

# Memo

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To: Board of Supervisors  
From: Jon Altshul  
Re: July 2020 Financial Report  
Date: August 7, 2020

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As of July 31<sup>st</sup>, the general fund had revenues of \$6,181,965 and expenses of \$6,025,605 for a year-to-date surplus of \$156,359 and a negative budget variance of \$374,224. As of July 31<sup>st</sup>, the general fund balance is \$5,477,560.

On the expense side, the Township is over budget by \$33,653, due to the Act 111 arbitration award for WEGO in the amount of \$229,282. Except for Emergency Services, all other operating departments are under budget.

On the revenue side, we are under budget by \$340,571. Earned Income Tax is under budget by \$196,039, which is an improvement over June of nearly \$50,000. Early receipts in August—a critical month, which reflects Q2 remittances and the later 2019 filing, deadline—appear promising, although it is still too early to draw firm conclusions about the full impact of COVID on EIT. Real Estate Property Tax is under budget by \$87,969, but that negative variance will gradually disappear, as we get closer to the end of the year due to the change in the due dates for 2020. Real Estate Transfer Tax is \$112,009 under budget, but again, cert requests for home sales continue to be strong, suggesting that transfer tax receipts will rebound before the end of the year. For perspective, between June 1 and July 31, we had 87 resale reoccupancy inspections; by contrast, during this period last year, we had only 62.

## Other funds

- The **State Liquid Fuels Fund** had \$551,156 in revenues and \$0 in expenses. The fund balance was 552,304.
- The **Capital Reserve Fund** had \$293,384 in revenues and \$1,159,892 in expenses. The fund balance was \$4,544,027.
- The **Transportation Fund** had \$2,399 in revenues and \$305,342 in expenses. The fund balance was \$608,781.
- The **Sewer Operating Fund** had \$2,094,107 in revenues and \$1,977,272 in expenses. The fund balance was \$1,093,270.
- The **Refuse Fund** had \$617,180 in revenues and \$644,555 in expenses. The fund balance was \$595,416.
- The **Bond Fund** had \$20,149 in revenues and \$333,238 in expenses. The fund balance was \$3,402,551.
- The **Sewer Capital Reserve Fund** had \$36,921 in revenues and \$235,533 in expenses. The fund balance is \$2,139,176.
- The **Operating Reserve Fund** had \$32,141 in revenues and no expenses. The fund balance is \$2,628,264.

## **Year-end Projection**

I have not made any changes since last month to the year-end projections, and I am still projecting a year-end deficit of \$488,314 in the General Fund.

**EAST GOSHEN TOWNSHIP  
GENERAL FUND SUMMARY  
As of July 31, 2020**

Account Title	2020 Annual Budget	2020 YTD Budget	2020 YTD Actual	\$ Variance	% Variance
EMERGENCY SERVICES EXPENSES	4,379,933	2,836,374	3,046,485	210,111	7.4%
PUBLIC WORKS EXPENSES	2,774,562	1,255,145	1,167,442	(87,703)	-7.0%
ADMINISTRATION EXPENSES	1,886,456	1,075,064	1,081,579	6,515	0.6%
CODES EXPENSES	522,011	306,631	243,150	(63,481)	-20.7%
PARK AND RECREATION EXPENSES	881,005	411,312	379,143	(32,169)	-7.8%
<b>TOTAL CORE FUNCTION EXPENSES</b>	<b>10,443,967</b>	<b>5,884,526</b>	<b>5,917,798</b>	<b>33,272</b>	<b>0.6%</b>
EMERGENCY SERVICES REVENUES	72,000	55,458	33,929	(21,529)	-38.8%
PUBLIC WORKS REVENUES	1,000,284	244,872	325,319	80,447	32.9%
ADMINISTRATION REVENUES	318,829	138,875	180,255	41,380	29.8%
CODES REVENUES	272,870	170,901	157,974	(12,927)	-7.6%
PARK AND RECREATION REVENUES	132,620	66,115	51,389	(14,726)	-22.3%
<b>TOTAL CORE FUNCTION REVENUES</b>	<b>1,796,603</b>	<b>676,221</b>	<b>748,867</b>	<b>72,646</b>	<b>10.7%</b>
<b>NET EMERGENCY SERVICES</b>	<b>4,307,933</b>	<b>2,780,916</b>	<b>3,012,556</b>	<b>231,640</b>	<b>8.3%</b>
<b>NET PUBLIC WORKS</b>	<b>1,774,278</b>	<b>1,010,273</b>	<b>842,123</b>	<b>(168,150)</b>	<b>-16.6%</b>
<b>NET ADMINISTRATION</b>	<b>1,567,627</b>	<b>936,189</b>	<b>901,323</b>	<b>(34,866)</b>	<b>-3.7%</b>
<b>NET CODES</b>	<b>249,141</b>	<b>135,730</b>	<b>85,175</b>	<b>(50,555)</b>	<b>-37.2%</b>
<b>NET PARK AND RECREATION</b>	<b>748,385</b>	<b>345,197</b>	<b>327,754</b>	<b>(17,443)</b>	<b>-5.1%</b>
<b>CORE FUNCTION NET SUBTOTAL</b>	<b>8,647,364</b>	<b>5,208,305</b>	<b>5,168,931</b>	<b>(39,374)</b>	<b>-0.8%</b>
DEBT - PRINCIPAL	349,999	-	-	0	0.0%
DEBT - INTEREST	203,872	107,426	107,807	381	0.4%
<b>TOTAL DEBT</b>	<b>553,871</b>	<b>107,426</b>	<b>107,807</b>	<b>381</b>	<b>0.4%</b>
<b>TOTAL CORE FUNCTION NET</b>	<b>9,201,235</b>	<b>5,315,731</b>	<b>5,276,738</b>	<b>(38,993)</b>	<b>-0.7%</b>
<b>NON-CORE FUNCTION REVENUE</b>					
EARNED INCOME TAX	5,130,800	2,981,742	2,785,703	(196,039)	-6.6%
REAL ESTATE PROPERTY TAX	2,042,779	2,010,730	1,922,761	(87,969)	-4.4%
REAL ESTATE TRANSFER TAX	650,000	380,000	267,991	(112,009)	-29.5%
CABLE TELEVIS.FRANCHISE	457,200	228,600	218,255	(10,345)	-4.5%
LOCAL SERVICES TAX	345,000	183,180	175,276	(7,904)	-4.3%
OTHER INCOME	575,456	62,062	63,111	1,049	1.7%
<b>TOTAL NON CORE FUNCTION REVENUE</b>	<b>9,201,235</b>	<b>5,846,314</b>	<b>5,433,098</b>	<b>(413,216)</b>	<b>-7.1%</b>
<b>NET RESULT</b>	<b>0</b>	<b>530,583</b>	<b>156,359</b>	<b>(374,224)</b>	

SUMMARY OF FUNDS REPORT (AKA "JOE REPORT")  
 ALL FUNDS JULY 2020  
 \* 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>01/01/20 BEGINNING BALANCE</b>	<b>\$5,625,871</b>	<b>\$1,148</b>	<b>\$5,410,535</b>	<b>\$911,724</b>	<b>\$976,435</b>	<b>\$629,194</b>	<b>\$2,337,788</b>	<b>\$2,596,124</b>	<b>\$18,488,820</b>	<b>\$24,873</b>	<b>\$3,715,640</b>
<b>RECEIPTS</b>											
310 TAXES	\$5,186,913	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,186,913	\$0	\$0
320 LICENSES & PERMITS	\$225,821	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$225,821	\$0	\$0
330 FINES & FORFEITS	\$25,885	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,885	\$0	\$0
340 INTERESTS & RENTS	\$114,759	(\$340)	\$72,407	\$2,399	\$4,156	\$1,987	\$35,470	\$32,141	\$262,980	(\$101)	\$20,149
350 INTERGOVERNMENTAL	\$5,097	\$551,495	\$220,477	\$0	\$0	\$0	\$0	\$0	\$777,069	\$3,231	\$0
360 CHARGES FOR SERVICES	\$216,259	\$0	\$0	\$0	\$2,019,212	\$615,193	\$0	\$0	\$2,850,664	\$846	\$0
380 MISCELLANEOUS REVENUES	\$1,082,354	\$0	\$500	\$0	\$685	\$0	\$0	\$0	\$1,083,539	\$423	\$0
390 OTHER FINANCING SOURCES	\$291,978	\$0	\$0	\$0	\$70,054	\$0	\$1,451	\$0	\$363,484	\$247,475	\$0
	<b>\$7,149,066</b>	<b>\$551,156</b>	<b>\$293,384</b>	<b>\$2,399</b>	<b>\$2,094,107</b>	<b>\$617,180</b>	<b>\$36,921</b>	<b>\$32,141</b>	<b>\$10,776,354</b>	<b>\$251,874</b>	<b>\$20,149</b>
<b>EXPENDITURES</b>											
400 GENERAL GOVERNMENT	\$782,009	\$0	\$70,211	\$0	\$0	\$0	\$0	\$0	\$852,220	\$0	\$0
410 PUBLIC SAFETY	\$4,245,680	\$0	\$162,415	\$0	\$0	\$0	\$0	\$0	\$4,408,095	\$0	\$0
420 HEALTH & WELFARE	\$108,731	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$108,731	\$0	\$0
426 SANITATION & REFUSE	\$0	\$0	\$0	\$0	\$1,375,279	\$644,555	\$0	\$0	\$2,019,834	\$275,476	\$0
430 HIGHWAYS,ROADS & STREETS	\$886,002	\$0	\$604,361	\$305,342	\$0	\$0	\$0	\$0	\$1,795,705	\$0	\$14,538
450 CULTURE-RECREATION	\$323,434	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$323,434	\$0	\$318,701
460 CONSERVATION & DEVELOPMENT	\$1,310	\$0	\$322,905	\$0	\$0	\$0	\$0	\$0	\$324,215	\$0	\$0
470 DEBT SERVICE	\$131,708	\$0	\$0	\$0	\$588,601	\$0	\$0	\$0	\$720,309	\$0	\$0
480 MISCELLANEOUS EXPENDITURES	\$809,540	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$809,540	\$0	\$0
490 OTHER FINANCING USES	\$0	\$0	\$0	\$0	\$13,393	\$0	\$235,533	\$0	\$248,926	\$0	\$0
	<b>\$7,288,414</b>	<b>\$0</b>	<b>\$1,159,892</b>	<b>\$305,342</b>	<b>\$1,977,272</b>	<b>\$644,555</b>	<b>\$235,533</b>	<b>\$0</b>	<b>\$11,611,008</b>	<b>\$275,476</b>	<b>\$333,238</b>
<b>2020 SURPLUS/(DEFICIT)*</b>	<b>(\$139,348)</b>	<b>\$551,156</b>	<b>(\$866,508)</b>	<b>(\$302,943)</b>	<b>\$116,835</b>	<b>(\$27,375)</b>	<b>(\$198,612)</b>	<b>\$32,141</b>	<b>(\$834,654)</b>	<b>(\$23,602)</b>	<b>(\$313,089)</b>
<b>CLEARING ACCOUNT ADJUSTMENTS</b>	<b>(\$9,953)</b>										
<b>06/30/20 ENDING BALANCE</b>	<b>\$5,476,570</b>	<b>\$552,304</b>	<b>\$4,544,027</b>	<b>\$608,781</b>	<b>\$1,093,270</b>	<b>\$601,820</b>	<b>\$2,139,176</b>	<b>\$2,628,264</b>	<b>\$17,644,213</b>	<b>\$1,270</b>	<b>\$3,402,551</b>

**East Goshen Township**  
**2020 General Fund Year End Projection, as of July 31, 2020**

Account Title	2020 Adopted	2020 Projected
POLICE EXPENSES	3,884,680	4,113,962
OTHER EMERGENCY SERVICE EXPENSES	495,253	471,069
PUBLIC WORKS EXPENSES	2,760,338	2,455,803
ADMINISTRATION EXPENSES	1,900,680	1,852,425
ZONING/PERMITS/CODES EXPENSES	522,011	460,432
PARK AND RECREATION EXPENSES	881,005	632,143
<b>TOTAL CORE FUNCTION EXPENSES</b>	<b>10,443,967</b>	<b>9,985,834</b>
POLICE REVENUES	38,000	32,000
OTHER EMERGENCY SERVICES REVENUES	33,905	26,263
PUBLIC WORKS REVENUES	1,000,284	1,031,784
ADMINISTRATION REVENUES	318,829	346,180
ZONING/PERMITS/CODES REVENUES	272,870	248,923
PARK AND RECREATION REVENUES	132,620	75,307
<b>TOTAL CORE FUNCTION REVENUES</b>	<b>1,796,508</b>	<b>1,760,457</b>
<b>NET POLICE</b>	<b>3,846,680</b>	<b>4,081,962</b>
<b>NET OTHER EMERGENCY SERVICES</b>	<b>461,348</b>	<b>444,806</b>
<b>NET PUBLIC WORKS</b>	<b>1,760,054</b>	<b>1,424,019</b>
<b>NET ADMINISTRATION</b>	<b>1,581,851</b>	<b>1,506,245</b>
<b>NET ZONING/PERMITS/CODES</b>	<b>249,141</b>	<b>211,509</b>
<b>NET PARK AND RECREATION</b>	<b>748,385</b>	<b>556,836</b>
<b>CORE FUNCTION NET SUBTOTAL</b>	<b>8,647,459</b>	<b>8,225,377</b>
DEBT - PRINCIPAL	349,999	349,999
DEBT - INTEREST	203,872	203,872
<b>TOTAL DEBT SERVICE</b>	<b>553,871</b>	<b>553,871</b>
<b>TOTAL CORE FUNCTION NET</b>	<b>9,201,330</b>	<b>8,779,248</b>
<b>NON-CORE FUNCTION REVENUE</b>		
EARNED INCOME TAXES	5,130,800	4,874,260
REAL ESTATE PROPERTY TAX	2,042,779	2,032,779
REAL ESTATE TRANSFER TAX	650,000	550,000
CABLE TV FRANCHISE TAX	457,200	440,000
LOCAL SERVICES TAX	345,000	300,000
OTHER INCOME*	113,895	93,895
<b>TOTAL NON CORE FUNCTION REVENUE</b>	<b>8,739,674</b>	<b>8,290,934</b>
<b>NET RESULT</b>	<b>(461,656)</b>	<b>(488,314)</b>

\* EXCLUDING TRANSFER FROM FUND BALANCE