



**WHITPAIN TOWNSHIP**  
 MONTGOMERY COUNTY  
 COMMONWEALTH OF PENNSYLVANIA

960 WENTZ ROAD  
 BLUE BELL, PA 19422-1835  
 (610) 277-2400  
 FAX: (610) 277-2209

To: Roman M. Pronczak, Township Manager  
 From: John B. Nagel, Director of Finance   
 Date: August 18, 2014  
 Re: Treasurer's Report & Cash Statement – July 31, 2014

**FINANCIAL REPORT CARD**

| CATEGORY                 | CONDITION         | PAGE |
|--------------------------|-------------------|------|
| <b>General Fund</b>      |                   |      |
| 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  | 3    |
| Salaries                 | Meets or Exceeds  | 3    |
| Health Insurance         | Meets or Exceeds  | 3    |
| Pensions                 | Meets or Exceeds  | 3    |
| Overtime                 | Meets or Exceeds  | 3    |
| Interfund Transfers      | Meets or Exceeds  | 3    |
| Ending Cash Balance      | Meets or Exceeds  | 3    |
| <b>Sewer Fund</b>        |                   |      |
| Sewer Charges            | Meets or Exceeds  | 3    |
| Sewer Operating Expenses | Meets or Exceeds  | 3    |
| Ending Cash Balance      | Meets or Exceeds  | 3    |
| <b>Debt Service Fund</b> |                   |      |
| 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 JULY 31, 2014**

**Revenue or Expense Category**

**General Fund**

Real Estate Taxes - Real estate tax revenues (98.8%) are slightly ahead of last year's pace (96.9%). These collections include current (\$3,818,401 or 99.2%) and delinquent (\$22,896) 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 significantly behind of last year's pace (62.9% vs. 72.5%) as we anticipate the end of Summer transfer activities. In May, US Healthcare sold one of its properties to 930 Harvest Drive LLC (Aetna), resulting in taxes of \$84,600. Summer transfers are at a healthy pace (June - \$76,492; July - \$88,266 [not reflected in July financials]).

Earned Income Taxes - EIT collections (64.1%) are slightly behind last year's pace (67.9%). For 2014, we estimate a further increase in our projection (from \$5,450,000 budgeted) to a higher range of \$6,000,000 to \$6,100,000. 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.

At the July MCTCC meeting, it was reported that Montgomery County core collections are up 7.0% (January-June). This number represents only the "current" tax dollars collected in the period and factors out all prior years. For Whitpain specifically, current collections are up 12.0%, from \$2,951,757 to \$3,306,744. While Berkheimer states that it is a great sign, it is not the whole picture. As a result of our inquiry, as of July 31, 2014, Berkheimer did a more detailed budget projection for Whitpain, which includes much more direct analysis of our collections (see attached). Collections for residents earned income are projected to plateau in 2015 while collections for non residents are projected to decline by about \$100,000 in 2015. This decline is primarily due to several factors, that will peak in 2014: resolution of Centax payments, faster processing by Berkheimer and clean up of prior year collections.

The MCTCC Management Committee met in June and recommended 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 next meeting. Berkheimer continues to monitor collections for each tax year to better project core collections.

Local Services Taxes (LST) - We are slightly behind (57.9%) last year's pace (61.4%). For 2014, we estimate a further increase in our projection (from \$750,000 budgeted) to a higher range of \$770,000 to \$790,000.

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 pace (59.9% vs. 60.2%) and on budget as we anticipate the Spring and Summer building activities.

Park & Recreation Fees - We are significantly ahead (78.5%) of last year's pace (64.0%) as we anticipate the end of the Summer recreation season.

Operating Expenses – These departmental expenses include salaries (separately reported below) represent 58% of our annual budget to date. We are on budget (57.6%) but ahead of last year’s pace (53.1%). 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 58% of our annual budget to date, we are over budget (61.3%) and well ahead of last year’s pace (53.9%), mostly due to the retroactive payment of the recent arbitration award. 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 ahead (60.3%) of last year’s pace (58.2%). Currently, we recognize various health insurance credits in revenue accounts. In summary, these credits total \$141,750 through July 2014, resulting in a net expense (\$846,649) on par (51.6%) with budget. Going forward, Finance will adjust these expenses monthly to reflect these credits.

Pension – We are on par (50.9%) with last year’s pace (52.0%). 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 slightly ahead (45.6%) of last year’s pace (47.1%) and for the time being, we are have some room in our overtime budget after incurring significant overtime from the February 2014 weather. We are under budget for Sewer (45.4%) and Police (32.3%) but significantly over budget for Road Maintenance (70.4%) and Snow Removal (76.1%).

Transfers Out – Transfers to Capital Reserve Fund are made on a semi-annual basis, which will next be made in August.

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. Please see attached Cash Statement as of July 31, 2014.

| <i>July 31, 2014</i> | <i>July 31, 2013</i> |
|----------------------|----------------------|
| \$7,519,932          | \$7,301,398          |

**Sewer Fund**

Sewer Charges - We are on par (69.5%) with last year’s pace (69.6%) 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. 14% of residential customers (770 of 5,823) were assessed the usage charge, resulting in revenues of \$16,362. A full summary of the 3Q2014 billing was included in a July 11 email to the Board. Through July, \$240,757 of \$326,309 (or 73.7%) in delinquent sewer charges (principal, interest and legal) have been collected since we started in April 2012.

Sewer Operating Expenses - We are on par (55.5%) with last year’s pace (56.1%) 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 July 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. We also need to make our mid year transfer to the Sewer Capital Fund (\$125,000) in August.

| <i>July 31, 2014</i> | <i>July 31, 2013</i> |
|----------------------|----------------------|
| \$1,492,925          | \$1,239,835          |

**Debt Service Fund**

Debt Service Expenses - We are on par (17.6%) with last year’s pace (18.4%).

# Whitpain Township

## Treasurer's Report

| Department                             | For the Month Ended<br>7/31/2014 |                        |                             | Prior YTD<br>Actual | Prior Year<br>Budget | Prior YTD<br>Actual to<br>Budget (%) |
|--|----------------------------------|------------------------|-----------------------------|---------------------|----------------------|--------------------------------------|
|  | YTD<br>Actual                    | Current Year<br>Budget | YTD Actual to<br>Budget (%) |                     |                      |                                      |
| <b>GENERAL FUND</b>                    |                                  |                        |                             |                     |                      |                                      |
| <b>REVENUES</b>                        |                                  |                        |                             |                     |                      |                                      |
| REAL ESTATE TAXES                      | 3,841,297                        | 3,888,500              | 98.79%                      | 3,756,350           | 3,878,500            | 96.85%                               |
| TRANSFER TAXES                         | 301,876                          | 480,000                | 62.89%                      | 326,004             | 450,000              | 72.45%                               |
| EARNED INCOME TAXES                    | 3,493,955                        | 5,450,000              | 64.11%                      | 3,394,602           | 5,000,000            | 67.89%                               |
| LOCAL SERVICES TAXES                   | 433,928                          | 750,000                | 57.86%                      | 445,144             | 725,000              | 61.40%                               |
| 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               | 199,689                          | 333,500                | 59.88%                      | 209,307             | 347,600              | 60.21%                               |
| PARK & RECREATION FEES                 | 322,582                          | 410,700                | 78.54%                      | 298,102             | 465,550              | 64.03%                               |
| <b>TOTAL REVENUES</b>                  | <b>8,671,056</b>                 | <b>12,089,980</b>      | <b>71.72%</b>               | <b>8,632,927</b>    | <b>11,364,900</b>    | <b>75.96%</b>                        |
| <b>EXPENSES</b>                        |                                  |                        |                             |                     |                      |                                      |
| TRANSFERS OUT                          | 0                                | 1,000,000              | 0.00%                       | 125,000             | 500,000              | 25.00%                               |
| <b>SALARIES</b>                        |                                  |                        |                             |                     |                      |                                      |
| OFFICIALS                              | 12,031                           | 20,625                 | 58.33%                      | 12,031              | 20,625               | 58.33%                               |
| EXECUTIVE                              | 207,053                          | 309,957                | 66.80%                      | 177,901             | 319,030              | 55.76%                               |
| FINANCE                                | 170,533                          | 264,470                | 64.48%                      | 141,337             | 243,872              | 57.96%                               |
| TAX COLLECTION                         | 13,750                           | 25,000                 | 55.00%                      | 7,500               | 15,000               | 50.00%                               |
| INFORMATION TECHNOLOGY                 | 41,626                           | 70,231                 | 59.27%                      | 34,364              | 59,965               | 57.31%                               |
| ENGINEERING                            | 182,423                          | 196,640                | 92.77%                      | 116,341             | 185,030              | 62.88%                               |
| PUBLIC WORKS                           | 649,448                          | 1,054,573              | 61.58%                      | 555,136             | 1,061,030            | 52.32%                               |
| POLICE                                 | 2,052,874                        | 3,464,713              | 59.25%                      | 1,813,890           | 3,427,876            | 52.92%                               |
| FIRE                                   | 81,380                           | 133,061                | 61.16%                      | 73,473              | 151,589              | 48.47%                               |
| CODE ENFORCEMENT                       | 174,052                          | 287,805                | 60.48%                      | 179,219             | 290,233              | 61.75%                               |
| ZONING                                 | 0                                | 10,060                 | 0.00%                       | 3,848               | 14,998               | -25.65%                              |
| PARK & RECREATION                      | 156,777                          | 264,884                | 59.19%                      | 154,597             | 263,548              | 58.66%                               |
| <b>TOTAL SALARY EXPENSES</b>           | <b>3,741,946</b>                 | <b>6,102,019</b>       | <b>61.32%</b>               | <b>3,261,942</b>    | <b>6,052,796</b>     | <b>53.89%</b>                        |
| <b>OVERTIME</b>                        |                                  |                        |                             |                     |                      |                                      |
| POLICE                                 | 24,861                           | 75,600                 | 32.89%                      | 39,177              | 64,480               | 60.76%                               |
| SEWER                                  | 16,267                           | 35,866                 | 45.36%                      | 12,907              | 40,000               | 32.27%                               |
| PW SNOW REMOVAL                        | 20,324                           | 26,711                 | 76.09%                      | 10,611              | 26,795               | 39.60%                               |
| PW ROAD MAINTENANCE                    | 4,575                            | 6,500                  | 70.38%                      | 2,807               | 6,609                | 42.48%                               |
| <b>TOTAL OVERTIME EXPENSES</b>         | <b>66,028</b>                    | <b>144,677</b>         | <b>45.64%</b>               | <b>65,502</b>       | <b>137,884</b>       | <b>47.51%</b>                        |
| <b>HEALTH INSURANCE</b>                |                                  |                        |                             |                     |                      |                                      |
| SUPERVISORS                            | 41,143                           | 63,888                 | 64.40%                      | 37,487              | 61,682               | 60.77%                               |
| ADMINISTRATION                         | 35,512                           | 54,574                 | 65.07%                      | 33,088              | 57,289               | 57.76%                               |
| FINANCE                                | 27,202                           | 43,505                 | 62.53%                      | 24,685              | 48,935               | 50.44%                               |
| INFORMATION TECHNOLOGY                 | 14,133                           | 22,703                 | 62.25%                      | 13,604              | 21,769               | 62.49%                               |
| ENGINEERING                            | 45,494                           | 46,143                 | 98.59%                      | 30,483              | 44,294               | 68.82%                               |
| POLICE                                 | 403,256                          | 666,935                | 60.46%                      | 392,606             | 673,172              | 58.32%                               |
| FIRE                                   | 18,330                           | 30,161                 | 60.77%                      | 17,565              | 29,286               | 59.98%                               |
| CODE ENFORCEMENT                       | 45,857                           | 68,742                 | 66.71%                      | 44,737              | 71,141               | 62.89%                               |
| ZONING                                 | 927                              | 2,380                  | 38.93%                      | 601                 | 1,927                | -31.20%                              |
| SEWER                                  | 121,880                          | 272,680                | 44.70%                      | 145,649             | 280,997              | 51.83%                               |
| PUBLIC WORKS ADMINISTRATION            | 202,556                          | 319,167                | 63.46%                      | 187,441             | 306,247              | 61.21%                               |
| RECREATION ADMINISTRATION              | 32,110                           | 48,954                 | 65.59%                      | 32,021              | 49,385               | 64.84%                               |
| <b>TOTAL HEALTH INSURANCE EXPENSES</b> | <b>988,399</b>                   | <b>1,639,832</b>       | <b>60.27%</b>               | <b>958,765</b>      | <b>1,646,124</b>     | <b>58.24%</b>                        |

# Whitpain Township

## Treasurer's Report

| <b>PENSIONS</b>                        |                  |                  |               |                  |                  |               |
|--|------------------|------------------|---------------|------------------|------------------|---------------|
| NON-UNIFORM                            | 181,967          | 363,932          | 50.00%        | 202,374          | 370,500          | 54.62%        |
| DEFINED CONTRIBUTION                   | 23,982           | 31,677           | 75.71%        | 0                | 0                | 0.00%         |
| POLICE                                 | 205,252          | 410,503          | 50.00%        | 225,000          | 450,000          | 50.00%        |
| SEWER                                  | 60,657           | 121,311          | 50.00%        | 63,500           | 123,500          | 51.42%        |
| <b>TOTAL PENSION EXPENSES</b>          | <b>471,858</b>   | <b>927,423</b>   | <b>50.88%</b> | <b>490,874</b>   | <b>944,000</b>   | <b>52.00%</b> |
| <b>EXPENSES</b>                        |                  |                  |               |                  |                  |               |
| SUPERVISORS                            | 5,674            | 10,578           | 53.64%        | 5,863            | 14,578           | 40.22%        |
| ADMINISTRATION                         | 136,150          | 128,455          | 105.99%       | 166,780          | 313,383          | 53.22%        |
| FINANCE                                | 51,897           | 77,681           | 66.81%        | 36,306           | 80,341           | 45.19%        |
| TAX COLLECTION                         | 60,799           | 96,693           | 62.88%        | 57,789           | 89,148           | 64.82%        |
| COMPUTER & INFO, SERVICES              | 26,118           | 48,718           | 53.61%        | 25,676           | 45,339           | 56.63%        |
| PLANNING & ENGINEERING                 | 38,671           | 82,379           | 46.94%        | 42,612           | 76,385           | 55.79%        |
| BUILDING MAINTENANCE                   | 143,833          | 209,867          | 68.54%        | 97,265           | 217,736          | 44.67%        |
| POLICE EXPENSES                        | 305,395          | 739,784          | 41.28%        | 421,006          | 732,089          | 57.51%        |
| FIRE                                   | 19,304           | 45,205           | 42.70%        | 17,637           | 51,940           | 33.96%        |
| CODE ENFORCEMENT                       | 56,389           | 96,098           | 58.68%        | 57,268           | 90,313           | 63.41%        |
| ZONING                                 | 24,853           | 65,554           | 37.91%        | 21,304           | 61,862           | 34.44%        |
| PUBLIC WORKS ADMINISTRATION            | 101,905          | 185,413          | 54.96%        | 104,865          | 182,235          | 57.54%        |
| PUBLIC WORKS STREET CLEANING           | 3,261            | 4,000            | 81.53%        | 403              | 3,907            | 10.31%        |
| PUBLIC WORKS SNOW REMOVAL              | 10,702           | 4,500            | 237.82%       | 1,862            | 4,500            | 41.38%        |
| PUBLIC WORKS TRAFIC SIGNALS            | 35,670           | 81,000           | 44.04%        | 30,780           | 84,915           | 36.25%        |
| PUBLIC WORKS STREET LIGHTING & MARKING | 10,659           | 21,500           | 49.58%        | 13,263           | 21,500           | 61.69%        |
| PUBLIC WORKS SIDEWALKS & CURBS         | 12,905           | 37,000           | 34.88%        | 16,495           | 37,000           | 44.58%        |
| PUBLIC WORKS STORM SEWER MAINTENANCE   | 13,525           | 9,600            | 140.89%       | 2,032            | 9,679            | 21.00%        |
| PUBLIC WORKS EQUIPMENT MAINTENANCE     | 151,237          | 218,079          | 69.35%        | 84,748           | 210,448          | 40.27%        |
| PUBLIC WORKS ROAD MAINTENANCE          | 372,762          | 500,001          | 74.55%        | 86,032           | 484,637          | 17.75%        |
| RECREATION AND ADMINISTRATION          | 57,202           | 89,225           | 64.11%        | 65,338           | 100,015          | 65.33%        |
| RECREATION AND PROGRAMS                | 67,849           | 251,301          | 27.00%        | 93,513           | 222,362          | 42.05%        |
| PUBLIC WORKS PARK MAINTENANCE          | 79,012           | 156,100          | 50.62%        | 82,655           | 156,710          | 52.74%        |
| <b>SEWER FUND</b>                      |                  |                  |               |                  |                  |               |
| <b>REVENUES</b>                        |                  |                  |               |                  |                  |               |
| SEWER RENT - CURRENT                   | 2,400,474        | 3,450,000        | 69.58%        | 2,436,637        | 3,400,000        | 71.67%        |
| SEWER RENT - PEN & INT                 | 18,444           | 30,000           | 61.48%        | 18,533           | 130,000          | 14.26%        |
| <b>TOTAL SEWER CHARGES</b>             | <b>2,418,918</b> | <b>3,480,000</b> | <b>69.51%</b> | <b>2,455,170</b> | <b>3,530,000</b> | <b>69.55%</b> |
| TRANSFERS IN                           | 0                | 0                | 0.00%         | 0                | 0                | 0.00%         |
| <b>EXPENSES</b>                        |                  |                  |               |                  |                  |               |
| TRANSFERS OUT                          | 0                | 250,000          | 0.00%         | 0                | 250,000          | 0.00%         |
| <b>DEBT SERVICE FUND</b>               |                  |                  |               |                  |                  |               |
| <b>EXPENSES</b>                        |                  |                  |               |                  |                  |               |
| 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                          | 195,179          | 327,722          | 59.56%        | 258,614          | 361,564          | 71.53%        |
| DEBT INTEREST CAPITAL PROJECTS         | 43,273           | 86,545           | 50.00%        | 0                | 162,645          | 0.00%         |
| <b>TOTAL DEBT SERVICE EXPENSES</b>     | <b>238,451</b>   | <b>1,355,267</b> | <b>17.59%</b> | <b>258,614</b>   | <b>1,408,209</b> | <b>18.36%</b> |

# Whitpain Township Operating Expense Report

| Department                      | For the Month Ended<br>7/31/2014 |                        | YTD Actual<br>to Budget<br>(%) | Prior YTD<br>Actual | Prior Year<br>Budget | Prior YTD<br>Actual to<br>Budget (%) |
|---------------------------------|----------------------------------|------------------------|--------------------------------|---------------------|----------------------|--------------------------------------|
|                                 | YTD<br>Actual                    | Current Year<br>Budget |                                |                     |                      |                                      |
| SUPERVISORS                     | 58,848                           | 95,091                 | 61.89%                         | 55,382              | 96,885               | 57.16%                               |
| ADMINISTRATION                  | 584,664                          | 1,068,055              | 54.74%                         | 580,143             | 1,060,202            | 54.72%                               |
| FINANCE                         | 249,631                          | 385,656                | 64.73%                         | 202,328             | 373,148              | 54.22%                               |
| TAX COLLECTION                  | 74,549                           | 121,693                | 61.26%                         | 65,289              | 104,148              | 62.69%                               |
| LEGAL                           | 142,568                          | 306,000                | 46.59%                         | 139,013             | 270,000              | 51.49%                               |
| INFORMATION TECHNOLOGY          | 81,877                           | 141,652                | 57.80%                         | 73,644              | 127,073              | 57.95%                               |
| PLANNING & ENGINEERING          | 266,588                          | 325,162                | 81.99%                         | 189,436             | 305,709              | 61.97%                               |
| PUBLIC WORKS                    | 1,812,374                        | 2,834,011              | 63.95%                         | 1,276,395           | 2,813,947            | 45.36%                               |
| POLICE                          | 2,991,639                        | 5,357,535              | 55.84%                         | 2,891,678           | 5,347,617            | 54.07%                               |
| FIRE                            | 119,014                          | 208,427                | 57.10%                         | 108,674             | 232,815              | 46.68%                               |
| CODE ENFORCEMENT                | 276,298                          | 452,645                | 61.04%                         | 281,225             | 451,687              | 62.26%                               |
| ZONING                          | 25,780                           | 77,994                 | 33.05%                         | 16,855              | 78,787               | 21.39%                               |
| SEWER                           | 1,735,234                        | 3,126,226              | 55.51%                         | 1,776,158           | 3,168,528            | 56.06%                               |
| PARK AND RECREATION             | 313,938                          | 654,364                | 47.98%                         | 345,469             | 635,310              | 54.38%                               |
| <b>TOTAL OPERATING EXPENSES</b> | <b>8,733,001</b>                 | <b>15,154,511</b>      | <b>57.63%</b>                  | <b>8,001,689</b>    | <b>15,065,856</b>    | <b>53.11%</b>                        |

# berkheimer

tax administrator

July 31, 2014

John Nagel, Finance Director  
Whitpain Township  
960 Wentz Road  
PO Box 800  
Blue Bell, PA 19422

Dear John,

As per your request, please accept the following estimates to assist with the budgetary process:

|  |                                    |
|--|------------------------------------|
| <u>Estimated EIT collection for 2014:</u>          | <u>\$ 6,000,000 - \$ 6,100,000</u> |
| Resident Current:                                  | \$ 3,740,000 - \$ 3,800,000        |
| Resident Prior:                                    | \$ 210,000 - \$ 220,000            |
| Non-Resident Current:                              | \$ 2,050,000 - \$ 2,080,000        |
| Non-Resident Prior (N/A-small negative amount ytd) |                                    |

|   |                                    |
|---|------------------------------------|
| <u>Estimated EIT collection for 2015:</u>                   | <u>\$ 5,800,000 - \$ 5,900,000</u> |
| Resident Current:   | \$ 3,750,000 - \$ 3,800,000        |
| Resident Prior:   | \$ 100,000 - \$ 130,000            |
| Non-Resident Current:                                       | \$ 1,950,000 - \$ 1,970,000        |
| Non-Resident Prior (N/A-not expecting anything significant) |                                    |

|   |                                |
|---|--------------------------------|
| <u>Estimated LST collection for 2014:</u> | <u>\$ 770,000 - \$ 790,000</u> |
| Current portion:                          | \$ 700,000 - \$ 715,000        |
| Prior portion:                            | \$ 70,000 - \$ 75,000          |

|   |                                |
|---|--------------------------------|
| <u>Estimated LST collection for 2015:</u> | <u>\$ 700,000 - \$ 730,000</u> |
| Current portion:                          | \$ 700,000 - \$ 715,000        |
| Prior portion:                            | \$ 0 - \$ 15,000               |

If you have any questions regarding this information, or if our office can be of further assistance, please contact me via email or at extension 2314.

Sincerely,

Beth Duyssen  
Client Services Representative

cc: Jim Hunt, Director of Sales and Client Services  
Michael Santangelo, District Manager

*All information regarding this projection is drawn from sources believed to be accurate. The figures contained herein are estimates and should be not be relied upon as absolute fact. Past economic norms are not a guarantee of future revenues. The revenue figures used are based in part on historical norms, which may or may not be accurate in future periods. We are not able to factor or foresee events beyond our control including those of third parties, acts of God, war, terrorism, governmental actions, or weather.*

1/1/13-6/30/13

| TCD CODE | Fin      | Total          | Resident       | Non-Resident   | misc-year | misc-qt | Comments   |
|----------|----------|----------------|----------------|----------------|-----------|---------|--|
| 46       | 46930012 | \$27,989.08    | \$39,704.53    | -\$11,715.45   | Prior     |         |  |
| 46       | 46930012 | \$11,591.98    | \$11,570.42    | \$21.56        | 2012      | 1       |  |
| 46       | 46930012 | \$62,352.94    | \$60,320.80    | \$2,032.14     | 2012      | 2       |  |
| 46       | 46930012 | \$469,684.40   | \$323,397.03   | \$146,287.37   | 2012      | 3       | Due to processing faster, expecting more 3rd processed by Dec (recips) |
| 46       | 46930012 | \$1,782,268.94 | \$1,328,267.79 | \$454,001.15   | 2012      | 4       |  |
| 46       | 46930012 | \$1,140,237.63 | \$678,315.02   | \$461,922.61   | 2013      | 1       |  |
| 46       | 46930012 | \$23,146.11    | \$21,742.77    | \$1,403.34     | 2013      | 2       |  |
| 46       | 46930012 | \$832.00       | \$832.00       |                | 2013      | 3       |  |
| 46       | 46930012 | \$5,272.00     | \$5,272.00     |                | 2013      | 4       |  |
| Totals:  |          | \$3,523,375.08 | \$2,469,422.36 | \$1,053,952.72 |           |         |  |

| 1/1/14-6/30/14 |          | Total          | Resident       | Non-Resident   | misc-year | misc-qt | Comments  |
|----------------|----------|----------------|----------------|----------------|-----------|---------|---|
| 46             | 46930012 | \$9,172.04     | \$14,789.86    | -\$5,617.82    | Prior     |         |   |
| 46             | 46930012 | \$10,328.26    | \$8,857.91     | \$1,470.35     | 2012      | 1       |   |
| 46             | 46930012 | \$4,982.68     | \$5,040.31     | -\$57.63       | 2012      | 2       |   |
| 46             | 46930012 | \$3,822.43     | \$3,153.06     | \$669.37       | 2012      | 3       |   |
| 46             | 46930012 | \$19,806.00    | \$17,409.40    | \$2,396.60     | 2012      | 4       |   |
| 46             | 46930012 | \$9,594.89     | \$9,075.97     | \$518.92       | 2013      | 1       |   |
| 46             | 46930012 | \$1,716.46     | \$2,448.98     | -\$732.52      | 2013      | 2       |   |
| 46             | 46930012 | \$131,865.86   | \$133,784.41   | -\$1,918.55    | 2013      | 3       | Total Resident 'Prior' this year compared to last year:       |
| 46             | 46930012 | \$1,873,827.84 | \$1,265,222.06 | \$608,605.78   | 2013      | 4       |   |
| 46             | 46930012 | \$1,354,567.75 | \$795,138.65   | \$559,429.10   | 2014      | 1       |   |
| 46             | 46930012 | \$74,552.03    | \$46,884.06    | \$27,667.97    | 2014      | 2       |   |
| 46             | 46930012 | \$433.00       | \$433.00       |                | 2014      | 3       | Total Resident 'Current' this year compared to last year:     |
| 46             | 46930012 | \$3,363.00     | \$3,363.00     |                | 2014      | 4       | Total Non-Resident 'Current' this year compared to last year: |
| Totals:        |          | \$3,498,032.24 | \$2,305,600.67 | \$1,192,431.57 |           |         |   |

\$76,611.19  
\$278,375.75 \*

\*Non-resident is potentially inflated by large bonuses paid out in 4th quarter - could decrease by (\$150,000) next year

JULY 31, 2014

| ACCOUNT                       | PURCHASE DATE  | DUE DATE | PRINCIPAL | INVESTED WITH            | INTEREST RATE | TOTAL        |
|-------------------------------|----------------|----------|-----------|--------------------------|---------------|--------------|
| GENERAL FUND                  | VARIOUS        | OPEN     | 641,470   | PLGIT                    | 0.03          | 641,469.78   |
|                               | VARIOUS        | OPEN     | 6,925     | PLGIT PLUS               | 0.03          | 6,925.27     |
|                               | VARIOUS        | OPEN     | 21,289    | PLGIT PR                 | 0.03          | 21,288.55    |
|                               | VARIOUS        | OPEN     | 3         | PLGIT PR PLUS            | 0.03          | 3.34         |
|                               | VARIOUS        | OPEN     | 6,878,462 | TD GENERAL FUND          | 0.10          | 6,878,462.22 |
|                               | VARIOUS        | OPEN     | 88,767    | TD-E PAYMENTS            | 0.10          | 88,766.92    |
|                               | VARIOUS        | OPEN     | 17,075    | TD-PR                    | 0.10          | 17,075.27    |
|                               | VARIOUS        | OPEN     | 5,286     | PLGIT PROCUREMENT        | 0.03          | 5,286.44     |
|                               | VARIOUS        | OPEN     | 1,771     | DRUG ENFORCEMENT         | 0.10          | 1,771.17     |
|                               | VARIOUS        | OPEN     | 571,892   | OPERATING RESERVE        | 0.10          | 571,892.12   |
|                               | VARIOUS        | OPEN     | 571,892   | POLICE SPECIAL EQUIPMENT | 0.10          | 1,288.85     |
| FIRE CAPITAL FUND             | VARIOUS        | OPEN     | 5,284     | PLGIT - ARBITRAGE        | 0.01          | 5,284.05     |
| DEBT SERVICE                  | VARIOUS        | OPEN     | 1,333,869 | TD BANK                  | 0.10          | 1,333,868.50 |
| FIRE PROTECTION TAX           | VARIOUS        | OPEN     | 800,048   | TD BANK                  | 0.10          | 800,047.98   |
| FIRE CAPITAL FUND             | VARIOUS        | OPEN     | 654,822   | TD BANK                  | 0.10          | 654,822.43   |
| FIRE HYDRANT                  | VARIOUS        | OPEN     | 185,690   | TD BANK                  | 0.10          | 185,689.60   |
| CAPITAL RESERVE               | VARIOUS        | OPEN     | 5,177,762 | TD BANK                  | 0.10          | 5,177,762.23 |
| CAPITAL RES - SIDEWALK GRANT  | VARIOUS        | OPEN     | 189,762   | TD BANK                  | 0.10          | 189,762.33   |
| MANOR HOUSE                   | VARIOUS        | OPEN     | 563,052   | TD BANK                  | 0.10          | 563,051.52   |
| OPEN SPACE ACQUISITION        | VARIOUS        | OPEN     | 867,818   | TD BANK                  | 0.10          | 867,817.97   |
| OPEN SPACE RESERVE            | VARIOUS        | OPEN     | 450,363   | TD BANK                  | 0.10          | 450,363.21   |
| HIGHWAY AID FUND              | VARIOUS        | OPEN     | 407,247   | TD BANK                  | 0.10          | 407,246.74   |
| POLICE MED INS RETIREE        | VARIOUS        | OPEN     | 352,038   | TD BANK                  | 0.10          | 352,038.06   |
| NON UNIFORM MED INS RETIREE   | VARIOUS        | OPEN     | 9,846     | TD BANK                  | 0.10          | 9,846.07     |
| ESCROW                        | VARIOUS        | OPEN     | 1,191,263 | TD BANK                  | 0.10          | 1,191,263.18 |
| RESERVE FOR OUTFALL STORM WT  | VARIOUS        | OPEN     | 35,337    | TD BANK                  | 0.10          | 35,337.38    |
| FEE-IN-LIEU OF STORMWATER MNT | VARIOUS        | OPEN     | 64,930    | TD BANK                  | 0.10          | 64,930.33    |
| TRAFFIC IMPROVEMENTS          | VARIOUS        | OPEN     | 556,041   | TD BANK                  | 0.10          | 556,041.09   |
| SEWER FUND                    | VARIOUS        | OPEN     | 281,312   | PLGIT PLUS               | 0.03          | 281,312.16   |
|                               | VARIOUS        | OPEN     | 1,211,613 | TD BANK                  | 0.10          | 1,211,613.17 |
| SEWER CAPITAL                 | VARIOUS        | OPEN     | 434,781   | TD BANK                  | 0.10          | 434,781.05   |
| July 31, 2013                 |                |          |           | PLGIT                    | 0.01          |              |
| General Fund TD Bank          | \$6,065,031.43 |          |           | PLGIT PLUS               | 0.02          |              |
| General Fund PLGIT            | \$1,236,367.30 |          |           | TD BANK                  | 0.10          |              |
| Sewer TD Bank                 | \$958,591.95   |          |           |                          |               |              |
| Sewer PLGIT                   | \$281,243.01   |          |           |                          |               |              |