



WHITPAIN TOWNSHIP
 MONTGOMERY COUNTY
 COMMONWEALTH OF PENNSYLVANIA

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To: Roman M. Pronczak, Township Manager
 From: John B. Nagel, Director of Finance 
 Date: June 24, 2014
 Re: Treasurer's Report & Cash Statement – **May 31, 2014**

FINANCIAL REPORT CARD

CATEGORY	CONDITION	PAGE
General Fund		
Real Estate Taxes	Meets or Exceeds	2
Transfer Taxes	Meets or Exceeds	2
Earned Income Taxes	Meets or Exceeds	2
Local Services Taxes	Meets or Exceeds	2
Cable Franchise Fees	Caution & Monitor	2
State Aid (Pensions)	Meets or Exceeds	2
Licenses, Permits & Fees	Meets or Exceeds	2
Park & Recreation Fees	Meets or Exceeds	2
Operating Costs	Meets or Exceeds	2
Salaries	Meets or Exceeds	2
Health Insurance	Meets or Exceeds	3
Pensions	Meets or Exceeds	3
Overtime	Caution & Monitor	3
Interfund Transfers	Meets or Exceeds	3
Ending Cash Balance	Meets or Exceeds	3
Sewer Fund		
Sewer Charges	Meets or Exceeds	3
Sewer Operating Expenses	Meets or Exceeds	3
Ending Cash Balance	Meets or Exceeds	3
Debt Service Fund		
Debt Service Expenses	Meets or Exceeds	3

Meets or Exceeds
Caution & Monitor
Action Needed

**WHITPAIN TOWNSHIP
TREASURER'S REPORT
EXECUTIVE SUMMARY
FOR THE MONTH ENDED MAY 31, 2014**

Revenue or Expense Category

General Fund

Real Estate Taxes - Real estate tax revenues (90.6%) are slightly behind last year's pace (91.3%). These collections include current (\$3,506,969 or 91.1%) and delinquent (\$16,606) collections and are net of assessment appeal refunds (\$0). Real estate taxes paid in protest placed in restricted funds total \$291,736 (or 25% of \$1,166,944). These properties include Sentry Park West (\$183,363), 980 Harvest Drive (\$45,383) and Latham Realty (\$13,841).

Real Estate Transfer Taxes - We are slightly ahead of last year's pace (37.5% vs. 26.7%) as we anticipate the Spring and Summer transfer activities. In May, US Healthcare sold one of its properties to 930 Harvest Drive LLC (Aetna), resulting in taxes of \$84,600.

Earned Income Taxes - EIT collections (41.0%) are slightly behind last year's pace (43.8%). For 2014, we estimate a further increase in our projection (from \$5,450,000 budgeted) to a higher range of \$5,700,000 to \$5,900,000. Now that Act 32 is fully implemented, we can expect that our core EIT revenues will be more stable and predictable. At the April 2014 Montgomery County Tax Collection Committee (MCTCC) meeting, Berkheimer reported that, of the EIT revenue remitted to Whitpain in 2013, a significant portion included taxes based on 2012 earnings. This was due in part to recognizing past collections of Centax, the tax collection firm chosen by Delaware County, which failed and was subsequently absorbed into Berkheimer during 2013. The MCTCC Management Committee met in June and recommends a 3 year contract extension (with a 2 year renewal option) with Berkheimer at a rate of 1.3% (previous rate 1.39%). We are especially pleased because we are unaware of any lower percentage rate in the State. The next step is to bring the extension to a vote at the July meeting. Berkheimer continues to monitor collections for each tax year to better project core collections.

Local Services Taxes (LST) - We are slightly ahead (40.8%) of last year's pace (36.3%).

Cable Franchise Fees – These fees are remitted quarterly. We are at (22.2%) compared with last year's pace (92.5%). Fees received from Comcast and Verizon in 1Q2014 represent revenue from 2Q2013. Fees received in 2Q2014 were received in May 2014.

State Aid (Pensions) – These pension grants are remitted in October of each year. We are at (0.0%) last year's pace (0.0%).

Licenses, Permits & Fees – We are on par (41.0%) with budget but significantly behind last year's pace (53.0%) as we anticipate the Spring and Summer building activities.

Park & Recreation Fees – We are slightly ahead (43.6%) of last year's pace (36.1%) as we anticipate Summer recreation season.

Operating Expenses – These departmental expenses include salaries (separately reported below), represent 42% of our annual budget to date. We are significantly under budget (37.6%) but on par with last year's pace (37.8%). For some departments, we need to reimburse expenses from our Sewer Fund.

Salaries – Personnel includes wages and salaries for full time, part time and seasonal employees. The 2014 budget includes 89 full time employees. Personnel expenses remain relatively flat on a month-to-month basis. As these wage and salary expenses represent 42% of our annual budget to date, we are under budget (40.9%) and on par with last year's pace (40.2%). For some departments, we need to reimburse wages from our Sewer Fund. We are nearing hiring expectations as we currently have 87 of 89 positions filled.

Health Insurance - We are over budget and slightly ahead (44.9%) of last year's pace (42.5%). Currently, we recognize various health insurance credits in revenue accounts. In summary, these credits total \$99,000 through May 2014, resulting in a net expense (\$702,961) on par (42.8%) with budget. Going forward, Finance will adjust these expenses monthly to reflect these credits.

Pension – We are on par (34.1%) with last year's pace (34.8%). We now include employer payments to our defined contribution plan in our pension category. We generally pay our pension expenses on an every other month cycle to gain the value of dollar cost averaging.

Overtime – We are significantly ahead (37.9%) of last year's pace (30.7%) due to significant overtime from the February 2014 weather. We are under budget for Sewer (35.4%) and Police (23.4%) but significantly over budget for Road Maintenance (63.1%) and Snow Removal (76.1%).

Transfers Out – Transfers to Capital Reserve Fund are made on a semi-annual basis. Currently, we are on par (0%) with last year's pace (0%).

Ending Cash Balance - Starting in July 2013, this balance includes both our primary TD Bank and our primary PLGIT account balances for a more accurate picture of our Ending Cash Balances. We projected to end 2013 with an operating surplus (before transfers) of \$1,553,955. We actually ended 2013 with Unassigned Fund Balances of \$1,888,043, explaining most of the variance between 2013 and 2014 balances. Please see attached Cash Statement as of May 31, 2014.

<i>May 31, 2014</i>	<i>May 31, 2013</i>
\$7,364,998	\$7,817,280

Sewer Fund

Sewer Charges - We are on par (46.6%) with last year's pace (46.7%) and on budget. Starting with the 3Q2014 sewer bills, residential customers' consumption habits will be monitored and excessive consumption will result in sewer usage charges. Through May, \$239,134 in delinquent sewer collections (principal, interest and legal) are recorded as credits to receivables not income. As such, these collections do not appear on the automated report.

Sewer Operating Expenses - We are on par (36.2%) with last year's pace (36.8%) and under budget. For some departments, we need to reimburse General Fund expenses from our Sewer Fund.

Ending Cash Balance - Please see attached Cash Statement as of May 31, 2014. We projected a \$168,247 operating deficit (after transfers) in 2013, explaining the year end variance between 2012 and 2013. For some departments, we need to reimburse General Fund expenses from our Sewer Fund.

<i>May 31, 2014</i>	<i>May 31, 2013</i>
\$1,411,208	\$1,191,932

Debt Service Fund

Debt Service Expenses - We are on par (13.5%) with last year's pace (14.0%).

Whitpain Township

Operating Expense Report

Department	For the Month Ended 5/31/2014		YTD Actual to Budget (%)	Prior YTD Actual	Prior Year Budget	Prior YTD Actual to Budget (%)
	YTD Actual	Current Year Budget				
SUPERVISORS	43,229	95,091	45.46%	40,430	96,885	41.73%
ADMINISTRATION	423,165	1,068,055	39.62%	415,414	1,060,202	39.18%
FINANCE	189,594	385,656	49.16%	167,629	373,148	44.92%
TAX COLLECTION	48,150	121,693	39.57%	43,813	104,148	42.07%
LEGAL	104,232	306,000	34.06%	97,102	270,000	35.96%
INFORMATION TECHNOLOGY	58,349	141,652	41.19%	55,153	127,073	43.40%
PLANNING & ENGINEERING	191,480	325,162	58.89%	196,148	305,709	64.16%
PUBLIC WORKS	1,062,961	2,834,011	37.51%	927,816	2,813,947	32.97%
POLICE	1,968,331	5,357,535	36.74%	2,068,661	5,347,617	38.68%
FIRE	85,919	208,427	41.22%	78,348	232,815	33.65%
CODE ENFORCEMENT	196,953	452,645	43.51%	206,226	451,687	45.66%
ZONING	14,933	77,994	19.15%	16,899	78,787	21.45%
SEWER	1,132,181	3,126,226	36.22%	1,165,552	3,168,528	36.79%
PARK AND RECREATION	184,885	654,364	28.25%	208,777	635,310	32.86%
TOTAL OPERATING EXPENSES	5,704,362	15,154,511	37.64%	5,687,969	15,065,856	37.75%

Whitpain Township

Treasurer's Report

For the Month Ended 5/31/2014						
Department	YTD Actual	Current Year Budget	YTD Actual to Budget (%)	Prior YTD Actual	Prior Year Budget	Prior YTD Actual to Budget (%)
GENERAL FUND						
REVENUES						
REAL ESTATE TAXES	3,523,575	3,888,500	90.62%	3,540,716	3,878,500	91.29%
TRANSFER TAXES	180,027	480,000	37.51%	120,337	450,000	26.74%
EARNED INCOME TAXES	2,234,414	5,450,000	41.00%	2,187,864	5,000,000	43.76%
LOCAL SERVICES TAXES	305,978	750,000	40.80%	263,323	725,000	36.32%
CABLE FRANCHISE FEES	77,728	350,000	22.21%	203,419	220,000	92.46%
STATE AID-PENSIONS	0	427,280	0.00%	0	278,250	0.00%
LICENSES, PERMITS & FEES	136,851	333,500	41.03%	184,235	347,600	53.00%
PARK & RECREATION FEES	179,225	410,700	43.64%	168,230	465,550	36.14%
TOTAL REVENUES	6,637,797	12,089,980	54.90%	6,668,123	11,364,900	58.67%
EXPENSES						
TRANSFERS OUT	0	1,000,000	0.00%	0	500,000	0.00%
SALARIES						
OFFICIALS	8,594	20,625	41.67%	8,594	20,625	41.67%
EXECUTIVE	148,858	309,957	48.03%	140,681	319,030	44.10%
FINANCE	123,356	264,470	46.64%	113,669	243,872	46.61%
TAX COLLECTION	9,583	25,000	38.33%	5,000	15,000	33.33%
INFORMATION TECHNOLOGY	30,245	70,231	43.06%	25,201	59,965	42.03%
ENGINEERING	131,871	196,640	67.06%	130,642	185,030	70.61%
PUBLIC WORKS	465,654	1,054,573	44.16%	433,584	1,061,030	40.86%
POLICE	1,309,508	3,464,713	37.80%	1,299,296	3,427,876	37.90%
FIRE	59,130	133,061	44.44%	52,175	151,589	34.42%
CODE ENFORCEMENT	126,563	287,805	43.98%	131,481	290,233	45.30%
ZONING	0	10,060	0.00%	0	14,998	0.00%
PARK & RECREATION	82,286	264,884	31.07%	81,837	263,548	31.05%
TOTAL SALARY EXPENSES	2,495,649	6,102,019	40.90%	2,422,158	6,052,796	40.02%
OVERTIME						
POLICE	17,680	75,600	23.39%	21,117	64,480	32.75%
SEWER	12,702	35,866	35.42%	8,590	40,000	21.48%
PW SNOW REMOVAL	20,324	26,711	76.09%	10,611	26,795	39.60%
PW ROAD MAINTENANCE	4,104	6,500	63.13%	1,997	6,609	30.22%
TOTAL OVERTIME EXPENSES	54,809	144,677	37.88%	42,315	137,884	30.69%
HEALTH INSURANCE						
SUPERVISORS	30,830	63,888	48.26%	27,256	61,682	44.19%
ADMINISTRATION	26,640	54,574	48.82%	27,011	57,289	47.15%
FINANCE	21,080	43,505	48.45%	24,047	48,935	49.14%
INFORMATION TECHNOLOGY	10,398	22,703	45.80%	9,712	21,769	44.61%
ENGINEERING	34,084	46,143	73.87%	32,855	44,294	74.18%
POLICE	300,570	666,935	45.07%	283,715	673,172	42.15%
FIRE	13,688	30,161	45.38%	12,878	29,286	43.97%
CODE ENFORCEMENT	34,233	68,742	49.80%	32,674	71,141	45.93%
ZONING	775	2,380	32.58%	851	1,927	44.18%
SEWER	90,760	272,680	33.28%	81,040	280,997	28.84%
PUBLIC WORKS ADMINISTRATION	148,511	319,167	46.53%	144,555	306,247	47.20%
RECREATION ADMINISTRATION	24,393	48,954	49.83%	23,244	49,385	47.07%
TOTAL HEALTH INSURANCE EXPENSES	735,961	1,639,832	44.88%	699,838	1,646,124	42.51%

Whitpain Township

Treasurer's Report

PENSIONS

NON-UNIFORM	121,312	363,932	33.33%	135,319	370,500	36.52%
DEFINED CONTRIBUTION	17,240	31,677	54.42%	0	0	0.00%
POLICE	136,835	410,503	33.33%	150,000	450,000	33.33%
SEWER	40,439	121,311	33.33%	43,500	123,500	35.22%
TOTAL PENSION EXPENSES	315,826	927,423	34.05%	328,819	944,000	34.83%

EXPENSES

SUPERVISORS	3,806	10,578	35.98%	4,581	14,578	31.42%
ADMINISTRATION	109,115	339,592	32.13%	112,404	313,383	35.87%
FINANCE	45,157	77,681	58.13%	29,913	80,341	37.23%
TAX COLLECTION	38,566	96,693	39.89%	38,813	89,148	43.54%
COMPUTER & INFO, SERVICES	17,707	48,718	36.35%	20,240	45,339	44.64%
PLANNING & ENGINEERING	25,524	82,379	30.98%	32,652	76,385	42.75%
BUILDING MAINTENANCE	99,751	209,867	47.53%	71,448	217,736	32.81%
POLICE EXPENSES	203,739	739,784	27.54%	314,533	732,089	42.96%
FIRE	13,100	45,205	28.98%	13,296	51,940	25.60%
CODE ENFORCEMENT	36,158	96,098	37.63%	42,071	90,313	46.58%
ZONING	14,157	65,554	21.60%	16,048	61,862	25.94%
PUBLIC WORKS ADMINISTRATION	82,866	185,413	44.69%	75,979	182,235	41.69%
PUBLIC WORKS STREET CLEANING	3,182	4,000	79.56%	354	3,907	9.06%
PUBLIC WORKS SNOW REMOVAL	10,602	4,500	235.59%	1,837	4,500	40.82%
PUBLIC WORKS TRAFFIC SIGNALS	26,840	81,000	33.14%	23,780	84,915	28.00%
PUBLIC WORKS STREET LIGHTING & MARKING	7,669	21,500	35.67%	9,453	21,500	43.97%
PUBLIC WORKS SIDEWALKS & CURBS	6,300	37,000	17.03%	9,863	37,000	26.66%
PUBLIC WORKS STORM SEWER MAINTENANCE	9,519	9,600	99.16%	804	9,679	8.31%
PUBLIC WORKS EQUIPMENT MAINTENANCE	99,572	218,079	45.66%	59,536	210,448	28.29%
PUBLIC WORKS ROAD MAINTENANCE	21,146	500,001	4.23%	12,215	484,637	2.52%
RECREATION AND ADMINISTRATION	53,714	89,225	60.20%	59,383	100,015	59.37%
RECREATION AND PROGRAMS	24,492	251,301	9.75%	44,313	222,362	19.93%
PUBLIC WORKS PARK MAINTENANCE	56,923	156,100	36.47%	71,800	156,710	45.82%

SEWER FUND

REVENUES

SEWER RENT - CURRENT	1,607,933	3,450,000	46.61%	1,633,673	3,400,000	48.05%
SEWER RENT - PEN & INT	14,971	30,000	49.90%	16,058	130,000	12.35%
TOTAL SEWER CHARGES	1,622,904	3,480,000	46.64%	1,649,731	3,530,000	46.73%
TRANSFERS IN	0	0	0.00%	0	0	0.00%

EXPENSES

TRANSFERS OUT	0	250,000	0.00%	0	250,000	0.00%
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DEBT SERVICE FUND

EXPENSES

DEBT PRINCIPAL	0	861,000	0.00%	0	829,000	0.00%
DEBT PRINCIPAL CAPITAL PROJECTS	0	80,000	0.00%	0	55,000	0.00%
DEBT INTEREST	139,413	327,722	42.54%	197,245	361,564	54.55%
DEBT INTEREST CAPITAL PROJECTS	43,273	86,545	50.00%	0	162,645	0.00%
TOTAL DEBT SERVICE EXPENSES	182,686	1,355,267	13.48%	197,245	1,408,209	14.01%

MAY 31, 2014

ACCOUNT	PURCHASE DATE	DUE DATE	PRINCIPAL	INVESTED WITH	INTEREST RATE	TOTAL
GENERAL FUND	VARIOUS	OPEN	624,965	PLGIT	0.01	624,964.54
	VARIOUS	OPEN	6,925	PLGIT PLUS	0.02	6,924.87
	VARIOUS	OPEN	28,500	PLGIT PR	0.01	28,500.12
	VARIOUS	OPEN	3	PLGIT PR PLUS	0.02	3.34
	VARIOUS	OPEN	6,740,033	TD GENERAL FUND	0.10	6,740,033.23
	VARIOUS	OPEN	88,752	TD-E PAYMENTS	0.10	88,752.08
	VARIOUS	OPEN	3,391	TD-PR	0.10	3,391.49
	VARIOUS	OPEN	4,832	PLGIT PROCUREMENT	0.01	4,831.80
	VARIOUS	OPEN	1,771	DRUG ENFORCEMENT	0.10	1,770.87
	VARIOUS	OPEN	571,796	OPERATING RESERVE	0.10	571,795.55
	VARIOUS	OPEN	571,796	POLICE SPECIAL EQUIPMENT	0.10	1,288.63
FIRE CAPITAL FUND	VARIOUS	OPEN	5,284	PLGIT - ARBITRAGE	0.01	5,283.95
DEBT SERVICE	VARIOUS	OPEN	1,274,680	TD BANK	0.10	1,274,680.47
FIRE PROTECTION TAX	VARIOUS	OPEN	800,527	TD BANK	0.10	800,527.11
FIRE CAPITAL FUND	VARIOUS	OPEN	656,096	TD BANK	0.10	656,095.85
FIRE HYDRANT	VARIOUS	OPEN	189,291	TD BANK	0.10	189,291.21
CAPITAL RESERVE	VARIOUS	OPEN	5,330,595	TD BANK	0.10	5,330,594.82
CAPITAL RES - SIDEWALK GRANT	VARIOUS	OPEN	189,731	TD BANK	0.10	189,730.62
MANOR HOUSE	VARIOUS	OPEN	463,356	TD BANK	0.10	463,355.85
OPEN SPACE ACQUISITION	VARIOUS	OPEN	867,673	TD BANK	0.10	867,672.95
OPEN SPACE RESERVE	VARIOUS	OPEN	532,318	TD BANK	0.10	532,317.87
HIGHWAY AID FUND	VARIOUS	OPEN	410,869	TD BANK	0.10	410,868.52
POLICE MED INS RETIREE	VARIOUS	OPEN	351,979	TD BANK	0.10	351,979.23
NON UNIFORM MED INS RETIREE	VARIOUS	OPEN	13,244	TD BANK	0.10	13,244.01
ESCROW	VARIOUS	OPEN	1,254,981	TD BANK	0.10	1,254,980.60
RESERVE FOR OUTFALL STORM WT	VARIOUS	OPEN	35,331	TD BANK	0.10	35,331.48
FEE-IN-LIEU OF STORMWATER MNT	VARIOUS	OPEN	63,175	TD BANK	0.10	63,175.38
TRAFFIC IMPROVEMENTS	VARIOUS	OPEN	602,380	TD BANK	0.10	602,379.61
SEWER FUND	VARIOUS	OPEN	281,296	PLGIT PLUS	0.02	281,296.10
	VARIOUS	OPEN	1,129,912	TD BANK	0.10	1,129,912.01
SEWER CAPITAL	VARIOUS	OPEN	424,187	TD BANK	0.10	424,187.46
May 31, 2013				PLGIT	0.01	
General Fund TD Bank	\$6,771,110.07			PLGIT PLUS	0.02	
General Fund PLGIT	\$1,046,169.64			TD BANK	0.10	
Sewer TD Bank	\$910,713.11					
Sewer PLGIT	\$281,219.13					