewer Capital Reserve Fund** had \$196,613 in revenues and \$105,729 in expenses. The fund balance is \$2,253,563.
- The **Operating Reserve Fund** had \$41,026 in revenues and no expenses. The fund balance is \$2,545,380.

The bottom line is that excluding the Bond Fund and the Municipal Authority, the Township ran a total surplus, on a cash basis, of \$364,352 last year.

**Receivables**

Utilities receivables--\$167,324--shattered the previous quarterly low achieved this decade. The Township received a number of large payoffs on delinquent accounts. A special shout out to Lynn LeBlanc and Crista Romano from Buckley Brion for their work in bringing this number down!

2018 real estate receivables, which were reported to the County last week for collection, were \$8,736, which is in line with recent years.

**Cash Management**

The Township is yielding an average of 2.20% on our cash across all Township funds, compared with 1.89% three months ago. The average time until maturity for illiquid investments is about 132 days.

**EAST GOSHEN TOWNSHIP**  
**2018 GENERAL FUND SUMMARY**  
**UNAUDITED YEAR-END RESULTS as of December 31, 2018**

Account Title	Annual Budget	12/31/2018 Actual	Variance
EMERGENCY SERVICES EXPENSES	4,101,440	4,086,850	(14,590)
PUBLIC WORKS EXPENSES	2,637,576	2,366,636	(270,940)
ADMINISTRATION EXPENSES	2,218,972	1,851,632	(367,340)
CODES EXPENSES	465,911	504,160	38,249
PARK AND RECREATION EXPENSES	690,256	828,595	138,339
<b>TOTAL CORE FUNCTION EXPENSES</b>	<b>10,114,155</b>	<b>9,637,873</b>	<b>(476,282)</b>
EMERGENCY SERVICES REVENUES	77,628	86,082	8,454
PUBLIC WORKS REVENUES	1,010,195	1,038,912	28,717
ADMINISTRATION REVENUES	334,024	377,800	43,776
CODES REVENUES	259,725	298,142	38,417
PARK AND RECREATION REVENUES	140,976	125,444	(15,532)
<b>TOTAL CORE FUNCTION REVENUES</b>	<b>1,822,548</b>	<b>1,926,381</b>	<b>103,833</b>
<b>NET EMERGENCY SERVICES</b>	<b>4,023,812</b>	<b>4,000,767</b>	<b>(23,045)</b>
<b>NET PUBLIC WORKS</b>	<b>1,627,381</b>	<b>1,327,724</b>	<b>(299,657)</b>
<b>NET ADMINISTRATION</b>	<b>1,884,948</b>	<b>1,473,832</b>	<b>(411,116)</b>
<b>NET CODES</b>	<b>206,186</b>	<b>206,018</b>	<b>(168)</b>
<b>NET PARK AND RECREATION</b>	<b>549,280</b>	<b>703,151</b>	<b>153,871</b>
<b>CORE FUNCTION NET SUBTOTAL</b>	<b>8,291,607</b>	<b>7,711,492</b>	<b>(580,115)</b>
DEBT - PRINCIPAL	549,000	549,000	0
DEBT - INTEREST	249,458	249,459	1
<b>TOTAL DEBT</b>	<b>798,458</b>	<b>798,459</b>	<b>1</b>
<b>TOTAL CORE FUNCTION NET</b>	<b>9,090,065</b>	<b>8,509,951</b>	<b>(580,114)</b>
<b>NON-CORE FUNCTION REVENUE</b>			
EARNED INCOME TAX	5,181,600	4,966,732	(214,868)
REAL ESTATE PROPERTY TAX	2,026,129	2,048,178	22,049
REAL ESTATE TRANSFER TAX	575,000	735,107	160,107
CABLE TELEVIS.FRANCHISE	489,600	458,973	(30,627)
LOCAL SERVICES TAX	348,000	339,829	(8,171)
OTHER INCOME	469,736	119,961	(349,775)
<b>TOTAL NON CORE FUNCTION REVENUE</b>	<b>9,090,065</b>	<b>8,668,780</b>	<b>(421,285)</b>
<b>NET RESULT</b>	<b>0</b>	<b>158,828</b>	<b>158,828</b>

SUMMARY OF FUNDS REPORT (AKA "JOE REPORT")

ALL FUNDS DECEMBER 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
<b>01/01/18 BEGINNING BALANCE</b>	<b>\$5,531,289</b>	<b>\$502</b>	<b>6,024,031</b>	<b>1,079,157</b>	<b>886,672</b>	<b>614,128</b>	<b>\$2,162,678</b>	<b>\$2,504,354</b>	<b>\$18,057,119</b>	<b>\$142,331</b>	<b>7,336,323</b>
<b>RECEIPTS</b>											
310 TAXES	8,166,312.57	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$8,166,313</b>	\$0	\$0
320 LICENSES & PERMITS	470,304.56	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$470,305</b>	\$0	\$0
330 FINES & FORFEITS	72,151.32	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$72,151</b>	\$0	\$0
340 INTERESTS & RENTS	208,330.69	\$9,970	\$152,449	\$9,360	\$11,633	\$10,126	\$196,613	\$41,026	<b>\$639,507</b>	\$469	\$119,740
350 INTERGOVERNMENTAL	331,591.55	\$553,311	\$250,000	\$0	\$0	\$0	\$0	\$0	<b>\$1,134,903</b>	\$0	\$0
360 CHARGES FOR SERVICES	443,488.59	\$0	\$0	\$0	\$3,474,866	\$1,114,675	\$0	\$0	<b>\$5,033,030</b>	\$5,128	\$0
380 MISCELLANEOUS REVENUES	1,859,778.11	\$0	\$12,866	\$793	\$447	\$0	\$0	\$0	<b>\$1,873,883</b>	\$564	\$0
390 OTHER FINANCING SOURCES	995,203.38	\$0	616,662.29	\$0	\$0	\$0	\$0	\$0	<b>\$1,611,866</b>	\$110,071	\$0
	<b>\$12,547,161</b>	<b>\$563,282</b>	<b>\$1,031,977</b>	<b>\$10,152</b>	<b>\$3,486,946</b>	<b>\$1,124,802</b>	<b>\$196,613</b>	<b>\$41,026</b>	<b>\$19,001,958</b>	<b>\$116,232</b>	<b>\$119,740</b>
<b>EXPENDITURES</b>											
400 GENERAL GOVERNMENT	\$1,494,545	\$0	\$115,171	\$0	\$0	\$0	\$0	\$0	<b>\$1,609,716</b>	\$0	\$0
410 PUBLIC SAFETY	\$6,173,478	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$6,173,478</b>	\$0	\$0
420 HEALTH & WELFARE	\$126,279	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$126,279</b>	\$0	\$0
426 SANITATION & REFUSE	\$0	\$0	\$0	\$0	\$2,262,384	\$1,071,453	\$105,729	\$0	<b>\$3,439,566</b>	\$244,569	\$256,359
430 HIGHWAYS,ROADS & STREETS	\$2,020,404	562,012.93	\$615,663	\$863	\$0	\$0	\$0	\$0	<b>\$3,198,943</b>	\$0	\$0
450 CULTURE-RECREATION	\$767,601	\$0	\$334,258	\$0	\$0	\$0	\$0	\$0	<b>\$1,101,859</b>	\$0	\$831,396
460 CONSERVATION & DEVELOPMENT	\$5,087	\$0	\$31,095	\$0	\$0	\$0	\$0	\$0	<b>\$36,182</b>	\$0	\$0
470 DEBT SERVICE	\$821,607	\$0	\$0	\$0	\$880,290	\$0	\$0	\$0	<b>\$1,701,897</b>	\$0	\$0
480 MISCELLANEOUS EXPENDITURES	\$979,259	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$979,259</b>	\$0	\$0
490 OTHER FINANCING USES	\$71	\$0	\$0	\$0	\$270,000	\$354	\$0	\$0	<b>\$270,426</b>	\$71	\$0
	<b>\$12,388,332</b>	<b>\$562,013</b>	<b>\$1,096,187</b>	<b>\$863</b>	<b>\$3,412,674</b>	<b>\$1,071,808</b>	<b>\$105,729</b>	<b>\$0</b>	<b>\$18,637,606</b>	<b>\$244,640</b>	<b>\$1,087,755</b>
<b>2018 SURPLUS/(DEFICIT)*</b>	<b>\$158,828</b>	<b>\$1,269</b>	<b>(\$64,210)</b>	<b>\$9,289</b>	<b>\$74,272</b>	<b>\$52,994</b>	<b>\$90,884</b>	<b>\$41,026</b>	<b>\$364,352</b>	<b>(\$128,408)</b>	<b>(\$968,015)</b>
<b>CLEARING ACCOUNT ADJUSTMENTS</b>	<b>(\$960)</b>										
<b>12/31/2018 ENDING BALANCE</b>	<b>\$5,689,157</b>	<b>\$1,771</b>	<b>\$5,959,821</b>	<b>\$1,088,446</b>	<b>\$960,943</b>	<b>\$667,122</b>	<b>\$2,253,563</b>	<b>\$2,545,380</b>	<b>\$19,166,204</b>	<b>\$13,923</b>	<b>\$6,368,308</b>