

# EXETER TOWNSHIP

2021 Budget

General Fund Revenue Overview

October 5, 2020



# EARNED INCOME TAX

CALENDAR 2020			
Cash Basis Month Distributed		% to collect	Distributed amount
Jan 2020	Actual		262,962
Feb 2020	Actual		60,025
Mar 2020	Actual		649,232
Apr 2020	Actual		275,369
May 2020	Estimate	95%	88,816
Jun 2020	Estimate	90%	651,539
Jul 2020	Estimate	90%	279,672
Aug 2020	Estimate	75%	21,072
Sep 2020	Estimate	70%	439,134
Oct 2020	Estimate	70%	206,892
Nov 2020	Estimate	85%	51,183
Dec 2020	Estimate	85%	534,976
<b>REVISED 2020 Total Estimate</b>			3,520,871
<b>2020 BUDGET</b>			4,053,910
<b>REDUCTION - \$</b>			(533,039)
<b>REDUCTION - %</b>			-13.15%

Original Estimate – May 2020

- COVID-19 pandemic increased unemployment rates across the country which results in lowered earned income tax revenue
- Berks EIT's original estimate projected monthly EIT revenue down as much as 30% in 2020 (see chart on left)
- Exeter has experienced positive results over the last 5 months – based upon results through Oct 2020, Exeter is projected to be \$296k (or 7%) under budget
- 2021 budget will be approximately \$3.8 to \$3.9 million based upon the most recent projection

CALENDAR 2020			
Cash Basis Month Distributed		% to collect	Distributed amount
Jan 2020	Actual		262,962
Feb 2020	Actual		60,025
Mar 2020	Actual		649,232
Apr 2020	Actual		275,369
May 2020	Actual		47,180
Jun 2020	Actual		609,932
Jul 2020	Actual		331,229
Aug 2020	Actual		132,259
Sep 2020	Actual		540,113
Oct 2020	Actual		263,622
Nov 2020	Estimate	85%	51,183
Dec 2020	Estimate	85%	534,976
<b>REVISED 2020 Total Estimate</b>			3,758,082
<b>2020 BUDGET</b>			4,053,910
<b>REDUCTION - \$</b>			(295,828)
<b>REDUCTION - %</b>			-7.30%

Updated Estimate – Oct 2020



# MUNICIPAL REAL ESTATE TAX

2020 Budget	2020 Projected	2021 Budget
\$2,130,000	\$2,025,000	\$2,130,000

- Due to the COVID-19 pandemic, the municipal real estate tax flat period deadline was extended from June 30<sup>th</sup> to Sept 30<sup>th</sup>. The County and other Berks municipalities extended their flat tax deadline in order to help local residents affected by the pandemic.
- As of Sept 2020, \$1.978 million (92.9% of 2020 budget) in real estate taxes has been collected.
- The penalty period start was pushed from July 1<sup>st</sup> to Oct 1<sup>st</sup>. The Township historically collects \$5 to \$7k in penalty revenue. Penalty revenue is projected to be much less in 2021 due to the flat tax extension.
- The 2021 budget for real estate taxes will be approximately \$2.13 million, which is level with the 2020 budget.



# REAL ESTATE TRANSFER TAX

Transaction Month	Amount
December 2019	\$40,620
January 2020	\$17,308
February 2020	\$40,610
March 2020	\$31,617
April 2020	\$32,351
May 2020	\$13,561
June 2020	\$44,961
July 2020	\$48,592
August 2020	\$63,370
<b>TOTAL</b>	<b>\$332,990</b>

- In-person real estate showings were suspended in April 2020, therefore very few sales/settlements occurred in May 2020. Transfer tax was down \$20 to \$30k in May.
- The real estate industry restarted in full in May 2020. The market in the Township has been very active over the past few months. Transfer tax has increased significantly in the most recent months.
- Real Estate transfer tax for FY 2020 is expected to be approximately \$425k.
- FY 2021 budget will be approximately \$480k (\$40k per month estimate)



# EXETER TOWNSHIP

2021 Budget

Debt Service & Utility Fund Overview

October 5, 2020



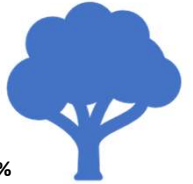
# DEBT SERVICE FUND



2018 Actual	2019 Actual	2020 Budget	2020 Projected	% Change		2021 Proposed	% Change	2022 Proposed	% Change	2023 Proposed	% Change
<b>REVENUE</b>											
<b>\$680,214.65</b>	<b>\$955,257.15</b>	<b>\$746,800.00</b>	<b>\$709,500.00</b>	<b>NA</b>	<b>23 - Debt Service Fund</b>	<b>\$743,100.00</b>	<b>4.7%</b>	<b>\$750,400.00</b>	<b>1.0%</b>	<b>\$757,773.00</b>	<b>1.0%</b>
\$645,114.75	\$930,069.36	\$730,000.00	\$693,500.00	NA	30170 - Debt Service Tax CY	\$730,000.00	5.3%	\$737,300.00	1.0%	\$744,673.00	1.0%
\$5,526.84	\$5,046.49	\$5,700.00	\$8,000.00	NA	30175 - Debt Service Tax PY	\$6,000.00	-25.0%	\$6,000.00	0.0%	\$6,000.00	0.0%
\$1,169.02	\$1,661.94	\$600.00	\$200.00	NA	31901 - Penalties & Interest CY	\$600.00	200.0%	\$600.00	0.0%	\$600.00	0.0%
\$541.64	\$501.16	\$500.00	\$900.00	NA	31902 - Penalties & Interest PY	\$500.00	-44.4%	\$500.00	0.0%	\$500.00	0.0%
\$10,755.11	\$17,978.20	\$10,000.00	\$6,900.00	NA	34100 - Interest	\$6,000.00	-13.0%	\$6,000.00	0.0%	\$6,000.00	0.0%
\$0.00	\$0.00	\$0.00	\$0.00	NA	39264 - Transfer from RCC Golf	\$0.00	N/A	\$0.00	N/A	\$0.00	N/A
\$0.00	\$0.00	\$0.00	\$0.00	NA	39265 - Transfer from RCC FB Oper	\$0.00	N/A	\$0.00	N/A	\$0.00	N/A
\$17,107.29	\$0.00	\$0.00	\$0.00	NA	39315 - General Oblig Bond Proceeds	\$0.00	N/A	\$0.00	N/A	\$0.00	N/A
<b>EXPENSE</b>											
<b>\$787,677.76</b>	<b>\$928,534.51</b>	<b>\$569,659.00</b>	<b>\$819,745.18</b>	<b>43.9%</b>	<b>23 - Debt Service Fund</b>	<b>\$818,224.75</b>	<b>-0.2%</b>	<b>\$809,807.50</b>	<b>-1.0%</b>	<b>\$801,166.25</b>	<b>-1.1%</b>
\$0.00	\$2,206.00	\$0.00	\$4,191.00	NA	43120 - Consulting Services	\$5,000.00	19.3%	\$5,000.00	0.0%	\$0.00	-100.0%
\$22,678.50	\$27,974.38	\$28,000.00	\$25,000.00	-10.7%	49002 - TIF Payment - Exeter Commons	\$25,000.00	0.0%	\$25,000.00	0.0%	\$25,000.00	0.0%
\$500.00	\$4,555.00	\$2,500.00	\$2,693.75	7.7%	49003 - Fiscal Agent Fees	\$3,000.00	11.4%	\$3,000.00	0.0%	\$3,000.00	0.0%
\$764,499.26	\$893,799.13	\$539,159.00	\$787,860.43	46.1%	49006 - Debt Service Expense	\$785,224.75	-0.3%	\$776,807.50	-1.1%	\$773,166.25	-0.5%
<b>\$787,677.76</b>	<b>\$928,534.51</b>	<b>\$569,659.00</b>	<b>\$819,745.18</b>	<b>43.9%</b>	<b>TOTAL EXPENDITURES</b>	<b>\$818,224.75</b>	<b>-0.2%</b>	<b>\$809,807.50</b>	<b>-1.0%</b>	<b>\$801,166.25</b>	<b>-1.1%</b>
<b>(\$107,463.11)</b>	<b>\$26,722.64</b>	<b>\$177,141.00</b>	<b>(\$110,245.18)</b>			<b>(\$75,124.75)</b>		<b>(\$59,407.50)</b>		<b>(\$43,393.25)</b>	

- 2020 debt service expense overage was due to a budgeting error. 2020 actual of \$788k is correct amount.
- 2021/2022/2023 debt service expense will be less than currently proposed. In late 2020 and early 2021, the Township will be refunding Series 2015A & 2018. Debt service on these bonds will be reduced in 2021 and beyond. Township should have new debt service schedules for 2021/2022/2023 before final budget is presented.

# UTILITY FUND



2017 Actual	2018 Actual	2019 Actual	2020 Budget	2020 Projected	% Change		2021 Proposed	% Change	2022 Proposed	% Change	2023 Proposed	% Change
<b>REVENUE</b>												
<b>\$211,899.77</b>	<b>\$211,692.18</b>	<b>\$212,040.17</b>	<b>\$221,126.00</b>	<b>\$214,168.20</b>	<b>-3.1%</b>	<b>02 - Utility Fund</b>	<b>\$217,905.00</b>	<b>1.7%</b>	<b>\$219,060.45</b>	<b>0.5%</b>	<b>\$220,227.45</b>	<b>0.5%</b>
\$110,636.72	\$110,823.28	\$110,709.28	\$115,545.00	\$114,000.00	-1.3%	30140 - Street Light Tax Revenue CY	\$115,545.00	1.4%	\$116,700.45	1.0%	\$117,867.45	1.0%
\$886.28	\$992.43	\$855.39	\$900.00	\$1,000.00	11.1%	30145 - Street Light Tax Revenue PY	\$1,000.00	0.0%	\$1,000.00	0.0%	\$1,000.00	0.0%
\$98,748.65	\$97,861.89	\$98,235.91	\$102,956.00	\$97,808.20	-5.0%	30150 - Fire Hydrant Tax Revenue CY	\$100,000.00	2.2%	\$100,000.00	0.0%	\$100,000.00	0.0%
\$625.47	\$793.25	\$675.04	\$700.00	\$700.00	0.0%	30155 - Fire Hydrant Tax Revenue PY	\$700.00	0.0%	\$700.00	0.0%	\$700.00	0.0%
\$337.08	\$217.90	\$266.06	\$100.00	\$50.00	-50.0%	31901 - Penalties & Interest CY	\$50.00	0.0%	\$50.00	0.0%	\$50.00	0.0%
\$151.19	\$251.99	\$151.85	\$175.00	\$175.00	0.0%	31902 - Penalties & Interest PY	\$175.00	0.0%	\$175.00	0.0%	\$175.00	0.0%
\$514.38	\$751.44	\$1,146.64	\$750.00	\$435.00	-42.0%	34100 - Interest	\$435.00	0.0%	\$435.00	0.0%	\$435.00	0.0%
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	NA	39260 - Transfer from Debt Service	\$0.00	NA	\$0.00	NA	\$0.00	NA
<b>EXPENSE</b>												
<b>\$229,306.18</b>	<b>\$213,273.69</b>	<b>\$207,010.48</b>	<b>\$216,413.79</b>	<b>\$208,000.00</b>	<b>-3.9%</b>	<b>02 - Utility Fund</b>	<b>\$208,000.00</b>	<b>0.0%</b>	<b>\$209,900.00</b>	<b>0.9%</b>	<b>\$210,910.00</b>	<b>0.5%</b>
\$97,611.36	\$98,161.81	\$95,404.92	\$100,000.00	\$100,000.00	0.0%	43630 - Hydrant Service	\$100,000.00	0.0%	\$101,000.00	1.0%	\$102,010.00	1.0%
\$93,613.91	\$92,304.32	\$90,975.60	\$93,000.00	\$90,000.00	-3.2%	43680 - Street Light Utility	\$90,000.00	0.0%	\$90,900.00	1.0%	\$90,900.00	0.0%
\$8,669.15	\$18,725.43	\$17,216.17	\$20,000.00	\$15,000.00	-25.0%	43721 - Street Light Repairs	\$15,000.00	0.0%	\$15,000.00	0.0%	\$15,000.00	0.0%
\$4,411.76	\$4,082.13	\$3,413.79	\$3,413.79	\$3,000.00	-12.1%	49002 - TIF Payment - Exeter Commons	\$3,000.00	0.0%	\$3,000.00	0.0%	\$3,000.00	0.0%
\$25,000.00	\$0.00	\$0.00	\$0.00	\$0.00	NA	49200 - Transfer to Capital Fund (18)	\$0.00	NA	\$0.00	NA	\$0.00	NA
<b>\$229,306.18</b>	<b>\$213,273.69</b>	<b>\$207,010.48</b>	<b>\$216,413.79</b>	<b>\$208,000.00</b>	<b>-3.9%</b>	<b>TOTAL EXPENDITURES</b>	<b>\$208,000.00</b>	<b>0.0%</b>	<b>\$209,900.00</b>	<b>0.9%</b>	<b>\$210,910.00</b>	<b>0.5%</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES - 02 UTILITY FUND</b>												
<b>(\$17,406.41)</b>	<b>(\$1,581.51)</b>	<b>\$5,029.69</b>	<b>\$4,712.21</b>	<b>\$6,168.20</b>			<b>\$9,905.00</b>		<b>\$9,160.45</b>		<b>\$9,317.45</b>	

- Street light & hydrant tax rates increased in 2020 to accommodate increasing utility and repair costs.