

**Jenkintown Borough  
Financial Report  
June 2020**

Date: July 9, 2020

To: Borough Council,  
George Locke, Borough Manager

From: Rick Ware, Finance Director

Please note the following related to the attached financial reports:

**Cash Analysis**

General Fund Cash is less at June 2020 by \$780,000, discussed below.

Fire Apparatus Fund is less at June 2020 by \$324,000, as the majority of payments for the fire apparatus had been made.

Sewer Fund is less at 2020 as disbursements for the Cheltenham sewer project had been made.

Capital Projects Fund is lower by \$250,000 as we have paid for several grant funded projects, particularly the recycle truck, in advance of receiving the grant funds. A temporary transfer of \$120,000 from Street Tax was made to cover the shortage.

**Statement of Revenues and Expenditures by Fund**

**Revenues:**

General Fund revenues are less in 2020 with a small increase in real estate taxes due to the increased millage offset by shortages in Act 511 taxes, parking and licenses/permits. The shortages are a result of the COVID shut down and the extension of filing dates. MCT & BPT are lower by \$125,000 and \$400,000 respectively. Permits are lower by \$140,000 and parking meters by \$40,000. Some small amount of the shortages may be timing and will recover over the remaining portion of the year. Much of them are permeant and non-recoverable.

Sewer Fund revenue is less in 2020 due to the receipt of the \$1,400,000 Republic loan in 2019 offset somewhat by earlier collections of 2020 fees and receipt of \$53,000 in EDU fees for 610 Summit.

Solid waste revenue is greater in 2019 due to a recycling grant received of \$18,000.

Street Tax revenue is greater in 2020 due to the receipt of an Aqua payment in lieu of paving amount of \$126,000.

Revenue in both pension plans is less in 2020 vs. 2019 due to market fluctuation, \$790,000 in the police plan and \$110,000 in the non-uniform. These numbers are more favorable than the previous months as the market has partially rebounded from recent lows.

**Expenditures:**

General Fund expenses are less in 2020 by \$110,000, spread throughout various categories.

Fire Apparatus Fund expenses are greater in 2020 due to the payment of a trailing invoice for components for the recently purchased fire apparatus. One more invoice is expected.

Sewer Fund expenses are greater in 2020 as the first of the loan payments has been made and a quarterly invoice for sewer treatment has been received and posted a month earlier.

Capital Project fund expenses are greater in 2020 by \$340,000 as a result of the purchase of the recycle truck for \$195,000 as well as contractor and engineering payments on the sanitary sewer lining, Cedar Street Park and Gateway projects.

Liquid Fuels payments were greater in 2019 due to the purchase of a pickup truck for \$45,000 and additional road salt of \$15,000.

**Notes:**

Due dates for real estate taxes at discount and face were extended from 4/5 and 6/5 to 5/31 and 7/31, respectively. The due date for Act 511 taxes, BCT, MCT & LST were extended from 4/15 to 7/15, as well. 2020 deposit of taxes against expected revenue were reduced to 80% of prior years liability and will reduce current year collections and will more accurately project 2021 liability.

2021 budget preparations are underway with supporting documentation being gathered, prepared and analyzed in advance of meetings to discuss and plan. These preparations will include a review of 2020 budget issues.

Year to date losses in the pension funds of \$230,000 for the Police and \$35,000 for the Non-Uniform plans at 6/30 due to market fluctuation have reduced with a partial recovery and may be cause for concern for future MMO calculations depending on market rebound and any support from the state. This year's MMO is locked in based on the calculation done in September 2019 and is not affected by current valuations.

If you have any questions, do not hesitate to contact me.