



Township Revenues

*Projecting the Fiscal
Impact of COVID-19*

Earned Income Tax

Accounts for 27% of Budgeted Revenues
(\$3.5M in EIT)

Collected by Jordan Tax on behalf of the
Southwest Tax Collection Committee

Deposits generally have a 30-day lag

Daily Monitoring during COVID-19

COMPARING 2020 to 2019

2019

- ▶ \$3.17M Budgeted
- ▶ \$844,954 collected in Q1
- ▶ \$123,076 collected in April
- ▶ \$684,572 collected in May
- ▶ \$292,594 collected in June

2020

- ▶ \$3.5M Budgeted
- ▶ \$928,289 collected in Q1 +9.8%
- ▶ \$131,751 collected in April +7%
- ▶ \$614,242 collected in May -11.5%
- ▶ \$235,929 as of June 8 (81% of 2019)

Earned Income Tax



June Data very important
to monitor

Prior Month lagged behind 2019 values
But early month deposits give reason for
optimism



Positive Growth in Q1 of 2020 will provide buffer



Conservative YE Projection would be -10%
(\$350,000)



Realistic YE Projection would be flat to -2%



Still other variables with
remainder of year

Contingent upon market recovery / level
of unemployment in Township

Real Estate Tax

Accounts for 53% of Budgeted Revenues (\$7M in RET)

Collected by Elected Tax Collector

Majority of Payments made by Mortgage Companies

South Fayette Township Extended the Discount Period (August 31)

COMPARING 2020 TO 2019

2019

- ▶ \$6.45M Budgeted
- ▶ \$3.93M through May (61% of total)
- ▶ Over \$2.5M collected after discount

2020

- ▶ \$7M Budgeted
- ▶ \$5.176M YTD (74% of total)
- ▶ Roughly \$1.8M in collections to hit budget goal. Discount 8/31

What Does This All Mean?



Positive News

Real Estate Tax YTD is **STRONG**
Extension of Discount indicates
uncollected revenues still
likely to come in
Represents largest chunk of
General Fund Revenues



Warning Signs

May EIT Collections could be
negative indicator
Lag in collections make future
predictions more difficult
Ripple effect of unemployment
could be in front of us

Next Steps



Daily Monitoring of Collections



Update 2020 Budget with Revenue Projections



Identify Projected Shortfalls in Advance



Communicate with Board and Make Adjustments