

**DATE:** July 31, 2008  
**TO:** Terry S. Fedorchak  
**FROM:** Brian McCloskey  
**RE:** Finance Director's Report

As planned, here is the quarterly Finance Director's report, highlighting various financial data within both the governmental and business operations of the Township.

**Overall Summary**

For the quarter ending June 30, 2008, total Revenues and Expenses were as follows, in thousands, as compared to their respective budget:

<u>TOWNSHIP TOTALS</u>	<u>Actual</u> <u>6/30/08</u>	<u>Budget</u> <u>FY2008</u>	<u>Available</u>	<u>Percentage</u> <u>Used</u>
Revenues	\$15,165	\$21,948	\$ 6,783	69.09%
Expenses	\$12,485	\$24,792	\$ 12,307	50.35%

While revenues are recognized at 69%, it is important to note that the 2nd quarter of the Township's fiscal year is traditionally when we receive the majority of our real estate tax revenue. If you refer to **Exhibit B** you will see that we have collected approximately 95% of our budgeted real estate tax revenues, so the excess revenue over expenses at this point in our fiscal year is not uncommon. Revenues are budgeted 5% higher than last year and are slightly ahead of the same point in the prior year. Collections of real estate tax revenues are running ahead of last years schedule as of 6/30, and we are within expectations. The real estate deed transfer tax is lagging last years results, and this is part of the nationwide housing condition. It should be noted that 2 of the last 3 months have exceeded last years revenues, and we are now entering the most active period for this revenue item. While expenses are under budget and within expectations, one item of note is that the township made an expenditure of \$1,090,000 for the purchase of the Samost tract in January of 2008, thus inflating our first half expenditures. Total expenditures are budgeted less than the previous year, to the amount of 1.1%.

A comparison of the current and prior fiscal years yields the following:

<u>TOWNSHIP TOTALS</u>	<u>Actual</u> <u>6/30/08</u>	<u>Actual</u> <u>6/30/07</u>	<u>Amount</u> <u>Changed</u>	<u>Percentage</u> <u>Changed</u>
Revenues	\$15,165	\$14,008	\$ 1,157	8.03%
Expenses	\$12,485	\$10,085	\$ 2,400	23.79%

As mentioned previously, a surplus of revenues over expenses at this point in our fiscal year is expected and explainable. With the exception of the Real Estate Deed Transfer Tax, we expect to meet budgeted revenues for this fiscal year and all items within the expenditures are within budgets as well, with the lone exception being the purchase of the Samost tract category.

We continue to expect fiscal year 2008 to be challenging with regard to the Deed Transfer Tax revenue line item as the nationwide housing slump has reached Lower Makefield Township. A Further analysis by classification is as follows:

<u>GOVERNMENTAL</u>	<u>Actual</u> <u>6/30/08</u>	<u>Budget</u> <u>FY2008</u>	<u>Available</u>	<u>Percentage</u> <u>Used</u>
Revenues	\$11,262	\$13,893	\$ 2,631	81.06%
Expenses	\$ 8,378	\$16,278	\$ 7,900	51.46%

The primary reason for our revenues exceeding our expenses at this point is simply timing, the tax bills are sent out to residents and businesses in March and the majority of collections take place during the 2<sup>nd</sup> quarter of our fiscal year.

A comparison of the current and prior fiscal years yields the following:

<u>TOWNSHIP TOTALS</u>	<u>Actual</u> <u>6/30/08</u>	<u>Actual</u> <u>6/30/07</u>	<u>Amount</u> <u>Changed</u>	<u>Percentage</u> <u>Changed</u>
Revenues	\$11,262	\$9,887	\$ 1,375	13.91%
Expenses	\$ 8,378	\$6,046	\$ 2,332	38.57%

A review of our business funds yields the following:

<u>BUSINESS</u>	<u>Actual</u> <u>6/30/08</u>	<u>Budget</u> <u>FY2008</u>	<u>Available</u>	<u>Percentage</u> <u>Used</u>
Revenues	\$3,902	\$8,055	\$ 4,963	48.44%
Expenses	\$4,106	\$8,514	\$ 4,408	48.22%

The Township's business enterprises are comprised of the Community Pool, the Sewer System and Makefield Highlands Golf Course. At this point in our fiscal year, the pool is performing as expected, with 2008 revenues about equal with 2007, and expenses higher than last year due to the implementation of the new software system and the capital expansion project beginning to incur its start up costs. For clarification purposes, the new pool membership system which is being used for the 1<sup>st</sup> time, has played a significant role in getting members to register and pay sooner than this time last year. You can review the attached pool report (**Exhibit D**) for details. We expect both revenues and expenses in the current fiscal year to meet their budgeted numbers.

The sewer system revenues have declined from the same time last year, by 9.91%, and this decline can be traced to two areas, reduced interest income due to the interest rate environment, and a reduction in connection fees as 2007 had a larger than expected connection fee revenue due to a project coming on line. While revenues have declined almost 10% sewer expenses have declined by almost 17% (16.72%) and this is due to several reasons. Our transmission fees are trending lower than last year by approximately 5%, interest expense is down 10%, and repairs and maintenance is down almost 40%. It needs to be mentioned that while transmission fees are down, in the 3<sup>rd</sup> quarter of this fiscal year we will experience our 2<sup>nd</sup> rate increase by one of our providers in the last 12 months. So while transmission fees are down, we fully expect this line item to exceed last years amount.

Makefield Highlands golf course has experienced a challenging 2nd quarter with the month of May missing our budgeted revenue due to weather conditions. This comes after a very successful 1<sup>st</sup> quarter where we exceeded budgeted revenue for 2 of the 3 months, getting the course off to a good start. In the 2<sup>nd</sup> quarter, April and June were successful, with April being the most

successful April in the courses' short history. Despite May's weather impacted performance, the year-to-date revenue for the course is higher than ever at this point in time. Expenses for the course are down 8.6% when compared to the same time last year, and this is after making our required debt service payment on the course. Of the expenses that have decreased this year, there are several salary and benefit positions that have decreased from the prior year due to normal attrition and the time to fill vacant positions, but the largest decrease is in the debt service interest expense, a result of the interest rate environment. At this point in the year, the course appears on course to be cash-flow positive for fiscal 2008. Please review the attached report (**Exhibit E**) on the golf course for more details on revenues and rounds played.

A comparison of the current and prior fiscal years yields the following:

<u>TOWNSHIP TOTALS</u>	<u>Actual 6/30/08</u>	<u>Actual 6/30/07</u>	<u>Amount Changed</u>	<u>Percentage Changed</u>
Revenues	\$3,902	\$4,120	- \$ 218	- 5.29%
Expenses	\$4,107	\$4,525	- \$ 418	- 9.23%

### SPECIFIC HIGHLIGHTS

The following are specific items from our General Fund which we are highlighting in our report.

#### *Real Estate Taxes*

Receipts from real estate taxes totaled \$4.5 million for the quarter ending June 30, 2008, this is an increase of 25.48% when compared to the same period last year. The 2008 budget had a 2 millage tax increase and this was dedicated to the General Fund, so the increase within this fund appears higher than the overall tax percentage increase from 2007. We are on target to reach our budgeted tax revenues for fiscal 2008 as our collections continue to be very strong (averaging over 98% annually). Real Estate tax receipts are 95.06% of their respective budget, and this is expected since during the second quarter of the fiscal year the majority of the payments are received. See **Exhibit C** for an analysis of general fund tax revenues.

#### *Per Capita Taxes*

Per Capita taxes are tracking at the same rate as in the prior year. Our budget has remained the same as last year in this area, and while ½ way through the fiscal year, we fully expect to meet our budgeted numbers.

#### *Real Estate Transfer Tax*

Revenues from the Real Estate Transfer tax totaled \$485,000, a decrease of 15%, or over \$80,000 when compared to the prior year. The budget was reduced slightly from the prior year, and while we track this area and related trends closely, the national outlook for housing remains weak, and as mentioned during the budget process, this is an area of concern. Please review **Exhibit A-1** for details on the last 5 years of our Deed transfer tax revenue, you will see that at the mid-point of this year, we are trending lower than the previous 5. Two of the three months in this current quarter have exceeded the prior year for this revenue item, so there is some cause for optimism, but it looks quite clear that barring any unforeseen positive circumstances, this line item will miss its budget. By reviewing this line item on a month by month basis, it is clear that the housing

slump began in fiscal 2006, and most likely in August of that year for Lower Makefield Township. The summer months, or the 3<sup>rd</sup> quarter of the fiscal year is typically the quarter with the most activity, so we will not fully know or estimate this years forecasted amount until then. Please see the attached **Exhibit A** for a graph of the real estate transfer tax trends, further illustrating the performance of this line item revenue.

We will continue to track this item closely and review the year-to-date totals with previous years totals at the same time, as in Exhibit A-1.

### ***Other Revenues***

Other revenues, specifically fees and permits and rents and commissions, are within budget and prior year figures. One item of note is interest income, as mentioned previously the rate environment is not favorable and we do not expect to meet our budget in this area. All other items appear within budget or slightly ahead at this point.

### ***General Fund Expenditures***

Expenditures within the Townships' general fund are tracking approximately 4.5% higher than the same period in the prior year. Most of this increase is due to salaries, benefits and health care, and while salaries are up by 4%, overtime is down in most areas. See the attached detailed spreadsheets on legal and engineering expenses, highlighting these two specific categories.

### ***Assets and Liabilities***

The Township's liquidity position remains strong despite our expected decrease in cash. Our cash position stands at approximately \$14.1 million as of June 30, 2008 versus \$16.8 million at the same time in the previous year. The decrease, over 16%, is expected and planned as the majority of the decrease can be traced to the sewer and street projects funds. Both of these funds have decreased significantly, by \$2 million and \$800,000 respectively, and as mentioned this was planned as many projects have taken place during the 12 months between reports. This also highlights the fact that our revenue source for capital funds, mainly from developers fees and contributions, has diminished greatly.

See **Exhibit B** for a more detailed analysis of our cash position by fund.

Accounts receivable is lower in the current year by 9.18% or \$129,000, this is a positive trend as we are collecting monies due in a more timely fashion.

Current Liabilities have increased by just over 10%, due primarily to the accruing of several large payables in the sewer fund, these payables were booked later in July in the previous year. Long term debt has decreased by over 4% or approximately \$1.75 million due to expected debt service payments. It should be noted that the volatile interest rate market has had a positive impact on our variable rate debt expense, and while this will be offset by our related investment income, we will see a reduction in this part of debt service. Neither affects the balance sheet.

A comparative balance sheet is displayed below.

**Lower Makefield Township****Balance Sheet Analysis****Quarter Ending 6/30/08**

<b>Assets</b>	<b>Total Government</b>	
	<u>2008</u>	<u>2007</u>
Cash and Cash Equivalents	14,134,316	16,885,231
Other Assets	2,080,916	2,312,129
Capital Assets	116,707,498	115,800,233
<i>Total Assets</i>	<u>132,922,730</u>	<u>134,999,600</u>
<b>Liabilities</b>		
Other Liabilities	2,172,318	2,038,946
Long-Term Debt Outstanding	39,708,122	42,688,673
<i>Total Liabilities</i>	<u>41,880,440</u>	<u>44,727,619</u>
<b>Net Assets</b>		
Invested in Capital Assets	76,999,376	71,959,867
Restricted	5,497,776	7,840,605
Unrestricted	8,545,138	10,471,509
<i>Total Net Assets</i>	<u>91,042,290</u>	<u>90,271,981</u>
<b><u>Total Net Assets and Liabilities</u></b>	<u>132,922,730</u>	<u>134,999,600</u>

The breakdown of the Township's assets between Governmental and Business Units is as follows:

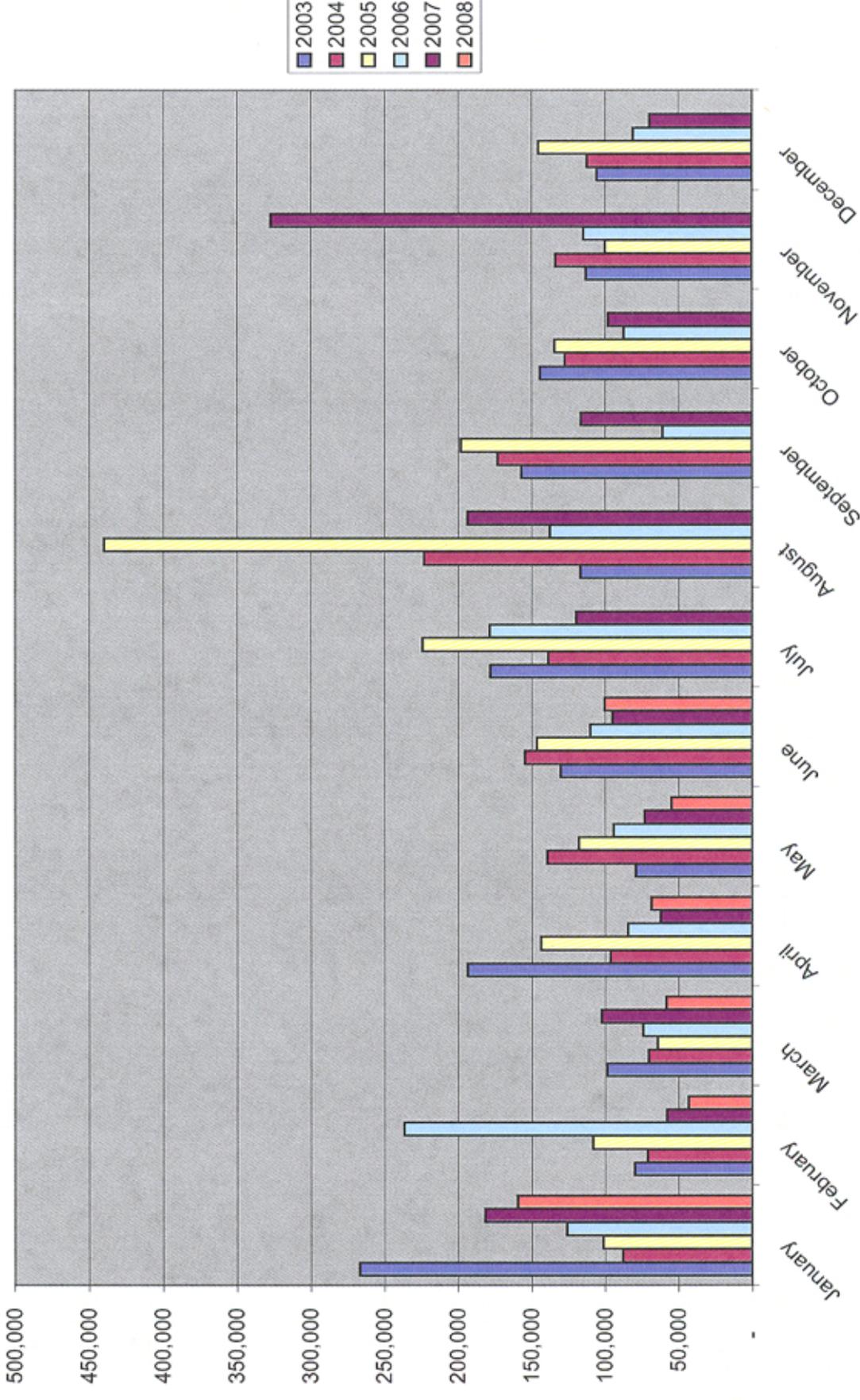
**Lower Makefield Township****Balance Sheet Analysis****Quarter Ending 6/30/08**

<b>Assets</b>	<b>Governmental Activities</b>	
	<u>2008</u>	<u>2007</u>
Cash and Cash Equivalents	11,193,391	11,838,644
Other Assets	850,614	948,653
Capital Assets	80,155,488	79,706,572
<i>Total Assets</i>	<u>92,199,493</u>	<u>92,493,869</u>
<b>Liabilities</b>		
Other Liabilities	895,242	1,257,458
Long-Term Debt Outstanding	15,912,822	18,263,373
<i>Total Liabilities</i>	<u>16,808,064</u>	<u>19,520,831</u>
<b>Net Assets</b>		
Invested in Capital Assets	64,242,666	60,699,269
Restricted	5,497,776	7,840,605
Unrestricted	5,650,987	4,433,164
<i>Total Net Assets</i>	<u>75,391,429</u>	<u>72,973,038</u>
<b><u>Total Net Assets and Liabilities</u></b>	<u>92,199,493</u>	<u>92,493,869</u>

	<u>Business-Type Activities</u>	
	<u>2008</u>	<u>2007</u>
<b>Assets</b>		
Cash and Cash Equivalents	2,940,925	5,048,595
Other Assets	1,228,294	1,363,476
Capital Assets	36,552,010	36,093,661
<i>Total Assets</i>	<u>40,723,237</u>	<u>42,505,731</u>
<b>Liabilities</b>		
Other Liabilities	1,277,076	781,488
Long-Term Debt Outstanding	23,795,300	24,425,300
<i>Total Liabilities</i>	<u>25,072,376</u>	<u>25,206,788</u>
<b>Net Assets</b>		
Invested in Capital Assets	12,756,710	11,260,597
Restricted	-	-
Unrestricted	2,894,151	6,038,345
<i>Total Net Assets</i>	<u>15,650,861</u>	<u>17,298,942</u>
<b><u>Total Net Assets and Liabilities</u></b>	<u>40,723,237</u>	<u>42,505,731</u>

A final analysis is included as **Exhibit F**, and it details our actual versus budget for the general fund.

Real Estate Transfer Tax Analysis 2003 - 2008



Lower Makefield Township  
 Real Estate Transfer Tax  
 Revenue Analysis Since 2003

	2003	2004	2005	2006	2007	2008
January	267,069	88,194	101,583	126,178	181,803	159,510
February	79,993	71,091	108,619	236,736	58,099	43,368
March	98,571	70,317	64,277	74,196	102,505	58,348
April	193,819	96,529	143,520	84,502	62,285	68,804
May	79,188	139,485	117,847	94,204	73,218	54,976
June	130,212	154,632	146,625	110,063	95,022	100,308
<b>Sub-Totals</b>	<b>848,852</b>	<b>620,248</b>	<b>682,471</b>	<b>725,879</b>	<b>572,932</b>	<b>485,314</b>
July	178,344	138,821	224,369	178,406	119,789	-
August	116,744	223,121	440,000	137,599	193,558	-
September	157,079	173,308	198,281	61,050	116,685	-
October	144,305	127,294	134,406	87,215	97,724	-
November	112,898	133,648	100,064	114,685	327,066	-
December	105,778	112,424	145,574	80,992	69,763	-
<b>Totals</b>	<b>1,664,000</b>	<b>1,528,864</b>	<b>1,925,165</b>	<b>1,385,826</b>	<b>1,497,516</b>	<b>485,314</b>

LOWER MAKEFIELD TOWNSHIP  
 REAL ESTATE TAX ANALYSIS  
 JUNE 08

FUND	2008 BUDGET	ADJUSTED "BUDGET" AMOUNT	06/30/08 RECEIPTS	% 2008 BUDGET
GENERAL	4,776,833		4,540,926	95.06
FIRE PROTECTION	324,086		310,689	95.87
HYDRANT	137,363		130,539	95.03
PARKS & REC	768,000		731,313	95.22
DEBT SERVICE	1,320,220		1,266,654	95.94
AMBULANCE	124,650		119,496	95.87
	7,451,152		7,099,617	95
<b>INTERIM &amp; PRIOR:</b>	<b>BUDGET</b>	<b>RECEIPTS</b>	<b>FAV(UNFAV) VARIANCE</b>	<b>% RECEIVED</b>
INTERIM-CURRENT	17,651	17,522	(129)	99.27
INTERIM-PRIOR DELINQUENT	2,617	191	(2,426)	7.30
	57,281	2,164	(55,117)	3.78
	77,549	19,877	(57,672)	25.63
<b>R.E. TRANSFER TAXES:</b>		<b>PER CAPITA TAXES:</b>		
RECEIPTS @ 06/30/08 PLUS A/R	485,315	<b>BUDGET</b>	<b>RECEIPTS</b>	<b>BALANCE</b>
	485,315	203,500	185,926	17,574
2008 BUDGET	1,400,000	203,500	185,926	17,574
% BUDGET REC'D.	34.67			

Lower Makefield Township  
 Net Cash Balances  
 June 30, 2008

Fund Number	Fund Name	Cash Balance	Current Liabilities	Net Cash	Reserve/ Design	Unrestricted
01	General Fund	3,642,844	189,583	3,453,261	18,809	3,434,452
02	Street Light	100,625	2,853	97,772	97,772	-
03	Fire Protection	347,925	1,208	346,717	346,717	-
04	Hydrant	102,020	11,790	90,230	90,230	-
05	Parks and Rec	513,470	12,882	500,588	500,588	-
06	Parks and Rec FIL	41,324	-	41,324	41,324	-
07	Library	86,836	-	86,836	86,836	-
08	Sewer	1,475,718	767,892	707,826	707,826	-
09	Community Pool	771,042	44,931	726,111	726,111	-
10	Basin Maintenance	288,071	4,768	283,303	283,303	-
11	Traffic Impact	869,946	6,549	863,397	863,397	-
14	Five Mile Woods	8,539	2,480	6,059	6,059	-
15	Golf Course	534,394	102,059	432,335	432,335	-
19	Street Projects	557,627	18,213	539,414	539,414	-
20	Debt Service	1,131,132	31	1,131,101	1,131,101	-
30	Capital reserve	2,183,862	26,002	2,157,860	2,157,860	-
35	Liquid Fuels	753,107	7,295	745,812	745,812	-
40	9-11 Memorial	338,825	5,394	333,431	333,431	-
50	Ambulance	141,158	3	141,155	141,155	-
91	Unemployment Comp	84,498	-	84,498	84,498	-
<b>Totals</b>		<b>13,972,963</b>	<b>1,203,933</b>	<b>12,769,030</b>	<b>9,334,578</b>	<b>3,434,452</b>

LOWER MAKEFIELD TOWNSHIP

POOL MEMBERSHIP

MEMBERSHIP RECEIPTS 2003-2008

MEMBERSHIP DEPOSITS:

	2008		2007		2006		2005		2004		2003	
	Month	Aggregate										
JAN	\$ 23,100	\$ 23,100	\$ 18,915	\$ 18,915	\$ -	\$ -	\$ 22,160	\$ 22,160	\$ -	\$ -	\$ 11,155	\$ 11,155
FEB	\$ 117,695	\$ 140,795	\$ 154,030	\$ 172,945	\$ 33,120	\$ 33,120	\$ 57,345	\$ 79,505	\$ 70,005	\$ 70,005	\$ 78,360	\$ 89,515
MAR	\$ 282,415	\$ 423,210	\$ 213,220	\$ 386,165	\$ 338,470	\$ 371,590	\$ 280,580	\$ 360,085	\$ 306,365	\$ 376,370	\$ 269,595	\$ 359,110
APR	\$ 21,150	\$ 444,360	\$ 24,120	\$ 410,285	\$ 28,045	\$ 399,635	\$ 51,950	\$ 412,035	\$ 16,195	\$ 392,565	\$ 35,535	\$ 394,645
MAY	\$ 84,105	\$ 528,465	\$ 130,605	\$ 540,890	\$ 48,400	\$ 448,035	\$ 57,830	\$ 469,865	\$ 51,915	\$ 444,480	\$ 52,530	\$ 447,175
JUNE	\$ 99,680	\$ 628,145	\$ 96,735	\$ 637,625	\$ 157,067	\$ 605,102	\$ 140,310	\$ 610,175	\$ 109,835	\$ 554,315	\$ 97,880	\$ 545,055
JULY	\$ 15,350	\$ 643,495	\$ 15,125	\$ 652,750	\$ 20,908	\$ 626,010	\$ 21,020	\$ 631,195	\$ 8,810	\$ 563,125	\$ 22,335	\$ 567,390
AUG			\$ 8,505	\$ 661,255	\$ 12,625	\$ 638,635	\$ 8,935	\$ 640,130	\$ 7,595	\$ 570,720	\$ 4,480	\$ 571,870
SEPT			\$ (200)	\$ 661,055	\$ -	\$ 638,635	\$ -	\$ 640,130	\$ -	\$ 570,720	\$ -	\$ 571,870
OCT			\$ -	\$ 661,055	\$ -	\$ 638,635	\$ -	\$ 640,130	\$ -	\$ 570,720	\$ -	\$ 571,870
NOV			\$ -	\$ 661,055	\$ -	\$ 638,635	\$ -	\$ 640,130	\$ -	\$ 570,720	\$ -	\$ 571,870
DEC			\$ -	\$ 661,055	\$ -	\$ 638,635	\$ -	\$ 640,130	\$ -	\$ 570,720	\$ -	\$ 571,870
<b>TOTAL FEES</b>		\$ 643,495		\$ 661,055		\$ 638,635		\$ 640,130		\$ 570,720		\$ 571,870
Membership Budget	\$ 650,940		\$ 631,820		\$ 631,820		\$ 581,720		\$ 578,050		\$ 565,050	
Percent of Budget	98.86%		104.63%		101.08%		110.04%		98.73%		101.21%	
Y-T-D Actual, July	\$ 643,495		\$ 652,750		\$ 626,010		\$ 631,195		\$ 563,125		\$ 567,390	
Y-T-D Change	-1.42%		4.27%		-0.82%		12.09%		-0.75%			

MEMBERSHIP NUMBERS:

	2008 (thru July)		2007		2006		2005	
	2008	2007	2007	2006	2006	2005	2005	2004
<b>Discount</b>								
Family	1042	959	959	1028	1030			
Indiv	154	132	132	148	151			
<b>w/o Discount</b>								
Family	500	596	596	475	476			
Indiv	116	140	140	132	135			
Srs	113	102	102	101	98			
CG	50	43	43	39	36			
Aug Fam	50	100	100	105	93			
Aug Ind	11	27	27	22	19			
<b>Season Total</b>	<b>2036</b>	<b>2099</b>	<b>2099</b>	<b>2050</b>	<b>2038</b>			

**LOWER MAKEFIELD TOWNSHIP  
GOLF COURSE ANALYSIS  
2004 - 2008**

**MONTHLY ROUNDS AND REVENUE ANALYSIS**

	2008			2007			2006			2005			2004		
	Monthly Rounds	Monthly Revenue	Aggregate Revenue	Monthly Rounds	Monthly Revenue	Aggregate Revenue	Monthly Rounds	Monthly Revenue	Aggregate Revenue	Monthly Rounds	Monthly Revenue	Aggregate Revenue	Monthly Rounds	Monthly Revenue	Aggregate Revenue
JAN	950	38,000	38,000	486	\$ 21,000	\$ 21,000	877	\$ 35,000	\$ 35,000	685	\$ 33,000	\$ 33,000	0	\$ -	\$ -
FEB	106	10,000	48,000	14	3,000	24,000	325	17,000	52,000	58	7,000	40,000	0	\$ -	\$ -
MAR	1,555	77,000	125,000	982	64,000	88,000	1,535	77,000	129,000	743	42,000	82,000	0	\$ -	\$ -
APR	3,915	282,000	407,000	2,973	217,000	305,000	4,065	285,000	394,000	3,737	239,000	321,000	0	\$ -	\$ -
MAY	4,800	352,000	759,000	5,680	423,000	728,000	4,865	337,000	731,000	5,235	333,000	654,000	0	\$ -	\$ -
JUNE	5,726	472,000	1,231,000	5,738	476,000	1,204,000	5,793	436,000	1,167,000	5,834	394,000	1,048,000	0	\$ -	\$ -
JULY	6,112	421,000	1,652,000	6,359	466,000	1,670,000	6,409	440,000	1,607,000	6,639	439,000	1,487,000	6,042	\$ 351,000	\$ 351,000
AUG				5,793	417,000	2,087,000	6,163	398,000	2,005,000	6,260	378,000	1,865,000	5,924	\$ 345,000	\$ 696,000
SEPT				4,950	378,000	2,465,000	4,436	330,000	2,335,000	5,238	330,000	2,195,000	4,334	\$ 272,000	\$ 968,000
OCT				3,700	272,000	2,737,000	3,432	265,000	2,600,000	3,282	220,000	2,415,000	3,567	\$ 227,000	\$ 1,195,000
NOV				2,500	130,000	2,867,000	2,750	139,000	2,739,000	2,894	143,000	2,658,000	2,689	\$ 120,000	\$ 1,315,000
DEC				747	43,000	2,950,000	1,788	88,000	2,827,000	497	26,000	2,584,000	1,247	\$ 52,000	\$ 1,367,000
<b>TOTAL ROUNDS/REVENUE</b>	<b>23,164</b>	<b>\$ 1,652,000</b>		<b>39,922</b>	<b>\$ 2,950,000</b>		<b>42,439</b>	<b>\$ 2,827,000</b>		<b>41,102</b>	<b>\$ 2,584,000</b>		<b>23,803</b>	<b>\$ 1,367,000</b>	
Total Revenue Budget	3,025,717			\$ 2,861,910			\$ 2,614,351			\$ 2,537,033			\$ 1,259,317		
YTD Revenue as % of Budget	54.61%			42.07%			44.64%			41.64%			0.00%		
Monthly Revenue, Actual, July	421,000			\$ 466,000			\$ 440,000			\$ 439,000			\$ 351,000		
Y-T-D Change	-9.66%			5.91%			0.23%			N/A			N/A		
Total Rounds Y-T-D	23,164			22,232			23,869			22,931			6,042		
Y-T-D Change	4.19%			-6.86%			4.09%			279.53%			N/A		
Monthly Rounds, July	6,112			6,359			6,409			6,639			6,042		
Y-T-D Change	-3.88%			-0.78%			-3.46%			9.88%			N/A		

**TOWNSHIP OF LOWER MAKEFIELD**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**

*Fiscal Quarter Ending June 30, 2008*

	<u>Final Budget</u>	<u>Actual GAAP Basis</u>	<u>Percentage Used</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Taxes	6,419,833	5,282,750	82.29%	(1,137,083)
Fees, Licenses and permits	870,528	401,750	46.15%	(468,778)
Interest and rents	398,336	150,848	37.87%	(247,488)
Intergovernmental revenues	270,038	95,831	35.49%	(174,207)
Fines and forfeitures	89,000	41,607	46.75%	(47,393)
Charges for services	273,628	254,296	92.93%	(19,332)
Contributions	1,250	952	76.16%	(298)
Miscellaneous	341,699	46,568	13.63%	(295,131)
	<u>8,664,312</u>	<u>6,274,602</u>	<u>72.42%</u>	<u>(2,389,710)</u>
<b>TOTAL REVENUES</b>				
<b>EXPENDITURES</b>				
General Government	1,776,371	934,197	52.59%	842,174
Public Safety	3,688,322	1,792,756	48.61%	1,895,566
Highways and Streets	1,211,166	464,150	38.32%	747,016
Insurance	326,075	174,758	53.59%	151,317
Fringe Benefits	1,593,859	746,515	46.84%	847,344
Miscellaneous	10,000	13,885	138.85%	(3,885)
Debt Service				
Principal	-	-		-
Interest	-	-		-
	<u>8,605,793</u>	<u>4,126,261</u>	<u>47.95%</u>	<u>4,479,532</u>
<b>TOTAL EXPENDITURES</b>				
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
	58,519	2,148,341	3671.19%	2,089,822
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	1,000	-	0.00%	(1,000)
Transfers In	324,055	162,030	50.00%	(162,025)
Transfers Out	(585,512)	-	0.00%	585,512
	<u>(260,457)</u>	<u>162,030</u>	<u>-62.21%</u>	<u>422,487</u>
<b>TOTAL OTHER SOURCES (USES)</b>				
<b>NET CHANGE IN FUND BALANCE</b>				
	(201,938)	2,310,371	-1144.10%	2,512,309
<b>FUND BALANCE AT BEGINNING OF YEAR</b>				
	1,069,783	1,069,783		-
<b>FUND BALANCE AT END OF YEAR</b>				
	<u>867,845</u>	<u>3,380,154</u>	<u>389.49%</u>	<u>2,512,309</u>

## ***Lower Makefield Township 2008 Legal Summary***

Fund	2008 Budget	2008 Ytd - Exp	Balance Available	Percent Budget Spent	2007 Exp Ytd	2007-2008 Change	Percent Change
General Legal Fees	125,000.00	68,293.72	56,706.28	54.63%	71,810.83	(3,517.11)	-4.90%
Zoning Hearing Board	30,000.00	17,948.33	12,051.67	59.83%	6,715.20	11,233.13	167.28%
Airport Project	10,000.00	13,884.74	(3,884.74)	138.85%	8,183.70	5,701.04	69.66%
P&R Legal Fees	5,000.00	40.50	4,959.50		216.00	(175.50)	
Sewer Legal Fees	16,500.00	8,299.20	8,200.80	50.30%	13,023.10	(4,723.90)	-36.27%
Course Related Legal Fees		22,415.04	(22,415.04)		10,372.40	12,042.64	116.10%
Quiet Zones Crossing Improvements	-	162.00	(162.00)		528.30	(366.30)	-69.34%
	-	-	-		-	-	
<b>TOTALS</b>	<b>186,500.00</b>	<b>131,043.53</b>	<b>55,456.47</b>		<b>110,849.53</b>	<b>20,194.00</b>	<b>18.22%</b>

LOWER MAKEFIELD TOWNSHIP 2008 LEGAL BILLS

PROJECTS	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	TOTAL	TOTAL	GRAND TOTAL	ACCOUNT NUMBER	CURTIN & HEEFNER	BEGLEY, CARLIN	POTTER & DICKSON	OLEATION
Age Qualified											01400-314				
Allegany Group Homes	23.00							23.00		23.00	01400-314				
Amateur Radio Tower Issues	108.00		40.50		987.50	108.00		1,244.00		1,244.00	01400-314				
ASCAP Contract Request											01400-314				
Atanetech Online, Inc. vs LMT											01400-314				
Audi Letter											01400-314				
Belmead					52.50	52.50		105.00		105.00	01400-314				
Bray-Lorenz Property											01400-314				
Business Privilege Tax	89.60			40.50				-130.10		130.10	01400-314				
Cable Television Franchise Issues											01400-314				
Canine Unit Employment Agreement											01400-314				
Cell Tower Application Issues	1,219.60	1,162.20	305.90	611.40	13.50	176.50		3,509.50		3,509.50	01400-314				
Code Enforcement Issues	1,677.00	1,452.60	1,124.20	468.90	64.00	15.50		4,890.20		4,890.20	01400-314				
Comcast Cable Box - Installation Issues	364.20	81.00		640.80	312.10	383.20		1,771.30		1,771.30	01400-314				
Community Day Issues			264.50			27.00		291.50		291.50	01400-314				
Deaths of Dedication - Filing Requirements		337.80		103.32	54.40	27.00		522.52		522.52	01400-314				
Demolition by Neglect Ordinance			690.50	750.00				1,440.50		1,440.50	01400-314				
Edgewood Village Development Issues	68.00	40.50				54.00		162.50		162.50	01400-314				
Electoral Debt Refundation			202.50					202.50		202.50	01400-314				
Employee Handbook	400.00				1,225.00			1,625.00		1,625.00	01400-314				
General Representation	6,395.85	7,697.95	4,287.70	3,703.10	4,229.90	3,951.50		30,266.00		30,266.00	01400-314				
Gray Nun Development Issues		54.00						54.00		54.00	01400-314				
Ham Radio Tower Issues											01400-314				
Historical Commission Issues		83.20	59.50		27.00			169.70		169.70	01400-314				
Masonic Hall - Purchase or Lease											01400-314				
Mesivie Investigation	13.50	27.00				54.00		94.50		94.50	01400-314				
Open Air Affairs Contract	67.50					108.00		175.50		175.50	01400-314				
Open Records Ordinance	665.00	27.00			27.00			709.00		709.00	01400-314				
Patterson Farm	54.00							54.00		54.00	01400-314				
Pennsbury School District Makefield Land Dev.		54.00			46.10	742.50		842.60		842.60	01400-314				
Pennsylvania American Water Co. Issues					40.50			40.50		40.50	01400-314				
Pension Plans Review	1,303.00	650.00	290.50		517.50	187.50		2,948.50		2,948.50	01400-314				
Personnel Issues		40.50						40.50		40.50	01400-314				
Planning Commission Matters	108.00	162.00	244.10	115.20	69.90	310.50		1,009.70		1,009.70	01400-314				
Police Contract			95.00					95.00		95.00	01400-314				
Police Employment & Labor Issues	861.50	2,070.60		229.50				3,161.60		3,161.60	01400-314				
Private Contractor Regulations/Ordinance	164.00							164.00		164.00	01400-314				
Public Works Collective Bargaining			94.50					94.50		94.50	01400-314				
Public Works Grievance - Stephen Maier					310.50			310.50		310.50	01400-314				
Rapid Entry System											01400-314				
Recycling Agreement & Program	830.00	1,622.00	237.50	350.00	64.00	122.60		3,216.00		3,216.00	01400-314				
Refuse Collection & Disposal Issues	600.00	1,350.00	275.00					2,225.00		2,225.00	01400-314				
Right of Way Ordinance	670.50					617.50		1,288.00		1,288.00	01400-314				
Small Games of Chance	27.00							27.00		27.00	01400-314				
Smoking Ban Initiative					463.00	1,358.50		1,821.50		1,821.50	01400-314				
Towering Oaks Litigation					105.90	649.80		755.70		755.70	01400-314				
vs Grace - Illegal Burning	537.90				452.00	612.50		1,602.40		1,602.40	01400-314				
vs Robbins Motor Transportation, Inc.											01400-314				
vs Shanfield, Michael, D.C. (Lease Issue)	89.50	251.50	212.50					553.50		553.50	01400-314				
vs The Lands of L.M. Associates	247.10	67.50						314.60		314.60	01400-314				
Yardley Makefield Emergency Unit Matters			256.50		27.00			283.50		283.50	01400-314				
Waste Hauler Research	58.80							58.80		58.80	01400-314				
Woodside Presbyterian Church Matter											01400-314				
2008 Tax Assessment Appeals										68,165.72	01400-314				128.00
(ZHB) Matters	5,960.51	3,663.72	2,342.40	525.00	2,824.00	2,632.70		17,948.33		17,948.33	01414-311				
Spices Soccer Complex											05451-314				
Macesfield Park					40.50			40.50		40.50	05451-314				
Masonic Hall											05451-314			40.50	
Canal Inceptor Rehabilitation/Repair					27.00			27.00		27.00	08429-600				
Metra Industries, Inc. Bid Rejection											08429-600			27.00	

# LOWER MAKEFIELD TOWNSHIP 2008 LEGAL BILLS

PROJECTS	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	TOTAL	TOTAL	GRAND TOTAL	ACCOUNT NUMBER	CURTIN & HEEFNER	BEGLEY, CARLIN	POTTER & DICKSON	GLEASON
Hwy 6-Spring Lane Improvements	-	-	-	333.50	-	23.00	-	356.50	356.50	356.50	08429-314				
Misc. Sewer	951.50	219.50	567.60	154.00		418.50	-	2,161.60	149.50	2,311.10	08429-314				
Robinson Place Sewer	-	23.00	-	-	-	-	-	23.00	23.00	23.00	08429-314				
Yardley Borough Joint Use Facilities	94.50	298.00	-	-	42.30	-	-	434.80	-	434.80	08429-314				
Sewer System Sales Issues	-	1,206.30	1,565.00	2,375.50	-	-	-	5,146.80	-	5,146.80	08429-314	7,770.20	529.00		
Satterthwaite House Bid Issues	-	-	-	-	-	-	-	-	-	-	30480-700	-	-		
vs Dalpewicz, cichocki, & Newman	4,132.50	3,488.56	3,395.25	1,892.31	6,533.92	2,992.50	-	22,415.04	-	22,415.04	15453-314	22,415.04	-		
Trenton-Mercer Airport	-	467.00	1,562.50	11,855.24	-	-	-	13,884.74	-	13,884.74	01440-314			13,884.74	
Train Quiet Zones/Related Noise Issues	54.00	-	81.00	27.00	-	-	-	162.00	-	162.00	19600-740	162.00	-		
<b>CURTIN &amp; HEEFNER COSTS</b>								116,501.79		116,501.79					
<b>BEGLEY, CARLIN &amp; MANDIO, LLP</b>								657.00		657.00					
<b>POTTER &amp; DICKSON</b>										13,884.74					
<b>GLEASON</b>										-					
<b>GRAND TOTAL</b>	27,815.56	26,697.43	17,938.15	24,429.77	18,537.02	15,625.60	-			131,043.53					-

# Lower Makefield Township 2008 Engineering Summary

Fund	2008 Budget	2008 Ytd - Exp	Balance Available	Percent Budget Spent	2007 Exp Ytd	2007-2008 Change	Percent Change
<b>General Engineering Fees</b>	125,000.00	64,026.15	60,973.85	51.22%	63,844.40	181.75	0.28%
<b>Grading Permits</b>	22,500.00	4,710.50	17,789.50	21%	6,736.50	(2,026.00)	-30.07%
Brock Creek Project	-	785.00	(785.00)		2,757.00	(1,972.00)	-71.53%
Lindhurst Road Traffic Calming Phase I	-	557.50	(557.50)		19,133.16	(18,575.66)	-97.09%
Quiet Zone Crossing Improvements	-	720.00	(720.00)		980.00	(260.00)	-26.53%
Storm Water Management Projects	50,000.00	14,573.50	35,426.50		-	14,573.50	0.00%
<b>P&amp;R Engineering Fees</b>	16,000.00	20,642.00	(4,642.00)	129%	8,176.50	12,465.50	152.46%
Snipes Soccer Complex	50,000.00	360.00	49,640.00	1%	13,818.50	(13,458.50)	-97.39%
Pool Professional Services	50,000.00	9,390.00	40,610.00		1,894.20	7,495.80	395.72%
<b>Memorial Park Engineering &amp; Phase I</b>	80,000.00	5,559.50	74,440.50	7%	7,784.75	(2,225.25)	-28.58%
<b>Macclesfield Lighting Fields H&amp;F</b>	3,000.00	-	3,000.00		180.00	(180.00)	-100.00%
Liquid Fuels Engineering	50,000.00	40,389.50	9,610.50	81%	10,182.50	30,207.00	296.66%
9/11 Architect & Engineering	15,000.00	-	15,000.00		7,641.59	(7,641.59)	
<b>Other Streets Projects</b>	-	6,741.50	(6,741.50)		12,641.75	(5,900.25)	
Riverglen/Manor Lane Backflow Preventor	10,000.00	202.50	9,797.50	2%	9,823.00	(9,620.50)	-97.94%
<b>TOTALS</b>	<b>471,500.00</b>	<b>168,657.65</b>	<b>302,842.35</b>	<b>36%</b>	<b>165,593.85</b>	<b>3,063.80</b>	<b>1.85%</b>



LOWER MAKEFIELD TOWNSHIP 2008 SEWER ENGINEERING BILLS

PROJECTS	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	GRAND TOTAL	ACCOUNT NUMBER
TOWNSHIP AUTHORITY SERVICES	-	-	-	-	-	-	-	-	-	-	-	-	-	08429-313
HEACOCK ROAD Sewage Pumping Station Emergency	-	765.26	-	-	-	-	-	-	-	-	-	-	765.26	08429-313
APPRAISAL OF SEWER SYSTEM	-	-	-	-	-	-	-	-	-	-	-	-	-	08429-313
BUCK CREEK INTERCEPTOR	-	-	-	-	720.00	470.00	-	-	-	-	-	-	1,190.00	08429-313
TOWERING OAKS SEWER REVIEW	-	-	-	-	-	-	-	-	-	-	-	-	-	08429-313
SEWER MAPS	-	-	-	-	-	-	-	-	-	-	-	-	-	08429-313
GENERAL ENGINEERING SERVICES	-	1,560.48	1,000.96	-	-	2,225.46	-	-	-	-	-	-	4,786.90	08429-313
COORDINATION W/ BCWSA	-	-	-	-	630.00	-	-	-	-	-	-	-	630.00	08429-313
SILVER LAKE PUMP STATION	-	-	-	-	-	-	-	-	-	-	-	-	-	08429-313
COORDINATION W/ MORRISVILLE BOROUGH	-	-	-	-	-	-	-	-	-	-	-	-	-	08429-313
PREPARE YEAR END CERTIFICATE	-	-	-	-	-	-	-	-	-	-	-	-	-	08429-313
DERBYSHIRE INTERCEPTOR	-	-	-	-	-	-	-	-	-	-	-	-	-	08429-313
FOX HILL PUMP STATION	-	-	-	-	-	-	-	-	-	-	-	-	-	08429-313
COORDINATION W/ YARDLEY BOROUGH	180.00	578.46	140.00	105.00	-	-	-	-	-	-	-	-	1,003.46	08429-313
COORDINATION W/ SUNRISE DEVELOPMENT	-	-	-	-	4,796.00	-	-	-	-	-	-	-	4,796.00	08429-313
CANAL INTERCEPTOR IMPROVEMENTS	-	-	-	-	-	-	-	-	-	-	-	-	-	08429-313
BLACK ROCK PUMP STATION	-	-	-	-	-	-	-	-	-	-	-	-	-	08429-313
DEVELOPMENT OF CHAPTER 94 REPORT	-	1,055.00	-	-	-	-	-	-	-	-	-	-	1,055.00	08429-313
EDGEWOOD HISTORIC VILLAGE	3,380.50	3,764.00	2,293.00	1,195.96	495.00	90.00	-	-	-	-	-	-	11,218.46	08429-313
HEACOCK & STONY HILL GRAVITY SEWER	516.00	50.00	-	360.00	-	-	-	-	-	-	-	-	926.00	08429-313
ELM LOWNE FACILITY	-	-	577.00	5,435.62	1,428.00	-	-	-	-	-	-	-	7,440.62	
PA DEPT. OF TRANSPORTATION	-	-	-	113.33	-	-	-	-	-	-	-	-	113.33	08429-313
REMMINGTON, VERNICK & BEACH ENGINEERS	4,076.50	7,007.94	4,010.96	7,096.58	8,069.00	2,785.46	-	-	-	-	-	-	33,046.44	
CKS	-	765.26	-	-	-	-	-	-	-	-	-	-	765.26	
PA DEPT. OF TRANSPORTATION	-	-	-	113.33	-	-	-	-	-	-	-	-	113.33	
GRAND TOTAL	4,076.50	7,773.20	4,010.96	7,209.91	8,069.00	2,785.46	-	-	-	-	-	-	33,925.03	