



## MEMORANDUM

April 9, 2025

To: Budget and Finance Committee, Allentown City Council

From: Bina Patel, Finance Director

Cc: Matt Tuerk, Mayor

Re: Budget and Finance Committee Meeting April 9, 2025

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Mr. Napoli,

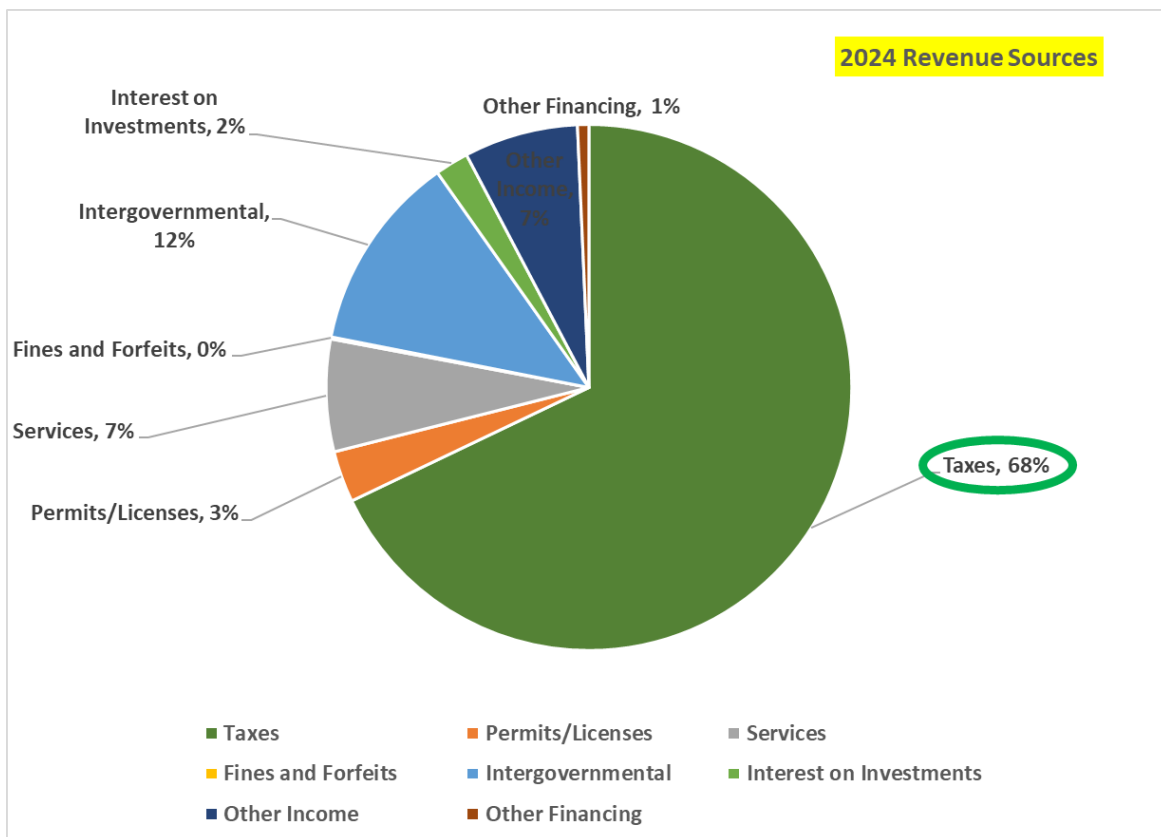
Please see below my planned comments for the April 9, 2025, Budget and Finance Committee meeting. I look forward to any suggestions or revisions you may have.

### **Monthly Financial Report (December 31, 2024, Final Version):**

In accordance with §5-17 of the City's Administrative Code, the Finance Department submitted the monthly financial report for the Month of February 28, 2025, and the third and final version for the Month of **December 31, 2024**, to City Council and the Controller on March 17, 2025.

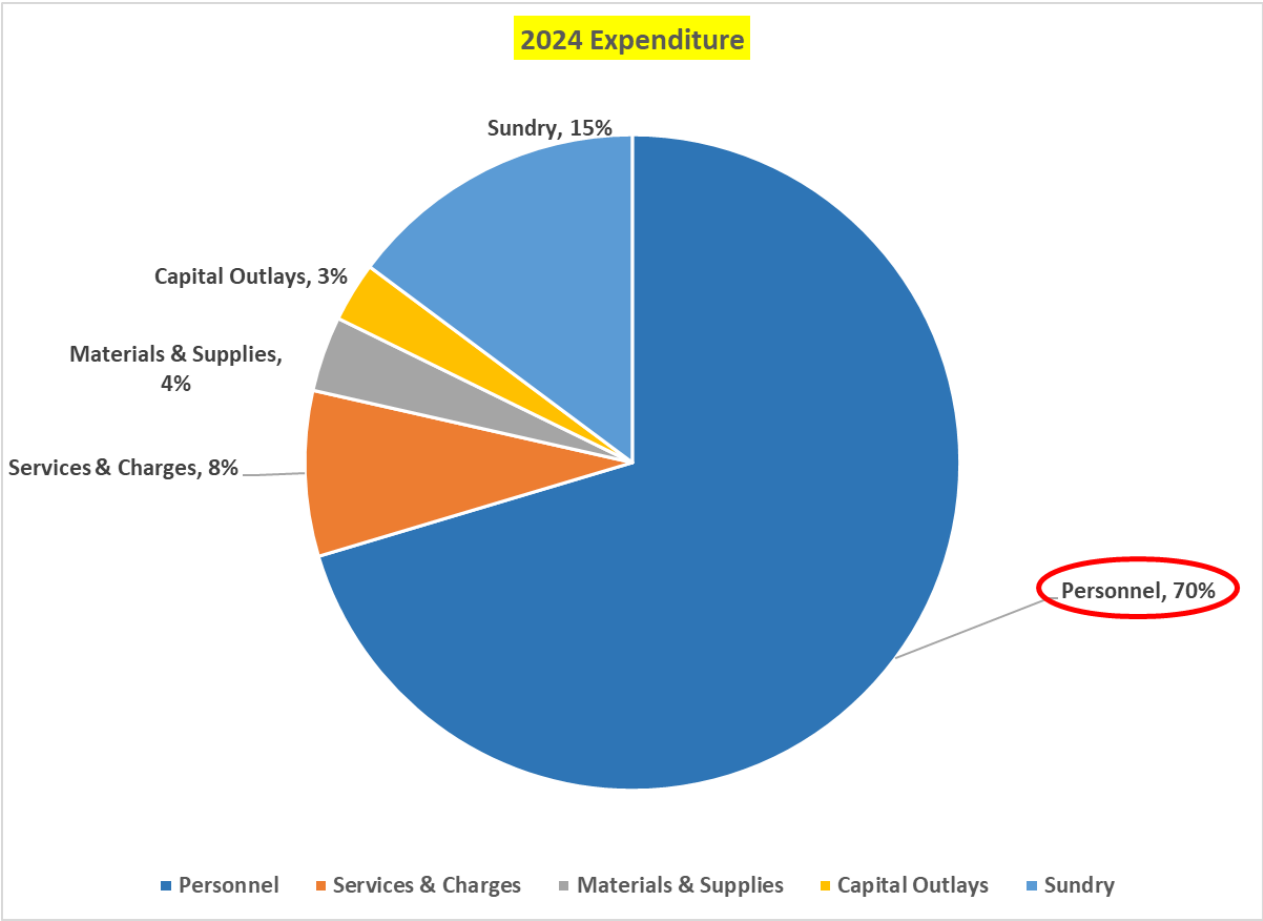
### General Fund Revenue:

- As of December 31, 2024, the year-to-date General Fund revenues totaled **\$154,504,000**, 6% increase compared to the same period in the previous year.
- Key contributors for this growth include Business License Fee, Earned Income Tax, Deed Transfer Tax, Charges for Services, and Investment Income.
- **68%** of the General Fund revenues are generated **from taxes**
- **12%** come from Intergovernmental sources, including Grants, State Aid for Pension, Casino Fee, and Fire and Police Training.



**General Fund Expenditures:**

- General Fund expenditures totaled **93%** of the adjusted budgeted amount **\$157,515,000**, reflecting a savings of 7% compared to the same period last year.
- The largest savings were Services & Charges and Materials & Supplies.
- Personnel costs account for 70% of General Fund expenditures.
- The total adjusted expenditure budget for the General Fund, net of the \$2.7M vacancy factor, was \$157,429,000.

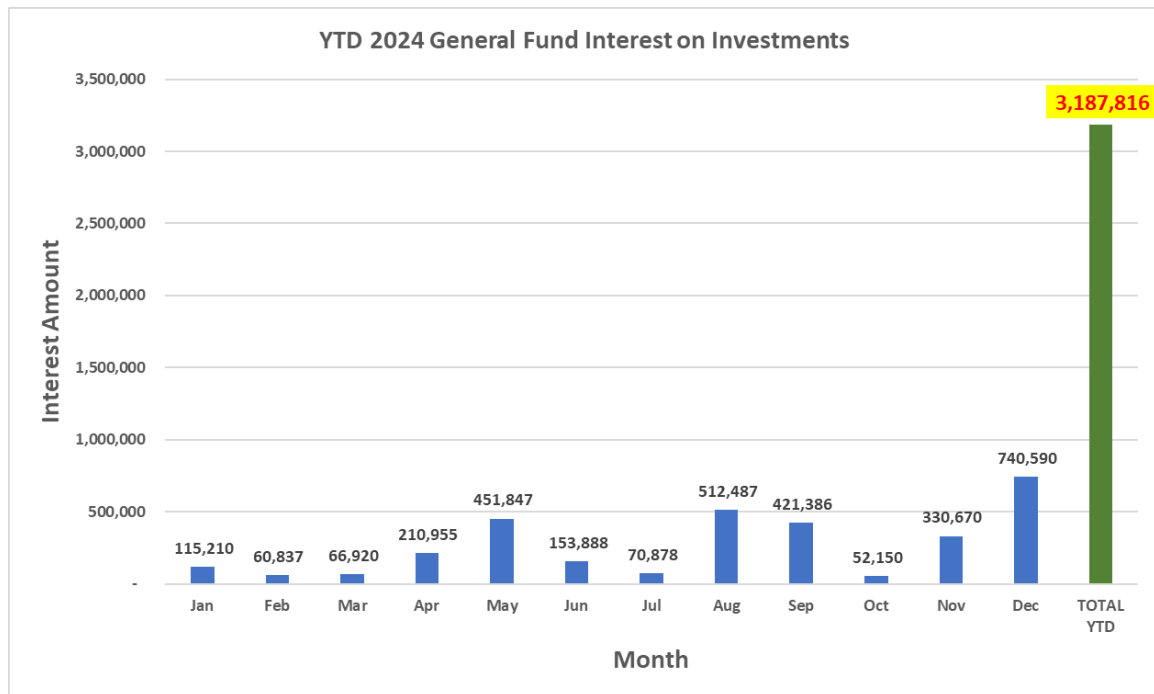


**Public Safety Premium Pay (Overtime) Expenditure (As of December 31, 2024):**

- Police \$2,700,000.
- Fire \$3,378,000.
- Emergency Medical Services (EMS) \$860,000.

**General Fund Investments (As of December 31, 2024):**

- The City's cash position stood at **\$41,153,570**.
- **Interest income** generated from investments totaled **\$3,187,816**.
- A breakdown of investments:
  - **\$36,564,355** was invested in Pennsylvania Local Government Investment Trust (PLGIT).
    - \$6,564,355 was invested in money market and class accounts with current yield of 4.69% APY.
    - \$30,000,000 is invested in TERM investments yielding between 4.12% and 5.35% APY.
      - \$5,000,000 investment will mature on January 23, 2025, which will yield \$153,171.23 at maturity with a 5.35% APY.
      - \$5,000,000 investment will mature on February 21, 2025, which will yield \$174,424.66 at maturity with a 5.35% APY.
      - \$5,000,000 investment will mature on April 9, 2025, which will yield \$208,479.45 at maturity with a 5.34% APY.
      - \$5,000,000 investment will mature on July 16, 2025, which will yield \$125,972.60 at maturity with a 4.40% APY.
      - \$10,000,000 investment will mature on September 17, 2025, which will yield \$410,871.23 at maturity with a 4.12% APY.
  - Additional **\$4,589,215** are liquid assets invested in **TD bank** with current yield of 3.50% APY.



**ARPA Reporting (As of December 31, 2024):**

- The City's cash position stood at \$22,400,109.
- Breakdown of ARPA investments:
  - \$18,928,734 was invested in Pennsylvania Local Government Investment Trust (PLGIT).
    - \$3,928,734 of ARPA cash is invested in Pennsylvania Local Government Investment Trust (PLGIT) money market PRIME and class account, with current yield of 4.69% APY.
    - \$15,000,000 is invested in TERM investments yielding between 4.92% and 5.34% APY.
      - \$5,000,000 investment will mature on February 21, 2025, which will yield \$119,967 at maturity with a 4.92% APY.
      - \$5,000,000 investment will mature on April 9, 2025, which will yield \$208,479.45 at maturity with a 5.34% APY.
      - \$5,000,000 investment will mature on April 23, 2025, which will yield \$217,901.37 at maturity with a 5.32% APY.
- Additional \$3,471,375 are liquid assets invested in TD bank with current yield of 3.50% APY.

**Other Funds:**

- **The Solid Waste Fund:** Revenue showed strength of 2% (\$17,086,000) and expenditures reflected savings of 5% (\$17,822,000).
- **The Risk Fund:** Revenue was at (\$36,037,000) reflecting weakness of 1% and expenditure reflected savings of 8% (33,681,000).
- **The Rental Unit Fund:** Revenues were stronger by 20% (\$3,221,000) and expenditures reflected savings of 3% (\$2,914,000).
- **The Stormwater Fund:** Revenues were stronger by 3% (\$6,177,000), and expenditures reflected savings of 8% (\$6,921,000).
- **The Golf Fund:** Revenues were stronger by 3% (\$2,530,000), and expenditures reflecting savings of 20% (\$2,070,000).

**Monthly Financial Report (As of February 28, 2025):**

- **General Fund Revenue**: **14%** (\$20,299,000) of the estimated total (\$145,717,000).
- **General Fund Expenditure**: **13%** (\$20,365,000) of the budgeted amount of (\$145,717,000) 3% increase compared to February 2024.
- **Other Funds**: The Risk Fund, the Solid Waste Fund, the Stormwater Fund, the Golf Fund, the Rental Unit Fund, and the Building Code Fund **revenue and expenditure** align with February estimations **of between 2% to 17%** of the budgeted amount.

Fund	Budgeted Revenue	Actual Revenue	Revenue % of Budgeted Amount	Budgeted Expenditure	Actual Expenditure	Expenditure % of Budgeted Amount
Risk Fund	31,235,332	5,263,957	17%	33,164,227	5,039,120	15%
Solid Waste Fund	23,786,761	2,590,205	11%	24,375,048	1,927,258	8%
Stormwater Fund	6,059,387	624,932	10%	7,695,490	856,236	11%
Golf Fund	2,689,000	50,689	2%	3,106,314	287,384	9%
Rental Unit Fund	2,646,750	337,161	13%	3,002,761	415,369	14%
Building Code Fund	2,682,000	349,693	13%	2,890,524	342,655	12%

Public Safety Premium Pay			
Department	Budgeted Expenditure	Actual Expenditure	Expenditure % of Budgeted Amount
Police	2,569,000.00	302,000.00	12%
Fire	2,500,000.00	282,000.00	11%
EMS	725,000.00	86,000.00	12%

### **General Fund Investments (As of February 28, 2025):**

- The City's General Fund cash position stood at **\$42,054,976**:
- Breakdown of Investments:
  - **\$28,939,309** is invested in Pennsylvania Local Government Investment Trust (PLGIT).
    - \$8,939,309 is invested in money market PRIME and class accounts with current yield of 4.19% APY.
    - \$20,000,000 is invested in TERM investment with yielding between 4.12% and 5.35% APY.
      - \$5,000,000 investment will mature on April 9, 2025, which will yield \$208,479.45 at maturity with a 5.34% APY.
      - \$5,000,000 will mature on July 16, 2025, which will yield \$26,521 at maturity with 4.40% APY.
      - \$10,000,000 will mature on September 17, 2025, which will yield \$153,512 at maturity with a 4.12% APY.
  - Additional **\$13,115,667** are liquid assets invested in TD bank with current yield of 3.25% APY.

### **ARPA Reporting (As of February 28, 2025):**

- The City's ARPA cash position stood at **\$20,662,701**:
- Breakdown of ARPA investments:
  - **\$19,082,440** is invested in Pennsylvania Local Government Investment Trust (PLGIT)
    - \$9,082,440 of ARPA cash is invested in Pennsylvania Local Government Investment Trust (PLGIT) money market PRIME and class account, with current yield of 4.19% APY.
    - \$10,000,000 is invested in TERM investments yielding between 5.32% and 5.34% 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 **\$1,580,261** are liquid assets invested in TD bank with current yield of 3.25% APY.