

To: Roman M. Pronczak, Township Manager

From: Christine M. Bauman, Director of Finance

Date: July 21, 2015

Re: Treasurer's Report & Cash Statement – *May 31, 2015*

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	Meets or Exceeds	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	2
Pensions	Meets or Exceeds	2
Overtime	Meets or Exceeds	2
Interfund Transfers	Meets or Exceeds	2
Ending Cash Balance	Meets or Exceeds	3
Sewer Fund		
Sewer Charges	Caution & Monitor	3
Sewer Operating Expenses	Meets or Exceeds	3
Ending Cash Balance	Meets or Exceeds	3
Capital Reserve Fund		
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, 2015**

Revenue or Expense Category

General Fund

Real Estate Taxes - Real estate tax revenues (89.9%) are slightly behind last year's pace (90.6%). These collections include current (\$3,530,259.5 or 90.5%) and delinquent (\$21,572.97) 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 (\$17,932).

Real Estate Transfer Taxes - We are slightly ahead of last year's pace (39.81% vs. 37.51%).

Earned Income Taxes - EIT collections (50.39%) are significantly ahead of last year's pace (41.0%). Now that Act 32 is fully implemented, we can expect that our core EIT revenues will be more stable and predictable.

Local Services Taxes (LST) - We are ahead (44.09%) last year's pace (40.8%). Similar to EIT, our core revenues will be more stable and predictable in 2015.

Cable Franchise Fees – These fees are remitted quarterly. We are at (26.3%) compared with last year's pace (22.21%). After initially resisting our request to audit, Comcast has agreed to provide its records to us. Verizon should soon follow suit.

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 significantly ahead of (66.4% vs. 41.0%) last year and over budget.

Park & Recreation Fees – We are slightly behind (42.2%) last year's pace (43.6%).

Operating Expenses – These departmental expenses include salaries (separately reported below) represent 42% of our annual budget to date. We are under budget (37.7%) and are slightly ahead of last year's (37.6%). 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 2015 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 (40.1%) and behind last year's pace (40.9%). For some departments, we need to reimburse wages from our Sewer Fund. We are nearing hiring expectations as we currently have 86 of 89 positions filled.

Health Insurance - We are over budget (44.9%) and on par with last year's pace (44.9%). This is due to increased health care expenses. \$22,500 is reimbursed from Sewer Fund to General Fund each month. This reimbursement results in net expenses of 8.5%. The remaining overage is primarily due to changes in family status for our employee group.

Pension – We are (33.6%) with last year's pace (34.1%). 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. We did not make a payment in May.

Overtime – We are significantly behind (27.1%) last year's pace (37.88%). We are under budget for Road Maintenance (6.4%), Sewer (18.2%), and Police (17.6%). We are over budget for Snow Removal (74.6%) but this is a small variance.

Interfund Transfers – We have transferred our budgeted amount of \$500,000 to the Capital Reserve Fund for 2015.

Ending Cash Balance – Cash Balance has decreased significantly since last year due to \$3,000,000 being transferred to the Capital Reserve Fund for improvements. Please see attached Cash Statement as of **May 31, 2015**.

<i>May 31, 2015</i>	<i>May 31, 2014</i>
\$6,160,382	\$7,364,998

Sewer Fund

Sewer Charges - We are ahead (51.6%) of last year's pace (46.6%) and over budget. Starting with the 3Q2014 sewer bills, residential customers' consumption habits were monitored and excessive consumption resulted in sewer usage charges. For 2Q2015 12% of residential customers were assessed the usage charge compared to an expected rate of 20%. Commercial Billings continue to decline (from \$953,860 in 2012, to \$915,086 in 2013 and \$840,810 in 2014). In 2Q2015 commercial billings totaled \$249,613, totaling \$548,049 for the year. The increase in expected revenue is due to the water leak at the Montgomery County Community College. A credit will be issued in 3Q2015. Finally beginning in March, the Township liened an additional \$56,048 in delinquent sewer charges (principal, interest and legal). These liens combined with additional interest (\$24,972) from the Liens in March 2012 made an outstanding lien total of \$161,830 at the end of March. In May the Township collected a total \$41 making the outstanding balance \$161,469 with interest continuing to accrue on the delinquent principal balance.

Sewer Operating Expenses - We are behind (35.7%) last year's pace (36.2%) 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, 2015**.

<i>May 31, 2015</i>	<i>May 31, 2014</i>
\$1,517,940	\$1,411,208

Capital Reserve Fund

Ending Cash Balance - Please see attached Cash Statement as of **May 31, 2015**.

<i>May 31, 2015</i>	<i>May 31, 2014</i>
\$7,601,464	\$5,330,595

Debt Service Fund - Debt Service Expenses - We are behind (10.9%) of last year's pace (13.5%).

Whitpain Township

Operating Expense Report

Department	For the Month Ended 5/31/2015		YTD Actual to Budget (%)	Prior YTD Actual	Prior Year Budget	Prior YTD Actual to Budget (%)
	YTD Actual	Current Year Budget				
SUPERVISORS	43,824	101,611	43.13%	43,229	95,091	45.46%
ADMINISTRATION	463,911	1,183,689	39.19%	423,165	1,068,055	39.62%
FINANCE	188,999	425,065	44.46%	189,594	385,656	49.16%
TAX COLLECTION	58,789	121,918	48.22%	48,150	121,693	39.57%
LEGAL	177,435	245,000	72.42%	104,232	306,000	34.06%
INFORMATION TECHNOLOGY	61,550	152,078	40.47%	58,349	141,652	41.19%
PLANNING & ENGINEERING	208,714	424,109	49.21%	191,480	325,162	58.89%
PUBLIC WORKS	1,116,534	3,156,703	35.37%	1,062,961	2,834,011	37.51%
POLICE	2,193,138	5,888,865	37.24%	1,968,331	5,357,535	36.74%
FIRE	84,900	213,696	39.73%	85,919	208,427	41.22%
CODE ENFORCEMENT	230,720	476,106	48.46%	196,953	452,645	43.51%
ZONING	14,446	86,199	16.76%	14,933	77,994	19.15%
SEWER	1,108,395	3,106,250	35.68%	1,132,181	3,126,226	36.22%
PARK AND RECREATION	175,954	662,674	26.55%	184,885	654,364	28.25%
TOTAL OPERATING EXPENSES	6,127,308	16,243,964	37.72%	5,704,362	15,154,511	37.64%

Whitpain Township

Treasurer's Report

Department	For the Month Ended 5/31/2015			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		3,545,212	3,943,500	89.90%	3,523,575	3,888,500	90.62%		
TRANSFER TAXES		218,930	550,000	39.81%	180,027	480,000	37.51%		
EARNED INCOME TAXES		2,922,888	5,800,000	50.39%	2,234,414	5,450,000	41.00%		
LOCAL SERVICES TAXES		308,655	700,000	44.09%	305,978	750,000	40.80%		
CABLE FRANCHISE FEES		84,120	320,000	26.29%	77,728	350,000	22.21%		
STATE AID-PENSIONS		0	414,406	0.00%	0	427,280	0.00%		
LICENSES, PERMITS & FEES		225,149	338,720	66.47%	136,851	333,500	41.03%		
PARK & RECREATION FEES		186,540	442,200	42.18%	179,225	410,700	43.64%		
TOTAL REVENUES		7,491,493	12,508,826	59.89%	6,637,797	12,089,980	54.90%		
EXPENSES									
TRANSFERS OUT		500,000	500,000	100.00%	0	1,000,000	0.00%		
SALARIES									
OFFICIALS		6,875	20,625	33.33%	8,594	20,625	41.67%		
EXECUTIVE		161,610	328,954	49.13%	148,858	309,957	48.03%		
FINANCE		127,246	279,018	45.61%	123,356	264,470	46.64%		
TAX COLLECTION		8,333	25,000	33.33%	9,583	25,000	38.33%		
INFORMATION TECHNOLOGY		32,820	78,467	41.83%	30,245	70,231	43.06%		
ENGINEERING		138,831	270,933	51.24%	131,871	196,640	67.06%		
PUBLIC WORKS		490,523	1,237,081	39.65%	465,654	1,054,573	44.16%		
POLICE		1,465,484	3,792,719	38.64%	1,309,508	3,464,713	37.80%		
FIRE		53,593	134,985	39.70%	59,130	133,061	44.44%		
CODE ENFORCEMENT		129,673	291,493	44.49%	126,563	287,805	43.98%		
ZONING		0	10,497	0.00%	0	10,060	0.00%		
PARK & RECREATION		86,399	257,914	33.50%	82,286	264,884	31.07%		
TOTAL SALARY EXPENSES		2,701,388	6,727,686	40.15%	2,495,649	6,102,019	40.90%		
OVERTIME									
POLICE		14,115	80,346	17.57%	17,680	75,600	23.39%		
SEWER		7,616	41,836	18.20%	12,702	35,866	35.42%		
PW SNOW REMOVAL		19,916	26,711	74.56%	20,324	26,711	76.09%		
PW ROAD MAINTENANCE		417	6,500	6.41%	4,104	6,500	63.13%		
TOTAL OVERTIME EXPENSES		42,063	155,393	27.07%	54,809	144,677	37.88%		
HEALTH INSURANCE									
SUPERVISORS		31,640	68,658	46.08%	30,830	63,888	48.26%		
ADMINISTRATION		26,319	52,834	49.81%	26,640	54,574	48.82%		
FINANCE		24,557	45,305	54.20%	21,080	43,505	48.45%		
INFORMATION TECHNOLOGY		11,242	24,108	46.63%	10,398	22,703	45.80%		
ENGINEERING		33,103	64,926	50.99%	34,084	46,143	73.87%		
POLICE		332,006	726,918	45.67%	300,570	666,935	45.07%		
FIRE		13,062	31,617	41.31%	13,688	30,161	45.38%		
CODE ENFORCEMENT		34,990	72,154	48.49%	34,233	68,742	49.80%		
ZONING		1,077	2,401	44.85%	775	2,380	32.58%		
SEWER		84,602	259,696	32.58%	90,760	272,680	33.28%		
PUBLIC WORKS ADMINISTRATION		170,267	352,204	48.34%	148,511	319,167	46.53%		
RECREATION ADMINISTRATION		23,686	51,672	45.84%	24,393	48,954	49.83%		
TOTAL HEALTH INSURANCE EXPENSES		786,551	1,752,493	44.88%	735,961	1,639,832	44.88%		

Whitpain Township

Treasurer's Report

PENSIONS

NON-UNIFORM	138,723	416,158	33.33%	121,312	363,932	33.33%
DEFINED CONTRIBUTION	20,613	54,279	37.98%	17,240	31,677	54.42%
POLICE	176,425	529,276	33.33%	136,835	410,503	33.33%
SEWER	46,236	138,695	33.34%	40,439	121,311	33.33%
TOTAL PENSION EXPENSES	381,997	1,138,408	33.56%	315,826	927,423	34.05%

EXPENSES

SUPERVISORS	5,309	12,328	43.07%	3,806	10,578	35.98%
ADMINISTRATION	116,646	331,464	35.19%	109,115	307,915	35.44%
FINANCE	37,196	100,742	36.92%	45,157	77,681	58.13%
TAX COLLECTION	50,456	96,918	52.06%	38,566	96,693	39.89%
COMPUTER & INFO, SERVICES	17,487	49,503	35.32%	17,707	48,718	36.35%
PLANNING & ENGINEERING	36,781	88,250	41.68%	25,524	82,379	30.98%
BUILDING MAINTENANCE	93,737	210,367	44.56%	99,751	209,867	47.53%
POLICE EXPENSES	205,108	759,606	27.00%	203,739	739,784	27.54%
FIRE	18,246	47,094	38.74%	13,100	45,205	28.98%
CODE ENFORCEMENT	66,056	112,459	58.74%	36,158	96,098	37.63%
ZONING	13,369	73,301	18.24%	14,157	65,554	21.60%
PUBLIC WORKS ADMINISTRATION	88,216	210,891	41.83%	82,866	185,413	44.69%
PUBLIC WORKS STREET CLEANING	1,729	4,000	43.22%	3,182	4,000	79.56%
PUBLIC WORKS SNOW REMOVAL	3,152	17,068	18.47%	10,602	4,500	235.59%
PUBLIC WORKS TRAFIC SIGNALS	25,923	82,000	31.61%	26,840	81,000	33.14%
PUBLIC WORKS STREET LIGHTING & MARKING	8,845	21,500	41.14%	7,669	21,500	35.67%
PUBLIC WORKS SIDEWALKS & CURBS	6,300	37,000	17.03%	6,300	37,000	17.03%
PUBLIC WORKS STORM SEWER MAINTENANCE	29,294	15,000	195.29%	9,519	9,600	99.16%
PUBLIC WORKS EQUIPMENT MAINTENANCE	90,114	224,473	40.14%	99,572	218,079	45.66%
PUBLIC WORKS ROAD MAINTENANCE	10,570	516,108	2.05%	21,146	500,001	4.23%
RECREATION AND ADMINISTRATION	30,362	92,839	32.70%	53,714	89,225	60.20%
RECREATION AND PROGRAMS	35,507	260,249	13.64%	24,492	251,301	9.75%
PUBLIC WORKS PARK MAINTENANCE	77,532	195,800	39.60%	56,923	156,100	36.47%

SEWER FUND

REVENUES

SEWER RENT - CURRENT	1,701,388	3,300,000	51.56%	1,607,933	3,450,000	46.61%
SEWER RENT - PEN & INT	10,824	30,000	36.08%	14,971	30,000	49.90%
TOTAL SEWER CHARGES	1,712,213	3,330,000	51.42%	1,622,904	3,480,000	46.64%
TRANSFERS IN	0	0	0.00%	0	0	0.00%

EXPENSES

TRANSFERS OUT	0	625,000	0.00%	0	250,000	0.00%
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DEBT SERVICE FUND

EXPENSES

DEBT PRINCIPAL	0	895,000	0.00%	0	861,000	0.00%
DEBT PRINCIPAL CAPITAL PROJECTS	0	255,000	0.00%	0	80,000	0.00%
DEBT INTEREST	124,839	292,503	42.68%	139,413	327,722	42.54%
DEBT INTEREST CAPITAL PROJECTS	42,473	86,545	49.08%	43,273	86,545	50.00%
TOTAL DEBT SERVICE EXPENSES	167,311	1,529,048	10.94%	182,686	1,355,267	13.48%

MAY 31, 2015

ACCOUNT	PURCHASE DATE	DUE DATE	PRINCIPAL	INVESTED WITH	INTEREST RATE	TOTAL
GENERAL FUND	VARIOUS	OPEN	417,614	PLGIT	0.01	417,614.40
	VARIOUS	OPEN	6,926	PLGIT PLUS	0.02	6,926.38
	VARIOUS	OPEN	20,563	PLGIT PR	0.01	20,563.31
	VARIOUS	OPEN	3	PLGIT PR PLUS	0.02	3.34
	VARIOUS	OPEN	5,742,768	TD GENERAL FUND	0.10	5,742,767.59
	VARIOUS	OPEN	88,841	TD-E PAYMENTS	0.10	88,840.86
	VARIOUS	OPEN	3,040	TD-PR	0.10	3,039.89
	VARIOUS	OPEN	1,175	PLGIT PROCUREMENT	0.01	1,174.51
	VARIOUS	OPEN	1,773	DRUG ENFORCEMENT	0.10	1,772.66
	VARIOUS	OPEN	572,368	OPERATING RESERVE	0.10	572,367.62
	VARIOUS	OPEN	572,368	POLICE SPECIAL EQUIPMENT	0.10	1,289.94
FIRE CAPITAL FUND	VARIOUS	OPEN	5,285	PLGIT - ARBITRAGE	0.01	5,284.60
DEBT SERVICE	VARIOUS	OPEN	1,450,018	TD BANK	0.10	1,450,018.29
FIRE PROTECTION TAX	VARIOUS	OPEN	942,413	TD BANK	0.10	942,413.48
FIRE CAPITAL FUND	VARIOUS	OPEN	655,796	TD BANK	0.10	655,796.39
FIRE HYDRANT	VARIOUS	OPEN	207,943	TD BANK	0.10	207,942.60
CAPITAL RESERVE	VARIOUS	OPEN	7,601,464	TD BANK	0.10	7,601,463.76
CAPITAL RES - SIDEWALK GRANT	VARIOUS	OPEN	189,920	TD BANK	0.10	189,920.44
MANOR HOUSE	VARIOUS	OPEN	119,236	TD BANK	0.10	119,236.12
OPEN SPACE ACQUISITION	VARIOUS	OPEN	868,541	TD BANK	0.10	868,540.70
OPEN SPACE RESERVE	VARIOUS	OPEN	349,733	TD BANK	0.10	349,732.85
HIGHWAY AID FUND	VARIOUS	OPEN	433,578	TD BANK	0.10	433,577.65
POLICE MED INS RETIREE	VARIOUS	OPEN	385,354	TD BANK	0.10	385,354.44
NON UNIFORM MED INS RETIREE	VARIOUS	OPEN	12,760	TD BANK	0.10	12,759.56
ESCROW	VARIOUS	OPEN	1,643,665	TD BANK	0.10	1,643,665.24
RESERVE FOR OUTFALL STORM WT	VARIOUS	OPEN	36,384	TD BANK	0.10	36,384.34
FEE-IN-LIEU OF STORMWATER MNT	VARIOUS	OPEN	30,636	TD BANK	0.10	30,636.18
TRAFFIC IMPROVEMENTS	VARIOUS	OPEN	556,769	TD BANK	0.10	556,768.64
SEWER FUND	VARIOUS	OPEN	281,358	PLGIT PLUS	0.02	281,357.57
	VARIOUS	OPEN	1,236,583	TD BANK	0.10	1,236,582.77
SEWER CAPITAL	VARIOUS	OPEN	434,326	TD BANK	0.10	434,326.23
May 31, 2014				PLGIT	0.01	
General Fund TD Bank	\$6,740,033.23			PLGIT PLUS	0.02	
General Fund PLGIT	\$624,964.54			TD BANK	0.10	
Sewer TD Bank	\$1,129,912.01					
Sewer PLGIT	\$281,296.10					
Capital Reserve TD Bank	\$5,330,594.82					