

**CITY OF BETHLEHEM**

**INTER DEPARTMENTAL CORRESPONDENCE**

**MEMORANDUM**

**TO:** Robert Donchez - Mayor  
Louise Kelchner - City Clerk  
Members of City Council

**FROM:** George Yasso  
City Controller

**SUBJECT:** Quarterly Report - Controller (October – December 2017)

**DATE:** January 31, 2018

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I am submitting for your review, a summary of the financial expenditures and contractual commitments made by the City of Bethlehem in the fourth quarter of 2017 along with the year to date totals.

Attachment #1 provides for the cash expended and is broken down by the following categories:

- Checks Dispersed
- P-Card(s)
- General/Payroll Accounts (approximate)
- Other Checking Accounts

Total Cash Outlay was \$35,171,178 (\$112,439,734 YTD) with \$12,937,532 (\$49,141,460 YTD) going towards the total city payroll. These amounts exclude escrow payments which are listed separately on Attachment #1.

In addition to the financial information highlighting the cash that was paid out in the fourth quarter, there were approximately 140 (1,189 YTD) Purchase Orders processed and 1,310 (4,944 YTD) general account checks processed.

Attachment #2 provides the quarterly statistics on individual Purchase Orders issued, Blanket Purchase Orders, Contract Purchase Orders, and Confirming Purchase Order statistics. Purchase Orders are now also included for new/amended contracts. As noted in the previous reports, many of the blanket Purchase Orders from various departments are now being consolidated under one blanket, so Attachment #2 & Attachment #3 have been reformatted. Also, the information for non-general funds is included for consistency with Attachment #1. Attachment #3 is total Year-to Date Purchase Orders and Confirming Purchase Orders.

We continue to attend Bethlehem Authority meetings, as well as most of the City Council and Council Committee meetings as appropriate. The Controller's office is also involved in the continuing CI Purchasing Committee Meetings, Safety Committee Meetings, and Contract Workflow Committee Meetings.

The Controller's office has a rotating seat on the Pension Board which meets the first Friday of every month. All board meetings to date have been attended. The Controller's office continues to discuss contracts and purchase orders of concern with the Solicitor's office and Administration.

**Please review list below of other activities:**

	<u>Qtr. #</u>	<u>Qtr. \$</u>	<u>YTD #</u>	<u>YTD #</u>
Audited General Acct. Checks (1)	1,310	\$12,264,607	4,944	\$40,873,813
Purchasing Card Transactions	863	177,910	3,337	654,889
Other Acct. Checks & Transactions (1)	34	10,985,124	209	26,131,444
Reviewed & Audited Petty Cash				
Reimbursements	18	6,386	62	22,018
Employee Mileage & Expense	29	6,977	114	25,832
Reviewed & approved Purchase Orders (see attached)	140	1,909,930	1,189	26,873,171
<b>Reviewed &amp; approved contracts/ Agreements (outlined below)</b>	<b>68</b>	<b>6,304,075</b>	<b>381</b>	<b>34,881,406</b>
Construction Contracts	18	1,285,146	75	6,942,988
Employment Related Contracts	1	0	37	1,139,078
Services & Goods Contracts	29	870,626	142	17,581,449
Grants & Revenue Agreements	5	212,133	32	3,474,396
Use Permits, Developer & Other Agreements (2)	15	3,936,171	95	5,743,495

(1) Includes 2 MMO Pension payments this quarter (\$7,886,284) . YTD excludes two checks (\$3,174,378) to close out Wells Fargo Account but includes five RACP payments totaling \$2,155,618, a \$2,594,470 TIF payment and a \$1,239,579 PNC loan payment. The “Other Acct Checks” total above has been adjusted for P-Card and General Account Check transactions.

(2) Developer Agreements may include amounts for letters of credit that may not be used with \$2,356,071 total this quarter (YTD \$4,101,837).

**NOTE:** The quarterly and year-to-date (YTD) information may have variances from the previous reports due to voided or adjusted amounts. The year-to-date numbers have been reconciled.

- Input information for the PA Gaming website to project anticipated revenues and check and confirm actual quarterly receipts. The PA Legislature finalized changes to the Gaming Law and Sands Casino payments were received on November 9, 2017 and December 28, 2017. Total received for 2017 was \$9,751,426, slightly under the budget.
- Review with the departments any outstanding Miscellaneous Accounts Receivables (ongoing).
- Examined and reviewed situations regarding contracts and purchase orders needing additional investigation and follow-up.
- Responded to and resolved nine calls on the Controller’s hotline. (YTD – 33).
- Searched and provided checks and invoices to Public Works for Electric Bills for all of year 2017.

Specific detailed back-up on the information provided is available upon request.

If you have any questions, please feel free to contact Gene Auman or myself in the Controller’s Office at extension 7120.

Cc: Eric R. Evans, Incoming Business Administrator  
Mark Sivak, Director of Budget & Finance  
Director Blake Kleintop, IS Website Manager  
Sandra Steidel, Director of Purchasing

David Brong, Business Administrator  
Linnea Lazarchak, Financial Services

Cash Expended Fourth Quarter 2017 and Year-To-Date

ATTACHMENT # 1

	chks/ trans- actions	Dollar Amount	General	911	Golf	Liquid Fuels	Water	Sewer	Water Capital	Sewer Capital	NUCI - Non Utility Capital	Total **	YTD TOTAL **
4th Quarter													
Check Summary	1,310	\$ 12,264,607	\$ 4,804,174	\$ 115,311	\$ 37,782	\$ 219,948	\$ 594,897	\$ 860,237	\$ 743,422	\$ 883,652	\$ 3,314,069	\$ 11,573,492	\$ 39,280,511
P-Card Summary	863	\$ 177,910	\$137,782	\$2,996	\$2,526	\$3,980	\$21,276	\$8,609	\$0	\$0	\$0	\$ 177,169	\$ 652,742
<b>TOTAL</b>	<b>2,173</b>	<b>\$ 12,442,517</b>	<b>\$ 4,941,956</b>	<b>\$ 118,307</b>	<b>\$ 40,308</b>	<b>\$ 223,928</b>	<b>\$ 616,172</b>	<b>\$ 868,847</b>	<b>\$ 743,422</b>	<b>\$ 883,652</b>	<b>\$ 3,314,069</b>	<b>\$ 11,750,660</b>	<b>\$ 39,933,253</b>
<b>Y-T-D TOTAL</b>	<b>8,281</b>	<b>\$ 41,528,702</b>	<b>\$ 18,370,137</b>	<b>\$ 349,985</b>	<b>\$ 358,158</b>	<b>\$ 939,227</b>	<b>\$ 2,090,108</b>	<b>\$ 3,265,740</b>	<b>\$ 2,823,086</b>	<b>\$ 3,136,987</b>	<b>\$ 8,599,826</b>	<b>\$ 39,933,253</b>	
Payroll accounts (inc. tax payments)			\$10,195,847	\$ 381,067	\$140,274	\$282,247	\$1,018,496	\$ 919,600				\$ 12,937,532	\$ 49,141,460
Payroll, general account sub-total for QTR			<b>\$15,137,803</b>	<b>\$ 499,375</b>	<b>\$180,582</b>	<b>\$506,175</b>	<b>\$1,634,668</b>	<b>\$1,788,446</b>	<b>\$ 743,422</b>	<b>\$ 883,652</b>	<b>\$ 3,314,069</b>	<b>\$ 24,688,192</b>	<b>\$ 89,074,713</b>
Other accounts (Sub-Total below)												\$ 10,482,985	\$ 23,365,022
TOTAL CASH OUTLAY												<b>\$ 35,171,178</b>	<b>\$ 112,439,734</b>

<b>Other Checking</b>					
Accounts	# QTD	\$ QTD	# YTD	\$ YTD	
Consolidated					
Cash	3	\$ 7,892,563	23	\$ 11,853,417	Includes 2 MMO payments -- \$7,886,284 -- this quarter; PNC loan payment - \$1,239,576 & TIF payments - \$2,594,471 previously.
Capital Account	0	\$ -	0	\$ -	
Medical Benefits	20	\$ 2,590,423	84	\$ 11,074,259	Includes 13 direct transfers per quarter for Capital Blue Cross. Does not include \$4,742 (\$12,950 YTD) in Medical included in A/P Checks
Water & Sewer	0	\$ -	3	\$ 437,345	
<b>SUB-TOTAL</b>	<b>23</b>	<b>\$ 10,482,985</b>	<b>110</b>	<b>\$ 23,365,022</b>	
City Trustee Acct	0	\$ -	0	\$ -	
Escrow - PCards**	5	\$ 741	16	\$ 2,147	These are included in the P-Card amounts above, but not in the totals in the right hand columns.
Escrow - A/P**	40	\$ 691,116	113	\$ 1,593,301	Included in the Check Summary totals - 2 Developer refunds (\$623,859) this quarter and 3 RACP payments of \$630,750 in the 3rd quarter.
Escrow**	11	\$ 502,139	99	\$ 2,766,422	Includes \$342,860 from BHA for city, school & county taxes this quarter.
<b>SUB-TOTAL</b>	<b>56</b>	<b>\$ 1,193,996</b>	<b>228</b>	<b>\$ 4,361,871</b>	These accounts are for holding other's cash and internal transfers.
<b>TOTAL</b>	<b>79</b>	<b>\$ 11,676,981</b>	<b>338</b>	<b>\$ 27,726,893</b>	

2016 & prior years costs paid in 2017					
	# QTD	\$ QTD	# YTD	\$ YTD	
Checks	3	\$ 12,573	311	\$ 3,238,323	
P-Cards	0	\$ -	233	\$ 60,187	
	3	\$ 12,573 *	544	\$ 3,298,511	7.9%

% 2016 paid to 2017 0.1% based upon total checks/P-Card expenses paid

\* These amounts includes all invoices/services prior to 1/1/17 for all departments and funds

\*\* Does not include Escrow Account payments and includes any previous quarterly adjustments

**End of Quarter Statistics on PO's Issued October - Dec 2017**

Attachment # 2

Dept	Bureau or Fund	End of Quarter Statistics on PO's Issued October - Dec 2017					Attachment # 2	
		Blanket \$ per Quarter	Regular \$ per Quarter	Contract \$ per Quarter (1)	Total \$ per Quarter (2)	\$ %	Confirm #	Confirm \$
<b>Elected Officials</b>	City Council, Legal	\$ -	\$ 173.50	\$ -	\$ 173.50	0.0%	0	\$ -
<b>Adminstration</b>		\$ -	\$ 45,071.35	\$ 23,812.25	\$ 68,883.60	3.6%	12	\$ 78,628.25
	<b>Admin. Bureaus</b>	\$ -	\$ 40,702.35	\$ -	\$ 40,702.35		6	\$ 30,254.97
	<b>Gen, Civic Exp</b>	\$ -	\$ 4,369.00	\$ 23,812.25	\$ 28,181.25		6	\$ 48,373.28 (3)
<b>Comm &amp; Econ Dev</b>		\$ -	\$ 105,448.66	\$ 485,000.00	\$ 590,448.66	30.9%	13	\$119,779.37 (3)
<b>Recreation/ Golf</b>		\$ -	\$ 38,119.94	\$ -	\$ 38,119.94	2.0%	6	\$ 42,991.75
	Recreation	\$ -	\$ 34,119.94	\$ -	\$ 34,119.94		3	\$ 792.29
	Golf Fund	\$ -	\$ 4,000.00	\$ -	\$ 4,000.00		3	\$ 42,199.46
<b>Public Works</b>		\$ -	\$ 46,021.25	\$ 8,955.00	\$ 54,976.25	2.9%	18	\$ 21,875.60
	Public Works	\$ -	\$ 46,021.25	\$ -	\$ 46,021.25		15	\$ 10,242.47
	Liquid Fuels	\$ -	\$ -	\$ 8,955.00	\$ 8,955.00		3	\$ 11,633.13
<b>Police Dept</b>		\$ -	\$ 34,345.80	\$ 66,000.00	\$ 100,345.80	5.3%	2	\$ 3,314.89
	Police	\$ -	\$ 31,805.80	\$ -	\$ 31,805.80		2	\$ 3,314.89
	911	\$ -	\$ 2,540.00	\$ 66,000.00	\$ 68,540.00			
<b>Fire/EMS</b>		\$ -	\$ 12,442.34	\$ -	\$ 12,442.34	0.7%	2	\$ 227.82
	Fire	\$ -	\$ 11,571.50	\$ -	\$ 11,571.50		1	\$ 113.84
	EMS	\$ -	\$ 870.84	\$ -	\$ 870.84		1	\$ 113.98
<b>Water Fund</b>		\$ -	\$ 130,080.32	\$ 84,589.30	\$ 214,669.62	11.2%	7	\$ 33,532.32
	Water	\$ -	\$ 52,337.09	\$ 20,502.00	\$ 72,839.09		4	\$ 22,418.32 (3)
	Water Capital	\$ -	\$ 77,743.23	\$ 64,087.30	\$ 141,830.53		3	\$ 11,114.00
<b>Sewer Fund</b>		\$ 10,250.00	\$ 43,957.36	\$ 3,401.00	\$ 57,608.36	3.0%	6	\$ 77,370.48
	Wastewater	\$ 10,250.00	\$ 20,569.81	\$ 3,401.00	\$ 34,220.81		5	\$ 58,712.48
	Sewer Capital	\$ -	\$ 23,387.55	\$ -	\$ 23,387.55		1	\$ 18,658.00
<b>Non-Utility Capital</b>	NUCI	\$ -	\$ 618,053.95	\$ 154,207.80	\$ 772,261.75	40.4%	8	\$113,336.49 (3)
<b>TOTAL \$ of PO's</b>		\$ 10,250.00	\$1,073,714.47	\$ 825,965.35	\$1,909,929.82	100%	74	\$491,056.97
<b>Total # of PO's</b>		0.5%	56.2%	43.2%	140			
Total # Confirming PO's		2	117	21	74	52.9%		
Total % Confirming PO's (2)		1%	84%	15%				
Total \$ Confirming PO's		27	34	13	74	25.7%		
		1350.0%	29.1%	61.9%				
		\$ 60,928	\$ 126,534	\$ 303,595	\$ 491,057			

(1) Based upon ongoing Contracts from previous years some Purchase Orders were encumbered as Blankets.

(2) Original Purchase Orders and no change orders which may increase total encumbered funds. Payments may include prior PO's or changes.

(3) Seven confirming amounts were contracts that were not signed/encumbered when services/goods were provided (\$ 182,046).

**TOTAL Statistics on PO's Issued January - December 2017**

Attachment # 3

Dept	Bureau or Fund	Blanket \$ per Quarter	Regular \$ per Quarter	Contract \$ per Quarter (1)	Total \$ per Quarter (2)	\$ %	Confirm #	Confirm \$
<b>Elected Officials</b>	City Council, Legal	\$ 3,500.00	\$ 4,503.74	\$ 46,710.00	\$ 54,713.74	0.2%	2	\$ 106.05
<b>Adminstration</b>		\$ 2,333,240.48	\$ 393,798.85	\$ 193,312.25	\$ 2,920,351.58	10.9%	29	\$ 173,929.59
	Admin. Bureaus	\$ 193,298.48	\$ 193,181.17	\$ 137,500.00	\$ 523,979.65		13	\$ 52,971.43 (3)
	Gen, Civic Exp	\$ 2,139,942.00	\$ 200,617.68	\$ 55,812.25	\$ 2,396,371.93		16	\$ 120,958.16
<b>Comm &amp; Econ Dev</b>		\$ 532,184.15	\$ 629,323.04	\$ 1,152,164.00	\$ 2,313,671.19	8.6%	44	\$ 164,162.40 (3)
<b>Recreation/ Golf</b>		\$ 279,520.62	\$ 116,810.37	\$ 7,500.00	\$ 403,830.99	1.5%	18	\$ 52,631.77
	Recreation	\$ 86,920.50	\$ 66,381.84	\$ 5,000.00	\$ 158,302.34		6	\$ 1,815.11
	Golf Fund	\$ 192,600.12	\$ 50,428.53	\$ 2,500.00	\$ 245,528.65		12	\$ 50,816.66
<b>Public Works</b>		\$ 1,386,832.91	\$ 711,626.85	\$ 243,420.90	\$ 2,341,880.66	8.7%	76	\$ 168,176.69
	Public Works	\$ 887,530.81	\$ 377,655.35	\$ 58,002.00	\$ 1,323,188.16		67	\$ 77,225.61
	Liquid Fuels	\$ 499,302.10	\$ 333,971.50	\$ 185,418.90	\$ 1,018,692.50		9	\$ 90,951.08
<b>Police Dept</b>		\$ 419,342.44	\$ 580,193.37	\$ 92,320.00	\$ 1,091,855.81	4.1%	12	\$ 56,420.58
	Police	\$ 300,842.44	\$ 406,934.25	\$ 24,000.00	\$ 731,776.69		10	\$ 48,879.72
	911	\$ 118,500.00	\$ 173,259.12	\$ 68,320.00	\$ 360,079.12		2	\$ 7,540.86
<b>Fire/EMS</b>		\$ 227,101.50	\$ 177,294.02	\$ 83,861.07	\$ 488,256.59	1.8%	5	\$ 5,197.82
	Fire	\$ 148,633.50	\$ 54,679.56	\$ -	\$ 203,313.06		2	\$ 563.84
	EMS	\$ 78,468.00	\$ 122,614.46	\$ 83,861.07	\$ 284,943.53		3	\$ 4,633.98
<b>Water Fund</b>		\$ 924,946.82	\$ 2,002,746.40	\$ 2,421,496.12	\$ 5,349,189.34	19.9%	19	\$ 387,682.39
	Water	\$ 730,243.01	\$ 218,857.44	\$ 940,374.70	\$ 1,889,475.15		13	\$ 47,529.57 (3)
	Water Capital	\$ 194,703.81	\$ 1,783,888.96	\$ 1,481,121.42	\$ 3,459,714.19		6	\$ 340,152.82 (3)
<b>Sewer Fund</b>		\$ 1,229,213.28	\$ 599,442.08	\$ 575,224.93	\$ 2,403,880.29	8.9%	15	\$ 92,983.95
	Wastewater	\$ 1,144,138.28	\$ 96,632.99	\$ 197,995.61	\$ 1,438,766.88		13	\$ 73,565.95
	Sewer Capital	\$ 85,075.00	\$ 502,809.09	\$ 377,229.32	\$ 965,113.41		2	\$ 19,418.00
<b>Non-Utility Capital</b>	NUCI	\$ 170,007.49	\$ 6,081,425.03	\$ 3,254,108.39	\$ 9,505,540.91	35.4%	13	\$ 165,370.76 (3)
<b>TOTAL \$ of PO's</b>		\$ 7,505,889.69	\$ 11,297,163.75	\$ 8,070,117.66	\$ 26,873,171.10	100%	233	\$ 1,266,662.00
<b>Total # of PO's</b>		28%	42%	30%	1,189			
		414	668	107				
<b>Total # Confirming PO's</b>		35%	56%	9%	233	19.6%		
<b>Total % Confirming PO's</b>		107	105	21				
<b>Total \$ Confirming PO's</b>		25.8%	15.7%	19.6%	\$ 1,266,662	4.7%		
		\$ 266,272	\$ 315,442	\$ 684,947				

(1) Based upon ongoing Contracts from previous years some Purchase Orders were encumbered as Blankets.

(2) Original Purchase Orders and no change orders which may increase total encumbered funds - not actual expenses paid.

(3) Fifteen confirming amounts were contracts that were not signed/encumbered when services/goods were provided (\$ 563,399).