

To: Roman M. Pronczak, Township Manager

From: Christine M. Bauman, Director of Finance

Date: October 5, 2016

Re: Treasurer's Report & Cash Statement – **August 31, 2016**

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	3
Interfund Transfers	Meets or Exceeds	3
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 August 31, 2016**

Revenue or Expense Category

General Fund

Real Estate Taxes – Real Estate Taxes are ahead of (102.9%) last year's pace (98.2%). These collections include current (\$3,879,679 or 99.0%) and delinquent (\$39,469) collections and are net of assessment appeal refunds. Real estate taxes paid in protest placed in restricted funds total \$145,852. 325, 400 and 1787 Sentry Parkway have been reassessed and settled by the Township. The two major properties include 980 Harvest Drive (\$32,995) and 721 Arbor Way (\$60,356).

Real Estate Transfer Taxes - We are significantly ahead of last year's pace (106.5% vs. 91.5%). In August we collected \$91,478 for a yearly total of \$639,147.

Earned Income Taxes - EIT collections (75.0%) are behind last year's pace (77.3%). Collections in August totaled \$1,069,481 for a yearly total of \$4,689,801.

Local Services Taxes (LST) - LST collections are behind (73.3% vs. 76.5%) last year's pace. Collections in August totaled \$140,604 for a cumulative total of \$542,329.

Cable Franchise Fees – These fees are remitted quarterly. Through August we have received \$175,736.

State Aid (Pensions) – These pension grants are remitted in September of each year.

Licenses, Permits & Fees – We are significantly behind (80.1% vs. 114.5%) last year's pace. 2015 saw a major increase in building and development activities. We expect these activities in 2016 to be as consistent. We expect activity to pick up through the fall.

Park & Recreation Fees – We are significantly ahead of (89.1%) last year's pace. (77.8%). The increase in revenues is due to an increase in summer camp attendance and for registrations for the police golf outing that was held in June. Revenues should be steady in the fall due to mainly the Community Festival in September.

Operating Expenses – These departmental expenses include salaries (separately reported below) which represent 67% of our annual budget to date. We are under budget (61.4%) and are on par with last year's pace (61.6%). 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 2016 budget includes 89 full time employees. Personnel expenses remain relatively flat on a month-to-month basis. Park and Recreation as well as Public Works increases in personnel expenses in the summer due to part-time help. As these wage and salary expenses represent 67% of our annual budget to date, we are under budget (65.8%) and are ahead of last year's pace (63.4%). The increase in salary expense is due to employee's exchanging sick time and vacation time to cover increased health care costs. For some departments, we need to reimburse wages from our Sewer Fund. We have exceeded our hiring expectations as we currently have 90 of 89 budgeted positions filled.

Health Insurance - We are over budget (71.4%) and behind last year's pace (72.2%). This is due to increased health care expenses. The overage is primarily due to changes in family status for our employee group.

Pension – We are on pace (67.1%) with last year (66.1%). We include employer payments to our defined contribution plan in our pension category. We generally pay our MMO pension expenses on an every other month cycle to gain the value of dollar cost averaging. We did make a payment in August.

Overtime – We are ahead of (41.0%) last year's pace (39.2%) and under budget. We are over budget in Snow Removal (68.0%) due to the snow storm in late January, however this is a small variance. We are under budget in all other departments; Police (36.0%), Sewer (38.7%), and Road Maintenance (12.4%).

Interfund Transfers – In May, we transferred \$1,500,000 to the Capital Reserve Fund.

Ending Cash Balance –Please see attached Cash Statement as of **August 31, 2016**.

August 31, 2016	August 31, 2015
\$6,706,649	\$6,049,406

Sewer Fund

Sewer Charges - We are ahead of (74.4%) last year's pace (72.5%) and on budget. Starting with the 3Q2014 sewer bills, residential customers' consumption habits were monitored and excessive consumption resulted in sewer usage charges. For 3Q2016 17% of residential customers were assessed the usage charge. Commercial Billings for the 3Q2016 totaled \$197,519. The total collected commercial billings for the year is \$605,348. This is a significant decrease from last year where commercial collections totaled \$753,315 through the 3rd Quarter. In March 2016, the Township liened an additional \$44,542 in delinquent sewer charges. In August the Township collected a total of \$4,306 making the outstanding balance \$202,450 with interest continuing to accrue on the delinquent principal balance.

Sewer Operating Expenses - We are ahead (57.0%) of last year's pace (56.6%) and under budget. For some departments, we need to reimburse General Fund expenses from the Sewer Fund.

Interfund Transfers – There will be a \$625,000 transfer made to the Sewer Capital Fund later in the year.

Ending Cash Balance - Please see attached Cash Statement as of **August 31, 2016**.

August 31, 2016	August 31, 2015
\$1,305,311	\$1,780,312

Capital Reserve Fund

Ending Cash Balance - Please see attached Cash Statement as of **August 31, 2016**.

August 31, 2016	August 31, 2015
\$7,989,267	\$7,398,058

Debt Service Fund

Debt Service Expenses - We are behind (14.1%) last year's pace (15.8%).

Whitpain Township

Operating Expense Report

Department	For the Month Ended 08/31/2016		YTD Actual to Budget (%)	Prior YTD Actual	Prior Year Budget	Prior YTD Actual to Budget (%)
	YTD Actual	Current Year Budget				
SUPERVISORS	67,087	105,508	63.59%	68,955	101,611	67.86%
ADMINISTRATION	943,636	1,334,205	70.73%	800,998	1,183,689	67.67%
FINANCE	226,592	357,255	63.43%	274,605	425,065	64.60%
TAX COLLECTION	75,479	123,901	60.92%	75,755	121,918	62.14%
LEGAL	162,695	450,000	36.15%	288,015	245,000	117.56%
INFORMATION TECHNOLOGY	99,387	163,727	60.70%	96,438	152,078	63.41%
PLANNING & ENGINEERING	320,217	442,229	72.41%	319,896	424,109	75.43%
PUBLIC WORKS	1,836,059	3,250,395	56.49%	1,850,393	3,156,703	58.62%
POLICE	3,871,673	6,018,123	64.33%	3,537,379	5,888,865	60.07%
FIRE	127,522	219,068	58.21%	136,022	213,696	63.65%
CODE ENFORCEMENT	365,229	525,053	69.56%	363,354	476,106	76.32%
ZONING	43,717	77,779	56.21%	28,581	86,199	33.16%
SEWER	1,777,167	3,118,397	56.99%	1,756,897	3,106,250	56.56%
PARK AND RECREATION	438,031	670,820	65.30%	412,132	662,674	62.19%
TOTAL OPERATING EXPENSES	10,354,491	16,856,460	61.43%	10,009,419	16,243,964	61.62%

Whitpain Township

Treasurer's Report

For the Month Ended 08/31/2016						
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	4,075,918	3,963,000	102.85%	3,874,072	3,943,500	98.24%
TRANSFER TAXES	639,147	600,000	106.52%	503,461	550,000	91.54%
EARNED INCOME TAXES	4,689,801	6,250,000	75.04%	4,481,591	5,800,000	77.27%
LOCAL SERVICES TAXES	542,329	740,000	73.29%	535,598	700,000	76.51%
CABLE FRANCHISE FEES	175,736	320,000	54.92%	170,378	320,000	53.24%
STATE AID-PENSIONS	0	415,180	0.00%	0	414,406	0.00%
LICENSES, PERMITS & FEES	355,254	443,280	80.14%	387,666	338,720	114.45%
PARK & RECREATION FEES	374,516	424,500	89.08%	344,075	442,200	77.81%
TOTAL REVENUES	10,852,702	13,155,960	82.49%	10,296,840	12,508,826	82.32%
EXPENSES						
TRANSFERS OUT	1,500,000	500,000	300.00%	500,000	500,000	100.00%
SALARIES						
OFFICIALS	12,031	20,625	58.33%	12,031	20,625	58.33%
EXECUTIVE	313,541	418,654	74.89%	250,605	328,954	76.18%
FINANCE	147,862	213,199	69.35%	175,517	279,018	62.91%
TAX COLLECTION	14,583	25,000	58.33%	14,583	25,000	58.33%
INFORMATION TECHNOLOGY	49,978	81,203	61.55%	51,675	78,467	65.86%
ENGINEERING	203,509	283,510	71.78%	213,560	270,933	78.82%
PUBLIC WORKS	791,734	1,225,516	64.60%	766,605	1,237,081	61.97%
POLICE	2,485,982	3,899,562	63.75%	2,297,189	3,792,719	60.57%
FIRE	85,803	139,089	61.69%	87,011	134,985	64.46%
CODE ENFORCEMENT	207,986	307,379	67.66%	200,544	291,493	68.80%
ZONING	5,428	10,400	52.20%	0	10,497	0.00%
PARK & RECREATION	209,648	255,828	81.95%	198,408	257,914	76.93%
TOTAL SALARY EXPENSES	4,528,086	6,879,965	65.82%	4,267,730	6,727,686	63.44%
OVERTIME						
POLICE	33,620	93,447	35.98%	27,384	80,346	34.08%
SEWER	13,060	33,743	38.70%	12,767	41,836	30.52%
PW SNOW REMOVAL	18,597	27,375	67.94%	19,916	26,711	74.56%
PW ROAD MAINTENANCE	819	6,630	12.36%	916	6,500	14.10%
TOTAL OVERTIME EXPENSES	66,096	161,195	41.00%	60,983	155,393	39.24%
HEALTH INSURANCE						
SUPERVISORS	51,540	71,405	72.18%	50,826	68,658	74.03%
ADMINISTRATION	61,138	54,948	111.26%	43,157	52,834	81.68%
FINANCE	21,943	47,117	46.57%	36,881	45,305	81.41%
INFORMATION TECHNOLOGY	19,599	25,072	78.17%	17,926	24,108	74.36%
ENGINEERING	50,797	67,523	75.23%	55,484	64,926	85.46%
POLICE	551,361	755,994	72.93%	529,242	726,918	72.81%
FIRE	22,661	32,881	68.92%	21,713	31,617	68.68%
CODE ENFORCEMENT	55,451	75,040	73.90%	57,178	72,154	79.24%
ZONING	1,964	2,497	78.65%	1,714	2,401	71.39%
SEWER	141,671	270,084	52.45%	136,277	259,696	52.48%
PUBLIC WORKS ADMINISTRATION	279,861	366,292	76.40%	275,537	352,204	78.23%
RECREATION ADMINISTRATION	43,357	53,739	80.68%	39,595	51,672	76.63%
TOTAL HEALTH INSURANCE EXPENSES	1,301,341	1,822,593	71.40%	1,265,530	1,752,493	72.21%

Whitpain Township

Treasurer's Report

PENSIONS

NON-UNIFORM	304,135	455,918	66.71%	277,447	416,158	66.67%
DEFINED CONTRIBUTION	34,086	44,631	76.37%	30,285	54,279	55.80%
POLICE	326,135	489,202	66.67%	352,851	529,276	66.67%
SEWER	47,805	71,707	66.67%	92,471	138,695	66.67%
TOTAL PENSION EXPENSES	712,160	1,061,458	67.09%	753,054	1,138,408	66.15%

EXPENSES

SUPERVISORS	3,516	13,478	26.09%	6,097	12,328	49.46%
ADMINISTRATION	230,735	360,054	64.08%	199,504	331,464	60.19%
FINANCE	56,787	96,939	58.58%	62,207	100,742	61.75%
TAX COLLECTION	60,896	98,901	61.57%	61,172	96,918	63.12%
COMPUTER & INFO, SERVICES	29,810	57,452	51.89%	26,837	49,503	54.21%
PLANNING & ENGINEERING	65,911	91,196	72.27%	50,852	88,250	57.62%
BUILDING MAINTENANCE	133,391	201,830	66.09%	127,956	210,367	60.82%
POLICE EXPENSES	474,576	779,918	60.85%	330,713	759,606	43.54%
FIRE	19,058	47,098	40.46%	27,298	47,094	57.96%
CODE ENFORCEMENT	101,792	142,634	71.37%	105,632	112,459	93.93%
ZONING	36,325	64,882	55.99%	26,867	73,301	36.65%
PUBLIC WORKS ADMINISTRATION	148,936	226,117	65.87%	129,713	210,891	61.51%
PUBLIC WORKS STREET CLEANING	3,210	8,000	40.13%	1,834	4,000	45.84%
PUBLIC WORKS SNOW REMOVAL	6,934	29,709	23.34%	3,152	17,068	18.47%
PUBLIC WORKS TRAFIC SIGNALS	36,114	78,000	46.30%	41,813	82,000	50.99%
PUBLIC WORKS STREET LIGHTING & MARKING	13,652	22,000	62.06%	14,117	21,500	65.66%
PUBLIC WORKS SIDEWALKS & CURBS	32,251	40,000	80.63%	16,365	37,000	44.23%
PUBLIC WORKS STORM SEWER MAINTENANCE	72,704	35,000	207.72%	35,096	15,000	233.97%
PUBLIC WORKS EQUIPMENT MAINTENANCE	108,665	226,555	47.96%	119,902	224,473	53.42%
PUBLIC WORKS ROAD MAINTENANCE	104,925	537,371	19.53%	187,134	516,108	36.26%
RECREATION AND ADMINISTRATION	42,887	96,664	44.37%	44,411	92,839	47.84%
RECREATION AND PROGRAMS	142,139	264,589	53.72%	129,718	260,249	49.84%
PUBLIC WORKS PARK MAINTENANCE	84,267	220,000	38.30%	110,338	195,800	56.35%

SEWER FUND

REVENUES

SEWER RENT - CURRENT	2,437,294	3,275,000	74.42%	2,391,981	3,300,000	72.48%
SEWER RENT - PEN & INT	25,269	30,000	84.23%	19,841	30,000	66.14%
TOTAL SEWER CHARGES	2,462,563	3,305,000	74.51%	2,411,822	3,330,000	72.43%
TRANSFERS IN	0	0	0.00%	0	0	0.00%

EXPENSES

SEWER SALARIES	319,458	707,963	45.12%	299,784	709,786	42.24%
TRANSFERS OUT	0	625,000	0.00%	0	625,000	0.00%

DEBT SERVICE FUND

EXPENSES

DEBT PRINCIPAL	0	931,000	0.00%	0	895,000	0.00%
DEBT PRINCIPAL CAPITAL PROJECTS	0	260,000	0.00%	0	255,000	0.00%
DEBT INTEREST	175,454	255,819	68.59%	199,742	292,503	68.29%
DEBT INTEREST CAPITAL PROJECTS	39,923	79,845	50.00%	42,473	86,545	49.08%
TOTAL DEBT SERVICE EXPENSES	215,377	1,526,664	14.11%	242,214	1,529,048	15.84%

AUGUST 31, 2016

ACCOUNT	PURCHASE DATE	DUE DATE	PRINCIPAL	INVESTED WITH	INTEREST RATE	TOTAL
GENERAL FUND	VARIOUS	OPEN	585,224	PLGIT	0.29	585,223.74
	VARIOUS	OPEN	6,942	PLGIT PLUS	0.41	6,942.48
	VARIOUS	OPEN	217,374	PLGIT PR	0.29	217,374.39
	VARIOUS	OPEN	3	PLGIT PR PLUS	0.41	3.34
	VARIOUS	OPEN	6,121,425	TD GENERAL FUND	0.20	6,121,424.86
	VARIOUS	OPEN	89,002	TD-E PAYMENTS	0.20	89,001.83
	VARIOUS	OPEN	10,305	TD-PR	0.20	10,305.00
	VARIOUS	OPEN	9,222	PLGIT PROCUREMENT	0.29	9,222.24
	VARIOUS	OPEN	1,776	DRUG ENFORCEMENT	0.20	1,775.88
	VARIOUS	OPEN	573,405	OPERATING RESERVE	0.20	573,404.68
	VARIOUS	OPEN	573,405	POLICE SPECIAL EQUIPMENT	0.20	1,292.29
FIRE CAPITAL FUND	VARIOUS	OPEN	5,300	PLGIT - ARBITRAGE	0.39	5,299.51
DEBT SERVICE	VARIOUS	OPEN	1,512,283	TD BANK	0.20	1,512,282.67
FIRE PROTECTION TAX	VARIOUS	OPEN	1,219,472	TD BANK	0.20	1,219,472.01
FIRE CAPITAL FUND	VARIOUS	OPEN	581,603	TD BANK	0.20	581,602.80
FIRE HYDRANT	VARIOUS	OPEN	220,978	TD BANK	0.20	220,978.32
CAPITAL RESERVE	VARIOUS	OPEN	7,989,267	TD BANK	0.20	7,989,267.41
CAPITAL RES - SIDEWALK GRANT	VARIOUS	OPEN	190,265	TD BANK	0.20	190,264.56
MANOR HOUSE	VARIOUS	OPEN	281,771	TD BANK	0.20	281,770.70
OPEN SPACE ACQUISITION	VARIOUS	OPEN	402,527	TD BANK	0.20	402,527.49
OPEN SPACE RESERVE	VARIOUS	OPEN	14,423	TD BANK	0.20	14,422.80
HIGHWAY AID FUND	VARIOUS	OPEN	557,740	TD BANK	0.20	557,740.05
POLICE MED INS RETIREE	VARIOUS	OPEN	419,095	TD BANK	0.20	419,094.50
NON UNIFORM MED INS RETIREE	VARIOUS	OPEN	24,000	TD BANK	0.20	24,000.28
ESCROW	VARIOUS	OPEN	1,252,363	TD BANK	0.20	1,252,363.40
RESERVE FOR OUTFALL STORM WT	VARIOUS	OPEN	31,954	TD BANK	0.20	31,953.84
FEE-IN-LIEU OF STORMWATER MNT	VARIOUS	OPEN	53,195	TD BANK	0.20	53,195.00
TRAFFIC IMPROVEMENTS	VARIOUS	OPEN	342,566	TD BANK	0.20	342,565.84
SEWER FUND	VARIOUS	OPEN	282,012	PLGIT PLUS	0.41	282,011.61
	VARIOUS	OPEN	1,023,299	TD BANK	0.20	1,023,298.91
SEWER CAPITAL	VARIOUS	OPEN	1,234,372	TD BANK	0.20	1,234,372.23
August 31, 2015				<i>PLGIT</i>	0.29	
General Fund TD Bank	\$5,194,215.47			<i>PLGIT PLUS</i>	0.41	
General Fund PLGIT	\$855,190.36			<i>TD BANK-change effective 2/10/16</i>	0.20	
Sewer TD Bank	\$1,498,936.82					
Sewer PLGIT	\$281,374.28					
Capital Reserve TD Bank	\$7,398,057.89					