

Memo

To: Board of Supervisors
From: Chris Boylan
Re: December 2020 Financial Report--Unaudited
Date: January 11, 2020

As of December 31st, net of pass throughs, the general fund had revenues of \$10,543,084 and expenses of \$10,484,018 for a surplus of \$59,066. As of December 31st, the general fund balance was \$5,676,091.

On the expense side, overall the Township is under-budget by a total of \$513,822. This is due to the budget cuts that were enacted and in the Public Works Department, a late start to the paving season, and a mild snow season this year. Additionally, Parks & Rec activities were hard hit by effects of COVID-19, resulting in a favorable budget variance. However, Emergency Services expenses exceeded YTD budget, mainly due to the Act 111 arbitration award for WEGO.

On the revenue side, the Township ended the year with a favorable budget position of \$148,127. Earned Income Tax was \$100,671 under budget. This is an area to watch as the future remote work environment among Township businesses could impact this revenue source. Some of this shortfall was offset by strong Real Estate Transfer Tax (+\$39,080).

Other funds

- The **State Liquid Fuels Fund** had \$556,472 in revenues and \$557,579 in expenses. The fund balance is \$41.
- The **Capital Reserve Fund** had \$2,713,496 in revenues and \$3,104,113 expenses. The fund balance was \$5,019,917.
- The **Transportation Fund** had \$2,955 in revenues and \$305,342 in expenses. The fund balance was \$609,337.
- The **Sewer Operating Fund** had \$3,474,140 in revenues and \$3,450,328 in expenses. The fund balance was \$1,000,248.
- The **Refuse Fund** had \$1,027,743 in revenues and \$1,126,797 in expenses. The fund balance was \$530,140.
- The **Bond Fund** had \$21,011 in revenues and \$552,028 in expenses. The fund balance was \$3,184,623.
- The **Sewer Capital Reserve Fund** had \$224,420 in revenues and \$311,880 in expenses. The fund balance is \$2,250,329.
- The **Operating Reserve Fund** had \$34,039 in revenues and no expenses. The fund balance is \$2,630,163.

Accounts Receivable

Year-end Utilities Accounts Receivable, \$225,041, was higher than last year's Q4. It seems the USPS mail issue had an impact on receivables as many residents did not receive the December 3, 2020 late notice until January 7-8, 2021! Meanwhile, year-end Real Estate Accounts Receivable was \$10,532, which is slightly higher than recent years, despite the Board waiving tax penalty in 2020.

2020 Audit

The auditors are scheduled to do their field work for the 2020 audit during the week of February 1-5. Most of their work will be conducted remotely, however as needed during that week, they will occupy the meeting room upstairs.

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

Account Title	2020 Annual Budget	2020 YTD Budget	2020 YTD Actual	\$ Variance	% Variance
EMERGENCY SERVICES EXPENSES	4,379,933	4,379,933	4,545,069	165,136	3.8%
PUBLIC WORKS EXPENSES	2,774,562	2,774,562	2,407,689	(366,873)	-13.2%
ADMINISTRATION EXPENSES	1,886,456	1,886,456	1,923,701	37,245	2.0%
CODES EXPENSES	522,011	522,011	444,839	(77,172)	-14.8%
PARK AND RECREATION EXPENSES	881,005	881,005	608,846	(272,159)	-30.9%
TOTAL CORE FUNCTION EXPENSES	10,443,967	10,443,967	9,930,145	(513,822)	-4.9%
EMERGENCY SERVICES REVENUES	72,000	72,000	51,287	(20,713)	-28.8%
PUBLIC WORKS REVENUES	1,000,284	1,000,284	1,140,032	139,748	14.0%
ADMINISTRATION REVENUES	318,829	318,829	378,961	60,132	18.9%
CODES REVENUES	272,870	272,870	289,779	16,909	6.2%
PARK AND RECREATION REVENUES	132,620	132,620	84,670	(47,950)	-36.2%
TOTAL CORE FUNCTION REVENUES	1,796,603	1,796,603	1,944,730	148,127	8.2%
NET EMERGENCY SERVICES	4,307,933	4,307,933	4,493,782	185,849	4.3%
NET PUBLIC WORKS	1,774,278	1,774,278	1,267,657	(506,621)	-28.6%
NET ADMINISTRATION	1,567,627	1,567,627	1,544,740	(22,887)	-1.5%
NET CODES	249,141	249,141	155,060	(94,081)	-37.8%
NET PARK AND RECREATION	748,385	748,385	524,176	(224,209)	-30.0%
CORE FUNCTION NET SUBTOTAL	8,647,364	8,647,364	7,985,415	(661,949)	-7.7%
DEBT - PRINCIPAL	349,999	349,999	350,000	1	0.0%
DEBT - INTEREST	203,872	203,872	203,873	1	0.0%
TOTAL DEBT	553,871	553,871	553,873	2	0.0%
TOTAL CORE FUNCTION NET	9,201,235	9,201,235	8,539,288	(661,947)	-7.2%
NON-CORE FUNCTION REVENUE					
EARNED INCOME TAX	5,130,800	5,130,800	5,030,129	(100,671)	-2.0%
REAL ESTATE PROPERTY TAX	2,042,779	2,042,779	2,041,451	(1,328)	-0.1%
REAL ESTATE TRANSFER TAX	650,000	650,000	689,080	39,080	6.0%
CABLE TELEVIS.FRANCHISE	457,200	457,200	432,392	(24,808)	-5.4%
LOCAL SERVICES TAX	345,000	345,000	326,115	(18,885)	-5.5%
OTHER INCOME	575,456	575,456	79,188	(496,268)	-86.2%
TOTAL NON CORE FUNCTION REVENUE	9,201,235	9,201,235	8,598,355	(602,880)	-6.6%
NET RESULT	0	0	59,066	59,066	

SUMMARY OF FUNDS REPORT (AKA "JOE REPORT")
ALL FUNDS DECEMBER 2020

* NOTE: GENERAL FUND INCLUDES PASS-THROUGH ACCOUNTS

	GENERAL FUND*	LIQUID FUELS STATE FUND	CAP RESV FUND	TRANSPORT FUND	SEWER OP. FUNO	REFUSE FUND	SEWER CAP RESV FUND	OPERATING RESERVE	TOWNSHIP FUNDS	MUNICIPAL AUTHORITY	BOND FUND
01/01/20 BEGINNING BALANCE	\$5,625,871	\$1,148	\$5,410,535	\$911,724	\$976,435	\$629,194	\$2,337,788	\$2,596,124	\$18,488,820	\$24,873	\$3,715,640
RECEIPTS											
310 TAXES	\$8,137,368	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,137,368	\$0	\$0
320 LICENSES & PERMITS	\$442,473	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$442,473	\$0	\$0
330 FINES & FORFEITS	\$54,742	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$54,742	\$0	\$0
340 INTERESTS & RENTS	\$159,808	\$4,976	\$165,639	\$2,955	\$4,759	\$2,306	\$222,969	\$34,039	\$597,451	(\$213)	\$21,011
350 INTERGOVERNMENTAL	\$392,538	\$551,495	\$2,133,349	\$0	\$0	\$0	\$0	\$0	\$3,077,382	\$3,231	\$0
360 CHARGES FOR SERVICES	\$380,989	\$0	\$0	\$0	\$3,397,146	\$1,015,800	\$0	\$0	\$4,793,935	\$8,424	\$0
380 MISCELLANEOUS REVENUES	\$2,096,432	\$0	\$500	\$0	\$2,181	\$9,637	\$0	\$0	\$2,108,750	\$564	\$0
390 OTHER FINANCING SOURCES	\$1,089,260	\$0	\$414,008	\$0	\$70,054	\$0	\$1,451	\$0	\$1,574,774	\$367,314	\$0
	\$12,753,609	\$556,472	\$2,713,496	\$2,955	\$3,474,140	\$1,027,743	\$224,420	\$34,039	\$20,786,874	\$379,320	\$21,011
EXPENDITURES											
400 GENERAL GOVERNMENT	\$1,480,765	\$0	\$240,537	\$0	\$0	\$0	\$0	\$0	\$1,721,302	\$0	\$0
410 PUBLIC SAFETY	\$6,802,564	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,802,564	\$0	\$0
420 HEALTH & WELFARE	\$177,542	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$177,542	\$0	\$0
426 SANITATION & REFUSE	\$0	\$0	\$0	\$0	\$2,230,689	\$1,126,797	\$0	\$0	\$3,357,486	\$397,820	\$0
430 HIGHWAYS,ROADS & STREETS	\$1,951,934	\$557,579	\$692,716	\$305,342	\$0	\$0	\$0	\$0	\$3,507,571	\$0	\$14,538
450 CULTURE-RECREATION	\$544,132	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$544,132	\$0	\$537,491
460 CONSERVATION & DEVELOPMENT	\$1,488	\$0	\$2,170,860	\$0	\$0	\$0	\$0	\$0	\$2,172,348	\$0	\$0
470 DEBT SERVICE	\$578,190	\$0	\$0	\$0	\$976,672	\$0	\$0	\$0	\$1,554,862	\$0	\$0
480 MISCELLANEOUS EXPENDITURES	\$1,178,164	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,178,164	\$0	\$0
490 OTHER FINANCING USES	\$0	\$0	\$0	\$0	\$242,967	\$0	\$311,880	\$0	\$554,846	\$0	\$0
	\$12,714,779	\$557,579	\$3,104,113	\$305,342	\$3,450,328	\$1,126,797	\$311,880	\$0	\$21,570,818	\$397,820	\$552,028
2020 SURPLUS/(DEFICIT)*	\$38,830	(\$1,107)	(\$390,617)	(\$302,387)	\$23,813	(\$99,054)	(\$87,459)	\$34,039	(\$783,944)	(\$18,500)	(\$531,017)
CLEARING ACCOUNT ADJUSTMENTS	\$11,390										
12/31/20 ENDING BALANCE	\$5,676,091	\$41	\$5,019,917	\$609,337	\$1,000,248	\$530,140	\$2,250,329	\$2,630,163	\$17,716,266	\$6,372	\$3,184,623