

Aston Township

December 31, 2020

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Independent Auditor's Report

Board of Commissioners
Aston Township, Pennsylvania

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, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the index.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Opinions

In our opinion, the financial statements referred to above presents 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, 2020, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America..

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3-10, the budgetary comparison schedules on pages 57-58, and the supplementary pension and other post-employment benefits schedules on pages 60-64 to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Aston Township, Pennsylvania's financial statements. The other supplementary information listed in the index is presented for purposes of additional analysis and are not a required part of the financial statements.

The other supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Barz Gowie Amon & Fultz, LLC

**ASTON TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2020
(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, 2020. 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 2020:

- Total operating cash and cash equivalents remained stable through 2020, with \$7,414,582 remaining in capital projects funds committed to be spent on capital projects, most of which are related to the proposed construction of the Fire House within the Township.
- Property, plant and equipment cost value, excluding depreciation and net of disposals for the governmental activities increased this period by \$3,910,582 inclusive of construction in progress. Property plant and equipment for business-type activities increased by \$271,833.
- The Township's total police pension liability decreased this period as the Plan fiduciary position increased by \$1,425,379 resulting in the police net pension liability for the Township in the amount of \$2,269,267. Return on plan investments decreased somewhat this year as the money weighted rate of return was 6.86% as compared with 17.64% the prior year. The non-uniformed Plan pension fiduciary position increased \$479,336 this period. Thus, the pension liability becomes a prepaid asset of the Township, shown accordingly on the Statement of Net Position. Other Post Employment Benefits (OPEB) as actuarially determined increased this period by \$1,221,230 to \$24,652,789 as shown as part of long-term liabilities on the government wide statements.
- The total net position of the Township at December 31, 2020 was \$(18,337,900), a decrease of \$771,355 in net position. Governmental funds (including General Fund support of sanitation activities) decreased \$3,739,401 this period which included \$3,910,582 in capital expenditures, a significant portion of which was related to the construction of the new firehouse. The General Fund this period ended with an unassigned fund balance of \$3,266,840, representing 28.83 percent of Township revenues and 32.18 percent of Township expenditures (without regards to interfund operating transfers), well within Government Finance Officers Association (GFOA) standards.
- The Township's business-type activity is its Sanitation Fund which is supported primarily by Sanitation fees charged to the residents. The General Fund provided this year \$48,384 in support of the fund's expenditures.

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 YEARS ENDED DECEMBER 31, 2020
(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 special revenue 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 65 through 70 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 YEARS ENDED DECEMBER 31, 2020
(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 expended 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, DCIU Grant Fund, the Debt Service Fund, and the Capital Projects Fund. The basic governmental funds financial statements can be found on pages 14 through 17 of this report.

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 18 through 20 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 21 through 22 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 YEARS ENDED DECEMBER 31, 2020
(UNAUDITED)**

Government-Wide Financial Analysis

Condensed Net Position– as reflected in Table 1, the Condensed Net Position combines and consolidates the governmental funds' and business type activities current financial resources (short-term spendable resources) with capital assets and long-term obligations for the years ended December 31, 2020 and 2019.

The Township's governmental activities net position totaled \$(18,983,488) and \$(17,755,850) as of December 31, 2020 and 2019, 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, 2020 and 2019 were \$3,412,027 and \$366,906, 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 \$645,588 in 2020 at \$189,305 in 2019. The general fund supported the expenses within the Sanitation fund through an operating transfer in the amount of \$48,384. In addition in this period the Sanitation Fund received capital contributions in the amount of \$271,831. The Township's investment in capital assets related to business-type activities, less any related debt used to acquire those assets still outstanding as of December 31, 2020 and 2019, was \$542,190 and \$304,593, respectively.

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

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current assets	\$ 13,564,264	\$ 15,427,022	\$ 169,890	\$ 224,454	\$ 13,734,154	\$ 15,651,476
Internal balances	-	246,101	-	(246,101)	-	-
Net pension prepaid liability	341,930	217,786	146,542	-	488,472	217,786
Capital assets, net of depreciation	17,813,586	15,418,906	542,190	304,593	18,355,776	15,723,499
Total Assets	31,719,780	31,309,815	858,622	282,946	32,578,402	31,592,761
Deferred Outflows of Resources	114,533	13,952	16,820	112,358	131,353	126,310
Current Liabilities	3,379,839	1,717,387	33,838	-	3,413,677	1,717,387
Long Term Liabilities	41,426,691	41,293,224	12,614	15,854	41,439,305	41,309,078
Total Liabilities	44,806,530	43,010,611	46,452	15,854	44,852,982	43,026,465
Deferred Inflows of Resources	6,011,271	6,069,006	183,402	190,145	6,194,673	6,259,151
Net Position						
Invested in capital assets	3,412,027	366,906	542,190	304,593	3,954,217	671,499
Restricted restated for 2019	125,314	190,766			125,314	
Unrestricted	(22,520,829)	(18,313,522)	103,398	(115,288)	(22,417,431)	(18,428,810)
Total Net Position	\$ (18,983,488)	\$ (17,755,850)	\$ 645,588	\$ 189,305	\$ (18,337,900)	\$ (17,757,311)

**ASTON TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2020
(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, 2020 and 2019. 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, 2020 and 2019, the Township's activities generated total revenues of \$14,680,056 and \$14,664,011, respectively. Total revenues in governmental activities decreased approximately 1.0% and were comprised of approximately 79% general revenues and 21% program revenues. Business type activity revenue increased slightly, approximately 10%. Total expenses decreased by \$236,595 or 14% (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,

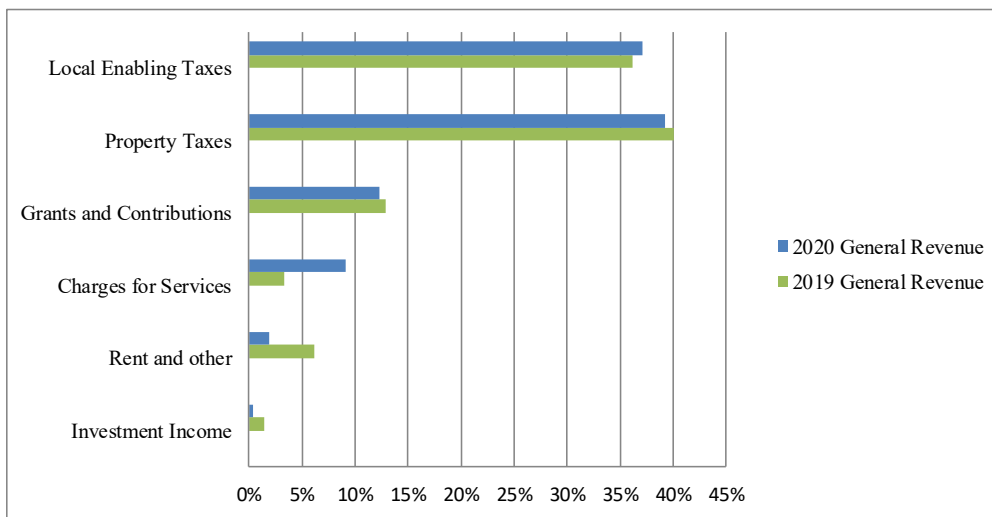
	Governmental Activities		Business Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program Revenues						
Charges for Services	\$ 1,200,207	\$ 435,935	\$ 1,404,600	\$ 1,352,183	\$ 2,604,807	\$ 1,788,118
Operating Grants and Capital Grants and Contributions	1,617,881	1,713,457	25,405	-	1,643,286	1,713,457
General Revenues						
Property Taxes	5,179,417	5,332,396	-	-	5,179,417	5,332,396
Local enabling taxes	4,886,307	4,817,912	-	-	4,886,307	4,817,912
Rent and other	249,905	822,606	-	-	249,905	822,606
Investment income	55,347	189,522	60,987	-	116,334	189,522
Total Revenues	13,189,064	13,311,828	1,490,992	1,352,183	14,680,056	14,664,011
Expenses:						
General Government	1,569,693	1,320,020	-	-	1,569,693	1,320,020
Public safety	7,529,463	7,480,001	-	-	7,529,463	7,480,001
Health and human services	14,262	-	-	-	14,262	-
Public works – highways and Streets	2,244,289	1,190,426	-	-	2,244,289	1,190,426
Culture and recreation	833,039	514,300	-	-	833,039	514,300
Sanitation	-	-	1,354,924	1,591,519	1,354,924	1,591,519
Interest on long-term debt and amortization	389,839	396,362	-	-	389,839	396,362
Non-allocated depreciation	1,515,902	1,458,225	-	-	1,515,902	1,458,225
Total Expenses	14,096,487	12,359,334	1,354,924	1,591,519	15,451,411	13,950,853
Change in Net Position before Transfers						
Transfers	(907,423)	952,494	136,068	(239,336)	(771,355)	713,158
Transfers	(320,215)	(239,336)	320,215	239,336	-	-
Change in Net Position	(1,227,638)	713,158	456,283	-	(771,355)	713,158
Net Position – beginning restated	(17,755,850)	(18,469,008)	189,305	189,305	(17,566,545)	(18,279,703)
Net Position – Ending	\$ (18,983,488)	\$ (17,755,850)	\$ 645,588	\$ 189,305	\$ (18,337,900)	\$ (17,566,545)

**ASTON TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2020
(UNAUDITED)**

Government-Wide Financial Analysis (Continued)

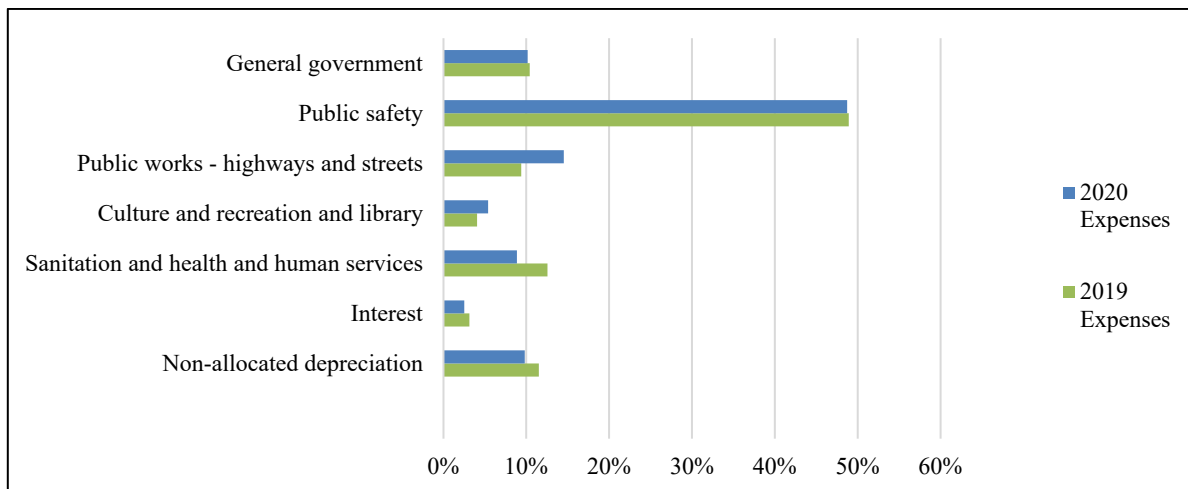
The decrease in total governmental revenues from 2019 to 2020 was generated from revenues relating to both general and program related sources (although charges for services did increase during the period, as illustrated in Table 3, which provides a breakdown of revenue sources as a percentage of total revenues by year. Property taxes decreased this period by 2.8 %, partially as a result of pandemic related collection conditions. License and permits and other charges for services increased this period as a result of project related costs that were continuing in 2020. In 2021, the Township anticipates a substantial increase in building related revenue as well.

Table 3 – Analysis of Revenues by Source for the Years Ended December 31, 2020 and 2019



For the years ended December 31, 2020 and 2019, public safety was the Township's largest program expense representing approximately 53% of total expenses for 2020 and 50% for 2019. There was a noted increase in Public works in the current year, particularly regarding highways and street expenses.

Table 4 – Analysis of Expenses by Function for the Years Ended December 31, 2020 and 2019



**ASTON TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2020
(UNAUDITED)**

Capital Assets

The Township's net investment in capital assets (cost less accumulated depreciation) as of December 31, 2020 and 2019 was \$18,355,776 and \$15,723,499, respectively. Business type additions to capital assets increased \$271,833. Government activity additions were \$3,910,582. Depreciation expense totaled \$1,515,902 for governmental activities and \$34,236 for business activities in 2020.

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, 2020 and 2019

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Capital Assets						
Land	\$ 456,397	\$ 456,397	\$ -	\$ -	\$ 456,397	\$ 456,397
Construction in progress	3,082,853	-	-	-	3,082,853	-
Land improvements	5,547,511	5,316,021	-	-	5,547,511	5,316,021
Building and improvements	13,829,184	13,809,184	-	-	13,829,184	13,809,184
Machinery and equipment	1,924,125	1,815,108	820,615	548,782	2,744,740	2,363,890
Infrastructure	24,253,920	23,786,698	-	-	24,253,920	23,786,698
Total Capital Assets	49,093,990	45,183,408	820,615	548,782	49,914,605	45,732,190
Less Accumulated Depreciation	(31,280,404)	(29,764,502)	(278,425)	(244,189)	(31,558,829)	(30,008,691)
Net Capital Assets	\$ 17,813,586	\$ 15,418,906	\$ 542,190	\$ 304,593	\$ 18,355,776	\$ 15,723,499

Long-term Liabilities

As of December 31, 2020, and 2019, the Township had four general obligation notes outstanding and assets held under capital leases, as follows:

	2020	2019
Long Term Debt		
Series 2012 GON	\$ 764,000	\$ 907,000
GON Fire truck	38,000	45,000
Series 2015 GON	1,602,000	1,850,000
Series 2018 GON	12,010,000	12,250,000
Total Long Term Debt	14,414,000	15,052,000
Less: bond discount net of amortization	(12,441)	(14,510)
	\$ 14,401,559	\$ 15,037,490

As of December 31, 2020 and December 31, 2019 other significant long-term liabilities included amounts accrued for sick pay, net pension and OPEB liabilities, and had outstanding balances as follows:

	2020	2019
Long Term Liabilities		
Compensated absences	\$ 768,690	\$ 698,555
Pension obligation	2,269,267	2,779,474
Post employment benefits	24,652,789	23,431,559
Total Long Term Liabilities	\$ 27,690,746	\$ 26,909,588

**ASTON TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2020
(UNAUDITED)**

Additional information regarding the Township's long-term liabilities can be found in Notes 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:

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2 New Road
Aston, PA 19014
610-434-1636
www.astontownship.net

Aston Township
Statement of Net Position
December 31, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
<u>Current Assets</u>			
Cash and cash equivalents	\$ 11,579,195	\$ -	\$ 11,579,195
Taxes receivable	1,251,205	-	1,251,205
Other receivables (net of allowance for uncollectible accounts)	599,614	159,159	758,773
Prepaid expenses	134,250	10,731	144,981
<u>Total Current Assets</u>	<u>13,564,264</u>	<u>169,890</u>	<u>13,734,154</u>
<u>Noncurrent Assets</u>			
Capital assets (net of accumulated depreciation)			
Land	456,397	-	456,397
Construction in Progress	3,082,853	-	3,082,853
Land improvements	1,976,681	-	1,976,681
Buildings and improvements	4,101,856	-	4,101,856
Equipment	268,857	542,190	811,047
Vehicles	306,477	-	306,477
Infrastructure	7,620,465	-	7,620,465
<u>Total Capital Assets</u>	<u>17,813,586</u>	<u>542,190</u>	<u>18,355,776</u>
Net non-uniform pension asset	341,930	146,542	488,472
<u>Total Noncurrent Assets</u>	<u>18,155,516</u>	<u>688,732</u>	<u>18,844,248</u>
<u>Total Assets</u>	<u>31,719,780</u>	<u>858,622</u>	<u>32,578,402</u>
<u>Deferred Outflows of Resources</u>			
Pension plans' resources	114,533	16,820	131,353
<u>Total Assets and Deferred Outflows of Resources</u>	<u>\$ 31,834,313</u>	<u>\$ 875,442</u>	<u>\$ 32,709,755</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, 2020

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Accounts payable and accrued expenses	\$ 1,635,251	\$ 33,838	\$ 1,669,089
Unearned revenue	802,902	-	802,902
Developer escrow	282,622	-	282,622
Drug forfeiture escrow	6,064	-	6,064
Current portion of long-term debt	653,000	-	653,000
<u>Total Current Liabilities</u>	<u>3,379,839</u>	<u>33,838</u>	<u>3,413,677</u>
<u>Long-Term Liabilities</u>			
Bonds payable	13,748,559	-	13,748,559
Liability for compensated absences	768,690	-	768,690
Net pension liabilities	2,269,267	-	2,269,267
Net OPEB liability	24,640,175	12,614	24,652,789
<u>Total Long-Term Liabilities</u>	<u>41,426,691</u>	<u>12,614</u>	<u>41,439,305</u>
<u>Total Liabilities</u>	<u>44,806,530</u>	<u>46,452</u>	<u>44,852,982</u>
<u>Deferred Inflows of Resources</u>			
Pension plans' resources	925,636	183,402	1,109,038
OPEB plans' resources	5,085,635	-	5,085,635
<u>Total Deferred Inflows of Resources</u>	<u>6,011,271</u>	<u>183,402</u>	<u>6,194,673</u>
<u>Net Position</u>			
Invested in capital assets net of related debt	3,412,027	542,190	3,954,217
Restricted for:			
Construction and maintenance of public roads	125,285		125,285
Grant-stipulated expenditures	29		29
Unrestricted	(22,520,829)	103,398	(22,417,431)
<u>Total Net Position (Deficit)</u>	<u>(18,983,488)</u>	<u>645,588</u>	<u>(18,337,900)</u>
<u>Total Liabilities, Deferred Inflows of Resources, and Net Position (Deficit)</u>	<u>\$ 31,834,313</u>	<u>\$ 875,442</u>	<u>\$ 32,709,755</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, 2020

<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	\$ 1,569,693	\$ 873,923	\$ 59,279	\$ -	\$ (636,491)	\$ -	\$ (636,491)
Public safety	7,529,463	325,244	407,032	-	(6,797,187)	-	(6,797,187)
Health and human services	14,262	875	-	-	(13,387)	-	(13,387)
Public works - highways and streets	2,244,289	165	496,538	373,425	(1,374,161)	-	(1,374,161)
Culture and recreation	833,039	-	159,749	110,698	(562,592)	-	(562,592)
Interest on long-term debt	389,839	-	-	-	(389,839)	-	(389,839)
Unallocated depreciation	1,515,902	-	-	-	(1,515,902)	-	(1,515,902)
Total Governmental Activities	14,096,487	1,200,207	1,122,598	484,123	(11,289,559)	-	(11,289,559)
<u>Business-Type Activities</u>							
Sanitation fund	1,354,924	1,404,600	25,405	-	-	75,081	75,081
Total Business-Type Activities	1,354,924	1,404,600	25,405	-	-	75,081	75,081
Total Primary Government	\$ 15,451,411	\$ 2,604,807	\$ 1,148,003	\$ 484,123	(11,289,559)	75,081	(11,214,478)
<u>General Revenues</u>							
Property taxes					5,179,417	-	5,179,417
Local enabling taxes					4,886,307	-	4,886,307
Rent					65,795	-	65,795
Investment earnings					55,347	-	55,347
Grants, subsidies, and contributions not restricted to a specific program					11,160	-	11,160
Other revenue					184,110	60,987	245,097
Transfers					(320,215)	320,215	-
Total General Revenues and Transfers					10,061,921	381,202	10,443,123
Change in Net Position					(1,227,638)	456,283	(771,355)
Net Position - Beginning					(17,755,850)	189,305	(17,566,545)
Net Position - Ending					\$ (18,983,488)	\$ 645,588	\$ (18,337,900)

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

Aston Township
Balance Sheet
Governmental Funds
December 31, 2020

	Major Special Revenue Funds							
	General Fund	Highway Aid Fund	Matching Grant Fund	DCIU Grant Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Totals Governmental Funds
<u>Assets</u>								
Cash and cash equivalents	\$ 1,935,341	\$ 132,258	\$ 110,786	\$ 29	\$ -	\$ 9,391,233	\$ 9,548	\$ 11,579,195
Taxes receivable	1,229,474	-	-	-	16,388	-	5,343	1,251,205
Other receivables	226,189	-	373,425	-	-	-	-	599,614
Due from other funds	652,165	-	-	-	-	-	14,487	666,652
Prepaid expenditures	134,250	-	-	-	-	-	-	134,250
<u>Total Assets</u>	<u>\$ 4,177,419</u>	<u>\$ 132,258</u>	<u>\$ 484,211</u>	<u>\$ 29</u>	<u>\$ 16,388</u>	<u>\$ 9,391,233</u>	<u>\$ 29,378</u>	<u>\$ 14,230,916</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u>								
<u>Liabilities</u>								
Accounts payable	\$ 101,549	\$ 6,973	\$ 59,373	\$ -	\$ -	1,173,749	\$ 60,698	\$ 1,402,342
Accrued payroll and related liabilities	232,909	-	-	-	-	-	-	232,909
Due to other funds	14,487	-	525,165	-	-	-	127,000	666,652
Developer escrow	282,622	-	-	-	-	-	-	282,622
Drug forfeiture escrow	6,064	-	-	-	-	-	-	6,064
Unearned revenue	-	-	-	-	-	802,902	-	802,902
<u>Total Liabilities</u>	<u>637,631</u>	<u>6,973</u>	<u>584,538</u>	<u>-</u>	<u>-</u>	<u>1,976,651</u>	<u>187,698</u>	<u>3,393,491</u>
<u>Deferred Inflows of Resources</u>								
Unavailable revenue - taxes	138,698	-	-	-	12,535	-	4,086	155,319
<u>Total Deferred Inflows of Resources</u>	<u>138,698</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,535</u>	<u>-</u>	<u>4,086</u>	<u>155,319</u>
<u>Fund Balances</u>								
Nonspendable	134,250	-	-	-	-	-	-	134,250
Restricted for:								
Construction and maintenance of public roads	-	125,285	-	-	-	-	-	125,285
Grant-stipulated expenditures	-	-	-	29	-	-	-	29
Committed for:								
Capital projects	-	-	-	-	-	7,414,582	-	7,414,582
Debt service	-	-	-	-	3,853	-	-	3,853
Unassigned	3,266,840	-	(100,327)	-	-	-	(162,406)	3,004,107
<u>Total Fund Balances</u>	<u>3,401,090</u>	<u>125,285</u>	<u>(100,327)</u>	<u>29</u>	<u>3,853</u>	<u>7,414,582</u>	<u>(162,406)</u>	<u>10,682,106</u>
<u>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</u>	<u>\$ 4,177,419</u>	<u>\$ 132,258</u>	<u>\$ 484,211</u>	<u>\$ 29</u>	<u>\$ 16,388</u>	<u>\$ 9,391,233</u>	<u>\$ 29,378</u>	<u>\$ 14,230,916</u>

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, 2020

Total Fund Balances - Governmental Funds \$ 10,682,106

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	3,082,853	
Land improvements	1,976,681	
Buildings and improvements	4,101,856	
Equipment	268,857	
Vehicles	306,477	
Infrastructure	<u>7,620,465</u>	
		17,813,586

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

Bonds payable	(14,401,559)	
Liability for compensated absences	(768,690)	
Net pension liabilities, net of related deferred outflows and deferred inflows of resources	(2,738,440)	
Net OPEB liability, net of related deferred outflows and deferred inflows of resources	<u>(29,725,810)</u>	
		(47,634,499)

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

155,319

Net Position of Governmental Activities

\$ (18,983,488)

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, 2020

	Major Special Revenue Funds					Capital Projects Fund	Other Governmental Funds	Totals Governmental Funds
	General Fund	Highway Aid Fund	Matching Grant Fund	DCIU Grant Fund	Debt Service Fund			
Revenues								
Taxes:								
Property	\$ 4,640,113	\$ -	\$ -	\$ -	\$ 418,456	\$ -	\$ 137,758	\$ 5,196,327
Local enabling act taxes	4,886,307	-	-	-	-	-	-	4,886,307
Licenses and permits	944,875	-	-	-	-	-	-	944,875
Fines and forfeits	38,033	-	-	-	-	-	-	38,033
Rent	65,795	-	-	-	-	-	-	65,795
Investment earnings	10,864	1,277	322	704	-	42,049	131	55,347
Intergovernmental revenues - grants	382,468	496,538	484,123	-	-	-	254,752	1,617,881
Departmental earnings	217,299	-	-	-	-	-	-	217,299
Other revenue	144,780	-	15,000	-	-	24,330	-	184,110
Total Revenues	11,330,534	497,815	499,445	704	418,456	66,379	392,641	13,205,974
Expenditures								
Current:								
General government	1,591,817	-	-	-	-	-	-	1,591,817
Public safety	6,687,410	-	-	-	-	74,444	193,357	6,955,211
Health and human services	15,025	-	-	-	-	-	-	15,025
Public works - sanitation	-	-	-	-	-	271,831	-	271,831
Public works - highways and streets	1,132,878	124,584	420,840	15,811	-	591,825	-	2,285,938
Culture and recreation	583,352	-	173,038	-	-	-	84,427	840,817
Capital Outlay:								
Public safety	109,017	-	-	-	-	3,046,418	-	3,155,435
Public works - highways and streets	24,900	442,322	-	-	-	-	-	467,222
Culture and recreation	-	-	-	-	-	-	287,925	287,925
Debt service:								
Principal	7,000	-	-	-	631,000	-	-	638,000
Interest	-	-	-	-	387,770	-	-	387,770
Total Expenditures	10,151,399	566,906	593,878	15,811	1,018,770	3,984,518	565,709	16,896,991
Excess of Revenues Over (Under) Expenditures	1,179,135	(69,091)	(94,433)	(15,107)	(600,314)	(3,918,139)	(173,068)	(3,691,017)
Other Financing Sources (Uses) of Funds								
Operating transfer in	-	3,610	-	135,583	601,943	-	-	741,136
Operating transfer out	(783,820)	-	(5,700)	-	-	-	-	(789,520)
Total Other Financing Sources (Uses) of Funds	(783,820)	3,610	(5,700)	135,583	601,943	-	-	(48,384)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses of Funds	395,315	(65,481)	(100,133)	120,476	1,629	(3,918,139)	(173,068)	(3,739,401)
Fund Balances - Beginning	3,005,775	190,766	(194)	(120,447)	2,224	11,332,721	10,662	14,421,507
Fund Balances - Ending	\$ 3,401,090	\$ 125,285	\$ (100,327)	\$ 29	\$ 3,853	\$ 7,414,582	\$ (162,406)	\$ 10,682,106

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, 2020

Net Change in Fund Balances - Total Governmental Funds \$ (3,739,401)

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	\$ 3,910,582	
Depreciation expense	<u>(1,515,902)</u>	
		2,394,680

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 bonds payable	638,000	
Amortization of bond discount	<u>(2,069)</u>	
		635,931

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 729,622

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 (1,161,425)

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 (70,135)

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 (16,910)

Change in Net Position of Governmental Activities \$ (1,227,638)

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

Aston Township
Statement of Net Position
Sanitation Fund
December 31, 2020

Assets and Deferred Outflows of Resources

<u>Current Assets</u>	
Accounts receivable, net of allowance for uncollectibles	\$ 159,159
Prepaid expenses	10,731
<u>Total Current Assets</u>	<u>169,890</u>
 <u>Non-Current Assets</u>	
Property and Equipment, Net of Accumulated Depreciation	542,190
Net Pension Asset	146,542
<u>Total Non-Current Assets</u>	<u>688,732</u>
<u>Total Assets</u>	858,622
 <u>Deferred Outflows of Resources</u>	
Pension plans' resources	16,820
<u>Total Assets and Deferred Outflows of Resources</u>	<u>\$ 875,442</u>

Liabilities and Net Position

<u>Current Liabilities</u>	
Accounts payable and accrued expenses	\$ 33,838
<u>Total Current Liabilities</u>	33,838
 <u>Long Term Liabilities</u>	
Net OPEB liability	12,614
<u>Total Liabilities</u>	<u>46,452</u>
 <u>Deferred Inflows of Resources</u>	
Pension plans' resources	183,402
 <u>Net Position</u>	
Invested in capital assets, net of related debt	542,190
Unrestricted	103,398
<u>Total Net Position</u>	<u>645,588</u>
<u>Total Liabilities, Deferred Inflows of Resources, and Net Position</u>	<u>\$ 875,442</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, 2020

<u>Operating Revenues</u>	
Charges for services	\$ 1,404,600
<u>Total Operating Revenues</u>	<u>1,404,600</u>
<u>Operating Expenses</u>	
Salaries and wages	611,137
Employee benefits	167,349
Pension cost	38,111
Vehicle expense and fuel	18,545
Repairs and maintenance	57,679
Insurance	-
Expenses - waste management authorities	323,166
Supplies	2,903
Recycling charges	67,960
Other services and charges	33,838
Depreciation	34,236
<u>Total Operating Expenses</u>	<u>1,354,924</u>
<u>Operating Income</u>	<u>49,676</u>
<u>Nonoperating Revenues</u>	
Intergovernmental revenue - grants	25,405
Other revenue	60,987
<u>Total Nonoperating Revenues</u>	<u>86,392</u>
<u>Income Before Contributions and Transfers</u>	136,068
<u>Capital Contributions</u>	271,831
<u>Operating Transfer from General Fund</u>	<u>48,384</u>
<u>Change in Net Position</u>	456,283
<u>Net Position - Beginning of Year</u>	<u>189,305</u>
<u>Net Position - End of Year</u>	<u>\$ 645,588</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, 2020

<u>Cash Flows from Operating Activities</u>	
Cash received from users	\$ 1,458,711
Cash paid to employees	(877,584)
Cash payments to suppliers for goods and services	<u>(469,802)</u>
<u>Net Cash Provided by Operating Activities</u>	<u>111,325</u>
<u>Cash Flows from Non-Capital Financing Activities</u>	
Intergovernmental revenue - grants	25,405
Transfer from General Fund	48,384
Repayment of interfund payable	(246,101)
Other receipts	<u>60,987</u>
<u>Net Cash (Used) by Non-Capital Financing Activities</u>	<u>(111,325)</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>Reconciliation of Operating Loss to Net Cash</u>	
<u>Provided by Operating Activities</u>	
Operating income	\$ 49,676
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation	34,236
Changes in assets and liabilities:	
Accounts receivable	54,111
Prepaid expenses	453
Accounts payable and accrued expenses	33,836
Net pension liability and related deferred outflows and inflows of resources	<u>(60,987)</u>
<u>Net cash used by operating activities</u>	<u>\$ 111,325</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, 2020

	<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	\$ 2,644,770	\$ 92,737	\$ 2,737,507
Employee contributions receivable	5,413	-	5,413
Accrued interest receivable	28,231	-	28,231
Prepaid pension payments	80,264	13,369	93,633
Other receivables	5,673	-	5,673
Investments at fair value:			
Corporate stocks	7,595,346	-	7,595,346
Mutual funds - equities	2,482,388	-	2,482,388
Fixed income securities:		-	-
Government obligations	3,700,795	-	3,700,795
Non-governmental obligations	2,341,070	-	2,341,070
Foreign obligations	260,478	-	260,478
Exchange traded funds	-	3,929,253	3,929,253
<u>Total Assets</u>	<u>\$ 19,144,428</u>	<u>\$ 4,035,359</u>	<u>\$ 23,179,787</u>
<u>Liabilities</u>			
	-	-	-
<u>Net Position</u>			
Restricted for pension benefits	19,144,428	4,035,359	23,179,787
Held in trust for developers	-	-	-
<u>Total Net Position</u>	<u>\$ 19,144,428</u>	<u>\$ 4,035,359</u>	<u>\$ 23,179,787</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, 2020

	<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	\$ 1,231,074	\$ 127,035	\$ 1,358,109
Plan members	129,016	-	129,016
Total Contributions	<u>1,360,090</u>	<u>127,035</u>	<u>1,487,125</u>
Investment Earnings			
Interest and dividends	346,431	74,760	421,191
Net increase in fair value of investments	969,925	458,617	1,428,542
Less investment expense	<u>(100,662)</u>	<u>(16,816)</u>	<u>(117,478)</u>
Net investment earnings	<u>1,215,694</u>	<u>516,561</u>	<u>1,732,255</u>
Other Additions			
Escrow deposits from developers	<u>-</u>	<u>-</u>	<u>-</u>
Total additions	<u>2,575,784</u>	<u>643,596</u>	<u>3,219,380</u>
<u>Deductions</u>			
Retirement benefits	1,141,455	159,560	1,301,015
Administrative expenses	8,950	4,700	13,650
Refund of members' contributions	-	-	-
Return of escrow deposits to developers	<u>-</u>	<u>-</u>	<u>-</u>
Total deductions	<u>1,150,405</u>	<u>164,260</u>	<u>1,314,665</u>
<u>Changes in Net Fiduciary Position</u>	1,425,379	479,336	1,904,715
<u>Net Position - Beginning of Year</u>	<u>17,719,049</u>	<u>3,556,023</u>	<u>21,275,072</u>
<u>Net Position - End of Year</u>	<u>\$ 19,144,428</u>	<u>\$ 4,035,359</u>	<u>\$ 23,179,787</u>

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

Aston Township
Notes to Financial Statements
December 31, 2020

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, 2020

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 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, 2020

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 these major governmental funds and fund types:

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 and the DCIU Fund. Nonmajor special revenue funds include the Fire Tax Fund, the Library 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.
- Matching Grant Fund: This fund is used to account for grant funds for which a matching portion is required.

Proprietary Funds

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

Aston Township
Notes to Financial Statements
December 31, 2020

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, 2020

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, 2020

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, 2020

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, 2020

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, 2020

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.

N. New Accounting Pronouncements

Beginning for the year ended December 31, 2020, the Township adopted GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement describes four fiduciary funds that should be reported, as applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

Aston Township
Notes to Financial Statements
December 31, 2020

Note 1 Summary of Significant Accounting Policies (Continued)

N. New Accounting Pronouncements (Continued)

This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets.

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, 2020, including fiduciary funds, the aggregate carrying amounts of deposits was \$14,316,702 and the aggregate bank balance was \$14,587,375, of which \$280,412 was insured by the federal depository insurance (FDIC). Therefore, included in cash and cash equivalents is the remaining \$14,036,290 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 \$20,309,330 in investments (comprised of \$16,380,077 in the Police Pension Plan and \$3,929,253 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, 2020

Note 2 Cash Deposits and Investments (Continued)

Investments – Police Pension Plan (Continued)

Plan investments for the police pension plan as of December 31, 2020 were follows:

Corporate stocks	\$ 7,595,346
Mutual funds - equities	2,482,388
Fixed income securities:	
Government obligations	3,700,795
Non-governmental obligations	2,341,070
Foreign obligations	<u>260,478</u>
 <u>Total Investments</u>	 <u>\$ 16,380,077</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, 2020:

McKee International Equity Portfolio	<u>\$ 7,595,346</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, 2020

Note 2 Cash Deposits and Investments (Continued)

Investments – Police Pension Plan (Continued)

For the year ended December 31, 2020, the annual money-weighted rate of return on pension plan investments was 6.86% as compared with 17.64% for 2019. 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 \$3,929,253. The Township considers all investments to be Level 1.

All of the individual investments of the Non-Uniformed Pension Plan exceeded 5% of the Plan's net position. Plan investments included the following as of December 31, 2020:

Vanguard FTSE All World ex US ETF	\$ 945,899
Vanguard Growth Index Fund ETF	653,364
Vanguard Value Index Fund ETF	649,165
Vanguard Total Bond Market Index Fund ETF	603,925
Vanguard Intermediate-Term Corp Bond Index Fund ETF	244,016
Vanguard Small-Cap ETF	239,262
Vanguard Mid-Cap ETF	226,827
iShares iBoxx \$ High Yield Corporate Bond ETF	184,639
iShares TIPS Bond ETF	<u>182,156</u>
 Total	 <u><u>\$3,929,253</u></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 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, 2020

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	42.25%	4.63%
International equities	24.75%	6.01%
Fixed income	32.00%	0.68%
Cash	3.00%	<u>-0.38%</u>
Total Net Blended Return		3.53% *

* Excludes 2.18% inflation assumption.

For the year ended December 31, 2020, the annual money-weighted rate of return on the non-uniform pension plan investments was 14.69% as compared with 20.15% in 2019. 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, 2020

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 2020:

	Balance - 1/1/2020	Additions	Disposals	Balance - 12/31/2020
<u>Governmental Activities:</u>				
<u>Capital Assets Not Being Depreciated:</u>				
Land	\$ 456,397	\$ -	\$ -	\$ 456,397
Construction in Progress	-	3,082,853	-	3,082,853
<u>Total Capital Assets Not Being Depreciated</u>	<u>456,397</u>	<u>3,082,853</u>	<u>-</u>	<u>3,539,250</u>
<u>Capital Assets Being Depreciated:</u>				
Land improvements	5,316,021	231,490	-	5,547,511
Buildings and improvements	13,809,184	20,000	-	13,829,184
Equipment	604,490	-	-	604,490
Vehicles	1,210,618	109,017	-	1,319,635
Infrastructure:				
Roads	21,782,644	442,322	-	22,224,966
Street lights	1,216,554	-	-	1,216,554
Traffic signals	787,500	24,900	-	812,400
<u>Totals at Estimated Historical Cost</u>	<u>44,727,011</u>	<u>827,729</u>	<u>-</u>	<u>45,554,740</u>
<u>Less Accumulated Depreciation:</u>				
Land improvements	(3,392,077)	(178,753)	-	(3,570,830)
Buildings and improvements	(9,377,285)	(350,043)	-	(9,727,328)
Equipment	(260,848)	(74,785)	-	(335,633)
Vehicles	(890,156)	(123,002)	-	(1,013,158)
Infrastructure:				
Roads	(15,061,746)	(710,858)	-	(15,772,604)
Street lights	(219,890)	(12,161)	-	(232,051)
Traffic signals	(562,500)	(66,300)	-	(628,800)
<u>Total Accumulated Depreciation</u>	<u>(29,764,502)</u>	<u>(1,515,902)</u>	<u>-</u>	<u>(31,280,404)</u>
<u>Capital Assets Being Depreciated, Net</u>	<u>14,962,509</u>	<u>(688,173)</u>	<u>-</u>	<u>14,274,336</u>
<u>Governmental Activities Capital Assets, Net</u>	<u>\$ 15,418,906</u>	<u>\$ 2,394,680</u>	<u>\$ -</u>	<u>\$ 17,813,586</u>
<u>Business-Type Activities:</u>				
Vehicles	\$ 548,782	\$ 271,833	\$ -	\$ 820,615
Less Accumulated Depreciation	(244,189)	(34,236)	-	(278,425)
<u>Business-Type Activities Capital Assets, Net</u>	<u>\$ 304,593</u>	<u>\$ 237,597</u>	<u>\$ -</u>	<u>\$ 542,190</u>

Aston Township
Notes to Financial Statements
December 31, 2020

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, 2020, 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	\$ 652,165	\$ 14,487
Matching grant fund		525,165
Other governmental funds:		
Fire tax fund	9,512	
Library fund	4,975	
Smiles playground fund		127,000
	<u> </u>	<u> </u>
Totals	<u>\$ 666,652</u>	<u>\$ 666,652</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 2020:

<u>Fund</u>	<u>Interfund Transfers In</u>	<u>Interfund Transfers Out</u>
General fund	\$ -	\$ 783,820
Highway aid fund	3,610	-
Debt service fund	601,943	-
Matching grant fund	-	5,700
DCIU fund	135,583	-
Sanitation fund	48,384	-
	<u> </u>	<u> </u>
Totals	<u>\$ 789,520</u>	<u>\$ 789,520</u>

Aston Township
Notes to Financial Statements
December 31, 2020

Note 5 Long-Term Debt

General Obligation Debt

The Township had four general obligation notes outstanding as of December 31, 2020.

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. 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.

Aston Township
Notes to Financial Statements
December 31, 2020

Note 5 Long-Term Debt (Continued)

Liability for Compensated Absences (Continued)

The total liability for compensated absences was \$768,690 as of December 31, 2020.

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, 2020:

	Principal Outstanding 1/1/20	Additions	Deductions	Principal Outstanding 12/31/20	Amount Due in One Year
General Obligation Notes, Series of 2018	\$ 12,250,000	\$ -	\$ 240,000	\$ 12,010,000	\$ 246,000
General Obligation Notes, Series of 2015	1,850,000	-	248,000	1,602,000	254,000
General Obligation Notes, Series of 2012	907,000	-	143,000	764,000	146,000
General Obligation Note, 2010	45,000	-	7,000	38,000	7,000
Total General Obligation Notes Payable	15,052,000	-	638,000	14,414,000	653,000
Unamortized Bond Discounts	(14,510)	-	(2,069)	(12,441)	-
General Obligation Notes Payable, Including Unamortized Bond Discounts	15,037,490	-	635,931	14,401,559	653,000
Liability for Compensated Absences	698,555	70,135	-	768,690	-
Net Pension Liability	2,779,474	-	510,207	2,269,267	-
Net OPEB Liability	23,431,559	1,221,230	-	24,652,789	-
Total Long-Term Debt	\$41,947,078	\$1,291,365	\$1,146,138	\$42,092,305	\$ 653,000

The annual requirements to amortize general obligation notes outstanding as of December 31, 2020, are as follows (variable debt being estimated at 1.21% for historical trending):

Year	Principal	Interest	Total
2021	\$ 653,000	\$ 366,513	\$ 1,019,513
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 - 2030	3,586,000	1,243,285	4,829,285
2031 - 2035	4,434,000	678,509	5,112,509
2036 - 2038	2,971,000	96,691	3,067,691
Totals	<u>\$14,414,000</u>	<u>\$3,704,646</u>	<u>\$18,118,646</u>

Aston Township
Notes to Financial Statements
December 31, 2020

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, 2019, consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	22
Inactive employees entitled to but not yet receiving benefits	1
Active employees	<u>20</u>
Total plan participants	<u><u>43</u></u>

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.

Aston Township
Notes to Financial Statements
December 31, 2020

Note 6 Police Pension Plan (Continued)

B. Basic Provisions (Continued)

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 2020 was \$1,231,074, inclusive of \$269,832 of state aid.

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

<u>Year</u>	<u>Township</u>	<u>State</u>	<u>Total</u>
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
2013	966,521	191,458	1,157,979

D. Annual Pension Cost and Net Pension Obligation

The Township received on behalf of the Township plans \$354,516 in state funds pursuant to Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, of which \$269,832 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 \$301,037 for the period.

Police active membership contribution for 2020 was \$129,016 based on the active police covered salary of \$2,641,194.

Aston Township
Notes to Financial Statements
December 31, 2020

Note 6 Police Pension Plan (Continued)

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

The MMO contribution for the current year was determined as part of the January 1, 2019, actuarial valuation using the entry age actuarial cost method. Update procedures were used to roll forward the January 1, 2019 liabilities to December 31, 2020.

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, 2020 were as follows:

Total pension liability	\$21,413,695	
Plan fiduciary net position	<u>19,144,428</u>	
Net pension liability	<u>\$ 2,269,267</u>	
Plan fiduciary net position as a percentage of the total pension liability	89.4%	

For the year ended December 31, 2020, as noted above, the Township recognized pension expense for the Police Pension Plan in its government-wide statements in the amount of \$301,037 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	\$ -	\$ 497,697
Changes in assumptions	15,132	-
Net difference between projected and actual investment earnings on pension plan investments	<u>60,153</u>	<u>-</u>
Total	<u>\$ 75,285</u>	<u>\$ 497,697</u>

Aston Township
Notes to Financial Statements
December 31, 2020

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
2021	\$ (35,329)
2022	101,731
2023	(372,716)
2024	(79,839)
2025	(36,259)
Total	\$ (422,412)

F. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation date of January 1, 2019 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	8% per annum, net of pension plan investment expense including inflation
Actuarial cost method	Entry age
Amortization method	Level dollar
Amortization period	7 years
Asset valuation method	Market Value

Mortality rates were based on the Blue Collar RP-2000 Mortality Table projected to 2017 using Scale AA.

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 2.50% inflation assumption was a blended rate of 4.64%. The long-term expected rate of return including expected inflation of 2.50% was 7.84%.

Aston Township
Notes to Financial Statements
December 31, 2020

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 8%, as well as what the net pension liability would be if it were calculated using a discount rate of the one percentage point lower (7%) or one percentage point higher (9%) than the current rate:

1% Decrease 7.00%	Current 8.00%	1% Increase 9.00%
\$ 4,500,309	\$ 2,269,267	\$ 369,193

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, 2020 consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	11
Inactive employees entitled to but not yet receiving benefits	1
Active employees	<u>28</u>
Total plan participants	<u><u>40</u></u>

Aston Township
Notes to Financial Statements
December 31, 2020

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 \$1,788,324.

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

<u>Year</u>	<u>Township</u>	<u>State</u>	<u>Total</u>
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
2013	26,789	61,025	87,814

D. Annual Pension Cost and Net Pension Obligation

The Township received on behalf of the Township plans \$354,516 in Commonwealth funds pursuant to Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, of which \$84,684 was deposited to the Non-Uniformed Pension Plan.

The MMO contribution for the current year was determined as part of the January 1, 2019, actuarial valuation using the entry age actuarial cost method. Update procedures were used to roll forward the January 1, 2019 liabilities to December 31, 2020.

Aston Township
Notes to Financial Statements
December 31, 2020

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 \$127,035, of which \$84,684 was provided by the state, and the balance of \$42,351 by the Township. Government-wide pension expense for the Non-Uniformed Plan, net of amortization of deferred inflows and outflows, was \$57,618, including \$38,111 for the Sanitation Fund and \$19,507 for the governmental services.

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, 2020, were as follows:

Total pension liability	\$ 3,546,887	
Plan fiduciary net position	4,035,359	<u>4,035,359</u>
Net pension (asset)	<u>\$ (488,472)</u>	
Plan fiduciary net position as a percentage of the total pension liability	113.8%	

As of December 31, 2020, the Township reported deferred outflows of resources and deferred inflows of resources related to the Non-Uniformed Pension as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 314,091
Changes in assumptions	56,068	-
Net difference between projected and actual investment earnings on pension plan investments	<u>-</u>	<u>297,250</u>
Total	<u>\$ 56,068</u>	<u>\$ 611,341</u>

Aston Township
Notes to Financial Statements
December 31, 2020

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
2021	\$ (107,644)
2022	(63,451)
2023	(150,583)
2024	(75,780)
2025	(25,052)
Thereafter	(132,763)
Total	\$ (555,273)

F. Actuarial Assumptions

The total pension liability at December 31, 2019 was determined by an actuarial valuation date of January 1, 2019 as noted above with roll forward procedures through December 31, 2019 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%, , net of pension plan investment expense including inflation
Actuarial cost method	Entry age
Amortization method	Level dollar
Amortization period	18 years
Asset valuation method	Market Value

Mortality rates for post-retirement were based on the RP-2000 Mortality projected to 2017 using Scale AA.

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 2.25% inflation assumption was a blended rate of 3.53%. The long term expected rate of return including expected inflation of 2.18% was 5.71%.

Aston Township
Notes to Financial Statements
December 31, 2020

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 7.50%, 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 (6.50%) or one percentage point higher (8.50%) than the current rate:

1% Decrease 6.50%	Current 7.50%	1% Increase 8.50%
\$ (74,851)	\$ (488,472)	\$ (843,229)

Note 8 Other Post-Employment Benefits

A. Police Health and Welfare Plan

Plan Description

The Aston Township Police Health and Welfare Plan (the “Plan”) is a single-employer defined benefit plan for Other Post-Employment Benefits (“OPEB”) (i.e., benefits other than pension), which is controlled by the provisions of a Consolidated Collective Bargaining Agreement between the Township and the Fraternal Order of Police, Delaware County, Lodge 27, on behalf of the Police Officers of the Township, effective January 1, 2016 through December 31, 2020. The Plan currently has no assets as a GASB qualified Trust has not been established.

Employees Covered by the Plan

The following eligible Police employees and retirees were covered by the Plan at January 1, 2019:

Fully-eligible active employees	2
Other active employees not fully eligible	20
Retirees and beneficiaries currently receiving benefits	18
Total plan participants	40

Aston Township
Notes to Financial Statements
December 31, 2020

Note 8 Other Post-Employment Benefits (Continued)

A. Police Health and Welfare Plan (Continued)

Benefit Provisions

- 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, normal retirement is age 53 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.
- 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.

Retiree Contributions

If a participant retires prior to December 31, 2015, no contribution is required. If a participant retires after December 31, 2015, 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.

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 increase in the net OPEB liability. The expenses/expenditures for post-retirement health care benefits for governmental activities and related funds are included in expenditures by function.

Aston Township
Notes to Financial Statements
December 31, 2020

Note 8 Other Post-Employment Benefits (Continued)

A. Police Health and Welfare Plan (Continued)

Net Police OPEB Liability of the Township

The components of the net OPEB liability of the Township at December 31, 2019, were as follows:

Total OPEB liability	\$24,610,744
Plan fiduciary net position	-
Net OPEB liability	\$24,610,744
 Plan fiduciary net position as a percentage of the total OPEB liability	0.0%

Actuarial Assumptions

An actuarial valuation of the total Police OPEB liability is performed biennially. The total Police OPEB liability was determined as a part of an actuarial valuation at January 1, 2019. Update procedures were used to roll forward the Township's fiscal years ending December 31, 2019 and December 31, 2020.

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 – 3.75%.

2. Healthcare Cost Trend Rate
 - a. Non-Medicare costs are assumed to increase at a rate of 0% during 2020, 7% during 2021 immediately reduced by 0.25% per year to an ultimate level of 5% per year.
 - b. Medicare costs are assumed to increase at a rate of 0% during 2020 and 5% per year thereafter.
 - c. Dental and vision costs are assumed to increase at a rate of 0% during 2020 and 1.75% per year thereafter.

3. Demographic Assumptions
 - a. Mortality – Blue Collar RP-2000 Mortality Tables for Males and Females projected 17 years using Scale AA.
 - 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 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, age 53 with 25 years of service.

Aston Township
Notes to Financial Statements
December 31, 2020

Note 8 Other Post-Employment Benefits (Continued)

A. Police Health and Welfare Plan (Continued)

3. Demographic Assumptions (Continued)

- e. Participation – 100% of retirees, spouses, and dependents who are eligible to participate in retiree medical coverage are assumed to do so.
- f. Marital Status – 90% of future retirees are assumed to have a spouse participating in coverage.
- g. Spouse Age – Female spouses are assumed to be the same age as male spouses.
- h. 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, 2020 are as follows:

	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Service cost	\$ 1,006,060	\$ -	\$ 1,006,060
Interest on total OPEB liability	902,001	-	902,001
Net benefits paid by employer	<u>(689,242)</u>	<u>-</u>	<u>(689,242)</u>
 <u>Net Changes</u>	 1,218,819	 -	 1,218,819
 <u>Balances as of December 31, 2019</u>	 <u>23,391,925</u>	 <u>-</u>	 <u>23,391,925</u>
 <u>Balances as of December 31, 2020</u>	 <u>\$ 24,610,744</u>	 <u>\$ -</u>	 <u>\$ 24,610,744</u>

Net OPEB Liability Sensitivity - Discount Rate

The January 1, 2019 valuation was prepared using a discount rate of 3.75%. The following presents the total Police OPEB liability of the Township, as well as what the Township's total Police OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.75%) or one percentage point higher (4.75%) than the current discount rate:

<u>1% Decrease 2.75%</u>	<u>Current 3.75%</u>	<u>1% Increase 4.75%</u>
\$ 28,796,588	\$ 24,610,744	\$ 21,297,736

Aston Township
Notes to Financial Statements
December 31, 2020

Note 8 Other Post-Employment Benefits (Continued)

A. Police Health and Welfare Plan (Continued)

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.

<u>1% Decrease</u>	<u>Current Trend Rates</u>	<u>1% Increase</u>
\$ 20,693,448	\$ 24,610,744	\$ 29,637,588

As of December 31, 2020, the Township reported deferred inflows of resources related to the Police OPEB as follows for the difference between expected and actual experience and changes in assumptions and cost methods, totaling \$4,185,635. Amounts reported as deferred outflows and deferred inflows of resources will be recognized in Police OPEB expense in future years as follows:

<u>Year Ended December 31</u>	<u>Amount</u>
2021	\$ (947,191)
2022	(947,191)
2023	(947,191)
2024	(947,191)
2025	(396,871)
Total	\$ (4,185,635)

B. Non-Uniformed Health and Welfare Plan

Plan Description

The Aston Township Non-Uniformed Health and Welfare Plan (the “Plan”) is a single-employer defined benefit plan for Other Post-Employment Benefits (“OPEB”) (i.e., benefits other than pension) offered to non-uniformed employees and retirees that is controlled by the Township. The Plan currently has no assets as a GASB qualified Trust has not been established.

Aston Township
Notes to Financial Statements
December 31, 2020

Note 8 Other Post-Employment Benefits (Continued)

B. Non-Uniformed Health and Welfare Plan (Continued)

Employees Covered by the Plan

The following eligible employees and retirees were covered by the Plan at January 1, 2019:

Fully-eligible active employees	6
Other active employees not fully eligible	28
Retirees and beneficiaries currently receiving benefits	<u>2</u>
Total plan participants	<u>36</u>

Benefit Provisions

- 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: None.

Funding Policy

The Township does not make contributions to a qualified Trust. The Plan is effectively financed on a pay-as-you-go basis. Benefits are paid from the Township's general fund and sanitation fund.

In the fund financial statements, expenditures for post-retirement are recognized as the costs are incurred. In the government-wide financial statements, expenses for post-retirement benefits are recognized in the amount of the estimated increase in the net OPEB liability. The expenses/expenditures for post-retirement health care benefits for governmental activities and related funds are included in expenditures by function. The expenses for post-retirement health care benefits for the business-type activity and the related sanitation fund are included in operating expenses.

Aston Township
Notes to Financial Statements
December 31, 2020

Note 8 Other Post-Employment Benefits (Continued)

B. Non-Uniformed Health and Welfare Plan (Continued)

Net Non-Uniform OPEB Liability of the Township

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

Total OPEB liability	\$ 42,045
Plan fiduciary net position	-
Net OPEB liability	\$ 42,045
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%

Actuarial Assumptions

An actuarial valuation of the total Non-Uniform OPEB liability is performed biennially. The total Non-Uniform OPEB liability was determined as a part of an actuarial valuation at January 1, 2019. Update procedures were used to roll forward the Township's fiscal year ending December 31, 2019 and December 31, 2020.

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 – 3.75%.

2. Demographic Assumptions
 - a. Pre-Retirement Mortality – None assumed.
 - b. Post-Retirement Mortality – RP-2000 Mortality Tables for Males and Females projected 17 years using Scale AA.
 - c. Termination – None assumed.
 - d. Disability – None assumed.
 - e. Retirement – If hired prior to April 1, 1996, assumed age 65 with 5 years of service. If hired on or after April 1, 1996, assumed age 65 with 10 years of service.

Aston Township
Notes to Financial Statements
December 31, 2020

Note 8 Other Post-Employment Benefits (Continued)

B. Non-Uniformed Health and Welfare Plan (Continued)

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, 2020 are as follows:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Service cost	\$ 1,846	\$ -	\$ 1,846
Interest on total OPEB liability	1,537	-	1,537
Net benefits paid by employer	(972)	-	(972)
<u>Net Changes</u>	2,411	-	2,411
<u>Balances as of December 31, 2019</u>	39,634	-	39,634
<u>Balances as of December 31, 2020</u>	<u>\$ 42,045</u>	<u>\$ -</u>	<u>\$ 42,045</u>

Net OPEB Liability Sensitivity - Discount Rate

The January 1, 2019 valuation was prepared using a discount rate of 3.75%. The following presents the total Non-Uniformed OPEB liability of the Township, as well as what the Township's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.75%) or one percentage point higher (4.75%) than the current discount rate:

1% Decrease 2.75%	Current 3.75%	1% Increase 4.75%
\$ 48,908	\$ 42,045	\$ 36,430

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. Since the benefit is a fixed life insurance amount, there is no trend sensitivity.

1% Decrease	Current Trend Rates	1% Increase
\$ 42,045	\$ 42,045	\$ 42,045

Aston Township
Notes to Financial Statements
December 31, 2020

Note 9 Excess of Expenditures Over Appropriations

Actual expenditures of the Highway Aid Fund, totaling \$566,906, exceeded the fund's total budgeted expenditures of \$486,600.

Note 10 Fund Balance Deficits – Nonmajor Funds

Nonmajor governmental funds include the Fire Tax Fund, the Library Fund, and the Smiles Playground Fund. As of December 31, 2020, the Smiles Playground Fund has a deficit fund balance of \$162,406.

Note 11 Subsequent Events

An ongoing worldwide pandemic of coronavirus disease 2019 (“COVID-19”) has continued to have an effect on the United States since March 2020. 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 November 29, 2021, the date which the financial statements were available to be issued.

Required Supplementary Information

Aston Township
Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Taxes:				
Property	\$ 4,389,016	\$ 4,389,016	\$ 4,640,113	\$ 251,097
Local enabling act taxes	4,460,000	4,460,000	4,886,307	426,307
Licenses and permits	1,408,750	1,408,750	944,875	(463,875)
Fines and forfeits	54,000	54,000	38,033	(15,967)
Rent	35,000	35,000	65,795	30,795
Investment earnings	101,500	101,500	10,864	(90,636)
Intergovernmental revenues - grants	448,500	448,500	382,468	(66,032)
Charges for services	275,542	275,542	217,299	(58,243)
Other revenue	40,500	40,500	144,780	104,280
<u>Total Revenues</u>	11,212,808	11,212,808	11,330,534	117,726
 <u>Expenditures</u>				
Current:				
General government	1,856,430	2,185,842	1,591,817	594,025
Public safety	7,403,536	7,177,875	6,796,427	381,448
Health and human services	-	-	15,025	(15,025)
Public works - highways and streets	1,354,958	1,261,208	1,157,778	103,430
Culture and recreation	572,234	562,233	583,352	(21,119)
Debt service:				
Principal	-	-	7,000	(7,000)
<u>Total Expenditures</u>	11,187,158	11,187,158	10,151,399	1,035,759
<u>Excess of Revenues Over (Under) Expenditures</u>	25,650	25,650	1,179,135	1,153,485
 <u>Other Financing Sources (Uses) of Funds</u>				
Operating transfer in	400,000	400,000	-	(400,000)
Operating transfer out	(400,000)	(400,000)	(783,820)	(383,820)
<u>Total Other Financing Sources (Uses) of Funds</u>	-	-	(783,820)	(783,820)
<u>Excess of Revenues and Other Financing Sources Over Expenditures and Other Uses of Funds</u>	\$ 25,650	\$ 25,650	395,315	\$ 369,665
<u>Fund Balance - Beginning</u>			3,005,775	
<u>Fund Balance - Ending</u>			\$ 3,401,090	

Aston Township
Budgetary Comparison Schedule - Highway Aid Fund
For the Year Ended December 31, 2020

	<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	\$ -	\$ -	\$ 1,277	\$ 1,277
Intergovernmental revenues - grants	500,492	500,492	496,538	(3,954)
<u>Total Revenues</u>	<u>500,492</u>	<u>500,492</u>	<u>497,815</u>	<u>(2,677)</u>
<u>Expenditures</u>				
Public works - highways and streets	486,600	486,600	566,906	(80,306)
<u>Total Expenditures</u>	<u>486,600</u>	<u>486,600</u>	<u>566,906</u>	<u>(80,306)</u>
<u>Excess of Revenues Over (Under) Expenditures</u>	13,892	13,892	(69,091)	(82,983)
<u>Other Financing Sources (Uses) of Funds</u>				
Operating transfer in	-	-	3,610	3,610
<u>Total Other Financing Sources (Uses) of Funds</u>	<u>-</u>	<u>-</u>	<u>3,610</u>	<u>3,610</u>
<u>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses of Funds</u>	<u>\$ 13,892</u>	<u>\$ 13,892</u>	(65,481)	<u>\$ (79,373)</u>
<u>Fund Balance - Beginning</u>			<u>190,766</u>	
<u>Fund Balance - Ending</u>			<u>\$ 125,285</u>	

Aston Township
Required Supplementary Information
Schedule of Employer Pension Contributions and Related Information
For the Last Seven 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>
12/31/20	\$ 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>
12/31/20	\$ 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 Seven Fiscal Years

	2020	2019	2018	2017	2016	2015	2014
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Police Pension Plan

Annual money-weighted rate of return, net of investment expense	6.86%	17.64%	-6.73%	13.05%	7.29%	-1.13%	7.25%
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Non-Uniformed Pension Plan

Annual money-weighted rate of return, net of investment expense	14.69%	20.15%	-6.20%	15.44%	7.96%	-1.13%	7.00%
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Aston Township
Required Supplementary Information
Schedule of Changes in Township of Aston's Police Pension Net Pension Liability and Related Ratios
For the Last Seven Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>Total Pension Liability</u>							
Service Cost	\$ 444,005	\$ 422,862	\$ 391,494	\$ 372,851	\$ 406,932	\$ 387,554	\$ 393,280
Interest	1,628,476	1,560,833	1,552,835	1,490,279	1,425,479	1,363,088	1,299,875
Changes of Benefit Terms	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	-	(738,013)	-	21,106	-	(296,848)	-
Changes in Assumptions	-	-	-	49,916	-	362,807	-
Benefit Payments, Including Refunds of Member Contributions	(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>	931,026	68,533	846,064	832,763	815,094	853,667	729,627
<u>Total Pension Liability - Beginning</u>	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>\$ 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	\$ 961,242	\$ 864,283	\$ 899,527	\$ 1,252,480	\$ 1,258,697	\$ 1,330,981	\$ 1,353,810
Contributions - State Aid	269,832	276,923	238,176	229,958	223,075	191,834	178,584
Contributions - Employee	129,016	134,383	119,993	111,229	104,217	104,162	98,895
Net Investment Income	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	(1,141,455)	(1,177,149)	(1,098,265)	(1,101,389)	(1,017,317)	(962,934)	(963,528)
Administrative Expense	(8,950)	(11,450)	(6,600)	(10,750)	(6,600)	(9,800)	(5,200)
<u>Net Change in Plan Fiduciary Net Position</u>	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>	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>\$ 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>\$ 2,269,267</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>	89.4%	86.5%	73.4%	81.3%	72.8%	68.9%	69.2%
<u>Covered Payroll</u>	\$ 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>	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 Seven Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>Total Pension Liability</u>							
Service Cost	\$ 115,186	\$ 109,701	\$ 111,692	\$ 106,373	\$ 116,823	\$ 111,260	\$ 78,826
Interest	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	-	(118,944)	-	(204,558)	-	(122,939)	-
Changes in Assumptions	-	-	-	11,971	-	87,611	-
Benefit Payments, Including Refunds of Member Contributions	(159,559)	(151,974)	(135,843)	(129,929)	(121,416)	(108,854)	(88,697)
<u>Net Change in Total Pension Liability</u>	208,650	90,533	207,172	520	211,736	168,197	178,810
<u>Total Pension Liability - Beginning</u>	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>	\$ 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	\$ 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
Contributions - Employee	-	-	-	-	-	-	-
Net Investment Income	516,560	595,401	(197,229)	429,174	206,257	(29,951)	172,212
Benefit Payments, Including Refunds of Member Contributions	(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>	479,336	554,962	(217,000)	402,948	196,697	(37,319)	174,523
<u>Plan Fiduciary Net Position - Beginning</u>	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>	\$ 4,035,359	\$ 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>	\$ (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>	113.8%	106.5%	92.4%	105.8%	92.6%	92.6%	99.8%
<u>Covered Payroll</u>	\$ 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>	-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 Police Net OPEB Liability and Related Ratios
For the Last Four Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Total OPEB Liability</u>				
Service Cost	\$ 1,006,060	\$ 958,152	\$ 934,863	\$ 890,346
Interest	902,001	857,188	1,036,228	991,712
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	-	(4,765,229)	-	-
Changes in Assumptions & Cost Method	-	(1,314,788)	-	-
Benefit Payments	(689,242)	(647,237)	(730,267)	(748,717)
<u>Net Change in Total OPEB Liability</u>	1,218,819	(4,911,914)	1,240,824	1,133,341
<u>Total OPEB Liability - Beginning</u>	23,391,925	28,303,839	27,063,015	25,929,674
<u>Total OPEB Liability - Ending</u>	<u>\$ 24,610,744</u>	<u>\$ 23,391,925</u>	<u>\$ 28,303,839</u>	<u>\$ 27,063,015</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>Aston Township's Net OPEB Liability</u>	<u>\$ 24,610,744</u>	<u>\$ 23,391,925</u>	<u>\$ 28,303,839</u>	<u>\$ 27,063,015</u>
<u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</u>	0.0%	0.0%	0.0%	0.0%
<u>Covered Police Employee Payroll</u>	\$ 2,824,695	\$ 2,690,185	\$ 2,262,959	\$ 2,175,922
<u>Net OPEB Liability as a Percentage of Police Payroll</u>	871.3%	869.5%	1250.7%	1243.7%

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Total OPEB Liability</u>				
Service Cost	\$ 1,846	\$ 1,758	\$ 1,482	\$ 1,411
Interest	1,537	1,449	1,365	1,290
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	-	(26)	-	-
Changes in Assumptions & Cost Method	-	-	-	-
Benefit Payments	(972)	(906)	(791)	(751)
<u>Net Change in Total OPEB Liability</u>	2,411	2,275	2,056	1,950
<u>Total OPEB Liability - Beginning</u>	39,634	37,359	35,303	33,353
<u>Total OPEB Liability - Ending</u>	<u>\$ 42,045</u>	<u>\$ 39,634</u>	<u>\$ 37,359</u>	<u>\$ 35,303</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>Aston Township's Net OPEB Liability</u>	<u>\$ 42,045</u>	<u>\$ 39,634</u>	<u>\$ 37,359</u>	<u>\$ 35,303</u>
<u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</u>	0.0%	0.0%	0.0%	0.0%
<u>Covered Non-Uniform Employee Payroll</u>	\$ 1,848,750	\$ 1,760,543	\$ 1,470,596	\$ 1,414,035
<u>Net OPEB Liability as a Percentage of Police Payroll</u>	2.3%	2.3%	2.5%	2.5%

Other Supplementary Information

Aston Township
Balance Sheet
General Fund
December 31, 2020

Assets

Cash and cash equivalents	\$	1,935,341
Taxes receivable		1,229,474
Other receivables		226,189
Due from other funds		652,165
Prepaid expenditures		134,250
		134,250
 <u>Total Assets</u>	 \$	 4,177,419
		4,177,419

Liabilities, Deferred Inflows of Resources, and Fund Balances

Liabilities

Accounts payable	\$	101,549
Accrued payroll and related liabilities		232,909
Due to other funds		14,487
Developer escrow		282,622
Drug forfeiture escrow		6,064
		6,064
 <u>Total Liabilities</u>		 637,631
		637,631

Deferred Inflows of Resources

Unavailable revenue - taxes		138,698
		138,698
 <u>Total Deferred Inflows of Resources</u>		 138,698
		138,698

Fund Balances

Nonspendable		134,250
Unassigned		3,266,840
		3,266,840
 <u>Total Fund Balances</u>		 3,401,090
		3,401,090

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

\$ 4,177,419

Aston Township
Statement of Revenues, Expenditures, and
Changes in Fund Balance
General Fund
For the Year Ended December 31, 2020

Revenues

Taxes - property		\$ 4,640,113
Local enabling act taxes		
Real estate transfer tax	\$ 403,708	
Mercantile tax and business privilege	728,170	
Mechanical device	3,860	
Earned income tax	<u>3,750,569</u>	
		4,886,307
Licenses and permits		
Licenses and inspection	576,711	
Franchise fee - cable television	<u>368,164</u>	
		944,875
Fines and forfeits		
District justice fines	29,051	
Other violations and fines	<u>8,982</u>	
		38,033
Rent - tower		65,795
Investment earnings		10,864
Intergovernmental revenues - grants		
Pension (Act 205)	329,111	
Other	<u>53,357</u>	
		382,468
Charges for services		
Public safety	109,286	
Crossing guard reimbursements	59,047	
Other department revenue	<u>48,966</u>	
		217,299
Other		
Refunds and reimbursements	83,539	
Miscellaneous	<u>61,241</u>	
		<u>144,780</u>
<u>Total Revenues</u>		<u>\$ 11,330,534</u>

Aston Township
Statement of Revenues, Expenditures and
Changes in Fund Balance
General Fund
For the Year Ended December 31, 2020

Expenditures

General Government

Administration

Salaries and benefits	\$ 577,183	
Materials and supplies	20,135	
Consultant fees and other contracted services	140,047	
Web design maintenance	15,069	
General expenses	81,616	
Municipal pension contribution	91,425	
Accounting and payroll services	76,315	
Solicitor and arbitration	<u>134,832</u>	
		\$ 1,136,622

Treasurer

General expense	<u>7,293</u>	7,293
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Municipal buildings

Materials and supplies and general expense	186,279	
Utility cost	59,216	
Capital purchases	14,304	
Contracted services	<u>188,103</u>	
		<u>447,902</u>

Total general government

1,591,817

Aston Township
Statement of Revenues, Expenditures and
Changes in Fund Balance
General Fund
For the Year Ended December 31, 2020

Public Safety

Police protection		
Salaries and benefits	\$ 4,662,037	
Materials, supplies and general expenses	72,981	
Utilities and telephone	6,383	
Vehicle operation	45,337	
Animal control	8,341	
Maintenance and repairs and equipment	14,831	
Police training, physicals and police testing	14,441	
Pension plan contribution	1,231,074	
		\$ 6,055,425
Fire and Ambulance Rescue		
Salaries and benefits	42,168	
Fire hydrants	121,639	
Contribution volunteer fire companies	133,000	
General expenses	17,122	
		313,929
Building Regulation, Planning, Zoning, Emergency Management and Health		
Salaries and benefits	216,818	
Inspection fees, engineering, consulting and property maintenance	184,407	
General expenses	23,124	
Materials and supplies	2,724	
		427,073
<u>Total Public Safety</u>		6,796,427

Health and Human Services

Salaries	15,025	
<u>Total Health and Human Services</u>		15,025

Aston Township
Statement of Revenues, Expenditures and
Changes in Fund Balance
General Fund
For the Year Ended December 31, 2020

<u>Public Works - Highways, Roads, and Streets</u>		
Salaries and benefits	\$ 972,635	
Pension plan contribution	7,699	
Engineering	4,101	
Traffic signs and signals and street lights	56,778	
Snow care	981	
Storm sewer repairs and construction	40,475	
Materials and supplies and general expenses	31,209	
Maintenance and repairs to roads and highways	25,429	
Gas, oil and diesel	18,471	
<u>Total Public Works - Highways, Roads, and Streets</u>		<u>\$ 1,157,778</u>
 <u>Culture and Recreation</u>		
General recreation services		
Salaries and benefits	49,067	
General expenses	21,643	
Repairs and maintenance	3,550	
Utilities	4,536	
Contracted services	33,218	
Contribution join rec board	15,445	
		127,459
 Parks and playgrounds		
Salaries and benefits	353,152	
Maintenance and repairs	6,099	
Utilities	39,159	
Contracted services	3,093	
General expenses	9,390	
		410,893
 Libraries		
Library funding		<u>45,000</u>
 <u>Total Culture and Recreation</u>		 <u>583,352</u>
 <u>Debt Service</u>		
Principal		<u>7,000</u>
 <u>Total Debt Service</u>		 <u>7,000</u>
 <u>Total Expenditures</u>		 <u>10,151,399</u>
 <u>Excess of Revenues Over (Under) Expenditures</u>		 <u>1,179,135</u>

Aston Township
Statement of Revenues, Expenditures and
Changes in Fund Balance
General Fund
For the Year Ended December 31, 2020

<u>Other Financing Sources (Uses) of Funds</u>	
Operating transfer out	<u>\$ (783,820)</u>
<u>Total Other Financing Sources (Uses) of Funds</u>	<u>\$ (783,820)</u>
<u>Excess of Revenues and Other Financing Sources</u>	
<u>Over (Under) Expenditures and Other Uses of Funds</u>	395,315
<u>Fund Balance - Beginning</u>	<u>3,005,775</u>
<u>Fund Balance - Ending</u>	<u><u>\$ 3,401,090</u></u>

Aston Township
Budgetary Comparison Schedule - Debt Service Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Taxes:				
Property	\$ 549,941	\$ 549,941	418,456	(131,485)
<u>Total Revenues</u>	549,941	549,941	418,456	(131,485)
<u>Expenditures</u>				
Debt service:				
Principal	639,245	639,245	631,000	8,245
Interest	383,433	383,433	387,770	(4,337)
Fiscal agent fees	3,000	3,000	-	3,000
<u>Total Expenditures</u>	1,025,678	1,025,678	1,018,770	6,908
<u>Excess of Revenues Over (Under) Expenditures</u>	(475,737)	(475,737)	(600,314)	(124,577)
<u>Other Financing Sources (Uses) of Funds</u>				
Operating transfer in	400,000	400,000	601,943	201,943
<u>Total Other Financing Sources (Uses) of Funds</u>	400,000	400,000	601,943	201,943
<u>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses of Funds</u>	\$ (75,737)	\$ (75,737)	1,629	\$ 77,366
<u>Fund Balance - Beginning</u>			2,224	
<u>Fund Balance - Ending</u>			\$ 3,853	

Aston Township
Budgetary Comparison Schedule - Capital Projects Fund
For the Year Ended December 31, 2020

	<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	\$ -	\$ -	\$ 42,049	\$ 42,049
Intergovernmental revenues - grants	500,000	500,000	-	(500,000)
Other revenue	<u> </u>	<u> </u>	<u>24,330</u>	<u>24,330</u>
<u>Total Revenues</u>	<u>500,000</u>	<u>500,000</u>	<u>66,379</u>	<u>(433,621)</u>
<u>Expenditures</u>				
Public safety		-	3,120,862	(3,120,862)
Public works - sanitation	-	-	271,831	(271,831)
Public works - highways and streets	<u>620,000</u>	<u>620,000</u>	<u>591,825</u>	<u>28,175</u>
<u>Total Expenditures</u>	<u>620,000</u>	<u>620,000</u>	<u>3,984,518</u>	<u>(3,364,518)</u>
<u>Excess of Revenues Over (Under) Expenditures</u>	<u>(120,000)</u>	<u>(120,000)</u>	<u>(3,918,139)</u>	<u>(3,798,139)</u>
<u>Other Financing Sources (Uses) of Funds</u>				
Operating transfer in	<u>300,000</u>	<u>300,000</u>	<u> </u>	<u>(300,000)</u>
<u>Total Other Financing Sources (Uses) of Funds</u>	<u>300,000</u>	<u>300,000</u>	<u> </u>	<u>(300,000)</u>
<u>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses of Funds</u>	<u>\$ 180,000</u>	<u>\$ 180,000</u>	<u>(3,918,139)</u>	<u>\$ (4,098,139)</u>
<u>Fund Balance - Beginning</u>			<u>11,332,721</u>	
<u>Fund Balance - Ending</u>			<u>\$ 7,414,582</u>	

Aston Township
Budgetary Comparison Schedule - Fire Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Taxes:				
Property	93,590	\$ 93,590	91,838	(1,752)
Intergovernmental revenues - grants	100,000	100,000	101,519	1,519
<u>Total Revenues</u>	193,590	193,590	193,357	(233)
<u>Expenditures</u>				
Current:				
Public safety		-	193,357	(193,357)
Culture and recreation	193,590	193,590	-	193,590
<u>Total Expenditures</u>	193,590	193,590	193,357	233
<u>Excess of Revenues Over (Under) Expenditures</u>	-	-	-	-
<u>Fund Balances - Beginning</u>	-	-	-	-
<u>Fund Balances - Ending</u>	\$ -	\$ -	\$ -	\$ -

Aston Township
Budgetary Comparison Schedule - Library Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Taxes:				
Property	45,795	\$ 45,795	45,920	125
<u>Total Revenues</u>	45,795	45,795	45,920	125
<u>Expenditures</u>				
Current:				
Culture and recreation	45,795	45,795	45,920	(125)
<u>Total Expenditures</u>	45,795	45,795	45,920	(125)
<u>Excess of Revenues Over (Under) Expenditures</u>	-	-	-	-
<u>Fund Balances - Beginning</u>	-	-	-	-
<u>Fund Balances - Ending</u>	\$ -	\$ -	\$ -	\$ -

Aston Township
Budgetary Comparison Schedule - Sanitation Fund
For the Year Ended December 31, 2020

	<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	\$ 1,191,677	\$ 1,191,677	\$ 1,404,600	\$ 212,923
<u>Total Operating Revenues</u>	<u>1,191,677</u>	<u>1,191,677</u>	<u>1,404,600</u>	<u>212,923</u>
<u>Operating Expenses</u>				
Salaries and wages	613,665	613,665	611,137	2,528
Employee benefits	161,623	161,623	167,349	(5,726)
Pension cost	14,872	14,872	38,111	(23,239)
Vehicle expense and fuel	25,920	25,920	18,545	7,375
Repairs and maintenance	31,577	31,577	57,679	(26,102)
Expenses - waste management authorities	234,600	234,600	323,166	(88,566)
Supplies	3,640	3,640	2,903	737
Recycling charges	105,780	105,780	67,960	37,820
Other services and charges	-	-	33,838	(33,838)
Depreciation	-	-	34,236	(34,236)
<u>Total Operating Expenses</u>	<u>1,191,677</u>	<u>1,191,677</u>	<u>1,354,924</u>	<u>(163,247)</u>
<u>Operating Income</u>	<u>-</u>	<u>-</u>	<u>49,676</u>	<u>49,676</u>
<u>Nonoperating Revenues</u>				
Intergovernmental revenue - grants	-	-	25,405	25,405
Other revenue	-	-	60,987	60,987
<u>Total Nonoperating Revenues</u>	<u>-</u>	<u>-</u>	<u>86,392</u>	<u>86,392</u>
<u>Income Before Contributions and Transfers</u>	<u>-</u>	<u>-</u>	<u>136,068</u>	<u>136,068</u>
<u>Capital Contributions</u>	<u>-</u>	<u>-</u>	<u>271,831</u>	<u>271,831</u>
<u>Operating Transfer from General Fund</u>	<u>-</u>	<u>-</u>	<u>48,384</u>	<u>48,384</u>
<u>Change in Net Position</u>	<u>-</u>	<u>-</u>	<u>456,283</u>	<u>456,283</u>
<u>Net Position - Beginning of Year</u>	<u>-</u>	<u>-</u>	<u>189,305</u>	<u>189,305</u>
<u>Net Position - End of Year</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 645,588</u>	<u>\$ 645,588</u>