



## MEMORANDUM

September 18, 2024

To: Budget and Finance Committee, Allentown City Council

From: Bina Patel, Finance Director

Cc: Matt Tuerk, Mayor

Re: Budget and Finance Committee Meeting September 18, 2024

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Mr. Napoli,

Please see below my planned comments for the September 18, 2024 Budget and Finance Committee meeting. I look forward to any comments or revisions you may have.

In consideration of §5-17 of the City's Administrative Code, on September 13, 2024, the Department of Finance submitted the August 31, 2024 month end financial report to City Council and the Controller.

### **Monthly Financial Report:**

End of the month General Fund revenues for August 31, 2024 are at 76% (111,745,000) of the budgeted amount. The major contributors are Earned Income Tax (at 72% of the budgeted amount of \$41M), Deed Transfer Tax (at 96% of the budgeted amount of \$2.5M) and Permits & Licenses (at 70% of the budget amount of \$5.2M). The General Fund adjusted revenue budget is \$146M.

General Fund expenditures spend is at 55% of the budgeted amount, savings of 6% compared to August of 2023. Leading category for these savings are Services & Charges (savings of 18%) and Materials and Supplies (savings of 11%). Total GF adjusted expenditure budget is \$150M.

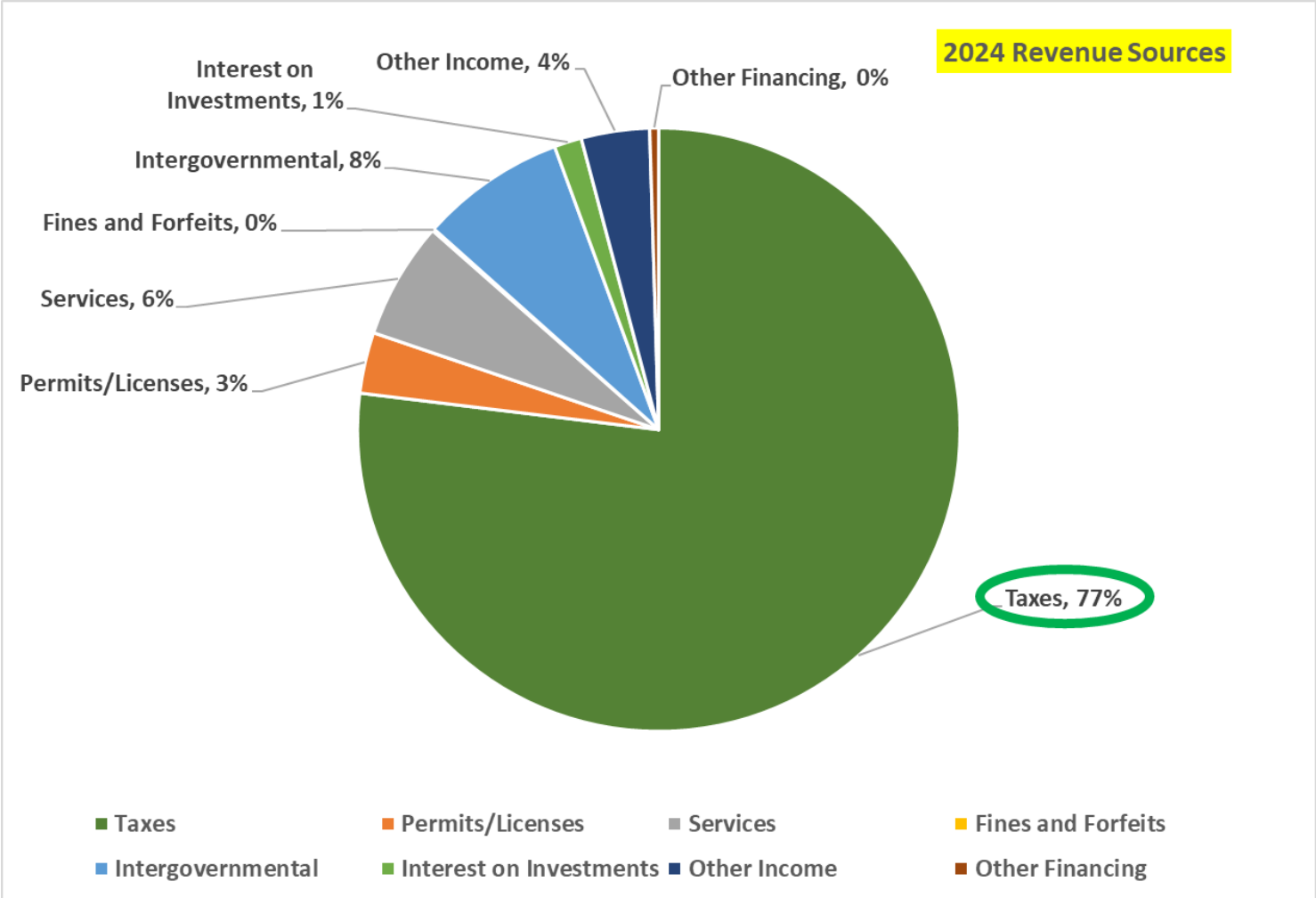
### **Public Safety Premium Pay (Overtime):**

- Police premium pay year-to-date spend is at 70% (\$1,552,000) of the adjusted budgeted amount of \$2,207,000.
- Fire premium pay year-to-date spend is at 77% (\$2,340,000) of the budgeted amount of \$3,049,000.
- Emergency Medical Services (EMS) premium pay year-to-date spend is at 76% (\$456,000) of the budgeted amount of \$600,000.

### **Other Funds:**

- The **Rental Unit Fund** revenues are at 48% (\$1,298,000) reflecting strength of 15% compared to the same time last year, and expenditures are at 63% (1,901,000) savings of 2% compared to August 2023.
- The **Risk Fund's** revenues of \$19,937,000 (67%) are weaker by 2% from August 2023 and expenditures are at 67% (\$20,344,000) are higher by 3% compared to August 2023.
- The **Solid Waste Fund** revenues are at 94% (15,681,000) and expenditures are at 56% (\$10,589,000) in line with August expectations.
- The **Stormwater Fund** revenues are at 94% (\$5,641,000) of the budgeted amount showing strength of 2% and expenditures are at 60% (\$4,540,000) higher by 8% compared to August 2023.
- The **Golf Fund** revenues are at 76% (\$1,871,000) in line with August expectations, and expenditures are at 61% (\$1,519,000) reflecting savings of 7% compared to the same time last year.

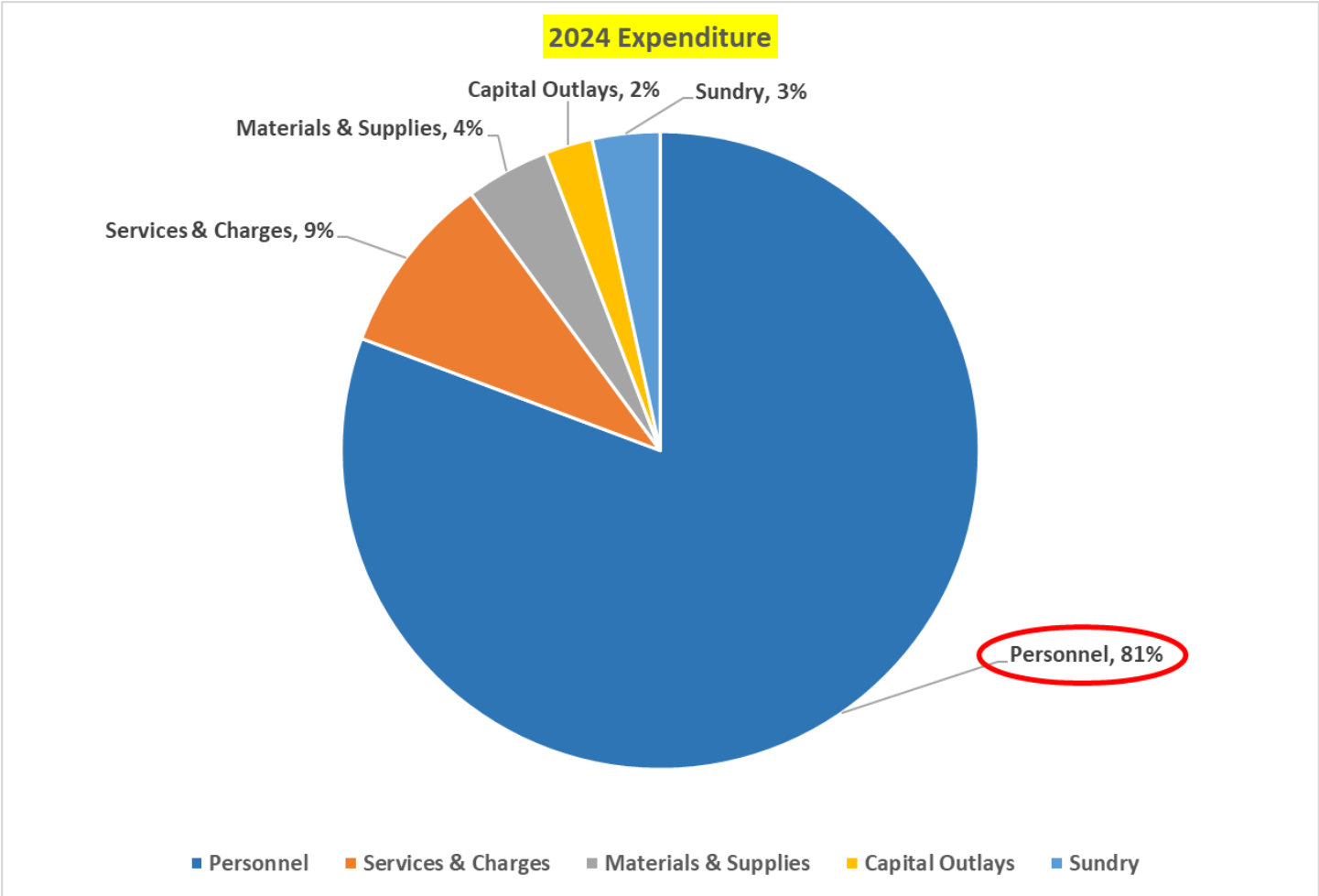
**REVENUE BREAKDOWN:**



**Taxes:** Comprise of:

- City Real Estate Tax - \$36.6M
- Earned Income Tax - \$29.7M
- Business Privilege Tax - \$11.7M

**EXPENDITURE BREAKDOWN:**

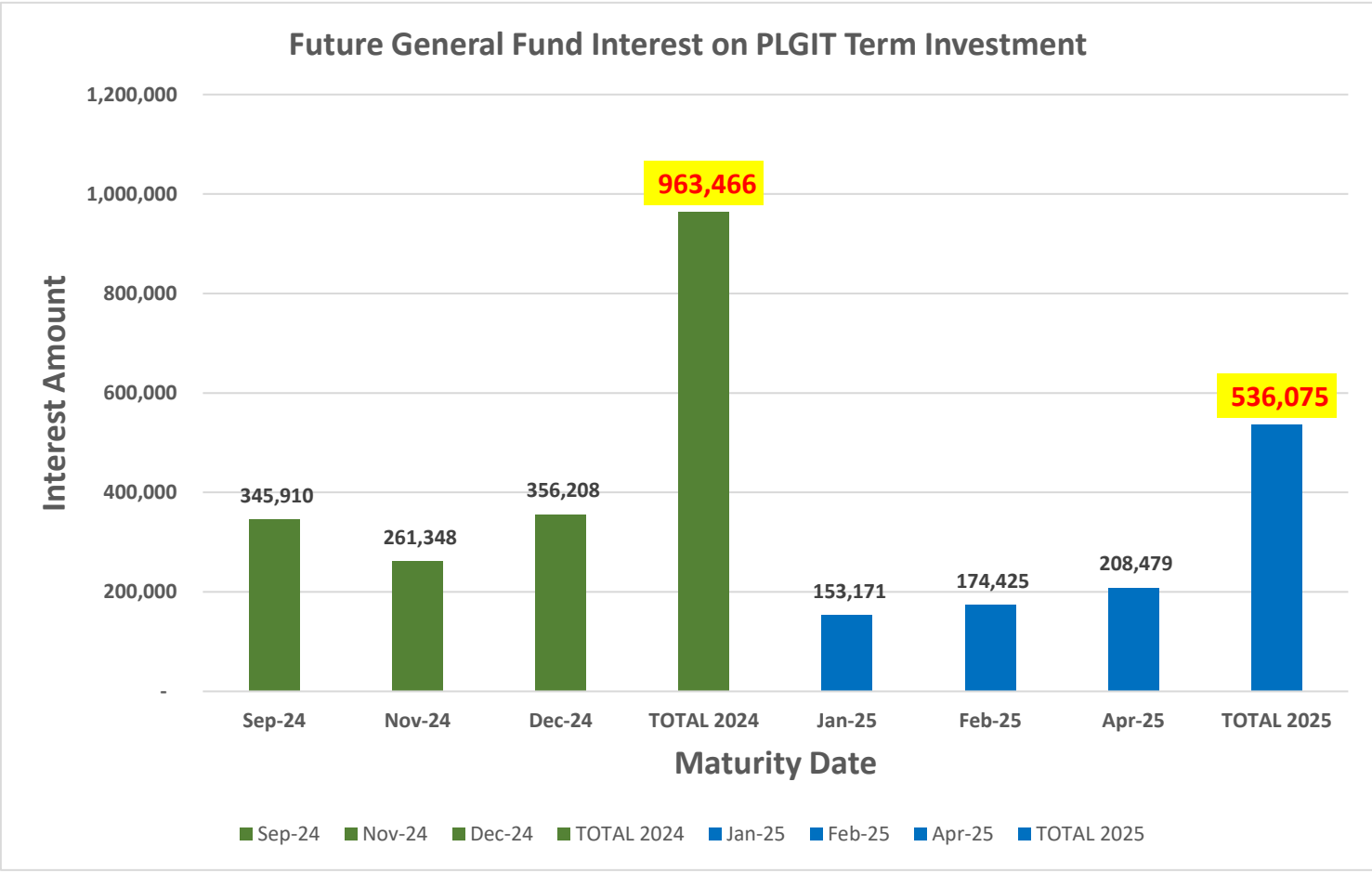
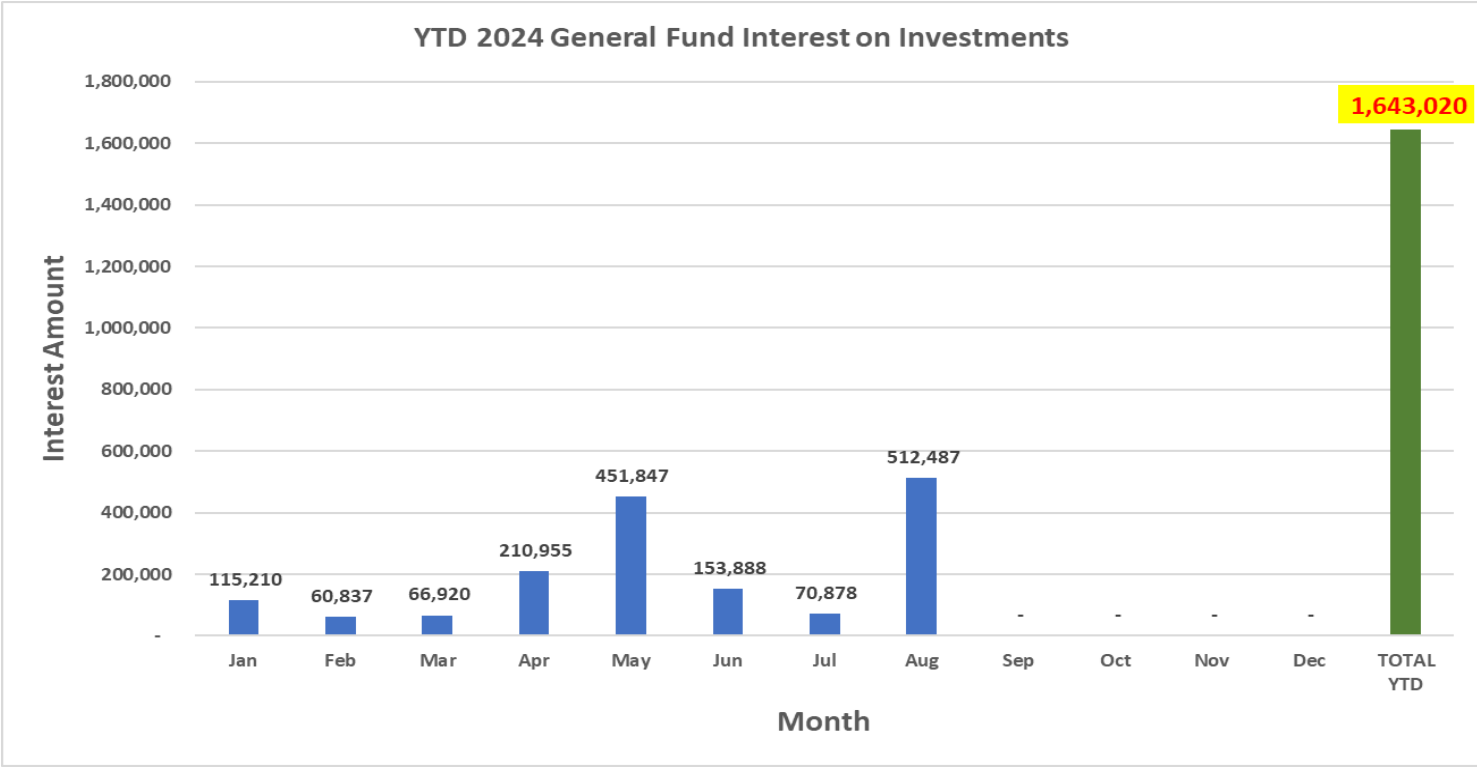


**Expenditure:** Comprise of:

- Personnel - \$66.5M
- Service & Charges - \$7.6M
- Material & Supplies - \$3.5M

**Investments:** At the end of the month, the City's cash position is \$65,021,014: (YTD we have received \$ 1,643,000 interest from investments)

- \$56,954,538 is invested in Pennsylvania Local Government Investment Trust (PLGIT).
  - \$11,954,538 is invested in money market PRIME and class accounts with current yield of 5.38% APY.
  - \$45,000,000 is invested in TERM investments yielding between 5.21% and 5.44% APY.
    - \$10,000,000 is invested for 300-day time-period (maturing on September 16, 2024) which will yield \$345,909.84 at maturity with 5.21% APY.
    - \$10,000,000 is invested for 180-day time-period (maturing on November 8, 2024) which will yield \$261,347.95 at maturity with 5.42% APY.
    - \$10,000,000 is invested for 240-day time-period (maturing on December 26, 2024) which will yield \$356,208.22 at maturity with a 5.44% APY.
    - \$5,000,000 is invested for 209-day time-period (maturing on January 23, 2025) which will yield \$153,171.23 at maturity with a 5.35% APY.
    - \$5,000,000 is invested for 238-day time-period (maturing on February 21, 2025) which will yield \$174,424.66 at maturity with a 5.35% APY.
    - \$5,000,000 is invested for 285-day time-period (maturing on April 9, 2025) which will yield \$208,479.45 at maturity with a 5.34% APY.
- Additional \$8,066,476 are liquid assets invested in TD bank with current yield of 4.25% APY.



**ARPA Investments:** At the end of the month, the City's ARPA cash position is \$25,969,385:

- \$25,135,035 is invested in Pennsylvania Local Government Investment Trust (PLGIT)
  - \$10,135,035 of ARPA cash is invested in Pennsylvania Local Government Investment Trust (PLGIT) money market PRIME and class account, with current yield of 5.38% APY.
  - \$15,000,000 is invested in TERM investments yielding between 4.92% and 5.34% APY.
    - \$5,000,000 is invested for 180-day time-period (maturing on February 21, 2025) which will yield \$119,967 at maturity with a 4.92% APY.
    - \$5,000,000 is invested for 285-day time-period (maturing on April 9, 2025) which will yield \$208,479.45 at maturity with a 5.34% APY.
    - \$5,000,000 is invested for 299-day time-period (maturing on April 23, 2025) which will yield \$217,901.37 at maturity with a 5.32% APY.
- Additional \$834,350 are liquid assets invested in TD bank with current yield of 4.25% APY.