

PETERS TOWNSHIP

WASHINGTON COUNTY, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2020

PETERS TOWNSHIP

WASHINGTON COUNTY, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT YEAR ENDED DECEMBER 31, 2020

PREPARED BY:
DEPARTMENT OF ADMINISTRATION

PAUL F. LAUER
TOWNSHIP MANAGER

RYAN JEROSKI
ASSISTANT TOWNSHIP MANAGER

**Peters Township
Comprehensive Annual Financial Report
Year Ended December 31, 2020
Table of Contents**

	<u>Exhibit</u>	<u>Page No.</u>
INTRODUCTORY SECTION		
Letter of Transmittal		1 - 10
Organizational Chart		11
List of Principal Officials		12
GFOA Certificate of Achievement		13
FINANCIAL SECTION		
Independent Auditor's Report		14 - 16
Management's Discussion and Analysis		17 - 27
Basic Financial Statements		
Government-Wide Financial Statements		
Statement of Net Position	1	28
Statement of Activities	2	29
Fund Financial Statements		
Balance Sheet - Governmental Funds	3	30
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	4	31
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	5	32
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	6	33 - 34
Statement of Net Position - Proprietary Fund	7	35
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund	8	36

Exhibit **Page No.**

FINANCIAL SECTION (CONT'D)

Basic Financial Statements (Cont'd)

Fund Financial Statements (Cont'd)

Statement of Cash Flows - Proprietary Fund	9	37
Statement of Net Position - Fiduciary Funds	10	38
Statement of Change in Net Position - Fiduciary Funds	11	39

Notes to Financial Statements		40 - 73
-------------------------------	--	---------

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance - General Fund - Budget and Actual		74 - 81
--	--	---------

Note to the Required Supplementary Information Budget Comparison		82
---	--	----

Defined Benefit Pension Trust Funds		83 - 84
-------------------------------------	--	---------

Notes to the Required Supplementary Information Defined Benefit Pension Trust Funds		85
--	--	----

Schedule of Changes in the Total OPEB Liability and Related Ratios		86
--	--	----

Combining and Individual Fund Statements and Schedules

Combining Balance Sheet - Nonmajor Governmental Funds		87
---	--	----

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds		88
---	--	----

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual

Special Revenue Fund - Highway Aid Fund		89
Special Revenue Fund - Cable Television Fund		90
Special Revenue Fund - Library Fund		91
Debt Service Fund - Series of 2013		92
Debt Service Fund - Series of 2016		93
Debt Service Fund - Series of 2019		94
Capital Projects Fund		95 - 96

Table **Page No.**

STATISTICAL SECTION

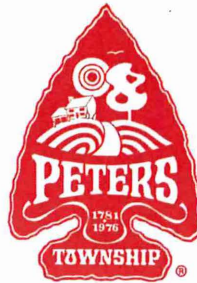
Net Position by Component - Last Ten Fiscal Years	1	97
Changes in Net Position - Last Ten Fiscal Years	2	98 - 99
Fund Balances, Governmental Funds - Last Ten Fiscal Years	3	100
Statement of Revenue, Expenditures and Changes in Fund Balances - Last Ten Fiscal Years	4	101 - 102
General Governmental Expenditures by Function - Last Ten Fiscal Years	5	103
Assessed and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	6	104
Property Tax Rates - Direct and Overlapping Governments - Last Ten Fiscal Years	7	105
Ten Largest Real Estate Taxpayers - Current and Ten Years Ago	8	106
Property Tax Levies and Collections - Last Ten Fiscal Years	9	107
Taxable Earned Income and Tax Collected - Last Ten Fiscal Years	10	108
Taxable Earned Income Rates - Direct and Overlapping Governments - Last Ten Fiscal Years	11	109
Earned Income Tax Filers and Liability by Income Level	12	110
Ratio of Outstanding Debt by Type - Last Ten Fiscal Years	13	111
Computation of Direct and Overlapping Debt	14	112
Legal Debt Margin Information - Last Ten Fiscal Years	15	113
Computation of Legal Debt Margin	16	114
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures - Last Ten Fiscal Years	17	115

	<u>Table</u>	<u>Page No.</u>
STATISTICAL SECTION (CONT'D)		
Principal Employers - Current Year and Ten Years Ago	18	116
Ten Largest Vendors - Current Year and Ten Years Ago	19	117
Age Distribution Related to Total Population	20	118
Population Growth 1920 - 2010	21	119
Household Incomes	22	119
Educational Characteristics - Education Attainment - Persons 25 Years and Older	23	120
Occupation of Employed Persons 16 and Over	24	120
Housing Units by Occupancy	25	121
Value of Specified Owner Occupied Housing Units	26	121
Median Housing Value Comparison	27	121
Authorized Number of Full and Part-time Permanent Positions by Department	28	122
Peters Township Indicators	29	123 - 124

INTRODUCTORY SECTION

PETERS TOWNSHIP
WASHINGTON COUNTY

Paul F. Lauer, Manager
Ryan Jeroski, Assistant Township Manager



Peters Township Council

David M. Ball, Chairman
Monica R. Merrell, Vice Chairman
Frank Arcuri
James F. Berquist

Robert J. Lewis
Frank Kosir, Jr.
Gary J. Stiegel, Jr.

June 11, 2021

TO: The Citizens of Peters Township

Peters Township's Home Rule Charter requires the annual public presentation of an independent financial audit of the Township conducted by a certified public accountant. I am pleased to submit for your review, the Comprehensive Annual Financial Report of Peters Township for the fiscal year ended December 31, 2020 in fulfillment of this requirement.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a framework of internal controls that is established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Hosack, Specht, Muetzel and Wood LLP, Certified Public Accountants, have issued an unmodified opinion on Peters Township's financial statements for the year ended December 31, 2020. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statement. Management's discussion and analysis is intended to complement this letter of transmittal and should be read in conjunction with it.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the government's organizational chart and a list of principal officials. The financial section includes the financial statements with an opinion of the independent certified public accountant based upon their audit. The financial section also includes the management's discussion and analysis (MD&A), which is a narrative introduction, overview and analysis of the basic financial statement. The statistical section includes selected financial and demographic information, generally presented in a multi-year basis.

Profile of Government

Peters Township is a general unit of local government, and as such, provides a wide variety of public services. These services include:

- | | |
|--------------------------------|-------------------------|
| Police Protection | Zoning/Code Enforcement |
| Fire Protection | Parks and Recreation |
| Road Maintenance | Library |
| Planning & Building Inspection | Community Television |

The Township operates through the authority granted by the Peters Township Home Rule Charter. The Charter provides that the Township be governed by a seven (7) member elected Council. The Council is vested with a broad-range of policy-making powers. To assist the Council in formulation of policy, a variety of boards have been created. These include:

- | | |
|----------------------------|------------------------------------|
| Planning Commission | Environmental Quality Board |
| Zoning Hearing Board | Library Board |
| Parks and Recreation Board | Youth Commission |
| Cable TV Board | Construction Code Board of Appeals |

Day-to-day administration is the responsibility of the Township Manager. Council appoints the Manager for an indeterminate period. The Township Manager, in turn, recommends to Council the appointment of all Department Heads.

The Peters Township Organization Chart, which follows this letter, provides a visual representation of the Township’s structure.

Local Economy

While defining economic issue of 2020 was undoubtedly the COVID-19 pandemic, its impact on the local economy, specifically in regard to residential development, was negligible. Despite the realty industry being essentially closed for a month, the Township experienced its second-highest ever collection of Real Estate Transfer Tax (\$2.1 million). The number of building permits issued for new residential construction units in 2020 was 85; a 55% surge over the 55 issued in 2019. In addition, eight (8) new residential developments totaling 219 single-family lots were approved in 2020, a 100 unit increase over 2019. The combined total of residential units approved from 2017 to 2020 (893) is more than the combined total from 2008 to 2016 (577). Two new residential zoning overlays adopted by Council in late 2016 were a contributing catalyst to this boom. The total estimated construction value approved by building permits in 2020 was \$44,748,699. An increase in collection of Earned Income Tax in 2020 of \$151,050 or 2.4% over 2019 collections, indicates that the impact of the pandemic on residents may have been insignificant as well.

Commercial activity in the Township did dip in 2020, with only 27,694 square-feet of space approved, a 30% decline from 2019. While six (6) commercial properties sold in 2020, two (2) more than in 2019. The median selling price of commercial properties in 2020 was \$1,313,118, a 43% decline from the prior year. Collection of Local Services Tax, levied on employees working in the Township, declined by \$24,467, or 5.4%, from 2019.

The fund balance in the General Fund increased by 4.6%, mainly due to higher collection of Real Estate Transfer Tax and a one-time infusion of federal relief funds from the CARES Act.

Major Initiatives

The purpose of the Home Rule Government of Peters Township is to efficiently serve the residents, businesses and property owners of the community by providing them with a safe and enjoyable community. This requires the various departments of the municipality to do their share in creating a livable community.

The municipal government's role in achieving this vision is through four basic divisions:

1. General Government
2. Protection of Persons and Property
3. Public Works
4. Culture and Recreation

The community needs a sound infrastructure to serve its residents, businesses and property owners, as well as to protect property values in the future. The municipality must also protect its residents, businesses and property owners, as well as their properties. The municipality must provide a social atmosphere that will encourage the community's viability in the forms of recreation, social services, aesthetics, sound economic base and responsiveness to community problems. Finally, the municipal government has a responsibility to inform the public of its activities and plans to permit the residents and property owners the ability to assess the effectiveness of their government and make known their opinions.

General Government

The basic functions of the municipality need a variety of support and coordinating services to permit them to operate. These services also act as the implementation arm for Council's policies. These services include management, finance, tax collection, communications, and professional services, such as legal, engineering and accounting. The objectives in 2021 include:

1. Communicating to the community through 6 "In Peters Township Magazines", 12 "Insider" newsletters, a calendar, a redesigned Township website, cable channels, and improved social networking presence through the PT4me! application, a Public Staff Citizen Relationship Management program.
2. Township staff will undertake a comprehensive review of Township's Employee Handbook and prepare a necessary update for consideration by Council. All preparation will be made to assist other departments with filling staffing needs that arise as a result of employee termination.
3. The Township will assure a sound financial system by continuing to contract for real estate tax collection services and participate in the County-wide Tax Collection Committee for Earned Income and Local Services Taxes. In the fifth year of the completed countywide reassessment, a proactive approach to assessment appeals will be maintained to ensure there are no major fluctuations in Township real estate tax revenue.
4. Consulting and in-house professional staff will be utilized to conduct an audit, legal, engineering and information technology services. All GASB standards will be met in Township comprehensive and popular annual financial reports, as well as the 2022 Budget.

Adhere to all arbitrage provisions in the use of funds from the 2019 General Obligation Bond Issue.

5. Provide design and oversight of construction projects including the nearly \$7 million development of Rolling Hills Park, \$1.7 million pavement management program, and \$260,000 in storm sewers projects. Complete a Traffic Signal Asset Management Plan with the Township's contracted traffic engineer, and design of a floodplain restoration project in a portion of open space associated with the Briarcliff Plan. Solicit proposals for the design of an augmented spillway at Peters Lake Park.
6. Provide a sound technological support system by completing an assessment of the Township's wireless internet network, updating the Township's Geographic Information System topographical maps, utilizing the Geographic Information System to create a digital storm sewer inspection program, and replacing computers that have reached the end of their useful life.
7. Maintain morale and health of volunteers and paid staff by recognition of service awards and wellness programs promoting healthy living.

Protection of Persons and Property

The Township provides or finances a variety of services to protect the public and property; these include police, fire, ambulance, planning and inspection. The objectives for 2021 include:

1. To continue a proactive approach to addressing the health and needs of the community, continue to provide prevention programs to students such as DARE and the School Resource Officers; this includes coordinating with the Youth Commission, and Drug Take Back programs. Police Chief and School Resource Officers will meet at least three (3) times a year to discuss community-based programs and evaluate their effectiveness.
2. Ensure public safety through a well-managed patrol division with at least 80% of patrol shifts having a minimum of three (3) persons on duty. Continue enhanced methods of traffic enforcement by utilizing electronic non-radar speed timing devices and unmanned vehicles in high-visibility zones, as well as personal interactions between officers and residents.
3. Provide direction to police officers to ensure they are adequately trained and have the facilities to serve the community by providing at least the minimum Municipal Police Officers Education and Training Commission training, 12 hours of Mandatory In-Service Training, maintaining firearms proficiency, valid first aid and CPR certifications and continuing with the DUI Task Force grant-funded program. Designate one detective as Property Custodian and perform a systematic review and inventory of the Evidence Room. Develop a Peters Township officer testing process or utilize the South Hills Area Council of Governments testing process should the need arise to fill a full-time officer position.
4. Participation in regional programs to increase effectiveness such as the South Hills Council of Government's Crisis Intervention Response Team, Cooperative Emergency Response

Programs for Fire and Police, and Police and Fire Chiefs Committees, well as mutual aids with North Strabane, Upper St. Clair and Bethel Park Fire Departments.

5. Continue to operate the deer management program in conjunction with animal control services including dead deer and small animal pick up/disposal.
6. Continue coordination of protection by conducting at least two (2) meetings with Fire, EMS and Police, as well as to continue cooperative efforts between Planning and emergency services for plan reviews and commercial inspections. Police, Fire, EMS, and the School District will implement their comprehensive plan and training for large-scale incidents.
7. Complete architectural design of Fire Station #3 on property acquired in 2020 in the Venetia District to improve response time in this district and the Department's Insurance Services Office rating.
8. Proactively prevent public safety matters by conducting commercial and residential safety inspections and drills. Providing smoke detectors, child car seats and fire extinguishers as needed. Host an Open House in Fall 2021 to demonstrate fire prevention, response, and suppression techniques to residents.
9. Implement a new command structure among the paid and volunteer staff, with the newly promoted Fire Captains. Complete an update of the Fire Department Policy Manual and Preferred Operating Methods Handbook. Support volunteer efforts of firefighters by providing proboard certified training opportunities as well as continuing the volunteer duty shift program.
10. Continue funding of Senior Citizen Subscriptions to the Ambulance Service.
11. Purchase a new plotter in the Planning Department for use in printing high quality building and subdivision plans, as well as by the Recreation Department and Library for banners.
12. Implement the Township's Quality of Life Ordinance, adopted in 2019, by instituting a ticketing program for code enforcement violations. Establish different sections of the Township for continuous proactive code enforcement throughout the year.
13. Provide support to the Planning Commission and Zoning Hearing Board through professional staff support and training opportunities. Township Building Inspectors will attend a minimum of three (3) continuing education seminars. Work with the GIS Coordinator to update digital property records with code enforcement notifications, building inspection reports, and subdivision plans.

Public Works

The Township maintains a 118.25-mile road network, storm sewers, storm water management facilities and numerous buildings and structures. Health and safety functions are primarily provided through authorities and private contractors. The Township government must be active in these functions to assure that the community has a healthy environment. The objectives in 2021 are:

1. Provide training on heavy equipment, weather safety, and traffic flagging to ensure that Laborers are prepared for all workplace scenarios. Fill the newly-created third Foreman position with an existing Laborer and adjust duties among the existing Foremen as appropriate.
2. Promote the participative nature of our residents by providing a recycling program, 5 Fall and 2 Spring leaf and 24 year-round brush collection pick-ups. Purchase new receiver boxes for the cardboard compactor and two glass recycling dumpsters at Fire Station #1 to meet the recycling needs of residents and businesses.
3. Participate with the Peters Township Sanitary Authority, Peters Creek Sanitary Authority and Washington County Sewage Council for sewage planning and enforcement.
4. A well-maintained road system is paramount to the safety of residents, as well as for the efficient operation of businesses, emergency services, and school busing. Continue the fifth year of a replacement program for Township traffic signs to ensure compliance with federal reflectivity standards. Maintaining roadside safety is also critical and a concerted effort will continue to address tree damage from the Emerald Ash Borer.
5. Address stormwater issues proactively by funding projects that resolve chronic stormwater problem areas, and continuing a multi-year storm sewer replacement program for aging corrugated metal pipe. Continue in-house maintenance of Township-owned storm sewer detention ponds. Preventive stormwater and flooding issues will be addressed by in-house with the repair of at least 25 storm sewer inlets and more frequent street cleaning by the street sweeper with storm inlet vacuuming capabilities.
6. Ensure state of good repair to Department facilities by completing architectural design of a renovation to the main Public Works Building to accommodate all existing, and potential future, staff, as well as replace aging heating and cooling equipment.
7. To efficiently and safely perform the mission of the department, replace an existing Class 5 medium-duty truck, purchase needed equipment including a new multipurpose tractor, portable hydraulic crimper, concrete mixer, radio headsets, plate tamper, chain saws, metal detector, and a tool kit for the crew cab purchased in 2020.
8. Maintain Township snow removal objectives of beginning snow removal operations within 45 minutes of a snow event, salting all roads within 3 hours, and plowing all roads within six hours. Remove snow from Township-maintained sidewalks within 24 hours of a snow event.

Culture and Recreation

The Township provides a well-rounded variety of recreation programs and facilities. It also provides complete Library services and operates/programs multiple cable television channels. The objectives in 2021 include:

1. Continue to provide multiple opportunities for involvement of residents by recruiting over 500 volunteers to assist in recreation, library, and cable programming.
2. Maintain a close cooperation with the school district by sharing of recreation facilities, including joint coaches training and scheduling, coordinating library offerings including attending book clubs/programs at the middle school and high school; operating and outfitting a cable studio at the new Peters Township High School with participation of media class students, and providing 575 cable programs in conjunction with the school district through curriculum and video club.
3. Continue to provide a wide variety of programs for all interests including six (6) summer concerts at the new amphitheater, increased teen and senior recreation programming, enhanced youth and adult participation at the Tennis Center, and continued offering of the Silver Sneakers Program that provides affordable programs for the wellness of seniors. Enhance Library programs by creating and filling the role of Program & Outreach Coordinator, purchase new laptops and tablets for patron use, and training all Youth Services staff to participate in the Chat with a Librarian service. Introduce at least 650 hours of original digitally recorded cable programs, record all productions in high-definition, and produce at least six (6) public service announcements. Upload programs to YouTube and Vimeo to allow residents alternative viewing options to various public events and meetings.
4. Actively pursue the implementation of the *Comprehensive Parks, Recreation, and Open Space Plan* and *Rolling Hills Park Master Plan*, and ensure state-of-good-repair in all facilities by making necessary capital improvements. Complete the first phase of development of Rolling Hills Park, including various passive and active recreation features. Complete construction of a new playground in the Peterswood Park expansion near the softball fields, and associated accessibility improvements. Install new automatic front doors at the Recreation Center. Utilizing federal grant funds, construct new accessibility improvements at Venetia Park. Repave a portion of the Arrowhead Trail from East McMurray Road to Pelipetz Drive.
5. Replace the existing, inefficient heating and cooling system at the Library with a new energy-efficient system that incorporates antimicrobial filters and treatments. Purchase a new van for the Cable TV Department to replace the existing 22-year old box truck utilized for remote filming and productions. Complete a two-year project to outfit the cable television studio at the newly-constructed Peters Township High School.

Accounting and Budgeting

In developing and evaluating the Township's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurances regarding:

1. The safeguarding of assets against loss from unauthorized uses or disposition.
2. Reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

1. The cost of the control should not exceed the benefits likely to be derived.
2. The evaluation of costs and benefits requires estimates and judgment by management.

All internal control evaluations occur within the above framework. We believe the Township's internal accounting controls adequately safeguard assets and provide reasonable assurance in proper recording of financial transactions.

In addition, the government maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the government's governing body. Activities of the General Fund, Special Revenue Funds, Capital Project Fund, and Debt Service Funds are included in the annual appropriated budget. The level of budgetary control is established by function within an individual fund. Budgetary control is that level in which expenditures cannot legally exceed the appropriated amount.

Long Term Financial Planning

It is the stated goal of the Township to maintain a fund balance equal to or in excess of 15% of revenues. Revenues associated with governmental funds in 2020 equaled \$21,471,422. The fund balances as of December 31, 2020 greatly exceeded the target of \$3,220,713. The year-end fund balance totaled \$17,370,700, of which \$6,386,658 represents funds remaining from the 2019 General Obligation Bond Issue. When this amount of remaining bond proceeds is removed, the year-end fund balance sits at \$10,984,042, of which \$5,849,054 was unassigned.

The Peters Township Home Rule Charter required Peters Township Council to annually adopt a five-year Capital Improvement Plan. The Charter requires that the Capital Improvement Plan include:

1. A simple, clear, general summary of the detailed contents of the program.
2. The capital improvements pending or proposed for the next fiscal year, together with the estimated cost of each improvement and the method of financing it.
3. The capital program proposed for the next four years, together with the estimated cost of each improvement and the proposed method of financing it.
4. The estimated annual cost of operating and maintaining the facilities to be constructed or acquired.

This Capital Improvement Plan is annually developed, adopted, and published in conjunction with the Township's annual operating budget. The intent of the Plan is to ensure that not only facilities, equipment and infrastructure are well maintained, but that the cost associated with these improvements is financed in a systematic and sound fashion as well.

Projects incorporated into the Plan are derived from a number of sources. In some cases, projects are initially identified within studies commissioned by the Township. These studies include:

- Comprehensive Land Use Plan
- Comprehensive Traffic Study
- Comprehensive Recreation Plan
- Comprehensive Study of Recreational Fields
- Peterswood Park Expansion Plan
- Peters Lake Park Master Plan
- Public Works Facilities Plan
- Rolling Hills Park Master Plan
- Stormwater Management Plan
- Management Study of Fire Department Services
- Fire Station Location Plan

Capital Improvement Projects are proposed and advocated by standing advisory committees which are provided for in the Home Rule Charter or the Peters Township Administrative Code. In addition, potential capital improvement projects are submitted by the Township's department heads.

The 2021-2025 Capital Improvement Plan anticipates the expenditure of \$37,857,000 over the next five years based on the following annual expenditure of funds:

2021	\$ 14,776,000
2022	\$ 11,974,500
2023	\$ 3,877,000
2024	\$ 3,947,500
2025	\$ 3,282,000

Of this amount, \$14,880,000 is designated for the development of infrastructure and recreation facilities at Rolling Hills Park. The remaining expenditures are related to improvements to facilities and infrastructure, as well as vehicle acquisition. A significant portion of the Capital Improvement Plan is devoted to road improvements. The cost of proposed road improvements contained in the plan

total \$8,995,000. The cost associated with improvements to the storm sewer infrastructure is \$2,165,000. The cost designated for vehicle acquisition and replacement is \$1,248,500.

Projects contained in the 2021-2025 Capital Improvement Plan will be financed through the expenditure of excess current funds, capital lease, bond issue, grants, royalties, and fees. The Township received block grant funding from the state of Pennsylvania under the Liquid Fuels Program, the Local Share Program, and the Natural Gas Impact Fee Program. These funds are devoted to financing capital improvements. In addition, the Township levies a Traffic Impact Fee on all new developments. These funds are earmarked to finance road improvement projects.

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for excellence in financial reporting to the government for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019. This was the twenty-fourth consecutive year that Peters Township has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

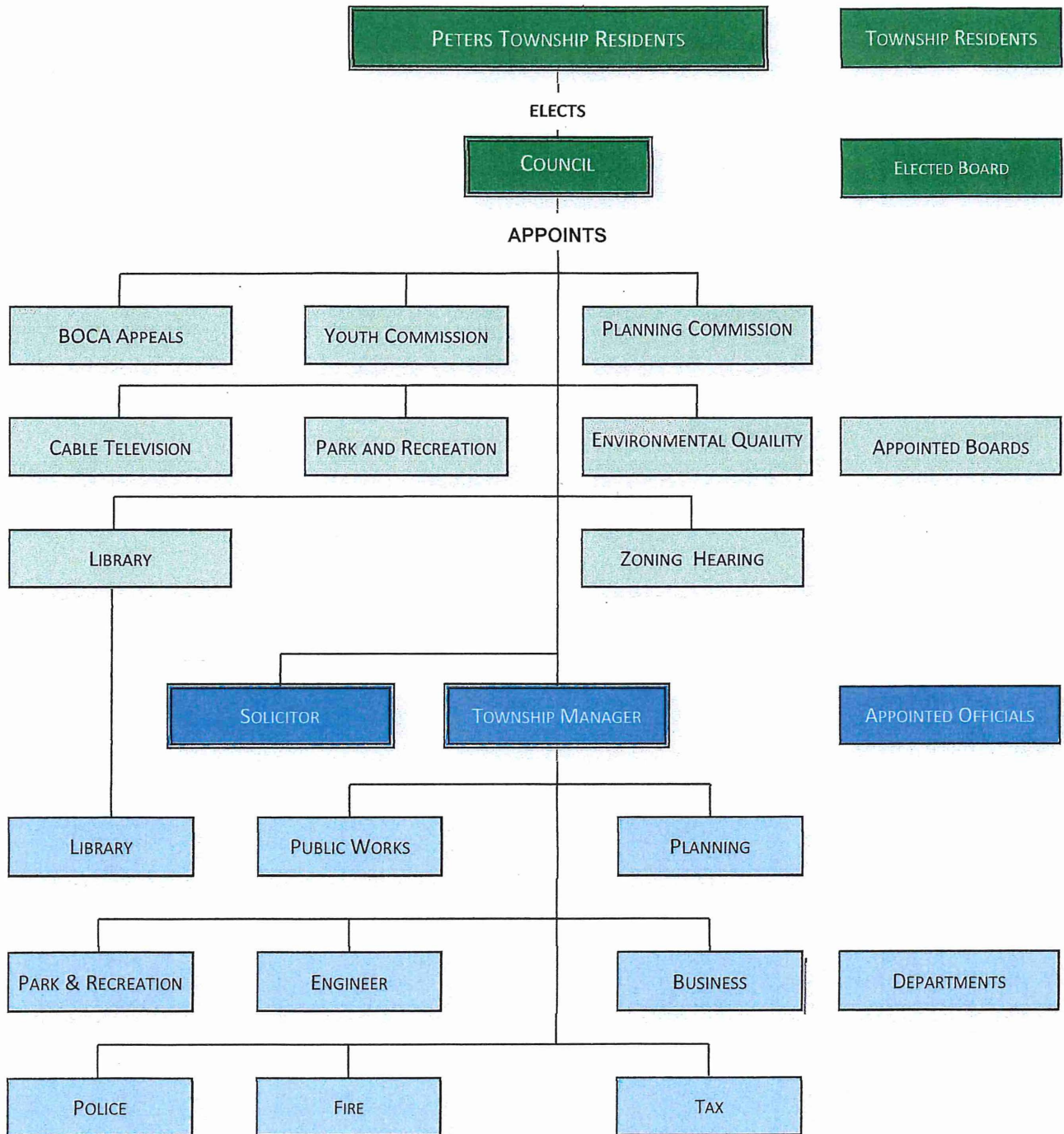
The production of this report was made possible through the efforts of a variety of individuals. The work and cooperation of the Township's administration staff was instrumental in the completion of this report. I also wish to acknowledge the efforts of Council for its support and encouragement. As in other endeavors, Council has committed itself to ensuring that the financial operations of the Township are conducted in a progressive and responsive manner.

Respectfully submitted,



Paul F. Lauer
Township Manager

Peters Township Organizational Chart



PETERS TOWNSHIP
LIST OF PRINCIPAL OFFICIALS
As of June 1, 2021

<u>Title</u>	<u>Name</u>
Chairman, Peters Township Council	David M. Ball
Vice-Chairman, Peters Township Council	Monica R. Merrell
Member, Peters Township Council	Frank Arcuri
Member, Peters Township Council	James F. Berquist
Member, Peters Township Council	Frank Kosir, Jr.
Member, Peters Township Council	Robert Lewis
Member, Peters Township Council	Gary Stiegel, Jr.
Township Manager	Paul F. Lauer
Assistant Township Manager	Ryan R. Jeroski
Police Chief	Douglas E. Grimes
Fire Chief	Michael R. McLaughlin, Jr.
Planning Director	Edward J. Zuk
Public Works Director	Joseph Hursen
Parks and Recreation Director	Michele Harmel
Library Director	Lacey Love
Township Engineer	Mark A. Zemaitis
Township Solicitor	John M. Smith



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Peters Township
Pennsylvania**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

HOSACK, SPECHT, MUETZEL & WOOD LLP
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Independent Auditor's Report

Members of Council
Peters Township
McMurray, Pennsylvania

Dear Members:

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Peters Township, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township's preparation and fair presentation of the financial statements 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 the Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Peters Township, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, pension and other post-employment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Peters Township's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Matters (Cont'd)

Other Information (Cont'd)

The introductory and statistical sections have 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 them.

Respectfully submitted,

Hosack, Specht, Muetzel & Wood LLP

HOSACK, SPECHT, MUETZEL & WOOD LLP
Pittsburgh, Pennsylvania
June 11, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Peters Township's comprehensive annual financial report presents a narrative overview and analysis of the Township's financial performance for the fiscal year ended December 31, 2020. Please read this management and discussion in conjunction with the preceding transmittal letter and the accompanying financial statements and notes which follow in order to obtain a thorough understanding of the Township's financial condition as of December 31, 2020.

FINANCIAL HIGHLIGHTS

- The Township's property tax rate remained at 1.622 mills for the third consecutive year.
- Peters Township's governmental activity net position increased by \$3,419,022 from \$42,513,041 to \$45,932,063. This represents an increase of 8%.
- The Township's business-type activities (Solid Waste Services Fund) net position decreased by \$21,568 or 12.6%.
- The unrestricted net position of Peters Township as of December 31, 2019 was \$7,422,903. As of December 31, 2020, the unrestricted net position of the Township was \$8,999,972.
- In 2019, Standard & Poor's reaffirmed Peters Township's bond rating of AA+.
- The net outstanding debt associated with bonds decreased by \$905,000 from \$25,105,000 in 2019 to \$24,200,000 in 2020. In addition, the Township has \$252,570 outstanding notes payable as of December 31, 2020.
- The Fund Balance for the General Fund as of December 31, 2020 increased by \$291,610 from \$6,343,594 to \$6,635,204.
- The plan net position in trust to pay pension benefits increased by \$2,803,661 or 14.8% in 2020.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis section of the comprehensive annual financial report is intended as an introduction to Peters Township's basic financial statements. There are three components to the Township's financial statements. These are: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information designed to enhance the reader's understanding of the Township's finances.

Government-wide financial statements are intended to provide readers with a broad overview of Peters Township's finances. There are two government-wide financial statements presented in this report.

The first is the statement of net position. The statement of net position presents information on all of Peters Township's assets, deferred outflows of resources, liabilities, and deferred inflows of

resources. The difference between the Township's assets and liabilities is shown as the Township's net position. Increases or decreases in net position are financial indicators that when tracked over time can be used as a measure of the Township's financial condition.

The second government-wide financial statement is the statement of activities. This statement shows information on how the Township's net position has changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the actual cash flow. Revenues and expenses are reported in the statement for some items that will result in cash flows at some future date. For example, taxes that are levied but yet to be collected or sick days accrued but not yet used.

It is the accepted practice in the government-wide financial statements to distinguish governmental activities from business-type activities. Governmental activities are those functions of the Township that are principally supported by tax dollars and intergovernmental revenues. Governmental activities commonly include services such as police, fire, public works, planning, recreation, and administration. Business-type activities are those that are funded through user fees and charges. These would include such municipal services such as solid waste collection, sewage treatment, public water, or other municipally owned utilities. Peters Township does provide solid waste collection and disposal under contract to a third party. The government-wide financial statements therefore include information both on governmental activities and business-type activities.

The government-wide financial statements are required to include financial information not only on the primary governmental unit but also information for any other component unit for which the primary governmental unit is financially responsible. An example of a component unit of a Township (the primary governmental unit) would be a sewer authority where the Township sets user rates and guarantees the authority's bonds. Peters Township (the primary governmental unit) is not financially responsible for other organizations and therefore information on component units is not incorporated into this report.

The fund financial statements provide detailed information about the Township's funds as opposed to the Township as a whole. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. Certain funds are required to exist to comply with requirements of the Commonwealth of Pennsylvania. The funds used by Peters Township are divided into three categories. They are governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, the governmental fund statements focus on near term financial activities. Governmental fund statements report information on revenues and expenditures throughout the year as well as the balances of available resources at the year's end. This information allows the reader to evaluate the Township's short-term financial activities.

By viewing information contained in the government-wide financial statements in conjunction with that contained in the governmental fund statements the reader can appreciate the impact near-term financial activities have on the Township's long-term financial condition. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Peters Township maintains eight (8) individual governmental funds. These include:

General Fund	Library Fund
Cable Television Fund	Series of 2013 Debt Service Fund
Capital Projects Fund	Series of 2016 Debt Service Fund
Highway Aid Fund	Series of 2019 Debt Service Fund

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, and the capital projects fund. These two funds are considered major funds. Information on the non-major funds including the highway aid fund, the cable television fund, the library fund, and debt service funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements.

Peters Township annually adopts budgets for all of the governmental funds. A statement comparing revenues and expenditures to the budget is included for all governmental funds.

Proprietary funds are used to account for the Township's activities that are similar to a business operation in the private sector. For proprietary funds a significant portion of the funding is provided from user charges. The Peters Township Solid Waste Services Fund was created in 2006 to account for the financial activity associated with the collection and disposal of solid waste and recyclables. This fund is a proprietary fund. Accounting for this fund is done on a similar basis as the accounting for a business activity.

Fiduciary funds are used to account for resources held for the benefit of parties other than the Township. Fiduciary funds are not reflected in the government-wide financial statements because the resources contained in these funds are not available to support the programs of Peters Township. Peters Township maintains two fiduciary funds. These include:

Police Pension Fund
Employees' Pension Fund

The notes to the financial statements provide additional information essential for a reader to develop a full understanding of the information provided in the government-wide and fund financial statements.

In addition to the basic financial statements and the accompanying notes the report also presents certain required supplementary information. The required supplementary information in Peters Township's comprehensive financial report provides the reader information concerning the Township's progress toward funding its pension obligation for the police pension plan, other post-employment benefits and the budgetary comparison schedules.

The combining statements and schedules referred to earlier in connection with nonmajor governmental fund are presented immediately following the required supplementary information.

FINANCIAL ANALYSIS OF THE MUNICIPALITY AS A WHOLE

The Township's net position at December 31, 2020 and December 31, 2019 are presented below:

Net Position Year Ended December 31

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
ASSETS						
Current and other assets	\$18,898,042	\$19,990,111	\$183,860	\$200,445	\$19,081,902	\$20,190,556
Capital assets	\$55,036,071	\$52,205,465	\$0	\$0	\$55,036,071	\$52,205,465
Total Assets	<u>\$73,934,113</u>	<u>\$72,195,576</u>	<u>\$183,860</u>	<u>\$200,445</u>	<u>\$74,117,973</u>	<u>\$72,396,021</u>
DEFERRED OUTFLOWS OF RESOURCES						
Amounts related to pensions	\$2,541,636	\$1,662,311	\$0	\$0	\$2,541,636	\$1,662,311
Amounts related to OPEB	\$11,552	\$0	\$0	\$0	\$11,552	\$0
Deferred charge on refunding	\$298,276	\$353,732	\$0	\$0	\$298,276	\$353,732
Total deferred outflow of resources	<u>\$2,851,464</u>	<u>\$2,016,043</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,851,464</u>	<u>\$2,016,043</u>
LIABILITIES						
Current and other liabilities	\$1,448,085	\$1,812,672	\$34,907	\$29,924	\$1,482,992	\$1,842,596
Non-current liabilities	\$27,073,161	\$27,916,173	\$0	\$0	\$27,073,161	\$27,916,173
Total Liabilities	<u>\$28,521,246</u>	<u>\$29,728,845</u>	<u>\$34,907</u>	<u>\$29,924</u>	<u>\$28,556,153</u>	<u>\$29,758,769</u>
DEFERRED INFLOWS OF RESOURCES						
Amounts related to pensions	\$2,239,583	\$1,969,733	\$0	\$0	\$2,239,583	\$1,969,733
Amounts related to OPEB	\$92,685	\$0	\$0	\$0	\$92,685	\$0
Total deferred inflow of resources	<u>\$2,332,268</u>	<u>\$1,969,733</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,332,268</u>	<u>\$1,969,733</u>
NET POSITION						
Net Investments in Capital Assets	\$37,061,676	\$34,746,970	\$0	\$0	\$37,061,676	\$34,746,970
Restricted	\$19,368	\$513,689	\$0	\$0	\$19,368	\$513,689
Unrestricted	\$8,851,019	\$7,252,382	\$148,953	\$170,521	\$8,999,972	\$7,422,903
Total Net Position	<u>\$45,932,063</u>	<u>\$42,513,041</u>	<u>\$148,953</u>	<u>\$170,521</u>	<u>\$46,081,016</u>	<u>\$42,683,562</u>
Infrastructure assets:						

As of December 31, 2020, Peters Township's total assets are \$74,117,973. Of this amount, \$55,036,071 is accounted for as capital assets. The total assets as of December 31, 2019 were \$72,396,021.

Historically, infrastructure (roads, sewers, etc) have not been reported or depreciated in governmental financial statements. GASB Statement #34 requires that all capital assets, including infrastructure, be valued and reported within the Governmental Activities column of the government-wide financial statements. Prospective reporting of infrastructure is allowed under GASB Statement #34 for smaller municipalities. Peters Township has chosen to report infrastructure on a prospective basis and began doing so in 2004. As a result, net investment in capital assets stands at \$37,061,676 as of December 31, 2020.

GASB Statements #68 and #75 require the reporting of deferred inflows and outflows of resources related to pensions and post-employment benefits (OPEB).

The following presents the Township's change in net position for the fiscal years ended December 31, 2020 and December 31, 2019.

**Changes in Net Position
Year Ended December 31**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues:						
Charges for services	\$1,686,517	\$2,083,360	\$2,067,678	\$2,031,521	\$3,754,195	\$4,114,881
Operating grants	\$2,201,136	\$1,709,278	\$0	\$0	\$2,201,136	\$1,709,278
Capital Grants	\$2,401,269	\$1,699,740	\$0	\$0	\$2,401,269	\$1,699,740
General Revenues:						
Property taxes	\$5,138,660	\$5,085,270	\$0	\$0	\$5,138,660	\$5,085,270
Earned income taxes	\$6,371,217	\$6,220,167	\$0	\$0	\$6,371,217	\$6,220,167
Real estate transfer taxes	\$2,117,554	\$2,278,179	\$0	\$0	\$2,117,554	\$2,278,179
Other taxes	\$430,799	\$457,341	\$0	\$0	\$430,799	\$457,341
Grants not restricted	\$690,896	\$841,710	\$0	\$0	\$690,896	\$841,710
Investment earning	\$146,975	\$203,519	\$697	\$0	\$147,672	\$203,519
Miscellaneous income	<u>\$326,951</u>	<u>\$439,025</u>	<u>\$0</u>	<u>\$0</u>	<u>\$326,951</u>	<u>\$439,025</u>
Total Revenues	<u>\$21,511,974</u>	<u>\$21,017,589</u>	<u>\$2,068,375</u>	<u>\$2,031,521</u>	<u>\$23,580,349</u>	<u>\$23,049,110</u>
Program Expenses						
General government	\$2,207,574	\$2,379,302	\$0	\$0	\$2,207,574	\$2,379,302
Public safety	\$6,498,163	\$7,333,525	\$0	\$0	\$6,498,163	\$7,333,525
Public works - sanitation	\$53,563	\$42,054	\$2,089,943	\$2,051,031	\$2,143,506	\$2,093,085
Public works - highways	\$5,164,931	\$4,833,869	\$0	\$0	\$5,164,931	\$4,833,869
Culture and recreation	\$3,452,761	\$3,754,408	\$0	\$0	\$3,452,761	\$3,754,408
Interest on long-term debt	<u>\$715,960</u>	<u>\$538,714</u>	<u>\$0</u>	<u>\$0</u>	<u>\$715,960</u>	<u>\$538,714</u>
Total Expenses	<u>\$18,092,952</u>	<u>\$18,881,872</u>	<u>\$2,089,943</u>	<u>\$2,051,031</u>	<u>\$20,182,895</u>	<u>\$20,932,903</u>
Excess (Deficiency)						
before transfers	\$3,419,022	\$2,135,717	(\$21,568)	(\$19,510)	\$3,397,454	\$2,116,207
Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Change in net position	\$3,419,022	\$2,135,717	(\$21,568)	(\$19,510)	\$3,397,454	\$2,116,207
Net position-beginning	<u>\$42,513,041</u>	<u>\$40,377,324</u>	<u>\$170,521</u>	<u>\$190,031</u>	<u>\$42,683,562</u>	<u>\$40,567,355</u>
Net position-ending	<u>\$45,932,063</u>	<u>\$42,513,041</u>	<u>\$148,953</u>	<u>\$170,521</u>	<u>\$46,081,016</u>	<u>\$42,683,562</u>

Governmental Activities

Revenue Sources

In 2020, 65.4% of Peters Township's total government-wide revenues of \$21,511,974 were derived from taxes. This compares with 66.8% in 2019. The Township collected \$14,058,230 in taxes. Of the taxes levied Earned Income Tax and the Real Estate Tax are the most significant.

The Earned Income Tax is a one-half percent (.5%) tax levied against the wages earned by Township residents. In 2020, Earned Income Tax accounted for \$6,371,217 or 45.3% of the

taxes levied for general government functions. Earned Income Tax revenues collected in 2020 were 2.4% higher than that collected in 2019. This represents a rebound in Earned Income Tax collection from 2019, when several high wage-earning residents left the Township.

The Real Estate Tax is a tax levied against the assessed valuation of real estate property located in the Township. The court ordered reassessment of property values was completed in late 2016, and the new values were implemented on January 1, 2017. The assessed valuation of taxable property in Peters Township rose from \$3,178,799,599 in 2019 to \$3,216,970,688 in 2020. The Township's 2020 millage rate remained unchanged from the 2019 rate of 1.622 mills. Real Estate Tax receipts in 2020 totaled \$5,138,660 or 36.6% of tax revenue.

The Real Estate Transfer Tax is a tax levied on the value of all real estate transferred in Peters Township. The Township levy is one percent (1%) of the value of property transferred. This tax is collected by the Washington County Recorder of Deeds, who charges a two percent (2%) collection fee. In 2020, revenues from the Real Estate Transfer Tax decreased by \$160,625 from the prior year to \$2,117,554. Considering the impact of the COVID pandemic on the real estate industry, the 2020 collection total is rather surprising, given that it represents the second-highest Real Estate Transfer Tax collection year on record, behind only 2019. From 2017 through 2020, there have been 893 new residential lots created in the Township, mainly due to several residential zoning overlays that were adopted in late 2016.

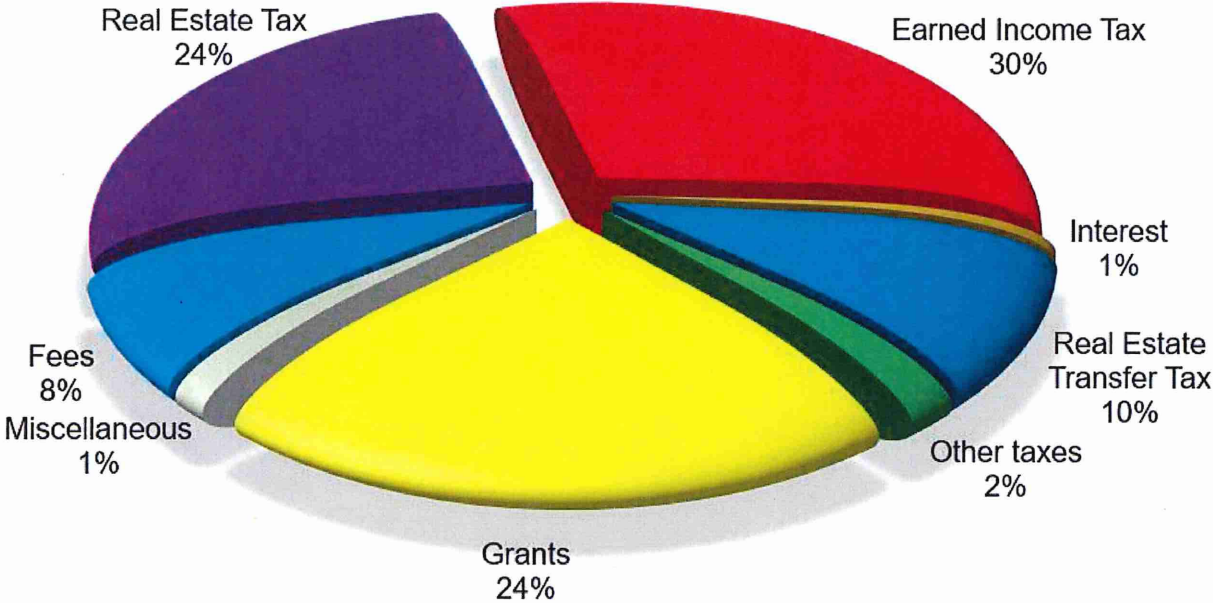
In 2020, the Township collected \$7,453,744 in revenue from non-tax sources. This represents 34.7% of the total revenue from governmental activities. Charges for services equaled \$1,686,517 or 22.6% of all non-tax revenue. It is the Township's policy, whenever possible, to charge fees for specialized services. The Township's goal is to structure these fees in a manner so as to cover the total cost of providing the related service. Zoning and building permit fees offset the cost of municipal services associated with development activity. The costs of recreation activities are largely covered by program fees, though COVID pandemic negatively impacted program fees from recreation activities in 2020.

Grants received by Peters Township in 2020 totaled \$5,293,301 and represent 71% of the Township's non-tax revenue from governmental activities. An important ongoing source of grant funds for Peters Township is the Pennsylvania State Liquid Fuel Program. Under this program, the state provides individual municipalities with a portion of the monies derived through the imposition of a statewide gasoline tax. The Township received \$782,810 in Liquid Fuels Funds in 2020. In 2012, Peters Township also began receiving a grant allocation under the Natural Gas Impact Fee program. In 2020, Peters Township was the recipient of \$408,907 in Natural Gas Impact Fees, a 21.2% decrease from funds received in 2019. In 2020, the Township was also the recipient of a one-time grant of CARES Act funds through Washington County in the amount of \$720,019 to offset pandemic-related expenses.

The Township also receives funds under the Foreign Fire and Foreign Casualty Insurance Programs. Funds received under the Foreign Fire Fund Program are mandated by the state of Pennsylvania to be turned over to the Peters Township Volunteer Fire Company Relief Association. These funds primarily are utilized by the Relief Association to acquire and maintain firefighting equipment and personal protection gear. The Foreign Casualty Insurance Program provides funds to help offset employee pension costs. The amount received does not cover all of the costs associated with employee pensions. In 2020, the Township received \$551,469 from the Foreign Casualty Insurance Program, which represented 47.2% of total employee pension costs. The difference is made up by the General Fund and employees' contributions.

The following chart graphically depicts the government-wide sources of the governmental activities revenues for the fiscal year ended December 31, 2020:

Sources of Revenues
Total Revenues: \$21,511,947



Program Expenses

Total program expenses in 2020 were \$18,092,952. This represents a decrease of \$788,920 or 4.2% less than 2019 expenses.

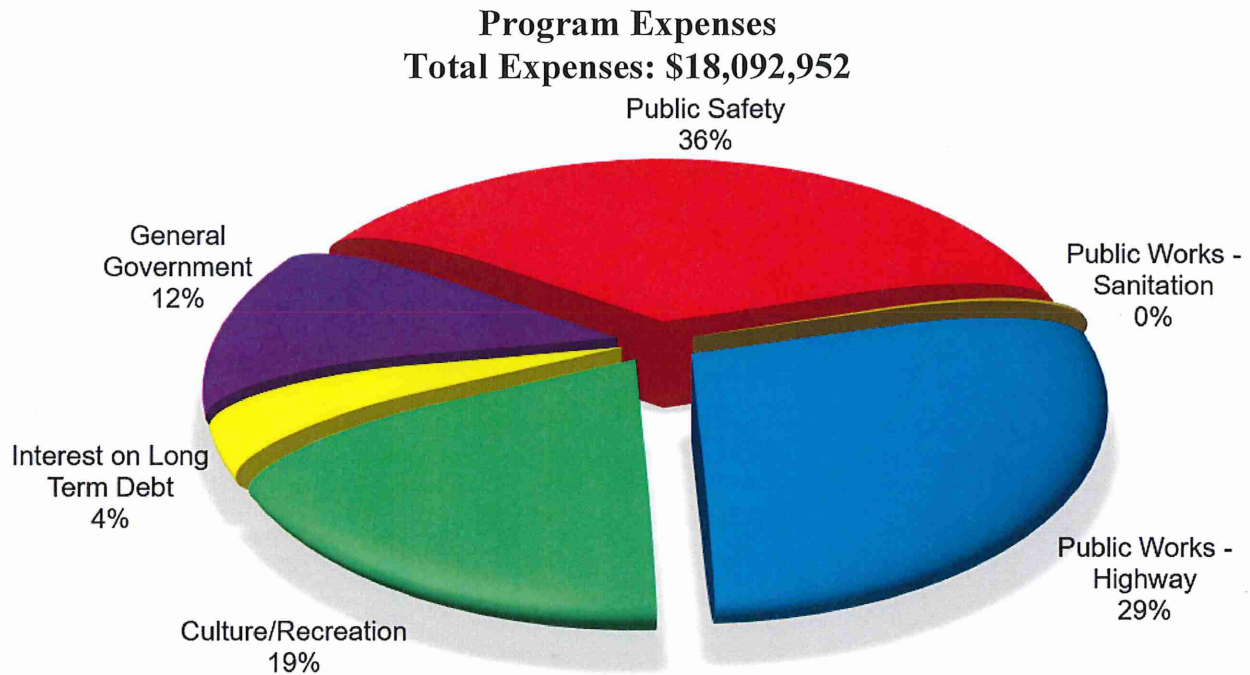
General Government expenses in 2020 amounted to \$2,207,574, a decrease of \$171,728 from 2019, and represented 12.2% of total expenses. The General Government category represents programs including Legislative Body, Administration, Legal, Engineering, Information Technology, and Municipal Building.

In 2020, expenses associated with Public Safety account for \$6,498,163 or 35.9% of all expenses. Programs contained in the Public Safety category include Police Services, Fire Services, Emergency Medical Services, Animal Control, Planning, Zoning, and Building Inspection.

Public Works expenses in 2020 totaled \$5,218,494 or 28.8% of total expenses. A significant portion of this amount is associated with capital improvements including the resurfacing of roadways and the rehabilitation of storm sewers. Total Public Works expenses in 2020 increased by \$342,571, or 7%, over 2019 expenses. The primary reason for this increase was costs associated with the completion of Rolling Hills Drive, a new Township-owned road.

Programs included under the category of Culture and Recreation are the Peters Township Library, Parks and Recreation, and Peters Township Community Television. In 2020, expenses for Culture and Recreation equaled \$3,452,761 or 19.1% of the expenses. Total Culture and Recreation expenses in 2020 decreased by \$301,647, or 8%, from 2019 expenses. This was due primarily to the impact on the COVID pandemic on recreation programming and staffing levels.

The following chart graphically depicts the government-wide program expenses for the fiscal year ended December 31, 2020:



Net Program Expenses/Revenues:

As one might expect the basic services of Peters Township are primarily financed through general revenues. To the extent one can identify a specific beneficiary of a municipal service, users fees are charged to offset the cost of the service rendered. Examples of the municipal services where it is possible to establish this correlation include services such as recreation programs and building permits.

In 2020, Public Safety expenses required the most general revenue for support, needing \$4,958,271. Public Works activities required \$1,731,434 in general revenue support, while Culture and Recreation required \$2,380,139.

Business-Type Activities

Revenue Sources

To finance the cost of collecting and disposing of solid waste and recyclables the Township charges each homeowner a flat fee that is collected quarterly. In 2020, fee collection for solid waste and recycling totaled \$2,067,678. In 2019, fees for garbage service were increased from 2018 levels, due to enhanced services offered to residents and increased costs for existing services associated with a new five-year contract beginning in 2019.

Program Expenses

The flat fee charged to the Township by a third-party contractor determines the expense related to the collection and disposal of solid waste and recyclables. This service costs \$2,089,943 in 2020. The collection and disposal of solid waste and recyclables is performed under contract with Waste Management. The Township, through the South Hills Area Council of Governments, entered into a five-year contract with Waste Management beginning in 2019.

Net Program Expenses/Revenues

Program expenses are intended to be fully offset by revenues generated by user charges. In 2020, expenses exceeded revenues for service by \$21,568. This deficit was made up by cash balances from charges for service in prior years.

FINANCIAL ANALYSIS OF THE MUNICIPALITY'S FUNDS

Peters Township ended 2020 with its governmental funds reporting a combined fund balance of \$17,370,700, a decrease of \$769,359 compared to the previous year, mainly due to spending down funds from the 2019 General Obligation Bond Issue. The Township continues to maintain fund balances well in excess of established standards.

Fund balance is divided into one of five classifications. These are:

- Nonspendable fund balance: amounts that are not in a spendable form such as inventory or are required to be maintained intact
- Restricted fund balance: amounts constrained to specific purposes by their providers through constitutional provisions or by enabling legislation
- Committed fund balance: amounts constrained to specific purposes by Peters Township Council
- Assigned fund balance: amounts a government intends to use for a specific purpose. The assignment can be expressed Council or the Township Manager
- Unassigned fund balance: amounts that are available for any purpose; these amounts are reported only in the general fund.

Of the total balance, \$6,406,026 is restricted, with the majority of these funds being from the aforementioned bond issue. Peters Township Council has committed \$1,846,929 for specific purposes, including \$1,107,552 in the Cable Television Fund for public access television, communications, and future capital projects. At the end of 2020, \$3,265,664 of the fund balance is classified as assigned. This includes \$408,791 which is assigned the Library Fund for library operations. The non-spendable fund balance is \$3,027. The remaining \$5,849,054 is unassigned, meaning it is available to meet the Township's current and future needs. This is a decrease in the unassigned fund balance of \$863,469 from 2019.

In the Peters Township General Fund, the fund balance increased by \$291,610 from \$6,343,594 to \$6,635,204. This increase is largely attributed to higher than anticipated collection of Real Estate Transfer Tax, as well as decrease staffing costs due to the COVID pandemic and the one-time grant of CARES Act funds.

The fund balance in the Peters Township Capital Projects Fund decreased by \$1,176,358 from \$10,395,225 to \$9,218,867. The decrease in this fund balance is due to spending down funds from the 2019 General Obligation Bond Issue, as well as Traffic Impact Fees.

General Fund Budgetary Highlights

In 2020, General Fund revenues exceed budgeted revenues by \$1,015,813. Total revenues in 2020 were budgeted at \$15,243,746 while actual revenues equaled \$16,259,559. The

variance is largely attributable to greater than expected Real Estate Transfer Tax revenues, which exceeded budgeted revenues by \$517,554, as well as \$445,110 received from the CARES Act to offset pandemic-related expenses in the General Fund. This helped to make up for a cumulative deficiency in Recreation Fees and Tennis Fees of \$135,982 from budgeted estimates in 2020.

General Fund expenditures were \$1,093,206 less than the final budget. The final budget for total expenditures in 2020 was \$13,305,903 while actual expenditures equaled \$12,212,697. The variance between actual and budgeted expenditures was the result of conservative budgeting, continued concerted effort across the board to control spending, and savings on employee wages and programming due to the impact of the COVID pandemic.

Other Major Funds

Capital Projects Fund

The Capital Projects Fund accounts for funds provided by Peters Township, most frequently from transfers from the General Fund or bond proceeds. The most significant capital expenditures in 2020 related to highway maintenance, storm sewer maintenance, construction of Rolling Hills Drive, a new emergency radio system, a new playground/shelter at Peterswood Park, development of Rolling Hills Park, and vehicle replacement.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Capital assets consist primarily of land, buildings and improvements, equipment and infrastructure. The following is a summary of capital assets on December 31, 2020 and December 31, 2019:

Summary of Capital Assets

	Balance at 12/31/2020	Balance at 12/31/2019	Difference
Land	\$13,008,573	\$13,008,573	\$0
Construction in Progress	\$4,727,263	\$2,093,297	\$2,633,966
Buildings & improvements	\$19,813,023	\$18,796,871	\$1,016,152
Land improvements	\$6,063,826	\$6,009,572	\$54,254
Machinery and equipment	\$8,421,307	\$7,715,968	\$705,339
Vehicles	\$6,110,755	\$5,951,681	\$159,074
Infrastructure	\$31,204,900	\$30,023,931	\$1,180,969
Total capital assets	<u>\$89,349,647</u>	<u>\$83,599,893</u>	<u>\$5,749,754</u>
Less accumulated depreciation for:			
Buildings and building improvements	\$8,541,150	\$8,022,427	\$518,723
Land improvements	\$4,284,210	\$4,034,093	\$250,117
Machinery and equipment	\$5,537,819	\$5,249,076	\$288,743
Vehicles	\$4,010,724	\$3,470,532	\$540,192
Infrastructure	\$11,939,673	\$10,618,300	\$1,321,373
Total accumulated depreciation	<u>\$34,313,576</u>	<u>\$31,394,428</u>	<u>\$2,919,148</u>
Net capital assets	<u>\$55,036,071</u>	<u>\$52,205,465</u>	<u>\$2,830,606</u>

More detailed information about the Township's capital assets can be found in Note 5 of the notes to financial statements.

Long-term Debt

As of December 31, 2020, the Township had \$24,452,570 of debt outstanding including general obligation debt of \$24,200,000 and general obligation notes of \$252,570. This represents a decrease of \$987,357 or 3.9% from the previous year. Debt associated with capital leases was retired in 2020. Below is a summary of activity related to general obligation bonds, notes, and capital leases during 2020.

Summary of General Obligation Debt Activity

Beginning Balance at 1/1/2020	\$ 25,439,927
Additions	\$ 0
Principal Retirement	<u>\$ 987,357</u>
Ending Balance at 12/31/2020	<u>\$ 24,452,570</u>

More detailed information about the Township long-term debt can be found in Note 8 of the notes to financial statements.

Trust and Agency Operations

Pension Trust Fund

The Township maintains two pension funds related to the activities associated with the Peters Township Police and the Peters Township Employees' Pension Systems. As a result of a substantial net appreciation in the fair value of the investments in 2020 (\$2,396,956), both pension funds experienced an increase in the value of assets held. After factoring in deductions, the increase in net position for both funds as of December 31, 2020 was \$2,803,661. Because the Peters Township Employee Pension is a defined contribution plan, the amount of the Township's future contribution will be unaffected. The Peters Township Police Pension Plan however is a defined benefit plan. The most recent actuarial valuation for the defined benefit plan was completed for the plan year beginning January 1, 2021.

Bond Ratings

The Township maintains a strong investment bond rating of AA+ from Standard & Poor's bond rating service. This rating was reaffirmed in 2019. More detailed information about the Township's general long-term debt activity can be found in the notes to the financial statements.

CONTACTING THE MUNICIPALITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Township's finances and to demonstrate the Township's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact:

Peters Township Business Department
610 East McMurray Road
McMurray, PA 15317

**Peters Township
Statement of Net Position
December 31, 2020**

Exhibit 1

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and Cash Equivalents	\$15,730,185	\$191,655	\$15,921,840
Investments	248,000	-	248,000
Taxes Receivable, Net	1,340,127	-	1,340,127
Internal Balances	50,000	(50,000)	-
Due from Other Governments	516,881	-	516,881
Other Receivables	1,009,822	-	1,009,822
Accounts Receivable	-	42,205	42,205
Prepaid Items	3,027	-	3,027
Capital Assets not Being Depreciated			
Land	13,008,573	-	13,008,573
Construction in Progress	4,727,263	-	4,727,263
Capital Assets, Net of Accumulated Depreciation	18,035,008	-	18,035,008
Infrastructure Assets, Net of Accumulated Depreciation	<u>19,265,227</u>	<u>-</u>	<u>19,265,227</u>
TOTAL ASSETS	<u>73,934,113</u>	<u>183,860</u>	<u>74,117,973</u>
DEFERRED OUTFLOWS OF RESOURCES			
Amounts Related to Pensions	2,541,636	-	2,541,636
Amounts Related to OPEB	11,552	-	11,552
Deferred Charge on Refunding	<u>298,276</u>	<u>-</u>	<u>298,276</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>2,851,464</u>	<u>-</u>	<u>2,851,464</u>
LIABILITIES			
Accounts Payable	339,909	34,907	374,816
Contracts Payable	83,304	-	83,304
Accrued Interest Payable	29,770	-	29,770
Accrued Salaries and Benefits	297,693	-	297,693
Payroll Deductions and Withholdings	21,187	-	21,187
Other Current Liabilities	676,222	-	676,222
Noncurrent Liabilities			
Due Within One Year	1,002,828	-	1,002,828
Due in More Than One Year			
Notes Payable	212,446	-	212,446
Bonds Payable	23,486,759	-	23,486,759
Compensated Absences	494,768	-	494,768
Net Pension Liability	1,084,157	-	1,084,157
Net Other Post-Employment Benefit Obligations	<u>792,203</u>	<u>-</u>	<u>792,203</u>
TOTAL LIABILITIES	<u>28,521,246</u>	<u>34,907</u>	<u>28,556,153</u>
DEFERRED INFLOWS OF RESOURCES			
Amounts Related to Pensions	2,239,583	-	2,239,583
Amounts Related to OPEB	<u>92,685</u>	<u>-</u>	<u>92,685</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>2,332,268</u>	<u>-</u>	<u>2,332,268</u>
NET POSITION			
Net Investment in Capital Assets	37,061,676	-	37,061,676
Restricted for Capital Projects	19,082	-	19,082
Restricted for Highways	286	-	286
Unrestricted	<u>8,851,019</u>	<u>148,953</u>	<u>8,999,972</u>
TOTAL NET POSITION	<u>\$45,932,063</u>	<u>\$148,953</u>	<u>\$46,081,016</u>

See Accompanying Notes

**Peters Township
Statement of Activities
Year Ended December 31, 2020**

Exhibit 2

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Totals
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities							
General Government	\$ 2,207,574	\$ 31,239	\$ 158,109	\$ -	\$ (2,018,226)	\$ -	\$ (2,018,226)
Public Safety	6,498,163	530,472	772,181	237,239	(4,958,271)	-	(4,958,271)
Public Works - Sanitation	53,563	-	-	-	(53,563)	-	(53,563)
Public Works - Highways	5,164,931	274,678	1,145,453	2,066,929	(1,677,871)	-	(1,677,871)
Culture - Recreation	3,452,761	850,128	125,393	97,101	(2,380,139)	-	(2,380,139)
Interest on Long-Term Debt	<u>715,960</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(715,960)</u>	<u>-</u>	<u>(715,960)</u>
Total Governmental Activities	<u>18,092,952</u>	<u>1,686,517</u>	<u>2,201,136</u>	<u>2,401,269</u>	<u>(11,804,030)</u>	<u>-</u>	<u>(11,804,030)</u>
Business-Type Activities							
Garbage Fund	<u>2,089,943</u>	<u>2,067,678</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(22,265)</u>	<u>(22,265)</u>
Total Primary Government	<u>\$20,182,895</u>	<u>\$3,754,195</u>	<u>\$2,201,136</u>	<u>\$2,401,269</u>	<u>(11,804,030)</u>	<u>(22,265)</u>	<u>(11,826,295)</u>
General Revenues							
Taxes							
Property Taxes Levied for General Purposes, Net					5,138,660	-	5,138,660
Earned Income Taxes					6,371,217	-	6,371,217
Real Estate Transfer Taxes					2,117,554	-	2,117,554
Other Taxes Levied for General Purposes, Net					430,799	-	430,799
Grants, Subsidies and Contributions not Restricted to Specific Programs					690,896	-	690,896
Investment Earnings					146,975	697	147,672
Miscellaneous Income					<u>326,951</u>	<u>-</u>	<u>326,951</u>
Total General Revenues					<u>15,223,052</u>	<u>697</u>	<u>15,223,749</u>
Changes in Net Position					3,419,022	(21,568)	3,397,454
Net Position - January 1, 2020					<u>42,513,041</u>	<u>170,521</u>	<u>42,683,562</u>
Net Position - December 31, 2020					<u>\$ 45,932,063</u>	<u>\$148,953</u>	<u>\$ 46,081,016</u>

See Accompanying Notes

**Peters Township
Balance Sheet
Governmental Funds
December 31, 2020**

Exhibit 3

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$5,707,558	\$8,544,239	\$1,478,388	\$15,730,185
Investments	-	248,000	-	248,000
Taxes Receivable (Net)	1,340,127	-	-	1,340,127
Due from Other Funds	55,574	-	-	55,574
Due from Other Governments	516,881	-	-	516,881
Other Receivables	203,450	672,117	134,255	1,009,822
Prepaid Items	<u>3,027</u>	<u>-</u>	<u>-</u>	<u>3,027</u>
TOTAL ASSETS	<u>\$7,826,617</u>	<u>\$9,464,356</u>	<u>\$1,612,643</u>	<u>\$18,903,616</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Due to Other Funds	\$ -	\$ -	\$ 5,574	\$ 5,574
Accounts Payable	164,932	162,185	12,792	339,909
Contracts Payable	-	83,304	-	83,304
Accrued Salaries and Benefits	279,580	-	18,113	297,693
Payroll Deductions and Withholdings	21,187	-	-	21,187
Other Current Liabilities	<u>616,687</u>	<u>-</u>	<u>59,535</u>	<u>676,222</u>
Total Liabilities	<u>1,082,386</u>	<u>245,489</u>	<u>96,014</u>	<u>1,423,889</u>
Deferred Inflows of Resources				
Unavailable Revenues - Property Taxes	85,669	-	-	85,669
Unavailable Revenues - Special Assessments	<u>23,358</u>	<u>-</u>	<u>-</u>	<u>23,358</u>
Total Deferred Inflows of Resources	<u>109,027</u>	<u>-</u>	<u>-</u>	<u>109,027</u>
Fund Balances				
Nonspendable	3,027	-	-	3,027
Restricted	-	6,405,740	286	6,406,026
Committed	739,377	-	1,107,552	1,846,929
Assigned	43,746	2,813,127	408,791	3,265,664
Unassigned	<u>5,849,054</u>	<u>-</u>	<u>-</u>	<u>5,849,054</u>
Total Fund Balances	<u>6,635,204</u>	<u>9,218,867</u>	<u>1,516,629</u>	<u>17,370,700</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$7,826,617</u>	<u>\$9,464,356</u>	<u>\$1,612,643</u>	<u>\$18,903,616</u>

See Accompanying Notes

**Peters Township
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2020**

Exhibit 4

Total Fund Balances - Governmental Funds		\$ 17,370,700
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of assets is \$89,349,647, and the accumulated depreciation is \$34,313,576.</p>		55,036,071
<p>Property taxes receivable and other long-term assets will be collected in the future but are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.</p>		109,027
<p>Some liabilities including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
Net Pension Liability		(1,084,157)
<p>Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.</p>		
Deferred Outflows of Resources Related to Pensions	\$ 2,541,636	
Deferred Outflows of Resources Related to OPEB	11,552	
Deferred Inflows of Resources Related to Pensions	(2,239,583)	
Deferred Inflows of Resources Related to OPEB	<u>(92,685)</u>	220,920
<p>Certain charges on bonds issued and refunded are capitalized and amortized over the life of the bonds in the statement of net position.</p>		91,517
<p>Long-term liabilities, including bonds and notes payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:</p>		
Bonds Payable	(24,200,000)	
Notes Payable	(252,570)	
Accrued Interest on the Bonds	(29,770)	
Other Post-Employment Benefits (OPEB)	(792,203)	
Compensated Absences	<u>(537,472)</u>	(25,812,015)
Total Net Position - Governmental Activities		<u>\$ 45,932,063</u>

See Accompanying Notes

Peters Township
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2020

Exhibit 5

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$14,017,678	\$ -	\$ -	\$14,017,678
Licenses and Permits	14,513	-	538,140	552,653
Fines and Forfeits	57,293	-	5,062	62,355
Interest, Rents and Royalties	78,983	331,001	10,194	420,178
Intergovernmental	1,191,824	1,788,659	908,203	3,888,686
Charges for Services	845,520	218,081	2,438	1,066,039
Miscellaneous	<u>53,748</u>	<u>1,404,615</u>	<u>5,470</u>	<u>1,463,833</u>
Total Revenues	<u>16,259,559</u>	<u>3,742,356</u>	<u>1,469,507</u>	<u>21,471,422</u>
Expenditures				
Current:				
General Government	1,713,854	-	34,480	1,748,334
Public Safety	5,082,743	-	-	5,082,743
Public Works - Sanitation	49,711	-	-	49,711
Public Works - Highways	1,424,208	-	-	1,424,208
Culture - Recreation	1,392,639	-	956,850	2,349,489
Insurance, Employee Benefits and Other	2,460,551	-	-	2,460,551
Debt Service:				
Principal	82,357	-	905,000	987,357
Interest	6,634	-	655,137	661,771
Capital Outlay	<u>-</u>	<u>6,641,353</u>	<u>835,264</u>	<u>7,476,617</u>
Total Expenditures	<u>12,212,697</u>	<u>6,641,353</u>	<u>3,386,731</u>	<u>22,240,781</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>4,046,862</u>	<u>(2,898,997)</u>	<u>(1,917,224)</u>	<u>(769,359)</u>
Other Financing Sources (Uses)				
Transfers In	10,000	1,722,639	2,311,037	4,043,676
Transfers Out	<u>(3,765,252)</u>	<u>-</u>	<u>(278,424)</u>	<u>(4,043,676)</u>
Total Other Financing Sources (Uses)	<u>(3,755,252)</u>	<u>1,722,639</u>	<u>2,032,613</u>	<u>-</u>
Net Changes in Fund Balances	291,610	(1,176,358)	115,389	(769,359)
Fund Balances - January 1, 2020	<u>6,343,594</u>	<u>10,395,225</u>	<u>1,401,240</u>	<u>18,140,059</u>
Fund Balances - December 31, 2020	<u>\$ 6,635,204</u>	<u>\$ 9,218,867</u>	<u>\$ 1,516,629</u>	<u>\$17,370,700</u>

See Accompanying Notes

**Peters Township
Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balances
to the Statement of Activities
Year Ended December 31, 2020**

Exhibit 6

Total Net Change in Fund Balances - Governmental Funds \$ (769,359)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation in the period.

Depreciation Expense	\$(3,045,458)	
Capital Outlays	5,900,687	
Net Book Value of Assets Retired	<u>(24,623)</u>	2,830,606

Because some revenues will not be collected for several months after the Township's year ends, they are not considered as "available" revenues in the governmental funds. 40,610

Repayment of bond and note principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 987,357

In the statement of activities, certain operating expenses - compensated absences (sick pay and vacations) and other post-employment benefit obligations (OPEB) - are measured by the amounts earned during the year. In governmental funds, however, expenditures for the items are measured by the amount of financial resources used (essentially, the amounts actually paid).

Compensated Absences	(10,352)	
Other Post-Employment Benefit Obligations	<u>11,601</u>	1,249

Changes in the net pension liability and related deferred inflows and outflows of resources do not affect current financial resources and, therefore, are not reflected on the fund statements. 368,973

**Peters Township
Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balances
to the Statement of Activities
Year Ended December 31, 2020**

Exhibit 6

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Net Change in Accrued Interest on Bonds	\$ 1,267
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Bond premium and loss on defeasance are reported in the statement of revenues and expenditures of governmental funds as expenditures but are capitalized and amortized over the life of the bonds in the statement of activities.

Amortization of Bond Premium and Loss on Refunding	<u>(41,681)</u>
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Change in Net Position of Governmental Activities	<u>\$3,419,022</u>
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See Accompanying Notes

**Peters Township
Statement of Net Position
Proprietary Fund
December 31, 2020**

Exhibit 7

	Garbage Fund
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$191,655
Accounts Receivable	<u>42,205</u>
TOTAL ASSETS	<u>233,860</u>
LIABILITIES	
Current Liabilities	
Due to Other Funds	50,000
Accounts Payable	<u>34,907</u>
TOTAL LIABILITIES	<u>84,907</u>
NET POSITION	
Unrestricted	<u>\$148,953</u>

See Accompanying Notes

Peters Township
Statement of Revenues, Expenses and
Changes in Fund Net Position
Proprietary Fund
Year Ended December 31, 2020

Exhibit 8

	Garbage Fund
Operating Revenues	
Charges for Services	<u>\$2,067,678</u>
Operating Expenses	
Other Services and Charges	<u>2,089,943</u>
Operating Income (Loss)	<u>(22,265)</u>
Nonoperating Revenues (Expenses)	
Investment Income	<u>697</u>
Change in Net Position	(21,568)
Net Position - January 1, 2020	<u>170,521</u>
Net Position - December 31, 2020	<u>\$ 148,953</u>

See Accompanying Notes

**Peters Township
Statement of Cash Flows
Proprietary Fund
Year Ended December 31, 2020**

Exhibit 9

	Garbage Fund
Cash Flows from Operating Activities	
Cash Received from Customers	\$ 2,050,610
Cash Payments to Suppliers for Goods and Services	<u>(2,084,960)</u>
Net Cash Used for Operating Activities	<u>(34,350)</u>
Cash Flows from Investing Activities	
Earnings on Investments	<u>697</u>
Net Decrease in Cash and Cash Flows	(33,653)
Cash and Cash Equivalents - January 1, 2020	<u>225,308</u>
Cash and Cash Equivalents - December 31, 2020	\$ <u>191,655</u>
Operating Income (Loss)	\$ (22,265)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used for Operating Activities	
(Increase) Decrease in Accounts Receivable	(17,068)
Increase (Decrease) in Accounts Payable	<u>4,983</u>
Total Adjustments	<u>(12,085)</u>
Cash Used for Operating Activities	\$ <u>(34,350)</u>

See Accompanying Notes

**Peters Township
Statement of Net Position
Fiduciary Funds
December 31, 2020**

Exhibit 10

	Pension Trust Funds
ASSETS	
Cash and Cash Equivalents	\$ 198,792
Investments	
Mutual Funds	21,430,142
Guaranteed Interest Accounts	41,163
Receivables - Employees	<u>32,009</u>
TOTAL ASSETS	<u>21,702,106</u>
NET POSITION	
Net Position Restricted for Pensions	<u>\$21,702,106</u>

See Accompanying Notes

**Peters Township
Statement of Change in Net Position
Fiduciary Funds
Year Ended December 31, 2020**

Exhibit 11

	Pension Trust Funds
Additions	
Contributions	
Employer	\$ 967,186
Plan Members	<u>147,385</u>
Total Contributions	<u>1,114,571</u>
Investment Income	
Net Appreciation (Depreciation) in Fair Value of Investments	2,396,956
Interest and Dividends	<u>460</u>
Net Investment Income	<u>2,397,416</u>
Total Additions	<u>3,511,987</u>
Deductions	
Benefits	691,493
Administrative Expenses	<u>16,833</u>
Total Deductions	<u>708,326</u>
Net Increase in Net Position	2,803,661
Net Position Restricted for Pensions	
Beginning of Year	<u>18,898,445</u>
End of Year	<u>\$21,702,106</u>

See Accompanying Notes

Peters Township
Notes to Financial Statements
December 31, 2020

Note 1 - Summary of Significant Accounting Policies

Peters Township was incorporated in 1781 under the provisions of Article 9, Section 1 of the Constitution of the Commonwealth of Pennsylvania, as amended. Peters Township operates under the Home Rule Charter with a Council/Manager form of government.

A. Description of Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Township. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements except that interfund services provided and used are not eliminated in the process of consolidation. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major enterprise funds are reported as separate columns in the fund financial statements.

B. Basis of Presentation - Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

C. Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Peters Township
Notes to Financial Statements
December 31, 2020

Note 1 - Summary of Significant Accounting Policies (Cont'd)

C. Basis of Presentation - Fund Financial Statements (Cont'd)

The government reports the following major governmental funds:

The *general fund* is the Township's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The *capital projects fund* accounts for financial resources to be used for the acquisition or construction of major capital facilities or equipment.

The Township reports the following major proprietary fund:

The *solid waste services fund* accounts for the revenues and other costs and expenses of providing garbage collection to residents during the year.

Additionally, the Township reports the following fund type:

The *pension trust fund(s)* account for the activities of the Police and Non-Uniform Pension Plans, which accumulate resources for pension benefit payments to covered employees.

The Township also reports as nonmajor governmental funds the following:

Special revenue funds focus on revenues that are restricted or committed to specific purposes. Their revenues serve as the foundation for those funds. The Highway Aid, Cable Television and Library Funds are considered special revenue funds.

Debt service funds account for the resources accumulated and payments made for principal and interest on long-term general obligation bonds of governmental funds.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Peters Township
Notes to Financial Statements
December 31, 2020

Note 1 - Summary of Significant Accounting Policies (Cont'd)

C. Basis of Presentation - Fund Financial Statements (Cont'd)

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes, net of any uncollectible amounts, are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes levied but collected beyond 60 days after year end are recorded as unavailable revenues to be recognized as revenue when the taxes are collected. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, intergovernmental revenues, investment income, rent and certain miscellaneous revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. In applying the susceptible to accrual concept to intergovernmental revenues (state and federal sources), the legal and contractual requirements of the individual

Peters Township
Notes to Financial Statements
December 31, 2020

Note 1 - Summary of Significant Accounting Policies (Cont'd)

D. Measurement Focus and Basis of Accounting (Cont'd)

programs are used as guidance. There are however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Township; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditures. All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary funds distinguish *operating revenues* and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Township's enterprise funds are charges to residents for collection of garbage and recyclables. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Cash and Cash Equivalents

The Township's policy is to maintain cash balances in interest-bearing accounts such as money market or flex funds. Investments are stated at fair value. Fair value is based on quoted market prices. For the purposes of the statement of cash flows, the proprietary fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

F. Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Expenditures may not legally exceed the budgeted appropriation at the function level. As a matter of policy, supplemental appropriations are requested whenever expenditures exceed appropriations at the function level. Only Council may take action to amend appropriations. The budgetary procedures utilized by Peters Township are prescribed in the Township's Home Rule Charter. Those procedures are as follows:

1. Sixty days prior to the close of the fiscal year (December 31), the Township Manager is required to submit to Council a proposed budget.
2. Upon submission to Council, the proposed budget is considered public record and, as such, is available to the public for their review.

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 1 - Summary of Significant Accounting Policies (Cont'd)

F. Budgets (Cont'd)

3. Council holds a public hearing to obtain input from Township residents on the proposed budget. This hearing must be held no earlier than two weeks after the submittal of the proposed budget to Council, but no later than two weeks prior to the anticipated adoption date.
4. No sooner than two weeks after the public hearing, but before the close of the fiscal year (December 31), Council adopts the budget.
5. Budgets are adopted as on-line item basis by departments. At any time during the year, the Township Manager may transfer monies among programs within a function. Appropriation transfers between functions require Council action.
6. Appropriations authorized by the budget or any addendum cannot exceed anticipated income.
7. Budgets are legally adopted for the general fund, all special revenue funds, capital projects funds, and the debt service funds on a basis consistent with generally accepted accounting principles.
8. All appropriations lapse at the end of each fiscal year (December 31).
9. There were supplemental budgetary appropriations made during the year ended December 31, 2020 of \$64,000.

G. Inventories

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis, and are expensed when used.

Inventories in governmental funds are stated at cost by the first-in, first-out method. The purchase method is used to account for inventories. Under the purchase method, inventories are recorded as expenditures when purchased; however, an estimated value of inventories is reported as an asset in the general fund, if considered material. There were no material inventory balances as of December 31, 2020.

H. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Peters Township
Notes to Financial Statements
December 31, 2020

Note 1 - Summary of Significant Accounting Policies (Cont'd)

I. Capital Assets

Capital assets, which include property, plant, equipment and land improvements are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. In addition, capital assets purchased with long-term debt may be capitalized regardless of the thresholds established. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of acquisition. Infrastructure has been prospectively capitalized, beginning January 1, 2004.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

All reported capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and Building Improvement	20-40
Land Improvements	20
Furniture	5
Vehicles	5-15
Equipment	5-15
Computers	3
Infrastructure	20-40

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government has two items that qualify for reporting in this category. One is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item in the government-wide statement of net position is related to the Township's defined benefit pension and OPEB plans.

Peters Township
Notes to Financial Statements
December 31, 2020

Note 1 - Summary of Significant Accounting Policies (Cont'd)

J. Deferred Outflows/Inflows of Resources (Cont'd)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Township has one item reported in the government-wide statement of net position relating to the defined benefit pension and OPEB plans. The government also has one item, which arises under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

K. Compensated Absences

The Township's policies regarding vacation time under various contracts, provide for employees to accumulate sick days which they are paid for upon retirement or termination of service. The amount the employee is compensated and the number of days varies based on their contract and their years of service. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. In the fund financial statements, governmental funds report a compensated absence liability only if they have matured; for example, as a result of employee resignations and retirements.

L. Government-Wide and Proprietary Fund Net Position

Net position is divided into three components:

Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position - consists of assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position - all other net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

Governmental - Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, fund balance reporting and governmental fund type definitions, the Township classifies governmental funds balances as follows:

Peters Township
Notes to Financial Statements
December 31, 2020

Note 1 - Summary of Significant Accounting Policies (Cont'd)

L. Government-Wide and Proprietary Fund Net Position (Cont'd)

Governmental - Fund Balance (Cont'd)

Nonspendable - amounts that cannot be spent because they are either (1) not in a spendable form or (2) legally or contractually required to remain intact.

Restricted - the part of fund balance that is restricted to be spent for a specific purpose. The constraints on these amounts must be externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or by enabling legislation. Enabling legislation authorizes the government to assess, levy, change or mandate payment and includes a legally enforceable requirement on the use of these funds.

Committed - the portion of fund balance that can only be used for specific purposes determined by a formal action of the Township's highest level of authority. The Township Council is the highest level of decision-making authority that can, by the passage of a motion, commit fund balances. Once the item is committed, it cannot be used for any other purpose unless changed by the same procedures used to initially constrain the money, which is the passage of a motion.

Assigned - reflects the Township's intent to use the money for a specific purpose but is not considered restricted or committed. The Township Council has, by adoption of policy, authorized the Township manager or assistant manager to assign fund balance.

Unassigned - represents the part of spendable fund balance that has not been categorized as restricted, committed or assigned. The general fund is the only fund permitted to have a positive unassigned fund balance.

The Township's informal policy is that it considers restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. It also considers committed amounts to be spent first when an expenditure is incurred for purposes for which both committed and unassigned fund balance could be used.

The purposes of the nonspendable, restricted, committed and assigned fund balances as of December 31, 2020, are as follows:

1. The nonspendable fund balance in the general fund in the amount of \$3,027 is for prepaid insurance.
2. The restricted fund balance in the capital projects fund of \$6,405,740 is for future capital projects and is comprised of unspent bond proceeds of \$6,386,658 and \$19,082 from revenues received for traffic impact fees.
3. The restricted fund balance in the nonmajor funds of \$286 is for highway maintenance, rebuilding and construction.

Peters Township
Notes to Financial Statements
December 31, 2020

Note 1 - Summary of Significant Accounting Policies (Cont'd)

L. Government-Wide and Proprietary Fund Net Position (Cont'd)

Governmental - Fund Balance (Cont'd)

4. The committed fund balance in the general fund is for other post-employment benefits in the amount of \$739,377. The committed fund balance in the nonmajor funds of \$1,107,552 is in the cable television fund and is for the public access channel costs of operation.
5. The assigned fund balance in the general fund of \$43,746 is for public safety and parks. The assigned fund balance in the capital projects fund for future capital projects in the amount of \$2,813,127 of which \$169,850 represents the funds received from the local gaming impact fees allocated, \$804,028 from the natural gas lease revenues and the balance from other sources.
6. The assigned fund balance in nonmajor funds of \$408,791 is for the public library.

Note 2 - Deposits and Investments

Pennsylvania statutes provide for investment of governmental and proprietary funds into certain authorized investment types including U. S. Treasury bills, other short-term U. S. and Pennsylvania government obligations, and insured or collateralized time deposits and certificates of deposit. The statutes do not prescribe regulations related to demand deposits; however, they do allow the pooling of governmental funds for investment purposes.

In addition to the investments authorized for governmental and proprietary funds, fiduciary fund investments may also be made in corporate stocks and bonds, real estate and other investments consistent with sound business practice.

The deposit and investment policy of the Township adheres to state statutes and prudent business practice.

The deposits and investments of the fiduciary funds are administered by trustees and are held separately from those of other municipal funds. Investments are reported at fair value. Fair value is based on quoted market prices. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. There were no deposit or investment transactions during the year that were in violation of either state statutes or the policy of the Township.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in an event of a bank failure, the government's deposits may not be returned to it. The Township does not have a deposit policy for custodial credit risk. Deposits in excess of amounts covered by the Federal Deposit Insurance Corporation are collateralized in accordance with Act 72 of 1971 of the

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 2 - Deposits and Investments (Cont'd)

Custodial Credit Risk – Deposits (Cont'd)

Pennsylvania State Legislature which requires the institution to pool collateral for all governments and have the collateral held by an approved custodian in the institution's name. As of December 31, 2020, \$5,846,176 of the Township's bank balance of \$6,549,783 was exposed to custodial credit risk as follows:

Uninsured and Collateral Held by Pledging Bank's Agent not in the Township's Name	<u>\$5,846,176</u>
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As of December 31, 2020, the Township had the following investments:

Investments	Maturity Date	Fair Value
PLGIT	N/A	\$ 8,605,711
PA Invest	60 days or less	1,984,752
Principal Global Investors		
Money Market Fund	60 days or less	198,227
Equity Mutual Funds	N/A	21,430,142
Principal Financial Group		
Guaranteed Interest Accounts	12/31/21	20,620
Guaranteed Interest Accounts	12/31/22	11,533
Guaranteed Interest Accounts	12/31/25	104
Guaranteed Interest Accounts	12/31/26	<u>8,906</u>
 Total Investments		 <u>\$32,259,995</u>

The investments in the Mutual Funds, Principal Money Market Fund and the Guaranteed Interest Accounts are reported in the Township's fiduciary funds.

Interest Rate Risk - 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. The money market funds maintain an average maturity that is less than sixty days.

Credit Risks - Pennsylvania statutes authorize the type of investments allowed and are described above. The Township has no investment policy that would further limit its investments choices. The Township's investments in PA Invest and the Pennsylvania Local Government Investment Trust (PLGIT) were rated AAAM by Standard & Poor's. The Principal Money Market Fund and the Principal Guaranteed Interest Accounts held in the fiduciary funds are not rated.

Concentration of Credit Risk - The Township places no limit on the amount it may invest in any one issue.

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 2 - Deposits and Investments (Cont'd)

Custodial Credit Risk – Deposits (Cont'd)

The Pennsylvania Local Government Investment Trust (PLGIT) was established as a common law trust, organized under laws of the Commonwealth of Pennsylvania and the provision of the Intergovernmental Cooperation Act. Shares of the Fund are offered to certain Pennsylvania school districts, intermediate units, area vocational-technical schools and municipalities. The purpose of the Fund is to enable such governmental units to pool their available funds for investments. The Trust is governed by an elected board of trustees who are responsible for the overall management of the Trust. The trustees are elected from the several classes of local governments participating in the Trust. The Trust is audited annually by independent auditors. PLGIT is rated AAAM by Standard and Poor's.

The fund is a local government investment pool and is exempt from the requirement of SEC's Rule 2(a)7 of the Investment Company Act of 1940. The fund measures for financial reporting purposes its assets at amortized cost and maintains a stable net asset value of \$1 per share. Accordingly, the fair value of the position in PLGIT is the same as the value of PLGIT shares. There are no limitations or restrictions on withdrawals.

The Township categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Township has the following recurring fair value measurements as of December 31, 2020:

Investments by Fair Value Level	Totals	Fair Value Measurements		
		Level 1	Level 2	Level 3
Fixed Income:				
Guaranteed Interest Accounts	\$ <u>41,163</u>	\$ -	\$ -	\$ <u>41,163</u>
Investments Measured at Net Asset Value:				
Principal Financial Group Comingled Pools				
Large U. S. Equity	6,064,095			
International Equity	3,376,088			
Small/Mid U. S. Equity	1,378,243			
Balanced	22,456			
Fixed Income	7,789,291			
Target Funds	<u>2,799,969</u>			
Total Investments Measured at Net Asset Value	<u>21,430,142</u>			
Total Investments Measured at Fair Value	<u>\$21,471,305</u>			

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 2 - Deposits and Investments (Cont'd)

Custodial Credit Risk – Deposits (Cont'd)

The guaranteed interest accounts reported in Level 3 are valued using the contract value.

The valuation method for investment measured at the net asset value (NAV) per share (or its equivalent) under the practical expedient is presented below.

The Principal Financial Group comingled pools reported at a fair value of \$21,430,142 unfunded commitments and redemption notice period is not applicable and the redemption frequency is daily.

The Large U. S. Equity and Small/Mid U. S. equity invests in various mutual funds that consist primarily of U. S. Equity securities that seek to provide long-term capital appreciation and to match or exceed the performance of the Fund's benchmark index for performance.

The International Equity fund invests in various mutual funds that consist primarily of non U. S. Equity securities that seek to provide long-term capital appreciation and to match or exceed the performance of the Fund's benchmark index for performance.

The Balanced fund seeks a long-term total return in excess of inflation. The fund invests at least 80% of its net assets in investments related to real estate and real estate companies.

The Fixed Income fund invests primarily in intermediate-term, fixed income investments such as public and corporate bonds, commercial and residential mortgage and U. S. government and agency-backed securities.

The Target Date funds seek a total return consisting of long-term growth of capital and current income. They are a fund of funds and invest in underlying funds of Principal Funds, Inc. and consist of domestic and foreign equity funds, fixed income funds, real asset funds that aim to offer diversification beyond traditional equity and fixed income securities.

Each fund makes distributions of its net realized gains, if any, at least annually.

Note 3 - Real Estate Taxes

The tax collector bills and collects real estate taxes on behalf of the Township based upon assessed values provided by the County. The Township's tax rate for all purposes in 2020 was 1.622 mills (\$1.622 per \$1,000 assessed valuation). The tax calendar for real estate taxes levied for 2020 is as follows:

Tax Levy Date	March 7, 2020
2% Discount Period	Through June 7, 2020
Face Payment Period	June 8, 2020 - August 7, 2020
10% Penalty Period	August 8, 2020 until Liened
Lien Filing Date	January 1, 2021

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 3 - Real Estate Taxes (Cont'd)

The amounts shown as delinquent real estate taxes receivable have not been recorded as revenue on the fund statements. These taxes are, however, recorded as unavailable revenues on the governmental fund balance sheet until they are received. The amounts reported for this receivable are reported on the balance sheet in the amount of \$85,669 along with other taxes receivable of \$1,254,458.

Note 4 - Due from Other Governments

Amounts due from other governments represent receivables for revenues earned by the Township. At December 31, 2020 the following amounts are due from other governmental units:

	Governmental Funds
State	\$ 51,198
School District	19,873
Other Local Governments	<u>445,810</u>
 Total	 <u>\$516,881</u>

Note 5 - Capital Assets

Capital asset activity for the year ended December 31, 2020 was as follows:

	Balance 01/01/20	Additions	Disposals	Transfers	Balance 12/31/20
Governmental Activities					
Capital Assets not Being Depreciated					
Land	\$13,008,573	\$ -	\$ -	\$ -	\$13,008,573
Construction in Progress	<u>2,093,297</u>	<u>3,309,488</u>	<u>-</u>	<u>(675,522)</u>	<u>4,727,263</u>
 Total Capital Assets not Being Depreciated	 <u>15,101,870</u>	 <u>3,309,488</u>	 <u>-</u>	 <u>(675,522)</u>	 <u>17,735,836</u>
 Capital Assets Being Depreciated					
Buildings and Building Improvements	18,796,871	545,130	-	471,022	19,813,023
Land Improvements	6,009,572	13,735	8,781	49,300	6,063,826
Machinery and Equipment	7,715,968	692,291	142,152	155,200	8,421,307

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 5 - Capital Assets (Cont'd)

	Balance 01/01/20	Additions	Disposals	Transfers	Balance 12/31/20
Governmental Activities (Cont'd)					
Capital Assets Being Depreciated (Cont'd)					
Vehicles	\$ 5,951,681	\$ 159,074	\$ -	\$ -	\$ 6,110,755
Infrastructure	<u>30,023,931</u>	<u>1,180,969</u>	<u>-</u>	<u>-</u>	<u>31,204,900</u>
Total Capital Assets Being Depreciated	<u>68,498,023</u>	<u>2,591,199</u>	<u>150,933</u>	<u>675,522</u>	<u>71,613,811</u>
Totals	<u>83,599,893</u>	<u>5,900,687</u>	<u>150,933</u>	<u>-</u>	<u>89,349,647</u>
Less Accumulated Depreciation					
Buildings and Building Improvements	\$ 8,022,427	\$ 518,723	\$ -	\$ -	\$ 8,541,150
Land Improvements	4,034,093	255,825	5,708	-	4,284,210
Machinery and Equipment	5,249,076	409,345	120,602	-	5,537,819
Vehicles	3,470,532	540,192	-	-	4,010,724
Infrastructure	<u>10,618,300</u>	<u>1,321,373</u>	<u>-</u>	<u>-</u>	<u>11,939,673</u>
Total Accumulated Depreciation	<u>31,394,428</u>	<u>3,045,458</u>	<u>126,310</u>	<u>-</u>	<u>34,313,576</u>
Governmental Activities Capital Assets, Net	<u>\$52,205,465</u>	<u>\$2,855,229</u>	<u>\$ 24,623</u>	<u>\$ -</u>	<u>\$55,036,071</u>

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General Government	\$ 77,481
Public Safety	145,501
Public Works - Highways	2,152,509
Culture - Recreation	<u>669,967</u>
Total Depreciation Expense	<u>\$3,045,458</u>

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 6 - Interfund Balances

Interfund balances at December 31, 2020 were:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$55,574	\$ -
Nonmajor Funds	-	5,574
Solid Waste Services Fund	<u>-</u>	<u>50,000</u>
	<u>\$55,574</u>	<u>\$55,574</u>

Balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All the balances above are expected to be collected in the subsequent year.

Note 7 - Interfund Transfers

For the year ended December 31, 2020, interfund transfers consisted of the following:

<u>Transfer To</u>	<u>Transfer From</u>		Totals
	General Fund	Non- major Funds	
General Fund	\$ -	\$ 10,000	\$ 10,000
Capital Projects Funds	1,454,215	268,424	1,722,639
Nonmajor Governmental Funds	<u>2,311,037</u>	<u>-</u>	<u>2,311,037</u>
	<u>\$3,765,252</u>	<u>\$278,424</u>	<u>\$4,043,676</u>

The general fund transfer to the capital projects fund in the amount of \$1,454,215 is to fund certain capital projects throughout the Township. The nonmajor funds (cable television fund) transfer of \$10,000 to the general fund was for capital purchases. The nonmajor funds (cable television fund) transfer of \$268,424 to the capital projects fund was for capital expenses.

The general fund transfers to the nonmajor governmental funds in the amount of \$2,311,037 were comprised of \$750,000 to the library fund and is an annual transfer to subsidize the operations of the Township Library and \$1,561,037 to the debt service funds to pay the principal and interest due annually on the Township's general obligation bonds.

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 8 - Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2020, was as follows:

	Balance 01/01/20	Additions	Reductions	Balance 12/31/20	Due Within One Year
Governmental Activities					
Bonds Payable					
General Obligation Bonds	\$25,105,000	\$ -	\$ 905,000	\$24,200,000	\$ 920,000
Plus: Bond Premium	<u>220,534</u>	<u>-</u>	<u>13,775</u>	<u>206,759</u>	<u>-</u>
Total Bonds Payable	25,325,534	-	918,775	24,406,759	920,000
Notes Payable	291,923	-	39,353	252,570	40,124
Capital Leases	43,004	-	43,004	-	-
Compensated Absences	<u>527,120</u>	<u>36,788</u>	<u>26,436</u>	<u>537,472</u>	<u>42,704</u>
Governmental Activities					
Long-Term Liabilities	<u>\$26,187,581</u>	<u>\$36,788</u>	<u>\$1,027,568</u>	<u>\$25,196,801</u>	<u>\$1,002,828</u>

General Obligation Bonds

\$10,000,000 Refunding Issue of 2013 due serially through 2028; interest at 0.40% - 2.27%; debt service source - general fund transfers to debt service fund.	\$ 7,270,000
\$7,500,000 Issue of 2016 due serially through 2041; interest at 2.0% - 3.0%; debt service source - general fund transfers to debt service fund.	7,025,000
\$9,910,000 Issue of 2019 due serially through 2049; interest at 2.0% - 3.0%; debt service source - general fund transfers to debt service fund.	<u>9,905,000</u>
	<u>\$24,200,000</u>

General Obligation Notes

\$405,000 Note of 2016 due annually through 2026; interest at 1.89%; debt service source - general fund.	\$ <u>252,570</u>
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The general obligation bonds and notes were issued for providing funds for capital projects throughout the Township. The compensated absences and capital leases liabilities will be liquidated primarily by the general fund.

The general fund typically has been used in prior years to liquidate the net pension and other post-employment benefits liabilities.

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 8 - Long-Term Liabilities (Cont'd)

The annual requirements of the Township's funds to amortize all debt outstanding (excluding compensated absences and capital leases) as of December 31, 2020, are as follows:

Year Ended December 31,	Governmental Activities				Totals
	Bonds		Notes		
	Principal	Interest	Principal	Interest	
2021	\$ 920,000	\$ 637,036	\$ 40,124	\$ 4,840	\$ 1,602,000
2022	940,000	622,731	40,893	4,071	1,607,695
2023	955,000	603,931	41,676	3,288	1,603,895
2024	975,000	584,831	42,468	2,496	1,604,795
2025	1,000,000	565,281	43,289	1,675	1,610,245
2026-2030	3,845,000	2,542,433	44,120	845	6,432,398
2031-2035	3,290,000	2,139,038	-	-	5,429,038
2036-2040	3,815,000	1,619,100	-	-	5,434,100
2041-2045	4,420,000	1,011,450	-	-	5,431,450
2046-2049	<u>4,040,000</u>	<u>307,500</u>	<u>-</u>	<u>-</u>	<u>4,347,500</u>
	<u>\$24,200,000</u>	<u>\$10,633,331</u>	<u>\$252,570</u>	<u>\$17,215</u>	<u>\$35,103,116</u>

Note 9 - Capital Lease

The Township has entered into lease agreements as lessee for financing the acquisition of fire trucks and highway equipment. The lease agreements qualified as a capital lease for accounting purposes and, therefore, was recorded at the present value of the future minimum lease payments as of the inception date. The lease was paid in full during the year ended December 31, 2020 and no future payments are due as of December 31, 2020.

Note 10 - Defined Benefit Pension Plan

A. Plan Descriptions, Contribution Information, and Funding Policies

The Township contributes to a Defined Benefit Pension Plan. Assets are held separately and may be used only for the payment of benefits to the members of the Plan.

Peters Township Police Pension Plan (PPP) - The Police Pension Plan is a single-employer defined benefit pension trust fund. Any person employed on a full-time basis by the Township as a member of the police force is eligible to participate in the Plan.

Actuarial valuations are performed biannually. For additional information related to basis of accounting and reported investment values, see Notes 1D. and 2. The activity of the Plan is reported in the pension trust fund in the accompanying financial statements. The Plan does not issue stand-alone financial reports.

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 10 - Defined Benefit Pension Plan (Cont'd)

A. Plan Descriptions, Contribution Information, and Funding Policies (Cont'd)

The following is a summary of funding policies, contribution methods, and benefit provisions:

	<u>PPP</u>
Date Established	November 3, 1958
Governing Authority and Administrator	Peters Township Council and Resolutions Delegated the Authority to administer the plan to the Township Manager
Determination of Contribution Requirements	Actuarially determined
Employer	\$715,176
Plan Members	Contributions are currently 5% of compensation
Funding of Administrative Costs, including Investment and Custodial Fees and Actuarial Services	From investment earnings
Eligibility Requirements	
Normal Retirement	Hired on or before 01/01/11 Age 50 and completion of 25 years of Service; hired after 01/01/11 attained Age 55 with 25 years of service
Early Retirement	None
Vesting	100% after 12 years of service
Retirement Benefit	50% of average monthly earnings, averaged over the 36 months preceding retirement and accrued benefit adjustment defined as the number of months of service as of a given date divided by the number of complete months of service as of normal retirement date
Service Increment	None

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 10 - Defined Benefit Pension Plan (Cont'd)

A. Plan Descriptions, Contribution Information, and Funding Policies (Cont'd)

	<u>PPP</u>
Post-Retirement Benefit Increases	Hired on or before 01/01/11, Consumer Price Index with limits; hired after 01/01/11, no cost of living adjustment
Provisions for Disability Benefits	Yes
Provisions for Death Benefits	Yes
Deferred Retirement Option Plan (DROP)	<p>An active participant first becomes eligible to elect the DROP upon becoming eligible for normal retirement.</p> <p>An election to participate in the DROP shall constitute an irrevocable election to resign from the service of the employer not later than three years after commencement of DROP participation.</p> <p>At the time of a participant's entry into the DROP, the participant's accrual service, accrued benefit and average compensation shall be calculated as if the participant had actually retired from service. No additional accrual service shall be earned after entry into the DROP. Any changes in plan benefits shall not apply to participants in the DROP, except as the result of increases for cost-of-living.</p> <p>Upon entry into the DROP, an amount equal to the participant's monthly retirement benefit shall be transferred to the employer to be held in a segregated investment account guaranteeing principal. Interest shall be credited at a rate ranging from 0.0% to 4.0%.</p> <p>During DROP participation, a participant shall be considered a retiree with deferred receipt of benefits for all plan purposes.</p>

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 10 - Defined Benefit Pension Plan (Cont'd)

A. Plan Descriptions, Contribution Information, and Funding Policies (Cont'd)

Membership of the Plan as of December 31, 2020 is as follows:

	<u>PPP</u>
Active Employees	23
Retirees and Beneficiaries Currently Receiving Benefits	19
Inactive Plan Members Entitled to but not Receiving Benefits	<u>2</u>
Total	<u>44</u>

B. Investments

Investment Policy

The Plan is authorized to invest in legal investments permitted under the Pennsylvania Fiduciaries Investment Act. The pension committee appointed by Council, and consists of the Township Manager, a council member and a police officer, establish the investment policy. The Plan's target asset allocation is as follows:

Asset Class	Percent Range
U. S. Equity	36%
Non-U. S. Equity	18%
Real Estate	6%
Other Investments	1%
Cash	0%
Core Bond	<u>39%</u>
Total	<u>100%</u>

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The credit ratings of the Plan's investments (excluding obligations explicitly guaranteed by the U. S. government) are not applicable. Separate accounts held at the Principal Financial Group are commingled pools rather than individual securities. As a result, these accounts are not rated.

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 10 - Defined Benefit Pension Plan (Cont'd)

B. Investments (Cont'd)

Concentrations

As of the measurement date, the following are investments (other than U. S. government and U. S. government guaranteed obligations) in any one organization that represents 5% or more of the Pension Plan's fiduciary net position. $\$16,828,350 \times 0.05 = \$841,417$

Principal Financial Group	\$16,796,340
---------------------------	--------------

Interest rate risk for investments is the risk that a change in interest rates will adversely affect the fair value of an investment. The Plan has no formal policy for interest rate risk.

Money-Weighted Rate of Return

The money-weighted rate of return is calculated as a rate of return on pension plan investments incorporating the timing and amount of cash flows. This return is calculated net of investment expenses.

The annual money-weighted rate of return on plan investments for the measurement period is 11.22%.

There are no assets legally reserved for purposes other than the payment of Plan member benefits for the Plan.

There are no long-term contracts for contributions.

C. Net Pension Liability

The components of the net pension liability at December 31, 2020 were as follows:

	<u>PPP</u>
Total Pension Liability	\$17,912,507
Plan Fiduciary Net Position	<u>16,828,350</u>
Net Pension Liability	<u>\$ 1,084,157</u>

Plan fiduciary net position as a percentage of the total pension liability is 93.9%.

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 10 - Defined Benefit Pension Plan (Cont'd)

C. Net Pension Liability (Cont'd)

Changes in the Township's net pension liability for the year ended December 31, 2020 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at January 1, 2020	\$15,695,879	\$14,852,224	\$ 843,655
Changes for the Year:			
Service Cost	379,522	-	379,522
Interest	1,022,736	-	1,022,736
Changes in Assumptions	1,286,224	-	1,286,224
Differences Between Expected and Actual Experience	166,183	-	166,183
Benefit Payments	(638,037)	(638,037)	-
Contributions - Employer, including State Aid	-	715,176	(715,176)
Contributions - Member	-	117,490	(117,490)
Net Investment Income	-	1,798,180	(1,798,180)
Administrative Expense	-	(16,683)	16,683
Net Changes	<u>2,216,628</u>	<u>1,976,126</u>	<u>240,502</u>
Balances at December 31, 2020	<u>\$17,912,507</u>	<u>\$16,828,350</u>	<u>\$ 1,084,157</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following shows the effect of a 1.0% change in the discount rate on the net pension liability:

	1% Decrease <u>5.00%</u>	Current Rate <u>6.00%</u>	1% Increase <u>7.00%</u>
Net Pension Liability	<u>\$3,578,615</u>	<u>\$1,084,157</u>	<u>\$(901,839)</u>

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 10 - Defined Benefit Pension Plan (Cont'd)

C. Net Pension Liability (Cont'd)

Actuarial Assumptions: The net pension liability for the Plan was measured as of December 31, 2020, using the total pension liability that was determined by an actuarial valuation as of December 31, 2020, using the following significant actuarial assumptions applied to all periods included in the measurement:

Inflation:	2.25%
Salary Increases:	4.00% increase each year until retirement
Mortality:	Based on PubS-2010 Safety Base Rate Mortality Table projected to future years with historical and assumed mortality improvement (MI) rates using the MP-2020 Mortality Improvement Scale

Expected Long-Term Rate of Return: The expected long-term return on plan assets assumption was developed as a weighted average rate based on the target asset allocation of the Plan and the Long-Term Capital Market Assumptions (CMA) 2020. The capital market assumptions were developed with a primary focus on forward-looking valuation models and market indicators. The key fundamental economic inputs for these models are future inflation, economic growth, and interest rate environment. Due to the long-term nature of the pension obligations, the investment horizon for the CMA 2020 is 20-30 years. In addition to forward-looking models, historical analysis of market data and trends was reflected, as well as the outlook of recognized economists, organizations and consensus CMA from other credible studies.

The following was the asset allocation policy and best estimates of arithmetic rate of return of major asset class included in the Plan's target asset allocation:

Asset Class	Expected Arithmetic Return	Target Allocation %
U. S. Equity - Large Cap	7.70%	30.65%
U. S. Equity - Mid Cap	8.00%	3.36%
U. S. Equity - Small Cap	8.55%	1.74%
Non-U. S. Equity	8.00%	17.63%

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 10 - Defined Benefit Pension Plan (Cont'd)

C. Net Pension Liability (Cont'd)

Expected Long-Term
Rate of Return: (Cont'd)

Asset Class	Expected Arithmetic Return	Target Allocation %
REITs	7.30%	0.17%
Real Estate (direct property)	5.35%	5.92%
Cash	1.20%	0.00%
TIPS	1.70%	0.26%
Core Bond	2.60%	37.92%
High Yield	5.45%	2.33%

Discount Rate

The discount rate used to determine the total pension liability was 6.00%, changed from the prior measurement date of 6.50%.

The Plan's fiduciary net position and benefit payments were projected to determine if the Plan's fiduciary net position was greater than or equal to the expected benefit payments for each period from 2020 to 2113. Benefit payments after 2113 are projected to be \$-0-.

The long-term rate of return of 6.00% is used to calculate the actuarial present value of projected payments for each future period when the projected fiduciary net position is greater than the projected expected benefit payments. Otherwise, a municipal bond rate of 3.09% is used.

The discount rate is a single rate that incorporates the long-term rate of return and municipal bond rate assumptions as described above.

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2020, the Township recognized pension expense of \$346,984. At December 31, 2020, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 10 - Defined Benefit Pension Plan (Cont'd)

C. Net Pension Liability (Cont'd)

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 394,497	\$ 250,298
Changes of assumptions	2,147,139	835,753
Net difference between projected and actual earnings on Plan investments	-	<u>1,153,532</u>
Totals	<u>\$2,541,636</u>	<u>\$2,239,583</u>

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

Year Ended December 31,	
2021	\$ (20,202)
2022	99,492
2023	(315,229)
2024	49,923
2025	216,630
Thereafter	<u>271,439</u>
	<u>\$ 302,053</u>

Note 11 - Defined Contribution Pension Plans

Peters Township Municipal Employees

A. Plan Description

The Township sponsors and contributes to the Peters Township Municipal Employees Pension Plan which is a defined contribution plan. All full-time administrative employees not represented by a bargaining unit and full-time firefighters are covered by this Plan. The Plan's total membership as of December 31, 2020 is sixty-five. Administrative costs of the Plan are funded by the general fund.

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 11 - Defined Contribution Pension Plans (Cont'd)

Peters Township Municipal Employees (Cont'd)

A. Plan Description (Cont'd)

The Township is required to contribute for each employee who has 1,000 or more hours of service in the service period, 8.00% of the employee's annual pay. For members of the firefighters' union, only full-time firefighters or part-time firefighters working more than 1,000 hours in a year, are eligible to participate in the Plan. During the term of the current contract, the minimum annual pension contribution for firefighters participating in the Plan shall be fifteen (15%) percent. The Township will contribute eleven (11%) percent and the firefighters four (4%) percent through payroll deductions increasing to five (5%) percent on January 1, 2021. Employees, except as noted above for firefighters, do not contribute to the Plan. Plan participants are 100% vested with five or more years of vesting service.

Benefits can start on the participants:

1. Normal retirement date - the first day of the month on or after the participant reaches age 65; or
2. Early retirement date - this day shall be on or after the date the participant has severance from employment and the date the participant meets the following requirements:
 - a. The date the participant reaches age 55;
 - b. Has completed 10 years of service with the employer.

Benefits paid can be in various forms at the option of the participant. The amount of the benefit depends on the amount contributed to the participant's account, earnings on investments of those contributions, and forfeitures of other participant's benefits that may be allocated to the participant's account.

The amount contributed by the Township to the Plan for the year ended December 31, 2020 was \$252,010 of direct contributions, 8.37% of covered wages. Unallocated forfeitures from participants no longer in the Plan and not fully vested are allocated among current participants. There was \$15,601 in 2020. Township Council is responsible for establishing and/or amending the Plan provisions and contribution requirements.

B. Summary of Significant Accounting Policies

The financial statements of the Plan are included as a pension trust fund in this report. For additional information related to basis of accounting reported investment values see Notes 1D. and 2.

C. Concentrations

The Municipal Employees Pension Plan investments in mutual funds held by Principal Financial Group account for 99% of the total investments at December 31, 2020. The balance (1%) of the Plan's investments are in guaranteed interest accounts.

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 11 - Defined Contribution Pension Plans (Cont'd)

Road Department

Plan Description

The Township provides pension benefits for all of its full-time road department employees through a defined contribution plan, by participating in the Laborers' District Council of Western Pennsylvania Pension Fund for Local Union #1058 who administers the Plan.

Payments by the Township are calculated at the rate of \$4.87 through April 30, 2020 and then \$5.26 for every hour worked by the road department employees. The total contribution required and made by the Township for the year ended December 31, 2020 was \$201,045 (18.38% of covered payroll).

Employees are eligible to participate from the date of employment.

Plan participants are all union employees for whom 300 hours of employment are credited in the fund for a single calendar year.

The normal retirement benefit of an employee eligible for retirement and who applies, therefore, shall be a monthly amount equal to the sum of the following:

1. Four percent (4%) of employer contributions from June 27, 1956 through December 31, 2002; plus
2. Three and one-quarter percent (3.25%) of employer contributions during 2003; plus
3. Two and one-quarter percent (2.25%) of employer contributions during 2004; plus
4. One percent (1%) of employer contributions from January 1, 2005 through the date of termination/retirement.

The Local Union #1058 has the authority for establishing and amending Plan provisions, and the contribution rate is negotiated by the Township through the Union employee's contract requirements.

Note 12 - Pension Plans Financial Information

The Township's Police Pension, a defined benefit plan and the Municipal Employees' Pension Plan, a defined contribution plan, do not issue standalone financial reports. The following is a statement of fiduciary net position and statement of changes in fiduciary net position for the two plans as of and for the year ended December 31, 2020:

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 12 - Pension Plans Financial Information (Cont'd)

	Pension Trust Funds		Total Pension Trust Funds
	Police Pension Fund	Employees' Pension Fund	
Assets			
Cash and Cash Equivalents	\$ 1	\$ 198,791	\$ 198,792
Investments, at Fair Value			
Mutual Funds	16,796,340	4,633,802	21,430,142
Guaranteed Interest Accounts	-	41,163	41,163
Receivables - Employees	<u>32,009</u>	<u>-</u>	<u>32,009</u>
Total Assets	<u>16,828,350</u>	<u>4,873,756</u>	<u>21,702,106</u>
Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net Position Restricted for Pensions	<u>\$16,828,350</u>	<u>\$4,873,756</u>	<u>\$21,702,106</u>
Additions			
Contributions			
Employer	\$ 715,176	\$ 252,010	\$ 967,186
Plan Members	<u>117,490</u>	<u>29,895</u>	<u>147,385</u>
Total Contributions	<u>832,666</u>	<u>281,905</u>	<u>1,114,571</u>
Investment Income			
Net Appreciation (Depreciation) in Fair Value of Investments	1,798,180	598,776	2,396,956
Interest and Dividends	<u>-</u>	<u>460</u>	<u>460</u>
Net Investment Income	<u>1,798,180</u>	<u>599,236</u>	<u>2,397,416</u>
Total Additions	<u>2,630,846</u>	<u>881,141</u>	<u>3,511,987</u>
Deductions			
Benefits	638,037	53,456	691,493
Administrative Expenses	<u>16,683</u>	<u>150</u>	<u>16,833</u>
Total Deductions	<u>654,720</u>	<u>53,606</u>	<u>708,326</u>
Net Increase in Net Position	1,976,126	827,535	2,803,661

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 12 - Pension Plans Financial Information (Cont'd)

	Pension Trust Funds		Total Pension Trust Funds
	Police Pension Fund	Employees' Pension Fund	
Net Position Restricted for Pensions			
Beginning of Year	<u>\$14,852,224</u>	<u>\$4,046,221</u>	<u>\$18,898,445</u>
End of Year	<u>\$16,828,350</u>	<u>\$4,873,756</u>	<u>\$21,702,106</u>

Note 13 - Post-Employment Healthcare Plan

A. Plan Description

Peters Township administers a single-employer defined benefit healthcare plan (the Supplemental Health Plan). The plan provides medical, dental and vision for eligible Township police officers. The benefits provided are for the eligible retirees and their spouses through the Township group health insurance plan which covers both active and retired members. Benefit provisions are mostly established through negotiations between the Township and union representing the employees. No post-employment benefits are provided for non-uniform employees. The plan does not issue a publicly available financial report.

B. Funding Policy

The eligibility and the benefits are as follows:

Police Employees

Medical, Dental and Vision Eligibility	Retired from the police pension plan after age 50 and 25 years of service, if hired after January 1, 2011, age 55 and 25 years of service.
Death Benefit Eligibility	Termination from the police pension plan after 15 years of service.
Persons Covered	Coverage will include retiree, spouse and eligible dependents.

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 13 - Post-Employment Healthcare Plan (Cont'd)

B. Funding Policy (Cont'd)

Police Employees (Cont'd)

Benefits Provided

The Township will pay 102% of the charged premium for medical, dental and vision coverage for the retiree, spouse and dependents for the first year of retirement. For the next four years, the Township will pay 52% of the charged premiums. During the following five years, the Township will pay the actual cost of premiums up to \$200 per month. After 10 years of retirement, medical, dental and vision benefits cease. A death benefit of \$2,000 is payable to the beneficiary of a participant who terminates after 15 years of service, with the benefit amount increasing by \$200 for each additional year of service, to a maximum of \$5,000.

Opt Out

At retirement, an eligible officer may make an irrevocable election to receive a lump sum payment in lieu of continued health coverage reimbursements in an amount equal to the cost of the benefit on the officer's retirement date.

Public Works Employees

Medical, Dental and Vision Eligibility

Hired prior to May 1, 2012 and retired from the pension plan after age 62 with 15 years of service.

Persons Covered

Coverage will include retiree, spouse, and eligible dependents.

Benefits Provided

The Township will pay the charged premium for medical, dental, and vision coverage for the retiree, spouse, and eligible dependents, up to a maximum of \$337.38 per month for single coverage or a maximum of \$901.89 per month for other coverage, for a maximum of three years after retirement. After three years of retirement, medical, dental, and vision benefits cease.

Non-Police, Non-Public Works Employees

No post-retirement benefits are provided for employees other than police officers and public works employees.

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 13 - Post-Employment Healthcare Plan (Cont'd)

B. Funding Policy (Cont'd)

Employees Covered by Benefit Terms

At January 1, 2020, the following employees were covered by the benefits terms:

Retired participants	17
Active employees	<u>33</u>
	<u>50</u>

C. Total OPEB Liability

The Township's total OPEB liability of \$792,203 was measured as of January 1, 2020, and was determined by an actuarial valuation as of January 1, 2020.

D. Actuarial Methods and Assumptions

The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Discount Rate	3.00%
Healthcare Cost Trend Rates	6.00% for Medical/RX decreasing by 0.25% until reaches 5.00% and continuing at that rate. For dental and vision 3.00%

The discount rate was based on an index rate for 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality rates were based on the RP-2014 Mortality Table with 50% of the Blue Collar Adjustment.

The actuarial assumptions used in the January 1, 2020 valuation were selected using input from the Township based upon actual experience.

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 13 - Post-Employment Healthcare Plan (Cont'd)

E. Change in the Total OPEB Liability

	Total OPEB Liability
Balance at January 1, 2020	\$ 884,937
Changes for the year:	
Service Cost	54,255
Interest	24,206
Benefit Payments	(77,184)
Changes in Assumptions or Other Inputs	13,386
Difference Between Expected and Actual Experience	<u>(107,397)</u>
Net Changes	<u>(92,734)</u>
Balance at December 31, 2020	<u>\$792,203</u>

F. Changes of Assumptions and Other Inputs

- Changed the discount rate from 3.50% to 3.00%.
- Assumptions for mortality and healthcare costs were updated.

G. Sensitivity of the Total Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.00%) or one percentage point higher (4.00%) than the current discount rate:

	1.00% Decrease	Current Discount Rate	1.00% Increase
	2.00%	3.00%	4.00%
Total OPEB Liability	\$846,679	\$792,203	\$743,437

H. Sensitivity of the Total Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

**Peters Township
Notes to Financial Statements
December 31, 2020**

Note 13 - Post-Employment Healthcare Plan (Cont'd)

H. Sensitivity of the Total Liability to Changes in the Healthcare Cost Trend Rates (Cont'd)

	1.00% Decrease	Healthcare Cost Trend Rates	1.00% Increase
Total OPEB Liability	\$746,248	\$792,203	\$845,643

I. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2020, the Township recognized OPEB Expense of \$65,583. At December 31, 2020, the Township reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ -	\$92,685
Changes of Assumptions	<u>11,552</u>	<u>-</u>
Total	<u>\$11,552</u>	<u>\$92,685</u>

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

Year Ended December 31,	
2021	\$(12,878)
2022	(12,878)
2023	(12,878)
2024	(12,878)
2045	(12,878)
Thereafter	<u>(16,743)</u>
	<u>(81,133)</u>

Peters Township
Notes to Financial Statements
December 31, 2020

Note 14 - Risk Management

Peters Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties.

For its worker's compensation insurance coverage, the Township participates in the Municipal Risk Management Worker's Compensation Pooled Trust (Trust), a public entity risk pool operated for the benefit of cities, municipalities, boroughs, townships, regional police departments and municipal authorities. Trust underwriting and rate-setting policies are established after consultation with an independent actuary and certain approvals of the Pennsylvania Department of Labor and Industry as mandated by Act 44 of 1993 (Act 44). All Trust participants may be subject to a supplemental assessment/dividend based on the overall experience of the participants, pursuant to Act 44. Each participant of the Trust agrees to jointly and severally assume and discharges the liabilities arising under the Worker's Compensation Act and Occupational Disease Act of each and every participant of the Trust. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. The Trust purchases excess insurance coverage with statutory limits. The retention for this excess coverage is \$750,000 per occurrence. There were no significant reductions in insurance coverage from coverage in the prior year. Political subdivisions joining the Trust must remain members for a minimum of four years; a member may withdraw from the Trust after that time by giving ninety days' notice, subject to approval by the Trust actuary under specified circumstances related to the continued fiscal stability of the pool. At the time of withdrawal, the participant is responsible for their share of assessments but has no claim on any other assets of the Trust. Estimates of any additional assessments are unknown.

The Township also purchases commercial insurance for its employee health and accident insurance coverage.

Settled claims for these risks have not exceeded commercial insurance coverage for the past three years.

Note 15 - Risks and Uncertainties

The COVID-19 outbreak in the United States caused economic uncertainties and business disruption through mandated and voluntary closings. The disruption impacted various aspects of the Township's operations, particularly in the Library and Recreation functions. However, the ultimate outcome of the pandemic and its effects on the financial position and activities of the Township cannot be determined at this time. The Township's staff will continue to monitor operating results to mitigate any financial impact that may occur.

Note 16 - Construction Commitments

As of December 31, 2020, the Township had construction commitments in the amount of approximately \$6,741,000 for various capital projects. It is anticipated these projects will be completed in 2021.

**REQUIRED SUPPLEMENTARY
INFORMATION SECTION**

Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
General Fund - Budget and Actual
Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes				
Real Estate Taxes				
Current	\$ 5,018,780	\$ 5,018,780	\$ 5,042,209	\$ 23,429
Delinquent	25,000	25,000	14,617	(10,383)
Liened	40,000	40,000	41,282	1,282
Real Estate Transfer Taxes	1,600,000	1,600,000	2,117,554	517,554
Earned Income Taxes/Wage Taxes	6,320,340	6,320,340	6,371,217	50,877
Mechanical Device Taxes	3,400	3,400	1,325	(2,075)
Local Services Taxes	<u>455,000</u>	<u>455,000</u>	<u>429,474</u>	<u>(25,526)</u>
Total Taxes	<u>13,462,520</u>	<u>13,462,520</u>	<u>14,017,678</u>	<u>555,158</u>
Licenses and Permits				
Street and Curb Permits	<u>6,500</u>	<u>6,500</u>	<u>14,513</u>	<u>8,013</u>
Fines and Forfeits				
Vehicle Code Violations	47,000	47,000	54,188	7,188
Violations of Ordinances	7,500	7,500	2,499	(5,001)
Court Fines	<u>2,500</u>	<u>2,500</u>	<u>606</u>	<u>(1,894)</u>
Total Fines and Forfeits	<u>57,000</u>	<u>57,000</u>	<u>57,293</u>	<u>293</u>
Interest, Rents and Royalties				
Interest Earnings	50,000	50,000	46,583	(3,417)
Rents and Royalties	<u>-</u>	<u>-</u>	<u>32,400</u>	<u>32,400</u>
Total Interest, Rents and Royalties	<u>50,000</u>	<u>50,000</u>	<u>78,983</u>	<u>28,983</u>
Intergovernmental				
Federal				
All Other Federal Grants	-	-	445,110	445,110
State				
Beverage Licenses	9,050	9,050	7,550	(1,500)
Public Utility Realty Tax	12,507	12,507	13,741	1,234
Foreign Casualty Insurance	506,929	506,929	551,469	44,540
Foreign Fire Insurance Premium Tax	125,240	125,240	128,957	3,717
Other Grants	<u>50,000</u>	<u>50,000</u>	<u>44,997</u>	<u>(5,003)</u>
Total Intergovernmental	<u>703,726</u>	<u>703,726</u>	<u>1,191,824</u>	<u>488,098</u>

**Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
General Fund - Budget and Actual
Year Ended December 31, 2020**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues (Cont'd)				
Charges for Services				
General Government				
Zoning & Subdivision	\$ 35,000	\$ 35,000	\$ 27,485	\$ (7,515)
Sale of Materials	15,000	15,000	11,366	(3,634)
Tax Collection Fees	21,000	21,000	19,873	(1,127)
Public Safety				
Special Police Services	185,000	185,000	202,515	17,515
Building Permits	175,000	175,000	228,666	53,666
Highways and Streets				
Contracted Highway & Street Work				
Contracted Snow Removal for PennDOT	47,000	47,000	56,597	9,597
Culture - Recreation				
Park & Recreation Fees	225,000	225,000	127,736	(97,264)
Tennis Fees	<u>210,000</u>	<u>210,000</u>	<u>171,282</u>	<u>(38,718)</u>
Total Charges for Services	<u>913,000</u>	<u>913,000</u>	<u>845,520</u>	<u>(67,480)</u>
Miscellaneous Revenue				
Contributions & Donations from				
Private Sources	10,000	10,000	3,071	(6,929)
Other Miscellaneous Revenue	<u>41,000</u>	<u>41,000</u>	<u>50,677</u>	<u>9,677</u>
Total Miscellaneous Revenue	<u>51,000</u>	<u>51,000</u>	<u>53,748</u>	<u>2,748</u>
Total Revenues	<u>15,243,746</u>	<u>15,243,746</u>	<u>16,259,559</u>	<u>1,015,813</u>
Expenditures				
Current:				
General Government				
Legislative Body				
Personal Services	19,500	19,500	16,551	2,949
Executive				
Personal Services	489,808	489,808	499,474	(9,666)
Supplies	27,500	27,500	27,887	(387)
Other Services & Charges	66,950	66,950	53,998	12,952

Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
General Fund - Budget and Actual
Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (Cont'd)				
Current: (Cont'd)				
General Government (Cont'd)				
Special Project Administration				
Supplies	\$ 15,000	\$ 15,000	\$ 720	\$ 14,280
Other Services & Charges	15,000	15,000	9,342	5,658
Tax Collection				
Other Services & Charges	150,000	150,000	140,741	9,259
Professional Services				
Personal Services	255,992	255,992	262,046	(6,054)
Supplies	1,500	1,500	2,254	(754)
Other Services & Charges	208,150	208,150	169,348	38,802
Information Technology				
Supplies	6,000	6,000	1,755	4,245
Other Services & Charges	265,000	265,000	292,848	(27,848)
Administration Vehicle Maintenance				
Personal Services	3,767	3,767	2,412	1,355
Supplies	3,550	3,550	1,704	1,846
Other Services & Charges	1,000	1,000	298	702
Municipal Building				
Personal Services	43,060	43,060	93,896	(50,836)
Supplies	50,000	50,000	44,729	5,271
Other Services & Charges	<u>90,000</u>	<u>90,000</u>	<u>93,851</u>	<u>(3,851)</u>
Total General Government	<u>1,711,777</u>	<u>1,711,777</u>	<u>1,713,854</u>	<u>(2,077)</u>
Public Safety				
Police				
Administration				
Personal Services	432,753	432,753	423,914	8,839
Supplies	20,000	20,000	17,399	2,601
Other Services & Charges	44,500	44,500	30,954	13,546
Patrol				
Personal Services	2,045,350	2,045,350	1,930,540	114,810
Supplies	60,800	60,800	41,980	18,820
Other Services & Charges	20,000	20,000	21,902	(1,902)

Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
General Fund - Budget and Actual
Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (Cont'd)				
Current: (Cont'd)				
Public Safety (Cont'd)				
Police (Cont'd)				
Investigations				
Personal Services	\$ 203,997	\$ 203,997	\$ 200,345	\$ 3,652
Supplies	6,200	6,200	5,276	924
Other Services & Charges	4,000	4,000	99	3,901
Police Community Relations				
Personal Services	141,113	141,113	102,890	38,223
Supplies	7,200	7,200	2,568	4,632
Other Services & Charges	6,000	6,000	2,332	3,668
Vehicle Maintenance				
Personal Services	13,456	13,456	10,324	3,132
Supplies	67,000	67,000	44,157	22,843
Other Services & Charges	13,000	13,000	8,940	4,060
Capital Purchase	44,000	44,000	43,224	776
Animal Control				
Other Services & Charges	13,000	13,000	12,300	700
School Guards				
Personal Services	10,227	10,227	6,370	3,857
Supplies	750	750	-	750
Other Services & Charges	100	100	-	100
Fire				
Administration/Prevention				
Personal Services	200,336	200,336	199,542	794
Supplies	5,000	5,000	4,152	848
Other Services & Charges	5,500	5,500	4,118	1,382
Fire Prevention				
Personal Services	121,645	121,645	121,445	200
Supplies	13,000	13,000	8,690	4,310
Other Services & Charges	1,700	1,700	545	1,155
Fire Suppression				
Personal Services	590,640	590,640	623,504	(32,864)
Supplies	35,000	35,000	33,895	1,105
Other Services & Charges	180,500	180,500	177,332	3,168
Contributions, Grants & Subs.	125,250	125,250	128,957	(3,707)

**Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
General Fund - Budget and Actual
Year Ended December 31, 2020**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (Cont'd)				
Current: (Cont'd)				
Public Safety (Cont'd)				
Fire (Cont'd)				
Fire Vehicle Maintenance				
Personal Services	\$ 133,486	\$ 133,486	\$ 104,035	\$ 29,451
Supplies	42,000	42,000	19,383	22,617
Other Services & Charges	20,000	20,000	28,395	(8,395)
Fire Stations				
Personal Services	127,027	127,027	88,874	38,153
Supplies	18,500	18,500	23,356	(4,856)
Other Services & Charges	46,000	46,000	37,913	8,087
Emergency Medical Service				
Other Services & Charges	109,434	109,434	108,917	517
Planning				
Personal Services	222,360	222,360	225,935	(3,575)
Supplies	22,000	22,000	12,180	9,820
Other Services & Charges	44,000	44,000	31,966	12,034
Building Inspection				
Personal Services	145,285	145,285	146,265	(980)
Supplies	1,000	1,000	1,393	(393)
Other Services & Charges	<u>35,500</u>	<u>35,500</u>	<u>46,437</u>	<u>(10,937)</u>
Total Public Safety	<u>5,398,609</u>	<u>5,398,609</u>	<u>5,082,743</u>	<u>315,866</u>
Public Works - Sanitation				
Recycling Collection and Disposal				
Personal Services	13,995	13,995	20,539	(6,544)
Supplies	8,000	8,000	1,425	6,575
Other Services & Charges	<u>7,500</u>	<u>7,500</u>	<u>27,747</u>	<u>(20,247)</u>
Total Sanitation	<u>29,495</u>	<u>29,495</u>	<u>49,711</u>	<u>(20,216)</u>
Public Works - Highways				
Administration				
Personal Services	237,000	237,000	176,808	60,192
Supplies	13,000	13,000	14,050	(1,050)
Other Services & Charges	10,000	10,000	10,671	(671)

**Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
General Fund - Budget and Actual
Year Ended December 31, 2020**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (Cont'd)				
Current: (Cont'd)				
Public Works - Highways (Cont'd)				
Maintenance of Building				
Personal Services	\$ 31,219	\$ 31,219	\$ 56,343	\$ (25,124)
Supplies	37,500	37,500	39,439	(1,939)
Other Services & Charges	39,000	39,000	37,264	1,736
Snow and Ice Removal				
Personal Services	161,475	161,475	84,437	77,038
Supplies	414,000	414,000	278,024	135,976
Traffic Signals and Signs				
Personal Services	26,748	26,748	19,275	7,473
Supplies	15,500	15,500	11,160	4,340
Other Services & Charges	16,250	16,250	11,993	4,257
Street Lighting				
Other Services & Charges	12,750	12,750	8,253	4,497
Storm Sewer Maintenance				
Personal Services	93,003	93,003	36,072	56,931
Supplies	15,000	15,000	17,895	(2,895)
Other Services & Charges	10,000	10,000	2,062	7,938
Vehicle Maintenance				
Personal Services	75,355	75,355	61,958	13,397
Supplies	110,000	110,000	64,274	45,726
Other Services & Charges	25,000	25,000	19,972	5,028
Highway Maintenance				
Personal Services	400,458	400,458	403,469	(3,011)
Supplies	78,700	78,700	57,708	20,992
Other Services & Charges	<u>15,000</u>	<u>15,000</u>	<u>13,081</u>	<u>1,919</u>
Total Highways	<u>1,836,958</u>	<u>1,836,958</u>	<u>1,424,208</u>	<u>412,750</u>
Culture - Recreation				
Administration				
Personal Services	126,489	126,489	126,357	132
Supplies	3,500	3,500	425	3,075
Other Services & Charges	8,250	8,250	-	8,250

**Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
General Fund - Budget and Actual
Year Ended December 31, 2020**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (Cont'd)				
Current: (Cont'd)				
Culture - Recreation (Cont'd)				
Recreation Programming				
Personal Services	\$ 99,849	\$ 99,849	\$ 77,936	\$ 21,913
Supplies	13,800	13,800	10,257	3,543
Other Services & Charges	142,875	142,875	79,144	63,731
Parks Maintenance				
Personal Services	528,382	528,382	527,449	933
Supplies	74,500	74,500	59,930	14,570
Other Services & Charges	88,450	88,450	70,684	17,766
Community Center				
Personal Services	101,729	101,729	81,271	20,458
Supplies	11,300	11,300	8,789	2,511
Other Services & Charges	108,540	108,540	102,838	5,702
Tennis Center				
Personal Services	188,388	188,388	160,990	27,398
Supplies	21,000	21,000	14,334	6,666
Other Services & Charges	<u>84,440</u>	<u>84,440</u>	<u>72,235</u>	<u>12,205</u>
Total Culture - Recreation	<u>1,601,492</u>	<u>1,601,492</u>	<u>1,392,639</u>	<u>208,853</u>
Insurance, Employee Benefits & Other				
Retirement Fund Contributions	1,000,000	1,000,000	1,168,231	(168,231)
Workers' Comp. Contributions	339,582	339,582	151,953	187,629
Unemployment Compensation	11,500	11,500	15,709	(4,209)
Hospitalization Ins. Premiums	1,100,000	1,100,000	959,842	140,158
Group Life Ins. Premiums	12,500	12,500	10,130	2,370
Sickness & Accident Ins. Premiums	25,000	25,000	28,586	(3,586)
Insurance Premiums - Other				
Fire & Liability	145,000	145,000	126,042	18,958
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>58</u>	<u>4,942</u>
Total Insurance, Employee Benefits & Other	<u>2,638,582</u>	<u>2,638,582</u>	<u>2,460,551</u>	<u>178,031</u>

**Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
General Fund - Budget and Actual
Year Ended December 31, 2020**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (Cont'd)				
Debt Service:				
Principal Retirement	\$ 82,357	\$ 82,357	\$ 82,357	\$ -
Interest	<u>6,633</u>	<u>6,633</u>	<u>6,634</u>	<u>(1)</u>
Total Debt Service	<u>88,990</u>	<u>88,990</u>	<u>88,991</u>	<u>(1)</u>
Total Expenditures	<u>13,305,903</u>	<u>13,305,903</u>	<u>12,212,697</u>	<u>1,093,206</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,937,843</u>	<u>1,937,843</u>	<u>4,046,862</u>	<u>2,109,019</u>
Other Financing Sources (Uses)				
Transfers In				
Special Revenue Fund	10,000	10,000	10,000	-
Transfers Out				
Special Revenue Fund	(840,000)	(840,000)	(750,000)	90,000
Debt Service Fund	(1,561,037)	(1,561,037)	(1,561,037)	-
Capital Projects Fund	<u>(1,451,454)</u>	<u>(1,451,454)</u>	<u>(1,454,215)</u>	<u>(2,761)</u>
Total Other Financing Sources (Uses)	<u>(3,842,491)</u>	<u>(3,842,491)</u>	<u>(3,755,252)</u>	<u>87,239</u>
Net Change in Fund Balance	(1,904,648)	(1,904,648)	291,610	2,196,258
Fund Balance - January 1, 2020	<u>6,250,817</u>	<u>6,250,817</u>	<u>6,343,594</u>	<u>92,777</u>
Fund Balance - December 31, 2020	<u>\$ 4,346,169</u>	<u>\$ 4,346,169</u>	<u>\$ 6,635,204</u>	<u>\$ 2,289,035</u>

See Accompanying Note to the Budgetary Comparison Schedule

Peters Township
Note to the Required Supplementary Information
Budget Comparison
December 31, 2020

Note 1 - Budgetary Information

Budgets are adopted on a basis consistent with U. S. generally accepted accounting principles. Annual appropriated budgets are adopted for the general fund. All annual appropriations lapse at year-end.

All budget amounts presented in the accompanying required supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions to the annual budget during the year).

**Peters Township
Required Supplementary Information
Defined Benefit Pension Trust Funds
December 31, 2020**

1. Schedule of Changes in the Township's Net Pension Liability and Related Ratios

	Police Pension Plan						
	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service Cost	\$ 379,522	\$ 389,401	\$ 300,117	\$ 367,342	\$ 315,194	\$ 290,878	\$ 282,218
Interest	1,022,736	987,762	917,502	871,454	858,815	818,308	632,556
Changes in Assumptions	1,286,224	(665,325)	1,017,635	(806,394)	1,399,598	13,983	-
Differences Between Expected and Actual Experience	166,183	(323,272)	279,502	109,774	72,151	42,280	65,133
Benefit Payments	<u>(638,037)</u>	<u>(597,749)</u>	<u>(882,411)</u>	<u>(535,496)</u>	<u>(672,271)</u>	<u>(451,740)</u>	<u>(183,551)</u>
Net Change in Total Pension Liability	2,216,628	(209,183)	1,632,345	6,680	1,973,487	713,709	796,356
Total Pension Liability – Beginning	<u>15,695,879</u>	<u>15,905,062</u>	<u>14,272,717</u>	<u>14,266,037</u>	<u>12,292,550</u>	<u>11,578,841</u>	<u>10,782,485</u>
Total Pension Liability - Ending (a)	<u>17,912,507</u>	<u>15,695,879</u>	<u>15,905,062</u>	<u>14,272,717</u>	<u>14,266,037</u>	<u>12,292,550</u>	<u>11,578,841</u>
Plan Fiduciary Net Position							
Contributions - Employer, including State Aid	715,176	568,187	548,895	468,688	460,012	437,147	441,841
Contributions - Member	117,490	113,820	103,533	89,888	95,305	93,460	87,557
Net Investment Income	1,798,180	2,299,992	(640,189)	1,708,734	602,722	(54,822)	522,290
Benefit Payments	(638,037)	(597,749)	(809,774)	(345,164)	(537,383)	(305,005)	(183,551)
Administrative Expenses	<u>(16,683)</u>	<u>(15,984)</u>	<u>(19,228)</u>	<u>(11,528)</u>	<u>(7,985)</u>	<u>(24,041)</u>	<u>(12,915)</u>
Net Change in Plan Fiduciary Net Position	1,976,126	2,368,266	(816,763)	1,910,618	612,671	146,739	855,222
Plan Fiduciary Net Position – Beginning	<u>14,852,224</u>	<u>12,483,958</u>	<u>13,300,721</u>	<u>11,390,103</u>	<u>10,777,432</u>	<u>10,630,693</u>	<u>9,775,471</u>
Plan Fiduciary Net Position - Ending (b)	<u>16,828,350</u>	<u>14,852,224</u>	<u>12,483,958</u>	<u>13,300,721</u>	<u>11,390,103</u>	<u>10,777,432</u>	<u>10,630,693</u>
Township's Net Pension Liability (a-b)	<u>\$ 1,084,157</u>	<u>\$ 843,655</u>	<u>\$ 3,421,104</u>	<u>\$ 971,996</u>	<u>\$ 2,875,934</u>	<u>\$ 1,515,118</u>	<u>\$ 948,148</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.95%	94.62%	78.49%	93.19%	79.84%	87.67%	91.81%
Covered Payroll	<u>\$ 2,248,132</u>	<u>\$ 2,267,505</u>	<u>\$ 1,972,518</u>	<u>\$ 1,832,373</u>	<u>\$ 1,906,112</u>	<u>\$ 1,733,658</u>	<u>\$ 1,751,132</u>
Net Pension Liability as a Percentage of Covered Payroll	48.22%	37.21%	173.44%	53.05%	150.88%	87.39%	54.14%

The information reported above is the information which was available upon implementation of the new reporting standard; 10 years of information will be reported when available.

**Peters Township
Supplementary Information
Defined Benefit Pension Trust Funds
December 31, 2020**

2. Schedule of Township's Contributions

	Police Pension Plan						
	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 715,176	\$ 568,187	\$ 548,895	\$ 468,688	\$ 460,012	\$ 437,147	\$ 441,841
Contributions in Relation to the Actuarially Determined Contribution	<u>715,176</u>	<u>568,187</u>	<u>548,895</u>	<u>468,688</u>	<u>460,012</u>	<u>437,147</u>	<u>441,841</u>
Contribution Deficiency (Excess)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Covered Payroll	<u>\$2,248,132</u>	<u>\$2,267,505</u>	<u>\$1,972,518</u>	<u>\$1,832,373</u>	<u>\$1,906,112</u>	<u>\$1,733,658</u>	<u>\$1,751,132</u>
Contributions as a Percentage of Covered Payroll	31.81%	25.06%	27.83%	25.58%	24.13%	25.22%	25.23%

3. Investment Returns

	Police Pension Plan						
	2020	2019	2018	2017	2016	2015	2014
Annual Money Weighted Rate of Return, Net of Investment Expenses	11.22%	18.60%	(5.03)%	15.08%	5.70%	(0.53)%	5.38%

The information reported above is the information which was available upon implementation of the new reporting standard; 10 years of information will be reported when available.

Peters Township
Notes to the Required Supplementary Information
Defined Benefit Pension Trust Funds
December 31, 2020

A. Assumptions and Methods Used to Determine the Contribution Rate for the Police Pension Plan:

- Actuarial Valuation Date: 12/31/20
- Actuarial Cost Method: entry age
- Asset valuation method: market value of the assets
- Discount Rate: 6.50% beginning of period; 6.00% end of period
- Inflation: 2.25%
- Salary increases: 4.00% increase each year until retirement
- Mortality Table - PubS-2010 Safety Base Rate Mortality Table using the MP-2020 Mortality Improvement Scale

B. Changes in Actuarial Assumptions

- The mortality assumption was changed from the IRS Prescribed Mortality - Static Annuitant and Non-Annuitant, male and female to PubS-2010 Safety MP-2020. For both tables, we are assuming no mortality before the benefit payment period.
- The liability interest assumption has decreased from 6.50% to 6.00%. This rate is used in the calculation of the plan's benefit liability.
- The assumed asset return for the current year has decreased from 6.50% to 6.00%. This rate is used in the calculation of the actuarial value of plan assets.

C. Changes in Benefits

None.

**Peters Township
Required Supplementary Information
Schedule of Changes in the Total OPEB Liability
and Related Ratios
Last Four Years**

	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
Total OPEB Liability				
Service Cost	\$ 54,255	\$ 46,617	\$ 45,369	\$ -
Interest	24,206	28,982	31,249	-
Difference Between Expected and Actual Experience	(107,397)	-	-	-
Changes of Assumptions and Other Inputs	13,386	-	-	-
Benefit Payments	<u>(77,184)</u>	<u>(71,024)</u>	<u>(223,004)</u>	<u>-</u>
Net Change in Total OPEB Liability	(92,734)	4,575	(146,386)	-
Total OPEB Liability - Beginning	<u>884,937</u>	<u>880,362</u>	<u>1,026,748</u>	<u>N/A</u>
Total OPEB Liability - Ending	<u>\$ 792,203</u>	<u>\$ 884,937</u>	<u>\$ 880,362</u>	<u>\$1,026,748</u>
Covered-Employee Payroll	\$2,762,541	\$2,953,940	\$2,812,953	N/A
Total OPEB Liability as a Percentage of Covered-Employee Payroll	28.68%	29.96%	31.30%	N/A

Notes to Schedule:

GASB 75 was implemented beginning with fiscal year ended December 31, 2018.

Assumption Changes:

- Discount rate decreased from 3.50% to 3.00%.
- Participation assumption for Future Police Retirees - 85% are assumed to elect the lump sum; 15% assumed to elect OPEB reimbursement benefits for the full 10 years (was 75%/25% previously).

The information reported above is the information which was available upon implementation of the new reporting standard; 10 years of information will be reported when available.

**COMBINING AND INDIVIDUAL
FUND STATEMENTS**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Highway Aid Fund - To account for resources received from the Commonwealth of Pennsylvania as the Township's share of the proceeds from the state gasoline tax and the related expenditures.

Cable Television Fund - To account for revenues received under the cable television franchise agreement and related expenditures of operating the public access channel.

Library Fund - To account for revenues and expenditures related to the operation of the Peters Township Library.

DEBT SERVICE FUNDS

Series of 2013 - To account for accumulation of resources for and payment of debt principal, interest and fees of the 2013 Series bonds.

Series of 2016 - To account for accumulation of resources for and payment of debt principal, interest and fees of the 2016 Series bonds.

Series of 2019 - To account for accumulation of resources for and payment of debt principal, interest and fees of the 2019 Series bonds.

**Peters Township
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020**

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Highway Aid Fund	Cable Television Fund	Library Fund	
ASSETS				
Cash and Cash Equivalents	\$286	\$1,041,184	\$436,918	\$1,478,388
Other Receivables	<u>-</u>	<u>132,695</u>	<u>1,560</u>	<u>134,255</u>
TOTAL ASSETS	<u>\$286</u>	<u>\$1,173,879</u>	<u>\$438,478</u>	<u>\$1,612,643</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Due to Other Funds	\$ -	\$ 4,375	\$ 1,199	\$ 5,574
Accounts Payable	-	670	12,122	12,792
Accrued Salaries and Benefits	-	1,747	16,366	18,113
Other Current Liabilities	<u>-</u>	<u>59,535</u>	<u>-</u>	<u>59,535</u>
Total Liabilities	<u>-</u>	<u>66,327</u>	<u>29,687</u>	<u>96,014</u>
Fund Balances				
Restricted	286	-	-	286
Committed	-	1,107,552	-	1,107,552
Assigned	<u>-</u>	<u>-</u>	<u>408,791</u>	<u>408,791</u>
Total Fund Balances	<u>286</u>	<u>1,107,552</u>	<u>408,791</u>	<u>1,516,629</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$286</u>	<u>\$1,173,879</u>	<u>\$438,478</u>	<u>\$1,612,643</u>

Peters Township
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2020

	Special Revenue Funds			Debt Service Funds			Total Nonmajor Governmental Funds
	Highway Aid Fund	Cable Television Fund	Library Fund	Series of 2013	Series of 2016	Series of 2019	
Revenues							
Licenses and Permits	\$ -	\$ 538,140	\$ -	\$ -	\$ -	\$ -	\$ 538,140
Fines and Forfeits	-	-	5,062	-	-	-	5,062
Interest, Rents and Royalties	2,214	6,656	1,324	-	-	-	10,194
Intergovernmental	782,810	-	125,393	-	-	-	908,203
Charges for Services	-	-	2,438	-	-	-	2,438
Miscellaneous	-	20	5,450	-	-	-	5,470
Total Revenues	<u>785,024</u>	<u>544,816</u>	<u>139,667</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,469,507</u>
Expenditures							
Current:							
General Government	-	33,580	-	300	300	300	34,480
Culture - Recreation	-	126,063	830,787	-	-	-	956,850
Debt Service:							
Principal	-	-	-	775,000	125,000	5,000	905,000
Interest	-	-	-	157,418	200,619	297,100	655,137
Capital Outlay	<u>784,776</u>	<u>50,488</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>835,264</u>
Total Expenditures	<u>784,776</u>	<u>210,131</u>	<u>830,787</u>	<u>932,718</u>	<u>325,919</u>	<u>302,400</u>	<u>3,386,731</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>248</u>	<u>334,685</u>	<u>(691,120)</u>	<u>(932,718)</u>	<u>(325,919)</u>	<u>(302,400)</u>	<u>(1,917,224)</u>
Other Financing Sources (Uses)							
Transfers In	-	-	750,000	932,718	325,919	302,400	2,311,037
Transfers Out	<u>-</u>	<u>(278,424)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(278,424)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(278,424)</u>	<u>750,000</u>	<u>932,718</u>	<u>325,919</u>	<u>302,400</u>	<u>2,032,613</u>
Net Changes in Fund Balances	248	56,261	58,880	-	-	-	115,389
Fund Balances - January 1, 2020	<u>38</u>	<u>1,051,291</u>	<u>349,911</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,401,240</u>
Fund Balances - December 31, 2020	<u>\$ 286</u>	<u>\$ 1,107,552</u>	<u>\$ 408,791</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,516,629</u>

Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
Special Revenue Fund
Highway Aid Fund
Budget and Actual
Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest, Rents and Royalties				
Interest Earnings	\$ 8,500	\$ 8,500	\$ 2,214	\$ (6,286)
Intergovernmental				
Liquid Fuels Tax	<u>765,859</u>	<u>765,859</u>	<u>782,810</u>	<u>16,951</u>
Total Revenues	<u>774,359</u>	<u>774,359</u>	<u>785,024</u>	<u>10,665</u>
Expenditures				
Capital Outlay	<u>774,394</u>	<u>774,394</u>	<u>784,776</u>	<u>(10,382)</u>
Net Change in Fund Balance	(35)	(35)	248	283
Fund Balance - January 1, 2020	<u>35</u>	<u>35</u>	<u>38</u>	<u>3</u>
Fund Balance - December 31, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 286</u>	<u>\$ 286</u>

Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
Special Revenue Fund
Cable Television Fund
Budget and Actual
Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and Permits				
Cable TV Franchise Fees	\$ 565,600	\$ 565,600	\$ 538,140	\$(27,460)
Interest, Rents & Royalties				
Interest Earnings	10,500	10,500	6,656	(3,844)
Miscellaneous - Other	<u>350</u>	<u>350</u>	<u>20</u>	<u>(330)</u>
Total Revenues	<u>576,450</u>	<u>576,450</u>	<u>544,816</u>	<u>(31,634)</u>
Expenditures				
Current:				
General Government - Administrative				
Other Services & Charges	50,000	50,000	33,580	16,420
Culture - Recreation				
Cable Television				
Personal Services	96,885	96,885	92,568	4,317
Supplies	21,500	21,500	24,461	(2,961)
Other Services & Charges	11,200	11,200	9,034	2,166
Capital Outlay	<u>52,000</u>	<u>52,000</u>	<u>50,488</u>	<u>1,512</u>
Total Expenditures	<u>231,585</u>	<u>231,585</u>	<u>210,131</u>	<u>21,454</u>
Excess (Deficiency) of Revenues over Expenditures	<u>344,865</u>	<u>344,865</u>	<u>334,685</u>	<u>(10,180)</u>
Other Financing Sources (Uses)				
Transfers Out				
General Fund	(10,000)	(10,000)	(10,000)	-
Capital Projects Fund	<u>(355,863)</u>	<u>(355,863)</u>	<u>(268,424)</u>	<u>87,439</u>
Total Other Financing Sources (Uses)	(365,863)	(365,863)	(278,424)	87,439
Net Change in Fund Balance	(20,998)	(20,998)	56,261	77,259
Fund Balance - January 1, 2020	<u>1,058,314</u>	<u>1,058,314</u>	<u>1,051,291</u>	<u>(7,023)</u>
Fund Balance - December 31, 2020	<u>\$1,037,316</u>	<u>\$1,037,316</u>	<u>\$1,107,552</u>	<u>\$ 70,236</u>

**Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
Special Revenue Fund
Library Fund
Budget and Actual
Year Ended December 31, 2020**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and Forfeits				
Library Fines	\$ 12,000	\$ 12,000	\$ 5,062	\$ (6,938)
Interest, Rents and Royalties				
Interest Earnings	10,000	10,000	1,324	(8,676)
Intergovernmental				
Federal Grant	-	-	1,560	1,560
State Grant	79,522	79,522	86,679	7,157
County Grant	35,225	35,225	37,154	1,929
Charges for Services				
Library Use Fees	4,000	4,000	2,438	(1,562)
Miscellaneous				
Contributions & Donations from Private Sources	<u>13,000</u>	<u>13,000</u>	<u>5,450</u>	<u>(7,550)</u>
Total Revenues	<u>153,747</u>	<u>153,747</u>	<u>139,667</u>	<u>(14,080)</u>
Expenditures				
Current:				
Culture - Recreation				
Libraries				
Personal Services	659,681	659,681	555,606	104,075
Supplies	193,900	193,900	125,269	68,631
Other Services & Charges	<u>176,600</u>	<u>176,600</u>	<u>149,912</u>	<u>26,688</u>
Total Expenditures	<u>1,030,181</u>	<u>1,030,181</u>	<u>830,787</u>	<u>199,394</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(876,434)</u>	<u>(876,434)</u>	<u>(691,120)</u>	<u>185,314</u>
Other Financing Sources (Uses)				
Transfers In				
General Fund	<u>840,000</u>	<u>840,000</u>	<u>750,000</u>	<u>(90,000)</u>
Net Change in Fund Balance	(36,434)	(36,434)	58,880	95,314
Fund Balance - January 1, 2020	<u>346,709</u>	<u>346,709</u>	<u>349,911</u>	<u>3,202</u>
Fund Balance - December 31, 2020	<u>\$ 310,275</u>	<u>\$ 310,275</u>	<u>\$ 408,791</u>	<u>\$ 98,516</u>

**Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
Debt Service Fund
Series of 2013
Budget and Actual
Year Ended December 31, 2020**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Expenditures				
Current:				
General Government				
Other Services & Charges	300	300	300	-
Debt Service:				
Principal	775,000	775,000	775,000	-
Interest	<u>157,418</u>	<u>157,418</u>	<u>157,418</u>	<u>-</u>
Total Expenditures	<u>932,718</u>	<u>932,718</u>	<u>932,718</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(932,718)</u>	<u>(932,718)</u>	<u>(932,718)</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers In				
General Fund	<u>932,718</u>	<u>932,718</u>	<u>932,718</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance - January 1, 2020	_____ -	_____ -	_____ -	_____ -
Fund Balance - December 31, 2020	<u>_____ -</u>	<u>_____ -</u>	<u>_____ -</u>	<u>_____ -</u>

**Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
Debt Service Fund
Series of 2016
Budget and Actual
Year Ended December 31, 2020**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Expenditures				
Current:				
General Government				
Other Services & Charges	300	300	300	-
Debt Service:				
Principal	125,000	125,000	125,000	-
Interest	<u>200,619</u>	<u>200,619</u>	<u>200,619</u>	<u>-</u>
Total Expenditures	<u>325,919</u>	<u>325,919</u>	<u>325,919</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(325,919)</u>	<u>(325,919)</u>	<u>(325,919)</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers In				
General Fund	<u>325,919</u>	<u>325,919</u>	<u>325,919</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance - January 1, 2020	_____ -	_____ -	_____ -	_____ -
Fund Balance - December 31, 2020	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>

**Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
Debt Service Fund
Series of 2019
Budget and Actual
Year Ended December 31, 2020**

	<u>Budgeted Amounts</u>		Actual	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues	\$ _____ -	\$ _____ -	\$ _____ -	\$ -
Expenditures				
Current:				
General Government				
Other Services & Charges	300	300	300	-
Debt Service:				
Principal	5,000	5,000	5,000	-
Interest	<u>297,100</u>	<u>297,100</u>	<u>297,100</u>	<u>-</u>
Excess (Deficiency) of				
Revenues Over Expenditures	<u>(302,400)</u>	<u>(302,400)</u>	<u>(302,400)</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers In				
Capital Projects Fund	<u>302,400</u>	<u>302,400</u>	<u>302,400</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance - January 1, 2020	_____ -	_____ -	_____ -	_____ -
Fund Balance - December 31, 2020	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>

CAPITAL PROJECTS FUND

Capital Reserve Fund - To account for the financing and construction of a variety of capital projects in Peters Township. General fund revenues, state grants, and debt proceeds provide the financing for projects included in this fund.

**Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
Capital Projects Fund
Budget and Actual
Year Ended December 31, 2020**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest, Rents and Royalties				
Interest Earnings	\$ 125,400	\$ 125,400	\$ 90,198	\$ (35,202)
Rents	275,000	275,000	240,803	(34,197)
Intergovernmental				
Federal Grants	-	-	300,965	300,965
State Grants	1,967,695	1,967,695	1,487,694	(480,001)
Charges for Services				
Road Improvement Fees	100,000	100,000	218,081	118,081
Miscellaneous Revenue				
Contributions & Donations	<u>1,795,773</u>	<u>1,795,773</u>	<u>1,404,615</u>	<u>(391,158)</u>
Total Revenues	<u>4,263,868</u>	<u>4,263,868</u>	<u>3,742,356</u>	<u>(521,512)</u>
Expenditures				
Capital Outlay:				
General Government				
Administration				
Professional Services	-	-	1,288	(1,288)
Professional Services				
Capital Purchases	50,000	50,000	42,584	7,416
Network Administration				
Capital Purchases	167,500	167,500	133,258	34,242
Municipal Building				
Capital Purchases	220,000	220,000	49,035	170,965
Public Safety				
Police Patrol				
Capital Purchases	128,646	128,646	125,448	3,198
Fire Suppression				
Capital Purchase	-	-	444,639	(444,639)
Fire Station				
Capital Purchase	615,000	615,000	508,894	106,106
Fire Vehicle Maintenance				
Capital Purchases	-	-	9,221	(9,221)
Public Works - Highways				
Maintenance Building				
Capital Construction	35,000	35,000	19,395	15,605

**Peters Township
Schedule of Revenues, Expenditures
and Changes in Fund Balance
Capital Projects Fund
Budget and Actual
Year Ended December 31, 2020**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (Cont'd)				
Capital Outlay: (Cont'd)				
Public Works - Highways (Cont'd)				
Snow and Ice Removal				
Capital Purchase	\$ 125,000	\$ 125,000	\$ 97,963	\$ 27,037
Traffic Signals and Signs				
Capital Purchases	502,950	502,950	273,633	229,317
Storm Sewers and Drains				
Capital Construction	300,000	300,000	275,922	24,078
Vehicle Maintenance				
Capital Purchases	221,500	221,500	147,701	73,799
Highway Maintenance				
Capital Construction	4,987,152	4,987,152	3,573,697	1,413,455
Culture - Recreation				
Park Maintenance				
Capital Construction	6,996,432	6,996,432	870,999	6,125,433
Community Center				
Capital Construction	-	-	13,350	(13,350)
Library				
Capital Construction	<u>20,000</u>	<u>20,000</u>	<u>54,326</u>	<u>(34,326)</u>
Total Expenditures	<u>14,369,180</u>	<u>14,369,180</u>	<u>6,641,353</u>	<u>7,727,827</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(10,105,312)</u>	<u>(10,105,312)</u>	<u>(2,898,997)</u>	<u>7,206,315</u>
Other Financing Sources (Uses)				
Transfers In				
General Fund	1,451,454	1,451,454	1,454,215	2,761
Cable Television Fund	<u>355,863</u>	<u>355,863</u>	<u>268,424</u>	<u>(87,439)</u>
Total Other Financing Sources (Uses)	<u>1,807,317</u>	<u>1,807,317</u>	<u>1,722,639</u>	<u>(84,678)</u>
Net Change in Fund Balance	(8,297,995)	(8,297,995)	(1,176,358)	7,121,637
Fund Balance - January 1, 2020	<u>9,767,079</u>	<u>9,767,079</u>	<u>10,395,225</u>	<u>628,146</u>
Fund Balance - December 31, 2020	<u>\$ 1,469,084</u>	<u>\$ 1,469,084</u>	<u>\$ 9,218,867</u>	<u>\$ 7,749,783</u>

STATISTICAL SECTION

This part of Peters Township’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Township’s overall financial health.

CONTENTS

TABLE

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the Township’s financial performance and well-being has changed over time.

1 - 5

REVENUE CAPACITY

These schedules contain information to help the reader assess the factors affecting the Township’s ability to generate its property and earned income taxes.

6 - 12

DEBT CAPACITY

These schedules present information to help the reader assess the affordability of the Township’s current levels of outstanding debt and the Township’s ability to issue additional debt in the future.

13 - 17

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Township’s financial activities take place and to help make comparisons over time and with other governments.

18 - 19

OPERATING INFORMATION

These schedules contain information about the Township’s operations and resources to help the reader understand how the Township’s financial information relates to the services the Township provides and the activities it performs.

20 - 29

PETERS TOWNSHIP
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017 ¹	2018	2019	2020
Governmental Activities										
Net Investments in Capital Assets	\$22,351,241	\$23,100,723	\$23,993,073	\$25,824,998	\$29,474,431	\$27,924,659	\$30,483,326	\$33,465,224	\$34,746,970	\$37,061,676
Restricted	\$1,695,917	\$3,318,989	\$2,210,648	\$1,763,575	\$20	\$96	\$305	\$1,905	\$513,689	\$19,368
Unrestricted	<u>\$6,627,336</u>	<u>\$6,288,870</u>	<u>\$8,382,357</u>	<u>\$8,796,529</u>	<u>\$8,988,883</u>	<u>\$9,719,213</u>	<u>\$9,249,299</u>	<u>\$6,910,195</u>	<u>\$7,252,382</u>	<u>\$8,851,019</u>
Total Governmental Activities Net Position	<u>\$30,674,494</u>	<u>\$32,708,582</u>	<u>\$34,586,078</u>	<u>\$36,385,102</u>	<u>\$38,463,334</u>	<u>\$37,643,968</u>	<u>\$39,732,930</u>	<u>\$40,377,324</u>	<u>\$42,513,041</u>	<u>\$45,932,063</u>
Business-type Activities										
Unrestricted	<u>\$156,440</u>	<u>\$94,312</u>	<u>\$131,036</u>	<u>\$211,207</u>	<u>\$191,182</u>	<u>\$230,573</u>	<u>\$212,068</u>	<u>\$190,031</u>	<u>\$170,521</u>	<u>\$148,953</u>
Total Business-type Net Position	<u>\$156,440</u>	<u>\$94,312</u>	<u>\$131,036</u>	<u>\$211,207</u>	<u>\$191,182</u>	<u>\$230,573</u>	<u>\$212,068</u>	<u>\$190,031</u>	<u>\$170,521</u>	<u>\$148,953</u>
Total Primary Government										
Net Investments in Capital Assets	\$22,351,241	\$23,100,723	\$23,993,073	\$25,824,998	\$29,474,431	\$27,924,659	\$30,483,326	\$33,465,224	\$34,746,970	\$37,061,676
Restricted	\$1,695,917	\$3,318,989	\$2,210,648	\$1,763,575	\$20	\$96	\$305	\$1,905	\$513,689	\$19,368
Unrestricted	<u>\$6,783,776</u>	<u>\$6,383,182</u>	<u>\$8,513,393</u>	<u>\$9,007,736</u>	<u>\$9,180,065</u>	<u>\$9,949,786</u>	<u>\$9,461,367</u>	<u>\$7,100,226</u>	<u>\$7,422,903</u>	<u>\$8,999,972</u>
Total Net Position	<u>\$30,830,934</u>	<u>\$32,802,894</u>	<u>\$34,717,114</u>	<u>\$36,596,309</u>	<u>\$38,654,516</u>	<u>\$37,874,541</u>	<u>\$39,944,998</u>	<u>\$40,567,355</u>	<u>\$42,683,562</u>	<u>\$46,081,016</u>

(1) Restated balance at December 31, 2017 due to implementation of GASB 75

**PETERS TOWNSHIP
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

(accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental Activities										
General Government	\$1,584,088	\$1,595,251	\$1,718,037	\$1,615,418	\$1,682,152	\$2,304,739	\$2,002,009	\$2,290,118	\$2,379,302	\$2,207,574
Public Safety	\$5,311,593	\$5,712,717	\$5,814,163	\$6,058,879	\$6,216,579	\$6,590,098	\$6,333,670	\$6,881,736	\$7,333,525	\$6,498,163
Public Works-Sanitation	\$76,492	\$26,486	\$62,992	\$36,020	\$97,891	\$32,484	\$72,025	\$42,024	\$42,054	\$53,563
Public Works - Highway	\$3,144,509	\$3,340,061	\$3,190,144	\$3,948,691	\$3,636,335	\$4,255,011	\$4,542,553	\$4,430,442	\$4,833,869	\$5,164,931
Culture - Recreation	\$2,907,506	\$2,979,531	\$3,049,562	\$3,075,042	\$3,361,762	\$3,469,473	\$3,585,582	\$3,701,815	\$3,754,408	\$3,452,761
Interest on Long Term Debt	<u>\$501,342</u>	<u>\$453,737</u>	<u>\$283,046</u>	<u>\$303,143</u>	<u>\$285,323</u>	<u>\$324,615</u>	<u>\$477,275</u>	<u>\$457,240</u>	<u>\$538,714</u>	<u>\$715,960</u>
Total Governmental Activities Expenses	<u>\$13,525,530</u>	<u>\$14,107,783</u>	<u>\$14,117,944</u>	<u>\$15,037,193</u>	<u>\$15,280,042</u>	<u>\$16,976,420</u>	<u>\$17,013,114</u>	<u>\$17,803,375</u>	<u>\$18,881,872</u>	<u>\$18,092,952</u>
Business-Type Activities										
Solid Waste Collection	<u>\$1,343,662</u>	<u>\$1,402,362</u>	<u>\$1,479,044</u>	<u>\$1,491,118</u>	<u>\$1,505,941</u>	<u>\$1,530,559</u>	<u>\$1,611,253</u>	<u>\$1,629,136</u>	<u>\$2,051,031</u>	<u>\$2,089,943</u>
Total Business-Type Expenses	<u>\$1,343,662</u>	<u>\$1,402,362</u>	<u>\$1,479,044</u>	<u>\$1,491,118</u>	<u>\$1,505,941</u>	<u>\$1,530,559</u>	<u>\$1,611,253</u>	<u>\$1,629,136</u>	<u>\$2,051,031</u>	<u>\$2,089,943</u>
Total Primary Government Expenses	<u>\$14,869,192</u>	<u>\$15,510,145</u>	<u>\$15,596,988</u>	<u>\$16,528,311</u>	<u>\$16,785,983</u>	<u>\$18,506,979</u>	<u>\$18,624,367</u>	<u>\$19,432,511</u>	<u>\$20,932,903</u>	<u>\$20,182,895</u>
Program Revenue										
Governmental Activities										
General Government										
Charges for Services	\$122,769	\$101,940	\$64,838	\$96,049	\$45,178	\$57,307	\$39,104	\$39,164	\$48,833	\$31,239
Operating Grants	\$142,579	\$81,357	\$94,934	\$86,438	\$97,740	\$123,799	\$115,574	\$114,697	\$136,393	\$158,109
Public Safety										
Charges for Services	\$472,241	\$453,885	\$452,079	\$479,480	\$431,194	\$446,262	\$408,464	\$449,208	\$671,065	\$530,472
Operating Grants	\$484,934	\$331,514	\$363,101	\$360,995	\$334,199	\$377,881	\$396,218	\$361,854	\$406,999	\$772,181
Capital Grants and Contributions									\$9,885	\$237,239
Public Works - Sanitation										
Charges for Services	\$10,425	\$5,673	\$5,893	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Grants	\$23,184	\$0	\$0	\$0	\$0	\$0	\$68,189	\$0	\$0	\$0
Public Works - Highway										
Charges for Services	\$43,413	\$45,513	\$81,262	\$68,130	\$68,840	\$53,564	\$49,782	\$157,869	\$269,732	\$274,678
Operating Grants	\$681,079	\$560,529	\$806,723	\$809,472	\$849,898	\$778,200	\$825,545	\$861,806	\$1,051,138	\$1,145,453
Capital Grants and Contributions	\$784,000	\$1,577,537	\$990,196	\$1,073,696	\$1,370,358	\$169,038	\$1,879,323	\$696,255	\$1,606,355	\$2,066,929

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Culture - Recreation										
Charges for Services	\$871,332	\$918,602	\$931,705	\$883,805	\$1,029,295	\$1,082,145	\$1,129,816	\$1,078,932	\$1,093,730	\$850,128
Operating Grants	\$141,078	\$123,273	\$120,436	\$119,549	\$115,898	\$114,983	\$115,048	\$116,028	\$114,748	\$125,393
Capital Grants and Contributions	\$0	\$125,000	\$0	\$60,000	\$0	\$0	\$185,000	\$0	\$83,500	\$97,101
Total Governmental										
Activities Program Revenues	<u>\$3,777,034</u>	<u>\$4,324,823</u>	<u>\$3,911,167</u>	<u>\$4,037,614</u>	<u>\$4,342,600</u>	<u>\$3,203,179</u>	<u>\$5,212,063</u>	<u>\$3,875,813</u>	<u>\$5,492,378</u>	<u>\$6,288,922</u>
Business-Type Activities										
Solid Waste Collection	<u>\$1,358,824</u>	<u>\$1,340,208</u>	<u>\$1,515,746</u>	<u>\$1,571,260</u>	<u>\$1,537,774</u>	<u>\$1,569,950</u>	<u>\$1,592,748</u>	<u>\$1,607,099</u>	<u>\$2,031,521</u>	<u>\$2,067,678</u>
Total Business-type Revenues	<u>\$1,358,824</u>	<u>\$1,340,208</u>	<u>\$1,515,746</u>	<u>\$1,571,260</u>	<u>\$1,537,774</u>	<u>\$1,569,950</u>	<u>\$1,592,748</u>	<u>\$1,607,099</u>	<u>\$2,031,521</u>	<u>\$2,067,678</u>
Total Primary Government Revenues	<u>\$5,135,858</u>	<u>\$5,665,031</u>	<u>\$5,426,913</u>	<u>\$5,608,874</u>	<u>\$5,880,374</u>	<u>\$4,773,129</u>	<u>\$6,804,811</u>	<u>\$5,482,912</u>	<u>\$7,523,899</u>	<u>\$8,356,600</u>
Governmental Activities and Business Type Net (Expense)/Revenue	<u>(\$9,733,334)</u>	<u>(\$9,845,114)</u>	<u>(\$10,170,075)</u>	<u>(\$10,919,437)</u>	<u>(\$10,905,609)</u>	<u>(\$13,733,850)</u>	<u>(\$11,819,556)</u>	<u>(\$13,949,599)</u>	<u>(\$13,409,004)</u>	<u>(\$11,826,295)</u>
General Revenues and Other Changes in Net Position										
Taxes										
Property Taxes	\$4,094,648	\$4,170,057	\$4,278,658	\$4,341,766	\$4,425,092	\$4,470,358	\$4,679,033	\$5,025,792	\$5,085,270	\$5,138,660
Earned Income Taxes	\$4,782,082	\$5,075,430	\$5,469,004	\$6,003,743	\$5,684,718	\$5,670,499	\$6,229,224	\$6,403,908	\$6,220,167	\$6,371,217
Other Taxes	\$1,796,611	\$2,023,211	\$1,989,068	\$2,064,758	\$2,157,142	\$2,010,044	\$2,363,472	\$2,168,119	\$2,735,520	\$2,548,353
Grants and Contributions	\$406,685	\$321,763	\$332,638	\$328,955	\$1,613,318	\$729,546	\$1,028,580	\$769,885	\$841,710	\$690,896
Investment Earnings	\$105,386	\$102,174	\$69,724	\$5,101	\$7,915	\$18,887	\$62,227	\$147,584	\$203,519	\$146,975
Miscellaneous Income	\$17,745	\$124,413	\$104,339	\$54,280	\$53,219	\$54,541	\$197,842	\$56,668	\$439,025	\$326,951
Transfers	\$0	\$0	\$0	\$0	\$51,891	\$0	\$0	\$0	\$0	\$0
Total Governmental Activities	<u>\$11,203,157</u>	<u>\$11,817,048</u>	<u>\$12,243,431</u>	<u>\$12,798,632</u>	<u>\$13,941,404</u>	<u>\$12,953,875</u>	<u>\$14,560,378</u>	<u>\$14,571,956</u>	<u>\$15,525,211</u>	<u>\$15,223,052</u>
Business-Type Activities										
Investment Earnings	\$99	\$26	\$22	\$29	\$33	\$0	\$0	\$0	\$0	\$697
Transfers	\$0	\$0	\$0	\$0	-\$51,891	\$0	\$0	\$0	\$0	\$0
Total Business-type Activities	<u>\$99</u>	<u>\$26</u>	<u>\$22</u>	<u>\$29</u>	<u>-\$51,858</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$697</u>
Total General Revenues and Other Changes in Net Position	<u>\$11,203,256</u>	<u>\$11,817,074</u>	<u>\$12,243,453</u>	<u>\$12,798,632</u>	<u>\$13,889,546</u>	<u>\$12,953,875</u>	<u>\$14,560,378</u>	<u>\$14,571,956</u>	<u>\$15,525,211</u>	<u>\$15,223,749</u>
Change in Net Position										
Government Activities	\$1,454,661	\$2,034,088	\$2,036,654	\$1,799,024	\$3,003,962	-\$819,366	\$2,759,327	\$644,394	\$2,135,717	\$3,419,022
Business-type Activities	<u>\$15,162</u>	<u>-\$62,128</u>	<u>\$36,724</u>	<u>\$80,171</u>	<u>-\$20,025</u>	<u>\$39,391</u>	<u>-\$18,505</u>	<u>-\$22,037</u>	<u>-\$19,510</u>	<u>-\$21,568</u>
Total Governmental and Business-type Activities	<u>\$1,469,823</u>	<u>\$1,971,960</u>	<u>\$2,073,378</u>	<u>\$1,879,195</u>	<u>\$2,983,937</u>	<u>-\$779,975</u>	<u>\$2,740,822</u>	<u>\$622,357</u>	<u>\$2,116,207</u>	<u>\$3,397,454</u>

PETERS TOWNSHIP
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Nonspendable	\$3,069	\$3,069	\$3,069	\$3,069	\$44,027	\$44,027	\$47,054	\$47,054	\$47,054	\$3,027
Committed	\$351,936	\$440,979	\$516,153	\$594,543	\$661,621	\$661,926	\$670,344	\$709,858	\$721,129	\$739,377
Assigned	\$706,256	\$64,614	\$66,497	\$63,189	\$68,888	\$67,989	\$41,458	\$46,507	\$45,331	\$43,746
Unassigned	<u>\$4,770,030</u>	<u>\$3,910,072</u>	<u>\$5,357,021</u>	<u>\$6,238,549</u>	<u>\$5,628,203</u>	<u>\$5,010,209</u>	<u>\$5,628,403</u>	<u>\$4,867,677</u>	<u>\$5,530,080</u>	<u>\$5,849,054</u>
Total General Fund	<u>\$5,831,291</u>	<u>\$4,418,734</u>	<u>\$5,942,740</u>	<u>\$6,899,350</u>	<u>\$6,402,739</u>	<u>\$5,784,151</u>	<u>\$6,387,259</u>	<u>\$5,671,096</u>	<u>\$6,343,594</u>	<u>\$6,635,204</u>
All Other Governmental Funds										
Restricted										
Capital Projects Fund	\$3,572,879	\$3,318,935	\$2,210,638	\$1,763,550	\$0	\$0	\$0	\$0	\$8,361,885	\$6,405,740
Highway Aid Fund	\$22	\$54	\$10	\$25	\$20	\$96	\$305	\$1,905	\$38	\$286
Committed										
Cable Television Fund	\$1,024,678	\$1,245,903	\$1,448,014	\$1,748,730	\$1,525,310	\$1,409,489	\$793,019	\$672,805	\$1,051,291	\$1,107,552
Capital Projects Fund	\$0	\$877,253	\$633,328	\$534,885	\$2,168,338	\$4,062,327	\$4,150,509	\$2,660,729	\$0	\$0
Assigned										
Capital Projects Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,033,340	\$2,813,127
Library Fund	<u>\$231,863</u>	<u>\$290,925</u>	<u>\$375,764</u>	<u>\$406,031</u>	<u>\$508,066</u>	<u>\$313,509</u>	<u>\$311,443</u>	<u>\$317,291</u>	<u>\$349,911</u>	<u>\$408,791</u>
Total All Other Governmental Funds	<u>\$4,829,442</u>	<u>\$5,733,070</u>	<u>\$4,667,754</u>	<u>\$4,453,221</u>	<u>\$4,201,734</u>	<u>\$5,785,421</u>	<u>\$5,255,276</u>	<u>\$3,652,730</u>	<u>\$11,796,465</u>	<u>\$10,735,496</u>
Fund Balance - All Funds	<u>\$10,660,733</u>	<u>\$10,151,804</u>	<u>\$10,610,494</u>	<u>\$11,352,571</u>	<u>\$10,604,473</u>	<u>\$11,569,572</u>	<u>\$11,642,535</u>	<u>\$9,323,826</u>	<u>\$18,140,059</u>	<u>\$17,370,700</u>

The fund balances presented have been restated to reflect the implementation of GASB Statement No. 54

PETERS TOWNSHIP
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes	\$10,765,185	\$11,338,959	\$11,757,986	\$12,429,119	\$12,277,745	\$12,157,694	\$13,266,932	\$13,606,337	\$14,029,022	\$14,017,678
Licenses and Permits	\$453,632	\$472,232	\$516,967	\$515,028	\$553,728	\$576,752	\$577,262	\$565,807	\$563,302	\$552,653
Fines and Forfeits	\$137,681	\$118,183	\$106,239	\$109,685	\$92,662	\$96,620	\$99,407	\$89,859	\$94,719	\$62,355
Interest, Rents and Royalties	\$105,386	\$102,174	\$69,724	\$5,101	\$7,915	\$18,887	\$503,700	\$147,584	\$595,371	\$420,178
Grants	\$1,864,232	\$2,165,365	\$1,999,018	\$1,862,552	\$2,161,406	\$2,124,174	\$2,242,681	\$2,224,270	\$2,606,312	\$3,888,686
Charges for Services	\$912,111	\$895,512	\$889,214	\$902,751	\$928,117	\$965,906	\$950,497	\$955,289	\$1,411,511	\$1,066,039
Miscellaneous	<u>\$201,427</u>	<u>\$292,359</u>	<u>\$459,177</u>	<u>\$323,026</u>	<u>\$365,652</u>	<u>\$223,814</u>	<u>\$304,058</u>	<u>\$220,886</u>	<u>\$827,937</u>	<u>\$1,463,833</u>
Total Revenue	<u>\$14,439,654</u>	<u>\$15,384,784</u>	<u>\$15,798,325</u>	<u>\$16,147,262</u>	<u>\$16,387,225</u>	<u>\$16,163,847</u>	<u>\$17,944,537</u>	<u>\$17,810,032</u>	<u>\$20,128,174</u>	<u>\$21,471,422</u>
Expenditures										
General Government	\$1,212,065	\$1,160,022	\$1,237,575	\$1,290,802	\$1,294,443	\$1,722,597	\$1,500,131	\$1,549,660	\$1,851,811	\$1,748,334
Public Safety	\$4,028,389	\$4,150,110	\$4,331,600	\$4,427,527	\$4,684,443	\$4,753,507	\$4,880,107	\$5,167,980	\$5,126,937	\$5,082,743
Public Work - Sanitation	\$56,658	\$22,577	\$58,494	\$30,388	\$84,189	\$27,237	\$65,988	\$35,915	\$37,463	\$49,711
Public Works -Highways	\$1,246,424	\$1,170,805	\$1,411,437	\$1,478,169	\$1,493,056	\$1,519,489	\$1,340,887	\$1,525,952	\$1,586,980	\$1,424,208
Culture - Recreation	\$2,194,654	\$2,192,057	\$2,158,521	\$2,211,877	\$2,287,528	\$2,355,828	\$2,445,216	\$2,529,088	\$2,560,461	\$2,349,489
Insurance and Employee Benefits	\$1,754,622	\$1,948,131	\$1,943,246	\$2,053,283	\$2,279,139	\$2,425,791	\$2,305,710	\$2,680,760	\$2,426,616	\$2,460,551
Capital Outlays	\$3,011,770	\$4,045,856	\$3,326,998	\$3,354,720	\$4,154,769	\$9,297,907	\$4,057,432	\$5,192,740	\$6,172,237	\$7,476,617
Debt Service										
Principal	\$812,709	\$802,361	\$745,483	\$757,493	\$870,208	\$838,097	\$986,558	\$1,031,091	\$1,060,070	\$987,357
Interest and Fees	<u>\$499,845</u>	<u>\$446,570</u>	<u>\$242,944</u>	<u>\$250,892</u>	<u>\$245,872</u>	<u>\$235,074</u>	<u>\$462,525</u>	<u>\$415,555</u>	<u>\$485,461</u>	<u>\$661,771</u>
Total Expenditures	<u>\$14,817,136</u>	<u>\$15,938,489</u>	<u>\$15,456,298</u>	<u>\$15,855,151</u>	<u>\$17,393,647</u>	<u>\$23,175,527</u>	<u>\$18,044,554</u>	<u>\$20,128,741</u>	<u>\$21,308,036</u>	<u>\$22,240,781</u>
Excess of Revenues over (under)										
Expenditures	(\$377,482)	(\$553,705)	\$342,027	\$292,111	(\$1,006,422)	(\$7,011,680)	(\$100,017)	(\$2,318,709)	(\$1,179,862)	(\$769,359)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Other Financing Sources (Uses)										
Proceeds from Capital Lease	\$0	\$0	\$0	\$449,966	\$206,433	\$0	\$0	\$0	\$0	\$0
Transfers In	\$0	\$0	\$0	\$0	\$51,891	\$0	\$0	\$0	\$0	\$0
Proceeds from General										
Long Term Debt	\$0	\$2,290,000	\$10,000,000	\$0	\$0	\$7,905,000	\$0	\$0	\$9,910,000	\$0
Premium on Bonds Issued	\$0	\$5,649	\$129,345	\$0	\$0	\$71,779	\$0	\$0	\$86,095	\$0
Discount on Bonds Issued	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sale of Capital Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$172,980	\$0	\$0	\$0
Payment to Refunded Bond Agent	\$0	(\$2,250,873)	(\$10,012,682)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Financing Sources (Uses)	\$0	\$44,776	\$116,663	\$449,966	\$258,324	\$7,976,779	\$172,980	\$0	\$9,996,095	\$0
Net Change in Fund Balance	(\$377,482)	(\$508,929)	\$458,690	\$742,077	(\$748,098)	\$965,099	\$72,963	(\$2,318,709)	\$8,816,233	(\$769,359)
Fund Balance 1/1	\$11,038,215	\$10,660,733	\$10,151,804	\$10,610,494	\$11,352,571	\$10,604,473	\$11,569,572	\$11,642,535	\$9,323,826	\$18,140,059
Fund Balance 12/31	\$10,660,733	\$10,151,804	\$10,610,494	\$11,352,571	\$10,604,473	\$11,569,572	\$11,642,535	\$9,323,826	\$18,140,059	\$17,370,700
Total Noncapital Expenditure	\$12,666,721	\$13,170,888	\$12,933,700	\$13,695,847	\$13,825,650	\$14,993,373	\$15,374,989	\$15,950,138	\$16,772,441	\$16,340,094
Debt Service as a % of Noncapital Expenditures	10.4%	9.5%	7.6%	7.4%	8.1%	7.2%	9.4%	9.1%	9.2%	10.1%

**PETERS TOWNSHIP
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION ¹
LAST TEN FISCAL YEARS**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenditures²										
General Government	\$1,299,416	\$1,324,997	\$2,008,404	\$1,372,824	\$1,347,978	\$2,172,039	\$1,661,961	\$1,892,475	\$2,197,122	\$1,974,499
Public Safety	\$4,046,863	\$4,309,419	\$4,431,742	\$4,973,962	\$4,939,112	\$4,852,155	\$5,474,692	\$6,040,579	\$6,174,484	\$6,170,945
Public Work - Sanitation	\$71,938	\$22,577	\$58,494	\$30,388	\$392,713	\$27,237	\$65,988	\$80,473	\$37,463	\$49,711
Public Works -Highways	\$3,208,984	\$3,454,097	\$3,654,977	\$3,961,580	\$4,301,983	\$3,905,946	\$3,566,566	\$3,404,763	\$5,484,688	\$6,597,295
Culture - Recreation	\$3,122,759	\$3,630,337	\$2,371,008	\$2,454,729	\$3,016,642	\$8,719,188	\$3,520,554	\$4,583,045	\$3,442,132	\$3,338,652
Insurance and Employee Benefits	\$1,754,622	\$1,948,131	\$1,943,246	\$2,053,283	\$2,279,139	\$2,425,791	\$2,305,710	\$2,680,760	\$2,426,616	\$2,460,551
Debt Service	<u>\$1,312,554</u>	<u>\$1,248,931</u>	<u>\$988,427</u>	<u>\$1,008,385</u>	<u>\$1,116,080</u>	<u>\$1,073,171</u>	<u>\$1,449,083</u>	<u>\$1,446,646</u>	<u>\$1,545,531</u>	<u>\$1,649,128</u>
Total Expenditure	<u>\$14,817,136</u>	<u>\$15,938,489</u>	<u>\$15,456,298</u>	<u>\$15,456,298</u>	<u>\$17,393,647</u>	<u>\$23,175,527</u>	<u>\$18,044,554</u>	<u>\$20,128,741</u>	<u>\$21,308,036</u>	<u>\$22,240,781</u>

(1) Included General, Special Revenue, Debt Service, and Capital Projects Funds

(2) The amounts include operating, as well as, capital expenditures

Table 6

PETERS TOWNSHIP
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Taxable Assessed Value ¹	Estimated Market Value ²	Total Direct Tax Rate	Ratio of Total Assessed Value to to Estimated Market Value
2011	\$323,590,796	\$1,987,599,125	13 mills	16.3%
2012	\$329,928,927	\$2,104,212,063	13 mills	15.7%
2013	\$336,832,664	\$2,152,776,343	13 mills	15.6%
2014	\$341,457,423	\$2,269,148,667	13 mills	15.0%
2015	\$341,823,160	\$2,304,326,626	13 mills	14.8%
2016	\$349,162,152	\$2,447,516,261	13 mills	14.3%
2017	\$3,122,120,918	\$2,463,130,221	1.522 mills ⁴	126.8%
2018	\$3,146,728,573	\$2,706,837,560	1.622 mills	116.3%
2019	\$3,178,799,599	\$2,729,285,862	1.622 mills	116.5%
2020	\$3,216,970,688	3	1.622 mills	3

(1) Source - Washington County Assessment Office. The assessment office does not have data which separates commercial and residential assessments values.

(2) Source - Pennsylvania State Tax Equalization Board

(3) 2020 Market Value is not yet available

(4) The Township Tax Rate was reduced in 2017 to account for the County-wide Reassessment and overall increase in Taxable Assessed Value. The Township Tax Rate was reduced to achieve a revenue-neutral Tax Rate in compliance with Commonwealth law.

Table 7

**PETERS TOWNSHIP
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
(Tax Rate Per \$1,000 of Assessed Valuation)
LAST TEN FISCAL YEARS**

Fiscal Year	Peters Township	Overlapping Rates		Total Direct and Overlapping Rates
		Peters Township School District	Washington County	
2011	13.0	96.5	24.9	134.4
2012	13.0	100.3	24.9	138.2
2013	13.0	102	24.9	139.9
2014	13.0	107.1	24.9	145.0
2015	13.0	110.75	24.9	148.7
2016	13.0	113.4	24.9	151.3
2017 ¹	1.522	13.19	2.43	17.1
2018	1.622	13.5	2.43	17.6
2019	1.622	13.81	2.43	17.9
2020	1.622	14.16	2.43	18.2

Tax rate is expressed in mills. One mill of tax is equal to \$1.00 for every \$1,000 of assessed property value. Used to calculate a tax levied on real estate.

Township tax levy for operating purposes.

(1) Decrease in Tax Rates due to County-wide Reassessment of all taxable property in 2017.

Table 8

**PETERS TOWNSHIP
TEN LARGEST REAL ESTATE TAXPAYERS
CURRENT AND TEN YEARS AGO**

	As of December 31, 2020			As of December 31, 2011	
	Assessed Valuation	Percent of Total Valuation		Assessed Valuation	Percent of Total Valuation
Donaldson's Crossroads Associates	\$35,689,800	1.1%	Waterdam Plaza Associates	\$3,801,459	1.2%
Waterdam Plaza Associates	\$25,091,500	0.8%	Donaldson's Crossroads Associates	\$1,709,515	0.5%
McDowell Partnership	\$15,205,100	0.5%	HCR Manorcare	\$1,089,000	0.3%
HCRI PA Properties	\$13,427,300	0.4%	Gallery Shoppes (I,II,III,Ltd.)	\$1,037,885	0.3%
Gallery Shoppes (I,II,III,Ltd.)	\$11,347,800	0.4%	K-Mart	\$904,200	0.3%
Waterdam Partners	\$9,577,000	0.3%	Valleybrook Country Club	\$708,651	0.2%
HCR Manorcare	\$6,300,000	0.2%	Robert Murphy	\$493,849	0.2%
Gregg Schwotzer	\$6,026,000	0.2%	Rolling Hills Country Club	\$488,418	0.2%
Norton Real Estate LLC	\$6,020,000	0.2%	Levin Family Partnership	\$487,675	0.2%
Store Master Funding	\$5,677,600	0.2%	Mark Miller	\$432,278	0.1%
Total	<u>\$134,362,100</u>	<u>4.3%</u>	Total	<u>\$11,152,930</u>	<u>3.4%</u>

Table 9

**PETERS TOWNSHIP
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year	Total Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent & Liened Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy
		Amount	Percentage			
2011	\$4,206,680	\$4,087,531	97.17%	\$98,961	\$4,186,492	99.52%
2012	\$4,289,076	\$4,169,582	97.21%	\$70,736	\$4,240,318	98.86%
2013	\$4,378,825	\$4,237,959	96.78%	\$61,955	\$4,299,914	98.20%
2014	\$4,438,951	\$4,297,739	96.82%	\$62,879	\$4,360,618	98.24%
2015	\$4,471,368	\$4,366,816	97.66%	\$69,069	\$4,435,885	99.21%
2016	\$4,539,108	\$4,417,289	97.32%	\$59,862	\$4,477,151	98.64%
2017	\$4,751,868	\$4,617,054	97.16%	\$57,182	\$4,674,236	98.37%
2018	\$5,103,994	\$4,963,922	97.26%	\$70,388	\$5,034,310	98.63%
2019	\$5,156,013	\$5,003,864	97.05%	\$69,471	\$5,073,335	98.40%
2020	\$5,217,926	\$5,042,209	96.63%	\$55,899	\$5,098,108	97.70%

Table 10

**PETERS TOWNSHIP
TAXABLE EARNED INCOME AND TAX COLLECTED
LAST TEN FISCAL YEARS**

Fiscal Year	Taxable Earned Income	Tax Collected	Per Capita Personal Income ¹
2011	\$956,416,400	\$4,782,082	\$44,769.76
2012	\$1,015,086,000	\$5,075,430	\$47,184.77
2013	\$1,093,800,800	\$5,469,004	\$50,491.66
2014	\$1,200,748,600	\$6,003,743	\$55,047.38
2015	\$1,136,943,600	\$5,684,718	\$51,450.07
2016	\$1,134,099,800	\$5,670,499	\$51,217.08
2017	\$1,245,844,800	\$6,229,224	\$56,575.31
2018	\$1,280,781,600	\$6,403,908	\$58,066.90
2019	\$1,244,033,400	\$6,220,167	\$56,434.10
2020	\$1,274,243,400	\$6,371,217	\$57,739.06

(1) Based on Annual Population Figures in Table 29

Table 11

**PETERS TOWNSHIP
TAXABLE EARNED INCOME RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

Fiscal Year	Peters Township	Peters Township School District
2011	0.50%	0.50%
2012	0.50%	0.50%
2013	0.50%	0.50%
2014	0.50%	0.50%
2015	0.50%	0.50%
2016	0.50%	0.50%
2017	0.50%	0.50%
2018	0.50%	0.50%
2019	0.50%	0.50%
2020	0.50%	0.50%

Table 12

PETERS TOWNSHIP
EARNED INCOME TAX FILERS AND LIABILITY BY INCOME LEVEL

Income Level	2014			2015			2016		
	Number of Filers	% of Total	% of Total Income	Number of Filers	% of Total	% of Total Income	Number of Filers	% of Total	% of Total Income
\$100,001-and higher	2,894	22.8%	75.3%	3,067	23.6%	73.1%	3,009	24.4%	69.7%
\$50,001-100,000	2,434	19.2%	16.0%	2,419	18.6%	17.4%	2,319	18.8%	20.4%
\$0 to \$50,000	7,345	58.0%	8.7%	7,501	57.8%	9.5%	6,995	56.8%	9.9%
Total	12,673	100.0%	100.0%	12,987	100.0%	100.0%	12,323	100.0%	100.0%
Income Level	2017			2018			2019		
	Number of Filers	% of Total	% of Total Income	Number of Filers	% of Total	% of Total Income	Number of Filers	% of Total	% of Total Income
\$100,001-and higher	2,974	24.6%	75.6%	3,187	25.9%	76.0%	3,278	26.3%	75.5%
\$50,001-100,000	2,264	18.8%	15.8%	2,310	18.8%	15.6%	2,344	18.8%	16.0%
\$0 to \$50,000	6,831	56.6%	8.6%	6,799	55.3%	8.4%	6,821	54.8%	8.5%
Total	12,069	100.0%	100.0%	12,296	100.0%	100.0%	12,443	100.0%	100.0%

Keystone Collections Group does not finish processing 2020 tax returns until October 2021. Final numbers to be included in 2022 Budget Table

Table 13

**PETERS TOWNSHIP
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Capital Leases Outstanding	General Obligation Bonds	General Obligation Notes	Total Primary Government	Percentage of Earned Income	Ratio of Debt Outstanding to Assessed Value	Total Debt Per Capita ¹	Bonded Debt Per Capita ¹	Ratio of General Bonded Debt Outstanding to Assessed Value
2011	\$389,889	\$12,919,847	\$0	\$13,309,736	1.4%	4.1%	\$623	\$605	4.0%
2012	\$247,528	\$12,351,322	\$0	\$12,598,850	1.2%	3.8%	\$586	\$574	3.7%
2013	\$167,045	\$12,470,248	\$0	\$12,637,293	1.2%	3.8%	\$583	\$576	3.7%
2014	\$534,518	\$11,786,167	\$0	\$12,320,685	1.0%	3.6%	\$565	\$540	3.5%
2015	\$570,743	\$11,077,086	\$0	\$11,647,829	1.0%	3.4%	\$527	\$501	3.2%
2016	\$442,646	\$17,929,309	\$405,000	\$18,776,955	1.7%	5.4%	\$848	\$828	5.3%
2017	\$312,632	\$17,097,376	\$368,456	\$17,778,464	1.4%	0.6%	\$807	\$793	0.6%
2018	\$179,444	\$16,226,440	\$330,553	\$16,736,437	1.3%	0.5%	\$759	\$751	0.5%
2019	\$43,004	\$25,325,534	\$291,923	\$25,660,461	2.1%	0.8%	\$1,164	\$1,162	0.8%
2020	\$0	\$24,406,759	\$252,570	\$24,659,329	1.9%	0.8%	\$1,119	\$1,117	0.8%

(1) Based on Annual Population Figures in Table 29

Table 14

**PETERS TOWNSHIP
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AS OF DECEMBER 31, 2020**

Jurisdiction	Net Debt Outstanding	Percentage Applicable to Peters Township*	Amount Applicable to Peters Township**
Direct Debt			
Peters Township	\$24,659,329	100.0%	<u>\$24,659,329</u>
Total Direct Debt			<u>\$24,659,329</u>
Overlapping Debt			
Peters Township School District	\$151,628,070	100.0%	\$151,628,070
Washington County	\$39,146,389	18.4%	<u>\$7,215,638</u>
Total Overlapping Debt	<u>\$215,433,788</u>		<u>\$158,843,708</u>
TOTAL DIRECT AND OVERLAPPING DEBT			<u><u>\$183,503,037</u></u>

* For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the Township's boundaries and dividing it by each unit's total taxable assessed value.

** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Township. The schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Township. This process recognizes that, when considering the Township's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

**PETERS TOWNSHIP
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS ¹**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt Limit	\$36,518,623	\$38,340,337	\$39,621,908	\$40,871,583	\$41,964,585	\$42,468,228	\$43,904,362	\$45,308,793	\$48,092,218	\$48,971,628
Outstanding Debt Applicable to the Debt Limit	<u>\$12,950,000</u>	<u>\$12,370,000</u>	<u>\$12,345,000</u>	<u>\$11,670,000</u>	<u>\$10,970,000</u>	<u>\$18,165,000</u>	<u>\$17,308,456</u>	<u>\$16,410,553</u>	<u>\$25,396,923</u>	<u>\$24,452,570</u>
Legal Debt Margin	<u>\$23,568,623</u>	<u>\$25,970,337</u>	<u>\$27,276,908</u>	<u>\$29,201,583</u>	<u>\$30,994,585</u>	<u>\$24,303,228</u>	<u>\$26,595,906</u>	<u>\$28,898,240</u>	<u>\$22,695,295</u>	<u>\$24,519,058</u>
Total Net Debt Applicable to the Limit as a % of Debt Limit	35.5%	32.3%	31.2%	28.6%	26.1%	42.8%	39.4%	36.2%	52.8%	49.9%

(1) The nonelectorial debt limit is set forth in the Pennsylvania Local Government Unit Debt Act and is defined as the average net revenues for the three most recent years multiplied by electoral debt limit .percentage (250%). The Act utilizes gross bonds and notes outstanding in the calculation of legal debt margin and excludes capital leases from the calculation.

PETERS TOWNSHIP
COMPUTATION OF LEGAL DEBT MARGIN AS OF DECEMBER 31, 2020

	Nonelectoral Debt	Lease Rental Debt	Total
Total Gross Debt	\$24,452,570	\$0	\$24,452,570
Less: Debt Minus Exclusions	\$0	\$0	\$0
Gross Debt Minus Exclusions	\$24,452,570	\$0	\$24,452,570
Applicable Debt Limitations (1)			
Nonelectoral Regular			
Borrowing Base (2) x 250%	\$48,971,628		
\$19,588,651			
Nonelectoral Plus Lease Rental			
Borrowing Base (2) x 350%			\$68,560,279
\$19,588,651			
Additional Borrowing Capability			
- Nonelectoral Regular	\$24,519,058		
- Nonelectoral Plus Lease Rental			\$44,107,709

(1) As set forth in the Pennsylvania Local Government Unit Debt Act (LGUDA)

(2) Borrowing based defined in Act as average net revenues for three most recent years

(3) The Pennsylvania Unit Debt Act utilizes gross bonds and notes outstanding in the calculation of legal debt margin and excludes capital leases from the calculation.

Table 17

PETERS TOWNSHIP
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT
TO TOTAL GENERAL EXPENDITURES
LAST TEN FISCAL YEARS

Fiscal Year	Principal	Interest & Other Fees	Total Debt Service	Total General Expenditures ¹	Ratio of Debt Service to General Expenditures
2011	\$812,709	\$499,845	\$1,312,554	\$14,817,136	8.86%
2012	\$802,361	\$446,570	\$1,248,931	\$15,938,489	7.84%
2013	\$745,483	\$242,944	\$988,427	\$15,456,298	6.39%
2014	\$757,493	\$250,892	\$1,008,385	\$15,855,151	6.36%
2015	\$870,208	\$245,872	\$1,116,080	\$17,393,647	6.42%
2016	\$838,097	\$235,074	\$1,073,171	\$23,175,527	4.63%
2017	\$986,558	\$462,525	\$1,449,083	\$18,044,554	8.03%
2018	\$1,031,091	\$415,555	\$1,446,646	\$20,128,741	7.19%
2019	\$1,060,070	\$485,461	\$1,545,531	\$21,308,036	7.25%
2020	\$987,357	\$661,771	\$1,649,128	\$22,240,781	7.41%

(1) Includes General, Special Revenue, Debt Service and Capital Projects Funds

Table 18

**PETERS TOWNSHIP
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

As of December 31, 2020		As of December 31, 2011	
Name	Type of Business	Name	Type of Business
Peters Township School District	Education	Peters Township School District	Education
Sunny Days In Home Care LLC	Healthcare	Giant Eagle Markets, Inc.	Grocery Store
Giant Eagle Markets, Inc.	Grocery Store	Heartland Employment Service	Nursing Home
Mancan Inc.	Employment Service	Sears Roebuck & Co.	Service Center
Invo Peo Inc III	Employment Service	Trigon Holding Inc.	Manufacturing
Highmark Health/Allegheny Clinic	Healthcare	American Health Foundation Inc.	Nursing Home
Peters Township	Government	Valleybrook Country Club	Country Club
American Health Foundation Inc.	Nursing Home	Peters Township	Government
Paramount Senior Living	Nursing Home	First Student	Transportation
Valleybrook Country Club	Country Club	Kmart	Retail Store

**PETERS TOWNSHIP
TEN LARGEST VENDORS
CURRENT YEAR AND TEN YEARS AGO**

As of December 31, 2020			As of December 31, 2011		
Total Expenditure	Company Name	Expenditure Category	Total Expenditure	Company Name	Expenditure Category
1 \$2,734,387	A. Liberoni, Inc.	Construction - Rolling Hills Drive	1 \$1,317,279	Waste Management	Public Works - Garbage
2 \$2,050,635	Waste Management	Public Works - Garbage	2 \$1,130,996	Morgan Excavating	Public Works - Paving
3 \$1,484,851	Independent Enterprises	Public Works - Paving	3 \$737,192	MEIT	Hospitalization
4 \$781,581	UPMC	Hopitalization	4 \$722,000	Peters Twp Library	Contribution
5 \$505,489	PV Settlement LLC	Fire - Property Acquisition	5 \$590,000	Bank of New York	Debt Service
6 \$301,461	MRM Workers Comp	Insurance	6 \$486,182	MASCO Construction	Construction
7 \$298,652	AEC Group	IT Services	7 \$387,407	Principal Financial	Pension
8 \$297,785	Cargill Inc.	Public Works - Rock Salt	8 \$296,846	Jordan Tax Service	Tax Collection
9 \$273,930	Mackin Engineering Co.	Parks - Engineering Services	9 \$258,051	Marrico Construction	Construction
10 \$224,690	Motorala Solutions, Inc.	Emergency Radio System	10 \$236,835	Peters Twp VFD	Contribution
<u>\$8,953,461</u>			<u>\$6,162,788</u>		

Table 20

AGE DISTRIBUTION RELATED TO TOTAL POPULATION

AGE	2000		2010	
	Number	Percent	Number	Percent
Under 5 years	1,170	6.7%	1,224	5.8%
5 to 9 years	1,521	8.7%	1,813	8.5%
10 to 14 years	1,564	8.9%	2,005	9.5%
15 to 19 years	1,204	6.9%	1,543	7.3%
20 to 24 years	416	2.4%	582	2.7%
25 to 34 years	1,221	7.0%	1,253	5.9%
35 to 44 years	3,243	18.5%	2,931	13.8%
45 to 54 years	3,162	18.0%	4,025	19.0%
55 to 59 years	1,020	5.8%	1,626	7.7%
60 to 64 years	766	4.4%	1,362	6.4%
65 to 74 years	1,287	7.3%	1,574	7.4%
75 to 84 years	736	4.2%	906	4.3%
85 years and over	256	1.5%	369	1.7%
	17,566	100.0%	21,213	100.0%
2010 Median Age	43.0			
2000 Median Age	40.6			
1990 Median Age	37.8			
1980 Median Age	33.1			

Source: United States Census

Table 21

**PETERS TOWNSHIP
POPULATION GROWTH
1920 -2010**

Year	Population	Change	% Change
1920	1,660		
1930	1,771	111	6.7%
1940	2,137	366	20.7%
1950	3,004	867	40.6%
1960	7,126	4,122	137.2%
1970	10,672	3,546	49.8%
1980	13,104	2,432	22.8%
1990	14,467	1,363	10.4%
2000	17,566	3,099	21.4%
2010	21,213	3,647	20.8%

Source: United States Census

Table 22

**PETERS TOWNSHIP
HOUSEHOLD INCOMES**

Income (\$000)	2000		2010	
	Households	%	Household:	%
Less than \$10,000	106	1.8%	281	4.7%
\$10,000 to \$14,999	121	2.0%	70	1.2%
\$15,000 to \$24,999	344	5.7%	238	4.0%
\$25,000 to \$34,999	509	8.5%	237	3.9%
\$35,000 to \$49,999	661	11.0%	441	7.3%
\$50,000 to \$74,999	1,165	19.4%	1,280	21.3%
\$75,000 to \$99,000	909	15.1%	972	16.2%
\$100,000 to \$149,999	1,169	19.4%	1,594	26.5%
\$150,000 to \$199,999	452	7.5%	826	13.7%
\$200,000 or more	580	9.6%	582	9.7%
Total	6,016	100.0%	6,521	108.4%

Source: United States Census

Table 23

EDUCATIONAL CHARACTERISTICS
Education Attainment - Persons 25 Years and Older

	2000		2010	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than 9th Grade	250	2.1%	550	4.1%
9th to 12th, no diploma	346	3.0%	523	3.9%
High School Graduate	2,584	22.2%	2,551	19.0%
Some College, no degree	1,933	16.6%	1,943	14.5%
Associates Degree	695	6.0%	897	6.7%
Bachelor's Degree	3,809	32.8%	3,952	29.5%
Graduate or Professional	2,011	17.3%	2,980	22.2%
Totals	11,628	100.0%	13,396	100.0%
Percent high school graduate or higher		94.9%		92.0%
Percent bachelor's degree or higher		50.1%		51.7%

Source: United States Census

Table 24

OCCUPATION OF EMPLOYED PERSONS 16 AND OVER

<u>Occupation</u>	2000		2010	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Management, Professional, Other Related	4,305	53.8%	4,499	50.9%
Service Occupations	602	7.5%	887	10.0%
Sales and Office Occupations	2,314	28.9%	2,500	28.3%
Farming, Fishing, & Forestry	10	0.1%	7	0.1%
Construction, Extraction, Maintenance	438	5.5%	520	5.9%
Production, Transportation, Material Moving	328	4.1%	420	4.8%
Totals	7,997	100.0%	8,833	100.0%

Source: United States Census

Table 25

HOUSING UNITS BY OCCUPANCY

	2000		2010	
	<u>Total</u>	<u>% Total</u>	<u>Total</u>	<u>% Total</u>
Occupied Units	6,026		7,292	
Owner Occupied Units	5,681	91%	6,869	91%
Renter Occupied	345	6%	423	6%
Vacant Units	195	3%	267	4%
Total Units	6,221		7,559	

Source: United States Census

Table 26

VALUE OF SPECIFIED OWNER OCCUPIED HOUSING UNITS

<u>Value</u>	2000		2010	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than 50,000	32	1%	81	1%
50,000 to 99,999	554	10%	228	4%
100,000 to 149,999	1,115	20%	459	7%
150,000 to 199,999	1,302	24%	908	15%
200,000 to 299,999	1,303	24%	1,874	30%
300,000 to 499,999	1,010	18%	1,932	31%
500,000 to 999,999	137	3%	630	10%
1,000,000 or more	9	0%	51	1%
Total	5,462	100%	6,163	100%

Source: United States Census

Table 27

MEDIAN HOUSING VALUE COMPARISON

	<u>Peters</u>	<u>Washington</u> <u>County</u>	<u>Pittsburgh</u> <u>Metropolitan Area</u>
Median Value 1970	27,700	12,000	15,300
Median Value 1980	81,500	38,700	42,600
Median Value 1990	124,500	53,500	57,100
Median Value 2000	189,100	87,500	86,100
Median Value 2010	284,800	152,400	132,500

Source: 1970, 1980, 1990, 2000, 2010 United States Census

Peters Township
Authorized Number of Full and Part-time Permanent Positions by Department

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
GENERAL GOVERNMENT					
Administration	6.50	7.00	7.00	7.00	7.00
Network Administration	0.00	0.00	0.00	0.00	0.00
Vehicle Maintenance	0.10	0.10	0.10	0.10	0.10
Professional Services	2.00	3.00	3.00	3.00	3.00
TOTAL GENERAL GOVERNMENT	<u>8.60</u>	<u>10.10</u>	<u>10.10</u>	<u>10.10</u>	<u>10.10</u>
PROTECTION TO PERSONS/PROPERTY					
Police Administration	4.50	4.50	4.50	4.50	4.50
Police Patrol	19.00	19.00	19.50	19.50	19.50
Police Investigations	2.00	2.00	2.00	2.00	2.00
Community Relations	1.75	1.00	1.50	1.50	1.50
Police Vehicle Maintenance	0.15	0.15	0.15	0.15	0.15
School Guards	0.50	0.50	0.50	0.50	0.50
Fire Administration	2.00	2.00	2.00	2.00	2.00
Fire Prevention/Enforcement	2.00	1.50	1.50	1.50	1.50
Fire Suppression	7.00	7.75	7.75	7.75	7.75
Fire Vehicle Maintenance	1.50	1.50	1.50	1.50	1.50
Fire Station	1.00	1.00	1.00	1.00	1.00
Planning and Zoning	3.70	3.70	3.70	3.70	3.70
Building Inspection	2.30	2.30	2.30	2.30	2.30
TOTAL PROTECTION TO PERSONS/PROPERTY	<u>47.40</u>	<u>46.90</u>	<u>47.90</u>	<u>47.90</u>	<u>47.90</u>
PUBLIC WORKS					
Administration	3.00	3.00	3.00	3.00	3.00
Highway Maintenance	11.00	11.00	11.00	11.00	11.00
Vehicle Maintenance	0.75	0.75	0.75	0.75	0.75
Park Maintenance	7.00	7.00	7.00	8.00	8.00
TOTAL PUBLIC WORKS	<u>21.75</u>	<u>21.75</u>	<u>21.75</u>	<u>22.75</u>	<u>22.75</u>
CULTURE/RECREATION					
Recreation Administration	2.00	2.00	2.00	2.00	2.00
Recreation Programming	1.00	1.00	1.00	2.00	2.00
Community Recreation Center	5.00	5.00	5.00	5.00	5.00
Tennis Center	8.00	8.00	8.00	8.00	8.00
Cable Television	1.75	1.75	1.75	1.75	2.00
Library	14.00	14.00	14.00	14.00	14.00
TOTAL CULTURE/RECREATION	<u>31.75</u>	<u>31.75</u>	<u>31.75</u>	<u>32.75</u>	<u>33.00</u>
TOTAL ALL DEPARTMENTS	<u>109.50</u>	<u>110.50</u>	<u>111.50</u>	<u>113.50</u>	<u>113.75</u>

Source: 2021 Peters Township Operating Budget

Table 29

PETERS TOWNSHIP INDICATORS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Population	20,950	21,100	21,250	21,400	22,098	22,143	22,021	22,057	22,044	22,069
Permanent Employees - All Departments	79	82.5	83.5	86	86.25	109.5	110.5	111.5	113.5	113.75
Public Works Department										
Number of Permanent Employees	18.5	19.25	19.75	19.75	20.75	21.75	21.75	21.75	22.75	22.75
Miles of Streets										
Municipal Owned	106.5	106.5	106.5	108.5	110.8	115.1	116.2	116.8	117.5	118.25
State Owned	29.1	29.1	29.1	29.1	29.1	29.1	29.1	29.1	29.1	29.1
Private	5	5	5	5	7.25	7.28	7.28	7.5	7	7.24
Total Miles of Streets	140.6	140.6	140.6	142.6	147.15	151.48	152.58	153.4	153.6	154.59
Road Treatment										
Resurfaced & Overlaid (Miles)	5.38	5.53	4.9	9.6	5.43	5.35	4.02	4.2	5.3	4.6
Rejuvenator Treatment (Miles)	9.79	9.16	5.5	8.4	9.7	11.1	11.2	9.8	9.6	9.75
Total Road Treatment (Miles)	15.17	14.69	10.4	18	15.13	16.45	15.22	14	14.9	14.35
Storm Sewer Installation/Replace (Feet)	2,991	2,392	1,259	1,510	3,770	2,165	1,506	2,472	1,250	985
Public Safety										
Police										
Number of Permanent Employees	27	27	27	27	27	27	27	28	28	28
Number of Stations	1	1	1	1	1	1	1	1	1	1
Services Rendered										
Traffic Tickets Issued	2,505	2,410	2,207	1,935	1,730	2,489	2,010	1,341	1,413	927
Parking Tickets Issued	411	492	257	292	357	223	313	126	99	112
Part I Offenses	183	145	126	133	145	166	141	146	131	143
Part II Offenses	511	403	289	262	281	457	372	398	551	404
Driving Under the Influence	95	63	66	55	52	71	44	50	55	42
% of Part 1 Offenses Cleared	11%	14%	25%	34%	28%	25%	32%	32%	29%	47%
% of Part 2 Offenses Cleared	50%	50%	66%	61%	62%	44%	40%	37%	43%	47%
Fire Department										
Number of Permanent Employees	12	13	13	13	13	13.5	13.75	13.75	13.75	13.75
Number of Volunteers	17	20	20	20	30	31	29	28	34	34
Volunteer on Duty Shifts	1,572	2,340	2,528	2,756	2,340	3,916	3,524	2,580	2,844	2,715
Number Stations	2	2	2	2	2	2	2	2	2	2
Number of Response Calls	942	995	1,157	1,215	1,247	1,239	1,338	1,350	1,507	1,401
Average Response Time										
7 AM to 11 PM (Minutes)	4.3	4.6	5.0	6.2	5.4	6.2	6.3	6.5	6.4	6.4
11 PM to 7 AM (Minutes)	10.5	7.7	5.3	7.3	7.3	7.1	7.3	8.5	8.4	8.1
Average Manpower Responses										
7 AM to 11 PM	4	5	7	7	7	6	7	5.5	7	6.6
11 PM to 7 AM	3	4	4	6	4	3	4	3	3	3.9
Planning Department										

Table 29

PETERS TOWNSHIP INDICATORS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Number of Permanent Employees	6	6	6	6	6	6	6	6	6	6
Number of New Residential Lots Approved	101	125	67	101	36	28	245	310	119	219
Zoning Hearing Board										
Number of Appeals	23	9	21	32	15	21	12	10	7	9
Zoning Enforcement Notifications	160	123	127	105	136	115	132	144	182	163
Building Permits										
Building Permits Issued	347	358	356	293	334	248	274	306	326	360
Building Permits New Homes	86	110	106	61	76	60	47	59	55	85
Parks and Recreation										
School Age Population	4,456	4,350	4,228	4,220	4,211	4,109	4,070	4,060	4,101	3,971
Youth Sports Participation	5,179	5,081	4,911	4,818	6,718	5,980	4,607	6,935	5,420	3,875
Park Acreage	454	454	454	454	513	513	513	513	513	513
Township Owned Athletic Fields	14	18	18	18	18	18	18	18	18	18
Recreation Program Offerings	36	31	31	33	47	40	40	41	44	32
Program Registrants	3,002	2,967	3,275	2,843	2,633	6,580	5,564	6,009	7,248	2,499
Community Events Attendance	5,466	4,938	5,774	5,665	3,269	5,317	8,487	7,587	9,186	3,518
Tennis Center Participants	3,218	3,218	2,921	2,103	4,940	6,739	7,660	7,102	6,343	4,960
Library										
Number of Card Holders	38,209	35,711	22,842	23,960	24,468	17,173	18,142	19,571	20,832	21,435
Circulation	395,101	345,862	337,181	349,550	359,981	353,162	335,444	336,025	340,360	185,724
Library Volumes	149,891	150,989	132,706	126,138	126,049	127,506	126,570	124,415	128,697	122,203
Library Volumes per Resident	7	7	6	6	6	6	6	6	6	6
Children and Young Adults Programs	585	882	1,069	989	630	1,030	1,292	1,326	860	746
Cable Television										
Local Programs Hours Produced	4,220	3,700	3,593	4,584	4,245	3,588	3,673	3,876	3,435	3,081
On-line Views of Program		4,757	5,208	5,213	11,697	6,763	9,767	12,968	33,225	50,979
Community Events Hours Produced	2,413	2,857	2,903	2,705	2,506	2,810	3,465	3,080	2,993	3,004
Program Hours Aired	8,046	9,764	9,175	10,691	10,340	11,846	11,523	10,837	10,437	9,496
Tax Collection										
Assessed Value	\$323,590,796	\$329,928,927	\$336,832,664	\$341,457,423	\$343,951,034	\$349,162,152	\$3,122,120,918	\$3,146,728,573	\$3,178,799,599	\$3,216,970,688
Total Property Tax Collection	\$4,186,492	\$4,240,318	\$4,299,914	\$4,360,618	\$4,435,885	\$4,477,151	\$4,674,236	\$5,034,310	\$5,073,335	\$5,098,108
Property Tax Collected as a % of Levy	99.52%	98.86%	98.20%	98.24%	99.21%	98.64%	98.37%	98.63%	98.40%	97.70%
Earned Income Tax Collection	\$4,782,082	\$5,075,430	\$5,469,004	\$6,003,743	\$5,684,718	\$5,670,499	\$6,229,224	\$6,403,908	\$6,220,167	\$6,371,217

Source: 2020 Peters Township Annual Report