



# MOUNT PLEASANT TOWNSHIP

HICKORY, PENNSYLVANIA

ANNUAL FINANCIAL REPORT  
AS OF DECEMBER 31, 2021



**Cypher & Cypher**

Accountants | Auditors | Advisors

# MOUNT PLEASANT TOWNSHIP

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Independent Auditor's Report

To the Supervisors of  
Mount Pleasant Township  
Hickory, Pennsylvania

**Opinion**

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mount Pleasant Township as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Mount Pleasant Township as of December 31, 2021 and the respective changes in modified cash basis financial position, thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1E.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mount Pleasant Township and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Emphasis of Matter - Pension Information**

We draw attention to Note 6 of the financial statements. The financial report for the Township's account with the Pennsylvania Municipal Retirement System is not available as of the date of this report. For this reason, the Township's current year activity within this account is not included within the financial statements. Our opinions are not modified with respect to this matter.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note 1E; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Mount Pleasant Township's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Mount Pleasant Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Mount Pleasant Township's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### **Basis of Accounting**

We draw attention to Note 1E of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

### **Other Matters**

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Mount Pleasant Township's basic financial statements. The management's discussion and analysis, the budgetary comparison information, and the combining nonmajor fund financial statements on pages i-iv, and 5, and 29-30, respectively which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

CYPHER & CYPHER

*Cypher & Cypher*

CERTIFIED PUBLIC ACCOUNTANTS

Canonsburg, Pennsylvania  
February 14, 2022

## Management's Discussion & Analysis

## **MOUNT PLEASANT TOWNSHIP**

### **HICKORY, PENNSYLVANIA**

#### **Management's Discussion and Analysis (MD&A)**

**December 31, 2021**

Our discussion and analysis of Mount Pleasant Township's financial performance provides an overview of the Township's financial activities for the year ended December 31, 2021. The MD&A should be read in conjunction with the financial statements and footnotes.

The Management Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments issued June 1999.

#### **The Township**

The Township is organized under laws of the Commonwealth of Pennsylvania. (the "Commonwealth").

The governing body of the Township is an elected Board of three supervisors.

#### **Financial Highlights**

Our financial statements provide these insights into the results of this year's operations. The General Fund, the Capital Projects Fund, and the Liquid Fuels Fund are our major funds that receive and spend most of our resources:

- The General fund reported an increase in fund balance of \$190,405.
- The Capital Projects fund reported an decrease in fund balance of (\$173,730).
- The Liquid Fuels fund reported an increase in fund balance of \$149,220.
- The Non-major funds reported a net decrease in fund balance of \$(2,964).

#### **Reporting the Township as a Whole**

#### **The Statement of Net Position and Statement of Activities**

The Statement of Net Position and the Statement of Activities report information about the Township as a whole and its activities. These statements include all assets and liabilities that reflect

the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

These two statements report the Township's net position and changes in them. The change in net position provides the reader with a tool to assist in determining whether the Township's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such as property tax base, current property tax laws, and facility conditions in arriving at a conclusion regarding the overall health of the Township.

The following table reflects the condensed Statement of Net Position:

Statement of Net Position		
As of December 31		
	Governmental Activities	
	2021	2020
Current and Other Assets	\$ 1,969,590	\$ 1,616,968
Non Current Assets		
Total Assets	<u>1,969,590</u>	<u>1,616,968</u>
Current and Other Liabilities	287,015	97,324
Non Current Liabilities		
Total Liabilities	<u>287,015</u>	<u>97,324</u>
Restricted	877,940	905,440
Unrestricted	804,635	614,204
Total Net Position	<u>\$ 1,682,575</u>	<u>\$ 1,519,644</u>

### **Assets, Liabilities & Net Position**

As of December 31, 2021 the Township had total assets of \$1.97 million. This amount represents cash and equivalents at year end.

Total liabilities as of December 31, 2021 totaled \$287 thousand. This amount consists mainly of escrow account deposits and unspent American Rescue Plan funding that was not spent as of December 31, 2021.

The resulting \$1.68 million in net position includes \$877 thousand reserved for various designated purposes and \$804 thousand of undesignated amounts not reserved for specific purposes.



The following table reflects Changes in Net Position:

Fiscal year ended December 31  
Changes in Net Position

	Governmental Activities	
	2021	2020
Program Revenues:		
Charges for Services	\$ 294,232	\$ 37,257
Operating Grants and Contributions	325,548	394,924
General Revenues:		
Property Taxes	700,650	665,660
Other Taxes	672,821	597,818
Grants Subsidies and Contributions	326,933	511,708
Other	244,745	322,421
	<u>2,564,929</u>	<u>2,529,788</u>
Expenditures:		
General Government	357,163	334,876
Public Safety	740,756	652,758
Health and Sanitation	249,482	2,400
Highways and Streets	777,845	890,120
Culture and Recreation	33,311	49,575
Employee Benefits, Insurance and Miscellaneous	203,248	187,290
Debt Service	40,193	36,299
Other		50,000
	<u>2,401,998</u>	<u>2,203,318</u>
Change in Net Position	<u>\$ 162,931</u>	<u>\$ 326,470</u>

## Revenues

The Township received 53% of its funding from taxes. Revenue from property and earned income taxes is the primary source of revenue for the Township.

## Expenditures

Total spending for 2021 totaled \$2.4 million. Highways and streets expenditures amounted to \$777 thousand or 32%. Public safety totaled \$740 thousand or 31%. General government totaled \$357 thousand or 15%, health and sanitation totaled \$249 thousand or 10%, and employee benefits, insurance, and miscellaneous totaled \$203 thousand or 8%. The remaining 4% is composed of debt service and culture and recreation expenditures.

## Financial Analysis of Governmental Funds

The following table reflects changes in fund balance:

	Capital			Non-Major		Combined
	General Fund	Projects Fund	Liquid Fuels Fund	Funds	Total	
December 31, 2020	\$ 584,068	\$ 427,504	\$ 426,896	\$ 81,176	\$ 1,519,644	
Increase (Decrease)	190,405	(173,730)	149,220	(2,964)	162,931	
December 31, 2021	\$ 774,473	\$ 253,774	\$ 576,116	\$ 78,212	\$ 1,682,575	

The General Fund includes the balance of the Local Share account, which represents the Township's proceeds of assessments collected from local gaming entities within the county. The Capital Projects Fund includes the remaining proceeds of Act 13 impact fees, which are collected from producers with local gas wells.

## Debt Administration

The following table reflects the Township's long term debt obligations:

<u>Notes Payable</u>	<u>Capital Leases</u>	<u>Sick/Vac Days</u>	<u>Total</u>
\$ 368,153	\$ -	\$ 101,201	\$ 469,354

On May 25, 2018, the Township entered into an agreement for a General Obligation Note, Series B of 2018 with Washington Financial Bank in the amount of \$350,000. The Township is to make monthly payments in the amount of \$2,502, with an applicable rate of interest of 3.5%. The final payment is scheduled for June 1, 2033.

On March 29, 2018, the Township entered into a loan agreement with the Department of Community and Economic Development (DCED) for a principal loan amount of \$100,000. The Township is to make quarterly payments of \$1,943 with an applicable interest rate of 2.0%. The final payment is scheduled for the 2034 year.

## General Fund Budgetary Highlights

For the year ended December 31, 2021, General Fund revenues were \$260 thousand above budgeted revenues, while expenditures were \$36 thousand above budgeted expenditures.

## Contacting the Township's Financial Management

Our financial report is designed to provide citizens, taxpayers, investors and creditors with a general overview of the Township's finances and to illustrate the Township's accountability for the funds it receives. Questions concerning this report or a request for additional information should be addressed to Mount Pleasant Township, 31 McCarrell Road, Hickory, PA 15340, telephone (724) 356-7974.

# Basic Financial Statements

MOUNT PLEASANT TOWNSHIP  
STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
DECEMBER 31, 2021

	<u>Governmental Activities</u>
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 1,969,590
Total Current Assets	<u>1,969,590</u>
 TOTAL ASSETS	 <u><u>\$ 1,969,590</u></u>
 LIABILITIES	
Current Liabilities:	
Accrued Salaries and Benefits	\$ 170
Deposits	102,784
Unearned Revenue	<u>184,061</u>
Total Current Liabilities	<u>287,015</u>
 Total Liabilities	 287,015
 NET POSITION	
Restricted for:	
Other Reserves	877,940
Unrestricted	<u>804,635</u>
TOTAL NET POSITION	<u>1,682,575</u>
 TOTAL LIABILITIES AND NET POSITION	 <u><u>\$ 1,969,590</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

MOUNT PLEASANT TOWNSHIP  
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Total
Governmental Activities				
General Government	\$ 357,163	\$ 4,758	\$	\$ (352,405)
Public Safety	740,756	7,970	18,192	(714,594)
Health and Sanitation	249,482	281,504		32,022
Highways and Streets	777,845		254,841	(523,004)
Culture and Recreation	33,311			(33,311)
Employee Benefits, Insurance, and Miscellaneous	203,248		52,515	(150,733)
Debt Service	40,193			(40,193)
Total Governmental Activities	2,401,998	294,232	325,548	(1,782,218)
Total Government	2,401,998	294,232	325,548	(1,782,218)
General Revenues				
Taxes				
Property Taxes				700,650
Other Taxes				672,821
Grants, Subsidies and Contributions, Unrestricted				326,933
Investment Earnings				48,142
Miscellaneous Income				196,603
Total General Revenues				1,945,149
Change in Net Position				162,931
Net Position - Beginning				1,519,644
Net Position - Ending				\$ 1,682,575

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

MOUNT PLEASANT TOWNSHIP  
BALANCE SHEET - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS  
DECEMBER 31, 2021

	Governmental Funds				
	General Fund	Capital Projects Fund	Liquid Fuels Fund	Non-Major Funds	Totals
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 830,208	\$ 248,085	\$ 573,979	\$ 317,318	\$ 1,969,590
Interfund Receivable	79,690	32,500	2,137	20,074	134,401
<b>TOTAL ASSETS</b>	<u>\$ 909,898</u>	<u>\$ 280,585</u>	<u>\$ 576,116</u>	<u>\$ 337,392</u>	<u>\$ 2,103,991</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Interfund Payable	\$ 54,710	\$ 26,811	\$ -	\$ 52,880	\$ 134,401
Payroll Deductions and Withholdings	170				170
Deposits	80,545			22,239	102,784
Unearned Revenue				184,061	184,061
<b>Total Liabilities</b>	<u>135,425</u>	<u>26,811</u>		<u>259,180</u>	<u>421,416</u>
<b>FUND BALANCES</b>					
Fund Balances -					
Assigned to -					
Parks and Recreation				2,200	2,200
Street Lighting and Fire Protection				15,330	15,330
Uncompensated Absences	26,161				26,161
Highways			576,116		576,116
Capital Projects		253,774			253,774
Equipment Fund				57,719	57,719
Paramedic Fund				4,359	4,359
Designated Purposes				92	92
Unassigned	748,312			(1,488)	746,824
<b>Total Fund Balances</b>	<u>774,473</u>	<u>253,774</u>	<u>576,116</u>	<u>78,212</u>	<u>1,682,575</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 909,898</u>	<u>\$ 280,585</u>	<u>\$ 576,116</u>	<u>\$ 337,392</u>	<u>\$ 2,103,991</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

MOUNT PLEASANT TOWNSHIP  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	Governmental Funds				Totals
	General Fund	Capital Projects Fund	Liquid Fuels Fund	Non-Major Funds	
Revenues					
Real Estate Taxes	\$ 490,497	\$	\$	\$ 210,153	\$ 700,650
Local Enabling Taxes	672,821				672,821
Licenses and Permits	54,130				54,130
Fines and Forfeits	16,054				16,054
Interest and Rents	44,483	490	1,148	2,021	48,142
Intergovernmental Revenues	152,882	244,758	254,841		652,481
Departmental Earnings	294,232				294,232
Special Assessments				61,396	61,396
Miscellaneous	64,024			1,000	65,024
Total Revenues	1,789,123	245,248	255,989	274,570	2,564,930
Expenditures					
General Government	272,760	72,638		11,766	357,164
Public Safety	560,698	53,567		126,491	740,756
Health and Sanitation	249,482				249,482
Highways and Streets	362,436	254,978	106,769	53,662	777,845
Culture and Recreation	3,471			29,840	33,311
Employee Benefits, Insurance, and Miscellaneous	178,882				178,882
Debt Service					
Principal and Interest	2,398	37,795			40,193
Refund of Prior Year Revenues	23,591			775	24,366
Total Expenditures	1,653,718	418,978	106,769	222,534	2,401,999
Excess (Deficiency) of Revenues Over Expenditures	135,405	(173,730)	149,220	52,036	162,931
Other Financing Sources (Uses)					
Interfund Transfers In	55,000				55,000
Interfund Transfers (Out)				(55,000)	(55,000)
Total Other Financing Sources (Uses)	55,000			(55,000)	
Net Change in Fund Balances	190,405	(173,730)	149,220	(2,964)	162,931
Fund Balances - Beginning	584,068	427,504	426,896	81,176	1,519,644
Fund Balances - Ending	\$ 774,473	\$ 253,774	\$ 576,116	\$ 78,212	\$ 1,682,575

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

MOUNT PLEASANT TOWNSHIP  
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
BUDGET VS ACTUAL - GENERAL FUND- SUPPLEMENTAL INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual (Budgetary Basis)	Over (Under) Budget - Final
Revenues				
Real Estate Taxes	\$ 467,500	\$ 467,500	\$ 490,497	\$ 22,997
Local Enabling Taxes	583,000	583,000	672,821	89,821
Licenses and Permits	52,450	52,450	54,130	1,680
Fines and Forfeits	17,800	17,800	16,054	(1,746)
Interest and Rents	35,000	35,000	44,483	9,483
Intergovernmental Revenues	62,250	62,250	152,882	90,632
Departmental Earnings	264,686	264,686	294,232	29,546
Miscellaneous	46,000	46,000	64,024	18,024
Total Revenues	1,528,686	1,528,686	1,789,123	260,437
Expenditures				
General Government	229,800	229,800	272,760	42,960
Public Safety	572,804	572,804	560,698	(12,106)
Health and Sanitation	238,654	238,654	249,482	10,828
Highways and Streets	374,442	374,442	362,436	(12,006)
Culture and Recreation	22,020	22,020	3,471	(18,549)
Employee Benefits, Insurance, and Miscellaneous	177,000	177,000	178,882	1,882
Debt Service				
Principal and Interest	2,388	2,388	2,398	10
Refund of Prior Year Revenues	599	599	23,591	22,992
Total Expenditures	1,617,707	1,617,707	1,653,718	36,011
Excess (Deficiency) of				
Revenues Over Expenditures	(89,021)	(89,021)	135,405	224,426
Other Financing Sources (Uses)				
Interfund Transfers In	123,228	123,228	55,000	(68,228)
Interfund Transfers (Out)	(10,000)	(10,000)		10,000
Total Other Financing Sources & (Uses)	113,228	113,228	55,000	(58,228)
Net Change in Fund Balances	24,206	24,206	190,405	166,199
Fund Balances - Beginning	584,068	584,068	584,068	
Fund Balances - Ending	\$ 608,274	\$ 608,274	\$ 774,473	\$ 166,199

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.



MOUNT PLEASANT TOWNSHIP  
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS  
DECEMBER 31, 2021

	Non-Uniform Pension Fund	Uniform Pension Fund
ASSETS		
Current Assets:		
Investments	\$ 1,389,596	\$ 294,035
Other receivables		1,020
Total Current Assets	<u>1,389,596</u>	<u>295,055</u>
TOTAL ASSETS	<u>\$ 1,389,596</u>	<u>\$ 295,055</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$	\$
Total Current Liabilities		
NET POSITION		
Unrestricted	<u>1,389,596</u>	<u>295,055</u>
Total Net Position	<u>1,389,596</u>	<u>295,055</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 1,389,596</u>	<u>\$ 295,055</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

MOUNT PLEASANT TOWNSHIP  
STATEMENT OF CHANGES IN  
FIDUCIARY NET POSITION - FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Non-Uniform Pension Fund</u>	<u>Uniform Pension Fund</u>
Additions		
Investment Earnings	\$ 122,835	\$
Contributions	<u>33,105</u>	
Total Additions	<u>155,940</u>	
Deductions		
Distributions	6,886	
Other Deductions	<u>6,373</u>	
Total Deductions	<u>13,259</u>	
Changes in Net Position	142,681	
Net Position-Beginning	<u>1,246,915</u>	<u>295,055</u>
Net Position-Ending	<u><u>\$ 1,389,596</u></u>	<u><u>\$ 295,055</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

# Mount Pleasant Township

## Notes to the Basic Financial Statements

### Year Ended December 31, 2021

#### Note 1 – Summary of Significant Accounting Policies

The accounting policies of Mount Pleasant Township conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

##### **A. Reporting Entity**

The Township is a primary government organized within the laws of the Commonwealth of Pennsylvania. The Township is governed by an elected Board of Supervisors. The Township has the power of taxation and the ability to incur long term debt. As such, it is an independent governmental unit.

In evaluating the Township as a primary government in accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, "The Financial Reporting Entity," management has addressed all potential component units. Consistent with this Statement, the criteria used by the Township to evaluate possible inclusion of related entities within its reporting entity are financial accountability and the nature and significance of the relationship. Upon review of this criteria, the Township determined that there were no potential component units that met the criteria for inclusion in the reporting entity.

##### **B. Basis of Presentation**

Following are the more significant of the Township's accounting policies:

The Township's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

##### **1. Government-wide Financial Statements**

The Statement of Net Position and the Statement of Activities display information about the Township as a whole within the limitations of the modified cash basis of accounting. These statements include the financial activities of the primary government, except for fiduciary funds.

The Statement of Net Position presents the financial condition of the governmental activities of the Township at fiscal year end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the Township's governmental activities. Direct expenses are those that are specifically associated with a service program or department and, therefore, are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the Township, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Township.

In the process of aggregating data for the statement of Net Position and the Statement of Activities, some amounts that are reported as inter-fund activity and balances are eliminated.

## **2. Fund Financial Statements**

During the fiscal year, the Township segregates transactions related to certain Township functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

### **C. Fund Accounting**

The Township uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Township has two categories of funds: governmental and fiduciary.

#### **1. Governmental Funds**

Governmental funds are those through which most governmental functions of the Township are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

The General Fund and the Liquid Fuels Fund are the Township's major governmental funds.

General Fund - The General Fund is the general operating fund of the Township. It is used to account for all financial resources, except for those required to be accounted for in another fund.

Liquid Fuels Fund - The Liquid Fuels Funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Projects Fund – The Capital Projects Fund includes the Township's Capital Reserve, the Act 13 Impact Fee Fund, and the Public Works Building Construction Fund. The Capital Projects Funds are used to account for major capital facilities and repairs.

The other governmental funds of the Township are used to account for other resources. These include the library tax fund, street lighting fund, the fire protection fund, the paramedic fund, the Parks and Recreation Fund, the equipment fund, the sewage escrow fund, and the American Rescue Plan Fund.

#### **2. Fiduciary Funds**

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and custodial funds. Trust funds are used to account for assets held by the Township under a trust agreement for individuals, private organizations, or other governments and are not available to support the Township's own programs. Custodial funds are custodial in nature and are used to account for fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. The Township maintains two pension trust funds.

**Trust Fund**

Pension Trust Fund – Non Uniform Pension Fund and Police Pension Fund – These are trust funds established to account for revenues and pension expenditures to the Township's money purchase and defined benefit plans. Pension trust funds are accounted for in essentially the same manner as governmental funds.

**D. Measurement Focus:**

In the government-wide Statement of Net Position, and the Statement of Activities, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined below.

In the fund financial statements, all governmental funds utilize a “current financial resources” measurement focus within the limitations of the modified cash basis of accounting. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statement presents sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

**E. Basis of Accounting:**

The financial statements are presented using a modified cash basis of accounting, which is a basis of accounting other than GAAP as established by GASB. This basis of accounting involves modifications to the cash basis of accounting to report in the statements of net position or balance sheets cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include investments, inter-fund receivables and payables, and short-term liabilities arising from cash transactions or events.

This modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows, liabilities, and deferred inflows that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

If the Township utilized the basis of accounting recognized as generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

Fiduciary funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

## **F. Financial Position**

### **1. Cash and Cash Equivalents**

For the purpose of financial reporting, cash and cash equivalents include all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less. Trust account investments in open-ended mutual fund shares are also considered cash equivalents.

### **2. Investments**

Investments classified in the financial statements consist entirely of either investments, signifying that all are uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Township's name; or pooled investment funds which cannot be classified by risk category because they are not evidenced by securities that exist in physical or book entry form. Investments are stated at fair value.

### **3. Due From Other Funds or Governments**

Receivables and payables to other funds or governments arising from cash transactions or events are recorded in the financial statements as a modification to the cash basis of accounting.

### **4. Capital Assets**

The Township's modified cash basis of accounting reports capital assets arising from cash transaction or events acquired for use in governmental-wide financial statements and in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

### **5. Long-Term Debt**

Long-term debt arising from cash transaction or events is not reported as liabilities in the government-wide and in the fund financial statements. The debt proceeds are reported as other financing sources, and payment of principal and interest is reported as expenditures.

### **6. Net Position/Fund Balance Classification**

#### ***Government-Wide Statements***

Net position is classified and displayed in three components:

- Net investment in capital assets – consists of capital assets, included restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisitions, construction, or improvements of those assets and adjustments for any deferred inflows and outflows of resources attributable to capital assets and related debt.
- Restricted – consists of restricted assets reduced by liabilities and deferred inflows or resources related to those assets, with restriction constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislations.
- Unrestricted – net amount of assets, deferred outflows or resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

It is the Township's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

### ***Fund Balances***

The difference in the total of assets and deferred outflows less the total of liabilities and deferred inflows of governmental funds is reported as fund balances and classified as nonspendable, restricted, committed, assigned, and unassigned based on the respective level of constraint. These constraints are defined as follows:

- Non-spendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as non-spendable at December 31, 2021 by the Township are non-spendable in form.
- Restricted – includes amounts that are restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to formal action taken by the Board of Supervisors, the Township's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Supervisors.
- Assigned – includes amounts that the Township intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Amounts may be assigned by the Board of Supervisors.
- Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Township considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Township considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Supervisors has provided otherwise in its commitment or assignment actions.

The Township has no formal minimum fund balance policies or any formal stabilization arrangements in place.

Fund balances in the Township's major funds are \$774,473 for the general fund, which includes \$26,161 that is assigned for designated purposes, and \$748,312 that is unassigned. Fund balances in the capital projects fund total \$253,774 and fund balances in the liquid fuels fund consist of \$576,116 that is assigned for highways.

Fund balances in the Township's non-major funds consist of a deficit of \$(1,488) that is unassigned in the Library Tax Fund, \$57,719 that is assigned in the Equipment Fund, \$2,200 that is assigned for the Parks and Recreation, \$15,330 that is assigned for street lighting and fire protection, \$4,359 that is assigned for the paramedic fund, and \$92 that is assigned in the American Rescue Plan Fund.

### **G. Revenues, Expenditures and Expenses**

In the Statement of Activities, modified cash-basis revenues that are derived directly from each activity or from parties outside the Township's taxpayers are reported as program revenues. The Township has the following program revenues in each activity:

*General Government – Sale of Government Documents*

*Public Safety – Permits and Foreign Fire Relief*

*Highways and Streets – Commercial vehicle and gasoline excise tax shared by the State*

*Culture and Recreation – Funds raised specifically for culture and recreation*

*Employee Benefits – Pension State Aid*

All other governmental revenues are reported as general revenues. All taxes are classed as general revenue even if restricted for a specific purpose.

#### **H. Budgets and Budgetary Accounting:**

The Township follows these procedures in establishing the budgetary data reflected in the financial statements.

Prior to December 31, the budget is legally enacted through passage of a resolution.

Formal budgetary integration is employed as a management control device during the year for the General Fund.

The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles.

The Township is not permitted to amend the budget during the year to change the original appropriation. The control level at which the budget must report is function and object.

The General Fund is the only fund for which a budget is required to be adopted.

At December 31st of each year, appropriations lapse and may not be carried forward.

Encumbrances are utilized to the extent necessary for the Township to maintain proper control over the budget. Open encumbrances at year-end lapse and are reappropriated in the next year's budget.

#### **I. Estimates**

The preparation of financial statements in conformity with the modified cash basis of accounting used by the Township requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### **J. Inter-fund Receivables/Payables**

During the course of operations, transactions sometime occur between individual funds for goods provided or services rendered. These receivables and payables, to the extent they exist, are classified as "Inter-fund Receivable" or "Inter-fund Payable" on the balance sheet.

#### **K. Subsequent Events**

The Township evaluated subsequent events for recognition and disclosure through February 14, 2022, the date the financial statements were available to be issued.



## Note 2 – Cash and Investments

### ***Deposits***

Below is a summary of the Township's deposits which are insured by the Federal Depository Insurance Company, and those which are not insured or collateralized in the Township's name, but collateralized in accordance with Act 72 of the Pennsylvania State Legislature, which requires the financial institution to pool collateral for all government deposits and have the collateral held by an approved custodian in the institution's name.

	<u>FDIC</u> <u>Insured</u>	<u>Pooled</u> <u>Collateral</u>	<u>Bank</u> <u>Balance</u>	<u>Carrying</u> <u>Amount</u>
Cash and Cash Equivalents	<u>\$ 250,000</u>	<u>\$ 1,730,570</u>	<u>\$ 1,980,570</u>	<u>\$ 1,969,590</u>

### ***Investments***

The Township's investments at December 31, 2021 consist of:

	<u>Carrying Amount</u>	<u>Fair Value/Other Measurement Value</u>
PCS Retirement	\$ 1,389,596	\$ 1,389,596
Pennsylvania Municipal Retirement System	<u>294,035</u>	<u>294,035</u>
Total	<u>\$ 1,683,631</u>	<u>\$ 1,683,631</u>

The Board of Supervisors has designated PCS Retirement and Pennsylvania Municipal Retirement System as custodial and trustee of Mount Pleasant Township's retirement assets. When applicable, the Township measures investments at fair value. The fair value measurement guidelines, set forth by generally accepted accounting principles, recognize a three-tiered fair value hierarchy as follows:

- Level 1 inputs: Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets. A quoted price for an identical asset or liability in an active market (e.g., an equity security traded on a major exchange) provides the most reliable fair value measurement and, if available, should be used to measure the fair value in that particular market.
- Level 2 inputs: The categorization of an asset/liability as Level 1 requires that it is traded in an active market. If an instrument is not traded in an active market, it may fall to Level 2. Level 2 inputs are inputs that are observable, either directly or indirectly, but do not qualify as Level 1.
- Level 3 inputs: Reporting entities may use unobservable inputs to measure fair value if relevant observable inputs are not available, thereby allowing for situations in which there is little, if any market activity for the asset or liability at the measurement date. These unobservable inputs are considered Level 3.

Equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

## PCS Retirement

For the portion of township pension assets invested with PCS Retirement, the fair value measurements have been reported in the annual participant account report provided to the township by PCS Retirement. PCS Retirement measures and records its investments at fair market value, unless otherwise stated by the issuer of the investment.

At December 31, 2021, the following table reflects the Township investments held by PCS Retirement:

### PCS RETIREMENT INVESTMENTS PORTFOLIO

As of December 31, 2021

#### FAIR VALUE MEASUREMENTS USING INVESTMENTS BY FAIR VALUE LEVEL

	2021	Level 1	Level 2	Level 3
Mutual Funds	\$ 1,389,596	\$ 1,389,596		
Total investments by fair value level	1,389,596	1,389,596		
Total investments	<u>\$ 1,389,596</u>			

## Pennsylvania Municipal Retirement System (PMRS)

The amounts above reflecting the Pennsylvania Municipal Retirement System include balances as of December 31, 2019. Updated account information for the 2020 and 2021 years was not available at the time of this report's issuance. For the portion of township pension assets invested with the Pennsylvania Municipal Retirement System, the fair value measurements have been derived from the December 31, 2019 CAFR issued by PMRS which measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles.

Investments valued at the net asset value (NAV) per share (or its equivalent) include investments considered to be Alternative Investments defined by the AICPA. The definition includes investments for which a readily determinable fair value does not exist (that is, investments not listed on national exchanges or over-the-counter markets, or for which quoted market prices are not available from sources such as financial publications, exchanges, or NASDAQ). These types of investments include real estate and commingled funds and can be held within any of the asset classes used by PMRS based on underlying portfolio holdings and analysis of risk and return relationships. The commingled funds are open-ended funds and may be utilized in equity or fixed income asset classes. They are funds made up of underlying securities that have readily available fair values (publicly traded stocks and bonds). PMRS owns units of these funds rather than the individual securities. Contributions or withdrawals from these funds can be made as needed, generally with daily or monthly liquidity, with a notice period of one to fifteen days. Because they are liquid funds, there are no unfunded commitments for these types of investments.

Short-term investments are reported at amortized cost.

At December 31, 2019, the following table reflects the Township share of the investment portfolio of the Pennsylvania Municipal Retirement System:

## TOWNSHIP SHARE OF PMRS INVESTMENT PORTFOLIO

As of December 31, 2019

### FAIR VALUE MEASUREMENTS USING INVESTMENTS BY FAIR VALUE LEVEL

	2019	Level 1	Level 2	Level 3
Common and preferred stock	\$ 131,382	\$ 131,382		
<b>Total investments by fair value level</b>	<b>131,382</b>	<b>131,382</b>		

### INVESTMENTS MEASURED AT NET ASSET VALUE (NAV)

		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Commingled funds - debt	42,286	-	Daily, monthly	1-15 Days
Commingled funds - equity	63,338	-	Daily, monthly	1-15 Days
Real estate	52,460	-	Not eligible	Not eligible
<b>Total investments measured at NAV</b>	<b>158,084</b>			

### INVESTMENTS AT OTHER THAN FAIR VALUE

Cash equivalents	4,570
<b>Total investments at other than fair value</b>	<b>4,570</b>
<b>Total investments</b>	<b>\$ 294,036</b>

PMRS is exposed to the risk of loss of investments due to errors and omissions on behalf of its advisors is covered by the contractual obligation for the advisors to maintain errors and omissions insurance. The investment managers also must provide proof of a fidelity bond covering the advisor, the office, and its employees.

In accordance with a contract between the Treasurer of the Commonwealth of Pennsylvania and the Treasurer's custodial agent, PMRS may participate in a securities lending program. Under this program, the custodial agent, acting as the lending agent, lends securities (equities, fixed income, and money market instruments) to independent brokers and dealers in exchange for collateral in amounts up to 105 percent of the fair value of securities lent. Collateral is marked-to-market daily. If the fair value of the collateral held falls below the minimum guidelines for securities lent, additional collateral is obtained. In lieu of securities or cash, the borrower may deliver to the lending agent irrevocable bank letters of credit, government securities, or repurchase agreements as collateral. If the collateral obtained consists in whole or in part of cash, the lending agent may use or invest the cash in accordance with reinvestment guidelines approved by the State Treasurer.

All securities loans can be terminated on demand by either PMRS or the borrower. Cash collateral is invested in the lending agent's short-term investment pool. The relationship between the maturities of the investment pool and PMRS's loans is affected by the maturities of the securities loans made by other entities that use the lending agent's pool, which PMRS cannot determine. PMRS cannot pledge or sell collateral securities received unless the borrower defaults.

As of December 31, 2019, PMRS had no credit risk exposure to borrowers because participation in the securities lending program was halted in 2008.

## Investment Risks

*Custodial Credit Risk* - Custodial credit risk is the risk of loss resulting from the failure of the custodian such that PMRS or PCS would not be able to recover the value of its investments or collateral securities in the possession of the custodian. The Township is permitted to invest funds consistent with sound business practices in the following types of investments, certain money market mutual funds, and deposit accounts:

Obligations of (a) the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, (b) the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth of Pennsylvania, or (c) any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision.

Act 20, a Pennsylvania law enacted in June of 1995, expands the allowable investment vehicles to include certain money market mutual funds rated as "AAA" whose investments are limited to those mentioned in the previous paragraph.

Deposits in savings accounts or time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation to the extent that such accounts are so insured and, for any amounts above the insured maximum, provided that approved collateral as provided by law therefore shall be pledged by the depository.

For the portion of Township pension assets invested with PMRS, since the State Treasurer, as custodian, holds all investments in the name of PMRS, PMRS's investments are not exposed to custodial credit risk. The Treasury Department has formally adopted a written investment policy which addresses custodial credit risk.

For the portion of township pension assets invested with PCS, because the investment securities are uninsured, unregistered, and in the possession of the counterparty or its safekeeping department, the investment securities are subject to custodial credit risk. However, because the investments in PCS are participant directed, custodial credit risk falls on the participant and not the Township.

*Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of a fixed income investment. The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

For the portion of Township pension assets invested with PMRS, based on the total portfolio that PMRS is invested in, approximately 16% of the total assets were subject to this risk.

For the portion of Township pension assets invested with PCS, because the investments in PCS are participant directed, the interest rate risk falls on the participant and not the Township.

*Concentration of Credit Risk* – Credit risk concentration is the risk of loss attributed to investments (other than those issued or guaranteed by the U.S. Government) in any one organization that represented 5 percent or more of the plan's net position. The Township places no limit on the amount it may invest in any one issue.

The portion of Township pension assets invested with PMRS had no single issuer that exceeded 5 percent of total investments at December 31, 2019. Therefore, the Township is not subject to this risk.

The portion of Township pension assets invested with PCS had no single issuer that exceeded 5 percent of total investments at December 31, 2021. Because the investments in PCS are participant directed, this risk would fall on the participant and not the Township.

#### *Foreign Currency Risk*

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment.

As part of PMRS's program of diversification, the system invests in non-U.S. markets. At December 31, 2019, less than 7.7% of the PMRS total investments of \$2.803 billion was subject to this risk.

Investments in PCS are directed by participants and therefore could be subject to foreign currency risk.

### Note 3 – Property Taxes

Property taxes attach as an enforceable lien on property as of the second Monday in January. Taxes are levied on March 15 and are payable in one installment. The Township bills and collects its own property taxes through locally elected tax collectors. The tax levy for 2021 was based on assessed values on January 1, 2021 of \$309,496,870. The Township tax rate for the year ended December 31, 2021 is 2.22 mills as levied by the Township.

Taxes may be paid at a 2% discount until May 15, at face until July 15, and at a 10% penalty until the second Monday in January of the following year. At that time, they will be leined with the County, who then are responsible for their collections.

### Note 4 – Changes in Capital Assets

Capital assets are not accounted for in the Township's financial statements due to the use of the modified cash basis of accounting.

A summary of changes in capital assets follows:

	Balance 1-1-21	Additions	Deletions	Balance 12-31-21
Land & Buildings	\$ 869,751	\$ -0-	\$ -0-	\$ 869,751
Machinery and Equipment	3,074,525	100,481	-0-	3,175,006
	<u>\$3,944,276</u>	<u>\$ 100,481</u>	<u>\$ -0-</u>	<u>\$4,044,757</u>

## Note 5 – General Long-Term Debt

Long-term debt is not accounted for in the Township's financial statements due to the use of the modified cash basis of accounting. The following is a summary of debt transactions of the Township for the year ended December 31, 2021.

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds, Loans & Leases Payable					
General Obligation Notes	\$ 393,876	\$ -	\$ (25,723)	\$ 368,153	\$ 26,544
	393,876	-	(25,723)	368,153	26,544
Other Liabilities:					
Post Retirement Benefits &					
Compensated Absences	85,190	86,857	(70,846)	101,201	
Total other Liabilities	85,190	86,857	(70,846)	101,201	-
Governmental Activities					
Long-Term Liabilities	\$ 479,066	\$ 86,857	\$ (96,569)	\$ 469,354	\$ 26,544

### General Obligation Notes

On March 15, 2000, the Township authorized the issuance of a guaranty agreement securing a portion of a note to be issued by the Midway Sewerage Authority in the total amount of \$350,000 to the Pennsylvania Infrastructure Investment Authority (PennVest) and a guaranty agreement securing a portion of a note to be issued by the Midway Sewerage Authority in the total amount of \$320,000 to PNC Bank, N.A. to finance the costs of a sanitary sewage collection and treatment facilities project to be undertaken together with the Townships of Smith, Cecil, Robinson and the Borough of Midway.

On May 25, 2018, the Township entered into an agreement for a General Obligation Note, Series B of 2018 with Washington Financial Bank in the amount of \$350,000. The Township is to make monthly payments in the amount of \$2,502, with an applicable rate of interest of 3.5%. The final payment is scheduled for June 1, 2033.

On March 29, 2018, the Township entered into a loan agreement with the Department of Community and Economic Development (DCED) for a principal loan amount of \$100,000. The Township is to make quarterly payments of \$1,943 with an applicable interest rate of 2.0%. Payments were deferred for a portion of the 2020 year due to extenuating circumstances related to COVID-19 and the final payment is scheduled to occur in 2034.

The amounts necessary to amortize the outstanding notes payable to maturity are:

	Principal	Interest	Total
2022	\$ 26,544	\$ 11,251	\$ 37,795
2023	27,394	10,401	37,795
2024	28,272	9,523	37,795
2025	29,179	8,616	37,795
2026	30,117	7,679	37,796
2027-2031	165,779	23,196	188,975
2032-2034	60,868	1,653	62,521
Total	\$ 368,153	\$ 72,319	\$ 440,472

## Note 6 – Pension Plans

The Township maintains two pension plans, the Mount Pleasant Township Board of Supervisors Pension Plan and the Mount Pleasant Township Police Pension Plan.

### **Board of Supervisors Pension Plan**

The Township maintains a pension plan known as The Mount Pleasant Township Board of Supervisors Pension Plan, covering all employees who have completed six months of service for the Township. It is a money purchase pension plan where the amount of pension benefits is determined by the monies accumulated in the individual employee accounts at retirement.

The Township makes mandatory contributions of 10% of the covered payroll for employees hired before 1/1/2011 and 5% of the covered payroll for employees hired after 1/1/2011.

Total Payroll for 2021	<u>\$713,381</u>
Total Covered Payroll for 2021	<u>\$357,271</u>
Total Employees covered for 2021	<u>10</u>

Employer contributions for 2021 were \$30,646.

Vesting of the employees share in the Plan occurs over three years. Normal retirement is age sixty or early retirement may be elected at age fifty-five with three years of vesting service.

Pension assets are invested with PCS Investments. As of December 31, 2021, the total value of plan assets was \$1,389,596.

### **Police Pension Plan**

The annual report from the Pennsylvania Municipal Retirement System was not available at the time of this report's issuance. The financial activity and information included within this report reflects balances as of December 31, 2019 and no activity for the 2020 and 2021 years.

*Plan Description.* The Mount Pleasant Township Police Pension Plan (MPTPPP) is a single-employer defined benefit pension plan controlled by the provisions of Ordinance No. 123 adopted pursuant to Act 15 of 1974. The plan participates in the Pennsylvania Municipal Retirement System (PMRS), which is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating municipal pension plans. MPTPPP provides retirement, disability, and death benefits to plan members and beneficiaries. Cost of living allowances are provided at the discretion of the plan. PMRS issues a separate Comprehensive Annual Financial Report (CAFR) The CAFR is available on the PMRS website. A copy can be obtained by contacting the PMRS accounting office.

*Basis of Accounting.* The plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due, in accordance with Act 205, as amended. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

*Method Used to Value Investments.* Investments are reported at fair value. The plan's assets with PMRS are pooled for investment purposes and, therefore, do not represent specific identifiable investment securities. Disclosures required by Statement No. 3 of the Governmental Accounting Standards Board for aggregate PMRS investments are included in PMRS's separately issued CAFR.

*Contributions.* Act 205 requires that annual contributions be based upon the plan's Minimum Municipal Obligation (MMO). The MMO is based upon the plan's biennial actuarial valuation.

In accordance with the plan's governing Ordinance or Resolution as applicable, members are required to contribute 5.00% of compensation to the plan.

The plan may also be eligible to receive an allocation of state aid from the General Municipal Pension System State Aid Program which must be used for pension funding. Any funding requirements established by the MMO in excess of employee contributions and state aid must be paid by the municipality in accordance with Act 205.

Administrative costs, including the investment manager, custodial trustee, and actuarial services are charged to the plan and funded through investment earnings.

*Annual Pension Costs.* For 2021, the Township's annual pension cost of \$21,869 for MPTPPP was equal to the Township's required contribution. The required contribution was determined as part of the January 1, 2019 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 5.5% investment rate of return and (b) projected salary increases based on the age-related scale for merit/seniority.

#### Five Year Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/17	\$20,630	100.0%	\$-0-
12/31/18	\$20,755	100.0%	\$-0-
12/31/19	\$28,080	100.0%	\$-0-
12/31/20	\$18,752	100.0%	\$-0-
12/31/21	\$21,869	100.0%	\$-0-

#### Required Supplementary Information Schedule of Funding Progress for MPTPPP

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability AAL – Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Covered Payroll (c)	UAAL as percentage of Covered Payroll ((b-a)/c)
1/1/2011	<u>\$33,460</u>	<u>\$65,969</u>	<u>\$32,509</u>	<u>\$97,561</u>	<u>33.32%</u>
1/1/2013	<u>\$55,846</u>	<u>\$114,306</u>	<u>\$58,460</u>	<u>\$104,798</u>	<u>55.78%</u>
1/1/2015	<u>\$100,461</u>	<u>\$129,056</u>	<u>\$28,595</u>	<u>\$86,327</u>	<u>33.12%</u>
1/1/2017	<u>\$166,897</u>	<u>\$191,256</u>	<u>\$24,359</u>	<u>\$166,140</u>	<u>14.58%</u>
1/1/2019	<u>\$280,176</u>	<u>\$273,898</u>	<u>\$(6,278)</u>	<u>\$181,581</u>	<u>(3.46)%</u>



Summary financial information as of December 31, 2019 follows:

Total Assets	\$ 295,055
Total Liabilities	-0-
Net Position	<u>\$ 295,055</u>
 Total Additions	 \$ -0-
Total Expenditures and Other Uses	<u>-0-</u>
Change in Net Position	<u>\$ -0-</u>

The following information relates to Governmental Accounting Standards Board Statements #68. This data is not reflected in the Township's financial statements due to the use of the modified cash basis of accounting.

**Change in Net Pension Liability**

	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a) - (b)</b>
<b>Balances at 12/31/2018</b>	\$ 273,898	\$ 261,073	\$ 12,825
<b>Changes for the year:</b>			
Service Cost	23,885		23,885
Interest	15,634		15,634
Contributions - employer		20,660	(20,660)
Contributions - PMRS Assessment		120	(120)
Contributions - employee		8,301	(8,301)
PMRS investment income		14,220	(14,220)
Market value investment income		41,070	(41,070)
PMRS administrative expense		(120)	120
Additional Administrative expense		(492)	492
Net changes	<u>39,519</u>	<u>83,759</u>	<u>(44,240)</u>
<b>Balances at 12/31/2019</b>	<u>\$ 313,417</u>	<u>\$ 344,832</u>	<u>\$ (31,415)</u>

This report does not reflect changes in benefits or assumptions after January 1, 2020. Because the beginning and end of year TPL are based upon the same actuarial valuation dates, there is no difference between expected and actual experience reported this year, per GASB 68 paragraph 22. The beginning of year TPL is based upon the January 1, 2019 actuarial valuation with liabilities measured at December 31, 2018. The end of year TPL is based on the same actuarial valuation with liabilities rolled forward to December 31, 2019. Except as noted below, the TPL as of December 31, 2019 was based on the data, actuarial methods and assumptions, and plan provisions described in Appendices A and E.

According to Governmental Accounting Standards Board (GASB) Statements No. 67 and 68, PMRS is required to allocate/distribute all funds to the respective participating employers for financial reporting purposes, to determine the respective employer "plan fiduciary net position."

PMRS has determined that net investment income or loss and administrative expenses will be allocated to the employer/municipality account pro-rata based on their beginning Fiduciary Net Position balance adjusted for cash flows throughout the year. The "Additional administrative expenses" are the expenses in excess of the "PMRS administrative expense" (i.e. \$20 per participant expense paid by each plan). The "PMRS investment income" is based upon the regular and excess interest used to credit accounts annually. The "Market value investment income" reflects the

investment income/loss during the year net of PMRS investment income and the income/loss due to the difference between expected and actual asset values, including the impact from allocation of assets in support of the underlying retiree liabilities.

Changes in the discount rate affect the measurement of the TPL. Lower discount rates produce a higher TPL and higher discount rates produce a lower TPL. Because the discount rate does not affect the measurement of assets, the percentage change in the NPL can be very significant for a relatively small change in the discount rate. The table below shows the sensitivity of the NPL to the discount rate with two additional measures, plus and minus one percent from the rate used for disclosure.

<b>Sensitivity of Net Pension Liability to Changes in Discount Rate</b>			
	<b>1% Decrease 4.25%</b>	<b>Discount Rate 5.25%</b>	<b>1% Increase 6.25%</b>
Total Pension Liability	\$ 382,288	\$ 313,417	\$ 258,079
Plan Fiduciary Net Position	344,832	344,832	344,832
Net Pension Liability	<u>\$ 37,456</u>	<u>\$ (31,415)</u>	<u>\$ (86,753)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.2%	110.0%	133.6%

The following table contains the number of active employees, inactive employees entitled to but not yet receiving benefits, and inactive employees or beneficiaries currently receiving benefits from the Plan based on the most recent actuarial valuation date of January 1, 2019.

<b>Employees Covered by Benefit Terms</b>	
Inactive employees or beneficiaries currently receiving benefits	0
Inactive employees entitled to but not yet receiving benefits	0
Active employees	<u>4</u>
Total Participant Count	<u><u>4</u></u>

## Required Supplementary Information

The schedules of Required Supplementary Information will eventually build up to 10 years of information. The schedule below shows the changes in NPL and related ratios required by GASB.

	<u>Schedule of Changes in Net Pension Liability</u>					
	<u>Measurement Year 12/31/2019</u>	<u>Measurement Year 12/31/2018</u>	<u>Measurement Year 12/31/2017</u>	<u>Measurement Year 12/31/2016</u>	<u>Measurement Year 12/31/2015</u>	<u>Measurement Year Ending 12/31/2014</u>
<b><u>Total Pension Liability</u></b>						
Service cost (beginning of year)	\$ 23,885	\$ 24,730	\$ 23,101	\$ 21,620	\$ 20,260	\$ 19,549
Interest (includes interest on service cost)	15,634	13,143	11,254	9,035	8,202	8,651
Changes of benefit terms						
Differences between expected and actual experience		10,414		8,690	-	(36,472)
Changes of assumptions				9,260	(14,485)	
Benefit payments, including refunds of member contributions					(382)	(827)
<b>Net change in total pension liability</b>	<b>39,519</b>	<b>48,287</b>	<b>34,355</b>	<b>48,605</b>	<b>13,595</b>	<b>(9,099)</b>
<b>Total pension liability - beginning</b>	<b>273,898</b>	<b>225,611</b>	<b>191,256</b>	<b>142,651</b>	<b>129,056</b>	<b>138,155</b>
<b>Total pension liability - ending</b>	<b>\$ 313,417</b>	<b>\$ 273,898</b>	<b>\$ 225,611</b>	<b>\$ 191,256</b>	<b>\$ 142,651</b>	<b>\$ 129,056</b>
<b><u>Plan Fiduciary Net Position</u></b>						
Contributions - employer	\$ 20,660	\$ 53,552	\$ 21,048	\$ 24,486	\$ 15,890	\$ 21,840
Contributions - PMRS Assessment	120	80	80	80	120	
Contributions - employee	8,301	8,577	8,012	7,793	6,008	4,478
PMRS investment income	14,220	11,614	9,199	7,467	5,832	4,385
Market value investment income	41,070	(29,866)	20,721	1,074	(7,639)	(623)
Benefit payments, including refunds of member contributions					(382)	(827)
PMRS administrative expense	(120)	(80)	(80)	(80)	(120)	(60)
Additional Administrative expense	(492)	(518)	(423)	(366)	(243)	(168)
<b>Net change in plan fiduciary net position</b>	<b>\$ 83,759</b>	<b>\$ 43,359</b>	<b>\$ 58,557</b>	<b>\$ 40,454</b>	<b>\$ 19,466</b>	<b>\$ 29,025</b>
<b>Plan fiduciary net position - beginning</b>	<b>261,073</b>	<b>217,714</b>	<b>159,157</b>	<b>118,703</b>	<b>99,237</b>	<b>70,212</b>
<b>Plan fiduciary net position - ending</b>	<b>\$ 344,832</b>	<b>\$ 261,073</b>	<b>\$ 217,714</b>	<b>\$ 159,157</b>	<b>\$ 118,703</b>	<b>\$ 99,237</b>
<b>Net pension liability - ending</b>	<b>\$ (31,415)</b>	<b>\$ 12,825</b>	<b>\$ 7,897</b>	<b>\$ 32,099</b>	<b>\$ 23,948</b>	<b>\$ 29,819</b>
 <b>Plan fiduciary net position as a percentage of the total pension liability</b>	 110.02%	 95.32%	 96.50%	 83.22%	 83.21%	 76.89%
 <b>Covered employee payroll</b>	 \$ 166,020	 \$ 171,538	 \$ 160,239	 \$ 155,873	 \$ 120,174	 \$ 109,200
 <b>Net pension liability as a percentage of covered employee payroll</b>	 -18.92%	 7.48%	 4.93%	 20.59%	 19.93%	 27.31%

An actuarially determined contribution is a contribution amount determined in accordance with Actuarial Standards of Practice. The Actuarially Determined Contribution provided is based upon the minimum municipal obligation as defined in ACT 205 which conforms to these standards.

Schedule of Employer Contributions						
Last 10 Measure Years (if available)						
	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 20,760	\$ 20,708	\$ 21,129	\$ 24,566	\$ 15,705	\$ 11,840
Contributions in Relation to the Actuarially						
Determined Contribution	20,780	53,632	21,128	24,566	16,010	21,840
Contribution Deficiency/(Excess)	\$ (20)	\$ (32,924)	\$ 1	\$ -	\$ (305)	\$ (10,000)
Covered-Employee Payroll	\$ 166,020	\$ 171,538	\$ 160,239	\$ 155,873	\$ 120,174	\$ 109,200
Contributions as a Percentage of Covered-						
Employee Payroll	12.52%	31.27%	13.19%	15.76%	13.32%	20.00%

\*Information provided by PMRS and not reconciled to determine the cause of any deviation from the Actuarially Determined Contribution (if applicable).

\*\*Beginning in 2015, amount is actual payroll. In 2014, amount is expected payroll based on the most recent actuarial valuation. These amounts may not match the MMO payroll.

#### Notes to Schedules:

Valuation Date: Actuarially determined contribution rates are calculated as of January 1 for the odd valuation year at least two years prior to the end of the fiscal year in which the contributions were reported. Therefore, the Actuarially Determined Contribution for calendar year 2019 is based upon the January 1, 2017 valuation.

A summary of the key assumptions and methods used to determine the 2019 contribution rates:

- Actuarial Cost Method: Entry Age
- Amortization Period: Level dollar based upon the amortization periods in Act 205
- Asset valuation method: Based upon the municipal reserves
- Discount Rate: 5.25%
- Inflation: 2.8%
- Salary increases: age related scale with merit and inflation component
- COLA increases: 3.0% for those eligible for a COLA
- Pre-Retirement Mortality: Males – RP 2000 Non-Annuitant Male table projected 15 years with Scale AA, Females – RP 2000 Non-Annuitant Female projected 15 years with Scale AA, setback five years
- Post-Retirement Mortality: Males: RP 2000 Annuitant Male table projected 5 years with Scale AA, Females: RP 2000 Annuitant Female table projected 10 years with Scale AA

For a complete listing of all assumptions and methods, please refer to the PMRS January 1, 2017 actuarial valuation report.

### Assets, Liabilities, and Funded Ratios

Measurement Year Ending	2013	2014	2015	2016	2017	2018	2019
1. Total Pension Liability	\$ 138,155	\$ 129,056	\$ 142,651	\$ 191,256	\$ 225,611	\$ 273,898	\$ 313,417
2. Actuarial Value of Assets	\$ 70,850	\$ 100,461	\$ 127,572	\$ 166,897	\$ 204,695	\$ 280,176	\$ 323,030
3. AVA Funded Ratio (2/1)	51.3%	77.8%	89.4%	87.3%	90.7%	102.3%	103.1%
4. Market Value of Assets	\$ 70,212	\$ 99,237	\$ 118,703	\$ 159,157	\$ 217,714	\$ 261,073	\$ 344,832
5. MVA Funded Ratio (4/1)	50.8%	76.9%	83.2%	83.2%	96.5%	95.3%	110.0%

The impact of investment gains or losses for expensing is recognized over a period of five years. The impact of experience gains or losses and assumption changes on the TPL are recognized in the collective pension expense over the average expected remaining service life of all active and inactive members of the Plan, as provided below.

There were experience gains or losses between the beginning of year and end of year liabilities because the liabilities are based on the same actuarial valuation dates.

### Schedule of Collective Deferred Inflows and Outflows

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 24,316	\$ 15,132
Changes in assumptions	10,460	6,616
Net difference between projected and actual earnings on pension plan investments	23,439	
<b>Total</b>	<b>\$ 58,215</b>	<b>\$ 21,748</b>

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

### Year ended December 31:

2020	\$ (7,404)
2021	(7,191)
2022	(3,045)
2023	(9,019)
2024	(805)
Thereafter	\$ (9,003)

The recognition period for experience and assumptions change gains/losses is 15 years.

The annual pension expense recognized can be calculated two different ways. First, it is the change in the amounts reported on for the Employer's Statement of Net Position that relate to the plan and are not attributable to employer contributions. That is, it is the change in NPL plus the changes in deferred outflows and deferred inflows plus employer contributions.

Alternatively, annual pension expense can be calculated by its individual components. While GASB does not require or suggest the organization of the individual components shown in the table

below, we believe it helps to understand the level and volatility of pension expense, as outlined below.

<b>Calculation of Collective Pension Expense</b>		
	<b>12/31/2019</b>	<b>12/31/2018</b>
Change in Net Pension Liability	\$ (44,240)	\$ 4,928
Change in Deferred Outflows	14,584	(20,946)
Change in Deferred Inflows	20,608	(16,874)
Employer Contributions	20,780	53,632
<b>Pension Expense</b>	<b>\$ 11,732</b>	<b>\$ 20,740</b>
<b>Pension Expense as % of Payroll</b>	<b>7.07%</b>	<b>12.09%</b>
<b>Operating Expenses</b>		
Service Cost	\$ 23,885	\$ 24,730
Employee contributions	(8,301)	(8,577)
PMRS administrative expense	120	80
Additional Administrative expense	492	518
Total	\$ 16,196	\$ 16,751
<b>Financing Expenses</b>		
Interest Cost	\$ 15,634	\$ 13,143
Expected return on assets	(14,220)	(11,614)
Total	\$ 1,414	\$ 1,529
<b>Changes</b>		
Recognition of assumption changes	(144)	(144)
Recognition of liability gains and losses	(661)	(661)
Recognition of investment gains and losses	(5,073)	3,265
Total	(5,878)	2,460
<b>Pension Expense</b>	<b>\$ 11,732</b>	<b>\$ 20,740</b>

### Note 7 – Contingent Liabilities and Events

Mount Pleasant Township participates in grant programs sponsored by other governments. The programs are subject to program compliance audits by the grantor agencies or their representatives. The audits of some of these programs for and including the year ended December 31, 2021 have not yet been conducted. Accordingly, the Township's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Township expects such amounts to be immaterial.

The COVID-19 pandemic has continued to impact the Township. As a response to COVID-19, the Coronavirus Aid, Relief and Economics Security (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act and the American Rescue Plan (ARP) Act were enacted by Congress to provide budgetary relief to governmental agencies. This funding is reflected in these and in future financial statements.

### Note 8 – Interfund Balances

Individual fund inter-fund receivable and payable balances at December 31, 2021 were:

<u>Interfund Receivable</u>	<u>Amounts</u>	<u>Interfund Payable</u>	<u>Amounts</u>
General Fund	\$ 79,690	General Fund	\$ 54,710
Capital Reserve Fund	32,500	Capital Reserve Fund	26,811
Street Lighting Fund	9,620	Fire Protection Fund	19,441
Library Tax Fund	5,191	Street Lighting Fund	14,185
Paramedic Fund	4,538	Library Tax Fund	11,781
Liquid Fuels Fund	2,137	Equipment Fund	4,761
Sewage Escrow Fund	725	Paramedic Fund	2,260
		Parks and Recreation Fund	452
Total	<u>\$ 134,401</u>		<u>\$ 134,401</u>

The interfund balances noted above are the result of various expenses being paid by one fund that were the responsibility of another fund.

During the year ended December 31, 2021, the following fund level transfers were made:

<u>Receiving Fund</u>	<u>Amount</u>	<u>Expending Fund</u>	<u>Amount</u>
General Fund	\$ 55,000	Fire Protection Fund	\$ 42,000
		Paramedic Fund	13,000
	<u>\$ 55,000</u>		<u>\$ 55,000</u>

The transfer between the General Fund and the Paramedic Fund was made to reimburse for employee wages. The transfer between the General Fund and the Fire Protection Fund was made to supplement expenditures paid by the General Fund.

### Note 9 – Risk Management and Litigation

The Township is exposed to various risks of losses related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township manages most risk through the general fund with the purchase of commercial insurance coverage. There has been no reduction in insurance coverage from the previous year, nor have amounts of settlements exceeded coverage levels in the past three years.

The Township estimates that the amount of actual or potential claims against the Township as of December 31, 2021, will not materially affect the financial condition of the Township and will be covered under the present insurance coverage.

## Supplementary Information



MOUNT PLEASANT TOWNSHIP  
COMBINING BALANCE SHEET - MODIFIED CASH BASIS  
NON-MAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2021

	Library Tax Fund	Street Lighting Fund	Sewage Escrow Fund	Fire Protection Fund	Paramedic Fund	Parks and Recreation Fund	Equipment Fund	American Rescue Plan Fund	Total
ASSETS									
Cash and Cash Equivalents	\$ 5,102	\$ 26,038	\$ 21,514	\$ 13,298	\$ 2,081	\$ 2,652	\$ 62,480	\$ 184,153	\$ 317,318
Interfund Receivable	5,191	9,620	725		4,538				20,074
TOTAL ASSETS	<u>\$ 10,293</u>	<u>\$ 35,658</u>	<u>\$ 22,239</u>	<u>\$ 13,298</u>	<u>\$ 6,619</u>	<u>\$ 2,652</u>	<u>\$ 62,480</u>	<u>\$ 184,153</u>	<u>\$ 337,392</u>
LIABILITIES AND FUND BALANCES									
Liabilities									
Interfund Payable	\$ 11,781	\$ 14,185		\$ 19,441	\$ 2,260	\$ 452	\$ 4,761		\$ 52,880
Deposits			22,239						22,239
Unearned Revenue								184,061	184,061
Total Liabilities	<u>11,781</u>	<u>14,185</u>	<u>22,239</u>	<u>19,441</u>	<u>2,260</u>	<u>452</u>	<u>4,761</u>	<u>184,061</u>	<u>259,180</u>
Fund Balances									
Fund Balances									
Assigned to Street Lighting and Fire Protection		21,473		(6,143)					15,330
Assigned to Paramedics					4,359				4,359
Assigned to Equipment							57,719		57,719
Assigned to Parks and Recreation						2,200			2,200
Assigned to Designated Purposes								92	92
Unassigned	(1,488)								(1,488)
Total Fund Balances	<u>(1,488)</u>	<u>21,473</u>		<u>(6,143)</u>	<u>4,359</u>	<u>2,200</u>	<u>57,719</u>	<u>92</u>	<u>78,212</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 10,293</u>	<u>\$ 35,658</u>	<u>\$ 22,239</u>	<u>\$ 13,298</u>	<u>\$ 6,619</u>	<u>\$ 2,652</u>	<u>\$ 62,480</u>	<u>\$ 184,153</u>	<u>\$ 337,392</u>

MOUNT PLEASANT TOWNSHIP  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	Library Tax Fund	Street Lighting Fund	Sewage Escrow Fund	Fire Protection Fund	Paramedic Fund	Parks and Recreation Fund	Equipment Fund	American Rescue Plan Fund	Total
Revenues and Other Financing Sources									
Revenues									
Real Estate Taxes	\$ 14,272	\$ -	\$ -	\$ 125,945	\$ 14,274	\$ -	\$ 55,662	\$ -	\$ 210,153
Interest and Rents	6	34		46	7	1,762	74	92	2,021
Special Assessments		61,396							61,396
Miscellaneous						1,000			1,000
Total Revenues	14,278	61,430		125,991	14,281	2,762	55,736	92	274,570
Expenditures									
General Government	608	2,711		5,407	608		2,432		11,766
Public Safety		51,491		75,000					126,491
Highways and Streets		8,662					45,000		53,662
Culture and Recreation	12,000					17,840			29,840
Refund of Prior Year Revenues						775			775
Total Expenditures	12,608	62,864		80,407	608	18,615	47,432		222,534
Excess (Deficiency) of Revenues Over Expenditures	1,670	(1,434)		45,584	13,673	(15,853)	8,304	92	52,036
Other Financing Sources (Uses)									
Interfund Transfers (Out)				(42,000)	(13,000)				(55,000)
Interfund Transfers In									
Total Other Financing Sources (Uses)				(42,000)	(13,000)				(55,000)
Net Change in Fund Balances	1,670	(1,434)		3,584	673	(15,853)	8,304	92	(2,964)
Fund Balance - January 1, 2021	(3,158)	22,907		(9,727)	3,686	18,053	49,415	-	81,176
Fund Balance - December 31, 2021	<u>\$ (1,488)</u>	<u>\$ 21,473</u>	<u>\$ -</u>	<u>\$ (6,143)</u>	<u>\$ 4,359</u>	<u>\$ 2,200</u>	<u>\$ 57,719</u>	<u>\$ 92</u>	<u>\$ 78,212</u>