



KENNETT TOWNSHIP
FINANCE & HR DEPARTMENT

TO: Kennett Township Board of Supervisors
FROM: Amy Heinrich, Finance & HR Director, Treasurer
Subject: Monthly Report – June

- Preliminary YTD Financial Report attached; to be continuously improved and shared monthly
 - We are monitoring both Earned Income Tax and Real Estate Tax revenue for impact from COVID. Some details are included in the Financial Report
 - We are in the process of creating a 2020 forecast that will include the impact of all known COVID impacts and any other changes vs. budget.
- Preparing for upcoming 2019 audit. Working to aligning QuickBooks with outcome of fraud findings to produce accurate financial statements.
- New General Ledger implementation: We have started the design phase of implementation for Sage Intacct, our new General Ledger system. September 2020 target implementation.
- New team members are largely up-to-speed and aiding in capacity for the extensive project work and process improvement.
- Sewer billing has been delayed due to staff turnover and then COVID. New low-contact efficient processes are almost ready to roll-out including a print and mail service from our systems vendor and lock box capability with our bank. 4Q 2019 volume-based billing will be mailed in the next couple of weeks with all of 1Q 2020 billing shortly thereafter.

Kennett Township Financial Report - Preliminary
YTD 2020 As of May 28th, 2020
GENERAL FUND, including EMS*

| | 2020 Budget | 2020 YTD |
|---|---------------------|---------------------|
| Revenue | | |
| Taxes | | |
| Earned Income Taxes | \$ 2,824,000 | \$ 1,075,389 |
| Real Estate Taxes | | |
| RE Taxes - General Millage | \$ 155,000 | \$ 140,668 |
| RE Taxes - EMS Millage | \$ 1,474,000 | \$ 1,338,703 |
| RE Taxes - Interim | \$ - | \$ - |
| RE Taxes - Prior Year's | \$ - | \$ 19,604 |
| Real Estate Transfer Taxes | \$ 330,000 | \$ 288,440 |
| Taxes Total | \$ 4,783,000 | \$ 2,862,804 |
| Fees, Fines, Grants, Interest | | |
| Licenses and Permits | \$ 622,205 | \$ 189,731 |
| Grants | \$ 262,927 | \$ 43,078 |
| Planning & Zoning | \$ 68,469 | \$ 13,583 |
| Fine & Penalties | \$ 54,000 | \$ 971 |
| Interest | \$ 20,500 | \$ 17,060 |
| Reimbursement | \$ 42,000 | \$ 52,035 |
| Other Income | \$ 12,000 | \$ 9,330 |
| Unrealized Gain/Loss | \$ - | \$ 38,293 |
| Fees, Fines, Grants, Interest Total | \$ 1,082,101 | \$ 364,081 |
| Transfers in from other Funds | \$ - | \$ 92,151 |
| Revenue Total | \$ 5,865,101 | \$ 3,319,036 |
| Expense | | |
| Salaries & Benefits | \$ 2,871,693 | \$ 1,000,844 |
| Maintenance & Operations | \$ 1,351,568 | \$ 380,136 |
| Contracted/ Professional Services | \$ 634,700 | \$ 236,403 |
| Community & Economic Development | \$ 243,650 | \$ 52,502 |
| Grant Pass-through | \$ 73,094 | \$ - |
| Transfers | \$ - | \$ 5,616 |
| Transfers for Capital Expense | \$ 652,000 | \$ 233,638 |
| Investigation | \$ - | \$ 184,549 |
| Expense Total | \$ 5,826,705 | \$ 2,093,689 |
| Net Surplus/(Deficit) | \$ 38,396 | \$ 1,225,347 |

*The EMS fund is collapsed into the General Fund. Expenses will be segregated by Department.

NOTES:

Expenses related to the financial investigation were not budgeted as they are assumed to be funded from reserve and impossible to estimate.

A portion of salary and benefits have been allocated to the Sewer Fund to represent time dedicated to the Sewer System.

These are preliminary numbers meant for Management Reporting purposes only. They are pending final bank reconciliations and other small adjustments.

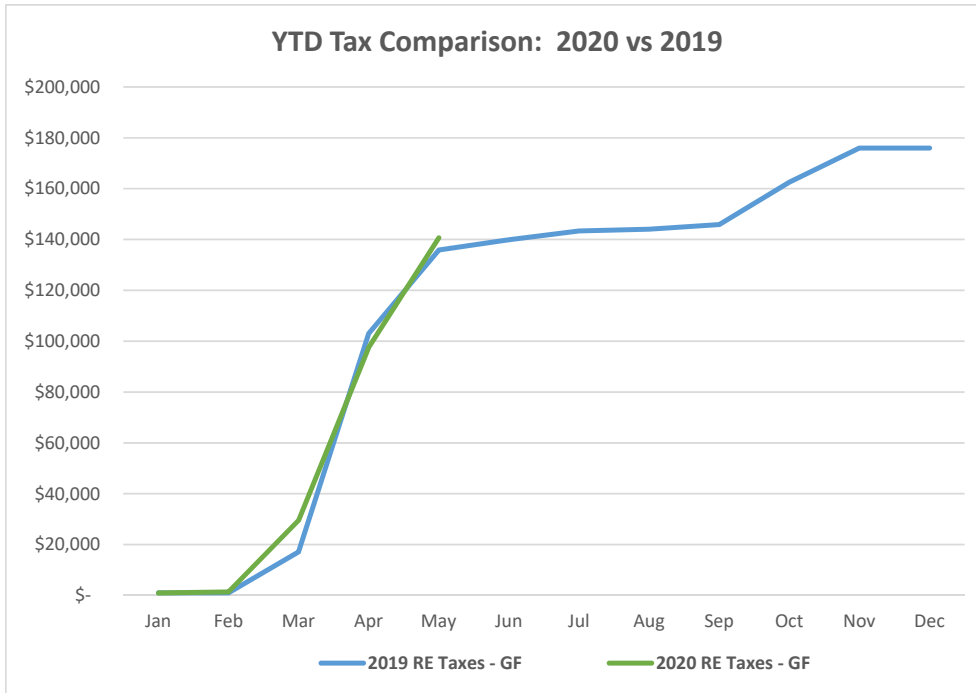
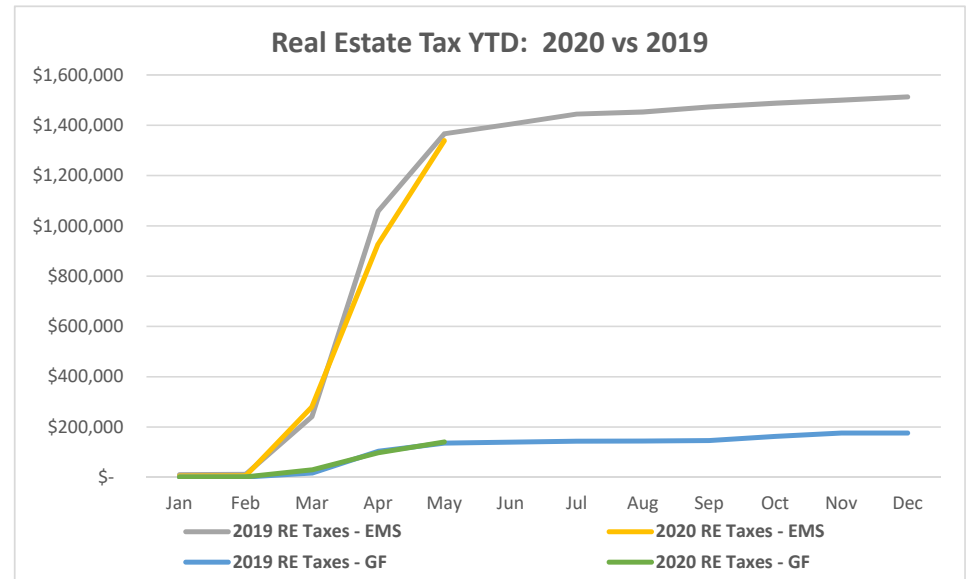
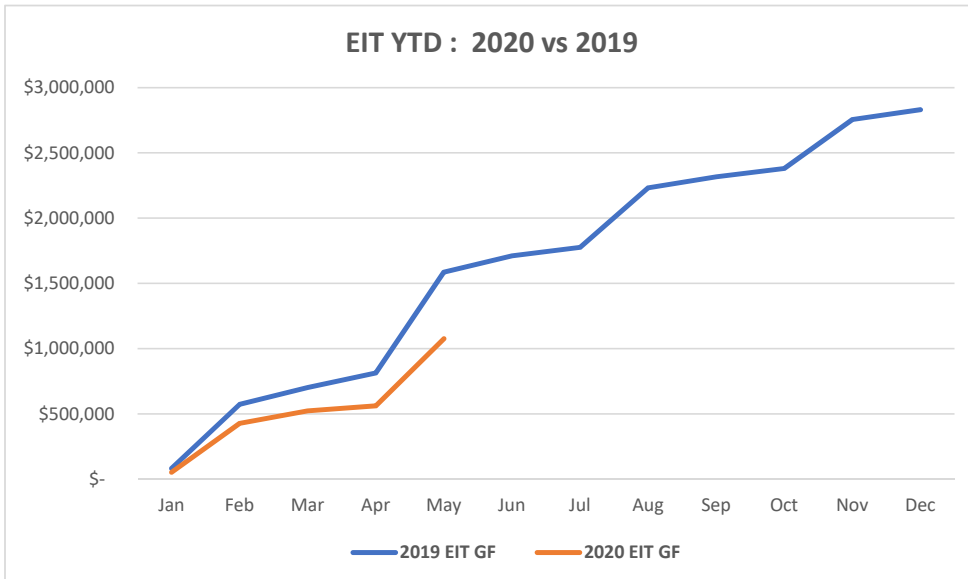
Kennett Township 2020 Financial Report
General Fund Revenue

| Type | Category 1 | Category 2 | GL Account | Account Title | 2020 Budget | 2020 YTD | |
|---------|-------------------------------|----------------------------|-------------------|-----------------------------|------------------------------|--------------|-----------|
| Revenue | Taxes | Earned Income Taxes | 310.211 | Earned Income Tax | \$ 2,824,000 | \$ 1,075,389 | |
| | | Real Estate Taxes | 301.111 | RE Taxes - General Millage | \$ 155,000 | \$ 140,668 | |
| | | | 301.125 | RE Taxes - EMS Millage | \$ 1,474,000 | \$ 1,338,703 | |
| | | | 301.201 | RE Taxes - Prior Year's | \$ - | \$ 19,604 | |
| | | | 301.601 | RE Taxes - Interim | \$ - | \$ - | |
| | | Real Estate Transfer Taxes | 310.112 | Real Estate Transfer Tax | \$ 330,000 | \$ 288,440 | |
| | Fees, Fines, Grants, Interest | Licenses and Permits | 321.470 | Street Light Fees | \$ 4,645 | \$ 4,869 | |
| | | | 321.800 | Cable Franchise Fee | \$ 140,000 | \$ 90,179 | |
| | | | 322.501 | Road Opening Permits | \$ - | \$ 250 | |
| | | | 362.410 | Building Permit Fees | \$ 377,525 | \$ 77,064 | |
| | | | 362.421 | Rental Registration Fees | \$ 3,800 | \$ 3,740 | |
| | | | 362.459 | Use & Occupancy Permit Fees | \$ 12,500 | \$ 3,995 | |
| | | | 362.469 | UCC Fees - Act 45 | \$ 900 | \$ 306 | |
| | | | 362.480 | Misc Zoning & Building Fees | \$ 82,835 | \$ 9,329 | |
| | | | Planning & Zoning | 361.301 | Land Dev/Subdivision Fees | \$ 38,700 | \$ 900 |
| | | | | 361.330 | Conditional Use Fees | \$ 7,869 | \$ 6,828 |
| | | | | 361.340 | Zoning Hearing Fees | \$ 4,500 | \$ 1,200 |
| | | | | 361.350 | Zoning Permits/Land Use Fees | \$ 17,400 | \$ 4,655 |
| | | | Fine & Penalties | 331.495 | Fine & Penalties | \$ 54,000 | \$ 971 |
| | | | Grants | 354.150 | Recycling Grant | \$ 51,500 | \$ - |
| | | | | 354.170 | State Grants | \$ - | \$ 23,054 |
| | | | | 356.011 | Public Utility Revenue | \$ 4,800 | \$ 9,986 |
| | | | | 356.041 | Liquor Licenses | \$ 400 | \$ 400 |
| | | | | 356.051 | State Pension Aid | \$ 133,133 | \$ - |
| | | | | 356.071 | Foreign Fire Insurance Act | \$ 73,094 | \$ - |
| | | | | 356.113 | Payments in Lieu of Taxes | \$ - | \$ - |
| | | | | 357.041 | Private Grant | \$ - | \$ 9,638 |
| | | | Interest | 341.510 | Interest Income | \$ 20,500 | \$ 17,060 |
| | | | Reimbursement | 361.320 | Engineering & Legal Reimb. | \$ - | \$ 10,391 |
| | | | | 362.183 | Overtime Reimbursement | \$ 15,000 | \$ 11,358 |

Kennett Township 2020 Financial Report
General Fund Revenue

| Type | Category 1 | Category 2 | GL Account | Account Title | 2020 Budget | 2020 YTD | |
|----------------------|---------------------------------|----------------------------------|---------------------------------|---------------------------------|-------------------------------|---------------------|-----------|
| Revenue | Fees, Fines, Grants, Interest | Reimbursement | 367.992 | Holiday Village Reimbursement | \$ 27,000 | \$ 9,236 | |
| | | | 391.991 | Insurance Reimbursement | \$ - | \$ 902 | |
| | | | 391.992 | Health Insurance Reimbursement | | \$ 17,176 | |
| | | | 395.992 | Worker's Comp. Insur. Reimb. | \$ - | \$ 2,972 | |
| | | | Other Income | 361.485 | Misc Income | \$ - | \$ - |
| | | | | 361.599 | Sale of Copies, Supplies | \$ - | \$ 690 |
| | | | | 362.481 | Misc Public Works Income | \$ - | \$ 448 |
| | | | | 362.483 | Misc Police Income | \$ 12,000 | \$ 8,192 |
| | | | | 395.994 | Refund of prior year expenses | \$ - | \$ - |
| | | | Unrealized Gain/Loss | 341.515 | Unrealized Gain/Loss | \$ - | \$ 38,293 |
| | Transfers in from other Funds | Transfer from Open Space Fund | 392.050 | Transfer from Open Space Fund | \$ - | \$ - | |
| | | Transfers from EMS | 392.091 | Transfer from EMS Fund | \$ - | \$ - | |
| | | Transfers from General Fund | 392.010 | Transfers from General Fund | | \$ - | |
| | | Transfers from Old Bank Accounts | 392.093 | Transfer from Old Bank Account | \$ - | \$ 5,616 | |
| | | Transfer(Reimb) from Sewer Fund | 392.080 | Transfer(Reimb) from Sewer Fund | \$ - | \$ 35,078 | |
| | | Transfer(Reimburse) from Escrow | 392.092 | Transfer(Reimburse) from Escrow | \$ - | \$ 17,264 | |
| | | Transfer(Reimb) from Library Fd | 392.094 | Transfer(Reimb) from Library Fd | \$ - | \$ 34,085 | |
| | Transfer(Reimb) from Open Space | 392.095 | Transfer(Reimb) from Open Space | | \$ 108 | | |
| Revenue Total | | | | | \$ 5,865,101 | \$ 3,319,036 | |

Tax Revenue: 2020 vs. 2019



- **EIT Revenue is lagging 2019 due to COVID-19**
 - -\$510K in General Fund through May
 - Starting to get better data for comparison & analysis
 - Final 2019 filing date extended to July 15
 - Primarily a timing impact but some may not have money to pay
 - Q1 2020 filing date extended to July 15
 - Timing and unemployment impact
 - Q2 2020 TBD if filing date will be extended
- **Real Estate Tax has seen little to no impact.**
- **Transfer Tax Revenue is ahead of 2019**

As of May 28, 2020

Kennett Township 2020 Financial Report
General Fund Expense Detail

| Department | Category 1 | GL Account | Account Title | Description | 2020 Budget | 2020 YTD |
|----------------|-----------------------------|------------|---------------------------------|---|-------------|-------------------|
| Administration | Salaries & Benefits | 400.105 | Salaries, Board of Supervisors | (blank) | \$ 7,500 | \$ 1,875 |
| | | 401.100 | Salaries, Office Staff | (blank) | \$ 498,000 | \$ 159,297 |
| | | 401.180 | Salaries, Overtime (Office) | Office staff overtime for BOS and Committee meetings, events, initiatives | \$ 15,000 | \$ 2,206 |
| | Maintenance & Operat | 401.210 | Office supplies, equip, furnit. | Office supplies, equipment, & accessories/furniture | \$ 15,500 | \$ 2,384 |
| | | 401.220 | General Expense (Admin) | Meetings, meals, holiday luncheon, employee picnic, misc | \$ 7,500 | \$ 1,525 |
| | | 401.311 | Auditing Services | Comprehensive audit; includes work to get to GASB compliant modified accrual accounting and an Annual Financial Report (best practice; conversion will take place over 2-3 years) | \$ 30,000 | \$ 7,000 |
| | | 401.342 | Printing & Advertising | Required Legal Advertisements, Newsletter | \$ 2,000 | \$ 1,027 |
| | | 401.390 | Bank Service Charges/Fees | (blank) | \$ 5,000 | \$ 3,555 |
| | | 401.420 | Dues & Subscriptions (Admin) | PA State Association of Township Supervisors (PSATS), Government Finance Officers Association (GFOA), Chester County Consortium of Managers (CCATO), Society of Human Resource Managers (SHRM), PA Municipal League (PML)/Public Employer Labor Relations Association Services (PELRAS), Assoc Of PA Municipal Managers (APMM), International City Managers Assoc (ICMA), International Public Management Association for Human Resources (IPMA), Pennsylvania Association of Notaries (PAN), Longwood Rotary Club, Audubon (bird town), Subscriptions, Chamber of Commerce | \$ 10,000 | \$ 2,788 |
| | | 401.460 | Training & Conferences (Admin) | Conferences & training held by PA State Association of Township Supervisors (PSATS) (BOS & Twp Mgr), Government Finance Officers Association (GFOA), PA Municipal League (PML)/Public Employer Labor Relations Association Services (PELRAS), International City Managers Assoc (ICMA) | \$ 15,000 | \$ (1,616) |
| | | 401.490 | Miscellaneous (Admin) | 2019 includes new hire expenses. | \$ 10,000 | \$ 730 |
| | | 401.531 | Payments to other Gov't bodies | Real Estate Taxes for parcels not yet exempt. | \$ 20,000 | \$ 1,241 |
| | Contracted/ Professor | 401.314 | Legal Services (Admin) | (blank) | \$ 30,000 | \$ 23,873 |
| | | 401.450 | Contracted Services (Admin) | Budget was only Umbrite staffing supplementation to enable proper segregation of duties & HR consulting for new policies & proceedings. Actuals include temp staff given staff turnover; offset by lower salaries. | \$ 25,000 | \$ 21,068 |
| | Administration Total | | | | | \$ 690,500 |

Kennett Township 2020 Financial Report
General Fund Expense Detail

| Department | Category 1 | GL Account | Account Title | Description | 2020 Budget | 2020 YTD |
|----------------------------------|--------------------------|-----------------------------|--|--|-------------------|------------------|
| Planning and Zoning | Salaries & Benefits | 414.100 | Salaries (P&Z) | (blank) | \$ 188,000 | \$ 54,928 |
| | | 414.117 | Salaries, Planning Commission | \$1650 per quarter for members | \$ 6,600 | \$ 1,650 |
| | | 414.180 | Salaries, Overtime (P&Z) | (blank) | \$ - | \$ 819 |
| | Maintenance & Operations | 414.220 | General Expense (P&Z) | Permit system, membership dues, DCED fee, conference travel | \$ 22,000 | \$ 3,245 |
| | | 414.240 | Act 45 Fees | State required; offset 100% by Revenue | \$ 760 | \$ - |
| | | 414.307 | Building Permit Reviews | Keystone Municipal Serv: Budget was only for Commercial rev | \$ 10,000 | \$ 13,509 |
| | | 414.308 | Conditional Use Hearing Exp | (blank) | | \$ - |
| | | 414.309 | Zoning Hearing Board | \$7.5K in Legal Ads, remainder consultants (Harvey, Hagerty, Sage & Unruh Turner Burke & Frees) | \$ 15,500 | \$ 8,822 |
| | | 414.454 | Planning Grant Expenses | Zoning ordinance project (\$19K match total. Grant is funding | \$ 5,000 | \$ 4,764 |
| Contracted/ Professional | 414.314 | Legal Services (P&Z) | Usually for Conditional Use. 100% covered by Conditional Use fee included in Revenue | \$ 8,000 | \$ - | |
| Planning and Zoning Total | | | | | \$ 255,860 | \$ 87,736 |
| Police Department | Salaries & Benefits | 410.100 | Salaries, Police | (blank) | \$ 865,000 | \$ 337,551 |
| | | 410.180 | Salaries, Overtime (Police) | For 2020, will separate reimbursable overtime (grants/hired services) vs. regular OT needs. Was combined in 2019. | \$ 20,000 | \$ 18,112 |
| | | 410.183 | Salaries, Overtime Reimbursable | Hard to estimate but offset by revenue | \$ 15,000 | \$ - |
| | | 410.191 | Uniform Maintenance (Police) | Per CBA | \$ 3,000 | \$ - |
| | | 410.192 | Social Security & Medi (Police) | SS 6.2%; Medicare 1.45% of salaries | \$ 71,528 | \$ - |
| | | 410.194 | Unemployment Taxes (Police) | (blank) | \$ - | \$ - |
| | | 410.196 | Medical & Dental Insur (Police) | Budget didn't split out Police from others. Actuals show split. | \$ - | \$ 41,838 |
| | | 410.197 | Employee Pension Plan (Police) | Minimum Municipal Obligation (MMO) paid in Fall | \$ 83,611 | \$ - |
| | | 410.198 | Life, Disability, H&L Insurance | Life and Disability (\$9.2K). Heart & Lung (\$5K) | \$ 14,200 | \$ 2,967 |
| | | 410.199 | Employee Savings Plan (Police) | Max of 3% salary match | \$ 27,000 | \$ - |
| | | 410.354 | Worker's Comp. Insur. (Police) | Currently not split out for Police only. | \$ - | \$ - |
| | | 410.460 | Training & Conferences (Police) | Training, travel and dues | \$ 8,000 | \$ 260 |
| | | 410.461 | Tuition Reimbursement (Police) | Benefit provided via CBA. Currently only one officer utilizing. | \$ 10,000 | \$ - |
| | Maintenance & Operations | 410.210 | Office Supplies (Police) | Combined office supplies and printing. | \$ 1,750 | \$ 227 |
| | | 410.213 | Police Equipment | Includes all Police Equipment replacement, ammunition and bullet proof Vests (vest cost to township after grant; includes replacement every 5 years and new hire for 2020) | \$ 7,000 | \$ 988 |
| | 410.214 | Ammunition & Range Supplies | Included in Police Equipment. May split out in future. | \$ - | \$ - | |

Kennett Township 2020 Financial Report
General Fund Expense Detail

| Department | Category 1 | GL Account | Account Title | Description | 2020 Budget | 2020 YTD |
|--------------------------------|-----------------------------------|---------------------------------|--|--|---------------------|-------------------|
| Police Department | Maintenance & Operations | 410.220 | General Expense (Police) | Gym reimbursement per CBA; Bank Fees; Misc (to be further reviewed). | \$ 20,000 | \$ 180 |
| | | 410.238 | Uniforms (Police) | Includes replacements and new hire uniforms. | \$ 2,000 | \$ 77 |
| | 410.241 | Gasoline | Estimate. Actuals currently included with Garage Util. | \$ 19,000 | \$ - | |
| | 410.324 | Cell Phone Expense | Per CBA | \$ 6,240 | \$ 2,470 | |
| | 410.374 | Vehicle Maintenance & Repair | (blank) | \$ 10,000 | \$ 3,698 | |
| | 410.420 | Dues & Subscriptions (Police) | Not currently split out | \$ - | \$ 323 | |
| | 410.531 | Payments to other Gov't(Police) | Chester County SWOT (Emergency Response Team (ERT)) (\$2.5K) | \$ 2,500 | \$ 2,500 | |
| | Community & Econom | 410.247 | Community Policing | Community involvement events/supplies | \$ 1,000 | \$ - |
| | Contracted/ Professional Services | 410.314 | Legal Services (Police) | Actuals include Legal Expense from Personnel situation. | \$ 2,000 | \$ 81,819 |
| | | 410.450 | Contracted Services (Police) | Leases including maintenance & repair for car cameras (\$7.9K), body cameras (\$8.7K) & taisrs (\$3.6K); Speed device calibration, certification, maintenance (\$1.2K), GPS tracking (\$1.5K), printers (\$3K), toxicology services (\$5K), SPCA for animal issues (\$1K). | \$ 32,000 | \$ 13,557 |
| | 410.452 | IT Services (Police) | All Covered (\$1281/mth); Microsoft office suite, email, other applications (\$3000); Intelligence/Research databases (Lexis Nexis \$1.8K & Magloclen \$400); Cody (\$6.3K); Scheduling system (\$350); Allocation of new GL costs (\$13K) | \$ 40,000 | \$ 10,179 | |
| | 410.740 | Veh-Equip Police(to capitalize) | Holding off on replacing vehicle to conserve spending. We ha | \$ - | \$ - | |
| Police Department Total | | | | | \$ 1,260,829 | \$ 516,744 |
| Fire Department | Salaries & Benefits | 411.115 | Salaries, Fire Marshall - PT | \$496 per pay period. | \$ 13,000 | \$ 5,456 |
| | Maintenance & Oper | 411.448 | Hydrant Fees | 114 currently. Assume adding 10 for new development. \$436 per hydrant per year | \$ 54,018 | \$ 21,780 |
| | | 411.532 | Certificate of Occupancy | (blank) | | \$ - |
| | | 411.548 | EMS Commission Funding | Fire & Ambulance Funding locked in by contract | \$ 470,000 | \$ 117,500 |
| | | 411.550 | Misc. Contributions | (blank) | \$ 300 | \$ - |
| | | 411.190 | Medical Expenses (Reimb. Insur) | (blank) | | \$ 450 |
| | | 411.210 | COVID-19 Supplies | (blank) | | \$ 1,521 |
| | | Grant Pass-through | | | \$ 73,094 | \$ - |
| Fire Department Total | | | | | \$ 610,412 | \$ 146,707 |
| Public Works | Salaries & Benefits | 430.100 | Salaries, Public Works | Public works, including MS4 part-timer. 10% of PW salary is allocated to Sewer. | \$ 398,000 | \$ 159,694 |
| | | 430.180 | Salaries, Overtime (PW) | 2019 annualized | \$ 51,000 | \$ 6,984 |
| | Maintenance & Opera | 430.246 | Supplies, Signs | (blank) | \$ 10,000 | \$ 1,793 |

Kennett Township 2020 Financial Report
General Fund Expense Detail

| Department | Category 1 | GL Account | Account Title | Description | 2020 Budget | 2020 YTD | |
|---------------------------------------|-------------------------------------|--|---|---|---|-------------------|----------|
| Public Works | Maintenance & Operations | 430.280 | Road Maintenance Materials | Currently broken down in detail as shown below. | \$ - | \$ - | |
| | | 430.281 | Stone | (blank) | \$ 15,000 | \$ 1,396 | |
| | | 430.282 | Skin Patching | (blank) | \$ 28,000 | \$ - | |
| | | 430.283 | Skin Patching Oil | (blank) | \$ 10,000 | \$ 1,065 | |
| | | 430.284 | Black Top | (blank) | \$ 15,000 | \$ 1,067 | |
| | | 430.285 | Drainage Materials | (blank) | \$ 10,000 | \$ - | |
| | | 430.286 | Line Painting | (blank) | \$ 30,000 | \$ - | |
| | | 430.287 | Oil & Chip | Holding off on Oil & Chip with Slurry Seal combo to contain costs. (New method that we want to test as residents do not like Oil & Chip.) | \$ - | \$ - | |
| | | 430.288 | Slurry Seal | (blank) | \$ - | \$ - | |
| | | 430.289 | Bridges | (blank) | \$ - | \$ - | |
| | | 430.290 | Snow & Ice Control Supplies | (blank) | \$ 80,000 | \$ 19,631 | |
| | | 430.360 | Electric, Street Lights | (blank) | \$ 4,000 | \$ 1,141 | |
| | | 430.368 | PA One Call | (blank) | \$ 1,000 | \$ 305 | |
| | | 430.369 | Household Hazardous Waste Disp | (blank) | \$ 3,000 | \$ - | |
| | | 430.374 | Maintenance, Traffic Signals | (blank) | \$ 12,500 | \$ 1,512 | |
| | | 430.490 | Miscellaneous (PW) | Not currently split out | \$ - | \$ (351) | |
| | | Contracted/ Professional Services | 430.450 | Contracted Services (PW) | 2019 includes some paving which will all be in capital fund next year. Remaining budget is for street sweeping and tree work. | \$ 15,000 | \$ 2,973 |
| Transfers for Capital Expenses | 430.705 | Trns to Capital (Paving) | To pay a portion of Road reconstruction/paving not covered by | \$ 109,000 | \$ - | | |
| Public Works Total | | | | | \$ 791,500 | \$ 197,208 | |
| Public Works Building | Maintenance & Operations | 409.213 | Small Equipment (PW Bldg) | Small equipment replacement for daily operations/tasks. | \$ 8,000 | \$ 868 | |
| | | 409.220 | General Expense (PW) | Split out below in Maintenance Supplies, Repair/Maintenance & Contracted Services | \$ - | \$ 192 | |
| | | 409.250 | Maintenance Supplies (PW Bldg) | General Bldg Expense, Garage Supplies and Uniforms. Conserve where possible. | \$ 20,000 | \$ 6,594 | |
| | | 409.360 | Utilities (PW Bldg) | Garage utilities with rough split of gas for Police vehicles moved to Police. | \$ 41,000 | \$ 12,809 | |
| | | 409.370 | Repair & Maintenance (PW Bldg) | Building and vehicle repair | \$ 60,000 | \$ 3,540 | |
| | | Contracted/ Professional Services | 409.450 | Contracted Services (PW Bldg) | Trash service, GPS Tracking | \$ 7,000 | \$ 1,442 |
| | | Transfers for Capital Expenses | 409.740 | Veh-Equip PW (to capitalize) | No capitalized items for the Twp Building for 2020 | \$ - | \$ - |
| Public Works Building Total | | | | | \$ 136,000 | \$ 25,445 | |
| Township Building | Maintenance & Operations | 406.213 | Small Equipment (Twp Bldg) | Not currently split out. | \$ - | \$ - | |
| | | 406.220 | General Expense (Twp Building) | Split out primarily in Repair/Maintenance & Contracted Services | \$ - | \$ 333 | |
| | | 406.250 | Maintenance Supplies (Twp Bldg) | Not currently split out. | \$ - | \$ - | |

Kennett Township 2020 Financial Report
General Fund Expense Detail

| Department | Category 1 | GL Account | Account Title | Description | 2020 Budget | 2020 YTD |
|--------------------------------|-----------------------|------------|---------------------------------|--|-------------------|-------------------|
| Township Building | Maintenance & Oper | 406.360 | Utilities (Twp Bldg) | Utilities: Electric \$18K, Oil \$7.5K, Verizon \$2.3K, Phone system \$6.2K, Cell phones \$6K | \$ 34,000 | \$ 16,232 |
| | | 406.361 | Utilities (The Pines) | (blank) | | \$ 1,486 |
| | | 406.370 | Repair & Maintenance (Twp Bldg) | Typical repairs and maintenance for daily operations. | \$ 15,000 | \$ 1,211 |
| | Contracted/ Professio | 406.450 | Contracted Services (Twp Bldg) | Lawn/landscaping (\$31.5K), office equipment leases (\$12K), cleaning service (\$12K), building repair/maintenance/painting (\$10K), bldg security system (\$4.4K), elevator inspec/maint (\$4K), pest control (\$1.5K), window cleaning (\$1.1K), carpet cleaning (\$1K), generator (\$1K), misc (\$2K). Video maintenance every 3 yrs. | \$ 81,000 | \$ 12,405 |
| Township Building Total | | | | | \$ 130,000 | \$ 31,667 |
| Employee Benefits | Salaries & Benefits | 487.191 | Uniform Maintenance (PW) | Included in general expenses above. | \$ - | \$ - |
| | | 487.192 | Social Security & Medicare | SS 6.2%; Medicare 1.45% of salaries | \$ 85,000 | \$ 58,916 |
| | | 487.194 | Unemployment Taxes | (blank) | \$ 6,800 | \$ 9,225 |
| | | 487.196 | Medical & Dental Insurance | (blank) | \$ 284,000 | \$ 100,705 |
| | | 487.197 | Employee Pension Plan | Munimum Municipal Obligation - Non-Uniform | \$ 164,454 | \$ - |
| | | 487.198 | Life & Disability Insurance | (blank) | \$ 3,000 | \$ 937 |
| | | 487.199 | Employee Savings Plan | 457b retirement plan, max of 3% salary match. 2020 Actuals include \$13.6K for 2019 contributions paid in 2020. | \$ 34,000 | \$ 34,079 |
| | | 487.190 | Post Employment Medical (COBRA) | Reimbursed by COBRA participant. We are required to offer COBRA to former e | \$ - | \$ 3,345 |
| Employee Benefits Total | | | | | \$ 577,254 | \$ 207,207 |
| Tax Collection | Contracted/ Professio | 403.450 | Contracted Services - EIT | Net out of revenue currently. May split out in future | \$ - | \$ - |
| | | 403.451 | Contracted Services - RE Taxes | (blank) | \$ 3,500 | \$ 2,897 |
| | | 403.490 | Miscellaneous (Tax) | (blank) | \$ - | \$ - |
| Tax Collection Total | | | | | \$ 3,500 | \$ 2,897 |
| Insurance | Maintenance & Opera | 409.415 | Expenses (Reimburs. by Insur) | (blank) | \$ - | \$ - |
| | | 486.351 | Property & Liability Insurance | (blank) | \$ 83,000 | \$ 86,732 |
| | | 486.353 | Bonds | (blank) | \$ 11,000 | \$ 3,030 |
| | | 486.354 | Worker's Comp. Insur. (General) | (blank) | \$ 100,000 | \$ 18,369 |
| Insurance Total | | | | | \$ 194,000 | \$ 108,131 |
| Engineering | Contracted/ Professio | 408.310 | Engineering Services - General | Includes typical consultation on General Fund operational matters plus projects. Specifically, \$11.2K for Cedarcroft/Rt 1/82 crosswalk design. | \$ 91,200 | \$ 2,727 |
| | | 408.312 | Engineering Services - MS4 | \$50K Total Max Daily Load projects required by MS4 (Anson B. Nixon); AECOM (\$85K for basin project); Project to create Storm Water Utility (\$40K) | \$ 175,000 | \$ 39,843 |

Kennett Township 2020 Financial Report
General Fund Expense Detail

| Department | Category 1 | GL Account | Account Title | Description | 2020 Budget | 2020 YTD |
|-------------------------------------|-----------------------|------------|---------------------------------|--|-------------------|------------------|
| Engineering | Contracted/ Professor | 408.313 | Planning Serv & Landscape Arch | Minimize new efforts. Utilize new staff member | \$ 20,000 | \$ 2,476 |
| | | 408.315 | Engineering Serv -Grant Writing | DELTA (\$8K in payments from prior grants, \$15K for new 5 Points grant, \$15K Magnolia trail grant request. Plus \$9.5K in Sewer. | \$ 30,000 | \$ 3,000 |
| | | 408.316 | Engineering Serv -Traffic | None expected in 2020. If any are required on behalf of development projects, they will be reimbursable. | \$ - | \$ - |
| | | 408.317 | Trail Consultant | Magnolia trail design | \$ 15,000 | \$ - |
| | | 408.318 | Billable Consultants | Not a budgeted item. If any are required on behalf of development projects, they will be reimbursable or from Escrow. | \$ - | \$ - |
| | | 408.454 | Engineering Grant Exp (Match) | Part of Grant Match budgeted under 492.701. | | \$ 2,787 |
| Engineering Total | | | | | \$ 331,200 | \$ 50,834 |
| Information Technology | Contracted/ Professio | 407.452 | IT Services (General) | All Covered (\$1281/month (EMS pays equal amount)), Microsoft office suite, email, other applications (\$7000), Website (\$3200), Gov Office (\$950 hosting), Laserfiche doc mgmt (\$1400); Computers/equipment (\$2K); Payroll system & services (\$3K), Conf line (\$200), \$30K IT projects (new GL/reporting/grant management implementation \$30K & 1st yr license \$23K (of which \$13K allocated to each of sewer & Police) | \$ 60,000 | \$ 15,183 |
| | | 407.21 | IT Supplies & Equipment | Shares IT Services (General) budget but chose to break it out after budget was set | \$ - | \$ 175 |
| Information Technology Total | | | | | \$ 60,000 | \$ 15,357 |
| Contributions | Community & Econom | 459.520 | Kennett Area Senior Center | Quarterly contribution | \$ 2,500 | \$ - |
| | | 459.521 | Historic Kennett Square | Annual \$20K | \$ 20,000 | \$ 20,000 |
| | | 459.522 | Mushroom Festival | \$10K per year. | \$ 5,000 | \$ - |
| | | 459.523 | Brandywine Red Clay Alliance | Annual contribution | \$ 1,000 | \$ - |
| | | 459.524 | Kennett Flash | Annual contribution | \$ 1,000 | \$ - |
| | | 459.525 | SCCOOT transportation service | Requesting that local gov't for municipalities it serves donate \$27K, which results in a small increase for Kennett. | \$ 2,000 | \$ 2,000 |
| | | 459.526 | Holiday Village (Reimbursable) | 100% reimbursement hits revenue. | \$ 27,000 | \$ - |
| | | 459.527 | Library Scholarship Program | Annual contribution to Library scholarship program. | \$ 1,500 | \$ - |
| | | 459.528 | Rt 52 Bikepath | Assuming nothing for 2020 | \$ - | \$ - |
| Contributions Total | | | | | \$ 60,000 | \$ 22,000 |
| Community Development | Community & Econon | 460.540 | Brandywine Vly Scenic Byway Com | Annual contribution to commission; 5 townships all contribute | \$ 500 | \$ 500 |
| | | 460.541 | Road Beautification | (blank) | \$ - | \$ - |

Kennett Township 2020 Financial Report
General Fund Expense Detail

| Department | Category 1 | GL Account | Account Title | Description | 2020 Budget | 2020 YTD |
|------------------------------------|----------------------------------|------------|---------------------------------|--|-------------------|------------------|
| Community Development | Community & Econon | 460.542 | Environmental Advisory Committ. | \$2.5K for Brandywine Conservancy to update the Woodland Classification and Forest Interior Map. \$500 misc funds for a combination of Garden Way supplies (mulch, fertilizer, etc.). | \$ 3,000 | \$ - |
| | | 460.543 | Land Conservancy AdvisoryCounc. | No generic committee money. Special projects would hit specific line items | \$ - | \$ - |
| | | 460.544 | Trails and Sidewalk Committee | No generic committee money. Special projects would hit specific line items/open space | \$ - | \$ - |
| | | 460.545 | Historic Commission | Commission request (\$1.2K for dues, programs, market at the Pines); Brandywine Battlefield grant match (\$2K). Hold on Isaac Allen house (\$6.4K) to conserve spending. | \$ 3,200 | \$ 2 |
| | | 460.546 | Township Events | No office hours for 2020. | \$ - | \$ - |
| | | 460.547 | Land Stewardship Program | Current initiatives total \$24.2K: Barkingfield Park maintenance (\$7.2K); Land Stewardship coordinator (\$15K); Understanding Woodlands TLC program (\$1K); CBLS speaker series (\$1K) New Initiatives: Stewardship plans for Spar Hill/municipal protected land (\$11.25K). All others on hold to conserve costs. 2019 budget of \$33K included in Sustainable Dev line item. Some of these costs may be able to go to Open Space. | \$ 35,450 | \$ 5,000 |
| Community Development Total | | | | | \$ 42,150 | \$ 5,502 |
| Economic Development | Community & Economic Development | 463.453 | Grant Management | 2019 includes some fees for Sustainable Dev Director, which will be moved to Sustainable Dev line item for 2020. | \$ - | \$ - |
| | | 463.454 | Grant Expenses (Match) | \$10.5K LRK Econ Dev Ordinance Project (this is the match to a grant that is funding \$59K.) | \$ 10,500 | \$ - |
| | | 463.456 | Economic Development Office | \$50K Economic Dev salary contribution via Historic Kennett Sq (Contract through 2020) | \$ 50,000 | \$ 25,000 |
| | | 463.457 | Sustainable Development Office | \$80K to focus on Indoor Agriculture. Other efforts on hold to conserve costs. | \$ 80,000 | \$ - |
| Economic Development Total | | | | | \$ 140,500 | \$ 25,000 |
| Refund of Prior Year Revenue | Maintenance & Operat | 491.491 | Refund of Prior Year Revenue | (blank) | \$ - | \$ 496 |

Kennett Township 2020 Financial Report
General Fund Expense Detail

| Department | Category 1 | GL Account | Account Title | Description | 2020 Budget | 2020 YTD |
|---|---------------------------------|------------|--|--|---------------------|---------------------|
| Refund of Prior Year Revenue Total | | | | | \$ - | \$ 496 |
| Interfund Transfers | Transfers | | | | \$ - | \$ 5,616 |
| | Transfers for Capital Ex | 492.700 | Trns to Capital (Trail GrtMtch) | (blank) | \$ - | \$ 233,638 |
| | | 492.702 | Trns to Capital (Trail GrtMtch) | \$903K match. Assume \$603K from Open Space | \$ 300,000 | \$ - |
| | | 492.701 | Trns to Capital (Rt82/1/Ccroft) | Rt 82/Rt 1/Cedarcroft match | \$ 61,000 | \$ - |
| | | 492.703 | Trns to Capital (TrafficSignal) | Match for Green Light Go Traffic Signal Grant | \$ 65,000 | \$ - |
| | | 492.704 | Trns to Capital (Library Cap) | Library requested donation for construction of the new library | \$ 117,000 | \$ - |
| Interfund Transfers Total | | | | | \$ 543,000 | \$ 239,254 |
| Investigation/Fraud Expenses | Investigation | 482.308 | Professional Services | (blank) | \$ - | \$ 5,770 |
| | | 482.411 | Reconciliation Discrepancies | (blank) | \$ - | \$ - |
| | | 482.412 | Unexplained Missing checks | (blank) | \$ - | \$ - |
| | | 482.413 | Overpayment Via Payroll | (blank) | \$ - | \$ - |
| | | 482.414 | Unrealized Loss | (blank) | \$ - | \$ - |
| | | 482.416 | Penalties (Fraud) | (blank) | \$ - | \$ 2,111 |
| | | 482.450 | Contracted Services (Investig.) | (blank) | \$ - | \$ 172,998 |
| | | 482.490 | Miscellaneous (Investig.) | Fund from reserve | \$ - | \$ 3,043 |
| | | 482.492 | Poor Management Clean-up | (blank) | \$ - | \$ 627 |
| | | ADD | Suspected Fraud Txn | (blank) | | \$ - |
| Investigation/Fraud Expenses Total | | | | | \$ - | \$ 184,549 |
| Grand Total | | | | | \$ 5,826,705 | \$ 2,093,689 |

**Kennett Township 2020 Financial Report
Balances by Fund***

| As of May 28th, 2020 | | |
|-----------------------------|-----------|------------------|
| General Fund** | \$ | 3,843,660 |
| Open Space | \$ | 528,743 |
| Sewer Fund | \$ | 237,470 |
| Library | \$ | 112,336 |
| Traffic Impact Fee | \$ | 63,030 |
| Fee in Lieu | \$ | 43,574 |
| Liquid Fuels | \$ | 28,173 |
| Capital Fund | \$ | 4,563 |
| Grand Total | \$ | 4,861,547 |

* Balances shown are estimated Fund Balances with some immaterial simplifying assumptions due to QuickBooks challenges with Fund Accounting

**Including EMS and Reserve

These are preliminary numbers meant for Management Reporting purposes only. They are pending final bank reconciliations and other small adjustments.