

# **PETERS TOWNSHIP**

WASHINGTON COUNTY, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2017

# PETERS TOWNSHIP

WASHINGTON COUNTY, PENNSYLVANIA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2017

PREPARED BY:

DEPARTMENT OF ADMINISTRATION

PAUL F. LAUER

TOWNSHIP MANAGER

RYAN JEROSKI

ASSISTANT TOWNSHIP MANAGER

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Comprehensive Annual Financial Report  
Year Ended December 31, 2017  
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**INTRODUCTORY SECTION**

**PETERS TOWNSHIP**  
WASHINGTON COUNTY

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



Peters Township Council

James F. Berquist, Chairman    Frank Kosir, Jr., Vice Chairman  
Frank Arcuri    Monica R. Merrell  
David M. Ball    Gary J. Stiegel, Jr.  
Robert J. Lewis

June 8, 2018

**TO:** The Citizens of Peters Township

Peters Township's Home Rule Charter requires the annual public presentation of an independent financial audit of the Township conducted by a certified public accountant. I am pleased to submit for your review, the Comprehensive Annual Financial Report of Peters Township for the fiscal year ended December 31, 2017 in fulfillment of this requirement.

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

Hosack, Specht, Muetzel and Wood LLP, Certified Public Accountants, have issued an unmodified opinion on Peters Township's financial statements for the year ended December 31, 2017. The independent auditor's report is located at the front of the financial section of this report.

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

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

**Profile of Government**

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

Police Protection  
Fire Protection  
Road Maintenance  
Planning

Code Enforcement  
Parks and Recreation  
Library  
Community Television

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

Planning Commission  
Zoning Hearing Board  
Parks and Recreation Board  
Cable T.V. Board

Environmental Quality Board  
Library Board  
Youth Commission  
BOCA Appeals Board

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

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

**Local Economy**

In 2017, we saw the local economy grow at a slightly faster pace than the previous year. This was evidenced by the approval of one new commercial development (Pooch Pit) and an expansion of four commercial facilities (Trigon, Inc., Jordan Tax Service, and Caimano Specialty Retail). A total of nine commercial properties sold in 2017, for an average sale price of \$2,812,100, a 41.2% increase over the 2016 average sale price of commercial properties in the Township.

Our fund balance in the General Fund increased, mainly due to higher than expected collections of Earned Income Tax and Real Estate Transfer Tax, and we continue to maintain a fund balance across all governmental funds that is well above our policy goals. The number of new residential construction units in 2017 was 47; which is consistent with the number of permits issued in 2015 and 2016, and is somewhat reflective of national trends. In addition, 245 new single-family residential lots were approved in 2017, a substantial increase over the 28 lots approved in 2016. Two new residential zoning overlays adopted by Council in late 2016 were a contributing catalyst to this boom. A new Zoning Ordinance, adopted in mid-2017, is expected to facilitate further growth, particularly in the McMurray Town Center.

The new county tax assessment numbers took effect on January 1, 2017. The Township and School District worked proactively with legal counsel to ensure assessment appeals did not cause an undue negative impact to budgeted revenues from real estate tax.

## **Major Initiatives**

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

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

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

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

## **General Government**

The basic functions of the municipality need a variety of support and coordinating services to permit them to operate. These services also act as the implementation arm for Council's policies. These services include management, finance, tax collection, communications, and professional services, such as legal, engineering and accounting. The objectives in 2018 include:

1. Communicating to the community through 6 "In Peters Township Magazines" a calendar, the Township website, cable channels and improved social networking presence through the PT4me! application, a Public Staff Citizen Relationship Management program that is more consumer friendly
2. Personnel efforts will be focused on a new labor contract with the bargaining unit representing the Fire Department. A Geographic Information System (GIS) Administrator will be hired to take full advantage of the Township's GIS systems and assist the Engineering and Planning Departments.
3. Ensure state-of-good repair in Township facilities by replacing a boiler unit and rooftop package unit in the Municipal Building and an expansion tank above the Police Department. The brick patio in front of Council Chambers will be replaced with a concrete patio.
4. The Township will assure a sound financial system by continuing to contract for real estate tax collection services and participate in the County-wide Tax Collection Committee for earned income and local services taxes. In the second year of the completed Countywide

Reassessment, a proactive approach to assessment appeals will be maintained to ensure there are no major fluctuations in Township real estate tax revenue.

5. Consulting and in-house professional staff will be utilized to conduct an audit, legal, engineering and information technology services. All GASB standards will be met in Township comprehensive and popular annual financial reports, as well as the 2019 Budget.
6. Provide design and oversight of construction projects including resurfacing a roughly \$1.25 million pavement management program, \$300,000 in storm sewers projects, \$60,000 in storm sewer pond restorations, design of a collector road through the Rolling Hills Park property, and the Sugar Camp Arch Culvert rehabilitation.
7. Provide a sound technological support system by replacing the switch and firewall in the Fire Department, migrating to a web-based GIS data storage system, updating the e-mail exchange server, and replacing at least 15 computers.
8. Maintain morale and health of volunteers and paid staff by recognition of service awards and wellness programs promoting healthy living.

### **Protection of Persons and Property**

The Township provides or finances a variety of services to protect the public and property; these include police, fire, ambulance, planning and inspection. The objectives for 2018 include:

1. Initiate enhanced methods of traffic enforcement by assigning a traffic enforcement officer to patrol areas where citizen complaints have been received. Purchase an electronic non-radar speed timing device to assist with these efforts, as well as solar-powered speed display signs. Draft and managed an Aggressive Driving Grant should the Township qualify for this program.
2. To continue a proactive approach to addressing the health and needs of the community, continue to provide prevention programs to students such as DARE and the School Resource Officer; this includes coordinating with the Youth Commission, Drug Take Back programs.
3. Ensure public safety through a well-managed patrol division with at least 80% of patrol shifts having a minimum of 3 persons on duty. Ensure this patrol division has proper equipment by purchasing 3 new patrol vehicles with updated technology, using modern techniques such as Data Driven Approach to Crime through Traffic Safety and GPS tracking systems and in-car citation capabilities.
4. Provide direction to police officers to ensure they are adequately trained and have the facilities to serve the community by providing at least the minimum Municipal Police Officers Education and Training Commission training, 12 hours of Mandatory In-Service Training, maintaining firearms proficiency, valid first aid and CPR certifications and continuing with the DUI Task Force grant-funded program. Designate one detective as

Property Custodian and perform a systematic review and inventory of the Evidence Room. Utilize the South Hills Area Council of Government officer testing process to hire at least two (2) new officers to replace retiring officers in 2018.

5. Participation in regional programs to increase effectiveness such as the South Hills Council of Government Crisis Intervention Response Team Fire Rapid Intervention Team and mutual aids with North Strabane, Upper St. Clair and Bethel Park Fire Departments as well as active participation in the South Hills Council of Government Police and Fire Chief committees.
6. Continue to operate the deer management program in conjunction with the Environmental Quality Board as well as provide animal control services including dead deer and small animal pick up/disposal.
7. Continue coordination of protection by conducting at least two (2) meetings with Fire, EMS and Police, as well as to continue cooperative efforts between Planning and emergency services for plan reviews and commercial inspections including joint interdepartmental training for emergencies and sharing of technology resources amongst departments such as the Geographic Information System.
8. Accept final delivery of a new Aerial Fire Truck. Manage the design and replacement of the Township's emergency radio communications tower. Oversee renovations to the second-floor space of Fire Station #1, creating new offices and classrooms in this facility.
9. Proactively prevent public safety matters by conducting commercial and residential safety inspections and drills. Providing smoke detectors, child car seats and fire extinguishers as needed. Host a children's educational camp in Summer 2018 for CPR training, first aid and home fire safety.
10. Purchase adequate equipment for the firefighters to maintain a safe operation, including three (3) sets of turnout gear and five (5) ballistic vests. Support volunteer efforts of firefighters by providing proboard certified training opportunities as well as continuing the volunteer duty shift program.
11. Continue funding of Senior Citizen Subscriptions to the Ambulance Service.
12. Fill the newly-created position of Assistant Planning Director, and incorporate this new staff member into daily Planning Department operations. Commence the design of a streetscape project for the McMurray Town Center area.
13. Continue current land use planning reviews ensuring new developments meet community standards with emphasis on property maintenance codes and safe building construction through certified Uniform Construction Code Inspectors. Fill the position of a retiring building inspector with a trained and certified member of the Public Works staff.

14. Provide support to the Planning Commission and Zoning Hearing Board through professional staff support and training opportunities.

### **Public Works**

The Township maintains a 116.2 mile road network, storm sewers, storm water management facilities and numerous buildings and structures. Health and safety functions are primarily provided through authorities and private contractors. The Township government must be active in these functions to assure that the community has a healthy environment. The objectives in 2018 are:

1. Provide training on working around high-voltage electrical lines to all members of the staff.
2. Promote the participative nature of our residents by providing a recycling program, 5 fall and 2 spring leaf and 24 year round brush collection pick-us, a daily electronic device drop off program; continue a volunteer landscaping program. A cardboard compactor will be purchased for use by residents and businesses, and installed at Fire Station #1.
3. Participate with the Peters Township Sanitary Authority, Peters Creek Sanitary Authority and Washington County Sewage Council for sewage planning and enforcement.
4. A well-maintained road system is paramount to the safety of residents as well as for the efficient operation of businesses, emergency services and school busing. Continue the second year of a replacement program for Township traffic signs to ensure compliance with federal reflectivity standards. Maintaining roadside safety is also critical and a concerted effort will continue to address tree damage from the Emerald Ash Borer. Oversee the installation of new signal system at Thomas Road and East McMurray Road funded by a PennDOT grant program. Replace signage designating municipal facilities at the Municipal Complex.
5. Address stormwater issues proactively by increasing funding of projects addressing chronic stormwater problem area, and continuing year 8 of a 10-year storm sewer replacement program for aging corrugated metal pipe. Work with an engineering consultant to update the Township's digital storm sewer maps. Preventive stormwater and flooding issues will be addressed by in-house with the repair of at least 25 storm sewer inlets and more frequent street cleaning by the street sweeper with storm inlet vacuuming capabilities.
6. Purchase two replacement vehicles, one (1) large and one (1) smaller dump trucks, as well as a new trailer for the hydraulic excavator. Replace the roof on Building #3 in the Public Works Complex, and install LED lighting throughout the Complex.
7. To efficiently and safely perform the mission of the department, purchase needed equipment including MS4 hazardous waste containment items, pallet jack, tailgate salt spreader, portable generator, jack hammer, sub-pump with hoses, laser level, mobile truck radios, and a line-painting machine.

8. Maintain Township snow removal objectives of 3 hours salting and 7 hours plowing with adequate number of vehicles and equipment including use of pretreating brine and dual suppliers for salt. Remove snow from Township-maintained sidewalks within 24 hours of a snow event.

### **Culture and Recreation**

The Township provides a well-rounded variety of recreation programs and facilities; it also provides complete Library services and operates and programs multiple cable television channels. The objectives in 2018 include:

1. Continue to provide multiple opportunities for involvement of residents by recruiting over 250 volunteers to assist in recreation, library and cable programming.
2. Maintain a close cooperation with the school district by sharing of recreation facilities, including joint coaches training and scheduling; coordinating library offerings, including annual meeting with school librarians; operating a cable studio at the high school, with significant capital equipment to improve studio capabilities, participation of media class students and providing 575 cable programs in conjunction with the school district through curriculum and video club.
3. Continue to provide a wide variety of programs for all interests including six (6) summer concerts at the new amphitheater, increased CRC programming, enhanced youth and adult participation at the Tennis Center, and continued offering of the Silver Sneakers Program that provides affordable programs for the wellness of seniors. Enhance library programs that address educational interests for all ages including lecture series for adults and student alike, engage adults in the Adult 2018 Summer Reading Program, update employment search collection and online tools, and incorporate Playscapes into Youth Services programming. With the planned retirement of the Reference/IT Librarian in early 2018, evaluate department needs and fill the position with an appropriate candidate. Introduce at least 625 hours of original digitally recorded cable programs, record all productions in high-definition, and produce at least six (6) public service announcements.
4. Actively pursue the implementation of the comprehensive recreation plan, seeking grants to finance improvements included in various park master plans. Construct a new playground at Shelter 1 in Peterswood Park, replace Shelter 2, repave the Arrowhead Trail connector to Peterswood Park, replace the fencing at Field 4, purchase new doors for the Tennis Center bubble, and strip and refinish the gym floor at the Community Recreation Center. Replace the carpet and paint the walls in the Youth Services Department, and replace all smoke detectors in the Library.

### **Accounting and Budgeting**

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

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

The concept of reasonable assurance recognizes that:

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

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

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

### **Long Term Financial Planning**

It is the stated goal of the Township to maintain a fund balance equal to or in excess of 15% of revenues. Revenues associated with governmental funds in 2017 equaled \$17,944,537. The fund balances as of December 31, 2017 greatly exceeded the target of \$2,691,681. The year-end fund balance totaled \$11,642,535. Of this amount, \$5,628,403 was unassigned.

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

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

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

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

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

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

The 2018-2022 Capital Improvement Plan anticipates the expenditure of \$22,633,611 over the next five years based on the following annual expenditure of funds:

2018	\$ 5,662,511
2019	\$ 6,575,750
2020	\$ 4,542,450
2021	\$ 3,296,450
2022	\$ 2,556,450

Of this amount, \$2,379,583 is designated for the acquisition or replacement of vehicles. The remaining expenditures are related to improvements to facilities and infrastructure. A significant portion of the Capital Improvement Plan is devoted to road improvements. The cost of proposed road improvements contained in the plan total \$10,491,800. The cost associated with improvements to the storm sewer infrastructure is \$2,890,000.

Projects contained in the 2018-2022 Capital Improvement Plan will be financed through the expenditure of excess current funds, capital lease, grants and fees. The Township received block grant funding from the state of Pennsylvania under the Liquid Fuels Program, the Local Share Program, and the Natural Gas Impact Fee Program. These funds are devoted to financing capital improvements. In addition, the Township levies a Traffic Impact Fee on all new developments. These funds are earmarked to finance road improvement projects.

**Awards**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for excellence in financial reporting to the government for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2016. This was the twenty-second consecutive year that Peters Township has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized Comprehensive Annual

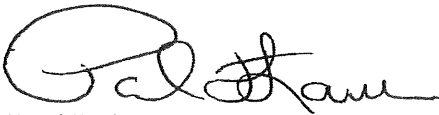
Financial Report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

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

**Acknowledgements**

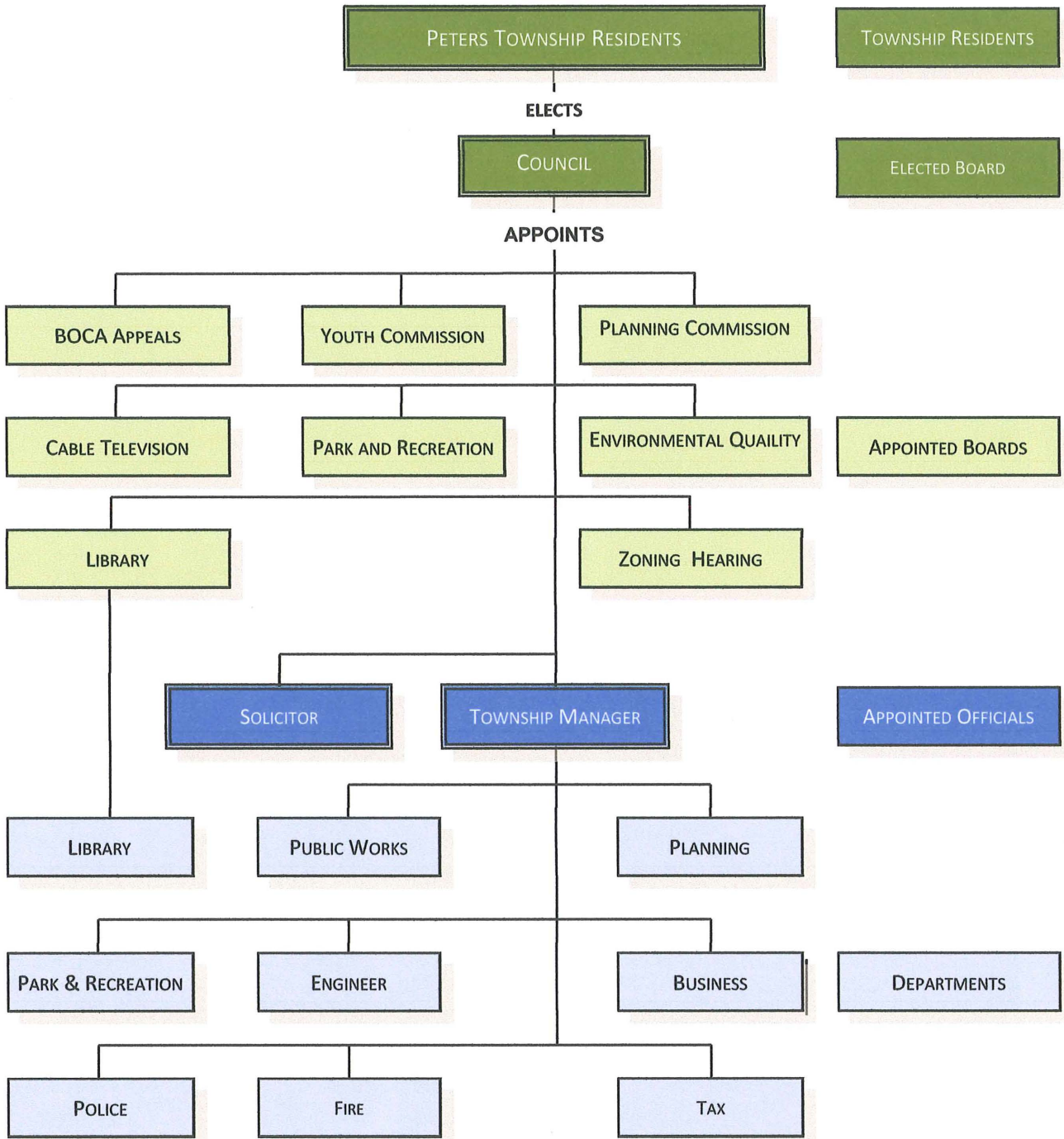
The production of this report was made possible through the efforts of a variety of individuals. The work and cooperation of the Township's administration staff was instrumental in the completion of this report. I also wish to acknowledge the efforts of Council for its support and encouragement. As in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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Paul F. Lauer". The signature is fluid and cursive, with a large initial "P" and "L".

Paul F. Lauer  
Township Manager

## Peters Township Organizational Chart



**PETERS TOWNSHIP**  
**LIST OF PRINCIPAL OFFICIALS**  
As of June 1, 2018

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



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Peters Township  
Pennsylvania**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

*Christopher P. Morill*

Executive Director/CEO

**FINANCIAL SECTION**

**HOSACK, SPECHT, MUETZEL & WOOD LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
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**Independent Auditor's Report**

Members of Council  
Peters Township  
McMurray, Pennsylvania

Dear Members:

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Peters Township, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Peters Township, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

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

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

**Other Matters (Cont'd)**

*Other Information (Cont'd)*

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Respectfully submitted,

*Hosack, Specht, Muetzel & Wood LLP*

HOSACK, SPECHT, MUETZEL & WOOD LLP  
Pittsburgh, Pennsylvania  
June 8, 2018

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Peters Township's comprehensive annual financial report presents a narrative overview and analysis of the Township's financial performance for the fiscal year ended December 31, 2017. Please read this management and discussion in conjunction with the preceding transmittal letter and the accompanying financial statements and notes which follow in order to obtain a thorough understanding of the Township's financial condition as of December 31, 2017.

### FINANCIAL HIGHLIGHTS

- To account for the reassessment of properties in Washington County, the Township adjusted its property tax rate from 13 mills to 1.522 mills.
- Peters Township's governmental activity net position increased by \$2,759,327 from \$37,643,968 to \$40,403,295. This represents an increase of 7.3%.
- The unrestricted net position of Peters Township as of December 31, 2016 was \$9,949,786. As of December 31, 2017 the unrestricted net position of the Township was \$10,131,732.
- In 2016 Standard and Poor's reaffirmed Peters Township a bond rating of AA+.
- The net outstanding debt associated with bonds decreased by \$820,000 from \$17,760,000 in 2016 to \$16,940,000 in 2017. In addition, the Township has \$368,456 outstanding notes payable as of December 31, 2017.
- The Fund Balance for the General Fund as of December 31, 2017 increased by \$603,108 from \$5,784,151 to \$6,387,259.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

The second government-wide financial statement is the statement of activities. This statement shows information on how the Township's net position has changed during the most recent year. All

changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the actual cash flow. Revenues and expenses are reported in the statement for some items that will result in cash flows at some future date. For example, taxes that are levied but yet to be collected or sick days accrued but not yet used.

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

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

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

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

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

Peters Township maintains eight individual governmental funds. These include:

General Fund	Library Fund
Cable Television Fund	Series of 2012 Debt Service Fund
Capital Projects Fund	Series of 2013 Debt Service Fund
Highway Aid Fund	Series of 2016 Debt Service Fund

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

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

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

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

Police Pension Fund  
Employees' Pension Fund

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

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

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

## FINANCIAL ANALYSIS OF THE MUNICIPALITY AS A WHOLE

The Township's net position at December 31, 2017 and December 31, 2016 are presented below:

### Net Position Year Ended December 31

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>ASSETS</b>						
Current and other assets	\$13,150,349	\$12,805,848	\$250,973	\$258,387	\$13,401,322	\$13,064,235
Capital assets	\$47,797,146	\$46,181,514	\$0	\$0	\$47,797,146	\$46,181,514
<b>Total Assets</b>	<u>\$60,947,495</u>	<u>\$58,987,362</u>	<u>\$250,973</u>	<u>\$258,387</u>	<u>\$61,198,468</u>	<u>\$59,245,749</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Amounts related to pensions	\$1,156,226	\$1,883,328	\$0	\$0	\$1,156,226	\$1,883,328
Deferred charge on refunding	\$464,644	\$520,100	\$0	\$0	\$464,644	\$520,100
<b>Total deferred outflow of resources</b>	<u>\$1,620,870</u>	<u>\$2,403,428</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,620,870</u>	<u>\$2,403,428</u>
<b>LIABILITIES</b>						
Current and other liabilities	\$1,471,271	\$1,233,425	\$38,905	\$27,814	\$1,510,176	\$1,261,239
Non-current liabilities	\$19,636,409	\$22,513,397	\$0	\$0	\$19,636,409	\$22,513,397
<b>Total Liabilities</b>	<u>\$21,107,680</u>	<u>\$23,746,822</u>	<u>\$38,905</u>	<u>\$27,814</u>	<u>\$21,146,585</u>	<u>\$23,774,636</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Amounts related to pensions	\$1,057,390	\$0	\$0	\$0	\$1,057,390	\$0
<b>Total deferred inflow of resources</b>	<u>\$1,057,390</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,057,390</u>	<u>\$0</u>
<b>NET POSITION</b>						
Net Investments in Capital Assets	\$30,483,326	\$27,924,659			\$30,483,326	\$27,924,659
Restricted	\$305	\$96			\$305	\$96
Unrestricted	\$9,919,664	\$9,719,213	\$212,068	\$230,573	\$10,131,732	\$9,949,786
<b>Total Net Position</b>	<u>\$40,403,295</u>	<u>\$37,643,968</u>	<u>\$212,068</u>	<u>\$230,573</u>	<u>\$40,615,363</u>	<u>\$37,874,541</u>

### Infrastructure assets:

At December 31, 2017, the Peters Township's total assets are \$61,198,468. Of this amount, \$47,797,146 is accounted for as capital assets. The total assets as of December 31, 2016 were \$59,245,749.

Historically, infrastructure (roads, sewers, etc) have not been reported or depreciated in governmental financial statements. GASB Statement #34 requires that all capital assets, including infrastructure, be valued and reported within the governmental activities column of the government-wide financial statements. Prospective reporting of infrastructure is allowed under GASB statement #34 for smaller municipalities. Peters Township has chosen to report infrastructure on a prospective basis and began doing so in 2004. As a result, net investment in capital assets stands at \$30,483,326 as of December 31, 2017.

The following presents the Township's change in net assets for the fiscal years ended December 31, 2017 and December 31, 2016.

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2017	2016	2017	2016	2017	2016
<b>Revenues</b>						
Program Revenues:						
Charges for services	\$1,627,166	\$1,639,278	\$1,592,748	\$1,569,950	\$3,219,914	\$3,209,228
Operating grants	\$1,520,574	\$1,394,863	\$0	\$0	\$1,520,574	\$1,394,863
Capital Grants	\$2,064,323	\$169,038	\$0	\$0	\$2,064,323	\$169,038
General Revenues:						
Property taxes	\$4,679,033	\$4,470,358	\$0	\$0	\$4,679,033	\$4,470,358
Earned income taxes	\$6,229,224	\$5,670,499	\$0	\$0	\$6,229,224	\$5,670,499
Real estate transfer taxes	\$1,917,334	\$1,584,562	\$0	\$0	\$1,917,334	\$1,584,562
Other taxes	\$446,138	\$425,482	\$0	\$0	\$446,138	\$425,482
Grants not restricted	\$1,028,580	\$729,546	\$0	\$0	\$1,028,580	\$729,546
Investment earning	\$62,227	\$18,887	\$0	\$0	\$62,227	\$18,887
Miscellaneous income	<u>\$197,842</u>	<u>\$54,541</u>	<u>\$0</u>	<u>\$0</u>	<u>\$197,842</u>	<u>\$54,541</u>
<b>Total Revenues</b>	<u>\$19,772,441</u>	<u>\$16,157,054</u>	<u>\$1,592,748</u>	<u>\$1,569,950</u>	<u>\$21,365,189</u>	<u>\$17,727,004</u>
<b>Program Expenses</b>						
General government	\$2,002,009	\$2,304,739	\$0	\$0	\$2,002,009	\$2,304,739
Public safety	\$6,333,670	\$6,590,098	\$0	\$0	\$6,333,670	\$6,590,098
Public works - sanitation	\$72,025	\$32,484	\$1,611,253	\$1,530,559	\$1,683,278	\$1,563,043
Public works - highway s	\$4,542,553	\$4,255,011	\$0	\$0	\$4,542,553	\$4,255,011
Culture and recreation	\$3,585,582	\$3,469,473	\$0	\$0	\$3,585,582	\$3,469,473
Interest on long-term debt	<u>\$477,275</u>	<u>\$324,615</u>	<u>\$0</u>	<u>\$0</u>	<u>\$477,275</u>	<u>\$324,615</u>
<b>Total Expenses</b>	<u>\$17,013,114</u>	<u>\$16,976,420</u>	<u>\$1,611,253</u>	<u>\$1,530,559</u>	<u>\$18,624,367</u>	<u>\$18,506,979</u>
Excess (Deficiency)						
before transfers	\$2,759,327	(\$819,366)	(\$18,505)	\$39,391	\$2,740,822	(\$779,975)
Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Change in net position	\$2,759,327	(\$819,366)	(\$18,505)	\$39,391	\$2,740,822	(\$779,975)
Net position-beginning	<u>\$37,643,968</u>	<u>\$38,463,334</u>	<u>\$230,573</u>	<u>\$191,182</u>	<u>\$37,874,541</u>	<u>\$38,654,516</u>
Net position-ending	<u>\$40,403,295</u>	<u>\$37,643,968</u>	<u>\$212,068</u>	<u>\$230,573</u>	<u>\$40,615,363</u>	<u>\$37,874,541</u>

**Governmental Activities**

**Revenue Sources**

In 2017, 67.1% of Peters Township's total government-wide revenues of \$19,772,441 were derived from taxes. This compares with 75.2% in 2016. The Township collected \$13,271,729 in taxes. Of the taxes levied Earned Income Tax and the Real Estate Tax are the most significant.

The Earned Income Tax is a one-half percent (.5%) tax levied against the wages earned by Township residents. In 2017, Earned Income Tax accounted for \$6,229,224 or 46.9% of the

taxes levied for general government functions. Earned Income Tax revenues collected in 2017 were 9.9% higher than that collected in 2016. This increase in revenue can be attributed to improving economic conditions, particularly in the natural gas industry.

The Real Estate Tax is a tax levied against the assessed valuation of real estate property located in the Township. The court ordered reassessment of property values was completed in late 2016, and the new values were implemented on January 1, 2017. As a result, the assessed valuation of taxable property in Peters Township jumped from \$349,162,152 in 2016 to \$3,122,120,918 in 2017. To comply with anti-windfall provisions in Commonwealth reassessment law, the Township adjusted its millage rate from 13 mills in 2016 to 1.522 mills for 2017. Real Estate Tax receipts in 2017 totaled \$4,679,033 or 35.3% of tax revenue.

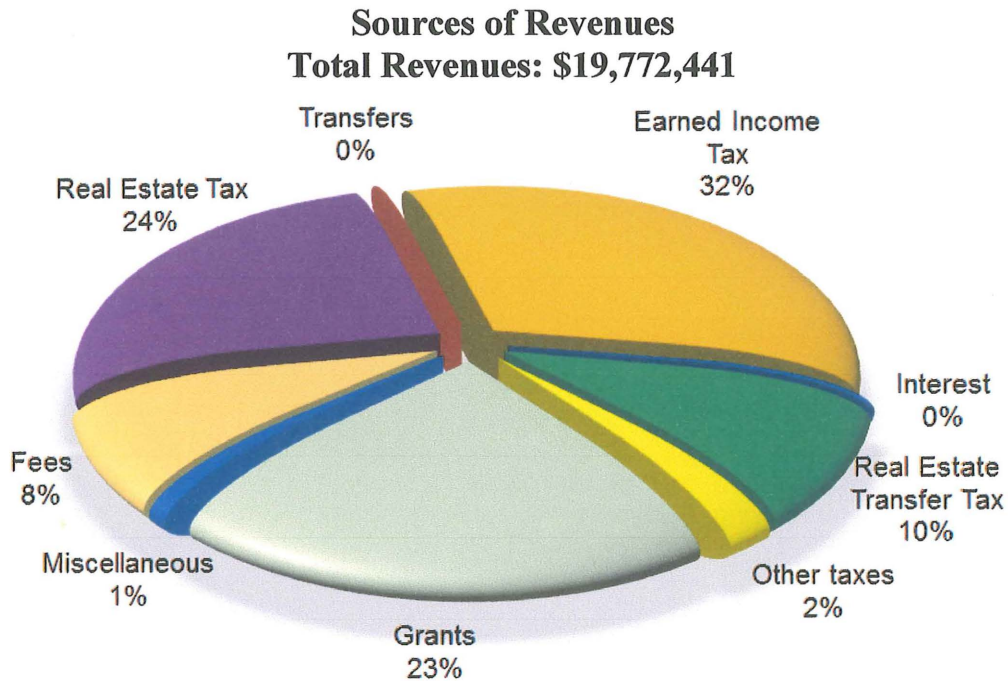
The Real Estate Transfer Tax is a tax levied on the value of all real estate transferred in Peters Township. The Township levy is one percent (1%) of the value of property transferred. This tax is collected by the Washington County Recorder of Deeds, who charges a two percent (2%) collection fee. In 2017, revenues from the Deed Transfer Tax increased by \$332,772 from the prior year to \$1,917,334. This increase is credited to an uptick in the homebuilding industry, partially fueled by new residential zoning overlays adopted by the Township in late 2016.

In 2017, the Township collected \$6,500,712 in revenue from non-tax sources. This represents 32.8% of the total revenue from governmental activities. Charges for services equaled \$1,627,166 or 25% of all non-tax revenue. It is the Township's policy, whenever possible, to charge fees for specialized services. The Township's goal is to structure these fees in a manner so as to cover the total cost of providing the related service. Zoning and building permit fees offset the cost of municipal services associated with development activity. The cost of recreation activities are largely covered by program fees.

Grants received by Peters Township in 2017 totaled \$4,613,477 and represent 71% of the Township's non-tax revenue from governmental activities. An important ongoing source of grant funds for Peters Township is the Pennsylvania State Liquid Fuel Program. Under this program, the state provides individual municipalities with a portion of the monies derived through the imposition of a statewide gasoline tax. In 2012, Peters Township also began receiving a grant allocation under the Natural Gas Impact Fee program. In 2017, Peters Township was the recipient of \$441,472 from the lease of oil and gas rights to several Township-owned properties.

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

The following chart graphically depicts the government-wide sources of the governmental activities revenues for the fiscal year ended December 31, 2017:



**Program Expenses**

Total program expenses in 2017 were \$17,013,114. This represents an increase of \$36,694 or 0.2% over 2016.

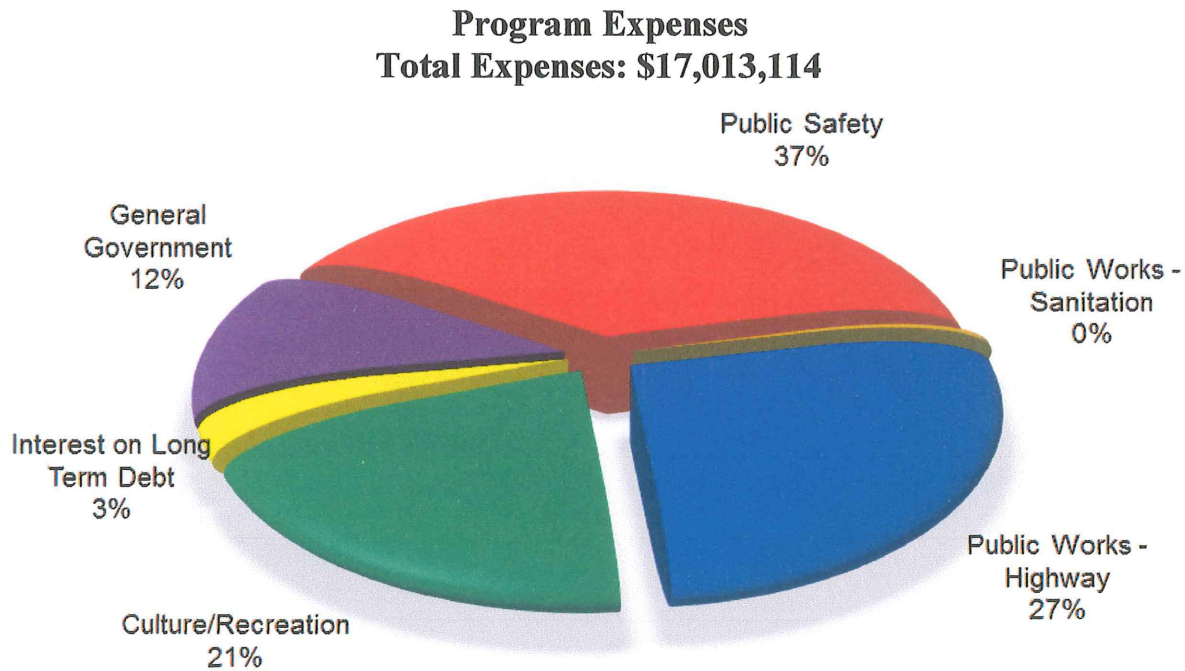
General Government expenses in 2017 amounted to \$2,002,009 or 11.8% of total expenses. The General Government category represents programs including Legislative Body, Administration, Legal, Engineering, and Municipal Building.

In 2017 expenses associated with Public Safety account for \$6,333,670 or 37.2% of all expenses. Programs contained in the Public Safety category include Police Services, Fire Services, Planning, Emergency Medical Services, Animal Control, Building Inspection and Zoning.

Public Works expenses in 2017 totaled \$4,614,578 or 27.1% of total expenses. A significant portion of this amount is associated with capital improvements including the resurfacing of roadways and the rehabilitation of storm sewers.

Programs included under the category of Culture and Recreation are the Peters Township Library, Parks and Recreation, and Peters Township Community Television. In 2017, expenses for Culture and Recreation equaled \$3,585,582 or 21.1% of the expenses.

The following chart graphically depicts the government-wide program expenses for the fiscal year ended December 31, 2017:



**Net Program Expenses/Revenues:**

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

In 2017 Public Safety expenses required the most general revenue for support, needing \$5,528,988. Public Works activities required \$1,791,739 in general revenue support while Culture and Recreation required \$2,155,718.

**Business-Type Activities**

**Revenue Sources**

To finance the cost of collecting and disposing of solid waste and recyclables the Township charges each homeowner a flat fee that is collected quarterly. In 2017, fees for solid waste and recycling totaled \$1,592,748. In 2017, fees for garbage service were unchanged from 2016 levels.

**Program Expenses**

The flat fee charged to the Township by a third-party contractor determines the expense related to the collection and disposal of solid waste and recyclables. This service costs \$1,611,253 in 2017. The collection and disposal of solid waste and recyclables is performed under contract with Waste Management. The Township through the South Hills Area Council of Governments entered into a contract with Waste Management in 2014. This contract expires at the end of 2018.

### **Net Program Expenses/Revenues**

Program expenses are intended to be fully offset by revenues generated by user charges. In 2017, expenses exceeded charges for service by \$18,505. This deficit was made up by cash balances from charges for service in prior years.

### **FINANCIAL ANALYSIS OF THE MUNICIPALITY'S FUNDS**

As Peters Township completed the year, its governmental funds reported a combined fund balance of \$11,642,535 an increase of \$72,963 compared to the previous year. The Township continues to maintain fund balances well in excess of established standards.

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

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

Of the total balance, only \$305 is restricted. Peters Township Council has committed \$5,613,872 for specific purposes including \$793,019 in the Cable Television Fund for public access television and communications. At the end of 2017, \$352,901 of the fund balance is classified as assigned. This includes \$311,443 which is assigned the Library Fund for library operations. The non-spendable fund balance is \$47,054. The remaining \$5,628,403 is unassigned, meaning it is available to meet the Township's current and future needs.

In the Peters Township General Fund, the fund balance increased by \$603,108 from \$5,784,151 to \$6,387,259. This increase is largely attributed to higher than budgeted collections of Real Estate Transfer Tax and Earned Income Tax.

The fund balance in the Peters Township Capital Projects Fund increased by \$88,182 from \$4,062,327 to \$4,150,509. This increase can largely be attributed to deferred or incomplete capital projects.

### **General Fund Budgetary Highlights**

In 2017 General Fund revenues exceed budgeted revenues by \$1,409,886. Total revenues in 2017 were budgeted at \$13,637,002 while actual revenues equaled \$15,046,888. The variance is largely attributable to greater than expected Real Estate Transfer Tax revenues, which exceeded budgeted revenues by \$417,334, as well as higher collections of Earned Income Tax revenues, which exceeded budgeted revenues by \$704,224.

General Fund expenditures were \$1,170,678 less than the final budget. The final budget for total expenditures in 2017 was \$12,800,724 while actual expenditures equaled \$11,630,046. The variance between actual and budgeted expenditures was the result of a continued concerted effort across the board to control spending.

### Other Major Funds

#### Capital Projects Fund

The Capital Projects Fund accounts for funds provided by Peters Township, most frequently from transfers from the General Fund or bond proceeds. The most significant capital expenditures in 2017 related to highway maintenance, storm sewer maintenance, building improvements, a new restroom/concession at Peterswood Park, stabilization work on Hidden Valley Road, and vehicle replacement.

### CAPITAL ASSET AND DEBT ADMINISTRATION

#### Capital Assets

Capital assets consist primarily of land, buildings and improvements, equipment and infrastructure. The following is a summary of capital assets at December 31, 2017 and December 31, 2016:

#### Summary of Capital Assets

	Balance at 12/31/2017	Balance at 12/31/2016	Difference
Land	\$11,414,816	\$11,414,816	\$0
Construction in Progress	\$584,654	\$0	\$584,654
Buildings & improvements	\$17,744,744	\$17,727,165	\$17,579
Land improvements	\$5,914,831	\$5,914,831	\$0
Machinery and equipment	\$7,324,513	\$7,185,318	\$139,195
Vehicles	\$4,653,980	\$4,074,826	\$579,154
Infrastructure	\$26,143,379	\$23,738,262	\$2,405,117
<b>Total capital assets</b>	<u>\$73,780,917</u>	<u>\$70,055,218</u>	<u>\$3,725,699</u>
Less accumulated depreciation for:			
Buildings and building improvements	\$7,037,540	\$6,565,267	\$472,273
Land improvements	\$3,506,876	\$3,234,796	\$272,080
Machinery and equipment	\$4,615,280	\$4,203,162	\$412,118
Vehicles	\$2,609,114	\$2,727,039	(\$117,925)
Infrastructure	\$8,214,961	\$7,143,440	\$1,071,521
<b>Total accumulated depreciation</b>	<u>\$25,983,771</u>	<u>\$23,873,704</u>	<u>\$2,110,067</u>
<b>Net capital assets</b>	<u>\$47,797,146</u>	<u>\$46,181,514</u>	<u>\$1,615,632</u>

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

## Long-term Debt

As of December 31, 2017, the Township had \$17,621,088 of debt outstanding including general obligation debt of \$16,940,000, general obligation notes of \$368,456 and a capital lease of \$312,632. This represents a decrease of \$986,558 or 5.3% from the previous year. The following details activity related to general obligation bonds and capital leases during 2017.

### Summary of General Obligation Debt Activity

Beginning Balance at 1/1/2017	\$ 18,607,646
Additions	\$ 0
Principal Retirement	<u>\$ 986,558</u>
Ending Balance at 12/31/2017	<u>\$ 17,621,088</u>

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

## Trust and Agency Operations

### Pension Trust Fund

The Township maintains two pension funds related to the activities associated with the Peters Township Police and the Peters Township Employee Pension Systems. As a result of a net appreciation in the fair value of the investments in 2017 both pension funds experienced a fairly sizeable increase in the value of assets held. Because the Peters Township Employee Pension is a defined contribution plan the amount of the Township's future contribution will be unaffected. The Peters Township Police Pension Plan however is a defined benefit plan. The impact of the net appreciation in the fair value of investments held in this plan on future Township contribution has yet to be ascertained.

### Bond Ratings

The Township maintains a strong investment bond rating of Aa+ from Standard and Poor's bond rating service. This rating was reaffirmed in 2016. More detailed information about the Township's general long-term debt activity can be found in the notes to the financial statements.

## CONTACTING THE MUNICIPALITY'S FINANCIAL MANAGEMENT

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

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

**Peters Township  
Statement of Net Position  
December 31, 2017**

**Exhibit 1**

	Governmental Activities	Business-Type Activities	Totals
<b>ASSETS</b>			
Cash and Cash Equivalents	\$10,055,980	\$257,220	\$10,313,200
Investments	1,362,564	-	1,362,564
Taxes Receivable, Net	1,322,867	-	1,322,867
Internal Balances	50,000	(50,000)	-
Due from Other Governments	105,528	-	105,528
Other Receivables	206,356	-	206,356
Accounts Receivable	-	43,753	43,753
Prepaid Items	47,054	-	47,054
Capital Assets not Being Depreciated			
Land	11,414,816	-	11,414,816
Construction in Progress	584,654	-	584,654
Capital Assets, Net of Accumulated Depreciation	17,869,258	-	17,869,258
Infrastructure Assets, Net of Accumulated Depreciation	<u>17,928,418</u>	<u>-</u>	<u>17,928,418</u>
<b>TOTAL ASSETS</b>	<u>60,947,495</u>	<u>250,973</u>	<u>61,198,468</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Amounts Related to Pensions	1,156,226	-	1,156,226
Deferred Charge on Refunding	<u>464,644</u>	<u>-</u>	<u>464,644</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>1,620,870</u>	<u>-</u>	<u>1,620,870</u>
<b>LIABILITIES</b>			
Accounts Payable	371,202	38,905	410,107
Contracts Payable	166,466	-	166,466
Accrued Interest Payable	24,074	-	24,074
Accrued Salaries and Benefits	155,711	-	155,711
Payroll Deductions and Withholdings	29,114	-	29,114
Other Current Liabilities	724,704	-	724,704
Noncurrent Liabilities			
Due Within One Year	1,058,014	-	1,058,014
Due in More Than One Year			
Notes Payable	330,553	-	330,553
Bonds Payable	16,237,376	-	16,237,376
Capital Leases	179,444	-	179,444
Compensated Absences	502,643	-	502,643
Net Pension Liability	971,996	-	971,996
Net Other Post-Employment Benefit Obligations	<u>356,383</u>	<u>-</u>	<u>356,383</u>
<b>TOTAL LIABILITIES</b>	<u>21,107,680</u>	<u>38,905</u>	<u>21,146,585</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Amounts Related to Pensions	<u>1,057,390</u>	<u>-</u>	<u>1,057,390</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	30,483,326	-	30,483,326
Restricted for Highways	305	-	305
Unrestricted	<u>9,919,664</u>	<u>212,068</u>	<u>10,131,732</u>
<b>TOTAL NET POSITION</b>	<u>\$40,403,295</u>	<u>\$212,068</u>	<u>\$40,615,363</u>

See Accompanying Notes

**Peters Township  
Statement of Activities  
Year Ended December 31, 2017**

**Exhibit 2**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals
<b>Governmental Activities</b>							
General Government	\$ 2,002,009	\$ 39,104	\$ 115,574	\$ -	\$ (1,847,331)	\$ -	\$ (1,847,331)
Public Safety	6,333,670	408,464	396,218	-	(5,528,988)	-	(5,528,988)
Public Works - Sanitation	72,025	-	68,189	-	(3,836)	-	(3,836)
Public Works - Highways	4,542,553	49,782	825,545	1,879,323	(1,787,903)	-	(1,787,903)
Culture - Recreation	3,585,582	1,129,816	115,048	185,000	(2,155,718)	-	(2,155,718)
Interest on Long-Term Debt	477,275	-	-	-	(477,275)	-	(477,275)
<b>Total Governmental Activities</b>	<u>17,013,114</u>	<u>1,627,166</u>	<u>1,520,574</u>	<u>2,064,323</u>	<u>(11,801,051)</u>	<u>-</u>	<u>(11,801,051)</u>
<b>Business-Type Activities</b>							
Garbage	1,611,253	1,592,748	-	-	-	(18,505)	(18,505)
<b>Total Primary Government</b>	<u>\$18,624,367</u>	<u>\$3,219,914</u>	<u>\$1,520,574</u>	<u>\$2,064,323</u>	<u>(11,801,051)</u>	<u>(18,505)</u>	<u>(11,819,556)</u>
<b>General Revenues</b>							
<b>Taxes</b>							
Property Taxes Levied for General Purposes, Net					4,679,033	-	4,679,033
Earned Income Taxes					6,229,224	-	6,229,224
Real Estate Transfer Taxes					1,917,334	-	1,917,334
Other Taxes Levied for General Purposes, Net					446,138	-	446,138
Grants, Subsidies and Contributions not Restricted to Specific Programs					1,028,580	-	1,028,580
Investment Earnings					62,227	-	62,227
Miscellaneous Income					197,842	-	197,842
<b>Total General Revenues</b>					<u>14,560,378</u>	<u>-</u>	<u>14,560,378</u>
<b>Changes in Net Position</b>					2,759,327	(18,505)	2,740,822
<b>Net Position - January 1, 2017</b>					<u>37,643,968</u>	<u>230,573</u>	<u>37,874,541</u>
<b>Net Position - December 31, 2017</b>					<u>\$ 40,403,295</u>	<u>\$212,068</u>	<u>\$ 40,615,363</u>

See Accompanying Notes

**Peters Township  
Balance Sheet  
Governmental Funds  
December 31, 2017**

**Exhibit 3**

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$5,916,725	\$3,073,882	\$1,065,373	\$10,055,980
Investments	-	1,362,564	-	1,362,564
Taxes Receivable (Net)	1,322,867	-	-	1,322,867
Due from Other Funds	66,549	-	-	66,549
Due from Other Governments	105,528	-	-	105,528
Other Receivables	67,036	-	139,320	206,356
Prepaid Items	<u>47,054</u>	<u>-</u>	<u>-</u>	<u>47,054</u>
<b>TOTAL ASSETS</b>	<b><u>\$7,525,759</u></b>	<b><u>\$4,436,446</u></b>	<b><u>\$1,204,693</u></b>	<b><u>\$13,166,898</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Due to Other Funds	\$ -	\$ 9,360	\$ 7,189	\$ 16,549
Accounts Payable	235,926	110,111	25,165	371,202
Contracts Payable	-	166,466	-	166,466
Accrued Salaries and Benefits	146,291	-	9,420	155,711
Payroll Deductions and Withholdings	29,114	-	-	29,114
Other Current Liabilities	<u>666,552</u>	<u>-</u>	<u>58,152</u>	<u>724,704</u>
<b>Total Liabilities</b>	<b><u>1,077,883</u></b>	<b><u>285,937</u></b>	<b><u>99,926</u></b>	<b><u>1,463,746</u></b>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenues - Property Taxes	37,259	-	-	37,259
Unavailable Revenues - Special Assessments	<u>23,358</u>	<u>-</u>	<u>-</u>	<u>23,358</u>
<b>Total Deferred Inflows of Resources</b>	<b><u>60,617</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>60,617</u></b>
<b>Fund Balances</b>				
Nonspendable	47,054	-	-	47,054
Restricted	-	-	305	305
Committed	670,344	4,150,509	793,019	5,613,872
Assigned	41,458	-	311,443	352,901
Unassigned	<u>5,628,403</u>	<u>-</u>	<u>-</u>	<u>5,628,403</u>
<b>Total Fund Balances</b>	<b><u>6,387,259</u></b>	<b><u>4,150,509</u></b>	<b><u>1,104,767</u></b>	<b><u>11,642,535</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b><u>\$7,525,759</u></b>	<b><u>\$4,436,446</u></b>	<b><u>\$1,204,693</u></b>	<b><u>\$13,166,898</u></b>

See Accompanying Notes

**Peters Township**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**December 31, 2017**

**Exhibit 4**

Total Fund Balances - Governmental Funds		\$ 11,642,535
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of assets is \$73,780,917, and the accumulated depreciation is \$25,983,771.</p>		47,797,146
<p>Property taxes receivable and other long-term assets will be collected in the future but are not available to pay for current period expenditures and, therefore are reported as unavailable revenue in the funds.</p>		60,617
<p>Some liabilities including net pension obligations, are not due and payable in the current period and therefore, are not reported in the funds.</p>		
Net Pension Liability		(971,996)
<p>Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in the funds.</p>		
Deferred Outflows of Resources Related to Pensions	\$ 1,156,226	
Deferred Inflows of Resources Related to Pensions	<u>(1,057,390)</u>	98,836
<p>Certain charges on bonds issued and refunded are capitalized and amortized over the life of the bonds in the statement of net position.</p>		307,268
<p>Long-term liabilities, including bonds, notes and capital leases payable, are not due and payable in the current period, and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:</p>		
Bonds Payable	(16,940,000)	
Notes Payable	(368,456)	
Accrued Interest on the Bonds	(24,074)	
Capital Leases Payable	(312,632)	
Other Post-Employment Benefits (OPEB)	(356,383)	
Compensated Absences	<u>(529,566)</u>	<u>(18,531,111)</u>
Total Net Position - Governmental Activities		<u>\$ 40,403,295</u>

See Accompanying Notes

**Peters Township**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Governmental Funds**  
**Year Ended December 31, 2017**

**Exhibit 5**

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Taxes	\$13,266,932	\$ -	\$ -	\$13,266,932
Licenses and Permits	5,603	-	571,659	577,262
Fines and Forfeits	69,708	-	29,699	99,407
Interest, Rents and Royalties	34,654	462,171	6,875	503,700
Intergovernmental	684,095	701,509	857,077	2,242,681
Charges for Services	936,046	-	14,451	950,497
Miscellaneous	<u>49,850</u>	<u>253,608</u>	<u>600</u>	<u>304,058</u>
<b>Total Revenues</b>	<u>15,046,888</u>	<u>1,417,288</u>	<u>1,480,361</u>	<u>17,944,537</u>
<b>Expenditures</b>				
<b>Current:</b>				
General Government	1,450,156	-	49,975	1,500,131
Public Safety	4,880,107	-	-	4,880,107
Public Works - Sanitation	65,988	-	-	65,988
Public Works - Highways	1,340,887	-	-	1,340,887
Culture - Recreation	1,401,437	-	1,043,779	2,445,216
Insurance, Employee Benefits and Other	2,305,710	-	-	2,305,710
<b>Debt Service:</b>				
Principal	166,558	-	820,000	986,558
Interest	19,203	-	443,322	462,525
Capital Outlay	<u>-</u>	<u>3,287,498</u>	<u>769,934</u>	<u>4,057,432</u>
<b>Total Expenditures</b>	<u>11,630,046</u>	<u>3,287,498</u>	<u>3,127,010</u>	<u>18,044,554</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>3,416,842</u>	<u>(1,870,210)</u>	<u>(1,646,649)</u>	<u>(100,017)</u>
<b>Other Financing Sources (Uses)</b>				
Sale/Compensation for Capital Assets	172,980	-	-	172,980
Transfers In	10,000	1,958,392	2,038,322	4,006,714
Transfers Out	<u>(2,996,714)</u>	<u>-</u>	<u>(1,010,000)</u>	<u>(4,006,714)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(2,813,734)</u>	<u>1,958,392</u>	<u>1,028,322</u>	<u>172,980</u>
<b>Net Changes in Fund Balances</b>	603,108	88,182	(618,327)	72,963
<b>Fund Balances - January 1, 2017</b>	<u>5,784,151</u>	<u>4,062,327</u>	<u>1,723,094</u>	<u>11,569,572</u>
<b>Fund Balances - December 31, 2017</b>	<u>\$ 6,387,259</u>	<u>\$ 4,150,509</u>	<u>\$ 1,104,767</u>	<u>\$11,642,535</u>

See Accompanying Notes

**Peters Township  
Reconciliation of the Governmental Funds  
Statement of Revenues, Expenditures  
and Changes in Fund Balances  
to the Statement of Activities  
Year Ended December 31, 2017**

Exhibit 6

Total Net Change in Fund Balances - Governmental Funds \$ 72,963

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

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

Depreciation Expense	\$(2,654,050)	
Capital Outlays	2,669,565	
Net Book Value of Assets Retired	<u>(75,598)</u>	(60,083)

Donation of capital assets increases net position in the statement of activities but do not appear in the governmental funds because they are not financial resources. 1,675,715

Because some revenues will not be collected for several months after the Township's year ends, they are not considered as "available" revenues in the governmental funds. 4,919

Repayment of bond and note principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 986,558

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

Compensated Absences	8,094	
Other Post-Employment Benefit Obligations	<u>(33,535)</u>	(25,441)

Changes in the net pension liability and related deferred inflows and outflows of resources do not affect current financial resources and, therefore, are not reflected on the fund statements. 119,446

**Peters Township  
Reconciliation of the Governmental Funds  
Statement of Revenues, Expenditures  
and Changes in Fund Balances  
to the Statement of Activities  
Year Ended December 31, 2017**

Exhibit 6

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

Net Change in Accrued Interest on Bonds	\$ 28,773
-----------------------------------------	-----------

Bond premium and loss on defeasance are reported in the statement of revenues and expenditures of governmental funds as expenditures but are capitalized and amortized over the life of the bonds in the statement of activities.

Amortization of Bond Premium and Loss on Refunding	<u>(43,523)</u>
----------------------------------------------------	-----------------

Change in Net Position of Governmental Activities	<u>\$2,759,327</u>
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See Accompanying Notes

Peters Township  
Statement of Net Position  
Proprietary Fund  
December 31, 2017

Exhibit 7

	Garbage Fund
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$257,220
Accounts Receivable	<u>43,753</u>
TOTAL ASSETS	<u>300,973</u>
LIABILITIES	
Current Liabilities	
Due to Other Funds	50,000
Accounts Payable	<u>38,905</u>
TOTAL LIABILITIES	<u>88,905</u>
NET POSITION	
Unrestricted	<u>\$212,068</u>

See Accompanying Notes

**Peters Township**  
**Statement of Revenues, Expenses and**  
**Changes in Fund Net Position**  
**Proprietary Fund**  
**Year Ended December 31, 2017**

**Exhibit 8**

	Garbage Fund
Operating Revenues	
Charges for Services	<u>\$1,592,748</u>
Operating Expenses	
Other Services and Charges	<u>1,611,253</u>
Operating Income (Loss)	<u>(18,505)</u>
Change in Net Position	(18,505)
Net Position - January 1, 2017	<u>230,573</u>
Net Position - December 31, 2017	<u>\$ 212,068</u>

See Accompanying Notes

**Peters Township  
Statement of Cash Flows  
Proprietary Fund  
Year Ended December 31, 2017**

**Exhibit 9**

	Garbage Fund
Cash Flows from Operating Activities	
Cash Received from Customers	\$ 1,596,379
Cash Payments to Suppliers for Goods and Services	<u>(1,600,162)</u>
Net Cash Used for Operating Activities	<u>(3,783)</u>
Net Decrease in Cash and Cash Flows	(3,783)
Cash and Cash Equivalents - January 1, 2017	<u>261,003</u>
Cash and Cash Equivalents - December 31, 2017	\$ <u>257,220</u>
Operating Income (Loss)	\$ (18,505)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used for Operating Activities	
(Increase) Decrease in Accounts Receivable	3,631
Increase (Decrease) in Accounts Payable	<u>11,091</u>
Total Adjustments	<u>14,722</u>
Cash Provided by Operating Activities	\$ <u><u>(3,783)</u></u>

See Accompanying Notes

**Peters Township  
Statement of Net Position  
Fiduciary Funds  
December 31, 2017**

**Exhibit 10**

	Pension Trust Funds
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 515,864
Investments	
Mutual Funds	16,395,297
Guaranteed Interest Accounts	90,230
Receivables - Employees	<u>24,422</u>
<b>TOTAL ASSETS</b>	<u>17,025,813</u>
<b>NET POSITION</b>	
Net Position Restricted for Pensions	<u>\$17,025,813</u>

See Accompanying Notes

Peters Township  
Statement of Change in Net Position  
Fiduciary Funds  
Year Ended December 31, 2017

Exhibit 11

	Pension Trust Funds
Additions	
Contributions	
Employer	\$ 677,239
Plan Members	<u>106,271</u>
Total Contributions	<u>783,510</u>
Investment Income	
Net Appreciation (Depreciation) in Fair Value of Investments	2,254,495
Interest and Dividends	<u>919</u>
Net Investment Income	<u>2,255,414</u>
Total Additions	<u>3,038,924</u>
Deductions	
Benefits	1,137,850
Administrative Expenses	<u>11,808</u>
Total Deductions	<u>1,149,658</u>
Net Increase in Net Position	1,889,266
Net Position Restricted for Pensions	
Beginning of Year	<u>15,136,547</u>
End of Year	<u>\$17,025,813</u>

See Accompanying Notes

**Peters Township**  
**Notes to Financial Statements**  
**December 31, 2017**

**Note 1 - Summary of Significant Accounting Policies**

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

**A. Description of Government-Wide and Fund Financial Statements**

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

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

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

**B. Basis of Presentation - Government-Wide Financial Statements**

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

**C. Basis of Presentation - Fund Financial Statements**

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

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

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

The government reports the following major governmental funds:

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

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

The Township reports the following major proprietary fund:

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

Additionally, the Township reports the following fund type:

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

The Township also reports as nonmajor governmental funds the following:

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

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

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

**Peters Township**  
**Notes to Financial Statements**  
**December 31, 2017**

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

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

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

D. Measurement Focus and Basis of Accounting

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

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

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

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

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

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

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

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

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

E. Cash and Cash Equivalents

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

F. Budgets

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

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

**Peters Township**  
**Notes to Financial Statements**  
**December 31, 2017**

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

F. Budgets (Cont'd)

3. Council holds a public hearing to obtain input from Township residents on the proposed budget. This hearing must be held no earlier than two weeks after the submittal of the proposed budget to Council, but no later than two weeks prior to the anticipated adoption date.
4. No sooner than two weeks after the public hearing, but before the close of the fiscal year (December 31), Council adopts the budget.
5. Budgets are adopted as on-line item basis by departments. At any time during the year, the Township Manager may transfer monies among programs within a function. Appropriation transfers between functions require Council action.
6. Appropriations authorized by the budget or any addendum cannot exceed anticipated income.
7. Budgets are legally adopted for the general fund, all special revenue funds, capital projects funds, and the debt service funds on a basis consistent with generally accepted accounting principles.
8. All appropriations lapse at the end of each fiscal year (December 31).
9. There were supplemental budgetary appropriations made during the year ended December 31, 2017 of \$14,901.

G. Inventories

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

Inventories in governmental funds are stated at cost by the first-in, first-out method. The purchase method is used to account for inventories. Under the purchase method, inventories are recorded as expenditures when purchased; however, an estimated value of inventories is reported as an asset in the general fund, if considered material. There were no material inventory balances as of December 31, 2017.

H. Prepaid Items

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

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

I. Capital Assets

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

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

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

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

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

J. Deferred Outflows/Inflows of Resources

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

**Peters Township**  
**Notes to Financial Statements**  
**December 31, 2017**

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

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

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

K. Compensated Absences

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

L. Government-Wide and Proprietary Fund Net Position

Net position is divided into three components:

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

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

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

Governmental - Fund Balance

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

**Peters Township**  
**Notes to Financial Statements**  
**December 31, 2017**

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

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

Governmental - Fund Balance (Cont'd)

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

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

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

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

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

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

The purposes of the nonspendable, restricted, committed and assigned fund balances as of December 31, 2017, are as follows:

1. The nonspendable fund balance in the general fund in the amount of \$47,054 is for prepaid insurance.
2. The restricted fund balance in the nonmajor funds of \$305 is for highway maintenance, rebuilding and construction.

**Peters Township**  
**Notes to Financial Statements**  
**December 31, 2017**

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

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

Governmental - Fund Balance (Cont'd)

3. The committed fund balance in the general fund is for other post-employment benefits in the amount of \$670,344 and in the capital projects fund for future capital projects in the amount of \$4,150,509 of which \$18,790 represents the funds received from the local gaming impact fees allocated and the balance from other sources. The committed fund balance in the nonmajor funds of \$793,019 is in the cable television fund and is for the public access channel costs of operation.
4. The assigned fund balance in the general fund of \$41,458 is for public safety and parks.
5. The assigned fund balance in nonmajor funds of \$311,443 is for the public library.

**Note 2 - Deposits and Investments**

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

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

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

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

**Custodial Credit Risk - Deposits**

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

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

**Note 2 - Deposits and Investments (Cont'd)**

Custodial Credit Risk - Deposits (Cont'd)

Pennsylvania State Legislature which requires the institution to pool collateral for all governments and have the collateral held by an approved custodian in the institution's name. As of December 31, 2017, \$6,156,235 of the Township's bank balance of \$6,906,235 was exposed to custodial credit risk as follows:

Uninsured and Collateral Held by Pledging Bank's Agent not in the Township's Name	<u>\$6,156,235</u>
--------------------------------------------------------------------------------------	--------------------

As of December 31, 2017, the Township had the following investments:

Investments	Maturity Date	Fair Value
PLGIT	N/A	\$ 3,123,613
PA Invest	60 days or less	2,138,679
Principal Global Investors Money Market Fund	60 days or less	233,722
Equity Mutual Funds Principal Financial Group	N/A	16,395,297
Guaranteed Interest Accounts	12/31/18	29,229
Guaranteed Interest Accounts	12/31/19	27,586
Guaranteed Interest Accounts	12/31/20	7,797
Guaranteed Interest Accounts	12/31/21	9,394
Guaranteed Interest Accounts	12/31/22	8,262
Guaranteed Interest Accounts	12/31/23	<u>7,962</u>
 Total Investments		 <u>\$21,981,541</u>

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

Interest Rate Risk - The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The money market funds maintain an average maturity that is less than sixty days.

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

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

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

**Note 2 - Deposits and Investments (Cont'd)**

Custodial Credit Risk - Deposits (Cont'd)

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

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

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

The Township has the following recurring fair value measurements as of December 31, 2017:

Investments by Fair Value Level	Totals	Fair Value Measurements		
		Level 1	Level 2	Level 3
Fixed Income:				
Guaranteed Interest Accounts	\$ 90,230	\$ -	\$ -	\$90,230
Mutual Funds	<u>16,395,297</u>	<u>-</u>	<u>16,395,297</u>	<u>-</u>
 Total Investments	 <u>\$16,485,527</u>	 <u>\$ -</u>	 <u>\$16,395,297</u>	 <u>\$90,230</u>

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

**Note 3 - Real Estate Taxes**

The tax collector bills and collects real estate taxes on behalf of the Township based upon assessed values provided by the County. The Township's tax rate for all purposes in 2017 was 15.22 mills (\$15.22 per \$1,000 assessed valuation). The tax calendar for real estate taxes levied for 2017 is as follows:

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

**Note 3 - Real Estate Taxes (Cont'd)**

Tax Levy Date	March 7, 2017
2% Discount Period	Through June 7, 2017
Face Payment Period	June 8, 2017 - August 7, 2017
10% Penalty Period	August 8, 2017 until Liened
Lien Filing Date	January 1, 2018

The amounts shown as delinquent real estate taxes receivable have not been recorded as revenue on the fund statements. These taxes are, however, recorded as unavailable revenues on the governmental fund balance sheet until they are received. The amounts reported for this receivable are reported on the balance sheet in the amount of \$37,259 along with other taxes receivable of \$1,285,608.

**Note 4 - Due from Other Governments**

Amounts due from other governments represent receivables for revenues earned by the Township. At December 31, 2017 the following amounts are due from other governmental units:

	Governmental Funds
State	\$ 71,632
School District	27,218
Other Local Governments	<u>6,678</u>
 Total	 <u>\$105,528</u>

**Note 5 - Capital Assets**

Capital asset activity for the year ended December 31, 2017 was as follows:

	Balance 01/01/17	Additions	Disposals	Transfers	Balance 12/31/17
Governmental Activities					
Capital Assets not Being Depreciated					
Land	\$11,414,816	\$ -	\$ -	\$ -	\$11,414,816
Construction in Progress	<u>-</u>	<u>584,654</u>	<u>-</u>	<u>-</u>	<u>584,654</u>
 Total Capital Assets not Being Depreciated	 <u>11,414,816</u>	 <u>584,654</u>	 <u>-</u>	 <u>-</u>	 <u>11,999,470</u>

**Peters Township**  
**Notes to Financial Statements**  
**December 31, 2017**

**Note 5 - Capital Assets (Cont'd)**

	Balance 01/01/17	Additions	Disposals	Transfers	Balance 12/31/17
Governmental Activities (Cont'd)					
Capital Assets Being Depreciated					
Buildings and Building					
Improvements	\$17,727,165	\$ 17,579	\$ -	\$ -	\$17,744,744
Land Improvements	5,914,831	-	-	-	5,914,831
Machinery and Equipment	7,185,318	377,852	32,224	(206,433)	7,324,513
Vehicles	4,074,826	960,078	587,357	206,433	4,653,980
Infrastructure	<u>23,738,262</u>	<u>2,405,117</u>	<u>-</u>	<u>-</u>	<u>26,143,379</u>
 Total Capital Assets Being Depreciated	 <u>58,640,402</u>	 <u>3,760,626</u>	 <u>619,581</u>	 <u>-</u>	 <u>61,781,447</u>
 Totals	 <u>70,055,218</u>	 <u>4,345,280</u>	 <u>619,581</u>	 <u>-</u>	 <u>73,780,917</u>
Less Accumulated Depreciation					
Buildings and Building					
Improvements	6,565,267	472,273	-	-	7,037,540
Land Improvements	3,234,796	272,080	-	-	3,506,876
Machinery and Equipment	4,203,162	436,361	24,243	-	4,615,280
Vehicles	2,727,039	401,815	519,740	-	2,609,114
Infrastructure	<u>7,143,440</u>	<u>1,071,521</u>	<u>-</u>	<u>-</u>	<u>8,214,961</u>
 Total Accumulated Depreciation	 <u>23,873,704</u>	 <u>2,654,050</u>	 <u>543,983</u>	 <u>-</u>	 <u>25,983,771</u>
 Governmental Activities Capital Assets, Net	 <u>\$46,181,514</u>	 <u>\$1,691,230</u>	 <u>\$ 75,598</u>	 <u>\$ -</u>	 <u>\$47,797,146</u>

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General Government	\$ 82,904
Public Safety	151,317
Public Works - Highways	1,763,228
Culture - Recreation	<u>656,601</u>
 Total Depreciation Expense	 <u>\$2,654,050</u>

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

**Note 6 - Interfund Balances**

Interfund balances at December 31, 2017 were:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$66,549	\$ -
Capital Projects Fund	-	9,360
Nonmajor Funds	-	7,189
Enterprise Fund		
Garbage Fund	<u>-</u>	<u>50,000</u>
	<u>\$66,549</u>	<u>\$66,549</u>

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

**Note 7 - Interfund Transfers**

For the year ended December 31, 2017, interfund transfers consisted of the following:

<u>Transfer To</u>	<u>Transfer From</u>		
	General Fund	Non- major Funds	Totals
General Fund	\$ -	\$ 10,000	\$ 10,000
Capital Projects Funds	958,392	1,000,000	1,958,392
Nonmajor Governmental Funds	<u>2,038,322</u>	<u>-</u>	<u>2,038,322</u>
	<u>\$2,996,714</u>	<u>\$1,010,000</u>	<u>\$4,006,714</u>

The general fund transfer to the capital projects fund in the amount of \$958,392 is to fund certain capital projects throughout the Township. The nonmajor funds (cable television fund) transfer of \$1,000,000 to the capital projects fund and \$10,000 to the general fund were for capital purchases.

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

**Note 7 - Interfund Transfers (Cont'd)**

The general fund transfers to the nonmajor governmental funds in the amount of \$2,038,322 were comprised of \$775,000 to the library fund and are an annual transfer to subsidize the operations of the Township Library and \$1,263,322 to the debt service funds to pay the principal and interest due annually on the Township's general obligation bonds.

**Note 8 - Long-Term Liabilities**

Long-term liability activity for the year ended December 31, 2017, was as follows:

	Balance 01/01/17	Additions	Reductions	Balance 12/31/17	Due Within One Year
Governmental Activities					
Bonds Payable					
General Obligation Bonds	\$17,760,000	\$ -	\$ 820,000	\$16,940,000	\$ 860,000
Plus: Bond Premium	<u>169,309</u>	<u>-</u>	<u>11,933</u>	<u>157,376</u>	<u>-</u>
Total Bonds Payable	17,929,309	-	831,933	17,097,376	860,000
Notes Payable	405,000	-	36,544	368,456	37,903
Capital Leases	442,646	-	130,014	312,632	133,188
Compensated Absences	<u>537,660</u>	<u>8,941</u>	<u>17,035</u>	<u>529,566</u>	<u>26,923</u>
Governmental Activities					
Long-Term Liabilities	<u>\$19,314,615</u>	<u>\$8,941</u>	<u>\$1,015,526</u>	<u>\$18,308,030</u>	<u>\$1,058,014</u>
General Obligation Bonds					
\$10,000,000 Refunding Issue of 2013 due serially through 2028; interest at 0.40% - 2.27%; debt service source - general fund transfers to debt service fund.					\$ 9,540,000
\$7,500,000 Issue of 2016 due serially through 2041; interest at 2.0% - 3.0%; debt service source - general fund transfers to debt service fund.					<u>7,400,000</u>
					<u>\$16,940,000</u>

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

General Obligation Notes

\$405,000 Note of 2016 due annually through 2026;  
interest at 1.89%; debt service source - general fund. \$ 368,456

The general obligation bonds and notes were issued for providing funds for capital projects throughout the Township. The compensated absences and capital leases liabilities will be liquidated primarily by the general fund.

The annual requirements of the Township's funds to amortize all debt outstanding (excluding compensated absences and capital leases) as of December 31, 2017, are as follows:

Year Ended December 31,	Governmental Activities				Totals
	Bonds		Notes		
	Principal	Interest	Principal	Interest	
2018	\$ 860,000	\$ 400,286	\$ 37,903	\$ 7,061	\$ 1,305,250
2019	885,000	375,736	38,630	6,334	1,305,700
2020	900,000	358,036	39,355	5,609	1,303,000
2021	915,000	340,037	40,124	4,840	1,300,001
2022	935,000	325,831	40,893	4,071	1,305,795
2023-2027	4,965,000	1,341,357	171,551	1,851,829	8,329,737
2028-2032	2,385,000	939,057	-	-	3,324,057
2033-2037	2,665,000	609,300	-	-	3,274,300
2038-2041	<u>2,430,000</u>	<u>184,950</u>	<u>-</u>	<u>-</u>	<u>2,614,950</u>
	<u>\$16,940,000</u>	<u>\$4,874,590</u>	<u>\$368,456</u>	<u>\$1,879,744</u>	<u>\$24,062,790</u>

**Note 9 - Capital Lease**

The Township has entered into lease agreements as lessee for financing the acquisition of fire trucks and highway equipment. The lease agreements qualify as a capital lease for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

	Governmental Activities
Asset	
Machinery and Equipment	\$ 656,399
Less: Accumulated Depreciation	<u>(235,541)</u>
Total	<u>\$ 420,858</u>

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

**Note 9 - Capital Lease (Cont'd)**

The future minimum lease obligations and the net present value of these minimum lease payments, as of December 31, 2017, were as follows:

Year Ended December 31,	Governmental Activities
2018	\$140,797
2019	140,797
2020	<u>44,027</u>
Total Minimum Lease Payments	325,621
Less: Amount Representing Interest	<u>(12,989)</u>
Present Value of Minimum Lease Payments	<u>\$312,632</u>

**Note 10 - Defined Benefit Pension Plan**

A. Plan Descriptions, Contribution Information, and Funding Policies

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

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

Actuarial valuations are performed biannually. For additional information related to basis of accounting and reported investment values, see Notes 1D. and 3. The activity of the Plan is reported in the pension trust fund in the accompanying financial statements. The Plan does not issue stand-alone financial reports.

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

	<u>PPP</u>
Date Established	November 3, 1958
Governing Authority and Administrator	Peters Township Council and Resolutions Delegated the Authority to administer the plan to the Township Manager

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

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

	<u>PPP</u>
Determination of Contribution Requirements	Actuarially determined
Employer	\$468,688
Plan Members	Contributions are currently 5% of compensation
Funding of Administrative Costs, including Investment and Custodial Fees and Actuarial Services	From investment earnings
Eligibility Requirements	
Normal Retirement	Hired on or before 01/01/11 Age 50 and completion of 25 years of Service; hired after 01/01/11 attained Age 55 with 25 years of service
Early Retirement	None
Vesting	100% after 12 years of service
Retirement Benefit	50% of average monthly earnings, averaged over the 36 months preceding retirement and accrued benefit adjustment defined as the number of months of service as of a given date divided by the number of complete months of service as of normal retirement date
Service Increment	None
Post-Retirement Benefit Increases	Hired on or before 01/01/11, Consumer Price Index with limits; hired after 01/01/11, no cost of living adjustment
Provisions for Disability Benefits	Yes
Provisions for Death Benefits	Yes

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

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

PPP

Deferred Retirement Option Plan (DROP)

An active participant first becomes eligible to elect the DROP upon becoming eligible for normal retirement.

An election to participate in the DROP shall constitute an irrevocable election to resign from the service of the employer not later than three years after commencement of DROP participation.

At the time of a participant's entry into the DROP, the participant's accrual service, accrued benefit and average compensation shall be calculated as if the participant had actually retired from service. No additional accrual service shall be earned after entry into the DROP. Any changes in plan benefits shall not apply to participants in the DROP, except as the result of increases for cost-of-living.

Upon entry into the DROP, an amount equal to the participant's monthly retirement benefit shall be transferred to the employer to be held in a segregated investment account guaranteeing principal. Interest shall be credited at a rate ranging from 0.0% to 4.0%.

During DROP participation, a participant shall be considered a retiree with deferred receipt of benefits for all plan purposes.

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

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

Membership of the Plan as of December 31, 2017 is as follows:

	<u>PPP</u>
Active Employees	19
Retirees and Beneficiaries Currently Receiving Benefits	16
Inactive Plan Members Entitled to but not Receiving Benefits	<u>1</u>
Total	<u>36</u>

B. Investments

Investment Policy

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

Asset Class	Percent Range
U. S. Equity	40%
Non-U. S. Equity	15%
Real Estate	6%
Other Investments	1%
Cash	0%
Core Bond	<u>38%</u>
Total	<u>100%</u>

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

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

B. Investments (Cont'd)

Concentrations

As of the measurement date, the following are investments (other than U. S. government and U. S. government guaranteed obligations) in any one organization that represents 5% or more of the Pension Plan's fiduciary net position.  $\$13,300,721 \times 0.05 = \$665,036$

Principal Financial Group	\$12,994,664
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Interest rate risk for investments is the risk that a change in interest rates will adversely affect the fair value of an investment. The Plan has no formal policy for interest rate risk.

Money-Weighted Rate of Return

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

The annual money-weighted rate of return on plan investments for the measurement period is (15.08)%.

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

There are no long-term contracts for contributions.

C. Net Pension Liability

The components of the net pension liability at December 31, 2017 were as follows:

	<u>PPP</u>
Total Pension Liability	\$14,272,717
Plan Fiduciary Net Position	<u>13,300,721</u>
Net Pension Liability	\$ <u>971,996</u>

Plan fiduciary net position as a percentage of the total pension liability is 93.2%.

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

C. Net Pension Liability (Cont'd)

Changes in the Township's net pension liability for the year ended December 31, 2017 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at January 1, 2017	\$14,266,037	\$11,390,103	\$ 2,875,934
Changes for the year:			
Service Cost	367,342	-	367,342
Interest	871,454	-	871,454
Changes in Assumptions	(806,394)	-	(806,394)
Differences between Expected and Actual Experience	109,774	-	109,774
Benefit Payments	(535,496)	(345,164)	(190,332)
Contributions - Employer, including State Aid	-	468,688	(468,688)
Contributions - Member	-	89,888	(89,888)
Net Investment Income	-	1,708,734	(1,708,734)
Administrative Expense	-	(11,528)	11,528
Net Changes	<u>6,680</u>	<u>1,910,618</u>	<u>(1,903,938)</u>
Balances at December 31, 2017	<u>\$14,272,717</u>	<u>\$13,300,721</u>	<u>\$ 971,996</u>

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

	1% Decrease <u>5.50%</u>	Current Rate <u>6.50%</u>	1% Increase <u>7.50%</u>
Net Pension Liability	<u>\$2,867,925</u>	<u>\$971,996</u>	<u>\$(536,470)</u>

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

C. Net Pension Liability (Cont'd)

Actuarial Assumptions: The total pension liability for the Plan was determined by an actuarial valuation as of January 1, 2017 using the following significant actuarial assumptions applied to all periods included in the measurement:

Inflation:	2.00%
Salary Increases:	3.75% increase each year until retirement
Mortality:	During benefit payment period - IRS prescribed mortality-optional combined table for small plans, male and female Before benefit payment period - None

Expected Long-Term  
Rate of Return:

The expected long-term return on plan assets assumption was developed as a weighted average rate based on the target asset allocation of the Plan and the Long-Term Capital Market Assumptions (CMA) 2016. The capital market assumptions were developed with a primary focus on forward-looking valuation models and market indicators. The key fundamental economic inputs for these models are future inflation, economic growth, and interest rate environment. Due to the long-term nature of the pension obligations, the investment horizon for the CMA 2016 is 20-30 years. In addition to forward-looking models, historical analysis of market data and trends was reflected, as well as the outlook of recognized economists, organizations and consensus CMA from other credible studies.

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

Asset Class	Expected Arithmetic Return	Target Allocation %
U. S. Equity - Large Cap	7.85%	34.06%
U. S. Equity - Mid Cap	8.10%	3.99%
U. S. Equity - Small Cap	8.55%	1.93%
Non-U. S. Equity	8.10%	15.10%

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

C. Net Pension Liability (Cont'd)

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

Asset Class	Expected Arithmetic Return	Target Allocation %
REITs	7.95%	0.40%
Real Estate (direct property)	5.80%	5.97%
Cash	1.55%	0.00%
TIPS	3.05%	0.60%
Core Bond	3.75%	34.00%
High Yield	6.70%	3.95%

Discount Rate

The discount rate used to determine the total pension liability was 6.50%, changed from the prior measurement date of 6.07%.

The Plan's fiduciary net position and benefit payments were projected to determine if the Plan's fiduciary net position was greater than or equal to the expected benefit payments for each period from 2017 to 2112. Benefit payments after 2112 are projected to be \$-0-.

The long-term rate of return of 6.50% is used to calculate the actuarial present value of projected payments for each future period when the projected fiduciary net position is greater than the projected expected benefit payments. Otherwise, a municipal bond rate of 3.74% is used.

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

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

For the year ended December 31, 2017, the Township recognized pension expense of \$349,442. At December 31, 2017, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

C. Net Pension Liability (Cont'd)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 167,284	\$ -
Changes of assumptions	988,942	(684,949)
Net difference between projected and actual earnings on Plan investments	<u>-</u>	<u>(372,441)</u>
Totals	<u>\$1,156,226</u>	<u>\$(1,057,390)</u>

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

Year Ended December 31,	
2018	\$117,561
2019	117,560
2020	(43,218)
2021	(72,809)
2022	46,884
Thereafter	<u>(67,142)</u>
	<u>\$ 98,836</u>

**Note 11 - Defined Contribution Pension Plans**

Peters Township Municipal Employees

A. Plan Description

The Township sponsors and contributes to the Peters Township Municipal Employees Pension Plan which is a defined contribution plan. All full-time administrative employees not represented by a bargaining unit and full-time firefighters are covered by this Plan. The Plan's total membership as of December 31, 2017 is fifty-nine. Administrative costs of the Plan are funded by the general fund.

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

Peters Township Municipal Employees (Cont'd)

A. Plan Description (Cont'd)

The Township is required to contribute for each employee who has 1,000 or more hours of service in the service period, 8.00% of the employee's annual pay. For members of the firefighters union, only full-time firefighters or part-time firefighters working more than 1,000 hours in a year, are eligible to participate in the Plan. During the term of the current contract, the minimum annual pension contribution for firefighters participating in the Plan shall be fourteen (14%) percent. The Township will contribute eleven (11%) percent and the firefighters three (3%) percent through payroll deductions. Employees, except as noted above for firefighters, do not contribute to the Plan. Plan participants are 100% vested with five or more years of vesting service.

Benefits can start on the participants:

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

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

The amount contributed by the Township to the Plan for the year ended December 31, 2017 was \$208,551 of direct contributions, 6.0% of wages and \$43,970 of forfeitures for a total contribution of \$252,521, or 8.6% of covered wages. Unallocated forfeitures from participants no longer in the Plan and not fully vested are allocated among current participants. Township Council is responsible for establishing and/or amending the Plan provisions and contribution requirements.

B. Summary of Significant Accounting Policies

The financial statements of the Plan are included as a pension trust fund in this report. For additional information related to basis of accounting reported investment values see Notes 1D. and 3.

C. Concentrations

The Municipal Employees Pension Plan investments in mutual funds held by Principal Financial Group account for 97% of the total investments at December 31, 2017. The balance (3%) of the Plan's investments are in guaranteed interest accounts.

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

Road Department

Plan Description

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

Payments by the Township are calculated at the rate of \$4.18 for every hour worked by the road department employees. The total contribution required and made by the Township for the year ended December 31, 2017 was \$150,705 (15.8% of covered payroll).

Employees are eligible to participate from the date of employment.

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

On and after January 1, 1987, the normal retirement benefit of an employee eligible for retirement and who applies, therefore, shall be a monthly amount equal to the sum of the following:

1. Fifteen dollars (\$15.00) multiplied by the sum of the employee's years of credited past service, if any; plus
2. Three and three-quarters percent (3.75%) of the total amount contributed for him after his most recent break in service, if any, through December 31, 1987; plus
3. Three percent (3.0%) of the total amount contributed for him from January 1, 1987.

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

**Note 12 - Pension Plans Financial Information**

The Township's Police Pension, a defined benefit plan and the Municipal Employees' Pension Plan, a defined contribution plan, do not issue standalone financial reports. The following is a statement of fiduciary net position and statement of changes in fiduciary net position for the two plans as of and for the year ended December 31, 2017:

**Peters Township**  
**Notes to Financial Statements**  
**December 31, 2017**

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

	Pension Trust Funds		Total Pension Trust Funds
	Police Pension Fund	Employees' Pension Fund	
Assets			
Cash and Cash Equivalents	\$ 281,635	\$ 234,229	\$ 515,864
Investments, at Fair Value			
Mutual Funds	12,994,664	3,400,633	16,395,297
Guaranteed Interest Accounts	-	90,230	90,230
Receivables - Employees	<u>24,422</u>	<u>-</u>	<u>24,422</u>
Total Assets	<u>13,300,721</u>	<u>3,725,092</u>	<u>17,025,813</u>
Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net Position Restricted for Pensions	<u>\$13,300,721</u>	<u>\$3,725,092</u>	<u>\$17,025,813</u>
Additions			
Contributions			
Employer	\$ 468,688	\$ 208,551	\$ 677,239
Plan Members	<u>89,888</u>	<u>16,383</u>	<u>106,271</u>
Total Contributions	<u>558,576</u>	<u>224,934</u>	<u>783,510</u>
Investment Income			
Net Appreciation (Depreciation) in Fair Value of Investments	1,708,734	545,761	2,254,495
Interest and Dividends	<u>-</u>	<u>919</u>	<u>919</u>
Net Investment Income	<u>1,708,734</u>	<u>546,680</u>	<u>2,255,414</u>
Total Additions	<u>2,267,310</u>	<u>771,614</u>	<u>3,038,924</u>
Deductions			
Benefits	345,164	792,686	1,137,850
Administrative Expenses	<u>11,528</u>	<u>280</u>	<u>11,808</u>
Total Deductions	<u>356,692</u>	<u>792,966</u>	<u>1,149,658</u>
Net Increase (Decrease) in Net Position	1,910,618	(21,352)	1,889,266

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

	Pension Trust Funds		Total Pension Trust Funds
	Police Pension Fund	Employees' Pension Fund	
Net Position Restricted for Pensions			
Beginning of Year	<u>\$11,390,103</u>	<u>\$3,746,444</u>	<u>\$15,136,547</u>
End of Year	<u>\$13,300,721</u>	<u>\$3,725,092</u>	<u>\$17,025,813</u>

**Note 13 - Post-Employment Healthcare Plan**

A. Plan Description

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

B. Funding Policy

The eligibility and the benefits are as follows:

Police Employees

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

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

**B. Funding Policy (Cont'd)**

**Police Employees (Cont'd)**

**Benefits Provided**

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

**Opt Out**

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

**Public Works Employees**

**Medical, Dental and Vision Eligibility**

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

**Persons Covered**

Coverage will include retiree, spouse, and eligible dependents.

**Benefits Provided**

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

**Non-Police, Non-Public Works Employees**

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

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

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

B. Funding Policy (Cont'd)

For the year ended December 31, 2017, the Township contributed \$77,285. Plan members receiving benefits contributed \$-0-. The plan is financed on a pay-as-you-go basis. In prior years, the general fund has been used to liquidate the other post-employment benefit obligation.

C. Annual OPEB Cost and Net OPEB Obligation

The Township's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (funding excess) over a period not to exceed thirty years. The following table shows the components of the Township's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the Township's net OPEB obligation.

Annual Required Contribution	\$ 97,430
Interest on Net OPEB Obligation	14,528
Adjustment to Annual Required Contribution	<u>(20,895)</u>
Annual OPEB Cost (Expense)	91,063
Contributions Made	<u>(57,528)</u>
Increase (Decrease) in OPEB Obligation	33,535
Net OPEB Obligation - Beginning of Year	<u>322,848</u>
Net OPEB Obligation - End of Year	<u>\$356,383</u>

The Township's OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the years ended December 31, 2017, 2016 and 2015, is as follows.

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/17	\$91,063	63.2%	\$356,383
12/31/16	91,955	50.8%	322,848
12/13/15	91,935	101.1%	277,637

**Peters Township**  
**Notes to Financial Statements**  
**December 31, 2017**

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

**D. Funded Status and Funding Progress**

As of January 1, 2016, the actuarial accrued liability for benefits was \$978,867, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$2,787,213 and the ratio of unfunded actuarial accrued liability to the covered payroll was 35.1%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Multi-year information will be presented in future years.

**E. Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with long-term perspective of the calculations.

In the January 1, 2016 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included an investment return of 4.5%, an annual healthcare cost trend rate of 5% annually and a 3% rate for dental/vision with no change over the period and no separate rate for inflation. The method used to determine the actuarial value of assets is not applicable since there are no plan assets. The unfunded actuarial accrued liability is being amortized using the level dollar method. The amortization period for the most recent actuarial valuation is twenty-seven years. The period is open.

**Note 14 - Risk Management**

Peters Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The Township does participate in the Municipal Risk Management (MRM) program for the purchase of certain insurance policies. The MRM is comprised of a number of municipalities which have combined their purchasing power to receive more favorable rates from independent insurance companies. There is no transfer or pooling of risk among the members and each member purchases its own insurance policies from an independent company.

**Peters Township  
Notes to Financial Statements  
December 31, 2017**

**Note 14 - Risk Management (Cont'd)**

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

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

**Note 15 - Contingencies**

The Township, in conjunction with Peters Township School District, acquired a property in 2016 by eminent domain in order to build a new school and community recreational park. The value placed on the property is in dispute. If the dispute is not settled in favor of the Township and School District, the parties may need to pay additional funds for the purchase of the property. It is uncertain at this time as to the outcome.

**REQUIRED SUPPLEMENTARY  
INFORMATION SECTION**

**Peters Township**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**General Fund - Budget and Actual**  
**Year Ended December 31, 2017**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
<b>Taxes</b>				
Real Estate Taxes				
Current	\$ 4,498,377	\$ 4,498,377	\$ 4,617,054	\$ 118,677
Delinquent	15,000	15,000	13,700	(1,300)
Liened	40,000	40,000	43,482	3,482
Real Estate Transfer Taxes	1,500,000	1,500,000	1,917,334	417,334
Earned Income Taxes/Wage Taxes	5,525,000	5,525,000	6,229,224	704,224
Mechanical Device Taxes	4,125	4,125	4,350	225
Local Services Taxes	<u>410,000</u>	<u>410,000</u>	<u>441,788</u>	<u>31,788</u>
<b>Total Taxes</b>	<u>11,992,502</u>	<u>11,992,502</u>	<u>13,266,932</u>	<u>1,274,430</u>
<b>Licenses and Permits</b>				
Street and Curb Permits	<u>13,500</u>	<u>13,500</u>	<u>5,603</u>	<u>(7,897)</u>
<b>Fines and Forfeits</b>				
Vehicle Code Violations	58,000	58,000	63,594	5,594
Violations of Ordinances	1,250	1,250	5,875	4,625
Court Fines	<u>1,500</u>	<u>1,500</u>	<u>239</u>	<u>(1,261)</u>
<b>Total Fines and Forfeits</b>	<u>60,750</u>	<u>60,750</u>	<u>69,708</u>	<u>8,958</u>
<b>Interest, Rents and Royalties</b>				
Interest Earnings	<u>8,000</u>	<u>8,000</u>	<u>34,654</u>	<u>26,654</u>
<b>Intergovernmental</b>				
<b>State</b>				
Beverage Licenses	9,050	9,050	8,125	(925)
Public Utility Realty Tax	13,905	13,905	12,473	(1,432)
Foreign Casualty Insurance	400,000	400,000	458,825	58,825
Foreign Fire Insurance Premium Tax	137,295	137,295	121,883	(15,412)
Other Grants	<u>92,500</u>	<u>92,500</u>	<u>82,789</u>	<u>(9,711)</u>
<b>Total Intergovernmental</b>	<u>652,750</u>	<u>652,750</u>	<u>684,095</u>	<u>31,345</u>

**Peters Township**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**General Fund - Budget and Actual**  
**Year Ended December 31, 2017**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues (Cont'd)				
Charges for Services				
General Government				
Zoning & Subdivision	\$ 30,000	\$ 30,000	\$ 37,670	\$ 7,670
Sale of Materials	20,000	20,000	14,754	(5,246)
Tax Collection Fees	15,000	15,000	24,350	9,350
Public Safety				
Special Police Services	94,000	94,000	103,705	9,705
Building Permits	200,000	200,000	170,789	(29,211)
Fire Hall Rental	-	-	14,000	14,000
Household Waste Fees	7,000	7,000	6,889	(111)
Burning Permits	-	-	100	100
Highways and Streets				
Contracted Highway & Street Work				
Contracted Snow Removal for PennDOT	46,000	46,000	49,782	3,782
Culture - Recreation				
Park & Recreation Fees	200,000	200,000	241,126	41,126
Tennis Fees	<u>250,000</u>	<u>250,000</u>	<u>272,881</u>	<u>22,881</u>
Total Charges for Services	<u>862,000</u>	<u>862,000</u>	<u>936,046</u>	<u>74,046</u>
Miscellaneous Revenue				
Contributions & Donations from				
Private Sources	2,500	2,500	405	(2,095)
Other Miscellaneous Revenue	<u>45,000</u>	<u>45,000</u>	<u>49,445</u>	<u>4,445</u>
Total Miscellaneous Revenue	<u>47,500</u>	<u>47,500</u>	<u>49,850</u>	<u>2,350</u>
Total Revenues	<u>13,637,002</u>	<u>13,637,002</u>	<u>15,046,888</u>	<u>1,409,886</u>
Expenditures				
Current:				
General Government				
Legislative Body				
Personal Services	19,377	19,377	19,054	323
Executive				
Personal Services	454,821	454,821	450,617	4,204
Supplies	27,500	17,500	17,917	(417)
Other Services & Charges	79,750	79,750	77,152	2,598

**Peters Township**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**General Fund - Budget and Actual**  
**Year Ended December 31, 2017**

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (Cont'd)				
Current: (Cont'd)				
General Government (Cont'd)				
Special Project Administration				
Supplies	\$ 3,000	\$ 3,000	\$ 3,931	\$ (931)
Other Services & Charges	12,500	12,500	7,372	5,128
Tax Collection				
Other Services & Charges	137,173	137,173	148,917	(11,744)
Professional Services				
Personal Services	199,153	199,153	172,903	26,250
Supplies	2,000	2,000	91	1,909
Other Services & Charges	218,750	200,750	148,521	52,229
Information Technology				
Supplies	4,000	18,900	19,273	(373)
Other Services & Charges	188,000	216,000	223,710	(7,710)
Administration Vehicle Maintenance				
Personal Services	2,422	2,422	2,546	(124)
Supplies	3,500	3,500	2,404	1,096
Other Services & Charges	500	500	1,214	(714)
Municipal Building				
Personal Services	21,530	51,530	55,527	(3,997)
Supplies	18,000	18,000	13,361	4,639
Other Services & Charges	93,000	93,000	85,646	7,354
Total General Government	1,484,976	1,529,876	1,450,156	79,720
Public Safety				
Police				
Administration				
Personal Services	412,929	412,929	403,851	9,078
Supplies	13,475	13,475	14,659	(1,184)
Other Services & Charges	38,750	38,750	35,020	3,730
Patrol				
Personal Services	1,964,613	1,964,613	1,920,990	43,623
Supplies	64,000	64,000	46,425	17,575
Other Services & Charges	18,500	18,500	19,968	(1,468)

**Peters Township**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**General Fund - Budget and Actual**  
**Year Ended December 31, 2017**

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (Cont'd)				
Current: (Cont'd)				
Public Safety (Cont'd)				
Police (Cont'd)				
Investigations				
Personal Services	\$ 187,156	\$ 187,156	\$ 185,043	\$ 2,113
Supplies	4,850	4,850	3,083	1,767
Other Services & Charges	1,000	1,000	1,095	(95)
Police Community Relations				
Personal Services	105,175	105,175	102,486	2,689
Supplies	5,825	5,825	3,932	1,893
Other Services & Charges	2,000	2,000	5,763	(3,763)
Vehicle Maintenance				
Personal Services	15,071	15,071	9,461	5,610
Supplies	95,500	95,500	61,826	33,674
Other Services & Charges	12,000	12,000	13,050	(1,050)
Capital Purchase	124,579	124,579	108,412	16,167
Animal Control				
Other Services & Charges	15,000	15,000	11,280	3,720
School Guards				
Personal Services	8,827	8,827	8,910	(83)
Supplies	400	400	152	248
Other Services & Charges	200	200	-	200
Fire				
Administration/Prevention				
Personal Services	175,470	175,470	171,964	3,506
Supplies	9,500	9,500	2,479	7,021
Other Services & Charges	7,000	7,000	3,787	3,213
Fire Prevention				
Personal Services	106,803	106,803	104,388	2,415
Supplies	13,500	13,500	8,119	5,381
Other Services & Charges	1,250	1,250	570	680
Fire Suppression				
Personal Services	567,883	567,883	460,016	107,867
Supplies	41,700	41,700	35,881	5,819
Other Services & Charges	177,500	177,500	178,850	(1,350)
Contributions, Grants & Subs.	137,295	137,295	121,883	15,412

**Peters Township**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**General Fund - Budget and Actual**  
**Year Ended December 31, 2017**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (Cont'd)				
Current: (Cont'd)				
Public Safety (Cont'd)				
Fire (Cont'd)				
Fire Vehicle Maintenance				
Personal Services	\$ 113,111	\$ 113,111	\$ 129,367	\$ (16,256)
Supplies	51,000	51,000	25,213	25,787
Other Services & Charges	15,000	15,000	15,876	(876)
Fire Stations				
Personal Services	84,667	84,667	90,454	(5,787)
Supplies	17,000	17,000	9,433	7,567
Other Services & Charges	42,500	42,500	43,584	(1,084)
Emergency Medical Service				
Other Services & Charges	98,670	98,670	98,670	-
Planning				
Personal Services	220,680	220,680	214,560	6,120
Supplies	9,000	9,000	3,363	5,637
Other Services & Charges	39,500	39,500	29,112	10,388
Building Inspection				
Personal Services	164,705	164,705	164,299	406
Supplies	1,000	1,000	108	892
Other Services & Charges	10,500	10,500	3,771	6,729
Zoning Hearing Board				
Other Services & Charges	<u>16,500</u>	<u>16,500</u>	<u>8,954</u>	<u>7,546</u>
Total Public Safety	<u>5,211,584</u>	<u>5,211,584</u>	<u>4,880,107</u>	<u>331,477</u>
Public Works - Sanitation				
Recycling Collection and Disposal				
Personal Services	23,683	23,683	26,179	(2,496)
Supplies	6,500	6,500	3,904	2,596
Other Services & Charges	<u>48,000</u>	<u>48,000</u>	<u>35,905</u>	<u>12,095</u>
Total Sanitation	<u>78,183</u>	<u>78,183</u>	<u>65,988</u>	<u>12,195</u>

**Peters Township**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**General Fund - Budget and Actual**  
**Year Ended December 31, 2017**

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (Cont'd)				
Current: (Cont'd)				
Public Works - Highways				
Administration				
Personal Services	\$ 218,530	\$ 218,530	\$ 216,685	\$ 1,845
Supplies	14,800	14,800	11,938	2,862
Other Services & Charges	12,300	12,300	11,109	1,191
Maintenance of Building				
Personal Services	15,070	38,571	64,693	(26,122)
Supplies	9,500	9,500	25,062	(15,562)
Other Services & Charges	37,500	37,500	35,456	2,044
Snow and Ice Removal				
Personal Services	161,475	124,725	92,375	32,350
Supplies	379,000	379,000	244,805	134,195
Other Services & Charges	7,500	7,500	3,753	3,747
Traffic Signals and Signs				
Personal Services	25,500	25,500	20,238	5,262
Supplies	25,000	25,000	35,234	(10,234)
Other Services & Charges	21,000	21,000	13,705	7,295
Street Lighting				
Other Services & Charges	10,500	10,500	8,272	2,228
Storm Sewer Maintenance				
Personal Services	79,008	79,008	65,557	13,451
Supplies	32,800	32,800	18,398	14,402
Other Services & Charges	9,000	9,000	-	9,000
Vehicle Maintenance				
Personal Services	75,355	75,355	59,962	15,393
Supplies	113,500	113,500	81,977	31,523
Other Services & Charges	10,000	10,000	20,188	(10,188)
Highway Maintenance				
Personal Services	369,240	352,490	267,571	84,919
Supplies	80,050	80,050	25,318	54,732
Other Services & Charges	<u>20,000</u>	<u>20,000</u>	<u>18,591</u>	<u>1,409</u>
Total Highways	<u>1,726,628</u>	<u>1,696,629</u>	<u>1,340,887</u>	<u>355,742</u>
Total Public Works	<u>1,804,811</u>	<u>1,774,812</u>	<u>1,406,875</u>	<u>367,937</u>

**Peters Township**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**General Fund - Budget and Actual**  
**Year Ended December 31, 2017**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (Cont'd)				
Current: (Cont'd)				
Culture - Recreation				
Administration				
Personal Services	\$ 113,651	\$ 113,651	\$ 113,134	\$ 517
Supplies	3,550	3,550	3,191	359
Other Services & Charges	8,000	8,000	3,356	4,644
Recreation Programming				
Personal Services	46,564	46,564	50,176	(3,612)
Supplies	14,900	14,900	7,107	7,793
Other Services & Charges	159,250	159,250	134,527	24,723
Parks Maintenance				
Personal Services	462,104	462,104	492,739	(30,635)
Supplies	88,000	88,000	43,062	44,938
Other Services & Charges	142,500	142,500	87,219	55,281
Community Center				
Personal Services	90,426	90,426	83,416	7,010
Supplies	13,650	13,650	8,044	5,606
Other Services & Charges	124,200	124,200	99,242	24,958
Tennis Center				
Personal Services	188,388	188,388	188,379	9
Supplies	29,000	29,000	21,077	7,923
Other Services & Charges	72,000	72,000	66,714	5,286
Libraries				
Other Services & Charges	<u>          -</u>	<u>          -</u>	<u>          54</u>	<u>          (54)</u>
Total Culture - Recreation	<u>1,556,183</u>	<u>1,556,183</u>	<u>1,401,437</u>	<u>154,746</u>
Ins., Employee Benefits & Other				
Retirement Fund Contributions	871,250	871,250	827,944	43,306
Workers' Comp. Contributions	350,000	350,000	286,828	63,172
Unemployment Compensation	12,000	12,000	10,520	1,480
Hospitalization Ins. Premiums	1,100,000	1,100,000	1,005,707	94,293
Group Life Ins. Premiums	16,500	16,500	9,843	6,657
Sickness & Accident Ins. Premiums	26,000	26,000	23,349	2,651
Insurance Premiums - Other				
Fire & Liability	150,000	150,000	133,332	16,668

**Peters Township**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**General Fund - Budget and Actual**  
**Year Ended December 31, 2017**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (Cont'd)				
Current: (Cont'd)				
Ins., Employee Benefits & Other (Cont'd)				
Other Employee Benefits	\$ -	\$ -	\$ 8,065	\$ (8,065)
Miscellaneous	<u>10,000</u>	<u>10,000</u>	<u>122</u>	<u>9,878</u>
Total Insurance, Employee Benefits & Other	<u>2,535,750</u>	<u>2,535,750</u>	<u>2,305,710</u>	<u>230,040</u>
Debt Service:				
Principal Retirement	173,975	173,975	166,558	7,417
Interest	<u>18,544</u>	<u>18,544</u>	<u>19,203</u>	<u>(659)</u>
Total Debt Service	<u>192,519</u>	<u>192,519</u>	<u>185,761</u>	<u>6,758</u>
Total Expenditures	<u>12,785,823</u>	<u>12,800,724</u>	<u>11,630,046</u>	<u>1,170,678</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>851,179</u>	<u>836,278</u>	<u>3,416,842</u>	<u>2,580,564</u>
Other Financing Sources (Uses)				
Proceeds of General Capital Assets Distribution	-	-	172,980	172,980
Transfers In				
Special Revenue Fund	10,000	10,000	10,000	-
Transfers Out				
Special Revenue Fund	(775,000)	(775,000)	(775,000)	-
Debt Service Fund	(1,263,474)	(1,263,474)	(1,263,322)	152
Capital Projects Fund	<u>(943,392)</u>	<u>(943,392)</u>	<u>(958,392)</u>	<u>(15,000)</u>
Total Other Financing Sources (Uses)	<u>(2,971,866)</u>	<u>(2,971,866)</u>	<u>(2,813,734)</u>	<u>158,132</u>
Net Change in Fund Balance	(2,120,687)	(2,135,588)	603,108	2,738,696
Fund Balance - January 1, 2017	<u>5,275,736</u>	<u>5,275,736</u>	<u>5,784,151</u>	<u>508,415</u>
Fund Balance - December 31, 2017	<u>\$ 3,155,049</u>	<u>\$ 3,140,148</u>	<u>\$ 6,387,259</u>	<u>\$ 3,247,111</u>

See Accompanying Note to the Budgetary Comparison Schedule

**Peters Township**  
**Note to the Required Supplementary Information**  
**Budget Comparison**  
**December 31, 2017**

**Note 1 - Budgetary Information**

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

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

**Peters Township  
Required Supplementary Information  
Defined Benefit Pension Trust Funds  
December 31, 2017**

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

	Police Pension Plan			
	2017	2016	2015	2014
Total Pension Liability				
Service Cost	\$ 367,342	\$ 315,194	\$ 290,878	\$ 282,218
Interest	871,454	858,815	818,308	632,556
Changes in Assumptions Differences Between Expected and Actual Experience	(806,394)	1,399,598	13,983	-
Benefit Payments	<u>(535,496)</u>	<u>(672,271)</u>	<u>(451,740)</u>	<u>(183,551)</u>
Net Change in Total Pension Liability	6,680	1,973,487	713,709	796,356
Total Pension Liability - Beginning	<u>14,266,037</u>	<u>12,292,550</u>	<u>11,578,841</u>	<u>10,782,485</u>
Total Pension Liability - Ending (a)	<u>14,272,717</u>	<u>14,266,037</u>	<u>12,292,550</u>	<u>11,578,841</u>
Plan Fiduciary Net Position				
Contributions - Employer, including State Aid	468,688	460,012	437,147	441,841
Contributions - Member	89,888	95,305	93,460	87,557
Net Investment Income	1,708,734	602,722	(54,822)	522,290
Benefit Payments	(345,164)	(537,383)	(305,005)	(183,551)
Administrative Expenses	<u>(11,528)</u>	<u>(7,985)</u>	<u>(24,041)</u>	<u>(12,915)</u>
Net Change in Plan Fiduciary Net Position	1,910,618	612,671	146,739	855,222
Plan Fiduciary Net Position - Beginning	<u>11,390,103</u>	<u>10,777,432</u>	<u>10,630,693</u>	<u>9,775,471</u>
Plan Fiduciary Net Position - Ending (b)	<u>13,300,721</u>	<u>11,390,103</u>	<u>10,777,432</u>	<u>10,630,693</u>
Township's Net Pension Liability (a-b)	<u>\$ 971,996</u>	<u>\$ 2,875,934</u>	<u>\$ 1,515,118</u>	<u>\$ 948,148</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.2%	79.8%	87.70%	91.80%
Covered Employee Payroll	<u>\$ 1,832,373</u>	<u>\$ 1,906,112</u>	<u>\$ 1,733,658</u>	<u>\$ 1,751,132</u>
Township's Net Position as a Percentage of Covered Employee Payroll	53.05%	150.90%	87.39%	54.14%

**Peters Township  
Supplementary Information  
Defined Benefit Pension Trust Funds  
December 31, 2017**

**1. Schedule of Changes in the Borough's Net Pension Liability and Related Ratios (Cont'd)**

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

**2. Schedule of Township's Contributions**

	Police Pension Plan			
	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 468,688	\$ 460,012	\$ 437,147	\$ 441,841
Contributions in Relation to the Actuarially Determined Contribution	<u>468,688</u>	<u>460,012</u>	<u>437,147</u>	<u>441,841</u>
Contribution Deficiency (Excess)	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>          -</u>
Covered Employee Payroll	<u>\$1,832,373</u>	<u>\$1,906,112</u>	<u>\$1,733,658</u>	<u>\$1,751,132</u>
Contributions as a Percentage of Covered Employee Payroll	25.58%	24.13%	25.22%	25.23%

**3. Investment Returns**

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

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

**Peters Township**  
**Notes to the Required Supplementary Information**  
**Defined Benefit Pension Trust Funds**  
**December 31, 2017**

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

- Actuarial Valuation Date: 01/01/17
- Actuarial Cost Method: entry age
- Amortization Period: level dollar based upon the amortization periods in Act 205
- Asset valuation method: market value of the assets
- Discount Rate: 6.5%
- Inflation: 2.0%
- Salary increases: 3.75% increase each year until retirement
- Mortality Table - 2016 IRS prescribed mortality; optional combined table for small plans, male and female

**B. Changes in Actuarial Assumptions**

In 2017, amounts reported as changes in assumptions resulted primarily from changing the discount rate to 6.50% from a blended rate last year of 6.07%.

**C. Changes in Benefits**

None.

**Peters Township  
Required Supplementary Information  
Other Post-Employment Benefits  
December 31, 2017**

Schedule of Funding Progress for Retiree Health Plan

Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio (AVA/AAL)	Covered Payroll	UAAL as Percentage of Covered Payroll
01/01/09	\$ -	\$885,131	\$885,131	0.0%	\$1,469,703	60.2%
01/01/12	-	970,958	970,958	0.0%	2,473,319	39.2%
01/01/15	-	978,867	978,867	0.0%	2,787,213	35.1%

Note: December 31, 2009 was the first year of implementation of the new standards for accounting and reporting of post-employment benefits; therefore, only two actuarial valuations have been completed. (Future reports will include additional valuations as they are performed.)

**COMBINING AND INDIVIDUAL  
FUND STATEMENTS**

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

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

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

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

### **DEBT SERVICE FUNDS**

Series of 2012 - To account for accumulation of resources for and payment of debt principal, interest and fees of the 2012 Series bonds.

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

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

**Peters Township  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2017**

	Special Revenue Funds			
	Highway Aid Fund	Cable Television Fund	Library Fund	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$305	\$718,772	\$346,296	\$1,065,373
Other Receivables	<u>-</u>	<u>139,320</u>	<u>-</u>	<u>139,320</u>
<b>TOTAL ASSETS</b>	<u>\$305</u>	<u>\$858,092</u>	<u>\$346,296</u>	<u>\$1,204,693</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Due to Other Funds	\$ -	\$ 5,860	\$ 1,329	\$ 7,189
Accounts Payable	-	38	25,127	25,165
Accrued Salaries and Benefits	-	1,023	8,397	9,420
Other Current Liabilities	<u>-</u>	<u>58,152</u>	<u>-</u>	<u>58,152</u>
Total Liabilities	<u>-</u>	<u>65,073</u>	<u>34,853</u>	<u>99,926</u>
Fund Balances				
Restricted	305	-	-	305
Committed	-	793,019	-	793,019
Assigned	<u>-</u>	<u>-</u>	<u>311,443</u>	<u>311,443</u>
Total Fund Balances	<u>305</u>	<u>793,019</u>	<u>311,443</u>	<u>1,104,767</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$305</u>	<u>\$858,092</u>	<u>\$346,296</u>	<u>\$1,204,693</u>

**Peters Township**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Year Ended December 31, 2017**

	Special Revenue Funds			Debt Service Funds			Total Nonmajor Governmental Funds
	Highway Aid Fund	Cable Television Fund	Library Fund	Series of 2012	Series of 2013	Series of 2016	
Revenues							
Licenses and Permits	\$ -	\$ 571,659	\$ -	\$ -	\$ -	\$ -	\$ 571,659
Fines and Forfeits	-	-	29,699	-	-	-	29,699
Interest, Rents and Royalties	1,833	4,205	837	-	-	-	6,875
Intergovernmental	742,029	-	115,048	-	-	-	857,077
Charges for Services	-	-	14,451	-	-	-	14,451
Miscellaneous	-	600	-	-	-	-	600
Total Revenues	<u>743,862</u>	<u>576,464</u>	<u>160,035</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,480,361</u>
Expenditures							
Current:							
General Government	-	49,975	-	-	-	-	49,975
Culture - Recreation	-	106,678	937,101	-	-	-	1,043,779
Debt Service:							
Principal	-	-	-	375,000	345,000	100,000	820,000
Interest	-	-	-	5,087	205,417	232,818	443,322
Capital Outlay	<u>743,653</u>	<u>26,281</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>769,934</u>
Total Expenditures	<u>743,653</u>	<u>182,934</u>	<u>937,101</u>	<u>380,087</u>	<u>550,417</u>	<u>332,818</u>	<u>3,127,010</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>209</u>	<u>393,530</u>	<u>(777,066)</u>	<u>(380,087)</u>	<u>(550,417)</u>	<u>(332,818)</u>	<u>(1,646,649)</u>
Other Financing Sources (Uses)							
Transfers In	-	-	775,000	380,087	550,417	332,818	2,038,322
Transfers Out	<u>-</u>	<u>(1,010,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,010,000)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(1,010,000)</u>	<u>775,000</u>	<u>380,087</u>	<u>550,417</u>	<u>332,818</u>	<u>1,028,322</u>
Net Changes in Fund Balances	209	(616,470)	(2,066)	-	-	-	(618,327)
Fund Balances - January 1, 2017	<u>96</u>	<u>1,409,489</u>	<u>313,509</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,723,094</u>
Fund Balances - December 31, 2017	<u>\$ 305</u>	<u>\$ 793,019</u>	<u>\$ 311,443</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,104,767</u>

**Peters Township**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Special Revenue Fund**  
**Highway Aid Fund**  
**Budget and Actual**  
**Year Ended December 31, 2017**

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest, Rents and Royalties				
Interest Earnings	\$ 750	\$ 750	\$ 1,833	\$ 1,083
Intergovernmental				
Liquid Fuels Tax	<u>729,067</u>	<u>729,067</u>	<u>742,029</u>	<u>12,962</u>
Total Revenues	<u>729,817</u>	<u>729,817</u>	<u>743,862</u>	<u>14,045</u>
Expenditures				
Capital Outlay	<u>729,898</u>	<u>729,898</u>	<u>743,653</u>	<u>(13,755)</u>
Net Change in Fund Balance	(81)	(81)	209	290
Fund Balance - January 1, 2017	<u>81</u>	<u>81</u>	<u>96</u>	<u>15</u>
Fund Balance - December 31, 2017	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 305</u>	<u>\$ 305</u>

**Peters Township**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Special Revenue Fund**  
**Cable Television Fund**  
**Budget and Actual**  
**Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues				
Licenses and Permits				
Cable TV Franchise Fees	\$ 564,340	\$ 564,340	\$ 571,659	\$ 7,319
Interest, Rents & Royalties				
Interest Earnings	2,500	2,500	4,205	1,705
Miscellaneous - Other	<u>200</u>	<u>200</u>	<u>600</u>	<u>400</u>
Total Revenues	<u>567,040</u>	<u>567,040</u>	<u>576,464</u>	<u>9,424</u>
Expenditures				
Current:				
General Government - Administrative				
Other Services & Charges	41,500	41,500	49,975	(8,475)
Culture - Recreation				
Cable Television				
Personal Services	78,314	78,314	78,217	97
Supplies	21,000	21,000	22,957	(1,957)
Other Services & Charges	7,500	7,500	5,504	1,996
Capital Outlay	<u>26,800</u>	<u>26,800</u>	<u>26,281</u>	<u>519</u>
Total Expenditures	<u>175,114</u>	<u>175,114</u>	<u>182,934</u>	<u>(7,820)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>391,926</u>	<u>391,926</u>	<u>393,530</u>	<u>1,604</u>
Other Financing Sources (Uses)				
Transfers Out				
General Fund	(10,000)	(10,000)	(10,000)	-
Capital Projects Fund	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(1,010,000)</u>	<u>(1,010,000)</u>	<u>(1,010,000)</u>	<u>-</u>
Net Change in Fund Balance	(618,074)	(618,074)	(616,470)	1,604
Fund Balance - January 1, 2017	<u>1,403,888</u>	<u>1,403,888</u>	<u>1,409,489</u>	<u>5,601</u>
Fund Balance - December 31, 2017	<u>\$ 785,814</u>	<u>\$ 785,814</u>	<u>\$ 793,019</u>	<u>\$ 7,205</u>

See Accompanying Note to the Budgetary Comparison Schedule

**Peters Township  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance  
Special Revenue Fund  
Library Fund  
Budget and Actual  
Year Ended December 31, 2017**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and Forfeits				
Library Fines	\$ 30,000	\$ 30,000	\$ 29,699	\$ (301)
Interest, Rents and Royalties				
Interest Earnings	-	-	837	837
Intergovernmental				
State Grant	79,522	79,522	79,522	-
County Grant	35,226	35,226	35,526	300
Charges for Services				
Library Use Fees	4,000	4,000	14,451	10,451
Miscellaneous				
Contributions & Donations from Private Sources	<u>7,500</u>	<u>7,500</u>	<u>-</u>	<u>(7,500)</u>
<b>Total Revenues</b>	<u>156,248</u>	<u>156,248</u>	<u>160,035</u>	<u>3,787</u>
<b>Expenditures</b>				
Current:				
Culture - Recreation				
Libraries				
Personal Services	630,730	630,730	599,058	31,672
Supplies	213,320	213,320	182,654	30,666
Other Services & Charges	<u>163,100</u>	<u>163,100</u>	<u>155,389</u>	<u>7,711</u>
<b>Total Expenditures</b>	<u>1,007,150</u>	<u>1,007,150</u>	<u>937,101</u>	<u>70,049</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(850,902)</u>	<u>(850,902)</u>	<u>(777,066)</u>	<u>73,836</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In				
General Fund	<u>775,000</u>	<u>775,000</u>	<u>775,000</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(75,902)	(75,902)	(2,066)	73,836
Fund Balance - January 1, 2017	<u>312,708</u>	<u>312,708</u>	<u>313,509</u>	<u>801</u>
Fund Balance - December 31, 2017	<u>\$ 236,806</u>	<u>\$ 236,806</u>	<u>\$ 311,443</u>	<u>\$74,637</u>

**Peters Township**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Debt Service Fund**  
**Series of 2012**  
**Budget and Actual**  
**Year Ended December 31, 2017**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$ _____ -	\$ _____ -	\$ _____ -	\$ -
Expenditures				
Debt Service:				
Principal	375,000	375,000	375,000	-
Interest	<u>4,988</u>	<u>4,988</u>	<u>5,087</u>	<u>(99)</u>
Total Expenditures	<u>379,988</u>	<u>379,988</u>	<u>380,087</u>	<u>(99)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(379,988)</u>	<u>(379,988)</u>	<u>(380,087)</u>	<u>(99)</u>
Other Financing Sources (Uses)				
Transfers In				
General Fund	<u>379,988</u>	<u>379,988</u>	<u>380,087</u>	<u>99</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance - January 1, 2017	_____ -	_____ -	_____ -	_____ -
Fund Balance - December 31, 2017	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>

**Peters Township**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Debt Service Fund**  
**Series of 2013**  
**Budget and Actual**  
**Year Ended December 31, 2017**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Expenditures				
Debt Service:				
Principal	345,000	345,000	345,000	-
Interest	<u>205,318</u>	<u>205,318</u>	<u>205,417</u>	<u>(99)</u>
Total Expenditures	<u>550,318</u>	<u>550,318</u>	<u>550,417</u>	<u>(99)</u>
Excess (Deficiency) of				
Revenues Over Expenditures	<u>(550,318)</u>	<u>(550,318)</u>	<u>(550,417)</u>	<u>(99)</u>
Other Financing Sources (Uses)				
Transfers In				
General Fund	<u>550,318</u>	<u>550,318</u>	<u>550,417</u>	<u>99</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance - January 1, 2017	_____ -	_____ -	_____ -	_____ -
Fund Balance - December 31, 2017	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>

**Peters Township**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Debt Service Fund**  
**Series of 2016**  
**Budget and Actual**  
**Year Ended December 31, 2017**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Expenditures				
Debt Service:				
Principal	100,000	100,000	100,000	-
Interest	<u>233,168</u>	<u>233,168</u>	<u>232,818</u>	<u>350</u>
Total Expenditures	<u>333,168</u>	<u>333,168</u>	<u>332,818</u>	<u>350</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(333,168)</u>	<u>(333,168)</u>	<u>(332,818)</u>	<u>350</u>
Other Financing Sources (Uses)				
Transfers In				
General Fund	<u>333,168</u>	<u>333,168</u>	<u>332,818</u>	<u>(350)</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance - January 1, 2017	_____ -	_____ -	_____ -	_____ -
Fund Balance - December 31, 2017	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>

## **CAPITAL PROJECTS FUND**

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

**Peters Township**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Capital Projects Fund**  
**Budget and Actual**  
**Year Ended December 31, 2017**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest, Rents and Royalties				
Interest Earnings	\$ 5,800	\$ 5,800	\$ 20,699	\$ 14,899
Rents	-	-	441,472	441,472
Intergovernmental				
State Grants	1,753,792	1,753,792	701,509	(1,052,283)
County Grants	200,000	200,000	-	(200,000)
Miscellaneous Revenue				
Contributions & Donations	<u>400,000</u>	<u>400,000</u>	<u>253,608</u>	<u>(146,392)</u>
<b>Total Revenues</b>	<u><b>2,359,592</b></u>	<u><b>2,359,592</b></u>	<u><b>1,417,288</b></u>	<u><b>(942,304)</b></u>
<b>Expenditures</b>				
Capital Outlay:				
General Government				
Administration				
Capital Purchases	20,000	20,000	19,246	754
Professional Services				
Capital Purchases	15,000	15,000	-	15,000
Network Administration				
Capital Purchases	77,000	77,000	48,013	28,987
Municipal Building				
Capital Purchases	73,000	73,000	94,571	(21,571)
Public Safety				
Police Administration				
Capital Purchases	15,000	15,000	3,973	11,027
Police Patrol				
Capital Purchases	8,100	8,100	-	8,100
Fire Station				
Capital Construction	142,000	142,000	28,000	114,000
Fire Vehicle Maintenance				
Capital Purchases	930,000	930,000	514,926	415,074
Planning				
Capital Purchases	446,356	446,356	47,686	398,670
Public Works - Sanitation				
Recycling				
Capital Purchases	68,778	68,778	-	68,778

(Cont'd)

**Peters Township**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Capital Projects Fund**  
**Budget and Actual**  
**Year Ended December 31, 2017**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (Cont'd)				
Capital Outlay: (Cont'd)				
Public Works - Highways				
Maintenance Building				
Capital Construction	\$ 15,000	\$ 15,000	\$ 19,397	\$ (4,397)
Snow and Ice Removal				
Capital Purchases	20,000	20,000	30,334	(10,334)
Traffic Signals and Signs				
Capital Purchases	538,500	538,500	4,540	533,960
Storm Sewers and Drains				
Capital Construction	610,000	610,000	290,830	319,170
Vehicle Maintenance				
Capital Purchases	470,000	470,000	431,404	38,596
Highway Maintenance				
Capital Construction	777,473	777,473	705,521	71,952
Culture - Recreation				
Park Maintenance				
Capital Purchases	-	-	37,418	(37,418)
Capital Construction	<u>1,410,000</u>	<u>1,410,000</u>	<u>1,011,639</u>	<u>398,361</u>
Total Expenditures	<u>5,636,207</u>	<u>5,636,207</u>	<u>3,287,498</u>	<u>2,348,709</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,276,615)</u>	<u>(3,276,615)</u>	<u>(1,870,210)</u>	<u>1,406,405</u>
Other Financing Sources (Uses)				
Transfers In				
General Fund	958,392	958,392	958,392	-
Cable Television Fund	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	-
Total Other Financing Sources (Uses)	<u>1,958,392</u>	<u>1,958,392</u>	<u>1,958,392</u>	-
Net Change in Fund Balance	(1,318,223)	(1,318,223)	88,182	1,406,405
Fund Balance - January 1, 2017	<u>4,093,625</u>	<u>4,093,625</u>	<u>4,062,327</u>	<u>(31,298)</u>
Fund Balance - December 31, 2017	<u>\$ 2,775,402</u>	<u>\$ 2,775,402</u>	<u>\$ 4,150,509</u>	<u>\$ 1,375,107</u>

## STATISTICAL SECTION

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

### CONTENTS

### TABLE

#### FINANCIAL TRENDS

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

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#### REVENUE CAPACITY

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

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#### DEBT CAPACITY

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

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#### DEMOGRAPHIC AND ECONOMIC INFORMATION

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

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#### OPERATING INFORMATION

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

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities										
Net Investments in Capital Assets	\$18,472,602	\$20,739,176	\$21,162,320	\$22,351,241	\$23,100,723	\$23,993,073	\$25,824,998	\$29,474,431	\$27,924,659	\$30,483,326
Restricted	\$1,217,202	\$1,114,460	\$1,507,858	\$1,695,917	\$3,318,989	\$2,210,648	\$1,763,575	\$20	\$96	\$305
Unrestricted	\$5,545,759	\$4,938,964	\$6,549,655	\$6,627,336	\$6,288,870	\$8,382,357	\$8,796,529	\$8,988,883	\$9,719,213	\$9,919,664
Total Governmental Activities Net Position	<u>\$25,235,563</u>	<u>\$26,792,600</u>	<u>\$29,219,833</u>	<u>\$30,674,494</u>	<u>\$32,708,582</u>	<u>\$34,586,078</u>	<u>\$36,385,102</u>	<u>\$38,463,334</u>	<u>\$37,643,968</u>	<u>\$40,403,295</u>
Business-type Activites										
Unrestricted	<u>\$19,651</u>	<u>\$71,539</u>	<u>\$141,179</u>	<u>\$156,440</u>	<u>\$94,312</u>	<u>\$131,036</u>	<u>\$211,207</u>	<u>\$191,182</u>	<u>\$230,573</u>	<u>\$212,068</u>
Total Business-type Net Position	<u>\$19,651</u>	<u>\$71,539</u>	<u>\$141,179</u>	<u>\$156,440</u>	<u>\$94,312</u>	<u>\$131,036</u>	<u>\$211,207</u>	<u>\$191,182</u>	<u>\$230,573</u>	<u>\$212,068</u>
∞ Total Primary Government										
Net Investments in Capital Assets	\$18,472,602	\$20,739,176	\$21,162,320	\$22,351,241	\$23,100,723	\$23,993,073	\$25,824,998	\$29,474,431	\$27,924,659	\$30,483,326
Restricted	\$1,217,202	\$1,114,460	\$1,507,858	\$1,695,917	\$3,318,989	\$2,210,648	\$1,763,575	\$20	\$96	\$305
Unrestricted	\$5,565,410	\$5,010,503	\$6,690,834	\$6,783,776	\$6,383,182	\$8,513,393	\$9,007,736	\$9,180,065	\$9,949,786	\$10,131,732
Total Net Position	<u>\$25,255,214</u>	<u>\$26,864,139</u>	<u>\$29,361,012</u>	<u>\$30,830,934</u>	<u>\$32,802,894</u>	<u>\$34,717,114</u>	<u>\$36,596,309</u>	<u>\$38,654,516</u>	<u>\$37,874,541</u>	<u>\$40,615,363</u>

**PETERS TOWNSHIP**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
*(accrual basis of accounting)*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses</b>										
Governmental Activities										
General Government	\$1,409,361	\$1,449,339	\$1,527,661	\$1,584,088	\$1,595,251	\$1,718,037	\$1,615,418	\$1,682,152	\$2,304,739	\$2,002,009
Public Safety	\$4,462,287	\$4,775,435	\$4,929,104	\$5,311,593	\$5,712,717	\$5,814,163	\$6,058,879	\$6,216,579	\$6,590,098	\$6,333,670
Public Works-Sanitation	\$43,890	\$64,389	\$49,076	\$76,492	\$26,486	\$62,992	\$36,020	\$97,891	\$32,484	\$72,025
Public Works - Highway	\$2,625,321	\$2,491,604	\$3,439,842	\$3,144,509	\$3,340,061	\$3,190,144	\$3,948,691	\$3,636,335	\$4,255,011	\$4,542,553
Culture - Recreation	\$2,799,125	\$2,774,708	\$2,715,179	\$2,907,506	\$2,979,531	\$3,049,562	\$3,075,042	\$3,361,762	\$3,469,473	\$3,585,582
Interest on Long Term Debt	<u>\$340,874</u>	<u>\$320,188</u>	<u>\$508,893</u>	<u>\$501,342</u>	<u>\$453,737</u>	<u>\$283,046</u>	<u>\$303,143</u>	<u>\$285,323</u>	<u>\$324,615</u>	<u>\$477,275</u>
Total Governmental										
Activities Expenses	<u>\$11,680,858</u>	<u>\$11,875,663</u>	<u>\$13,169,755</u>	<u>\$13,525,530</u>	<u>\$14,107,783</u>	<u>\$14,117,944</u>	<u>\$15,037,193</u>	<u>\$15,280,042</u>	<u>\$16,976,420</u>	<u>\$17,013,114</u>
Business-Type Activities										
Solid Waste Collection	<u>\$1,283,842</u>	<u>\$1,253,927</u>	<u>\$1,247,810</u>	<u>\$1,343,662</u>	<u>\$1,402,362</u>	<u>\$1,479,044</u>	<u>\$1,491,118</u>	<u>\$1,505,941</u>	<u>\$1,530,559</u>	<u>\$1,611,253</u>
Total Business-Type Expenses	<u>\$1,283,842</u>	<u>\$1,253,927</u>	<u>\$1,247,810</u>	<u>\$1,343,662</u>	<u>\$1,402,362</u>	<u>\$1,479,044</u>	<u>\$1,491,118</u>	<u>\$1,505,941</u>	<u>\$1,530,559</u>	<u>\$1,611,253</u>
Total Primary Government Expenses	<u>\$12,964,700</u>	<u>\$13,129,590</u>	<u>\$14,417,565</u>	<u>\$14,869,192</u>	<u>\$15,510,145</u>	<u>\$15,596,988</u>	<u>\$16,528,311</u>	<u>\$16,785,983</u>	<u>\$18,506,979</u>	<u>\$18,624,367</u>
<b>Program Revenue</b>										
Governmental Activities										
General Government										
Charges for Services	\$117,375	\$120,458	\$108,932	\$122,769	\$101,940	\$64,838	\$96,049	\$45,178	\$57,307	\$39,104
Operating Grants	\$109,873	\$118,570	\$119,422	\$142,579	\$81,357	\$94,934	\$86,438	\$97,740	\$123,799	\$115,574
Public Safety										
Charges for Services	\$277,986	\$311,509	\$403,066	\$472,241	\$453,885	\$452,079	\$479,480	\$431,194	\$446,262	\$408,464
Operating Grants	\$285,857	\$258,502	\$276,399	\$484,934	\$331,514	\$363,101	\$360,995	\$334,199	\$377,881	\$396,218
Capital Grants and Contributions		\$534,321								
Public Works - Sanitation										
Charges for Services	\$0	\$11,368	\$5,461	\$10,425	\$5,673	\$5,893	\$0	\$0	\$0	\$0
Operating Grants	\$41,273	\$73,136	\$32,688	\$23,184	\$0	\$0	\$0	\$0	\$0	\$68,189
Public Works - Highway										
Charges for Services	\$47,575	\$56,160	\$52,597	\$43,413	\$45,513	\$81,262	\$68,130	\$68,840	\$53,564	\$49,782
Operating Grants	\$530,477	\$511,714	\$493,678	\$681,079	\$560,529	\$806,723	\$809,472	\$849,898	\$778,200	\$825,545
Capital Grants and Contributions	\$738,487	\$809,395	\$1,932,556	\$784,000	\$1,577,537	\$990,196	\$1,073,696	\$1,370,358	\$169,038	\$1,879,323

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Culture - Recreation										
Charges for Services	\$738,552	\$771,609	\$854,945	\$871,332	\$918,602	\$931,705	\$883,805	\$1,029,295	\$1,082,145	\$1,129,816
Operating Grants	\$190,268	\$165,315	\$125,307	\$141,078	\$123,273	\$120,436	\$119,549	\$115,898	\$114,983	\$115,048
Capital Grants and Contributions	\$331,504	\$0	\$6,506	\$0	\$125,000	\$0	\$60,000	\$0	\$0	\$185,000
Total Governmental										
Activities Program Revenues	<u>\$3,409,227</u>	<u>\$3,742,057</u>	<u>\$4,411,557</u>	<u>\$3,777,034</u>	<u>\$4,324,823</u>	<u>\$3,911,167</u>	<u>\$4,037,614</u>	<u>\$4,342,600</u>	<u>\$3,203,179</u>	<u>\$5,212,063</u>
Business-Type Activities										
Solid Waste Collection	\$1,296,969	\$1,305,633	\$1,317,316	\$1,358,824	\$1,340,208	\$1,515,746	\$1,571,260	\$1,537,774	\$1,569,950	\$1,592,748
Total Business-type Revenues	<u>\$1,296,969</u>	<u>\$1,305,633</u>	<u>\$1,317,316</u>	<u>\$1,358,824</u>	<u>\$1,340,208</u>	<u>\$1,515,746</u>	<u>\$1,571,260</u>	<u>\$1,537,774</u>	<u>\$1,569,950</u>	<u>\$1,592,748</u>
Total Primary Government Revenues	<u>\$4,706,196</u>	<u>\$5,047,690</u>	<u>\$5,728,873</u>	<u>\$5,135,858</u>	<u>\$5,665,031</u>	<u>\$5,426,913</u>	<u>\$5,608,874</u>	<u>\$5,880,374</u>	<u>\$4,773,129</u>	<u>\$6,804,811</u>
<b>Governmental Activities and Business</b>										
<b>Type Net (Expense)/Revenue</b>	<u>(\$8,258,504)</u>	<u>(\$8,081,900)</u>	<u>(\$8,688,692)</u>	<u>(\$9,733,334)</u>	<u>(\$9,845,114)</u>	<u>(\$10,170,075)</u>	<u>(\$10,919,437)</u>	<u>(\$10,905,609)</u>	<u>(\$13,733,850)</u>	<u>(\$11,819,556)</u>
<b>General Revenues and</b>										
<b>Other Changes in Net Position</b>										
Taxes										
Property Taxes	\$3,583,129	\$3,652,450	\$4,300,408	\$4,094,648	\$4,170,057	\$4,278,658	\$4,341,766	\$4,425,092	\$4,470,358	\$4,679,033
Earned Income Taxes	\$4,348,038	\$4,462,747	\$4,614,173	\$4,782,082	\$5,075,430	\$5,469,004	\$6,003,743	\$5,684,718	\$5,670,499	\$6,229,224
Other Taxes	\$1,741,025	\$1,397,666	\$1,563,884	\$1,796,611	\$2,023,211	\$1,989,068	\$2,064,758	\$2,157,142	\$2,010,044	\$2,363,472
Grants and Contributions	\$22,712	\$28,033	\$593,316	\$406,685	\$321,763	\$332,638	\$328,955	\$1,613,318	\$729,546	\$1,028,580
Investment Earnings	\$197,551	\$109,784	\$99,599	\$105,386	\$102,174	\$69,724	\$5,101	\$7,915	\$18,887	\$62,227
Miscellaneous Income	\$103,897	\$40,145	\$14,185	\$17,745	\$124,413	\$104,339	\$54,280	\$53,219	\$54,541	\$197,842
Transfers								\$51,891	\$0	\$0
Total Governmental Activities	<u>\$9,996,352</u>	<u>\$9,690,825</u>	<u>\$11,185,565</u>	<u>\$11,203,157</u>	<u>\$11,817,048</u>	<u>\$12,243,431</u>	<u>\$12,798,603</u>	<u>\$13,993,295</u>	<u>\$12,953,875</u>	<u>\$14,560,378</u>
Business-Type Activities										
Investment Earnings				\$99	\$26	\$22	\$29	\$33	\$0	\$0
Transfers								-\$51,891	\$0	\$0
Total Business-type Activities				<u>\$99</u>	<u>\$26</u>	<u>\$22</u>	<u>\$29</u>	<u>-\$51,858</u>	<u>\$0</u>	<u>\$0</u>
Total General Revenues and Other										
Changes in Net Position	<u>\$9,996,352</u>	<u>\$9,690,825</u>	<u>\$11,185,565</u>	<u>\$11,203,256</u>	<u>\$11,817,074</u>	<u>\$12,243,453</u>	<u>\$12,798,632</u>	<u>\$13,941,437</u>	<u>\$12,953,875</u>	<u>\$14,560,378</u>
<b>Change in Net Position</b>										
Government Activities	\$1,724,721	\$1,557,219	\$2,427,367	\$1,454,661	\$2,034,088	\$2,036,654	\$1,799,024	\$3,055,853	-\$819,366	\$2,759,327
Business-type Activities	<u>\$13,127</u>	<u>\$51,706</u>	<u>\$69,506</u>	<u>\$15,261</u>	<u>-\$62,128</u>	<u>\$36,724</u>	<u>\$80,171</u>	<u>-\$20,025</u>	<u>\$39,391</u>	<u>-\$18,505</u>
Total Governmental and Business-										
type Activities	<u>\$1,737,848</u>	<u>\$1,608,925</u>	<u>\$2,496,873</u>	<u>\$1,469,922</u>	<u>\$1,971,960</u>	<u>\$2,073,378</u>	<u>\$1,879,195</u>	<u>\$3,035,828</u>	<u>-\$779,975</u>	<u>\$2,740,822</u>

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Fund</b>										
Nonspendable				\$3,069	\$3,069	\$3,069	\$3,069	\$44,027	\$44,027	\$47,054
Committed				\$351,936	\$440,979	\$516,153	\$594,543	\$661,621	\$661,926	\$670,344
Assigned				\$706,256	\$64,614	\$66,497	\$63,189	\$68,888	\$67,989	\$41,458
Unassigned	<u>\$4,935,648</u>	<u>\$4,350,296</u>	<u>\$5,787,074</u>	<u>\$4,770,030</u>	<u>\$3,910,072</u>	<u>\$5,357,021</u>	<u>\$6,238,549</u>	<u>\$5,628,203</u>	<u>\$5,010,209</u>	<u>\$5,628,403</u>
<b>Total General Fund</b>	<u>\$4,935,648</u>	<u>\$4,350,296</u>	<u>\$5,787,074</u>	<u>\$5,831,291</u>	<u>\$4,418,734</u>	<u>\$5,942,740</u>	<u>\$6,899,350</u>	<u>\$6,402,739</u>	<u>\$5,784,151</u>	<u>\$6,387,259</u>
<b>All Other Governmental Funds</b>										
Restricted										
Capital Projects Fund	\$1,217,202	\$1,114,460	\$4,192,244	\$3,572,879	\$3,318,935	\$2,210,638	\$1,763,550	\$0	\$0	\$0
Highway Aid Fund	\$1,883	\$542	\$109	\$22	\$54	\$10	\$25	\$20	\$96	\$305
Committed										
Cable Television Fund	\$644,914	\$702,594	\$808,755	\$1,024,678	\$1,245,903	\$1,448,014	\$1,748,730	\$1,525,310	\$1,409,489	\$793,019
Capital Projects Fund					\$877,253	\$633,328	\$534,885	\$2,168,338	\$4,062,327	\$4,150,509
Assigned										
Library Fund	\$240,344	\$253,962	\$250,033	\$231,863	\$290,925	\$375,764	\$406,031	\$508,066	\$313,509	\$311,443
<b>Total All Other Governmental Funds</b>	<u>\$2,104,343</u>	<u>\$2,071,558</u>	<u>\$5,251,141</u>	<u>\$4,829,442</u>	<u>\$5,733,070</u>	<u>\$4,667,754</u>	<u>\$4,453,221</u>	<u>\$4,201,734</u>	<u>\$5,785,421</u>	<u>\$5,255,276</u>
<b>Fund Balance - All Funds</b>	<u>\$7,039,991</u>	<u>\$6,421,854</u>	<u>\$11,038,215</u>	<u>\$10,660,733</u>	<u>\$10,151,804</u>	<u>\$10,610,494</u>	<u>\$11,352,571</u>	<u>\$10,604,473</u>	<u>\$11,569,572</u>	<u>\$11,642,535</u>

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

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues</b>										
Taxes	\$9,714,247	\$9,581,898	\$10,550,017	\$10,765,185	\$11,338,959	\$11,757,986	\$12,429,119	\$12,277,745	\$12,157,694	\$13,266,932
Licenses and Permits	\$329,642	\$341,375	\$442,426	\$453,632	\$472,232	\$516,967	\$515,028	\$553,728	\$576,752	\$577,262
Fines and Forfeits	\$122,569	\$152,904	\$159,876	\$137,681	\$118,183	\$106,239	\$109,685	\$92,662	\$96,620	\$99,407
Interest, Rents and Royalties	\$195,878	\$116,602	\$99,465	\$105,386	\$102,174	\$69,724	\$5,101	\$7,915	\$18,887	\$503,700
Grants	\$1,331,513	\$1,147,859	\$1,469,737	\$1,864,232	\$2,165,365	\$1,999,018	\$1,862,552	\$2,161,406	\$2,124,174	\$2,242,681
Charges for Services	\$729,277	\$754,335	\$798,791	\$912,111	\$895,512	\$889,214	\$902,751	\$928,117	\$965,906	\$950,497
Miscellaneous	<u>\$284,348</u>	<u>\$198,655</u>	<u>\$215,672</u>	<u>\$201,427</u>	<u>\$292,359</u>	<u>\$459,177</u>	<u>\$323,026</u>	<u>\$365,652</u>	<u>\$223,814</u>	<u>\$304,058</u>
Total Revenue	<u>\$12,707,474</u>	<u>\$12,293,628</u>	<u>\$13,735,984</u>	<u>\$14,439,654</u>	<u>\$15,384,784</u>	<u>\$15,798,325</u>	<u>\$16,147,262</u>	<u>\$16,387,225</u>	<u>\$16,163,847</u>	<u>\$17,944,537</u>
<b>Expenditures</b>										
General Government	\$1,101,122	\$1,115,194	\$1,313,478	\$1,212,065	\$1,160,022	\$1,237,575	\$1,290,802	\$1,294,443	\$1,722,597	\$1,500,131
Public Safety	\$3,479,248	\$3,705,732	\$3,786,951	\$4,028,389	\$4,150,110	\$4,331,600	\$4,427,527	\$4,684,443	\$4,753,507	\$4,880,107
Public Work - Sanitation	\$39,276	\$59,703	\$40,930	\$56,658	\$22,577	\$58,494	\$30,388	\$84,189	\$27,237	\$65,988
Public Works -Highways	\$1,167,846	\$1,048,960	\$1,222,455	\$1,246,424	\$1,170,805	\$1,411,437	\$1,478,169	\$1,493,056	\$1,519,489	\$1,340,887
Culture - Recreation	\$2,150,739	\$2,183,937	\$2,159,507	\$2,194,654	\$2,192,057	\$2,158,521	\$2,211,877	\$2,287,528	\$2,355,828	\$2,445,216
Insurance and Employee Benefits	\$1,322,512	\$1,487,122	\$1,575,491	\$1,754,622	\$1,948,131	\$1,943,246	\$2,053,283	\$2,279,139	\$2,425,791	\$2,305,710
Capital Outlays	\$2,296,014	\$2,340,077	\$4,884,073	\$3,011,770	\$4,045,856	\$3,326,998	\$3,354,720	\$4,154,769	\$9,297,907	\$4,057,432
Debt Service										
Principal	\$628,573	\$650,973	\$578,480	\$812,709	\$802,361	\$745,483	\$757,493	\$870,208	\$838,097	\$986,558
Interest and Fees	<u>\$340,704</u>	<u>\$320,067</u>	<u>\$488,756</u>	<u>\$499,845</u>	<u>\$446,570</u>	<u>\$242,944</u>	<u>\$250,892</u>	<u>\$245,872</u>	<u>\$235,074</u>	<u>\$462,525</u>
Total Expenditures	<u>\$12,526,034</u>	<u>\$12,911,765</u>	<u>\$16,050,121</u>	<u>\$14,817,136</u>	<u>\$15,938,489</u>	<u>\$15,456,298</u>	<u>\$15,855,151</u>	<u>\$17,393,647</u>	<u>\$23,175,527</u>	<u>\$18,044,554</u>
Excess of Revenues over (under) Expenditures	\$181,440	(\$618,137)	(\$2,314,137)	(\$377,482)	(\$553,705)	\$342,027	\$292,111	(\$1,006,422)	(\$7,011,680)	(\$100,017)

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	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Other Financing Sources (Uses)</b>										
Proceeds from Capital Lease	\$0	\$0	\$402,660	\$0	\$0	\$0	\$449,966	\$206,433	\$0	\$0
Proceeds from General										
Long Term Debt	\$0	\$0	\$11,010,000	\$0	\$2,290,000	\$10,000,000	\$0	\$0	\$7,905,000	\$0
Premium on Bonds Issued	\$0	\$0	\$0	\$0	\$5,649	\$129,345	\$0	\$0	\$71,779	\$0
Discount on Bonds Issued	\$0	\$0	(\$27,505)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sale of Capital Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$172,980
Payment to Refunded Bond Agent	<u>\$0</u>	<u>\$0</u>	<u>(\$4,454,657)</u>	<u>\$0</u>	<u>(\$2,250,873)</u>	<u>(\$10,012,682)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Other Financing Sources (Uses)	<u>\$0</u>	<u>\$0</u>	<u>\$6,930,498</u>	<u>\$0</u>	<u>\$44,776</u>	<u>\$116,663</u>	<u>\$449,966</u>	<u>\$206,433</u>	<u>\$7,976,779</u>	<u>\$172,980</u>
Net Change in Fund Balance	\$181,440	(\$618,137)	\$4,616,361	(\$377,482)	(\$508,929)	\$458,690	\$742,077	(\$799,989)	\$965,099	\$72,963
Fund Balance 1/1	<u>\$6,858,551</u>	<u>\$7,039,991</u>	<u>\$6,421,854</u>	<u>\$11,038,215</u>	<u>\$10,660,733</u>	<u>\$10,151,804</u>	<u>\$10,610,494</u>	<u>\$11,352,571</u>	<u>\$10,604,473</u>	<u>\$11,569,572</u>
Fund Balance 12/31	<u>\$7,039,991</u>	<u>\$6,421,854</u>	<u>\$11,038,215</u>	<u>\$10,660,733</u>	<u>\$10,151,804</u>	<u>\$10,610,494</u>	<u>\$11,352,571</u>	<u>\$10,604,473</u>	<u>\$11,569,572</u>	<u>\$11,642,535</u>
Total Noncapital Expenditure	\$11,049,816	\$11,223,213	\$12,533,022	\$12,666,721	\$13,170,888	\$12,933,700	\$13,695,847	\$13,825,650	\$14,993,373	\$13,699,274
Debt Service as a % of Noncapital Expenditures	8.8%	8.7%	8.5%	10.4%	9.5%	7.6%	7.4%	8.1%	7.2%	10.6%

**PETERS TOWNSHIP**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION <sup>1</sup>**  
**LAST TEN FISCAL YEARS**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenditures <sup>2</sup></b>										
General Government	\$1,141,943	\$1,170,221	\$1,438,031	\$1,299,416	\$1,324,997	\$2,008,404	\$1,372,824	\$1,347,978	\$2,172,039	\$1,661,961
Public Safety	\$3,613,014	\$3,828,379	\$4,240,815	\$4,046,863	\$4,309,419	\$4,431,742	\$4,973,962	\$4,939,112	\$4,852,155	\$5,474,692
Public Work - Sanitation	\$39,276	\$59,703	\$40,930	\$71,938	\$22,577	\$58,494	\$30,388	\$392,713	\$27,237	\$65,988
Public Works -Highways	\$2,835,506	\$2,896,720	\$3,477,961	\$3,208,984	\$3,454,097	\$3,654,977	\$3,961,580	\$4,301,983	\$3,905,946	\$3,566,566
Culture - Recreation	\$2,604,505	\$2,498,580	\$4,209,657	\$3,122,759	\$3,630,337	\$2,371,008	\$2,454,729	\$3,016,642	\$8,719,188	\$3,520,554
Insurance and Employee Benefits	\$1,322,512	\$1,487,122	\$1,575,491	\$1,754,622	\$1,948,131	\$1,943,246	\$2,053,283	\$2,279,139	\$2,425,791	\$2,305,710
Debt Service	\$969,277	\$971,040	\$1,067,236	\$1,312,554	\$1,248,931	\$988,427	\$1,008,385	\$1,116,080	\$1,073,171	\$1,449,083
Total Expenditure	<u>\$12,526,034</u>	<u>\$12,911,765</u>	<u>\$16,050,121</u>	<u>\$14,817,136</u>	<u>\$15,938,489</u>	<u>\$15,456,298</u>	<u>\$15,855,151</u>	<u>\$17,393,647</u>	<u>\$23,175,527</u>	<u>\$18,044,554</u>

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

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

Table 6

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

Fiscal Year	Taxable Assessed Value <sup>1</sup>	Estimated Market Value <sup>2</sup>	Total Direct Tax Rate	Ratio of Total Assessed Value to to Estimated Market Value
2008	\$306,615,839	\$1,767,090,818	12 mills	17.4%
2009	\$312,816,022	\$1,830,086,400	12 mills	17.1%
2010	\$317,192,571	\$1,943,754,522	14 mills	16.3%
2011	\$323,590,796	\$1,987,599,125	13 mills	16.3%
2012	\$329,928,927	\$2,104,212,063	13 mills	15.7%
2013	\$336,832,664	\$2,152,776,343	13 mills	15.6%
2014	\$341,457,423	\$2,269,148,667	13 mills	15.0%
2015	\$341,823,160	\$2,304,326,626	13 mills	14.8%
2016	\$349,162,152	\$2,447,516,261	13 mills	14.3%
2017	\$3,122,120,918 <sup>4</sup>	<sup>3</sup>	1.522 mills <sup>4</sup>	<sup>3</sup>

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

(2) Source - Pennsylvania State Tax Equalization Board

(3) 2017 Market Value is not yet available

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

Table 7

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

Fiscal Year	Peters Township	Overlapping Rates		Total Direct and Overlapping Rates
		Peters Township School District	Washington County	
2008	12.0	89.5	21.4	122.9
2009	12.0	92.5	24.9	129.4
2010	14.0	95.2	24.9	134.1
2011	13.0	96.5	24.9	134.4
2012	13.0	100.3	24.9	138.2
2013	13.0	102.0	24.9	139.9
2014	13.0	107.1	24.9	145.0
2015	13.0	110.75	24.9	148.7
2016	13.0	113.40	24.9	151.3
2017 <sup>1</sup>	1.522	13.19	2.43	17.1

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

Township tax levy for operating purposes.

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

Table 8

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

	As of December 31, 2017			As of December 31, 2008	
	Assessed Valuation	Percent of Total Valuation		Assessed Valuation	Percent of Total Valuation
Donaldson's Crossroads Associates	\$35,689,800	1.1%	Waterdam Plaza Associates	\$3,801,459	1.2%
Waterdam Plaza Associates	\$25,091,400	0.8%	Donaldson's Crossroads Associates	\$1,758,817	0.6%
HCRI PA Properties	\$13,427,300	0.4%	HCR Manorcare	\$1,089,000	0.4%
Gallery Shoppes (I,II,III,Ltd.)	\$11,347,800	0.4%	Gallery Shoppes (I,II,III,Ltd.)	\$1,037,885	0.3%
Waterdam Partners	\$9,577,000	0.3%	K-Mart	\$904,200	0.3%
McDowell Partnership	\$8,605,100	0.3%	Valleybrook Country Club	\$708,651	0.2%
HCR Manorcare	\$6,793,000	0.2%	Robert Murphy	\$493,849	0.2%
K-Mart	\$6,300,000	0.2%	Rolling Hills Country Club	\$488,418	0.2%
Gregg Schwotzer	\$6,026,000	0.2%	Levin Family Partnership	\$487,675	0.2%
Norton Real Estate LLC	\$6,020,000	0.2%	Mark Miller	\$432,278	0.1%
Total	<u>\$128,877,400</u>	<u>4.1%</u>	Total	<u>\$11,202,232</u>	<u>3.7%</u>

Table 9

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

Fiscal Year	Total Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent & Liened Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy
		Amount	Percentage			
2008	\$3,679,390	\$3,550,756	96.50%	\$74,428	\$3,625,184	98.53%
2009	\$3,753,792	\$3,642,788	97.04%	\$78,697	\$3,721,485	99.14%
2010	\$4,440,696	\$4,297,078	96.77%	\$74,882	\$4,371,960	98.45%
2011	\$4,206,680	\$4,087,531	97.17%	\$98,961	\$4,186,492	99.52%
2012	\$4,289,076	\$4,169,582	97.21%	\$70,736	\$4,240,318	98.86%
2013	\$4,378,825	\$4,237,959	96.78%	\$61,955	\$4,299,914	98.20%
2014	\$4,438,951	\$4,297,739	96.82%	\$62,879	\$4,360,618	98.24%
2015	\$4,471,368	\$4,366,816	97.66%	\$69,069	\$4,435,885	99.21%
2016	\$4,539,108	\$4,417,289	97.32%	\$59,862	\$4,477,151	98.64%
2017	\$4,751,868	\$4,617,054	97.16%	\$57,182	\$4,674,236	98.37%

Table 10

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

Fiscal Year	Taxable Earned Income	Tax Collected	Per Capita Personal Income <sup>1</sup>
2007	\$852,958,800	\$4,264,794	\$41,305.51
2008	\$869,607,600	\$4,348,038	\$41,808.06
2009	\$892,549,400	\$4,462,747	\$42,603.79
2010	\$922,834,600	\$4,614,173	\$43,503.26
2011	\$956,416,400	\$4,782,082	\$44,769.76
2012	\$1,015,086,000	\$5,075,430	\$47,184.77
2013	\$1,093,800,800	\$5,469,004	\$50,491.66
2014	\$1,200,748,600	\$6,003,743	\$55,047.38
2015	\$1,136,943,600	\$5,684,718	\$51,450.07
2016	\$1,134,099,800	\$5,670,499	\$51,217.08
2017	\$1,245,844,800	\$6,229,224	\$56,575.31

(1) Based on Annual Population Figures in Table 29

Table 11

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

Fiscal Year	Peters Township	Peters Township School District
2008	0.50%	0.50%
2009	0.50%	0.50%
2010	0.50%	0.50%
2011	0.50%	0.50%
2012	0.50%	0.50%
2013	0.50%	0.50%
2014	0.50%	0.50%
2015	0.50%	0.50%
2016	0.50%	0.50%
2017	0.50%	0.50%

Table 12

**PETERS TOWNSHIP  
EARNED INCOME TAX FILERS AND LIABILITY BY INCOME LEVEL**

Income Level	2007			2008			2013		
	Number of Filers	% of Total	% of Total Income	Number of Filers	% of Total	% of Total Income	Number of Filers	% of Total	% of Total Income
\$100,001-and higher	2,230	20.8%	67.2%	2,355	21.3%	66.9%	2,729	23.6%	75.2%
\$50,001-100,000	2,299	21.5%	7.8%	2,390	21.6%	8.0%	2,291	19.8%	15.9%
\$0 to \$50,000	6,182	57.7%	12.6%	6,331	57.2%	12.4%	6,525	56.5%	8.9%
Total	10,711	100.0%	100.0%	11,076	100.0%	100.0%	11,545	100.0%	100.0%

Income Level	2014			2015			2016		
	Number of Filers	% of Total	% of Total Income	Number of Filers	% of Total	% of Total Income	Number of Filers	% of Total	% of Total Income
\$100,001-and higher	2,894	22.8%	75.3%	3,067	23.6%	73.1%	3,009	24.4%	69.7%
\$50,001-100,000	2,434	19.2%	16.0%	2,419	18.6%	17.4%	2,319	18.8%	20.4%
\$0 to \$50,000	7,345	58.0%	8.7%	7,501	57.8%	9.5%	6,995	56.8%	9.9%
Total	12,673	100.0%	100.0%	12,987	100.0%	100.0%	12,323	100.0%	100.0%

2009-2012 information not available

Keystone Collections Group does not finish processing 2017 tax returns until October 2018. Final numbers to be included in 2019 Budget Tables.

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

Fiscal Year	Capital Leases Outstanding	General Obligation Bonds	General Obligation Notes	Total Primary Government	Percentage of Earned Income	Per Capita Outstanding Debt <sup>1</sup>	Ratio of General Bonded Debt Outstanding to Assessed Value
2008	\$239,391	\$8,175,000	\$0	\$8,414,391	0.9%	\$393	2.7%
2009	\$183,418	\$7,580,000	\$0	\$7,763,418	0.8%	\$362	2.4%
2010	\$527,598	\$13,625,000	\$0	\$14,152,598	1.5%	\$642	4.3%
2011	\$389,889	\$12,919,847	\$0	\$13,309,736	1.4%	\$605	4.0%
2012	\$247,528	\$12,351,322	\$0	\$12,598,850	1.2%	\$574	3.7%
2013	\$167,045	\$12,470,248	\$0	\$12,637,293	1.1%	\$576	3.7%
2014	\$534,518	\$11,786,167	\$0	\$12,320,685	1.0%	\$540	3.5%
2015	\$570,743	\$11,077,086	\$0	\$11,647,829	1.0%	\$501	3.2%
2016	\$442,646	\$17,929,309	\$405,000	\$18,776,955	1.6%	\$828	5.3%
2017	\$312,632	\$17,097,376	\$368,456	\$17,778,464	1.4%	\$793	0.6%

(1) Based on Annual Population Figures in Table 29

Table 14

**PETERS TOWNSHIP  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
AS OF DECEMBER 31, 2017**

Jurisdiction	Net Debt Outstanding	Percentage Applicable to Peters Township*	Amount Applicable to Peters Township**
<b>Direct Debt</b>			
Peters Township	\$17,778,464	100.0%	<u>\$17,778,464</u>
<b>Total Direct Debt</b>			<u>\$17,778,464</u>
<b>Overlapping Debt</b>			
Peters Township School District	\$45,074,730	100.0%	\$45,074,730
Washington County	\$45,949,496	18.0%	<u>\$8,263,737</u>
<b>Total Overlapping Debt</b>	\$108,802,690		<u>\$53,338,467</u>
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>			<u><u>\$71,116,931</u></u>

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

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

**PETERS TOWNSHIP  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS <sup>1</sup>**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt Limit	\$32,455,848	\$33,600,307	\$34,833,803	\$36,518,623	\$38,340,337	\$39,621,908	\$40,871,583	\$41,964,585	\$42,468,228	\$43,904,362
Outstanding Debt Applicable to the Debt Limit	<u>\$8,175,000</u>	<u>\$7,580,000</u>	<u>\$13,625,000</u>	<u>\$12,950,000</u>	<u>\$12,370,000</u>	<u>\$12,345,000</u>	<u>\$11,670,000</u>	<u>\$10,970,000</u>	<u>\$18,165,000</u>	<u>\$17,308,456</u>
Legal Debt Margin	<u>\$24,280,848</u>	<u>\$26,020,307</u>	<u>\$21,208,803</u>	<u>\$23,568,623</u>	<u>\$25,970,337</u>	<u>\$27,276,908</u>	<u>\$29,201,583</u>	<u>\$30,994,585</u>	<u>\$24,303,228</u>	<u>\$26,595,906</u>
Total Net Debt Applicable to the Limit as a % of Debt Limit	25.2%	22.6%	39.1%	35.5%	32.3%	31.2%	28.6%	26.1%	42.8%	39.4%

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

**PETERS TOWNSHIP**  
**COMPUTATION OF LEGAL DEBT MARGIN AS OF DECEMBER 31, 2017**

	Nonelectoral Debt	Lease Rental Debt	Total
Total Gross Debt	\$17,308,456	\$0	\$17,308,456
Less: Debt Minus Exclusions	\$0	\$0	\$0
Gross Debt Minus Exclusions	\$17,308,456	\$0	\$17,308,456
Applicable Debt Limitations (1)			
Nonelectoral Regular			
Borrowing Base (2) x 250%	\$43,904,362		
\$17,561,745			
Nonelectoral Plus Lease Rental			
Borrowing Base (2) x 350%			\$61,466,107
\$17,561,745			
Additional Borrowing Capability			
- Nonelectoral Regular	\$26,595,906		
- Nonelectoral Plus Lease Rental			\$44,157,651

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

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

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

Table 17

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

Fiscal Year	Principal	Interest & Other Fees	Total Debt Service	Total General Expenditures <sup>1</sup>	Ratio of Debt Service to General Expenditures
2008	\$628,573	\$340,704	\$969,277	\$12,526,034	7.74%
2009	\$650,973	\$320,067	\$971,040	\$12,911,765	7.52%
2010	\$578,480	\$488,756	\$1,067,236	\$16,050,121	6.65%
2011	\$812,709	\$499,845	\$1,312,554	\$14,817,136	8.86%
2012	\$802,361	\$446,570	\$1,248,931	\$15,938,489	7.84%
2013	\$745,483	\$242,944	\$988,427	\$15,456,298	6.39%
2014	\$757,493	\$250,892	\$1,008,385	\$15,855,151	6.36%
2015	\$870,208	\$245,872	\$1,116,080	\$17,393,647	6.42%
2016	\$838,097	\$235,074	\$1,073,171	\$23,175,527	4.63%
2017	\$986,558	\$462,525	\$1,449,083	\$18,044,554	8.03%

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

Table 18

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

As of December 31, 2017		As of December 31, 2008	
Name	Type of Business	Name	Type of Business
Peters Township School District	Education	Peters Township School District	Education
Giant Eagle Markets, Inc.	Grocery Store	Giant Eagle Markets, Inc.	Grocery Store
Mancan Inc	Employment Service	Sears Roebuck & Co.	Service Center
Sunny Days In Home Care LLC	Healthcare	Heartland Employment Service	Nursing Home
Invo Peo Inc VI	Employment Service	Trigon Holdings Inc.	Manufacturing
Trigon Holding Inc.	Manufacturing	American Health Foundation	Nursing Home
Peters Township	Government	Valleybrook Country Club	Country Club
JWCF dba Baker Installations	Contractor	Peters Township	Government
Valleybrook Country Club	Country Club	A.C. Coy Company	Software/Staffing
Heartland Employment Services	Nursing Home	Bob Evans Farm Inc.	Restaurant

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

<u>As of December 31, 2017</u>				<u>As of December 31, 2008</u>			
	Total Expenditure	Company Name	Expenditure Category		Total Expenditure	Company Name	Expenditure Category
1	\$1,538,209	Waste Management	Public Works - Garbage	1	\$1,257,895	Waste Management	Public Works - Garbage
2	\$929,705	Bank of New York/Mellon	Debt Service	2	\$1,099,807	Morgan Excavating	Public Works - Paving
3	\$877,699	Mele & Mele & Sons	Public Works - Paving	3	\$658,729	MEIT	Hospitalization
4	\$742,732	UPMC	Hopitalization	4	\$640,000	Peters Township Library	Library - Contribution
5	\$578,808	Raffle Construction	Parks - Concession	5	\$570,739	Wells Fargo	Debt Service
6	\$558,576	Principal Financial	Pension	6	\$320,548	Bank of New York	Debt Service
7	\$514,926	Rosenbauer America	Fire - Aerial Apparatus	7	\$297,720	Principal Financial	Pension
8	\$499,226	Campbell Insurance	Insurance	8	\$224,584	DiMarco Construction	Library - Construction
9	\$332,718	Zions Bank	Debt Service	9	\$220,369	Jordan Tax	Tax Collection
10	\$310,152	Domenic Bioni Contracting	Public Works - Hidden Valley	10	\$213,312	Cargill, Inc.	Public Works - Salt
	<u>\$6,882,751</u>				<u>\$5,503,703</u>		

Table 20

**AGE DISTRIBUTION RELATED TO TOTAL POPULATION**

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

Source: United States Census

Table 21

**PETERS TOWNSHIP  
POPULATION GROWTH  
1920 -2010**

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

Source: United States Census

Table 22

**PETERS TOWNSHIP  
HOUSEHOLD INCOMES**

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

Source: United States Census

Table 23

**EDUCATIONAL CHARACTERISTICS**  
Education Attainment - Persons 25 Years and Older

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

Source: United States Census

Table 24

**OCCUPATION OF EMPLOYED PERSONS 16 AND OVER**

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

Source: United States Census

Table 25

**HOUSING UNITS BY OCCUPANCY**

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

Source: United States Census

Table 26

**VALUE OF SPECIFIED OWNER OCCUPIED HOUSING UNITS**

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

Source: United States Census

Table 27

**MEDIAN HOUSING VALUE COMPARISON**

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

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

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>GENERAL GOVERNMENT</b>					
Administration	5.50	6.50	6.50	6.50	6.50
Network Administration	0.50	0.50	0.00	0.00	0.00
Vehicle Maintenance	0.10	0.10	0.10	0.10	0.10
Professional Services	2.00	2.00	2.00	2.00	3.00
<b>TOTAL GENERAL GOVERNMENT</b>	<u>8.10</u>	<u>9.10</u>	<u>8.60</u>	<u>8.60</u>	<u>9.60</u>
<b>PROTECTION TO PERSONS/PROPERTY</b>					
Police Administration	4.00	4.00	4.00	4.50	4.50
Police Patrol	19.25	19.25	19.25	19.00	19.00
Police Investigations	2.00	2.00	2.00	2.00	2.00
Community Relations	1.75	1.75	1.75	1.75	1.75
Police Vehicle Maintenance	0.15	0.15	0.15	0.15	0.15
School Guards	0.50	0.50	0.50	0.50	0.50
Fire Administration	2.00	2.00	2.00	2.00	2.00
Fire Prevention/Enforcement	2.00	2.00	2.00	2.00	2.00
Fire Suppression	6.75	6.75	6.75	7.00	7.00
Fire Vehicle Maintenance	1.50	1.50	1.50	1.50	1.50
Fire Station	0.75	0.75	0.75	1.00	1.00
Planning and Zoning	3.70	3.70	3.70	3.70	3.70
Building Inspection	2.30	2.30	2.30	2.30	2.30
<b>TOTAL PROTECTION TO PERSONS/PROPERTY</b>	<u>46.65</u>	<u>46.65</u>	<u>46.65</u>	<u>47.40</u>	<u>47.40</u>
<b>PUBLIC WORKS</b>					
Administration	3.00	3.00	3.00	3.00	3.00
Highway Maintenance	10.00	10.00	11.00	11.00	11.00
Vehicle Maintenance	0.75	0.75	0.75	0.75	0.75
<b>TOTAL PUBLIC WORKS</b>	<u>13.75</u>	<u>13.75</u>	<u>14.75</u>	<u>14.75</u>	<u>14.75</u>
<b>CULTURE/RECREATION</b>					
Recreation Administration	2.00	2.00	2.00	2.00	2.00
Recreation Programming	0.75	0.75	1.00	1.00	1.00
Community Recreation Center	3.00	5.00	5.00	5.00	5.00
Park Maintenance	6.00	6.00	6.00	7.00	7.00
Tennis Center				8.00	8.00
Cable Television	1.75	1.75	1.75	1.75	1.75
Library	1.00	1.00	0.50	14.00	14.00
<b>TOTAL CULTURE/RECREATION</b>	<u>14.50</u>	<u>16.50</u>	<u>16.25</u>	<u>38.75</u>	<u>38.75</u>
<b>TOTAL ALL DEPARTMENTS</b>	<u><u>83.00</u></u>	<u><u>86.00</u></u>	<u><u>86.25</u></u>	<u><u>109.50</u></u>	<u><u>110.50</u></u>

Table 29

## PETERS TOWNSHIP INDICATORS

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Population</b>	20,800	20,950	21,213	21,363	21,513	21,663	21,813	22,098	22,143	22,021
<b>Permanent Employees - All Departments</b>	77	79	79	79	82.5	83.5	86	86.25	109.5	110.5
<b>Public Works Department</b>										
Number of Permanent Employees	13	13	13	13	13.25	13.75	13.75	14.75	14.75	14.75
<b>Miles of Streets</b>										
Municipal Owned	103	104.4	105	106.5	106.5	106.5	108.5	110.8	115.1	116.2
State Owned	29.1	29.1	29.1	29.1	29.1	29.1	29.1	29.1	29.1	29.1
Private	5	5	5	5	5	5	5	7.25	7.28	7.28
Total Miles of Streets	137.1	138.5	139.1	140.6	140.6	140.6	142.6	147.15	151.48	152.58
<b>Road Treatment</b>										
Resurfaced & Overlaid (Miles)	4.3	4.16	4.47	5.38	5.53	4.9	9.6	5.43	5.35	4.02
Rejuvenator Treatment (Miles)	7.65	8.02	6.35	9.79	9.16	5.5	8.4	9.7	11.1	11.2
Total Road Treatment (Miles)	11.95	12.18	10.82	15.17	14.69	10.4	18	15.13	16.45	15.22
Storm Sewer Installation/Replace (Feet)	1,215	2,581	135	2,991	2,392	374	260	3,770	2,165	1,506
<b>Public Safety</b>										
<b>Police</b>										
Number of Permanent Employees	26	27	27	27	27	27	27	27	27	27
Number of Stations	1	1	1	1	1	1	1	1	1	1
<b>Services Rendered</b>										
Traffic Tickets Issued	2,352	3,874	3,904	2,505	2,410	2,207	1,935	1,730	2,489	2,010
Parking Tickets Issued	317	550	417	411	492	257	292	357	223	313
Part I Offenses	192	128	114	183	145	126	133	145	166	143
Part II Offenses	439	252	253	511	403	289	262	281	457	377
Driving Under the Influence	75	80	95	95	63	66	55	52	71	44
% of Part 1 Offenses Cleared	22%	21%	16%	11%	14%	25%	34%	28%	25%	32%
% of Part 2 Offenses Cleared	46%	62%	69%	50%	50%	66%	61%	62%	44%	40%
<b>Fire Department</b>										
Number of Permanent Employees	12	12	12	12	13	13	13	13	13	13
Number of Volunteers	21	25	21	17	20	20	20	30	31	29
Volunteer on Duty Shifts			908	1,572	2,340	2,528	2,756	2,340	3,916	3,524
Number Stations	2	2	2	2	2	2	2	2	2	2
Number of Response Calls	1,030	1,022	1,194	942	995	1,157	1,215	1,247	1,239	1,338
<b>Average Response Time</b>										
7 AM to 11 PM	5	4.6	4.5	4.3	4.6	5.0	6.2	5.4	6.2	6.3
11 PM to 7 AM	12.7	11.5	10.9	10.5	7.7	5.3	7.3	7.3	7.1	7.3
<b>Average Manpower Responses</b>										
7 AM to 11 PM	4	4	4	4	5	7	7	7	6	7
11 PM to 7 AM	2	3	2	3	4	4	6	4	3	4

Table 29

## PETERS TOWNSHIP INDICATORS

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Planning Department</b>										
Number of Permanent Employees	5.5	6	6	6	6	6	6	6	6	6
Number of New Residential Lots Approved	31	59	29	101	125	67	101	36	28	245
<b>Zoning Hearing Board</b>										
Number of Appeals	22	13	19	23	9	21	32	15	21	12
Zoning Enforcement Notifications	117	151	123	160	123	127	105	136	115	132
<b>Building Permits</b>										
Building Permits Issued	340	286	331	347	358	356	293	334	248	274
Building Permits New Homes	80	62	76	86	110	106	61	76	60	47
<b>Parks and Recreation</b>										
School Age Population	4,460	4,442	4,448	4,456	4,350	4,228	4,220	4,211	4,109	4,070
Youth Sports Participation	5,056	5,019	5,032	5,179	5,081	4,911	4,818	6,718	5,980	4,607
Park Acreage	454	454	454	454	454	454	454	513	513	513
Township Owned Athletic Fields	14	14	14	14	18	18	18	18	18	18
Recreation Program Offerings	40	46	38	36	31	31	33	47	40	40
Program Registrants	4,161	3,812	3,686	3,002	2,967	3,275	2,843	2,633	6,580	3,459
Community Events Attendance	6,100	6,185	7,288	5,466	4,938	5,774	5,665	3,269	5,317	8,487
Tennis Center Participants	3,142	2,668	2,963	3,218	3,218	2,921	2,103	4,940	6,739	7,660
<b>Library</b>										
Number of Card Holders	32,927	34,772	36,562	38,209	35,711	22,842	23,960	24,468	17,173	18,142
Circulation	390,202	413,856	406,325	395,101	345,862	337,181	349,550	359,981	353,162	335,444
Library Volumes	130,172	138,886	145,287	149,891	150,989	132,706	126,138	126,049	127,506	122,243
Library Volumes per Resident	6	7	7	7	7	6	6	6	6	6
Children and Young Adults Programs	719	762	724	585	882	1,069	989	630	1,030	1,292
<b>Cable Television</b>										
Local Programs Hours Produced	2,174	2,832	2,373	4,220	3,700	3,593	4,584	4,245	3,588	3,673
On-line Views of Program					4,757	5,208	5,213	11,697	6,763	9,767
Community Events Hours Produced	1,854	1,813	2,361	2,413	2,857	2,903	2,705	2,506	2,810	3,465
Program Hours Aired	7,402	7,850	7,857	8,046	9,764	9,175	10,691	10,340	11,846	11,523
<b>Tax Collection</b>										
Assessed Value	306,615,839	312,816,022	317,192,571	323,590,796	329,928,927	336,832,664	341,457,423	343,951,034	349,162,152	3,122,120,918
Total Property Tax Collection	3,625,184	3,721,485	4,371,960	4,186,492	4,240,318	4,299,914	4,360,618	4,435,885	4,477,151	4,674,236
Property Tax Collected as a % of Levy	98.5%	99.1%	98.5%	99.5%	98.9%	98.9%	98.2%	99.2%	98.6%	98.4%
Earned Income Tax Collection	4,376,357	4,462,747	4,614,173	4,782,082	5,075,430	5,469,004	6,003,743	5,684,718	5,670,499	6,229,224