



## MEMORANDUM

March 22, 2023

To: Budget and Finance Committee, Allentown City Council

From: Bina Patel, Finance Director

Cc: Matt Tuerk, Mayor

Re: Budget and Finance Committee Meeting March 22, 2023

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Mr. Napoli,

Please see below my planned comments for the March 22, 2023 Budget and Finance Committee meeting. I look forward to any comments or revisions you may have.

### **Monthly Financial Report:**

In consideration of §5-17 of the City's Administrative Code, on March 20, 2023, the Department of Finance submitted the monthly financial report for the Month of **February 28, 2023** and the third and final version for Month of **December 31, 2022** to City Council and the Controller.

### **2022 Year End Version Three Report:**

End of the year General Fund revenues for December 31, 2022 version 3 report have come in 7% stronger than our estimation models. The strong contributor for this increase is Earned Income Tax, and services for charges. General Fund expenditures came in at 95% of the budgeted amount, savings of 5%. These savings are from Services & Charges, Materials & Supplies, and Equipment.

### **February 2023 Monthly Financial Report:**

As of February 28, 2023 the year-to-date General Fund revenues are 3 percent stronger than the same period last year. The major contributors are City Real Estate tax and Permits & Licenses. General Fund expenditures came in 1% lower than the same period last year.

**Public Safety Premium Pay (Overtime):**

- Police premium pay year-to-date spend is 13 percent of the 2023 budgeted amount of \$2,110,000.
- Fire premium pay year-to-date spend is 10 percent of the 2023 budgeted amount of \$3,688,000.
- Emergency Medical Services (EMS) premium pay year-to-date spend is 16 percent of the 2023 budgeted amount of \$550,000.

**Investments:**

At the end of February 2023, the City's cash position is \$38,036,333:

- \$17,325,496 is invested in Pennsylvania Local Government Investment Trust (PLGIT) Prime.
  - \$5,000,000 Term investment matured on February 3, 2023 with the maturity value of \$5,081,501. The return on this investment is \$81,501.
  - \$7,104,357 is invested for a 180-day time-period (maturing on September 7, 2023) which will yield \$236,000 at maturity with a 4.84% APY.
- Additional \$20,710,838 are liquid assets.

**ARPA Reporting:**

- \$29,109,911 of ARPA cash is invested in Pennsylvania Local Government Investment Trust (PLGIT) account.
  - \$16,000,000 is invested PLIGIT TERM accounts, which matures in March and April, with the maturity value of \$16,340,946. The return on these investments will be \$340,945.
  - \$13,107,942 is invested in money market, currently yielding 4.75% APY.
  - Remaining \$1,970 is invested in PLIGIT-Class account.

**Other Funds:**

The Risk fund, the Golf Fund, the Solidwaste fund and the Stormwater fund revenue and expenditures are in line with the February expectations.