

**Aston Township**

**December 31, 2021**

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## Independent Auditor's Report

Board of Commissioners  
Aston Township, Pennsylvania

### **Opinions**

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Aston Township, Pennsylvania, as of December 31, 2021, 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.

### **Basis for Opinions**

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Aston Township, Pennsylvania's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

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

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

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the budgetary comparison information, and the supplementary pension and other post-employment benefits information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Aston Township, Pennsylvania's basic financial statements. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Barsz Gowie Amon & Fultz, LLC*

Media, Pennsylvania  
June 30, 2022

**ASTON TOWNSHIP  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(UNAUDITED)**

Management's Discussion and Analysis "MD&A" is intended to provide a narrative overview and analysis of the financial activities of the Township of Aston (the "Township") for the year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with Aston Township's audited financial statements.

**Financial Highlights**

Aston Township is a First-Class Township within the Commonwealth of Pennsylvania and is governed by a Board of Commissioners. The following are key financial highlights for 2021:

- Total operating cash and cash equivalents were reduced through 2021, with significant funds expended for capital improvements. At December 31, some \$2,883,560 remained in capital projects funds committed to be spent on capital projects, much of which are related to the continuing construction of the Fire House within the Township and the Township's public works building.
- Property, plant and equipment cost value, excluding depreciation and net of disposals for the governmental activities increased this period by \$7,047,971 inclusive of construction in progress. Property plant and equipment for business-type activities increased by \$76,669.
- The Township's total police pension liability increased this period by \$174,201 bringing the net police pension liability to \$2,443,468. The Plan fiduciary position increased by \$2,044,239. Return on plan investments increased somewhat this year as the money weighted rate of return was 9.36% as compared with 6.86% the prior year. The non-uniformed Plan pension fiduciary position increased \$450,075 this period. There was not a Township liability for the non-uniform plan due to the strength of the plan, thus the Township carries a prepaid asset on its financial statements, shown accordingly on the Statement of Net Position in the amount of \$472,636. Other Post-Employment Benefits (OPEB), as actuarially determined, increased this period by \$2,671,650 to \$27,324,439 as shown as part of long-term liabilities on the government wide statements.
- The total net position of the Township at December 31, 2021 was \$(13,099,434) an increase of \$3,988,802 in net position. Governmental funds decreased \$5,735,140 this period which included \$6,047,149 in capital expenditures, a significant portion of which was related to the construction of the new firehouse and public works building. The General Fund this period ended with an unassigned fund balance of \$3,944,824, representing 30 percent of Township revenues and 33 percent of Township expenditures (without regards to interfund operating transfers), well within Government Finance Officers Association (GFOA) standards and recommendations.
- The Township's business-type activity is its Sanitation Fund which is supported primarily by Sanitation fees charged to the residents.

**Overview of the Financial Statements**

The Township's basic financial statements are comprised of four parts: Management's discussion and analysis (this section), basic financial statements (including notes), required supplementary information, and other supplementary information.

**ASTON TOWNSHIP  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(UNAUDITED)**

Management's discussion and analysis is a guide to reading the financial statements and provides related information to help the users of the financial statements understand the financial statements of the Township. The basic financial statements include notes that are an integral part of the financial statements that provide additional information essential to a full understanding of the financial data provided by the government-wide and fund financial statements. Required supplementary information is provided on the Township's pension plan, escrow account, and budget to actual figures for major funds. In addition to these required elements, additional other supplementary information regarding the General Fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance can be found on pages 63 through 68 of this report.

The basic financial statements present two different views of the Township.

*Government-Wide Financial Statements* – The government-wide financial statements provide information about the Township's overall financial status. Both the Statement of Net Position and the Statement of Activities are prepared utilizing the accrual basis of accounting. These statements provide long-term and short-term information about the Township's overall status and are intended to provide users with a broad overview of the Township's finances.

The Statement of Net Position and the Statement of Activities include all funds of the reporting entity except for the fiduciary funds. Over time, the increases and decreases in net position may serve as an indicator as to whether the Township's financial position is improving or deteriorating as a whole.

The Statement of Net Position includes all of the Township's assets, liabilities, and deferred inflows and outflows except for the fiduciary funds with the difference between them reported as net position. These statements serve a purpose similar to that of the balance sheet of a private sector business. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Township is improving or deteriorating.

The Statement of Activities presents information showing how the Township's net position changed during the most recent fiscal year. Because it separates program revenues (revenue generated by specific programs through charges for services, grants and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each program has to rely on local taxes for funding.

There are two categories of activities for the primary government reported under the government-wide financial statements:

*Governmental activities* – include the Township's basic services such as general governmental, public safety, public works, and other related services. Property taxes and state and federal grants finance most of these activities.

**ASTON TOWNSHIP  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(UNAUDITED)**

**Overview of the Financial Statements (Continued)**

*Business-type activities* – include the sanitation services provided by the Township for a fee to customers to help cover the cost of the service.

The net position of the governmental activities differs from the governmental fund balances as the governmental fund level statements only report the current financial resources, they expense capital assets when financial resources (money) are expensed to purchase or build said assets, and financial resources that have been borrowed are considered revenue when they are received. The principal and interest are expensed when paid.

Government-wide statements are reported using an economic resources measurement focus and full accrual basis of accounting that involves capitalizing current outlays of capital assets, reporting long term debt as a liability, depreciating capital assets and allocating those costs to the proper program and/or activities. Revenues and expenses are reported using the accrual basis of accounting which includes real estate and income tax receivables due from residents and businesses, and open account payables due from the Township to various vendors. Net position balances include the net investment in capital assets less debt associated with the purchase of the capital assets, and the unrestricted net position of the Township. Restricted positions include amounts restricted for the construction and maintenance of public roads and amounts restricted by grantors.

*Fund Financial Statements* – the remaining statements, focus on the individual funds of the Township. They provide more detail on operations of each fund unlike the government-wide statements. The individual funds are used to maintain control over resources segregated for specific activities or objectives. There are three types of fund financial statements

*Governmental Funds* – show how general governmental services such as public safety were financed in the short term, as well as what remains for future spending. The Township maintains six major governmental funds: the General Fund, Highway Aid, Matching Grant Fund, the American Recovery Plan Fund, the Debt Service Fund, and the Capital Projects Fund. The basic governmental funds financial statements can be found on pages 15 through 18 of this report. Other Governmental Funds include the Library and Fire Funds.

*Proprietary Funds* – offers short term and long-term financial information about the activities the Township operates like a business. The Township charges customers for sanitation services for the collection and disposal of refuse provided by the Township. The basic proprietary funds financial statements can be found on pages 19 through 21 of this report.

*Fiduciary Funds* – reflects activities involving resources that are held by the Township as trustee or agent for the benefit of others, including employees, private organizations, and other governmental units. These funds principally include the accounts of the Police and Non-Uniformed pension plans. The basic fiduciary funds financial statements can be found on pages 22 through 23 of this report. Builder and development escrows previously reported as fiduciary are now reported in the general fund.

**ASTON TOWNSHIP  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(UNAUDITED)**

**Government-Wide Financial Analysis**

Condensed Net Position— as reflected in Table 1, the Condensed Net Position combines and consolidates the governmental activities and business type activities current financial resources (short-term spendable resources) with capital assets and long-term obligations for the years ended December 31, 2021 and 2020.

The Township's governmental activities net position totaled \$(13,838,509) and \$(17,733,824—as restated for prior period adjustments) as of December 31, 2021 and 2020, respectively. The Township's investment in capital assets relating to government activities (e.g. land, buildings and improvements, equipment and infrastructure), less any related debt used to acquire those assets still outstanding as of December 31, 2021 and 2020 were \$11,063,955 and \$3,412,027, respectively (see Table 5 for additional information regarding capital assets). The Township uses these capital assets to provide services to citizens. Although the Township's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital asset funds themselves cannot be used to liquidate these liabilities.

The Township's business-type activities includes the Sanitation Fund, which accounts for the program activity related to the collection and disposal of refuse. The total business-type activities' net position was \$739,075 in 2021 and \$645,588 in 2020. The general fund supported the expenses within the Sanitation fund through an operating transfer in the amount of \$48,384 in 2020 but the fund was self-sustaining in 2021. In addition, in 2020 the Sanitation Fund received capital contributions in the amount of \$271,831. The Township's investment in capital assets related to business-type activities in 2021 and 2020, net of depreciation, was \$573,710 and \$542,190, respectively.

**Table 1 – Condensed Statement of Net Position for the Years Ended December 31,**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020-Restated	2021	2020	2021	2020
Current assets	\$ 8,438,501	\$ 13,564,264	\$ 166,429	\$ 169,890	\$ 8,604,930	\$ 13,734,154
Other assets	25,168	-				
Internal balances	4,175	-	(4,175)	-	-	-
Net pension prepaid liability	338,407	341,930	134,229	146,542	472,636	488,472
Capital assets, net of depreciation	24,824,955	19,181,622	573,710	542,190	25,398,665	19,723,812
<b>Total Assets</b>	<b>33,631,206</b>	<b>33,087,816</b>	<b>870,193</b>	<b>858,622</b>	<b>34,501,399</b>	<b>33,946,438</b>
Deferred Outflows of Resources	4,252,081	114,533	92,844	16,820	4,344,925	131,353
Current Liabilities	3,971,517	3,327,263	-	33,838	3,971,517	3,361,101
Long Term Liabilities	43,486,332	41,597,639	12,975	12,614	43,499,307	41,610,253
<b>Total Liabilities</b>	<b>47,457,849</b>	<b>44,924,902</b>	<b>12,975</b>	<b>46,452</b>	<b>47,470,824</b>	<b>44,971,354</b>
Deferred Inflows of Resources	4,263,947	6,011,271	210,987	183,402	4,474,934	6,194,673
Net Position						
Invested in capital assets	11,063,955	3,412,027	573,710	542,190	11,637,665	3,954,217
Restricted	105,796	125,314			105,796	125,314
Unrestricted	(25,008,260)	(21,271,165)	165,365	103,398	(24,842,895)	(21,167,767)
<b>Total Net Position</b>	<b>\$ (13,838,509)</b>	<b>\$ (17,733,824)</b>	<b>\$ 739,075</b>	<b>\$ 645,588</b>	<b>\$ (13,099,434)</b>	<b>\$ (17,088,236)</b>

**ASTON TOWNSHIP  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(UNAUDITED)**

**Government-Wide Financial Analysis (Continued)**

Table 2 highlights the Township's revenues, expenses, and the changes in net positions for the years ended December 31, 2021 and 2020. It shows revenues by sources and expenses by function for governmental activities, business-type activities and the government-wide financials as a whole.

For the years ended December 31, 2021 and 2020, the Township's activities generated total revenues of \$15,620,045 and \$14,680,056, respectively. Total revenues in governmental activities increased approximately 8.5% and were comprised of approximately 78% general revenues and 22% program revenues. Business type activity revenue decreased slightly, approximately 12%. Total expenses decreased correspondingly by \$136,196 or 10% (see tables 3 and 4 for additional analysis of revenues by source and expenses by function).

**Table 2 – Condensed Statement of Activities for the Years Ended December 31,**

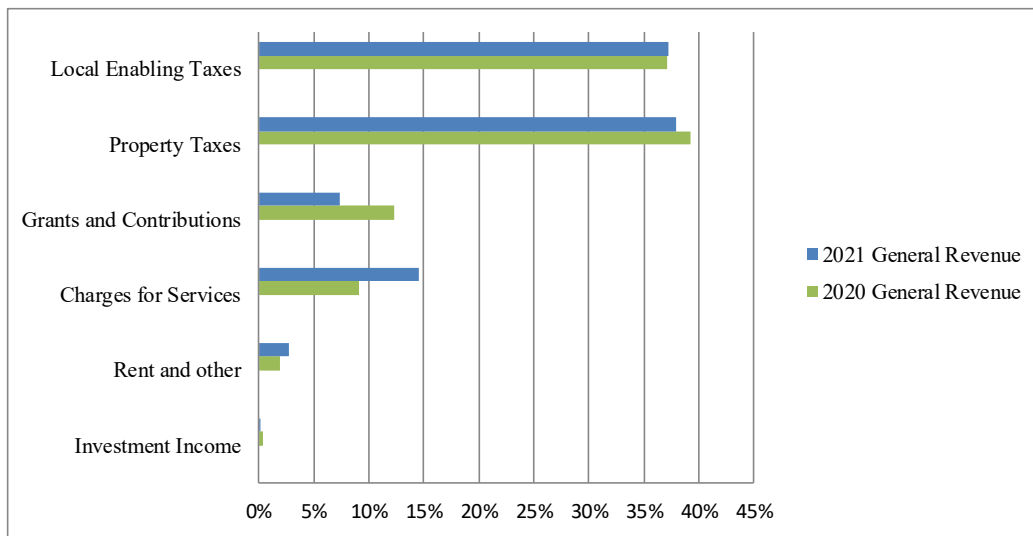
	Governmental Activities		Business Type Activities		Total	
	2021	2020 Restated	2021	2020	2021	2020
<b>Revenues:</b>						
<b>Program Revenues</b>						
Charges for Services	\$ 2,089,651	\$ 1,200,207	\$ 1,272,733	\$ 1,404,600	\$ 3,362,384	\$ 2,604,807
Operating Grants and Capital Grants and Contributions	1,058,711	1,617,881	39,482	25,405	1,098,193	1,643,286
<b>General Revenues</b>						
Property Taxes	5,418,663	5,179,417	-	-	5,418,663	5,179,417
Local enabling taxes	5,330,988	4,886,307	-	-	5,330,988	4,886,307
Rent and other	394,016	249,905	-	-	394,016	249,905
Investment income	15,801	55,347	-	60,987	15,801	116,334
<b>Total Revenues</b>	<b>14,307,830</b>	<b>13,189,064</b>	<b>1,312,215</b>	<b>1,490,992</b>	<b>15,620,045</b>	<b>14,680,056</b>
<b>Expenses:</b>						
General Government	1,894,370	1,517,117	-	-	1,894,370	1,517,117
Public safety	4,641,774	7,529,463	-	-	4,641,774	7,529,463
Health and human services	14,220	14,262	-	-	14,262	14,262
Public works – highways and Streets	1,425,586	2,244,289	-	-	1,425,586	2,244,289
Culture and recreation	641,936	833,039	-	-	641,936	833,039
Sanitation	-	-	1,218,728	1,354,924	1,218,728	1,354,924
Interest on long-term debt and amortization	389,991	389,839	-	-	389,991	389,839
Non-allocated depreciation	1,404,638	1,515,902	-	-	1,404,638	1,515,902
<b>Total Expenses</b>	<b>10,412,515</b>	<b>14,043,911</b>	<b>1,218,728</b>	<b>1,354,924</b>	<b>11,631,285</b>	<b>15,398,835</b>
<b>Change in Net Position before Transfers</b>	-	(854,847)	93,487	136,068	3,988,760	(718,779)
Transfers	-	(320,215)	-	320,215	-	-
<b>Change in Net Position</b>	<b>3,895,315</b>	<b>(1,175,062)</b>	<b>93,487</b>	<b>456,283</b>	<b>3,988,760</b>	<b>(718,779)</b>
<b>Net Position restated for 2020</b>	<b>(17,733,824)</b>	<b>(16,558,762)</b>	<b>645,588</b>	<b>189,305</b>	<b>(17,088,236)</b>	<b>(16,369,457)</b>
<b>Net Position – Ending</b>	<b>\$ (13,838,509)</b>	<b>\$ (17,733,824)</b>	<b>\$ 739,075</b>	<b>\$ 645,588</b>	<b>\$ (13,099,476)</b>	<b>\$ (17,088,236)</b>

**ASTON TOWNSHIP  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(UNAUDITED)**

**Government-Wide Financial Analysis (Continued)**

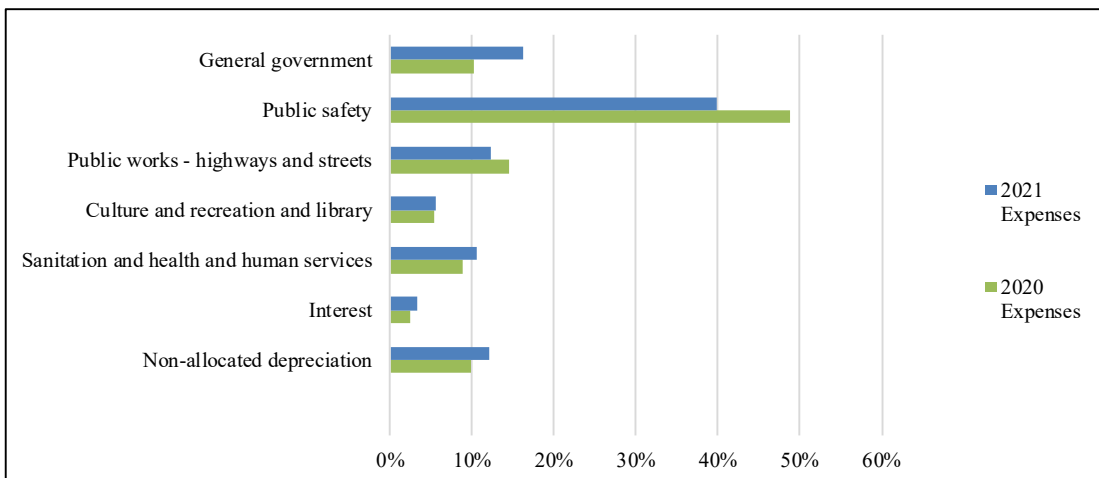
The increase in total governmental and business related revenues from 2020 to 2021 was generated from revenues relating to both general and program related sources. Table 3 provides a breakdown of revenue sources as a percentage of total revenues for the year. Charges for services, inclusive of governmental activities and sanitation, did increase during the period by some 29%. Property taxes increased this period by 4.62%, due to enhanced collections and easing of the prior year pandemic impacts. License and permits and other charges for services increased significantly this period as a result of project related costs that were continuing in 2021.

**Table 3 – Analysis of Revenues by Source for the Years Ended December 31, 2021 and 2020**



Overall government wide expenditures for the period were reduced this period by 24% primarily in the area of public safety. For the years ended December 31, 2021 and 2020, public safety remains the Township's largest program expense representing approximately 40% of total expenses for 2021 and 49% for 2020. These public safety expenses were inclusive of the project related costs impacting the increase in license and inspections this period.

**Table 4 – Analysis of Expenses by Function for the Years Ended December 31, 2021 and 2020**



**ASTON TOWNSHIP  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(UNAUDITED)**

**Capital Assets**

The Township's net investment in capital assets (cost less accumulated depreciation) as of December 31, 2021 and 2020 was \$24,824,955 and \$19,181,622, respectively. Business type additions to capital assets increased \$76,669 in 2021 and \$271,833 in 2020. Government activity additions were \$617,614. Depreciation expense totaled \$1,404,638 for governmental activities and \$45,149 for business activities in 2021.

Table 5 is a broad categorization of capital assets by type, which includes police and fire equipment, buildings, streets, water and sewer lines, and other machinery and equipment.

**Table 5 – Schedule of Capital Assets as of December 31, 2021 and 2020**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Capital Assets						
Land	\$ 456,397	\$ 456,397	\$ -	\$ -	\$ 456,397	\$ 456,397
Construction in progress	10,881,246	4,450,889	-	-	10,881,246	4,450,889
Land improvements	5,635,941	5,547,511	-	-	5,635,941	5,547,511
Building and improvements	13,829,184	13,829,184	-	-	13,829,184	13,829,184
Machinery and equipment	2,074,280	1,924,125	897,284	820,615	2,971,564	2,744,740
Infrastructure	24,632,949	24,253,920	-	-	24,632,949	24,253,920
Total Capital Assets	57,509,997	50,462,026	897,284	820,615	58,407,281	51,282,641
Less Accumulated Depreciation	(32,685,042)	(31,280,404)	(323,574)	(278,425)	(33,008,616)	(31,558,829)
<b>Net Capital Assets</b>	<b>\$ 24,824,955</b>	<b>\$ 19,181,622</b>	<b>\$ 573,710</b>	<b>\$ 542,190</b>	<b>\$ 25,398,665</b>	<b>\$ 19,723,812</b>

**Long-term Liabilities**

As of December 31, 2021, and 2020, the Township had four general obligation notes and note payable outstanding and assets held under capital leases, as follows:

	2021	2020
<b>Long Term Debt</b>		
Series 2012 GON	\$ 618,000	\$ 764,000
GON Fire truck	31,000	38,000
Series 2015 GON	1,348,000	1,602,000
Loan payable	139,311	170,948
Series 2018 GON	11,764,000	12,010,000
Total Long Term Debt	13,900,311	14,584,948
Less: bond discount net of amortization	-	(12,441)
	<b>\$ 13,900,311</b>	<b>\$ 14,572,507</b>

As of December 31, 2021 and December 31, 2020 other significant long-term liabilities included amounts accrued for sick pay, net pension and OPEB liabilities, and had outstanding balances as follows:

	2021	2020
<b>Long Term Liabilities</b>		
Compensated absences	\$ 531,673	\$ 768,690
Pension obligation	1,970,832	2,269,267
Post employment benefits	27,324,439	24,652,789
<b>Total Long Term Liabilities</b>	<b>\$ 29,826,944</b>	<b>\$ 27,690,746</b>

**ASTON TOWNSHIP  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(UNAUDITED)**

Additional information regarding the Township's long-term liabilities can be found in Note 5 of the financial statements

**Requests for Information**

These financial statements and discussions are designed to provide our citizens, taxpayers, investors and creditors with a complete disclosure of the Township's finances and to demonstrate a high degree of accountability for the public dollars entrusted to us. If you have questions about this report or need additional information, please contact the Township at:

Aston Township  
2 New Road  
Aston, PA 19014  
610-434-1636  
[www.astontownship.net](http://www.astontownship.net)

**Aston Township**  
**Statement of Net Position**  
**December 31, 2021**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
<u>Current Assets</u>			
Cash and cash equivalents	\$ 6,766,265	\$ -	\$ 6,766,265
Taxes receivable	1,303,775	-	1,303,775
Other receivables (net of allowance for uncollectible accounts)	234,211	155,698	389,909
Prepaid expenses	134,250	10,731	144,981
Internal balances	4,175	(4,175)	-
<u>Total Current Assets</u>	<u>8,442,676</u>	<u>162,254</u>	<u>8,604,930</u>
<u>Noncurrent Assets</u>			
Capital assets (net of accumulated depreciation)			
Land	456,397	-	456,397
Construction in progress	10,881,246	-	10,881,246
Land improvements	1,891,768	-	1,891,768
Buildings and improvements	3,804,476	-	3,804,476
Equipment	269,916	573,710	843,626
Vehicles	286,011	-	286,011
Infrastructure	7,235,141	-	7,235,141
<u>Total Capital Assets</u>	<u>24,824,955</u>	<u>573,710</u>	<u>25,398,665</u>
Net non-uniform pension asset	338,407	134,229	472,636
Deposits	25,168	-	25,168
<u>Total Noncurrent Assets</u>	<u>25,188,530</u>	<u>707,939</u>	<u>25,896,469</u>
<u>Total Assets</u>	<u>33,631,206</u>	<u>870,193</u>	<u>34,501,399</u>
<u>Deferred Outflows of Resources</u>			
Pension plans' resources	1,423,448	92,844	1,516,292
OPEB plans' resources	2,828,633	-	2,828,633
<u>Total Deferred Outflows of Resources</u>	<u>4,252,081</u>	<u>92,844</u>	<u>4,344,925</u>
<u>Total Assets and Deferred Outflows of Resources</u>	<u>\$ 37,883,287</u>	<u>\$ 963,037</u>	<u>\$ 38,846,324</u>

(Continued)

The accompanying notes to the financial statements are an integral part of this statement.

**Aston Township**  
**Statement of Net Position (Continued)**  
**December 31, 2021**

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Accounts payable and accrued expenses	\$ 1,352,069	\$ -	\$ 1,352,069
Unearned revenue	1,532,555	-	1,532,555
Developer escrow	379,215	-	379,215
Drug forfeiture escrow	7,094	-	7,094
Current portion of loan payable	32,584	-	32,584
Current portion of bonds payable	668,000	-	668,000
<u>Total Current Liabilities</u>	<u>3,971,517</u>	<u>-</u>	<u>3,971,517</u>
<u>Long-Term Liabilities</u>			
Loan payable	106,727		106,727
Bonds payable	13,093,000	-	13,093,000
Liability for compensated absences	531,673	-	531,673
Net police pension liability	2,443,468	-	2,443,468
Net OPEB liability	27,311,464	12,975	27,324,439
<u>Total Long-Term Liabilities</u>	<u>43,486,332</u>	<u>12,975</u>	<u>43,499,307</u>
<u>Total Liabilities</u>	<u>47,457,849</u>	<u>12,975</u>	<u>47,470,824</u>
<u>Deferred Inflows of Resources</u>			
Pension plans' resources	1,449,982	210,987	1,660,969
OPEB plans' resources	2,813,965	-	2,813,965
<u>Total Deferred Inflows of Resources</u>	<u>4,263,947</u>	<u>210,987</u>	<u>4,474,934</u>
<u>Net Position</u>			
Invested in capital assets, net of related debt	11,063,955	573,710	11,637,665
Restricted for:			
Construction and maintenance of public roads	105,483	-	105,483
Grant-stipulated expenditures	313	-	313
Unrestricted	(25,008,260)	165,365	(24,842,895)
<u>Total Net Position (Deficit)</u>	<u>(13,838,509)</u>	<u>739,075</u>	<u>(13,099,434)</u>
<u>Total Liabilities, Deferred Inflows of Resources, and Net Position (Deficit)</u>	<u>\$ 37,883,287</u>	<u>\$ 963,037</u>	<u>\$ 38,846,324</u>

The accompanying notes to the financial statements are an integral part of this statement.

**Aston Township**  
**Statement of Activities**  
**For the Year Ended December 31, 2021**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grant and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Primary Government</u>							
<u>Governmental Activities</u>							
General governmental	\$ 1,894,370	\$ 1,639,646	\$ 99,639	\$ -	\$ (155,085)	\$ -	\$ (155,085)
Public safety	4,641,774	426,334	373,583	-	(3,841,857)	-	(3,841,857)
Health and human services	14,220	300	-	-	(13,920)	-	(13,920)
Public works - highways and streets	1,425,586	3,044	461,552	107,263	(853,727)	-	(853,727)
Culture and recreation	641,936	20,327	-	-	(621,609)	-	(621,609)
Interest on long-term debt	389,991	-	-	-	(389,991)	-	(389,991)
Unallocated depreciation	1,404,638	-	-	-	(1,404,638)	-	(1,404,638)
<u>Total Governmental Activities</u>	<u>10,412,515</u>	<u>2,089,651</u>	<u>934,774</u>	<u>107,263</u>	<u>(7,280,827)</u>	<u>-</u>	<u>(7,280,827)</u>
<u>Business-Type Activities</u>							
Sanitation fund	1,218,728	1,272,733	39,482	-	-	93,487	93,487
<u>Total Business-Type Activities</u>	<u>1,218,728</u>	<u>1,272,733</u>	<u>39,482</u>	<u>-</u>	<u>-</u>	<u>93,487</u>	<u>93,487</u>
<u>Total Primary Government</u>	<u>\$ 11,631,243</u>	<u>\$ 3,362,384</u>	<u>\$ 974,256</u>	<u>\$ 107,263</u>	<u>(7,280,827)</u>	<u>93,487</u>	<u>(7,187,340)</u>
<u>General Revenues</u>							
Property taxes					5,418,663	-	5,418,663
Local enabling taxes					5,330,988	-	5,330,988
Rent					66,412	-	66,412
Investment earnings					15,801	-	15,801
Grants, subsidies, and contributions not restricted to a specific program					16,674	-	16,674
Other revenue					327,604	-	327,604
<u>Total General Revenues</u>					<u>11,176,142</u>	<u>-</u>	<u>11,176,142</u>
<u>Change in Net Position</u>					<u>3,895,315</u>	<u>93,487</u>	<u>3,988,802</u>
<u>Net Position - Beginning (As Restated)</u>					<u>(17,733,824)</u>	<u>645,588</u>	<u>(17,088,236)</u>
<u>Net Position - Ending</u>					<u>\$ (13,838,509)</u>	<u>\$ 739,075</u>	<u>\$ (13,099,434)</u>

The accompanying notes to the financial statements are an integral part of this statement.

**Aston Township**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2021**

	Major Special Revenue Funds							Totals Governmental Funds
	General Fund	Highway Aid Fund	Matching Grant Fund	American Recovery Plan Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	
<u>Assets</u>								
Cash and cash equivalents	\$ 2,902,378	\$ 105,795	\$ 109,860	\$ 754,296	\$ -	\$ 2,883,560	\$ 10,376	\$ 6,766,265
Taxes receivable	1,272,374	-	-	-	21,690	-	9,711	1,303,775
Other receivables	234,211	-	-	-	-	-	-	234,211
Due from other funds	641,441	-	-	-	724	136,364	37,980	816,509
Prepaid expenditures	134,250	-	-	-	-	-	-	134,250
Deposits	25,168	-	-	-	-	-	-	25,168
<b>Total Assets</b>	<b>\$ 5,209,822</b>	<b>\$ 105,795</b>	<b>\$ 109,860</b>	<b>\$ 754,296</b>	<b>\$ 22,414</b>	<b>\$ 3,019,924</b>	<b>\$ 58,067</b>	<b>\$ 9,280,178</b>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u>								
<u>Liabilities</u>								
Accounts payable	\$ 297,694	\$ 312	\$ 35,066	\$ -	\$ -	873,919	\$ 43,902	\$ 1,250,893
Accrued payroll and related liabilities	101,176	-	-	-	-	-	-	101,176
Due to other funds	175,069	-	500,265	-	-	-	137,000	812,334
Developer escrow	379,215	-	-	-	-	-	-	379,215
Drug forfeiture escrow	7,094	-	-	-	-	-	-	7,094
Unearned revenue	-	-	-	753,983	-	778,572	-	1,532,555
<b>Total Liabilities</b>	<b>960,248</b>	<b>312</b>	<b>535,331</b>	<b>753,983</b>	<b>-</b>	<b>1,652,491</b>	<b>180,902</b>	<b>4,083,267</b>
<u>Deferred Inflows of Resources</u>								
Unavailable revenue - taxes	170,500	-	-	-	18,560	-	8,309	197,369
<b>Total Deferred Inflows of Resources</b>	<b>170,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,560</b>	<b>-</b>	<b>8,309</b>	<b>197,369</b>
<u>Fund Balances</u>								
Nonspendable	134,250	-	-	-	-	-	-	134,250
Restricted for:								
Construction and maintenance of public roads	-	105,483	-	-	-	-	-	105,483
Grant-stipulated expenditures	-	-	-	313	-	-	-	313
Committed for:								
Capital projects	-	-	-	-	-	1,367,433	-	1,367,433
Debt service	-	-	-	-	3,854	-	-	3,854
Unassigned	3,944,824	-	(425,471)	-	-	-	(131,144)	3,388,209
<b>Total Fund Balances</b>	<b>4,079,074</b>	<b>105,483</b>	<b>(425,471)</b>	<b>313</b>	<b>3,854</b>	<b>1,367,433</b>	<b>(131,144)</b>	<b>4,999,542</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 5,209,822</b>	<b>\$ 105,795</b>	<b>\$ 109,860</b>	<b>\$ 754,296</b>	<b>\$ 22,414</b>	<b>\$ 3,019,924</b>	<b>\$ 58,067</b>	<b>\$ 9,280,178</b>

The accompanying notes to the financial statements are an integral part of this statement.

**Aston Township**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**December 31, 2021**

Total Fund Balances - Governmental Funds \$ 4,999,542

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	\$ 456,397	
Construction in progress	10,881,246	
Land improvements	1,891,768	
Buildings and improvements	3,804,476	
Equipment	269,916	
Vehicles	286,011	
Infrastructure	<u>7,235,141</u>	24,824,955

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Loan payable	(139,311)	
Bonds payable	(13,761,000)	
Liability for compensated absences	(531,673)	
Net pension liabilities and assets, net of related deferred outflows and deferred inflows of resources	(2,131,595)	
Net OPEB liability, net of related deferred outflows and deferred inflows of resources	<u>(27,296,796)</u>	(43,860,375)

Certain revenues receivable will not be collected soon enough after the end of the year to pay for the current year's expenditures and, therefore, are deferred in the funds

197,369

Net Position of Governmental Activities \$ (13,838,509)

The accompanying notes to the financial statements are an integral part of this statement.

**Aston Township**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2021**

	Major Special Revenue Funds						Totals Governmental Funds	
	General Fund	Highway Aid Fund	Matching Grant Fund	American Recovery Plan Fund	Debt Service Fund	Capital Projects Fund		Other Governmental Funds
<b>Revenues</b>								
Taxes:								
Property	\$ 4,640,640	\$ -	\$ -	\$ -	\$ 508,370	\$ -	\$ 227,603	\$ 5,376,613
Local enabling act taxes	5,330,988	-	-	-	-	-	-	5,330,988
Licenses and permits	1,702,270	-	-	-	-	-	-	1,702,270
Fines and forfeits	35,446	-	-	-	-	-	-	35,446
Rent	42,082	-	-	-	-	24,330	-	66,412
Investment earnings	5,616	383	368	313	-	9,104	17	15,801
Intergovernmental revenues - grants	418,689	461,552	-	88,430	-	-	90,040	1,058,711
Departmental earnings	351,935	-	-	-	-	-	-	351,935
Other revenue	320,153	-	-	-	-	7,451	-	327,604
<b>Total Revenues</b>	<b>12,847,819</b>	<b>461,935</b>	<b>368</b>	<b>88,743</b>	<b>508,370</b>	<b>40,885</b>	<b>317,660</b>	<b>14,265,780</b>
<b>Expenditures</b>								
Current:								
General government	1,901,296	-	-	-	-	-	-	1,901,296
Public safety	7,620,758	-	-	-	-	-	271,124	7,891,882
Health and human services	14,450	-	-	-	-	-	-	14,450
Public works - highways and streets	1,316,895	120,112	-	-	-	-	-	1,437,007
Culture and recreation	595,088	-	-	-	-	-	51,039	646,127
Capital Outlay:								
Public safety	54,256	-	-	-	-	3,593,540	-	3,647,796
Public works - highways and streets	113,303	361,625	5,619	88,430	-	2,494,494	-	3,063,471
Culture and recreation	-	-	333,960	-	-	-	2,744	336,704
Debt service:								
Principal	38,637	-	-	-	646,000	-	-	684,637
Interest	4,639	-	-	-	372,911	-	-	377,550
<b>Total Expenditures</b>	<b>11,659,322</b>	<b>481,737</b>	<b>339,579</b>	<b>88,430</b>	<b>1,018,911</b>	<b>6,088,034</b>	<b>324,907</b>	<b>20,000,920</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>1,188,497</b>	<b>(19,802)</b>	<b>(339,211)</b>	<b>313</b>	<b>(510,541)</b>	<b>(6,047,149)</b>	<b>(7,247)</b>	<b>(5,735,140)</b>
<b>Other Financing Sources (Uses) of Funds</b>								
Operating transfer in	29	-	-	-	510,542	-	-	510,571
Operating transfer out	(510,542)	-	-	-	-	-	(29)	(510,571)
<b>Total Other Financing Sources (Uses) of Funds</b>	<b>(510,513)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>510,542</b>	<b>-</b>	<b>(29)</b>	<b>-</b>
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses of Funds</b>	<b>677,984</b>	<b>(19,802)</b>	<b>(339,211)</b>	<b>313</b>	<b>1</b>	<b>(6,047,149)</b>	<b>(7,276)</b>	<b>(5,735,140)</b>
<b>Fund Balances - Beginning (As Restated)</b>	<b>3,401,090</b>	<b>125,285</b>	<b>(86,260)</b>	<b>-</b>	<b>3,853</b>	<b>7,414,582</b>	<b>(123,868)</b>	<b>10,734,682</b>
<b>Fund Balances - Ending</b>	<b>\$ 4,079,074</b>	<b>\$ 105,483</b>	<b>\$ (425,471)</b>	<b>\$ 313</b>	<b>\$ 3,854</b>	<b>\$ 1,367,433</b>	<b>\$ (131,144)</b>	<b>\$ 4,999,542</b>

The accompanying notes to the financial statements are an integral part of this statement.

**Aston Township**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund**  
**Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended December 31, 2021**

Net Change in Fund Balances - Total Governmental Funds \$ (5,735,140)

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

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

In the current period these amounts were:

Capital outlay	\$ 7,047,971	
Depreciation expense	(1,404,638)	
		5,643,333

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consisted of:

Repayment of loan payable	31,637	
Repayment of bonds payable	653,000	
Amortization of bond discount	(12,441)	
		672,196

The net change in the net pension liability, as well as the change in related deferred outflows of resources and deferred inflows of resources, is reported in the statement of activities, but is not reported in the fund statements 606,845

The net change in the net OPEB liability, as well as the change in related deferred outflows of resources and deferred inflows of resources, is reported in the statement of activities, but is not reported in the fund statements 2,429,014

In the statement of activities, compensated absences are measured by the amount earned during the year. In the governmental funds, expenditures are measured by the amounts actually paid 237,017

The change in deferred inflow of resources for tax revenues collected beyond 60 days of year end is reflected in the statement of revenues, expenditures, and changes in fund balances of the governmental funds, but does not affect revenues recognized in the statement of activities 42,050

Change in Net Position of Governmental Activities \$ 3,895,315

The accompanying notes to the financial statements are an integral part of this statement.

**Aston Township**  
**Statement of Net Position**  
**Sanitation Fund**  
**December 31, 2021**

Assets and Deferred Outflows of Resources

<u>Current Assets</u>	
Accounts receivable, net of allowance for uncollectibles	\$ 155,698
Prepaid expenses	<u>10,731</u>
<u>Total Current Assets</u>	<u>166,429</u>
<u>Non-Current Assets</u>	
Property and equipment, net of accumulated depreciation	573,710
Net pension asset	<u>134,229</u>
<u>Total Non-Current Assets</u>	<u>707,939</u>
<u>Total Assets</u>	874,368
<u>Deferred Outflows of Resources</u>	
Pension plans' resources	<u>92,844</u>
<u>Total Assets and Deferred Outflows of Resources</u>	<u>\$ 967,212</u>

Liabilities and Net Position

<u>Current Liabilities</u>	
Due to other funds	<u>\$ 4,175</u>
<u>Total Current Liabilities</u>	4,175
<u>Long Term Liabilities</u>	
Net OPEB liability	<u>12,975</u>
<u>Total Liabilities</u>	<u>17,150</u>
<u>Deferred Inflows of Resources</u>	
Pension plans' resources	<u>210,987</u>
<u>Net Position</u>	
Invested in capital assets, net of related debt	573,710
Unrestricted	<u>165,365</u>
<u>Total Net Position</u>	<u>739,075</u>
<u>Total Liabilities, Deferred Inflows of Resources, and Net Position</u>	<u>\$ 967,212</u>

The accompanying notes to the financial statements are an integral part of this statement.

**Aston Township**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Sanitation Fund**  
**For the Year Ended December 31, 2021**

<u>Operating Revenues</u>	
Charges for services	<u>\$ 1,272,733</u>
<u>Total Operating Revenues</u>	<u>1,272,733</u>
<u>Operating Expenses</u>	
Salaries and wages	554,842
Employee benefits	147,097
Pension cost	162
Vehicle expense and fuel	27,320
Repairs and maintenance	28,425
Expenses - waste management authorities	301,231
Supplies	3,240
Recycling charges	111,262
Depreciation	<u>45,149</u>
<u>Total Operating Expenses</u>	<u>1,218,728</u>
<u>Operating Income</u>	<u>54,005</u>
<u>Nonoperating Revenues</u>	
Intergovernmental revenue - grants	<u>39,482</u>
<u>Total Nonoperating Revenues</u>	<u>39,482</u>
<u>Change in Net Position</u>	93,487
<u>Net Position - Beginning of Year</u>	<u>645,588</u>
<u>Net Position - End of Year</u>	<u><u>\$ 739,075</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

**Aston Township**  
**Statement of Cash Flows**  
**Sanitation Fund**  
**For the Year Ended December 31, 2021**

<u>Cash Flows from Operating Activities</u>	
Cash received from users	\$ 1,276,194
Cash paid to employees	(737,866)
Cash payments to suppliers for goods and services	<u>(505,316)</u>
<u>Net Cash Provided by Operating Activities</u>	<u>33,012</u>
 <u>Cash Flows from Non-Capital Financing Activities</u>	
Intergovernmental revenue - grants	39,482
Repayment of interfund payable	<u>4,175</u>
<u>Net Cash Provided by Non-Capital Financing Activities</u>	<u>43,657</u>
 <u>Cash Flows from Capital and Related Financing</u>	
Purchase of capital assets	<u>(76,669)</u>
<u>Net Cash (Used) by Capital and Related Financing</u>	<u>(76,669)</u>
<u>Net Change in Cash and Cash Equivalents</u>	-
<u>Cash and Cash Equivalents - Beginning of Year</u>	<u>-</u>
<u>Cash and Cash Equivalents - End of Year</u>	<u><u>\$ -</u></u>
 <u>Reconciliation of Operating Loss to Net Cash</u>	
<u>Provided by Operating Activities</u>	
Operating income	\$ 54,005
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	45,149
Changes in assets and liabilities:	
Accounts receivable	3,461
Accounts payable and accrued expenses	(33,838)
Net pension liability and related deferred outflows and inflows of resources	<u>(35,765)</u>
<u>Net cash provided by operating activities</u>	<u><u>\$ 33,012</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

**Aston Township**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**December 31, 2021**

	<u>Pension Funds</u>		<u>Total Fiduciary Funds</u>
	<u>Police Pension</u>	<u>Non- Uniformed Pension</u>	
<u>Assets</u>			
Cash and cash equivalents	\$ 3,537,028	\$ 152,010	\$ 3,689,038
Act 44 DROP balance	191,752	-	191,752
Employee contributions receivable	706	-	706
Accrued interest receivable	27,572	-	27,572
Prepaid pension payments	85,905	12,114	98,019
Other receivables	17,019	-	17,019
Investments at fair value:			
Corporate stocks	8,467,861	-	8,467,861
Mutual funds - equities	2,073,170	-	2,073,170
Fixed income securities:			
Government obligations	3,588,693	-	3,588,693
Non-governmental obligations	2,814,606	-	2,814,606
Foreign obligations	384,355	-	384,355
Exchange traded funds	-	4,321,310	4,321,310
<u>Total Assets</u>	<u>\$ 21,188,667</u>	<u>\$ 4,485,434</u>	<u>\$ 25,674,101</u>
<u>Liabilities</u>	-	-	-
<u>Net Position</u>			
Restricted for pension benefits	<u>21,188,667</u>	<u>4,485,434</u>	<u>25,674,101</u>
<u>Total Net Position</u>	<u>\$ 21,188,667</u>	<u>\$ 4,485,434</u>	<u>\$ 25,674,101</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

**Aston Township**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended December 31, 2021**

	<u>Pension Funds</u>		<u>Total Fiduciary Funds</u>
	<u>Police Pension</u>	<u>Non- Uniformed Pension</u>	
<u>Additions</u>			
Contributions			
Township and State	\$ 1,214,004	\$ 127,774	\$ 1,341,778
Plan members	187,671	-	187,671
Total Contributions	<u>1,401,675</u>	<u>127,774</u>	<u>1,529,449</u>
Investment Earnings			
Interest and dividends	321,618	91,828	413,446
Net increase in fair value of investments	1,548,823	402,046	1,950,869
Less investment expense	<u>(77,681)</u>	<u>(20,844)</u>	<u>(98,525)</u>
Net investment earnings	<u>1,792,760</u>	<u>473,030</u>	<u>2,265,790</u>
Other Income	<u>342</u>	<u>-</u>	<u>342</u>
Total additions	<u>3,194,777</u>	<u>600,804</u>	<u>3,795,581</u>
<u>Deductions</u>			
Retirement benefits	1,138,888	150,729	1,289,617
Administrative expenses	<u>11,650</u>	<u>-</u>	<u>11,650</u>
Total deductions	<u>1,150,538</u>	<u>150,729</u>	<u>1,301,267</u>
<u>Changes in Net Fiduciary Position</u>	2,044,239	450,075	2,494,314
<u>Net Position - Beginning of Year</u>	<u>19,144,428</u>	<u>4,035,359</u>	<u>23,179,787</u>
<u>Net Position - End of Year</u>	<u>\$ 21,188,667</u>	<u>\$ 4,485,434</u>	<u>\$ 25,674,101</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 1 Summary of Significant Accounting Policies

Aston Township (the “Township”) is a First Class Township located within the Commonwealth of Pennsylvania and is governed by a Board of Commissioners. The Township’s financial statement include the accounts of all Township operations. The accounting policies of the Township conform to generally accepted accounting principles (“GAAP”) as applicable to municipalities. The Governmental Accounting Standards Board (“GASB”) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

A. Financial Reporting Entity

The Township’s financial reporting entity is comprised of the primary government. In determining the financial reporting entity, the Township complies with the provisions of GASB criteria set forth for identifying the financial reporting entity. Discretely presented component units are separate legal entities that meet the component unit criteria. The Township did not identify any entities this period that met the definition of a component unit.

B. Basis of Presentation

The Township’s basic financial statements include both government-wide (reporting the Township as a whole) and fund financial statements (reporting the Township's major funds). Both the government-wide and fund financial statements categorize primary activities as governmental.

*Government-Wide Financial Statements*

The government-wide financial statements (statement of net position and statement of activities) report information on all of the non-fiduciary activities of the primary government. As a general rule, the effect of interfund activity has been eliminated from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and other charges for support.

In the government-wide statement of net position, the governmental activities are presented on a consolidated basis by column, and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 1 Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (continued)

*Government-Wide Financial Statements (continued)*

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given functional category (general government, public safety, etc.) are offset by program revenues. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given functional category and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular functional category.

*Fund Financial Statements*

The financial transactions of the Township are recorded in individual funds. Each fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues, and expenditures/expenses. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. The nonmajor funds in each category are combined in a column in the fund financial statements. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise funds combined) for the determination of major funds. The Township electively included certain funds as major funds that either had debt outstanding or specific community focus.

The fund financial statements are presented using a current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (both measurable and available). "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Township considers property taxes as available if collected within sixty days after year-end. The availability period for all other significant revenue in governmental funds is ninety days. Property taxes due but not collected within sixty days after year-end are considered unavailable revenue and recorded as a deferred inflow of resources. Licenses, permits, and fines and costs are recorded as revenues when received. Intergovernmental revenues, consisting primarily of Federal, state, and other grants for the purpose of funding specific expenditures, are recognized when earned or at the time of the specific expenditure. Interest earnings are recorded as received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt are recognized as fund liabilities when due. As the fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, reconciliations are presented which briefly explain the adjustments necessary to reconcile the governmental fund financial statements to the government-wide financial statements.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 1 Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (continued)

*Fund Financial Statements (continued)*

The Aston Township Police Pension Plan and the Non-Uniformed Pension Plan is presented on the accrual basis of accounting in conformity with generally accepted accounting principles as applicable to government entities. Plan members' and employer contributions to the Plans are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The Township reports the following governmental, proprietary, and fiduciary funds:

Governmental Funds

- General Fund: The General Fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund.
- Special Revenue Funds: Special Revenue Funds account for revenue derived from specifically-earmarked revenue sources. For the purposes of this report, major special revenue funds include the Highway Aid Fund, the Matching Grant Fund, and the American Recovery Plan Fund. Nonmajor special revenue funds include the Fire Tax Fund, the Library Fund, the DCIU Grant Fund, and the Smiles Playground Fund; the activity for these funds are shown within the Other Governmental Funds columns within the governmental funds statements.
- Debt Service Fund: This fund is used to account for the accumulation of resources for and the payment of general long-term debt principal and interest.
- Capital Projects Fund: This fund is used to account for resources restricted or assigned for the acquisition or construction of specific capital projects or items.

Proprietary Funds

- Sanitation Fund: Activities in this fund account for the collection and disposal of refuse.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 1 Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (continued)

*Fund Financial Statements (continued)*

Fiduciary Funds

- Trust Funds: The Township's trust funds include the accounts of the Police and Non-Uniformed pension plans that are restricted for pension benefits.

*Measurement Focus*

The accounting and reporting treatment applied to a fund is determined by its measurement focus. Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

On the government-wide statement of net position and statement of activities, governmental and business-type activities are presented using the economic resources measurement focus. The objective of the economic resources measurement focus is the determination of operating income, changes in net assets, net position, and cash flows (if applicable). All assets and liabilities, whether current or non-current, are reported.

All governmental funds are accounted for on a current financial resources measurement focus, in which only current assets and current liabilities are generally reported. Operating statements of such funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. These funds use fund balance as their measure of available spendable financial resources at the end of the period. Proprietary funds are accounted for on an economic resources measurement focus.

C. Deposits and Investments

The Township is permitted under state law to invest funds consistent with sound business practices in the following types of investments:

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

Aston Township  
Notes to Financial Statements  
December 31, 2021

Note 1 Summary of Significant Accounting Policies (Continued)

C. Deposits and Investments (continued)

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

The Township's investments are measured and reported at fair value and are classified according to the following hierarchy:

Level 1 – Investments reflect prices quoted in active markets.

Level 2 – Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.

Level 3 – Investments which reflect prices based on unobservable resources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

The Township considers all investments to be Level 1.

D. Cash and Cash Equivalents

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

E. Long-Term Liabilities

The accounting treatment of long-term debt depends on whether the assets are utilized in governmental fund operations or in a proprietary fund and whether they are reported in the government-wide or fund financial statements. All long-term debt to be repaid from governmental resources is reported as liabilities on the government-wide statements. The Township's long-term debt consists of general obligation bonds and/or notes payable, accrued compensated absences, net pension obligations, and other post-employment benefits ("OPEB") obligations.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 1 Summary of Significant Accounting Policies (Continued)

F. Equity Classification

*Government-Wide Statements*

Equity is classified as net position and displayed in three components:

Invested in capital assets, net of related debt – Consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of items within net position with constraints placed on the use either by outside groups such as grantors or laws and regulations of other governments, or through law.

Unrestricted – Includes all other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

*Fund Statements*

Governmental fund equity is classified as fund balance. In the fund financial statements, governmental fund balance is presented in five possible categories:

Non-spendable – Resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.

Restricted – Resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; b) imposed by law through constitutional provisions or enabling legislation.

Committed – Resources that are subject to limitations the government imposes upon itself at its highest level of decision making, which is the Aston Township Board of Commissioners, and that remain binding unless removed in the same manner.

Assigned – Resources neither restricted nor committed for which a government has a stated intended use as established by the Board or an official to which the Board has delegated the authority to assign amounts for specific purposes.

Unassigned – Resources which cannot be properly classified in one of the other four categories. The residual classification of fund balance of the General Fund, whether the amount is positive or negative, is an unassigned fund balance. Other governmental funds may report negative unassigned fund balance if their expenditures exceed the amounts restricted, committed, or assigned to their fund purposes. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs, if applicable.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 1 Summary of Significant Accounting Policies (Continued)

G. Receivables and Payables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances in both government-wide and fund statements, particularly with regard to real estate taxes, and trash and rubbish collections, are based upon historical trends. Non-exchange transactions collectible but not available, such as the real estate taxes, are deferred in the fund financial statements in accordance with the modified accrual basis of accounting, but not deferred in the government-wide financial statements in accordance with the accrual basis of accounting. The Sanitation Fund, as a proprietary fund, reports its accounts receivable on the full accrual basis of accounting.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” All property tax and other receivables are shown net of any allowance for uncollectible accounts.

H. Deferred Inflows and Outflows of Resources

A deferred outflow of resources is a consumption of net assets that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net assets that is applicable to a future reporting period. Deferred outflows of resources and deferred inflows of resources reported in the government-wide statement of net position include amounts attributable to the Township’s pension plans and/or OPEB plans. Deferred inflows of resources reported in the balance sheet – governmental funds include unavailable tax revenue.

I. Capital Assets

Prior to the Township’s conversion from the cash basis of accounting to the accrual basis of accounting in 2014, detailed cost records had not been maintained and therefore capital assets had not been reported in the Township’s financial statements. Beginning in 2014, the Township reviewed all carrying values of existing assets and the useful lives of those assets, and estimated accumulated depreciation on those existing assets, including infrastructure. Such carrying values had been determined as follows:

Land – Total expenditures for sites were obtained from deeds and settlement documentation.

Buildings – Cost was obtained by the Township by reviewing prior years’ minutes in order to determine construction time. Costs were verified by the Township to contracts and historical cost estimates provided by engineers.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 1     Summary of Significant Accounting Policies (Continued)

I.   Capital Assets (continued)

Infrastructure – Costs have been valued at estimated historical cost by engineers where exact records were unavailable, with accompanying accumulated depreciation as applicable.

Equipment, Furniture and Fixtures – Cost was obtained by the Township, reviewing and inventorying existing furniture, fixtures, streetlights, and traffic lights and determining actual cost of acquisition.

Capital assets, which include land, land improvements, buildings and improvements, equipment, vehicles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the governmental or business-type activity fund columns, as applicable, in the government-wide financial statements. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital additions are stated at historical cost, or if cost is not determinable, at estimated fair market value at the date of purchase or donation. Capital assets are defined by the Township as assets with an estimated useful life in excess of one year. The Township has adopted a capitalization policy of \$5,000 per individual asset.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

Depreciation of all exhaustible fixed assets is recorded as an unallocated expense in the statement of activities. Depreciation is reported as "unallocated" due to the assets' applicability to multiple functions of the government. Depreciation is provided over the assets' useful lives using the straight-line method of depreciation.

The range of estimated useful lives by type of asset is as follows:

Buildings	30 years
Equipment	3-5 years
Machinery	10 years
Fire Trucks	25 years
Infrastructure	40 –50 years

In the fund financial statements, capital assets used in government fund operations are accounted for as expenditures of the governmental fund upon acquisition.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 1 Summary of Significant Accounting Policies (Continued)

J. Vacation and Sick Leave

The Township's vacation policy for Township employees provides that employees, both uniform and non-uniform, are to take vacation within the Township's fiscal year it was earned, or the employee loses the vacation time. The Township's non-uniform employees are permitted to accumulate up to 75 sick days upon retirement or termination due to reduction in workforce or resignation. Uniform employees are entitled to 17 days of annual sick leave cumulative to 150 days. At termination of employment (for other than retirement or disability), officers shall receive as severance pay, full compensation of his then salary for up to 100 unused sick days. At termination of employment for retirement or disability, the officer shall receive as severance pay, the full compensation of their then salary up to 150 of unused sick days.

K. Real Estate Taxes

Real estate taxes are levied on February 1. A two percent (2%) discount is allowed if the taxes are paid on or before March 31. The face amount is due by May 31. Taxes paid after May 31 are subject to a ten percent (10%) penalty. Unpaid taxes are considered delinquent after December 31. Delinquent real estate taxes are then turned over to the County and are subject to lien.

L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

M. Budgets

Budgets are legally adopted for the following major governmental funds: General, Highway Aid, Debt Service, and Capital Projects.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 2 Cash Deposits and Investments

*Custodial Risk – Deposits*

Custodial risk related to deposits is the risk that in the event of a bank failure, the Township's deposits may not be returned, or the Township will not be able to recover collateral securities in the position of an outside party. The Township does not have a policy for custodial credit risk. However, the Township primarily maintains deposits either with financial institutions which, pursuant to Act No. 72 of Pennsylvania, pool assets required to be pledged to secure public deposits, the total value of the pool to equal not less than the sum of all the pledges required for each separate deposit, or in amounts insured by the Federal Deposit Insurance Corporation. Deposits for all funds are either fully insured or collateralized pursuant to Commonwealth of Pennsylvania statutes.

As of December 31, 2021, including fiduciary funds, the aggregate carrying amounts of deposits was \$10,455,303 and the aggregate bank balance was \$11,576,770, of which \$277,766 was insured by the federal depository insurance (FDIC). Therefore, included in cash and cash equivalents is the remaining \$11,299,004 collateralized as noted above pursuant to Act 72.

*Custodial Credit Risk – Investments*

Custodial credit risk related to investments is the risk that in the event of a failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in position of an outside party. The risks of default are limited due to the constraints imposed upon allowable investment instruments.

*Investments – Police Pension Plan*

The Township held \$21,649,995 in investments (comprised of \$17,328,685 in the Police Pension Plan and \$4,321,310 in the Non-Uniformed Pension Plan).

Investments are reported at fair value. Unrealized gains and/or losses due to fluctuations in market value are recorded in the financial statements. Securities traded on national exchanges are valued at the last reported sales price. Realized gains or losses are recorded at the time of sale. Net appreciation or depreciation in the fair value of plan investments includes both realized and unrealized gains and losses and related fees as well as investment.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 2 Cash Deposits and Investments (Continued)

*Investments – Police Pension Plan (continued)*

Plan investments for the police pension plan as of December 31, 2021 were follows:

Corporate stocks	\$ 8,467,861
Mutual funds - equities	2,073,170
Fixed income securities:	
Government obligations	3,588,693
Non-governmental obligations	2,814,606
Foreign obligations	<u>384,355</u>
 <u>Total Investments</u>	 <u>\$ 17,328,685</u>

The Township considers all investments to be Level 1.

The following investment comprised five percent (5%) or more of the Plan's fiduciary net position as of December 31, 2021:

McKee International Equity Portfolio	<u>\$ 2,602,758</u>
--------------------------------------	---------------------

The pension plan has established an investment policy regarding the allocation of invested assets that may be amended by the Township Board of Commissioners and its Pension Board. The Police Pension Plan has adopted the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equities - large cap	46%	6.00%
Domestic equities - small cap	5%	6.50%
International stocks	14%	6.75%
Fixed income	35%	<u>1.75%</u>
Total Net Blended Return		4.64% *

\* Excludes 2.50% inflation and 0.70% active management alpha assumption.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 2 Cash Deposits and Investments (Continued)

*Investments – Police Pension Plan (continued)*

For the year ended December 31, 2021, the annual money-weighted rate of return on pension plan investments was 9.36% as compared with 6.86% for 2020. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changing amounts actually invested.

*Investments – Non-Uniformed Pension Plan*

Investments are reported at fair value. Unrealized gains and/or losses due to fluctuations in market value are recorded in the financial statements. Securities traded on national exchanges are valued at the last reported sales price. Realized gains or losses are recorded at the time of sale. Net appreciation or depreciation in the fair value of plan investments includes both realized and unrealized gains and losses and related fees as well as investment. Plan investments at year end consist of exchange traded funds, totaling \$4,321,310. The Township considers all investments to be Level 1.

The following investment comprised five percent (5%) or more of the Plan’s fiduciary net position as of December 31, 2021:

Vanguard All-World ex-US ETF	\$ 965,773
Vanguard Growth Index Fund ETF	733,577
Vanguard Total Bond Market Index Fund ETF	719,951
Vanguard Value Index Fund ETF	713,336
Vanguard Mid-Cap ETF	243,560
Vanguard Small-Cap ETF	240,475

The pension plan has established an investment policy regarding the allocation of invested assets that may be amended by the Township Board of Commissioners and its Pension Board. The policy strategy acts to reduce risk while maximizing returns through the prudent diversification of the portfolio in order to maintain a fully funded status and meet the benefit and expense obligations as they become due.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 2 Cash Deposits and Investments (Continued)

*Investments – Non-Uniformed Pension Plan (continued)*

The Non-Uniformed Pension Plan has adopted the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equities	49.00%	4.40%
International equities	21.00%	5.73%
Fixed income	27.00%	-1.22%
Cash	3.00%	<u>-0.38%</u>
Total Net Blended Return		3.44% *

\* Excludes 2.21% inflation assumption.

For the year ended December 31, 2021, the annual money-weighted rate of return on the non-uniform pension plan investments was 11.97% as compared with 14.69% in 2020. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changing amounts actually invested.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 3 Capital Assets

All capital assets are valued at historical cost or estimated historical cost if actual was unavailable. Donated fixed assets are recorded at their estimated fair value at the date of donation. Infrastructure costs prior to 2003 are valued at estimated historical cost by engineers where exact records were unavailable with accompanying accumulated depreciation as applicable. The following is a summary of capital assets activity for 2021:

	Balance - 12/31/2020	Additions	Disposals	Balance - 12/31/2021
<u>Governmental Activities:</u>				
<u>Capital Assets Not Being Depreciated:</u>				
Land	\$ 456,397	\$ -	\$ -	\$ 456,397
Construction in Progress	4,450,889	6,430,357	-	10,881,246
<u>Total Capital Assets Not Being Depreciated</u>	<u>4,907,286</u>	<u>6,430,357</u>	<u>-</u>	<u>11,337,643</u>
<u>Capital Assets Being Depreciated:</u>				
Land improvements	5,547,511	88,430	-	5,635,941
Buildings and improvements	13,829,184	-	-	13,829,184
Equipment	608,989	66,455	-	675,444
Vehicles	1,315,136	83,700	-	1,398,836
Infrastructure:				
Roads	22,224,966	379,029	-	22,603,995
Street lights and traffic signals	2,028,954	-	-	2,028,954
<u>Totals at Estimated Historical Cost</u>	<u>45,554,740</u>	<u>617,614</u>	<u>-</u>	<u>46,172,354</u>
<u>Less Accumulated Depreciation:</u>				
Land improvements	(3,570,830)	(173,343)	-	(3,744,173)
Buildings and improvements	(9,727,328)	(297,380)	-	(10,024,708)
Equipment	(340,132)	(65,396)	-	(405,528)
Vehicles	(1,008,659)	(104,166)	-	(1,112,825)
Infrastructure:				
Roads	(15,772,604)	(691,162)	-	(16,463,766)
Street lights and traffic signals	(860,851)	(73,191)	-	(934,042)
<u>Total Accumulated Depreciation</u>	<u>(31,280,404)</u>	<u>(1,404,638)</u>	<u>-</u>	<u>(32,685,042)</u>
<u>Capital Assets Being Depreciated, Net</u>	<u>14,274,336</u>	<u>(787,024)</u>	<u>-</u>	<u>13,487,312</u>
<u>Governmental Activities Capital Assets, Net</u>	<u>\$ 19,181,622</u>	<u>\$ 5,643,333</u>	<u>\$ -</u>	<u>\$24,824,955</u>
<u>Business-Type Activities:</u>				
Vehicles	\$ 820,615	\$ 76,669	\$ -	\$ 897,284
Less Accumulated Depreciation	(278,425)	(45,149)	-	(323,574)
<u>Business-Type Activities Capital Assets, Net</u>	<u>\$ 542,190</u>	<u>\$ 31,520</u>	<u>\$ -</u>	<u>\$ 573,710</u>

The balance of construction in progress as of December 31, 2020 has been restated to include costs totaling \$1,368,036 that had not been capitalized for the government-wide financial statements.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 4 Interfund Receivables, Payables, and Transfers

Interfund receivables and payables arise from interfund transactions. Principally, these amounts result from operating subsidies or loans. Interfund receivables and payables are eliminated within the government-wide financial statements but are shown on the governmental fund statements. As of December 31, 2021, the amount of interfund receivables was equal to the amount of interfund payables as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General fund	\$ 641,441	\$ 175,069
Debt service fund	724	-
Capital projects fund	136,364	-
Matching grant fund	-	500,265
Other governmental funds:		
Fire tax fund	28,515	-
Library fund	9,465	-
Smiles playground fund	-	137,000
Sanitation fund	-	4,175
	<u>          </u>	<u>          </u>
Totals	<u>\$ 816,509</u>	<u>\$ 816,509</u>

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; 2) move receipts restricted to debt service from the funds collecting the receipts as debt service payments become due; and 3) use unassigned and uncommitted revenues collected in the general fund to finance various programs accounting for in other funds in other funds in accordance with budgetary authorizations. The following is a summary of interfund transfers for 2021:

<u>Fund</u>	<u>Interfund Transfers In</u>	<u>Interfund Transfers Out</u>
General fund	\$ 29	\$ 510,542
Debt service fund	510,542	-
DCIU fund	-	29
	<u>          </u>	<u>          </u>
Totals	<u>\$ 510,571</u>	<u>\$ 510,571</u>

Aston Township  
Notes to Financial Statements  
December 31, 2021

Note 5     Long-Term Debt

*Loan Payable*

In 2017, the Township entered into a loan with Univest Bank and Trust Co. that was used to fund certain energy conservation measures pursuant to a Guaranteed Savings Agreement with Johnson Controls, Inc. The loan matures in 2026 and carries a fixed interest rate of 2.95%.

*General Obligation Debt*

The Township had four general obligation notes outstanding as of December 31, 2021.

The Series of 2018 General Obligation Notes were issued in the amount of \$12,250,000 for the purpose of funding the fire house construction. The note, supported by the full faith and credit of the Township, matures in 2038 and carries a fixed interest rate of 2.782%.

The Series of 2015 General Obligation Notes were issued in the amount of \$2,795,000 to refund a 2010 general obligation bond. The note, supported by the full faith and credit of the Township, is for a term of 10 years maturing in 2025, and carrying a fixed interest rate of 1.9525%.

The Series of 2012 General Obligation Notes were issued in the amount of \$1,826,000 to refund the 2005 bond, which funded improvements to the Township's storm water sewer system. The note, supported by the full faith and credit of the Township, matures in 2025 and carries a fixed interest rate of 2.24%

The Township also issued a general obligation note for the financing of a fire truck in 2010 in the original amount of \$100,000. The note, supported by the full faith and credit of the Township, matures in 2025, and carries a variable rate.

*Liability for Compensated Absences*

Non-uniformed employees: Vacation requests made by non-uniformed employees must be approved by management. After the completion of six months of employment with the Township, non-uniformed employees accrue one sick day per month up to a maximum of 75 days. Vacation and sick days are granted on a calendar basis and unused vacation and sick days are not paid to non-uniformed employees at termination. Accordingly, the value of unused vacation and sick days are not accrued in these financial statements for non-uniformed employees.

Police officers: Full-time police officers are entitled to annual vacation of from one to six weeks. All police officers are required to take their vacation with pay. In addition, police officers are entitled to receive five personal days off per year. Police officers hired on or before January 1, 2012 are entitled to receive 17 days of annual sick leave per year, cumulative to a maximum of 150 days. At the termination of employment (for any reason) the officer shall receive, as severance pay, the full compensation of their then salary schedule for up to 100 unused sick days and vacation time. At the termination of employment for retirement or disability the officer shall receive, as severance pay, the full compensation at their then salary schedule for up to 150 unused sick days and vacation time.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 5 Long-Term Debt (Continued)

*Liability for Compensated Absences (continued)*

Police officers hired after January 1, 2012 are entitled to receive 17 days of annual sick leave per year, cumulative to a maximum of 100 days. At the termination of employment (for any reason) the officer shall receive, as severance pay, the full compensation of their then salary schedule for up to 100 unused sick days and vacation time. The value of unused vacation and sick days are accrued in the government-wide statements for police officers. The total liability for compensated absences was \$531,673 as of December 31, 2021.

*Other Long-Term Debt*

The Township's net pension liabilities are described in Notes 7 and 8. The Township's net other post-employment benefits ("OPEB") are described in Note 9. All payments related to pension and other post-employment benefits are made from the Township's general fund.

*Changes in Long-Term Debt*

The following is a summary of changes in long-term debt for the year ended December 31, 2021:

	Principal Outstanding 12/31/20	Additions	Deductions	Principal Outstanding 12/31/21	Amount Due in One Year
General Obligation Notes, Series of 2018	\$ 12,010,000	\$ -	\$ 246,000	\$ 11,764,000	\$ 253,000
General Obligation Notes, Series of 2015	1,602,000	-	254,000	1,348,000	259,000
General Obligation Notes, Series of 2012	764,000	-	146,000	618,000	149,000
General Obligation Note, 2010	38,000	-	7,000	31,000	7,000
Total General Obligation Notes Payable	14,414,000	-	653,000	13,761,000	668,000
Unamortized Bond Discounts	(12,441)	-	(12,441)	-	-
General Obligation Notes Payable, Including Unamortized Bond Discounts	14,401,559	-	640,559	13,761,000	668,000
Loan payable	170,948	-	31,637	139,311	32,584
Liability for Compensated Absences	768,690	-	237,017	531,673	-
Net Pension Liability / Net Pension (Asset)	2,269,267	-	298,435	1,970,832	-
Net OPEB Liability	24,652,789	2,671,650	-	27,324,439	-
<u>Total Long-Term Debt</u>	<u>\$ 42,263,253</u>	<u>\$ 2,671,650</u>	<u>\$ 1,207,648</u>	<u>\$ 43,727,255</u>	<u>\$ 700,584</u>

The annual requirements to amortize general obligation notes outstanding as of December 31, 2021, are as follows (variable debt being estimated at 1.21% for historical trending):

Year	Principal	Interest	Total
2022	\$ 668,000	\$ 353,871	\$ 1,021,871
2023	684,000	338,180	1,022,180
2024	701,000	321,985	1,022,985
2025	717,000	305,612	1,022,612
2026	738,000	285,022	1,023,022
2027 - 2031	3,686,000	1,142,428	4,828,428
2032 - 2036	4,559,000	553,891	5,112,891
2037 - 2038	2,008,000	37,144	2,045,144
Totals	<u>\$ 13,761,000</u>	<u>\$ 3,338,133</u>	<u>\$ 17,099,133</u>

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 5 Long-Term Debt (Continued)

*Changes in Long-Term Debt (continued)*

The annual requirements to amortize the loan payable outstanding as of December 31, 2021, are as follows:

Year	Principal	Interest	Total
2022	\$ 32,584	\$ 3,692	\$ 36,276
2023	33,558	2,718	36,276
2024	34,561	1,715	36,276
2025	35,594	682	36,276
2026	3,014	33,262	36,276
Totals	\$ 139,311	\$ 42,069	\$ 181,380

Note 6 Police Pension Plan

A. Plan Description

The Aston Township Police Pension Plan (the “Police Pension Plan”) is a single-employer defined benefit pension plan established effective January 1, 1958 and restated by Ordinance No. 903, effective January 1, 2012. The Police Pension Plan is governed by the Board of Township Commissioners, which is responsible for the management of Police Pension Plan assets. The Board of Township Commissioners delegated the authority to manage certain Police Pension Plan assets to CS McKee, LP. The Police Pension Plan is subject to the funding and reporting requirements of the Pennsylvania Municipal Pension Plan Funding Standards and Recovery (Act 205 of 1984).

Pension plan financial statements are prepared using the accrual basis of accounting. Employees’ and employer contributions are recognized as revenues in the period in which employee services are performed. Investments are reported at market value. Investment income is recognized as earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

Plan membership as of December 31, 2021, consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	24
Inactive employees entitled to but not yet receiving benefits	0
Active employees	17
Total plan participants	41

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 6 Police Pension Plan (Continued)

B. Basic Provisions

Under the provisions of the Township’s Police Pension Plan, pension benefits vest after 12 years of service. A police officer may retire at age 55 with 20 years of service, at age 50 with 25 years of service, or age 60 and 20 years of service. For members hired on or after January 1, 2012, officers may retire at age 53 with 25 years of service.

The retirement benefit consists of 50% of the average monthly compensation, averaged over the last 36 consecutive months, plus \$100 per month for the completion of 26 or more years of service, up to a maximum of \$500. For members hired on or after January 1, 2012, compensation is averaged over the last 48 months, plus an additional service increment of \$25 per month for each year of service in excess of 25 years, up to a maximum of \$100 per month.

The Police Pension Plan provides for survivor benefits as follows: killed in service, pursuant to Act 51; post-retirement – 50% of retirement benefits; vested – refund of contributions with interest or 50% of vested benefit payable beginning at the officer’s superannuation retirement date.

Disability benefits that are service related consist of 75% of salary at the time of disability offset by social security as applicable.

C. Funding Policy

All full-time Township police officers who are members of the Police Pension Plan must contribute 5% of their salaries to the Pension Plan. In addition, the Township must provide annual contributions equal to the minimum municipal obligation (“MMO”), less State aid, to satisfy the actuarially-determined contribution requirements. The MMO for 2021 was \$1,214,004, inclusive of \$191,891 of state aid.

Township and Commonwealth contributions for the last eight years are as follows:

<u>Year</u>	<u>Township</u>	<u>State</u>	<u>Total</u>
2021	\$ 1,022,113	\$ 191,891	\$ 1,214,004
2020	961,242	269,832	1,231,074
2019	864,283	276,923	1,141,206
2018	899,527	238,176	1,137,703
2017	1,252,480	229,958	1,482,438
2016	1,258,697	223,075	1,481,772
2015	1,330,981	191,834	1,522,815
2014	1,385,232	147,162	1,532,394

Aston Township  
Notes to Financial Statements  
December 31, 2021

Note 6 Police Pension Plan (Continued)

D. Annual Pension Cost and Net Pension Obligation

The Township received on behalf of the Township plans \$331,012 in state funds pursuant to Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, which was deposited to the Police Pension Plan. Government-wide pension expense for the Police Pension Plan, net of amortization of deferred inflows and deferred outflows, was \$695,188 for the period.

Police active membership contribution for 2021 was \$187,671 based on the active police covered salary of approximately \$2,500,000.

The MMO contribution for the current year was determined as part of the January 1, 2021, actuarial valuation using the entry age actuarial cost method. Update procedures were used to roll forward the January 1, 2021 liabilities to December 31, 2021.

E. Net Pension Liability of the Township

The components of the net pension liability of the Township for the Police Pension Plan as of December 31, 2021 were as follows:

Total pension liability	\$ 23,632,135
Plan fiduciary net position	<u>21,188,667</u>
Net pension liability	<u>\$ 2,443,468</u>
Plan fiduciary net position as a percentage of the total pension liability	89.7%

For the year ended December 31, 2021, as noted above, the Township recognized pension expense for the Police Pension Plan in its government-wide statements in the amount of \$695,188 including amortization of deferred outflows and deferred inflows. The Township also reported deferred outflows of resources and deferred inflows of resources related to pension as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 613,738
Changes in assumptions	1,189,939	-
Net difference between projected and actual investment earnings on pension plan investments	<u>-</u>	<u>305,596</u>
Total	<u>\$ 1,189,939</u>	<u>\$ 919,334</u>

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 6 Police Pension Plan (Continued)

E. Net Pension Liability of the Township (continued)

Certain amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense in future years as follows:

Year Ended December 31	Amount
2022	\$ 252,650
2023	(221,797)
2024	71,080
2025	114,660
2026	54,012
Total	\$ 270,605

F. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation date of January 1, 2021 using the following actuarial assumptions applied to all periods in the measurement:

Inflation	2.25%
Salary increases	5% per annum, including inflation
Investment rate of return	7.5% per annum, net of pension plan investment expense including inflation
Actuarial cost method	Entry age
Amortization method	Level dollar
Remaining amortization period	5 years
Asset valuation method	Market value
Discount rate	7.5%

Mortality rates were based on the PUBS-2010.

G. Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments is determined by an estimate of the ranges of expected real rates of returns weighting these expected rates of return by target asset allocation and adding estimated inflation. The real rate of return net of pension plan investment expense and excluding the 2.5% inflation assumption was a blended rate of 4.64%. The long-term expected rate of return including expected inflation of 2.5% was 7.14%.

Aston Township  
Notes to Financial Statements  
December 31, 2021

Note 6 Police Pension Plan (Continued)

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

The following presents the net pension liability of the Police Pension Plan, calculated using the discount rate of 7.5%, as well as what the net pension liability would be if it were calculated using a discount rate of the one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

1% Decrease 6.50%	Current 7.50%	1% Increase 8.50%
\$ 4,999,945	\$ 2,443,468	\$ 279,769

Note 7 Non-Uniformed Pension Plan

A. Plan Description

The Aston Township Non-Uniformed Pension Plan (the “Non-Uniformed Pension Plan”) is a single-employer defined benefit pension plan established effective January 1, 1988 and restated by Ordinance No. 747. The Plan is governed by the Board of Township Commissioners, which is responsible for the management of Plan assets. The Board of Township Commissioners delegated the authority to manage certain Plan assets to CBIZ InR Advisory Services, LLC. The Non-Uniformed Pension Plan is subject to the funding and reporting requirements of the Pennsylvania Municipal Pension Plan Funding Standards and Recovery (Act 205 of 1984).

Pension plan financial statements are prepared using the accrual basis of accounting. Employees’ and employer contributions are recognized as revenues in the period in which employee services are performed. Pension plan equity securities are reported at market value. Fixed income securities are reported at market value. Investment income is recognized as earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

Plan members at December 31, 2021 consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	13
Inactive employees entitled to but not yet receiving benefits	3
Active employees	28
Total plan participants	44

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 7 Non-Uniformed Pension Plan (Continued)

B. Basic Provisions

Under the provisions of the Township’s Non-Uniformed Pension Plan, normal retirement begins at age 65 with five years of service; or if hired after March 31, 1996, age 65 with ten years of service. Early retirement is at age 57 with five years of service; or if hired after March 31, 1996, age 57 and ten years of service. Retirement benefits equal 1.25% of the final 60-month average compensation times years of service. There is no disability benefit or non-service related disability benefit.

C. Funding Policy

Full-time employees are not required to contribute to the Plan. The Plan contribution is governed by the Plan’s Ordinances. The Township must provide annual contributions sufficient to satisfy the actuarially determined contribution requirements.

Covered payroll for the period totaled approximately \$1,800,000.

Township and Commonwealth contributions over the past eight years were as follows:

<u>Year</u>	<u>Township</u>	<u>State</u>	<u>Total</u>
2021	\$ (11,347)	\$ 139,121	\$ 127,774
2020	42,351	84,684	127,035
2019	40,394	76,391	116,785
2018	40,394	75,678	116,072
2017	35,425	68,278	103,703
2016	37,455	74,401	111,856
2015	34,545	66,941	101,486
2014	25,613	65,395	91,008

D. Annual Pension Cost and Net Pension Obligation

The MMO contribution for the current year was determined as part of the January 1, 2021, actuarial valuation using the entry age actuarial cost method. Update procedures were used to roll forward the January 1, 2021 liabilities to December 31, 2021.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 7 Non-Uniformed Pension Plan (Continued)

D. Annual Pension Cost and Net Pension Obligation (continued)

The Township's MMO to the Non-Uniformed Plan for the current year was \$127,774. Government-wide pension expense for the Non-Uniformed Plan, net of amortization of deferred inflows and outflows, was \$3,619, including \$162 for the Sanitation Fund and \$3,457 for the governmental activities.

E. Net Pension Liability of the Township

The components of the net pension liability of the Township for the Non-Uniformed Pension as of December 31, 2021, were as follows:

Total pension liability	\$ 4,012,798	
Plan fiduciary net position	4,485,434	
Net pension (asset)	\$ (472,636)	
Plan fiduciary net position as a percentage of the total pension liability	111.8%	

As of December 31, 2021, the Township reported deferred outflows of resources and deferred inflows of resources related to the Non-Uniformed Pension as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 372,102
Changes in assumptions	326,353	-
Net difference between projected and actual investment earnings on pension plan investments	-	369,533
Total	\$ 326,353	\$ 741,635

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 7 Non-Uniformed Pension Plan (Continued)

E. Net Pension Liability of the Township (continued)

Certain amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense in future years as follows:

Year Ended December 31	Amount
2022	\$ (85,409)
2023	(172,541)
2024	(97,738)
2025	(47,009)
2026	(8,291)
Thereafter	(4,294)
Total	\$ (415,282)

F. Actuarial Assumptions

The total pension liability at December 31, 2021 was determined by an actuarial valuation date of January 1, 2021 as noted above with roll forward procedures through December 31, 2021 using the following actuarial assumptions applied to all periods in the measurement:

Inflation	2.25%
Salary increases	5% per annum
Investment rate of return	7.5% per annum, net of pension plan investment expense including inflation
Actuarial cost method	Entry age
Amortization method	Level dollar
Remaining amortization period	N/A
Asset valuation method	Market value
Discount rate	7.0%

Mortality rates for post-retirement were based on the PUBS-2010 Mortality.

G. Long term expected rate of return

The long-term expected rate of return on pension plan investments is determined by an estimate of the ranges of expected real rates of returns weighting these expected rates of return by target asset allocation and adding estimated inflation. The real rate of return net of pension plan investment expense and excluding the 2.21% inflation assumption was a blended rate of 3.44%. The long term expected rate of return including expected inflation of 2.21% was 5.65%.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 7 Non-Uniformed Pension Plan (Continued)

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

The following presents the net pension liability (asset) of the Non-Uniformed Pension, calculated using the discount rate of 7.0%, as well as what the net pension liability (asset) would be if it were calculated using a discount rate of the one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate:

1% Decrease 6.00%	Current 7.00%	1% Increase 8.00%
\$ 1,978	\$ (472,636)	\$ (877,769)

Note 8 Other Post-Employment Benefits

*Plan Description*

Aston Township's Other Post-Employment Benefits offered to police employees and retirees is a single-employer defined benefit plan for benefits other than pension that is controlled by a collectively bargained agreement between the Township and the Fraternal Order of Police, Delaware County, Lodge 27, on behalf of the police officers of the Township for the period January 1, 2021 through December 31, 2023. Aston Township's Other Post-Employment Benefits offered to non-uniformed employees and retirees is a single-employer defined benefit plan for benefits other than pension that is controlled by the Township.

*Employees Covered by the Plan*

The following eligible employees and retirees were covered by the Plan as of January 1, 2021:

	<u>Police</u>	<u>Non-Uniformed</u>
Fully-eligible active employees	7	2
Other active employees not fully eligible	13	25
Retirees and beneficiaries currently receiving benefits	19	5
Total plan participants	39	32

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 8 Other Post-Employment Benefits (Continued)

*Benefit Provisions – Police Plan*

- Eligibility: If hired prior to January 1, 2012, earliest of age 50 and 25 years of service, or age 55 with 20 years of service, or age 60 with 20 years of service. If hired on or after January 1, 2012 but before January 1, 2021, normal retirement is age 53 with 25 years of service. If hired on or after January 1, 2021, normal retirement is age 55 with 25 years of service. Early retirement is defined as a minimum of 20 years of service (Act 24).
- Medical Benefits: Medical, prescription drug, dental and vision coverage same as active. Upon Medicare eligibility, coverage becomes a Medicare Supplement plan including dental and vision. The Township also reimburses retirees and spouses for the cost of the Medicare Part B premium.
- Other: Spouses and dependent children younger than 26 years are covered. Survivor benefits are included as long as the survivor pays 0.5% of the deceased patrolman's maximum base salary in effect at the time of retirement; once on Medicare, no contribution is required. There are no minimum eligibility requirements for permanent disability retirement; the benefits are the same as normal retirement. Life insurance coverage of \$20,000 is included.

*Benefit Provisions – Non-Uniformed Plan*

- Eligibility: If hired prior to April 1, 1996, minimum of age 65 with 5 years of service. If hired on or after April 1, 1996, minimum age 65 with 10 years of service.
- Medical Benefits: None.
- Other: Life insurance coverage of \$5,000.

*Retiree Contributions – Police Plan*

If a participant retires prior to December 31, 2015 or on or after January 1, 2021, no contribution is required. If a participant retires between January 1, 2016 and December 31, 2020, the retiree is required to contribute 1.0% of their maximum base salary in effect at the time of their retirement for family or husband and wife coverage.

If the retiree has no spouse at the time of retirement, or either subsequently dies, or becomes eligible for Medicare, then the contribution is reduced to 0.5%. Once both the retiree and spouse are on Medicare, no contribution is required.

*Retiree Contributions – Non-Uniformed Plan*

None.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 8 Other Post-Employment Benefits (Continued)

*Funding Policy*

The Township is not currently making contributions to a qualified Trust. The Plan is effectively financed on a pay-as-you-go basis. Health care insurance premiums are paid from the Township's general fund and sanitation fund.

In the fund financial statements, expenditures for post-retirement health care benefits are recognized as the insurance premiums are incurred. In the government-wide financial statements, expenses for post-retirement health care benefits are recognized in the amount of the estimated change in the net OPEB liability and related deferred outflows and inflows of resources. The expenses/expenditures for post-retirement health care benefits for governmental activities and related funds are included in expenditures by function.

*Net OPEB Liability of the Township*

The components of the net OPEB liability of the Township at December 31, 2021, were as follows:

	<u>Police</u>	<u>Non-Uniformed</u>	<u>Total</u>
Total OPEB liability	\$ 27,278,831	\$ 45,608	\$ 27,324,439
Plan fiduciary net position	<u>-</u>	<u>-</u>	<u>-</u>
Net OPEB liability	<u>\$ 27,278,831</u>	<u>\$ 45,608</u>	<u>\$ 27,324,439</u>

*Actuarial Assumptions*

An actuarial valuation of the total OPEB liability is performed biennially. The total OPEB liability was determined as a part of an actuarial valuation as of January 1, 2021. Update procedures were used to roll forward to the Township's fiscal year ended December 31, 2021.

The significant actuarial assumptions used to value the liability are as follows:

1. Economic Assumptions
  - a. Investment Return – There are no invested assets.
  - b. Salary Increases – 5% compounded annually.
  - c. Discount Rate – 2.25%.
  
2. Healthcare Cost Trend Rate
  - a. Non-Medicare medical and prescription drug costs are assumed to increase at a rate of 0% during 2021, 6.75% during 2022 immediately reduced by 0.25% per year to an ultimate level of 4% per year.
  - b. Medicare medical and prescription drug costs are assumed to increase at a rate of 0% during 2021 and 5% per year thereafter.
  - c. Dental and vision costs are assumed to increase at a rate of 0% during 2021 and 1.75% per year thereafter.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 8 Other Post-Employment Benefits (Continued)

*Actuarial Assumptions (continued)*

3. Demographic Assumptions

- a. Mortality – PUBS-2010.
- b. Termination – None assumed.
- c. Disability – 1955 UAW Disability Tables for Males and Females.
- d. Retirement – If hired prior to January 1, 2012, earliest of age 53 and 25 years of service, or age 58 with 20 years of service, or age 60 with 20 years of service. If hired on or after January 1, 2012, age 56 with 25 years of service.
- f. Participation – 100% of retirees, spouses, and dependents who are eligible to participate in retiree medical coverage are assumed to do so.
- g. Marital Status – 90% of future retirees are assumed to have a spouse participating in coverage.
- h. Spouse Age – Female spouses are assumed to be the same age as male spouses.
- i. Children – 75% of police retirees are assumed to have 2 children participating in coverage with the retiree assumed to be 40 years older than the children.

*Changes in the Net OPEB Liability*

The components of the change in the total OPEB liability, plan fiduciary net position, and net OPEB liability of Plan for the year ended December 31, 2021 are as follows:

	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Service cost	\$ 1,122,311	\$ -	\$ 1,122,311
Interest on total OPEB liability	608,942	-	608,942
Changes in benefit terms	(2,098,115)	-	(2,098,115)
Differences between expected and actual experience	(316,743)	-	(316,743)
Changes in assumptions and cost method	4,052,442	-	4,052,442
Net benefits paid by employer	(697,187)	-	(697,187)
<u>Net Changes</u>	2,671,650	-	2,671,650
<u>Balances as of December 31, 2020</u>	24,652,789	-	24,652,789
<u>Balances as of December 31, 2021</u>	<u>\$ 27,324,439</u>	<u>\$ -</u>	<u>\$ 27,324,439</u>

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 8 Other Post-Employment Benefits (Continued)

*Net OPEB Liability Sensitivity - Discount Rate*

The January 1, 2021 valuation was prepared using a discount rate of 2.25%. 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 (1.25%) or one percentage point higher (3.25%) than the current discount rate:

1% Decrease 1.25%	Current 2.25%	1% Increase 3.25%
\$ 32,722,655	\$ 27,324,439	\$ 23,129,613

*Net OPEB Liability Sensitivity – Healthcare Trend*

The following is a sensitivity analysis of the net OPEB liability to changes in the healthcare trend rate. The table below presents the net OPEB liability calculated using the current trend rate as well as what the net OPEB liability would be if it were calculated using a healthcare trend rate that is 1% higher and 1% lower than expected.

1% Decrease	Current Trend Rates	1% Increase
\$ 22,632,166	\$ 27,324,439	\$ 33,373,314

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB*

For the year ended December 31, 2021, the Township recognized OPEB expense of \$(831,466). As of December 31, 2021, the Township reported deferred outflows and inflows of resources related to the OPEB plans as follows:

	Deferred Outflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,813,965
Changes in assumptions and cost method	2,828,633	-
Total	\$ 2,828,633	\$ 2,813,965

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 8 Other Post-Employment Benefits (Continued)

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)*

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

Year Ended December 31	Amount
2022	\$ (464,604)
2023	(464,604)
2024	(464,604)
2025	85,716
2026	482,587
Thereafter	840,177
Total	\$ 14,668

Note 9 Excess of Expenditures Over Appropriations

Actual expenditures of the General Fund, totaling \$11,659,322, exceeded the fund's total budgeted expenditures of \$11,088,562. Actual expenditures of the Highway Aid Fund, totaling \$481,737, exceeded the fund's total budgeted expenditures of \$447,481.

Note 10 Fund Balance Deficits – Nonmajor Funds

Nonmajor governmental funds include the Fire Tax Fund, the Library Fund, the DCIU Grant Fund, and the Smiles Playground Fund. As of December 31, 2021, the Smiles Playground Fund had a deficit fund balance of \$134,022.

Note 11 Restatement of Fund Balance and Net Position

Reflected in these financial statements are the following adjustments to the beginning fund balance of the Matching Grant Fund, the Smiles on the Playground Fund, and the beginning net position of the governmental activities.

*Overstatement of Accounts Payable – Matching Grant Fund*

Accounts payable for the Matching Grant Fund was overstated by \$14,067 as of December 31, 2020. Accordingly, the beginning fund balance of the Matching Grant Fund has been restated to adjust the balance of accounts payable.

**Aston Township**  
**Notes to Financial Statements**  
**December 31, 2021**

Note 11 Restatement of Fund Balance and Net Position (Continued)

*Overstatement of Accounts Payable – Smiles on the Playground Fund*

Accounts payable for the Smiles on the Playground Fund was overstated by \$38,509 as of December 31, 2020. Accordingly, the beginning fund balance of the Smiles on the Playground Fund has been restated to adjust the balance of accounts payable.

*Understatement of Capital Assets*

The balance of construction in progress as of December 31, 2020 has been restated to include costs totaling \$1,368,036 that had not been capitalized for the government-wide financial statements.

*Understatement of Debt*

The balance of long-term debt as of December 31, 2020 has been restated to include a loan with Univest Bank and Trust Co. in the amount of \$170,948.

*Summary*

The net effect of the prior-period adjustments to the fund balance of the governmental funds and the net position of the governmental activities is shown below.

	As of December 31, 2020			
	Total Fund Balance of Matching Grant Fund	Total Fund Balance of Smiles on the Playground Fund	Total Fund Balance of Governmental Funds	Total Net Position of Governmental Activities
Total fund balance / net position as of December 31, 2020, as previously stated	\$(100,327)	\$ (162,406)	\$ 10,682,106	\$(18,983,488)
Overstatement of accounts payable	14,067	38,509	52,576	52,576
Understatement of capital assets	-	-	-	1,368,036
Understatement of long-term debt	-	-	-	(170,948)
Total fund balance / net position as of December 31, 2020, as restated	<u>\$ (86,260)</u>	<u>\$ (123,897)</u>	<u>\$ 10,734,682</u>	<u>\$(17,733,824)</u>

Note 12 Subsequent Events

An ongoing worldwide pandemic of coronavirus disease 2019 (“COVID-19”) has continued to have an effect on the United States since March 2021. As of the report date, the Township continues to evaluate the ongoing effects of this pandemic on its current and future operations.

The Township has evaluated subsequent events through June 30, 2022, the date which the financial statements were available to be issued.

**Aston Township**  
**Budgetary Comparison Schedule - General Fund**  
**For the Year Ended December 31, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<b><u>Revenues</u></b>				
Taxes:				
Property	\$ 4,199,781	\$ 4,199,781	\$ 4,640,640	\$ 440,859
Local enabling act taxes	3,985,000	3,985,000	5,330,988	1,345,988
Licenses and permits	1,332,250	1,332,250	1,702,270	370,020
Fines and forfeits	54,000	54,000	35,446	(18,554)
Rent	27,000	27,000	42,082	15,082
Investment earnings	41,500	41,500	5,616	(35,884)
Intergovernmental revenues - grants	485,133	485,133	418,689	(66,444)
Charges for services	281,000	281,000	351,935	70,935
Other revenue	68,000	68,000	320,153	252,153
<b><u>Total Revenues</u></b>	<u>10,473,664</u>	<u>10,473,664</u>	<u>12,847,819</u>	<u>2,374,155</u>
<b><u>Expenditures</u></b>				
Current:				
General government	1,896,336	1,896,336	1,901,296	(4,960)
Public safety	7,062,455	7,062,455	7,675,014	(612,559)
Health and human services	18,000	18,000	14,450	3,550
Public works - highways and streets	1,530,976	1,530,976	1,430,198	100,778
Culture and recreation	580,795	580,795	595,088	(14,293)
Debt service:				
Principal	-	-	38,637	(38,637)
<b><u>Total Expenditures</u></b>	<u>11,088,562</u>	<u>11,088,562</u>	<u>11,659,322</u>	<u>(570,760)</u>
<b><u>Excess of Revenues Over (Under) Expenditures</u></b>	<u>(614,898)</u>	<u>(614,898)</u>	<u>1,188,497</u>	<u>1,803,395</u>
<b><u>Other Financing Sources (Uses) of Funds</u></b>				
Operating transfer in	-	-	29	29
Operating transfer out	-	-	(510,542)	(510,542)
<b><u>Total Other Financing Sources (Uses) of Funds</u></b>	<u>-</u>	<u>-</u>	<u>(510,513)</u>	<u>(510,513)</u>
<b><u>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses of Funds</u></b>	<u>\$ (614,898)</u>	<u>\$ (614,898)</u>	<u>677,984</u>	<u>\$ 1,292,882</u>
<b><u>Fund Balance - Beginning</u></b>			<u>3,401,090</u>	
<b><u>Fund Balance - Ending</u></b>			<u>\$ 4,079,074</u>	

**Aston Township**  
**Budgetary Comparison Schedule - Highway Aid Fund**  
**For the Year Ended December 31, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>Revenues</u>				
Investment earnings	\$ -	\$ -	\$ 383	\$ 383
Intergovernmental revenues - grants	<u>447,481</u>	<u>447,481</u>	<u>461,552</u>	<u>14,071</u>
<u>Total Revenues</u>	<u>447,481</u>	<u>447,481</u>	<u>461,935</u>	<u>14,454</u>
<u>Expenditures</u>				
Public works - highways and streets	<u>447,481</u>	<u>447,481</u>	<u>481,737</u>	<u>(34,256)</u>
<u>Total Expenditures</u>	<u>447,481</u>	<u>447,481</u>	<u>481,737</u>	<u>(34,256)</u>
<u>Excess of Revenues (Under) Expenditures</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(19,802)</u>	<u>\$ (19,802)</u>
<u>Fund Balance - Beginning</u>			<u>125,285</u>	
<u>Fund Balance - Ending</u>			<u>\$ 105,483</u>	

**Aston Township**  
**Required Supplementary Information**  
**Schedule of Employer Pension Contributions and Related Information**  
**For the Last Eight Fiscal Years**

Police Pension Plan

<u>Year Ended</u>	<u>Actuarially-Determined Contribution</u>	<u>Contributions Made</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Employee Payroll</u>	<u>Contribution as of Percentage of Payroll</u>
12/31/21	\$ 1,214,004	\$ 1,214,004	\$ -	\$ 2,500,000	48.56%
12/31/20	1,231,074	1,231,074	-	2,641,194	46.61%
12/31/19	1,141,206	1,141,206	-	2,356,144	48.44%
12/31/18	1,137,703	1,137,703	-	2,327,622	48.88%
12/31/17	1,482,438	1,482,438	-	2,087,194	71.03%
12/31/16	1,481,772	1,481,772	-	2,082,628	71.15%
12/31/15	1,522,815	1,522,815	-	1,941,520	78.43%
12/31/14	1,532,394	1,532,394	-	2,004,342	76.45%

Non-Uniformed Pension Plan

<u>Year Ended</u>	<u>Actuarially-Determined Contribution</u>	<u>Contributions Made</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Employee Payroll</u>	<u>Contribution as of Percentage of Payroll</u>
12/31/21	\$ 127,774	\$ 127,774	\$ -	\$ 1,800,000	7.10%
12/31/20	127,035	127,035	-	1,788,324	7.10%
12/31/19	116,785	116,785	-	1,674,034	6.98%
12/31/18	116,072	116,072	-	1,663,530	6.98%
12/31/17	103,703	103,703	-	1,543,372	6.72%
12/31/16	111,856	111,856	-	1,661,186	6.73%
12/31/15	101,486	101,486	-	1,491,490	6.80%
12/31/14	91,008	91,008	-	1,313,900	6.93%

**Aston Township**  
**Required Supplementary Information**  
**Schedule of Investment Returns - Police Pension Plan and Non-Uniformed Pension Plan**  
**For the Last Eight Fiscal Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>Police Pension Plan</u>								
Annual money-weighted rate of return, net of investment expense	9.36%	6.86%	17.64%	-6.73%	13.05%	7.29%	-1.13%	7.25%
<u>Non-Uniformed Pension Plan</u>								
Annual money-weighted rate of return, net of investment expense	11.97%	14.69%	20.15%	-6.20%	15.44%	7.96%	-1.13%	7.00%

**Aston Township**  
**Required Supplementary Information**  
**Schedule of Changes in Township of Aston's Police Pension Net Pension Liability and Related Ratios**  
**For the Last Eight Fiscal Years**

	2021	2020	2019	2018	2017	2016	2015	2014
<u>Total Pension Liability</u>								
Service Cost	\$ 489,624	\$ 444,005	\$ 422,862	\$ 391,494	\$ 372,851	\$ 406,932	\$ 387,554	\$ 393,280
Interest	1,688,482	1,628,476	1,560,833	1,552,835	1,490,279	1,425,479	1,363,088	1,299,875
Differences Between Expected and Actual Experience	(283,409)	-	(738,013)	-	21,106	-	(296,848)	-
Changes in Assumptions	1,462,631	-	-	-	49,916	-	362,807	-
Benefit Payments, Including Refunds of Member Contributions	(1,138,888)	(1,141,455)	(1,177,149)	(1,098,265)	(1,101,389)	(1,017,317)	(962,934)	(963,528)
<u>Net Change in Total Pension Liability</u>	2,218,440	931,026	68,533	846,064	832,763	815,094	853,667	729,627
<u>Total Pension Liability - Beginning</u>	21,413,695	20,482,669	20,414,136	19,568,072	18,735,309	17,920,215	17,066,548	16,336,921
<u>Total Pension Liability - Ending</u>	<u>\$ 23,632,135</u>	<u>\$ 21,413,695</u>	<u>\$ 20,482,669</u>	<u>\$ 20,414,136</u>	<u>\$ 19,568,072</u>	<u>\$ 18,735,309</u>	<u>\$ 17,920,215</u>	<u>\$ 17,066,548</u>
<u>Plan Fiduciary Net Position</u>								
Contributions - Employer	\$ 882,992	\$ 961,242	\$ 864,283	\$ 899,527	\$ 1,252,480	\$ 1,258,697	\$ 1,330,981	\$ 1,353,810
Contributions - State Aid	331,012	269,832	276,923	238,176	229,958	223,075	191,834	178,584
Contributions - Employee	187,671	129,016	134,383	119,993	111,229	104,217	104,162	98,895
Net Investment Income	1,793,102	1,215,694	2,644,067	(1,070,615)	1,782,340	740,010	(126,349)	729,790
Benefit Payments, Including Refunds of Member Contributions	(1,138,888)	(1,141,455)	(1,177,149)	(1,098,265)	(1,101,389)	(1,017,317)	(962,934)	(963,528)
Administrative Expense	(11,650)	(8,950)	(11,450)	(6,600)	(10,750)	(6,600)	(9,800)	(5,200)
<u>Net Change in Plan Fiduciary Net Position</u>	2,044,239	1,425,379	2,731,057	(917,784)	2,263,868	1,302,082	527,894	1,392,351
<u>Plan Fiduciary Net Position - Beginning</u>	19,144,428	17,719,049	14,987,992	15,905,776	13,641,908	12,339,826	11,811,932	10,419,581
<u>Plan Fiduciary Net Position - Ending</u>	<u>\$ 21,188,667</u>	<u>\$ 19,144,428</u>	<u>\$ 17,719,049</u>	<u>\$ 14,987,992</u>	<u>\$ 15,905,776</u>	<u>\$ 13,641,908</u>	<u>\$ 12,339,826</u>	<u>\$ 11,811,932</u>
<u>Plan's Net Pension Liability - Ending</u>	<u>\$ 2,443,468</u>	<u>\$ 2,269,267</u>	<u>\$ 2,763,620</u>	<u>\$ 5,426,144</u>	<u>\$ 3,662,296</u>	<u>\$ 5,093,401</u>	<u>\$ 5,580,389</u>	<u>\$ 5,254,616</u>
<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>	89.7%	89.4%	86.5%	73.4%	81.3%	72.8%	68.9%	69.2%
<u>Covered Payroll</u>	\$ 2,500,000	\$ 2,641,194	\$ 2,356,144	\$ 2,327,622	\$ 2,087,194	\$ 2,082,628	\$ 1,941,520	\$ 2,004,342
<u>Net Pension Liability as a Percentage of Covered Payroll</u>	97.7%	85.9%	117.3%	233.1%	175.5%	244.6%	287.4%	262.2%

**Aston Township**  
**Required Supplementary Information**  
**Schedule of Changes in Township of Aston's Non-Uniform Pension Net Pension Liability and Related Ratios**  
**For the Last Eight Fiscal Years**

	2021	2020	2019	2018	2017	2016	2015	2014
<u>Total Pension Liability</u>								
Service Cost	\$ 145,207	\$ 115,186	\$ 109,701	\$ 111,692	\$ 106,373	\$ 116,823	\$ 111,260	\$ 78,826
Interest	267,450	253,023	238,202	231,323	216,663	216,329	201,119	188,681
Changes of Benefit Terms	-	-	13,548	-	-	-	-	-
Differences Between Expected and Actual Experience	(98,717)	-	(118,944)	-	(204,558)	-	(122,939)	-
Changes in Assumptions	302,700	-	-	-	11,971	-	87,611	-
Benefit Payments, Including Refunds of Member Contributions	(150,729)	(159,559)	(151,974)	(135,843)	(129,929)	(121,416)	(108,854)	(88,697)
<u>Net Change in Total Pension Liability</u>	465,911	208,650	90,533	207,172	520	211,736	168,197	178,810
<u>Total Pension Liability - Beginning</u>	3,546,887	3,338,237	3,247,704	3,040,532	3,040,012	2,828,276	2,660,079	2,481,269
<u>Total Pension Liability - Ending</u>	\$ 4,012,798	\$ 3,546,887	\$ 3,338,237	\$ 3,247,704	\$ 3,040,532	\$ 3,040,012	\$ 2,828,276	\$ 2,660,079
<u>Plan Fiduciary Net Position</u>								
Contributions - Employer	127,774	\$ 42,351	\$ 40,394	\$ 40,394	\$ 35,425	\$ 37,455	\$ 34,545	\$ 25,613
Contributions - State Aid	-	84,684	76,391	75,678	68,278	74,401	66,941	65,395
Net Investment Income	473,030	516,560	595,401	(197,229)	429,174	206,257	(29,951)	172,212
Benefit Payments, Including Refunds of Member Contributions	(150,729)	(159,559)	(151,974)	(135,843)	(129,929)	(121,416)	(108,854)	(88,697)
Administrative Expense	-	(4,700)	(5,250)	-	-	-	-	-
<u>Net Change in Plan Fiduciary Net Position</u>	450,075	479,336	554,962	(217,000)	402,948	196,697	(37,319)	174,523
<u>Plan Fiduciary Net Position - Beginning</u>	4,035,359	3,556,023	3,001,061	3,218,061	2,815,113	2,618,416	2,655,735	2,481,212
<u>Plan Fiduciary Net Position - Ending</u>	\$ 4,485,434	\$ 4,035,359	\$ 3,556,023	\$ 3,001,061	\$ 3,218,061	\$ 2,815,113	\$ 2,618,416	\$ 2,655,735
<u>Plan's Net Pension Liability - Ending</u>	\$ (472,636)	\$ (488,472)	\$ (217,786)	\$ 246,643	\$ (177,529)	\$ 224,899	\$ 209,860	\$ 4,344
<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>	111.8%	113.8%	106.5%	92.4%	105.8%	92.6%	92.6%	99.8%
<u>Covered Payroll</u>	\$ 1,800,000	\$ 1,788,324	\$ 1,674,034	\$ 1,663,530	\$ 1,543,372	\$ 1,661,186	\$ 1,491,490	\$ 1,313,900
<u>Net Pension Liability as a Percentage of Covered Payroll</u>	-26.3%	-27.3%	-13.0%	14.8%	-11.5%	13.5%	14.1%	0.3%

**Aston Township**  
**Required Supplementary Information**  
**Schedule of Changes in Township of Aston's Net OPEB Liability and Related Ratios**  
**For the Last Five Fiscal Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Total OPEB Liability</u>					
Service Cost	1,122,311	\$ 1,007,906	\$ 959,910	\$ 936,345	\$ 891,757
Interest	608,942	903,538	858,637	1,037,593	993,002
Changes of Benefit Terms	(2,098,115)	-	-	-	-
Differences Between Expected and Actual Experience	(316,743)	-	(4,765,255)	-	-
Changes in Assumptions & Cost Method	4,052,442	-	(1,314,788)	-	-
Benefit Payments	<u>(697,187)</u>	<u>(690,214)</u>	<u>(648,143)</u>	<u>(731,058)</u>	<u>(749,468)</u>
<u>Net Change in Total OPEB Liability</u>	2,671,650	1,221,230	(4,909,639)	1,242,880	1,135,291
<u>Total OPEB Liability - Beginning</u>	<u>24,652,789</u>	<u>23,431,559</u>	<u>28,341,198</u>	<u>27,098,318</u>	<u>25,963,027</u>
<u>Total OPEB Liability - Ending</u>	<u>\$ 27,324,439</u>	<u>\$ 24,652,789</u>	<u>\$ 23,431,559</u>	<u>\$ 28,341,198</u>	<u>\$ 27,098,318</u>
<u>Plan Fiduciary Net Position</u>					
Contributions - Employer	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - Other	-	-	-	-	-
Net Investment Income	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	-	-	-	-	-
Administrative Expense	-	-	-	-	-
<u>Net Change in Plan Fiduciary Net Position</u>	-	-	-	-	-
<u>Plan Fiduciary Net Position - Beginning</u>	-	-	-	-	-
<u>Plan Fiduciary Net Position - Ending</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Aston Township's Net OPEB Liability</u>	<u>\$ 27,324,439</u>	<u>\$ 24,652,789</u>	<u>\$ 23,431,559</u>	<u>\$ 28,341,198</u>	<u>\$ 27,098,318</u>
<u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</u>	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Covered Employee Payroll</u>	\$ 4,547,750	\$ 4,673,264	\$ 4,450,728	\$ 3,733,555	\$ 3,589,957
<u>Net OPEB Liability as a Percentage of Payroll</u>	600.8%	527.5%	526.5%	759.1%	754.8%

**Aston Township**  
**Balance Sheet**  
**General Fund**  
**December 31, 2021**

Assets

Cash and cash equivalents	\$ 2,902,378
Taxes receivable	1,272,374
Other receivables	234,211
Due from other funds	641,440
Prepaid expenditures	134,250
Deposits	25,168
	\$ 5,209,821
	\$ 5,209,821

Liabilities, Deferred Inflows of Resources, and Fund Balances

Liabilities

Accounts payable	\$ 297,694
Accrued payroll and related liabilities	101,176
Due to other funds	175,069
Developer escrow	379,215
Drug forfeiture escrow	7,094
	960,248
	960,248

Deferred Inflows of Resources

Unavailable revenue - taxes	170,500
	170,500
	170,500

Fund Balances

Nonspendable	134,250
Unassigned	3,944,824
	4,079,074
	4,079,074

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

\$ 5,209,822

**Aston Township**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance**  
**General Fund**  
**For the Year Ended December 31, 2021**

Revenues

Taxes - property		\$ 4,640,640
Local enabling act taxes		
Real estate transfer tax	\$ 566,259	
Mercantile tax and business privilege	832,426	
Mechanical device	2,160	
Earned income tax	3,930,143	
		5,330,988
Licenses and permits		
Licenses and inspection	1,342,060	
Franchise fee - cable television	360,210	
		1,702,270
Fines and forfeits		
District justice fines	29,836	
Other violations and fines	5,610	
		35,446
Rent - tower		42,082
Investment earnings		5,616
Intergovernmental revenues - grants		
Pension (Act 205)	292,330	
Other	126,359	
		418,689
Charges for services		
Public safety	149,330	
Crossing guard reimbursements	33,004	
Other department revenue	169,601	
		351,935
Other		
Refunds and reimbursements	148,380	
Miscellaneous	171,773	
		320,153
<u>Total Revenues</u>		\$ 12,847,819

**Aston Township**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**  
**General Fund**  
**For the Year Ended December 31, 2021**

Expenditures

General Government

Administration

Salaries and benefits	\$ 493,001	
Materials and supplies	19,599	
Consultant fees and other contracted services	78,695	
Web design maintenance	9,000	
General expenses	156,674	
Municipal pension contribution	103,411	
Accounting and payroll services	130,534	
Solicitor and arbitration	196,090	
	<hr/>	\$ 1,187,004

Treasurer

General expense	7,188	
	<hr/>	7,188

Municipal buildings

Materials and supplies and general expense	262,467	
Utility cost	49,032	
Capital purchases	5,579	
Contracted services	390,026	
	<hr/>	707,104

<u>Total general government</u>		<hr/> <u>1,901,296</u>
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**Aston Township**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**  
**General Fund**  
**For the Year Ended December 31, 2021**

Public Safety

Police protection		
Salaries and benefits	\$ 5,368,395	
Materials, supplies and general expenses	166,798	
Utilities and telephone	12,638	
Vehicle operation	39,502	
Animal control	7,815	
Maintenance and repairs and equipment	40,251	
Police training, physicals and police testing	22,761	
Pension plan contribution	1,214,004	
		\$ 6,872,164
Fire and Ambulance Rescue		
Salaries and benefits	50,546	
Fire hydrants	142,237	
Contribution volunteer fire companies	158,125	
General expenses	2,417	
		353,325
Building Regulation, Planning, Zoning, Emergency Management and Health		
Salaries and benefits	221,056	
Inspection fees, engineering, consulting and property maintenance	201,538	
General expenses	18,176	
Materials and supplies	8,755	
		449,525
<u>Total Public Safety</u>		7,675,014

Health and Human Services

Salaries	12,575	
<u>Total Health and Human Services</u>		14,450



**Aston Township**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**  
**General Fund**  
**For the Year Ended December 31, 2021**

<u>Excess of Revenues Over Expenditures</u>		\$ 1,188,497
<u>Other Financing (Uses) of Funds</u>		
Operating transfer in	\$ 29	
Operating transfer out	<u>(510,542)</u>	
<u>Total Other Financing (Uses) of Funds</u>		<u>(510,513)</u>
<u>Excess of Revenues and Other Financing Sources</u> <u>Over Expenditures and Other Uses of Funds</u>		677,984
<u>Fund Balance - Beginning</u>		<u>3,401,090</u>
<u>Fund Balance - Ending</u>		<u><u>\$ 4,079,074</u></u>

**Aston Township**  
**Budgetary Comparison Schedule - Debt Service Fund**  
**For the Year Ended December 31, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>Revenues</u>				
Taxes:				
Property	\$ 1,033,110	\$ 1,033,110	\$ 508,370	\$ (524,740)
<u>Total Revenues</u>	<u>1,033,110</u>	<u>1,033,110</u>	<u>508,370</u>	<u>(524,740)</u>
<u>Expenditures</u>				
Debt service:				
Principal	653,000	653,000	646,000	7,000
Interest	377,110	377,110	372,911	4,199
Fiscal agent fees	3,000	3,000	-	3,000
<u>Total Expenditures</u>	<u>1,033,110</u>	<u>1,033,110</u>	<u>1,018,911</u>	<u>14,199</u>
<u>Excess of Revenues (Under) Expenditures</u>	-	-	(510,541)	(510,541)
<u>Other Financing Sources of Funds</u>				
Operating transfer in	-	-	510,542	510,542
<u>Total Other Financing Sources of Funds</u>	<u>-</u>	<u>-</u>	<u>510,542</u>	<u>510,542</u>
<u>Excess of Revenues and Other Financing Sources Over Expenditures and Other Uses of Funds</u>	<u>\$ -</u>	<u>\$ -</u>	1	<u>\$ 1</u>
<u>Fund Balance - Beginning</u>			<u>3,853</u>	
<u>Fund Balance - Ending</u>			<u>\$ 3,854</u>	

**Aston Township**  
**Budgetary Comparison Schedule - Capital Projects Fund**  
**For the Year Ended December 31, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<b><u>Revenues</u></b>				
Rent	\$ -	\$ -	\$ 24,330	\$ 24,330
Investment earnings	20,000	20,000	9,104	(10,896)
Intergovernmental revenues - grants	725,000	725,000	-	(725,000)
Other revenue	-	-	7,451	7,451
	<u>745,000</u>	<u>745,000</u>	<u>40,885</u>	<u>(704,115)</u>
<b><u>Total Revenues</u></b>				
<b><u>Expenditures</u></b>				
Public safety	5,500,000	5,500,000	3,593,540	1,906,460
Public works - highways and streets	3,575,000	3,575,000	-	3,575,000
Culture and recreation	150,000	150,000	-	150,000
	<u>9,225,000</u>	<u>9,225,000</u>	<u>3,593,540</u>	<u>5,631,460</u>
<b><u>Total Expenditures</u></b>				
<b><u>Excess of Revenues Over (Under) Expenditures</u></b>	<b><u>\$ (8,480,000)</u></b>	<b><u>\$ (8,480,000)</u></b>	<b><u>(3,552,655)</u></b>	<b><u>\$ 4,927,345</u></b>
<b><u>Fund Balance - Beginning</u></b>			<b><u>7,414,582</u></b>	
<b><u>Fund Balance - Ending</u></b>			<b><u>\$ 3,861,927</u></b>	

**Aston Township**  
**Budgetary Comparison Schedule - Fire Fund**  
**For the Year Ended December 31, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>Revenues</u>				
Taxes:				
Property	\$ 180,433	\$ 180,433	\$ 181,086	\$ 653
Intergovernmental revenues - grants	<u>102,000</u>	<u>102,000</u>	<u>90,040</u>	<u>(11,960)</u>
<u>Total Revenues</u>	<u>282,433</u>	<u>282,433</u>	<u>271,126</u>	<u>(11,307)</u>
<u>Expenditures</u>				
Current:				
Public safety	<u>282,433</u>	<u>282,433</u>	<u>271,124</u>	<u>11,309</u>
<u>Total Expenditures</u>	<u>282,433</u>	<u>282,433</u>	<u>271,124</u>	<u>11,309</u>
<u>Excess of Revenues Over Expenditures</u>	<u>\$ -</u>	<u>\$ -</u>	2	<u>\$ 2</u>
<u>Fund Balances - Beginning</u>			<u>-</u>	
<u>Fund Balances - Ending</u>			<u>\$ 2</u>	

**Aston Township**  
**Budgetary Comparison Schedule - Library Fund**  
**For the Year Ended December 31, 2021**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Taxes:				
Property	\$ 46,779	\$ 46,779	\$ 46,517	\$ (262)
<u>Total Revenues</u>	46,779	46,779	46,517	(262)
<u>Expenditures</u>				
Current:				
Culture and recreation	46,779	46,779	43,641	3,138
<u>Total Expenditures</u>	46,779	46,779	43,641	3,138
<u>Excess of Revenues Over Expenditures</u>	\$ -	\$ -	2,876	\$ 2,876
<u>Fund Balances - Beginning</u>			-	
<u>Fund Balances - Ending</u>			\$ 2,876	

**Aston Township**  
**Budgetary Comparison Schedule - Sanitation Fund**  
**For the Year Ended December 31, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>Operating Revenues</u>				
Charges for services	\$ 1,214,427	\$ 1,214,427	\$ 1,272,733	\$ 58,306
<u>Total Operating Revenues</u>	<u>1,214,427</u>	<u>1,214,427</u>	<u>1,272,733</u>	<u>58,306</u>
<u>Operating Expenses</u>				
Salaries and wages	554,757	554,757	554,842	(85)
Employee benefits	197,694	197,694	147,097	50,597
Pension cost	14,872	14,872	162	14,710
Vehicle expense and fuel	31,200	31,200	27,320	3,880
Repairs and maintenance	31,577	31,577	28,425	3,152
Expenses - waste management authorities	261,261	261,261	301,231	(39,970)
Supplies	-	-	3,240	(3,240)
Recycling charges	120,000	120,000	111,262	8,738
Depreciation	-	-	45,149	(45,149)
<u>Total Operating Expenses</u>	<u>1,211,361</u>	<u>1,211,361</u>	<u>1,218,728</u>	<u>(7,367)</u>
<u>Income Before Transfers</u>	3,066	3,066	54,005	50,939
<u>Operating Transfer from General Fund</u>	19,428	19,428	-	(19,428)
<u>Operating Income</u>	<u>22,494</u>	<u>22,494</u>	<u>54,005</u>	<u>31,511</u>
<u>Nonoperating Revenues</u>				
Intergovernmental revenue - grants	-	-	39,482	39,482
<u>Total Nonoperating Revenues</u>	<u>-</u>	<u>-</u>	<u>39,482</u>	<u>39,482</u>
<u>Change in Net Position</u>	<u>\$ -</u>	<u>\$ -</u>	93,487	<u>\$ 93,487</u>
<u>Net Position - Beginning of Year</u>			<u>645,588</u>	
<u>Net Position - End of Year</u>			<u>\$ 739,075</u>	