

To: Roman M. Pronczak, Township Manager

From: Christine M. Bauman, Director of Finance

Date: November 1, 2016

Re: Treasurer's Report & Cash Statement – **September 30, 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 September 30, 2016**

Revenue or Expense Category

General Fund

Real Estate Taxes – Real Estate Taxes are ahead of (103.2%) last year's pace (99.11%). These collections include current (\$3,890,350 or 99.3%) and delinquent (\$43,098) 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 (237.1% vs. 101.8%). In September the sale of the Corporate Office Properties (COPT) resulted in \$713,500. Through September the Township has collected a total of \$1,422,352.

Earned Income Taxes - EIT collections (79.0%) are behind last year's pace (85.1%). Collections in September totaled \$244,748 for a yearly total of \$4,934,549.

Local Services Taxes (LST) - LST collections are behind (75.2% vs. 79.9%) last year's pace. Collections in September totaled \$14,261 for a cumulative total of \$556,590.

Cable Franchise Fees – These fees are remitted quarterly. Through September we have received \$176,577.

State Aid (Pensions) – These pension grants are remitted in September of each year. For 2016 the Township received \$463,712 in State Aid which was significantly more than expected (\$415,180).

Licenses, Permits & Fees – We are significantly behind (88.4% vs. 144.7%) last year's pace. 2015 saw a major increase in building and development activities. We expect these activities in 2016 to slightly decline. We expect activity to continue through the fall.

Park & Recreation Fees – We are significantly ahead of 94.4%) last year's pace (84.6%). 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 begin to slow down now that the Community Festival has past.

Operating Expenses – These departmental expenses include salaries (separately reported below) which represent 75% of our annual budget to date. We are under budget (71.3%) and are ahead of last year's pace (68.7%). 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 75% of our annual budget to date, we are over budget (77.1%) and are ahead of last year's pace (70.9%). The increase in salary expense is due to employee's exchanging sick time and vacation time to cover increased health care costs. September also had a third payroll included for the month and salary expenses will be more stable October. 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 (80.8%) and behind last year's pace (81.3%). 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 (67.7%) with last year (66.6%). 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 not make a payment in September.

Overtime – We are ahead of (46.0%) last year’s pace (43.0%) and under budget. We are under budget in all departments; Police (36.0%), Sewer (38.7%), Snow Removal (67.9%), 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 **September 30, 2016**.

September 30, 2016	September 30, 2015
\$7,611,098	\$6,523,310

Sewer Fund

Sewer Charges - We are ahead of (74.6%) 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 September the Township collected a total of \$82 making the outstanding balance \$202,450 with interest continuing to accrue on the delinquent principal balance.

Sewer Operating Expenses - We are ahead (62.3%) of last year’s pace (59.4%) 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 **September 30, 2016**.

September 30, 2016	September 30, 2015
\$1,163,645	\$1,642,750

Capital Reserve Fund

Ending Cash Balance - Please see attached Cash Statement as of **September 30, 2016**.

September 30, 2016	September 30, 2015
\$7,670,213	\$7,293,464

Debt Service Fund

Debt Service Expenses - We are behind (37.0%) last year’s pace (38.2%).

Whitpain Township Operating Expense Report

Department	For the Month Ended 09/30/2016		YTD Actual to Budget (%)	Prior YTD Actual	Prior Year Budget	Prior YTD Actual to Budget (%)
	YTD Actual	Current Year Budget				
SUPERVISORS	76,330	105,508	72.35%	77,501	101,611	76.27%
ADMINISTRATION	1,037,007	1,334,205	77.72%	854,509	1,183,689	72.19%
FINANCE	257,674	357,255	72.13%	297,825	425,065	70.07%
TAX COLLECTION	93,703	123,901	75.63%	92,259	121,918	75.67%
LEGAL	180,209	450,000	40.05%	313,001	245,000	127.76%
INFORMATION TECHNOLOGY	116,181	163,727	70.96%	108,629	152,078	71.43%
PLANNING & ENGINEERING	366,750	442,229	82.93%	358,680	424,109	84.57%
PUBLIC WORKS	2,380,576	3,250,395	73.24%	2,142,808	3,156,703	67.88%
POLICE	4,402,679	6,018,123	73.16%	3,960,647	5,888,865	67.26%
FIRE	149,064	219,068	68.04%	152,641	213,696	71.43%
CODE ENFORCEMENT	424,524	525,053	80.85%	407,194	476,106	85.53%
ZONING	49,489	77,779	63.63%	34,630	86,199	40.17%
SEWER	1,942,803	3,118,397	62.30%	1,845,765	3,106,250	59.42%
PARK AND RECREATION	534,888	670,820	79.74%	507,165	662,674	76.53%
TOTAL OPERATING EXPENSES	12,011,877	16,856,460	71.26%	11,153,252	16,243,964	68.66%

Whitpain Township

Treasurer's Report

Department	For the Month Ended 09/30/2016			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		4,090,219	3,963,000	103.21%	3,908,551	3,943,500		99.11%	
TRANSFER TAXES		1,422,352	600,000	237.06%	559,648	550,000		101.75%	
EARNED INCOME TAXES		4,934,549	6,250,000	78.95%	4,935,842	5,800,000		85.10%	
LOCAL SERVICES TAXES		556,590	740,000	75.21%	559,060	700,000		79.87%	
CABLE FRANCHISE FEES		176,577	320,000	55.18%	170,378	320,000		53.24%	
STATE AID-PENSIONS		463,712	415,180	111.69%	407,767	414,406		98.40%	
LICENSES, PERMITS & FEES		391,875	443,280	88.40%	490,070	338,720		144.68%	
PARK & RECREATION FEES		397,545	424,500	94.37%	374,068	442,200		84.59%	
TOTAL REVENUES		12,433,421	13,155,960	94.51%	11,405,383	12,508,826		91.18%	
EXPENSES									
TRANSFERS OUT		1,500,000	500,000	300.00%	500,000	500,000		100.00%	
SALARIES									
OFFICIALS		13,750	20,625	66.67%	13,750	20,625		66.67%	
EXECUTIVE		375,127	418,654	89.60%	281,111	328,954		85.46%	
FINANCE		173,180	213,199	81.23%	192,944	279,018		69.15%	
TAX COLLECTION		16,667	25,000	66.67%	16,667	25,000		66.67%	
INFORMATION TECHNOLOGY		58,378	81,203	71.89%	58,045	78,467		73.97%	
ENGINEERING		236,481	283,510	83.41%	240,042	270,933		88.60%	
PUBLIC WORKS		935,335	1,225,516	76.32%	861,512	1,237,081		69.64%	
POLICE		2,906,198	3,899,562	74.53%	2,564,706	3,792,719		67.62%	
FIRE		101,713	139,089	73.13%	99,278	134,985		73.55%	
CODE ENFORCEMENT		243,666	307,379	79.27%	227,002	291,493		77.88%	
ZONING		6,597	10,400	63.43%	0	10,497		0.00%	
PARK & RECREATION		234,940	255,828	91.84%	216,644	257,914		84.00%	
TOTAL SALARY EXPENSES		5,302,031	6,879,965	77.06%	4,771,701	6,727,686		70.93%	
OVERTIME									
POLICE		38,714	93,447	41.43%	31,750	80,346		39.52%	
SEWER		15,783	33,743	46.77%	14,084	41,836		33.66%	
PW SNOW REMOVAL		18,597	27,375	67.94%	19,916	26,711		74.56%	
PW ROAD MAINTENANCE		1,119	6,630	16.88%	1,115	6,500		17.15%	
TOTAL OVERTIME EXPENSES		74,214	161,195	46.04%	66,864	155,393		43.03%	
HEALTH INSURANCE									
SUPERVISORS		58,345	71,405	81.71%	57,222	68,658		83.34%	
ADMINISTRATION		69,755	54,948	126.95%	48,606	52,834		92.00%	
FINANCE		24,920	47,117	52.89%	40,975	45,305		90.44%	
INFORMATION TECHNOLOGY		21,962	25,072	87.60%	20,154	24,108		83.60%	
ENGINEERING		57,346	67,523	84.93%	62,944	64,926		96.95%	
POLICE		622,933	755,994	82.40%	595,125	726,918		81.87%	
FIRE		25,722	32,881	78.23%	24,597	31,617		77.80%	
CODE ENFORCEMENT		61,918	75,040	82.51%	64,574	72,154		89.49%	
ZONING		2,188	2,497	87.62%	1,927	2,401		80.24%	
SEWER		160,730	270,084	59.51%	153,640	259,696		59.16%	
PUBLIC WORKS ADMINISTRATION		317,228	366,292	86.61%	310,631	352,204		88.20%	
RECREATION ADMINISTRATION		49,011	53,739	91.20%	44,899	51,672		86.89%	
TOTAL HEALTH INSURANCE EXPENSES		1,472,059	1,822,593	80.77%	1,425,294	1,752,493		81.33%	

Whitpain Township

Treasurer's Report

PENSIONS

NON-UNIFORM	304,135	455,918	66.71%	277,447	416,158	66.67%
DEFINED CONTRIBUTION	40,065	44,631	89.77%	33,719	54,279	62.12%
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	718,140	1,061,458	67.66%	756,488	1,138,408	66.45%

EXPENSES

SUPERVISORS	4,235	13,478	31.43%	6,529	12,328	52.96%
ADMINISTRATION	247,924	360,054	68.86%	213,626	331,464	64.45%
FINANCE	59,574	96,939	61.46%	63,906	100,742	63.44%
TAX COLLECTION	77,037	98,901	77.89%	75,593	96,918	78.00%
COMPUTER & INFO, SERVICES	35,841	57,452	62.38%	30,430	49,503	61.47%
PLANNING & ENGINEERING	72,923	91,196	79.96%	55,693	88,250	63.11%
BUILDING MAINTENANCE	145,751	201,830	72.21%	140,852	210,367	66.96%
POLICE EXPENSES	508,700	779,918	65.22%	416,215	759,606	54.79%
FIRE	21,629	47,098	45.92%	28,766	47,094	61.08%
CODE ENFORCEMENT	118,940	142,634	83.39%	115,618	112,459	102.81%
ZONING	40,704	64,882	62.74%	32,703	73,301	44.61%
PUBLIC WORKS ADMINISTRATION	163,721	226,117	72.41%	140,271	210,891	66.51%
PUBLIC WORKS STREET CLEANING	3,370	8,000	42.13%	1,994	4,000	49.84%
PUBLIC WORKS SNOW REMOVAL	6,934	29,709	23.34%	3,236	17,068	18.96%
PUBLIC WORKS TRAFFIC SIGNALS	40,861	78,000	52.39%	46,999	82,000	57.32%
PUBLIC WORKS STREET LIGHTING & MARKING	15,258	22,000	69.35%	15,869	21,500	73.81%
PUBLIC WORKS SIDEWALKS & CURBS	35,203	40,000	88.01%	17,765	37,000	48.01%
PUBLIC WORKS STORM SEWER MAINTENANCE	75,492	35,000	215.69%	35,878	15,000	239.19%
PUBLIC WORKS EQUIPMENT MAINTENANCE	117,565	226,555	51.89%	133,937	224,473	59.67%
PUBLIC WORKS ROAD MAINTENANCE	391,042	537,371	72.77%	291,127	516,108	56.41%
RECREATION AND ADMINISTRATION	46,751	96,664	48.36%	46,034	92,839	49.58%
RECREATION AND PROGRAMS	204,186	264,589	77.17%	199,588	260,249	76.69%
PUBLIC WORKS PARK MAINTENANCE	113,099	220,000	51.41%	121,707	195,800	62.16%

SEWER FUND

REVENUES

SEWER RENT - CURRENT	2,437,294	3,275,000	74.42%	2,391,770	3,300,000	72.48%
SEWER RENT - PEN & INT	26,635	30,000	88.78%	21,096	30,000	70.32%
TOTAL SEWER CHARGES	2,463,929	3,305,000	74.55%	2,412,866	3,330,000	72.46%

EXPENSES

SEWER SALARIES	376,910	707,963	53.24%	335,534	709,786	47.27%
TRANSFERS OUT	0	625,000	0.00%	0	625,000	0.00%

DEBT SERVICE FUND

EXPENSES

DEBT PRINCIPAL	328,000	931,000	35.23%	317,000	895,000	35.42%
DEBT PRINCIPAL CAPITAL PROJECTS	0	260,000	0.00%	0	255,000	0.00%
DEBT INTEREST	197,386	255,819	77.16%	224,709	292,503	76.82%
DEBT INTEREST CAPITAL PROJECTS	39,923	79,845	50.00%	42,473	86,545	49.08%
TOTAL DEBT SERVICE EXPENSES	565,308	1,526,664	37.03%	584,182	1,529,048	38.21%

SEPTEMBER 30, 2016

ACCOUNT	PURCHASE DATE	DUE DATE	PRINCIPAL	INVESTED WITH	INTEREST RATE	TOTAL
GENERAL FUND	VARIOUS	OPEN	262,407	PLGIT	0.29	262,407.29
	VARIOUS	OPEN	6,950	PLGIT PLUS	0.40	6,949.81
	VARIOUS	OPEN	19,427	PLGIT PR	0.29	19,426.93
	VARIOUS	OPEN	3	PLGIT PR PLUS	0.41	3.34
	VARIOUS	OPEN	7,348,691	TD GENERAL FUND	0.20	7,348,690.60
	VARIOUS	OPEN	89,016	TD-E PAYMENTS	0.20	89,016.42
	VARIOUS	OPEN	7,143	TD-PR	0.20	7,143.04
	VARIOUS	OPEN	9,511	PLGIT PROCUREMENT	0.29	9,511.21
	VARIOUS	OPEN	1,776	DRUG ENFORCEMENT	0.20	1,776.17
	VARIOUS	OPEN	573,499	OPERATING RESERVE	0.20	573,498.68
	VARIOUS	OPEN	573,499	POLICE SPECIAL EQUIPMENT	0.20	1,292.50
FIRE CAPITAL FUND	VARIOUS	OPEN	5,301	PLGIT - ARBITRAGE	0.42	5,301.35
DEBT SERVICE	VARIOUS	OPEN	1,167,711	TD BANK	0.20	1,167,710.75
FIRE PROTECTION TAX	VARIOUS	OPEN	1,177,731	TD BANK	0.20	1,177,730.71
FIRE CAPITAL FUND	VARIOUS	OPEN	571,413	TD BANK	0.20	571,413.28
FIRE HYDRANT	VARIOUS	OPEN	213,970	TD BANK	0.20	213,969.58
CAPITAL RESERVE	VARIOUS	OPEN	7,670,213	TD BANK	0.20	7,670,212.64
CAPITAL RES - SIDEWALK GRANT	VARIOUS	OPEN	190,296	TD BANK	0.20	190,295.75
MANOR HOUSE	VARIOUS	OPEN	292,083	TD BANK	0.20	292,082.66
OPEN SPACE ACQUISITION	VARIOUS	OPEN	207,050	TD BANK	0.20	207,050.18
OPEN SPACE RESERVE	VARIOUS	OPEN	28,968	TD BANK	0.20	28,968.13
HIGHWAY AID FUND	VARIOUS	OPEN	130,281	TD BANK	0.20	130,280.55
POLICE MED INS RETIREE	VARIOUS	OPEN	419,163	TD BANK	0.20	419,163.20
NON UNIFORM MED INS RETIREE	VARIOUS	OPEN	23,204	TD BANK	0.20	23,204.21
ESCROW	VARIOUS	OPEN	1,253,613	TD BANK	0.20	1,253,613.07
RESERVE FOR OUTFALL STORM WT	VARIOUS	OPEN	34,254	TD BANK	0.20	34,254.09
FEE-IN-LIEU OF STORMWATER MNT	VARIOUS	OPEN	53,204	TD BANK	0.20	53,203.72
TRAFFIC IMPROVEMENTS	VARIOUS	OPEN	349,795	TD BANK	0.20	349,794.60
SEWER FUND	VARIOUS	OPEN	282,309	PLGIT PLUS	0.40	282,309.42
	VARIOUS	OPEN	881,335	TD BANK	0.20	881,335.42
SEWER CAPITAL	VARIOUS	OPEN	1,194,723	TD BANK	0.20	1,194,722.63
September 30, 2015				PLGIT	0.29	
General Fund TD Bank	\$5,968,505.17			PLGIT PLUS	0.40	
General Fund PLGIT	\$554,805.02			TD BANK-change effective 2/10/16	0.20	
Sewer TD Bank	\$1,361,330.18					
Sewer PLGIT	\$281,419.76					
Capital Reserve TD Bank	\$7,293,464.32					