

LOWER POTTS GROVE TOWNSHIP

FINANCIAL STATEMENTS & OTHER INFORMATION

Year Ended December 31, 2024

Barbara Akins
certified public accountant
relationships. service. integrity

LOWER POTTS GROVE TOWNSHIP

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Lower Pottsgrove Township, Pennsylvania

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lower Pottsgrove Township, Pennsylvania as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements of Lower Pottsgrove Township, Pennsylvania's primary government as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the primary government of Lower Pottsgrove Township, Pennsylvania as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note #1, the financial statements referred to above include only the primary government of Lower Pottsgrove Township, Pennsylvania, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the Township's legal entity.

These primary government financial statements do not include financial data for the Township's legally separate component unit, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Township's primary government. As a result, the primary government financial statements do not purport to, and do not present fairly the financial position of the reporting entity of Lower Pottsgrove Township, Pennsylvania, as of December 31, 2024, the changes in its financial position, or, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the reporting entity of Lower Pottsgrove Township Authority, Pennsylvania, as of and for the year ended December 31, 2024, and a report that expresses an opinion on those financial statements is issued separately.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

 Barbara W. Kin CPA

Bechtelsville, Pennsylvania

January 27, 2026

**LOWER POTTS GROVE TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
Year Ended December 31, 2024**

Our discussion and analysis of Lower Pottsgrove Township's financial performance provides an overview of the Township's financial activities for the fiscal year ended December 31, 2024.

FINANCIAL HIGHLIGHTS FOR 2024

- *Government Wide Financial Statements* – The Total Net Position (Assets less Liabilities) of the Township's Primary Government was \$13,958,789.
- *Fund Financial Statements* – The Assets of the Township exceeded its Liabilities by \$13,258,883 (Fund Balance).
- The Township's Real Estate millage increased to 2.958 mills.
- The Fire Protection Tax millage remained at .66 mills.
- The Capital Reserve Tax remained at .75 mills.
- The Township's share of the Earned Income Tax remained at .5%.
- On January 10, 2024, Moody's reaffirmed Lower Pottsgrove Township's Aa3 bond rating. On February 16, 2021, Lower Pottsgrove Township completed settlement on the \$8,475,000 General Obligations Bonds, Series of 2021 issue with the proceeds to be used for the costs of the design and construction of a new Township municipal building, the purchase of equipment for the public works and police department, repair of bridges, and the payment of the cost of issuing the bonds.
- The Township also guarantees \$4,007,000 debt for its component unit, Lower Pottsgrove Township Authority. In 2016, Standard and Poor's reaffirmed their AA stable rating for Lower Pottsgrove Township Authority General Obligation Debt, supported by Lower Pottsgrove Township.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Township's annual financial report consists of several sections that provide a comprehensive look at the Township. The components of the report include the independent auditor's report, management's discussion and analysis, government-wide financial statements, fund financial statements and notes to the basic financial statements. This report also contains other required and supplementary information in addition to the basic financial statements.

Government Wide Financial Statements

The government wide financial statements report on the Township as a whole and begins with the statement of net position. One of the most important questions asked about the Township finances is, "Is the Township, as a whole, better off or worse off as a result of this year's activities?" The statement of net position and the statement of activities report information about the Township as a whole and about its activities in a way that helps answer that question. All the current year's revenues and expenses are taken into account, regardless of when cash is received or disbursed.

The government wide financial statements include most of the Township's basic services including police, public works, highway maintenance, snow removal, trash collection, code enforcement, fire support, parks and recreation, street lights, and administration of general government. Earned income tax, property taxes, building permit fees, and charges for service finance most of these activities.

They do not include the legally separate component unit of Lower Pottsgrove Township Authority. Separately audited annual financial reports of this component unit can be obtained from the Township office.

**LOWER POTTS GROVE TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
Year Ended December 31, 2024
(Continued)**

The following represents a condensed Statement of Net Position for the Township's governmental activities as of December 31, 2024 and 2023:

Condensed Statement of Net Position

	<u>2024</u>	<u>2023</u>
Current Assets	\$ 14,135,774	\$ 14,299,180
Capital Assets	<u>12,282,056</u>	<u>11,326,458</u>
Total Assets	<u>26,417,830</u>	<u>25,625,638</u>
Deferred Outflows of Resource - Pensions	<u>879,975</u>	<u>1,397,879</u>
Total Assets & Deferred Outflows of Resources	<u>\$ 27,297,805</u>	<u>\$ 27,023,517</u>
Current Liabilities	\$ 1,076,891	\$ 945,063
Noncurrent Liabilities	<u>12,255,640</u>	<u>13,322,712</u>
Total Liabilities	<u>13,332,531</u>	<u>14,267,775</u>
Deferred Inflows of Resource - Pensions	<u>6,485</u>	<u>(128,448)</u>
Invested In Capital Assets	10,921,870	10,553,496
Restricted	357,961	787,038
Unrestricted	<u>2,678,958</u>	<u>1,543,656</u>
Total Net Position	<u>13,958,789</u>	<u>12,884,190</u>
Total Liabilities, Deferred Inflows of Resources, & Net Position	<u>\$ 27,297,805</u>	<u>\$ 27,023,517</u>

Government-wide Financial Analysis

At the end of the current fiscal year, Lower Pottsgrove was able to report positive net position for government activities. The total net position, less liabilities of the Township's primary government was \$13,958,789 on December 31, 2024. This was an increase of \$1,074,599 from the end of 2023.

General revenues for primary government governmental activities of Lower Pottsgrove totaled \$6,763,753 in 2024 while expenses for all governmental activities totaled \$10,027,546. The government-wide financial statements can be found on pages 11 and 12 of this report. Information regarding capital assets can be found on page 23. Pages 14 and 16 of this financial report provide additional information on the reconciliation of the fund balances for governmental funds.

Fund Financial Statement Analysis

The fund financial statements provide detailed information about each fund, not the Township as a whole. Each year the five members of the Board of Commissioners adopt an annual budget for each fund. The Board took a conservative approach when projecting revenues for 2024. Budgetary comparison statements have been provided for the general fund and the special reserve funds.

GENERAL FUND

The General Fund is the chief operating fund of Lower Pottsgrove Township. In 2024, the fund balance of the general fund increased by \$441,931 from 2023. The general fund provides many services for our residents including police and public safety, public works and highway maintenance, snow removal, trash collection, park and recreation, code enforcement and general government.

General Fund Revenues increased by 14.02% or \$1,062,278. **General Fund Expenses** increased by 9.73% or \$726,348.

LOWER POTTSGROVE TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
Year Ended December 31, 2024
(Continued)

GENERAL FUND (Continued)

Tax Revenues

Lower Pottsgrove Township has enacted an Earned Income Tax of .5%. The Earned Income Tax applies to wages and income earned by individuals living in Lower Pottsgrove Township. The Earned Income Tax has remained the Township's largest source of revenue with a total of \$2,409,394 received in 2024 and \$2,325,976 received in 2023. Earned Income Tax is collected by Berkheimer Associates under Act 32. Lower Pottsgrove Township's second largest source of revenue is from Real Estate Tax of 2.958 mills levied on the assessed value of each property in the Township and is collected by Jennifer Marsteller, the elected Tax Collector and Township Treasurer. Real Estate Tax brought in \$2,327,519 in 2024 versus \$1,652,554 in 2023. The assessed value of the township was \$645,046,610. The discount period was from February 1 to March 31, face from April 1 to May 31, and a 10% penalty from June 1 to December 31st. Portnoff Law Associates is appointed as the delinquent tax collector for Real Estate, Fire Protection and Capital Reserve taxes.

Lower Pottsgrove Township receives ½ of one percent Real Estate Transfer Tax each time a property is sold in the Township. In 2024, the Township received \$340,705 compared to \$404,294 in 2023. This source of revenue is always difficult to predict.

Local Services Tax decreased 9.07% this year. \$180,822 was received in 2024 compared to \$198,864 received in 2023.

Other Revenues

The general fund received \$303,178 in interest earnings for 2024 compared to \$257,971 for 2023, a significant increase from last year.

In 2024, \$536,544 was received from grants from the Commonwealth of Pennsylvania including \$18,570 for Act 101 recycling performance grant, \$103,000 from PCCD for emergency management radio grant, and \$196,800 from Montgomery County for Pruss Hill Bridge.

In 2024, the Township received \$223,161 in revenue from building permits compared to \$315,416 in 2023.

Trash collection costs and fees: 2024 was the fourth year of a five-year contract with J P Mascaro for trash and single stream curbside recycling collection. Residents included in the trash contract were billed \$256 annually or \$64 per quarter. The total collected in 2024 was \$803,851 compared to \$797,711 in 2023. The majority of payments were received and deposited using Xpress Pay. Trash and sewer accounts are combined into one bill each quarter. Portnoff Law Associates is appointed as the delinquent trash collection firm.

Lower Pottsgrove Township has earned Rate Stabilization fund credits for our health insurance with Delaware Valley Health Trust and for workers compensation insurance from Delaware Valley Workers Compensation Trust. During 2024, \$46,474 was utilized from health insurance and \$4,339 from workers compensation insurance for a total of \$50,813. During 2023, \$46,474 was utilized from health insurance and \$6,526 from workers compensation insurance for a total of \$53,000.

Expenses

Gasoline/Diesel prices trended downward slightly in 2024 for all departments.

For general government, total expenses for 2024 were \$469,625 and \$452,915 in 2023. General government expenses were up \$16,710 or 3.69% from 2023.

For the Police Department, there were (19) sworn personnel as of December 31, 2024. The current contract expires December 31, 2025. Two police cars were purchased at a cost of \$116,903 (one was a totaled vehicle that was reimbursed by an insurance claim). Legal expenses were \$9,194 in 2024 and \$14,877 in 2023. Police department expenses were up \$196,444 or 5.38% from 2023.

LOWER POTTS GROVE TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS (*Unaudited*)
Year Ended December 31, 2024
(Continued)

GENERAL FUND (Continued)

Expenses

For planning and codes, the Township has a full-time codes officer and utilizes a third-party inspector for some inspections and property maintenance. The third-party inspection expenses were \$4,079 in 2024 and \$17,765 in 2023.

Lower Pottsgrove and Limerick Townships are exploring the opportunity to seek grant funding for the construction of the eastbound ramp at the Sanatoga interchange. The estimated cost would be approximately \$6 million dollars. This does not include purchasing an acre of land from the Piazza Group for the ramp.

In 2024, \$11,004 was paid for street light electric costs and \$14,208 in 2023.

In 2024, the Keim & Buchert Signal was updated using grant money. The traffic Signal at High & Heritage was repaired in 2024 using insurance money.

In 2024, The Township paid \$76,522 in engineering for the North Adams Street Project (when the project is complete, the Township will receive a \$296,529 County Grant to offset expenses). In 2024, \$28,241 paid in engineering for the Snell Rd Bridge Project (emergency repair). In 2023, the Township spent \$66,136 to pave Heritage Drive.

The Township continues to support the Pottstown Regional Library, Pottstown Area Seniors Center, Lower Pottsgrove Historical Society and the Pottsgrove Recreation Board.

The Township continues to fund the Uniform and Non-Uniform Pension plans along with State Pension Aid that is received from the State of Pennsylvania. The Township portion of the contribution to the pension plans was \$403,453 for 2024, \$230,584 for 2023, \$287,843 for 2022, \$269,565 for 2021 and \$258,550 for 2020.

The Township contribution to the Non-Uniform Defined Contribution plan was \$17,263 for 2024, \$15,451 in 2023, and \$12,501 in 2022.

SPECIAL REVENUE FUNDS

Special Revenue Funds of the Township include the Park & Recreation and Liquid Fuels Funds. The assets of these funds are in separate bank accounts and can only be used for the purpose designated for each fund. The Township cannot use these assets for general operating expenses. They are only to be used to support the original purpose of the fund.

The **Park and Recreation fund** provides special events for the community including an egg hunt, summer concert series and fall community day. These events are funded by contributions from local businesses in the community. \$7,526 was spent towards park improvements in 2024, \$11,333 in 2023, and \$7,900 in 2022. \$36,232 was spent on the Sanatoga Park Pavilion utilizing a PAHWF grant. \$6,894 was spent on community events in 2024, \$8,543 in 2023, and \$8,221 in 2022.

The **State Liquid Fuels fund** is funded entirely by the Commonwealth of PA for the purpose of highway related expenses. The type of allowable expenses is followed using PENNDOT guidelines. The revenue from the Commonwealth of PA for 2024 was \$333,377 compared to \$335,099 in 2023. The State Liquid Fuels fund overlayed roads in the amounts of \$247,116 in 2024 versus \$230,144 in 2023. \$0 was spent for Oil and Chip in 2024 while \$74,214 was spent in 2023, this will extend the life of the roads. Snow removal cost \$41,024 for 2024 and \$19,927 for 2023. This fund also pays for road signs and markings and maintenance and general highway maintenance.

**LOWER POTTS GROVE TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
Year Ended December 31, 2024
(Continued)**

CAPITAL RESERVE FUND

\$469,514 was collected for Capital Reserve Tax in 2024 and \$457,752 was collected in 2023. In 2021, General Obligation bonds were issued for \$8,475,000 with the proceeds to be used for the design and construction of a new township municipal building, equipment for the public works and police departments and the repair of bridges in the Township. \$440,978 was paid in debt service in 2024, \$250,978 in interest and \$190,00 in principal payments. \$445,350 was paid in debt service in 2023, \$260,350 in interest and \$185,000 in principal payments. The remaining \$959,127 was paid for the final purchase of the new municipal campus at 1963 East High Street in 2024. Planning and construction began on the new building in 2024. A total of \$249,512 was spent on the legal, financial advisors, architect, engineer, construction manager, and property insurance in 2024.

FIDUCIARY FUNDS

The Township is the trustee for its employees' pension plans. It is also responsible for reporting other assets that can be only used for Township employees. The Township cannot use these assets to finance its operations. Full-time Uniform Pension plan employees contribute 5% of their pay towards the pension plan. Full-time Non-Uniform Defined Benefit Pension plan employees and full-time Non-Uniform Defined Contribution Pension plan employees contribute 2% of their pay towards the pension plan. The Uniform Pension Plan investments gained 14.09% in 2024 compared to 10.42% in 2023. The Non-Uniform Pension Plan investments gained 14.72% in 2024 compared to 10.61% in 2023. Additional information on the pension plans is provided in the financial statements.

Additional Pension Information

State Pension Aid did not cover the pension responsibility for the township. For 2024, the shortfall for the pension plans that were paid by the General Fund totaled \$403,453. This amount is the difference between the \$759,968 in MMOs (Minimum Municipal Obligation) and the \$339,744 State Pension Aid received. For 2023, the shortfall was \$217,510. For 2022, the shortfall was \$275,342.

December 31, 2024, GASB 67 study for the Police Pension Plan reflects the Police Pension Plan unfunded liability of \$1,948,828 or 83% funded. On December 31, 2023, the unfunded liability was \$2,725,331 or 74% funded. December 31, 2024, GASB 67 study for the Non-Uniform Defined Benefit Pension Plan reflects the Non-Uniform Pension Plan unfunded liability of \$718,591 or 87% funded. On December 31, 2023, the unfunded liability was \$1,140,897 or 79% funded.

The latest GASB 75 study reflects the Police OPEB (Retiree Healthcare) Estimated Accrued Liability as of December 31, 2021, was \$1,522,861.

BUDGETS

The Township adopts an annual budget for each of the above funds. Budgetary comparison statements have been provided for the general and special revenue funds to demonstrate compliance with the budget.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

GENERAL FUND

In December 2024, the five members of the Board of Commissioners adopted the 2025 annual budget for each fund.

**LOWER POTTS GROVE TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
Year Ended December 31, 2024
(Continued)**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

GENERAL FUND

The Township has contracted with MG Architects of Wyomissing to design the layout for the future home of the Administration and Police Departments. In addition, they will prepare the drawing, bid specifications and assist during the construction phase. The contract is for \$243,730. They bid for the renovation project in July, 2024 and began construction in October 2024. Balton Construction won the bid for the General Contractor with a starting construction bid of \$3,333,913. Integrity Mechanical won the bid for HVAC/Mechanical with an initial bid of \$814,900. Hard Hat Services won the bid for Electrical with an initial bid of \$664,190. Hirschberg Mechanical won the bid for Plumbing with an initial bid of \$478,490. The renovations total \$5,291,493. The cost of the building was \$3,500,000. This puts the estimated cost of the project at \$8,791,493. The estimated renovation is between nine-twelve months to complete with a goal for final completion in March 2025.

The Township will continue trash and single stream curbside recycling collection with J P Mascaro for the fifth and final year of the contract. The trash collection fee will increase from \$256 per year billed annually to \$258 per year, billed in quarterly installments of \$64.50 each. The trash bill is included on one bill with the sewer service.

In 2024, \$278,160 of Act 209 Traffic impact fees were received from Royal Farms and Wawa. This revenue will be used for improvements as outlined in the Act 209 Capital Improvement Plan which has been adopted by the Board of Commissioners.

The Police Department has budgeted for a total of (21) sworn police personnel.

The Township will continue to use the Rate Stabilization fund credits for our health insurance with Delaware Valley Health Trust and for workers compensation insurance from Delaware Valley Workers Compensation Trust.

\$664,086 will be spent from the General Fund for the N. Adams Street Bridge project (\$16,896 was spent in 2024). A Montgomery County Transportation grant of \$310,145 will help to offset the cost to the General Fund.

The Township utilized the allowable reporting category called the Standard Revenue Loss on the Treasury's Project and Expenditure report for the use of the American Rescue Funds for 4/1/2023 through 3/31/2024. This is the most non-restrictive use allowable to Lower Pottsgrove Township. During that time, \$1,325 was spent on a consultant and \$7,542 was spent on maintenance for the High & Pleasantview traffic signal. \$561,473 additional was transferred into the Township General Fund to supplement future projects decided on by the Board of Commissioners. Also, during that time, the Township earned a total of \$16,040 in interest. The Township has a remaining balance of \$0 on December 31, 2024. Since the Township deadline to utilize these funds is December 31, 2026, this final amount was transferred into the Township General Fund in 2024 to supplement future projects decided on by the Board of Commissioners, since we used the Standard Revenue Loss. This transfer can offset the purchase of (2) Police cars, a Public Works truck, the North Adams Street and Snell Road bridge repairs, and the gas tank installation at the Public Works building.

CAPITAL RESERVE FUND

The Capital Reserve tax brought in \$482,094 revenue in 2024. This tax will fund debt service and future Township infrastructure.

CONTACTING THE TOWNSHIP'S FINANCIAL MANAGEMENT

This report is designed to provide a general overview of the Township's finances and to demonstrate the Township's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Lower Pottsgrove Township Finance Director at 2199 Buchert Road, Pottstown, PA 19464 or telephone 610-323-0436.

LOWER POTTS GROVE TOWNSHIP
STATEMENT OF NET POSITION
December 31, 2024

	<u>Primary Governmental Activities</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current Assets	
Cash & Cash Equivalents	\$ 13,216,803
Taxes Receivable	301,047
Other Receivables	540,628
Prepaid Expenses	<u>77,296</u>
Total Current Assets	<u>14,135,774</u>
Capital Assets	
Non-Depreciable (Land)	7,323,439
Depreciable, Net of Accumulated Depreciation	<u>4,958,617</u>
Total Capital Assets	<u>12,282,056</u>
TOTAL ASSETS	<u>26,417,830</u>
DEFERRED OUTFLOWS OF RESOURCES - Pensions	<u>879,975</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 27,297,805</u></u>
LIABILITIES	
Current Liabilities	
Accounts Payable & Accrued Expenses	\$ 268,075
Escrows (Land Improvements, Etc.)	608,816
Bonds Payable	<u>200,000</u>
Total Current Liabilities	<u>1,076,891</u>
Noncurrent Liabilities	
Bonds Payable	7,720,000
Arbitrage Rebate Liability	465,043
Liability for Compensated Absences	108,326
Net Other Post-Employment Benefits Obligation (OPEBP)	1,522,861
Net Pension Liabilities	<u>2,439,410</u>
Total Noncurrent Liabilities	<u>12,255,640</u>
TOTAL LIABILITIES	<u>13,332,531</u>
DEFERRED INFLOWS OF RESOURCES - Pensions	<u>6,485</u>
NET POSITION	
Invested in Capital Assets, Net of Related Debt	10,921,870
Restricted	357,961
Unrestricted	<u>2,678,958</u>
TOTAL NET POSITION	<u>13,958,789</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION	<u><u>\$ 27,297,805</u></u>

The Accompanying Notes are an Integral Part of the Financial Statements.

LOWER POTTS GROVE TOWNSHIP
STATEMENT OF ACTIVITIES
Year Ended December 31, 2024

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	
PRIMARY GOVERNMENT					
Governmental Activities					
General Government	\$ 1,759,877	\$ 182,111	\$ 1,117,022	\$ 0	\$ (460,744)
Public Safety	4,579,330	485,250	136,099	0	(3,957,981)
Sanitation	1,236,556	806,980	18,570	0	(411,006)
Highways & Streets	1,106,036	0	365,497	0	(740,539)
Culture & Recreation	167,034	0	35,970	21,060	(110,004)
Employer Paid Benefits - Pension	760,464	0	0	0	(760,464)
Insurance	147,118	0	0	0	(147,118)
All Other Expenditures	271,131	0	0	0	(271,131)
Total Governmental Activities	<u>10,027,546</u>	<u>1,474,341</u>	<u>1,673,158</u>	<u>21,060</u>	<u>(6,858,987)</u>
General Revenues					
					2,809,613
					2,409,394
					558,835
					721,628
					126,863
					137,420
				Total General Revenues	<u>6,763,753</u>
Net Adjustments for:					
					955,598
					(207,967)
					422,202
				Change in Net Position	1,074,599
				Net Position - Beginning of Year	<u>12,884,190</u>
				Net Position - End of Year	<u>\$ 13,958,789</u>

The Accompanying Notes are an Integral Part of these Financial Statements.

LOWER POTTS GROVE TOWNSHIP
BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2024

	General Fund	SPECIAL REVENUE		Total Special Revenue Funds	Capital Reserve Fund	Total Governmental Funds
		Liquid Fuels	Park & Recreation			
ASSETS						
Cash & Cash Equivalents	\$ 6,272,854	\$ 309,793	\$ 41,312	\$ 351,105	\$ 6,592,844	\$ 13,216,803
Taxes Receivable	300,857	0	0	0	190	301,047
Other Receivables	540,212	416	0	416	0	540,628
Prepaid Taxes	77,296	0	0	0	0	77,296
TOTAL ASSETS	\$ 7,191,219	\$ 310,209	\$ 41,312	\$ 351,521	\$ 6,593,034	\$ 14,135,774
LIABILITIES						
Accounts Payable	\$ 40,480	\$ 728	\$ 3,000	\$ 3,728	\$ 33,220	\$ 77,428
Accrued Payroll & Payroll Taxes	190,486	0	0	0	0	190,486
Escrows (Land Improvements, Etc.)	608,816	0	0	0	0	608,816
Due To Non-Uniform Pension Fund	161	0	0	0	0	161
TOTAL LIABILITIES	839,943	728	3,000	3,728	33,220	876,891
FUND BALANCES						
Restricted for Street Maintenance	0	309,481	0	309,481	0	309,481
Restricted for Park & Recreation	21,060	0	27,420	27,420	0	48,480
Assigned for Park & Recreation	0	0	10,892	10,892	0	10,892
Unassigned Fund Balance:						
Designated for Infrastructure	1,117,328	0	0	0	292,774	1,410,102
Designated for Capital Construction	115,862	0	0	0	6,267,040	6,382,902
Designated for Emergencies	1,400,000	0	0	0	0	1,400,000
Undesignated	3,697,026	0	0	0	0	3,697,026
TOTAL FUND BALANCES	6,351,276	309,481	38,312	347,793	6,559,814	13,258,883
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,191,219	\$ 310,209	\$ 41,312	\$ 351,521	\$ 6,593,034	\$ 14,135,774

The Accompanying Notes are an Integral Part of the Financial Statements.

LOWER POTTS GROVE TOWNSHIP
RECONCILIATION OF THE FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE NET POSITION OF GOVERNMENTAL ACTIVITIES
December 31, 2024

Total Fund Balances - Governmental Funds	\$ 13,258,883
Amounts Reported for Governmental Activities in the Statement of Net Position are Different:	
Capital Assets Used in Governmental Activities are Not Financial Resources and Therefore are Not Reported in the Funds (Net of Accumulated Depreciation of \$7,113,237)	12,282,056
Long-Term Liabilities are Not Due and Payable in the Current Period and Therefore are Not Reported in the Funds	
General Obligation Bonds, Series of 2021	(7,920,000)
Arbitrage Rebate Liability	(465,043)
Liability for Compensated Absences	(108,326)
Net Other Post-Employment Benefits Obligation	(1,522,861)
Net Pension Liability, Net of Related Deferred Outflows & Inflows	(1,565,920)
Net Position of Governmental Activities	\$ 13,958,789

The Accompanying Notes are an Integral Part of these Financial Statements.

LOWER POTTS GROVE TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
December 31, 2024

	General Fund	SPECIAL REVENUE		Total Special Revenue Funds	Capital Reserve Fund	Total Governmental Funds
		Liquid Fuels	Park & Recreation			
REVENUES						
Real Estate Taxes	\$ 2,327,519	\$ 0	\$ 0	\$ 0	\$ 482,094	\$ 2,809,613
Earned Income Taxes	2,409,394	0	0	0	0	2,409,394
Other Taxes	558,835	0	0	0	0	558,835
License & Permits	224,298	0	0	0	0	224,298
Fines	33,700	0	0	0	0	33,700
Interest & Rents	308,678	18,869	2,883	21,752	391,198	721,628
Intergovernmental Revenues	660,796	365,497	0	365,497	0	1,026,293
Charges For Service	1,216,343	0	0	0	0	1,216,343
Contributions & Donations	353,795	0	35,970	35,970	0	389,765
All Other Revenues	542,443	0	0	0	0	542,443
TOTAL REVENUES	8,635,801	384,366	38,853	423,219	873,292	9,932,312
EXPENDITURES						
General Government	557,279	0	0	0	1,202,598	1,759,877
Police	3,849,266	0	0	0	0	3,849,266
Fire	542,886	0	0	0	0	542,886
Code Enforcement, Planning, Zoning	187,178	0	0	0	0	187,178
Public Works - Sanitation	1,236,556	0	0	0	0	1,236,556
Public Works - Highway & Street	783,529	322,507	0	322,507	0	1,106,036
Culture & Recreation	116,381	0	50,653	50,653	0	167,034
Employer Paid Benefits - Pension	760,464	0	0	0	0	760,464
Insurance	141,076	0	0	0	0	141,076
Debt Service	0	0	0	0	441,876	441,876
All Other Expenditures	19,255	0	0	0	6,042	25,297
TOTAL EXPENDITURES	8,193,870	322,507	50,653	373,160	1,650,516	10,217,546
EXCESS/(DEFICIENCY) OF REVENUES						
OVER EXPENDITURES	441,931	61,859	(11,800)	50,059	(777,224)	(285,234)
FUND BALANCES - BEGINNING OF YEAR	5,909,345	247,622	50,112	297,734	7,337,038	13,544,117
FUND BALANCES - END OF YEAR	\$ 6,351,276	\$ 309,481	\$ 38,312	\$ 347,793	\$ 6,559,814	\$ 13,258,883

The Accompanying Notes are an Integral Part of the Financial Statements.

LOWER POTTS GROVE TOWNSHIP
RECONCILIATION OF THE CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
TO THE CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES
December 31, 2024

Net Change In Fund Balances - Total Governmental Funds \$ (285,234)

Amounts reported for Governmental Activities in the Statement of Activities are different:

Governmental Funds Report Capital Outlays as Expenditures while Governmental Activities Report Depreciation Expense to Allocate those Expenditures Over the Life of the Assets.	
Capital Asset Costs Capitalized	1,552,917
Depreciation Expense	(543,047)
Capital Assets Sold/Junked	(189,389)
Accumulated Depreciation for Capital Assets Sold/Junked	135,117
	955,598

The Following Changes in Long-Term Liabilities Affect Expenses in the Statement of Activities, But are Not Reflected in the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

General Obligation Bonds, Series of 2021	190,000
Arbitrage Rebate Liability	(207,967)
Liability for Compensated Absences	(8,480)
Net Pension Liability, Net of Related Deferred Outflows and Inflows	430,682
	404,235

Change in Net Position of Governmental Activities \$ 1,074,599

The Accompanying Notes are an Integral Part of these Financial Statements.

LOWER POTTS GROVE TOWNSHIP
STATEMENT OF FIDUCIARY NET POSITION
December 31, 2024

	<u>Police Pension Fund</u>	<u>Non-Uniformed Pension Fund</u>	<u>Total Pension Trust Funds</u>
ASSETS			
Cash & Cash Equivalents	\$ 1,263,975	\$ 315,782	\$ 1,579,757
Investments	8,051,734	4,622,231	12,673,965
Due From General Fund	<u>0</u>	<u>161</u>	<u>161</u>
TOTAL ASSETS	<u>9,315,709</u>	<u>4,938,174</u>	<u>14,253,883</u>
LIABILITIES			
Accounts Payable	<u>35,234</u>	<u>25,852</u>	<u>61,086</u>
TOTAL LIABILITIES	<u>35,234</u>	<u>25,852</u>	<u>61,086</u>
NET POSITION			
Net Position Held In Trust For Pension Benefits	<u>9,280,475</u>	<u>4,912,322</u>	<u>14,192,797</u>
TOTAL NET POSITION	<u>\$ 9,280,475</u>	<u>\$ 4,912,322</u>	<u>\$ 14,192,797</u>

The Accompanying Notes are an Integral Part of the Financial Statements.

LOWER POTTS GROVE TOWNSHIP
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended December 31, 2024

	Police Pension Fund	Non-Uniformed Pension Funds	Total Pension Trust Funds
ADDITIONS			
Contributions			
Township & Commonwealth of PA	\$ 522,081	\$ 221,116	\$ 743,197
Employees'	117,004	10,958	127,962
Net Investment Income	1,134,845	680,488	1,815,333
Refund of Prior Year Expenditure	0	8,233	8,233
TOTAL ADDITIONS	1,773,930	920,795	2,694,725
 DEDUCTIONS			
Benefit Payments	419,820	269,284	689,104
Employer Contribution to			
Defined Contribution Plan	0	6,666	6,666
Administrative Expenses	6,149	9,278	15,427
TOTAL DEDUCTIONS	425,969	285,228	711,197
 CHANGE IN NET POSITION	 1,347,961	 635,567	 1,983,528
 TOTAL NET POSITION - BEGINNING	 7,932,514	 4,276,755	 12,209,269
TOTAL NET POSITION - ENDING	\$ 9,280,475	\$ 4,912,322	\$ 14,192,797

The Accompanying Notes are an Integral Part of the Financial Statements.

LOWER POTTS GROVE TOWNSHIP
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2024

Note #1 - Organization and Nature of Activities

Lower Pottsgrove Township, Montgomery County, Pennsylvania, is a 1st Class Township, formed in 1807. The Township is governed by five (5) elected Commissioners who serve a 4-year term. The Commissioners have the power to establish policies to be carried out by the Township. The Board of Commissioners manages the Township with the assistance of a Township Manager who is appointed. The Township's major sources of revenue include real estate and local enabling taxes.

Reporting Entity

These financial statements include the departments and other organizational units over which the Board of Commissioners exercise oversight responsibility, including general government, police protection, recreation, and public works.

In reviewing the criteria for inclusion in the financial statements, the Township considered the following:

- The Tax Collector is an elected officer who collects taxes on behalf of the Township, Montgomery County, and the Pottsgrove School District. The Township regards the Tax Collector's office as a separate entity and, therefore, does not account for its activity in the financial statements.
- Ringing Hill and Sanatoga Fire Companies receive contributions and real estate taxes collected for the fire services from the Township. However, most revenues generated are through private fundraisers under the direction of a separate independent board not appointed by the Commissioners. The Fire Companies are organized under separate charters and, therefore, are not included in the financial statements.
- Lower Pottsgrove Township Authority is a separate legal entity that acts independently of the Township. The Township Commissioners appoint the members of the Authority's Board, and the Township can impose its will on the Authority. The Authority is considered a component unit of the Township. These primary government financial statements do not include financial data for the Township's legally separate component unit, Lower Pottsgrove Township Authority. Financial statements of the Authority may be obtained by contacting the Authority's administrative office located at 2199 Buchert Road, Pottstown.

Note #2 - Significant Accounting Policies

Basis of Accounting

The Township prepared these financial statements using the accrual basis of accounting. Revenues are recognized when they are both measurable and available. The Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recognized when the liability is incurred. Debt service expenditures and expenditures related to compensated absences, claims, and judgements are recorded only when payment is due.

Fund Financial Statements

The underlying accounting system of the Township is organized and operated based on separate funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures or expenses.

LOWER POTTS GROVE TOWNSHIP
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note #2 - Significant Accounting Policies (Continued)

Fund Financial Statements (Continued)

General Fund

This fund is established to account for resources devoted to financing the general services that the Township performs for its citizens. General tax receipts and other sources of receipts used to finance the fundamental operations of the Township are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

Special Revenue Funds

These funds are established to account for the cash receipts of specific sources other than expendable trust or major capital projects that are legally restricted to disbursements for specific purposes. The assets of these funds are in separate bank accounts and can only be used for the purpose designated for that fund. The Township cannot use these assets for general operating expenses; they are only to be used to support the original purpose of the fund. The Township's special revenue funds include the following:

Liquid Fuels Fund – This fund is used to account for the proceeds from the State Motor License Fund. Expenditures are legally restricted to expenditures for highway purposes in accordance with Department of Transportation regulations. This fund must be kept separate from all other funds and no other funds shall be comingled with this fund.

Park and Recreation Fund – This fund accounts for special events for the community of the Township. These events are funded by contributions from local businesses in the community.

Capital Reserve Fund

This fund was established to fund township infrastructure, construction of a new municipal building and debt service. A capital reserve tax at .75 mills is included as revenue in this fund. Debt service payments for the General Obligation Bonds, Series of 2021 are paid from this fund.

Fiduciary Funds

These funds account for assets held in a trustee capacity, or as an agent for others and cannot be used to support the Township's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Police & Non-Uniformed Pension Funds - The Township is the trustee for its employees' pension plans. The Township cannot use these assets to finance operations.

Budget Policy

The Board of Commissioners annually adopts the budget for the General, Special Revenue and Capital Reserve Funds of the Township. Budgetary control is legally maintained at the fund level. The Township's budget policy provides transfer authority to the Commissioners within and between categories as long as the total budget of the Township (net of interfund transfers) is not increased. All budget amounts presented in the accompanying financial statements and additional information have been adjusted for legally authorized revisions to the annual budgets during the year.

Cash & Cash Equivalents

The Township considers all checking and money market accounts as cash.

LOWER POTTS GROVE TOWNSHIP
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note #2 - Significant Accounting Policies (Continued)

Investments

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Managed funds not listed on an established market are reported at estimated fair value as determined by the respective fund managers based on quoted sales prices of the underlying securities. Cash deposits are reported at carrying amounts, which reasonably estimates fair value.

The Township has a Police & Non-Uniform Pension Fund Statement of Investment Policy to define investment policy regarding the investment management of Police & Non-Uniform Pension Fund Assets. The policy limits the Township's allowable deposits or investments and addresses the specific types of risks to which the Township is exposed.

Accounts Receivable

Accounts receivables are reported at the amount of principal outstanding. Management closely monitors outstanding balances. Outstanding balances are liened only after management has exhausted reasonable collection efforts. Over time, all receivables are collected.

Capital Assets

Capital assets are reported as noncurrent assets. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation. Infrastructure assets include only those costs incurred since January 1, 2004. Acquisitions of property and equipment, as well as expenditures for repairs, maintenance, renewals, and betterments that substantially prolong the useful lives of capital assets, costing \$4,000 or more are capitalized. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation of capital assets is computed on the straight-line method over the following estimated useful lives:

Building & Improvements	15 – 40 years
Equipment	5-20 years
Vehicles	5 years
Infrastructure	20 years

In the Fund Financial Statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental funds when acquired.

Deferred Outflows of Resources

Deferred outflows of resources apply to a future period and will not be recognized as an expenditure until then. The deferred outflow of resources related to pension is the result of the changes in pension plan assumptions and the difference between projected and actual earnings on pension plan investments.

Long-Term Debt

All long-term debt to be repaid from governmental-type resources is reported as liabilities.

Deferred Inflows of Resources

Deferred inflows of resources apply to a future period and will not be recognized as revenue until that time. The deferred inflow of resources related to pensions is the difference between expected and actual experience of the pension plan.

LOWER POTTS GROVE TOWNSHIP
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note #2 - Significant Accounting Policies (Continued)

Equity Classifications

The Township classifies governmental fund balances as follows:

Non-Spendable – includes fund balance amounts that cannot be spent either because the amounts are not in spendable form or are legally or contractually required to maintain intact.

Restricted – includes fund balance amounts that are restricted to specific purposes by external parties or by law through constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that can only be used for specific purposes due to formal action of the Township's highest level of decision-making authority, which is the Board of Commissioners. Committed fund balance may also include resources that have been specifically committed for use in satisfying contractual requirements.

Assigned – includes fund balance amounts that are constrained by the Township's intent to be used for specific purposes but are not restricted or committed.

Unassigned – includes the residual classification of fund balance of the General Fund.

Restricted Resources

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

Spending Policy

The Township Commissioners approved a Stabilization Policy whereby \$1,400,000 is to be set aside for use in emergency situations.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Real Estate Tax Calendar

Property taxes are levied on February 1 and are payable on or before May 31. The tax levy ordinance for the 2024 calendar year levied taxes on February 1, 2024 at 4.368 for general (2.958 mills), fire protection (0.66 mills) and capital reserve (0.75 mills). Any unpaid taxes at the end of the year are reported to and collected by Portnoff Law Associates, Ltd. Unpaid taxes greater than \$50 at the end of the year are lienied. The taxes are levied based on assessed values on property. Assessed values approximate market value.

Date of Management's Review

Management has evaluated subsequent events through January 27, 2026, the date on which the financial statements were available to be issued.

Note #3 - Cash & Cash Equivalents

Custodial Credit Risk

Bank balances are categorized to give an indication of the level of risk assumed by the Township at year-end.

LOWER POTTS GROVE TOWNSHIP
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note #2 - Cash & Cash Equivalents (Continued)

Custodial Credit Risk (Continued)

The categories are described as follows:

<u>Category</u>	<u>Description</u>
1	Insured or collateralized with securities held by the Township or its agent in the Township's name.
2	Collateralized with securities held by the pledging financial institution's trust department or agent in the Township's name.
3	Uncollateralized.

On December 31, 2024, the carrying amount of the Township's bank deposits was \$13,216,803 and the bank balance was \$13,558,245 of which \$500,005 (Category 1) was directly covered by depository insurance. The remaining deposits, totaling \$10,466,871, were collateralized with Pennsylvania Act No. 72 of 1971, which requires that financial institutions secure cash deposits of local governments by pledging a pool of assets, as defined by the Act, to cover all public funds deposited in excess of depository insurance amounts. \$2,591,369 is covered by an Irrevocable Standby Letter of Credit up to \$9,000,000.

Note #4 - Investments

Investments held by the Fiduciary Funds include various exchange-traded products held in brokerage accounts. In accordance with the Township policy, the assets of the Pension Funds are invested in such investments as are authorized by Act 600.

Custodial Credit Risk - For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the Township may not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Investments are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Township, and are held by either (1) the counterparty or (2) the counterparty's trust department or agent but not in the Township's name. The investments held by the Fiduciary Funds are subject to custodial credit risk, with the exception of the balances protected by the Securities Investor Protection Corporation (SIPC). The SIPC protects securities up to \$500,000, including a \$250,000 limit for cash. SIPC does not protect against investment losses. The investments held by the Pension Funds are maintained in (2) Charles Schwab broker accounts, which are members of the SIPC. As of December 31, 2024, Pension Trust Fund cash, cash equivalents and investments totaled \$14,253,722, of which \$11,673,965 was subject to custodial credit risk.

Concentration of Credit Risk - As of December 31, 2024, there was no one investment in any one issuer that represented 5% or more of total investment.

Interest Rate Risk - Fiduciary fund investments in corporate bonds are scheduled to mature during the years 2025 through 2029; the interest rates of the bonds range from 0.8% to 5.05%.

Net Investment Income

	Police	Non-Uniform
Interest & Dividends	\$ 175,797	\$ 85,538
Net Unrealized Gains	1,001,600	619,249
Investment Fees	<u>(42,552)</u>	<u>(24,299)</u>
Total	<u>\$ 1,134,845</u>	<u>\$ 680,488</u>

LOWER POTTS GROVE TOWNSHIP
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note #5 - Prepaid Expense

The Township paid \$96,620 in 2024 for five (5) years of service on license plate readers. On December 31, 2024, prepaid expenses totaling \$77,296 are for the four (4) years of service remaining.

Note #6 - Capital Assets

Capital asset activity of the primary government for the year ended December 31, 2024 was as follows:

	Balance			Balance
	Beginning	Additions	Deletions	Ending
Land	\$ 6,364,312	\$ 959,127	\$ 0	\$ 7,323,439
Building & Improvements	2,526,912	31,581	0	2,558,493
Equipment	1,665,591	61,781	0	1,727,372
Vehicles	1,279,417	253,312	(189,389)	1,343,340
Infrastructure	<u>6,195,533</u>	<u>247,116</u>	<u>0</u>	<u>6,442,649</u>
Total Capital Assets	18,031,765	1,552,917	(189,389)	19,395,293
Less: Accumulated Depreciation	<u>(6,705,307)</u>	<u>(543,047)</u>	<u>135,117</u>	<u>(7,113,237)</u>
Total Capital Assets, Net	<u>\$ 11,326,458</u>	<u>\$ 1,009,870</u>	<u>\$ (54,272)</u>	<u>\$ 12,282,056</u>

Note #7 - Long-Term Liabilities

General Obligation Bonds, Series 2021 – Capital Reserve Fund

	Outstanding 2023	(Reductions)	Outstanding 2024
Initial issue \$8,475,000, Interest rate ranging from 3% to 5% per annum, Matures December 2050.	<u>\$ 8,110,000</u>	<u>\$ (190,000)</u>	<u>\$ 7,920,000</u>

Aggregate debt service requirements are as follows:

Year Ending	Principal	Interest	Total
2025	\$ 200,000	\$ 241,600	\$ 441,600
2026	210,000	231,600	441,600
2027	220,000	225,300	445,300
2028	225,000	218,700	443,700
2029	230,000	211,950	441,950
Thereafter	<u>6,835,000</u>	<u>2,475,150</u>	<u>9,310,150</u>
	<u>\$ 7,920,000</u>	<u>\$ 3,604,300</u>	<u>\$ 11,524,300</u>

Arbitrage Rebate Liability

Under U.S. Treasury Department regulations, all governmental tax-exempt debt issued after August 31, 1986, is subject to arbitrage rebate requirements. The requirements stipulate, in general, that the earnings from the investment of tax-exempt bond proceeds, which exceed related interest expenditure on the bonds, must be remitted to the Federal Government every fifth anniversary of each debt issue. The Township used an independent consultant to evaluate the Township's outstanding tax-exempt debt for arbitrage rebate liability and determined that there is a potential arbitrage rebate liability of an uncertain and unknown amount. Should this liability be asserted in the future, the minimum amount of this liability will likely be \$465,043. It is uncertain whether any additional liability will be imposed at such time.

LOWER POTTS GROVE TOWNSHIP
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note #7 - Long-Term Liabilities (Continued)

Compensated Absences

The cost of vacation and sick pay is recognized in the fund financial statements at the time the vacation and sick days are used by the employee or are paid at termination. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. In the fund financial statements, the accrued liability is recorded as \$108,326.

Vacation Pay

All police officers earn vacation based on a sliding scale that corresponds with years-of-service ranging from 40 hours to 200 hours per year. The Township requires that all vacation time be utilized during the year earned; however, the Police Chief may approve an officer's request to carry over vacation time for not more than 30 days if it is deemed in the best interest of the Police Department. Upon non-disciplinary termination or retirement, a police officer is eligible for payment of unused vacation days. As of December 31, 2024, the value of unused vacation days to police officers totaled \$4,531.

All full-time non-uniformed employees earn vacation days based on a sliding scale that corresponds with years-of-service ranging from 40 hours to 184 hours per year. The Township requires that all vacation time be utilized during the year unless specific written approval is received to carry unused time to the subsequent year. Upon termination or retirement, employees are compensated for their unused vacation days. On December 31, 2024, the value of unused vacation days to non-uniformed employees totaled \$11,064.

Sick Pay

All police officers are granted sick leave at the rate of ten hours per month. A new police officer is granted 40 sick leave hours upon 90 days of employment. Upon non-disciplinary termination, a police officer is eligible for compensation based on 10% of unused sick time, not to exceed 104 hours. On December 31, 2024, the value of unused sick days to police officers totaled \$608,708, and the related liability is \$60,871.

All full-time non-uniformed employees are granted sick pay at the rate of eight days per calendar year after one year of service. Non-uniform employees may accumulate up to 30 sick days. Employees hired before January 1, 2015 will be grandfathered under the previous policy of 60 days but once he/she falls below the 30-day threshold they will not be permitted to accumulate back up to 60 days. On December 31, 2024, the value of unused sick days to non-uniformed employees totaled \$29,738. Accrued sick leave is cancelled upon termination of employment; accordingly, there is no liability for unused sick days for non-uniformed employees on December 31, 2024.

Compensatory Hours/Time

Police officers can earn compensatory hours in lieu of monetary overtime compensation, at a rate of not less than 1 ½ hours of compensatory time for each hour of overtime worked. Compensatory hours can be accumulated to a maximum of 48 hours annually. If an officer chooses to carry time over to the next calendar year, that time will be deducted from the maximum 48 hours permitted for that proceeding year. The value of compensatory hours on December 31, 2024 is \$0.

Non-uniformed employees may request compensatory time off in lieu of overtime at the rate of 1 ½. Compensatory time off may be accumulated to a maximum of 40 hours and must be used by December 31 of each year. Any accrued, unused compensatory time remaining as of the last pay period in December will be included in the non-uniformed employee's final paycheck of the year.

LOWER POTTS GROVE TOWNSHIP
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note #8 - Pension Plans

Defined Benefit Plans

The Township administers and contributes to two defined benefit plans: a Police Pension plan for police officers and a Non-uniformed Pension plan for municipal employees of the Township. The plans are governed by the Board of Commissioners, who are responsible for the management of the plan assets. The Board of Commissioners has delegated the management of certain plan assets to an investment advisor. The assets of the Plans are invested separately, and each Plan's assets may be used only for the payment of benefits to the members of the Plans, in accordance with the terms of the Plans.

Plan Descriptions, Contribution Information, and Funding Policies

Plan Description

The Lower Pottsgrove Township Police Pension Plan and Lower Pottsgrove Township Non-Uniform Employees' Pension Plan are single employer defined benefit pension plans that provide retirement, disability and death benefits to plan members and their beneficiaries. Plan provisions are established by Township ordinance with the authority for contributions required by Act 205 of the Commonwealth of Pennsylvania.

Police Pension Plan

The Township contributes to the Lower Pottsgrove Township Police Pension Plan, which is a single-employer public employee retirement system (PERS). The Pension Plan also provides for death benefits and disability benefits to plan members and their beneficiaries. All full-time members of the police force join the Plan upon completion of the first of the month coincident with or next following date of hire. Under the provisions of the Township's Pension Plan, pension benefits vest 100% after 12 years of credited service. Normal retirement is attained at the age of 50 and completion of 25 years of credited service. The normal retirement pension is payable monthly, equal to 50% of Final Average Salary (FAS) over the last 3 years, plus a service increment of 2% of final average earnings for each year of service in excess of 25 years, subject to a \$100 per month maximum increment. Employees who retire early with at least 20 years of credited service receive an actuarially reduced pension. Member contributions for 2024 were 5% of compensation totaling \$117,004. The Township must provide annual contributions sufficient to satisfy the actuarially determined contribution requirements as mandated by state statutes.

Non-Uniformed Employees' Pension Plan

The Township contributes to the Lower Pottsgrove Township Non-Uniform Employees' Pension Plan, which is a single employer public employee retirement system (PERS). The Pension Plan provides for death benefits to plan members and their beneficiaries. All employees become members of the Plan the first of the month coincident with or next following date of hire. Under the provisions of the Township's Pension Plan, pension benefits vest at 100% after 5 years of credited service. Effective in 2006, an employee may retire at age 62 with 20 years of credited service and receive a monthly pension equal to 2.2% of the employee's final 36-month average salary times the number of years of service, not to exceed 55% of FAS. Prior to 2006, the grandfather formula is 50% of FAS. In addition, an increment (after age 65 and 10 years of service) of 2% of final 36-month average salary for each year of service beyond normal retirement date to a maximum increment of \$100 per month shall be paid for postponed retirements. Full-time non-uniformed employees contributed 2% of their pay towards the pension plan totaling \$10,637 in 2024. The Township must provide annual contributions sufficient to satisfy the actuarially determined contribution requirements as mandated by state statutes.

LOWER POTTS GROVE TOWNSHIP
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note #8 - Pension Plans (Continued)

Defined Benefit Plans (Continued)

Plan Descriptions, Contribution Information, and Funding Policies (Continued)

Plan Membership

On January 1, 2023, the latest Act 205 report, the Township pension plans' memberships consisted of:

	Police	Non-Uniformed
Active Member	20	9
Retired & Benefit Members	10	9
Vested Members	<u>1</u>	<u>10</u>
Total Membership	<u>31</u>	<u>28</u>

Basis of Accounting

The Pension Plans utilize the accrual basis of accounting. The pension plans are reflected as a Fiduciary Fund in these financial statements. Employee and employer contributions are recognized when due as required by Act 205 of the Commonwealth. Benefits are recognized when due and payable in accordance with the terms of the plan.

Valuation of Investments

Pension plan investments are reported at fair value based on quoted market values. Investment income is recognized as earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date. The following is a summary of investments held by the pension funds:

	Police	Non-Uniform
Schwab Bank & Government Money	\$ 401,504	\$ 95,489
Company Stocks	6,165,026	3,637,834
Fixed Corporate Bonds & Certificates of Deposit	<u>1,485,204</u>	<u>888,908</u>
Total	<u>\$ 8,051,734</u>	<u>\$ 4,622,231</u>

Rate of Return

For the year ended December 31, 2024, the annual money-weighted rate of return on plan investments, net of plan investment expense was 14.09% for the Police and 14.72% for the Non-Uniformed Pension Plans.

Funding Status and Progress

The amount shown as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial accrued liability produced by the Entry Age Normal Actuarial Cost method. This method is used for plan funding and is allowed, in lieu of the standardized measure, for smaller municipalities. It is intended to help users assess the pension plans' funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due and make comparisons among PERS. The measure is independent of the actuarial funding method used to determine contributions to the PERS, discussed below. Administrative costs are financed through the plans' investment earnings.

LOWER POTTS GROVE TOWNSHIP
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note #8 - Pension Plans (Continued)

Defined Benefit Plans (Continued)

Plan Descriptions, Contribution Information, and Funding Policies (Continued)

Annual Pension Cost, Net Pension Obligation and Reserves

The police pension benefit obligation was determined as part of an actuarial valuation as of December 31, 2024. Significant actuarial assumptions used include (a) a rate of return on the investment of present and future assets of 6.50% per year compounded annually, and (b) projected salary increases of 4.0% per year compounded annually.

The non-uniformed employees' pension benefit obligation was determined as part of an actuarial valuation as of December 31, 2024. Significant actuarial assumptions used include (a) a rate of return on the investments of present and future assets of 6.50% per year compounded annually, and (b) projected salary increases of 4.00% per year compounded annually.

Past Service Costs

There are no unfunded liabilities for either plan for past service costs.

Contributions Required

The pension plan funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate suitable assets to pay benefits when due. Level percentage of payroll employer contribution rates is determined using the entry age normal actuarial funding method as required by Pennsylvania Act 205. The pension plan also uses a method defined by Act 205 to amortize the unfunded liability over a defined period. Total contributions to the Police and Non-Uniformed Pension Plans in 2024 amounted to \$522,082 and \$221,116, respectively, consisting of \$339,744 of State Aid and \$403,454 contributed by the Township.

Deferred Outflows of Resources Related to Pensions

As of December 31, 2024, the Township reported deferred outflows of resources totaling \$879,975. This includes the net difference between the projected and actual earnings on pension plan investments that was determined by an actuarial valuation as of December 31, 2024.

The net differences between the projected and actual earnings on pension plan investments were \$604,157 and \$275,818 for Police and Non-Uniform, respectively. Deferred outflows also include the changes in assumptions since the last actuarial valuation. The changes in assumptions since the latest valuation performed on December 31, 2024, is \$0 for Police and Non-Uniform.

Deferred Inflows of Resources Related to Pensions

As of December 31, 2024, the Township reported deferred inflows of resources totaling 6,485. This includes the differences between expected and actual experience that was determined by an actuarial valuation as of December 31, 2024. The difference between expected and actual experience were (\$19,825) and \$26,310 for Police and Non-Uniform, respectively.

Net Pension Liability

The Township reported a liability of \$2,439,410 for its proportionate share of the net pension liability for the year ended December 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024. The Township's proportional share of the net pension liability was based on the Township's share of the minimum municipal obligation relative to the total minimum municipal obligation. On December 31, 2024, the Township's portion was 100% for Police and 68.27% for Non-Uniform.

LOWER POTTS GROVE TOWNSHIP
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note #8 - Pension Plans (Continued)

Net Pension Liability (Continued)

The following represents the proportionate share of the net pension liability of the Township, calculated using the discount rate of 6.50%, as well as what the Township's net pension would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	D I S C O U N T R A T E		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	(5.50%)	(6.50%)	(7.50%)
Police Net Pension Liability	\$ 3,529,366	\$ 1,948,828	\$ 647,016
Non-Uniform Net Pension Liability	\$ 927,311	\$ 490,582	\$ 122,188

Deferred Retirement Option Plan "DROP"

The Police Pension plan includes a provision for a deferred retirement option plan.

Defined Contribution Plan

That Township established a policy that all non-uniform employees hired on or after February 1, 2021 will no longer be eligible to participate in the current Non-Uniformed Employees Defined Benefit Pension Plan but will be eligible to participate in the newly established Non-Uniformed Employees Defined Contribution Retirement Plan. Active participants are required to contribute 2% of their compensation. For the year ending December 31, 2024, the Township contributed 6% of eligible employees compensation totaling \$17,263 and the employees contributed \$7,976.

Note #9 - Net Post-Employment Benefits Obligation (OPEB)

Plan Description and Funding Policies

The Township provides insurance coverage for health, hospitalization, including vision and dental, for each retired police officer who retires from full-time employment with the Township and who is at least 52 and has completed 25 years of service (but not his/her spouse or other dependent family members). The Township will continue to provide the health care coverage for the officer until the earliest of the following: a) the officer attains age sixty-five (65); or b) the officer obtains other employment with equal or similar coverage available at no cost to the officer; or c) the officer's spouse obtains employment with fully paid health care for the officer; or d) the death of the officer. The Plan is financed on a pay-as-you-go basis. Healthcare insurance premiums are paid from the Township's General 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 healthcare benefits are recognized in an amount equal to the net change in the net OPEB obligation. For the year ending December 31, 2024, the Township paid a total of \$21,480 OPEB benefits to (2) retired police officers. The Township does not provide post-employment benefits to its non-uniformed retirees, their beneficiaries, or their dependents.

Net OPEB Liability

The proportionate share of the net OPEB liability of the Township as of December 31, 2021, the most recent actuarial valuation, calculated using the discount rate of 2.06% is \$1,522,861. The Township's net OPEB would be \$1,712,443 if it was calculated using a discount rate that is one percentage point lower (1.06%) and \$1,355,045 if it used one percentage point higher (3.06%) than the current rate. The participants valued as of December 31, 2021 include 18 active employees and 2 retirees. Actuarial assumptions include: Medical Inflation Rate 8% in the first year, decreasing by 1% per year to an ultimate rate of 5% and Interest Rate of 2.12% (per the Bond Buyer AA Index).

LOWER POTTS GROVE TOWNSHIP
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note #10 - Commitment and Contingencies

Commitment

Restricted for Park & Recreation – In 2024, the Township received a \$10,000 donation from William and Dorothy Family Foundation for Pleasantview Park Master Plan. The Township also received a \$17,420 grant from Pottstown Area Health and Wellness Foundation (now called Pottstown Regional Community Foundation) for Pleasantview Park Revised Master Plan Project and a \$21,060 grant for Ringing Rocks Improvements Project. As of December 31, 2024, \$0 received in 2024 was spent.

Copier Lease - The Township has a copier lease for the office for (60) payments of \$345 per quarter. The Police Department has a copier lease for (63) payments at \$182 per month. Future minimum lease payments per year are: \$2,184 for years 2025 – 2026; and \$546 for 2027.

Contracts Awarded – The Township awarded the following contracts: Snell Road Bridge Replacement \$395,695; N. Adams Street Bridge Replacement Project \$680,982; Municipal Building Project awards – General Contractor \$3,200,000; HVAC/Mechanical \$735,000; Electrical \$664,190; and Plumbing \$478,490.

Grant – The Township was awarded the Local Share Account (LSA) Statewide Grant for \$150,270 for the municipal radio system. The grant was not received in 2024, and no grant expenditures were incurred in 2024.

Contingencies

Insurance - The Township is self-insured for purposes of Pennsylvania's unemployment insurance. Therefore, any claims are paid directly by the Township.

Litigation - It is the opinion of management that there are no material contingent liabilities due to any pending or threatened litigation claims, or assessments against the Township.

Guarantee of Authority Debt - The Township has guaranteed the Sewer Revenue Note, Series of 2016. Principle outstanding on the note is \$4,007,000 as of December 31, 2024.

Note #11 - Management Agreement

During 1991, the Township entered into a management agreement with the Lower Pottsgrove Township Authority to manage and operate the sewer system in Lower Pottsgrove Township and to perform other functions on behalf of the Authority. The agreement is automatically renewed for one-year terms. Management fees received during 2024 amounted to \$120,000.

Note #12 - Stewardship, Compliance and Accountability

The Township had no material violations of finance-related legal and contractual provisions.

Note #13 - Risk Management

The Township is exposed to various risks of loss related to torts, theft or damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. Significant losses are covered by commercial insurance for all areas for which the Township retains risk of loss.

REQUIRED SUPPLEMENTARY INFORMATION

LOWER POTTS GROVE TOWNSHIP
BUDGETARY COMPARISON SCHEDULE FOR THE GENERAL FUND
December 31, 2024

	Original/ Final Budget	Actual	Favorable (Unfavorable) Variance
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Real Estate Taxes	\$ 2,269,250	\$ 2,327,519	\$ 58,269
Earned Income Taxes	2,250,000	2,409,394	159,394
Other Taxes	557,500	558,835	1,335
Licenses & Permits	239,000	224,298	(14,702)
Fines	33,100	33,700	600
Interest & Rents	225,000	308,678	83,678
Intergovernmental Revenues	1,304,207	660,796	(643,411)
Charges For Service	1,162,720	1,216,343	53,623
Special Assessments	146,400	278,160	131,760
Contributions & Donations	16,000	353,795	337,795
All Other Revenue	125,905	264,283	138,378
TOTAL REVENUES	<u>8,329,082</u>	<u>8,635,801</u>	<u>306,719</u>
EXPENDITURES			
General Government	564,705	557,279	7,426
Police	4,057,693	3,849,266	208,427
Fire	526,398	542,886	(16,488)
Code Enforcement, Planning, Zoning	351,880	187,178	164,702
Public Works -Sanitation	1,233,740	1,236,556	(2,816)
Public Works - Highway & Street	2,091,865	783,529	1,308,336
Culture & Recreation	169,802	116,381	53,421
Employer Paid Benefits - Pension	765,968	760,464	5,504
Insurance	127,952	141,076	(13,124)
All Other Expenditures	7,000	19,255	(12,255)
TOTAL EXPENDITURES	<u>9,897,003</u>	<u>8,193,870</u>	<u>1,703,133</u>
EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,567,921)	441,931	2,009,852
FUND BALANCE - BEGINNING OF YEAR	<u>5,909,345</u>	<u>5,909,345</u>	<u>0</u>
FUND BALANCE - END OF YEAR	<u>\$ 4,341,424</u>	<u>\$ 6,351,276</u>	<u>\$ 2,009,852</u>

The Accompanying Notes are an Integral Part of the Financial Statements.

LOWER POTTS GROVE TOWNSHIP
BUDGETARY COMPARISON SCHEDULE FOR THE SPECIAL REVENUE FUNDS
December 31, 2024

	Original/ Final Budget	Actual	Favorable (Unfavorable) Variance
REVENUES			
Interest & Rents	\$ 22,600	\$ 21,752	\$ (848)
Intergovernmental Revenues	333,390	365,497	32,107
Contributions & Donations	9,800	35,970	26,170
TOTAL REVENUES	365,790	423,219	57,429
 EXPENDITURES			
Public Works - Highway & Street	467,645	322,507	145,138
Culture & Recreation	33,050	50,653	(17,603)
TOTAL EXPENDITURES	500,695	373,160	127,535
EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	(134,905)	50,059	184,964
FUND BALANCES - BEGINNING OF YEAR	297,734	297,734	0
FUND BALANCES - END OF YEAR	\$ 162,829	\$ 347,793	\$ 184,964

The Accompanying Notes are an Integral Part of the Financial Statements.

OTHER INFORMATION
(Unaudited)

LOWER POTTS GROVE TOWNSHIP
PENSION PLANS SCHEDULES OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS
December 31, 2024

Funded Status and Funding Progress

Police Pension Plan

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2)-(1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
2015	\$ 3,916,337	\$ 4,870,917	80.40%	\$ 954,580	\$ 1,635,473	58.37%
2017	\$ 4,488,133	\$ 5,516,092	81.36%	\$ 1,027,959	\$ 1,834,312	56.04%
2019	\$ 6,129,826	\$ 7,429,960	82.50%	\$ 1,300,134	\$ 1,943,454	66.90%
2021	\$ 8,071,953	\$ 9,169,422	88.03%	\$ 1,097,469	\$ 1,953,885	56.17%
2022	\$ 7,164,826	\$ 9,620,172	74.48%	\$ 2,455,346	\$ 1,948,500	126.01%
2023	\$ 7,940,165	\$ 10,665,496	74.45%	\$ 2,725,331	\$ 2,391,899	113.94%
2024	\$ 9,280,475	\$ 11,229,303	82.65%	\$ 1,948,828	\$ 2,309,288	84.39%

Non-Uniformed Employees Pension Plan

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2)-(1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
2015	\$ 2,483,362	\$ 3,018,320	82.28%	\$ 534,958	\$ 833,084	64.21%
2017	\$ 2,838,986	\$ 3,392,301	83.69%	\$ 553,315	\$ 822,145	67.30%
2019	\$ 3,520,225	\$ 4,037,572	87.19%	\$ 517,347	\$ 807,285	64.08%
2021	\$ 4,613,767	\$ 4,390,315	105.09%	\$ (223,452)	\$ 873,846	(25.57%)
2022	\$ 3,984,327	\$ 4,562,933	87.32%	\$ 578,606	\$ 690,787	83.76%
2023	\$ 4,276,755	\$ 5,417,652	78.94%	\$ 1,140,897	\$ 692,880	164.66%
2024	\$ 4,910,755	\$ 5,629,346	87.23%	\$ 718,591	\$ 492,602	145.88%

Schedule of Employer Contributions

Fiscal Year	POLICE			NON-UNIFORMED		
	Annual Required Contribution	Percentage Contributed	Net Pension Obligation (NPO)	Annual Required Contribution	Percentage Contributed	Net Pension Obligation (NPO)
2014	\$ 201,913	100%	-	\$ 163,659	100%	-
2015	\$ 211,454	100%	-	\$ 154,002	100%	-
2016	\$ 207,408	100%	-	\$ 163,221	100%	-
2017	\$ 214,045	100%	-	\$ 145,580	100%	-
2018	\$ 240,534	100%	-	\$ 162,401	100%	-
2019	\$ 247,223	100%	-	\$ 165,073	100%	-
2020	\$ 339,808	100%	-	\$ 179,706	100%	-
2021	\$ 340,976	100%	-	\$ 180,854	100%	-
2022	\$ 390,096	100%	-	\$ 139,088	100%	-
2023	\$ 390,556	100%	-	\$ 124,176	100%	-
2024	\$ 522,082	100%	-	\$ 221,116	100%	-