

Major Revenue Sources - Covid-19 Impact

Revenue Source	2020 Budget	Revenues @ 7-31-20	Notes	2021 Forecast	
Real Estate Tax	13,460,305	12,823,076	95.3%	Should have little impact. We are slightly below % collection rate of prior years because the payment due date was delayed from 4/30/20 to 7/31/20.	
Earned Income Tax	8,175,000	4,399,437	53.8%	Slightly lower than expected returns YTD. Receipts to date are mostly for 4th quarter 2019 and 1st quarter 2020. 2019 final and 2020 1st quarter return due dates were delayed from 4-15-20 to 7-15-20. We will see a decrease for 2nd and 3rd quarters. A 15% reduction in these quarters would reduce revenues in 2020 by \$650,000. April unemployment rate for UDT is 11.4%	We will have a better forecast for 2021 as year progresses
Real Estate Transfer Tax	1,000,000	724,826	72.5%	Above budget through May mostly due to sale of The Woods and ADP. We should be at or above budget at year end.	Housing market has not slowed down but will be monitored to see if lower revenues should be expected
Local Services Tax	1,000,000	483,729	48.4%	Currently slightly below 2019 collection rate at same time. A 15% reduction similar to EIT for second half in the year would reduce revenues by \$75,000	We will have a better forecast for 2021 as year progresses
Building Permits	1,211,000	622,047	51.4%	With resumption of commercial and residential construction in May, we should not see a significant reduction in this revenue source. Permit activity is extremely high. Will continue to monitor	As Mattison and Enclave move ahead, impact should be minimal
Liquid Fuels Tax	829,716	831,901	100.3%	Received for 2020	Allocation is funded from fuel usage tax so we should expect a decrease in 2021 of up to 20%. We will receive an estimate from the state prior to 2021 budget
Pension State Aid	867,004	-	0.0%	This should not be materially impacted. Funds are received in September	Formula for state aid is based on number of FT employees. Lay-offs and/or furloughs would reduce the amount of aid.
Recreation Programming	651,527	143,086	22.0%	Cancellation of programs will reduce both revenues and expenses resulting in slight loss of net income	
Interest Earnings (other than CRF)	190,000	58,734	30.9%	Interest earning totaled about \$225,000 in 2019. I reduced the 2020 estimate since rates were beginning to lower at the end of last year. Short term rates are now close to zero. A projection of \$100,000 is reasonable for 2020 though it could be slightly lower.	
Potential Loss in Revenues - 2020	815,000				

Budget Analysis - Covid-19 Impact

Expenditures	2020 Budget	2020 Estimate	Savings	Notes
Snow Removal	255,000	75,000	180,000	There will be a real savings of between \$150,000 and \$200,000 in 2020
Aetna Medical Premium	2,521,805	2,390,000	131,805	Estimated savings of \$130,000 due to change in prescription plan co-pays. The lower costs were not included in the 2020 budget since the agreement was not finalized until very late in 2019.
Old library Reconfiguration	1,000,000	-	1,000,000	This project can be deferred and the \$1million can be returned to the operating budget. Funds can be borrowed at a future date to finance this project
Conference Attendance/Training	32,000	16,000	16,000	Many training opportunities cancelled this year.
Cancellation of Winterfest	25,000	-	25,000	Deferred until 2021
Deferral of Budgeted Part Time New Hires in Library	100,000	-	100,000	Will be deferred until 2021
Deferral of Budgeted New Foreman Position in P&R	51,000	25,000	26,000	If deferred until October 2020
Open Full Time Positions			290,000	If 3 Police Officers, Sanitation Laborer and Highway Operator positions remain open through the end of 2020
Furloughed Employee Pay			130,000	
Potential Expenditure Savings			<u>1,898,805</u>	

**UPPER DUBLIN TOWNSHIP
COMPARISON OF MAJOR OPERATING REVENUES AND EXPENDITURES AT 7/31**

2020

2019

2018

Major Revenues Sources	TOTAL @ 7/31/20	% OF BUDGET	TOTAL @ 7/31/19	% OF BUDGET	TOTAL @ 7/31/18	% OF BUDGET
Real Estate Taxes	12,823,075	95.3%	13,006,844	98.2%	12,667,857	97.4%
Earned Income Taxes	4,399,447	53.8%	4,653,586	58.7%	4,452,597	57.1%
Licenses & Permits	915,136	50.5%	2,243,336	123.9%	1,082,744	59.9%
Real Estate Transfer Taxes	724,826	72.5%	605,997	71.3%	471,167	62.8%
Local Services Taxes	483,729	48.4%	507,491	53.4%	504,077	54.2%
Rents	191,912	86.9%	92,966	58.5%	84,318	53.1%
Charges for Services	478,601	37.3%	825,801	72.1%	767,848	67.7%
TOTAL REVENUES	20,016,726	74.3%	21,936,021	84.1%	20,030,608	78.3%
Department Expenditures	TOTAL @ 7/31/20	% OF BUDGET	TOTAL @ 7/31/19	% OF BUDGET	TOTAL @ 7/31/18	% OF BUDGET
Boards & Commissions	22,268	36.6%	23,097	36.9%	27,442	42.1%
Administration	799,647	57.6%	872,339	66.9%	750,235	59.0%
Finance & Tax Collection	329,422	55.2%	334,299	57.3%	343,171	60.0%
Township Building Maintenance	238,534	40.8%	254,607	58.6%	260,226	65.8%
Police	4,414,736	54.5%	4,344,237	56.1%	4,400,484	57.3%
Code Enforcement/Fire Marshal	657,904	54.5%	641,893	58.9%	598,077	57.2%
Sanitation	1,375,118	52.7%	1,446,484	58.0%	1,398,706	59.0%
Public Works/Engineering	1,664,498	38.8%	2,275,894	53.7%	2,034,066	49.3%
Parks and Recreation	954,661	36.8%	1,395,676	59.1%	1,365,518	61.1%
Library	560,499	39.5%	646,686	49.9%	662,203	54.9%
TOTAL EXPENDITURES	9,502,127	50.5%	10,192,850	56.8%	9,812,407	56.0%

Employment Data from the Bureau of Labor Statistics (not seasonally adjusted)

	June, 2020*	May, 2020	April, 2020	March, 2020	February, 2020	January, 2020	March, 2019
	Unemployment Rate						
Pennsylvania	13.1%	13.2%	15.6%	5.9%	5.1%	5.1%	4.3%
Philadelphia MSA	14.0%	13.7%	14.8%	5.0%	4.5%	4.6%	3.9%
Montgomery County	11.8%	11.7%	13.6%	4.5%	3.9%	3.9%	3.4%
Abington Twp	12.4%	12.2%	14.4%	4.6%	4.0%	4.2%	3.5%
Cheltenham Twp	11.5%	10.9%	11.7%	4.5%	3.8%	3.9%	3.4%
Horsham Twp	11.9%	11.9%	14.1%	4.1%	3.6%	3.6%	3.3%
Lower Merion Twp	8.0%	7.8%	8.6%	3.5%	3.1%	3.2%	2.4%
Lower Providence	11.5%	11.2%	12.8%	4.6%	4.0%	4.1%	3.3%
Montgomery Twp	11.0%	11.1%	12.5%	3.9%	3.3%	3.4%	2.8%
Norristown Muni	15.1%	14.4%	15.1%	6.3%	5.8%	5.6%	4.5%
Upper Dublin Twp	9.9%	10.0%	11.7%	3.5%	3.3%	3.3%	2.9%
Upper Merion Twp	11.2%	11.1%	12.0%	3.8%	3.2%	3.3%	2.9%
Upper Moreland Twp	13.7%	14.0%	16.6%	5.3%	4.6%	4.4%	3.6%

Available Information



University of Pittsburgh

Center for Metropolitan Studies
Graduate School of Public and International Affairs

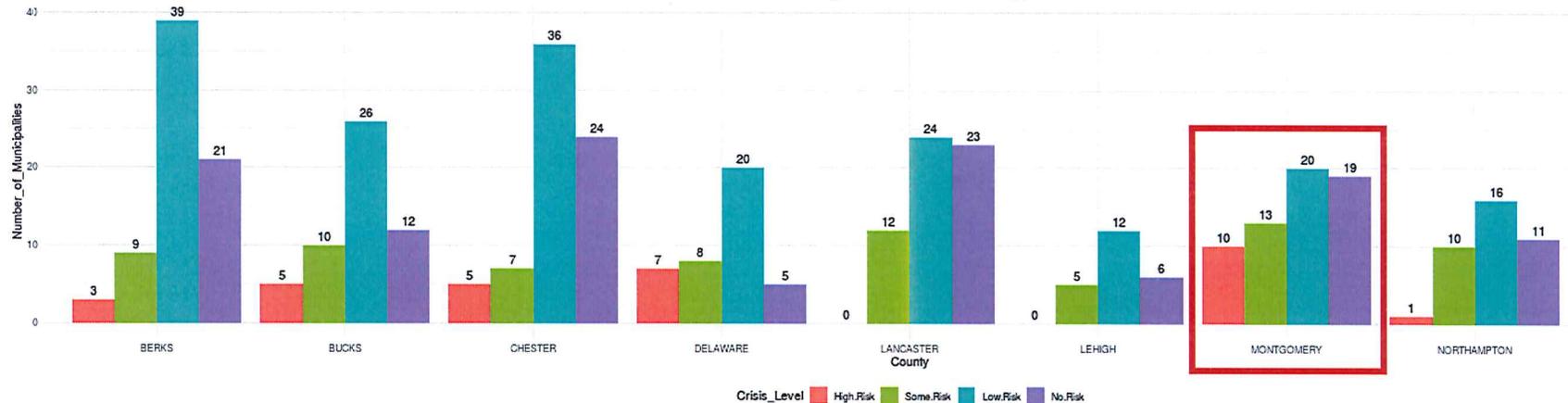
2020 Municipal Revenue Losses

Municipal Revenue Losses by County

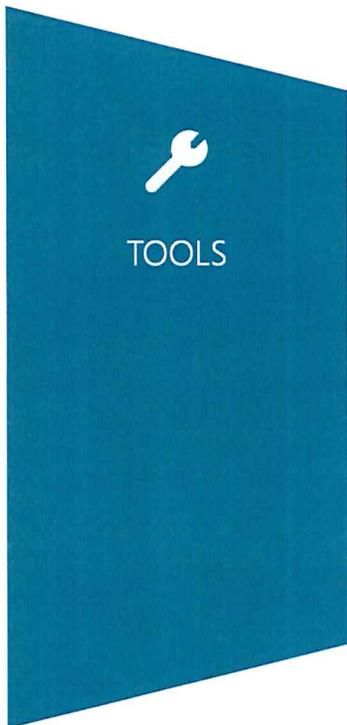
County	Low	Medium	High	Municipalities.per.County.
BERKS	(\$18,026,403)	(\$45,566,087)	(\$76,420,336)	72
BUCKS	(\$25,191,395)	(\$61,611,756)	(\$104,123,539)	53
CHESTER	(\$21,432,219)	(\$48,964,139)	(\$84,443,687)	72
DELAWARE	(\$18,312,621)	(\$48,728,945)	(\$80,226,505)	40
LANCASTER	(\$22,548,542)	(\$66,604,707)	(\$107,297,037)	59
LEHIGH	(\$15,592,476)	(\$38,647,795)	(\$64,733,762)	23
MONTGOMERY	(\$45,011,287)	(\$110,936,158)	(\$184,404,890)	62
NORTHAMPTON	(\$14,365,180)	(\$36,400,168)	(\$61,115,247)	38
PHILADELPHIA	(\$418,612,725)	(\$993,302,468)	(\$1,653,263,334)	1
Regional Loss	(\$599,092,848)	(\$1,450,762,223)	(\$2,416,028,337)	420

Pitt study was a state-wide multi-variate analysis of financial risk and well-being. The Pitt team was contacted and was willing to share their Montco specific data (which was then used in developing the subcommittee models).

Long-Term Risk Warning



Tools



- EIT Forecasting tool
 - University of Pittsburgh Tax Revenue Analysis
 - Based on 4 fiscal health criteria from DCED reports filed for fiscal year ends 2014-2018
 - Berkheimer Tax Associates Projections
 - Based on 1st Quarter 2020 compared to 1st Quarter 2019
 - Bucks County Consortium E-Consult Study
 - Based on unemployment rate

Next Steps

Forecasting the remainder of 2020

Preparing for the 2021 budget

- Baseline budget
- Conservative Scenario
- Worst Case Scenario

Contracting with outside firm to assist in financial analysis

Review other data points that may have not been included



NEXT STEPS